

LOYALTY UNPACKED

by the NORTH AMERICAN LOYALTY ASSOCIATION

The Ulta Beauty logo is centered on a dark blue background featuring a faint map of North America. The word "ULTA" is written in large, bold, orange capital letters, with a registered trademark symbol (®) to its upper right. Below "ULTA", the word "BEAUTY" is written in smaller, orange capital letters. A thick, orange, curved line arches under the word "BEAUTY", starting from the left and ending under the "Y".

ULTA[®]
BEAUTY



THE BRAND

Ulta Beauty is the largest speciality beauty retailer in the United States, built since 1990 on one promise: All Things Beauty, All in Once Place. More than 1,500 stores put mass, prestige and fragrance on the same shelves, with a full-service salon inside nearly every one.



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THE PROGRAM

Ulta beauty Rewards is a free, tier-based program,
rebranded from Ultamate Rewards in 2024:

- Three tiers by annual spend: Member \$0, Platinum \$500, Diamond \$1,200
- 1 point per \$1, rising to 1.25 for Platinum and 1.5 for Diamond
- Points redeem like cash on anything, products or salon services
- A sliding scale rewards saving: 100 points = \$3 off, 2,000 points = \$125 off
- Stackable bonus point events, plus 2x points and a free gift all birthday month
- Base member points expire a year after earning: Platinum and Diamond points never expire while status holds

ULTA BEAUTY
♥ REWARDS™

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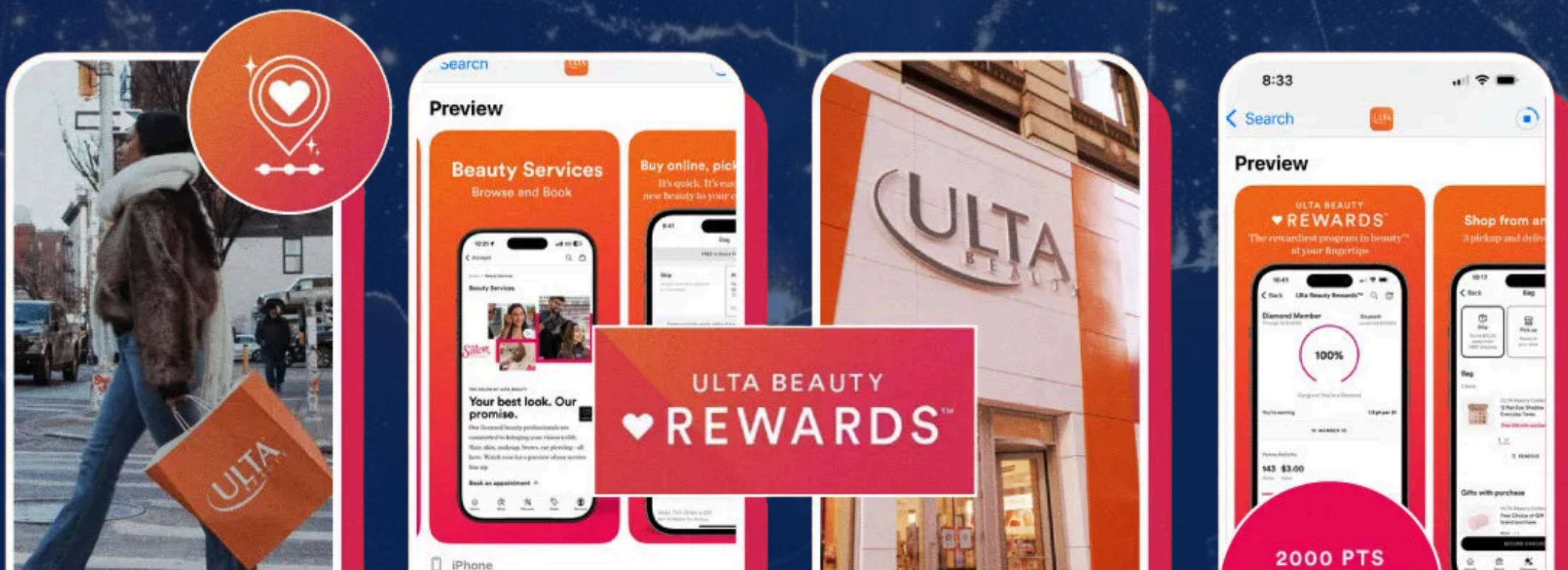
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THE NUMBER

47
Million

Active Members



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THE IMPACT



95% of sales come from Reward Members.

The top tiers drive about 45% of loyalty sales, spending an average of \$1,700 a year.

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THE BIG IDEA



One currency for all of beauty.

Ulta pays loyalty in plain dollars off anything: a drugstore mascara, a prestige serum, or a salon chair. **One simple currency ties the whole assortment together**, and the sliding redemption scale, where point value more than doubles at 2,000 points, quietly teaches members to save up and come back.

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THE NALA™ INSIGHT

At **95%**, loyalty stops being a program and becomes infrastructure.

The obvious critique writes itself: points that convert to dollars off are a discount engine, whatever the branding says. Yet Ulta's CEO insists the program is about education and product recommendations more than discounts, and the numbers explain why she can.

When 95% of sales already run through membership, **the program has no acquisition left to do**. Its real job has moved: **it is the identity layer the whole company operates on**. Loyalty data predicts replenishment, personalizes offers, guides where new stores open and carries a retail media business where more than 300 brands pay to reach members. The dollars off are not the strategy. They are what keeps every transaction attached to an identity the rest of the business can build on.

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OUR CHALLENGE

The currency is plain dollars off. If loyalty really rests on education and recommendations, **would member behaviour survive a thinner earn rate?**

At near-total penetration there is almost no non-member baseline left. How does Ulta prove what the **program adds rather than what is processes?**

Generosity is concentrated at the top: base member points expire after a year while the top tiers never lose theirs. Is the entry tier an **on-ramp or afterthought?**

UB Media, Ulta's retail media network, now counts more than 300 advertising brands. Is leveraging member data quietly becoming the **clearest profit line?**



THE BIG QUESTION

“If a vast majority of your sales already run through your loyalty program, how do you know what it is still adding?”

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JOIN US

NALA™ is a community for people doing the real work of loyalty, CRM and customer engagement inside brands and retailers.

We create space for real brand stories like this, open debate, practical exchange and celebrate success.



Meet us at **The BIG Handshake Loyalty™**
event in Chicago on November 10
[Get your tickets here](#)

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