

L'occitane essay



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Introduction oWhy L'Occitane? Our team has chosen the French brand L'Occitane because this body care shop seems fits perfectly to the project. In fact, L'Occitane Finland turns out to be a quite small company in Finland which has international operations with L'Occitane France.

That's why; we have thought that it could be very interesting to know: -How one French brand succeeds to adapt its brand to the Finnish market? -How L'Occitane Finland manage its communication's strategy to increase the brand recall/recognition with the Finns, in order to build a positive brand attitude? Moreover, L'Occitane has a very precise concept: this brand promotes human development and respects the nature and the traditions. It's interesting to know if the Finnish customers are aware of these values. Are these Finnish women a good target market? Our steps to get our exclusive interview First of all, our team has been in one L'Occitane shop in Helsinki, to present our project. We have been very lucky because the marketing director, Mrs Sussi Stendahl of L'Occitane Finland were there. This woman gave us her business card and she recommended us to send her a mail with our questions, because she was busy. So, few days after we have sent her an email with our questions. One week after, we have succeeded to get one very quick interview and she promised us to get a longer interview later because she was very busy.

Nevertheless, her quick answers helped us to start up again on the interview and we created deeper questions. Finally, we met her in Espoo, in the Iso Omena's Mall last Friday and it was a very interesting interview. She could answer well to our questions and she was very close to us. Sussi Stendahl gave us a talk of about 35 minutes. It was very efficient and successful.

oAbout the report We have constructed our report thanks to our interview and then, we have interpreted the answers with our Design and Brand Management course.

That's why, the sentences with quotation marks refer to Sussi Stendahl's answers and the rest of the explanation corresponds to our interpretation and our own research. Our report is divided into seven parts which develop every points of the subject. Part 1- L'Occitane's background history Our team: Could you explain us L'Occitane Finland's background history? Sussi Stendahl: " L'Occitane International was founded in 1976 by Olivier Baussan, in Manosque, a small village in the heart of Provence in France. The factory is still situated in the same village and all products are manufactured there.

Internationally, there are over 1. 200 shops worldwide in over 100 countries.

" " L'Occitane Finland was founded in 2005 and it is a privately owned Finnish company, not a subsidiary to L'Occitane International. In Finland, we have three shops: two in the centre of Helsinki (Kamp Galleria on Pohjoissplanadi 33 and Mannerheimintie 5) and the other in Espoo, in the Iso Omena's Mall. " L? Occitane Key dates 1976 Olivier Baussan buys an alambic and produces Rosemary essential oil that he sells through Provence markets. 1980 Opening of the first store in Manosque. 982 In Burkina Faso, Olivier Baussan discovers Shea butter properties and decides to use it in soaps and

skincare formulas. 1995 First store opening in Hong-Kong. 1996 First store opening in New-York. 1997 Use of Braille on products packaging. 2006 First TV advertising campaign in France. 2006 Creation of L'Occitane Foundation
2009 More than 1000 shops around the world Key figures of L'Occitane International • More than 4000 employees around the world • 1 factory in Manosque (South of France) • More than 1000 shops in 80 different countries 80 new products launched every year Values of L'Occitane (Source: <http://www.loccitane.com>) Authenticity: L'Occitane is a way of thinking, a passion for nature, simple things and true stories. The company elaborates authentic and natural products in respect of the Provençal customs, which we distribute in convivial and welcoming shops. Day after day, this authenticity shapes the way we communicate within the company. It promotes simple and transparent communication among our staff as well as diversity of ideas, cultures, experiences and styles.

Our employees are encouraged to be positive and genuine, to listen to each other and to take everyone's interests into account in order to evolve together. Sensoriality: L'Occitane is the result of a passion for Provence and its delightful scents. The soul of this area, its values, its colours and its men inspire and lead us to constantly enrich our range and create new products. Intuition and sensibility are qualities that our employees are encouraged to widen. Respect: L'Occitane promotes human development and respect for nature and traditions.

L'Occitane Foundation, created in 2006 illustrates our commitments to various causes we really care for. For instance, we support traditional Provençal production channels and we have established fair trade with <https://assignbuster.com/loccitane-essay/>

Burkina Faso, our main supplier of shea butter. Besides, we also support numerous charities, such as Orbis, which fights for curable blindness throughout the world. At L'Occitane, we insist on respect and cooperation within our teams and departments and beyond with our clients and suppliers.

We favour relationships based on listening, understanding and which value everybody's skills and knowledge. Constant improvement: L'Occitane keeps on improving by developing more and more innovating products, opening more and more convivial shops and recruiting more and more lively and well-trained staff. Progress is the key word of our policy. Our staff is driven by the constant search of self-improvement and is concerned with the others and the company's development. Changes are accepted as necessary steps towards the evolution of the company.

