The Application of Digital Experience Marketing in the Shaping of High-End Beauty Brands: A Case Study of Estee Lauder

Lin Wei

Jinan New Channel -JUTES High School, Jinan, China

Abstract: This article focuses on the application of digital experience marketing in the shaping of high-end beauty brands, and conducts in-depth research with Estee Lauder as a specific case. Firstly, the concept and characteristics of digital experience marketing were expounded, and the key elements and challenges faced in shaping high-end beauty brands were analyzed. Then, a detailed analysis was conducted on Estee Lauder's strategies in digital experience marketing, including social media interaction, virtual makeup try-on technology, and personalized marketing, among others. Explore the positive impact of its digital experience marketing on brand building, such as enhancing brand awareness, strengthening consumer loyalty, and promoting brand innovation. At the same time, it points out possible problems and puts forward corresponding suggestions, aiming to provide references for high-end beauty brands to better apply experience marketing to shape their brands in the digital age.

Keywords: Digital Experience Marketing; High-End Beauty Brand; Brand Building; Estee Lauder

1. Introduction

In the current era when the digital wave is sweeping the world, consumers' shopping behaviors and consumption concepts have undergone earth-shaking changes. According to a report by the McKinsey Global Institute (2023), over 70% of consumers rely on digital channels to obtain information for their purchasing decisions, and 65% of consumers are more inclined to choose brands that offer personalized digital experiences. This transformation has a particularly significant impact on the high-end beauty industry - the effectiveness of traditional marketing models (such as celebrity endorsements and offline counter promotions) in attracting young consumers, enhancing brand influence and boosting sales is gradually declining [1].

Digital Experience Marketing (DEM), as an emerging and highly dynamic marketing model, has opened up a new path for the shaping of high-end beauty brands by deeply integrating digital technology with consumer experience. The core lies in leveraging technologies such as AR makeup try-on, AI skin type detection, and virtual community interaction to create immersive and personalized brand experiences [2]. As a leading brand in the global high-end beauty sector, Estee Lauder launched its "Digital First" strategy as early as 2015. Through measures such as acquiring AI technology companies, building a metaverse platform, and optimizing DTC (Direct-to-Consumer) channels, it has carried out numerous proactive explorations and practices in the field of digital experience marketing. An in-depth study of Estee Lauder's digital experience marketing strategy not only helps to reveal the intrinsic logic of digital transformation for high-end beauty brands, but also provides a replicable practical framework for other brands to effectively shape their brands in the digital age.

2. Literature Review

Digital experience marketing emerged in response to the vigorous development of digital technology. It emphasizes creating unique and personalized experiences for consumers through digital platforms, thereby influencing their purchasing decisions and brand perception. Foreign scholars have been at the forefront of this field for a relatively long time. In 1999, Schmitt proposed the strategic experience module of experience marketing [3], which covers sensory experience, emotional experience, thinking experience, action experience and associated experience, laying a solid theoretical foundation for the research of digital experience marketing. With the continuous innovation of digital technology, scholars have begun to focus on how to use cutting-edge technologies such as

social media and virtual reality to carry out experiential marketing. The research by Pine and Gilmore in 2011 provided a new perspective for this [4]. Domestic scholars have also kept pace with The Times and conducted extensive research on digital experience marketing. Xin Min et al. pointed out [5] that digital experience marketing is an extension and development of traditional experience marketing in the digital age, featuring distinct characteristics such as interactivity, personalization, and immersion.

In the field of high-end beauty brand building, scholars generally believe that high-end beauty brands need to attract consumers with unique product quality, excellent service experience and high-end brand image. Kapferer [6] emphasized the importance of these elements in his research. The digital age not only brings new opportunities for the shaping of high-end beauty brands, but also poses many challenges for them. Keller [7] believes that digital technology provides high-end beauty brands with broader communication channels and more precise marketing methods, which is conducive to enhancing brand awareness and reputation.

Most of the existing research on Estee Lauder's marketing strategies has focused on its traditional marketing methods, such as Koehn's [8] study on its advertising promotion, celebrity endorsements, and counter sales. With the advent of the digital age, some scholars have begun to pay attention to Estee Lauder's digital marketing practices. Chaffey [9] 's research in 2022 covered social media marketing and e-commerce, etc. However, systematic research on Estee Lauder's digital experience marketing in brand building is still relatively scarce at present.

