[00:00:00] Emmy Brown Berlind: Our general kind of stance is that we want to be where people are shopping for beauty generally. So we are showing up in these newer AI powered spaces. Like we have a Sephora app in ChatGPT and we recently launched a Google Agentic checkout partnership as well, which lets clients discover and check out without leaving those platforms.

[00:00:23] Matt Britton: To thrive in a rapidly evolving landscape, brands must move at an ever increasing pace. I'm Matt Britton, founder of Suzy. Join me and key industry leaders as dive deep into the shifting consumer trends within their industry, why it matters now, and how you can keep up. Welcome to the Speed of Culture. Up today at the Speed of Culture podcast. We're thrilled to welcome Emmy Brown Berlind, Senior Vice President and General Manager of Loyalty at Sephora. Emmy has spent more than a decade at Sephora working across innovation, content, commerce and loyalty. Today she leads Sephora's Beauty Insider loyalty program, helping shape how more than 46 million members experience the brand across stores, digital channels, rewards and increasingly AI powered experiences. Emmy, so great to see you. Thanks so much for joining.

[00:01:09] Emmy Brown Berlind: Thanks so much for having me.

[00:01:11] Matt Britton: Absolutely. So as I was prepping for today's podcast, which was really excited for, because I'm a huge fan of Sephora, I've noticed that you worked across sampling and content and commerce and now deep into loyalty. When you look back at your career journey, what's something that maybe you believed about consumers early in your career that maybe you've changed your mind about now based upon what you've learned about the consumer or just the changing overall landscape?

[00:01:36] Emmy Brown Berlind: Well, I mean, I'm definitely grateful that my Sephora career has exposed me to so many different parts of the business. These role has given me new perspectives and a deeper understanding of our clients and how to connect them in new and relevant ways to keep Sephora top of mind. I think when I first started Sephora, I was struck by everyone asking the question, is that decision client friendly? Because everything we do is always with the client at the center. And so starting with my first role with us on our subscription business, kind of understanding what was going to be exciting to people was really a key part of that role. And then today, understanding what benefits and rewards or want to offer our clients are going to be most motivating to them is always like an exciting challenge. So I think as my time here has evolved, I definitely am seeing, and this is kind of true for everywhere, that value is increasingly important to them. And so making sure that we're reinforcing how we're providing value to our clients is definitely key.

[00:02:31] Matt Britton: Yeah, and of course, like during COVID everyone said this is going to be the end of retail. Everyone's just going to buy online. And if you walk by any Sephora store on a Saturday afternoon, you see it's anything but the case. Talk to me about some of the

magic behind Sephora's success with its audience. Why is the store such an important part of the overall savor experience, especially for your loyal customers?

[00:02:56] Emmy Brown Berlind: Well, I mean, I think it comes down to our beauty advisors. They are so integral to that store experience because they're so well trained, they know all of the products and they can provide this service that other retailers just can't replicate. I also think that the way our stores are designed and laid out is it's kind of this like treasure trove of new things to discover. And so you see people just hanging out there and just looking at across all the different gondolas and trying to find their next new favorite product. So I think it's just the fun of the store experience and the fun of exploring new and exciting products is key to why our stores are so successful. And I think we try to incorporate loyalty into that experience by the sample rewards we offer in stores as well. So our clients can use their beauty insider points to redeem for a sample and that could be trying a new product that they've never tried before in a very easy way. And so I think that's how we make sure that loyalty is linked to the store experience.

[00:03:57] Matt Britton: And of course, the category has moved so quickly. So what do you do as a leader to keep your finger on the pulse of the consumer? And how do you gain conviction knowing, okay, this is a trend or a shift that we really need to think about structurally versus something that maybe is just a passing fad which you also see in the beauty category.

