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# DESIGN AND INNOVATE SALESFORCE PROCESSES @ P&G

## Executive summary

Design and Innovate Salesforce Processes @ P&G (DISP) project was developed in collaboration between Procter & Gamble (P&G) and Alta Scuola Politecnica in order to examine why the sales volume of Gillette, one of its leading brands, has dropped over the past years and to recommend ways of addressing this issue.

Gillette is worldwide the leader of the male wet shave market. Its "razor and blades" business model implies that the profit comes from the cartridges that are often replaced, and not from the handle which is a one time only purchase.

As of 2017 in Italy, P&G, Energizer, and Bic represent 96% of the wet shaving market in value, with Gillette owning 78% on its own. The total market is worth \$250 million and has been experiencing a slow but steady decline since 2013. Despite the relative share of Gillette being unchanged, the market decline is heavily impacting the Company's revenues due to the dominant position of the brand.

Moreover, Gillette in Italy is threatened by the rise of a phenomenon already suffered in other geographical regions, that is the emerging of the direct to consumer sales through the online channel. Some start-ups in US have been shaking the male shave care market with main disruptive traits such as an aggressive marketing, a low price strategy, and convenient sale processes.

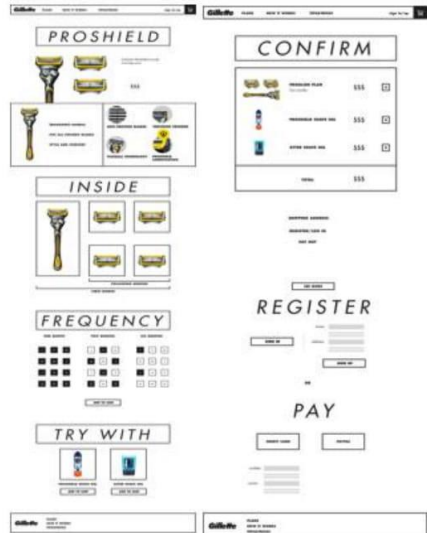
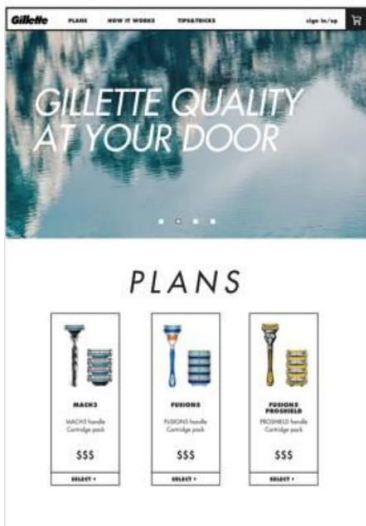
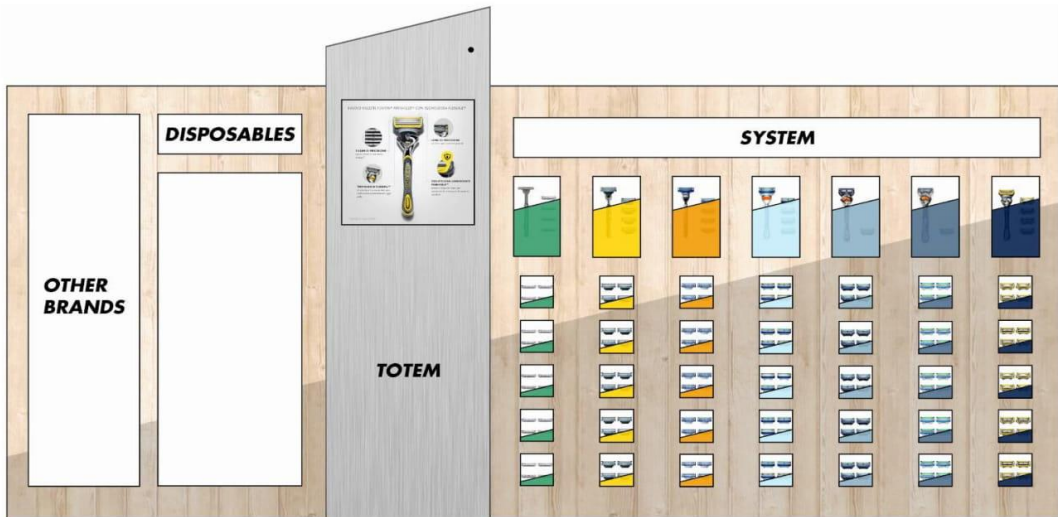
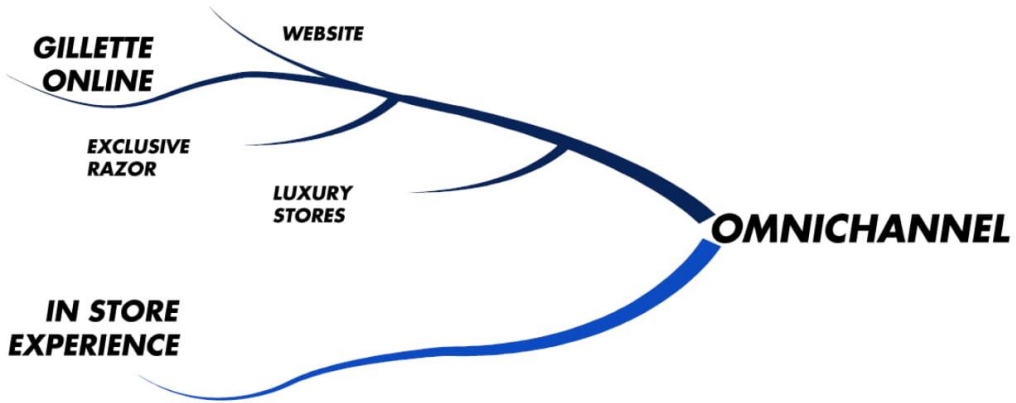
DISP team must therefore exploit new technologies and business models to protect Gillette leadership. The project scope touches different fields, from digital transformation, to data analysis, to marketing and communication strategy; the goal is to design a seamless and effective omnichannel purchase experience

