

Lesson 4 Case Study of Social Change: Mass Advertising and Consumption in the 1920s

Main Ideas

- Everyday people take part in the innovation process through their buying power.
- Henry Ford influenced mass consumption of the Model T with marketing techniques (some innovative, some not).

Key Concepts

- Market
- Consumer
- Producer
- Marketing
- Mass consumption
- Mass advertising
- Consumer culture
- Niche market

Digitized Artifacts from the Collections of **The Henry Ford**

Lesson 4

Case Study of Social Change:

Mass Advertising and Consumption in the 1920s

- Ford Motor Company Sales Leaflet, 1908, “Ford Motor Cars Model T Advance Catalog” ID# THF32124
- Advertisement for the 1924 Ford Model T, “Freedom for the Woman Who Owns a Ford” ID# THF60074
- Ford Motor Company Clipping Book, Volume 2, January 6-10, 1914 ID# THF80232

- Ford Motor Company Advertisement, 1924, “How Did He Ever Get the Money to Buy a Car?” ID# THF32136
- Sales Brochure Featuring the 1925 Ford Model T Sedan, “Her Personal Car” ID# THF32135
- Large Ford Sign at the Rouge Plant above the Train Entrance, circa 1964 ID# THF68322
- Advertisement for the 1925 Ford Model T, “Dependable as the Doctor Himself” ID# THF67880
- Advertisement for the 1904 Ford Line of Cars, “Boosted into Popular Favor by the Knocks of the Trust” ID# THF32117
- Advertisement for the 1924 Ford Model T, “Cancel Distance & Conquer Weather” ID# THF39661
- Advertisement for the 1904 Ford Model A, “One Mile in 39-2/5 Seconds, Ford World’s Record” ID# THF32119
- Advertisement for the 1925 Ford Model T, “Within the Means of Millions” ID# THF32137
- Ford Times Cover, March 1917 ID# THF35039
- Sales Brochure for the 1911 Ford Model T, “Ford Motor Cars: The Good Car for Bad Roads” ID# THF32128

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Lesson 4 Continued (page 2 of 4)

Materials

- Computer with access to the Internet, digital projector and screen (if possible)
- Sign: “How do people create society-changing innovations?”
- Student Activity Sheets 4A: Marketing Strategies
- Answer Key 4A: Marketing Strategies
- Student Activity Sheet 4B: Marketing Strategies Essay

Duration

2 class periods (45 minutes each)

Instructional Sequence

1. Engagement

Remind students that innovation involves both producers and consumers. If no one uses a new invention, it's not an innovation – it hasn't changed society. Average people are just as important in the innovation process as extraordinary people like Henry Ford and Thomas Edison. The public's buying power is its way to take part in the innovation process.

Ask students to recall Henry Ford's vision. Discuss how his focus on producing cars will shift to a focus on selling cars. Ask students to imagine why they think people bought Model Ts.

Tell them that today they'll examine how consumers came to own Model Ts, transforming this vehicle into a society-changing innovation.

2. Vocabulary

With students, define the following key concepts:

- Market
- Consumer
- Producer
- Marketing
- Mass consumption
- Mass advertising
- Consumer culture
- Niche market

(See the Glossary in the Teacher Guide.)

You may want to write the terms on the board and have students take notes.

3. Marketing Strategies

Get students thinking like consumers by asking what it would take to convince them to buy the latest invention. You may want to provide an example of a new technology that has not yet been widely adopted. Tell students that this is the way Henry Ford and his team at Ford Motor Company had to think. In 1908, only 0.4% of Americans owned automobiles. People had been using horses to get around for millennia, steamships for about a century and trains for about seventy years. They didn't necessarily think their transportation system needed improving. Henry Ford somehow had to convince these people that 1) they needed an automobile and 2) it needed to be a Ford Model T. He and his team devised many ways to convince consumers that they needed cars and that they needed Ford cars.

