

# Estee lauder

Business



Bringing the best to everyone we touch and being the best in everything we do. By “ the best” we mean the best products, the best people and the best ideas.

” Mission Statement: Our Nilsson Is to deliver the highest quality skin care products, fragrance, cosmetics. And hair care products (2) for men and women of all ages and nationalities (1 ) around the world (3).

By using the latest technology (4) in cosmetic design, we are able to ensure our customers’ high demand for superior and safe products will be met or exceeded in each and every product purchased (7). Providing the best products possible to our customers will enable our philosophy (6) of improving the sprit of our customers’ mind, body and soul to continue from generation to generation (5). By hiring the most experienced chemists (9) to design new products that are safe and effective, we strive to continue growing our product line.

We strive to be socially conscious by providing products that are environmentally safe and free from animal testing (8).

1 . Customer 2. Products or services 3. Markets 4. Technology Concern for survival, profitability, growth 5.

. Philosophy 7. Self: concept 8. Concern for public image 9. Concern for employees QUESTIONS: 1 . Strategies Implemented I.

Forward Integration Strategies: Early/effective use of internet/technology in 1998 added strength to their sales. (online sales) II.

Market penetration Strategies: Excellent promotional strategies: Discounts, gifts and free samples with purchases, celebrities endorsements, advertisements which differentiates their products from others. Each brand has a single global image which is promoted with consistent logos, packaging, and advertising designed to differentiate it from other brands. AI.

Product development Strategies: v.

Market development Strategies: Global expansion as a result of strengthening of the U. S dollar. Global licenses and globalizes operations. Esteem Lauder currently has 2. Develop FIFE Matrix No.

Key Internal Factors : Strengths\*\*\* Weight Rating Weighted Score Wholly owned and operated offices in 43 countries and territories and sold in over 135 countries.

0. 12 4 0. 48 2 Test products on animals only when required by law. 0. 03 3 Esteem Lauder operates under numerous brand names including Clique, Origins, Bobbie Brown, Flirt! Among others. 0.

0 0. 40 Detailed succession plan in place for Fabric Freed to take over as CEO in March of 2010. 0. 05 0. 20 5 The company as global rights to products sold under several name brands including Tommy Hellfire, Donna Koran, Mission, and Sean John.

Company continues to purchase interest in start up and established companies such as Bumble and Bumble 7 Revenue has increased 40 percent from SUDS billion to SUDS billion in the five year period dating fiscal year 2003: 2007. 0. 15 0. 60 8 Company specializes in mid level and upper end

cosmetics products; markets over 9, 000 products. Key Internal Factors :  
Weaknesses In 1990, 75 nameplate department stores sold Esteem Lauder;  
today that number is only 17.

Stock price has been stuck between SUDSY and SUDSY trading range since  
1996.

Esteem Lauder lacks clear mission and vision statements. Confusing  
organizational structure; it is unclear whether group presidents have control  
over product lines or geographic areas. 0. 05 Net sales of fragrance products  
decreased 4 percent to SUDS . 213 billion; company continues to struggle in  
this segment Company does not offer enough brand names tailored to lower  
budget consumers.

TOTAL 1. 00 3. 5 OR Strengths weight Weighted score Esteem Lauder  
currently has 26 brands selling in over 130 countries 0. 09 0. 36 2.

Each brand has a single global image which is promoted with consistent  
logos, packaging, and advertising designed to differentiate it from other  
brands. 0. 02 0. 04 3. Esteem Lauder was awarded/included in Ten  
Outstanding Women in Business in the U.

S by business and financial editors in 1967 which contributed largely towards  
brand-building of the company 0. 03 0. 06 4. Defined/numerous/wide  
channels of distribution 0. 09 6. Manufacturing operations match ISO 14001  
standards.

7. Early/effective use of internet/technology in 1998 added strength to their  
sales. 0. 05 8.

<https://assignbuster.com/estee-lauder/>

Advertisements which differentiates their products from others. 0.

03 9. Global expansion as a result of strengthening of the U. S dollar 0. 10

10. Others 0.

04 0. 08 Weaknesses Indistinguishable organizational structure 0. 02 Lower sales in Fragrance product category. As a result of this, the company is struggling particularly in American region. 0. 05 Most of the power/authority in the company is vested in family members.

0. 03 It is not clear whether the four presidents have authority over the four product lines r four geographic regions thus a questionable line of command exists.