

Avon a giant in cosmetics and jewellery business marketing essay



**ASSIGN
BUSTER**

It has not yet entered into markets of India, Pakistan and the likes which are great growing economies if Avon launches itself in these markets it will be a mammoth success. It can start by introducing effective fairness crèmes and formulae. Because in Asian markets, especially in the Sub-continent fairness crèmes market is a lucrative one. Plus metrosexual market is one sleeping giant which is growing gradually but can be a enormous opportunity in the long run. In addition to all this if Avon starts its own publication business with its magazine it will but prosper. Becoming technology oriented can also be a grand opportunity, with computers everywhere and everyone having a trouble-free access to the internet anytime, anywhere, coming up with a ground-breaking software oriented site will make the company more reachable and also consumer friendly.

When opportunities come, they don't come alone but bring threats with them. Avon has a number of competitors that are always at its tail. With competitors jumping into new battlefields, Avon has no choice but to take part in it too and be triumphant. Direct selling which has been the one of its kind trademark of Avon and which has helped them in gaining this much success has now become a threat for them if they stick to it for anymore long. Plus there has been a decline in the sales of its one of the major markets that is the North American market which is alarming! If they launched effectual software driven website and conduct surveys they will not only be able to spot the problem but will also be able to patch it up or they can also apply the "ghost shopper" technique to know the consumer behavior. By following certain growth strategies, Avon can beat the dark cloud out of its way. An efficient marketing plan and a fool proof strategy can

help Avon win back its loosing customers and gain market share in new markets. If Avon realizes these opportunities, threats, strengths and weaknesses, and comes up with a solution and a strategy for this it can in the coming years achieve what it should as a veteran and powerful leader.

COMPANY OVERVIEW

Avon, the company for women, is a leading global beauty company, with over \$8 billion in annual revenue. As the world's largest direct seller, Avon markets to women in well over 100 countries through over five million independent Avon Sales Representatives. Avon's product line includes beauty products, fashion jewellery and apparel, and features such well-recognized brand names as Avon Colour, Anew, Skin-So-Soft, Avon Solutions, Advance Techniques, Avon Naturals, Mark, and Avon Wellness.

BUSINESS DESCRIPTION

Avon Products (Avon) is a manufacturer and marketer of beauty and related products. The company distributes its products through direct selling in geographic segments such as North America, Latin America, Asia Pacific and Europe. The product categories of the company include Beauty, (cosmetics, fragrance and toiletries (CFT)); Beauty Plus (jewelry and accessories and apparel); Beyond Beauty (gift and decorative candles and home entertainment products); and Health and Wellness (products relating to aromatherapy lines and exercise equipments).

The company makes sales to the ultimate customer principally through a combination of direct selling and marketing by about 4. 9 million active independent Avon representatives, about 483, 000 of who are in the US.

Representatives of the company are not the employees of Avon but are independent contractors and dealers engaged in selling. Almost all representatives are women who sell on a part-time basis. These representatives purchase the products from the company and in turn sell them to their customers.

Representatives go where the customers are, at both their homes and workplaces. In the US, the representatives contact customers primarily using brochures, which also highlight new products and specially priced items for each two-week sales campaign. Product samples, demonstration products, and selling aids such as make-up color charts are also used.

The company's products are also sold to customers through a combination of direct selling and marketing, utilizing independent representatives - Avon Beauty Centers and through its eCommerce website.

Avon has about 14 manufacturing facilities around the world. Avon manufactures and packages almost all of its CFT products. Raw materials, consisting chiefly of essential oils, chemicals, containers and packaging components, are purchased from various suppliers. In addition, Avon produces the brochures that are used by the representatives to sell Avon products.

It operates in around 60 countries, including the US and its products are distributed in about 62 more markets.

Key Facts

Address

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1345 Avenue of the Americas,

NY 10105-1096

Website

<http://www.avon.com/>

Telephone

1 212 282 5000

Fax

1 212 282 6049

Turnover

\$7, 748 million

Employees

47, 700

Financial Year End

December

Ticker

AVP

Stock Exchange

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New York

COMPANY HISTORY

Avon was strictly an American phenomenon, and a unique and pioneering one at that. The first Avon Lady was actually a man, young door-to-door salesman David McConnell from upstate New York. He launched Avon Calling in 1886, offering women cosmetics in the comfort and privacy of their own homes.

