

# Celestial seasoning

Life



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Celestial Seasonings was founded by a small countryside family aiming to bring natural herb benefits to the customers in 1969. Celestial's herbal tea was sold through local stores initially. Celestial Seasonings went through a major change when it was bought by Kraft Inc in 1984.

Kraft brought Celestial products to new markets before selling it back to the Celestial's old management in 1988. The selling and re-purchase of Celestial benefited the company to get into a national market and exposure to a wider consumer range. Throughout the decade of the 90's, the company extended its product line as per market demands. As a result, herbal supplements, medicinal teas, herbal supplement capsules and many other products were added to the Celestial product range. The company had good growth till the end of the decade until some of its products started showing a declining trend. There are some problems relating to Celestial Seasonings' progress which include ethical issues, quality concerns and a limited target market. Celestial Seasonings makes its entire product range from natural herbs but still the company cannot promise to make people healthy.

It's a product, not medicine, so it cannot claim for treatment of illness and claiming so raises an ethical issue. Quality concern is another problem with the Celestial Seasonings products. 71% of people consider Celestial Seasonings products safe for health while 29% of people have some concerns about safety. They think that being natural doesn't make it safe. Herb source authenticity also raises questions about quality. Celestial Seasonings offer a wide range of products but the major target market is baby boomer ladies with 35 to 54 years of age. Its tea products have a high price than other tea competitors.

This raises the problem of limited target market. As a solution of ethical problem, company must not make unjustified promises. Product statements can show that these can help living healthier life rather than its impression of a curing product. Quality can be assured by club marketing programs and virtual tours. Sustainable sourcing assurance can also help improving customers' confidence. Club marketing programs can be launched and events can be held on farm and production locations to improve customer perception for product quality. Market development is solution to limited target market issue.

New target markets can be explored. Company can go global and enter the markets where tea is a part of tradition like England, India, and Pakistan. Celestial Seasonings has kept its promise to bring natural herb benefits to the customers. Company can overcome current problems and increase its profits with market development, club marketing programs and keeping the ethical concerns.