3. Theoretical Analysis of Digital Experience Marketing and the Shaping of High-End Beauty Brands

Digital experience marketing is a marketing model that relies on digital technology to create personalized experiences for consumers to promote product sales and brand building. In the digital age, consumers have diverse channels to obtain information and complex decision-making processes. Digital experience marketing, with its interactivity, personalization, immersion and strong spreadability, precisely meets consumers' demands.

Interactivity enables consumers to communicate with enterprises in real time, and enterprises can adjust their marketing strategies promptly based on feedback. Personalization utilizes digital technology to collect and analyze consumer information, build precise profiles, and provide customized recommendations and services. Immersive experiences utilize technologies such as virtual reality and augmented reality to help consumers gain a deeper understanding of products and brands. The strong dissemination power of digital platforms enables consumers to easily share their experiences and expand brand influence.

The shaping of high-end beauty brands is a systematic project, covering multiple key elements. Brand positioning is the top priority. It is necessary to clearly define the target customers and market positioning, highlight unique value and differentiated advantages, and win in the competition. Product quality is at the core. High-end beauty products should strive for excellence in ingredients, efficacy, packaging and other aspects to meet consumers' pursuit of high quality. Brand image is an external manifestation, including brand culture, story, logo, etc., which can evoke emotional resonance among consumers and enhance brand appeal and loyalty. Service experience is indispensable. High-quality services, including professional beauty consultants, comfortable shopping environments and personalized after-sales support, can enhance consumer satisfaction and reputation.

Digital experience marketing is of great significance to the shaping of high-end beauty brands. In terms of enhancing brand awareness, extensive dissemination through digital platforms can quickly attract potential consumers and expand the brand's influence range. In terms of enhancing consumer loyalty, personalized and immersive experiences can deepen the emotional connection between consumers and the brand, increase satisfaction and repurchase rates. In terms of promoting brand innovation, digital technology provides support for product development and marketing innovation. For instance, virtual makeup try-on technology not only enhances the shopping experience but also offers feedback for product development. In addition, compared with traditional marketing, digital experience marketing can more accurately target customers, improve marketing efficiency and reduce marketing costs.

4. Analysis of Estee Lauder's Digital Experience Marketing Strategy

Estee Lauder has adopted a multi-pronged approach in the marketing field and achieved remarkable results.

In terms of social media interactive marketing, Estee Lauder actively utilizes popular platforms such as Weibo, WeChat, Douyin, and Instagram to closely connect with consumers. Carefully plan and release exquisite product pictures, videos and attractive brand stories, which not only showcase the product's features and advantages, but also convey the brand's values and cultural connotations, attracting a large number of consumers to pay attention and share. At the same time, interactive activities such as raffles, Q&A sessions, and topic discussions should be carried out to stimulate consumers' enthusiasm for participation and enhance their sense of participation and belonging. For instance, the "DW Long-lasting Foundation Challenge" launched on Weibo saw participants share their usage experiences, creating a positive word-of-mouth spread and effectively enhancing the product's popularity and sales.

To solve the problem of not being able to try on makeup online, Estee Lauder has introduced advanced virtual makeup try-on technology. Consumers can try on makeup in real time through their mobile phone or computer cameras on the official website or APP, and directly experience the effects of different products. This technology breaks through the limitations of time and space, allowing consumers to conveniently select products, enhancing the shopping experience, increasing the possibility of purchase, and bringing more sales opportunities. In addition, this technology is also utilized to offer online beauty courses and live-streaming events. Professional makeup artists provide detailed guidance through virtual makeup try-ons, enhancing consumers' beauty skills and increasing brand recognition and favorability.

Estee Lauder attaches great importance to consumers' personalized demands. By leveraging big data analysis technology, it collects consumers' personal information and purchase behavior data. Based on factors such as skin type, age, and purchase history, it provides consumers with precise personalized marketing recommendations, recommending the most suitable products and skin care plans. At the same time, exclusive promotional activities and gifts are provided for members, such as member day discounts and birthday gifts, to enhance member loyalty and satisfaction, and encourage members to purchase frequently and actively recommend the brand.