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Lesson 4 Continued (page 3 of 4)

Tell students that during this lesson, you are going to take on the role of a marketing strategist, and they are going to serve as Henry Ford and his team. You will present a number of possible marketing strategies to them, and they are going to decide which ones Ford should use. At the end, they'll find out which strategies Ford did actually choose.

Break the students into six groups and distribute one set of Student Activity Sheet 4A: Marketing Strategies to each group. As a group, they should read about the strategy ideas and decide whether or not Ford Motor Company should or should not adopt each strategy. Tell students that when they are done, you'll review and discuss their opinions and share what really happened.

4. Review of Actual Marketing Strategies

Review the marketing strategies by having each group read, discuss and then present their group's review of the strategy. Each group should indicate whether the group adopted or rejected its suggested strategy and its reasons for doing so. Use the digital projector to show the digitized images of the advertisements from the Student Activity Sheet 4A. Encourage students to take notes in order to prepare for and write their Marketing Strategies Essay.

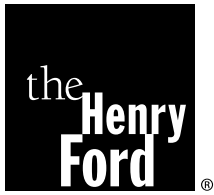
After the presentations are completed, use the Answer Key 4A to share additional information about marketing strategy decision-making. Collect the students' opinions about both the marketing strategies that were adopted and about those that were rejected.

Assessment

Distribute Student Activity Sheet 4B: Marketing Strategies Essay, and have students write an essay reflecting on what they learned about Ford Motor Company's marketing strategies as well as their own opinions about what constitutes successful and unsuccessful product marketing.

When students return with their completed essays the next day, engage them in a brief discussion about why the marketing of the Model T succeeded. What marketing strategies contributed to its success? Which ones hindered it? You should reach the conclusion that Henry Ford's product was a good value and of high quality that met the people's needs, and so they bought it.

You may assess students' participation in the small-group activity as well as their homework essays for accuracy and thoughtfulness.



Group 1



marketing strategies

1. Strategy

Change Only Details – No Fundamental Change to the Model Ts Great Design!

Henry, you’ve designed the perfect car – why mess with a good thing? Let’s stick with it and only make changes to small details, like the styling and production of parts, and one day adding electric lights and an electric starter. But don’t change your design – the suspension system, the transmission, the magneto, the torque tube drive, the 4-cylinder engine. The public will love the car so much that they won’t want changes!

	should adopt		did adopt
	should not adopt		did not adopt

2. Strategy

The *Advance* Catalog

Henry, your Model T is a great idea. No car has ever before been designed to be affordable and practical for the masses. Even though no car has ever tapped this market before, you know and I know it’s out there! Let’s prepare our dealers by sending them our new *Advance* Catalog, which will explain to dealers everything about the Model T. They can then share this information with customers, and we’ll have orders before the deliveries even begin!

	should adopt		did adopt
	should not adopt		did not adopt

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3. Strategy Appeal to Women

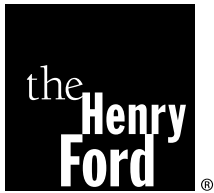
Women are getting more and more independent (they might even win the right to vote soon). They want their freedom – and the Model T can give it to them! I recommend we write some brochures specially aimed at women. What do you think of this: “The car is a real weapon in the changing order”?

	should adopt		did adopt
	should not adopt		did not adopt

4. Strategy \$5 Day

We’re all about the “little guy,” right? So let’s help out the little guys who work in our factories by paying them really well, maybe as much as \$5 a day. All the newspapers in the country will cover it, people will see Ford Motor Company as a hero AND our workers can afford to buy our cars! Free advertising and a larger market. Maybe we won’t even have to BUY ads anymore. Sales of the Model T will skyrocket, I’m telling you!

