Cases

Case-1: Toaster Pastries in Germany*

Gunther Schmidt, president of a large German processed food manufacturer, has just returned from a recent trip to the United States and is considering adding a new product to his company's line of packaged cookies and bakery items. The product – a jelly-or fruit-filled pastry that would be heated in the toaster-was noticed as being a very popular breakfast food on Schmidt's recent trip to America. Therefore, he decided to bring home some samples to test on German consumers to gauge their reactions. Schmidt was considering a possible modification of the product for the German market. He would provide a packet of frosting in the box which consumer could drizzle over the heated pastries.

Compatibility with existing institutions is an essential prerequisite for new products. Since German households are predominantly all equipped with toasters, no technical barrier stands in the way of the toaster pastry. Furthermore, nontoast toaster items, such as frozen waffles, have recently been introduced by other companies with relative success. Pastries, therefore, may present no greater complexity than has already been overcome by previously introduced toaster products.

Diet and nutrition in Germany are considerably different from American patterns. Germans are heavy consumers of pork, chicken, and lamb. Beef is relatively expensive and is usually only eaten in restaurants where it can be prepared by "professionals." Preferred vegetables are potatoes, cabbage, and turnips. For breakfast, a German will have a hard roll (baked that morning in the local bakery) along with a soft-boiled egg and coffee. The warm meal of the day is served at noon. The evening meal consists generally of cold cuts, cheese, and bread-of which the bread is the most important. As in England, it is customary to take a snack break in mid-afternoon; however, in Germany the primary drink consumed along with the requisite cake and pastry items is coffee. In Germany it is socially unacceptable to refuse a cup of coffee when offered. Reluctantly, but steadily, Germans are turning more and more to "fast food" items. Prepackaged dinners and desserts are gaining market share in terms of total food sales.

An informal sampling test was made in over a dozen households encompassing all of the major geographic regions in the western part of Germany. Schmidt selected twenty people, ranging in ages from 12 to 52, to sample the pastry and comment on the taste, package, price, and their ideas as to when and if they would most likely eat toaster pastries. Of these, twelve responses were overwhelmingly positive, four neutral, and four negative. Most people seemed to like the versions without icing the best. A negative comment was usually based on the individual's overall dislike for sweet things. The package, including the foil wrapping, was not regarded as negative; however, package graphics were distracting. Most people liked the idea of eating a toaster pastry with afternoon coffee, but were not opposed to trying one for breakfast.

According to Schmidt's survey, any price under $3 U.S. per box would be acceptable.

Several other factors could affect the success of a toaster pastry in Germany. For instance, the brand name selected will be important. The names "POP TORTE" (cake) or "POP TOASTIES" seemed to make a good impression on respondents. Another adversary to the pastry might be the toaster itself. Indeed, even toasted bread suffers from the disadvantage that generally only two pieces can be made at a time. Germans would prefer being able to serve every participant in the meal the same food at the same temperature at the same time.

The target market for the product will center on young adults who are not averse to prepackaged, time-saving food items. The 1987 census reported that 60,877,000 people were living in West Germany. With the reunification, an estimated 70 million are currently living in the Federal Republic of Germany. Life expectancy is 70.4 years for males, and 77.2 for females. The fertility rate in Germany shrank from 2.5 in 1972 to 1.8 in 1986. Periods of low birth rate combined with the high World War II casualties have produced a population that is disproportionately old and young. More than 25 percent of the population is over 55, and almost 40 percent is under 25.

To date there exists no prepackaged dessert item which could be used for breakfast. Frozen apple pies and ice cream are the closest competition to toaster pastries in the dessert market. Direct competition is, therefore, minimal. Mother's homebaked apple strudel may be the pasty's toughest competitor. A significant problem of association with similar desserts may have to be overcome. German cakes typically have a pound-cake consistency. To compensate for their dryness cakes are either topped with fresh fruit in clear sweet gelatin or filled with whipped cream. Toaster pastries, however, place the fruit in the middle, and if Schmidt went ahead with plans, the creamy icing would be squeezed over the outside. Thus, the arrangement of these pastry attributes will be an innovation for the German palate. Frosting such as this is normally associated only with Christmas cookies. Consumers' only prior experience with jelly filling has been with a popular doughnut called the "Berliner." However, it is not presently common behavior to warm such a dessert in the toaster.

