

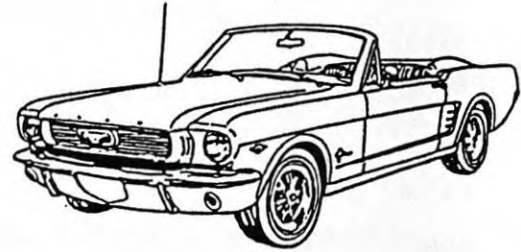
WISCONSIN
EARLY



PRESERVATION

RESTORATION

ENJOYMENT



MUSTANGERS

" A Few to Preserve the Best "

From the Prez :

October 31, 1994

I trust that everyone had an interesting and enjoyable Halloween. It was actually quite a quiet one for Tammy and I. We bought all this candy and unfortunately did not have more than 10 kids come to the door. Oh well, we'll just have to eat the left overs ourselves.

I had an interesting conversation with a gentleman from Ford SVT the other day. It seems that Ford liked the Cobra Convertible so much in '94, that they have decided to do another one for '95. The production will be limited to 1000 cars again. They will all be Black with a Black Top and Tan Leather Interior. I also asked about the '95 Cobra " R " Model, and he said that it had while it had not been given "Official" approval, it look as if it was a go! We just have to tell ourselves, good things come to those who wait.

Well our annual outing to Door County was a great success. We had 16 vehicles, 14 of which were Mustangs. Although, Tammy and I did feel a little out numbered. We had the only late model Mustang in attendance. The rest were first generations. The drive up on Friday was not as bad as expected. It stayed fairly nice, weather wise, and we did not encounter any problems along the way. However, we weren't so lucky weather wise on Saturday. We left the hotel early on Saturday and luckily it was still dry out. That is until the sky opened up around mid morning. We spent the rest of the day exploring little shops around the area. We all had dinner together on Saturday night at the Nightingale. Dinner was great as well as the company. It's nice to spend some time with everyone for a relaxing weekend. Just like clockwork, the weather turned beautiful and sunny on Sunday morning, wouldn't you know it. All in all it was a great time to spend with friends.

I am still looking for members to contact me who are current members in the MCA. We are still looking into becoming a regional group with them. Please contact me with your MCA number if you haven't already. Also remember that we'll be holding our annual planning meeting a half hour before the regular November meeting. Please attend if you are able. We are looking for any and all ideas. Take care and keep on Stangin !

Scott

FROM YOUR EDITOR



INTEREST SURVEY

Last month I published an interest survey in the newsletter. We are planning to put together the 1995 calendar at the November meeting. The mail in response was very light so I decided to reprint it in this months Feedbag. We need your input to plan for the activities you would most like to participate in. So please respond to make our planning session a meaningful one. Remember this is your club and your input is valuable. You are also encouraged to attend this planning session. It will take place one half hour before our regular meeting.

MEMBERSHIP RENEWAL

It's time once again to renew your membership in the W.E.M. I have enclosed a coupon for you to fill out and return to club headquarters. The expiration date of your membership is January 1st. Please be prompt with your renewal. We will be updating the car registration as well so fill out the needed information that form as well.

CHANGE OF ADDRESS

Have you moved recently? If so please be sure to send your new address and phone number either to me or to the club headquarters.

NEWSLETTER ARTICLES

Do you have any Mustang articles that may be of interest to our club? If so please forward these articles to me and I will reprint them in the newsletter.

CLUB DISCOUNT

I would like to remind our members that many parts outlets in the Milwaukee area give our club a discount. I hope to provide you with a list of these vendors as soon as it is updated. Until that time, ask when you buy if you may be eligible for a discount.

Until Next month,
Fraternally Yours,
Bob Zimmermann

SURVEY FOR 1995 CLUB EVENTS

On November 28th we will hold a session to plan for our 1995 club events. Please take a few minutes and fill out this survey and mail before November 15th. Thank you.

Yes No I plan to participate in one or more of our club outing in 1995

Yes No I would be willing to assist in the planning of a club event.

