



"Purpose-inspired brands look more broadly at consumers as people and how we can make their everyday lives just a little bit better with our brands." ~

Marc Pritchard,

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# Procter *on Purpose*

**N**o longer is it good enough to make the best products. At Procter & Gamble, a brand is not a brand until it makes a difference in your life. A P&G brand must have a purpose that transcends its benefits.

This is why Pampers are now thinner, Tide is doing your dry cleaning and Mr. Clean wants to wash your car. Believe it or not, it's also why you can smell like Isaiah Mustafa if you want to.

It may not be a new idea that a brand should solve your problems or make your life happier. But as Procter & Gamble marketing chief Marc Pritchard suggests, it is transforming the way marketing — if the term even still applies — is done at Procter & Gamble.

In Marc's eyes, consumers and shoppers are people, not demographic profiles. Marketing is communications, a two-way (or more) conversation. It is more about providing a service than sending a message.

This perspective — coming as it does from the most influential brand-building organization in the world — clearly has huge implications not only for those who create products but also those who bring them to market.

In other words, it has huge implications for the way we think about retail, and “shopper marketing”...if the term even still applies.

Indeed, while Marc says that P&G's approach at retail is still “technically” shopper marketing, he also says the company is “moving that whole shopper-marketing craft to a new level.”

This entails re-thinking retail in terms of design, navigation and emotional connections. Perhaps that brings a whole new dimension to the meaning of “touch-points.” At a minimum, it demands approaching the retail experience on “purpose.”







## Marc Pritchard of Procter & Gamble seeks deeper brand meaning.

### **What distinguishes a purpose brand from other brands?**

Procter & Gamble's purpose is to touch lives and improve the lives of the world's consumers. We expect each brand to define how it uniquely touches and improves the lives of the people that it serves.

Purpose-inspired brands look more broadly at consumers as people and how we can make their everyday lives just a little bit better with our brands.

That drives us to find insights that are not just about the product benefit but go beyond that to look at a broader human insight that really motivates people and motivates action.

We look for insights that represent human truths, motivations and tensions that only our brands' benefits can solve. That spark can create big ideas that can then invite their participation. At its best, it can inspire movements where people advocate on your brand's behalf.

### **Didn't your brands always have a purpose?**

Our brands always had a purpose because our implicit purpose as a company has been to improve the lives of the world's consumers. That's something that we first stated explicitly a little over 20 years ago. In the past, we've thought more of equity benefits that brands have had, which was a bit narrower.

### **How do you decide which purpose goes with which brand?**

We ask a simple question: How does your brand uniquely touch lives and improve life for the consumers and the people it serves? What you then have to think about is: Okay, what is it about my brand that's unique? Does it uniquely touch lives and improve life? That depends a lot on its heritage, the roots of the brand.

Joey Reiman, who has helped us on some of our "purpose" work, says, "the fruits are in the roots." We look literally at all of the

creative work and the history of that brand from its very beginning to see the inflection points along the way. We then use that to more precisely define the brand's purpose and the equity benefits that go along with that, which helps guide the creative expressions of it.

### **Does the purpose change based on geography?**

Actually, we have found that a purpose is a common element of the brand around the world. We have brand-franchise leaders, who are essentially global brand-managers for close to our top 50 brands, who define a purpose that is pervasive around the entire world.

They also define the equities, which would be the ways in which the benefit is expressed, the character of the brand, and even some executional assets. What's different is the way that's expressed at the local level, in terms of language, for example.

So, the execution can be somewhat different, but the common elements are the brand's purpose, its equity, and benefits.

### **Is there also a connection between brand purpose and social issues?**

That's an element of it. How a brand touches and improves lives addresses social and environmental issues because people are looking for brands and companies to help solve some of these big problems. Pampers, for example, has chosen to partner with Unicef to provide vaccines to about 47 developing countries to eradicate neo-natal tetanus.

### **Which P&G brands have changed the most by virtue of having found a purpose?**

I can't say which brands have changed the most. But I can say that Pampers has certainly been one of our shining stars in terms of how it addressed purpose and expanded into different ways of expressing its purpose.

We also have a major program in Tide's *Loads of Hope*. We found that whenever a disaster strikes, food and water obviously are the first two things that

people look for, but in many cases the third most important thing is clean clothes because they provide dignity and normalcy.

We literally go in and do people's laundry. We started with Hurricane Katrina and then moved to Haiti and other places around the world where they've had natural disasters. That's one of our better examples of broadening the way the brand has thought about itself.

