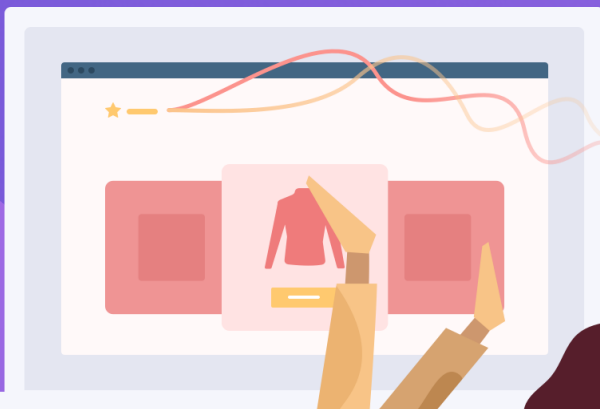


Loyalty never goes out of style:

How Closet London increased its repeat
purchase rate by 40%



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About Closet London

Established in 1996, Closet London is a contemporary womenswear brand inspired by confident and feminine women.

Challenge

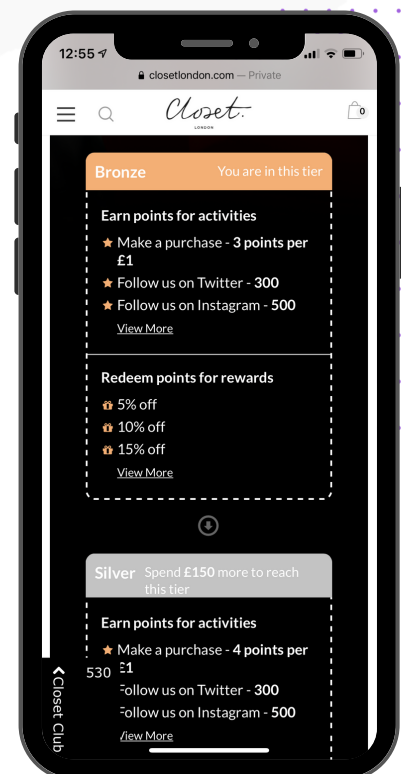
With a market penetration of 46.6%, the fashion industry is the biggest ecommerce sector in the world and it's projected to increase to 60.32% by 2024. Barriers to entry are getting lower, and as customers have more choice, their brand loyalty decreases - 75% of shoppers say they have changed brands in 2021.

To build longer-lasting relationships that would keep their existing customers from straying to the competition, Closet London needed to give them more reasons to stay loyal.

Getting dressed up: aspirational loyalty tiers

Recent research showed that 74% of customers are motivated to become loyal if they are working towards a goal or reward. With this in mind, Closet London's team decided to build a tiered loyalty program structure where customers can accumulate points to access more rewards.

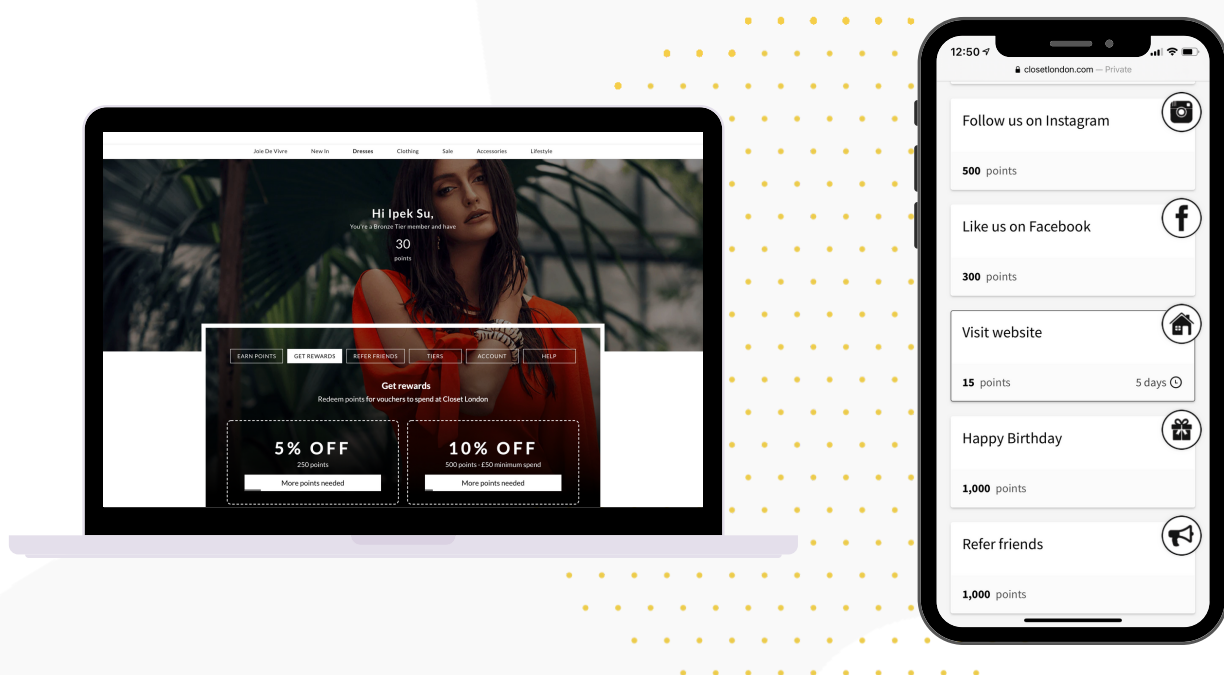
Customers who become a member of their Closet Club can progress across four levels; "Bronze", "Silver", "Gold", and "Platinum". Each tier allows customers to earn more points and unlock discounts so they're encouraged to spend more. For instance, a Bronze member can earn three points per pound spent whilst a Platinum member can earn seven points per pound spent.