I would like to have the committee consider these destinations for an over the road trip.

I would like to have the committee consider adding the following to the '95 calendar.

NAME _____ PHONE _____

SEND SURVEY TO: Bob Zimmermann
2307 W. Carrington Ave
Oak Creek WI 53154

MINUTES FROM MEETING HELD OCTOBER 31

- The meeting was called to order by president Moen at 7:30 PM.
 - Sharon Doria gave the club financial report.
 - New Member John Marek was welcomed into the club.
 - The annual trip to Door County was reported on. 14 cars went on the outing. 12 Mustangs, one Bronco, and a Mercury. A tour of the lighthouse in Peninsula State Park proved to be very interesting. Rain on Saturday but it didn't dampen the spirits of the group. A fine supper was enjoyed on Saturday evening at the Nightingale.
 - 8 members attended the seminar held at Dick Dorias house on Saturday Oct. 17. Lisa Housey put together a session on the care and maintenance of the Mustang. Future plans are to hold more seminars. The next one will be on the electronic system of the late models.
 - Ed Witts Venus Ford's show held on Saturday Oct. 1st only drew 4 cars
 - The Classic Thunderbird club held their first show. A few of our members attended. We were asked to put this on our calendar for next year.
 - The members were reminded of the planning session that will be held one half hour before the November meeting. You are urged to fill out the coupon in the newsletter and return prior to the meeting.
 - Badgerland Mustang club will tour Bob Perkins museum on November 5th. Our club was invited to go along with the group.
 - A representative from the Buick Turbo Club was present at the meeting and explained the Buick/Mustang Shootout held at Great Lakes Dragaway. He was looking for interested parties from our club who enjoy drag racing competition. He also has a video available on this event.
 - The meeting was adjourned at 8:05.
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CLASSIFIED

FOR SALE: 1965 Mustang Coupe. 289 automatic with console and rally pack. California car with 67,000 original miles Recently repainted Candyapple Red. Asking \$6,500
CALL BOB 414-673-2997

FOR SALE: 1966 Mustang Fastback. 289 Automatic. Green exterior, Parchment interior. California car no rust. 130,000 miles. Asking \$4,500 OBO. CALL JIM 414-392-3226

WANTED: Anything pertaining to the '79 Indy Pace Car. Literature, parts, Collectibles.. Also parts for '76 Cobra CALL FRITZ 414-268-0147

WANTED: Anything pertaining to the '84 20th anniversary Mustang. Parts, literature or collectibles CALL SCOTT 414-567-2622

ANNUAL DUES RENEWAL

Your membership in the Wisconsin Early Mustangers is up for renewal. The renewal fee is \$15.00 due by January 1, 1995. Please fill out the form below and send it along with the your membership fee. PLEASE BE PROMPT

SEND TO:
WISCONSIN EARLY MUSTANGERS
2511 W. CARRINGTON AVE
OAK CREEK, WI 53154

DUES RENEWAL FORM

NAME: _____ PHONE: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

AUTO INFORMATION

PLEASE FILL IN THE INFORMATION BELOW

YEAR: _____ BODY STYLE: _____ ENGINE: _____ COLOR: _____

THE MUSTANG STORY (PART 7 THE FINAL CHAPTER)

ESTABLISHING THE PRICE

The Mustang was priced low for the basic bare-bones model at \$2,368. The extensive list of options brought the actual cost much higher. All of this was calculated into the asking price. Iacocca conducted a study to test the price on the buying public. "One of our final tests was especially encouraging. We invited a select group of 52 Detroit area couples to our styling showroom. Each of these couples already owned a standard-sized car and earned average incomes, which meant they were not prime candidates for a second car. We brought them in small groups into our styling studio to view the prototype Mustang, and recorded their impression on tape. What we found was that the white collar couples were impressed by the car's styling, while the blue collar workers saw the Mustang as a symbol of status and prestige. When we asked them to estimate the cost of the car, almost everybody guessed a figure that was at least \$1,000 too high. Then we asked if they would buy a Mustang, most said that they wouldn't. They explained that it was too expensive, or too small or too difficult to handle. But when we told them the actual price of the car, a funny thing happened. Most people said: 'to hell with my objections, I want it'."

