

# Avon: the of andrea jung

Business, Marketing



Avon: The Case of Andrea Jung Case Summary Andrea Jung is the current CEO of Avon Products, Inc., a position that she rose to through hard work combined with her savvy in sales, marketing, and advertising. Jung is a Chinese American, and as such is a role model for both women and minorities who seek success in the corporate environment. Jung's efforts to modernize Avon and its product line to make its traditional sales model more appealing to contemporary women, as well as her work to internationalize the company, has led to an expansion of profits and increased respect for her role as a visionary corporate leader in the competitive field of women's cosmetics and perfumes.

(1). What is the role of networking at Avon?

Avon's unique sales and marketing strategy allows its salespeople to leverage their personal friendships and social relationships as customers. In this manner, salespeople may gather their friends, family, neighbors, and workmates together in parties at their home, and offer them products in women's cosmetics, perfumes, toiletries, and other items.

(2). Is networking more important for Avon than for other sellers of similar products through retail stores?

Yes. Due to the way that Avon's salespeople appeal directly to their own personal social network of acquaintances, the networking becomes more important than in other types of retail business based in store locations.

(3). What are some of the types of deals Avon negotiates?

Avon is typically a company that is involved with the sale of women's cosmetics and perfumes. The company consolidates large scale production and distribution nationally and delivers these products to salespeople for

local retail sale and distribution.

(4). How do cross-cultural differences affect the way Avon does business?

Cross-cultural differences may affect the products that women are interested in personally, or the manner that they use make-up, perfume, or other toiletries. The Avon sales model can be translated to cross-cultural locations efficiently, but may require education or advertising to create the demand, awareness, or understanding for the products.

(5). How has the Internet affected Avon?

The internet has allowed Avon to offer its products directly to consumers through a central website channel, as well as to facilitate the sign-up of sales operatives. The internet also improves the manner in which salespeople communicate with the company.

(6). Why is customer perception important to Avon?

Customer perception is important to Avon because its products may not be considered “ necessities” but rather items related to fashion and style. In this sector, the ideas, mystique, and perception of products can be more valuable in sales than the actual product itself, highlighting the importance of advertising and marketing.

(7). Is customer trust more important for Avon than for other companies?

Due to the social networking type of sales model Avon uses to distribute its products locally, customer trust is more important to the company than for other brands. In this regard, the customers often trust the salesperson and choose to give their business to that person based upon friendship and affinity, rather than a clear preference for Avon products over competitors.

(8). Does Avon have to motivate its sales reps differently than other

companies do?

Because Avon salespeople will receive a commission on sales and increased power and prestige within the company the larger their client base and order revenue becomes, Avon does not need to motivate their representatives differently than other companies. They do, however, need to make their motivation consistent with the particularities of the fashion world and women's make-up industry, and this specialization may require a different motivation for representatives.

Source

Lussier, Robert (2006). Human Relations in Organizations: Applications and Skill Building (7th edition). McGraw-Hill/Irwin, 2006, p. 411.