

# Ford marketing mix assignment

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Ford Consumer Marketing Introduction to Ford Ford Motor Company is a century old company that laid the foundation for American auto makers (Wikipedia, 2011). Henry Ford understood early on that to be successful his company would need to be self reliant; from that idea the assembly line was introduced. Ford now offers a variety of vehicles from cars and trucks to ambulances, buses, and tractors. Today, consumers have hundreds of options to choose from when selecting a vehicle from any one of the major players in the auto industry.

To keep their company competitive, Ford has use a combination of extremely effective promotional tactics. Ford's Consumer Oriented Sale Promotions Rebates Rebates are a reduction in the amount to be paid or a return of a paid amount on a product. Ford offers rebates on many of its models which are beneficial to the customer as well as the dealer. Rebates can be offered on models that may not be selling way, on overstocked models, or on models that have a newer model coming into the market in the near future.

Larger rebates are often offered to customers purchasing new cars that were previous year models. Rebates offer dealers a way to manage their inventory effectively by giving the consumer incentive to buy. Premiums Premiums are items that are given free with the purchase of another product. Some of the most popular premiums that Ford offers are free Sirius radio for 6 months, upgrades to rubber weather floor mats, gas cards, and free oil changes. Each of these is offered as an additional bonus to the customer for doing business with Ford, and premiums can go a long way in establishing brand loyalty.

Premiums are a win/win for Ford and its customers: People like to get free things and compared to the price of a vehicle, a \$50 gift card or \$29 oil changes is a small price to pay to keep customers happy. Contest and Sweep Stakes Many of us have received a key in the mail with an announcement that your key may start the engine of a brand new (insert car/truck here). Many customers are also familiar with the games that are now on Facebook that boast of a free iPad drawing when you visit the car lot on a specific day and time.

These are all examples of contests or sweepstakes that are used as consumer oriented promotions. The goal is to get customers to the dealership for one reason in hopes that the sales staff will be able to pique interest in their products once the customers are there. Ford along with many other dealerships use this type of promotion because it is relative inexpensive when weighed against the possible profits that can be earned by attracting customers. Ford's Trade Oriented Promotions Special Financing and Trade-In Promotion

Ford uses special finance options to attract buyers. Like many large automotive corporations, Ford has a finance branch which allows them to use percentages points as a promotional strategy. Currently, Ford Finance is offering 0% financing for 36 month loans, 0.9% for 4 years, 1.9% for 5 year and 3.9% for 6 year loans. This gives customers the option to select a lower interest rate or a longer loan period; either can substantially lower the monthly payment. When I purchased my Ford Edge just two years ago, Ford was offering 0% financing for 60 months.

The promotion was used along with a trade-in promotion around tax time when many consumers are looking to take advantage of the tax deals. I was able to get a great price on my vehicle, great financing, and an additional \$3000 on my trade-in value. Dealer Incentives Ford often uses Bonus Cash as a dealer incentive. The cash offerings are many times in addition to the offered Rebates and are model specific. In line with their bonus cash offering, Ford began a marketing campaign allowing potential buyers to test drive a Ford for one week.

This gave customers the ability to complete their own brand comparisons, which was successful in that purchase consideration for Ford double with the marketing strategy. Ford followed up by offering up to \$1000 “ Swap Bonus Cash” for customers that made the switch to a Ford Vehicle (Ford’s “ Swap Your Ride”, 2011). Ford also offers bonus cash for active and reserve military personnel as well as members of the Police Association. Tradeshows  
Tradeshows are conventions or meetings that allow marketers to demonstrate their products to consumers and industry members in the hopes of generating interest and sales leads.

Ford often uses trade shows to showcase new models, for instance Ford use the NETA tradeshow in 2009 to introduce its new 2010 Ford E-Series Super Duty ambulance (Manuel-Logan, 2009). Tradeshows can also be used to introduce new features such as the inflatable seat belts that are being offered in several of the 2011 Ford Models. The seatbelt looks like normal seatbelts but with an airbag sewn into the belt. In the case of a crash the airbag inflates along the belt from shoulder to the buckle protecting the chest and neck from injuries (Ford to Offer, 2011).

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Summation To conclude, Ford uses a variety of promotional campaigns to attract new customers and to maintain their current customer base. The types of consumer oriented promotions currently being used include rebates, premiums and contests, while the trade promotions being used include special financing, dealer incentives, and tradeshow. These types of promotions offer significant benefits to both the consumer and to Ford and are just a few of the many ways that Ford markets itself to potential buyers.