

BRL

GE ELEC-TRAK

MULTI-PART MARKETING SURVEY

PROJECT

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ELEC-TRAK TRACTOR MULTIPART MARKETING SURVEY PROJECT

The Problem: Through June 1973, Elec-Trak retail sales were essentially the same as through the identical period in 1972. Although sales peaked earlier in '73 and dealers generally felt '73 advertising produced the greatest number of inquiries ever, immediate retail sales effects of a \$1.36MM advertising/co-op program were generally no greater in 1973. Further, until industry statistics are available, it must be assumed that the '73 market climate did not differ appreciably from the '72 climate.

The Surveys: To determine why a greater immediate conversion of calls to sales wasn't realized, a five-part survey was conducted - part by OPEO A&SP, part by HFM Advertising (NY), part by Time Magazine and part by an independent research organization.

1. Owner's Survey - A survey card was mailed by OPEO to 1,560, 1973 Elec-Trak buyers. Purpose of the survey was to find where the buyer found out about Elec-Trak and what influenced him most in purchasing. Attachment A.
2. Zip Income Survey - A computer study was conducted by Time Magazine in the Chicago metropolitan area to determine average income level and home value of 1973 Elec-Trak buyers. Sixty-two 1973 buyers were taken from the OPEO Warranty printout, their zip codes paired with Time's bank of zip code data, and a report issued on median Elec-Trak owners. Attachment B.
3. Dealer In-depth Survey - 32 dealers were visited by HFM and OPEO to determine what happened to an Elec-Trak prospect after his interests were aroused by advertising. Dealers were located in Dayton, Ohio; Detroit, Michigan; St. Louis, Missouri; Richmond, Virginia; Winston-Salem, North Carolina; New York, New York; and Indianapolis, Indiana. They were chosen based on their 1973 retail sales performance ranging from a high of 31 tractors to a low of 0. In all cases but Washington, D.C.; the 8 page supplement had run in the major newspapers, although in some cases the dealers were on the fringe of newspaper coverage. Attachment C.

4. Dealer Telephone Survey - 30 Elec-Trak dealers were contacted by telephone by HFM to determine dealer telephone sales techniques. HFM identity was not disclosed and the caller acted as an interested shopper. Dealers were the same as those contacted in Dealer In-depth Survey. Two were not available. Attachment D.

5. Consumer Study - While visiting each of the 32 dealers, the names and addresses of 95, 1973 Elec-Trak buyers and 77, 1973 gas tractor buyers were procured on a basis of 4 each per dealer where possible. It was initially planned to procure the names of "Elec-Trak lookers" from these same dealers, but it was found dealers generally (Rochester exception) do not log prospects. Therefore, 48, 1973 inquiry names and addresses (people who wrote to OPEO for information) were used as a substitute. Of these totals, 47 Elec-Trak buyers, 22 gas buyers and 23 "lookers" were contacted by telephone and each participated in a 30-minute in-depth interview to:
 - a. Determine product satisfaction among current Elec-Trak owners.
 - b. Investigate the factors contributing to product satisfaction or dissatisfaction.
 - c. Identify the major characteristics responsible for consumer interest in Elec-Trak.
 - d. Provide a profile of the prospective Elec-Trak purchaser.

Attachment E

Findings Summarized: Although each of the five surveys was performed independently, their findings support one another and are tied together by a common thread. Major factors contributing to the lack of greater immediate Elec-Trak tractor retail sales in 1973 were:

1. While the insert strategy proved to be correct, the strongest possible message was not communicated through this vehicle.

2. The Elec-Trak dealer network offered no greater sales push for Elec-Trak than for gas lines.

The biggest obstacle to purchase of an Elec-Trak tractor by qualified buyers was Price. Elec-Trak price is felt by buyers and dealers to be about \$200 higher than comparable gas tractors. But this price barrier can be overcome with the combination of a discount/free mower program and concentrating communications on the unique selling proposition of Elec-Trak - Quiet Operation ... the single biggest benefit to justify the extra expense in buyers' minds. In addition, extra dealer selling enthusiasm for Elec-Trak must be built or accepted the way it is.

FINDINGS DETAILED

- I. Who Elec-Trak Buyers Are - The Elec-Trak purchaser was generally somewhat younger and better educated than gas tractor purchasers.

DEMOGRAPHIC PROFILE

Consumer Survey

| | BASE | Elec- Trak Pur- <u>chasers</u> | Gas Pur- <u>chasers</u> | Elec- Trak <u>"lookers"</u> |
|--------------------------|--------|---|-------------------------------|-----------------------------------|
| | 47 | 22 | 23 | |
| | % | % | % | |
| <u>Age</u> | | | | |
| Under 25 | - | - | - | |
| 25 to 34 | 22 | 9 | 9 | |
| 35 to 39 | 20 | 9 | 9 | |
| 40 to 44 | 13 | 14 | 22 | |
| 45 to 49 | 15 | 18 | 17 | |
| 50 to 59 | 17 | 23 | 22 | |
| 60 or over | 13 | 18 | 22 | |
| Average (mean) | (44.3) | (47.9) | (48.8) | |
| <u>Education</u> | | | | |
| Some high school or less | 15 | 14 | 17 | |
| Graduated high school | 20 | 46 | 39 | |
| Some college | 15 | 14 | 9 | |
| Graduated college | 48 | 23 | 30 | |
| <u>Income</u> | | | | |
| Under \$5,000 | - | - | 9 | |
| \$ 5,000 to \$ 7,999 | 4 | - | 9 | |
| \$ 8,000 to \$ 9,999 | 7 | 5 | - | |
| \$10,000 to \$14,999 | 13 | 9 | 17 | |
| \$15,000 or over | 65 | 23 | 48 | |
| Refused | 11 | 63 | 16 | |

