

Situation Analysis for Victoria's Secret
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In 1977, when Victoria's Secret's doors first opened, the lingerie industry was changed forever. The company's brand identity has solidified their strong presence in the world for over thirty years. The company's unique approach to the industry, which includes offering sales promotions, broadcasting the annual Victoria's Secret Fashion Show, and interacting with their target audience through social media, has allowed them to create loyal consumers. The lingerie brand has gradually expanded their company, and they now have over 1,060 store locations in the United States, nearly 34 in Canada, as well as five shops in London.¹ Although Victoria's Secret has developed a financially successful brand, their promotional style and negative depiction of body image does not adequately display their supposed target audience.

Prior to Victoria's Secret's origination, the lingerie industry was vastly different than it is now. For many women, purchasing an undergarment was a lackluster task, with underwear typically being bought in packs at a department store. For men, the fluorescent lighting and pushy salespeople resulted in an uncomfortable and embarrassing trip. This is how California resident Roy Raymond felt in the 1970's while shopping for his wife at an undergarment store. Not only was Raymond uncomfortable in the store's atmosphere, but he was also unimpressed with the ordinary and plain lingerie selection. He decided to open his own undergarment store – one catered towards men shopping for women.

After studying the lingerie industry for eight years, Raymond opened the first Victoria's Secret in Palo Alto, California in 1977. For the first time, men were no longer anxious to enter a lingerie store. While this approach was successful in the beginning, Victoria's Secret was nearing bankruptcy by 1982. Men were attracted to the scene and style of the brand, however women were not as convinced. Leslie Wexner, the man behind The Limited clothing store and later, L Brands Inc., saw Victoria's Secret's potential beyond the numbers, and bought the company from Raymond in 1982. Wexner took Raymond's foundation, and projected the brand into a more appealing, female light - one of glamour and luxury. Soon, not only was the chore and embarrassment surrounding buying unmentionables gone, it was now a task that was enjoyed by men *and* women.²

Following the realization that business would not boom without women in the store, Wexner began to seek out a specific female audience. According to MRI³, the primary consumers of Victoria's Secret products are white women between the ages 18 and 49. Typically these women are not graduates of college, however they are married with children who are 12 to 17 years old. Additionally, these women and their families live in owned homes that are \$100,000 to \$199,999. While this demographic is buying millions of dollars worth of bras and underwear each year, Victoria's Secret is not accurately portraying their consumer's in their ads.

Victoria's Secret models are, on average, 18 to 30 years old. That means that there are 19 years of the target consumer that is not being represented. Furthermore, the average Victoria's Secret model is five feet nine inches and 112 pounds. Not only is this height to weight ratio rather unattainable for an average woman, it is unhealthy. According to the Rush University Medical Center, the normal, healthy weight for a woman who is five feet nine inches is 128 to 162 pounds.⁴ This means that the Victoria's Secret models are at the very least, twelve pounds underweight. Continuing on in evaluating this misrepresentation, the average Victoria's Secret consumer is also a mother. The Angels do not show an accurate depiction of what their audience experiences everyday. In fact, they show a lifestyle that most women, especially mothers, will never experience. The lifestyle framework that is depicted, although glamorous and beautiful, is not realistic. Not only is it not relatable, this representation can actually be damaging to their target consumer. In Veronica Granja-Sierra's article "Why the Victoria's Secret Fashion Show is

Damaging to a Woman's Psyche" she discusses how harmful the Victoria's Secret Fashion Show can be to a woman's mental health. She writes, "The problem here is that studies claim that women already feel pressured to be beautiful by the age of 14. By the time they are 29, that number increases to 90 percent." Victoria's Secret feeds this unrealistic depiction of what a woman should be.⁵

Competitors are taking a new and more desirable approach by targeting consumers of all sizes in order to empower them to feel beautiful. They are celebrating that, for the everyday women, it is normal to be normal. For instance, Fruit of the Loom released a campaign in November 2014 about "The Rules of Underwear Giving." In the commercial, Fruit of the Loom uses the slice of life framework by presenting everyday people in everyday situations, such as an older mother with her family. People of varying races, backgrounds, and body sizes are able to relate to the wide range of characters in the commercial. Their promotional style is not confined to attracting underweight, young women.⁶

Another competing brand, American Eagle Outfitters' sister store for lingerie, aerie, launched a new campaign at the beginning of the 2014 year entitled "aerie Real". The campaign features women of all shapes and sizes, and none of them are airbrushed or photo shopped. In the article "Aerie's Unretouched Ads 'Challenge Supermodel Standards' For Young Women," Ellie Krupnick writes, "But aerie's decision to show its models in all their real, unretouched glory makes an even stronger statement because of who its customers are." Aerie is targeting their demographic appropriately by showing real women with real beauty. Although their target audience is a younger demographic, at 15 to 21 years old, this campaign celebrates differences and attributes that other brand's attempt to conceal.⁷

