An Enlightening Experience in Europe

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INTRODUCTION

Traveling abroad is something that not everyone will have the opportunity to experience but this past summer I was fortunate enough to be able to participate in the International Business Seminar program offered through Northern Illinois University in Europe. Often times, people get boxed into their everyday lives and routines without truly appreciating the benefits that can come from expanding their horizons and their minds to new cultures and foreign experiences. Studying or traveling abroad is a deeply enriching and enlightening experience that will encourage growth both personally and professionally. For me the experience was life altering in many ways and opened up new opportunities, self realizations and passions that I never dreamed were possible. I will be forever grateful that I took the opportunity to travel abroad and will encourage my friends and fellow classmates to do the same.

The International Business Seminar (IBS) Study Abroad program gives students the opportunity to experience such enlightenment by seeing the world, exploring new cultures and cuisines and meeting new and interesting people. The seminar includes incredible sightseeing opportunities and recreational activities but also gives students the opportunity to see firsthand how foreign businesses operate in a global economy. The fourteen company visits offered during the summer seminar give students an opportunity to meet experts and see the day to day operations in the fields of fashion, medicine, glass blowing, digital photography and even world trade. Each company representative offered a unique presentation and perspective on the business environment in their respective countries, particular areas of business and even American business practices. The knowledge and insight that was gained from the presenters on all of the company visits during the tour will no doubt prove to be invaluable to the students in their future studies, networking opportunities and future careers.
SUMMARY OF COMPANIES

Saatchi & Saatchi- Andrea Fronzetti and Claudia Moretti:

In 1970 Saatchi & Saatchi began as an advertising agency in London and has evolved into a global creative communications company with 140 offices in 80 countries. Saatchi & Saatchi is part of the Publicis Group, which is one of the world’s largest communications groups. Although the presentation took place in Rome, Italy, Saatchi & Saatchi’s headquarters are located in New York City, NY. Saatchi & Saatchi has worked with such clients as Miller Brewing Company, Toyota, Proctor and Gamble, and Sony. Saatchi & Saatchi’s differentiation strategy and key to success has been the Lovemarks campaign, which takes an innovative approach to inspiring brand loyalty in consumers. Saatchi & Saatchi does not have a mission statement as most companies but instead has an inspirational dream, “To be revered as the hothouse for world changing ideas that create sustainable growth for clients”. The presentation given to the International Business Seminar students only proved to exemplify Saatchi & Saatchi’s unique ideas and strategies which have made it a global leader in the world of communications.

Andrea Fronzetti, Account Manager for Saatchi & Saatchi, and Claudia Moretti, Account Manager for Enel, presented to the International Business Seminar students at the Grand Hotel Palatino in Rome, Italy, on Thursday May 20, 2010. The presentation began with an overview of different business segments of the company which include, Saatchi & Saatchi, Saatchi & Saatchi Interactive, Saatchi & Saatchi Design, Saatchi & Saatchi S, and Saatchi & Saatchi X. There are four key areas where employees are divided based on their individual talents and contributions to the company. These areas include the planners, creatives, connectors and producers. Mr.
Fronzetti went on to describe each segment of the business briefly and how each contributes to the overall success of the business and most importantly contributes to Saatchi & Saatchi’s differentiation strategy, The Lovemarks Campaign.

As with all marketers the goal is to somehow break through the clutter and stand out among the crowded sea of competition, and Saatchi & Saatchi is no exception. With all of the information that bombards consumers on a constant basis, developing and sustaining brand loyalty can be a nearly impossible challenge. The answer for Saatchi & Saatchi is the Lovemarks Campaign. In essence the Lovemarks Campaign is interactive marketing at its best, where the focus is on the consumer and not the product or service. What the consumer wants, how they view the product or service and how the product or service makes them feel are the questions marketers must ask themselves. The basic goal being to build a relationship with the consumer which will lead to repeat sales based on an emotional tie to the product or service and not practical reasons such as price or performance.

Interactive marketing is not only prevalent in Italian advertising but globally as well. Saatchi & Saatchi, as with all interactive marketing initiatives, is looking to not necessarily see a return on investment but to see a return on involvement. The commercials and other forms of advertising that are attention grabbing and memorable are ones that appeal to the senses that a consumer can identify with and which inspire an immediate response. This is the goal of the Lovemarks Campaign. Examples of products that demonstrate how a successful emotional interactive campaign can develop staunch brand loyalty are Coca Cola, Harley Davidson, and Apple, Inc.

Although Saatchi & Saatchi utilizes all marketing mediums the company feels a largely diverse marketing campaign can lead to fragmentation and create a dialog versus a monolog with
consumers. As such Saatchi & Saatchi limit the number of different media used in campaigns for any product or service in order to better develop a deep connection with consumers. According to Mr. Fronzetti television is the most used medium in Italy and as such is the primary medium used in Saatchi & Saatchi’s Italian campaigns.

An interesting aspect of Saatchi & Saatchi’s marketing budget is the allocation to field research which is done by sending marketers out into public places such as bars and pubs to gather information and observe targeted consumers. These market researchers, called Xplanners, will sometimes take up residence with consumers for a few weeks at a time in order to gain first hand insight into daily activities and product usage. The ultimate goal of this unique approach to market research is to truly develop a sense of what the consumer values and beliefs are about a product or service and then develop a campaign around this insight. Although this technique is not necessarily unique to Italian market research the extent to which the “field” technique is used seems to be larger than in American marketing.

According to the presentation given by Mr. Fronzetti there are three key elements which must be used in an advertisement in order to ensnare the loyalty of consumers and have a successful Lovemarks campaign. These three elements are mystery, sensuality and intimacy. Through the usage of sight, sound and motion is how these three elements are developed and delivered into the eyes and ears of the consumer but more importantly their hearts and minds. Mr. Fronzetti presented examples of each element through current Saatchi & Saatchi designed advertisements. Culturally the examples are very similar to American marketing campaigns with the exception of the amount of nudity allowed as well as the blatancy of the content or message. The examples shown to demonstrate the key elements would be considered racy by American standards, although in no way inappropriate or obscene.
Saatchi & Saatchi’s motto of “One Team, One Dream- Nothing is Impossible.” Is not only inspirational but is how Saatchi & Saatchi approaches every business endeavor. “Ideas come from everywhere” is also part of the business strategy for Saatchi & Saatchi and a strength which has contributed to the companies exponential growth globally and will continue to sustain the company well into the future. The idea that Saatchi & Saatchi listens to consumers and also taps into internal talent across the board is a key attribute to the company’s successes.

**SWOT Analysis for Saatchi & Saatchi:**

**Strengths:**
- Critical Mass
- Innovative
- Unique methods
- Customer Relationships/ Loyalty

**Weaknesses:**
- Unable to reach Audience or make connection
- Narrow marketing strategy

**Opportunities:**
- New clients/ Joint Ventures
- Differentiate Campaign

**Threats:**
- Economic Climate
- Competition
SKIN Fur, Leather and Suede Wear- David Gabizon:

At first meeting, the description given in the IBS orientation handbook of “Fashion Genius” does not seem to fit Mr. David Gabizon of SKIN Leather. Mr. Gabizon is a small man in his fifties or sixties with wild thinning hair, a round portly figure, and he is dressed in a nondescript and unbuttoned business suit. After the first five minutes of Mr. Gabizon’s presentation, however, it becomes quite clear that what this man lacks in appearance is more than made up by his outgoing eccentric personality, his business sense and seemingly unending supply of energy. Because of Mr. Gabizon’s enthusiasm, sense of humor and entrepreneurial know how the business visit would prove to be one of the most entertaining and interactive of the entire IBS experience.

Mr. Gabizon presented to the IBS group in the mirrored sales floor, which would later become a fashion runway, of his SKIN store in Rome, Italy on Thursday, May 20, 2010. Students were seated in chairs set up along the “runway” with a plush white leather couch at the front of the room, on which some students were fortunate enough to be seated during the presentation. Racks and displays of beautiful coats and apparel surrounded the students on both sides and the rich smell of leather filled the room. This was no ordinary presentation and Mr. Gabizon was far from an ordinary presenter. He began by giving a passionate “State of the union” address regarding the current Italian and European Union economic climate and how it has affected business locally and globally in Italy and abroad. It was clear from Mr. Gabizon’s discussion of this topic that his small leather business has been severely impacted by the current economic situation and the future of the successful company he has built is uncertain. Mr. Gabizon presented an interesting suggestion or hope for the future when it comes to currency and
that is when the US dollar and the Euro are exactly the same then the economy will improve because all things being equal consumers will spend more.

After the lengthy but insightful economic discussions the story of SKIN leather and how Mr. Gabizon came to be the leather guru that he is today unfolded. Mr. Gabizon took the students on a journey through time painting a picture of a small town entrepreneur who through innovation, creativity and an unyielding drive for success was able to strategically build a large leather business. Mr. Gabizon played the odds and was risky with some of his design ideas such as holes in leather for ventilation, or bold vibrant colors that were hard to create and even crinkled leather. Mr. Gabizon had the students model some of these crazy fabrics so that we could all see firsthand that his ideas had come to fruition. Not every idea paid off in the end for SKIN but the point was that Mr. Gabizon put himself out there took some risks and ultimately has become a successful business man because of this.