Determination and tenacity always lead us forward. Openness: Because we are convinced that diversity is a real treasure, as it reveals not only everyone's assets and creativity but also helps bonding, we encourage respectful teamwork beyond the hierarchical barriers. We expect our staff to show a tolerant and open-minded behaviour and to adapt to anyone's constraints or new ideas. Entrepreneurship: Year after year, success after success, our company has been enlarging in total harmony with the surrounding world, just one wish in mind: spread out the scents and the inspiration of Provence.

We encourage networking, innovation and risk-taking and we promote everyone's entrepreneurship. Thanks to proactive and autonomous attitudes,

leadership and sense of responsibility among our staff, we have been allowed to build up a more and more stimulating work environment, focused on actions and results Lavender's picking and lavender's field Part 2 – The reasons to choose this name, this logo, this design Sussi Stendahl: “

L'Occitane means “ woman from the Occitania area”. Occitania is the old name for the area that today is Provence – Cote d'Azur.

About the logo or design, I cannot give any answer as I am not part of L'Occitane International and I don't know the background of the logo nor the design. “ The word “ Provence” contains lots of value inside. The founder, Olivier Baussan, was inspired from the nature and tradition of Provence area. Provence is plenty of agricultural products, sunny weather and healthy life style. He wanted to spread the beauty and pleasure from nature by generating organic cosmetic products and wanted to share it with every woman. In this way, the word ‘ Provence’ affected immensely on the name and logo of L'Occitane.

The name “ L'Occitane” contains the core value of the brand, being beautiful with natural product from Provence. The main colour, yellow also reminds Provence – about its shiny sunshine and yellow flowers in the south part of France. Because they supply organic ingredients from in and around Provence and the main idea of L'Occitane is making natural and high quality cosmetic products from it, setting a good image about Provence is really important for marketing. Part 3 – What about L'Occitane's advertising? Our team: Has L'Occitane utilized advertising agencies?

Sussi Stendahl: “ In Finland we have not used advertising agencies. We do all our advertising ourselves, as we are quite a small company here in Finland. ”

Our team: Who create your advertisings? Sussi Stendahl: “ We have three shops in Sweden too and there is a Swedish Bureau with an Art Director who adapts the advertising for the Scandinavian market. ” “ L’Occitane

International has a huge marketing team and they do all advertisings for the whole concept worldwide. So, that means that when we have one advertising in a magazine, the original version is made by the marketing team of L’Occitane International.

We only do the translation in Finnish and Swedish: everything has to be the same in order to keep the same concept. ” “ I can show you some advertising in Finnish magazines. Gloria, Evita and Olivia are the three principal magazines. ” “ It’s a colleague and me who do the translation of the ad in Finnish and then the Art Director in Sweden adapts the advertising for the Finnish market and edits the advertisings in the magazines. ” “ You know, we work a lot with the press and the Beauty Editors of each Beauty Magazine. Usually when we open a new shop, we invite the press. Our team: Which group of customers are you targeting? Sussi Stendahl: “ It’s women of about twenty five and up, but there is no limit for the age. Usually, they live in big cities. Urban women who like to look after her and put money into quality body care products. ” Our team: How do you manage your marketing campaigns? (Advertising on magazines? On billboard? On the Internet?)

Sussi Stendahl: “ When we get a new product, we always get the press product one or two months before launching it. When I get the press product, I send it to the Beauty Editors of the principal magazines. ” Then, they

promote it in their magazines, for instance for Christmas. We are very lucky because the press really like our products, so they use them very much as advertisings. ” “ If we get one of our advertising in a famous magazine like Evita, the image of L'Occitane would be very famous and well known. ” Our team: Are you used to add a specimen in the press magazines ad? (Because it is a very common way to promote a product in France) Sussi Stendahl: “ No, we don't do that because the main reason is that it's a very expensive campaign. We have only three shops so, it's not interesting for us, I mean, for the moment.

However, it's very common that big cosmetic companies insert specimens in Beauty Magazines. ” Our team: Have you ever had to adapt the international advertisings in order to reach the Finnish target audience? (For ex, if the advertising is considered as shocking for the Finnish society and customs) Sussi Stendahl: “ We do it with the text. We can't modify the image because we aren't allowed, but the English version is sometimes too direct or not adapted for the Finnish culture. Sometimes, it doesn't fit with our culture.

But we don't always do it. ” Part 4 – Places, markets, regions

Sussi Stendhal: “ In Finland, L'Occitane is sold in our three own shops and in Sokos Department stores around the country, Sokos Emotion shops around the country as well as in Stockmann Department store in Helsinki. ” “

Internationally there are shops all over the world and L'Occitane is also found in first class luxury hotels around the world. There are also shops or shop in shops in all the major Airports around the world. So, L'Occitane can really be found all over the world. ” Number of shops in 2008 in the world Our team:

Do you have agreements with the first class luxury hotels (they promote L'Occitane products) or are they clients?