When comparing the above information to Victoria's Secret's branding approach, it is evident that Victoria's Secret is not taking the progressive steps their competitors are to appropriately relate and engage their target audience. In fact, the lingerie brand took a step backwards when they launched their campaign entitled "The Perfect Body" in October 2014. The photos displayed ten, "supermodel thin" women in their bras and underwear. It seems as though, for Victoria's Secret, "The Perfect Body" is only found in women who walk the runway. For strategic communicators, this campaign evoked judgment and lack of confidence in women. According to Roo Ciambriello in "Real Beauty? Nah, Victoria's Secret Would Rather Celebrate the 'Perfect Body,'" viewers took action by signing petitions in hopes of stopping the campaign. The petition read, "Victoria's Secret's new advertisements play on women's insecurities and send out a damaging message by positioning the words 'The Perfect Body' across models who have exactly the same, very slim body type." Tweets from numerous consumers complained about the obvious photo shopping that goes into Victoria's Secret's "perfect body."⁸

Although Victoria's Secret has struggled in incorporating their target audience into their promotional material, they have been successful in areas beyond this aspect of their company. For instance, the annual Victoria's Secret Fashion Show builds a lot of revenue and buzz. Beyond the Angels who walk in the runway, the shows incorporate performances from artists like Kanye West, Jay-Z, Maroon 5, Taylor Swift, and Nicki Minaj to help attract viewers.⁹ Countless hours of preparation and millions of dollars go into the show. This year, Victoria's Secret had its most expensive show thus far with a \$20 million budget.¹⁰ The "Fantasy Bra" donned over 16,000 diamonds, rubies, and sapphires. Two models wore the bras, which had the cost value of \$2 million. Victoria's Secret has given consumers the opportunity to get-to-know the Angels who walk down the Fashion Show runway or model the different lingerie products. On their website, they have pages dedicated to the Angels. Additionally, many of the Angels

interact with fans and post content concerning Victoria's Secret on their personal social media accounts.

Along with allowing the consumers to build relationships with the Angels, the company also encourages personable interactions between its employees and consumers. On their website, consumers are given the opportunity to partake in a Live Chat with a Customer Care Associate where they can ask questions and get direct, quick answers from an employee. To further the contact, the consumers are given a number to call and the ability to receive promotional emails. In order to allow their consumer's 24/7 access to their brand, Victoria's Secret has created apps readily available for iPhone, iPad, and Android devices.¹¹

Outside of creating communication between the consumer and their employees, they are using various types of sales promotions to build interest and encourage the purchase of specialty products and limited offers. For instance, on their website, there is a page that presents the various promotions, such as "FREE Fashion Show Mini Dog With Pink Purchase" and "Free Shipping and Pink Panty With Any Bra Purchase." Another way that the brand builds committed consumers is by having the Angel Credit Card that offers "exclusive benefits just for Angels."¹² The credit card promises endless rewards, a \$10 Angel Reward for every 250 points a consumer earns, a \$10 birthday gift each year, and the option to get early access to their Semi-Annual Sale.¹³ These types of strategies relate to the social exchange theory where costs, and benefits predict the behavior of the consumer. It assumes that the consumers want to keep costs low and rewards high. By offering "free" products, consumers feel that they are getting a deal they might not get at a different store. Thus, they continue to shop with Victoria's Secret. Through all of this, they have been able to position their brand as being an exclusive, interactive, all-access experience for consumers. They have created brand equity by elevating themselves above the competition and displaying not only bras and underwear, but also a glamorous experience.

Beyond the realm of consumer relations, Victoria's Secret is also building strong community relations. For instance, in 2011, the Wexner family and the Limited Brands Foundation donated \$100 million to The Ohio State University to benefit the James Cancer Center, the OSU Medical Center, the Fisher College of Business, the Wexner Center for the Arts and many other schools and programs. In 2014, for the Susan G. Komen Race for the Cure in Columbus, Ohio, and New York City, the Limited Brands team was declared the world's largest business team in Komen history for the fourth year in a row.¹⁴

Victoria's Secrets has several competitors in the market including Chico's, Frederick's of Hollywood, the Gap, and Fruit of the Loom. These brands offer multiple benefits and execute their varying markets in effective, unique ways. Many people associate Victoria's Secret with solely their bras and underwear. This makes competitors able to compete with them by selling more than just undergarments but also clothing brands. Frederick's of Hollywood and Fruit of the Loom are able to compete with Victoria's Secret in the undergarment department, whereas Chico's and the Gap can compete with them because they have undergarments *and* clothing options. Victoria's Secret does in fact sell clothing but puts more emphasis on their lingerie and fragrances. When is the last time the Angels wore actual clothing in the Victoria's Secret Fashion Show? They are constantly flaunting their lingerie, which gives competitors a lead. Victoria's Secret sells lounge clothes, tops, sweaters, bottoms, dresses, and coats and jackets. Many, however, cannot be found in their physical stores. They can only be bought in their catalogue.

