

# 2010 Honda Civic Hybrid Campaign



# Plexus

Kimberly Chaloupka: Account Manager Lance Janssen: Research Director Libby Strobel: Creative Director Abby Young: Media Director Michelle Frazier: Public Relations Director

# Client Background

Honda Motor Co., Ltd. began in 1946 by Soichiro Honda in Hamamatsu, Japan (1-Datamonitor). Initially, Honda made 2-cycle motorbike engines, and now produces passenger cars, sport utility vehicles, commercial vehicles, special needs vehicles, utility vehicles, as well as numerous other motors (1-Datamonitor). Currently, Honda is the fifth largest automotive manufacturer in the world, as well as the largest motorcycle producer (1-Datamonitor).

Honda's United States operations began in 1959 after opening a store in Los Angeles (1-Datamonitor). They opened their first plant in the United States in 1979, and now have more than 25,000 direct American employees and over 100,000 employees at authorized Honda dealerships (1-Datamonitor).

In 2008, the automobile division of Honda recorded a revenue of around \$83,316,900, a 6.8% increase from 2007 (1-Datamonitor). In addition, they ranked 20th on the *BusinessWeek/Interbrand* ranking of top 100 global brands (1-Datamonitor).

In the hybrid-vehicle market, Honda released the first gasoline-hybrid vehicle into the United States in 1999 with the Insight (2-Freedonia). Currently, Honda has two hybrid vehicles in the market with the Insight and the Civic Hybrid

(2-Freedonia).



## History/Industry Trends

## New Car Industry

The new car industry has struggled recently in the American market. While the market had a 0.4% compound annual growth rate in value from 2004-2008, the number of cars sold decreased by 8.5% in 2008(3-Datamonitor). After increasing the sales volume by 2.9% in 2005 and 2.1% in 2006, the 2008 loss and a

3.0% loss in 2007 drove the annual rate of change between 2004 and 2008 to -1.7%(3-Datamonitor).

In continuation with the drop of new car sales in the United States, the volume of sales will likely continue falling until 2011(3-Datamonitor). The market may have a 0.3% growth in 2011, 5.3% in 2012 and 5.0% in 2013 (3-Datamonitor). Despite the rise after 2011, the industry will still produce a predicted 4.7% fewer

cars in 2013 than in 2008 (3-Datamonitor).

Despite drops in the number of car sales, the industry looks to rebound in value. With prediction of losses in market value until 2010, the industry looks to gain 2.4% in 2011, 7.5% in 2012 and 7.0% in 2013 (3-Datamonitor).

In 2008, General Motors had the largest individual share in the new car market with 20.2% (3-Datamonitor). Toyota had 19.2%, Ford had 13.3%, Honda had 11.2% and other companies composed the remaining 36.1% (3-Datamonitor).

"I cannot understand why everyone is not driving a hybrid,"

-Plexus Research Survey respondant

#### Hybrid Car Industry

The hybrid car industry grew in the United States from 2001 to 2007, until an 11.3% fall in demand in 2008(2-Freedonia). Despite the fall, the hybrid-electric vehicle market may rise about 33.0% annually from 2008-2013 (2-Freedonia). By 2013, hybrid-electric vehicles may compose up to 9.0% of light vehicles sold (2-Freedonia).

Honda was the first company to release a hybrid-

electric car in the United States with the Insight in 1999, a car they re-launched in 2008 (2-Freedonia). The following year, Toyota released the Prius, now the best selling electric hybrid in the United States (2-Freedonia). More recently, the hybrid car industry began including trucks and SUVs (2-Freedonia). Ford released the Escape in 2004, one of many truck or SUV models in the current market (2-Freedonia).

Despite the predicted boost in the future of hybrid-electric car sales, these cars may struggle to sell as they will always have a cost disadvantage in comparison to non-hybrid vehicles (2-Freedonia). As it will cost more to produce hybrid-

electric vehicles than non-hybrid vehicles, cost will continuously be an issue for hybrid car sales in comparison to their normal competitors (2-Freedonia). In addition, the rise of plug-in electric vehicles may drop the purchase of hybrid-electric vehicles in the future (2-Freedonia).

Despite these issues, the hybrid car industry may look to tax breaks from the government or rising fuel economy standards as selling points for the hybrid-electric vehicle market (2-Freedonia).

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# Competitive Analysis

The Honda Civic Hybrid has three main cars as its competition in the hybrid market:

•Toyota Prius: a sub-compact hybrid-electric vehicle released in 2000 (2-Freedonia). The Prius is the top-selling hybrid in the market, selling around 160,000 vehicles in 2008 (1-Datamonitor).

•Honda Insight: a sub-compact hybrid electric vehicle released in 1999 and re-released in 2008 (2-Freedonia).

•Ford Fusion Hybrid: a mid-sized car released in 2009 (2-Freedonia).

## Engine Types

All use a different hybrid engine system than the Honda Civic Hybrid, but attain comparable gas mileage and are roughly the same base price.

•Honda Civic Hybrid: The Civic Hybrid runs on an "Integrated Motor Assist" system that runs on a gasoline engine, with an electric battery offering a boost to the engine. (4-Honda)

•Toyota Prius: The Prius uses the Toyota "Hybrid Synergy Drive" that combines gasoline engines and electricity to move the vehicle, depending on the driving situation (5-Toyota)

•Honda Insight: The Insight also runs on the "Integrated Motor Assist" system, except has a newer battery (6-Honda 2).

•Ford Fusion Hybrid: The Fusion Hybrid runs on a battery and gasoline engine. (7-Ford)



## Price and Mileage

For the Civic Hybrid, Prius and Fusion Hybrid, there seems to be a correlation between high gas mileage and a low starting price. The Honda Insight is the exception to this trend (6-Honda 2).

Car	Starting Price	Gas Mileage (Reported)
Honda Civic Hybrid	\$23,800(12)	42 mpg <sup>(8)</sup>
Toyota Prius Honda Insight Ford Fusion Hybrid	\$22,400 <sup>(13)</sup> \$19,800 <sup>(14)</sup> \$27,625 <sup>(15)</sup>	50 mpg <sup>(9)</sup> 43 mpg <sup>(10)</sup> 39 mpg <sup>(11)</sup>

## Performance

While the 2010 Honda Civic Hybrid offers a smoother, more engaging driving experience than previous models, Car and Driver touts the Ford Fusion Hybrid as having a "driving experience remarkably close to that of nonhybrid vehicles." (15)

## Safety

All four of these vehicles won the Insurance Institute for Highway Safety's "Top Safety Pick 2009"(16-IIHS). The Honda Civic Hybrid and the Ford Fusion Hybrid both slightly outperformed the Toyota Prius in 2009 crash test safety ratings, but all received at least 4 out of 5 stars in all categories by Automotive.com (17-Autmotive). In addition, all four received a 4 out of 5 stars by Automotive.com in the rollover test (17-Autmotive).

# Situation Analysis

## Plexus Car Survey

Plexus ran an online survey, surveying 58 adults on car purchasing and the hybrid industry. In the survey Plexus found:

•Toyota had the highest rated functionality, followed closely by Honda, while Ford and General Motors were much lower.

•Honda had the highest dependability and safety rating over Toyota, General Motors and Ford companies.

•44.8% of the respondents said fuel efficiency will be very important in their next purchase of a vehicle, and 36.2% said that it will be important.





•17.2% of the respondents said that spaciousness will be very important in their next purchase of a vehicle, 31.0% said it would be important, and 34.5% were neutral.

•12.3% of the respondents were planning to buy a car in the next year.

•57.1% of the respondents were interested in buying a hybrid vehicle as their next vehicle.

•When asked about how the respondents felt about hybrid vehicles in one sentence or less, many respondents replied that cost was an issue. Many liked hybrids and may even buy one in the future, but cost was important.

•Some individuals had a difficult time differentiating between the Honda and Toyota brands.

## Consumer Analysis

Important insights Plexus gained after running data on the Choices (III) program are:

•Women are more likely than men to drive a foreign-made compact car. In addition, women are slightly more likely to buy a new car than men.

•The higher the education, the more likely a person will drive a foreign made or new car. Individuals who also have a full-time job are a key target.

Asian Americans showed strong trends toward buying foreign cars and buying new cars. In addition, while being slightly less likely than the general population to buy a foreign compact car, the white population is also slightly more likely to buy a new car.
The key age group for buying new cars is 50-54, during which individuals are more likely than the general population to drive a new car. The 35-49 age groups are slightly less likely to buy a new car. In addition, 30-39 year olds are more likely to lease a car than the general population.

•The 18-24 age group is much more likely than the general population to drive a foreign-made vehicle, and the 25-39 age groups are all more likely to drive a foreign made vehicle than the general population.

In terms of income, families with an income of \$45,000-49,999 are equally as likely as the general population to buy a foreign made compact car. From that income and up, each income group is more likely than the general population to buy a foreign made car.
The key jobs for foreign made vehicles are computers and math, office and administration, professional and technical, healthcare, architecture, sales and legal and education.

•The key marketing regions for purchasing a foreign vehicle in the Neilsen marketing regions were the Northeast, New England, New York Metro, Mid-Atlantic, Pacific, Greater Los Angeles and other Pacific.

Familial makeup shows families of two or

more are equal to or slightly more likely than the general population to buy a foreign made car. Married individuals are slightly less likely to buy a foreign made car, while legally separated, divorced and not married people are slightly more likely, and single and never married individuals are more likely to buy a foreign made car.

