

INCREASING CUSTOMER ENGAGEMENT IN THE COSMETICS INDUSTRY. THE EXAMPLE OF ESTEE LAUDER COMPANIES

ASSESSMENT 1

MODULE TITLE: MARKETING MANAGEMENT LCMB7001

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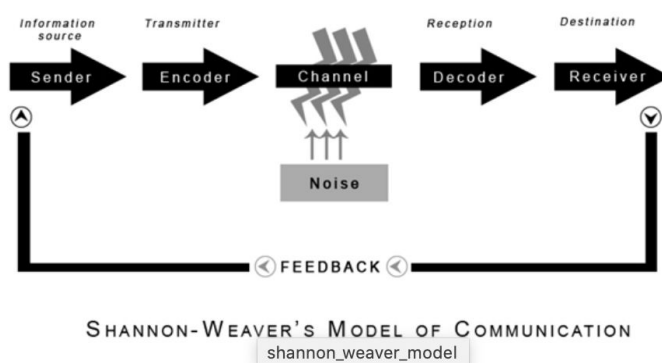
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1.INTRODUCTION

The information era has changed daily life and shopping. Companies seek a multilevel approach to communicate with their customers and focus is moved to digital channels. Although nowadays it is easier for companies to connect with a customer, it is much harder to continuously keep them engaged. The first chapters analyse Estee Lauder's marketing communications strategy and discuss prospects for the company. Engaging modern shoppers requires a customer-centred approach, focusing on various key elements. Chapter 5 explores Estee Lauder's brand equity by referring to the literature. Customer touchpoints brought together to shape the customer journey, discussed in chapter 6 and 7. Chapter 8 applies the Total Engagement Model to Estee Lauder by exploring how all marketing elements create an effective customer engagement system.

2. COMMUNICATION AS A CORE PRINCIPLE IN MARKETING

Merriam Webster defines communication as an exchange of information between individuals through symbols, signs and behaviour. The marketing of a company should be communicated in the customer's language so it is effective. In 1946, Shannon (mathematician) and Weaver (electronic engineer) created the **Shannon - Weaver's model of communication**. In terms of marketing communication, the sender is the company which transmits its message through various marketing channels to its customer, the receiver. The message could be disrupted or blocked by "noise" - competitor's messages.



The cosmetics market is dynamic, with rapidly changing trends and a lot of new entrants, therefore there is a lot of noise. To reach the receiver, a company must ensure a universal message, delivered through more channels.

3. ESTEE LAUDER CURRENT PROMOTIONAL STRATEGY

This chapter will focus on the current promotional mix of Estee Lauder across brands with the purpose to identify areas of interest for further development. In recent years the company has focused on increasing digital marketing capabilities. EL's growth strategy consists of saving costs by optimizing distribution channels and processes and relocating its resources in increasing social and digital presence. Below subchapters discuss both online and offline promotions and analyze how they are combined to create awareness and represent the brand image. Estee Lauder uses the Integrated Marketing Communications concept (IMC) to ensure that all forms of messages and communications are linked and work in harmony.

3.1 TRADITIONAL ADVERTISING

Estee Lauder uses a wide range of media for advertising such as magazines, newspapers, outdoor campaigns, television. The creatives are designed to match the brand identity - luxurious and elegant. The company often uses popular faces and celebrity supermodels for their TV & magazine ads. EL has been famous for its editorial campaigns since the late 70s and has contracted high-profile celebrities such as Elizabeth Hurley, Paulina Porizkova, Gwyneth Paltrow and Kendall Jenner. Estee Lauder focuses most of its printed advertising in fashion & business magazines such as Vogue, Elle, Marie Claire, Forbes. Outdoor also takes part in Estee Lauder's traditional advertising strategy. Key locations are high-traffic areas, close to retail points and touristic zones. Billboard images, posters, street ads, bus and cabs took overs are used across Estee Lauder's brands to promote new launches, create brand awareness, and inform on novelties. Below, an example of rickshaw's took over, when Too Faced (owned by Estee Lauder) opened its very first boutique in London, UK.



