

The body shop as a global company

Education



What type of multi-country organization is Body Shop as described in the case? Global? Multinational? International? Other? Please explain and be specific. From the case, The Body Shop is a global company. First of all it is centralized and globally scaled. It does not make decision or different product in different country. Even though it has company stores and licensed stores its products do not change by different stores. It has local elements by setting up a Community Care Department and began talking to franchisees about having every shop commit to a local need, and supporting it by allowing staff time off to work on the project.

But the influence of charity work came major from its worldwide campaigns such as AIDS campaign. Secondly, The Body Shop implements parent strategy. The Body Shop did not advertise, avoided traditional distribution channels, spent as little as possible on packaging, and used product labels to describe ingredients rather than to make miraculous claims. Its products were based on all-natural ingredients, and were sold in refillable, recyclable containers. All of these above are its parent company strategy, which is adapted by all the stores across the world.

Lastly the knowledge is developed and retained at the center. The Body Shop parent company would train staff and provide uniformed pamphlets to assist knowledge of the product. However its core competency is not centralization and it did not obtain excessive competitive advantage through its centralization, The Body Shop is not an international company yet. In all The Body Shop is a global company (2) Body Shop had several constituents after going public- employees, customers, the local community (sees), the environment, shareholders, vendors, franchisees.

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Assess how Anita did in serving each of these constituents after going public. Be specific. Its constituents after going public altered from the time The Body Shop Just started. After going public, Its employees are not hired directly by founder herself but her franchises owner. By appointing a head franchisee In each major national market, Rowdier was able to concentrate on the development of new product lines and the company's global vision, rather than worry about the complexities of administration r personnel management.

Its employeemotivationprogram does not focus onmoneyrelated award but on vision of the product and the future of the company. For customer The Body Shop continuing target at customer which have sensitive skin and Like the Ideal of natural Ingredients. In local communities after going public The Body Shop did not decrease it local community actives but increase them by creating department of community care. For environment, its strategy is protecting nature and against animal test.

However its image as a company, which against animal test, is no anger that strong, since its first few popular product which are still sold in store are animal tested. In terms of shareholders it seems Like Anita she still perceive the company as Its own company Instead of a public treaded global enterprise. All the venders she did not build up a strong logistical chain. She did stop contract with several factories that againsthuman rights. It is a step for managing venders. Last franchise management strategy is centralized combined with local care.

But main focus and concern are still how to fulfill parent companies strategy.

3) What does Body Shop need to do differently than they had done so far, if anything, to be successful in the U. S. Market? Practically, can any major retailer be successful in the U. S. Market without major advertising expenditures (you can site specific retailers operating in the U. S. Today which do not do much advertising, if any exist). ; | There are several problems in its strategy. First of all, its company heavily focused on different types of campaign that involve politics.

In the US it can be dangerous to business that steps in political filed. People who hold different political belief from your company may boycott your product. You lose potential customers not because you don't have efficient product but political reasons. For example Chinese student started to boycott The Body Shop because it is funding Tibet independence movement groups. This is not a happy ending for business. Additionally the Anita Rowdier says I have never been able to separate Body Shop values from my own personal values.

However after a certain stage company developed into, the company s not anymore base on the founder's value it has to adapt company value, which would be beneficial to future development of the company. Further more in order to success in the US market Anita need to a strong legal service team to deal with all kinds of possible legal issues and government regulation issue. Lastly marketing strategy modification is the need to adapt potential new competitors since natural ingredient is the trend right now. In a foreign in order to differentiate The Body Shop Anita need to use marketing campaign to create awareness.

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