

RRS Newsletter

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WHY NOT GO THE EXTRA MILE?

That's the approach Robinson Restoration and Service feels is such an important part of what we're about.

ALL TOO OFTEN THEY'RE WRONG.....

We assume the head of any automotive manufacturer is a pretty smart person, and a lot of them are.



Marketing Strategies

Manufacturing and marketing automobiles in the United States today is risky business and the odds against success are huge!

In our last post we picked on Ford Motor Company for dropping so many models and then, years later, bringing their model name back on a new face. It's not unreasonable, but Ford has done it so many times and we're all still recovering from the Mustang, a legendary sports car, sharing its name with an electric SUV.

General Motors and Chrysler, *excuse me*, Stellantis have their fair share of "rebirths" as well, and they too by percentage, share the same fate as so many others — total failure.



When a company does this, the hope is that the car or truck buying public will remember the old name with some level of fondness and be drawn to it.

Problem is, the company dropped the vehicle line in the first place because it wasn't selling! In short, they hope the failure is forgotten and react to the name in a way that saves the company millions in trying to relaunch the brand.

As near as we can tell it works about 10-percent of the time.

We guess it beats naming new models by the names they will come to be known by; Recall, Warranty, Repair and Trade-in.

Sadly, the reintroduced model names don't usually represent a better vehicle than the former of the same title. Production volumes are now so great and the competition so fierce, that quality has taken a backseat and consumers have become all too accustomed to receiving recall notices in the mail.

Yep, being the Boss looks pretty attractive from the ground floor, but the pressure to be right gets far greater the higher up headquarters you go.



Model confusion??? One of the primary reasons for reviving old model names is branding. Names like the Ford Capri carry a legacy, even if that legacy is distant. Older consumers who remember the Capri's heyday might feel a sense of nostalgia when they hear the name, making them more likely to consider the new model. Even those unfamiliar with the original Capri might at least recognize the name as vaguely familiar, providing a sense of brand trustworthiness.

Profit: OEMs had an average profit margin of 7.8% in the first quarter, down slightly from the 8.5% average in 2023. **Meanwhile, suppliers stayed basically flat at 5.6% average profit margin.** This marks the 13th straight quarter in which OEM margins have exceeded those of their suppliers. Note: Stellantis Stock Sinks on Slashed Profit Forecast

Thought for the day!

"Don't tell us what a great driver you are until you at least know how to hold a steering wheel."

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***We're passionate about Classic, Antique,
Collector, Historical & Vintage Car
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