

How Kendra Scott Leverages Data to Bolster Personalization Efforts

ARTICLE |

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After seeing a lot of jewelry options in-store, particularly those that tarnished quickly, fashion and accessories brand Kendra Scott launched 18 years ago to fill a gap in the market.

"We wanted an option where women could get jewelry that was made of high-quality materials and had real gemstones in it," said Megan Kohout, vice president of ecommerce and customer analytics for the company. "So using that idea, Kendra Scott started designing and selling the product across Austin, Texas, and eventually worldwide."

Today, the brand is continuing to grow and pivot during these uncertain times. We recently spoke with Kohout about how Kendra Scott vets the vast amount of data it collects to build more personal communications with customers.

How is Kendra Scott leveraging data to inform its marketing decisions?

There is a lot of data, and it can be really tough, but we try to focus on the metrics that matter. We look at how often customers shop and what they buy. We use that information to help influence how we market to customers; we're showing the products that would help them complete their look.

We also look at what people buy together or over time. We've been able to execute campaigns that allow us to tell customers about that next item that is most likely to appeal to them based on what we've seen people do in the past.

It's a bit more difficult to attach in metrics from a wholesale business, from our boutiques and from our department store partners. However, we can ask our customers how they're shopping across different areas. We use qualitative or quantitative surveys to help us understand how those play into the overall customer relationship.

Many companies are usually overwhelmed with the data they've collected and don't know where to begin. What are some best practices?

When you're doing customer analytics, it's really important to put on your customer hat. Talk to them and learn how they're shopping [with your brand]. Once you have that understanding, it can help guide you, especially when you dive in deeper with the data. It varies by different industries and the products that people purchase—how they buy a necklace isn't necessarily the same as how they buy a car.

Companies should look at things that can be especially helpful, like customer growth rate and lapsed customer rates—essentially thinking about how you get those customers back. Understanding how new and lapsed business works in your industry is really important.

Which channels are most effective for Kendra Scott?

It's never just a one-channel view. What's so important is how different channels work together during different parts of the customer journey. For example, we know that a lot of customers now shop on mobile. Sometimes, they shop on mobile but don't buy, so we want to make sure that we're communicating ... to get them to come back and make that purchase either online or in-store.

We want to think about how each channel plays a role in the customer's life and that we're speaking to the customers properly across each channel.

What are your thoughts on personalization and leveraging analytics and data to create this one-to-one experience many customers hope for?

We're always trying to figure out how we build the tech stack to allow us to do personalization at different levels. In fashion, we have to allow the trend to drive the messaging to customers. In some cases, talking to customers about a trend might override personalization, but we're always looking to balance it.

Is personalization something that's achievable?

Absolutely. A lot of it is setting a road map and not getting overwhelmed with the possibilities, but instead, doing a little bit more each day.

Have your plans for 2020 changed given the pandemic?

One of the biggest things on our road map is how we continue to personalize the customer experience, make it more specific and that it's happening across more channels. Accomplishing that via email has been easy, but we're thinking about how we can do more across our site, text and other channels.

Kendra built the brand on the pillars of fashion, family and philanthropy. Every day, we're working on how we can tell more customers about that message. That adds an interesting element to this personalization because we're always trying to figure it out. What's the right point to tell people about those messages? Because we do think that they are important to our overall brand.