Table 24

CURRENT ELEC-TRAK TRACTOR OWNERSHIP

Consumer Survey

| | BASE | <u>Elec-Trak Purchasers</u> % |
|-----------------------|------|--------------------------------------|
| <u>G.E. Elec-Trak</u> | | <u>100</u> |
| E 8 | | 3 |
| E 8 HM | | 6 |
| E 10 M | | 12 |
| E 12 M | | 18 |
| E 12 | | 21 |
| E 15 | | 18 |
| E 20 | | 15 |
| Don't know model # | | 6 |

Table 6

ZIP CODE SURVEY

average income level and home value -

Results:

| <u>Income</u> | <u>GE Zips</u> | <u>GE Sales (Units)</u> | <u>Total Zips in Chicago</u> | <u>% Sales</u> | <u>Index of Sales</u> |
|--------------------------------|----------------|-------------------------|------------------------------|----------------|-----------------------|
| <i>\$17.5M</i> 1st Quintile | 26 | 29 | 65 | 46.7 | 233.5 |
| 2nd Quintile | 18 | 18 | 63 | 29.1 | 145.5 |
| 3rd Quintile | 12 | 12 | 50 | 19.4 | 97.0 |
| 4th Quintile | 3 | 3 | 34 | 4.8 | 29.0 |
| 5th Quintile | 0 | 0 | 21 | 0 | 0 |

| <u>Home Value</u> | <u>Units Sold</u> | <u>%</u> | <u>Index</u> |
|--------------------------------|-------------------|----------|--------------|
| <i>\$32.7M</i> 1st Quintile | 31 | 50.0 | 250.0 |
| 2nd Quintile | 21 | 33.8 | 168.3 |
| 3rd Quintile | 9 | 14.5 | 78.5 |
| 4th Quintile | 1 | 1.6 | 0.8 |
| 5th Quintile | 0 | - | - |

II. What They Liked About Elec-Trak - The major factors responsible for both consumer interest in, and satisfaction with the G.E. Elec-Trak tractor are: quiet operation; general ease of operation; and ease of maintenance.

Dealer Survey

9. What was the biggest single reason for buying, i.e. what tipped the scales?

| | |
|--|----|
| Quiet | 19 |
| Ease of Operation | 12 |
| Less maintenance (compared to gas usually) | 12 |
| Clean | 5 |
| No vibration | 4 |
| Front mounted attachments | 4 |
| Gas shortage | 1 |
| Safety | 2 |
| Ecology | 1 |
| No heat | 1 |

Keep in mind we're asking the dealer to tell us why he thinks a person buys an Elec-Trak. There could be hidden feeling that he would not be able to spot. Conclusion: nothing surprising here except that the idea of safety and ecology and gas shortage showed up poorly. Front end attachments showed up very strong; several dealers said it was very important.

REASONS FOR CHOSING ELEC-TRAK OVER OTHER ALTERNATIVES
 (Among Elec-Trak Purchasers)

| Consumer Survey | | BASE | 47 |
|--------------------|-----------------------------------|------|----------|
| | | | % |
| <u>Maintenance</u> | | | |
| | Easy to maintain. | | 17 |
| | Don't like to work on gas engines | | 9 |
| <u>Operation</u> | | | |
| | Quiet to operate | | 11 |
| | Cleaner to operate | | 9 |
| | Easier to operate | | 9 |
| <u>Features</u> | | | |
| | Safety features | | 9 |
| | Mower in front | | 6 |
| | Good features (N.S.) | | 2 |
| <u>Cost</u> | | | |
| | Cheaper to run | | 6 |
| | Reasonable price | | 2 |
| | Preferred over others | | 9 |
| | Wife can use it | | 2 |
| | <u>Dealer recommended</u> | | <u>2</u> |
| | Liked it (N.S.) | | 13 |
| | Other mentions | | 13 |

Table 8

PREVIOUS LAWN TRACTOR OWNERSHIP
(Among Current Elec-Trak Owners)

Consumer Survey

| | BASE | <u>Elec-Trak Purchasers</u> |
|----------------------------|------|---------------------------------|
| | | 47 % |
| Owned a lawn tractor | | 62 |
| Did not own a lawn tractor | | 38 |

Table 7

SATISFACTION WITH ELEC-TRAK
(Among Elec-Trak Owners)

