



elf.

**e.l.f. Cosmetics
influences the
beauty regimen with
personalization**



Digitally-native cosmetics brand puts customers at the heart of its shopping experience and generates an 18% increase in engagement

Summary

Founded in 2004, e.l.f. Cosmetics launched with a simple mission to create high-quality products at an accessible price point. Not only one of the earliest digitally-native beauty brands, e.l.f. was also one of the first to adopt a direct-to-consumer model. In order to stay true to its business model, the cosmetics line places its customers at the core of all product and marketing decisions. So when e.l.f. sought to ensure every shopper was met with experiences tailored to their unique beauty regimen, the team partnered with Dynamic Yield to help them deliver. After utilizing the platform's first-party integration, recommendations, and personalization capabilities, e.l.f. witnessed a 4.2% increase in revenue per user and an 18% uplift in customer engagement.

Results

4.2%

increase in revenue per user
by optimizing product detail page (PDP)
recommendations using Dynamic Yield's
recommendation algorithms

17.6%

increase in mobile menu clicks
after personalizing the menu based on users'
past shopping behavior

"Dynamic Yield has been instrumental in helping us uncover the different types of audiences coming to and interacting with the e.l.f. site, enabling us to truly cater to each beauty lover's specific needs. The platform has allowed us to easily test new strategies and optimize on the fly for quick, meaningful results."

Shana Rungsarangnont, Digital Products Manager at e.l.f. Cosmetics

Challenge

e.l.f. products are sold at big-box retailers including Target, Walmart, and Ulta. Motivated to double down on e.l.f.'s digital presence, the eCommerce team set out to create a better shopping experience online and required a solution that could assist in:

- Ingesting first-party data
- Identifying high-value audience segments
- Surfacing the best product recommendations for each visitor
- Optimizing the mobile experience for product discovery

Execution

Onboarded and activated historical first-party customer data from day one

Before integrating with Dynamic Yield, e.l.f. used Custora, a cloud-based customer analytics software to help identify insightful audience segments. However, the team wanted to further leverage the Custora segments to take immediate action on the site and customize experiences. The ability to ingest Custora's first-party data with Dynamic Yield ensured the beauty retailer would be able to create highly-targeted campaigns while not losing the rich first-party historical data.

First-party audience examples:



Active:

Made at least one purchase



Active + VIP:

Made at least one purchase and a loyalty member

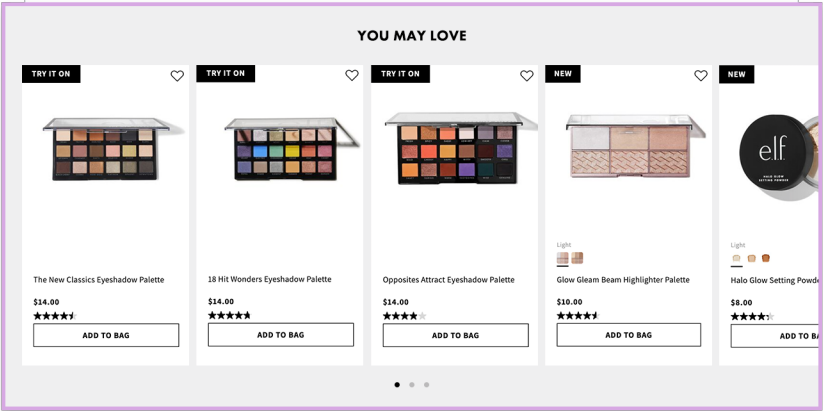
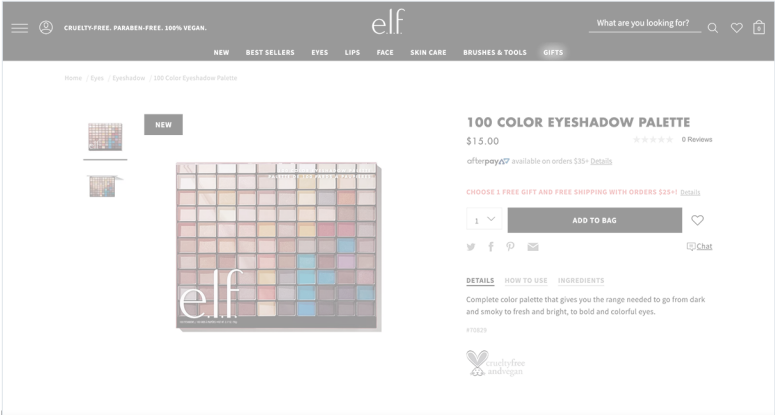