Desserts reflect a trend toward health-consciousness, with the emphasis on cakes and pastries containing fresh fruit. Also, whole meal grains are gaining popularity in desserts. Dietetic pastries for the mass market have recently been introduced into supermarket bakeries in Germany, and many believe dietetic products are the wave of the future.

Shopping habits are somewhat different than in the United States. It is common to go shopping every day for that day's provisions. This convention is changing, however, due to faster lifestyles. Consumer loyalty is vital in order to gain market share among the predominantly young German shopper. Distribution of the product would be best achieved through the retail and chain channels already widely established by Schmidt in the country. Schmidt's company has gained a high brand awareness throughout Europe and a reputation for quality.

Nearly every German household has at least one television and one radio. In 1988, 23 million televisions were reported to be in use. The most prevalent form of advertising is done through newspapers, whose sales are over $25 million annually. Research indicates that the cost of reaching a thousand readers is $10.87. Expenditures on advertising in Germany consist typically of: daily newspapers (45 percent); journals and periodicals (16 percent); TV (12 percent), direct mail (14 percent); and other media (13 percent).

An essential element to the introduction of toaster pastries will be the product's advertising support. Efforts will need to be made to overcome the perception that only bread can be placed in the toaster. Showing the ease with which a toaster pastry can be prepared may be a viable marketing strategy. Television, newspapers, and homemaking magazines may be good vehicles for gaining market penetration. In-store promotions, such as sampling could be a useful means for achieving product awareness. However, German law covering promotion is about as stringent as can be found anywhere. Most kinds of promotion are allowed but often with severe restrictions; because of this, the content of any advertisement should be monitored carefully by legal counsel. For example, in Germany comparative advertising is strictly illegal.

Questions:

1. What elements of cross cultural consumer behavior understanding are suggested in this situation?
2. Would the toaster pastry as known in the United States be successful in Germany? Why or why not?
3. If you believe the product should be adapted, what changes would you suggest?
4. What marketing strategy would you recommend to introduce a toaster pastry in Germany?
5. What role might consumer learning play in the success of this product?
6. Can you suggest areas where the goal of attitude change might be a useful marketing strategy to consider?

(Source: Consumer Behavior, David Louydon and Albert J. della Bitta, Fourth edition, McGraw-Hill International Editions, Marketing series, 1993, pp 691-693.)*

Case-2: Metropolitan Life Insurance*

Metropolitan Life is the top insurance company in market share and consumer awareness in seven Hispanic markets in the United States. The company discovered Hispanics by accident when it was looking for overseas markets. Met Life was looking for other countries but found a country within a country, called Hispanic America, comprised of millions of people.

Research showed that recent immigrants were prime life insurance customers. Hispanics were seen as stable, hard working, family-oriented, and interested in savings, their children's education, and making it in America-similar in those respects to immigrants of earlier eras.

Metropolitan embarked on a nationwide marketing effort tailored to the needs of Spanish-speaking Americans. The company uses bilingual managers and sales representatives supported with Spanish language sales promotion material, advertising, direct mail, and special telemarketing programs. Reestablished a bilingual toll-free number for questions and new orders. In four years, Metropolitan Life went from fourth in the market penetration of Hispanics to first.

A door-to-door survey was recently conducted of 1,400 Hispanics in Chicago, Houston, Los Angeles, Miami, New York, San Antonio, and San Francisco. The study ranked Metropolitan first in the three categories it measured: top-of-mind awareness, total unaided awareness, and consumer life insurance ownership as a measure of market share.

Metropolitan has programmed its nationwide computerized sales system to print out information in Spanish and English, to serve Hispanic customers. In addition, the Metropolitan Life Foundation, the philanthropic arm of the company, plans to award scholarships through the National Hispanic Scholarship Fund to Hispanic students in colleges and universities in areas where Metropolitan has offices.

