

Pandg promotions strategy analysis



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P&G has changed its promotions strategy for Tide

Introduction

Procter and Gamble's Tide is the most well-liked and popular detergents across the world. This product serves as a pride for P&G in announcing it as a flagship brand. Company undertakes promotional strategy basically to boost the sales of the products and stimulating customers to buy the products. Tide uses different strategies in promotion which Includes online marketing, magazines and television.

Reasons for the shift in promotion strategy of tide

In today's changing business world, the consumers have become more dynamic and varied in their preferences as well as they are getting more knowledgeable and demanding. Therefore, the company is focusing on its customers and client in order to get huge success. These transitions have forced the P&G to make the changes in the promotional strategy in order to become more customers centric (Kotler, 2002). Secondly, P&G observes that in order to maintain leading position in the field of laundry it has to make a shift in the promotional strategy by employing new techniques of promotion. Findings have exposed only 8% shopping is carried out by men where as female account for 56%. The adoption of changed promotional strategy by P&G has proved to be beneficial in attracting the consumers and making them loyal for the brand. Apart from this, it has helped the company in gaining competitive advantage (Penner, 2006).

Changes adopted by P&G in promotional strategy for tide

P&G underwent series of changes in promotional strategy for Tide. The promotional strategy comprises host of the activities such as advertising

campaign, running public relation activities, offering of free gifts, distribution of free sample, offering temporary discounts. Earlier \$5.5 billion was spent by Procter and Gamble in the year 1999 for advertising globally. Thus, making it world's major advertisers. Procter and Gamble reaps the benefits from electronic and print media internationally.

P&G new promotional strategy focused on the creating an emotional appeal rather than just marketing a product. It linked the product best with the emotions of the people. As a result it changed its tag line for Tide as *Tide knows fabric best*. The company believed in promoting the product in such a manner that it makes an impact in the minds of customer and speaks to them in an effective manner. Therefore, the P&G is putting all its efforts towards increasing the consumer feel-good for its products (Berner, 2006, May 01).

As a recent change, the company is using latest technique of Information Technology as a promotion strategy for Tide. The use of these technology helps to explore the new opportunities. For Tide P&G is using online marketing systems, magazines and television. For promoting the sales, P&G is using the Q Interactive, which is an online marketing service. Through this technique, it interacts with the target market. The Q network promotes the clients to obtain free Tide products signing up to a Tide ad. Simultaneously they can have an access over Tide's e-mail newsletter. Once the newsletter is sign up by customers, the customers gets the updates of the latest promotions or products. This technique is successful for the company as it fulfills the various goals of promotion (Promotional strategy, 2003).

Apart from this, P&G strategy focuses in searching women having huge social networks i. e. the women ranging from the age group of 28 to 45, who further chats with about 25 to 30 other women. On the other hand a normal mom chats to approx five. Several such connectors are present on the internet along with the banner like iVillage. com. Vocal point moms serves as a recent new strategy adopted by the company, these are the mailed packets depicting the detergent and a cheery girl (Berner, 2006, May 29).

Apart from this, to advertise Tide in TV and radio P&G promotional strategy is focusing on the effective opening punch line, on the products of competitors, authentication by experts or well-known authorities and finding the weak point of competitor. In order to promote the Tide on site, the promotion strategy focuses on the content of site i. e. depth, breadth, way of presentation and time duration. Apart from this, emphasis is given on the updating the site and space for comments, suggestion and feedback.

Competitive advantage

Promotional strategy plays a vital role in gaining competitive advantage or edge over the competitors. The new promotional strategy adopted by the P&G like online marketing and Vocal point moms will help the company in gaining the market share and getting wider access to the customer. The company will gain the competitive advantage as these strategies will help in retaining the loyal customer and getting the new ones. As a result, this will pose a threat to the competitors and make the Tide more acceptable among the customers (Ramaswamy, & Namakumari, 2007).

This strategy will help the company in maintaining its position as leader in the market. Through the online advertising it has personalized its services by providing the latest updates of the products and easy accessibility for the products ultimately it will help in building brand image and creating value to the customers. Thus, it will gain competitive advantage by implementing effective promotional strategies.

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