

Victoria s secret internet project

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Throughout this paper I will be discussing the background of Victorians Secret, how the business was started, and where it stands now in 2013. The largest American retailer of lingerie, Victorians Secret, was founded on June 12, 1977. Victorians Secret was founded by Tufts University and Stanford Graduate School of Business alumnus Roy Raymond and his wife Gay in San Francisco, California. " Eight years prior to founding Victorians Secret, Raymond had been embarrassed when purchasing lingerie for his wife at a department store.

Newsweek in 1982 quoted Raymond in 1981 explaining: When I tried to buy lingerie for my wife,' he recalls, 'I was faced with racks of terry-cloth robes and ugly floral-print nylon sightings, and I always had the feeling the department-store saleswomen thought I was an unwelcome intruder" (Wick). Roy Raymond wanted to create a store that was more welcoming and to make gentlemen feel comfortable when they are trying to buy their wives a special gift.

Therefore, Raymond studied the lingerie market for eight years before borrowing \$40, 000 from his parents and \$40, 000 from a bank to establish Victorians Secret: a store men could feel comfortable buying lingerie. The company's first store was located in Stanford Shopping Center in Palo Alto, California. It wasn't long before the starting store in Palo Alto was able to expand and have more locations around California. In Victorians Secrets first year of business grossed \$500, 000 at the Stanford Shopping Center, and that was enough to finance and expand the company from a headquarters and warehouse with four new store locations.

The company was also able to establish business through different sales channels such as the mail-order catalog operation. By " April 1982, Raymond sent out his 12th catalogue. Catalogue sales now accounted for 55 percent of the \$7 million of he company's annual sales. At this time, each catalogue cost \$3. The Victorians Secret stores at this time were 'a niche player' in the underwear market. The business was described as 'more burlesque than Main Street. " (Wick).

Victorians Secret was starting to be seen as more provocative than acceptable at the time. Just like every business has its ups and downs, Victorians Secret was starting to see a turn-around in business, for the worst. In 1980-1982 Raymond philosophy of selling to male customers was becoming increasingly unprofitable. As a result, Raymond sold Victorians Secret Inc. Which was grossing \$6 million annually with its six stores and 42-page catalogue, to Leslie Wagner, creator of Limited Stores Inc. Of Columbus, Ohio, for \$4 million.

Throughout the next year Wagner refreshed and revamped the company and discarded model of selling to male customers that was proven to be unprofitable and turned its focus to be on female customers. The company's style also changed from being " burlesque" to having a more acceptable taste in patterns and colors. " The new colors, patterns and styles that promised sexiness packaged in a tasteful, glamorous way and with the snob appeal of European luxury were supposed to appeal to and appease female buyers", (Wick).

Today more than ever Victorians Secret has evolved into being a part of the latest fashion trends, and undergarments are now seen as a luxury and add a sense of glamour to the everyday use. Within the 5 years of purchase of Victorians Secret from 1983-1990 from Raymond, Wagner had turned the 3 store boutique into a 346 store retailer. By 1985, the Los Angeles times reported that Victorians Secret was stealing market share from department stores and by 1986 the company was the only national chain of lingerie stores.

In 1987 it was also reported that Victorians Secret catalog was amongst the best-selling catalogs. " In 1987 the New York Times described the success of the catalog in such: 'highly visible leader in the lingerie business by using unabashedly sexy high-fashion photography to sell middle-priced underwear. ' In 1990 the catalog was one of the fast growing mail-order businesses. Victorians Secret releases their own line of fragrances", (Wick). Today the Victorians Secret catalog includes more than just lingerie and underwear, it also contains beauty products, body care, and clothing.

The Victorians Secret mail-order was reported amongst one of the fastest in the U. S. 1990. In 1996 the brand stretched to selling apparel. The following years showed some downfall in sales, just as all company's experience fluctuations in profitability. Therefore, Wagner decided in May of 2000 to install Sharer Jester Turnery, previous CEO of Newman Marcus Direct, as the new chief executive of Victorians Secret Direct to turn around lagging sales at the catalog. Turners first view was that, " We need to quit focusing on all that cleavage" (Wick).