Consumer Survey

| | BASE | <u>Elec-Trak Purchasers</u> % |
|--------------------------------|------|--------------------------------------|
| Owners Who Indicated They Are: | | |
| Extremely satisfied | | 49 |
| Satisfied | | 38 |
| No strong feelings | | 13 |
| Dissatisfied | | - |

Table 9

CHARACTERISTICS DISLIKED ABOUT ELEC-TRAK

Consumer Survey

| | BASE | Elec- Trak Pur- chasers 47 % | Gas Pur- chasers 22 % | Elec- Trak "lookers" 23 % |
|---------------------|------|---|-----------------------------------|---------------------------------------|
| Disliked something | | 60 | 68 | 60 |
| Controls poor | | 11 | - | - |
| Poor construction | | 9 | 5 | - |
| Too heavy | | 6 | 9 | - |
| Not enough power | | 6 | 14 | - |
| Overheats | | 6 | - | - |
| Limited range | | 4 | 14 | 5 |
| Had problems (N.S.) | | 13 | - | - |
| Too expensive | | - | 5 | 30 |
| Other dislikes | | 17 | 9 | 30 |

Table 14

Dealer Survey

12. Did the buyers in general exhibit any overall misunderstanding about the tractor? What misapprehension did you have to correct?

| | |
|-----------------------|----|
| General understanding | 15 |
| Some misunderstanding | 6 |
| Think it needs cord | 6 |
| Unknown | 4 |
| Lack of understanding | 2 |

There was strong agreement among dealers that the prospects (at least those that came into the store) had a good understanding of what an Elec-Trak is. This could be attributed to the advertising and word-of-mouth over the past few years. The idea that the insert should be full of facts and information may be supported by these findings. There is still some lingering misconception among some few who think the Elec-Trak needs a cord to run.

CHARACTERISTICS LIKED ABOUT ELEC-TRAK

Consumer Survey

| | BASE | Elec- Trak Pur- chasers 47 % | Gas Pur- chasers 22 % | Elec- Trak "lookers" 23 % |
|---------------------------------|------|---|-----------------------------------|---------------------------------------|
| Like something | | 100 | 90 | 69 |
| <u>Operation</u> | | | | |
| Quiet to operate | | 49 | 36 | 13 |
| Easier to operate | | 30 | 9 | 5 |
| Easier to start | | 15 | - | 5 |
| Smooth running/no vibrations | | 6 | - | - |
| Cleaner to operate | | 4 | - | 9 |
| <u>Maintenance</u> | | | | |
| Easier to maintain | | 30 | 5 | 22 |
| Economical to maintain | | 6 | - | 5 |
| No tune-ups | | 2 | - | - |
| <u>Features</u> | | | | |
| Batteries better than gas | | 55 | 5 | 30 |
| Safer/Safety Features | | 26 | - | 17 |
| More versatile/more accessories | | - | 9 | 44 |
| Does good mowing job | | 11 | - | 9 |
| Reliable | | 6 | 5 | 9 |
| Faster | | 2 | - | 5 |
| Like everything | | 4 | - | - |
| Just like it (N.S.) | | 9 | 36 | 13 |

Table 13

WAYS IN WHICH ELEC-TRAK IS DIFFERENT FROM OTHER LAWN TRACTORS

Consumer Survey

| BASE | Gas | Elec-Trak |
|-------------------------------|-------------------|------------------|
| | <u>Purchasers</u> | <u>"lookers"</u> |
| | 22 | 23 |
| | % | % |
| Is electric (battery) powered | -68 | 91 |
| Quiet to operate | 18 | 24 |
| No pollution | 14 | 9 |
| Easier to control | 5 | 17 |
| Less maintenance | 5 | 9 |
| Is economical | - | 9 |
| Safer to operate | - | 13 |

Table 19

PERCEIVED ADVANTAGES OF BATTERIES OVER GAS

Consumer Survey

| BASE | Gas | Elec-Trak |
|----------------------------------|-------------------|------------------|
| | <u>Purchasers</u> | <u>"lookers"</u> |
| | 22 | 23 |
| | % | % |
| Would be quieter | 18 | 9 |
| Would be more economical | 18 | 17 |
| Would require less maintenance | 18 | 9 |
| Would create less pollution | 18 | 13 |
| Would be more convenient | 9 | 5 |
| Would be easier to start/operate | 9 | 9 |
| Would be safer | 5 | 22 |