•Individuals who are likely to purchase a foreign-made compact car are likely to lean liberal politically.

Given this data, the groups most likely to buy a Honda Civic Hybrid are:

#### Jackie

Jackie is the 30-something mom or business professional with a job and one to three children. She lives in either the northeast, mid-Atlantic or Pacific areas of the United States. She has at least a bachelor's degree, and is probably a politically liberal.

#### Sean

Sean is in his late 20's to early 30's and is new to the business world. He has an income of around \$45,000 or more, and might have a job in computers and math. He lives in the same regions of the country as Jackie and it also likely to vote liberal politically.

#### Craig

Craig is in his late 30's to mid 40's, likely to have a higher job in the corporate world, or a job in education.



Craig also lives in the same regions as Sean and Jackie, but has a higher income. He likes the prestige of a lasting, foreign car and is likely to vote liberally.

# Situation Analysis

## Brand Analysis

### Product

The 2010 Honda Civic Hybrid utilizes a newly designed "sporty" interior and exterior with an estimated gas mileage of 42 mpg highway to appeal to potential customers. The Civic Hybrid features a 1.3 L 4-cylinder gasoline engine paired with a lightweight electric motor, along with continuously variable transmission (CVT) and idle-stop technology to promote better gas mileage and fewer harmful emissions, according to Honda's Web site(8).





### Brand Position

Honda has long been associated with the concept of "dependability" in the United States. In 2009, Kelley Blue Book's Best Resale Value Awards deemed Honda the "Best Brand" and named the Honda Civic Hybrid the "Best in Category" for hybrid cars. (20-Kelley Blue Book) In our research, potential customers identified "dependability" and "affordability" as the main advantages of purchasing a Honda vehicle.

## Brand Personality

Since its introduction in 2002, the Honda Civic Hybrid amassed the personality of the eco-friendly younger sibling of the traditional Honda vehicles. The brand played up already established strengths of the company, most notably "reliability" and "safety," as well as introduced the concept that Honda Civic Hybrid drivers make "smart choices." (18-McCall). Honda coveys the Civic Hybrid's image as "hip" and "trendy" to appeal to a younger crowd that stretches beyond just "tree huggers." (19-Westfall)



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# Media Usage Analysis

The independent full-service advertising and marketing agency Rubin Postaer and Associates (RPA) currently handles the American Honda account. At this time, RPA uses online community based marketing along with TV spots to promote its new campaign for the whole Honda brand called "Everybody knows someone who loves a Honda." Advertisements for this campaign air on primetime programs including 30 Rock, How I met your Mother, Dancing with the Stars, and NFL football. To promote the new campaign, RPA also utilizes a full homepage takeover on sites popular with their targets like ESPN.com or CNN.com (22-AdAge.com).

By looking at the data found on Choices (23-Choices III) for media consumed by owners of foreign compact cars bought new, we can see what current owners spend their time reading, what TV channels and shows they watch, and what they are doing online. This information is imperative to understanding the people who buy foreign compact cars and what media they consume.

The following magazines are the most read magazines by foreign compact car owners who bought their vehicle new. This sample of magazines clearly represents more than one type of foreign compact car owner. Female owners are likely reading the wedding magazines, cooking magazines, celebrity gossip magazines, and general women's magazines addressing beauty and fashion. The male owners are likely the consumers of the sports magazines, the technology magazines, and the men's magazines. Both sexes are likely readers of the lifestyle magazines, news magazines, and travel magazines. (23-Choices III).

#### Magazines

Women's Magazines (Seventeen, Allure, Glamour, Cosmopolitan)
Wedding Magazines (Modern Bride, Bride's Magazine)
Cooking Magazines (Real Simple, Bon Appétit, Gourmet)
Celebrity Gossip Magazines (US Weekly, In Touch Weekly, Teen People)
Men's Magazines (Stuff, FHM, Maxim)
Sports Magazines (Sporting News)
Technology Magazines (Wired, PC Magazine)
Lifestyle Magazines (Runner's World)
News Magazines (Hemispheres, Travel and Leisure)

Foreign compact car owners primarily use the internet for daily tasks like checking e-mail and bank accounts, reading the news, and then searching for needed information- ranging from research to airline and hotel information. The top sites owners are likely to visit are About. com, NHL.com, and Time.com. Thus the reason they visit these sites is likely for information, for news, for e-mail, for recreation, or for finding a job or someone special (23-Choices III).



# Situation Analysis

#### Web sites Visited

Information search (About.com, AltaVista. com, HotJobs.com, Monster.com, Match.com)
News (Time.com, WSJ.com, WashingtonPost. com, LATimes.com, NYTimes.com)
Recreation (NHL.com, ESPN.com, Bizrate. com, Amazon.com)

•Email (Hotmail.com)

For a Sunday morning newspaper, foreign compact car owners primarily read *the Boston Globe, the San Francisco Chronicle Examiner, the Washington Post, and the Miami Herald.* The owners' most read daily newspapers are also *the Boston Globe, the Washington Post and the San Francisco Chronicle.* This choice in newspaper is reflective of the East and West coasts being a few of the regions foreign compact car owners reside in (23-Choices III).

#### Sunday newspapers

- •Boston Globe
- •San Francisco Chronicle Examiner
- •Washington Post
- •Miami Herald
- •Dallas Morning News
- •New York Times

#### Daily Newspapers

- •Boston Globe
- •Washington Post
- •San Francisco Chronicle
- •The Dallas Morning News
- •New York Daily News
- •New York Post

The foreign compact car owners tend to view cable television channels whose audiences skew toward a younger demographic. These channels' programming centers around comedy, music and entertainment. The same holds true with the top TV channels the Honda owners are most likely to watch matching those of the foreign compact car owners (23-Choices).



## TV- Cable/Premium Channels

Entertainment (E!, USA Network, FX, TNT, Game Show Network)
Comedy (*Adult Swim*, Comedy Central, Cartoon Network)
Music (VH1, MTV, MTV 2)
Sports (ESPN)
Lifestyle (Food Network, HGTV, Style)

From the Choices data on what TV shows foreign compact car owners viewed yesterday, it is clear that owners regularly view mostly late night shows and early evening weekday news. They do not watch early morning news or programs as often as the evening programming. Shows most commonly watched include *Last Call with Carson Daly* and *Jimmy Kimmel Live* as well as the *News Hour with Jim Lehrer*. Other than these specific programs, there were no set time periods when foreign compact car owners were more likely to be watching TV (23-Choices III).

#### TV Shows

Early Evening Weekday News (News Hour with Jim Lehrer)
Late Night Shows (Last Call with Carson Daly, Jimmy Kimmel Live)

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# Creative Campaign History

## Brochure/Print Ads

Print ads feature flashy images of the vehicle in a nighttime setting, inherently appealing to a young audience. The ads feature taglines such as "Skin+Tingle, Chest+Thump, Head+Rush" and "Increase Your Daily Quota of Thrills", implying that the Civic Hybrid is a cutting edge, fun car. The print ads focus on engine capabilities rather than safety capabilities, a priority for young, male consumers.

### Television Ads

#### "Grade A"

Description: A 2003 ad features a brainiac's Civic Hybrid science-fair entry confusing his teachers as they ponder whether his parents helped him with the car and how he got it in the gym.

Interpretation: The ad demystifies the idea of Hybrid, making it appear accessible to everyone. The idea that a child can construct one makes it seem easy to operate and unintimidating.

"Treating it as a normal Civic broadens its appeal," said Bill Hagelstein, evp and COO at the independent Santa Monica, Calif., shop. (21-Adweek)



GRADE A: Positioning the science as child's play

"Treating it as a normal Civic broadens [the Hybrid's] appeal" - Bill Hagelstein

"Nice to Everyone" (24-Youtube. com)

Description: In this 2006

ad, a young , attractive couple drives down a country road while psychedelic nature images dance across the screen and emerge from the couple's mouths. The song "Nature Anthem" by Granddaddy plays in the background.

Interpretation: This ad is creative and heavily emphasizes the hybrid aspect of the vehicle. The couple drives down a beautiful forest road, inferring that this is a typical Civic Hybrid driver's terrain. The ads target young consumers concerned with the environment.

#### "Trashed" (24-Youtube.com)

Description: This 2007 ad continues to appeal to young consumers concerned with the environment. It features a young man picking up a non-hybrid driver's litter while "The Odd Couple" theme song plays. The commercial ends with the hybrid driver leaving a giant tower of the non-hybrid driver's litter on top of his vehicle.

> Interpretation: This ad utilizes a humorous approach, almost poking fun at the typical starry-eyed, overly-virtuous hybrid driver. The Odd Couple theme song polarizes hybrid and non-hybrid drivers. The non-hybrid driver is obnoxious, littering and talking on his cell phone loudly. Consumers will not identify with him and will most likely find the young man attractive, funny and most appealing.

## Online Campaign

Online, consumers can build their own musical road that the Civic drives down and plays music. Honda says they built the musical road for two reasons. One, Honda thrives on facing challenges, no matter how obscure. Two, Honda wanted to create an experience that embodies the connection a Civic driver has with the road." The online ad features artsy, hip looking people building the musical road. Like the Civic's print and television ads, their online campaign appeals to young, trendy consumers, although their online campaign mentions nothing about the Hybrid aspect of the vehicle.