Advertising is done as well as in luxury retail points across the world by state-of-the-art retail free standing stores and counters. Estee Lauder distributes its brands in selected locations, known for high-quality customer service such as Sephora, Ulta, Selfridges, Harrods. The counters often occupy big retail space and everything from the decor and display to employees' grooming reflects the brand identity. Latest, the company has paired brick and mortar with digital. In 2019, MAC Cosmetics opened an interactive retail store in Shanghai by combining product discovery, social engagement and purchase, all designed to create a connection between digital devices and physical touch. This is proof the company integrates different promotional tools to work in harmony.

Traditional advertising is a part of Estee Lauder's strategy as physical touch is still an important customer touchpoint in the decision-making stage of the buying process. As part of the overall business strategy, the company focuses 75% of its advertising budget in digital marketing channels. Digital advertising will be discussed in the following chapter, as part of Estee Lauder's digital marketing strategy.

3.2 SALES PROMOTION

Sales promotion is a long-term tradition for the EL companies with Estee Lauder herself first using sampling to spread awareness. Nowadays, the company uses a wide variety of sales promotion tools to create awareness and boost sales. Sets and bundles persist in all beauty segments the industry operates with the main focus on skincare. A common strategy for the company is creating skincare sets to tackle a particular skin concern by bundling their most known skincare product, "Advanced Night Repair" with other products to create a several step skincare routine. Fragrance sets would often be a mix of products from different categories - fragrance + makeup, fragrance + body care.

Sampling is another type of sales promotion, extensively used by the company. On their website, Estee Lauder offers the possibility of adding free samples to purchase. As part of their brick and mortar strategy, every customer, interested in one of their bestsellers, the Double Wear Foundation, is offered a shade match by the counter makeup artist and given 2-3 shades of foundation sample to further try at home. Foundation as a makeup product itself is most probably the most "personal" product as individual features as skin type and complexion colour are crucial factors in the decision-making process. It could be said that the main purpose of sampling is to create and spread awareness and is a low-cost way to reach new target markets. What is more, Estee Lauder uses sampling as part of their advertising strategy by offering free samples to a group of people in exchange for the right to commercializing their feedback.

In-store specific events are often used as a way to push sales of a particular product. If a customer purchases a certain quantity or SKU, they receive a gift or treatment. Competitions among employees, centred on a makeup look with a particular product ("red lipstick day") are used as a way to push sales and increase the average basket.

3.3 PUBLIC RELATIONS

Estee Lauder has built its image through the years with Estee Lauder herself pioneering word-of-mouth campaigns and samples giveaway. Nowadays the company hasn't deviated from its founder's strategy, but it has advanced it by moving it online. PR communications focus on influencers marketing, engaging content creation, event management, crisis management. Estee Lauder builds and protects its image and reputation by eWOM (electronic word-of-mouth) and influencer marketing (discussed further in the next chapter), press releases, media presence (product placement in TV shows). EL partners up with fashion brands, magazines, TV shows and is present at big social events such as Fashion Week by providing products and human resources - MAC artists using MAC products are doing the makeup for numerous fashion shows. The company is committed to various social and environmental causes. It as well focuses on internal marketing by investing in learning and development and employee engagement.

3.4 DIGITAL MARKETING

Digital marketing refers to the use of digital channels (search engines, websites, social media, mobile and email) to create awareness, advertise and create customer engagement with the brand. As mentioned above, Estee Lauder has shifted its communication channels from traditional to digital. Google and Facebook Ads banners, paid search and SEO ensure the company is well-positioned online. Coverage on key social media platforms such as Facebook and Instagram are of key importance to reach and engage the target group of Millennials and Generation Z, being heavy beauty buyers. MAC Cosmetics with its 23.4 million followers, being the top Estee Lauder brand on Instagram engages daily with its customers by combining valuable beauty content with call-to-actions as "Shop Now" buttons. Influence marketing is an essential part of the company's advertising and branding strategy. Social influencers are third-party endorsers who influence shopping attitudes among the mass. With the growing popularity of social media, influencers, along with customer product reviews and beauty blogs, have become the main source of eWOM - electronic word-of-mouth. The social media strategy of Estee Lauder aims to create a "digital community", not of just customers, but "followers". The company relies on both celebrities and local social influencers. Social media marketing and influencers marketing is said to provide more "organic" awareness. Customers can easily identify themselves with the influencers, therefore they are perceived as a more trustworthy source of information than product advertising. Digital media is the preferred one in terms of direct marketing, which is discussed in the following chapter.

