

Collaboration and innovation procter and gamble case study examples

[Business](#), [Marketing](#)



Procter and Gamble usually invest an average of \$2 billion yearly in R& D in an attempt to constantly improve its existing products. Creation of an existing product is often a tricky affair as high chances of failure exist (Kenneth & Jane, 2012). This reflects the case of P& G some years back when they backed the idea of investing \$75 million in creating new projects. P & G backed an idea from a university research in a bid to find solutions to IBS (Irritable bowel syndrome). The laboratory had isolated a probiotic strain of bacteria that proved promising in alleviating the condition (Kenneth & Jane, 2012).

In the course of marketing their product, P & G faced many challenges, one of them being competition from other probiotics producers (Kenneth & Jane, 2012). They also had an issue of perishability of their product, but eventually came up with a way of freezing their pills to have a shelf life of 6 months (Kenneth & Jane, 2012). In as much as they had estimated to make a lot, gauging from the sales they made during the first months indicated something regarding marketing had to be done. They faced another challenge of marketing since they had a smaller market that they targeted (Kenneth & Jane, 2012).

In order to overcome their marketing challenges, with the help of innosight, a pilot study was done and consumerism of the product established (Kenneth & Jane, 2012). It was hence determined that the only way the given product could be marketed was through doctors and through the product taken on a daily basis.

Therefore a decision to market it in hospitals and have it recommend as the best product in the market by the clinicians really boosted its marketing and

improved its volumes of sales immensely (Kenneth & Jane, 2012).

In conclusion, P & G made a right decision in conducting a market research and coming up with the most effective and practical way to get their product to the needed market (Kenneth & Jane, 2012).

Reference

Kenneth Laudon & Jane Laudon. (2012). Essentials of Management Information Systems.(10th ed). New York: Prentice Hall.