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Honda's 2008 Online Campaign: The Civic Project and the Musical Road

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#### Honda Civic Hybrid Message vs. Competitors

#### **Toyota Prius:**

The Prius ads enlist a high-concept approach of "harmony" with heavy visual impact. The ads contain minimal rational information. In addition to the lush visual imagery, a modern version of the popular 1970's song "Let Your Love Flow" plays during the ad. The ads contain a minimal pitch that focuses on perceived weaknesses of past generations of the Prius such as more space, more horsepower, and fewer carbon emissions. The Prius conveys itself as a brand connected to the environment in a way the Civic Hybrid cannot match. Attempting to match the emotional appeals and emphasis on the environment of the Prius, the Civic Hybrid will most likely fall short.

#### Ford Fusion:

The Ford Fusion ads rely on heavy rational appeals, stating and showing visually the specific gas mileage of the car throughout the ad. The ad also features a positive review given by the *Los Angeles Times*. The Fusion promotes a logical, financially sensible vehicle. Rather than emphasize the Hybrid aspect of the vehicle, the ads highlight internal features like voice-dialing and GPS.

#### Summary

The Toyota Prius unofficially owns the "green" concept. Prior attempts to directly compete with their message strategy are ineffective. It is rather best to position the Honda Civic Hybrid entirely different. Ads should not focus on the Hybrid aspect of the car, but rather the Honda brand and its reputation for producing long-lasting and trustworthy automobiles.

# Current Public Opinion

The hybrid market saw continued growth over the last year with a total of over 700,000 cars sold through the end of 2008. All models have continued incorporating advanced environmentally friendly technologies.

Furthermore, high gasoline prices played a major role in advancing awareness of fuel efficiency when purchasing a vehicle. According to recent Gallup Polls taken in September of 2009, the majority of Americans claim that increasingly high gas prices created a direct impact among their driving and financial investments (26-Jones). Travel patterns concern Americans more in recent months than ever before. All Honda civic models hold a reputation for cost efficient fuel consumption. In 2008, following weak economic trends, the Honda Civic topped the US sales list in June 2008 (25-Honda). "The Honda Civic Hybrid is one of the best hybrids available, with an affordable price, excellent driving dynamics, and fuel economy matched by few other models."

- Forbes



# Situation Analysis



Hondas currently make up seven percent of cars driven by U.S. adults. Chevrolet and Ford are the dominant cars of choice for today's drivers, followed by Toyota, Honda, Dodge, Buick, GMC, and a variety of other brands driven by three percent or fewer U.S. adults.

Most people consider the Civic an alternative hybrid vehicle to the Prius. Despite the Prius' Environmental Protection Agency (EPA) rating of 51/48 mpg city/highway and percieved spaciousness, the Civic Hybrid is unique in its offering of fuel-saving technology in a more conventional style (27-Pike Survey).

Honda has a long tradition of having a strong commitment to the preservation of the environment and views it as core to the management of their company; however, with growing economic concerns, consumers began shying away from supporting environmental initiatives in favor of focusing on current economic concerns. "Honda's reputation for practical economy is shown in the Civic Hybrid." -CNET



# Stakeholder's Analysis

Honda's major stakeholders include the customers, associates, suppliers, shareholders and investors, as well as environmental groups.



Honda places a strong importance on the role of the individual. Every step of the sales process from marketing and sales to after-sales focus is meant to build a strong trust and partnership with the customer, ensuring complete satisfaction.

#### *Suppliers*

Honda is a global company with thousands of suppliers working in manufacturing bases which extend all over the world (25-Honda).

#### Associates

Honda places importance on being an equal opportunity employer. They strive to hire employees from various backgrounds and value the concept of individuality.

#### Shareholders and Investors

Established in 1948, Honda Motor Co., Ltd. first appeared on the Tokyo stock market in 1954. After appearing on the Tokyo Stock Exchange in 1957, the company was listed on all national exchanges in Japan (25-Honda). Overseas, American Honda Motor Co., Inc. issued American Depositary Receipts in 1962, and in 1977 was listed on the New York Stock Exchange (25-Honda).



#### Government

The National Highway Traffice Safety Administration gave the Civic Hybrid five stars (the highest rating) for its outstanding performance in the frontal crash test for both the driver's and front passanger's seating positions (25-Honda). These rating solidify the safety and

dependability of the Civic Hybrid.

### Environmental Stakeholders

Honda incorporates a continued effort toward environmental conservation. In the 1990s Honda refocused its environmental conservation initiatives and in 1992 clearly outlined environmental issues by releasing the Honda **Environmental Statement:** 

"As a responsible member of society whose task lies in the preservation of the global environment, the company will make every effort to contribute to human health and the preservation of the global environment in each phase of its corporate activity. Only in this way will we be able to promote a successful future not only for our company, but for the entire world." (28)

# Honda Civic Hybrid SWOT

#### Strengths

• The hybrid car industry looks to compose a larger market share in new American cars in the future.

• The Honda brand holds associations of reliability and functionality, something many individuals expressed in our survey.

• Rising fuel economy standards may prompt individuals to buy fuel efficient vehicles, such as the Honda Civic Hybrid, in the future.

• Fuel efficiency was an important issue for many individuals' next purchase of a vehicle in our survey.

• Honda is a top 20 brand in the *BusinessWeek/ Interbrand* top 100 brands ranking.

#### **Opportunities**

• Continue building ideology of a reliable vehicles, as well as gas efficiency, but create difference in brand image between Honda and Toyota.

• Try to link the idea of the Honda Civic Hybrid as the new trendy car, playing down the fact that it is a hybrid.

• Try to use higher rate of sales in the Northeast, central Atlantic and Western regions of the country to promote the vehicle and increase purchasing habits in the regions.

• Try to promote the vehicle as more flashy and a new style of luxury vehicle for younger buyers and those with young families.

• Use the idea of reliability, and yet show that this is a new style of car.

#### Weaknesses

• The Honda Civic Hybrid struggles to compete in the market with the Toyota Prius, and Chevrolet and Ford dominate the car category for American drivers.

• The cost of the Honda Civic Hybrid may drive consumers to buy a less expensive, but less fuel efficient vehicle.

• Many respondents in the survey said cost is the most important factor in their next purchase of a vehicle.

• The largest market for buying new cars is with individuals over the age of 50, who also tend to not buy foreign made vehicles.

• The volume of new cars sales in the United States is predicted to continue falling until 2011.

#### Threats

• The Toyota Prius dominates the hybrid market, and with other companies such as Ford with the Fusion entering the market, more companies selling hybrid vehicles will compete against the Civic Hybrid in the future.

• Struggle to promote the vehicle despite greater cost over non-hybrid electric vehicles.

• Struggle to sell the vehicle to markets who may not necessarily want to buy a new car.

• Struggle to increase sales in a time when car sales in the United States will likely continue dropping until 2011.

• Battling the idea that the vehicle is small, where many individuals may want a bigger car.

## Goals and Objectives

Plexus has two main goals for our Honda Civic Hybrid campaign: 1) to increase brand recognition among the targeted market areas in the northeast, mid-Atlantic and Pacific areas of the United States and 2) to increase sales in those regions, as well.

Compared to other sub-compact hybrid cars, brand recognition of the Honda Civic Hybrid is relatively low. We plan to use our advertising campaign and promotional efforts to increase recognition and to drive potential customers to dealerships in order to test-drive the Honda

Civic Hybrid. It is our goal that when when consumers meet with sales representatives who specialize in the Honda Civic Hybrid and have incentives to sell the vehicle at the dealership, many will ultimately purchase the vehicle.

## Target Markets

In our research, Plexus found three types of people we believe are most likely to purchase a Honda Civic Hybrid. These individuals are more likely than average to own a foreign-made vehicle and tend to fit into age and income demographics that made them more likely than average to purchase a new vehicle. These three types of people make up our three primary target audiences for the advertising campaign and are:

#### Jackie

Jackie is in her 30's and is a relatively new mom with one to three children, a businesswoman or both. She has at least a bachelor's degree and lives mostly in suburban or urban areas. She tends to be liberal politically. Jackie enjoys television programs like *Extreme Makeover: Home Edition, Dancing with the Stars, the Bachelor, and Amazing Race.* Additionally, she reads magazines like US Weekly, Modern Bride, *Glamour and Allure.* 

#### Sean

Sean is in his late 20's to early 30's and is a newcomer to the business world. He has a bachelor's degree and earns around \$45,000 a year, but looks to climb his way up the corporate ladder. Sean enjoys comedy and most frequently watches television programs such as *Adult Swim, The Office, 30 Rock, How I Met* 

Plexus' Honda Civic Hybrid campaign will build on the already established image of Honda's quality and reliable vehicles while introducing the added efficiency that a hybrid provides. Your Mother, It's Always Sunny in Philadelphia, and Conan O'Brien. He also probably enjoys sports, so he frequently watches ESPN and NFL

football. He

reads magazines such as *Maxim* and possibly *Runner's World*, and is potentially physically active in addition to watching and reading about sports in the media.

## Craig

Craig is in his late 30's to early 40's and is likely to have a higher-up job in the corporate world or to work in education. He earns more than either Jackie or Sean, but lives in the same general areas. Craig probably enjoys many of the same television programs as Sean, but also is interested in dramas like 24. He reads magazines such as *Time* and the *Economist* as they affect his professional life in addition to his personal life.

