Procter and Gamble’s Big Hitter “Tide” Laundry Detergent

Vernon Tilly, Jr.

University of Central Oklahoma
Proctor and Gamble’s Big Hitter “Tide” Laundry Detergent

Most everyone in the USA has heard of Proctor & Gamble (P&G) and their leading laundry detergent “Tide” which was introduced in 1946. In this paper I will discuss the origins of Proctor and Gamble and its main competitors both past and present. I will cover the birth of Tide which almost wasn’t, the early years and target market. Discussion will culminate with the best and worst of the Tide product. The discussion will continue anew, with the question of can P&G’s big hitter Tide be improved?

The Rise of a Giant Known as P&G

Proctor and Gamble has been in existence since 1837, which makes this very successful company 175 years old today. They are what I would call the “Kings” in their marketing arena. Their market share is second to none in the area of laundry soaps. Granted there have been some close calls, when P&G under estimated the economy and their products took hits as consumers looked to cheaper priced goods. What keeps P&G on top is their keen sense of marketing strategy, and their ability to turn things around in the market place quickly. Future P&G management employees attend the P&G College which was set up to teach the history of the company, brand building, and case studies of both success and failure at P&G. This is the type of dedication to one’s business that allows P&G to gain, lose and regain market share time after time.

Origins of the Company

According to Dyer, Dalzell, and Olegario (2004), the company “Procter and Gamble launched as an obscure start-up in a sea of ventures and failures” (p. 11) in 1837 in Cincinnati Ohio. Two men, one an English store keeper and candle maker known as William Proctor and one an Irish soap maker known as James A. Gamble, would become the proprietors of a dynasty
known as P&G. They didn’t meet as one might expect as they both had made their way to Cincinnati separately. They met when courting two sisters Olivia and Elizabeth Ann Norris whom they married. A banking crisis and sharp economic downturn in 1837, lead their father-in-law, Alexander Norris, to suggest the two men merge their operations. They did and the rest is history.

Main Competitors

According to Dyer, Dalzell, and Olegario (2004), the chief competitors of P&G were Colgate and Lever in 1946 (p. 75). Today, P&G faces competition from Unilever maker of Surf, Henkel maker of Purex, & Church and Dwight makers of Arm & Hammer. According to Consumer Reports (2010), the market shares held by each of the brands of laundry detergent are as follows, Tide (28%), Purex (12.5%), Surf (12%), and Arm & Hammer (8.25%). P&G must be doing something correct with their marketing strategies as Tide continues to lead in this market.

The Birth of “Tide”

It is known that competitors do spy on the competition, and sometimes information just falls into one’s lap. This is the legacy of Tide as it progressed from an idea to a product. According to Dyer, Dalzell, and Olegario (2004), Tide was the first synthetic soap on the market, it was revolutionary. It exceeded P&G’s expectations. Within a few years Tide has displaced P&G’s most profitable brands and the best-selling ones, and sharply repositioned the company against its competitors (p. 67). With the arrival of Tide, P&G moved from a soap company to a technology firm and they have embraced their destiny.

The Early Years

Research and development according to Dyer, Dalzell, and Olegario (2004), did not come easy, “The company assembled the key technologies in fits and starts, by way of fortuitous
accidents, vexing dead ends, and slow, laborious work.” (p. 68). P&G almost missed the opportunity. The break through grew from what was thought to be a dead project. This was research nearly everyone had given up on. As recorded by Dyer, Dalzell, and Olegario (2004), “the basic knowledge came via a trip made to Europe in April 1931, by Robert A. Duncan, a P&G process engineer sent on a scouting expedition.” It would be later told by Duncan, that the purpose was to see if he could learn anything concerning processes or products of interest to P&G. One stop brought him to I.G. Farben Research Laboratories in Ludwigshafen. He didn’t gain any official insight, though an employee unofficially after work hours alerted him to a textile trade item called Igepon. A good wetting agent that was expensive and hard to make.

Duncan did not want to go back to I. G. to ask about it as he had gotten the information unofficially, so he contacted another colleague in Deutsche Hydrierwerke in Berlin. The Igepon had possibilities as the properties of the surfactant allowed it to bond with oil on one end and water on the other end of the molecule chain. This, Duncan surmised, would work for laundry detergent. Both of these companies had no idea that there might be a commercial application for this item. Duncan had found a diamond in the rough.

It would be fifteen years later in 1946 that Tide would be aggressively marketed by P&G. It would not have happen at all if not for Mr. Duncan, and a researcher named David “Dick” Byerly. It is due in part to Mr. Byerly’s character that project “X” (Tide) was kept alive. He was known as a moody, obstinate, and tenacious person in accordance with his supervisors as reported in Rising Tide (Dyer et al., 2004, pp. 70-71). Mr. Byerly did most of the research without approval or support from the administration at P&G. There were many setbacks but he never gave up. In 1945 he had made significant progress, and it was time to alert the big boys. The big boys gave the go ahead, there would be a few manufacturing snafus, but with support
this too was overcome in P&G fashion. P&G had a new star with the introduction of Tide into the market place, and as a result, it would take the competition decades to recover.