But perfumes and hand-cream were not McConnell's initial merchandise. at the age of sixteen, McConnell had begun selling books door-to-door. When his fare was not well received, he resorted to the then-popular advertising Gimmick of offering a free introductory gift in exchange for being allowed to make a sales pitch. A complimentary vial of perfume, he thought, would be an ideal entree, and he blended the original scent himself, with the aid of a local pharmacist.

Fate stepped in. McConnell learned that women adored his perfume and remained indifferent to his books. Thus, he abandoned books and organized the New York-based California Perfume Company, named in honor of a friend and investor from California. The door-to-door approach seemed tailor-made for cosmetics, particularly in rural areas, where homemakers, in horse-and- buggy days, had poor access to better stores.

The first female Avon Lady was Mrs. P. F. E. Albee, a widow from Winchester, New Hampshire. She began her chime-ringing career selling the company's popular Little Dot Perfume Set, and she recruited other women, training them as door-to-door salespeople. The company was re-christened Avon for <https://assignbuster.com/avon-a-giant-in-cosmetics-and-jewellery-business-marketing-essay/>

the simple reason that the New York State town in which David McConnell lived, Suffern on the Ramapo, reminded him of Shakespeare's Stratford-on-Avon.

By 1887, McConnell had twelve women employees selling a line of eighteen fragrances. And the numbers kept growing and growing. In 1939, California Perfume Company name changed to Avon Products, Inc. (10/6/39.) Today, despite the scores of expensive, prestigious American and foreign brand-name cosmetics, Avon ranks first in sales nationwide, with Avon Ladies ringing doorbells from coast to coast

COMPANY MISSION & VISION

To be the company that best understands and satisfies the product, service and self-fulfillment needs of women – globally.

The Global Beauty Leader

We will build a unique portfolio of Beauty and related brands, striving to surpass our competitors in quality, innovation and value, and elevating our image to become the Beauty company most women turn to worldwide.

The Women's Choice for Buying

We will become the destination store for women, offering the convenience of multiple brands and channels, and providing a personal high touch shopping experience that helps create lifelong customer relationships.

The Premier Direct Seller

We will expand our presence in direct selling and lead the reinvention of the channel, offering an entrepreneurial opportunity that delivers superior earnings, recognition, service and support, making it easy and rewarding to be affiliated with Avon and elevating the image of our industry.

The Best Place to Work

We will be known for our leadership edge, through our passion for high standards, our respect for diversity and our commitment to create exceptional opportunities for professional growth so that associates can fulfill their highest potential.

The Largest Women's Foundation

We will be a committed global champion for the health and well-being of women through philanthropic efforts that eliminate breast cancer from the face of the earth, and that empower women to achieve economic independence.

The Most Admired Company

We will deliver superior returns to our shareholders by tirelessly pursuing new growth opportunities while continually improving our profitability, a socially responsible, ethical company that is watched and emulated as a model of success.

GOALS & PRINCIPLES

Avon's Five Values, and our Principles as expressed by the company's Founder, David H. McConnell, have served as a continuing source of strength throughout Avon's proud history; and they remain at the heart of who we are.

individuals an opportunity to earn in support of their well-being and happiness.

families throughout the world with products of the highest quality backed by a guarantee of satisfaction.

a service to customers that is outstanding in its helpfulness and courtesy.

full recognition to employees and Representatives, on whose contributions Avon depends. with others the rewards of growth and success

fully the obligations of corporate citizenship by contributing to the well-being of society and the environment in which it functions.

and cherish the friendly spirit of Avon.

AVON PRODUCT LINE

AVON has a wide range of product line, distributed & differentiated by different brand names & usage.

Avon has 4 Brand names

ANEW

AVON COLOR

SKIN SO SOFT

MARK

Avon Product line is described as follows with categories

MAKE UP

SKIN CARE (cleansers & toners, eye care, moisturizers, problem solvers, anti-aging , skincare)

BATH & BODY (body lotion, hand cream, bath & shower, body sprays, foot care, suncare, depilatories, bath & body)

HAIR CARE (shampoo & conditioner, Stylers, treatments, brushes)

AVON WELLNESS (home environment, fitness, Wellness Specials)

FRAGRANCE (sprays, body lotions, shower gels, fragranced powder, fragrance specials)

GIFTS & FASHION (Gifts, jewellery, apparel, accessories, inspirational treasures, gifts & fashion specials)

OUT DOOR PROTECTION (self-tanners, suntan lotions, insect repellents, children's)

MEN STORE (Skincare, fragrance, grooming, gifts & gadgets, men's apparel, men's accessories, men's jewellery)

AVON GEOGRAPHICAL MAP

Avon Products, Inc. markets its products to women in well over 100 countries through over 5 million independent Avon Sales Representatives.

