

[ Nature of External Environment ]



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## Dynamic Growth 1915-1980

- In 1915, P&G introduced several different wire product lines: Scotch Six Tide, which was increasingly successful
- By 1925, P&G expanded the product lines to Tuffpads, toilet paper, disposable diapers, and hair cream to leverage resources
- One of the major growth P&G experienced in this period is its focus on international business
- First began in Mexico, then in Europe and Japan
- By 1980, P&G was doing business with 25 different countries all over the world

## Global Company 1980-1990

- By 1980, P&G was into an international company
- Started to diversify into consumer goods and to leverage its resources
- International success, particularly in Japan and Latin America
- Development of new products and services
- Growth in the U.S. market
- Growth in the U.S. market
- Growth in the U.S. market

## 2000-Today

- Due to intense competition P&G had to start changing strategies to create a competitive advantage
- Continued on growing the leading categories and brands
- In 2000, P&G merged with Gillette
- Company to increase its P&G product mix to 22 brands

## A New Stage of Innovation 1891-1915

- By 1891, P&G was producing and selling 10 different types of soap and aggressively marketing their products through color advertising and networking
- Also created one of the earliest research labs for product development and innovation was a research center in department in study consumer preferences
- For consumer driven innovation, P&G expanded its operations to acquire the entire consumer city, Consumer and Defense Chemical
- P&G's efforts in building up its research and development resulted in several new products
- Henry Ford, Charles and David
- Established their commercial relationship by purchasing Thomas Edison's Co. Ltd. in England and International presence for acquiring Phillips, Hamilton, and

## The Beginning Growth Stage 1837-1890

- 1837 was a tough time to start a business in Cleveland, but P&G was able to use consumer looking approach to build their growing business
- In 1850, Procter & Gamble started to use the scientific method and that led to their success
- P&G was able to build their reputation by providing consistent and superior quality goods
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## Foundation

Procter & Gamble was founded in 1837 by James C. Procter and William D. Gamble. The company was founded in Cincinnati, Ohio, and was initially a soap-making business. The company's first product was a soap called "Procter's Soap".

The History, Growth, and Development of Procter & Gamble



## Supply

P&G has a with suppliers but have 1. P&G needs materials prices pos

# The History, Growth, and Development of Procter & Gamble

## Dynamic Growth 1945-1980

- In 1945, P&G introduced several different new product lines, such as Tide, which was increasingly successful.
- By 1953, P&G expanded its product lines to toothpaste, toilet paper, disposable diaper, and new food & beverage categories.
- One of the major growth P&G experienced in this period is its focus on international business.
- First began in Mexico, then in Europe and Japan.
- By 1960, P&G was doing business with 23 different countries all over the world.

## Global Company 1980-1999

- By this period P&G grew into an multinational corporation.
- Started to focus more on health care, cosmetic, and fragrance by acquiring several different companies.
- Established a worldwide research and development network in the U.S., Europe, Japan and Latin America.
- Continuously built its global brand name.
- Crest, Pantene, Vick's, Pampers, etc.

## 2000-Today

- Due to intense competition P&G had to start changing strategies to create an competitive advantage.
- Focused on growing its leading categories and brands.
- In 2005, P&G merged with Gillette Company to increase to P&G's product mix to 22 brands.

## A New Stage of Innovation 1891-1945

- By 1890, P&G was producing and selling 30 different types of soaps and aggressively marketing their products through color advertisements and networking radios.
- Also created one of the earliest research lab for product improvement and innovation and a market research department to study consumer preferences.
- As consumer demands increased, P&G expanded its operations to across the nation (Kansas City, Kansas and Ontario, Canada).
- P&G's in-depth understanding of customer's needs and extensive market research fueled P&G's progress to develop new products.
- Ivory, Glaxo, Crest, and Chisel.
- Established first overseas subsidiary by purchasing Thomas Healey & Co. Ltd. in England and international presence by acquiring Philippine Manufacturing Company.



## The Beginning Growth Stage 1837-1890

- 1837 was a tough time to start a business in Cincinnati, but P&G was able to use forward-looking approach to build their growing business.
- In 1850, Procter & Gamble started to use the unofficial Moon and Star logo to distinguish their company products.
- 1862: P&G was able to build their reputation by providing candles and soaps to U.S. Civil war soldiers.
- In 1879, James Norris candle, the founder's son, invented the inexpensive white soap, Ivory.
- P&G started to produce their products nationally in 1882.



## Foundation



Founded by William Procter and James Norris, would be named out of Ivory and not named the two names, still in the Cincinnati market.

The Northern Ohio provided the P&G name to become business partners.

Procter & Gamble Co. was formed when they signed the partnership agreement on October 10, 1851.

Offered out as a financial family man business and they could not stay in Cincinnati, Ohio, with a total asset of \$10,000.

The History, Growth, and Development of Procter & Gamble

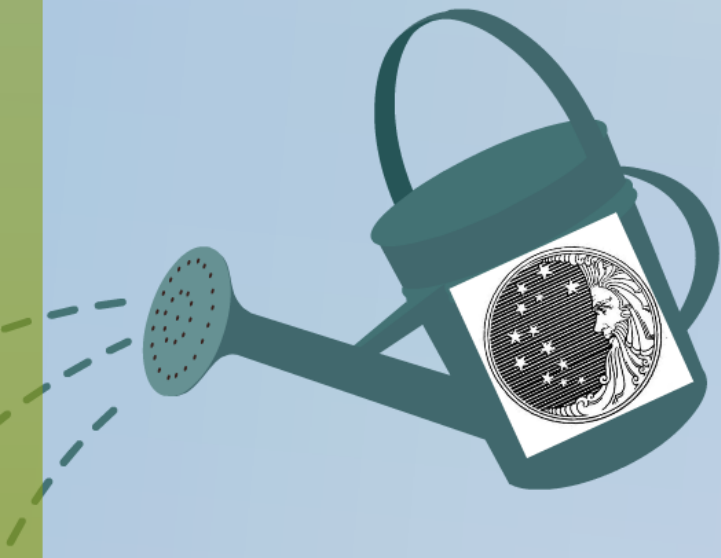
Internal Strength & W



Internal Strength & W

# The Beginning Growth Stage

## 1837-1890



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# Internal Strengths

- Efficient in creating and acquiring new products
- By partnering with other companies, P&G was able to build an extensive distribution channel as well as increase their revenue source for the company
- Also, P&G is very efficient in making the public aware of new products through advertising.
- Over the years P&G has been efficiently building its customer loyalty and large, brand name customers, such as Costco, Kmart, and Wal-Mart.