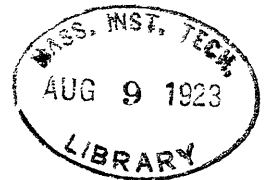


*Econ.
thesis case*



(A THESIS ON) MARKETING
A SHOE POLISH IN NEW ENGLAND
FOR THE BOSTON BLACKING COMPANY
CAMBRIDGE, MASSACHUSETTS

By W.C. GRAY,
BOSTON, MASSACHUSETTS.
JUNE 1, 1923.

SUBMITTED TO PROFESSOR A. L. MERRILL,
SECRETARY OF THE FACULTY,
MASSACHUSETTS INSTITUTE OF TECHNOLOGY,
CAMBRIDGE, MASSACHUSETTS.

28 Fenway,

Boston 17, Massachusetts.

June 1, 1923.

Professor A.L. Merrill,

Cambridge, Massachusetts.

Dear Sir:

I have completed my investigation of the subject of marketing a shoe polish in New England for the Boston Blacking Company, Cambridge, Massachusetts, and herewith submit my thesis.

I wish to express my appreciation particularly to three sources: first, to Mr. F.K. Leatherbee, of the Boston Blacking Company, who has very obligingly given assistance and advice while the research was being carried on; second, to the jobbers, advertisers, shoe repairers, and retailers who have kindly given their time, information, and opinions; and third, to Professor W. E. Freeland, of the Massachusetts Institute of Technology, whose guiding influence and helpful assistance from a practical point of view has made this thesis possible.

Finally, to all of these I am very thankful for the knowledge and experience I have gained during this work.

Yours truly,

W. C. Gray.

CONTENTS

	PAGE
<u>INTRODUCTION</u>	1
PURPOSE	1
METHOD	1
<u>THESIS</u>	3
HISTORY	3
THE PRODUCT	4
<u>PRODUCT ANALYSIS</u>	5
BACKGROUND	5
COMPANY'S POSITION IN INDUSTRY	6
METHODS OF COMPETING CONCERNS	6
CONTAINER	7
TRADEMARKS	11
<u>MARKET ANALYSIS</u>	13
H.R. HOLDEN COMPANY	13
COLLEISON BROTHERS CORPORATION	13
H.W. RAMSAY COMPANY	14
S.S. PIERCE COMPANY	15
COBB, BATES, AND YERXA	16
EASTERN DRUG COMPANY	16
GINTER COMPANY	17
S.S. KRESGE COMPANY	18
WOOD, PUTNAM, AND WOOD	18

	PAGE
TYPES OF RETAIL OUTLETS	19
QUESTIONNAIRE TO CONSUMERS	21
CONSUMERS	22
LIMITING FACTORS	23
<u>MARKETING PLAN</u>	25
SALES QUOTA	25
EXPENSES	25
PLAN OF MARKETING	26
ADVERTISING	27
COST PER UNIT TO MARKET	28
<u>CONCLUSIONS</u>	29
<u>RECOMMENDATIONS</u>	30
<u>APPENDICES</u>	
APPENDIX A	31
Pictures of the container	
APPENDIX B	32
Chart of number of boot and shoe and number of blacking, stain, and dressing establishments since 1879.	
APPENDIX C	33
Chart of value of products and capital of establishments for both the boot and shoe and the blacking, stain, and dressing industry since 1879.	
APPENDIX D	34
Chart of population of United States and New England since 1879.	
Chart of number of pairs of shoes produced since 1900.	