### **Is brand purpose more about the way people think about the product than the product itself?**

Its purpose certainly gets people to think about the brand differently, broadens their thinking about how the brand fits into their lives and is more relevant.

However, the purpose also does inform how we design products. So, when thinking about a brand like Pampers, where the purpose is a baby's happy and healthy development, you want to make sure that a baby can sleep, play and explore.

To do that, they need better fitting diapers, thinner diapers, diapers that allow them to move more freely and absorbent diapers so they sleep through the night. That causes you to think about a diaper's purpose a little differently.

### **Are higher profits always the goal of higher purpose?**

When you create value for the people you serve, and touch and improve their everyday lives, naturally you get more loyalty and sell more, which then drives profits.

It's a virtuous circle. When you focus on profit solely, you will certainly make progress, but when you focus on purpose in order to make people's lives better—that ultimately leads to better profitability.

It also engages employees in a much more productive way. When people have meaning in their work, they tend to come up with much more creative ideas and have more passion and energy. That makes the whole business better, too.

### **How does P&G's entry into the car wash and dry cleaning businesses support brand purpose?**

When you think about a brand's purpose and how to make people's lives better, you begin to move into different areas. What we found is that your

clothes matter because your appearance matters.

As we looked at the dry-cleaner experience, we found that it's typically not a great experience, or it certainly could be better. We decided to look into how we could provide this service in a different way, through franchisees. We didn't let the physical constraint get in the way; we just thought about how we could provide the service to people.

### **How else might your brands be developed as retail concepts?**

I would say this: We very consciously focus on shopper marketing. When we think of marketing, we like to think about executing it from the store back through the other mediums—public relations, digital, as well as traditional print and television.

What we look at—at the store level—is how to create experiences. This is part of a design organization that we have started. In the last year-and-a-half, we have integrated the four different functions of marketing, consumer and market knowledge, design and external relations into one integrated, brand-building organization.

We've brought a more deliberate focus to blending and integrating marketing with design. Design helps you have a better experience at the store level. Packaging is another obvious area, so our packaging is much improved. Beyond that, we're increasingly lending our design capability to improve the overall shopping experience.

### **Is that still shopper marketing or is it something else?**

It's still technically under the category of shopper marketing, but it really is looking at the shopping experience and making that overall experience better.

We work with our customer business-development group to make sure that that whole shopping experience starts off by making it simple. We then look at how to guide people, and how to delight them not only with simple navigation and information, but also the overall design esthetic and the experience. So, it's kind of like moving that whole shopper-marketing craft to a new level.

### **It sounds like it's less about promotions and displays, *per se*.**

Yes. Displays and promotions are fundamental, but they are also short-term. What we want to do is

## Dry Tide

**P**rocter & Gamble's research found "that consumers thought the quality of dry cleaners was inconsistent, hours were inconvenient and prices rarely displayed. Plus, many dry cleaner stores were dingy, stifling hot and smelled of chemicals, not unlike a sweatshop."

So, P&G's idea — branded as Tide Dry Cleaners — is to make the retail experience live up to the Tide brand name.

The store is "larger than most dry cleaners, and it is painted in Tide's distinctive orange hue. Cleaning is done on the premises, with Tide being used on garments that are laundered. Silicon-based detergents are used to dry-clean garments, though Tide's fragrance is added in the process.

"Huge vents suck out heat and odors, keeping the store cool and smelling like — what else? — Tide. The store is staffed with 15 to 18 employees, wearing Tide golf shirts. Lockers near the entrance allow customers to pick up and drop off clothes around the clock."

And, oh yes, the prices are clearly displayed. "When I think of Tide, I have so many good feelings," says Harlan Smith, a customer. "I'm surprised they didn't think of it sooner."

The thinking came from FutureWorks, a P&G division responsible for figuring out how to "expand famous brands like Pampers, Oil of Olay and Crest." The group previously launched a Mr. Clean Car Wash franchise.

[Source: Andrew Martin, *The New York Times*, 12/9/10]

make the shopping experience a better one, because people come back to experiences that they enjoy.

### **Has the brand purpose idea changed the culture at P&G?**

It has provided people with a greater sense of meaning, and it's definitely opened up a lot of possibilities in the new approaches and new ways of serving consumers. In the brand building part of the world, it's really opened up some big creativity on ideas.