**Target Market**

Tide’s target markets are women with families and senior adults looking to get some serious stains out of cloths. Back in 1946, P&G took advantage of an estimated two year lead over the competition with their project “X” (a.k.a. Tide), which they believed would be risky after the depression, but they took the gamble. This allowed P&G through an aggressive marketing scheme to beat the competition in those early years. They made a deal with manufactures of the new automatic washers which were just coming out to include a sample of Tide in each new model. P&G didn’t stop there, they are the original backers of the first “Soap Operas.” This allowed them to target women in their homes with their latest products.

According to Soat (2012), “Making a 70 year old brand of any kind seem hip and social is no easy feat. But making a 70 year old brand associated with dirty socks seem hip and social is even trickier.”(p. 8). It appears The Onion, a satirical newspaper based in Chicago, ran a fictional article on poking fun at marketer’s attempts to create viral videos in order to boost brand interest over the Web. This time they picked on P&G’s Tide, and since you must strike while the iron is hot, P&G went for it. They quickly made a real video and posted it to their YouTube channel, and linked it to Facebook and Twitter feeds. While it was a complete flop by internet standards, as it did not go viral, it did net 15,518 views on YouTube and 249 “likes” on Facebook, as well as a nod from The Onion’s managing editor, Kyle Ryan, who tweeted, “Well played, Tide, well played.”

This just shows P&G doesn’t always come out on top, though they believe they were successful. As stated in Soat (2012), “…the small digital splash that the video made was enough
of a sign of success for the effort. Seeing how much everyone enjoyed this video and respected the choice that Tide made in doing it was the return we wanted.” (p. 8).

**The Best and Worst of Tide**

The best part is Tide works. It has been recommended by mothers everywhere for years, and you should always listen to your mom. P&G made sure we would be a loyal crowd back in 1946; we have been programmed to believe anything less will not work as well. Even though the Federal Trade Commission disallowed the practice of partnering with wash machine manufactures in 1947, Tide was already a household name recognizable by the majority of consumers. There is a good deal of Tide variants to please most consumers, be it a scent, softener, or a gentler type. If you buy a new LG washer or maybe another brand today, you will find a coupon book for discounts on P&G products, to include Tide, Downey and Bounce. The consumer today as in the past likes discounts, coupons, or a free sample of a new product. Tide Free & Gentle is marketed to mother’s as a healthier choice for their children’s laundry.

The worst includes 1,4-dioxane which is a known cancer-causing chemical, and has been linked in animal studies to increased risk of breast cancer. Unfortunately, test results show that the company has not chosen to remove 1,4-dioxane from its laundry detergent as of 2010. The Food and Drug Administration (FDA) encourages manufactures to remove this item from its products; however it isn’t against Federal Law. It is no wonder as it is a solvent and readily dissolves in water. The vapors from the raw form of the chemical are what have been linked to deaths to date.

**Can P&G’s Big Hitter “Tide” be improved?**

P&G doesn’t relax and ride the “Tide” so to speak. They continue their efforts in Research and Development (R&D) continuously looking for better ways to support the
consumer, and the environment. This effort normally leads to better products, as Tide while keeping its basic components, has been changed in various ways to meet the needs of the consumer. According to Leung (2009), “P&G began selling Tide Basic a laundry detergent that doesn’t perform as well as regular Tide but sells at a 20% discount.” (pp. 15-16). This was an effort to generate new customers as well as stop the loss of market share due to the recession of 2007-2009 as consumers sought out cheaper products. In Leung (2009), Colin Hession, a U.K. based marketing consultant, states “While Tide Basic could water down the equity of the brand, its addition to P&G’s laundry detergent lineup may help it better weather this downturn. Indeed, brands with a range of price points seem best positioned in a time of cash-strapped consumers, since shoppers can trade down.” (pp. 15-16). I will discuss in the following paragraphs how Tide may be improved and also expand their Tide line and reach a market niche.

The Packaging Current Configuration and Issue

What could be wrong with Tide’s packaging? Tide has the most recognizable packaging on the planet, with its bright orange base color, as well as the target circles of yellow and orange with Tide centered over the target. It is the functionality of the package that needs to be addressed for P&G’s Tide high efficiency 150 fluid ounce size, designed for use in High Efficiency (HE) washers. This container, or packaging, has the easy press pour spout with separable measuring cup. So what is the problem?

What to do with the residual product in the measuring cup. To rinse out the measuring cup before HE machines came on the scene one could simply turn on the machine and rinse it out under the running water into the washing tub. However, once the detergent is placed into the machines receptacle for detergent most HE machines require the lid to be closed before pressing start to turn on the water. Pressing start locks the lid (top load) or door (front load) on these HE
machines. So what does one do with the residual product left in the measuring cup? Before starting the HE machine an item of clothing in the machine could be used to wipe out the residual soap from the measuring cup, for some clothing this may not be a good practice. The other option would be to take it to the sink and wash the residual down the drain, not real smart considering the cost per ounce. There must be a better solution.