[00:04:15] Emmy Brown Berlind: Yeah, I mean, I think what I love about Sephora is its willingness to try new things. So I do think that Sephora is always up for kind of testing new trends, understanding where the consumer is going, where the category is going. And I think the baseline of that is really understanding your clients and what's important to them and then following their behaviors and following kind of what they're interested in doing. And then after you try something, making sure that you hindsight and said, like, does that work? So I think in today's environment, Sephora is really focused on shifting to meet with what the evolving consumer demand is. It's updating expectations that people have for us and then also making sure that we're celebrating our community and continuing to create really exciting moments of connection and engagement like our annual Sephora event each year. And that's I think, the key to what we try to make sure that we're delivering. You know, one thing we did this year is launching our first ever Beauty Insider Celebration Month for our more than 46 million members, which was an expansion of our what we've done for the last two years, our Rouge Celebration weekend. And so it enabled us to bring savings, limited time offers special rewards to all of our members to really thank them for their loyalty. And then while we also were able to give our Rouge members special experiences too. And we really saw great participation in that event with our Rouge is really loving the gift with purchase from Rare Beauty that we offered. And we're really nice and strong participation in our virtual masterclasses that we offered. So I think that's how we try to make sure that we're staying relevant and by always evolving and always thinking about what's going to be exciting to our clients.

[00:05:53] Matt Britton: And you mentioned 46 million loyalty members. That's a really big number, obviously. I mean, there have been great companies that have been built in the technology space that have garnered far less than 46 million members. And so how has this loyalty program been built over time? Why is it so important to Sephora and what does your go forward strategy look like?

[00:06:16] Emmy Brown Berlind: I think it's actually going to be turning 20 next year, which is really amazing. And I think that how we've built it is that we are kind of making sure that it continues to feel personal rather than transactional. I think one thing we've done is evolving the birthday gift program, for example, over time, as the number of our members has grown, we realize offering more varieties of gifts as part of our birthday gift program was an important part of choice. We know that our clients really love choosing for themselves. So I think that's an example of how we've tried to evolve.

[00:06:51] Matt Britton: So members on their birthday get a free gift.

[00:06:53] Emmy Brown Berlind: Yeah. During the month of their birthday, they choose amongst a variety of birthday gifts or they can choose to get 250 Beauty Insider points. And it's really the kind of most loved reward in the Beauty Insider program. And it takes a huge coordination effort between the brands that we that participate and the merchants and that we have a brand marketing team that helps. Helps kind of really think about what the best gifts are going to be in the coming year. So it's a huge effort, but we really feel like it's an important one to reward our clients and make them feel really special. We also have launched things like our Beauty Insider challenges that launched in 2023. And since then, more than 30% of our clients have participated in one of the challenges. And what we've done is we've been able to evolve that as well. And adding more personalized tasks to the challenges.

[00:07:43] Matt Britton: What does that mean, by the way, Emmy, what is a challenge?

[00:07:45] Emmy Brown Berlind: A challenge is, it's a kind of a limited time event and there are going to be four tasks that we're asking you to participate in. And when you complete each task, you get 100 Beauty Insider points. And then when you complete all four, you get an additional bonus 100 points, which then is equivalent to $10 off. 500 points for $10 off. So that's kind of the reward at the end of the challenge. And each challenge, the tasks we've started kind of personalizing them depending upon what we know about you and we're trying to use it to have people experience new things. If you haven't bought a hair product from us in the past, we offer you the opportunity to earn 100 points to buy your first hair product from us. So it's a really great way to reinforce all the great products that we sell and all the great experiences that we have. And then also people get extra points for as well.

[00:08:34] Matt Britton: Yeah, I mean, a lot of what you're talking about is about personalization being highly data driven. Obviously the ability for you to collect, harness, garner

that first party data and then unlock insights like this customer is born on this date or this customer hasn't purchased this type of product. So as a result, the content that they're going to see in their inbox is going to be different than the next customer. That is a relatively new concept overall. This notion of hyper personalization, I would imagine in the age of AI, your ability to mine this data and provide even deeper personalization is a huge part of how you think the overall be even more impactful to consumers moving forward.