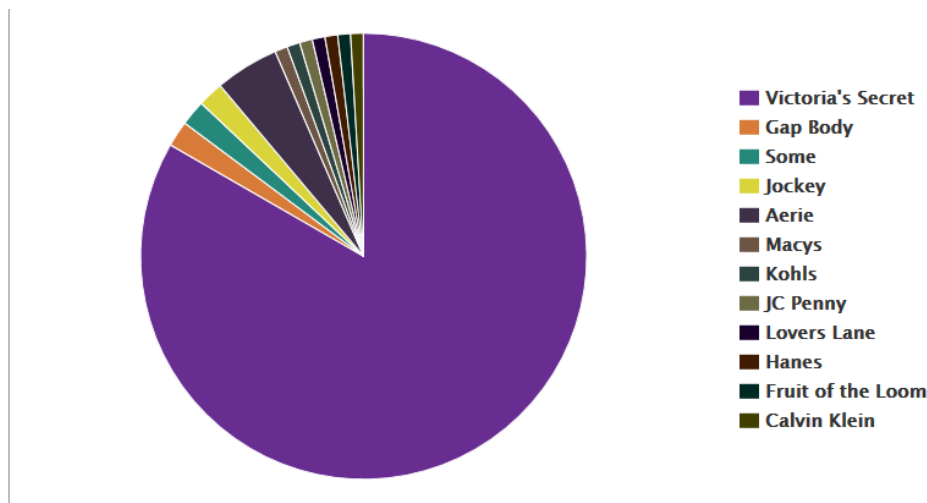
Unlike Victoria's Secret, Chico's has clothing in their physical stores, and clothing sizes to fit a wide array of bodies. The Chico's website says, "It's all about you. Every time we pick up a pencil to sketch a new design, we think about you: what will flatter your body and make you

feel fabulous. Chico’s offers XL sizes for a 48-inch bust, 43-inch waist, and 51-inch hip. Victoria’s Secret’s XL is a size 16 compared to Chico’s 22. Its XL is for women with a 42.5-inch bust, 34-inch waist, and a 44.5-inch hip. That is 6.5 inches less in the bust, 9 inches less in the waist, and 6.5 inches less in the hip area than Chico’s.

The Gap is another huge competitor of Victoria’s Secret. The Gap has a broader target audience and so they are able to reach more people in their stores. The Gap has their brand, Gap Body, that is for their intimate apparel, but they also have clothing items similar to Victoria’s Secret. The Gap carry sizes XXS to XXL. Their XXL has a chest size of 47.5 inches. This is similar to the sizes offered at Chico’s. Chico’s intimate brand Soma Intimates and Fruit of the Loom are top lingerie and undergarment competitors for Victoria’s Secret. Fruit of the Loom, specifically, is a competitor that Victoria’s Secret needs to pay attention to. They also are a brand that is looking out for women and their comfort needs. “We want people to have the ultimate superpower — the ability to be themselves. With our line of women's underwear and panties we hope to provide the quality our costumers deserve at a grin-worthy price,” Fruit of the Loom notes on their webpage. They want their consumers to be themselves, regardless of what size and shape they are.

Victoria’s Secret should not only be worried about the body image they are appealing to, but also what socioeconomic status they are attracting. Chico’s Soma Intimates brand has 206 boutiques and 16 outlets around the world, all in which are rather affordable for their target audiences. On their website, their bras range from \$36.00 to \$80.00. Frederick’s of Hollywood Group offers more sex appeal than Victoria’s Secret. Although their designs are intricate and complex, their bras are the cheapest of the three brands, running from \$14.50 to \$45.00. Compared to Victoria’s Secret, these brands sell more affordable bras to their audiences. Victoria’s Secret starting bra is \$26.50 and a customer is lucky if they can find a bra that affordable still in stock. Their most expensive bra, thanks to the buzz of the fashion show, is a whopping \$248.00. That is \$168.00 more expensive than Soma’s most expensive bra.

