

Accelerating Growth

An Interview with **Melanie Healey**,
Group President-North America, Procter & Gamble

EDITORS' NOTE In 2009, Melanie Healey became Group President-North America and added responsibility for Global Hyper-Super-Mass Channel in 2011. She joined P&G in 1990 as a brand manager and held positions across a variety of brands and countries before becoming Vice President & General Manager Feminine Care North America, President of Global Feminine Care & Adult Care GBU, and Group President of Global Feminine and Health Care. Before joining P&G, Healey worked for Johnson & Johnson Consumer Division and S.C. Johnson & Son. She has been recognized several times by both Fortune and Forbes magazine's "Most Powerful Women" lists. She graduated from the University of Richmond, Virginia with a B.S. in Business Administration in 1983.



Melanie Healey

COMPANY BRIEF P&G (pg.com; P&G) serves approximately 4.8 billion people around the world with its brands. The company has one of the strongest portfolios of trusted and quality leadership brands, including Always®, Ambi Pur®, Ariel®, Bounty®, Charmin®, Crest®, Dawn®, Downy®, Duracell®, Fairy®, Febreze®, Gain®, Gillette®, Head & Shoulders®, Lenor®, Olay®, Oral-B®, Pampers®, Pantene®, SK-II®, Tide®, Vicks®, Wella®, and Whisper®. The P&G community includes operations in approximately 70 countries worldwide.

Would you highlight the strength of P&G in North America and your outlook for growth for the business in that market?

North America is our historical home and the largest market for P&G, representing nearly 40 percent of global revenues in 2013. It's not only our largest revenue market but, not surprisingly, it's also the market where we compete across the widest span of categories, ranging from diapers and shampoo to laundry and health care. We have continued to step up product and commercial innovation, and North America has a strong innovation pipeline. We also continue to see terrific results from two of the company's most memorable programs, our Olympics "Thank You Mom" and "Try It & Love It." I am optimistic about the future and feel strongly that we have the right strategies, goals, organization, and focus to continue to accelerate our growth.

How critical is P&G's culture of innovation to the success of the company and how do you maintain that focus in everything you do?

It is in our DNA. We innovate in products, consumer understanding, branding, supply chain, and how we go-to-market. We constantly renew our understanding of how consumers perceive value to make sure we continue to innovate on what matters most to them. Commercial innovation includes how we go to market. For example, we treat our "Try It & Love it" campaign as if it were a top product innovation. We leverage all of the company assets, capabilities, and programs that we use for our individual brands. Knowing that

P&G launches many new product innovations each year, "Try It & Love it" is an incredibly effective and efficient way of getting that second bang of trial on our new products, and even a third bang of trial six months later. We also activate our new product innovations at the first moment of truth – in-store – behind big displays that showcase them. For example, our Olympics "Thank you Mom" campaign and Special Olympics program continue to get big displays year-after-year to drive trial behind our brands.

Innovation also goes hand-in-hand with productivity because productivity generates the means by which you can invest in innovation. Last year, we had 7 out of the top 10 non-food top product launches in the United States, bringing our total since 2000 to 65 top innovations – this is more than all our competitors combined. But we know we must not get complacent and that we must keep moving the innovation wheel. We do that by ensuring that the consumer is at the center of everything we do. We listen carefully and we use those insights coupled with our technologies to develop products that are either better or new to the world.

Would you highlight P&G's ability to provide "value" and offer a few examples of P&G's value proposition?

We see value as the benefit consumers experience from product performance and quality for the price they pay. Our focus has to be all about communicating the value of our brands and products, the strength of their performance, and the value of our innovation. If it means one less trip to the dentist to whiten their teeth, that's value. Some people are happy to pay more for better performance and quality if they see the value of that increased performance and value, while others are more conscious about performance at a specific and more affordable price. To win, we must do both.

P&G has a number of women at senior levels of the company that are leading different parts of the business. How important is this to the success of the business?

A diverse and inclusive employee base is critical to success. We have an amazing level of diversity across the company and that is an important contributor to our innovation success. We have employees from 145 nationalities across 75 countries. P&G is committed to creating this environment and offering the support, structure, and training that enables everyone to succeed. Over time, diverse organizations always outperform homogeneous groups. P&G has been consistently recognized as a top company for female leaders, and five of our 12 board directors are women.

How critical is corporate citizenship and community engagement to the culture of the company, and do the areas that P&G supports need to align with the business?

Our support for people and for the communities they call home has been part of P&G's culture and mission for just about our entire 175-year history. We define corporate responsibility very broadly to encompass both environmental and social responsibility. We truly believe that we can do well by doing good. This means helping communities in all parts of the world in ways that are meaningful to them, but also meaningful for our shareholders. We are a "for-profit" business and it is important that we deliver for all of our stakeholders, and this includes our employees, and people in the communities in which we operate. The corporate responsibility programs we have globally are far-reaching and include our Children's Safe Drinking Water initiative, Pantene Beautiful Lengths, Protecting Futures with Always, the Pampers/UNICEF vaccine program, and Tide Loads of Hope, to name just a few.

How do you define what makes an effective leader today?

It starts with setting a clear vision of what success looks like and making the critical strategic choices that enable your team to deliver both short and longer term goals. This ability to develop other leaders, recognize their potential, build their self-confidence, and celebrate their successes is pivotal in strong leadership. Honesty, transparency, and integrity combined with a culture of humility and inclusiveness and a willingness to face and embrace reality and opportunity with resilience, optimism, and determination are critical leadership traits in today's world. ●