[00:09:18] Emmy Brown Berlind: Yeah, I mean, you're so right that there's so much more ability for us to understand who our clients are. Now more than 90% of our sales come from our Beauty Insider members. So it gives us a really rich data set for us to use. But we really aim to be as thoughtful as possible in applying AI to our business where it makes practical sense for our clients. And so AI is actually like helping, not feeling creepy.

[00:09:43] Matt Britton: It's a fine line, isn't it? And it's going to be a fine line, really. All areas of applying AI to business.

[00:09:48] Emmy Brown Berlind: Completely. And so one of the things that we do is in our stores we have our beauty skin scan tool that takes the scans of your skin and then it allows you to be matched with the right shade of complexion or the right skincare products. And then we save that data on their beauty insider profile and that allows for more personalized recommendations for that person going forward. So, that's like an example of how we're trying to use kind of intelligence in the best way. And then we were able to then use data to help serve clients the best offer that they are excited to participate in. So whether it's a sample offer that if you spend a certain amount you get to redeem the sample, or we also have a model about next best content. What's the content that's going to be most interesting to you based upon what we know about you in the past. So I think that again, those are examples of using AI to make the experience more seamless and more exciting and interesting for the client as she's shopping or they're shopping.

[00:10:45] Matt Britton: Yeah. If your customer wants to have their skin analyzed, you can understand more about them or even if they choose to provide you with their birthday, like in some ways they're making the decision. And I'm of the mindset that with all technology there's a trade off. Like some people post on Facebook a family vacation and there is the risk that someone could rob their house. When people ask me about like, why do you upload data to AI? I always say, well, it's about a trade off. But to me, the benefit of uploading my blood test results, I'd rather not drop that of a heart attack than knowing, than having ChatGPT know my cholesterol score. It's a trade off. And I think for your customers, I would imagine that there is some level of choice in terms of how much they want to interact with these personalization tools and from that they're going to get more. But if they choose not to, I would assume that maybe they don't get as much of a personalized experience.

[00:11:39] Emmy Brown Berlind: Yeah. And a great example of that is we've also used AI to support discovery through our AI Beauty Chat, which is on our website in our app. And again, like, if the client wants to ask that AI Beauty Chat questions, they can, but they don't have to. Right. So it's the same thing. But if they decide to interact with it, it has like amazing, accurate, helpful recommendations for them. And this year we're going to be integrating loyalty program information into it as well. So it can offer them up. Hey, you have 500 points that you could use for $10 off for this recommendation I just gave you. So things like that to allow for a more personalized experience. But it's really up to the client whether they want to interact with it or not. So to your point.

[00:12:18] Matt Britton:, We'll be right back with the Speed of Culture after a few words from our sponsors. Obviously, in the beauty space, the notion of creators and influencers has such a huge role and just curious if that's an area within your remit that you've kind of touched upon to take advantage of. The fact that this year. I mentioned this in a couple podcasts recently, that for the first time ever in the US the average age of a first time mother in the US is Gen Z, which means she grew up with the iPhone in the household. So a lot of people think Gen Z are kids. They're not kids anymore. And a lot of them are the CFO of the household. And because of that, the core of your buyer is increasingly becoming those who are mobile first. And when consumers are mobile first, they're looking at their phone and often they're looking at content from other people. So as a result, I would imagine that creators. I know, first of all Sephora, it's a big overall topic, but how does that relate to loyalty?

[00:13:11] Emmy Brown Berlind: Yeah, I mean, I think back in my earlier part of my journey at Sephora, I actually oversaw our influencer marketing team and launched our Sephora Squad program of influencers. And that was obviously hugely informative. And the current team has just evolved and improved and expanded the use of creators in our social content. And we definitely see overall that that content resonates really strongly with our clients, which makes sense. I mean, it's so important in beauty in terms of how it kind of incorporates into loyalty. I think we definitely have campaigns where we ask creators to talk about what the birthday gifts that they are excited to redeem or kind of elements of the program that they're excited to participate in to help educate people on what's available to them as part of the Beauty Insider program. So that's definitely a key part of our strategy.