# Campaign Strategy

## Strategy

Plexus' Honda Civic Hybrid campaign will build on the already established image of Honda's quality and reliable vehicles while introducing the added efficiency that a hybrid provides. We chose this approach because we believe the established hybrid car market is already

saturated with other vehicles, such as the Toyota

Prius, that focus on the ecofriendly aspects of the car. Our campaign will focus on the hybrid as a car that will save American families money and time because of its fuel and overall efficiency. By making the Honda Civic Hybrid a hybrid car that the average person can relate to,

Plexus hopes to reach a more general audience than just the established hybrid vehicle market.

### The Honda Advantage: Reliability

Consumers already know that Honda vehicles are reliable. In a survey conducted by Plexus, consumers rated Hondas number one in safety and dependability, over Toyota, General Motors, and Ford. Plexus' goal is to reinforce this image of reliability with the Honda Civic Hybrid, rather than reinvent it, to extend the brand to consumers who might be skeptical of a hybrid vehicle otherwise.

In addition to focusing on reliability, we plan to make the Honda Civic Hybrid a car that interests this group of consumers by marketing it as the hybrid car most conducive to the average American family's lifestyle. In particular, the fuel efficiency and potential to save money that a hybrid offers will appeal to our target market more than the traditional "eco-friendly" spin that many other brands take in their advertising campaigns.

#### Message Strategy

The Honda Civic Hybrid continues the Honda tradition of safety and reliability with the added bonus of efficiency that a hybrid offers. Our target market wants a car they can trust to get them from point A to point B safely and on time, and Plexus' goal is to make them think of the Honda Civic Hybrid as that car.

"[Honda is an] innovative manufacturer of safe, reliable, fuel efficient, affordable vehicles,"

- Plexus Research survey respondant

In today's economy, efficiency is more important than ever to our target market. Consumers are more conscientious about their

spending, and increased fuel efficiency will be an important factor in their decision when purchasing a vehicle. Plexus is confident that through this campaign, the Honda Civic Hybrid has the potential to become the hybrid vehicle that the target market thinks of when they consider adding a hybrid to their life because of its more traditional body style, history of safety and reliability, and the added efficiency that a hybrid offers.

Consumers expressed in surveys, such as the one conducted by Plexus, that they are willing to invest in a Honda because they know it is a quality vehicle that will last. Now, we want them to take that one step further and invest in efficiency with the Honda Civic Hybrid.



## Branding

Plexus' goal is for potential Honda Civic Hybrid buyers to think of the car the way they think of themselves: reliable, efficient, trustworthy, hard working, safe, professional, responsible and so on.

Currently, many consumers often see the Honda Civic hybrid as a "starter car." However, we know from our research that the primary target market for both new and foreign made cars ranges anywhere from individuals in their late 20's to their early 40's. We wish to appeal to this entire market in a way that makes them see the Honda Civic Hybrid as a car that will fit into their busy lifestyle whether it includes kids, frequent travel, a job, or other aspects of their lives.

> "Honda's Civic hybrid is a good alternative for those who don't need Toyota Prius' distinctive styling to advertise their fuel saving heroics."

> > - USA Today



## The Campaign

## Regionality

In our background research, Plexus found that people most interested in buying foreignmade cars and hybrid cars tend to live in the northeast, mid-Atlantic and Pacific areas of the United States. Therefore, we intend to focus the majority of our marketing campaign to these areas.

Within these regions, we intend to focus our campaign on mostly suburban, but also urban areas. All of our target market groups are likely to live or work in suburban or urban areas. Many also live in the suburbs and commute to work, adding to the appeal of a hybrid car and the fuel efficiency it provides.

Specific states that Plexus identified as key target markets within our broader regions include California, Florida, Maryland, Massachusetts, New Jersey, North Carolina, and Virginia. Within the target areas, we intend to primarily focus our outdoor advertising to larger cities such as Boston, Los Angeles, Miami, Philadelphia, San Francisco, Seattle, Washington, D.C. and, to some extent, New York City. Plexus will disseminate both print and broadcast advertisements, including both television and radio, in the target regions at large, not only in these specific cities.

#### Seasonality

Plexus chose to advertise all year long, but focus the majority of our marketing campaign in late spring, summer and early fall during the year. We chose this tactic because during warmer months, consumers may tend to focus more on the benefits that a sub-compact hybrid will offer than on the potential drawbacks such as difficult driving in winter. However, we plan to market all year round because in many of our target markets, inclement weather during later months is not a major factor, such as in California, Florida and many of the mid-Atlantic states.

We plan a major increase around April and May when we feel our target market is most likely to consider purchasing a sub-compact car. This time of the year is also particularly opportune for reaching recent college graduates who fall partially into our "Sean" category and who may be in the market for a car as they enter the working world for the first time. We would maintain a strong campaign throughout the summer months and scale back from September to late October, with a final push for the year right around the holiday season in late November and early December.

During the times we would scale back traditional broadcast and print advertisements, the supplemental Web site would still be live and social media tools would be in play for users to interact with.



"The Civic Hybrid's efficiency and environmental benefits are undeniable."

- About.com

#### Scope

The main focus of our campaign will be a television advertising series in key geographic areas and during specific times of the year outlined above to reach the target market. We chose to establish the primary campaign using television advertising to make the brand and basic advertisement style already instantly recognizable when we expand to print, outdoor and other media. Additionally, by choosing strategic placement during programs that our target markets are likely to watch, we anticipate that we will can access the largest number of our target market at any given time through television.

Print, radio, outdoor and online campaigns will supplement these advertisements. These supplemental campaigns will use a similar style and the same tagline reinforcing the messages communicated in the larger television ads, but in other media that our target market frequently use.

Finally, we plan to implement an interactive promotional contest in order to create ties between the consumer and the brand directly, and to spread the word about the brand and the new advertising campaign via social media.

# Background

Texus

Since Hybrid cars have been on the market, advertisers focused heavily on the cars' ecofriendliness. Stereotypical advertisements for the hybrid vehicles feature the car in the environment, with young, trendy, happy-looking individuals behind the wheel. By rejecting this obvious creative concept, and instead emphasizing the well-established Honda brand, the Civic has an opportunity to appeal to a different, broader audience than other hybrids.

## Tagline

Plexus will use the slogan "Like You." Each ad will contain either the adjective "dependable", "reliable", "safe" or "lasting" before the slogan to relate the vehicle directly to defining qualities of our target audience members.

## Positioning

According to Plexus' survey research, consumers rated Hondas number one in safety and dependability, over Toyota, General Motors, and Ford. Because recognition of the Civic Hybrid is fairly low, Plexus' creative positioning takes advantage of the well-established and recognizable Honda brand.

Different ads will cater specifically to different members of our target market through a combination of print, television, radio and Internet platforms, but the overarching themes of safety and dependability of the Honda brand will remain consistent throughout all messages. Common words Plexus survey research found associated with Honda were reliable, long lasting and family. The "Like You." campaign will encourage consumers to view Honda as an extension of themselves and a direct reflection of what they value in their lives and their automobiles.

## Tone

The advertisements will adopt a calm, soothing tone because the television ads may initially produce anxiety in viewers by presenting bad situations such as almost getting into an accident or missing your child's sports game. The tone will help resolve these fears and ensure none of that will happen if you drive a Honda Civic Hybrid because it is trustworthy, just like you.

# Campaign Objectives

The "Like You." campaign has numerous goals:

- Increase brand recognition of the Honda Civic Hybrid.
- Establish a strong connection of the Honda Civic Hybrid to the overall Honda brand.
- Persuade our target market to buy the Civic Hybrid instead of the Toyota Prius.
- Boost sales in targeted market areas in the northeast, mid-Atlantic and Pacific areas.

# Target Market

The Civic Hybrid has three primary target markets, Jackie, Sean and Craig. Jackie is a relatively new mom in her 30's with one to three children. Sean is in his late 20's to early 30's, hoping to advance in the corporate world. Craig is in his late 30's to early 40's, holds a prominent corporate position, and is financially well off.

Plexus' creative campaign will resonate with all three markets by:

• Directly acknowledging customers' need for safety and dependability.

- Promoting the Civic Hybrid as a car that reflects their core values.
- Juxtaposing "worst-case" car scenarios with positive Civic Hybrid driving experiences.

• Using emotional and celebrity appeal with print ads featuring Lance Armstrong and other strong imagery.

## Creative Strategy

• The "Like You." slogan will be a constant in every ad platform.

• Plexus will use descriptive, powerful photos and minimal amounts of text in print ads.

• Television ads will use a split-screen technique and simultaneously present driving experiences of Honda Civic drivers vs. Non-Civic drivers.

# Creative Plan

## Broadcast Commercials

Our television ads will be an essential aspect in relating to our target markets. Two of our television ads target Jackie, the young mother whose kids and their safety are among her top priorities. Our third television ad is aimed at our oldest target market, Craig, and highlights the long lasting of Honda.

#### Television Ad #1 "Safe. Like You."

The first 30-second television ad targets Jackie and will capture the attention of all mothers by showing common safety precaution measures they have most likely done before. In the second to last scene of the ad, a mother slams on her brakes to avoid getting hit by a reckless driver. Plexus chose the song, "God Only Knows" by the Beach Boys. A lyric in the song, "God only knows what I'd be without you," exemplifies the love mothers feel for their children.

#### Television Ad #1: Safe. Like You. Running time: 30 seconds Music:: "God Only Knows" by The Beach Boys



The first shot of the commercial is footage of a mother, "Jackie" placing a child-proof lock on a cabinet in her kitchen.



The third shot zooms in on Jackie checking the batteries on a smoke alarm.



The fifth shot is of her driving along a suburban sreet, smiling at her giggling child in the back.