Customers who have collected at least 250 points can then redeem percentage discount rewards. As members in the top tier can collect more points per purchase, they're also able to obtain percentage discount rewards more often.

The result?

Closet London's team has increased the repeat purchase rates of their redeeming loyalty program members by 40%. Their redeeming members now spend 53% more than non-redeeming members.



Getting tailored: different styles for different customer segments

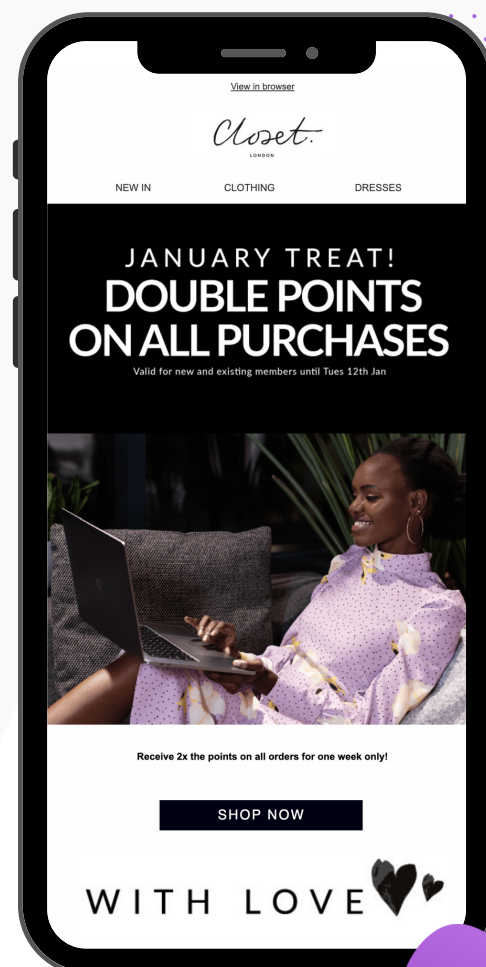
As 75% of fashion shoppers are willing to shift brands, Closet London needed to maintain relationships with customers, ensuring they stay top of mind even when they're not spending.

How did they do it? The team saw that more than 50% of shoppers check their personal email account more than ten times a day, and it is by far their preferred way to receive updates from brands. So they aimed to deliver personalized emails.

They used [LoyaltyLion's Insights feature](#) to identify their loyal, at-risk, and churned customers. Then, using [LoyaltyLion's integration with Ometria](#), they personalized their loyalty email campaigns based on customer segments, delivering targeted communications.

For their at-risk customers, reward available reminder emails are used to remind them that there is a good reason to return to the store instead of shopping with another brand. And for their returning customers, double points campaigns are sent to them to make them feel valued, reward them for their loyalty and encourage them to make their next purchase sooner.

Today, more than 45% of Closet London's loyalty program members return to the site to repeat purchase. All in all, these members contribute to 33% of their total revenue.





LoyaltyLion

LoyaltyLion is a data-driven loyalty and engagement platform that powers ecommerce growth.

Unlock real insights to build a better understanding of what drives longer-lasting customer relationships, and use those insights to connect and accelerate your existing marketing efforts.

Proven to increase retention and spend, LoyaltyLion is trusted by thousands of fast-growth ecommerce merchants worldwide.

 loyaltylion.com

Closet London

To find out more about Closet London's loyalty program:

 closetlondon.com

