

Victoria's Secret Situation & Strategic Plan

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Background of Organization



- Founded in 1977 under L. Brand
- Leads industry for women's lingerie, fragrance, body care, accessories, athletic and lounge wear.
- Operates 1,100 store locations in the US
- 45 stores in Canada
- 14 stores in London
- Generated \$7.387 million from 2010-2017

Organization Mission

To be a brand that inspires, empowers, and indulges.

Corporate Social Responsibility

- L Brands focuses on inclusion, diversity, and improving education
 - Main inclusion groups: Conexión, the Latinx Resource Group, Evolve, the LGBTQ Resource Group, Mosaic, the Black Resource Group, WIN, the Women's Inclusion Network
- Environment responsibility
 - Uses sustainable materials
 - Uses less energy
 - Reuse materials
 - Stay to these values with everyday business operations
- Ethical values
 - Code of conduct-what's allowed and what's not
 - Choses suppliers that matches its ethical value
- Invested more than \$15 million to non-profits in 2018

Market Research

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- 14th most popular brand in America and 7th most famous
- 57% positive public opinion rating
- 13% negative public opinion rating
- 26% neutral public opinion rating

Competitor Research

- Adore Me
 - Exhibits natural beauty
 - Hired spokesmodel Iskra Lawrence who also was hired by Aerie
 - Revenue: 42.7 million
 - Subscription box: delivers underwear and other merchandise
 - Bigger sizes
- Aerie
 - Models are not retouched or airbrushed
 - Models of all different body types and illnesses
 - Rapid increase in sales and revenue
 - Under American Eagle revenue was \$1.1 billion
 - Partner with women activists

Situation

- CMO of L Brands Ed Razek made a comment about about the Fashion show not featuring “transsexual” models
- Used the wrong terminology and excluded a whole group of people



Victoria's Secret ✓

@VictoriasSecret

Following



Please read this important message from Ed Razek, Chief Marketing Officer, L Brands (parent company of Victoria's Secret).

"My remark regarding the inclusion of transgender models in the Victoria's Secret Fashion Show came across as insensitive. I apologize. To be clear, we absolutely would cast a transgender model for the show. We've had transgender models come to castings... And like many others, they didn't make it...But it was never about gender. I admire and respect their journey to embrace who they really are."

-Ed Razek, Chief Marketing Officer, L Brands

5:01 AM - 10 Nov 2018

Publics

- Targeted Publics
 - Women in its 20s-30s
 - Men shopping for their wives in the age range of 21-49 years old
- Middle Class women and men
 - Women who feel confident about themselves and are fashionable
- Now starting to market towards Gen Z

SWOT Analysis

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- Strengths

- International company
- Ability to shop online or instore
- The VS Angels are strong influencers for the brand
- Engages its consumers with its new products
- Consumers trust the brand

- Weaknesses

- Rising popularity of body positivity and #metoo movement
- Many consumers feel the brand is forced and fake
- Many women don't feel comfortable shopping there

SWOT Analysis

- Opportunities
 - Keeps up with the market and puts new products out regularly
 - Expanding market merchandise
- Threats
 - Body positivity
 - Other companies that use body positivity

Strategic Plan Themes

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- To increase public perceptions through inclusivity
- Make all types of publics comfortable
- Educate Victoria's Secret staff about how to be inclusive
- Empower publics that shop vs. making them feel unwelcome

Goals

- Improve public perception of Victoria's Secret as a whole
- Make sure all publics feel included vs. degraded
- Bring in diverse members to validate and guide appropriate actions
- Partner with LGBTQIA+ organizations to inspire confidence

Objectives

Awareness:

- To have an effect on the awareness of Victoria's Secret's publics; specifically to increase understanding of changes, internally and externally, to Victoria's Secret's brand culture (70 percent within six months).
- To have an effect on the acceptance among Victoria's Secret's staff; specifically to increase knowledge of diversity within its executive committee to improve inclusivity (100 percent within one year).

Objectives

Acceptance:

- To have an effect on the acceptance of Victoria's Secret; specifically to increase its positive public's perception of the company as a whole towards the brand's reputation (60 percent within one year).

Objectives

Action:

- To have an effect on the action of Victoria's Secret's publics; specifically to increase empowerment among publics while shopping at Victoria's Secret for them to feel comfortable when shopping (80 percent within one year).
- To have an effect on the action of Victoria's Secret's partnerships; specifically to develop relationships with LGBTQIA+ Organizations to inspire confidence and positive mental health within its community (35 percent within one year).

Strategies

- Ethos: establishing credibility
- Pathos: appealing to virtue (justice, altruism, esteem, and social acceptance)

Strategies

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Awareness:

- To make Victoria's Secrets publics aware of its plans to combat and change the negative public perceptions.
- Increase internal diversity among executives through educational programs

Acceptance:

- Improve the brands credibility among its publics and gain trust back

Action:

- Increase its publics confidence and self-worth when shopping in Victoria's Secret
- Partner with LGBTQIA+ Organizations

Tactics

- Introductory video featuring changes coming to the brand
- Bringing in diverse group members to talk to executive members of the brand
- Empowering messages on social media talking about strong women
- Importance of empowerment
- Store face-lift
- #undHERwear campaign + partnership with National Center for Transgender Equality

Evaluation

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- Survey on receipt
- Focus group/ “after-only” study
- Social Media monitoring

Stewardship

- *Reciprocity*: Thank-you coupons in-store to those participating in the “donate a pair” to the LGBTQIA+ organization
- *Responsibility*: Being visibly active with its partnerships
- *Reporting*: Newsletters sent out regarding the #undHERwear project
- *Relationship Nurturing*: Website postings showing where proceeds are going to partner organizations