

# Richard branson case study history essay



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## **Introduction:-**

Born in 1950 in Easteds Richard Branson attended the Stowe School where his entrepreneurial career, although he would not know it at the time, began. In reality, Branson's dyslexia wound up being an asset which would later aid him because when he was in school the work was nightmarish. In order to obtain passing grades he had to memorize and recite things word for word. The misunderstanding which accompanied his condition at that time caused him to seek and find ways to accomplish tasks which came easier to others. Dyslexia has nothing to do with intelligence; it is a condition whereby the individual reverses the letters. Other individuals with this condition include Walt Disney, Albert Einstein, Leonardo da Vinci, August Rodin, Winston Churchill and General George Patton, Jr. all known for their ability to look at conventional things from a different perspective. <http://www.independent.co.uk/incoming/article8160474.ece/ALTERNATES/w300/ecslmgPg-20-twitter-1-getty.jpg>

The student newspaper he started was a function of his frustration with school rules and his internal drive as well as the activism of the late 1960's. The venture is notable because it involved a number of schools and focused on the students. More importantly, the newspaper sold advertising and in those pre-computer days putting together a venture such as this required layout and past up by hand as well as type setting and other skills as there were no word processing programs. The paper's first issue featured a drawing of Peter Blake who granted an interview. Blake had designed the cover for the Sergeant Pepper Beatles album and this coup got the paper off to a rousing start.

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The next break for Branson came in 1970. The government eliminated a piece of legislation known as the Retail Price Maintenance Agreement which meant that stores could discount record prices, but none of the retail establishments elected to do so. The readership of his student newspaper afforded Branson a built in record buying population that was just the right age and he began running mail order ads. The idea was an outstanding success and he was overwhelmed with so many orders that he entered the discount music business. In fact business was so good that he opened a store and named it ' Virgin' because one of his associates said we're complete virgins at business. Hence, the conglomerate, which he was not aware it would become, was born!

Richard Branson is the chairman of Virgin Group. He founded Virgin in 1970 as a mail order record retailer and it has since grown to encompass around 200 companies in over 30 countries. He describes himself on Twitter as a “ tie-loathing adventurer and thrill seeker, who believes in turning ideas into reality”.

Richard Branson is a flamboyant British entrepreneur with a seemingly insatiable appetite for starting new businesses. His internationally recognized brand “ Virgin” is splashed across everything from credit cards, to airlines and music “ megastores”. Branson is continuously seeking new business opportunities and loves a good challenge, especially when he enters a market that is dominated by a few major players.

Richard Branson’s entrepreneurial ways began early when he was publishing a student magazine at just 16 years. Branson did not go on to graduate

school but in 1970 the new famous Virgin brand had its beginnings in the form of a discount records mail order venture that he and his friend Nik Powell worked on.

### **Virgin Records:-**

Soon after opening a record store on Oxford Street, London, Branson began a recording label in 1972, Virgin Records. This was to be the first major success for the British entrepreneur as he started the label with a hit record. The instrumental artist Mike Oldfield's "Tubular Bells" released in 1973 was a cash cow for Branson's Virgin Records and it stayed in the UK music charts for 247 weeks. The record label went on to sign top music artists like "Genesis", "The Sex Pistols", "The Rolling Stones" and "Simple Minds". The Virgin Records Group was sold in 1992 to THORN EMI for \$1 billion USD.

Richard Branson obviously wasn't finished with the music recording business as he went on to start V2 Records in 1996. The V2 Music brand has a stable of artists that include "Stereophonics", "Powder Finger", "Mercury Rev" and "Tom Jones".

### **The Virgin Brand:-**

Richard Branson has created one of the most recognizable brands in the world. In Britain where he focuses much of his attention, Branson has managed to "Virginize" a very wide range of products and services. The variety of businesses he controls is as vast as the geographical coverage the brand has, with business located throughout the United Kingdom, the United States of America, Australia, Canada, Asian, Europe and South Africa.

Some of the businesses Branson has collected include:

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Virgin Atlantic – An international airline flying to many major destinations.

Virgin Megastores – Music Super-markets located in major destinations.

Virgin Books – Publisher and distributor of books.

Virgin Credit Card – Branson's attempt to provide credit card at a reasonable price.

Virgin Holidays – Book a holiday and fly Virgin Atlantic?

Virgin Trains – Virgin making trains sexy in the United Kingdom.

V2 Music – Largest UK based Independent recording label.

Virgin Active – Chain of fitness clubs throughout the United Kingdom.

Virgin Galactic – Branson's Planned affordable flight to space venture.

Ulusaba – Luxury game reserve located in South Africa.

Necker Island – Branson's own private island located in the British Virgin Islands.

There are plenty more businesses that wear the Virgin name throughout the world and there will probably be more to come as Branson is always looking for an interesting business to start. On the Virgin. com website there is even a section to submit your new and exciting business venture that Branson may consider pursuing.

## **Richard Branson Adventures:-**

Branson is passionate about life and living every minute to its fullest. Since 1985 he has been getting his adrenaline rushes through world record breaking attempts by boat and hot air balloon. Several distance and speed records have been attempted and achieved, but his attempt a media event with his Virgin logo prominently displayed during every launch, which has been an excellent source of free advertising and brand placement for the Virgin Group.

“ Sometimes I do wake up in the morning and feel like I’ve just had the most incredible dream. I’ve just dreamt my life”. -Richard Branson

“ A business has to be involving, it has to be fun, and it has to exercise your creative instincts.

-Richard Branson

Branson was awarded a knighthood in 1999 and become Sir Richard Branson for his contribution to entrepreneurship.