North America

Canada, Puerto Rico, Dominican Republic, Aruba, Antigua, the Bahamas, Barbado, Bermuda, Curacao, Dominica, Grand Cayman Island, Grenada, Guyana, Jamaica, St. Kitts Nevis, St. Lucia, St. Maarten, St. Vincent, Suriname, Tortola, Trinidad & Tobago, Virgin

Latin America

Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela

WESTERN EUROPE, MIDDLE EAST & AFRICA

Austria, Botswana, Cyprus, Dubai, Egypt, Georgia, France, Germany, Greece, Iceland, Israel, Italy, Jordan, Kuwait, Lebanon, Lesotho, Luxembourg, Malta, Mauritius, Mozambique, Morocco, Namibia, Netherlands, North Cyprus,

Norway, Oman, Portugal, Reunion Island, Saudi Arabia, South Africa, Spain, Swaziland, Switzerland, Tunisia, Turkey, Turkmenistan, Uganda, United Kingdom, Zambia

CENTRAL & EASTERN EUROPE

Albania, Armenia, Belarus, Bosnia & Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Finland, Hungary, Kazakhstan, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Ukraine

ASIA PACIFIC

Australia, Hong Kong, India, Japan, Malaysia, New Zealand, Philippines, South Korea, Taiwan, Thailand, Vietnam

CHINA

OPPERTUNITIE'S

1) GROWING GLOBAL COSMETIC MARKET

The cosmetics and personal care industry is thriving with an estimated \$124 billion in sales around the world. Cosmetics and personal care product sales in 2005 are expected to exceed \$145 billion, with the industry outpacing most others. By 2006, the global market for natural beauty products is expected to be worth more than \$10 billion and the market for cosmeceuticals in the US alone is expected to be worth more than \$5 billion. The largest global segment, skin care, was valued at more than \$31 billion in 2004, and has seen healthy growth over the past five years. Positive outlook for the cosmetics and personal care products market would help cosmetic

manufacturers and distributors such as Avon Products to aggravate their sales.

2) IMPLEMENTATION OF ERP (ENTERPRICE RESOURCE PLANNING)

In 2004, Avon's board approved the development of an integrated global supply chain strategy, which includes development of a new common systems platform, enterprise resource planning (ERP). The ERP system is expected to drive global integration of the company's operations and improve the speed, flexibility and efficiency of its global supply chain. The global supply chain strategy is essential to the achievement of Avon's accelerated growth and operating margin targets. Implementation is scheduled to start in Europe in early 2005, and is expected to be completed by 2008. Implementation of the ERP system would provide Avon with greater accessibility to data, ability to track actual costs of activities and perform activity based costing, and eliminate duplication, thus providing greater operational flexibility.

3) ENTRY INTO METROSEXUAL MARKET

In October 2004, Avon announced its intention to introduce a number of cosmetic products marketed exclusively at the male market. In a bid to cash in on the growing 'metrosexual' trend (referring to the increasing numbers of urban male consumers who spend considerable amounts of time and money on their appearance), the company has launched its first cosmetics and personal care lines to be marketed directly at the male consumer in its "M-The Men's Catalogue" publication. Avon is expected to launch two product lines for men: Pro Sport Daily Performance, which includes aftershave, face
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wash and deodorant – as well as a higher-end Pro Extreme Maximum Performance range, which includes a raft of anti-ageing and exfoliating products, primarily orientated towards the metrosexual male market. The growing trend for male beauty and personal care products, particularly in the western markets, will widen the company's consumer base