3.5 DIRECT MARKETING

More personal communication is encouraged from the first step a customer interacts with Estee Lauder. Entering their official website, a pop-up encourages the browser to launch the Estee E-list Loyalty Program, by providing an email address in exchange of a 15% off one

online order. The existence of a database of active customers is important for buying behaviour insights, product performance, and it could increase engagement by providing valuable information. Estee Lauder uses a variety of digital platforms to communicate with its customers: social media, email marketing, online ads. Beyond its primary scope to create awareness, email marketing and A/B testing could provide measurable insights on engagement, how the customer likes to see, receive its information and what is valuable content for them. More traditional tools as salespeople and databases are also common.

4. NEW PROMOTIONAL STRATEGIES FOR ESTEE LAUDER

To comply with the company's overall business strategy, the new promotional strategies should be used mainly digital marketing tools. Estee Lauder invests in innovation and R&D, so technology should be a major part of the process of creating full synergy between brick and mortar and digital marketing. Millennials and Generation Z are heavy beauty users and impulsive shoppers. Luxury goods are highly desirable globally and developing countries such as China and India are perceived as markets with huge potential. These generations though are a new type of consumers, much more informed and demanding. They are transforming the market, by creating a trend, where the customer is a centre of attention, personalization is celebrated and technology is an inevitable part of daily life. Distribution and availability are important, as the Millennial is used to receive everything in a short time. To meet these consumer demands, especially in the current situation of an ongoing global pandemic, innovative technology could be a key to adapt to the new normal. Following the example of MAC Cosmetics' interactive retail store, the company could implement this concept globally. Estee Lauder could further develop the idea of integrated digital and physical experience by advancing their present digital makeup tools by introducing virtual reality technology. A software picking suitable shades based on a full scan of the face would be an interactive solution to attract new customers and minimize human subjectivity. The company could diminish distribution obstacles by using 3D printing technology. Personalization in all product segments should be a part of the new strategy, as self-expression and novelty are very important for this new generation of shoppers. There are already some brands (Lancome) offering a customized foundation by choosing the desired coverage and shade. Social media is a major influencer in all stages of the buying process and although EL brands undoubtedly have a significant online presence, in their future strategy, the focus should be the content and the value their products provide, rather than just creating awareness and pushing sales. Companies such as HUDA Beauty (47M followers on Instagram), Kylie Cosmetics (24.6M), Jeffree Star Cosmetics (7.1M) have emerged totally from online and social media presence and focus more on advertising by delivering appealing content to their followers, communicating with them by messages, mobile apps and video. Estee Lauder should include in their social media strategy emerging social platforms like Snapchat and Tik Tok. Although these are more popular among the younger Generation Z, a growing number of Millennials are also joining because of the numerous filters and effects, helping the user to create an interactive photo and video content. Some of the filters rapidly go viral which could be an easy and cost-effective way for Estee Lauder to engage in new target markets. With its advanced technology, the company could integrate their products by creating makeup filters. A way to transform impulsive

shoppers and easy switchers into "followers" and therefore loyal brand users, is to create an omnichannel of communication, diversified in terms of content and highly reliable on technology.

A big disadvantage of the beauty industry is that there are too much information and variety of brands and products. Beauty bloggers and vloggers, Instagram celebrities, online magazines, brands are all recommending and reviewing products. The dynamics of the market confuses the regular customer about what is the right product for them.