Italy is known for its leather and Mr. Gabizon prides himself on the fact that in 40 years of being in the leather business very few coats have had to be replaced. This makes SKIN a trustworthy company that has built a loyal client base and is one of the reasons that he is still in business today. Another reason that Mr. Gabizon has been able to stay afloat in what has become a very unstable situation due to the economic crisis in Greece is that he does not employ much help, in fact he only has one woman who currently works in the store that we visited. It seems a little unorthodox in a retail business to have such limited help but Mr. Gabizon seems to make this one of his fundamentals in running his business. Mr. Gabizon’s story of how SKIN came to be was very entertaining and was educational for anyone that is looking into entrepreneurial business.
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The rest of the afternoon was spent modeling the leather jackets and teaching the IBS students and our instructors how to walk a catwalk, complete with Music and direction from Mr. Gabizon. This was by far one of the most entertaining visits of the entire seminar and should remain as a stop for IBS trips to come. I only hope that Mr. Gabizon is able to weather the economic storm and continue on his exotic leather escapades.

SWOT Analysis for SKIN

Strengths:

- Innovative unique product – Niche market
- Customer Relationships/ Loyalty

Weaknesses:

- Small Company
- Very Specialized
- Management and Staffing

Opportunities:

- New clients/ Joint Ventures- Fashion strategic alliances
- Marketing strategy- implement one
- New Technology- Use the internet and social media to market as well

Threats:

- Economic Climate
- Competition
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Looking good….work it work it.

Having the time of my life….that was such a nice jacket.
Johnson & Johnson Medical- Chiara Antoniucci, Anna Citarella, and Michele D’Arcangelo

The presenters gave a brief history of the company and talked about the core values and business ethics that Johnson and Johnson strive to always uphold. Something that is very important and that Johnson and Johnson take very seriously is its credo. This was the first ethical code adopted by the company. According to the presentation the Johnson and Johnson credo was written by the former chairman, Robert Wood Johnson who incidentally was also a member of the founding family. The credo was created in 1943, which was very close to the time that Johnson and Johnson became a publicly traded company. According to Johnson and Johnson’s website, “Our Credo is more than just a moral compass. We believe it’s a recipe for business success. The fact that Johnson & Johnson is one of only a handful of companies that have flourished through more than a century of change is proof of that” (Johnson & Johnson, 2010).

The presenters essentially read the credo but in summary it stresses that Johnson and Johnson have a social and moral responsibility to all of its customers, employees, communities, and stockholders to always engage in fair business practices.

This particular subsidiary of Johnson and Johnson handles distribution and marketing medical devices and diagnostics. The presenters gave an example of the type of work this branch handles which was RFID barcodes that are being put on surgical devices so that they can be tracked and not left behind inside of patients. According to the presenters this type of medical device will be tested in hospitals this year. They discussed the different areas of the Johnson and Johnson in Italy which include Cordis which handles cardiovascular or heart surgery related devices, Depuy which handles orthopedic devices, Ethicon who deals in sutures and other wound closure related items, and Ethicon Enso Surgery which handles small non-invasive surgery
devices. At the end of the presentation our last presenter gave a virtual demonstration of an endoscopic medical device.

The presenters discussed employment at Johnson and Johnson as well and the internal business structure. According to the presentation 80% of employees that work for Johnson and Johnson are college graduates. Johnson and Johnson hires from within first before looking for external candidates. Johnson and Johnson takes great pride in its employee’s and are very careful in ensuring that only the best candidates come to work for Johnson and Johnson. In addition to the above mentioned Italian components of the Medical Devices and Diagnostics part of the Johnson and Johnson Empire there is one of two research and development centers for the entire company located in Italy. The other is located in Connecticut.

The information presented was very interesting as most would not know that the Medical Devices and Diagnostics part of the Johnson and Johnson family is located in Italy or that there are so many different medical devices and separate entities to handle each type. The presentation of the endoscope was also interesting to witness. It truly is amazing what is possible through the innovations in medical technology. It is always sometimes difficult to ascertain just how much work and dedication goes into the design of medical equipment especially when one thinks about what is being done with that equipment.

It is clear from the presentation that Johnson and Johnson as a company and its subsidiaries employ smart and innovative people because they are dedicated to saving lives through the invention of new and improved medical technology. In addition to a very nice presentation Johnson and Johnson provided food and beverages for the IBS students which was extremely generous and handed out little USB drives in the shape of little doctors and nurses as a
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keepsake. A wonderful company to visit and one that should remain on the IBS agenda for future study abroad trips.

SWOT Analysis for Johnson and Johnson

Strengths:

- Critical Mass
- Innovative
- Customer Service

Weaknesses:

- Unable to reach Audience or make connection
- Narrow marketing strategy

Opportunities:

- New clients/ Joint Ventures
- New Markets
- New products

Threats:

- Economic Climate
- Competition
- Advances in Medicine
Eli Lily- Luciano Di Cecchi

This presentation we met up with the other IBS group so we were quite a large audience for Eli Lily. The presentation began much the same as many of the others and included the usual power point presentations but in this case it was followed by a tour of the plant and there were a couple different presentations that talked about different aspects of the business structure for Eli Lily. The first presentation touched on Eli Lily’s history and gave a general overview of the company. Eli Lily according to the presentation is a 130 year old pharmaceutical company that was founded in Indianapolis, Indiana by Eli Lily in 1876. The headquarters are still in Indianapolis today. Eli Lily is an international company with about 20 billion in sales annually. According the Eli Lily’s website, they employ approximately 39, 201 employees worldwide with 7,036 of these employees dedicated to Research and Development a very important component for the company (Eli Lily, 2010).

Eli Lily’s foundation is built on the ideas and innovation of its employees and inventors and as such the company pays well for innovation. Just like any other company that deals with the medical community new invention and advancements are a must to survive in such a competitive market. The presenter stated that research is the heart of Eli Lily’s business and the soul of its enterprise. The presenter talked about how Eli Lily has a fully integrated network of 120 collaborators and that Eli Lily pays well for innovation. According to the presenter it will cost Eli Lily around 1.3 billion dollars to develop a new product of which one out of every three will actually get launched and then it will take between 8-10 years for the company to see a return on investment. That is a staggering amount of revenue loss especially when you take into consideration all the new drugs that are on the market. In addition to the revenue loss on research and development Eli Lily’s patent for Viproxin (Viagra) expires next year and will
result in a 4.5 billion dollar revenue loss for the company. In response to this massive revenue loss Eli Lilly will have to downsize its workforce by 500 people in the next year.

The next presentation was about Eli Lily’s marketing end of the business and what is produced at this particular manufacturing plant. In Italy, the regulatory agencies that establish rules and regulations for marketing and advertising do not allow pharmaceutical companies to market directly to the end consumer. This is very different than in America as we have all been inundated with commercial after commercial about new drugs and the long list of side effects that go along with them. In Italy, however, according to the presentation pharmaceutical companies have to rely on the providers or physicians to transfer the drugs to the end user. The message for the health care provider must also be approved by the Ministry of Health before it is launched. The presenter talked about the three P’s which comprise the target market for pharmaceutical companies and they are Providers, Payers, and Patients. The market to the providers using trade shows, e-channels and a sales force. We have drug sales representatives in the US as well who travel around to physician’s offices and market the drugs to the physician but they do not have the added pressure of no commercial advertising whatsoever.

Part of the marketing mix is Public Relations and the presenter discussed how Eli Lilly maintains a positive corporate image by giving back to the community and investing millions of dollars in charity work and sponsorship. The presenter stated that Eli Lily is one of the most generous companies in the world not just with its employees to which it offers great benefits, but also the community at large. Eli Lily sponsors the Fine Arts Academy of Florence, and also gives to a charitable foundation called Life for a Child. Eli Lily is also actively involved in a camp for children that suffer from chronic illness called Dynmo camp.
Although Eli Lily in Fiorentino, Italy used to produce antibiotics out of its plant it now is designed and designated to only produce insulin. According to the presentation the plant produces 120 million units per year. After the presentation we were divided into groups and allowed to tour the plant and see firsthand how the insulin is produced. Overall the day was very informative and discussed marketing a great deal which I personally enjoyed. Although it was fun to dress up in the protective gear to take the plant tour there was not a whole lot to see as it was around lunch time and a lot of the employees were on break. After the tour they served us and the other IBS group snacks which was very generous and which we all enjoyed heartily. Great company visit and in my opinion should continue to remain a part of the IBS seminar.

**SWOT Analysis for Eli Lily**

**Strengths:**
- Critical Mass
- Innovative
- Customer Service

**Weaknesses:**
- Plant only makes one kind of Medicine
- Marketing diversification
- High Cost of manufacturing

**Opportunities:**
- New clients/ Joint Ventures
- New Markets
- New products
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Threats:

- Economic Climate
- Competition
- Government Regulations
GE Nuovo Pignone- Alessandra Pavolini

The meeting with GE Nuovo Pignone took place in what we were told is the biggest GE learning center in Europe, the Middle East and Africa. As if that were not impressive enough Alessandra Pavolini, our presenter, is a Chief Marketing Office for GE. GE Nuovo Pignone was established in 1842 and was bought by GE in 1994. According to GE’s website after the purchase of GE Nuovo Pignone a decision was made to headquarter the oil and gas division in Florence, Italy. Ms. Pavolini discussed the three groups of General Electric which are NBC Universal, GE Capital and Energy Infrastructure. GE Nuovo Pignone manufactures compressors mechanical drive and power generation turbines, pumps, heavy wall reactors, air cooled heat exchangers, steam condensers, and control and safety valves. GE Nuovo Pignone is part of the Energy Infrastructure group of GE. Ms. Pavolini stated that GE’s Nuovo Pignone aspiration is to get closer to customers and operate with an unyielding commitment to integrity, to be a technology leader and deliver value with a passion for quality in everything the company does, and to be a reliable partner and protect people and the environment with a rigorous Environment Health Safety (EHS) culture.

