NEWS PAPER

LUSH



COMPANY BLOG

Company Background

About lush

Lush is a British cosmetics company that was founded in 1995 by Mark Constantine and Liz Weir. The company initially started as a small shop in Poole, Dorset, selling handmade beauty products. Over the years, Lush has grown into a global brand with stores in more than 50 countries.

The origins of Lush can be traced back to a previous business venture called Cosmetics to Go, which Constantine and Weir established in the late 1970s. However, Cosmetics to Go faced financial difficulties and ultimately went bankrupt in 1994. Undeterred by this setback, Constantine and Weir decided to start afresh with a new venture - Lush.

With their extensive knowledge of natural ingredients and passion for ethical beauty products, Constantine and Weir created



As Lush gained popularity among consumers who appreciated its commitment to cruelty-free and environmentally conscious practices, the company expanded rapidly. By 2001, Lush had opened its first international store in Vancouver, Canada. Since then, it has continued to expand its reach globally.

They focused on using fresh and organic ingredients, avoiding animal testing, minimizing packaging waste, and promoting environmental sustainability. This approach set Lush apart from other cosmetic companies at the time.

oday, Lush is not only known for its wide range of handmade cosmetics but also for its advocacy work on various social and environmental issues. The company actively supports campaigns against animal testing and fights for human rights causes such as LGBTQ+ rights and refugees' rights.

LUSH'S MISSION

LUSH IS A COSMETICS COMPANY KNOWN FOR ITS HANDMADE AND ENVIRONMENTALLY-FRIENDLY PRODUCTS. THEIR MISSION IS CENTERED AROUND SEVERAL KEY PRINCIPLES, INCLUDING ETHICAL SOURCING, ANIMAL RIGHTS ACTIVISM, AND REDUCING ENVIRONMENTAL IMPACT.

ACCORDING TO LUSH'S OFFICIAL WEBSITE, THEIR MISSION STATEMENT IS AS FOLLOWS:

"OUR MISSION IS TO CREATE INNOVATIVE COSMETICS USING FRESH INGREDIENTS, AND TO ADVOCATE FOR THE ENVIRONMENT AND HUMAN RIGHTS WHILE MINIMIZING OUR IMPACT ON THE PLANET."

ETHICAL SOURCING:
LUSH IS COMMITTED TO SOURCING THEIR INGREDIENTS ETHICALLY BY WORKING DIRECTLY WITH SUPPLIERS WHO FOLLOW FAIR TRADE PRACTICES. THEY PRIORITIZE PARTNERSHIPS WITH ORGANIZATIONS THAT SUPPORT LOCAL COMMUNITIES AND PROVIDE FAIR WAGES TO WORKERS. BY DOING SO, LUSH AIMS TO PROMOTE SOCIAL JUSTICE AND ECONOMIC EMPOWERMENT IN THE AREAS WHERE THEIR INGREDIENTS ARE SOURCED.

ANIMAL RIGHTS ACTIVISM:
LUSH HAS A STRONG STANCE AGAINST ANIMAL TESTING AND ACTIVELY CAMPAIGNS FOR ITS ABOLITION WORLDWIDE. THEY FIRMLY BELIEVE THAT COSMETIC PRODUCTS CAN BE DEVELOPED WITHOUT HARMING ANIMALS, AND THEY STRIVE TO RAISE AWARENESS OF CRUELTY-FREE ALTERNATIVES. IN FACT, ALL OF LUSH'S PRODUCTS ARE VEGETARIAN OR VEGAN, MAKING THEM SUITABLE FOR INDIVIDUALS WHO CHOOSE NOT TO CONSUME OR USE ANIMAL-DERIVED INGREDIENTS.

REDUCING ENVIRONMENTAL IMPACT

LUSH is dedicated to reducing their environmental footprint through various initiatives. They minimize packaging waste by offering naked products (products without packaging) whenever possible. When packaging is necessary, they use recycled materials and encourage customers to recycle or return containers through their recycling program. Furthermore, LUSH promotes sustainable farming practices by supporting regenerative agriculture projects and advocating for organic cultivation methods.