A good strategy for Estee Lauder would be the creation of an interactive mobile app, combining virtual makeup trial, product information, tutorials, reviews and purchases. An easy, one-stop way of shopping, which satisfies all customer needs and covers all customer touchpoints with the brand. With its more than 50 beauty brands in different segments of the industry - makeup, skincare, haircare & fragrance, Estee could integrate all of them in an app. To further engage the customer, there could be a system with loyalty points giving the customer the possibility to earn gifts, discounts and other benefits. To keep the customer continuously engaged with the brand, the app should be updated with new functionalities and content regularly. What is more, a mobile app is a great way for creating a more advanced CRM system, giving more detailed insights on preferences and buying behaviour and expanding the possibilities for the shopping experience and product personalization. Customers would be able to connect their offline purchases as well, by a QR code on a receipt, transferring the information to the app.

The new generation of shoppers is tech-savvy, informed, confident and trendsetters. An innovative marketing strategy would suit the Estee Lauder business strategy and would be more cost-effective and efficient. Social media platforms are the main channel for awareness and interaction with the customer and the aim is to transform them in a "follower". A mobile app would not only enable better insights and communication with the customer, but it will provide the consumer with an effortless and pleasant way of shopping. Constant innovation and "standing out of the crowd" is crucial for success in the overly saturated beauty industry, so Estee Lauder could earn a competitive advantage by incorporating innovation in all levels.

5. BRANDING. APPLICATION OF KELLER'S BRAND EQUITY MODEL

A brand is a name, logo, design or symbol (or a combination of these) which identifies the company and makes the product or the service distinguishable from others. The brand is one of the main elements of contemporary business in general as it is a reflection of the company's philosophy and it's the primary way to distinguish a product or a service. It is a common trend in the cosmetics industry to buy a product, not for its qualities, but its brand name. This is directly associated with the brand equity of the company. While from a company's perspective brand equity is the financial value of the brand, from a consumer's perspective brand equity is the perceived value of a brand, based on product and service quality, image, price and social awareness. Brand equity, according to Keller (1993), occurs when a brand is known and has some strong, favourable and unique associations in a consumer's mind. He identifies four steps to build a strong brand. The model is a pyramid,

where the base is the brand identity, followed by brand meaning, brand response and brand relationships on the top, being the supreme goal of a brand strategy.

To measure Estee Lauder's brand equity, Keller's Customer-Based Brand Equity (CBBE) model would be applied.

- BRAND IDENTITY

The first fundamental step is to clearly define what is your brand all about. All elements of the brand (name, logo, design) should be created to be easily recognized and comprehended with a clear message. Estee Lauder is a company with traditions and heritage in the industry and has managed to build strong brand identity through the years. The company has positioned itself on the market as a luxurious, high-quality beauty brand and all brand elements from the employees' grooming, through the product packaging to the level of service - reflects Estee Lauder's status. The promotion strategy corresponds to the brand identity - as mentioned in the previous chapter, Estee Lauder is known for using high-profile models and celebrities as brand ambassadors and delivering editorial and aesthetic content.

- BRAND MEANING

The next step is to determine what are the tangible and intangible features of a brand, which are unique and could build brand loyalty. Apart from more functionality features such as quality, price, design and customer service, the meaning of a brand is also influenced by more abstract notions such as history & heritage, company's response to social issues such as environment pollution, industry and social trends. Sustainability is an important element of Estee Lauder's agenda and the company has engaged in various projects on waste reducing, packaging innovation and responsible sourcing. Estee Lauder also takes part in numerous social initiatives dedicated to health and education. The company's aim is by 2025 each brand from its portfolio to support at least one social or environmental cause. Through these initiatives, EL creates meaning for both its customers and employees. The emergence of the information era has made the consumer more aware and concerned about social issues, therefore socially responsible companies like Estee Lauder would be more desirable as their values align with the values of the individual.

