



STEPHENS INC.
iNSPIRE
powered by Economics Arkansas

THIS IS
CAPITALISM
presented by **STEPHENS INC.**

Lesson 3: Helena Rubinstein – Creating a Market

AUTHOR

James Wilcox, Director of the Center for Economic and Entrepreneurship Education at The University of Southern Mississippi

OVERVIEW

When Helena Rubinstein immigrated to the United States, she was already well on her way to creating a global cosmetics empire. Having found confidence in her own beauty while living as a foreigner in Australia, she chose to help women around the world identify and highlight their own physical attributes.

This mini-lesson is part of the Economics Arkansas iNSPIRE! series and can be used to start a class on a number of related topics including communication, marketing, or the factors of production. The included activities will help your students identify available resources and customer needs as they relate to their own entrepreneurial goals.

CONCEPTS

Competitive Advantage
Personal Selling
Productive Resources

OBJECTIVES

Students will be able to:

- Identify and classify **PRODUCTIVE RESOURCES** available within a given environment (classroom).
- Recognize the **COMPETITIVE ADVANTAGE** of a business idea.
- Apply **PERSONAL SELLING** strategies to determine customer needs.

TIME REQUIRED (10 – 35 minutes)

Bell Ringer: Steps 1 through 4 (10 minutes)

Mini Lesson: Steps 5 through 8 (+15 minutes)

Extension: Step 9 (+10 minutes)

MATERIALS

Visuals

- Visual 1: “Definitions”

Handouts

- Handout 1: “Video Questions” (1 per team of 3-4 students)
- Handout 2: “Classroom Resources” (1 per team of 3-4 students)



- Handout 3: “School-Based Enterprises” (1 per team of 3-4 students)
- Handout 4: “Personal Selling” (1 per student)

Online Resources

- Video “Helena Rubinstein: Creating a Market”
<http://www.thisiscapitalism.com/profile/helena-rubinstein/> (3 minutes, 51 seconds)

RELATED LINKS

Helena Rubinstein, Inc.

- Discover the history of Helena Rubinstein
<https://www.helenarubinstein.com/int/brand-page.html>

PREPARATION

1. Before class begins, print **team** copies (1 per 3-4 students) of Handout 1: “Video Questions,” Handout 2: “Classroom Resources,” and Handout 3: “School-Based Enterprises.”
2. Before class begins, print **individual** copies (1 per student) of Handout 4: “Personal Selling.”

PROCEDURES

1. Watch the video “Helena Rubinstein: Creating a Market” at <http://www.thisiscapitalism.com/profile/helena-rubinstein/> (3 minutes, 51 seconds).
2. Ask students to work in teams of 3-4.
3. Distribute Handout 1: “Video Questions” (1 per team of 3-4 students), and have teams complete the questions. Allow teams five minutes to complete.
4. Ask teams (Question 3): “*In which type of Productive Resource did Helena have a Competitive Advantage? How did this help her make Helena Rubinstein, Inc. such a success?*” Answers will vary but should focus mostly on her **human resources** (e.g., Helena’s personality; knowledge; interpersonal and communication skills; time; multicultural background; global connections in Europe, Australia, America). As time allows, offer students the opportunity to discuss their results.
5. Using Visual 1: “Definitions,” review each definition. Explain that teams will be taking an inventory of **PRODUCTIVE RESOURCES** within the classroom and will identify a **COMPETITIVE ADVANTAGE** for a new School-Based Enterprise (selling products or services).
6. With students still in teams of 3-4, distribute Handout 2: “Classroom Resources” (1 per team). Teams will compile and categorize **PRODUCTIVE RESOURCES** into three categories: Natural Resources (these occur naturally and represent the raw materials needed to produce a new good or service); Human Resources (the labor, skills, knowledge, time, and experience represented by people); and Capital Resources (any manmade equipment or tools). Allow teams five minutes to complete.
7. Distribute Handout 3: “School-Based Enterprises” (1 per team). Students will use their inventory of existing **PRODUCTIVE RESOURCES** to develop ideas for school-based businesses. Allow five minutes to complete.



STEPHENS INC.
INSPIRE
powered by Economics Arkansas

THIS IS
CAPITALISM
presented by **STEPHENS INC.**

8. Allow a few teams to present their business idea from Handout 3 to the class. Emphasize that the goal of this activity was to look at things differently and to consider the resources that exist all around them. This is meant to get students thinking outside of the box, focusing more on *abstract* possibilities rather than concrete recommendations. There is a good chance, however, that they will come up with some very practical ideas. As time allows, offer students the opportunity to discuss the results.
9. Optional Extension Activity: Distribute copies of Handout 4: “Personal Selling.” Display the assignment, and ask students to complete it on their own paper in class or as a homework assignment. Ask students to identify a product that is constantly being updated (e.g., Apple iPhone, Microsoft Windows, Ford Mustang) and to complete the chart. The focus is on identifying how products change over time to respond to specific customer needs or preferences.



