



CHAPTER 7

CORPORATE-LEVEL STRATEGY



Internet Activity: Diversification

In 1970 Richard Branson opened a mail order company called Virgin, an Oxford Street store and Record shop, Virgin Records, opened a year later. Within six years the company had signed the Sex Pistols and seven years later set up Virgin Atlantic airline. Today Virgin either own outright, or own a stake in some 400 businesses worldwide, ranging from Airlines to Gyms, Financial Services to Media, and from Space Tourism to a bridal wear boutique in Manchester.

Review the Virgin website:

<http://www.virgin.com/>

<http://www.virgin.com/company/>

In 1965 the Benetton family started a business selling brightly coloured sweaters knitted on a machine bought with the proceeds of the sale of the younger brother's bike. Today the group operates from over 6000 stores worldwide, and has moved into the fashion brand 'Sisley' and the leisure wear brand 'Playlife', as well as producing home goods, baby wear and cosmetics.

Review the Benetton website:

<http://www.benettongroup.com/en/home.htm>

Write a short essay to compare and contrast the diversification and growth strategies of the Virgin and Benetton Groups.