Music cuts back in. Screen fades to black. "Safe. Like You." tagline appears



The second shot shows her placing outlet covers in a power outlet.



The fourth shot shows her strapping her child into a carseat in their Honda Civic Hybrid.



Music cuts out. Jackie at a 4-way stop. At the stop, an oncoming car runs a stop sign. Jackie slams on her brakes to avoid getting hit.



Cut to last shot featuring the 2010 Honda Civic Hybrid.

Television Ad #2: Reliable. Like You. Running time: 30 seconds Music: "All That I Am" by Parachute



Ad begins with a split-screen shot of two moms in their kitchens. The voice of a child screams "Mom, We're Late!" in both scenes.



Music begins. The second scene is a split-screen shot of the two moms driving their sons to a lacrosse game. The mom on the left is driving a Honda Civic Hybrid and the Mom on the right is in a big SUV.



The third scene is a shot of the Civic mom and her child continuing along their way to the game.

The fourth scene shows the SUV mom making a stop for gas.

### Television Ad #2: "Reliable. Like You."

**Jexus** 

The second 30-second television ad also targets Jackie and highlights the fuel-efficiency of the Civic Hybrid. To do so, the ad starts off as a split-screen shot to directly compare a mother who drives a Honda Civic Hybrid with a mom who drives a gasguzzling SUV. For mothers, reliability is essential. The prospect of not getting your child to their sports game on time is a scary one. In this ad, we assure mothers that the Civic will never be the cause of their tardiness because it is a dependable, fuel-efficient vehicle. The upbeat song "All That I Am" by Parachute heightens the rushed feeling in the beginning of the ad.

# Creative Plan

Radio Ad #1: "Raising the Bar. Like You."

**Narrator:** As a single mother, what do you look for in a companion?

**Female Voice:** (Woman sighs) I have high standards. My child relies on me for everything so I'd like to be able to rely on them. I need consistency, not someone who's going to flake out on me at the last minute.

**Narrator:** Yeah, you shouldn't have to settle.

Female voice: I don't plan on it.

**Narrator:** Well until Mr. Right comes along, check out the new 2010 Honda Civic Hybrid. With its outstanding safety features and 45 miles per gallon highway gas mileage, it's safe to say the Honda Civic Hybrid is raising the bar. Just like You.

The fourth scene shows the Honda son celebrating after he scores a goal in the game.

Cut to a shot of his mom cheering on the sidelines.

Reliable. Like You.

The sixth scene shows the SUV son arriving late to the game, sadly having to sit in the sidelines. Screen fades to black. "Reliable. Like You" tagline appears



The 2010 Honda Civic Hybrid

Cut to last shot featuring the 2010 Honda Civic Hybrid.

## Television Ad #3: "Lasting. Like You."

The third television ad will attract our target market of Craig, who is in his late 30's to early 40's. Craig is potentially interested in physical fitness and will relate to the concept of having a running routine like main character in our ad. Craig worked hard to where he is today and will appreciate the perseverant and consistent runner featured in the ad. The ad will convey the notion that Honda cars are lasting and enduring, just like him. Plexus selected the song "Natural Blues" by Moby for its consistent rhythmic quality, reflecting that of the runner's routine.

Television Ad #3: Lasting. Like You Running time: 30 seconds Music: "Natural Blues" by Moby



The first scene is a solo shot of a young 20-something man getting out of his Honda Civic Hybrid at an outdoor racetrack. It is dawn.



The third shot is a close-up of the same runner, now in his early 30's on the same track.



The fifth shot shows the older runner leaving the track and getting into the same Honda Civic Hybrid he drove to the track in his 20's.



Music begins. A close-up shot of the young man running is shown.



The fourth shot shows the runner now in his mid 40's, still on the same track at sunrise.



Screen fades to black as the tagline "Lasting. Like You." appears.





## Print Advertisements

Print Ad #1: "Point A to Point B"

Honda drivers demonstrate an outstanding level of brand loyalty, often owning Hondas their entire lives. Our last print ad shows images of major life events: graduation, marriage and childbirth represented as a trip from Point A to Point B. This imagery will insinuate that a Honda is a car that can last a lifetime. The tagline reinforces the long-lasting, dependability of the Honda Civic Hybrid.

#### The 2010 Honda Civic Hybrid



### Print Ad #2: "Lasting Lance"

Seven-time Tour de France winner Lance Armstrong, featured in our second print ad, encapsulates the longlasting, sturdy nature of Honda cars. Being a billboard, this ad features minimal text and aims to associate the instantly recognizable image of Lance Armstrong with the Honda Civic Hybrid.

### Print Ad #3: "Precious Cargo"

For mothers, safety is a make or break factor when buying their next car. This print ad highlights the security driving a Honda will provide. The tagline, "We know precious cargo doesn't even begin to cover it..." will let mothers know that Honda understands their need for safety to protect their most prized passengers, their children. Dependable. Like You.



# Creative Plan



## Supplemental Online Campaign

## Home Page

Users will find the simplicity of our Web site easy to navigate while still providing reliable information and adequate resources. The Web site layout prominently features the "Like You." tagline. Placing the car in front of "Like You." stresses the Honda vehicle's relation to the positive characteristics of a Honda owner. The U.S. map in the background symbolizes the Honda Civic Hybrid's widespread appeal and the numerous Honda dealerships located throughout the country.



# Objective

Plexus aims to reach the groups represented by the targets Sean, Jackie and Craig through media outlets and vehicles that complement their work schedules and play a role in their daily lives.

# Demographic Target

The media we purchase will attract demographics similar to our three target consumers. A lot of the media will target a male demographic who use the media for entertainment when not at work, and for information and news. Another portion of the media we chose will attract our Jackie target who is a young working mom and may use media for similar reasons as the men, but enjoys media channels more specifically aimed at women.

## Media Outlets

We will primarily use television as a media outlet because it reaches our target consumers daily as they use it as a way to unwind and be entertained. Television ads also allow us to showcase our creative messages easily while reintroducing the Honda Civic Hybrid. We will also use magazines because they provide an effective outlet to target our specific audiences.



We will use product placement in a network television show to reach our targets in a unique and fun way. By placing the Civic Hybrid in a show they watch, we will ensure that they see the car while actively watching and paying attention. Television, newspaper, radio, and billboards in spot markets are a large focus of our campaign in order to specifically reach our target markets where they live. These spot outlets allow us to directly reach the areas we found our target consumers are located.

Our campaign will also rely heavily on the internet for major support of the televised, print, and radio ads. Our target consumer continues to use the internet for daily tasks increasingly, so it is important that the Honda Civic Hybrid advertises on sites our target commonly uses.

# Regional Emphasis

For the Honda Civic Hybrid, a lot of national advertising coverage is appropriate because the Honda brand is ubiquitous all over the country. However, focusing on spot markets will play a bigger role in our budget because we would like to gain a solid following for the Honda Civic Hybrid in areas where the car really fits the lifestyle before hoping to expand the brand nationally. Through our research, we found that certain areas are more likely to have people buy new foreign compact cars. These areas are also places we expect people will be interested in buying a hybrid car. So we will emphasize advertisements in the areas we found to be key marketing regions: Northeast, Mid-Atlantic, Pacific, and Florida. Some specific regions to target are Philadelphia, New York City, Boston, San Francisco, Los Angeles, Seattle, Miami, and the greater Washington, D.C. area.

# Media Plan

## Duration

The campaign will start with the new year in January but we will increase exposure in the following months. Although advertising will faintly begin in January, we will stress advertising in the end of spring and the beginning of summer. This allows advertising to go on throughout the year with a push during specific periods.

## Timing

We will utilize continuous advertising through all outlets throughout the year, with pulses of advertising in months significant in reaching our consumer. We will use pulses in times when we think our target will be more interested in looking for a new car. Seeing more of our advertisements during these information seeking times will provide them with the idea of purchasing a Honda Civic Hybrid as their next vehicle. In addition, they can follow up on our Web site or while searching the internet, where they will find our online ads on search pages throughout the year. We will increase our ads during April and May because this is the beginning of summer, when people may be interested in buying a new car.

During these months people have more money because it is tax return season and they also feel they have more free time to be out looking for a car. They may also be looking for a new car to use for some summer travel in the coming months.

Advertising will remain slightly higher through the summer months. The ads shown at this time will feature Lance Armstrong and promote his endurance with our car's similar feature.

The next time ads will pulse will be in November and December, when people are entering the holiday season. During this time people may receive money to spend and are also in a buying mood while preparing for the holidays.



# Pexus

# Media Selection Analysis

## Non-Impact Media

#### National Television (Primetime, Late Night, National Sports)

In order to best reach our target consumer, we will place advertisements in national television, mainly in prime time, when our target is home from work and wants entertainment. Shows on national primetime are ideal for reaching our target, because they have large audiences and attract both our male and female targets. Our research shows that our target is most interested in entertainment television, especially the comedy genre. Thus we chose some primetime comedies, while also including other entertaining programs.

We will also use shows specifically targeting females who are not the primary audience of some of the comedies. To specifically target the males, we will use NFL football, which can reach both our late 20's and late 30's targets. Our target consumers are also likely to watch TV during the late night fringe, so we will also use popular late night talk shows to reach them. Because working men and women compose our target group, we will focus on these prime and late night times over daytime programming.