- BRAND RESPONSE

The brand response is the third step in the model and represents opinions and evaluations of the brand based on the consumer's experience. These judgments include quality, credibility, and superiority. This step can be characterized as what reputation as the brand gained based on its brand identity and meaning. Overall, Estee Lauder has a positive brand response, influenced by Estee's ability to meet customer expectations in terms of quality and

level of service. Positive brand response enhances brand loyalty and facilitates the spread of positive word-of-mouth - a very influential promotional tool in the cosmetics industry

- BRAND RELATIONSHIPS

Brand relationships are the final step and the top of the pyramid where the brand response is converted to create a trustworthy relationship between customers and the brand. This level of the CBBE model is not reached by every brand, it is closely connected to the concept of resonance and the creation of a community. Strong relationships between the brand and the customers indicate high brand loyalty. Estee Lauder has its group of loyal customers, but as mentioned above, to assure its position on the highly competitive cosmetics market, it is essential to transform its customer base in "followers" by consistently delivering valuable content and service.

It could be stated that Keller's CBBE model is the most comprehensive model on brand equity. The four steps logically follow a customer's journey with a brand, taking into consideration emotions and could be applied both on B2C and B2B businesses. What the model doesn't take into consideration though is the competitive advantage of the company and how it influences the brand equity (covered in Aaker's Brand Equity model). It is easier for a brand with a competitive advantage to create a strong brand name, as usual, these brands possess economies of scale, could invest more in branding and have an established and influential position on the market. What is more, the CBEE model is general and it doesn't take into consideration the industry's specifics. For example, in the cosmetics industry, influential elements of consumer's behaviour are individual preferences and socially and culturally derived beauty standards. The brand response could be easily influenced by the company's sales force, too. They are perceived as the brand's ambassadors and can affect the brand's meaning positively or negatively. A wrong product recommendation or poor customer service could resonate the brand's image and further influence the customer's response and relationship to a brand.

6. ESTEE LAUDER: CUSTOMER JOURNEY & CUSTOMER TOUCHPOINTS

6.1 CUSTOMER JOURNEY: DEFINITION & STAGES

The customer journey can be defined as all the interactions of a customer with a brand. The interactions occur via different touchpoints (online and offline) and the journey consists of 5 phases: awareness, consideration, decision, retention, advocacy. In the first stage, the potential customer has realized he/she has a need or a want and actively seeks a way to satisfy this need or want. Awareness occurs when the brand has made its first impression on

the customer, which can happen through various touchpoints, further discussed in this report. In the next stage, Consideration, the customer has already narrowed down its options to a few and outlines each option's advantages and disadvantages. Research continues in this stage, but it is more focused and detailed. In the third stage, the customer has concluded its research and he/she is confident to make a purchase decision. Then, the customer enters the fourth stage, Retention, where based on their customer experience so far, they choose whether they are satisfied with the product and service and become a loyal customer through regular usage or they end their customer journey with the brand. In the retention stage, the company's ability to retain the customer via appropriate after-sales touchpoints could be influential and shift behaviour. Even if the product didn't satisfy the customer's need or want, good customer service or after-sale service could leverage the customer experience. The final stage, Advocacy, occurs when the customer has already become loyal and he/ she is a brand ambassador, spreading positive word-of-mouth about the company.

6.2 ESTEE LAUDER CUSTOMER TOUCHPOINTS

As described above, the customer journey is all the customer touchpoints in different stages, where a "touchpoint" is an interaction between the company and the brand via different communication means. Following the stages of a customer journey, touchpoints could be classified into three categories by the time they occur: pre-purchase, during purchase and after purchase. The message and the means of communication differ in all three stages, but usually, in every stage, there is a combination of online and offline touchpoints. Estee Lauder has emerged as a brick and mortar company, but nowadays it has been focusing its media expenditure online. Further, customer touchpoints when buying a foundation would be outlined.