Less than a year after its marketing rollout, Metropolitan had doubled its life insurance market share in some parts of the country. In others its share was tripled. The company now intends to strengthen and increase its leadership the Hispanic market. As a result of Metropolitan's success in that market, the company recently expanded operations to the Caribbean by opening an office in San Juan, Puerto Rico.

The company's experience with Hispanic customers changed the way senior management looked at the United States and started them thinking about marketing to different groups. Asian Americans stood out as the next undiscovered market. Metropolitan life already had 300 Asian salespeople and the company's top sales offices, in Los Angeles, Houston, were headed by Asians.

Life insurance salespeople expect that about 15 percent their customers will let their insurance lapse in an average year. However, Asian customers have a lapse rate of between 5 and 10 percent. And Asian families routinely save as much as one-fifth of their income.

Focus group research with Asian salespeople uncover special qualities in Asian American consumers. Recently rived Asian householders may be well-educated and down skilled jobs, but they usually choose conservative things and investment plans because security is of critical importance. They follow powerful traditions of respected elders and love of children. Chinese consumers purchase insurance to protect the family and pay for education, so they choose plans that offer high cash value. Korean consumers although still interested in security, express more interest in plans that provide a maximum return on investment. To insurance to a Korean, an agent must first be introduced mutual acquaintance because few will buy from strangers. Filipino consumers are most interested in education, while Vietnamese consumers, the newest group of immigrants are "survival oriented."

These profiles were used to develop marketing plans for Boston, Chicago, Houston, Los Angeles, New York, Philadelphia, San Francisco, and Washington, D.C. The Company has translated sales and promotional literature into Chinese and Korean, and they have hired a small agency in New York that specializes in the Chinese market, to develop. After New Metropolitan Life establishes itself among Chinese Korean Americans, it plans to begin selling insurance Vietnamese, Filipino, Laotian, and Indian consumers.

Questions:

1. Based on Metropolitan Life's success, what general guidelines are suggested for subcultural marketing by companies?
2. What other influences may be important factors in understanding these markets for insurance purchasing?

(Source: Adapted from "Metropolitan Life Tops with Hispanics." Marketing, November 8, 1985, p.4. published by the American Marketing Association "Met Life Mines Minority Market," American Demographics. July 1990, 18-19.)*

Case-3: The Interfraternity Council*

Jim Bell, advisor to The Interfraternity Council at a medium-size southern public university, was faced with the challenge of developing a promotional plan to increase membership in his school's six social fraternities. While the percentage of the male student body who are members of a campus fraternity is about 1/2 percent above the national average of 7 percent, other universities in the region have from 3 percent to 25 percent higher participation in fraternities. Jim feels that an effective promotional campaign could increase membership and help position fraternities as an important part of campus life.

A fraternity is an association of men selected in their college days by a democratic process. A student expresses interest in a fraternity and, in turn, a fraternity expresses interest in a student in a membership recruitment process known as "rush." A mutual interest results in an invitation for membership, followed by a period in which the prospective member "pledges" or undergoes a trial period to learn about the fraternity and its members and make the required grade point average for formal initiation into the fraternity. Most fraternities claim to place emphasis on four areas: scholarship, leadership, philanthropy, and social activities.

According to the National Interfraternity Conference, Inc., *Fraternity Fact Book*, undergraduate membership in social fraternities has enjoyed a large surge. The National Interfraternity Conference suggests the following reasons why record numbers of students are joining social fraternities:

- They expand interpersonal skills.
- They offer mutual aid and understanding.
- They assist in orienting students to college life.
- They offer advice.
- They promote scholarship.
- They develop social poise.
- They enhance leadership and business skills.
- They foster high ideals.

Fraternities and sororities have been under stress the last few years with pressure to change long-held traditions. For example, one New England college's trustees declared single sex social organizations to be "antithetical to the mission of the college" and ordered all such clubs to go co-ed or face elimination. Also, many college presidents are getting more involved because of the image and legal problems associated with inappropriate behavior of such organizations' members.

