

# Dior omni channel

[Business](#), [Company](#)



Luxury Retail Management Individual Assignment Luxury Brands Digital & OMNI Retail Strategies Decoding DIOR DNA • • • Feminine Princess Sexy CODES • • • Cannage Knot & Oval Rose • • Flirtatious Francaise • • Avenue Montaigne New Look Distribution Strategy • Dior Beauty is following a multi-channel distribution strategy worldwide. • Mainly sell products at wholesale to dealers and retailers including department stores. • Also sell beauty products in brand retail store together with ready-to-wear section. Retail Presence • With growth much higher than the average in its competitive market, Dior Beauty continued to gain market share globally. Dior beauty achieved clear successes in all product categories: start from perfumes for both men and women, then makeup, and finally the skincare segment. On-line and Digital Strategy • Using the web and social media is a new trend for luxury brands. But being innovative and ambitious while being loyal to the luxury image is not an easy game to play. Dior Beauty is overall growing in an impressive way. • With a strong support from LVMH Group, Dior Beauty is positively developing in diverse digital channels in mature and emerging markets, through both mainstream media and some chic platforms. Although Dior Beauty sets a good example for luxury brands in on-line and digital strategy, it still failed to make the top 10 list of the digital competence of 56 beauty brands according to L2's annual Digital IQ Index benchmark. Can we equally feel the same Dior? How can Dior Beauty convey its brand DNA and codes, culture, values, quality, craftsmanship and exclusivity on? line? • Dior Beauty doesn't create a totally new website which is independent from Dior. In this way people can potentially get the whole idea about the brand DNA. Dior Beauty segment is divided into three particular parts: Perfume, Makeup

and Skincare. The welcome pages of these three parts are all filled with the new campaign. • Each division is well-organized and user friendly. People can immerse in the Dior world with products introduction, collection images, and abundant knowhow videos. • While browsing, people can also get advise by a simple click. New Campaign Brand History Products information & clear collection name Easy to choose Direct connection with social media Code: Cannage Personalized advice Code: Oval Craftsmanship [http://www.ior.com/beauty/fra/fr/the\\_house\\_of\\_dior/index/th/mur\\_de\\_notes/index.html](http://www.ior.com/beauty/fra/fr/the_house_of_dior/index/th/mur_de_notes/index.html) • Various videos can show people the brand history, culture and value proposition. • They also create an atmosphere of exclusivity and provide a guarantee of high quality. • After selection, clients can easily open their own account and take the order on-line. Easy to order Clients' recommendations The challenges • It is reasonable that the Dior official site can successfully convey its brand DNA and exclusivity on-line. • However, not all the customers visit the official site to order beauty products.

Most of on-line consumers still prefer shopping at mass beauty website such as Sephora, Harrods, Taobao, etc. • These websites differ from each other, then how to keep the coherence of the brand DNA with the necessity of adapting to distributors' style and local culture background is a huge challenge. • Besides, creating a luxury customer experience and also educating its customers on-line is definitely not easy to achieve. Example: Harrods • Even though people browse the website of Harrods, they can also feel the brand DNA and culture of Dior Beauty. • The products are segmented in the same way as Dior official site. All the campaigns and videos are consistent with Dior's new promotion. Example: Taobao • Taobao

is the most popular on-line shopping website in China which achieved 1000 billion RMB in 2012. And Dior Beauty made the Top1 in makeup sector. • However, apart from few words about Dior's history, seldom can people find any brand DNA or consistency. • Products are presented randomly with no background information or sense of luxury. • The situation in Taobao is not the only case for Dior Beauty, almost all the luxury brands are facing with the same problem: people are buying a lot, ut they have no idea about brand story or collection concept, what they want is only the hot item, especially when the on-line shopping service is still unavailable at Dior's official site in China and many other countries. • Therefore, it is crucial for the brand to avoid letting it be. They should try their best to educate the potential customers. It is hard, but indispensable. If Dior Beauty can start earlier, it is more possible to hold its leading position in the future. Example: Sephora • English version of welcome page. • French version is much more simple. Explore the brand Hot items

Products catalogue New campaign • Chinese version How to educate the customers? • From the Sephora example we can easily find the difference. Even though they sell almost the same products, the promotion strategies are quiet different. • As a well-known French brand, Dior obviously doesn't need to make too many efforts to educate their mature customers. The only thing is to keep the coherence with the Brand DNA. • When dealing with international version, they pay more attentions to the details. We can see that there are more cultural parts to introduce the brand history and collection background information.

