

# Proctor and gamble essay



**ASSIGN  
BUSTER**

Proctor and Gamble Europe faced several issues around the launch of their innovative product, an HDL named Vizir. P&G struggled with the concept of Global Standardization in which they termed “ Eurobrand”, in comparison to the challenges they faced by segmenting marketing and product launches by companies. The standardization of P&G controls and products produces several benefits such as international uniformity, reduction in customer confusion, improved efficiencies in marketing, planning, budgeting, and controls.

Segmenting the European operations allowed competitors to act on inconsistencies and loopholes in differing release dates and product launches. Proctor & Gamble should move forward with the European launch of Vizir even after four months of market test data results. Proctor’s new HDL formula showed promising results against Europe’s leading brands in blind tests. Being the first to launch a novel, innovative product provides a company with a competitive advantage known as “ First Mover’s Advantage”.

The advantage of being the first company with a successful HDL detergent will increase Proctor’s brand recognition and brandloyalty, which should translate to increased revenues and market share. Although there is a threat that competitors will create similar products, and can provide lower prices than P&G by saving on R&D expenses, Proctor should strike while the iron is hot. Learn more aboutT

ide Detergent mission statement

Henkel's employment of a deterrence strategy by discounting the HDL market potential was an attempt to protect its dominant market position in the laundry detergent space. This threat did not stop Proctor and Gamble from eventually launching Vizir, with Henkel releasing its HDL the very next day. Several other companies share in Proctor & Gamble's standardization efforts. IBM's multinational approach combined firm controls from headquarters over a collection of separate companies overseas, each in a different market (1).

Braun's chairman, Al Zeien, separated the non-German businesses from the company's five operating divisions and consolidated them into one international division (2).

With Kraft Foods' stagnant growth, CEO Irene Rosenfelds wishes to have developing countries account for one third of sales by 2013, and wants to create a world-class cost structure, standardizing multinational operations (3).