Table 17

RATINGS FOR SPECIFIC CHARACTERISTICS

Consumer Survey

| | Elec- Trak Pur- <u>chasers</u> | Gas Pur- <u>chasers</u> | Elec- Trak <u>"lookers"</u> |
|------------------------------|---|-------------------------------|-----------------------------------|
| BASE | 47 | 22 | 23 |
| | % | % | % |
| Believe Elec-Trak is: | | | |
| Easier to operate | 65 | 23 | 65 |
| About the same, or | 33 | 46 | 26 |
| Not as easy to operate | - | 14 | - |
| . . . as gas fuel tractors | | | |
| Believe Elec-Trak is: | | | |
| Safer to operate | 89 | 36 | 87 |
| About the same, or | 11 | 50 | 9 |
| Not as safe to operate | - | - | - |
| . . . as gas fuel tractors | | | |
| Believe Elec-Trak: | | | |
| Costs less to operate | 83 | 41 | 70 |
| Costs about the same, or | 7 | 36 | 13 |
| Costs more to operate | 2 | 5 | 4 |
| . . . than gas fuel tractors | | | |
| Believe Elec-Trak is: | | | |
| Easier to maintain | 83 | 36 | 83 |
| About the same, or | 9 | 41 | 4 |
| Not as easy to maintain | 2 | 9 | 9 |
| . . . as gas fuel tractors | | | |
| Believe Elec-Trak: | | | |
| Costs less to maintain | 87 | 50 | 74 |
| Costs about the same, or | 7 | 27 | 9 |
| Costs more to maintain | 2 | 9 | 9 |
| . . . than gas fuel tractors | | | |

Table 15

PERCEPTION OF G.E. ELEC-TRAK TRACTOR
(Among Non-Purchasers)

Consumer Survey

| BASE | Gas Purchasers 22 % | Elec-Trak "lookers" 23 % |
|-------------------------------------|------------------------------|-----------------------------------|
| <u>Described G.E. Elec-Trak as:</u> | | |
| <u>Electric References</u> | | |
| Battery driven/rechargeable | 45 | 35 |
| No gas needed | 5 | 26 |
| 3 power units | 5 | - |
| <u>Operation</u> | | |
| Quieter | 18 | 30 |
| Simpler to operate | 9 | 22 |
| <u>Other Positive Mentions</u> | | |
| Convenient | 5 | 9 |
| Good for small areas | 9 | 9 |
| Belt driven | 5 | - |
| Economical | - | 13 |
| <u>Negative Mentions</u> | | |
| Batteries too expensive | 5 | - |
| Not attractive | 5 | - |
| Limited range | 5 | - |
| Could not describe | 36 | - |

Table 16

III. What They Didn't Like About Elec-Trak - Initial expense and perceived limited range were the most negatives associated with the G.E. Elec-Trak.

Dealer Survey

2. What questions were asked most often by these callers?

| | |
|----------------------------|----|
| Price | 23 |
| Range | 7 |
| Battery Life & Warranty | 4 |
| Power | 2 |
| Service | 1 |
| Others | 2 |
| Unknown or n/a | 7 |

The overwhelming impression of the dealers was that people wanted to know what the tractor cost. In some cases the people had obviously been price-shopping among various dealers. A few dealers did not give out prices, it should be pointed out. Conclusion: most people are aware of tractor prices (see question 13 on gas tractor prices too) and that's the question they ask. Seems that most other questions were a.) either answered in the insert, or b.) saved for the visit to the dealership.

Telephone Survey - 30 dealers

How does Elec-Trak compare in price to a comparable gas tractor?

| | <u>Dealers</u> |
|--|----------------|
| Costs about same | 14 |
| Costs more than gas | 4 |
| Costs less than gas | 3 |
| Gave specific price or other answer | 9 |

Dealer gave specific price over phone.

| | |
|-----|----|
| Yes | 10 |
| No | 20 |

Showed good handling of price question by justifying price in some way.

| | |
|----------------|----|
| Yes | 23 |
| No | 5 |
| Not applicable | 2 |

Dealer Survey

14. Of those who came into the store and did not buy, what was the biggest single reason for not buying. Next biggest reason?

| | |
|---------------------|----|
| Price | 23 |
| Fear of new concept | 8 |
| Range | 6 |
| Battery life | 2 |
| Service | 2 |
| Rainy weather | 1 |
| Don't know | 5 |

Price and range again show up. And there is still a lack of complete confidence in a tractor that runs on electric. This was particularly noticeable in the rural areas. Most dealers talked to said their customers were doctors, lawyers, bankers and the like...probably less afraid of new ideas. And, therefore, less likely to be mechanically inclined and thus more attracted to the ease of operation of the Elec-Trak and its low maintenance.

Dealer Survey

6. What did those who came into the store ask about?

| | |
|-----------------------------------|----|
| Detailed explanation of operation | 16 |
| Price | 10 |
| Battery Life/warranty | 5 |
| Range | 3 |
| Power | 3 |
| Service | 1 |
| Safety | 1 |
| No answer | 6 |

While price was still a major question, most people saved detailed questions for the visit to the dealer. Refer to question 10 as well. Conclusion: Detailed questions are saved for the visit. Dealer should have literature to hand out at that time. Dealer should be able to answer all the detailed questions. Areas of consumer interest are: Range and battery life and warranty. Little concern for service capability of dealer may be indicated here.