Ms. Pavolini discussed how GE Nuovo Pignone is working on renewable energies and Brazil is a place they are looking as it is the largest and deepest gas reservoir in the world. Ms. Pavolini discussed the challenges GE Nuovo Pignone faces such as subsea processing, reducing CO2 admissions, getting more from existing reservoirs, lighter products from heavier crude and monetizing standard resources. According to the presentation Siemens is GE Nuovo Pignone’s biggest competitor. In order to sustain competitive advantage Ms. Pavolini said that the company has diversified its product lines to accommodate the aviation, transportation and healthcare industries. In aviation the company has a power crystal which increases power and efficiency.
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For the transportation industry they have developed multi phase pumping with high delta P capability and erosion resistance. Finally in healthcare they have developed remote monitoring and diagnostics using high accuracy sensors.

GE is a six sigma company, according to Ms. Pavolini, and as such strives for a higher level of excellence by eliminating errors and making sure each product produced is exactly the same as the previous one. Ms. Pavolini ended with a quote that states the best way to predict the future is to invent it. This is exactly what GE Nuova Pignone is doing to set them apart from the competition.

SWOT Analysis for GE Nuovo Pignone

Strengths

- Critical Mass
- Innovative
- Customer Service

Weaknesses

- Marketing- Change mix to include more interactive media
- High cost of manufacturing

Opportunities

- New markets
- Strategic Alliances

Threats

- Competition
- Environmental factors
- Economy
Innsbruck Tourist – Nicholas Boekdrukker

Mr. Boekdrukker came to present to us in the Hilton in Innsbruck. Innsbruck Austria is a huge tourist destination due to its keen location in the Austrian Alps. One might think it is strictly a winter destination but in fact it is a huge tourist draw in the summer as well according to Mr. Boekdrukker. There is biking and hiking, paragliding and canyoning as well as other extreme sports. Of course in the winter it is a huge skinning, snowboarding and winter sport destination. Tourism is the oldest profession in Innsbruck as the city has been a tourist Hub for the last 800 years. This is due in large part to the fact that between 600 and 1180 AD Innsbruck was an important thoroughfare and still has that function today. Mr. Boekdrukker stated that Innsbruck has about 5 million visitors a day, 2.3 million that stay overnight which has been a 35% growth in the past five years. Mr. Boekdrukker explained that business to business is the core of the tourist business for the Innsbruck Tourist Board. The company is not-for profit, enjoys a tax free status and is the third largest tourist offices in the country with a budget of €1.3 million per year. An interesting bit of trivia that Mr. Boekdrukker shared with the group is that the Hitchhikers Guide to the Galaxy, a humorous book by Douglas Adams was written in Innsbruck, Austria.

Mr. Boekdrukker discussed in detail some of the core activities that take place when doing B2B marketing and business development. Externally he explained that new business development is paramount for the Innsbruck tourist board. Managing existing clients is also a very important aspect of the business as is product development and media relations. Some internal core activities that Mr. Boekdrukker discussed included print production, media relations, tourist infrastructure development and customer relations management. All of these core activities are vital to not only the tourist board but the country as well, tourism is a huge industry for Austria and without which the city would notice.
For media relations Mr. Boekdrukker stated that they will invite journalists over and put them up in hotels for a few nights and essentially wine and dine them so that they will go back and write a favorable column or article about Innsbruck on how it is an excellent tourist destination. All of budget for the Innsbruck Tourist Board publically funded and the hotels have to pay a percentage and Mr. Boekdrukker referred to this as the tourism tax. Taxi services, tobacco shops all have to pay this same tax, but the hotels pay the highest amount. €9 million are invested each year into the infrastructure for the tourist board to help and bring in tourist business to Innsbruck.

Mr. Boekdrukker stated that his customers are not the tourists, although they help to arrange the travel for the etc, his customers are the hotel, restaurants and attractions in Innsbruck. It is his responsibility to bring them business by marketing the city of Innsbruck to potential travelers. In order to accomplish his goals, Mr. Boekdrukker stated that he attends workshops and tradeshows abroad, make sales calls, does some client entertaining as previously discussed, and holds press conferences. In addition to face to face marketing, Mr. Boekdrukker also handles print production which includes catalogues, hotel lists, city maps and guides and event calendars.

When asked about social media and internet marketing Mr. Boekdrukker candidly responded that e-mail is overrated and although the company does have a Facebook page not a lot of money and effort are put towards social media.

After the presentation by Mr. Boekdrukker the Inntour sport and touristic services representatives came to sign us all up for some extreme outdoor excursions. The business visit was interesting and had a marketing spin which made it more applicable to me. Plus this led to me going canyoning which was a life changing experience for me so all in all I would recommend that this should continue to be part of the IBS seminar as well. I was not sure that a
SWOT analysis would apply in this situation and as such I did not include one with this summary. I did include a picture of all of us canyoning as it tied in well with the subject and it was an amazing day.

Smelly suits, freezing cold water, getting yelled at in German: €90
Feeling invincible: Priceless
Riedel- Frederique Dufort

Riedel glass is one of the companies that I was very excited to be visiting. I am a wine enthusiast and find the idea that the shape of the glass can affect the way the wine tastes fascinating and was interested to discover how that was possible. The tour begins in the Riedel store where you can purchase just about any wine glass or wine decanter you could think of. The glassware was beautiful and calling my name. When we met with Ms. Dufort the first thing she showed us was the Riedel company grounds. In the center of the all the buildings there is a long water fountain which contains examples of Riedel’s wine glasses. The fountain lies beneath a huge glass pyramid. This pyramid signifies the 250 years that Riedel has been in the glassmaking business. The eleven generations of the Riedel family are represented on the glass triangles of this massive pyramid. The company prides itself on its rich and long family legacy and that was very clear from the presentation of the pyramid. According to the company website the first Riedel was Johann Christoph Riedel born in 1678, he was a glass trader and so the Riedel story begins (Riedel, 2010).

After viewing the pyramid and getting a brief overview of the history of the Riedel family and how the company came to be we were ushered into a room where the art of glass blowing was explained to us. We were then allowed on to the floor where we could watch as the glassblowers created wine glasses of all shapes and sizes as well as wine decanters.
The room where the glassblowing took place was very hot and in fact the glass blowers were drinking beer. This is definitely different than in the US. We asked Ms. Dufort and she stated that this was a tradition from a long time ago when they believed that beer was better for the kidneys to flush them out when working in a room that hot. The tradition has been carried on and continues to be a part of the Riedel glass blowing floor. Ms. Dufort explained that there are two parts to the Riedel business the hand blown glassware and the machine made line. Pricing structures are different for the hand blown glass versus the machine made glass. There is also a ranking system for the hand blown glass as well. When a product is finished the glass is given a ranking based on how many flaws the glass has. The ranking is on a scale from one to three and if the glass has so many flaws that it falls outside this range then the glass is destroyed and not sold. Although there was not enough time to go through the entire theory and different glassware Riedel has for each different type of wine, Ms. Dufort did review some of the basics with the group.

After the presentation was concluded it was time to go on an interactive exhibit discussing how the human senses are most important for enjoying wine. The exhibit was avant-garde and included a giant red tongue, fur hand rails and a forest of glass. The exhibit was a little strange but the message it was portraying made sense when thinking about wine. The tour was completed after this and it was time to make our purchases in the glass store. Riedel was really very fascinating and getting to see glass blowing is amazing. It seems I say this about all of the company visits but this one was great and should remain a part of the IBS agenda for years to come.
SWOT Analysis of Riedel

Strengths
- Unique Product Niche Market
- Longevity of Company
- Family Owned

Weaknesses
- Not publicly traded
- Narrow market
- Branding

Opportunities
- New product lines
- Partnerships
- Different markets

Threats
- Competition
- Economy
The World Trade Organization - Bernard Kuiten

This was by far the greatest company visit of the entire trip. As we arrived there was a very large security presence and we would find out later that there were in fact trade negotiations taking place that day which accounted for the extra security precautions. We were shuffled into a trailer outside of the building where our belongings were scanned and our passports were checked and then promptly taken as collateral for the visitors badge that we were handed. We then had to be escorted by a security guard to the conference room where we would be meeting our speaker for the day. The conference room was set up for negotiations and just walking into the room felt like you were about to witness something extraordinary. Our presenter came in and introduced himself and informed us that he was the head of external relations and worked as a trade negotiator for the Dutch and the secretariat for twenty years. Mr. Kuiten was a very engaging speaker and was able to really educate us all about the WTO and everything that goes on in between these walls of neutrality.

Like so many other presenters we had along the way Mr. Kuiten began with an overview of that exactly the WTO is what they do and who they negotiate with. I can honestly say that I was not really sure exactly what the WTO was and for me it was an eye opening experience. Mr. Kuiten explained that the WTO is essentially a set of rules and disciplines related to trade which limits its member country’s sovereignty as they are bound by these rules and regulations. Before the WTO was started in 1996 the General Agreement on Tariffs and Trade provided or GATT provided the rules for world trade. The WTO has 153 countries as members with three quarters being developing countries. In order for a decision to be made there has to be consensus and because of this negotiations can be nearly endless. The WTO is there to help settle disputes but not to pass judgment. Every country as one vote but there is no formal voting has every issue is
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negotiated by compromise. Mr. Kuiten explained that sometimes when the issue is a hot button
issue like human rights in China for example it is nearly impossible to reach a compromise.

