



Luxottica produces and distributes sun and prescription eyewear of high technical and stylistic quality to improve the well-being and satisfaction of its customers and at the same time create value for employees and the communities in which the Group operates.

They aim at protecting the eyes and enhancing the faces of men and women all over the world, by manufacturing and selling eyewear and sunwear characterized by their high technical and stylistic quality, in order to maximize their customers' well-being and satisfaction.

The past and present business strategy of Luxottica had been focused on full **vertical integration**. (It is a style of management control. Vertically integrated companies in a supply chain are united through a common owner. Usually each member of the supply chain produces a different product or service.)

Vertical integration had always been important to Luxottica's continuing success in the market place. Since the mid-1970s, Luxottica had focused on managing all components of the eyewear production and distribution process. The areas Luxottica managed internally were design, prototype manufacture, product development, and the production of all parts of the eyewear frames. This was a great strategy because it had allowed the company to produce quality eyeglasses with the lowest production costs and highest margins in the industry. Then it purchased LensCrafters in 1995, and later Sunglass Hut in 2001. By purchasing two large U.S. national retail chains the company could add retail as one of its functions managed internally.

The present strategy of Luxottica is to strengthen itself in the market place by using its strong retail presence in LensCrafters and Sunglass Hut. The strategy focuses on using its subsidiary partners for marketing and reserving ideal shelf space for products manufactured by Luxottica. This in turn will allow Luxottica to gain more market share in the coming years.

The future strategy that will eventually evolve from the current strategy of full vertical integration is that Luxottica will become a true fashion company. This will happen because Luxottica will focus more on the sunglass frame market as it has purchased Sunglass Hut, one of the largest sunglass retailers in the United States. Owning Sunglass Hut will force Luxottica into a smaller niche market focusing on fashion frames although the company will always continue to produce ophthalmic frames. The future strategy of Luxottica will be affected by past and present strategies, but will focus on new strengths. The future of Luxottica's success will depend on the company continuing to produce products that the end customer desires.

For Luxottica, advertising is very important. For example, to advertise Ray Ban, some months ago Luxottica tried to catch our attention with a provocative ad where there are two gay men walking down the street and holding their hands which are looked upon with disdain by passers-by.

Eyewear = occhiali
Enhancing = migliorare
Supply Chain = catena di approvvigionamento
Prototype manufacture = prototipo di fabbricazione
Retail = produzione al minuto
Strengthen = rafforzare
Purchase = acquistare
Subsidiary = controllato



Classe 5 A erica 2012 – 2013

Passarotto Giada
Dell'Oste Sara