

# A Beautiful Opportunity

The opportunity to earn and build their own business is something that well-known beauty brand Avon has given to more than 50,000 Australians and New Zealanders.

Images by Scott Ehler

As one of the largest direct sellers of beauty and fashion products, Avon is a global brand with an extensive network. In Australia and New Zealand, Avon boasts more than 50,000 representatives and around 430 employees. *The CEO Magazine* spoke to CEO Stephen Ford about Avon's prestigious legacy, its well-established Australian arm, and the future of this iconic company.

***The CEO Magazine:* What led you to become CEO of Avon Australia and New Zealand in 2010?**

**Stephen:** I was working for Avon as MD of our emerging markets in the Middle East and Africa when the then managing director of the business here retired and I was offered the opportunity. Who can say no to working in Australia? I've loved every minute of it since arriving here.

I enjoy the outdoors, and I like the open approach and can-do attitude

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in Australia and in New Zealand where people call a spade a spade. There's less pretence here. People are more direct and say what they think. There's that Aussie attitude of getting on with things without making too much fuss. For a Brit, that's a nice change.

**How did you shift your management style to fit into this different environment?**

I suppose not very much. I think that's probably why I found it such a good fit because I've always been a person who is very upfront, open, and direct. I found that I just fitted in very well.

That said, we've got an executive team that is very diverse. We've got a mix of nationalities: my finance head is a fellow Brit, my head of sales is an American who has been working in Australia for some time, my head of IT is Egyptian, and the rest of the executive team is Australian, so it makes for a good mix and a broad conversation around the executive table.

**What do you think have been your greatest achievements as CEO?**

If I reflect on it, the thing that gives me the greatest satisfaction is the feeling that Avon is making a difference to people's lives. Most people know of Avon as being a supplier of make-up, but, in reality, the biggest thing that we offer to people is the ability to earn. It's an earning opportunity.

For some of our representatives, it's a relatively small part of their income, while for others it's their entire income. Common to all of those individuals is the change that you can see come about when people succeed in building their own business.

I certainly see people who have been in situations where they wouldn't have high levels of confidence or be very outgoing, but, through involvement with the Avon business, they've changed their personality, and that gives you a very positive feeling. >



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Some of our representatives start with no business at all and then they build up a sales business bringing in thousands of dollars each week. Other representatives bring people they know into the business and build little teams under them, and some of those teams can actually become quite big.

Our most successful representatives with the largest teams are like mini shareholders. They're controlling a relatively large-scale team with more than a million dollars worth of sales going through their business.

Another achievement would be the support we've been able to give to various philanthropic causes. As a business, it's something that we're extremely passionate about. It's not just in Australia, either; it's something that's done globally across the Avon network. In Australia and New Zealand, we've put a huge amount of effort into our philanthropic work. We have

raised many millions of dollars through the sales of philanthropy products to our customers. That means we're able to give back to two causes in particular: one is breast cancer and the other is the fight against domestic violence.

I have the rare honour of being able to hand over a cheque for at least \$500,000 to the Breast Cancer Institute of Australia every year to support their research. On the last White Ribbon Day, we were able to hand over a cheque for \$100,000 to support the work that White Ribbon is doing in helping to eradicate domestic violence. That's a real feeling of achievement, making a difference in another very tangible way.

Looking back at the business, we're a company that focuses on selling the earning opportunity to our representatives, but without great products we'd be lost. We have some fantastic products. There was one in particular that we launched early in 2013, an anti-wrinkle cream

called ANEW A-F33, and it was a huge success. It was the fastest-selling product that we've had in the history of the business.

It was so successful because it is a very effective product. ANEW A-F33 was initially launched in the United Kingdom and it had received amazing publicity. Some of the media here in Australia picked up on that, including *A Current Affair*, which interviewed me and my director of marketing. The combination of that publicity, the quality of the product, and the reach of our 50,000 representatives made it the top seller that it was.

**How do you engage those 50,000 representatives across Australia and New Zealand and communicate across the group?**

Our representatives are independent business owners. In terms of employees, we have around 430 associates, from people in our warehouse and

packing facility to our sales, marketing, and finance teams.

Therefore, in regard to engagement, we've got two quite different audiences that we engage with. Probably the most important one is the representative base because they're effectively our storefront. They're the people who are interacting with the customer. We put the representatives at the forefront of everything we do.

In terms of engaging them, it's all about communication. We have regular communication vehicles where we send out information about upcoming products in the Avon brochure, emails, Facebook posts, YouTube videos, and many other channels. We also complement that with frequent meetings with representatives.

I make sure that my executive team and I spend a lot of time in the field. We can't build a business just sitting in the office. We make sure that we're at their events, we listen to their concerns, and I'll answer emails and take phone calls—because that's how the business is connected.

We also make sure that we reach out and meet with our top representatives once a year. In the month of August, I go on the road and we have a series of dinners, lunches, and banquets on a regional basis where we celebrate the successes of our top local sales people. We have about 40 of those events throughout August, with numbers ranging from 50 to 200 at each event. That way, we're able to personally reach thousands of representatives.

In regard to employees, you can't run a business without a group of motivated, passionate people. At Avon, we have a very positive culture. I've had the good fortune to work in a variety of Avon businesses throughout Europe, the Middle East, and Africa. They have a very similar feeling as well: it feels like a family that is focused on allowing and enabling our representatives to run a successful business. The way we try and



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engage our employees is that we have a very open policy of communication.

In 2013, we had our fiftieth anniversary, so Avon is 50 years old in Australia, 35 in New Zealand, and 127 years globally. We took over Sydney's Town Hall for two days and we had our representatives, sales managers, and our head office staff show how the company is going and where we're heading.

**How do you work with suppliers and strategic partners to deliver the best products?**

We work very closely and collaboratively with them. We engage them in the business. All our suppliers know that our representatives are dependent on the products they supply. We want them to feel like part of our family.

**As a leader, what is your vision for Avon?**

I want to keep Avon modern and relevant and take it to the next level. Avon is one of those brands that a lot of people know, but one which people may associate with times gone past. The challenge and vision that I have is to keep Avon relevant.

We have recently added a complete online service, so a customer can buy online and choose to either have it delivered by a representative or to have it shipped direct to her home or office without involvement from a representative. This is a big change for our business, but we have done it in a way so that our representatives see it as a positive, as well as consumers.

Consumers want speed and choice, but often they also want connection and the 'personal' in a sometimes impersonal world. This is Avon's point of difference.

Avon has been around for a long time, and, in a way, it was the original social network. Representatives would go 'door to door' giving a brochure, but then it also became 'cubicle to cubicle' as more women joined the workforce, and now it is increasingly 'screen to screen,' reflecting how people engage and interact. My vision for the future reflects a lot of the work we've been doing to increasingly bring the business online while also keeping our representatives at the heart of the business. ●



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