Mr. Kuiten went on to explain a lot more about the WTO and he answered questions
along the way. Someone asked how a country becomes a member of the WTO and Mr. Kuiten
explained that the prime minister writes a letter requesting to become a member and as to pay a
percentage based on the wealth of their country. Mr. Kuiten explained that no counties had ever
left the WTO but there are countries that have not been allowed in as of yet. Russia for example
has been applying to the WTO for 17 years and the process has still not been approved. When
asked what the repercussions would be if a country chose to leave the WTO Mr. Kuiten
explained that the benefits that would be lost would not be worth it to any country. Fair trade
helps to stimulate the economy, promotes peace and generally makes like easier and more
lucrative for all involved. Mr. Kuiten explained that no country really has totally liberalized trade
no matter how many negotiations take place.

Mr. Kuiten discussed the DOHA fishing subsidiaries issue briefly before ending the
presentation for time. The presentation was by far the most educational for me and I hope that
every student that goes on the IBS trip truly appreciates the exceptional experience of being at
the WTO. So many important issues are debated and resolved within these walls and to be able
to be there was monumental. SWOT analysis does not apply to the WTO and as such I did not
include it in this section.
Kodak- John O'Grady, Evandro Matteucci and Katie Mather

Kodak was my second favorite of the business visits due to the prestige of the company, the interactivity and the fact that I won a digital picture frame didn’t hurt either. We met for Kodak in a large lush conference room in the Altitude restaurant in the Airport in Switzerland. Each presenter introduced themselves and gave a separate presentation on their areas of expertise. Eastman Kodak is a huge international company who are leaders in the photography business. Eastman Kodak has been around for 125 years since 1879 when the company was founded by George Eastman in London, England.

Kodak has been known previously for its film, cameras and printers. Recently Kodak has entered into the digital market in order to sustain a competitive advantage over competitors. Kodak now produces digital cameras, picture frames and accessories. The Kodak Easy Share line has been very popular for the company. Another large part of Kodak’s business is inkjet printers and the goal for them is that the printers are high quality, easy to use and that the price of ink is lower than competitor’s ink. Kodak has also branched out into the medical imaging science with dental imaging devices (Kodak, 2010) as well as material science. Kodak has 100,000 photos in minute’s kiosks and it boasts 75 million members of Kodak online and 5 billion images. The presentation stated that the majority of Oscar winning films were all captured on Kodak film.

Kodak is the leader in generation of new patents according to the presentation. Kodak is dedicated to research and development and was founded on invention and originality. Kodak is constantly developing new and improved products to keep up with its competitors in what has been a very saturated market. Kodak was late to the game on the digital revolution and as such has had some catching up to do in order to regain a foothold as the leader in imaging. There are
no real cultural differences to as Kodak is an international company that practices the same principles and goals across the board.

The last part of the presentation dealt with the marketing end of Eastman Kodak and its current marketing strategies and mediums being used to advertise that it has entered the digital market. According to the presentation Kodak is one of the leading companies in social media. Kodak has a utilized a Facebook page, as well as a MySpace page and Kodak even has a blog on its website. In addition to a social media platform Kodak also employs a customer resource management database in order to manage customer data and be able to market to current and prospective customers better. The presentation was good and I would give the company a positive rating and recommend it continue on as an IBS visit.

**SWOT Analysis for Eastman Kodak**

**Strengths**
- Momentum
- Critical Mass
- Innovation

**Weaknesses**
- Market research
- Research and Development

**Opportunities**
- New product lines
- New markets
- Partnerships
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Threats

- Economy
- Competition
- Consumer taste changes
American Chamber of Commerce- Mark Ulrich

Mark Louis Ulrich gave a presentation on the differences between French and American business relationships and practices. Mr. Ulrich is an American and French citizen who has worked in international business for many years. He worked at the Leonardo Di Vinci School of Business, has worked in marketing and sales, and now works with American businesses in France dealing with economic relations between the two countries. According to his presentation American and France have a similar GDP and economic structure. There are 1.35 billion transactions daily between the US and France and France is the 8th largest merchandise trading partner. France is also the sixth largest market for US exports and services and goods according to Mr. Ulrich’s presentation.

Mr. Ulrich discussed differences such as the fact that there are no Wal-Mart’s in France because the market is too mature for new entrants into the market and that France does not have skyscrapers in the city of Paris because there is a height limit. This is because the government wants to preserve Paris the way it is and so puts laws on how big buildings can be and what the facades can look like. Mr. Ulrich stated that London is the center for finance but that France is the center for management. According to Mr. Ulrich relationship between France and the US is good and everything happens at a working level. Another difference between the US and France is the energy resources, there is no coal and little oil in France and as such the country uses nuclear energy to power the country. Another difference between France and America in business is that America is favorable to risk and the entrepreneurial spirit runs deep in American culture while France is more risk adverse and prefers long projects that have a lot of time and planning involved and are much more secure.
Mr. Ulrich discussed socialized medicine and essentially how the US really needs to figure out the health care crisis and take a lesson from France and most of Europe for that matter and employ a socialized medical care plan to take care of its citizens. Of course there are a lot of considerations that need to be made before making a statement as bold as some that Mr. Ulrich ventured, but in the end he is correct the system we have in place now is clearly not the answer and maybe socialized medicine isn’t quite the answer either but the US does need to move forward in a different direction. Mr. Ulrich discussed the top down bureaucracy in France and what he called a cultural value meltdown, and said that in some ways the French revolution is still ongoing as most jobs are not unionized and income tax is much higher than in the US. Mr. Ulrich also discussed agriculture in the US versus France and was less than kind about the American way of doing things which in his opinion we are genetically engineering food. This is not entirely untrue but I think it was not quite the picture that was painted.

Mr. Ulrich was a very interesting and opinionated French- American. There were times during the presentation that I wondered how long it would be before Mr. Ulrich gave up his American citizenship as he clearly favored the French way in just about every aspect. On the other hand a lot of what he said had some merit to it and it was enlightening to get the perspective from someone who has lived and worked in both places and has many years of experience with both cultures and governments. This is the first presentation where I can honestly say that I am not sure I would necessarily include it on future agendas but if nothing else it definitely got my blood boiling during a few of Mr. Ulrich’s pro French moments. This presentation however was one where the cultural differences were abundantly clear and did not have to be searched for.
French American Culture—Shari Segall

This is a hard business visit to write about as there was not really anything business related about the presentation nor did it really have any educational value, I am very sorry to say. Ms. Segall was a very unique individual, eccentric and enthusiastic about her life in France. It was interesting that our first presenter that day Mr. Ulrich was clearly un-American and pro French and Ms. Segall seemed to be the exact opposite. What I didn’t understand about Ms. Segall is how she has lived in Paris for as long as she has but refuses to give up her American citizenship. She is clearly in love with Paris and has lived there long enough that one would think it would be prudent to apply for citizenship.

The format was a little unorthodox as there was an AV issue so she was unable to use a power point and so she improvised with a question and answer session about French culture and how it differs from American culture. Questions about marriage and sex were asked, cuisine, and proper etiquette. She peddled her book which was essentially from what I could ascertain similar to the format of our presentation. She was knowledge about France in general as well as French history which was impressive but not really useful from a business perspective. Some of the questions asked were insightful such as how is social media received in France and other business related questions. Unfortunately there just were not any business answers that Ms. Segall could give. As I said she was very fascinating woman and had a lot of insight into the French way of life. It was entertaining but for the purposes of evaluating this visit for the IBS seminar I cannot be as kind as I have been up until now. This visit should not be included as a business visit in future IBS seminars. Although it was a more laid back visit it was essentially a waste of time. It was impossible to really justify writing a review of the presentation.
An Enlightening Experience in Europe

European Union- Dr. Tom Lawton

I will be honest and say that I did not know a great deal about the European Union when I went on the study abroad IBS trip so I was grateful that Dr. Tom Lawton was selected as a presenter to talk on this topic. Especially in this day and age when international knowledge is so important for business majors and lack of knowledge in this area could be detrimental to a career. Dr. Lawton started with the history of the EU and how it came to pass. He went on to explain that there are 27 members in the EU and then break down the 27 members into sections based on land area population and GDP. The three categories that each member state would be divided into were the core, which would be 14% of land population, 33% of population, and 47% GDP. Then it was the intermediate which would consist of 21% of land, 25% of population and 32% of GDP and finally the periphery which is 65% of land, 42% of the population and 21% of GDP. Dr. Lawton stated that Europe is highly centralized in terms of economic activity and outside of the core is where businesses could be started.

All of these countries that make up the EU and that translates to 494 million people with a combined GDP of 14.94 trillion in 2008. The EU is a single voice with a single market and common politics. Everything is done together, and this is why when one economy fails it affects everyone else in the EU so severely. In addition to financially being bound together the members of the EU are also united in trade, competition, agriculture and fisheries, foreign policy and security, (not defense), currency and police and judicial matters as well. England being the only exception on the currency as the English Pound is still the national currency and not the Euro. Tensions are high with the current Greek crisis and the plummeting Euro and the moaning has started of wanting to break up the EU but according to Dr. Lawton the benefits to having the EU are too great for any one country to back out at this juncture.
The Greek crisis was at the forefront of everyone’s mind during the presentation and Dr. Lawton shed a little light on possible solutions to solve the problem for the rest of the EU. There is some feeling from the other members of the EU that they should not bail out Greece and that member states need to help themselves out. Others feel that Spain is in the position to help out the situation has a large economy that makes up about 38% of the total and some feel they should help bail out Greece. It Dr. Lawton also noted that the EU could possibly kick Greece out to try and solve the crisis that way, but that could cause bigger issues in the long run. Some other issues facing the EU that could have worldwide reach are farming subsidies are decreasing by 38%. Germany, the Netherlands and the UK pay more in taxes than they see on return and as such there has been proposal of a common corporate tax among the member states. All of issues are being debated and there will be more to come in the future based on the combined nature of the EU.