- PRE-PURCHASE STAGE

This is the stage, where a customer seeks and acquires information. Majority of nowadays customers use google search or social media platforms for their primary research. Online customer touchpoints at this stage would be organic search, google ads, social media (company's profile, paid ad, influencers' content). Offline touchpoints are in general harder to track, but these could be outdoor ads, flyers, a recommendation from a friend, company events. Usually, a couple of different touchpoints would occur before the customer made its purchase decision. In this stage, the most essential feature is delivering the appropriate promotional mix to the appropriate target market. Promotional tools like SEO, engaging social media content, free samples facilitate awareness and help the company to stand out from the crowd.

- PURCHASE STAGE

Although it seems the customer already has made a buying decision, customer touchpoints at this stage are crucial for a fulfilling customer journey. In terms of online shopping, customer touchpoints could be the company's or the retailer's website, product reviews, email or chat with a company's representative. Offline touchpoints at this stage are conversations with sales representatives, upsale, check out, product testing. Foundation is a very personal product, so Estee Lauder has developed a few extra touchpoints to ensure a smooth customer journey. The company has a mobile guide on choosing the right shade, analysing skin tone by accessing the user's phone camera and recommending 4 shades, classified as "lighter", "best", "cooler/ warmer" and "darker". In-store, there are similar tools, serving as an extra touchpoint in the customer journey. Several, working in harmony touchpoints at the purchase stage strengthen customer's confidence in their decision and minimize cognitive uncertainty.