Estee Lauder also attaches great importance to the integrated online and offline experience marketing. Online, consumers can easily learn about product information, make appointments for makeup trials and purchase products. Offline, the counters are equipped with smart devices such as electronic makeup try-on mirrors and skin testing devices, providing diverse makeup try-on effect displays and detailed skin analysis reports. They recommend suitable products and solutions to consumers, offering personalized and technological experiences. In addition, offline activities such as new product launches, beauty lectures, and member salons will be held. The new product launch event showcases the latest products and innovative achievements, attracting attention. Beauty lectures impart beauty knowledge and skills to enhance consumers' proficiency. The member salon provides a platform for members to communicate and interact, enhancing emotional connections and brand recognition.

5. The Impact of Estee Lauder's Digital Experience Marketing on Brand Building

Estee Lauder has successfully attracted a large number of consumers' attention and participation through digital experience marketing strategies such as social media interaction and virtual makeup try-on technology. On social media, exciting content and interactive activities have sparked extensive dissemination and discussion among consumers, enabling brand information to spread rapidly. For instance, short video advertisements posted on Douyin have received over hundreds of millions of views, bringing huge traffic and exposure to brands. The application of virtual makeup try-on technology has also enabled more consumers to understand and experience Estee Lauder's products, further enhancing the brand's popularity. With the increase in brand awareness, Estee Lauder's share in the high-end beauty market has been continuously expanding, and its brand influence has been growing stronger day by day.

Personalized and immersive digital experience marketing enables consumers to have a deeper understanding of Estee Lauder's products and brand culture. Social media interaction enables

consumers to communicate directly with brands, express their needs and opinions, and enhances their sense of participation and belonging to the brands. Virtual makeup try-on technology and the integration of online and offline experiences enable consumers to feel the care and professionalism of brands during the shopping process, thereby enhancing consumer satisfaction. According to statistics, the repurchase rate of Estee Lauder members is over 60%, which fully demonstrates consumers' high recognition and loyalty to the brand. Highly loyal consumers not only continue to purchase Estee Lauder products but also actively recommend the brand to people around them, bringing more potential customers to the brand.

Digital technology has provided strong support for Estee Lauder's product development and marketing innovation. The application of virtual makeup try-on technology not only enhances consumers' shopping experience but also provides valuable feedback information for product development. Estee Lauder can understand consumers' demands and preferences for products based on their makeup trial data and feedback, and continuously optimize product formulas and designs to launch products that better meet consumers' needs. Through online beauty courses and live-streaming events, Estee Lauder can promptly understand consumers' beauty demands and issues, providing new ideas and directions for product development. In addition, the innovative model of digital experience marketing has also prompted Estee Lauder to constantly explore new marketing methods and channels, maintaining the brand's innovative vitality and competitiveness.

In the fierce competition of the high-end beauty market, digital experience marketing has become an important means for Estee Lauder to enhance its brand competitiveness. By constantly innovating and optimizing its digital experience marketing strategies, Estee Lauder has been able to stand out among numerous competitors. Compared with other brands, Estee Lauder's digital experience marketing pays more attention to consumers' personalized needs and interactive experiences, and can provide consumers with better and more unique services. This differentiated competitive advantage has attracted more consumers' choices, enabling Estee Lauder to occupy a favorable position in the market.

6. Problems and Suggestions in Estee Lauder's Digital Experience Marketing

In the process of collecting and using consumer data, Estee Lauder may face the risks of data leakage and privacy infringement. Once consumers' personal information is leaked, it will not only harm their interests but also seriously affect their trust in the brand. As consumers' awareness of data security and privacy protection continues to rise, data security issues may become an obstacle to the development of Estee Lauder's digital experience marketing.

Although Estee Lauder has achieved certain success in virtual makeup try-on and other areas, the application of some digital technologies is still not mature enough. For instance, the accuracy and stability of smart skin care devices need to be improved. Some consumers have reported that when using skin testing devices, there are certain errors in the test results, which has affected consumers' trust in the products and their purchasing decisions. In addition, virtual makeup try-on technology may not be able to fully and accurately simulate the actual makeup effect in some cases, resulting in a gap between consumers' expectations and their actual experience.