The study of 50 couples was a good example of customer perceived value. Most priced the Mustang at \$1,000 over the asking price. This was for all practical purposes the maximum perceived value for the customer. Iacocca had established the minimum seller perceived value which was manufactured cost, expenses and profit. Somewhere in between was the satisfaction range and where the \$2,368 figure lied. As Lee Iacocca said, "When the price is right, you don't have to be a great marketer."

"The basic Mustang was to be sharp inside and out: color-keyed, all vinyl interior and wall-to-wall carpeting; foam bucket seats; sports steering wheel; three speed manual floor shift; front arm rests; cigarette lighter; automatic door courtesy and glove box lights; wrap around front bumpers and bumper guards front and rear; full wheel covers; padded instrument panel; self adjusting brakes and more— all standard. So there was high perceived value even in the lowest priced version, and then an almost limitless selection of options to let the buyer tailor his or her car to suit his or her individual tastes."

The limitless list of options was a key to bringing the price up and made the car more profitable for Ford. "While the low advertised price certainly brought a lot of people into Ford show rooms. Fewer than ten percent of the first two million Mustangs actually were sold at anywhere near that base figure. Most buyers opted for the V-8 engine and a wide variety of luxury and/or performance extras, bringing the average retail price closer to \$3,000 than \$2,400 . . . and it was on these options that Ford made its biggest profits." The low price got them to come in like a loss leader does, which builds traffic.

THE MEDIA BLITZ

Perhaps the only thing greater than the market potential for the new Mustang was the way Ford promoted the car. It was extremely well executed and detailed. Had the Mustang been introduced without this fanfare, it would not have sold in the numbers it did. "I've never seen anything like it' enthused one dealer in Ferndale Michigan. 'People are in a trance when they come in. All they do is mutter. 'I gotta have that car'."

The ad campaign for the 1964-1/2 Mustang was the most successful new car media blitz on record. The publicity campaign mimics a space shuttle launch. Everything was set to go off at just the right moment. Launch date was set at the opening of the 1964 New York Worlds Fair on April 17, 1964 and 8,160 cars were built so that each dealer would have one in their showroom on that day.

"We promoted the Mustang to the hilt. We invited the editors of college newspapers to Dearborn, and we gave them a Mustang to drive for few weeks. Four days before the car was officially launched, a hundred members of the press participated in a giant, seventy-car, Mustang rally from New York to Dearborn, and the car demonstrated their reliability by breezing through the seven-hundred mile trip without any problems. The press recorded its enthusiasms in a massive and lyrical outpouring of words and photographs that appeared prominently in hundreds of magazines and newspapers."

In the same week of the introduction, *Time* and *Newsweek* ran cover stories of the Mustang. "This was an astounding publicity coup for a new commercial product. Both magazines sensed we had a winner, and their added publicity during the very week of the Mustang's introduction helped make the prediction a self-fulfilling prophecy. I'm convinced that *Time* and *Newsweek* alone led to the sale of an extra 100,000 cars."

The public was indeed hungry for a new sporty inexpensive car and Ford had succeeded in bringing them into what I call the "Mustang Feeding Frenzy." Like sharks in a tank, a "Chicago dealer had to lock his doors to keep people from crushing his cars—and each other."

Other well known magazines and newspapers also heightened the arrival of the Mustang. "In fact, Ford pulled off a rare feat: a barrage of media coverage in which *Life*, *Look*, *Esquire*, *U.S. News and World*

Report, The Wall Street Journal and most business and automotive publications carried big articles on Mustang just days before the official sales date. On the evening of April 16, 1964, Ford bought the 9:00 PM slot on all three television networks and an estimated 29 million viewers were treated to the Mustang's unveiling without ever leaving their living rooms. The next morning, 2,600 newspapers carried announcement ads and articles. These newspaper ads were simple and effective, what Iacocca called the "Mona Lisa" approach: a simple picture of the car in white, listing the price of \$2,368 and the words, "Presenting The Unexpected . . . new Ford Mustang." In four months, 100,000 Mustangs were sold, setting an industry record.

