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Marketing Research Proposal:

**New Product Concept Testing of a
Centerfire Rifle**

Please review and comment on the following proposal:

Background

A manufacturing process has been developed at Ilion which can produce a rifle barrel and receiver in a non-conventional fashion. The rifle produced with this process offers a potential manufacturing cost advantage as well as unique features and styling not currently available in any popular model of rifle.

The business needs to decide where in the market to position a new rifle offering based on this innovation. A popularly priced mass-market product is possible by passing through the lower cost of manufacture. Similarly, a premium priced, higher margin offering is equally feasible with full features, superior performance and unique styling. The business also needs an estimation of the effect any new offering would have on current and competitive products.

Research Objectives

The proposed study will determine the following:

- 1) Consumer expectations of performance and features of centerfire rifles at various price points.
- 2) Ranking of the most important attributes of centerfire rifles by category.
- 3) Geographic differences in product preference.
- 4) Comparative rankings of several design concept prototypes to currently available products.
- 5) The price-volume relationships for the prototypes.
- 6) An evaluation of the innovative features of the prototype designs.

- 7) The cannibalism effect the new product concepts would be expected to have on current Remington and competitive products.

Methodology

In a series of individual 25-minute interviews, 240 potential customers will be asked their opinions and perceptions of various aspects of centerfire rifles and to evaluate the new product concepts. Respondents will be recruited by mall intercept in 5 regions of the country having a high incidence of usage of centerfire rifles. In each of these cities, 48 active centerfire hunters and shooters will be asked to evaluate the prototype models and rate and rank them against several current production rifle models.

Three product concept prototype guns will be tested. One will be configured as a mass-merchant/entry-level product having high quality but limited features. The remaining two prototypes will be configured as full-featured guns. One of these later two will be equipped to enable changing it from right to left hand by replacing its bolt assembly. All three prototypes will employ a modified Model 700 fire control.

In each city, the interviews will be broken into two groups. In one group the respondents will be comparing the limited-feature prototype to a group of currently popular mass-merchant rifles. In the second group, the two full-featured prototypes will be evaluated against a group of rifles in the upper price region of the popular rifle market.

Individual responses will be tabulated and analyzed to determine the overall price/features/volume relationship for the new product concepts and also the effect of each on the demand for existing Remington and competitive models.

Cost/Timing

The field work and initial analysis of results can be completed in approximately six weeks, once the prototype models are available. A written report and presentation of findings will be available two weeks later. Out of pocket expenses will be approximately \$22,000.