

The gillette company

Business



**ASSIGN
BUSTER**

The theory was, that the first blade would in the process of severing the offending hair actually pull the hair slightly out of the face so the trailing blade could cut off even more. It would then snap back below the surface of the skin, producing irresistibly smooth face parts.

The manual business was made up by competing on price everyone had introduced two-bladed cartridges and making disposable razors that were just barely adequate to shave with but cheap enough to be profitable and drive growth. The idea to add a third blade to the mix. This became known as the Mach.

This was an incremental innovation, the Chick people responded with the Equator, which had the startlingly non-obvious Innovation of a fourth blade! Gillette responded with the fifth blade, which brings us up to the present. Defining problems; There is a doubt if Gillette trade-up model still works. “It’s already “the best a man can get”, and men aren’t as willing to pay more for better.

Pricing, which has tempted thieves and led retailers to put blades behind locked glass cases, makes purchases less convenient and promotions less effective.

Consumers choose inexpensive price with high quality but the reverse for the Gillette with high pricing model focus. Now the consumer trend seems to be on durable razor than a disposable razor due to which, the Disposable razor market share declines, loss of quality image and loss of profits. The Gillette Company has hit a wall even as its core business is growing. Reeling from several quarters of disappointing financial results, by all appearances,

its main business line of blades and razors is doing well, adding to its leading worldwide market share.

But the company is being dragged down by the weak international performance of some products, including Braun electric shavers, shaving cream and deodorant.

While its poor foreign results might bode poorly for some other marketers of consumer products, financial analysts said Gillette's problems seemed to be more isolated and pointed out that many of its peers had seen profits in overseas markets improve recently. Gillette's management warned investors that second-quarter profits would fall by 20 percent from a year earlier, to about 26 cents a share.

Gillette must reform its approaches. Time has changed and customers prefer durable razor rather than disposable ones with safety concern. Economic downturn started emphasizing blade life in the ads of Gillette. Gillette is a sports marketing pioneer that paved the way for modern day sports sponsorship and endorsements.

Gillette ads have featured baseball heroes and also tales of totally player tenderly inner in New England patriots. Sports marketing is the critical elements for Gillette and they spent huge amount in marketing.

Technological innovation why the message "More is Better" is effective? Gillette knows its customers' needs. Consistency in messages. Brandishing "Even is sports five is better than three" (Ad with Derek Jeter, Tiger Woods and Roger Federer) "The Moment" campaign – emotional appeal Shaving

tutorials – educate consumers Sending samples for 18-year-old men Other endorsements: James Bond movie (gold finger).

Gillette merger with Procter and gamble in 2005 for 57 billion has set a record five times sales.

Alternative actions: Continue targeting younger crowd to build their brand loyalty campus events Styling and trimming tutorials at malls no campuses Emphasize the value of purchasing the 6-bladed razor. Preferred action: There arises the need for women who uses razor that are made for men. More than 30% women uses men razor. But women wishes are different from men. They have different characteristic which is completely different.

Four distinct categories of female consumers: – perfect shave seekers (no missed hairs), – skin pamperers, – pragmatic functionalists – E-Z seekers 30% of women are using a razor that's made for men Women are shaving 18 times more surface area than men 58% of women use shaving as hair removal method In ads emphasize the difference between men's shaving and women's shaving – Introduce kits with different blades – Send samples to schools and universities – Collaborate with Youth gurus Continue targeting younger crowd to build their brand loyalty.

Example: campus events. Styling and trimming tutorials at malls or on campuses emphasize the value of purchasing the 6-bladed razor Suggestion: target younger crowd through campus events Conclusion Make more appealing for ladies: -Difference between women's and men's shaving – Kits