Jim Bell is advisor to the four campus fraternities: Delta Sigma Phi, Kappa Alpha, Kappa Sigma, and Pi Kappa Alpha. Two fraternities, Sigma Nu and Delta Chi, ceased operations within the last year due to lack of membership. Fraternity membership represents about 7.5 percent of the male students enrolled at the University. Average costs for joining a fraternity at the University are: One Time Fees/Pledging fee, $35; Initiation fee, $130; Monthly Fees/Pledge dues, $30; and Active dues, $45.

As part of a marketing research class project, Jim worked with several members of a student team in conducting a survey of nonfraternity members as a means of gaining insight into why they chose not to join a fraternity. He furnished the group with a computer printout of all male students enrolled in the Spring semester who were not members of a campus fraternity.

The research team working on this project drew a random sample of 150 students with local area telephone numbers, resulting in 80 completed interviews. The major findings of the study were as follows:

1. Most respondents (70 percent) had little knowledge of the number of fraternities on campus or the cost of joining, and most respondents (66 percent) had not read any material on fraternities before deciding not to join.
2. Juniors/Seniors had more favorable attitudes toward fraternities than Freshmen/Sophomores.
3. The most influential factor in the decision not to join was personal perception of fraternities (Table 1).
4. Fraternities were seen as a good way to meet people, as helping people in the community, and as being helpful when looking for a job, and were also viewed as a brotherhood (Table 2)

When the responses in Table 2 were analyzed by student classification, it was found that juniors and seniors had significantly more favorable attitudes toward fraternity membership than did freshmen and sophomores. Evidently, continued exposure to frternity mebers and their activities helped alter negative attitudes toward fraternity membership.

Jim is undecided about the target for marketing efforts, what promotional strategy to undertake, the content of promotional messages, and how large a budget request to submit. The Council has about $5000 accumulated over the last three years for "development." He believes he can gain council approval to use this over the next three years. He also has access to the University WATS line which enables him to use telemarketing as a part of the promotional effort.

TABLE 1
INFLUENCES ON THE DECISION NOT TO JOIN A FRATERNTTY

Level of influence (descending order)		Mean value
1	Personal perceptions	2.6
2	Fraternity reputations	2.2
3	Finances	2.0
4	Peer influence	1.8
5	Family perceptions	1.8
6	Advertising/publicity	1.7
7	Religious beliefs	1.3

Scale:
1 = none
2 = not too much
3 = significant
4 = most

TABLE 2
ATTITUDES TOWARD FRATERNITIES

Attitudinal dimensions		Mean value
1	You have to be rich to belong to a fraternity	2.2
2	Fraternities are rent-a-friends	2.6
3	Fraternities are a good way to meet people	4.3
4	Fraternities are a brotherhood	3.7
5	Fraternities can help when looking for a job	1.8
6	You do not need good grades to be in a fraternity	2.6
7	You have to be a jock to be in a fraternity	1.9
8	You have to do drugs to be in a fraternity	1.6
9	You have to date sorority girls to be in a fraternity	1.9
10	Only fraternity guys can date sorority girls	1.9
11	Being in a fraternity is just for the time you’re in college	2.9
12	Fraternities help people in the community and on campus	3.8
13	You have to drink to be in a fraternity	2.2

Scale:
1 = strongly disagree
2 = disagree
3 = undecided
4 = agree
5 = strongly agree

Questions:

1. How would you characterize respondents' attitudes toward fraternities? What do you think were the bases for these attitudes?
2. Can you suggest any ways to change attitude to fraternities in a favorable way?