4) EXPANSION IN CHINA

Avon has been and is expected to continue focusing on the Chinese market, mainly because it offers a large growth opportunity for the company. To tap this market, the company has made hefty investments in the region, including its \$40 million factory in Southern China. In June 2004, Avon purchased about 20% of the outstanding shares in its two subsidiaries in China from a minority interest shareholder to further strengthen its hold in the market. Avon's sales from China amounted to \$220 million in 2004, an increase of 40.1% over 2003. The company estimates this figure to reach \$600 million by 2007. Avon got its sales through its 5700 beauty boutiques, which are owned and operated by local people, and about 1600 outlets in department stores or other retailers. Chinese women spent an estimated \$10.3 billion in 2004 on beauty products, up 9% from a year earlier, according to the China Association of Fragrance, Flavor & Cosmetics Industry. Further expansion and aggressive selling would make China a major revenue driver for Avon in the years to come

5) ENTRY INTO FINANCIAL SERVICES

Avon is expected to expand into the financial services sector by offering insurance and credit along side its traditional products at customer's

doorsteps. The UK branch of the company is in the conceptual stage of <https://assignbuster.com/avon-a-giant-in-cosmetics-and-jewellery-business-marketing-essay/>

realizing the project that could result in door-to-door representatives offering life, car and other insurance, as well as loans and credit cards, to customers directly at their homes. The strong customer relationship of the company is expected to fuel the pick up of this business. Entry into the financial services business would help the company expand its revenue base

6) ENTRY INTO PUBLICATION BUSINESS

With a publication business of its own, Avon can help young female writers and authors, who are deprived of the opportunity of getting their work published, in publishing their work at cheaper rates, this act of theirs will help in magnifying their image of “ society friendly” company.

7) AVON (UNIVERSITY OF HEALTH, BEAUTY & FASHION)

With an institute of its own, Avon can be successful in a lot of ways; it can educate many young individuals who are interested into the field of Cosmopolitics, it can also have an improved R&D department, plus by giving scholarships to needy and deserving students will help them in becoming a “ company for cause”.

8) NEW PRODUCT LINE OF KITCHEN ITEMS

Starting a line of kitchen items will help Avon in reaching new heights in female market. This idea will make their target market more diverse ant the company more compatible. In this way they'll reach out to those women who fall into the category of “ my-kitchen-is-my-world”.

9) AVON MAGZINE

As a giant in cosmetics market and a company which sells beauty, since beauty and glamour go hand in hand, Avon should also think of starting a full-fledged beauty magazine (with beauty tips, expertise skin care knowledge, recipe of the week, etc, etc). This magazine will not only help them reach the masses but is also a source of telling the customers that the company cares about them.

10) AVON VIRTUAL BEATUY SALOON (SOFTWARE)

In this world of computer technology, Avon coming up with a software (virtual saloon) is nothing but a great idea. People who spend much of their time on the computer and those who don't have much time to spend on reading beauty tips from a magazine or actually going to a saloon can have an easy access to a virtual saloon which will answer all their queries about beauty and care.

11) DISTRIBUTION THROUGH AVON OUTLETS

As we know that, Avon sells through direct selling process which is very successful but if they also make their products available at their outlets, in this way they will reach the masses that are still not aware of the products of the company.

12) TARGETING NEW MARKET SEGMENT (CHILDREN COLLECTIONS)

If we talk about a family woman, after shopping for herself she thinks about her children, and what could be better than this that you find products for your children of the same brand that you trust because when it comes to

children products, one thing that comes in mind is; Is the brand trustworthy?
So Avon has a huge scope in this part of business too.

THREATS

1) INVESTMENTS BY COMPETITORS

Avon's closest competitor, Oriflame is currently building a new manufacturing and distribution facility in Moscow, which is scheduled to open in 2006, close to Avon's facility. In addition, Oriflame received a business license in August 2004, to operate in China. Oriflame has purchased land for a factory near Shanghai, and is looking forward to put a local project team in place. Oriflame has targeted Israel, Iran, Uzbekistan and Venezuela for further expansion. Oriflame has also adopted new recruitment initiatives and enhanced new product and catalogue activity. Also, Natura, Avon's other close competitor has been stepping up its investments in its secondary Latin American markets (of Argentina, Chile, and Peru). A strong revenue growth fuelled Natura to launch about 140 products in 2004 alone. Rising investments of the company's competitors would kindle high competition for Avon in its major markets.

