

The Estée Lauder Companies, Inc. Internal Report

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Table of Contents

- 01 Brief Overview
- 02 Core Competencies
- 03 Strategic Posture
- 04 Corporate Level Strategy
- 05 Organizational Structure
- 06 Corporate Culture/HC



Table of Contents

- 07 Governance
- 08 Corporate Performance Index
- 09 Competitive Position
- 10 Profit Potential
- 11 Conclusion

ESTEE LAUDER OVERVIEW

- Founded in 1946 as a family-owned company
- Global leader in prestige beauty
- 20+ brands including La Mer, MAC, and Clinique
- Products sold in nearly 150 countries
- Combines science, innovation, and luxury



Core Competencies



1. Marketing



2. R&D



3. Technology



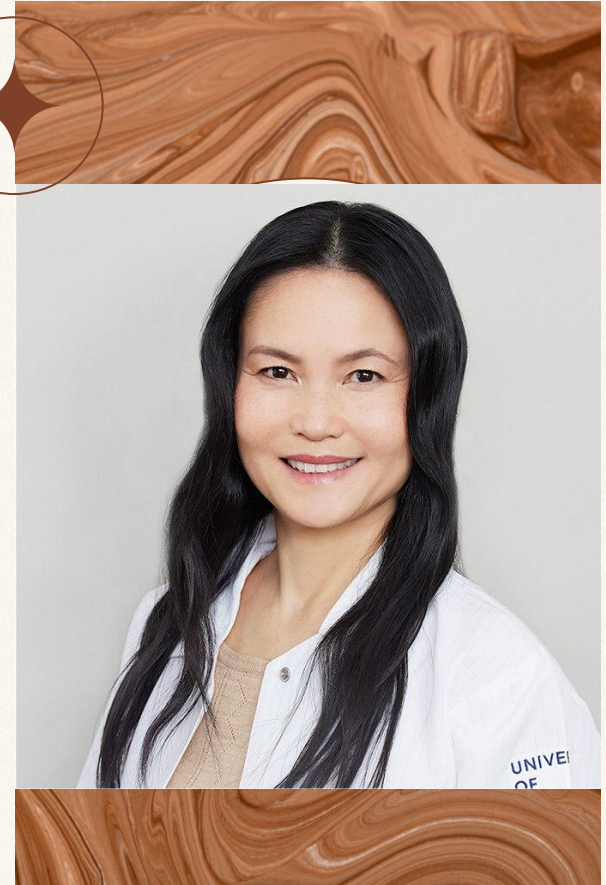
1. Marketing

- ◆ Influencer campaigns with Kendall Jenner boost visibility.
- ◆ Digital tools like AR & WeChat increase engagement.
- ◆ AI creates personalized shopping experiences.



2. R&D

- ◆ 15+ years studying skin aging & sirtuins.
- ◆ Collaborates with top scientists like Dr. Chen.
- ◆ \$360M spent on innovation in 2024.



3. Technology

- ◆ SIRTIVITY-LP™ powers skin renewal.
- ◆ Core tech behind Re-Nutriv line.
- ◆ Drives profit growth and brand leadership.



Strategic Posture



- Heritage
- 'High-Touch' services & experiences
- Global reach
- Social impact & sustainability
- Values & Beliefs that shape business practices



Strategic Posture

"Put the power of possibility in the palm of every hand"

Generosity of Spirit

Fearless Persistence

Highest Aesthetic
Standards



Respect for the
Individual

Uncompromising
Quality

Ethics & Integrity

Corporate Level Strategy

- **Single-Business Firm**
- **Moderate to Low Level of Diversification**
- **Industry Presence:**
 - Cosmetic & Beauty Products Manufacturing
 - Lipstick Manufacturing
 - Online Perfume & Cosmetic Sales
 - Perfume & Fragrance Manufacturing