[00:14:01] Matt Britton: So looking forward. And I think the AI beauty chat that you have is so cool. I was actually checking it out. I was prepping for today's interview. Not only are consumers using chatbots in the form factor of on sephora.com where they're getting information, but increasingly they're going to chatgpt, they're going to claude to do their research. And we're not far I believe from an era of agentic shopping where people are going to be using these agents to make purchases. And just curious, where do you see all that going just given your position? And I'm sure you're thinking a lot about the future of shopping and obviously how it relates to loyalty. Where's it all headed and what are some of the things that you're working on to push in that direction?

[00:14:40] Emmy Brown Berlind: Well, I mean it's kind of like a company wide initiative, you know, thinking about how we interact with these new opportunities in the market. I think overall our general kind of stance is that we want to be where people are shopping for beauty generally. So we are showing up in these newer AI powered spaces. Like we have a Sephora app in ChatGPT and we recently launched a Google Agentic checkout partnership as well, which lets clients discover and check out without leaving those platforms. I think we want Sephora to be seen as the place to get beauty advice. So within ChatGPT the Sephora app will appear and kind of make recommendations when as people are within the ChatGPT experience. So I think that we want to be where people are shopping. And so I think as people's use of agentic shopping increases and evolves, I think that's where we're trying to make sure that we're on the forefront and making our expertise and recommendations for beauty as easily accessible as possible.

[00:15:41] Matt Britton: Yeah, and I guess one of the risks for some businesses is that this intermediation where it's like, why can't the consumer just go to a chatbot and purchase? But in the case of what you're building, your ability to provide personalization and obviously the loyalty program really makes your business and your data just sort of like a part of the overall experience that I don't think could ever be ripped out. So you really are able to future proof yourself based upon the loyalty program. Where in some consumer packaged goods companies it's like, well, they may not be able to control their channel over time because the consumer doesn't necessarily get more benefit buying it from channel A or B, where that's certainly not the case when you look at everything that you've been building.

[00:16:22] Emmy Brown Berlind: Yeah, I think that's right. And I think also the role that our beauty advisors and the stores play in that in like the creating that rich kind of ecosystem of data is also a part of that as well. I think because there's gonna be these in person experiences that then we can make sure that we incorporate into what we have recommendations for you as a Result of what you bought in our stores and like the conversations you had with our beauty advisors and there was the skin scan result as we talked before, I think is how we're making sure that we have a role to play as all shopping evolves.

[00:16:54] Matt Britton: And just curiously, when you look at the data, do you see differences in consumer habits just in certain parts of the country or certain, like, you must uncover like really interesting nuances just based upon the business and how trends evolve. People think trends are monolithic, but they're not. Right. They can evolve in certain local pockets.

[00:17:13] Emmy Brown Berlind: Yeah, I mean, I think, you know, we definitely see differences that are kind of obvious. More SPF usage in like the southern part of the country, things like that, and weather based differences. I think because social media is so democratizing in terms of new product launches and trends, we definitely see that if something's popular in one part of the country because it's a new product, it tends to be that same way in a lot of places too.

So I think we're trying to just make sure that we're making all of the products available as much as we can in the right stores. I think we definitely sometimes will see differences if it's a store that's in like a high tourist area, like an example, like that. But generally because everyone has access to the same social media feeds, generally a popular product is a popular product.

[00:18:00] Matt Britton: Absolutely. So shifting gears a little bit and just to shift discussion to you and your career journey, for somebody who wants to lead a business like yours one day, maybe for some of our younger listeners here in the podcast, what are some experiences they should seek out now, even maybe it doesn't even seem like the obvious step to prepare themselves for a position like yours.