As evidence of their commitment to these values, LUSH has received recognition from various organizations for their ethical business practices. For example, in 2019, they were awarded the Ethical Consumer Best Buy label for their dedication to ethical sourcing and transparency

LUSH 's VISION

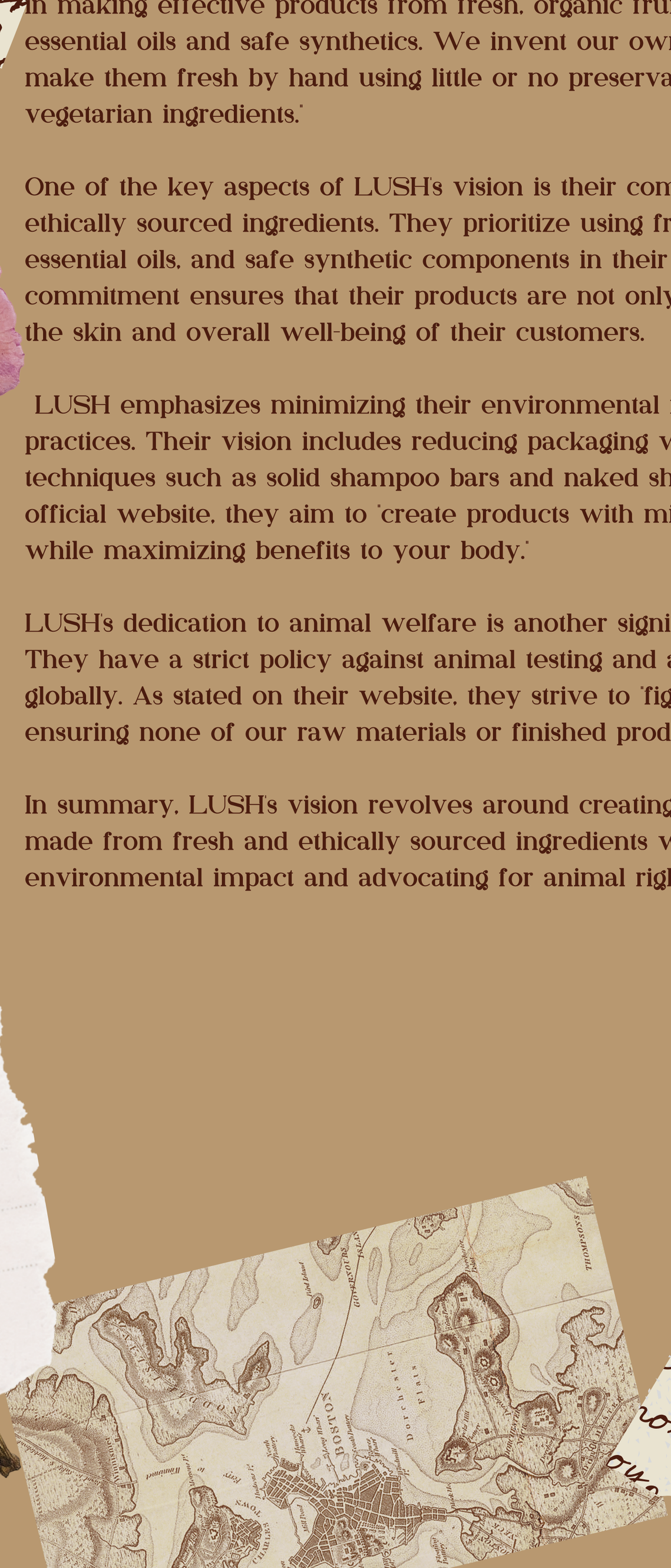
According to LUSH's website, their vision statement reads as follows: "We believe in making effective products from fresh, organic fruit and vegetables, the finest essential oils and safe synthetics. We invent our own products and fragrances. We make them fresh by hand using little or no preservative or packaging, using only vegetarian ingredients."

One of the key aspects of LUSH's vision is their commitment to using natural and ethically sourced ingredients. They prioritize using fresh fruits and vegetables, essential oils, and safe synthetic components in their product formulations. This commitment ensures that their products are not only effective but also gentle on the skin and overall well-being of their customers.

LUSH emphasizes minimizing their environmental impact through sustainable practices. Their vision includes reducing packaging waste by employing innovative techniques such as solid shampoo bars and naked shower gels. According to their official website, they aim to "create products with minimal environmental footprint while maximizing benefits to your body."

LUSH's dedication to animal welfare is another significant aspect of their vision. They have a strict policy against animal testing and actively campaign against it globally. As stated on their website, they strive to "fight against animal cruelty by ensuring none of our raw materials or finished products are tested on animals."

In summary, LUSH's vision revolves around creating effective cosmetic products made from fresh and ethically sourced ingredients while minimizing environmental impact and advocating for animal rights.



Market segmentation,targeting and positioning

Definition of market segmentation:

Market segmentation is the process of dividing a broad target market into smaller, more defined segments based on various characteristics such as demographics, psychographics, behaviors, and needs. By segmenting the market, companies can better understand their customers' preferences and tailor their marketing strategies to meet their specific needs. Lush, the cosmetics company known for its handmade and ethically sourced products, also employs market segmentation to effectively reach different customer groups.