### **Has it also changed the way you work with your agencies?**

Yes, because it's unleashed some creative freedom. Big ideas really come from doing creative work. So, what it's allowed us to do is inspire creatives to think and give us bigger ideas to build a whole brand and not just individual initiatives. That's been a very, very productive part of this whole effort.

### **Why do you prefer to refer to consumers as "people"?**

That's because when you think about marketing to consumers, you sometimes bring a fairly narrow focus to it. You tend to think only about how they may relate to your brand in the context of how they buy it or what they consume.

When you think about the consumers you serve

as *people*, you think about their whole lives. You think about them much more broadly in terms of how to make your brand more relevant on an everyday basis. It also helps you think about different products and different ways of doing things.

### **Do you also see a difference between "consumers" and "shoppers"?**

I'm not sure my view on this is broadly held, but I do like to think about people in terms of how they engage in certain activities — and then we like to engage them when they are in that mindset.

People don't think of themselves as consumers or shoppers. They think about themselves as people who like to go shopping and enjoy it. When they use products, they like that to be an enjoyable experience, too.

When brand and marketing people think about how to engage people in different situations in their lives, it really does lead to better overall marketing and better overall brand building.

### **How important are people's attitudes relative to their behavior?**

I think people's feelings and emotions guide behavior. We try to create an emotional connection with people, because when they feel good about a brand, then you've already won half the battle. And then if you can engage their minds in terms of providing

that additional rationale as to how this brand can be better, you can then solidify the relationship.

So, many decisions are made by how you feel. At the Olympics, our campaign was about “the proud sponsor of moms.” It made people feel good about P&G. We didn’t sell them anything; we just connected with people. That just resonated with people.

We thanked moms for being there for their families every step of the way. People felt good about it. They felt good about the company. They felt good about the brands that were associated with it. And it translated into purchase intent. It translated into about 10-point favorability bump for P&G and the brands associated with it. We ended up generating more than \$100 million in extra sales. So, feeling does have a lot to do with brand building.

### **Why do you prefer the term “communications” to “marketing”?**

I like to use the word “brand-building” more than I like to use the word “marketing” because it’s a broader term and it’s more of what we try to do. It’s not then thought of as narrowly as a discipline.

I like “communications” more than I like “advertising” or “marketing” because you communicate with people. It’s a two-way, and in many cases, a multi-way exchange.

When you “market” to somebody, you are trying to get them to do what you want them to do. When you “communicate” with someone you’re engaging and listening, so you can have more of a relationship. When that happens, you can engage people and then give them what they want.

### **Are changes in marketing more about the way marketers think and talk about marketing than anything else?**

There are some forces at play, and one is that technology is actually accelerating. People have access to information in real time, very transparently, all the time. The recession created a shift in economic power, but it also created a more discerning consumer, in terms of people really wanting to get deeper into what they are buying.

The other force would be that the trust in institutions is eroding. People want to know who is behind brands and companies and what they value. They want to know if we are interested in more than just making money; they want to know if we’re interested in making life better.

People also want to participate, and they can. Those factors have led us into having to think about how we build brands differently in the future. When we think about connecting our brands to a higher purpose, it gets us to express our beliefs and our values, and bring that to life for people. That helps people become more connected to the brand and actually trust the brand more.

### **What is the biggest consumer — or people — misperception about Procter & Gamble?**

Interestingly, what we have found is that not as many people as we thought know all the brands that are part of the P&G family. When they find out that Tide or Pampers is a P&G brand they feel better about the brands. When they find out that all these brands are part of P&G, they also feel better about P&G.

So, we are actively trying to build a greater connection between P&G and the brands of P&G. That’s why we’ve done the Olympics program, as well as the P&G People’s Choice Awards. It’s why we’ve connected and done the Walmart and P&G Family Movie Night.

### **What is the most challenging part of your job?**

The constant change and dealing with the forces we’ve been discussing, particularly the real-time nature of things, is particularly challenging. But it’s also a big opportunity. It requires some new models in terms of how we approach things. That’s a great intellectual challenge that we can experiment with.

Another challenge is that there are so many opportunities out there, and we have to know how to pick the right ones and make the most out of them.

As long as I’ve been doing this, I’ve never seen such an opportunity for real, productive change. I think that we will look back on this era as being one of the most exciting in terms of the way brands are built. We’re on that journey right now and I’m excited to be a part of that. ■



**MARC PRITCHARD** is global marketing and brand-building officer of the world’s largest advertiser, **Procter & Gamble**. He is accountable for setting the media and marketing strategies for P&G’s global portfolio of brands, representing nearly \$80 billion in sales.



