



The Beauty of a Thriving Retailer

Ulta Beauty's focus on elevating the customer experience gives them an edge in a competitive retail landscape.

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WHILE MANY RETAILERS STRUGGLE to survive in today's constantly evolving market, Ulta Beauty has more than doubled its sales in the past five years.

Since its first store opened 28 years ago, the beauty retailer has built a loyal consumer base by delivering a unique experience. Unlike other beauty retailers, Ulta Beauty's assortment truly reflects all things beauty, including mass market and high-end prestige cosmetic, fragrance, skincare, and haircare products. Customers can also indulge in a variety of beauty services in-store. This differentiation has helped the company grow into the largest beauty retailer in the United States.

The suburban Chicago-based company offers an approachable and customizable shopping experience. Consumers can consult directly with associates for personalized recommendations and test and try before they buy. Technological innovation further

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CEO, Ulta Beauty

enhances the experience and brings accessibility anywhere. Mobile users, for example, can use the GLAMlab feature on the Ulta Beauty app to experiment with more than 1,000 products and shades.

"We continue to drive growth by being guest-centric, learning from our associates and always improving," says Mary Dillon, CEO, Ulta Beauty.

The guest experience is further emphasized among the nearly 28 million Ultimate Rewards loyalty-program members. They account for more than 90% of total sales and, in turn, receive access to exclusive promotions, samples, premium gifts, and beauty tips and tricks.

Focusing on a seamless omnichannel experience has also played a crucial role in Ulta Beauty's success, since omnichannel shoppers spend nearly three times as much as those who shop in-store only. In fact, in 2017 alone, the company's e-commerce sales grew more than 60% and represented nearly 10% of total company sales.

E-commerce growth hasn't slowed its brick-and-mortar store expansion, though. Ulta Beauty opened about 100 new stores last year. It's also expanded its product offerings, adding more than 90 new beauty brands in the past year, including coveted favorites such as Morphe, ColourPop, and Bumble and bumble, as well as expanding the offerings of brands such as M-A-C, Estée Lauder, and NARS.

As the retailer grows, Dillon says it will evolve to meet the changing needs of customers. "Beauty is experiential, emotional, and ultimately about human connection. We will continue to innovate to offer differentiated experiences supported by technology investments to allow our guest to engage anytime, anywhere she wants on her beauty journey." ●