Sussi Stendahl: “ We worked with the Kamp Hotel. We have our products in a VIP suites and the Spa, up on the roof. We try to be a very high quality with a medium price. ” Part 5 – How culture could be a challenge? Sussi Stendahl: “ For us here in Finland, there are not many cultural challenges. We can decide ourselves what products we have and we can focus on the best sellers in Finland. “ The best sellers vary from country to country. Of course, there are cultural differences but as we are an independent Finnish company, we can decide which marketing campaigns to follow. As the marketing team in Paris does a lot of different marketing campaigns for the whole world, there is always much to choose from and we select those campaigns that we think suits the Finnish Market and the Finnish consumers. ” Our team: What marketing campaign do you choose for Finnish market? Sussi Stendahl: “ We do a different window of shop every month. There are a lot of marketing campaigns from L'Occitane International and you can choose one which is the best adapted for our market. ” “ For the price promotion, you can have one package like, for instance: “ Buy this hand cream and you will have one cream free”, but this doesn't work very well in Finland.

It had to be a huge promotion for the Finns; otherwise, they will not be attracted. ” “ That's why we do promotion with price decrease and it works better. ” Our team: “ It is very interesting because we have bought, about one week ago, in one of your shop in Helsinki, two creams for hands and foot. It was actually a promotion: “ Two creams for 15 Euros”. One cream

cost 10 Euros but with the promotion, we could buy two creams for 15 Euros. So, yes, your promotions work! Sushi Stendahl: “ The hand cream has always been our best sellers. ” Our team: How do you know Finnish market and Finnish consumers’ wishes?

Do you hire a company to realise some market researches? Sussi Stendahl: “ We don’t hire a company to realise market researches. In fact, I have been working a lot for this company: it’s my brothers and I who do our own market researches. My brothers take care of Sweden. My brothers and I were about 20 years old when they began to work for the Finnish market. So, they have a lot of knowledge about the Finnish market and the Finnish consumers’ wishes. ” Part 6 – The obstacles and opportunities for L’Occitane to have a global/regional brand Our team: Which companies are your competitors?

How do you manage to mark down from competitors and attract consumers? Sussi Stendahl: “ This is much bigger in Sweden actually. We don’t have many in Finland yet. The main competitor could be Body Shop but this company attracts younger people than we do. Usually our customers are older. We don’t really compete with them very much. I think it is the inverse. Body Shop would like to attract older people. ” “ We are targeting younger people too: we are getting some make up for the spring and these products are more for young women. ” “ There is also a Greek company called “ Korres” which can be our competitors.

They only have one shop in Helsinki and they also have products on Stockmann. However, it’s not a “ normal” cosmetics shop; it’s a “ green concept” like natural products. There is one more brand ‘ Thann’ from

Thailand. But it only has one shop in Sello, so there is no actual competitor until now. ” Our team: Do you think being a French brand name attract people and increase the brand’s value? Sussi Stendahl: “ Yes, I think so. We have had a lot of questions about the French name. Everybody wanted to know how we pronounce “ L’Occitane” what does it mean and where it comes from.

But, now, everybody knows L’Occitane because you can find our product in the magazine, it is more and more known. So, it’s not a negative point. ” “ A French brand is positive in Finland because with globalisation, so many Finnish people travel and go to Provence in South of France. We have a lot of people coming to us into the shop because the atmosphere reminds us Provence (smell, colours...)” “ We really want the customers to feel good when they go into one of our shop. Thanks to the design, people just want to go to the shop because the smell and the design remember us Provence. “ The Finnish customers want to test everything new; they are very keen on trying new products. It is the opposite in Sweden. They don’t rush into new arrivals. Finnish customers are very curious and always want to try without advices. ” Part 7- Build, measure and manage L’Occitane’s brand equity? Sussi Stendahl: “ In Finland, we follow closely the sales all the time and of course how well our brand can be found in all magazines in Finland. All marketing campaigns we do, we also measure after words how well or bad they worked. ” Our team: How do you measure it?

Sussi Stendahl: “ Look at this ad in Evita magazine: if you mention “ Evita” when you buy something in L’Occitane shop, then you get a small foot cream free. Saleswomen have to write down every time a customer is using this

marketing campaign. This is a very easy way to measure the effect of our marketing campaigns on the sales. ” “ Another example, when we do a promotion saying “ hand and foot cream for 10 Euros instead of 14 Euros”, we always look at the sales figures of the products at the end of the promotion. ” “ Moreover, we also have coupons campaign.