2) CHINEASE BAN ON DIRECT SELLING

China is slated to be amongst Avon's biggest markets in the future. China imposed a ban on direct selling in 1998, in the wake of several scandals that arose from " pyramid-selling " schemes that destroyed the direct selling model. Since then, the Chinese Government has drafted new regulations on direct selling. The government, in late 2004, agreed to lift the ban as part of its commitment to the World Trade Organization (WTO). The opening of

direct selling however has been delayed due to procedural problems. Even if the ban is lifted it is feared that the government and local authorities might continue to discourage direct sales through various means. In such a scenario, Avon's ardent effort to introduce direct selling in China might greatly suffer.

3) RISING PACKAGING COST

The cosmetics and personal care products manufacturers have been incurring high packaging costs. The prices of Polystyrene (a versatile plastic that can be rigid or foamed, used extensively for protective packaging, making of containers, lids, cups, bottles and trays) have been steadily rising. This increase in prices was attributed to the increase in naphtha (a fraction derived from crude oil refining used for producing ethylene and propylene) prices. Further increase in the packaging costs of cosmetics and personal care products could pull down margins for companies such as Avon, and adversely affect their profitability.

4) COMPETITORS TAKING PART IN METROSEXUAL MARKET

As it is mentioned that metro sexual market is a big opportunity and if Avon doesn't pay attention to this opportunity it will soon turn into a big threat as Avon's competitors, like L'Oreal, are taking advantage of this part of the market.

5) POLITICAL CHANGES (BAN ON DIRECT SELLING IN OTHER COUNTRIES)

Direct selling strategy, though it's a good one but if Avon wants to enter new markets especially in Asian market, it will have to sell its products through different outlets at different places as Asians are more conservative and also the incident of Chinese ban on direct selling will not help Avon in reaching its customers.

6) CHANGING DIRECT SELLING TREND

These days' lives have become busy and most of the working class does not spend their time at home but they are constantly on a go, that's why most of the people like to shop when they are out at malls or regular company outlets. This consumer habit has changed the trend of direct selling to mall shopping.

7) FALLING BUYING TRENDS IN MAJOR MARKETS

The case study highlights the decline in sales in the major markets of Avon this tells that Avon is lacking some where. Avon should quickly detect the area where the problem lies and should try to cover the patch because if they do not do it fast they will lose their customers and the competitors will win.

STRENGTH'S

1) UNIQUE SELLING STRATEGY

Avon Products, which pioneered direct selling, has sales operations in 60 countries or territories, including the US, and distributes its products in an additional 62 countries. Sales are made through a combination of direct

selling and marketing by approximately 4.9 million active independent Avon Representatives, approximately 483,000 of whom are in the US. These representatives are independent contractors or independent dealers, who are not employees of Avon. Avon employs certain electronic order systems to increase representative support, which allow representatives to run their business more efficiently as well as the company to improve its order-processing accuracy. The cost-effective sales strategy of Avon has enabled the company to emerge as a prominent player in the beauty products and body care market.

2) STRONG SALES GROWTH

For the fiscal year 2004, Avon recorded revenues of \$7747.8 million, an increase of 13.2% over fiscal 2003. The increase was primarily attributable to strong performance in Europe, Latin America and Asia Pacific; and robust growth in the beauty and beauty plus segment. The revenues of the company have grown at a compounded annual growth rate (CAGR) of 11.8% from 2002 to 2004. This increase can be attributed to the rise in unit sales and increase in the number of active representatives. Avon's recent financial performance bodes well for the ongoing strengthening of the company's financial base.

3) EFFECTIVE INVESTMENT STRATEGY

For the fiscal year 2004, the company reported a return on assets of 22.9% as compared to an industry average of 13% during the same year. The return on the company's investments for the fiscal year 2004 amounted to 39.1% as compared to an industry average of 20.1% during the same year.

This reflects upon the effective investment strategy of the company's
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management. Effective investment strategy would enable the company to sustain and enhance its capital base in order to bring about long term growth.

4) GEOGRAPHICAL COVERAGE

Avon has successfully spread its wings over major international markets which is one of their mega strengths. Avon has been victorious in capturing markets of North and South America and some big chunks of Asian markets. This has helped them in a household name.

5) DEDICATED WORKFORCE

Having a trained and dedicated workforce is a blessing and it must be said Avon has achieved heights in it. It is due to the hard slog and dedication of its employees that has made this direct selling strategy of Avon so unique, successful and hard to copy.

