

MEDIA & MARKETING

ADVERTISING | By Suzanne Vranica

P&G Boosts Social-Networking Efforts

*Latest Sites Shift Tack
From Brand Promotion
To Market Research*

Procter & Gamble, in its biggest foray into the hot Web phenomenon of social networking, is launching two Web sites aimed at creating online communities where the consumer-products titan can learn more about its customers and market to them.

One site will be celebrity and fan-club driven, tied to P&G's decades-old People's Choice Awards, and the other is Capessa, a women-oriented site produced by Procter & Gamble for the Health section of Yahoo. Capessa, designed to be a forum for women to discuss subjects such as parenting, pregnancy and weight loss, had been tested for several months and went up Dec. 21. The People's Choice Community site formally kicks off Wednesday, a day after CBS broadcasts this year's award ceremony. (The awards are given to TV stars based on votes from viewers.)

The social-network scene so far has been dominated by the likes of News Corp.'s MySpace.com and Facebook Inc.'s Facebook.com, which draw millions of visitors, although a long list of niche sites are increasingly proving a draw. Marketers also are starting to build their own sites, using them as gathering places for consumers to spread buzz about certain products or brands. This move by P&G, the world's biggest advertiser, with an annual ad budget of \$6.7 billion, is likely to draw even more marketers into the arena.

P&G, of Cincinnati, makes a vast array of consumer goods, including Pampers diapers, Folgers coffee and Tide detergent. The two new Web sites follow smaller steps by several P&G brands into social networking recently. P&G's Crest toothpaste brand, for example, launched a MySpace page last year that featured a fictional character called Miss Irresistible encouraging friends to take a quiz. Separately, P&G's Herbal Essences shampoo brand created a MySpace page that allowed people to show off pictures of their hairstyles.

Unlike those efforts, P&G's new sites will be less about promoting specific brands and more about market research. Both new sites will act as continuing focus-group-type environments where P&G—by monitoring consumer discussions on the sites—can learn more about its target audience's likes and dislikes and what consumers in different stages of life care about.

P&G is already an expert in studying consumer behavior, using such methods as visiting consumers at home, but

its new sites offer the chance to do research quicker and on a bigger scale. P&G will use the information to design marketing plans that resonate better with its audience. "It's going to be one giant living dynamic learning experience about consumers," says Jim Stengel, P&G's global marketing officer.

The sites will do some marketing for P&G. The People's Choice site, which will feature Queen Latifah as a host, will carry regular banner ads for P&G and non-P&G products. P&G also hopes the site will bolster the awards show's sagging ratings, which have fallen 36% since 2000, according to Nielsen Media Research.

Marketing on Capessa will be more subtle. P&G won't run ads for its products on Capessa pages. Indeed, the only mention of P&G on the Capessa site is a line at the bottom of Web pages that identifies Capessa as being produced by a P&G company. Yahoo, which is promoting the site as a big feature of its health section, says it doesn't want to over-commercialize the site given the serious nature of subjects being discussed.

Capessa will occasionally offer some links to P&G experts offering tips about specific issues such as parenting or offer up a P&G newsletter on a particular subject. "Much like when a consumer is searching for something today with Google, Yahoo or MSN, brands serve up a message while they are searching to help that consumer but they do it in a way that is engaging and not disruptive," Mr. Stengel says. "If we cross that line we kill the experience."

Success for P&G's new sites is no slam dunk. Retail giant **Wal-Mart Stores** pulled the plug on a teen-targeted social-networking site, "The Hub," last year after it failed to gain steam. Capessa's focus on women pits it against numerous other rivals, including NBC Universal's women-focused Web site iVillage.

P&G believes it has an advantage because both of its sites will be produced by P&G Productions, a unit formed in 1933 that is best known for producing popular soap operas such as "As the World Turns" and "Guiding Light."

Indeed, both sites will have a slicker look than well-established social-networking sites, reflecting the older audience of 18- to 49-year-olds that P&G is aiming for, compared with the teenagers and twentysomethings that crowd sites like MySpace. As a result, on Capessa, instead of encouraging women to post homemade videos, P&G will offer them the chance to be interviewed by P&G's production firm.

"The 18-to-49 core of the demo is not going to want to sift through some of the garbage on YouTube to find some inspirational videos," says Scott Moore, head of news and information for Yahoo Media Group. The site is currently offering video stories such as "How I Lost My Baby Weight—Julie's Story," "Running for Her Life: a Cancer Comeback" and "Mommy Meltdown—Leiah's Story."

Yahoo's venture with P&G on Capessa comes as the Web portal is trying to gain ground in social networking by joining with consumer brands in the creation of specific sites. P&G's content-development partnership with Yahoo is the biggest social-networking deal Yahoo has done with a marketer to date, says Mr. Moore, who declined to discuss terms of the P&G deal.

Other Web giants have taken a similar tack. Last year, **Google** teamed with **Nike** to create Joga.com, a social-networking site dedicated to avid soccer fans.

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