How Lush segments its market

Lush uses various criteria to segment its market:

a) Demographic: Lush targets customers across different age groups but primarily focuses on millennials and environmentally-conscious consumers.
b) Psychographic: The company appeals to individuals who value sustainability, ethical sourcing, and organic products.
c) Geographic: Lush has a global presence and tailors its offerings to suit regional preferences and cultural differences.
d) Behavioral: Lush attracts customers who prefer eco-friendly alternatives and seek unique sensory experiences through their products.

Behavioral segmentation is another approach used by Lush. They identify customer behaviors such as usage rates, loyalty levels, and purchasing patterns to tailor marketing efforts accordingly. For instance, they offer incentives like the "Lush Kitchen Subscription" where subscribers receive exclusive access to limited-edition products every month. This encourages repeat purchases among loyal customers while creating scarcity that drives demand.

According to David Jobber and Fiona Ellis-Chadwick (2019), successful market segmentation allows companies like Lush "to concentrate their resources more efficiently on those market segments that represent the best opportunities." By understanding their customers' needs, preferences, and buying habits, Lush can develop targeted marketing campaigns that resonate with each segment.

In conclusion, Lush Company effectively employs market segmentation strategies by considering demographics, psychographics, and behavioral patterns of its customers. This enables them to create personalized experiences for different customer segments while aligning their brand values with the desires of eco-conscious consumers. By implementing these strategies, Lush can continue to build strong customer relationships and drive growth in the competitive cosmetics industry.

Positioning

One key aspect of Lush's positioning is its commitment to using fresh and natural ingredients in their products. They prioritize the use of organic fruits, vegetables, essential oils, and other botanicals to create their handmade cosmetics. This emphasis on natural ingredients aligns with the growing consumer demand for clean and green beauty products.

Furthermore, Lush positions itself as an advocate for animal rights by refusing to test any of its products or ingredients on animals. They have been actively involved in campaigns against animal testing and promote alternative testing methods. This stance resonates with customers who prioritize cruelty-free options and makes Lush stand out among competitors in the industry.

In addition to their product offerings, Lush also focuses on creating an immersive customer experience through their retail stores. Their stores are designed to engage all five senses with vibrant colors, enticing scents, interactive displays, and knowledgeable staff ready to provide personalized recommendations. This unique approach allows customers to explore and experience the brand beyond just purchasing products.

Furthermore, Lush positions itself as a company dedicated to social causes and community engagement. They collaborate with various organizations and charities worldwide to support environmental conservation efforts, human rights initiatives, and local communities. By doing so, they establish themselves as a socially responsible brand that goes beyond profit-making.

Overall, Lush's positioning revolves around its commitment to providing ethical and sustainable cosmetic products while engaging customers through immersive experiences and supporting social causes. As Mark Constantine, co-founder of Lush stated: "We believe in making effective products out of fresh fruit and vegetables, the finest essential oils... We also believe words like 'fresh' and 'organic' have honest meaning beyond marketing." (Cosmetics Business) This quote reflects the core values and positioning of Lush as a brand that values transparency, quality, and ethical practices.

Targeting of Lush Company

The targeting strategy employed by Lush, a popular cosmetics company, is centered around its commitment to ethical and sustainable business practices. Lush aims to attract environmentally conscious consumers who prioritize purchasing products that are cruelty-free, vegan-friendly, and made from natural ingredients.

Lush's target market primarily consists of individuals who are passionate about the environment, animal welfare, and social justice issues. The company actively engages with this audience through various marketing channels such as social media platforms, email newsletters, and in-store events. Lush's messaging focuses on educating consumers about the harmful effects of conventional cosmetics while promoting their own range of eco-friendly alternatives.

According to Mark Wolverton, President and CEO of Lush North America, "We have always been focused on reaching people who care deeply about the same things we do – protecting animals, people and the planet. Our target market is those who value sustainability and want to make a positive impact through their purchasing choices." [1]

In addition to environmental concerns, Lush also targets customers seeking high-quality beauty products that deliver results. The company emphasizes product effectiveness alongside its ethical values to appeal to a broader consumer base.

To reach their target market effectively, Lush utilizes experiential marketing techniques. Their stores feature vibrant displays and interactive demonstrations that allow customers to engage with the products before making a purchase decision. This approach creates an immersive shopping experience that aligns with their brand values.

Furthermore, Lush uses storytelling as a key component of its marketing strategy. By sharing stories behind their products and highlighting the artisans who create them, they connect emotionally with customers and reinforce their commitment to transparency and accountability.

Lush's targeting strategy has proven successful as it continues to attract loyal customers who appreciate its dedication to sustainability and social responsibility. By staying true to their core values while delivering innovative and effective products, Lush maintains a strong foothold in the competitive cosmetics industry.