There is the notion that integration of Europe is being pushed too far and that the majority to not with to be one united Europe but only time will tell what will happen with EU and if one day there will be a completely united Europe. That seems like a very long time away and very unlikely to occur in this lifetime. Dr. Lawton went on to talk about EU membership and possible countries that might want to join or would be beneficial to the EU if they chose to join.

Dr. Lawton’s presentation was highly enjoyable and very educationally beneficial for business and economics and geography for some of us. This should be part of the IBS experience for years to come if he is available to speak. Again a SWOT analysis does not apply for Mr. Lawton’s presentation and so one is not included in this write up.
An Enlightening Experience in Europe

UK Trade and Investment- Stewart Gorman, Andrew Levi, Alister Jones, John Lapthorne, Peter Paddon, Gareth Preece, Martin Phelan, Raul Kharbanda, Angela Whelan

This was one of our last business visits and it was one that I was hoping would be very memorable and beneficial to me. Unfortunately although I did hear most of it I was in a very bad position at the table and missed a great deal of some of the presentations and so I am unable to comment on the entire experience. Essentially the UK trade and investment is a government agency that is there to protect UK companies from foreign investment.

Andrew Levi was the first to present and he talked about access to networks is an issue for the UK and that there is some spill over from the new government. Allister James was the next to present and he talked about investment policy, migration, border patrol, and language levels and how they need to be brought down to an acceptable level. The next speaker John Lapthorne talked about an effective tax rate and net present value and with controlled foreign companies there is not a lot of competition on personal tax. He also discussed transport policy, communities and local governments and how they influence policy and also energy and climate change. Mr. Lapthorne stressed how important the private sector is. He also mentioned a high speed rail project that has been discussed that would connect London to Glasgow.

Gareth Preece discussed the labor force end of things, ad skill sets, and time lag in government policy. It is very difficult for a UK firm to hire a foreigner because they have to prove that they offer a skill that someone local does not. UK has highest number of engineers in Western Europe and 50% go to university the rest are vocation qualified. The next speaker Martin Phelan discussed more of global picture on the issue of foreign investment and trade and how the stability and predictability make the environment more attractive for investors. In addition the time zone of Europe is also helpful for foreign investors. The UK has 38% of its
total GDP from foreign investors. That is a staggering number. There are 40,000 US companies currently in the UK in a range of areas such as energy, finance, life sciences, electronics and communication as well as business software.

Essentially the presentation was very interesting because on one hand foreign investment is not wanted and on the other it is large part of the economy so they it is necessary. The UKTI is a double edged sword but it is necessary to preserve the integrity of the local work who cannot find a job because there are so many foreigners being hired but foreign investment is important because it stimulates the economy. The strategizing and planning that must go into all facets of the UKTI is really impressive and although I am not finance major and I am a bit of a dunce when it comes to finance it all makes sense on a global picture. I suppose the old adage of “you can’t have your cake and eat it to” do not totally apply but that was the impression that I got from the presentation. This visit held a lot of value and insight and had the room been a little cooler and the last two speakers spoke a little louder it would have been one of the best visits I am sure.
Lloyds of London- Jon Avidon

Jon Avidon is an interesting character but the building itself and all of the levels and floors of insurance brokers was just unbelievable. Mr. Avidon was very passionate about Lloyds of London as he has been with the company for quite some time. Mr. Avidon told the story of Lloyds of London and then gave us a guided tour of the facility. Lloyds of London is the number one provider of insurance and accounts for 6% of the world’s reinsurance business. The insurance that they provide is unique such as concert tours, jewelry and even acts of terrorism such as the attack on September 11, 2001. Mr. Avidon told a story that Michael Jackson had talked with a broker and was seeking insurance for his comeback tour which he was denied but it was picked up by another company and they ended up losing millions of dollars when he died.

Mr. Avidon stated that Lloyds of London started as a coffee shop where insurance dealings for ships at sea were handled in the back room while Edward Lloyd served coffee and tea. After Lloyd’s death his daughter ran things for awhile and then decided to sell the name, according to Mr. Avidon and then Lloyds became a company that grew to what it has become today. Lloyds is not really a company but a society of underwriters that all work under one very large and impressive roof. Lloyds gets about half of its business from the US according to Mr. Avidon and the materials he presented to us. Lloyds is steeped in a lot of tradition for example the desks that everyone sits at are replicas of the tables and chairs from the original coffee shop, the bell the sits in the middle of the first floor is the bell from the very first building that Lloyds moved into when the company was finally taking up roots. They had a whole room which they bought from an old country home in the 1800’s reassembled in the building which they use for entertaining guests and hosting dinners.

Lloyd’s has a registry where they keep track of every transaction, including disasters where money has been lost and these are on display in the lobby. Mr. Avidon said that these
books are rotated by year and in three years the ledger which holds the losses in the sinking of the Titanic will be on display in the lobby. Although the inner workings of how exactly the exchange works on the trading floors was hard to understand the idea that so much money is exchanged every minute of every day in that building is really quite something. Insurance has always been a little mind boggling and I will now take some time and research to really understand what happens in places such as Lloyds.

The presentation was excellent and it was a great atmosphere and overall a wonderful experience. The views from the glass elevators on the outside of the building are really something to see.
Summary of Cross Cultural Experiences

Italy

Rome and Florence

Stepping off the plane and realizing that you have just arrived in Rome, Italy is one of those moments where you feel a pinch to the arm to revive you from a dream may be warranted. The NIU students, myself included, all dressed in matching red polo shirts descended on the Rome Fiumicino Airport in force, somehow managed to avoid a customs check (still not sure how that occurred), and met up with our fearless leader, Dr. Peter Magnusson, who was also sporting a matching NIU polo. I have wondered just what local Romans thought of our colorful gear and if we really stood out because of the shirts or if we would have stood out without them. We were all quiet and wide eyed as we realized that we were “not in Kansas anymore”. Looking around us it was clear that we were out of our comfort zone and were about to have a whole new and unforgettable cultural experience. As we gathered to get on the coach to travel to the hotel we were surrounded by a foreign language, foreign signs, foreign stares and we were all foreigners to each other but we were on this journey together and our lives would never be the same.

The excitement was building as we traveled on the chartered coach to our first hotel of the trip, the Grand Hotel Palatino. As we traveled through the streets and highways to get to the hotel I remember thinking other than the street signs it doesn’t really look all that different than the United States. The closer we go to the hotel and the downtown area of Rome I realized quickly that this observation was seriously misguided. Rome is nothing like anything I have ever seen in the United States. Our hotel was located in an area that was walking distance from the Roman Coliseum, Roman Forum and the ruins of ancient Rome. It is quite humbling to look
down the street and realize that you will never see a building in the United States that old or with that much history. After we were all situated at the hotel and had left our luggage behind, a group of us, still dressed in our matching red shirts, set out to find somewhere to enjoy the local cuisine.

Finding a place to eat for lunch was probably our first cross-cultural experience where language was an issue because we were unable to get cash from an ATM before lunch and needed to find a restaurant that accepted VISA. As we walked the streets of downtown Rome we stopped and asked several restaurants if they accepted VISA, but they thought we were saying Pizza and it took a bit of walking to finally find a place that would take a credit card. Culturally this was shocking for us because in the US credit cards are more common than cash transactions. In the United States in fact most people do not carry much cash at all. Lesson learned local
currency was a necessity while abroad. The food was incredible and nothing like any Pizza I have ever had in the United States and the wine was also delicious. The Roman cuisine, as was the case in all the countries we visited, serves much smaller portions and uses much fresher ingredients which makes it so tasty. This is very culturally different than the US where bigger is better and taste and freshness is not of utmost concern when digging into five layers of cheese and grease. All of the food in Italy was smaller portioned and totally unlike its counterpart in the US. I remember being with someone who tried to order Fettuccine Alfredo, which is not a native dish of Roman cuisine, only at the Olive Garden.

Italy was also the first place that we realized just how different the dining experience is between the United States and Europe. In European culture eating and drinking is an experience to be enjoyed as such the food is brought as it is ready, meaning that not everyone’s food comes out at the same time. The first time this happened to a group of us we immediately believed they had forgotten one of our orders, and this was not the case. When I was young I was taught that you wait until everyone is served their meals before you begin to eat yours, and that is not the case in Europe. Another difference in dining because every meal is an experience there is no sense of urgency to bring the check and in fact if you would like the bill you must ask for it. Some of us were almost late to meet up with the group as we tended to forget this cultural nuance. Another lesson learned was how to say “may I have the check please” in Italian and eventually, French and German.

There were a lot more experiences in Italy that were culturally enlightening such as the abundance of small “smart” cars which I can only assume is a necessity based on the small size of the streets and lack of parking. The small vehicles definitely were ideal for creative parking in Rome. Crossing the street in Italy was also an adventure as there are no walk lights and possibly
based on a few near misses limited rules of the road. In Italy it seemed that a lot of things were much smaller in scale then in the US, which is not necessarily a negative sometimes smaller is better. Italian culture is also much more laid back then in the US and they have a much better attitude towards family and work balance as many stores close early and are not open at all on Sundays so that time can be spent with their families.