	should adopt		did adopt
	should not adopt		did not adopt



Group 2



1. Strategy Dealer Network

You have been working on building a good network of dealers to sell Ford cars. "Branches" serve large cities while smaller cities and towns are served by "agencies." We have been shipping our cars to branches, where both branch customers and agencies can pick them up. I suggest we continue this and expand. Let's open new branches, especially at the last towns on the railroad line, before the price to ship increases at the next stop. I also want to have "road men" travel to branches and agencies to inspect their books and physical facilities – and give us the full report! Also, we should assign well-defined territories to each dealer to reduce competition between dealers. But, if a dealer is underperforming, we'll narrow that dealer's territory. These dealers should be very active sellers, always on the lookout for a sale, and should expect visits from me (the marketing expert) occasionally, during which I will demonstrate my excellent selling techniques. This strategy will sell millions of Ts!

	should adopt		did adopt
	should not adopt		did not adopt

2. Strategy

Appeal to People's Desire to Be Modern

Automobiles are a brand new thing – and people would love to feel that they are ultramodern. Here's some wording we can use in our brochures – "Today's light, strong, Vanadium-built Ford is tomorrow's car" and "Buy a Ford Car, because when you do, you are in the forefront of automobile advancement." Maybe we can even get your friend, Thomas Edison – our era's greatest symbol of technological progress and the inventor of recorded sound, moving pictures and electric lights – to star in an ad!

	should adopt
	should not adopt
	did adopt
	did not adopt

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3. Strategy

Ford Weekly Purchase Plan

Not everyone has enough money right now to buy a new car, so let's help people save up. We'll have people pay \$5 a week until they have saved enough to buy a Model T. What do you think of this ad I've drawn up?

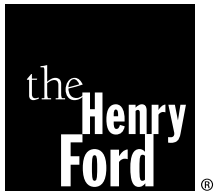
	should adopt		did adopt
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4. Strategy

Appeal to Upper-Class Women

Women love us – let's keep selling to them! Let's do a new ad campaign – a booklet – and we'll call it "Her Personal Car." We'll include some nice shots of stylishly dressed women playing cards, shopping at upscale stores and getting into Model Ts parked in front of columned mansions.

	should adopt		did adopt
	should not adopt		did not adopt



Group 3



1. Strategy Logo

I love your logo of the Ford script. It's memorable, and it's the result of a great story. (Remember – your teammate Harold Willis used that old printing set he's had since childhood to set your company's name in typeface?) It's a perfect corporate symbol. Let's keep it.

	should adopt		did adopt
	should not adopt		did not adopt

2. Strategy Appeal to Doctors

If anyone needs to get somewhere in a hurry, it's doctors. They already make house calls with their horse-and-buggies. They need a personal mode of transportation – who heard of a doctor rushing to a dying patient's bedside on the streetcar? Here's a possible slogan – “When minutes mean life and death – as they do in almost every day's work for the doctor – the possession of a Ford car becomes to the physician an imperative demand for humanity's sake.”

	should adopt		did adopt
	should not adopt		did not adopt

continued...

3. Strategy

Convince People They Need a Car

Some people are STILL dragging their feet on buying a car – they don't think it's necessary! We have to convince them that the car isn't just a fad. We must persuade them that car ownership would give them something they need and don't already have. We have to appeal to their emotions! I've got an idea for an article in our magazine. We could title it "Why Doesn't More Auto Copy Talk My Language?" and it would read, "I am quite sure now I wish to have nothing to do with a car's mechanism – I am a joyrider pure and simple. The time is now come for automobiles to be advertised as a necessity to one's health and comfort, and the pleasure which they give. The automobile is a necessity – the world was ready for it and embraced it when it came or else it could never have made such wonderful headway." What do you think?

