

Trista Vogel
COMM 330 01
Josh Letner
28 January 2016

Product Research; Victoria's Secret

Victoria's Secret is a nationally recognized lingerie and apparel brand. Victoria's Secret (VS) targets younger to middle aged women in over a thousand stores in the United States with their wide product range of lingerie and other under garments, athletic wear, casual clothes, make-up and hair products, swimwear, pajamas, and their own VS fragrance line (the only product available for men.)

In 1977, Roy Raymond, a Stanford MBA borrowed a bank loan and loans from family to open the very first Victoria's Secret store. Roy was inspired to design to create a store that made men feel comfortable buying 'sexier' underwear for their wives. This was a big deal in the time period with the Sex Revolution just beginning with the introduction of birth control. Raymond created his store based from the Victorian Era, where he also chose the name Victoria, meaning propriety and respectability with her "secret" sexy underwear. Roy Raymond made \$500,000.00 his first year which he then opened three more stores and created a catalog. In 1982 Raymond sold VS to Leslie Wexner (Founder of Limited Brand) originally reported for \$4 Million but Forbes reports it was for only \$1 Million.

Wexner transformed the company to appeal to women rather than men, in order to "normalize" sensual apparel and make lingerie an everyday thing to wear, versus just for occasions. Wexners goal was to make sexy underwear mainstream as it is in Europe, and business skyrocketed. Only two years later Victoria's Secret was worth \$500 Million and out of depression, Roy Raymond jumped to his death from the Golden Gate Bridge.

Wexner has been nothing but successful with expanding Victoria's Secret creating great brand recognition and loyalty. The first VS fashion show was in 1995, but became more fancy with the addition to effects and wings in 1998. That same year, VS was now available online (e commerce) and was profitable ever since. Expanding from just bras, underwear, and lingerie- VS launched the PINK label targeting the younger girls, upper highschool and college age with sporty, trendy outfits designed with patterns and bright colors as well as other merchandise with slogans related to campus life and humor relating to the younger generation of women.

Victoria's Secret does not have a top threatening competitor but their product line includes brands like The GAP, Aerie for the younger girls, Fruit of the Loom, the second largest

online store- Bare Necessities, as well as AdoreMe.com and local lingerie boutiques. VS has been successfully creating a recognizable brand and launching great promotions to create traffic. VS sends monthly coupons as well as a free pair of underwear, semi annual sales with great deals, and gifts with purchases, as well as reward cards. The Annual Victoria's Secret Fashion show creates a lot of buzz with guest celebrities and music artists. All VS locations have superior customer service as well as free bra fittings in a comfortable environment to shop for personal items.

Strengths

- *Strong brand recognition
- *E-Commerce
US/Canada
- *Great customer service and
in store experience
- *Wide product variety

Opportunities

- *Growth in target population
- *Launch plus size line
- "Expand (very successful) PINK line

Weaknesses

- *Premium Prices
- *Only available in
- *Does not advertise 'natural
body type

Threats

- *External competitors
- *Questionable Negative
exposure to younger
kids (provocative)