The Redesign

Before P&G sinks money into this redesign, a survey research would be advisable. The survey research would help in determining the satisfaction rating with the current packaging and functionality. According to Lamb, Hair & McDaniel (2012), the survey research is “The most popular technique for gathering primary data, in which a researcher interacts with people to obtain facts, opinions, and attitudes.” (p. 143). If the survey proves out HE machine owners would prefer a different pour spout and measuring cup/cap. The solution is within reach for P&G, they need to change the container spout to the self drain back kind and measuring cup/cap configuration. The problem would be gone, nothing like happy consumers.

The Variations of Tide Currently Available

The exact chemical make-up of Tide is a closely guarded secret at P&G. When looking at a bottle or other variations of Tide you will not find the continents ingredients for the product, other than a generic statement of content. There are warnings, however, to keep Tide out of reach of small children on the packaging. What is known is that Tide offers many varieties of their leading laundry soap for consumer use. The many varieties can be found online at Tide Laundry Detergent and Fabric Care Products, (http://www.tide.com/en-US/index.jspx), with their uses and purposes listed. Tide’s line of laundry products contains brighteners, solvents, sulfates, softeners, and scents.
It was not too long ago, according to Wasserman (2005), “In a bit of brand cross-pollination meant to battle price erosion in the laundry category, Proctor & Gamble added Febreze scent to Tide, Downy and Bounce.” (p. 5). These launches were inspired by the success Tide had with adding Downy to its Tide products. According to Wasserman (2005), “The primary target for the Febreze launches is ‘women who tend to have a dynamic household and who are sensitive to everyday odors,’ the rep said. A significant number of Febreze users aren’t regular users of Tide…this is a great way to reach those consumers with a series of products that deliver on an unmet consumer need.” (p. 5). With that being said, there is another opportunity P&G needs to explore which follows.

**New Offering from Tide**

The Tide brand carries a dye and scent free version, as well as a sports version of its product. There is not, to date, a version that has removed brighteners, dye, and is scent free. I would suggest a Tide product that does not have the brighteners, dye, and is scent free. There are very few makers of this type of product that works without using more detergent then is recommended for hunting cloths. The brighteners make cloths glow to animals as they only see in black and white, and any scent other than what occurs in the natural habitat is a no go. With Tide’s cleaning power and brand recognition in the industry, as well as with consumers, I believe it would sell well.

This special application soap would be for a niche market of individual hunters and guide services whom offer full service to their clients. To market this new product it would be trading on Tide’s brand equity. Before P&G would proceed with such a venture there would a market research carried out, and results tabulated. I do believe there is a need in this niche market for a good reputable soap that performs under these stipulations. There would also be a slogan using
the Tide target as reference. A proposed slogan would be like, as the hunter targets their quarry so does Tide as it targets stains and grime, or simply Tide for the Avid Hunter always on target. The new product name could be Tide, Avid Hunter.

**Reaching the Target Market**

P&G doesn’t do anything without following ten tried and tested principles as found in Dyer, Dalzell, and Olegario (2004), these are “1. Do the right thing, 2. Cultivate a passion for winning, 3. Sustaining brands is a never-ending challenge, 5. Individuals make a difference, 6. Discipline counts, 7. Innovate constantly everywhere, 8. Lead change, 9. Alliances create advantage, and 10. Partner with customers,” (pp. 406-412). To reach individual hunters, much like P&G has done time and again, partnering with some of the well known makers of hunting clothing would be a good bet. If a hunter picked up a new set of outerwear, they would find a coupon for Tide’s new Tide “Avid Hunter” laundry detergent attached or in a pocket. There are other opportunities by advertising or sponsoring some of the national hunting cable shows which would provide more visibility for Tide “Avid Hunter” laundry detergent. This is a niche market therefore placing displays in say Gander Mountain, Bass Pro, or Academy sporting goods stores would be a good marketing scheme. In accordance with the National Fish and Wildlife Service (NFWS), hunters spent $22.9 Billion in 2011 for all expenditures; the average hunter spends about $2000 annually.

Marketing to the guide services or outfitters would be a good bet at some of the national trade shows for the industry; P&G could set up a booth and present the Tide “Avid Hunter” product. The Web is another good source as there are 16 million hits for the word hunting alone per the NFWS. These outfitters need products that work, and Tide holds that reputation.
Conclusion

Marketing is more than anyone can image. There are numerous things to consider when launching a brand. The same is true in the re-launch of a well known brand. P&G makes it look easy, but I know, and they know as well, that marketing isn’t for the faint of heart. I have a new found appreciation for anyone working in the marketing industry, dog eat dog comes to mind. I am one consumer that is glad I took this marketing course, and picked P&G’s Tide as my topic. I have learned so much about the marketing trade through the Rising Tide book, and the course book Marketing on marketing, someone whom doesn’t know a thing about marketing would be well advised to read it. On second thought, the know it all could benefit from it too.
References


