

1. Does SK-II have the potential of becoming a global brand under P&G's global operations?
Why or why not?

SK-II is a high quality and high margin skin care product which has proven to be highly competitive within the Japanese market (Debruin, et.al, n.d.). This brand is one of Japan's greatest innovative product developments which produced superior results and gathered positive feedbacks from consumers. Therefore, SK-II certainly has the potential of becoming a global brand under P&G's global operations. SK-II has already built its branding in some parts of the world and it can be expected to also capture the attention of audiences from the global market. The only barrier that might affect its success to be recognized as a global brand is its entry to the western society such that there is a possibility that they may not still be open to accept Japanese skin care products as compared to what they have already been used to.

2. What are the market implications for rolling out this product in a) Europe, b) China and c) Japan?

Europe – Rolling out SK-II might face some challenges with being accepted by the market due to it is still a new product and they have yet to build the trust of customers in Europe. However, since the target markets of the product are elegant women who take pride in their beauty, SK-II might have a chance of being a success because Europe is the home of this type of groups. Yet, it is not being strongly recommended for the product to proceed in entering this country.

China – SK-II has already established its popularity in some major parts of Asia and therefore rolling out this product in mainland China can be recognized as being successful. However, P&G should be able to ensure that the management will promote a great competitive strategy because competition in China can become fierce.

Japan – The brand is already very popular in Japan because their target market of sophisticated women is Japan itself. Target audience in Japan trust SK-II because this product was engineered in the country. Therefore, re-positioning the brand can become successful provided that P&G take the necessary steps to level the competition field in the industry at which it operates.

3. How would you prioritize the market entry decision in each of the markets above? What are the potential risks and rewards?

Prioritizing the market entry in China, Europe and Japan will be based on the external analysis of the environment and industry. The priority will be the market which will offer the most benefits and lesser risks when compared to the other two countries. The potential risks for all three markets will be the threat of competition and brand awareness because introducing a new product always faces these challenges. The rewards on the other hand are a great deal of opportunity to introduce the product to the markets and prove its quality and effectiveness. Should success be attained, other opportunities to enter other markets will become a possibility.

4. What is the impact of Organization 2005 on the SK-II initiative? Do you expect support or resistance? How would you manage the product launch during this transition?

The Organization 2005 can have several impacts on the SK-II initiative. One of which is that the operations of marketing activities for the product might be affected by the change in the organizational culture and structure. Therefore, change management can be considered as one of the resistance that may be faced by P&G. The company's efficient and long-time employees, managers and other workers are not open to this huge change and therefore are resisting the change. In managing the product launch during this transition, it is being recommended for P&G to use strategies with effective communication, cultural knowledge and flexibility.

Reference

Debruin, S., Dixon, C., Echeverria, N., Houx, R., Nealon, R., Qi, H. and Tait, G. (n.d.). An analysis of Procter and Gamble SK-II Globalization Project. Retrieved from <http://acpspouse.tripod.com/v3.htm>