

# Este case study

Business



Advertisements which differentiates their products from others Innovation:  
First dermatologist-guided, allergy tested, fragrance-free cosmetics brand  
First major prestige cosmetic firm to offer shopping via internet First to  
introduce consistent brand imagery around the world Advertisements which  
differentiates their products from others.

Global expansion as a result of strengthening of the U. S dollar. Weaknesses  
Indistinguishable organizational structure Lower sales in Fragrance product  
category. As a result of this, the company is struggling particularly in  
American region.

Most of the power/authority in the company is vested in family members. It  
is not clear whether the four presidents have authority over the four product  
lines or four geographic regions thus a questionable line of command exists.

7. Financial Ratio Analysis (2012) 8. Internal Factor Evaluation (It-E) Matrix Y  
SHOW strategies 1. Strong brand name: The brand “ Esteem Lauder” is  
associated with luxury, and quality. The company has a strong brand  
portfolio including Esteem Lauder, Arms, Clique, Prescriptive, Lab Series,  
Origins, M.

A.

C, Bobbie Brown, La Mere, Veda, Joy Malone, Bumble and bumble, Darwin,  
American Beauty, Flirt! , Good Skin and Grassroots. In addition, the company  
is also the global licensee of brands such as Tommy Hillier, Donna Koran,  
Michael Koru, Sean John, Mission and Daisy Funnies. Each of these brands is  
uniquely targeted in the beauty products markets. Moreover, four of the

company's fragrances for women rank among the top 12 fragrances in American department stores. In the US, lip gloss, powder and eye shadow markets, M.

A. C is a leading brand.

Further, Estee Lauder Doubleheader Long Lasting Foundation is the top-selling liquid foundation in many international markets. Strong brands differentiate the company's product portfolio, and enable it to leverage the brand strength for expansion into new lines. 2. Research and development focus Estee Lauder is an industry leader in the development of new products.

Its marketing, product development and packaging groups work with its research and development group to identify shifts in consumer preferences, develop new products, and redesign or reformulate existing products.

Currently, the company conducts research and development (R&D) programs in New York, Belgium, the I-J, Japan, China and France. Estee Lauder spent about 1 . 1% of its total revenues towards research and development expenditures in PAYOFF. The company's research team consists of 450 experts, and it also conducts biological skin research with 25 research institutions around the world. An R research focus helps Estee Lauder to innovate and introduce new products in line with changing consumer preferences.

3. Strong distribution network Estee lauder sells I TTS products tongue a large rate II network.