How to educate the customers? • For the emerging market such as China, the website is much more well-organized. It is almost as complete as Dior's official site. • Besides, if we take a further look, it is also interesting to see that there are more products introduction and hot items promotion in Chinese version. That is probably because the customers from emerging markets focus more on popular products right now rather than brand DNA. • For example, the major ads in English and French welcome pages are showing Dior Beauty's feminine feature. However, all the pictures in front page of Chinese version are products. Overall, it takes time to educate potential consumers, to help them turn from product consumer to brand consumer. Especially in beauty sector, each new product from other brand in the market may attract the clients who are not loyal customers yet. • With the fast development of digital system, it is hard to maintain interests of clients through only one way. That is why nowadays brands are caring more about the influence of social media. Brand Websites & Content Digital Strategy Social Media & Bloggers E-commerce How can Dior Beauty leverage on digital strategy to complement its physical stores presence?

Brand Websites & Content • As we analyzed before, the official site of Dior Beauty is quite impressive. The whole design is coherent with the brand DNA and culture, and tries to educate the viewers by all means. • However, there are still a few things need to be improved. • The cooperation between e-commerce and official website is missing in some countries. People from emerging market such as China, Brazil can not buy online yet. • The CRM system isn't completed. For example, in China, customer need to change

their shopping credits into gift by phone, and get their on-line account number by message.

It is really inconvenient. E-commerce • With the strong promotion from LVMH Group, Christian Dior is now becoming more and more popular in its beauty division. • Dior Beauty is also following the similar e-commerce strategy as that of LVMH. Not only is it important to control the supply of products and distribution, but furthermore it is important to control the message. • As many brands move into conversational online media, such as Facebook and Twitter, they enter into a medium of a dialogue where third parties can completely alter or dilute the power of a message.

Therefore, to control the message, you need to control the media. • Dior MAG launched in March 2012. E-commerce • While dealing with emerging markets, Dior Beauty hasn't come up with efficient strategy yet due to the immature consumers and unpredictable market. • In reverse, the brand doesn't want to provide recent products or executive collections to sell on-line in these markets, clients are more possible to acquire faked products and terrible experience. • Here one Miss Dior 50ml plus one Dior Addict 50ml cost no more than 40€, and tens of thousands of Chinese customers were set up.

Example Dior Mag • The online magazine will take fans of the brand inside the company from the past to the present. • It will feature articles that entertain as well as inform die-hard Dior fans. • The new magazine will feature higher resolution • The brand isn't stopping images as well as there as they plan to roll out lengthier videos for iPad and iPhone versions of people to share. the magazine, for the fashionista on the go. Social Media &

<https://assignbuster.com/dior-omni-channel/>

Bloggers • Dior has an active strategy on social media, and it dominates especially in Facebook and Twitter. Dior Beauty doesn't have an independent account in social media. All the activities and promotions are posted together with Dior Couture. Coherent with new campaign Social Media & Bloggers • YouTube is becoming more noticeable in the beauty industry's online ecosystem. More beauty brands are receiving upstream traffic from YouTube to their sites than in 2011. Dior is in the top 10 YouTube channels for beauty brands ranked by video views, per the study. • While watching the videos of new campaign, people can directly click the link to official site.

Social Media & Bloggers • They have an independent channel at YouTube to introduce products and to enhance the brand recognition. • Videos are divided into different divisions, in this way customers can also be educated.