## Gillette Omnichannel Online In-Store Communication

(From 3 to 5 key words)



Caption Example (image dimension: 10,5x7 cm)



**Project description  
written by the  
Principal Academic  
Tutor**

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**Team description by  
skill**

The team brought to the project a wide array of skills and capabilities from engineering, design and architecture fields. Mainly the team developed a complex economic model that was sustained by strong mathematical, statistical and financial knowledge. These tools come from a solid background in management and mechanical engineering. Then the team further expanded the platform scheme thanks to the studies in production and sales processes derived from the industrial engineering and product innovation students. Then the students were able to develop creative solutions thanks to the design and architecture members. Tutors along with team members helped consolidating a robust logistics and supply chain management solutions. The team was well balanced and able to fully cover all the aspects of the project and develop a seamless omnichannel experience.

## Goal

Gillette management presented the current Italian market situation, sharing their concerns and findings. Gillette, in brief, was trying to comprehend all the causes behind its business performance decline and identify the appropriate corrective actions to revert this trend. Moreover, Gillette management expressed their interests towards the investigation of topics such as Millennial's adoption of blades and razors shaving and the increasing competition within the market. It was the team's goal to develop its work in aspects of the client ventures that could produce valuable results and feedback.

An essential objective before a proper initiation of the project was the analysis of the current state of the wet shaving Italian market and its consumers' behaviour. Furthermore, it was important to analyse the dynamics within foreign markets, such as US and UK ones, while acknowledging potential similarities and differences. As a matter of fact, diverse markets showed contrasting trends, mainly due to consumers' habits and companies playing in the specific landscape. In this phase, a study of Gillette value proposition and its main competitors was made to create a base on which to build the idea generation and design phase. The research was mainly divided in two different areas: the first one concerning the enhancement of current in-store experience; the second one considering the rise of e-commerce market entrants and their impact on Gillette business.