Richard Branson possesses a voracious appetite for new and exciting ventures, especially in markets dominated by a few powerful companies. Airlines, books, telecommunications, credit cards, holidays, fitness clubs, and space travel all sport the famous success, and flamboyant personality have made him a British folk hero.

Although the young Branson had some business successes early in life, his breakthrough came with music retailer virgin megastore and its associated label, virgin records. One of the first virgin records was mike Oldfield’s

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tubular bells-a phenomenal hit that sold 13 million copies. Despite his image, Branson was no laid-back music entrepreneur. His negotiations revealed a shrewd ability to extract favorable terms from his performers. He signed many of them to long contracts and ensured he had word rights to their output. In the mid-1970's, following successful record sales of key performers, the business expanded and the label was launched in the united states.

In 1984, against sound advice, Branson took a gamble that was to propel his business into the big league: the launch of virgin Atlantic Airways, initially offering service from London to New York and subsequently, to Los Angeles and Tokyo. The new company promised a better, less stuffy service than the traditional, domineering giants like British Airways. Branson's publicity stunts, including powerboats and hot-air balloons, were a clever marketing ploy: he and his virgin logo became a regular feature in the media.

With the success of the new business, Branson went public. Within a few years, however, he had bought the company back, keen to invest his profits in new ventures rather than having to pay dividends to shareholders. He plowed money into all sorts of activities and, sometimes to the exasperation of colleagues, there seemed little business reason for his acquisition. It was hard to predict what Branson might turn to next.

Following the sale of his music business to EMI in 1992, Branson was able to make further investments in his airline and to offer a better and more competitive service. After winning a legal battle with British Airways, his popularity rose. Over the next decade virgin diversified into cola, vodka, rail,

insurance, telecommunication, and the Internet. However, by 2002, some of the businesses were sold and Branson was forced to concentrate on core activities. Undaunted, and with his characteristic grin, Branson will surely continue to seek new opportunities.

Branson says “ Business opportunities are like buses, there’s always another one coming.”

The unique skills that distinguish successful individuals from others has always been a source of discussion and examination. Post success analysis has always accompanied the actions of noteworthy events as well as individuals.

Branson is an individual with the unique combination of leadership, charisma, intelligence, and timing. The preceding has attempted to analyze and provide a factual foundation via which to assess the reasons behind his successes based upon his leadership and entrepreneurial abilities.

### **World record attempts:-**

Richard Branson made several world record-breaking attempts after 1985, when in the spirit of the Blue Riband he attempted the fastest Atlantic Ocean crossing. His first attempt in the “ Virgin Atlantic Challenger” led to the boat capsizing in British waters and a rescue by RAF helicopter, which received wide media coverage. Some newspapers called for Branson to reimburse the government for the rescue cost. In 1986, in his “ Virgin Atlantic Challenger 2”, with sailing expert Daniel McCarthy, he beat the record by two hours. A year later his hot air balloon “ Virgin Atlantic Flyer” crossed the Atlantic.



In January 1991, Branson crossed the Pacific from Japan to Arctic Canada, 6,700 miles (10,800 km), in a balloon of 2,600,000 cubic feet (74,000 m<sup>3</sup>). This broke the record, with a speed of 245 miles per hour (394 km/h).

Between 1995 and 1998 Branson, Per Lindstrand and Steve Fossett made attempts to circumnavigate the globe by balloon. In late 1998 they made a record-breaking flight from Morocco to Hawaii but were unable to complete a global flight before Bertrand Piccard and Brian Jones in Breiting Orbiter 3 in March 1990.

In March 2004, Branson set a record by travelling from Dover to Calais in a Gibbs Aquada in 1 hour, 40 minutes and 6 seconds, the fastest crossing of the English Channel in an amphibious vehicle which they had constructed and, while successfully crossing the channel, did not break Branson's record.

In September 2008 Branson and his children made an unsuccessful attempt at an Eastbound record crossing of the Atlantic ocean under sail in the 99 feet (30 m) sloop Virgin Money. The boat, also known as speedboat, is owned by NYYC member Alex Jackson, who was a co-skipper on this passage, with Branson and Mike Sanderson. After 2 days, 4 hours, winds of force 7 to 9 (strong gale), and seas of 40 feet (12 m), a 'monster wave' destroyed the spinnaker, washed a ten-man life raft overboard and severely ripped the mainsail. She eventually continued to St. George's, Bermuda. In March 2010 Richard tried for the world record of putting a round of golf in the dark at the Black Light Mini Golf in the Docklands, Melbourne, Australia. He succeeded in getting 41 on the par 45 course.

The five simple guidelines Branson followed when he started the magazine and then Virgin Music remain as valid and useful as they were in the late 1960s and early 1970s.

If you don't enjoy it, don't do it. You must love what you do.

Be innovative Create something different that will stand out.

Your employees are your best asset. Happy employees make for happy customers.

Lead by listening Get feedback from your staff and customers on a regular basis.

Be visible Market the company and its offers by putting yourself or a senior person in front of the cameras.

Two main factors have aided Branson's success. First, he focuses his activities on those industries where customers are badly served and develops marketing strategies that offer the same products in new and better ways. Second, he has personally become linked to the virgin brand.

### **Influences:-**

Branson has stated in a number of interviews that he derives much influence from non-fiction books. He most commonly names Nelson Mandela's autobiography, Long Walk to Freedom, explaining that Mandela is "one of the most inspiring men I have ever met and had the honor to call my friend."

Owing to his interest in humanitarian and ecological issues, Branson also lists Al Gore's best-selling book, An Inconvenient Truth and The Revenge of

Gaia by James Lovelock amongst his favorites. According to Branson's own book, *Screw it, Let's do it. Lessons in life*, he is also a huge fan of works by Jung Change.