



Digital Loyalty

Guideline & Inspiration for Participants

April 2024





Health & Beauty Sector – key industry trends

Health & Beauty

Health and beauty customers spend more online overall. Offline share is being eroded

Online growth

The pandemic has fuelled online sales. 20% in 2019 to 28% by 2022.

Sector Value

Personal care sales reached \$120B in 2022 alone . Consumers spend up to 3×10^{-2} more on personal care than health or beauty care

Marketplaces

Omnichannel operations have seen brands develop marketplaces due to pricing and convenience demands. Marketplace spending drives \$200B in revenue with EU marketplaces accounting for 50%

Changing Consumers

Offerings are being adjusted to accommodate male customers, baby boomers and millennials. Gender based marketing is increasingly being ditched.

APAC

Asia Pacific dominates the global market accounting for over 33.57% of the global revenue.

Sustainability

64% of customers say sustainability is very important when considering a beauty product. This trend is increasingly notable in APAC markets.

Social Commerce

18-44 year olds increasingly leverage platforms such as TikTok and Instagram. Average annual social shopper spend will reach \$800 in 2024

Source: Marigold 2024

Loyalty programme preferences vary by generation



Boomers



- Clarity & accessibility
- Exclusive discounts
- In store benefits

1946 - 1964 (55-73)

Gen x



- Tangible rewards
- Recognition
- Privacy & security

1965-1980 (39-45)

Millennial



- Convenience is king
- Experiential
- Value & savings

1981 - 1996 (27 - 42)

Gen z



- Digital integration
- Instant gratification
- Gamification

1997 - 2012 (11 - 26)

Alpha



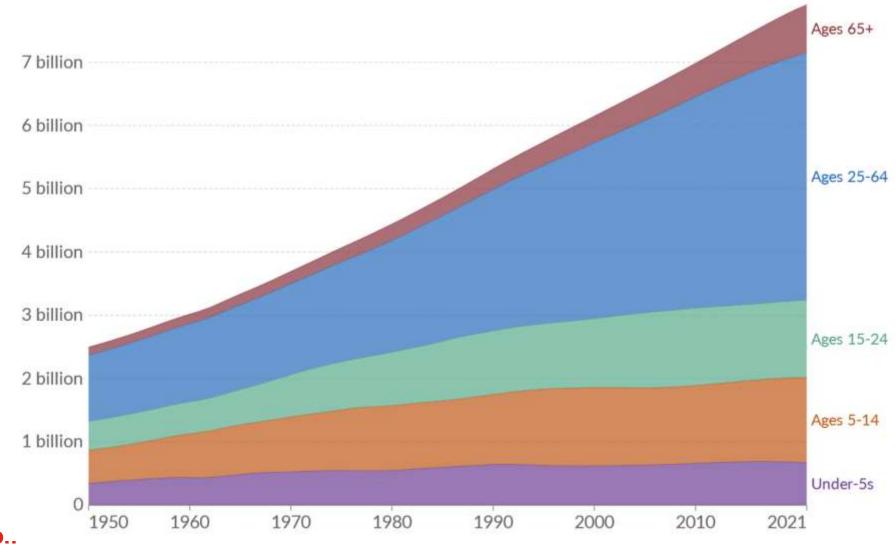
- Social responsibility
- Novelty
- Community

2013-2024 (11yrs and younger)



Global population by age group – aging population





Components of a loyalty programme





Simple



Valuable







Complementary



Differentiating



Cost-Effective



Evolving







Good Luck

To put a **Smile** on our customers' faces today and tomorrow