Visual 1: Definitions

**Competitive
Advantage**

The main *reason* why a customer will *choose* to buy a good or service from one business *instead* of from another

Personal Selling

The *process* of building individual relationships with customers to determine their *needs*

**Productive
Resources**

The various *inputs* (tools, people, materials) that are used to *create* new goods or services



Handout 1: Video Questions

*"Human relationships are about communicating...
 Simplicity is a sign of truth and a criterion of beauty.
 Complexity can be a way of hiding the truth."
 – Helena Rubinstein*

After watching the video “Helena Rubinstein: Creating a Market,” work in teams to answer the following questions. The video can be found at <http://www.thisiscapitalism.com/profile/helena-rubinstein/>.

Helena believed that every woman is naturally beautiful and simply needs to find and emphasize her strengths. Grounded in this belief, Helena viewed her work as an opportunity to provide self-confidence by helping reveal one’s true, authentic beauty. Her efforts demonstrate a good understanding of the concept of “**Competitive Advantage**.” Businesses need to identify their Competitive Advantage and to clearly communicate what makes them different and desirable. They must answer the fundamental question: “*What is the **main reason** why a customer will choose to buy a good or service from **my** business instead of from another business?*”

- 1) Why do you think Helena Rubinstein was so successful with the creation of her cosmetics business? List at least three things that you heard during the video that may have helped her succeed.

1. _____	3. _____
2. _____	4. _____

- 2) Organize your list into the appropriate categories below. You do **not** need to have a response under every Resource type. This unique blend represents Helena’s **Productive Resources**.

Natural Resources (raw materials)	Human Resources (people, skills, time)	Capital Resources (tools, equipment)
_____ _____ _____	_____ _____ _____	_____ _____ _____

- 3) In which type of Productive Resource do you think Helena had a Competitive Advantage? How did this help her make Helena Rubinstein, Inc. such a success? Be ready to report your results back to the class.



Handout 2: Classroom Resources

As a team, search your classroom for as many **Productive Resources** as you can find. Organize your discoveries into the appropriate categories below. Consider physical resources like computers as well as any unique skills, strengths, or knowledge represented within the room.

Natural Resources (raw materials)	Human Resources (people, skills, time)	Capital Resources (tools, equipment)
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____
4. _____	4. _____	4. _____
5. _____	5. _____	5. _____
6. _____	6. _____	6. _____
7. _____	7. _____	7. _____
8. _____	8. _____	8. _____
9. _____	9. _____	9. _____
10. _____	10. _____	10. _____
11. _____	11. _____	11. _____
12. _____	12. _____	12. _____
13. _____	13. _____	13. _____
14. _____	14. _____	14. _____
15. _____	15. _____	15. _____
16. _____	16. _____	16. _____
17. _____	17. _____	17. _____
18. _____	18. _____	18. _____
19. _____	19. _____	19. _____
20. _____	20. _____	20. _____
21. _____	21. _____	21. _____
22. _____	22. _____	22. _____
23. _____	23. _____	23. _____
24. _____	24. _____	24. _____
25. _____	25. _____	25. _____



Handout 3: School-Based Enterprises

"Adjust your makeup to the light in which you wear it."

– Helena Rubinstein

How many times have you been in this classroom? Chances are that most of us have spent hours here yet have never considered its **business** potential. Across the nation, however, middle and high school classrooms are being transformed into business **laboratories** to provide students with real-life, hands-on experience in entrepreneurship.

Let's take another look at this classroom. What **could** it be?

The Challenge

Review your team's list of Productive Resources. Create a **new** business idea (product or service) that you think could be developed by combining these existing resources.

Don't worry about whether or not your idea is **realistic**!

Be ready to report your results back to the class.

New Business Idea (product or service)

Competitive Advantage (Why would customers buy this instead of something else that meets their need?)



Handout 4: Personal Selling

*"Listen! Say less rather than more.
If you want to be smart, play stupid."
– Helena Rubinstein*

Helena understood her market. By focusing on their **needs** as they varied from continent to continent, she was able to respond with appropriate skincare and cosmetic products. Through constant trial and error, she worked with chemists and beauticians to develop the right formulas to address beauty concerns like anti-aging.

A common mistake among businesses is the tendency to be more passionate about their solutions than they are about the problems that they are hoping to solve. In other words, our great idea is never more important than the needs of our customer. Businesses still fail despite having the best ideas, innovations, employees, strategies, and investors. No business can survive, however, without **paying customers**. In fact, we can say that a business does not exist without them. Until the first customer chooses to pay for a product or service, it is just a hopeful idea.

So, how do we determine customer needs? We build relationships. We ask questions. We listen! Through **experimentation**, we then use trial and error to discover what does and does not resolve those needs.

What is a product that is constantly being updated? Consider the Apple iPhone, Microsoft Windows, and the Ford Mustang. Select one product, and search online to identify a few big changes that it has experienced over its "lifetime." Did these changes address specific customer needs or preferences? Fill in the blanks below.

Product Name

Created (year originally introduced/sold)

Version	Version	Version	Version
Year _____	Year _____	Year _____	Year _____
Big Changes	Big Changes	Big Changes	Big Changes
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____