A survey was conducted and taken by 100 women in between the ages of 18 and 22.



As one can see in the graph above, Victoria’s Secret is the preferred brand by these surveyed women. However their pricing on items hold them back from being better than their competitors. The women surveyed were able to write comments after taking the survey. Several

women noted that Victoria’s Secret was too expensive for “a broke college student.” One student wrote, “Victoria's Secret is ridiculously overpriced, but people are 100% paying for the name, the glitz and glamour that comes with it. This business is directed towards making women feel sexy, and it does, because everyone likes to feel like a fashion model every so often, even though the bodies that those models have are typically unattainable by the average woman.”

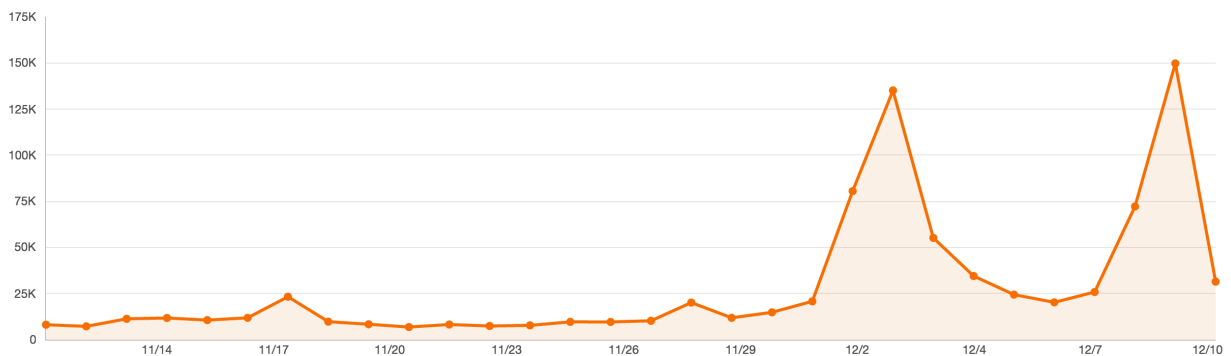
Victoria’s Secret has made an effort to keep their brand above the competition by partnering with various companies and offering unique store locations. For instance, they have partnered with Major League Baseball and the National Football League and launched an exclusive collection targeted towards women sports fans.¹³ They also partnered with Good Hair Day, the top leading professional hair styling brand, for the Victoria’s Secret Fashion Show in 2013. The tools were used to help the Angels obtain the brand’s “signature” hair look.¹⁵ For the 2014 Fashion Show, they were partnered with both Shapeways and Swarovski. The companies teamed up to build and design the 3-D snowflakes for the “Snow Angels” who walked the runway.¹⁶ Through other partnerships, Victoria’s Secret has been able to spread stores to various locations, including airports. In 2013, they partnered with Nuance, the leading global travel retailer, in order to open new airport stores in Gothenburg, Lisbon, and Hamburg.¹⁷ Additionally, the retailer now has a store in a Los Angeles International Airport terminal.¹⁸ These locations provide even the busiest consumer accessibility to their products.

In the age of social media, Victoria’s Secret has been proactive in creating a consistent and vocal presence online. Official accounts of the company can be found on Facebook, Twitter, Instagram, Pinterest, and YouTube. Interacting with Victoria’s Secret’s social media is an experience that goes beyond the clothing and the stores. It offers an interactive and personal look into the personalities and faces of the brand, specifically the Victoria’s Secret Angels. On December 9, 2014, the annual Victoria’s Secret Fashion Show was broadcast on CBS. Leading up to the hour-long event, which brought in 9.1 million viewers this year, timelines were filled with promotions. YouTube videos offering workout tips to “Look Like an Angel,” Instagram posts of the models boarding their flight to the show, and hashtag contests on Twitter were included. It allowed the viewers and followers to feel as though they were integrated and a part of the show itself. The night of the fashion show consisted of a social media takeover by Victoria’s Secret. Posts appeared on millions of timelines nearly every minute before, during, and after the show’s airing.