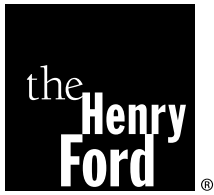
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4. Strategy

Manufacturing Cars with Prestige and Style

People are going to keep wanting more and more. We can create a consumer culture, where your personal image and status are based on what you own and people want to buy, buy, buy! Let's make a car that will be special, unusual – in prestige, style and appearance, and in the old standbys of speed, comfort and style. We've got to keep people wanting more!

	should adopt
	should not adopt
	did adopt
	did not adopt



Group 4



marketing strategies

1. Strategy Underdog Image

It's really rough that your company was sued for patent violation. That other guy never really wanted to make a gasoline-burning internal combustion engine horseless carriage; he designed it but never built it! How can he possibly claim his design covered all gasoline-powered vehicles?!? I'm sure Ford will win the lawsuit. I love that you have made lemonade out of this lemon. Your ads portraying Ford as fighting "the man" really appeal to the public; they love an underdog. Let's keep it up for the Model T!

	should adopt		did adopt
	should not adopt		did not adopt

2. Strategy Appeal to People's Desire for Comfort and Pleasure

Who wants to get wet and cold waiting outside for a trolley car and then have to stand for twenty minutes, packed in like sardines with other folks of varying walks of life? People might be willing to deal with this now, but once they get a taste of riding to and from work in a warm, dry Ford coupe, they'll never go back to mass transit. Let's write some ads to help our potential customers realize this!

	should adopt		did adopt
	should not adopt		did not adopt

3. Strategy Transcontinental Auto Race

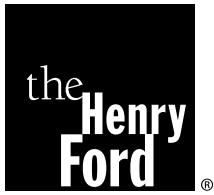
I've just heard about an opportunity that we just may be crazy enough to undertake. There is going to be an automobile race to cross the continent – New York to Seattle. Some other automakers are already talking about entering. If we win that race, against all the other automakers, can you imagine the publicity? And we WILL win, with our lightweight cars that were intentionally designed for our country's terrible roads. If we win, we can feature it in ads and booklets and even do a dealer tour! We've got to make sure we win, though...

	should adopt		did adopt
	should not adopt		did not adopt

4. Strategy Annual Model Changes

Style is important to today's consumers, especially women – and you know they really are the ones who make all the decisions in the family! Most people already own a car, and they run well for years — this doesn't help us sell cars! But I think style is the key. Let's change the look of the car every year, so that even if it's still running well, the car looks old – stylish women won't stand for having an old car when everyone else is driving a smart-looking new car.

	should adopt		did adopt
	should not adopt		did not adopt



Group 5

1. Strategy Sell the Idea of Henry Ford

Henry Ford – you’re a great man who makes great cars. People like knowing that your seal of approval – the Ford logo, which looks a lot like your own signature – is on every car. I love that you’re already selling your cars by selling yourself through ads like the one after you set a new automotive speed record – “It is not uninteresting that the builder and driver of this car is also the designer and builder of the regular Ford Runabout and Tonneau made by The Ford Motor Co., Detroit, Mich.” And those quotes that supposedly came straight from your lips – “They criticize – but they copy while they criticize” and “The man who has always been right in the past can safely be trusted for the future” – genius! You have made the marketing of the Model T easier with your personal image – let’s keep this good thing going!

	should adopt		did adopt
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2. Strategy

Appeal to Democratization of Pleasure

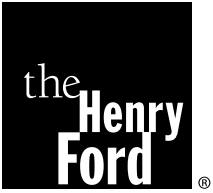
Everybody deserves to live an enjoyable life – not just the rich! Let’s create ads that show how the common man can also enjoy automobiling. Hmm, what do you think of this: “If there were no Fords, automobiling would be like yachting – the sport of rich men. But by centering his effort upon the production of one good car, Henry Ford has brought the price down within reason – and the easy reach of the many.”

	should adopt		did adopt
	should not adopt		did not adopt

3. Strategy Lower Prices

When it comes down to it, it’s all about the money. We’ve got to do whatever we can to continually bring the price of the Model T down, and if anyone can do that, it’s Henry Ford – king of the moving assembly line and vertical integration. Everyone should be able to afford a T. No one will be able to compete with Ford on price.

	should adopt		did adopt
	should not adopt		did not adopt



Group 6

Four horizontal lines for student writing.