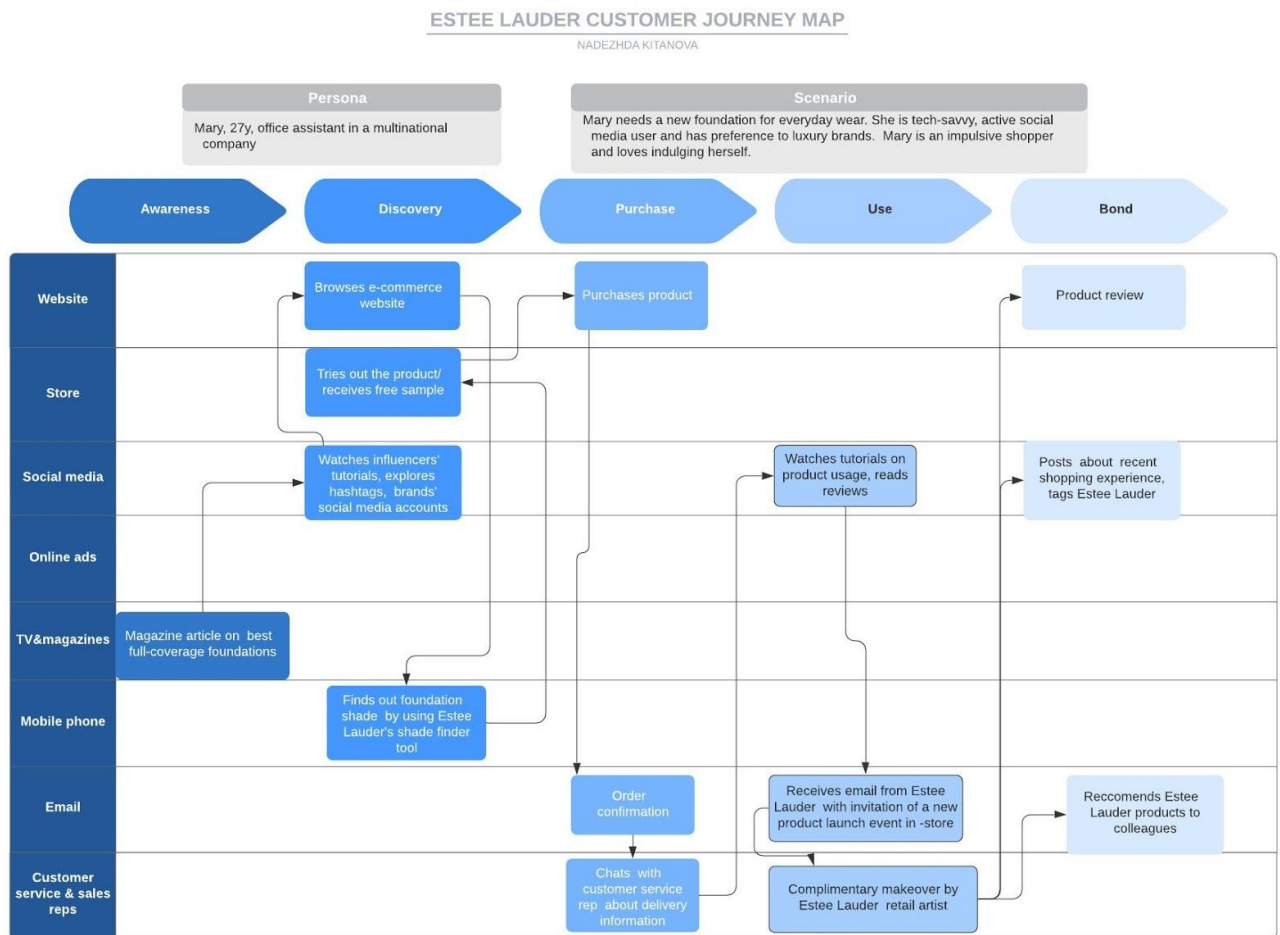
- AFTER PURCHASE STAGE

Touchpoints at this stage have the primary aim to retain a customer and transform him/her into a loyal brand user and ambassador. Online shopping enables the company to interact further with its customers via feedback surveys, thank you and cross-selling emails. Estee Lauder also uses loyalty programmes with accumulating points as additional touchpoints for customer retention.

Estee Lauder's omnichannel marketing strategy enables the brand to interact with its customers via a mixture of online and offline touchpoints at every stage of the customer journey. Foundation buying could require a longer customer journey because strongly individual features such as skin tone, skin type, culture and society are important factors in the decision-making process. A variety of touchpoints enable better customer insights, facilitate communication and increase engagement. By its market segmentation, Estee Lauder manages to deliver the right content to the right target group and its harmonized promotional tools boost customer confidence that they are making the right decision.

7.CUSTOMER JOURNEY MAPPING

A customer journey map is a visual representation of the customer touchpoints in different stages. It is beneficial for the company, as it enables it to see the business from a customer's perspective. It provides the company with insights, where and by what means interaction occurs and therefore helps the company to identify potential flows in communication and missing touchpoints. For a global multi-brand company like Estee Lauder customer, paths vary in terms of product type, geographical origin, demographics. Following the discussions from the previous chapter, the journey of a customer, buying a foundation is depicted below.



The first step of customer journey mapping is determining the persona (the target market). In the highlights of the previous chapters, the chosen persona is a middle-class millennial, technology and luxury goods lover. To depict Estee Lauder's omnichannel strategy, it was supposed awareness occurs offline. The map's persona, Mary, reads an article in a magazine and her attention is drawn by the editorial advertising creatives. The article mentions several brands, so Mary starts her research on social media by exploring brand profiles and influencers' content. Estee Lauder's Double Wear Foundation appears several times during her research, so Mary visits the company's website to further explore the product's features. There she finds out that she can get her shade by using Estee Lauder's online shade finder. She accesses the website from her phone, the app scans her face and generates 4 shades as recommendations. Mary is still not sure if she is going to like the texture of the product and she is still not confident enough which shade would be the best for her, so she visits a retail store, where she physically experiences the product and receives a free sample of one of the shades to try out at home. Mary decides to purchase the foundation online, she creates a profile on Estee Lauder's website and receives the order confirmation. Mary lives alone and works 5 days a week, so she needs to know when to expect delivery. She enters the customer service chat on Estee Lauder's website, seeking assistance. This is a crucial touchpoint in which negative emotions could take place. Customers need to feel they have control in every stage of the buying process. It is essential that all departments - logistics, sales, marketing, IT, customer service, work in synergy to

ensure smooth operations and therefore customer satisfaction. Mary receives the delivery package and immediately goes to Youtube to see tips and tricks on Double Wear's application and usage. Then she receives an email from Estee Lauder, announcing a series of events on new product launch and her favourite department store is on the list. Mary visits the store and receives a complimentary makeover by a retail artist. The employee is very skilled and experienced, she loves the makeup look and finds out more about Estee Lauder's products and application tips and tricks. Then she posts on her Instagram profile a picture with the makeup look and tags Estee Lauder. Already in the advocacy stage, Mary continues to spread positive eWoM by writing product reviews and sharing her positive customer experience with colleagues and friends.