Dealer Survey

10. What was the biggest objection you had to overcome?

| | |
|-------------------------|----|
| Price | 19 |
| Range | 8 |
| Battery life/cost, etc. | 4 |
| Fear of new idea | 4 |
| Power | 1 |

Conclusion: Price was the one thing that seemed to be everybody's objection. The general feeling among dealers is that Elec-Trak is \$150-200 overpriced compared to an equal horsepower gas tractor. In higher income suburban areas, the objection is not as strong as in the lower income rural areas. The dealers were quite definite on this point. Many said they could have doubled their sales if they could get down on the price a little. For specifics see each survey. The other two questions people had, and they should be addressed in future advertising, were range and battery life and warranty. Power did not seem to be an objection. Apparently seeing the machine or trying it out overcame any such objection.

Dealer Survey

11. Which objection could you not overcome?

| | |
|-----------------------------------|-------------------------|
| Price | 14 |
| No Answer | 8 |
| Range | 6 |
| No objections not overcome | 3 |
| Battery life | 3 |
| Power | 2 |
| Price cutting by other dealers | 2 (Both in Dayton area) |
| Service | 1 |
| Cutting quality | 1 |

Conclusion: as mentioned in No. 10, dealers could not overcome the price objection. Also, you'll note that 8 dealers would not answer and 3 said there was no objection they could not overcome...so there was some lack of willingness to admit that there were things they could not overcome. The range subject may have to be more thoroughly discussed in the advertising. Battery life and warranty is also an objection that could not be overcome in some cases.

PERCEIVED COST OF ELEC-TRAK LAWN TRACTOR

Consumer Survey

| | BASE | Elec- Trak Pur- <u>chasers</u> | Gas Pur- <u>chasers</u> | Elec- Trak <u>"lookers"</u> |
|--|------|---|-------------------------------|-----------------------------------|
| | | 47 | 22 | 23 |
| | | % | % | % |
| The cost of the Elec-Trak tractor was (would be): | | | | |
| More, | | 55 | 23 | 39 |
| About the same, or | | 34 | 50 | 39 |
| Less | | 9 | 9 | 22 |

. . . than comparable gas fueled tractors.

Table 11

RETAIL PRICE OF CURRENTLY OWNED LAWN TRACTOR

Consumer Survey

| | BASE | Elec- Trak Pur- chasers 47 % | Gas Pur- chasers 22 % | Elec- Trak "lookers" 15 % |
|--------------------|------|---|-----------------------------------|---------------------------------------|
| Under \$1,000 | | 11 | 9 | 47 |
| \$1,000 to \$1,099 | | 4 | 14 | 13 |
| \$1,100 to \$1,199 | | 4 | 9 | - |
| \$1,200 to \$1,299 | | 4 | - | - |
| \$1,300 to \$1,499 | | 28 | 36 | 7 |
| \$1,500 to \$1,999 | | 26 | - | - |
| \$2,000 or over | | 13 | 14 | 20 |
| Don't know/refused | | 10 | 18 | 7 |
| Average (mean) | | (\$1,511) | (\$1,322) | (\$753) |

Table 10

Dealer Survey - 30

13. Do most people realize what gas tractors cost?

| | |
|---------|----|
| Yes | 25 |
| No | 2 |
| Usually | 2 |

The consumer is pretty well educated about the price when he starts shopping for considered purchase items like a garden tractor. This is a factor to contend with...a few dollars either way might be important in sales for Elec-Trak.

REASONS FOR HIGHER COST OF ELEC-TRAK
 (Among respondents indicating the
 brand was (would be) more expensive)

Consumer Survey

| | Elec- Trak Pur- chasers | Gas Pur- chasers | Elec- Trak "lookers" |
|--|----------------------------------|------------------------|----------------------------|
| BASE | 26 | 5 | 9 |
| | % | % | % |
| <u>Maintenance</u> | | | |
| Easier to maintain | 46 | - | 11 |
| Doesn't need tune-ups | 4 | - | 11 |
| <u>Operation</u> | | | |
| Quiet to operate | 42 | - | - |
| Easier to operate | 15 | - | 11 |
| <u>Features</u> | | | |
| Safety features | 19 | - | - |
| Options available | 4 | - | 22 |
| More economical, costs less to operate | 23 | 20 | - |
| No gas needed | 19 | 40 | - |
| More reliable, efficient | 12 | - | 22 |
| Batteries cost more | - | 60 | - |
| More power | - | - | 22 |

Table 12

PERCEIVED DISADVANTAGES OF BATTERIES OVER GAS

Consumer Survey

| BASE | Gas | Elec-Trak |
|---|-------------------|------------------|
| | <u>Purchasers</u> | <u>"lookers"</u> |
| | 22 | 23 |
| | % | % |
| Batteries would be expensive to replace | 23 | 17 |
| Would have limited range | 18 | 30 |
| Would not have as much power | 14 | - |
| Would be inconvenient to charge | 14 | - |
| Would be less reliable | 5 | - |

Table 18

Dealer Survey

16. What in your opinion would be of the biggest help in improving the rate of conversion of lookers to buyers?

Most answers had to do with correcting the price problem already mentioned. And there were a variety of other recommendations listed on the attached forms. In general there was satisfaction with this year's advertising effort and wouldn't mind more of the same.