1. Strategy Company Magazine

Now here's a suggestion: Let's start a company magazine. It will give readers information on car design, production methods and testimonials from owners; stories of Ford victories in races and hill climbs; and advice and encouragement for dealers. It will be a fun and interesting read, with lots of pictures. I think it will boost the morale at Ford agencies and branches, motivating them to sell more; we can also send it to any existing or potential owner as advertising!

	should adopt		did adopt
	should not adopt		did not adopt

2. Strategy

Appeal to People's Desire for Romance

Hey, every man wants to win the heart of a special lady. If he believes having a Model T will help, he'll just have to get one! Taking a drive in a car, sitting close to each other – sounds like a romantic evening, eh? I'm sensing an ad campaign!

	should adopt		did adopt
	should not adopt		did not adopt

3. Strategy Sell Cars on Credit

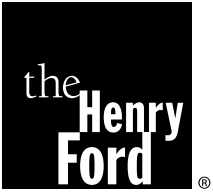
Not everyone has enough money right now to buy a new car, so let's help people get those funds! People already try to get loans through banks for cars, but those banks are awfully stingy with their loans. We'll create a financing arm of the company that will offer loans to potential buyers. Of course, they'll have to pay interest — we can both sell more cars AND make money off the interest!

	should adopt		did adopt
	should not adopt		did not adopt

4. Strategy Give Rebates

The Model T is made for the “little guy,” and what does he need more than cash? How about we offer rebates (let's say, \$40-\$60) to each Model T buyer if sales exceed a certain number in the next year? People will buy their own car and tell their friends do to the same so enough cars are bought for the rebate deal – the CONSUMER will advertise the PRODUCER!

	should adopt		did adopt
	should not adopt		did not adopt



marketing strategies

Group 1

1. Strategy: Change Only Details – No Fundamental Change to the Model Ts Great Design!

Over its 19-year run, the Model T underwent thousands of detail changes but the fundamentals never changed. This was eventually its downfall, as the car ceased to embody the innovative ideals that once defined it, and it lost its appeal to the market.

Answer did adopt

2. Strategy: The Advance Catalog

[Ford Motor Company Sales Leaflet, 1908, “Ford Motor Cars Model T Advance Catalog”](#) ID# THF32124

The Advance Catalog was sent out on March 18, 1908. Dealers’ response to the catalog confirmed Henry Ford’s vision that a market for the T was out there. A dealer from New Castle, Pennsylvania, wrote, “It is without doubt the greatest creation in automobiles ever placed before a people, and it means that this circular alone will flood your factory with orders.” This dealer was right; orders poured in by telephone, telegraph and mail, even though deliveries would not be made until October 1.

Answer did adopt

3. Strategy: Appeal to Women

[Advertisement for the 1924 Ford Model T, “Freedom for the Woman Who Owns a Ford”](#) ID# THF60074

The turn of the century was a time when the image of women was beginning to change – from the strict 19th-century (and earlier) beliefs that a woman’s role was in the home, caring for her family and depending on her husband to provide and be the family’s public face, into that of the 20th-century independent woman. The car allowed women to go where they wanted.

Answer did adopt

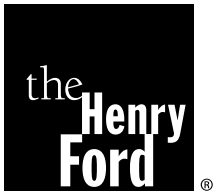
4. Strategy: \$5 Dollar Day

[Ford Motor Company Clipping Book, Volume 2, January 6-10, 1914](#) ID# THF80232

Ford Motor Company did famously pay its workers the unheard-of sum of \$5 per day. Ford implemented the \$5 day to fight the high rate of turnover due to tedious work on the assembly line. The \$5 day was not designed as a marketing strategy, though it did attract significant attention. Ford invited only Detroit newspapers to his news conference announcing the wage, but soon the news was splashed across papers all over the country. The public hailed Henry Ford as a hero – and bought his cars. Henry Ford became the world’s best-known manufacturer and his company the best-known business enterprise in the world. In fact, the company was so successful it even halted its national advertising from 1917 through 1923.