The early television ads played an important media roll in changing the perception of its viewers that the Mustang owner could find new lives of romance and excitement with their new cars. Featured in those early ads were: drab housewife Sarah, bookworm Emily, chicken-hearted Felix and other shy reclusive types. "The best remembered of these depicted the secret life of Henry Foster, a wimpy soft-spoken antique dealer who is seen leaving his shop for lunch in derby hat, conservative dark suit and floppy pince-nez glasses. As Henry rounds the corner and approaches a bright red Mustang, a gossipy old lady in a nearby tea shop croaks: 'Have you heard about Henry Foster? Something's happened to Henry.' He throws away the derby and glasses, doffs his coat to reveal a racy red vest and takes a sporty red tweed hat and racing goggles out of his lunch bag and slips behind the wheel smiling."

The next scene shows a very dashing Henry pulling up in his Mustang to a lovely young lady who has been waiting for him in a green meadow with a picnic lunch and a bottle of wine. "A Mustang's happened to Henry purrs a sexy, seductive voice. He jumps out of the car and flings himself down on the grass besides her, laughs merrily and throws aside his hat . . . along with all his cares and inhibitions. 'Something's Happened to Harry' was wildly praised as one of the nicest automobile ads ever seen on TV, and it became almost as famous as the car."

CONCLUSION

The Mustang success was due to a market in search of a car. The car that found the market was the 1964 1/2 Mustang. I'm sure Ford wanted the car to be introduced at the start of the 1964 model year to ward off the Corvair but perhaps the spotlight would not have been as bright with all the other cars to share the limelight. Introduced at the opening of the New York Worlds Fair the Mustang stood alone and the rest is marketing history. Lee Iacocca had created a unique car that was virtually anything to anyone. It appealed to men and women, young and old. It was three cars in one. It was economical and practical transportation to thousands of price conscious young men and women. It was a tire-burning, wheel standing performance macho-machine for the sports buff. It was a mini Thunderbird to luxury seekers and none of these three "faces" clashed with each other. As the May, 1964 issue of Car Life Magazine stated, "It is a sports car, a grand turismo car, an economy car, a personal car, a rally car, a sprint car, a race car, a suburban car, and even a luxury car."

In 1964, The Ford Mustang sold 418,812 Mustangs, a new, all time record for a first year entry. Buyer research confirmed, as expected that the majority of Mustang purchasers were between 20 and 34 years old, although the car's appeal was definitely not limited to young people, 16 percent of its buyers were between the ages of 45 and 54. With the average Mustang going out with nearly \$400 in options, Mustang generated net profits of \$1.1 billion in two years.

"Nevertheless, age and life cycle can be tricky variables. For example, The Ford Motor Company used buyers' ages in developing its target market for its Mustang automobile; the car was designed to appeal to young people who wanted an inexpensive sporty automobile. But Ford found that the car was being purchased by all age groups. It then realized that its target market was not the chronologically young but the psychologically young."

Had Ford persisted that this was a young persons exclusive car, it would have limited its acceptance. "If Ford had hammered away at the point that Mustang was for young people, this strong definition might have blocked other age groups who were so attracted to it.

Over thirty years later, the 1994 Mustang will go on sale November 19, 1993 at a price range from \$13,000 for the base coupe to \$24,000 for the GT convertible. Ford targets to sell 140,000 new Mustangs this year, not quite near as many sold in 1966 when it reached its peak sales of 607,568 cars. A lot has happened to the Mustang over the years, but one thing is still true today as it was then, young customers want three main features: great styling, strong performance and low price.