It is difficult to describe the feeling of sitting in front of the pantheon under a starlit sky, listening to a beggar play the accordion while sipping sangria and watching as a newly married couple danced in the middle of the square. The awe that you feel sitting at the top of the Spanish steps with new friends and watching the city of Rome walk by. It was awesome to participate in the tradition of tossing a coin over my left shoulder into the Trevi fountain during a five hour walking tour of Rome and then cashing in on a promise of gelato. It is a once in a lifetime feeling to stand in the center of St. Peters Square looking at the basilica and realize that you may never see another church as beautiful or as significant. There are no words to describe the ceiling in the Sistine Chapel in Vatican City or the detail on the Michelangelo’s statue of David. Italy is an amazing and culturally rich destination that offers not only great entertainment, great sites and amazing gelato, but a deep appreciation for the history of the world and how it has affected all of our lives.

The Spanish Steps…..which I still cannot get an answer on why they are called that.
Austria

Innsbruck

It was hard to imagine that the next destination could top Italy after all of the sites we had seen, businesses we had visited and the fun we had getting to know each other, but as was often the case on this trip my expectations were far exceeded by Austria. Austria was one of the most memorable and amazing experiences of my entire life and where I really started on a journey of self discovery by testing my personal limits and fears and falling in love with travel and adventure among other things. It is clear to see why Innsbruck Austria is a popular tourist destination with its rich Germanic culture, friendly people, delicious food and beautiful scenes of the Alps. Austria left an unforgettable impression on all of us that will last a lifetime.

From Florence to Austria was the first time that we met our colorful and always entertaining permanent coach bus driver Giorgio. Giorgio would be with us until Paris. The bus ride was lengthy which was made even more so by a European law which does not allow a bus driver to drive for more than two consecutive hours without a twenty minute rest stop. This is most definitely culturally different then in the US; although truck drivers are monitored for length on the road the laws are not nearly that strict. Once everyone had slept for a good portion of the ride it was decided to have an impromptu talent show in which about half of the bus participated and which was really entertaining for all. The scenery on the drive into Innsbruck took my breath away. I have seen the Rocky Mountains in the United States and I have to say they are nothing compared to the Alps. Austria is a beautiful destination and unlike any I have seen.

The cultural differences in Austria were not as apparent as they were in Italy. The language was obviously a little bit of an obstacle at times, but most Austrians spoke a little
English and were very patient and understanding of our ignorance. The first night a group of us got together and went out to eat at a local pub where we dined on some traditional Germanic delicacies. I was not brave enough to try the Wiener schnitzel, but I did get Goulash and Sauerkraut and the food was just incredible. It was also a nice change from pasta and pizza. The dining process was similar to that in Italy where the food is delivered as it is ready and not all at once and to which we had become accustomed. Another cultural difference I noticed in Austria and in Europe in general is that splitting checks is not something that is really easy to do and which businesses would prefer not to do. We encounter that in the US sometimes but it is more commonplace to split checks at home. Dining in Austria was a good experience and the breakfast at the hotel was unbelievably stocked and delicious.

There are two days in Austria that are by far the best of my entire life so far and which I feel changed me in some way forever. The first was definitely a cultural adventure into Austrian traditions and customs with a lantern hike up into the Alps followed by a Tyrolean evening performance. The hike itself was filled with breathtaking views of the Alps and valleys below us. As the sun set I was filled with a feeling that can only be described and understood if you were there to see the sheer magnificence of these majestic mountains. Although I consider myself to be in pretty good shape physically I think we all agreed, except for those who were able to jog up the mountain, that it was a bit tough on the last stretch to the top. The entertainment, and food and drink made the journey totally worth the leg cramps and the few moments where oxygen seemed to be lacking. Once the singers began to perform the room exploded with energy and everyone was swept up with the music and the dancing and a good time was had by all. Some of us were picked from the audience to yodel, some did the chicken
dance and some of us interpretive danced, in the end a wonderful bonding and cultural experience was had by all and one that will not soon be forgotten.

Another amazing day was unfortunately our last in Austria, but it was a day that tested my personal limits beyond what I ever thought was possible and ended with an amazing celebratory dinner and a new love. When the Innsbruck Outdoor and Excursions presenters came to the hotel and explained what the available activities to the group a lump started to grow in my throat and the old mantra of I can’t began to run through my head. Then I remembered where I was, how I got here and all of the amazing things that I had seen and decided to just take a chance. The next day we rode in a small van up to a very high point in the Alps, donned wet suits and helmets and proceeded to repel off of bridges and jump over waterfalls while canyoning. Believe it or not there were some cultural differences that I encountered while canyoning, mainly being given instructions on how not to fall off the side of the mountain by a man who spoke
German and very little English. There also seems to be more of a just do it attitude in Austria, or maybe it is better described as a non nonsense attitude and that was abundantly clear while canyoning if either guide felt you were not doing something correctly. Despite the language barrier I did survive the experience and it was probably one of the best things that I have ever pushed myself to do and helped me to put a lot of things in perspective. It is funny how big and important you think your life and every day existence are until you get out into the world and see different cultures, wondrous places and jump off of a cliff suddenly everything seems so small. Sometimes in life you just have to take that leap and hope for a soft landing.

That face was priceless and that water was freezing!!!
Switzerland

Lausanne

It was another long coach ride with the ever friendly Giorgio to Switzerland with a very brief stop in Liechtenstein along the way. Despite prodding for more bus entertainment everyone was sad to leave Austria and not much for talent shows or staying awake for that matter. There was not much to see in Liechtenstein as we were there so briefly but it was neat to get another country stamp in our passports and purchase a souvenir to prove we were there. For some reason when I pictured what Switzerland would be like I thought of the Swiss Miss container and imagined it would be similar to Innsbruck. Upon arriving in Lausanne my hot chocolate fantasy bubble burst and I realized this would be nothing like Austria. Still I was hopeful, seeing as how I had the single room for the next three days with a fabulous view of Lake Geneva which was gorgeous and after all we were in Switzerland and not at home.

Switzerland was the place where I felt the biggest cultural difference and for the first time encountered locals that were not pleased to deal with American’s who did not know the language or customs. I would not go so far as to say that the people were rude but they were not very patient or understanding when we made a mistake or cultural misstep. The prices in Switzerland were very high and that made entertainment other than each other’s company difficult to afford. Food was also very expensive and honestly not nearly as good as in Austria or Italy, but this was because we could not afford to buy a really nice meal. Despite these few negative experiences in Switzerland there were a lot of really great times and amazing company visits and fun day trips.

The day trip to Gruyere and the Cailler chocolate factory was another great day and one that I often think back on fondly. The cheese factory in Gruyere was not all that memorable but it is interesting that in Europe the cheese does not have to be pasteurized as it does in the US which
accounts for the distinctive taste, which some of our group found to be too strong but that I found to be delicious. The hike up to the ancient city of Gruyere where the castle was located was really where we had the best time. Strolling around the castle grounds talking with new friends, the wind sweeping across the small quaint little village and seeing the beautiful scenery below will always be one of my favorite memories from Europe. Seeing a town like the old city really is culturally different from what we would see as old in the United States. We do not have castles and villages surrounded by walls and moats or buildings that are nearly that old.

_Damsels in distress...well I did lose my shoe! Where are our knights in shining armor, still on the cheese tour?_
The expense and lack of activities while in Switzerland actually brought everyone closer together and gave the whole group a chance to bond with one another. Before Switzerland there had been some separation in the group but forced to entertain each other really made some pretty tight bonds. We also had a farewell dinner with Giorgio as we would be leaving him in Paris once we arrived. Feeling less busy and rejuvenated I began running in Lausanne along the lake every morning and truly took in the beauty of Lake Geneva against the backdrop of the mountains. We also visited the best two companies in my opinion while there, The World Trade Organization and Eastman Kodak in Geneva, Switzerland. It was really mind blowing to walk through the halls of the World Trade Organization and think about the giants that have walked through those same halls and negotiated trade with world leaders.

On some level we were all a little relieved to leave Switzerland and travel to Paris where we were sure it would be more exciting and we could afford to do more. We were all a little nervous to move onto Paris because of the cultural differences and the preconceived notions about the French people but we had encountered that in Switzerland and that took some of that nervousness away. For me the connections that I made with new friends and the quality alone time that I had, having my own room, to reflect on all of the changes that were happening and how much I had grown and changed made Switzerland a great relaxing and insightful experience for me.

*View from my hotel room of Lake Geneva.*
France

Paris

Everyone was up extra early and waiting for the coach to leave Switzerland and as we boarded the coach there was a buzz in the air, we were going to Paris, France and I could hardly wait. I learned a valuable lesson in language tax on our long journey to Paris when we stopped for lunch. I ordered what I thought was a tuna salad sandwich and received a sandwich made with raw fish. I am not really sure this was a cross-cultural experience so to speak but it definitely was a lesson in not speaking the native language. Paris has been a place that I have wanted to visit ever since I was old enough to realize that it existed and Paris would not disappoint me in the least. Every experience in Paris was incredible, the food, the sites, the group activities, the culture and customs.

