6 The Family Dinghy for the Mass Mariner

INTRODUCTION

A builder of inflatable boats has produced the prototype of a dinghy that provides the excitement of a sailing catamaran with the utility of a load-carrying rowing dinghy. If the production costs can be reduced sufficiently, sales could far exceed anything which the firm has achieved in the past. The proprietor is faced with the need for rapid expansion. This case explores his marketing plans.

POINTS TO LOOK FOR

1. The acute difficulty of making accurate forecasts for a new product incorporating bright and relatively unproven ideas in a booming market.

2. With potential customers from a wide range of incomes and leisure occupations, the choice of the advertising media and alternative methods of promotion places a big responsibility on the advertising agent. It is vital to choose a good agent.

3. No established customs in the trade exist to predetermine the best method of distribution for a given area at home and abroad.

4. This is a ‘chicken and egg’ exercise. Which comes first: cost estimate, price, production targets, sales forecasts, customer requirements?

CASE STUDY

John Bridgeman has been manufacturing small inflatable boats suitable for bathing purposes for ten years. His firm, Bridge...
Boats Ltd, is established in the North-east of England and, in addition, manufactures a limited range of camping equipment such as tents and lightweight rubberised tarpaulins. His turnover is £90,000 per annum.

Distribution in the South is carried out through a single distributor based on London, who covers the area south of the line joining the Severn to the Wash. He covers the North himself with the help of a salesman who divides his time between sales matters in the works and visiting customers outside. With the exception of the tarpaulins which are made largely for local transport firms, the camping and holiday equipment is sold through large stores and shops specialising in outdoor and leisure gear.

John, who is an enthusiastic small-boat sailor, has built the prototype of a double-purpose family boat which consists of two torpedo-shaped inflatable floats, a foot in diameter and nine feet long, which are separated by a collapsible frame holding the fittings for a drop keel, rudder and mast. This is a highly stable and fast sailing catamaran.

The special feature is that a tough rubberised sheet can be fitted over the framework and sealed to the floats by a water-proof slide fastener, and the ‘cat’ can then be turned over and provides, in the capsized state, a four-person dinghy after the fitment of three athwartship seats. In this configuration it rows well and it can carry an outboard motor on a stern fitting. It can therefore be used as a yacht tender and its high load-carrying capacity is particularly useful for this type of work. As a high-speed sailing dinghy it is attractive to yacht owners whose children can enjoy spells of good sailing while their parents are taking things easy aboard the parent yacht at anchor.

The overall beam of the catamaran is four feet, but the dimensions can be greatly reduced by deflating the floats and collapsing the framework. This allows the dinghy to be stowed easily on the deck of a larger yacht or on a car roof. It is this characteristic which gives the boat a very wide attraction and, in fact, the target user-population is every car owner who is also a family man, with further extension in the areas covered by fishermen and other boat users.

John is considering two plans for the future – Plans A and B. Plan A involves penetrating the market with mass-produced dinghies whose retail price will be about £50. John estimates that if such a low price could be achieved, 4,000 boats could be