Some consumers have reported that there are certain differences in product information and service standards between Estee Lauder's online and offline channels. When purchasing products online, consumers may not be able to obtain the same detailed product descriptions and professional consultation services as those at physical counters. However, the promotional activities and membership benefits at offline counters may not be consistent with those online, which affects the overall experience of consumers and reduces their satisfaction with the brand.

Estee Lauder should enhance data security management and adopt measures such as encryption technology and access control to protect consumers' data security. Establish a sound data security management system, strengthen data security training for employees, and enhance their awareness of data security. At the same time, clearly inform consumers of the purpose and method of data collection and use to obtain their consent and trust. When collecting consumer data, the principles of legality, propriety and necessity are followed. Only data related to marketing purposes is collected, and the scope of data usage is strictly limited.

Estee Lauder should increase its investment in digital technology research and development, and continuously optimize the performance and experience of technologies such as virtual makeup try-on and smart skin care. Cooperate with professional technology companies to jointly solve technical problems and improve the accuracy and stability of intelligent devices. Strengthen the research and development of virtual makeup try-on technology to enable it to more accurately simulate actual makeup effects and meet consumers' demands. At the same time, we are actively exploring new application scenarios of digital technologies, such as artificial intelligence customer service and intelligent recommendation systems, to bring more surprises and value to consumers.

Estee Lauder should establish a unified online and offline product information management system and service standards to ensure that consumers can obtain consistent product information and service experiences through any channel. Strengthen communication and collaboration between online and offline teams, establish an information sharing mechanism, and update product information and service standards in a timely manner. Unify online and offline promotional activities and member benefits to ensure that consumers can enjoy the same discounts and services regardless of which shopping method they choose. By optimizing the integrated online and offline experience, consumer satisfaction and loyalty can be enhanced.

7. Conclusion

This article takes Estee Lauder as an example to conduct an in-depth study on the application of digital experience marketing in the shaping of high-end beauty brands. Research shows that digital experience marketing features interactivity, personalization and immersion, which is of great significance to the shaping of high-end beauty brands. Estee Lauder has effectively enhanced brand awareness, increased consumer loyalty, promoted brand innovation and improved brand competitiveness through strategies such as social media interaction, virtual makeup try-on technology, personalized marketing recommendations and integrated online and offline experiences. However, Estee Lauder also faces problems such as data security and privacy protection, immature application of digital technology, and inconsistency between online and offline experiences in the process of digital experience marketing. In response to these issues, this article puts forward suggestions such as strengthening data security and privacy protection, continuously innovating the application of digital technologies, and unifying the standards for online and offline experiences. In the future, high-end beauty brands should continue to deepen the application of digital experience marketing, constantly innovate and optimize marketing strategies to adapt to the development needs of the digital age and achieve sustainable brand development.

References

[1] Euromonitor International. (n.d.). Top 10 global consumer trends 2022.

[2] More, A. B. (2023). Implementing digital age experience marketing to make customer relations more sustainable. In New Horizons for Industry 4.0 in modern business (pp. 99-119). Cham: Springer International Publishing.

[3] Yu, H., & Ko, H. T. (2012). Integrating Kano model with strategic experiential modules in developing ICT-enabled services: An empirical study. Management Decision, 50(1), 7-20.

[4] Pine, B. J., & Gilmore, J. H. (2011). The experience economy. Harvard Business Press.

[5] Min, X., Liu, Y., & Lu, I. O. (2025). A New Paradigm of Advertising Marketing Experience Based on New Media Extended Reality Technology. International Journal of Economic Sciences, 14(1), 227-245.

[6] Kapferer, J. N. (2012). The new strategic brand management: Advanced insights and strategic thinking. Kogan Page Publishers.

[7] Lane Keller, K. (2013). Strategic Brand Management: Building, Measuring, and Managing Brand Equity.

[8] Koehn, N. (2014). Estée Lauder: self-definition and the modern cosmetics market. In Beauty and Business (pp. 217-251). Routledge.

[9] Chaffey, D., & Smith, P. R. (2022). Digital marketing excellence: planning, optimizing and integrating online marketing. Routledge.