After we did our usual first day “get to know the metro” tour which we had done in Rome as well, we all split up into different groups and went our separate ways to explore the city. We went to Notre Dame Cathedral and then walked the streets of Paris searching for the perfect little café to have our first Parisian meal. Once we were settled on a place I realized that seating was limited as it consisted of little round café tables and the waiter who sat us did something that I have never seen in an American restaurant to accommodate our bigger group. He asked a Parisian couple to move so that we could all sit together, and I although we thought it was a nice gesture the couple did not seem to agree with us. The dining experience was similar to the rest of Europe with staggered delivery of the dishes and a laid back no rush service style. The food was phenomenal and I only had cheese and a croissant. From that moment I feel in love with the city of lights and I knew I would be back again and again.
An Enlightening Experience in Europe

It is hard to narrow down some of my favorite cultural experiences in Paris as there were so many, but there were a few that that left a huge impression on me and stand out as favorites. The history of Europe has always fascinated me and for me walking through the Louvre and seeing the great works like Leonardo Di Vinci’s Mona Lisa and the Venus Di Milo was an incredibly enlightening experience. Also to see the grandeur of the Napoleon apartments and how decadent and lush all of the antiques were and still are today really gave me a sense of Paris history and rich culture. Probably my favorite site seeing excursion in Paris was the train ride to Versailles to see the royal palace where Marie Antoinette and Louis XIV lived among other Parisian Kings and Queens. Although our history has had our share of grandeur and decadence with some of the rich and powerful families in United States, we have never had anything close to the grand scale of Versailles. Paris’s culture is about luxury and the finer things in life and Parisians truly take the time to enjoy all life has to offer. In the US we need to slow down and instead of amassing massive wealth enjoy what we already have.

And Venus was her name…..
One of the highlights of the trip was the group outing to the Moulin Rouge. All of us were dressed to the nines, those of us that had fancy clothes that is, and we were ready for a night on the town in Paris. The Moulin Rouge is one of a kind entertainment that offers something for everyone and we all had a wonderful time. The Moulin Rouge was in the red light district of Paris and that was a new cultural experience for me and the likes of which I have not seen in the US. In general I observed that sex and public displays of intimacy seem to be more socially accepted and out in the open in France then in the US or anywhere else that we visited in Europe.

The best way to see Paris in my opinion is the cruise on the river Seine. As we cruised down the river the Eifel Tower lit up the night sky and the water sparkled from the lights of the city, a light summer breeze blew over the boat and through our hair. Romance was in the air and it was one of those perfect moments where you stop and ask yourself, is this my life? That moment it was my life and I carry that moment with me still.

*It just doesn’t get much better than this.*
Every single day in Paris brought with it something new and different that I had never seen or done before. Such as climbing the stairs in the Eifel tower or riding the metro while a man sang and entertained on a microphone, trying Nutella for the first and last time from a street vender crepe stand, and running along the river in the early morning and watching the city come to life. As a side note, I am really not sure why Nutella is so popular in Europe but especially in France and Italy, it is almost as if it were there answer for peanut butter. There are so many great moments and wonderful things to see and do that I can now understand why people fall in love while they are in Paris and why it so popular in movies and music. It is a truly one of the most romantic places on earth.

As I watched the sun come up over the river Seine on our last night in Paris I was a little sad to be leaving this amazing place but comforted by the fact that I had so many memories to take with me. I only wish I had more time to see all of the sites but three days is just not enough time to see all that Paris has to offer. Paris was the one place I was worried about fitting in culturally with the language and the customs and it ended up being the first place on our journey where I felt completely at home.
England

London

London was the place I wanted to see the most and it was the last destination on our journey. As we boarded the EuroStar high speed train to Paris I could hardly contain myself. I have talked about moving to England for years after seeing a particular movie I decided that was the place for me but finally I was going to find out for sure if this was to be my new home. As soon as we got off of the train and out onto the streets of London I was just in total awe. After we checked in it was time for our usual “meet the metro” or tube in this case, and for the first time I was actually a little frightened. We had chosen to ride the metro during what appeared to be rush hour on steroids, there were people who literally backed onto the train and pushed their way into the crowd. Looking around it was clear that this was nothing new to the native British as they did not even bat an eye when their faces were shoved up against the glass. For the IBS students this was a baptism by fire and really the first true episode of culture shock that I had the entire trip. Once we were off the metro in Leicester Square we could all breath and all was right again.

That evening we ate in an Irish Pub, which seemed to be a reoccurring theme for us throughout Europe, and just hung out and enjoyed each other’s company. The next morning I got up to run as usual and turned on my Beatles, which only seemed appropriate, and started out towards Hyde Park, or what I thought was towards Hyde Park. An hour or so later I would still be looking for Hyde Park and would have to ask the Starbucks barista for assistance. While I was running I took in the sites and scenery of London and had what I like to call an “Aah moment”, and realized that London was the place I wanted to be. Before I went home to announce this to my family I was determined to see as much of London and learn as much about the culture as possible.
Cross-culturally at first glance London seems to be similar to any big city in the US, big buildings, lots of hustle and bustle on the streets and a general big city atmosphere. On closer examination, however, one realizes that people seem to be genuinely a lot friendlier then say in Chicago or New York. In fact not just the people seem to be friendlier but the street signs and automated tube announcer are extremely polite as well asking us all to “please mind the gap between the train and the platform.” In Paris the metro announcer didn’t even announce what stop you were at and if you were not looking out the doors or windows you would miss it. There is a more laid back attitude towards work and leisure in London as in all of Europe and that is apparent when engaging with people at their jobs. There is a different pace in London then in the US.

There was actually a little bit of a language issue at times especially when dealing with a heavy accent. This communication issue was a bit surprising as we all thought this would be the easiest place to communicate because the language is the same, but that was not always the case. The food was different slightly, they like their sausage and eggs on sandwiches and beans with breakfast but it was all really good. Fish and chips were tried by everyone including myself and although I dislike seafood I thought it was okay but it is not a dish that I will make a regular when I live there. A small cultural difference that I noticed was when I ordered tea at Starbucks in London they do not use the words non-fat for milk they only use skim. Another noticeable difference which was universal all across Europe was that Diet Coke was called Coca Cola Light. I assume this is for marketing reasons to avoid the word diet.

Although I really wanted to rent a car and try driving in England I did not get that opportunity but the cars driving on the other side is very different and hard to get used to. In true
An Enlightening Experience in Europe

London fashion the streets are painted with polite little signs telling you which way to look so you do not step out in front of a car just in case you forget which side they will be on.

I went to see Chicago the Musical in the West End with a couple of friends and learned that theater in London is not the same as it is in Chicago or the US. In the US it is customary to dress up to go the theater and that was not the case in London. Heckling and hollering at the actors during the performance seems to be acceptable and they sold ice cream and drinks inside the theater that they enjoyed during the second half. Afterwards I ventured out into my first nightclub of the entire trip and I am sorry to say that this was not a great experience but it was an experience just the same and I got to spend time with everyone.

The last day in London was reserved for site seeing and I was going to visit Stonehenge but instead I went along with a small group to see the soccer stadium and then we toured the giant gift shop for what seemed like hours. That same day I went to Harrods department store which is really more of a city then a store. They have restaurants and grocery stores and just about any fashion couture you could think of. Then it was time to go to Abbey Road and I was bound and determined to go rain or shine with a group or by myself if necessary. Alone it was and I am really glad that I went to see it.

Abbey Road. Enough said.
That night it was our farewell dinner a last chance for us all to be together in one place before we had to return to our families and responsibilities back home. We gave the professors our gifts to say thank you for everything they had done. Then after a long fun evening it was time to say goodbye. This was the hardest goodbye I have had so far in my life for many reasons. This was more than goodbye this was the end of something monumental in our lives and it was heartbreaking for us all.

Last photo op….in London anyway.

So much had happened since that cool morning in Chicago on May, 17, 2010 when I said goodbye to my family and boarded a plane to Rome with 12 total strangers. By London those 12 total strangers had turned into 12 of my closest friends plus a few. Together we had shared more than just hotel rooms, conference rooms and buses we shared a once in a lifetime cultural and enlightening experience and formed memories that will bind us to one another for years to come. I went to Europe a twenty something student with no idea what to do with my life and I came home a whole person ready to take on the world and start living life with purpose. I met so many people on the trip that inspired me in so many ways and helped me discover things about me that
An Enlightening Experience in Europe

I did not even know existed. I discovered new loves and desires and although some of these I had to leave behind in Europe I will always carry the lessons they taught me in my heart.

If there was anything that I could change about my trip to Europe it would have been to tack on independent travel to Ireland after the program ended, I would have gone Paragliding in Austria. I can never go back to the person I was before this trip and nor would I want to. I highly recommend that if students have the opportunity and means to travel abroad with school they take it, and hopefully it will be a life changing experience for them as it has been for me.

Cheerio!
In Depth Analysis of Swarovski Crystal

Historical Summary of Company

Daniel Swarovski was born in Bohemia on October 24, 1862 in northern Bohemia which is now the Czech Republic. Daniel’s invention of the first crystal-cutting machine in 1892 made it possible to cut stones for jewelry more precisely than traditional manual methods and thus Swarovski crystal was born. Daniel moved with his family from Bohemia to Wattens, Tyrol in the Austrian Alps where he stated Swarovski Crystal and where it still stands today. Daniel Swarovski officially founded Swarovski Crystal in 1895 with two partners, Armand Kosman and his brother-in-law, Franz Weis. Daniel Swarovski married the sister of Franz Weis and Franz married Daniels sister (Christian Riml, Personal Communication, May 26, 2010). In 1907 Swarovski opened a hydroelectric plant in Wattens and began providing the factory with its own source of clean energy. In 1908 Daniel’s three sons, Wilhelm, Friedrich, and Alfred joined the family business and through experimentation in making and cutting crystals the first flawless crystals were made in 1913 (Swarovski, 2010).