REASONS FOR NOT PURCHASING G.E. ELEC-TRAK TRACTOR

Consumer Survey

| BASE | Gas | Elec-Trak |
|-------------------------------------|-------------------|------------------|
| | <u>Purchasers</u> | <u>"lookers"</u> |
| | 22 | 23 |
| | % | % |
| Too expensive to purchase | 23 | 30 |
| Limited range | 23 | 5 |
| Don't like battery power | 14 | - |
| Unproven (too new) | 9 | 9 |
| Too heavy | 9 | - |
| No convenient dealership | - | 9 |
| Too expensive to maintain | - | 9 |
| Service might not be available | - | 5 |
| Wasn't what I wanted (N.S.) | 36 | - |
| Not currently in market for tractor | - | 26 |
| Prefer other brand | 27 | - |
| Am planning to purchase | - | 13 |

Table 20

IV. Where They Heard About The Elec-Trak - Dealers and advertising work together equally in generating awareness of and interest in the G.E. Elec-Trak.

BRAND AWARENESS - LAWN TRACTORS
(Selected Brands)

Consumer Survey

| | BASE | Elec- Trak Pur- chasers | Gas Pur- chasers | Elec- Trak "lookers" |
|-----------------------------------|------------|----------------------------------|------------------------|----------------------------|
| | 47 | 22 | 23 | |
| | % | % | % | |
| <u>G.E. Elec-Trak</u> | <u>100</u> | <u>100</u> | <u>100</u> | |
| Unaided | 94 | 5 | 70 | |
| Aided | 6 | 95 | 30 | |
| <u>Bolens</u> | <u>85</u> | <u>82</u> | <u>57</u> | |
| Unaided | 28 | 23 | 13 | |
| Aided | 57 | 59 | 44 | |
| <u>John Deere</u> | <u>97</u> | <u>100</u> | <u>74</u> | |
| Unaided | 40 | 50 | 22 | |
| Aided | 57 | 50 | 52 | |
| International Harvester (unaided) | 15 | 41 | 26 | |
| Ford (unaided) | 6 | 5 | 4 | |
| Sears (unaided) | 6 | 5 | 30 | |

Table 1

ADVERTISING AWARENESS - LAWN TRACTORS
(Selected Brands)

Consumer Survey

| | BASE | Elec- Trak Pur- chasers 47 % | Gas Pur- chasers 22 % | Elec- Trak "lookers" 23 % |
|-----------------------------------|------|---|-----------------------------------|---------------------------------------|
| <u>G.E. Elec-Trak</u> | | <u>92</u> | <u>78</u> | <u>92</u> |
| Unaided | | 62 | 5 | 48 |
| Aided | | 30 | 73 | 44 |
| <u>Bolens</u> | | <u>55</u> | <u>82</u> | <u>39</u> |
| Unaided | | 23 | 27 | 13 |
| Aided | | 32 | 55 | 26 |
| <u>John Deere</u> | | <u>60</u> | <u>100</u> | <u>74</u> |
| Unaided | | 26 | 46 | 22 |
| Aided | | 34 | 54 | 52 |
| International Harvester (unaided) | | 11 | 23 | 13 |
| Ford (unaided) | | 4 | 9 | - |
| Sears (unaided) | | 9 | 14 | 26 |

Table 2

SOURCE OF ADVERTISING AWARENESS: G.E. Elec-Trak

Consumer Survey

| | Elec- Trak Pur- chasers | Gas Pur- chasers | Elec- Trak "lookers" |
|------|----------------------------------|------------------------|----------------------------|
| BASE | 43 | 17 | 21 |
| | % | % | % |

Source Of Advertising Awareness:

| | | | |
|-----------|----|----|----|
| Newspaper | 53 | 47 | 43 |
| Showroom | 33 | 59 | 29 |
| T.V. | 23 | 6 | 29 |

Table 3

SOURCE OF INITIAL ELEC-TRAK AWARENESS
(Unaided)

Consumer Survey

| | Elec- Trak Pur- chasers | Gas Pur- chasers | Elec- Trak "lookers" |
|-------------------------|----------------------------------|------------------------|----------------------------|
| BASE | 47 | 22 | 23 |
| | % | % | % |
| Saw Elec-Trak At Dealer | 36 | 68 | - |
| <u>Saw Advertising</u> | | | |
| Newspaper (supplement) | 30 | 9 | 35 |
| Magazine | 15 | 9 | 26 |
| TV | 9 | - | 13 |
| Advertising (N.S.) | - | 14 | 9 |
| Friend Recommended | 15 | 5 | 9 |

Table 4

SOURCE OF AWARENESS OF ELEC-TRAK INSERT
(Among Respondents Aware Of Insert)

Consumer Survey

| | BASE | <u>Elec-Trak Purchasers</u> 38* % |
|------------------|------|---|
| Newspaper | | 55 |
| Dealers Showroom | | 55 |
| Other | | - |

* NOTE: Adds to greater than 100% because of multiple answers.

Table 5

Dealer Survey

1. How many calls did you get after the insert appeared?

Most dealers were just not sure of the number. Most were very enthusiastic and said they got a lot of calls. One dealer said he'd been in the business 27 years and it was the greatest thing he'd ever seen. Several said the numbers of calls was remarkable. Conclusion: in most areas, insert prompted a high level of consumer interest which was channelled into a positive action such as a phone call and, as we shall see later, visits to the dealership.