Not only were the Victoria’s Secret accounts highly active on this night, the general public was as well. A graph found on Topsy.com displays the dramatic increase in conversation on December 9th.¹⁹

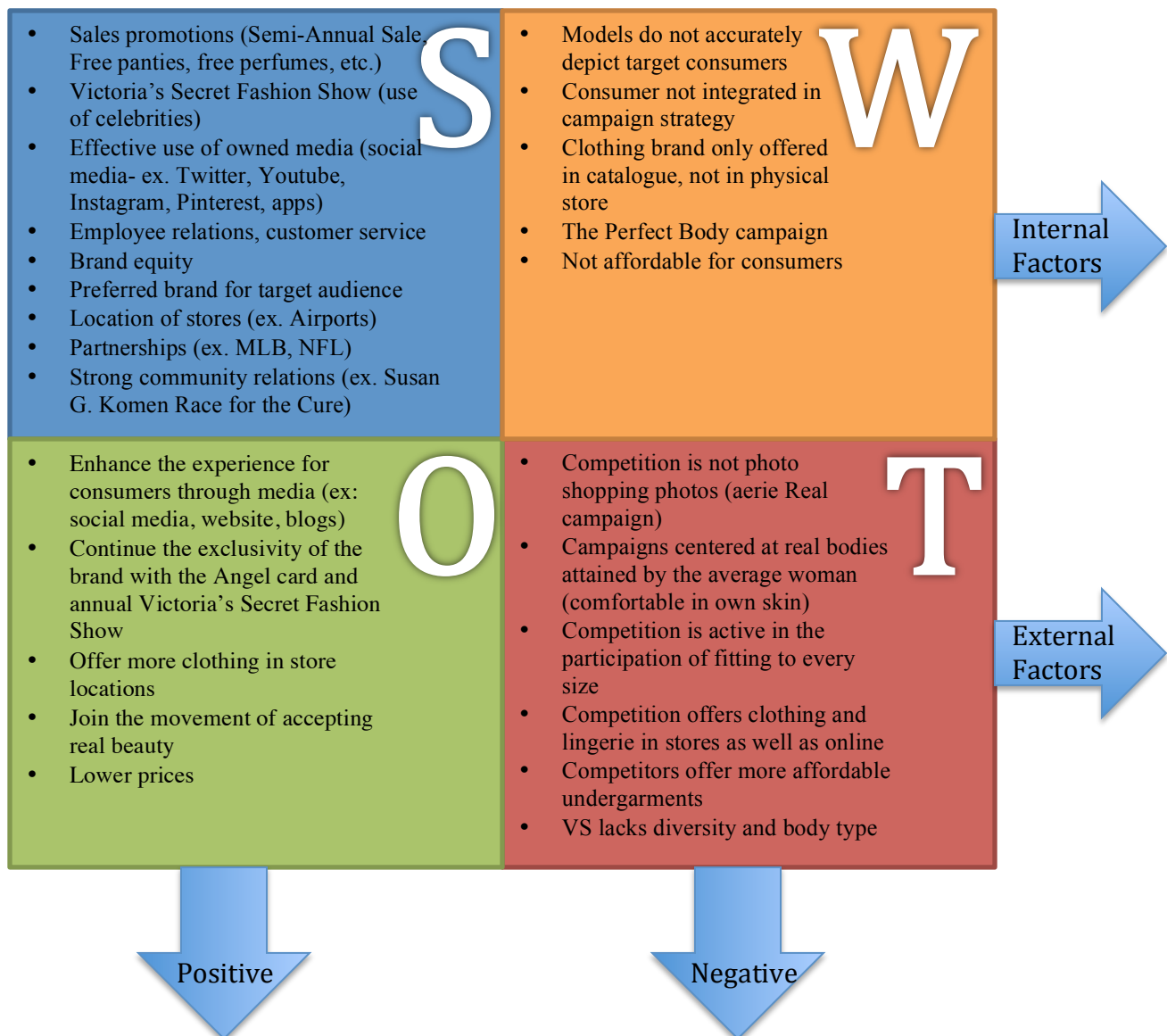
Tweets per day: Victoria's Secret

November 11th — December 11th



While there was an influx of participation on social media, a large majority of the general public’s comments displayed a judgmental tone towards the brand. Many viewers were tweeting about the lack of diversity and body type found on the runway. A large amount of accounts discussed how unhealthy and underweight the models appeared. This observation resulted in sarcastic and humorous posts that focused on the unachievable and unrealistic depiction of women in the fashion show. Here lies Victoria’s Secret’s challenge. The brand has built itself into a company that is beautiful and glamorous in theory, but that lifestyle is difficult for the everyday women to imagine living.

By analyzing this information, one can conclude that Victoria’s Secret has not integrated their target audience into their campaign strategies. Unlike Victoria’s Secret, competitors have realized that the target audience seeks a brand that encourages them to be comfortable in their own skin and one that celebrates all bodies. They are showing real beauty rather than creating their own type of beauty. Although the Angels’ bodies represent an unrealistic depiction of beauty, through the company’s owned media, including their website and social media accounts, and interactive entertainment, Victoria’s Secret has created an experience unlike any other brand.



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