Suggested National Primetime shows: *The Office, 30 Rock, How I met your Mother, Dancing with the Stars, Extreme Makeover Home Edition, the Bachelor, 24* 

Suggested National Late Night shows: The Tonight Show with Conan O'Brien, Late Show with David Letterman

Suggested National Sports programs: MLB Baseball, NFL Foot<mark>b</mark>all

Amount of Budg<mark>et</mark> Allocated: \$12,939,086 Percentage of <mark>B</mark>udget: 19%

#### Cable Television (Primetime)

We will also use cable television to reach our target consumers, who are all wealthy and likely to have cable. In addition, we will reach our target audiences more efficiently by using the specialized audiences that each cable station delivers. Our research shows that our target consumers enjoy watching television stations that provide comedy and entertainment. We will also use specific cable stations that provide that kind of programming for each of our target audiences. This includes stations with comedies, movies and sports coverage our male targets would be interested in. We will use lifestyle and celebrity entertainment stations to target our female consumer.

Suggested Cable Prime Time shows and networks: FX (*It's Always Sunny in Philadelphia, Nip/Tuck*), USA Network, ESPN (*Sports Center*), Food Network, E!

Amount of Budget Allocated: \$6,810,045 Percentage of Budget: 10%

#### Non-Impact Media Allocation (in dollars)



#### **National Radio**

We plan to take advantage of our target consumers' likely use of the radio while commuting to and from work by advertising during their morning and evening drive times. Using the radio is a cheap way to reach our target because when they listen, they are likely alone and paying attention.

Amount of Budget Allocated: \$2,043,013 (\$1,362,009 for Morning Drive, \$681,004 for Evening Drive) Percentage of Budget: 3%

#### Spot Television (Primetime, Late Night)

We will spend the majority of our budget on spot markets because a big part of our strategy is to focus on our identified regions (the Northeast, the mid-Atlantic, the Pacific, Florida), where we found people are more likely to buy a foreign compact car. Spot media is an efficient use of our budget that allows us to focus our money and efforts on an audience that may be receptive to our advertisements. Therefore, we will not waste money from our budget on audiences who are not our target consumers.

We will use spot television in the same way we used national television, but with the added bonus of being able to reach our geographic markets specifically. This will be useful when we sponsor events, like the Iron Man, in these areas. We will buy primetime and late night shows similar to those that we will buy on network television. For all spot media, we will buy media in our target areas, specifically in the cities of Philadelphia, Boston, San Francisco, Los Angeles, Seattle, Miami, and New York City, to some extent.

Amount of Budget Allocated: \$18,387,122 (\$11,577,077 for Primetime, \$6,810,045 for Late Night) Percentage of Budget: 27%

#### **Spot Cable Television Primetime**

Spot cable is a way for us to reach our target areas while focusing on the channels our targets find interest in, as well. We will use similar channels to reach our target consumers, who we found likely to have cable and watch shows on entertainment and comedy networks.

Amount of Budget Allocated: \$9,534,063 Percentage of Budget: 14%

#### **Spot Radio**

Spot radio used during the morning and evening drive times will reinforce our national campaign in our specific areas. It will reach our targets while they consider their daily drive and potentially how much gas they are using. These radio ads will tie in to our overall campaign while also highlighting any local information on specific dealerships.

Spot radio will provide local support, which is critical when promoting a national brand. When consumers hear an advertisement on their favorite local station, it will reinforce their ideas of the brand because of the station's local and personal framework.

Amount of Budget Allocated: \$3,405,022 (\$2,043,013 for Morning Drive, \$1,362,009 for Evening Drive) Percentage of Budget: 5%

#### **National Magazines**

Magazines are an important outlet for us to use to vary our "Like You." campaign and reach niche markets. Because our target consumers are likely to read magazines for leisure, magazines will be an effective way to reach our consumers outside the workplace. People often pass magazines on to others, so their reach has the potential to be greater than just subscribers.

Suggested Magazines: *Time, the Economist, Runner's World, US Weekly, Allure, Maxim* 

Amount of Budget Allocated: \$6,810,045 Percentage of Budget: 10%



#### **National Newspapers**

We will use national newspapers to reach our targets, because they are well-educated and likely followers of business and world news. These newspapers will mainly aim to reach our male targets who work in the professional fields and are likely habitual newspaper readers. We will place print ads supporting our "Like You." campaign in various newspapers.

Suggested Newspapers: Wall Street Journal, New York Times, USA Today

Amount of Budget Allocated: \$3,405,022 Percentage of Budget: 5%

#### **Product Placement**

In order to reassure that the audiences we target see our car in an environment other than advertising, we would like to place the car in a network television show they may watch. By placing the Honda Civic Hybrid into a comedic show, the show's storyline can include the car in some way, drawing the viewer's attention to this hybrid car they may not be familiar with. Product placement gives us a fun way to present the car to our target consumers without the chance of them fast-forwarding through its placement.

The character with the car could be a young male figure, and the discussion of the car's purchase may appear in the storyline, if fitting. By giving one of the consumer's favorite characters a new hybrid car, we will play off the relationship they feel they have with the TV character. Since this TV character is probably one the consumer finds easy to relate to, his purchase of the Honda Civic Hybrid relates to an actual friend of the consumer's buying and approving of the car.

Suggested Programs: *30 Rock, How I met your Mother, the Office* 

Amount of Budget Allocated: \$4,767,031 Percentage of Budget: 7%



#### Impact Media

#### **Local Outdoor**

We will also make use of large scale outdoor print ads capturing our "Like You." campaign with a single image. We will place these billboards within our target regions in big cities. Within the mid-Atlantic, Pacific, Northeast and Florida regions, we will focus on the big cities of where our target consumer likely drives to when going to work in a corporate or technological business field. The cities we would like to use are Boston, Philadelphia, Miami, San Francisco, Los Angeles, Seattle, New York City and the greater Washington, D.C. area. We will also place billboards in areas where the Honda Civic Hybrid sponsors Iron Man competitions and marathons like the New York City Marathon and the Boston Marathon, attracting our targets who are interested in staying fit. We will use these billboard ads in the summer months when people tend to be more active and may see the billboards while traveling.

Amount of Budget Allocated: \$525,000

# Media Plan

#### Local Newspaper

We will primarily use local newspapers for supporting and promoting local dealership deals and events. They are another effective way to specifically target our consumers who likely rely on a morning newspaper for updates on the world and their area. The newspapers we will use are ones research show our target holds interest in and circulate within our target regions.

Suggested Newspapers: *The Boston Globe, the Washington Post, the San Francisco Chronicle* 

Amount of Budget Allocated: \$4,654,788

# Internet (Target sites, Keywords, Sponsorship)

We will use the Internet to supplement our main campaign by placing advertisements on Internet sites frequented by our target throughout the year. Utilizing internet keywords will also be important in pointing potential consumers searching for a hybrid car in the direction of a Honda Civic Hybrid. Internet sponsorship of such search pages will also hold importance when a consumer sees our ad while searching. Our research shows that our target uses the Internet for daily tasks like checking e-mail, reading the news and information searches. We will use target sites that serve those needs. Some of the sites we chose are extensions of the magazine, newspaper and television channels we found our target consumers are likely to use.

Suggested Target Sites: Time.com, ESPN.com, WSJ.com, About.com

Amount of Budget Allocated: \$6,598,800

#### **Tour de France**

We will advertise during the Tour de France to connect our billboard ads featuring Lance Armstrong with the popular event that attracts the well-off male demographic we're after. The advertisement featuring Lance Armstrong will relate him lasting in the race to our long lasting vehicle. This program will help us reach our older male target. This male target may be interested in physical fitness and is likely to be interested in this once a year sporting event.

Amount of Budget Allocated: \$45,674

#### **World Series**

Another sports program we will use is the World Series of Major League Baseball. Our male targets, Sean and Craig, are young men who are sports followers, but not sports fanatics. They are likely to watch baseball and would be most likely to watch the World Series over regular season games. Teams often competing in the series also represent regions of our target areas, drawing more specific attention from those consumers.

Amount of Budget Allocated: \$35,674

#### **Academy Awards**

We will use the Academy Awards show to place television advertisements we hope will reach our young female target. The Academy Awards is one of the most prominent award ceremonies. We believe that the fashion, celebrities, and films presented in the show will interest our Jackie target. The types of media we found Jackie uses, like fashion and celebrity gossip magazines, supports this.

Amount of Budget Allocated: \$39,610

# Plexus

# Objectives

• Maximize sales for the Honda Civic Hybrid.

• Generate excitement through promotional events and contests featuring the "Like Me." campaign for the Honda Civic Hybrid.

• Inspire positive media coverage.

• Create connection with public: People will connect with the Honda Civic Hybrid through the "Like You." campaign, seeing the car as reliable, safe and lasting.

• Change perception: Make people understand that the Honda Civic Hybrid is not just a car for the environmentally conscious.

# Current Public Opinion Trends

Currently, the majority of consumers consider the Civic an alternative hybrid vehicle to the Toyota Prius. The Toyota Prius outsold the Honda Hybrid five to one in 2008. Although the Prius has an Environmental Protection Agency (EPA) rating of 51/48 mpg city/highway and has a roomy and high-end image, the Civic Hybrid is unique in its offering of fuel-saving technology in a more conventional style.