(Source: This case was prepared by Robert E. Stevens and David Ld. Loudon. Copyright © 1992 by Robert E. Stevens and David L. Loudon.)*

Case-4: National Tractor Pullers Association*

A new motorsport has developed which has grown so rapidly that it is now more popular than the National Hockey League and PGA golf. A tractor pull involves a tractor attempting to pull a weighted sled a set distance. It is a measurement contest, not a timed contest. The track can be indoors or outdoors and varies in length from 150 feet up to 300 feet. If the tractor pulls the average 50,000-pound sled the measured distance of the track, it is called a "full-pull." The tractors are not conventional ones but modified monsters, some with 10-foot tires and costing up to $200,000. To make the contest as fair as possible, each tractor must weigh the same, thus, standard weight classes have been established for vehicle contestants. In addition, vehicles must compete against similar ones. Six vehicle classifications exist: they are (1) Super Stock tractors: (2) Pro Stock tractors: (3) Modified tractors; (4) Mini Modified tractors; (5) Four-Wheel Drive trucks [Super Modified FWD trucks, which is a class within the FWD division]; and finally (6) Two-Wheel Drive trucks. The super stock tractors are the closest to what would be seen on a farm. However, they have 10-15 times the factory rated horsepower. For example, a 120-horsepower 6-cylinder diesel becomes a turbocharged, 1200-horsepower machine.

Tractor pulls have drawn sharply increased audiences and new sponsors who want to reach them. The National Tractor Pullers Association (NTPA) is the official sanctioning body of the sport. The sport really took off after the introduction of "monster trucks", which are bizarre-looking vehicles able to crush regular cars under their huge tires. The NTPA has an active membership of about 1500 members and sanctions over 350 pulling events throughout the United States and Canada.

An important advantage to pulling is that it is not bound to a specific track site; it can be held on any suitable strip of dirt. Consequently, pulling events have been held at state fairs where there are already large crowds. Tractor pulls have been staged at most of the National Football League stadiums. Over 3000 pulls are held each year with over 10 million spectators.

The United States Tobacco Company joined the NTPA in 1988 as the sport's leading sponsor. The season is now called "NTPA Copenhagen/SKOAL Pulling Circuit." Sponsorship costs run about $30,000 for a major event, $75,000 for a vehicle, and up to $300,000 for a major circuit.

One of the consumer groups sponsors are trying to reach is comprised of young, blue-collar males. Because many in this group work odd hours, missing prime time television and drive-time radio, and are not exposed to as much print media, they can be an elusive target. But this segment is not the only group of interest.

The world of motorsports attracts a wide variety of people, with a good mixture of age, income, education and occupations. Recently the NTPA commissioned a demographic study of its audience. This survey provides a good look at the types of person who attends events on the NTPA Copenhagen SKOAL Pulling Circuit.

- In 1990 the attendance at fifteen Grand National events was 285,500. Attendance at all NTPA events for 1990 was 1,597,975 spectators.
- Sixty-three percent of that audience is male, with a median age of 35. The female demographicage range is 18-45.
- Seventy-three percent of the audience is married and has two children living at home.
- Forty-three percent of pulling fans live within fifty miles of the event site.
- The average fan owns two vehicles, with 83 percent owning a pickup as the second vehicle, and 45 percent owning more than one truck.
- Eighty-five percent of pulling fans perform some of their own vehicle maintenance and repair. The typical audience member spends an average of $700 per year on automotive parts and accessories.
- Seventy-five percent of fans have a high school diploma, and more than 50 percent have attended a college or university.
- Sixty-nine percent are in the blue collar work force, 34 percent in a skilled trade area. Nineteen percent of the audience is involved in managerial or professional positions.
- The average household income of the pulling fan is $32,400.
- Twenty-seven percent of the audience owns or operates a cash crop farming operation, or is involved in livestock production agribusiness.

The audience for an NTPA Copenhagen/SKOAL Grand National event is comprised of people from all walks of life, with different educational and employment backgrounds. Yet they all share one thing: a love for motorsports in general (95 percent attend other motorsports events), and especially a one for the motorsport of truck and tractor pulling, with a full 78 percent having previously attended NTPA events.

To keep fans loyal, NTPA informs them with several publications, including a monthly competition newsletter (Tire Tracks), an annual Rule Book, a monthly magazine(Puller) that reaches 7500 readers, and Pull! A yearly souvenir publication sold at all major NTPA pulling events.