Answer did not adopt

continued...



Group 2

1. Strategy: Dealer Network

The dealer network was established years before the Model T. It became even stronger when a new sales manager, Norval Hawkins, was at Ford Motor Company from 1907 to 1919.

Answer did adopt

2. Strategy: Appeal to People's Desire to Be Modern

While Ford employed this advertising strategy, it could only be used effectively as long as the Model T continued to be modern. The car was quite old fashioned by the time its production ended in 1927.

Answer did adopt

3. Strategy: Ford Weekly Purchase Plan

Ford Motor Company Advertisement, 1924, "How Did He Ever Get the Money to Buy a Car?" ID# THF32136
This plan was Ford's substitute for credit, which Henry Ford did not support. This savings plan (rather than a credit plan) was launched in 1923. In the first eighteen months, some 400,000 people signed up, but only 131,000 actually completed the program and bought cars. Enrollment fell thereafter.

Answer did adopt

4. Strategy: Appeal to Upper-Class Women

Sales Brochure Featuring the 1925 Ford Model T Sedan, "Her Personal Car" ID# THF32135

Ford published this booklet in 1925, trying to reach women, who had been a successful target in the past. However, by this time the Model T looked out of place in these luxurious settings, akin to what curator Bob Casey calls "jeans at the opera."

Answer did adopt

Group 3

1. Strategy: Logo

Large Ford Sign at the Rouge Plant above the Train Entrance, circa 1964 ID# THF68322

The logo was established before the Model T, and it's the same corporate symbol Ford uses today. Harold Willis used his childhood print set to create it.

Answer did adopt

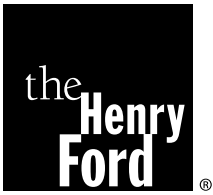
2. Strategy: Appeal to Doctors

Advertisement for the 1925 Ford Model T, "Dependable as the Doctor Himself" ID# THF67880

Doctors were one of the first groups of people to embrace the automobile. The Model T's ability to handle rough roads and the ease of repairs made it perfect for someone who absolutely had to get somewhere. Farmers and women were also major adopters of the Model T.

Answer did adopt

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Group 3 Continued

3. Strategy: Convince People They Need a Car

In 1908, many people didn't think they needed a car. They had to be persuaded that they needed something that could only be provided by car ownership. Hawkins knew how to reach these potential customers — not through reason but through emotions. The sales appeal, said Hawkins, "must be made primarily to the heart instead of the mind. A man's emotions, not his thoughts, control his desire." Ford ads targeted many different emotions, sometimes in the same ads, but certain ideas appeared repeatedly. Those ideas are exemplified in many ads you have seen in this activity.

Answer did adopt

4. Strategy: Manufacturing Cars with Prestige and Style

An American consumer culture had blossomed by the 1920s, and people came to expect things they had once regarded as luxuries (running water, electricity, phonographs). Now, consumers wanted more than just the practical everyday goods like the Model T — they wanted prestige, style and appearance, which were not offered by the T, which debuted in 1908, twelve years before 1920.

Answer did not adopt

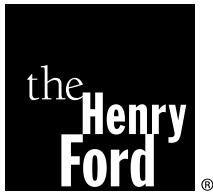
Group 4

1. Strategy: Underdog Image

[Advertisement for the 1904 Ford Line of Cars, "Boosted into Popular Favor by the Knocks of the Trust"](#) ID# THF32117

*Ford Motor Company was sued by George Selden, who designed (but did not actually build) a horseless carriage with a gasoline-burning internal combustion engine. He strategically patented the design in 1895, 16 years after his first designs, as he sensed that the automobile was about to be a huge success. He then claimed that his patent covered all gasoline-powered vehicles designed since his original 1879 application as well as all that would be designed, built and sold in the United States until the patent's expiration in 1912. He sold the patent to a group of companies, which collected royalties on each car sold. Companies had to either join the group or be run out of business. The group refused to let Ford Motor Company in, on the grounds that Ford was merely an assembler, not a manufacturer. Then the group took out an ad in *The Detroit News* warning that makers, sellers and buyers of unlicensed cars could be prosecuted by Selden's group. Ford published a counter-ad in the *Detroit Free Press* promising protection for its dealers and customers. Selden's group and Ford sued each other. The case lasted from 1903 to 1911, with Ford winning. According to expert Bob Casey, curator of transportation at **The Henry Ford**, "Ford's fight with the group*