8.THE TOTAL ENGAGEMENT MODEL

The Total Engagement model combines all the elements a company needs to have engaged and satisfied customers. Brand, internal culture, customer experience and customer value proposition should be aligned to work together. As all of the four key elements were more or less discussed in previous chapters, the model would be applied to Estee Lauder to gain better insights on how the entire system functions.

BRAND

Here "brand" stands for who you are as a company and what you stand for. Estee Lauder is a luxury multi-segment cosmetic brand, known for its high-quality products, long history and heritage in the industry and innovative touch. As concluded in a previous chapter, Estee Lauder uses the IMC approach, by creating a synergy between its promotional tools. They have a strong brand image, ensuring all elements from advertising creatives and packaging to employee's grooming reflect Estee Lauder's elegance and style. The company uses the Societal Marketing Concept and sustainability is an essential part of their business reports.

CULTURE

Culture refers to the internal values and goals of the company and how well they are transmitted to stakeholders and employees. Employees should be a reflection of the company's values, they should understand the business goals and be kept motivated to commit to these. The employees are the ones to deliver the organization's value proposition and customer experience. Estee Lauder invests in employee training on sustainability and corporate social impact. The company focuses on learning & development, health & safety and employee engagement in social programmes. Customer experience quality is ensured by hiring high-skilled employees and providing them with clear guidance on brand's procedures.

CUSTOMER EXPERIENCE

The total customer experience is a sum of all the physical and emotional elements of a customer's journey with the brand or what the company delivers to its customers in all the touchpoints. Estee Lauder uses innovative tools and techniques to recreate physical touch online and to connect digital and brick and mortar customer experience. Following the customer journey map, offline and online touchpoints are aligned in terms of providing information and customer experience, which contributes to a smooth customer journey.

VALUE PROPOSITION

The customer value proposition comprises all the advantages the company has over its competitors. In the cosmetics industry, the value proposition is created by a strong brand image, marketing mix and customer experience meeting customer's expectations. Estee Lauder offers to its customers innovative ways of shopping, continuous product development based on customer's insights. EL has built and supported its image of a luxurious brand, keeping up with the industry's dynamics by introducing innovative products and market techniques. High-quality customer service is associated with the brand.

Estee Lauder continuously invests in market research and keeps up with the industry's trends by aiming to meet (and exceed) customer's expectations and create value propositions. The company's branding reflects its values and goals. Estee Lauder aims to create an organizational culture by engaging the employees towards common causes and educating them in organizational values, principles and beliefs. This creates an organizational team, which, guided by the company's values, contributes to the common goal by delivering the best of their skills and competences, helping the customer to experience the advertised promise. The applied Total Engagement model reveals that the four key elements are working in synergy and creating a system. The Total Engagement should be perceived as a continuous cycle, which should be analyzed, modified and evaluated.

Figure 7 The total engagement model in action



9. CONCLUSION

After a thorough analysis of the key marketing elements needed for a successful strategy, it could be concluded that Estee Lauder has accommodated its strategy to the contemporary customer and continuously seeks new ways to increase engagement. Creating awareness by the right promotional mix to the right target market, building the brand image and presenting it to the public, ensuring a smooth customer journey - should be the universal points of focus for every modern company. This report demonstrates that integrity and harmony should be created between all the elements to create an effective, working system of marketing communication. Customer engagement and creating a community of loyal brand users and ambassadors is crucial to acquire genuine insights, be distinctive on the market and increase overall performance. The right marketing recipe is figuring out the customer and constantly adapting corporate goals to their demand.

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