[00:18:21] Emmy Brown Berlind: Yeah, I mean, I think the advice that I like to give is to try to eventually, you know, find a career that combines things you like to do best. Whether it was your favorite type of classes in school or aspects of jobs that you kind of learned over time that you like those parts of those jobs and then try to find a job that has as much of that in combination as possible. So over time I've really learned that I really enjoy figuring out what makes people tick and then working on things that then motivate people to take action and figuring out how to kind of chart a course to get to a future that allows that to be alive and in place. So I think that's key is just trying to find a job that interests you and has a lots of elements that you really enjoy. And I think I think also what I've learned too is it's really important to be an advocate for the client, even when it's not the easiest internal answer. It goes back to that question that I mentioned earlier, like, is this client friendly? And I think the best loyalty decisions aren't always the simplest to execute. A lot of times they take coordination across many, many departments within Sephora. But when you're pushing for what clients really want, even if it is more complex, is part of the job. And I think think being that client advocate is key to being a successful loyalty program.

[00:19:42] Matt Britton: Yeah. And when you look back at your journey and obviously you've been at Sephora now for over 10 years and you've had CPG experience prior to that working in places like Clorox, what are some of the decisions that you think you've made right along the way to grow your skill set and put yourself in the position to be in such an exciting role right now?

[00:20:02] Emmy Brown Berlind: I think I've always tried to be a lifelong learner and continue to kind of challenge myself and try for new experiences. And you know, at Clorox it was great because you were able to rotate amongst different brands and learn about how to run different brands at different stages of their life cycle. And then when I moved to a smaller company that was called Yes 2, learning about how to work and be successful in a much smaller company with fewer resources was again a new challenge that I learned a lot from. And then at Sephora, I've been really fortunate to had leaders that have allowed me to work in these different parts of the marketing department. And in that again, it's like I've learned in each new role and each new role has been its own kind of new challenge. And so that's what I think has kept me excited

to be at Sephora and excited to kind of continue my learning journey. And I think like having that open kind of mindset is key to kind of continuing to be successful and grow your career.

[00:20:59] Matt Britton: And it also strikes me that your role is really very much a mixture of art and science. Right. Because there's so much creativity, high level strategy that goes into what you're doing. But ultimately you have to really lean into the data, and especially if you're doing things like personalizing at scale. So I'd imagine it's a balancing act and an important mixture of skill sets that you need to nurture over time.

[00:21:20] Emmy Brown Berlind: Yeah, I think I enjoy both the numbers and the kind of creative strategy of what I do. And kind of each day I lean into one side or the other in different amounts. But yeah, I think also using data then to create the strategy is also so important because making sure that there's data that supports the kind of ideas that you have and where you want to go is key to making sure that you can prove your points to the broader organization and the investments that you want to make will be worthwhile. I think is really important.

[00:21:51] Matt Britton: Absolutely. So to wrap up here, I mean, we always ask our guests if there's a saying or quote or mantra that's helped sort of encapsulate their career journey to date. So curious what comes to mind for you?

[00:22:03] Emmy Brown Berlind: Yeah, this was an interesting question. I think one that came to mind for me is this quote from Satchel Paige, which is, how old would you be if you didn't know how old you are?

[00:22:12] Matt Britton: Oh, wow, that's cool. I've never heard that before.

[00:22:14] Emmy Brown Berlind: Yeah, I got it on like a postcard and it's a picture of a nun playing with like a doll as a kind of a bringing the quote to life in a way. Or not. Doll, doll, just like a toy. But to me, it's about, like having the mindset of the continual learner, like I was just mentioning. And also just kind of never taking yourself too seriously because I think you need fun in what you're doing too. And as you try to challenge yourself and continue to grow.

[00:22:39] Matt Britton: Absolutely. Well, today's been a lot of fun for sure. So I really appreciate you taking the time to walk through the incredible Sephora loyalty program and really the strategy for you to push the business forward. So thanks so much. I know our listeners get a ton of value out of this.

[00:22:52] Emmy Brown Berlind: Thank you so much for having me. It's been really great to talk to you.

[00:22:55] Matt Britton: Absolutely. On behalf of Suzy and Adweek team, thanks again to Emmy Brown Berlind, the senior Vice President and General Manager of Loyalty at Sephora, for joining us today. Be sure to subscribe, rate and view the Speed of Culture podcast on your favorite podcast platform. Until next time. See you soon, everyone. Bye bye.

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