Question:

1. How can sponsoprs and event marketers use the concept social class to promote tractor pulls?

(Source: Adapted from National Tractor Pullers Association, 1991 Media Gruide NTPA,Worthington, OH, 1991; and Michael Hiestand, "Tractor Pulls: New Marketing Monster", Adweek's Marketing Week, November 23, 1987, p.7.)*

Case-5: Buying a Personal Computer*

We had fretted over the decision for more than a year. My husband and I were reluctant to add this stress to our already harried lives. Sure, nearly all our friends had one an boasted about how rewarding the little darlings were. But we also knew it would demand time we couldn't spare. And it would probably need its own room and special furniture.

Despite our anxieties, we decided it was time to buy our first home computer. Although we both used PCs at work, our technical knowledge didn't go much beyond working the on-off switch. So, armed with advice form friends, Rich and I headed to a nearby mall.

The friendly salesman in the computer department at Dillard's asked what we wanted to do on our PC. "Writing", I replied. He regarded me quizzically. "Writing", of repeated. He stood silent. "Rating?" he finally asked, wrinkling his brow. My Wisconsin accent may sound weird to Texans, but I hadn't figured on miscommunicating so soon.

He seated me in front of IBM's new PS/1, ignoring the bulky $2300 Magnavox nearby. He popped off the top and babbled about memory, VGA, expansion cards, and disk drives. The talk made me dizzy, but the PC seemed down right friendly. With a few clicks of the mouse, I was creating files. When we figured out what we'd really need, including a printer, the $1999 price soared by $600. But the promise of IBM's service and the salesman's enthusiasm were appealing. "I used to be afraid to sell computers", he said, "With IBM, I'm not."

Before our next outing we figured more homework was in order. Computer catalogs, with their lists of megahertz and I/O ports, proved worthless. One brochure rhapsodized about "disk-caching, ROM shadowing, and LIM 4.0 EMS support in ROM." Stacks of computer magazines didn't offer much enlightenment either. Suddenly, the idea of plugging in a cuddly PS/1 seemed good.

Still, we now were confident that we knew our RAM from our ROM. So off we went to Radio Shack. After asking which word processing program we liked, the salesman dismissed Tandy Corp's new home PC, the 1000 RL. "Your needs rule that out right away", he said. He suggested a Tandy 1000 TL/2, which we could have for $1899, with a dot-matrix color printer. But when we added a modern, a 51/4-inch disk drive, and a 40-megabyte hard drive, the ticket soared to $2943.16, including tax.

As with the PS/1, the sales approach for the Tandy PCs emphasized fun and easy software, including programs to balance our budget and plan our meals. With the "stereo system of the month" blaring nearby, I didn't catch all the details. But a handy chart comparing the Tandy PC to the IBM PS/1 showed that with Tandy we'd save hundreds and have 7000 Radio Shack stores to help us in a crisis.

After Radio Shack, we were beginning to feel like old hands. At dinnertime, Rich and I would debate the merits of the Intel Corp. 80286 chip versus the 80386SX. We scoffed at PCs with less than I megabyte of memory.

Our confidence was soon dashed at Mr. Micro. Wandering through the small shop, we attracted little notice until a casually dressed employee approached. He was perplexed when we couldn't specify a computer brand. "I'm a technician, not a salesman", he explained. His advice? Buy a Macintosh. He said the Mac would be simpler to operate than IBM-compatible PCs. Maybe, but I couldn't bear expanding my search to a whole new universe of computers.

By now, we were itching to spend. And what better place than a "computer superstore" that boasted more than 5000 computer-related items? At first sight, Soft Warehouse seemed part chaos, part carnival: Families strolled the store with children and computer gear in tow. A salesman recommended a machine based on the 80286 or 80386SX chip. He pointed us to his "system of the week" - a $1463.99 IBM clone. With the extras we wanted, the price came to $1855.

The price sounded good. But one of our magazines had warned against falling for in-house specials. And Rich had doubts about the monitor's sharpness. Finally, we took the easy way out. A friend in the computer business put together an Acer Technologies 80386SX system for us. He's even loading the software. Now if only he sold computer furniture.

