



Shiseido applies Treasure Data to make up beautiful marketing



CHALLENGE

To unite customer data from disparate silos to build segmented marketing loyalty programs.



GOAL

To send customers relevant, personalized offers for revenue growth.



RESULTS

- 20% in-store revenue increase per loyalty program member (11% overall)
- 38% growth in net income YOY

Shiseido, a global top 10 beauty brand, is preparing to celebrate its 150th anniversary. So how will they keep themselves fresh, young and relevant for the next 100 years? By creating a one-to-one marketing program fueled by customer data.

With brand values in the billions, and target customers of both genders and all ages, Shiseido sought to build a powerful, one-to-one customer loyalty program in a highly competitive market.

Loyalty app bridges the online and physical worlds

Launched in 1937, Shiseido's customer loyalty program has been at the center of their customer communication and branding strategy for 80 years. But it was only in 2012 that they added a digital component. By bringing their loyalty program online, they also brought along a wealth of data. Inside the app, consumers can browse catalogs, order products, search for store locations and receive expert advice and product recommendations.

Keeping up with the customers

Previously, customer communication via the app was based on best-guess assumptions about customer behavior. But customer preferences and behavior constantly change. To keep up with the dynamic nature of customers' needs, the company deployed a Treasure Data enterprise customer data platform (CDP) to analyze historical purchase data, demographic data and recent customer behavior together, all at once.

When the Shiseido team audited the brand's dozens of customer touchpoints, they discovered that Shiseido had inadvertently created many data silos: disparate sources of customer data disconnected from one another. Shiseido needed a way to bring all these data sources together and join them for a single customer ID. Their incumbent process of extraction, transformation and loading data into a data warehouse was not able to keep up with the dynamic nature of marketing data.

"Our new customer data platform built on Treasure Data is fundamentally changing how we communicate with our customers. Blasting emails to everyone who tried samples or bought a particular product won't lead to customer delight. Detecting a mood swing in each customer and changing the tone of push notifications does."



Kenji Yoshimoto

Chief Analyst for Direct Marketing
Shiseido

Centralizing their own, "first party" data was the first challenge. The second challenge was bringing in third party data from Data Management Platforms (DMPs). Only when these data sources were combined, would Shiseido be able to deliver truly personalized, one-to-one customer experiences. As the team began to deploy Treasure Data, they realized additional benefits of the Treasure Data CDP: a minimal need for engineering time and complete ownership of the entire data platform by the marketing team.

20% in-store revenue increase and 38% growth in net income YOY

The goal was to understand each customer's evolving preferences to make Shiseido's loyalty app experience highly personalized. By accurately assessing each customer's preference and correlating this analysis with customer behavior, they could design communications on their loyalty app that suited customers' current needs.

In addition, the Shiseido team was able to create models for customer segments based on four types of data:



Demographic: "Who is the customer?"



Brand Loyalty: "How much does the customer like our brand?"



Channel: "What paths does the customer take to buy products?"



Interests: "What is the customer interested in?"

Not only did Shiseido reach their goal of personalized customer experience, they also saw increased revenue and growth. Modeling customer preferences drove a 20% in-store revenue increase per loyalty program member over the course of a year and an 11% revenue increase and 38% growth in net income year-over-year.

About Treasure Data

Treasure Data Customer Data Platform (CDP) empowers enterprises by delivering rich insights that drive outstanding customer experiences. Built on a strong data management foundation, our CDP enables brands to securely unify customer data across silos at scale so they can better identify, engage and acquire customers. The highly configurable platform boasts a comprehensive connector network that evolves with your existing technology stack to future-proof all customer data initiatives. Treasure Data has more than 400 customers including Fortune 500 and Global 2000 enterprises, and is a wholly-owned subsidiary of Arm Ltd.

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