Marketing Mix

The current marketing mix of Lush company consists of the following elements: product, price, place, and promotion. Lush focuses on offering high-quality handmade cosmetics that are ethically sourced and environmentally friendly. Their products range from skincare and haircare to bath bombs and fragrances.

In terms of product, Lush emphasizes the use of natural ingredients and avoids the use of animal testing in their manufacturing process. They have a wide variety of products catering to different customer needs and preferences.

Regarding pricing strategy, Lush positions itself as a premium brand with slightly higher prices compared to its competitors. This is justified by the quality of their ingredients and the ethical practices they uphold.

Lush has an extensive distribution network with physical stores located worldwide. Their stores are designed to provide a unique shopping experience, with vibrant displays and knowledgeable staff who offer personalized recommendations. Additionally, Lush also sells its products through its online store, allowing customers to conveniently make purchases from anywhere.

Lush's promotional activities revolve around creating awareness about their brand values and product offerings. They heavily rely on word-of-mouth marketing, social media engagement, influencer collaborations, and events to reach out to their target audience. In addition, they frequently launch limited edition products or seasonal collections to create excitement among customers.

According to Mark Constantine OBE, co-founder and Managing Director of Lush: "Our whole approach is based on being open about our ingredients; for us it’s not just marketing hype – it’s fundamental." [1] This quote highlights how transparency in ingredient sourcing is a key aspect of Lush's marketing strategy.

Overall, Lush's marketing mix demonstrates their commitment to providing high-quality products while promoting ethical practices and sustainability.

Segmentation, targeting, and positioning (STP) are key elements of a marketing strategy that help businesses identify and reach their target market effectively. These strategies involve dividing the market into distinct segments based on various factors such as demographics, psychographics, behavior, and needs/wants. Once the segments are identified, companies can then select specific target markets to focus their efforts on. Finally, positioning involves establishing a unique position in the minds of consumers within the chosen target market.

There are several different segmentation strategies that businesses can employ.

- Demographic segmentation: This strategy divides the market based on demographic variables such as age, gender, income, occupation, and education level. For example, an automobile company might segment its market by targeting young professionals aged 25-35 with high incomes who are looking for luxury vehicles.

- Psychographic segmentation: This approach focuses on dividing the market based on psychological traits, lifestyle choices, attitudes, and values. It helps companies understand customers' motivations and preferences. For instance, a fitness apparel brand might segment its market by targeting health-conscious individuals who value sustainability and ethical manufacturing practices.

- Behavioral segmentation: This strategy categorizes consumers based on their behaviors towards products or services, including usage patterns, loyalty levels, purchase frequency, and benefits sought. An example could be a coffee shop targeting frequent coffee drinkers who prefer specialty blends and are willing to pay a premium for quality.

Once the segmentation is complete, companies must choose which segments to target. Targeting involves evaluating each segment's attractiveness and selecting one or more segments that align with the company's goals and capabilities.

Positioning is about creating a unique perception of a product or brand in consumers' minds relative to competitors. Companies use various positioning strategies to differentiate themselves from competitors:

- Product attributes/benefits: Highlighting unique features or benefits that set the product apart from others in the market. For example, Volvo positions itself as a brand known for safety and reliability.

- Price/quality: Emphasizing the product's value proposition, whether it is affordable luxury or high-end exclusivity. For instance, Rolex positions itself as a prestigious and luxurious brand with high-quality timepieces.

- Usage/application: Associating the product with specific uses or applications to appeal to target customers. An example is Gatorade positioning itself as the go-to sports drink for

Reference List

We Are Lush -https://weare.lush.com/lush-life/our-company/who-we-are/

What We believe - https://weare.lush.com/lush-life/our-company/what-we-believe/#:~:text=products%20on%20humans.-,We%20believe%20in%20happy%20people%20making%20happy%20soap%2C%20putting%20our,lose%20everything%20and%20start%20again.

Wolverton, M. (2019). Lush Cosmetics CEO Mark Wolverton On Building A Sustainable Brand That Lasts. Forbes. Retrieved from https://www.forbes.com/sites/melissakravitz/2019/11/12/lush-cosmetics-ceo-mark-wolverton-on-building-a-sustainable-brand-that-lasts/#33a292c15e8e

Jobber, D., & Ellis-Chadwick, F. (2019). Principles and Practice of Marketing (8th ed.). McGraw-Hill Education.

Euromonitor International. (2020). Company Profile: Lush Cosmetics Ltd. Retrieved from Passport database.

- Cosmetics Business. "Lush: A Fresh Approach to Beauty." https://www.cosmeticsbusiness.com/news/article_page/Lush_A_fresh_approach_to_beauty/157441