Inactive:

Highly at risk of churning

Optimized recommendations on PDPs after a bakeoff between DY and alternative recommendation vendor

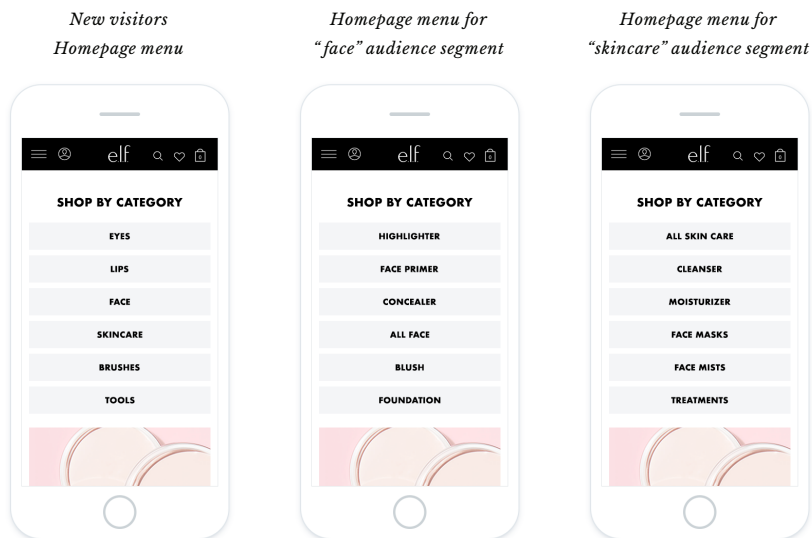
Knowing PDPs are a valuable piece of the product discovery phase, e.l.f. chose this space to optimize its recommendations. And to ensure the most relevant products were shown to each visitor, the team decided to run a bakeoff between its two recommendation engines. Each vendor served a “Viewed Together” strategy in e.l.f.’s “You May Love” section and after reaching statistical significance at 95% in two weeks, Dynamic Yield proved the strongest engine, generating a significant uplift in CTR (+ 23.2%) and revenue per user (+4.2%) compared to the other vendor.



Viewed Together Recommendation Strategy on PDPs

Customized mobile menu based on user affinity and browsing behavior

With limited real estate, e.l.f. wanted its mobile menu to resonate with each shopper. To effectively do this, the team decided to personalize the menu based on browsing history, allowing customers to quickly find products best suited to their needs. New visitors were shown high-level categories while returning visitors were exposed to subcategories of the main category they had previously shown interest in. For example, if a shopper had browsed the “skincare” category, the menu bar would include “cleanser,” “face masks,” and “treatments.” With these menu optimizations, e.l.f. saw a 17.6% increase in click-through rate, driving visitors deeper into its product catalog.



Key Takeaway

e.l.f.'s customers have always been influential to the beauty brand. Yet, there was still a large opportunity for the team to better reflect the needs and preferences of shoppers throughout the customer journey. After deploying Dynamic Yield's technology, e.l.f. was able to truly tap into the important audiences engaging with the brand to ensure each cosmetic lover received the most relevant experiences. And through strategically implementing several desktop and mobile web personalization campaigns, saw site engagement boost and revenue increase.



Dynamic Yield is an AI-powered Personalization Anywhere™ platform that delivers individualized experiences at every customer touchpoint: web, apps, email, kiosks, IoT, and call centers. The platform's data management capabilities provide for a unified view of the customer, allowing the rapid and scalable creation of highly targeted digital interactions. Marketers, product managers, and engineers use Dynamic Yield daily for launching new personalization campaigns, running server-side and client-side A/B tests, leveraging machine-learning for product and content recommendations, and employing algorithms for smartly triggered email and push notifications.

Request a Demo

dynamicyield.com | info@dynamicyield.com

The bottom right corner of the page features a large, abstract graphic composed of several overlapping circles and organic shapes in shades of blue, purple, and teal, creating a modern, fluid background element.