

SUMMARY OF VICTORIA'S SECRET: CAN IT REBRAND ITS MARKETING MODEL?

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SUMMARY

Victoria's Secret's successful strategy in the past has led to stagnate growth as its market and consumers have changed. It was previously known for sexy lingerie promoted by celebrities with its "Angels" on the runway. Now it is revamping its product line, marketing, and social media messages.

Between 2000 and 2023 the company experimented with various senior managers. The later years saw a senior manager make disparaging comments about transgenders and resign. In 2021 the parent company divested Victoria's Secrets into its own company.

The company is now 43 years old and has 843 stores in the US and 450 in 70 countries. The company continues the Victoria's Secret, PINK, and AdoreMe brands. The new product line includes sleepwear, lingerie, sports, swim wear, and a new fragrance mist.

The industry contains 46,205 competitors with a very low profit margin of 2.3%. It has mixed expectations going into the future. However, both the US and international markets are expected to grow slowly.

Its current mission statement specifically mentions diversity, equity and inclusion. It seeks to "celebrate, honor and reflect the diversity of its customers, our associates, and communities we engage." Consequently, the product line and marketing message include women from different races, colors, veterans, and indigenous populations. Its new models reflect this diversity and includes a model with disabilities.

The Teaching Note raises the question, can an older company with an established reputation and clientele rebrand its marketing message to reflect the current environment? The case could be used by several classes including marketing, social media, and strategic management. It asks the students to:

- Analyze the macro environment.
- Perform a Porter's Five forces analysis of the competition.
- Evaluate the historical marketing strategy.
- Evaluate the current rebranding effort.

- Make recommendations to senior management.
- Prepare for a culture conflict if it occurs.

References available upon request