When customers come into our shops, we take the coupon and after that campaign, we can see how well it works. For instance, the coupon we did last January was: “ if you buy more than 20 Euros of L'Occitane products, you got one small foot cream”. Then saleswoman had to collect the coupons and also write the price for what the customer bought (if customer bought 20 Euros or more). At the end, we can see how many coupons come back, and then how much actually the customers buy, if they keep the very minimum (here 20 Euros) or if they don't care about the minimum price and they buy more. Our team: What communication strategy do you follow in order to increase brand recall with Finns, in order to build a positive brand attitude? Sussi Stendahl: “ The magazines are our best communication ever. Finnish people read very much. So, for us, it is the best way to attract and seduce them. Our brand is getting more and more known and magazines promote very well our brand. ” Our team: In France, brands uses a lot billboard to promote their products, do you also work with? Sussi Stendahl: “ No, we don't use this means of communication, because we only have three shops in Finland.

For us, it doesn't really matter at this time. It doesn't help us if we put our logo or our brand on billboard because for most of people they don't know L'Occitane brand name. We have to build and improve brand awareness first! ” “ That's why, the other way to promote are developed. For example, if

you order the Evita magazine for one year, you have L'Occitane products as a gift (from the magazine). This means to attract consumers is used in lots of magazine in Finland. " Our team: " So, magazines are your clients? " Sussi Stendahl: " Yes, it is a win-win way between the magazines and L'Occitane.

Of course, we propose special prices" Our team: Does L'Occitane have the project to open new shops in Finland? Sussi Stendahl: " Our plan is to open a couple of shops in the future. " Sum up Thus, to sum up, we can say that L'Occitane try to develop brand awareness, brand equity and brand association. In fact, they do lot of marketing campaigns (such as coupons or promotions) in order to increase the brand recall and recognition. They want to attract people in the shop in order to make them buy more than what they need. Moreover, working with the press Beauty magazines is the best way for L'Occitane en Provence to develop the brand equity.

The brand is being more and more known thanks to the ad on magazines. Magazines also promote L'Occitane's products without selling advertising space (for instance for a subject such as " cheap present for your mum"). Finally, like Sussi Stendahl said, more and more Finnish travel in France. That's why, L'Occitane wants to preserve the same atmosphere than the French shops, in order to increase brand association. For example, it's the architect of L'Occitane who designed all Finnish shops. Thus, when consumers come into the shop, it reminds them south of the France, as a result, it makes them think about vacations spent in France.

There are in good mood and behaviour to buy products. Conclusion Thanks for the help of Sussi Stendahl; our team could finish a successful interview.

She has been very busy during our project time, but she really helped us a lot to answer deeply our questions about L'Occitane Finland and its marketing strategy which we can not find out from other sources. L'Occitane Finland is a small company and the marketing team of L'Occitane Finland will need to keep change the marketing strategy as the range of market and consumer groups is getting bigger.

But, after we finished our investigation, we can say that L'Occitane Finland is doing well on marketing strategy considering cultural and management factors at the same time. Firstly, L'Occitane Finland considered cultural factors and made marketing strategies based on these characteristics. The founder of L'Occitane Finland is an expert of Finnish and Swedish cosmetics market. Sussi Stendahl has joined in family business for over twenty years, so she has knowledge and know-how about it.

Thus, L'Occitane International decided to give the L'Occitane Finland branch to her and also allow her to do what she thinks it is right. Even though they have to follow the basic marketing principles from L'Occitane International, they still have authority to adopt only suitable products and marketing strategies, which are considered as proper to the Finnish market. Moreover, this different promotion plan considered the Finnish culture is working well in Finland. Secondly, L'Occitane Finland considered management factors for efficiency. It is a small company, it has only three shops in Finland.

They decided to adopt a suitable strategy for a small company, instead of just adopting the same marketing strategy from big and international cosmetic company. To begin, they figured out the strong and weak points of

the brand. They know the strong point of L'Occitane products is high quality compared to its price and the weak point is low brand awareness. So, they decided to find a way to advertise high quality products first, instead of just presenting the name of brand and made a marketing plan which can spend less money and get great effect on it.

They know the point of L'Occitane products is high quality compared to its price. Thus, they sent sample products to beauty editors of magazines. After beauty editors tested their products, they realized this product is worthy enough to introduce to their readers. In this way, they can advertise their product actually without cost, but with specific information about the product and the brand. As they had great understanding about the market, marketing strategy and brand elements, L'Occitane Finland could achieve success to take a part in the Finnish cosmetic market.

This project was a good opportunity to review all the contents from this course ' Design and brand management'. We could review, compare and practice the theories we have learned to achieve a real case of a Finnish company. In this process, we could check how brand elements are working in setting up marketing strategies and the real process of marketing plan. This project was also a good opportunity to figure out more things about the Finnish culture and the characteristic of the Finnish market.