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Group 4 Continued

coincided with the rising tide of Progressivism and public concern with the growing power of big business. The Selden patent suit came to be seen by the public as a battle of the little guy against the big bully. It marked the first time that the national media and the public at large noticed the Ford Motor Company and its founder." Portraying Ford Motor Company as the "little guy" was the idea of Norval Hawkins, Ford's new sales manager.

Answer did adopt

2. Strategy: Appeal to the People's Desire for Comfort and Pleasure

[Advertisement for the 1924 Ford Model T, "Cancel Distance & Conquer Weather" ID#39661](#)

The affordability of the Model T made owning personal transportation rather than using mass transportation within the reach of millions. This philosophy continues today to control the transportation systems of most of the United States.

Answer did adopt

3. Strategy: Transcontinental Auto Race

Six cars participated in the Transcontinental Auto Race in 1909; two of them were Fords. They were much lighter than the competition – 1,300 pounds less than the next-lightest cars. The Ford was perfect for the rutted, muddy American roads. One of the Model Ts traveled the 4,100-mile route in 20 days and 52 minutes, finishing 17 hours ahead of the second-place car. Ford publicized the victory in national publications and published a booklet called "The Story of the Race." The winning car made a victory lap trip back to New York, stopping at dealerships along the way for promotional events. Five months later, it was discovered that Ford mechanics had illegally replaced this car's engine during the race, making another brand the winner. Henry Ford didn't care, as he'd already gotten the good publicity.

Answer did adopt

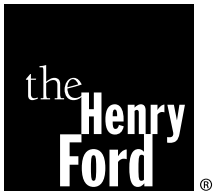
4. Strategy: Annual Model Changes

Beginning in 1923, General Motors adopted this policy of annual model changes. The Chevrolet came to be the Model T's biggest competition; it looked much more stylish.

Answer did not adopt

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Group 5



1. Strategy: Sell the Idea of Henry Ford

Advertisement for the 1904 Ford Model A, “One Mile in 39-2/5 Seconds, Ford World’s Record” ID# THF32119

Selling the idea of Henry Ford was also Norval Hawkins’ idea. Henry Ford was one of the most well-known (and well-liked) captains of industry of his era (and even through the present).

Answer did adopt

2. Strategy: Appeal to Democratization of Pleasure

This strategy ties directly to both Ford’s vision of providing a car for the masses and the company’s image of being on the side of the “little guy.”

Answer did adopt

3. Strategy: Lower Prices

Advertisement for the 1925 Ford Model T, “Within the Means of Millions” ID# THF32137

By the end of 1920, a touring car cost only \$440, nearly half of what the same body style had cost in 1909. By December 1924, the last time the price of the Model T was cut, a touring car was only \$290. But at this point, profits on car sales were down to two dollars PER CAR and made up less than 5% of the Ford Motor Company’s total profit. The remaining 95% came from the sale of byproducts (mostly from the expanding Rouge Plant), interest on bank balances and securities, freight charges on shipments of cars and parts, and the sale of repair parts.

Answer did adopt

1. Strategy: Company Magazine

Ford Times Cover, March 1917 ID# THF35039

Ford Times was first issued on April 15, 1908 and was published through 1917.