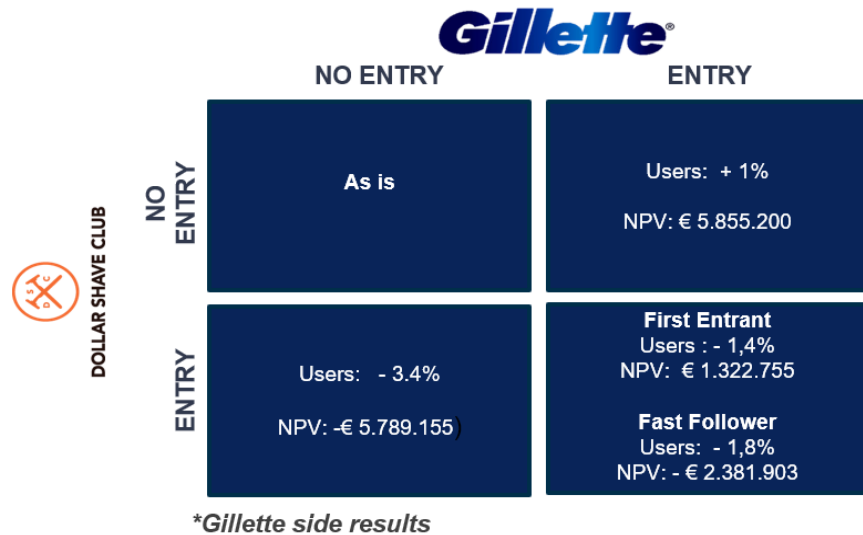
A supplementary, but crucial objective, was to develop a business model for wet shaving e-commerce market. The model would require considering issues such as strategic interaction with current and future stakeholders in the market or competitors, and the evaluation of different scenarios to understand where the client should head to achieve the most favourable outcome for its brand. In addition, as support for the online channel the team developed also a new communication plan for the Company following the up to date fashion trends and investigated the possibility of creating synergies within P&G's existing assets outside of the traditional retail mode.

## Understanding the problem

Given the amplitude of the problem Gillette is facing, DISP team decided to use a precise methodological approach to reach a greater level of detail of the findings; market sales data, male shave care market customer journeys, and Gillette portfolio were analysed to investigate the current situation.

The customer journey analysis was used as an explorative method to identify possible pain points in the purchasing experiences of the different segment the brand targets. Following this first phase, DISP team validated the emerged issues through the analysis of last years Gillette sales data, expert interviews and a wide spread survey.

Three main issue emerged: first a change frequency issue, which concerns the frequency with which customers replace blades that is far from the suggested one; second a differentiation issue, since shavers do not recognize features of Gillette blades both within its own assortment and with respect to competitors' products; third, the communication strategy in use from Gillette is not appealing to younger generations. Consequently, a survey was distributed to deeply examine several aspects emerged along the project and design experts were interviewed to assess Gillette products features. In this way, DISP team was able to identify precise needs and requirements, ultimately allowing them to be included in the idea generation and solutions definition phases.



Caption Example (image dimension 12,2x8,2 cm)



Caption Example (image dimension 12,2x8,2 cm)

## Exploring the opportunities

The problem identification phase allowed to understand better which are the top offender issues that are leading the current Gillette declining trend, namely the change frequency, effective differentiation, and difficult purchasing process in-store. Moreover, analyses highlighted how distant Gillette communication strategy is from the new entrants in the emerging online market. All of the above constitutes a solid understanding upon which to build the next phases of the project.

According to the very broad needs and requirements that the company provided to us at the beginning of the project, a deep problem identification was absolutely necessary. In relation to the main findings summarized above, the team decided to propose two different branches of solutions, the first one related to the online world and the new emergent business models, and the second one more related to the already existing Gillette in store way of business. A simulation model was built in order to assess the sustainability of the online subscription business model considering the interaction with other competitors as well. Moreover, a new concept of communication was formulated: except for the website concept

definition, it also included the design of a new razor that could be attractive to Millennials to be sold exclusively through the online channel.

## Generating a solution

The two presented strands of solutions were deliberately kept separate to allow a detailed analysis to be carried out avoiding any correlation that would have unnecessarily complicated the situation in an early phase of the project. These solutions were conceptually designed to be merged into a single macro solution that allows the development of an omni-channel shopping experience for the final consumer, who can use both the online and the offline channel at will by finding a clear, coherent and shared offer from both mentioned channels. The increase in the competitiveness of the wet shaving market entails the need to find new methods of attracting consumers and in this perspective, the possibility of being able to exploit the still predominant presence of Gillette in the retailer-offline world with the addition of an innovative online experience could represent for the brand a real competitive advantage to buy back the market share lost recently and re-consolidate its historic leadership.

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