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Gillette's Latest Innovation in Razors: the 11-Cent Blade

Gillette's newest shaving system has just one blade, a light plastic handle and a sharply lower price. And it isn't available in the U.S.

The Gillette Guard, the latest razor from the Procter & Gamble Co. unit, instead will begin hitting stores in India next week.

The move by the maker of five-bladed, battery-powered gizmos reflects P&G's aggressive push into emerging markets for new customers and growth. That focus is forcing P&G to be more modest on scale and more flexible on price.

Gillette commands about 70% of the world's razor and blade sales, but it lags behind rivals in India and other developing markets, mainly because those consumers can't afford to buy its flagship products.

The stripped-down Gillette Guard is designed to be affordable. The razor costs 15 rupees, or 34 cents, and uses blades that cost five rupees, or 11 cents.

By contrast, the Mach 3 blades that Gillette has been selling in India cost about 100 rupees, around $2.24.

Close Competition

Procter & Gamble, looking to improve its market share in India, will offer the Gillette Guard, whose blades cost just 11 cents each. Estimated market share for select razor brands in India for 2009.

Brand	Company	Share
Super-Max	Super-Max	15%
Gillette Vector	P&G	13%
Topaz	Malhotra Shaving Products	10%
Gillette Mach3	P&G	9%
Schick-Wilkinson Sword	Energizer Holdings	8%
Laser	Malhotra Shaving Products	6%

Sources: Euromonitor International

"The first job is to bring more consumers into Gillette," says Alberto Carvalho, P&G's vice president of male grooming in emerging markets. "When they start enjoying a better shave, they'll be more open to all solutions."

Gillette Guard is aiming to lure users of double-edge razors, about 400 million men in India, according to P&G estimates. In India, a brand called Super-Max holds the lead in double-edge blades, which cost roughly 1.5 to 2 rupees, which is half of the cost of even Gillette Guard.

Winning over low-income consumers in developing markets is crucial to the growth strategy of P&G's chief executive, Robert McDonald. Over the next five years, Mr. McDonald wants to boost the company's total customer base for its many products to five billion of the world's