

## **CHAPTER V**

### **CONCLUSION**

The Body Shop is arguably one of the greatest sustainable beauty retailer. The company provides strong long-term competitive advantages that distinguish it from other competitors. According to VRIO analysis, the main competitive advantages of The Body Shop lie on its brand value, ethical behaviour, advanced lab technologies and well-structured organizational support. These competitive advantages has successfully helped the company facing high intensity of competition in the beauty industry. Moreover, The Body Shop has suitable strategies to survive from the threat of new entrants, substitute brands, and high bargaining power of buyer. Luckily, the company has low bargaining power of suppliers. This situation enables the brand to produce high quality products with selected and specific natural ingredients to distinguish itself from other competitors.

In terms of CSR, The Body Shop has been successfully generated many social responsibility programs since 1986. All of its programs are in accordance with the company purpose to fight for a fairer and more beautiful world. The Body Shop operates a beauty business that effectively aligns with Carroll's Pyramid theoretical framework. The Body Shop believes that organizations have a responsibility to not just generate profit, but to also create positive social impact. However, the company perfectly understands that profits are also necessary for company growth and to improve its contribution to the economic development. The Body Shop revenue has gradually increased over the years. Although it has not reached a significant growth yet, the company seems to handle its economic responsibility well. In addition, The Body Shop is also doing an incredible job in terms of legal, ethical and philanthropic responsibility.

Besides its strengths, the company also has several limitations such as pricey products, lack of digital marketing strategy and also limited product variants for men. Based on the result of Ansoff Matrix, the company needs to create better strategies in order to strengthen its weaknesses. Those strategies include providing

various product sizes, creating mobile app, extending product variants for men and expanding its sustainable market in different industry.

Overall, The Body Shop is undeniably a successful sustainable beauty retailer. The company will be remain as a one of the leader in beauty industry if it can keep maintaining its competitive advantages, enhance its strategies and improve its limitations properly.



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