Today, Hondas make up seven percent of all cars driven by US residents. Honda has a long tradition of having a strong commitment to the preservation of the environment and views it as core to the management of their company. However, the poor economy created a shift away from direct environmental concerns. More Americans claim that increasingly high gas prices created a direct impact on their driving and financial patterns. Travel patterns concern more Americans, underscoring the fact that high gas prices have a large impact on American society

# Public Relations Strategy

Plexus' research found that current buying trends toward the Honda Civic Hybrid suggest that as growing financial concerns over the economy, Americans look to invest in a dependable and safe car. According to a survey conducted by Plexus, 44.8% of respondants considered fuel efficiency the most important aspect to consider when purchasing their next vehicle, while Honda ranked number one in dependability. These insights lead to the "Like Me." campaign which incorporates promoting the Honda Civic Hybrid vehicle away from the environmentally conscious stereotype. It simultaneously creates an individualized marketing strategy unique to the needs of each consumer, "\_\_\_. Like You." In essence it plays on the idea of building a car that fits into each consumer's lifestyle.

In order to increase brand awareness, Plexus will utilize an array of marketing strategies through product publicity, endorsements, contests and product placement to generate new interest in the car. Furthermore Plexus will continue promoting the Honda image with strong

relations between stakeholders and investors.



# Honda Stakeholders and Strategies

Plexus understands the importance of corporate governance as a key part of Honda's management strategy. It is vital to portray an image for our community—including the customers, shareholders and investors—of great trust and growth as a company which society wants to exist.

# Public Relations and Promotions Plan

#### Customers

Plexus' research indicates that the average Honda customer looks to invest in an affordable, dependable and fuel efficient car. Plexus will reach these goals by promoting the Honda Civic Hybrid as a vehicle that fits into your life because it is "\_\_\_.Like You." Customer satisfaction is key to the success of Honda's brand loyalty.

Strategies:

• Keep close customer satisfaction from marketing to sales by providing one-onone contact with associates to assist with all questions and concerns.

• Customer Satisfaction Surveys: Plexus understands that customer complaints offer opportunity to grow and provide better service.

• Encourage brand loyalty through price reduction incentives. Plexus research indicates that Honda encourages strong brand loyalty and we believe that if we can get customers into dealerships through buyer incentives, the car will 'sell itself'.

## Environmental Groups

Honda has a long tradition of commitment to the preservation of the environment and views it as core to the management of their company. Although Plexus is not highlighting the hybrid aspect of the Honda Civic in the "Like You." campaign, strong environmental relationships are vital to Honda's positive image.

Strategies:

- Publish annual environmental reports.
- Limit transportation of parts through on-site consolidation.
- Cause related marketing through promotion of local environmental clean-up initiatives.
- Continually improve the energy efficiency of Honda factories.

#### Shareholders and Investors

Strategies:

- Increase corporate value by maintaining a global perspective and expanding operations worldwide.
- Establishing strong communication between investors to ensure financial commitment through regular newsletter updates.

• Create strong investor relations by providing annual reports, quarterly reports, and a stakeholder's bulletin.

#### Associates

Honda understands that our associates are critical in the success of the company.

Strategies:

- Ensure diversity in employment.
- Build healthy work environments by keeping hours reasonable and providing adequate vacations.
- Creating and safe and effective place to work.
- Provide Company Cars for employees.

## Suppliers

Honda understands growth is only possible through long-term relationships with our suppliers. Therefore, it is vital to not only treat all suppliers equally, but also respect supplier independence.

Strategies:

• Build better global competitiveness through free competition.

• Conduct an open door policy for suppliers around the globe.

• Seek out only the highest quality goods in the right increments for the right price.

#### Media Relations

Through research, Plexus learned that Honda's long-standing press relations is one of the greatest strengths of the corporation. Plexus will uphold these standards by understanding the importance of good media publicity and will strive to provide the media with the most up-to-date information to make coverage easy and accessible.

Strategies:

• Develop personal contact with reporters and editors within the auto industry.

- Provide easily accessible and regularly updated news releases for the press.
- Organize regular press conference to address
- consumer concerns including detailed press kits.

## Promotions and Events

### "Like Me." Commercial Contest

Plexus will utilize viral media outputs like You-Tube and Facebook to generate a promotional contest where Honda will ask individuals to create and post their own "Like Me." Honda commercial videos. Viewers will then vote and help to determine a winner who will then have the opportunity to have their video turned into a television commercial.

The promotion will serve to:

- Generate excitement for the Honda Civic Hybrid by allowing people to become familiar with the car.
- Create ad recognition tied to the "Like You." campaign.
- Produce free publicity through viral video.

#### Product Merchandise

Plexus will design various pieces of promotional merchandise displaying the "Like Me." slogan, as well as the Honda logo. The merchandise will include pieces of apparel, key chains and water bottles, and Honda will invite people to inscribe their own adjectives on the merchandise to create their own unique message. Honda will sell this merchandise both online, at promotional events, and at dealerships.

This merchandise will serve to:

• Create a connection with the public through an individualized advertising approach.

• Generate curiosity: The merchandise will serve as conversation starters for people to discuss the product.



#### Motivate Trial Use

Plexus will strive to get people moving toward our product by building strong loyalty through test-drive incentives.

Each customer who comes in to test-drive the Honda Civic Hybrid will receive free promotional "Like Me." merchandise that features the campaign tagline, as well as the Honda logo.

Plexus hopes to transform "Like Me." into a recognizable tagline which people will associate with the Honda brand. Plexus is confident that they can dramatically increase purchasing by getting customers into the dealership.

# Public Relations and Promotions Plantions Plan

### Sponsorship of Athletic Events

Honda will serve as a major sponsor for the Los Angeles and Miami Iron Man Triathlon, as well as the New York and Boston Marathons, in order to further the promotion of the Honda Civic Hybrid. We chose to sponsor these specific events because of the "lasting and dependable" concepts of our campaign, correlating with the long distance nature of these events. We chose the Los Angeles and Miami sites because of their diverse geographic locations that tie into our advertising sites. Plexus deems the Iron Man and marathons as appropriate events to sponsor given that the average participant and viewer may both fit the criteria of our target market. Furthermore, people travel from all over the United States to take part in these events, allowing us to reach a larger market.

The Sponsorship will include:

• Race bibs which feature the "Like Me." campaign slogan as well as the Honda logo.

• Various promotional "Like Me." merchandise distributed throughout the event.

• Iron Man Web site which will display a "Like You." digital banner.

• Point of purchase displays stationed in various locations throughout the event.

These Sponsorships will serve to:

• Build brand associations and increase the value of the Honda Civic Hybrid to the consumer.

• Match Honda to the target market's potential lifestyle by creating a connection with the aspects of the athlete's endurance and 'lasting ability' to aspects of the Honda Civic Hybrid.



## Product Placement

Plexus will partner with national television stations to place the Honda Civic Hybrid within various television shows to build brand image with the intent for individuals to buy the Honda Civic Hybrid in the future. By having the car embedded within a television show, audiences cannot avoid exposure to the product.

Product Placement will serve to:

- Increase awareness of the Honda Civic Hybrid.
- No commercial skipping: Since the car will be integrated into the show, one has a captive audience.

• Perceived endorsement – Honda Civic Hybrid will be linked with the stars/characters on the show.

#### Endorsements

Plexus will create a connection between Honda and the target market's potential lifestyle by using Lance Armstrong to endorse the car through promotional billboard and magazine advertisements. Plexus wishes to tie aspects of his sportsmanship to the campaign by claiming that the Honda Civic hybrid "lasts" just like Lance Armstrong does on his competitive bike rides.

This promotion will serve to:

• Tie the Honda brand to a recognizable figure that inhabits all of the sporting qualities that Plexus wishes to relay about the Honda Civic Hybrid.

# Pexus

## Situation Analysis Resources

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# Appendix

## Plexus' Research Survey Questions

- 1. Please order the following vehicles' fuel efficiency, with one being the most efficient, and three the least efficient. Answer Options: Toyota Prius, Honda Civic Hybrid, Ford Fusion Hybrid
- 2. In your opinion, please describe the typical driver of a hybrid vehicle in one sentence or less.
- 3. Please order the functionality of the following companies' lines of cars, with one having the highest functionality,
- to four having the lowest functionality.

Answer Options: Toyota, Honda, Ford, General Motors

4. Please order the style of the following companies' lines of cars, with one being the most stylish, to four being the least stylish.

Answer Options: Toyota, Honda, Ford, General Motors

5. Please order the dependability of the following companies' lines of cars, with one being the most most dependable, to four being the least dependable.

Answer Options: Toyota, Honda, Ford, General Motors

6. Please order the safety of the following companies' lines of cars, with one being the most safe, to four being the least safe.

Answer Options: Toyota, Honda, Ford, General Motors

- 7. Please describe your feelings toward hybrid vehicles in one sentence or less.
- 8. Please describe what you think of each company in one sentence or less: Toyota, Honda, Ford, General Motors.

9. In buying your next vehicle, please rank the importance fuel efficiency will play in your decision, with one being very important, to five being not important.

10. How important is spaciousness in your next purchase of a vehicle, with one being very important, to five being not important?

- 11. What is the most important factor in your next purchase of a vehicle?
- 12. Do you currently own a hybrid vehicle? Answer Options: Yes, No
- 13. Will you be purchasing a vehicle in the next year? Answer Options: Yes, No
- 14. Do you plan to do any of the following in the next year? Answer Options: Buy a new vehicle, Buy a used vehicle, Lease a vehicle
- 15. Are you interested in buying a hybrid vehicle as your next vehicle? Answer Options: Yes, No
- 16. Please describe the best aspect of hybrid vehicles in the United States in one sentence or less.
- 17. Please describe the worst aspect of hybrid vehicles in the United States in one sentence or less.
- 18. What is your sex?
  - Answer Options: Male, Female, Prefer not to Answer
- 19. What is your age?