Answer did adopt

2. Strategy: Appeal to People’s Desire for Romance

Sales Brochure for the 1911 Ford Model T, “Ford Motor Cars: The Good Car for Bad Roads” ID# THF32128

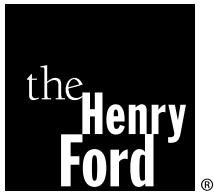
While Ford Motor Company did use romance in its advertising, Henry Ford was concerned about romantic activities that might take place in a car, especially once closed cars were produced. Rumor has it that he limited the size of the backseat of the Model T specifically to discourage such activities.

Answer did adopt

continued...

Group 6

Group 6 Continued



3. Strategy: Sell Cars on Credit

For all its innovative sales techniques, the Ford Motor Company deliberately rejected the most important marketing development in the history of the auto industry – credit. In the early days of the auto industry, customers paid dealers in cash, and dealers paid manufacturers in cash. Dealers might be able to arrange a loan to purchase an inventory of vehicles from a manufacturer, but banks did not loan to individuals for a vehicle purchase. Private owners selling used cars were the first to sell cars on credit. The first sales finance companies began in 1913. These companies acted as middlemen: Banks supplied capital to the finance companies, finance companies supplied credit to dealers and dealers then offered credit to their customers. Similar arrangements were already used to finance expensive consumer goods like pianos. General Motors opened its own financing arm, General Motors Acceptance Corporation (GMAC), in 1919. By 1923, GMAC financed 46% of GM customers' new-car purchases. Henry Ford was opposed to consumer credit. He did not borrow money himself, and he did not want others to do so. While Ford customers could get financing through dealers, Ford Motor Company did not set up its own financing company until 1928, after the Model T was out of production.

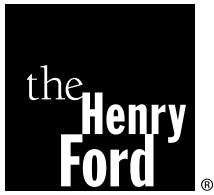
Answer did not adopt

On July 31, 1914, Ford Motor Company announced that if sales exceeded 300,000 cars during the following year, each Model T buyer would receive a rebate of between \$40 and \$60. On August 1, 1915, it was announced that Ford sales had totaled \$308,213 during the previous year and that each buyer would get a check for \$50. This rebate promotion cost Ford \$15,410,650.

Answer did adopt

* Marketing strategies information adapted from *The Model T: A Centennial History*, by Robert Casey. Baltimore: Johns Hopkins Press, 2008.

4. Strategy: Give Rebates



Name _____

marketing strategies essay

Write about the marketing strategies companies use to convince consumers to purchase their products. Address each of the following topics. Also, use at least 3 of the vocabulary words from Lesson 4 in your essay.

1. Choose at least one smart move the Ford Motor Company made in its marketing strategies and explain the marketing strategy, what you think of it and why you think it was successful.
2. Choose at least one not-so-smart move the Ford Motor Company made in its marketing strategies and explain the marketing strategy, what you think of it and why you think it was not successful.
3. Choose a print, television or online advertisement or other marketing strategy that you have seen recently and explain the marketing strategy, what you think of it and why you think it was successful or not successful.

Top: Newspaper Headline “Gold Rush Is Started by Ford’s \$5 Offer” January 7, 1914 ID# THF21999

Bottom: Advertisement for the 1924 Ford Model T, “Cancel Distance & Conquer Weather” ID# THF39661



This full-page advertisement appears in the February issue Ladies Home Journal.

Cancel distance & conquer weather

to out of town. Her time and energy are conserved, her health is protected, no matter how heavily cold the day, or how wet and slushy it is underneath. A Ford heater is always comfortable—warm and snug in winter, and in summer with ventilator and windows open wide, as cool and airy as an open car.

This seasonal comfort is combined with fine looks and Ford dependability; no wonder there is for this car so wide and conquering a demand.

FORD MOTOR COMPANY, DETROIT, MICHIGAN
 TUBOR, SEDAN, 500. — FORDOR, SEDAN, 400.
 GAPEL, 300. — ALL PRICES F.O.B. DETROIT

The woman who drives her own Ford Closed Car is completely independent of road and weather conditions in any season. It enables her to carry on all those activities of the winter months that otherwise would be so and for—

Ford
CLOSED CARS