INFLUENCE OF ELEC-TRAK DEALERS
(Among Elec-Trak Purchasers)

Consumer Survey

| | BASE | 47 % |
|----------------------------------|------|---------|
| Respondent indicated: | | |
| Dealer was more influential | | 29 |
| Advertising was more influential | | 30 |
| Both equal | | 30 |
| No answer | | 11 |

Table 21

Owner Survey
As of 8/17/73

| | | |
|--------------------------------|--------------|----------|
| Total questionnaires mailed: | 1,560 (1528) | 33 Nixes |
| Total questionnaires returned: | 622 | |
| Percent returned: | 39.9% | (40.7%) |

1. Number of owners learning about Elec-Trak from:

| | | |
|-----------------------|------|-------|
| Supplement | 233* | 37.5% |
| Dealer recommendation | 238* | 38.3% |

*Indicated both (22%)

| | | |
|----------------------------|-----|-------|
| Next highest: News Article | 141 | 22.7% |
|----------------------------|-----|-------|

2. Influenced most by:

| | | |
|------------|-----|-------|
| Dealer | 102 | 16.4% |
| Supplement | 68 | 10.9% |
| Demo | 35 | 5.6% |

| | | |
|---------------------------------|-----|-------|
| 3. Tried 800# <u>no trouble</u> | 145 | 23.3% |
| Tried 800# <u>had trouble</u> | 27 | 4.3% |
| Didn't try | 378 | 60.8% |

4. Number requiring personal answer (DAQ or RMF) --dissatisfied.

| | |
|----|------|
| 49 | 6.6% |
|----|------|

REACTIONS TO ELEC-TRAK DEALERS

Consumer Survey

| | Elec- Trak Pur- chasers | Gas Pur- chasers | Elec- Trak "lookers" |
|-----------------------|----------------------------------|------------------------|----------------------------|
| BASE | 47 | 22 | 23 |
| | % | % | % |
| Elec-Trak Dealer Was: | | | |
| Extremely helpful | 37 | 27 | 22 |
| Very helpful | 50 | 59 | 26 |
| Not too helpful | 9 | 5 | 17 |
| Not at all helpful | 4 | 5 | - |
| No answer | - | 4 | 35 |

. . . in explaining the advantages of ~~Elec-Trak~~ tractor purchased

Table 22

EXTENT TO WHICH DEALER ADVISED ELEC-TRAK
PURCHASE vs. GAS FUEL TRACTOR

Consumer Survey

| BASE | Elec- Trak Pur- <u>chasers</u> | Gas Pur- <u>chasers</u> | Elec- Trak <u>"lookers"</u> |
|---------------------------------|---|-------------------------------|-----------------------------------|
| | 47 | 22 | 23 |
| | % | % | % |
| Dealer advised Elec-Trak | 20 | 5 | 4 |
| Dealer did not advise Elec-Trak | 76 | 95 | 26 |
| (No Answer) | 4 | - | 70 |

. . . rather than gas fuel tractor

Table 23

Telephone Survey

Dealers made any attempt to switch to gas.

| | |
|----------------|----|
| No | 28 |
| Yes | 0 |
| Not applicable | 2 |

Did the dealer show particular enthusiasm for Elec-Trak (i.e., some kind of selling job)?

| | |
|----------------|----|
| Yes | 21 |
| No | 6 |
| Not applicable | 3 |

Did the dealer exhibit good telephone technique in general?

| | |
|-----------------------|----|
| Excellent, aggressive | 6 |
| Good | 18 |
| Poor | 5 |
| Not applicable | 1 |

Dealer said he had a "sale".

| | |
|-----|----|
| Yes | 7 |
| No | 23 |

*1st used Orig.
Miller asked*

Dealer Survey - in person

17. Do you use the Elec-Trak yourself?

| | |
|-----|----|
| Yes | 17 |
| No | 16 |

18. Did you read the insert?

| | |
|--------------|----|
| Yes | 20 |
| No | 6 |
| Looked at it | 5 |

19. Did you advertise the same, less or more?

| | |
|-----------|----|
| Same | 12 |
| More | 10 |
| Less | 8 |
| No Answer | 2 |