Answer Options: 18-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, 55-59, 60-64, 65-69, 70-74, 75+, Prefer not to answer

20. What is your race/ethnicity?

Answer Options: White, Black, Asian, Other, Prefer not to answer

21. What is your education level?

Answer Options: Attended high school, Completed high school, Attended college, Completed a bachelor's degree, Attended graduate school, Completed a graduate degree or higher, Prefer not to answer

22. What is your household income?

Answer Options: \$9,999 or less, \$9,999 or less, \$10,000-19,999, \$20,000-29,999, \$30,000-39,999, \$40,000-49,999, \$50,000-59,999, \$60,000-69,999, \$70,000-79,999, \$80,000-89,999, \$90,000-99,999, \$100,000-124,999, \$125,000-149,999, \$150,000-199,999, \$200,000-249,999, \$250,000 or higher, Prefer not to answer

# Media Plan Data

**Jexus** 

## Non-Impact Media Monthly Allocation

Product Placement	Natl. Newspapers	Natl. Magazines		Spot Radio Evening		Spot Radio Morning	Spot TV Late Night 3	Spot TV Primetime 2	Primetime 5	Spot Cable TV		Natl. Radio Evening	Drive 3	Natl. Radio Morning	Natl. TV Late Night 1	Natl. TV Primetime 1	Natl. Cable TV Primetime	Jan
0 0	7 7	7 7	21 21		30 30		30 30	22 22	55 55		15 15		33 33		10 10	15 17	20 20	Feb
0	7	7	25		35		35	28	70		20		36		14	17	25	Mar /
2	13	13	35		50		48	42	80		24		45		24	30	39	Apr M:
2	13	13	35		50		48	42	80		24		45		24	30	39	May Jun
2	10	10	30		46		44	35	72		22		42		20	25	33	n Jul
1	10	10	30		46		44	35	72		22		42		15	16	30	Aug
-	7	7	25		38		35	28	65		20		40		13	16	27	ı Sep
0	7	7	21		33		35	22	55		17		33		14	19	30	Oct
0	7	7	21		33		35	22	45		15		32		10	17	21	Nov
-	7	œ	28		45		38	28	55		20		42		18	20	35	Dec
1 10	9 104	9 105	29 <b>321</b>		46 <b>482</b>		42 <b>464</b>	35 <b>361</b>	70 774		20 234		45 <b>468</b>		20 192	25 <b>247</b>	35 <b>354</b>	Total GRPs

## Non-Impact Media Dollar Allocation

Non-Impact Media	Dollar Allocation
Cable Television Primetime	\$6,810,045.40
Network Television Primetime	\$8,172,054.48
Network Television Late Night	\$4,767,031.78
National Radio Morning Drive	\$1,362,009.08
National Radio Evening Drive	\$681,004.54
Spot Cable Television Primetime	\$9,534,063.56
Spot Television Primetime	\$11,577,077.18
Spot Television Late Night	\$6,810,045.40
Spot Radio Morning Drive	\$2,043,013.62
Spot Radio Evening Drive	\$1,362,009.08
National Magazines	\$6,810,045.40
National Newspapers	\$3,405,022.70
Product Placement	\$4,767,031.78

## Impact Media Dollar Allocation

Impact Media	Dollar Allocation
Local Outdoor	\$525,000.00
Local Newspaper	\$4,654,788.00
Internet Keywords	\$1,053,000.00
Internet Sponsorship	\$631,800.00
Targeted Sites	\$4,914,000.00
Academy Awards	\$39,610.00
World Series	\$35,674.00
Tour de France	\$45,674.00

# Appendix

## Public Relations and Promotions Documents

Press Release #1

For Immediate Release December 15, 2009

Contact: Michelle Frazier 262-389-4607, frazier2@wisc.edu

HONDA ANNOUNCES "LIKE ME." PROMOTIONAL CONTEST

Honda will hold a national promotional video contest to promote new "Like Me." campaign for the Honda Civic Hybrid.

TORRENCE, ¬¬CA (Dec. 15, 2009)—In order to promote the release Honda's new "Like You." campaign Honda announces plans for a promotional online video contest.

Honda will utilize viral media outputs like You-Tube and Facebook to generate a promotional contest in which individuals will be asked to create and post their own \_Like Me Honda commercial videos. Viewers will then vote and help to determine a winner who will then have the opportunity to have their video turned into a television commercial.

The promotion will serve to generate excitement for the Honda Civic Hybrid by allowing people to become familiar with the car. People will have to research and understand the vehicle for successful commercials.

Honda hopes to use the promotion as a tie into the start of the "Like You." campaign encouraging free publicity through viral video outputs.

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Press Release #2

For Immediate Release December 15, 2009 Contact: Michelle Frazier 262-389-4607, frazier2@wisc.edu

HONDA ANNOUNCES CORPORATE SPONSORSHIP OF THE BOSTON MARATHON

Honda will sponsor the Boston Marathon in an effort to showcase new "Like Me." campaign for the Honda Civic Hybrid.

TORRENCE, CA (Dec. 15, 2009) — Honda has signed as a Major Sponsor of the annual Boston Marathon featuring some of the world's premiere athletes. Honda's presence at each event will be highlighted with on-site displays of Honda Civic Hybrid vehicles as well as promotional merchandise featuring the '\_.Like You.' campaign slogan.

"Honda is honored to be a part of Boston's prestigious Marathon, one of the running community's most challenging events," said Tom Peyton, senior manager of Advertising for Honda. "It is a perfect venue to feature one of our newest products the new Honda Civic Hybrid, which is capable of some long drives of its own."

The Boston Marathon is an annual marathon hosted by the city of Boston, Massachusetts, on Patriots' Day, the third Monday of April. Begun in 1897 the Boston Marathon is the world's oldest annual marathon and ranks as one of the world's most well-known road racing events. It is one of five World Marathon Majors.

###

# Pexus

## Media List

#### **Print News Media**

Newsweek 251 West 57th St. New York, NY 10019 e-mail: letters@newsweek.com Web site: http://www.newsweek.com

Time Time & Life Building Rockefeller Center New York, NY 10020 e-mail: letters@time.com Web site: http://time.com Web site: http://www.pathfinder.com

#### Wire Services

Associated Press 50 Rockefeller Plaza New York, New York 10020

Knight-Ridder/Tribune Information Services 790 National Press Building Washington, D.C. 20045

Los Angeles Times-Washington Post News Service 1150 15th Street NW Washington, D.C. 20071

New York Times News Service 229 W. 43rd Street, Room 943 New York, NY 10036

Washington bureau: 1627 I St. NW Washington, D.C. 20006

#### **Broadcast News Media**

ABC 77 West 66th Street New York, New York 10023 Web site: http://www.abcnews.com

Washington bureau: 1717 DeSales Street NW Washington, D.C. 20036 CBS News 524 West 57th Street New York, New York 10019 Web site: http://cbsnews.cbs.com/ Washington bureau: 2020 M Street NW Washington, DC 20036

Cable News Network P.O. Box 105366 One CNN Center Atlanta, Georgia 30348 e-mail: feedback@cnn.com; cnn.onair@cnn.com; crossfire@cnn.com Web site: http://cnn.com

C-SPAN 400 North Capitol St. NW, Suite 650 Washington, D.C. 20001 e-mail: viewer@c-span.org Web site: http://www.c-span.org

Fox News/Fox News Channel 1211 Avenue of the Americas New York, New York 10036 e-mail: comments@foxnews.com Web site: http://www.foxnews.com

Washington bureau: 400 North Capitol St. NW, Suite 550 Washington, D.C. 20001

MSNBC and CNBC 900 Sylvan Ave Englewood Cliffs, NJ 07632 e-mail: thecall@cnbc.com closingbell@cnbc.com squawk@cnbc.com madmoney@cnbc.com Web site: http://www.cnbc.com

MSNBC 30 Rockefeller Plz 3rd Fl New York, NY 10112 e-mail: hardball@msnbc.com countdown@msnbc.com joe@msnbc.com MTP@NBC.com abramsreport@msnbc.com Web site: http://www.msnbc.msn.com

(continued on next page)

# Appendix

#### **Broadcast News Media (continued)**

NBC News 30 Rockefeller Plaza New York, New York 10112 e-mail: dateline@news.nbc.com; nightly@news.nbc. com today@news.nbc.com; MTP@nbc.com Web site: http://www.nbc.com

Washington bureau for NBC News and MSNBC: 4001 Nebraska Avenue NW Washington, D.C. 20016

National Public Radio 635 Massachusetts Ave. NW Washington, D.C. 20001 Web site: http://www.npr.org

### PR and Promotions Budget

Promotion	Cost
Iron Man Sponsorship x2	\$
	1,000,000.00
Lance Armstrong Endorsement	\$
	1,000,000.00
_Like You Contest	-
Promotional Merchandise	\$
	1,500,000.00
Honda Product Placement x2	\$
	600,000.00
P.O.P displays	\$
	500,000.00
Boston Marathon Sponsorship	\$
	2,000,000.00
New York Marathon Sponsorship	\$
	1,000,000.00
Shareholders and Investors	Cost
Stakeholders Bulletin	\$
	2,400.00
Newsletters	-
Environmental Groups	Cost
Local environmental clean-up partner	\$
promotion	5,000.00
Media Relations	Cost
Build Press Relationships	-
Press Kits	\$
	7,000.00
Total Cost	\$
	7,614,400.00