Estee Lauder's Brand Portfolio

<u>Fragrance</u>	AERIN, Aramis, Balmain Beauty, Editions de Parfums, Jo Malone, Kilian, Le Labo
<u>Haircare</u>	Aveda, Bumble and bumble
<u>Makeup</u>	Bobbi Brown, Estee Lauder, M·A·C, Smashbox, Tom Ford, Too Faced
<u>Skincare</u>	Clinique, Darphin, Deciem, Dr.Jart+, GlamGlow, Lab Series, Niod, Origins, The Ordinary

- Shared resources across brands...
 - Research & Development
 - Engineering
 - Packaging
 - Marketing

Organizational Structure

DIVISIONAL

- Brand-focused units
- Each led by a Global General Manager or Brand President
- Enables:
 - Unique brand identity
 - Target market customization
 - Fast decision-making



FUNCTIONAL

- Corporate functions are centralized:
 - Finance
 - R&D
 - Communications
 - Human Resources
 - Branding
 - Value Chain
- Enables:
 - Consistency
 - Collaboration
 - Strategic alignment

Global Leadership Structure

- Corporate-Level Leadership (Centralized):
 - CEO + Executive Vice Presidents
- Regional & Brand-Level Leadership (Decentralized):
 - Regional Presidents oversee major markets:
 - The Americas
 - China
 - Europe, Middle East & Africa
 - Asia-Pacific & Travel Retail
 - Brand Presidents/General Managers lead day-to-day operations for each brand

Corporate Culture & Human Capital

Estée Lauder Working Experience

Pros:

- Comprehensive benefits & positive work culture
- Professional development opportunities
- Employee discounts & perks

Cons:

- Compensation concerns
- Long work hours
- Management challenges

By the Numbers & Accolades

- 62,000 employees across nearly 150 countries/territories supporting 20+ brands
- Ranked #1 Best Company for Multicultural Women in 2024
- Named Best Company for Global Culture in 2022
- Recognized as “World’s Most Admired Companies” in 2024 by Fortune