Questions

1. Describe the consumer decision process stages identified in this scenario.
2. What factors are most influential in this couple's buying process?
3. How did the couple's evaluation process change over time? What was the ultimate deciding factor?
4. What are the implications of postpurchase behavior for this couple and other computer buyers?
5. What research issues for computer marketers are suggested by this case?
6. Assuming that a large number of consumers acted like the couple described in this case, what implications for communication strategies for computer marketers are suggested?

(Source: Wendy Zellner, "Confessions of a Mad Computer Shopper" Reprinted from September 10, 1990, issue of Business Week, copyright © 1990 by McGraw-Hill, Inc.)*

Case-6: BIO Landscaping*

Pat Mern, president of a large landscaping company with outlets and operations throughout southern New England, has long been a concerned environmentalist. Because of this, certain aspects of his industry bothered him, including what he believed was the unnecessary use of chemicals for lawn care. Pat has seen the growth of chemical-based lawn-care products throughout the 1970s, culminating in the now popular lawn-care services that typically apply liquid fertilizers and pesticides to lawns. Over the years he had seen how lawns actually became dependent on these chemicals that were rich in nitrogen to promote a nice-looking green "carpet", but sparse in other nutrients that promote strong roots and hearty plants. In fact, he thought of lawns that were treated by chemically-based services as "junkies." When a homeowner stops using one of these services the lawn seems to rapidly deteriorate because of its chemical dependencies and lack of general health.

Pat had decided to do something about this in his area of business. After attending a couple of conferences on "environmentally friendly" fertilizers he was committed to offering an organic lawn-care product line through his local landscaping outlets. The first product he would carry in this line would be an organic fertilizer obtained from a northeastern producer and sold in 50-pound bags. The contents of these bags were purely organic material obtained from largescale composting operations of the producer. The featured a wide range of plant nutrients in addition to nitrogen.

The conference Pat had attended provided him with a number of interesting pieces of information. These are summarized below:

- Surveys have suggested that consumers are concerned about the environment. One study found that 74 percent say that environmental protection is a priority for them. Studies also indicate that consumers are attracted by environmentally friendly products and are willing to pay a premium for them.
- One survey found only 7 percent of the respondents believe that companies are taking appropriate steps to protect the environment.
- Another study found that just 8 percent of Americans view business and industry leaders as "very believable sources" of information on environmental issues.
- The introduction of many "environmentally friendly" products has caused growing skepticism about producers claims among at least some consumers.
- Companies must demonstrate commitment on environmental issues to win the public's trust - environment messages are likely to fail unless the company demonstrates broad-based environmental responsibility.
- It is useful for a company to gain the support of key opinion leaders to assist in getting its message out to the public. Such leaders would include environmental group and media.

- The market can be segmented into several categories based on consumers interests in and acceptance of environmental products and messages. The most receptive group for organic fertilizers appears to be 35 to 65 year old college educated males who earn more than $50,000 per year as professionals and live in the suburbs. They are socially and environmentally concerned, civic- minded and active outdoor types. They rely mainly on the print media for information but do watch sports on TV.

Armed with this information, Pat decided to call a staff meeting to begin addressing issues and creating a plan for introducing the organic line of fertilizers. He knew that the would cost consumers at least 30 percent more than chemical-based products. He also knew that aggressive, informative advertising and public relations campaigns would probably be essential to the success of this endeavor. However, he was not sure what methods to adopt.

Questions

1. What marketing/consumer research questions should Pat pursue? What research methods would be most appropriate?
2. What market segments might be the best targets for Pat to focus on at the outset? Why would others you considered not be the most appropriate targets?
3. What issues related to learning, involvement, and information processing might be important for Pat to consider.
4. How important is the goal of attitude change in this situation? What methods of achieving attitude change would you suggest for what purposes? Is there usefulness in distinguishing between attitude change and behavior change in this situation?

(Source: Adapted from Scott Hume, "Consumer Doubletalk Makes Companies Wary", Advertising Age, October 28, 1991, p. GR-4; and "Giving Econolaw Room to Grow", Advertising Age, October 28, 1991, p. GR-13.)*