WEAKNESSES

1) RISING INVENTORY

For the fiscal year 2004, the inventory of Avon amounted to \$740. 5 million, an increase of 13. 3% over fiscal 2003 and increase of 20. 5% in fiscal 2002. The inventory of the company has grown at a compounded annual growth rate (CAGR) of 9. 8% from 2002 to 2004. The inventory turnover ratio of the company for the fiscal year 2004 amounted to 4 as compared to an industry average of 5. 2 in the same period. Rising inventory and low inventory turnover ratio would step up the company's inventory costs and diminish the time value of the capital locked up in the inventory.

2) WEAK PERFORMANCE IN CORE MARKETS

Avon operates primarily in the US, Europe, Latin America and Asia Pacific.

For the fiscal year 2004, revenues from the US, the company's largest geographical market, accounted for 29.1% of the total revenues. Revenues from the US reached \$2227.1 million in 2004, an increase of just 0.4% over fiscal 2003 and 3% over fiscal 2002. The net sales of Avon US were flat primarily due to decline in the consumer spending in the US and partially due to the weak sales of the Beyond Beauty product segment. Weak financial performance in the company's core markets would cause Avon to lose substantial business.

3) LOW PROFIT MARGINS

For the fiscal year 2004, Avon reported gross profit margin of 62.5% which is lower than the margins of the company's competitors such as Natura (67.5%) and Oriflame (69.1%) during the same year. The operating profit of the company amounted to 15.8% in fiscal 2004 as compared to an operating profit of 24.4% and 16.3% for Natura and Oriflame respectively during the same year. The profit margins of the company have been low primarily due to an unfavorable expense ratio. The unfavorable expense ratio was driven by incremental consumer and strategic spending in support of 'mark' brand as well as increased advertising. Higher customer service expenses and pension-related costs also caused the company's margins to decline. Low profit margins as compared to its competitors put the company at a competitive disadvantage.

STRENGTH & WEAKNESS ANALYSIS

STRENGTH & WEAKNESS ANALYSIS

MARKETING MEMO

PERFORMANCE

IMPORTANCE

Major

Strength

Minor

Strength

Neutral

Minor

weakness

Major

Weakness

Hi

Med

Low

MARKETING

1

Company Reputation

2

Market Share

3

Customer Satisfaction

4

Customer Retention

5

Product Quality

6

Service Quality

7

Pricing Effectiveness

8

Distribution Effectiveness

9

Promotion Effectiveness

10

Sales force Effectiveness

11

Innovation Effectiveness

12

Geographical Coverage

FINANCE

13

Cost of availability

14

Cash Flows

15

Financial Stability

MANUFACTURING

16

Facilities

17

Economies of Scale

18

Capacity

19

Able, Dedicated Workforce

20

Ability to produce on time

21

Technical manufacturing Skill

ORGANIZATION

22

Visionary, capable Leadership

23

Dedicated employees

24

Entrepreneurial orientation

25

Flexible or responsive

INTENSIVE GROWTH

1) Market Penetration

Avon can go for market penetration by opening outlets. Opening outlets will make the products of the company more reachable and consumers more comfortable which will ultimately result into high satisfaction level which leads to booming sales. Introducing new advertisements strategies by IT BASED software such as made by (COSMOPOLITON) will also help Avon in reaching out to customers. Avon should also try to sign some well known personalities as their spokesperson as it is the trend of today and has really become a necessity. Celebrities associated with beauty and glamour should be chosen for this job.

1) Market Development

Avon can go for market Development by opening outlets in new countries, going an extra mile even to serve a bunch of customers in locations where Avon has no representatives, creating such offers as to attract representatives such that Avon is a part of every single country, this will not only make them a household name in other parts of the world but also will help them elevate their reputation in their already existing markets. Of course reputation is one of those aspects of a company which can make or

break a company. With its already existing wide range of products what Avon can do is simply launch its products in the new markets with a fool proof strategy which will evidently give their business a new dimension.

1) Product Development

Introducing new products in current markets is less costly and has a very low risk in it because company's current markets are aware of the company and are conscious about the quality the company offers. So going for " product development" will create an image of the company as an active, innovative and ground-breaking company. In this regard Avon has a number of options i-e; coming up with men care products (again a huge market), children products, k