Governance

\$21,811,244

Total compensation

\$2,100,000

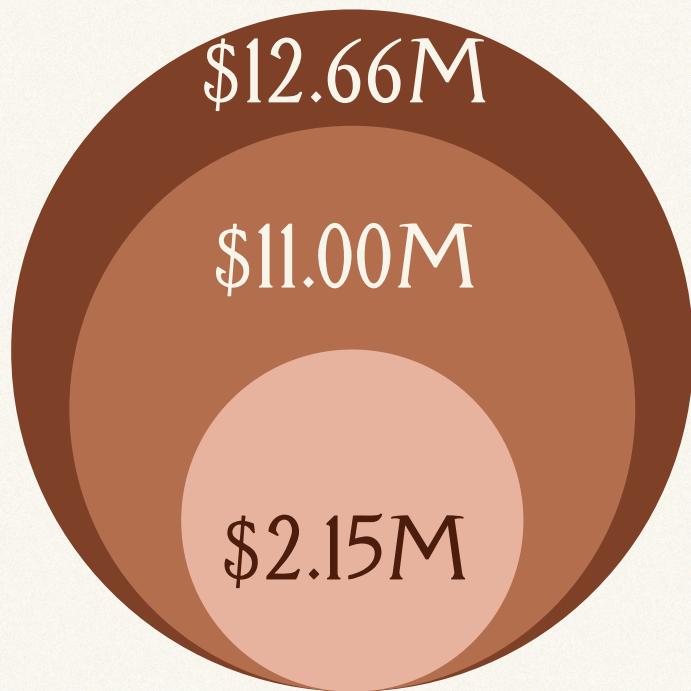
Received in salary

#2

Highest paid CEO in the industry



Comparative Salaries



● Ulta - David Kimbell

\$12,663,880 in total compensation, \$1,350,003 in salary pay

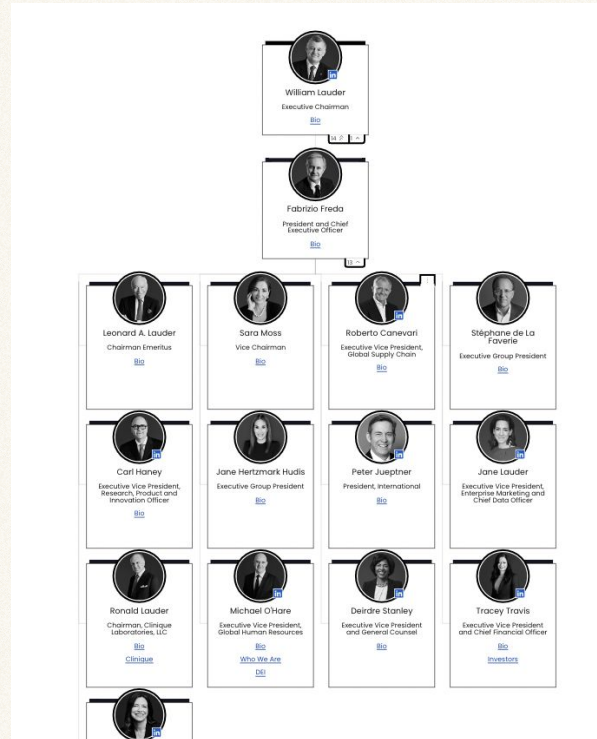
● L'Oréal - Nicolas Hieronimus

\$11,000,000 in total compensation, \$2,187,000 in salary pay

● Shiseido - Masahiko Uotani

\$2,150,000 in total compensation, \$406,580 in salary pay

Management & Directors

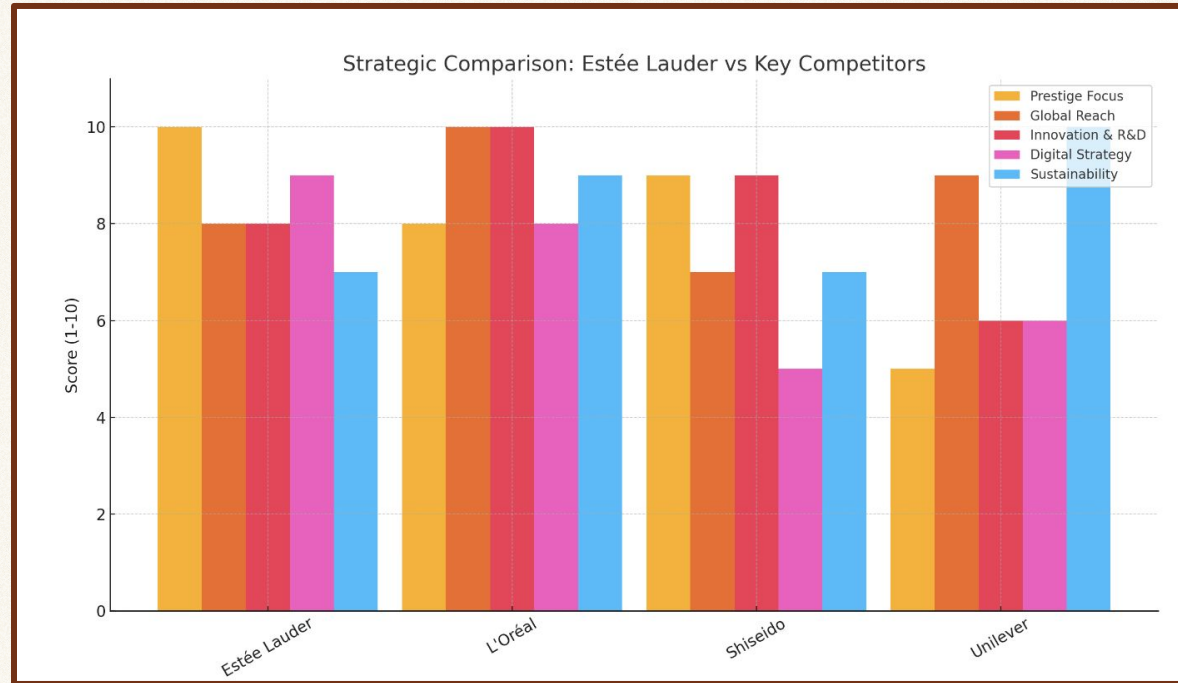


Corporate Performance Indexes