Social Media & Bloggers • As a micro-blogging platform and social networking website, Tumblr allows users to post multimedia and other contents to a short-form blog. Users can follow other users' blogs, as well as make their blogs private. • An analysis by AddThis of shares through their service in 2011 noted that Tumblr sharing had increased by 1299. %.

Social Media & Bloggers • The service is most popular with the teen and college-aged user segments with half of Tumblr's visitor base being under the age of 25. As of 2009, Tumblr had an 85% user retention rate, compared with 40%

for Twitter. • Therefore, Dior launched its page at Feb. 2013 to attract young generation, as well as to educate potential consumers.

Social Media & Bloggers • As a global brand, it is not enough to only focus on international social media. Some countries have their special limit on Internet and their own social media. Dior Beauty makes a lot of efforts on promoting at local

social media. • For example, in China, Dior official page at Weibo has 568, 535 fans, which is more than Louis Vuitton, Chanel, and Gucci. • At the most important video site Youku, Dior has more than 12 million followers. It is also one of the earliest brands that created its own video channel. Social Media & Bloggers • The pages are coherent with each other, showing the consistency of the brand DNA. Social Media & Bloggers • WeChat is growing extremely fast from young generation to all, so Dior launched its public page at the beginning of 2013. However, it is not mature enough. For example, it lacks of the connection between WeChat and other social media, as well as purchasing possibility. Social Media & Bloggers • The fast development of social media and blog totally changed the concept of luxury traditional distribution strategy: from receiving information passively to create and spread contents actively. • Therefore it is crucial to not only provide abundant contents, but also build efficient channel to communicate with numerous potential customers in a luxury way. As we know, the biggest challenge for luxury brands is how to balance the image and business. Regard to digital strategy, that is how to lever on combined real stores as well as E, M and S commerce and technology to give empowered consumers more flexibility and convenience while preserving exclusivity. Example: Kaixin. com • Dior is one of the earliest luxury brands that created a public page at Kaixin. com, a website whose users are mostly white collars. • When Dior Beauty launched J'adore in 2011, the public page delivered invitations to all the fans at Kaixin.

Only one week, there were over 170 thousand people joined the launch event of this new fragrance. • Apart from watching and sharing with friends



at Kaixin, fans can also share with people at Weibo. • Finally, over 840 thousand people interacted with Dior Beauty, 79% of fans opened their invitations and watched the advertisement. 37% of them shared with their friends. Example: Kaixin. com • Dior Beauty continues to interact with fans at Kaixin, who are mostly their targeted customers. • After watching the new campaign, people can fill in their personal information to Watch video earn samples. Cooperation with Kaixin is a great success to Dior Beauty, it encourages Dior's digital Personal information strategy and satisfies the demand of high-end users at Invite friends and share Kaixin. OMNI Retail Strategy • Overall Dior Beauty has built an efficient and wellperformed OMNI retail strategy. • It remains true to its DNA & codes while maintaining exclusivity on-line as they do off-line. That is why Dior nowadays is getting a stronger image as well as becoming more popular. • It keeps on emphasizing the brand history and culture in different ways, so that potential customers can be educated and become more mature in the future. The initiative inside the brand and the strong support behind it give Dior Beauty so many opportunities to enter various social media, blogs, and e-commerce world as a pioneer. OMNI Retail Strategy • Two smartphone apps, Dior MAG and Dior Addict, truly and strongly invite consumers to engage in a two-way dialogue with Dior Beauty on various topics. • The combination of all channels will give empowered consumers more flexibility and convenience to purchase. • However, the leverage on brick and click still needs to be improved with more innovative strategies. Conclusion The digital revolution for luxury brands is on the way. Every brand that wants to stay in the leading place needs to create an entire shopping ecosystem and memorable experience

for customers. • Dior Beauty is definitely a leader in building OMNI retail channel, especially in new social media and in emerging markets. • Although so far Dior Beauty has performed well, regarding to the uncertainty and various possibilities of digital marketing in the future, it still has a lot to explore and to attempt. “ I create so that each and every woman is the most beautiful” — Christian Dior