In 1919, During World War I, Daniel Swarovski founded Tyrolit which manufactures bonded grinding, cut-off sawing, drilling and dressing tools used for the stone and construction industries. Swarovski began manufacturing jewelry stones processed into ribbons that can be appliquéd to garments and accessories in 1931 which would start Swarovski’s relationship with the fashion industry. Swarovski begins working with glass reflecting elements that later would develop into Swareflex, the leading producers of road safety products which launched in 1937 followed by Swarovski Optik in 1949. Daniel Swarovski and couture designer Christian Dior develop Aurora Borealis which is a shimmering finish that enhances the sparkle of cut crystal in
1956 and that same year on January 23, 1956 Daniel Swarovski passed away at the age of 94 (Swarovski, 2010).

In 1965 the company begins precision cutting and polishing of fine gemstones like Rock Crystal, garnets, agates, as well as synthetic gemstones. Swarovski Crystal developed a technology in 1975 that enables crystal to be applied to clothing and other items, this process is called Hotfix and fashion designers such as Givenchy still use the technology today. Then a monumental moment in history for Swarovski Crystal is when one of its employees, Max Schreck took four pieces from a chandelier and some pieces of metal and created the first crystal figurine in 1976 the little crystal mouse (Riml, Personal Communication, May 26, 2010). That one little figurine which originally started a souvenir line of key chains and paperweights has turned into a million dollar collectables line with new figurines coming out every year.

The little, or rather large version of the crystal mouse greets guests at the gates to the Kristallwelton theme park.

Under Strass Swarovski Crystal the company launched crystal components for chandeliers and lighting in 1977. These crystal components have been used in chandeliers in Versailles, France and in the Metropolitan Opera in New York and also in a James Bond Film
(Riml, Personal Communication, May 26, 2010). That same year Swarovski launches its first jewelry line. Swarovski opens up a branch in Cranston, Rhode Island in 1979 which is now the headquarters for the North American section of the business. The Swarovski Crystal Society (SCS) was founded by Crystal Collectors, like the mouse figurine, in 1987, which today boasts 350,000 members in 35 countries (Swarovski, 2010). In 1988 Swarovski adopts the famous Swan trademark which is now being phased out to just be the Swarovski name. Swarovski continued to launch new products over the next decade including Crystal Memories, Crystal Mesh, home lighting, and its Daniel Swarovski line, named after the late founder, which includes haute couture accessories and decorative crystal which the everyday consumer cannot afford (Swarovski 2010).

Swarovski Crystal celebrated its 100th year anniversary in 1995 and opened up the Kristallwelten (Crystal Worlds) theme park which was designed by Austrian multi media specialist Andre Heller in Wattens. In the center of the park there is a giant water spouting head that marks the entrance to an exhibition hall which has crystal art created by artists such as Salvador Dali and Andy Warhol and a 42 meter long and 11 meter high crystal wall that is filled with 12 tons of crystals (Swarovski, 2010). It is truly a sight to see.
Product Diversity

Swarovski Crystal has a very large and diversified product line due to its many subsidiaries. Swarovski’s main product line and the one which has given them a competitive advantage is the fashion accessories, haute couture and jewelry line. The Swarovski, Atelier and The Daniel Swarovski collections includes jewelry, handbags, accessories, charms, watches, figurines and interior design objects all done in crystal. The Daniel Swarovski line is a “top of the line” brand with pieces created by top designers and the pieces are often run as limited editions (Swarovski 2010). These product lines include some the use of some key inventions by Swarovski that are used in fashion such as the sew-on crystal ribbons, the Aurora Borealis shimmering finish for crystals, the Hotfix method which enables crystal applications to clothing etc., the crystal memories and crystal mesh. In 1997 the company took the fashion line by storm and Daniel Swarovski, the subsidiary, partnered with Silhouette to create Daniel Swarovski Crystal Eyewear. This section of Swarovski’s business has always helped to sustain the company even during World War II, and as such it is vital that the company continue to pursue new projects and innovations in this area.

Another key area of product diversity for the Swarovski Empire is both the Swarovski Optik and the Swareflex subsidiaries. Swarovski Optik specializes in long-range sports optics such as binoculars, sporting scopes, rifle scopes, tripods, optronic equipment and accessories. Swarovski Optik uses the highest precision and optical luminosity and prides themselves on the quality and long life of its products in this category (Swarovski Optik, 2010). Swareflex produces reflectors and road marking studs with glass elements that come in a variety of sizes and designs, as well as wildlife warning systems, guidance systems, and escape route lighting.
(Swareflex, 2010). Being part of the Swarovski family means that both of these companies strive for excellence and perfection in every business Endeavour.

Swarovski also has a branch of its business that is dedicated to designing and creating beautiful chandeliers and lighting fixtures. There are a couple branches in the chandelier portion of Swarovski family of companies, Strass Swarovski Crystal, Swarovski Crystal Palace and Swarovski Lighting and Architectural Projects. According to the Swarovski Crystal Palace website it, “is a revolutionary project that is aimed to create signature interpretations of light and design using the emotive medium of cut crystal. Whilst celebrating and reinterpreting the rich traditions of the chandelier” (2010). The chandeliers are very modern but still use the beautiful Swarovski crystal elements which give off a stunning lighting effect. Swarovski has diversified its product line and branched out into genuine gemstones and manufactured gemstones with its Enlightened product line as well.

This puts the hope diamond to shame.... Well almost.
Geographic Diversity

Swarovski owns and operates 1014 boutiques and concessions and has 819 partner-operated boutiques. These boutiques are located all over the world in countries such as Paris, Tokyo and Mexico. Swarovski has 249 boutiques in the US alone. Production locations for Swarovski Crystal are located in Argentina, Austria, Brazil, China, Czech Republic, France, Germany, India, Indonesia, Italy, Jordan, Liechtenstein, Mexico, Switzerland, Thailand, Turkey, the UK and the USA (Swarovski Facts & Figures, 2009). Swarovski has grown and diversified in location beyond what Daniel Swarovski ever dreamed was possible. Swarovski has gone after every international market imaginable and has thus far been successful across the board.

Industry Position

Swarovski is the global market leader in the fields of loose crystal, crystal objects, jewelry and accessories, precision optical equipment, bonded grinding and dressing tools, genuine gemstones and created stones and road safety products. Due to its patented method and machine for cutting crystal couples with a huge diversification strategy Swarovski has a competitive advantage in its industry. Swarovski had sales of 2.25 billion Euros in 2009 and employed 24,800 employees (Swarovski, Facts & Figures, 2009).

What a legacy this man left behind.
**SWOT Analysis for Swarovski Crystal**

**Figure 1: SWOT Analysis for Swarovski Crystal**

**Strengths**
- Product
- Place
- Sales/Finance
- Customer Loyalty
- Family Company

**Weaknesses**
- Over Diversification
- Privately held
- Marketing

**Opportunities**
- Partnerships
- New Distribution Channels
- New Market Segments

**Threats**
- Current Economic Climate
- Less Demand for Product
- Technological Advances

**Strengths**
- Product- Swarovski has a unique product and a patented method for delivering that product which gives it a competitive advantage over the competition
- Place- Swarovski has a very large distribution channel with over 1,000 boutiques in countries all over the world and hold the position as a global market leader in the crystal industry
- Sales- Large sales and continued financial stability throughout 2009 and 2010
Customer Loyalty- The Swarovski Crystal Society has over 350,000 members in 35 countries

Family Company- Swarovski has managed to stay a family run and operated business with a few partnerships for over 100 years

Weaknesses

- Over diversification- Swarovski has a lot of subsidiaries and product offerings and this can lead to cannibalization of its own product lines.
- Privately held – No access to quick capital through stocks
- Marketing- ramp up marketing to consumers via the internet and other social media

Opportunities

- Partnerships/ Strategic Alliances
- New distribution channels- Swarovski could explore opportunities in countries where it is not yet represented
- New Market Segments

Threats

- Current Economic Crisis in US and the EU- The economy has not been kind to businesses such as Swarovski that specialize in non essential products that are easily sacrificed during hard times economically
- Less Demand for Product- In the future consumers could change tastes and preferences and buy less
- Technological Advances- The patent may run out on the machine and other crystal manufactures will be able to use the technology and Swarovski will lose its competitive advantage
Current and Future Strategies

According to the Swarovski Brand website, as of June 2010 the Crystallized Swarovski branch of the business will become Swarovski Elements and also the Strass Swarovski chandelier brand will be consolidated under this new title as well. Swarovski feels that, “The positioning of SWAROVSKI ELEMENTS as the premium brand in both cut crystal and lifestyle ensures customers benefit from the strength of the umbrella brand Swarovski” (2010). Swarovski feels this move will be beneficial to its customers and business partners and essentially streamline to a single premium brand (Swarovski, 2010). As for the future of the company, Swarovski is constantly looking forward and exploring new opportunities that are out there for expanding its brand and market share. Swarovski is looking into new markets and innovations such as crystal for packing and paper. In fashion, Swarovski crystal is venturing into swimwear, lingerie and even sportswear. As they so eloquently put it, “Swarovski crystal drives innovation and pushes boundaries, yet it is also very much a disseminator of luxury and design excellence, giving everyday objects a soul, bringing pleasure to the widest possible audience, creating a future for itself” (Swarovski, 2010).

Ever feel like someone is staring at you….magnificent art!