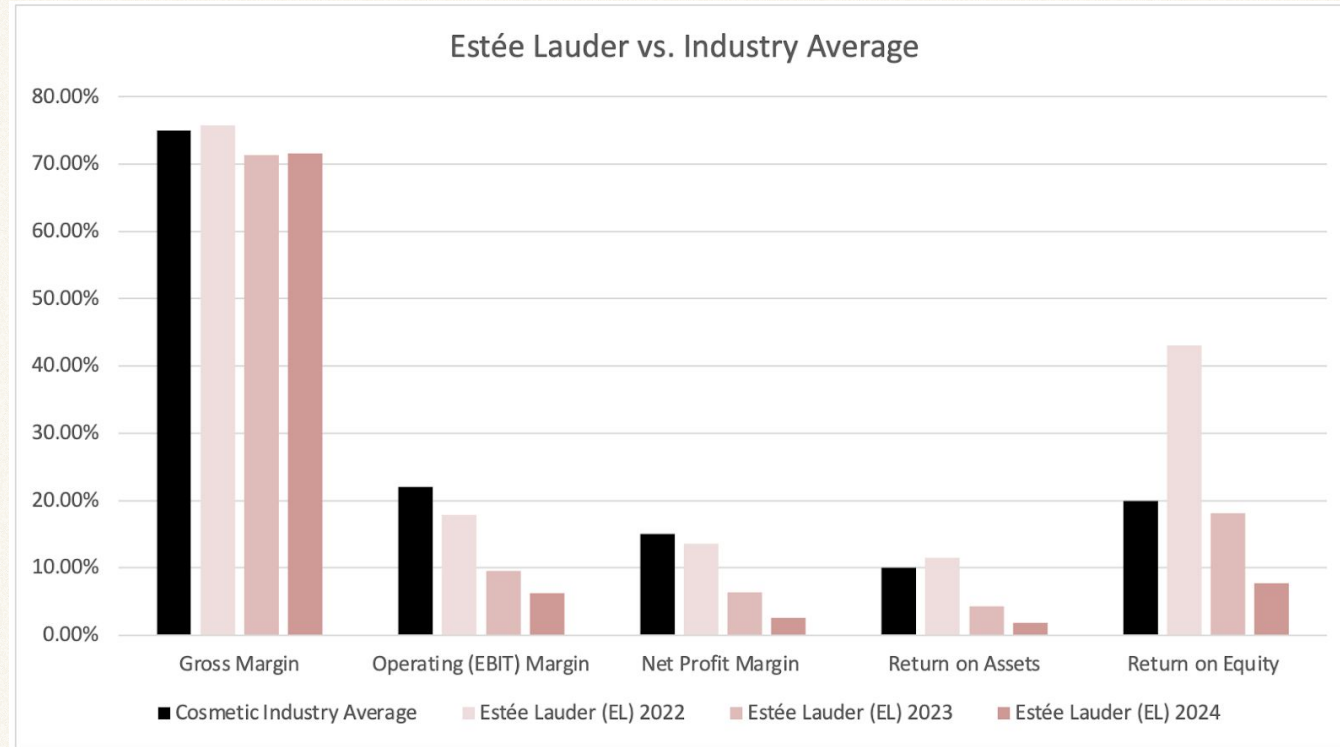
	2024	2023	2022	2021	2020	Industry Average
Return on Assets	1.89%	4.31%	11.52%	13.09%	3.91%	10%
Return on Equity	7.70%	18.08%	43.08%	47.20%	17.57%	20%
Current Ratio	1.39	1.46	1.60	1.84	1.72	-----
Gross Profit	\$11,184	\$11,346	\$13,432	\$12,381	\$10,742	-----

Dollar values are listed in millions.

Competitive Position



Profit Potential



Conclusion

- Beauty industry leader with strong digital presence
- Focused on innovation, R&D, and sustainability
- Hybrid structure supports brand flexibility
- Strong leadership and values-driven
- Positioned for continued growth



THANK YOU!