August 22, 1973

1974 DIRECTION

| | |
|---|-------------------|
| I. GE INTERNAL PROGRAM | \$25,000. |
| a. Shareowner, April 1, 650M | |
| b. Employee paper inserts, 320M | |
| II. OWNER CONFIDENCE PROGRAM | \$16,000. |
| a. 4pp quarterly use & care/maintenance/ new products pub. | |
| b. 4 X to 13M owners | |
| III. DEALER SUPPORT PROGRAM | \$45,000. |
| a. Dealer recognition - Feb., Mar., Apr., May, June, Sep., Dec. | |
| 1. 1 winner/territory | |
| 2. Plaques - LF grill | |
| 3. Letter/Newspaper ad | |
| b. ID/POP | |
| 1. Signs - lighted/metal 2 faced/1 face | |
| 2. In-store promotions | |
| a. Range poster | |
| b. "Quiet" poster | |
| c. \$200/Free mower poster | |
| IV. SUPPLEMENT/LITERATURE | \$372,500. |
| a. 15MM w/imprint space (307,500) | |
| b. Imprint 400 dealers (28,000) | |
| c. Module: 1MM insert/4pp attachment insert (37,000) | |
| V. DEALER/GE SUPPLEMENT PROGRAM | \$187,400. |
| | (\$249,864 total) |
| | (\$238,000-1973) |
| a. 75/25 or fixed cost buying | |
| b. Freight, storage, boxing | |
| c. 209 Penny Saver markets, 31 suburban markets, daily newspapers, IPSA. | |
| d. Fuller coverage than 1973 less GE \$. | |
| e. 760 dealers participate | |

VI. DEALER/GE MAY SALE PROGRAM \$65,000.

- a. 2nd wave 50/50 co-op
- b. Shipping, imprinting
- c. 380 dealers participate

VII. DIST/DEALER CO-OP \$125,000.

- a. Dist. co-op - (70,000)
- b. Home Shows, co-op ads dealers (51,000)
- c. Co-op clip book (4,000)

- 1. 1M - intro ltr., co-op policy, ads

TOTAL \$835,900.

August 22, 1973

Decision Date: NOW

WHY?

1. Photography - location, Sept. 10 latest
2. Paper - October 1
3. Contracts - 75/25 must be firmed October meetings
to do on press most economically. Only
one month to do entire media plan.
4. Program - to present to dealers at October meetings.
5. Press Time - end of December blocked out. Must be
camera ready by then.

EXHIBIT B
TO AGREEMENT BETWEEN
GENERAL ELECTRIC COMPANY
AND


| | |
|--|----------|
| E8M Tractor (less batteries) | \$380.33 |
| E8M Heavy Duty Tractor (less batteries) | 419.65 |
| E10M Tractor (less batteries) | 488.79 |
| 36" Side Discharge Mower | 107.25 |
| E12M Tractor (less batteries) with Electric Lift | 697.57 |
| E15M Tractor (less batteries) | 759.72 |
| 42" Mid-Mount Mower Side Discharge | 137.23 |
| 42" Mid-Mount Mower Rear Discharge | 137.23 |
| 48" Snow/Dozer Blade includes adapter kit | 66.25 |
| Front Implement Mounting Bracket for E12M and E15M | 9.63 |
| 42" Snow/Dozer Blade | 62.70 |
| Front Implement Mounting Bracket for E8M, E8M HD and E10M | 9.65 |
| 42" Rotary Mower (front mount) | 137.23 |
| 42" Rotary Mower (front mount) with heavy duty mower motors | 190.03 |
| Speed Reduction Kit for E8M, E8M HD and E10M | 9.32 |

EXHIBIT B CONT'D.

| | |
|--|----------|
| PTO Kit for E8M, E8M HD and E10M | \$ 10.87 |
| Sleeve Hitch and Manual Rear Lift for E15M | 27.17 |
| Electric Drive Kit and PTO Wiring | 139.30 |
| Rear PTO Outlet | 5.47 |
| 14" Mid-Mount Mower Blade (3 per box) | 3.25 |
| 18" Standard Discharge Mower Blade (2 per box) | 4.30 |
| 18" High Discharge Mower Blade (2 per box) | 4.30 |
| Rear Mower Discharge Kit | 18.12 |
| Side Mower Discharge Kit | 18.12 |
| Electric Lawn Sweeper Conversion Kit (Requires KS 32) | 18.12 |
| Motor & Circuit Breaker for KS31 | 25.96 |
| Electric Horn Kit | 5.72 |
| Rear Tail Light Kit | 3.99 |
| Accessory Outlet Kit | 2.83 |
| Fuel Gage Kit | 8.61 |
| Head Light Kit | 11.50 |
| 36 Volt DC Power Handle w/20ft. of cord | 10.34 |
| 1/4" Drill Head (for above) (3 per box) | 4.57 |
| 15" Hedge Trimmer Head (for above)(3 per box) | 9.76 |
| Grass Trimmer Head (for above)(3 per box) | 9.76 |

Prices of Purchased Products are listed in Exhibit C.
ALL PRICES ARE F. O. B. SELLER'S POINT OF SHIPMENT.

EXHIBIT C
TO AGREEMENT BETWEEN
GENERAL ELECTRIC COMPANY
AND



| | |
|-------------------------------------|----------|
| 13" Chain Saw w/20 ft. cord | \$ 97.90 |
| 12 Cu. Ft. Dump Cart (1/2 Ton Cap.) | 65.97 |
| Double Seat | 25.30 |
| Canopy Top | 30.22 |
| Golf Bag Holder | 27.20 |
| Homeowner's Front Platform Lift | 42.32 |
| Radio Bracket | 3.99 |
| Inverter - 36 Volt to 110 Volt | 108.90 |