She wanted to turn the view around of the talon and to focus on the beauty of the women in the catalog and the beauty of the products and not on the provocative persona. She wanted the catalog to be one that was more akin to a Vogue lifestyle layout, where lingerie, sleepwear, clothes and cosmetics appear throughout the catalog. On October 16, 2002 Victorians Secret announced the launch of Pink, a new lingerie line targeted to 15-to-22 year olds. The strategy driving Victorians Secrets launch of Pink is to introduce the teenage girls to Victorians Secret stores and transition them into the Victorians Secret products as they get older.

Pink also has a college line that souses brand recognition through college athletics, along with college athletics they also offer major league recognition as well. In addition to the expansion of the Victorians Secret brand through PINK, the company also expanded its business through swimwear, cosmetics and beauty products and last but not least the famous Victorians Secret fashion show. " Beginning in 1995, Victorians Secret began holding their annual Victorians Secret Fashion Show, which is broadcast on primetimes American television.

Starting with the 1995 fashion show they are 'a combination of self-assured strutting for women ND voyeuristic pleasures for men-? and lingerie becomes mainstream entertainment. 'This involves a lavish event with elaborate costumed lingerie, varying music, and set design according to the different themes running within the show. The show attracts hundreds of celebrities and entertainers, with special performers and/or acts every year", (Wick). By 2000 the fashion show webmaster attracted more than 200 million viewers

and by 2011 the budget was \$12 million up from its first fashion show of \$120, 000.

Victorians Secret is now an internationally recognized brand, it has come a long way from its original discovery by Raymond. Along with the history of how Victorians Secret came to be, there has also been a history of issues and current events that have taken place along the way. Issues and events consisting of quality issues, negative comments about its new line geared toward young teen and lastly complaints about ethnic pieces worn at its fashion show. In 2012 Victorians Secret was being accused of selling knockoff brands of hosiery.

A brand called " Zephyrs, which was a hosiery supplier to the lingerie giant, alleges that Victorians Secret is still using images of Zephyrs-produced hosiery on its packaging, UT that the product inside is no longer produced by Zephyrs and is of lesser quality. And now Zephyrs is suing the lingerie giant to the tune of \$1 5 million", (fashions). The owner and president of the New Jersey-based brand, Debra Mackinac, reported that she noticed that Victorians Secret was still using old images on its packaging, but when she looked at the product, it was markedly different.

The company alleges the hosiery had " cheaper lace trims, irregular borders, missing heel reinforcements and less durable construction. " The packaging also indicated that the hosiery was made n Canada, where previously it had been made in Italy. Zephyr's wanted Victorians Secret to discontinue the use of their image on their packaging which was falsely advertising the quality of what they were really selling. In addition to quality lawsuits, in March 2013,

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Victorians Secret PINK brand mounted a marketing campaign for sexy underwear titled "Bright Young Things" directed at teen and pre-teen girls that drew considerable negative attention.

The underwear contained wording including "Call me", "feeling lucky" and "wild." The company was accused of "equalizing" teenage girls. "When the ad campaign was munched, Victorians Secret chief financial officer Stuart Burgeoned said that the line of underwear allowed 15 or 16 years old... To be older, and they want to be cool like the girl in college.' After the criticism increased, Victorians Secret removed the items from the company's website and said that the ad campaign was meant for college-age women", (Huffing).

In addition to Burrower's response, a spokesperson from PINK says this to calm the uproar, Victorians Secret PINK is a brand for college-aged women. Despite recent rumors, we have no plans to introduce a collection for younger women. Bright Young Things' was a slogan used in conjunction with the college spring break tradition", (Huffing). Lastly, there was an ethnic headpiece worn at one of Victorians Secrets many fashion shows held, in November of 2012 Victorians Secret issues an apology for a Native American head dress worn by of its models.

The head dress received many complaints toward the headdress for it seemed to be very upsetting and offensive to the Native American people. Victorians Secret issued an apology saying, "We are sorry that the Native American headdress replica used in our recent fashion show has set individuals. We sincerely apologize as we absolutely had no intention to

offend anyone. Out of respect, we will not be including the outfit in any broadcast, marketing materials nor in any other way', (Cataracts).

Victorians Secret respectively resolved the issue. From the discovery, expansion, and explosion of Victorians Secret we've seen a company that was started in Palo Alto, CA and is now world wide that is continuously getting more popular and known for its luxurious and glamorous products. America's largest retailer of lingerie and many more products continues to grow and prosper. Although, they may get some critique every now and then they always bounce back with gracefulness, Just as a woman should.