	PAGE
APPENDIX E Chart of number of establishments, capital, and value of products of the blacking, stain, and dressing industry, 1919.	35
APPENDIX F Boston Blacking Company's ratings by Dunn and Bradstreet and its position in the industry.	36
APPENDIX G Letter sent to F.F. Dalley and Shinola Companies.	37
APPENDIX H Letter received from Shinola Company.	38
APPENDIX I Drawing of container.	39
APPENDIX J Proposed design of container.	40
APPENDIX K Questionnaire to upper class. Questionnaire to lower class.	41
APPENDIX L Results of consumer questionnaire.	42
APPENDIX M Graph of persons per bootblack against density of population.	43
APPENDIX N Table of number and types of retail outlets by States in New England, 1923.	44
APPENDIX O Sales quota and expenses	45

	PAGE
APPENDIX P Map of Connecticut and Fair- field County.	46
APPENDIX Q Available people by ages in New England.	47
<u>BIBLIOGRAPHY</u>	48

THESIS

INTRODUCTION

PURPOSE

The purpose of this thesis is to devise a plan for marketing a shoe polish in New England; the investigation is to determine particularly the advisability of advertising and to obtain figures which will be of assistance in the actual marketing of this product.

METHOD

The method pursued in this thesis may be divided into four steps: first, data were obtained from census reports, directories, and periodical publications to obtain a background of the blacking, stain, and dressing industry; second, different classes of people, several types of retail establishments, and concerns manufacturing polish were either written or interviewed to obtain a general view of the market; third, jobbers and advertisers were interviewed for the practical application of any plan of marketing; and fourth, from the information obtained from the above sources, the advisability of advertising, figures to be of assistance in marketing, and a plan for marketing were determined.

In addition to the above sources of information text books and lectures given in the subject of Business Management at the Massachusetts Institute of Technology were consulted and followed closely.

THESIS

HISTORY

The concern for which this work was carried on is the Boston Blacking Company, East Cambridge, Massachusetts. Besides having a plant in Cambridge, the company has about eleven other plants located in the United States and foreign countries. For about forty years this concern has been manufacturing blacking, stains, and dressings for shoe manufacturers throughout the world. At the present time it is one of the largest concerns of this kind with a well established trade to shoe manufacturers; the business is carried on through the activity of their own salesmen.

About three or four years ago a step was taken by this company to enter the retail trade in addition to the manufacturing trade. Many products were sold to the retailers which had been sold for many years to the manufacturers. Even though the company has made these products for the retailers, there has been little progress towards getting some of them on the market. Among these is the shoe polish.

THE PRODUCT

At the present time the company makes four shades of shoe polish: namely, red, light and dark tan, and black. These are put up in round and flat tin cans weighing three and one-eighth ounces. (See Appendix A.) Furthermore, the company wishes to sell only in this size of can. The shoe polish is to retail for twenty-five cents per can.

PRODUCT ANALYSIS

BACKGROUND

Appendices B and C will show that the blacking, stain, and dressing industry has followed very closely the boot and shoe industry in regard to its rate of increase in capital of establishment and value of manufactured products; however, the blacking, stain, and dressing industry has not tended toward large capitalized establishments as has the boot and shoe industry. This is shown by the fact that in the boot and shoe industry the value of products and capital have increased while the number of establishments has remained about the same in the last few years. In the blacking, stain, and dressing industry the value of products and capital have increased, but the number of establishments has increased too. Consequently, one would expect to find a large number of small establishments in the blacking, stain, and dressing industry.

Appendix E will show that Massachusetts and New York States are the leaders in the blacking, stain, and dressing industry. From the charts it appears that Massachusetts produces a larger volume of

products than does New York in proportion to capitalization; however, there is probably another factor which would explain this, but the essential thing to learn is that the center of the industry is in New York and Massachusetts.

THE COMPANY'S POSITION IN THE INDUSTRY

Appendix F will show that the average capital of blacking, stain, and dressing establishments is \$59,300. With a wealth of twelve and six-tenths times the average the Boston Blacking Company is one of the largest in the industry.

METHODS OF COMPETING CONCERNS

A letter (See Appendix G) was sent to the Shinola Company, Rochester, New York, and to the F.F. Dalley Company, Buffalo, New York,- the latter is maker of 2 in 1 shoe polish,- to obtain an idea of their methods of marketing and results of advertising. The Shinola Company answered promptly (See Appendix H), but no letter was received from the other company.

A visit was made to the Whittemore Brothers Corporation, Cambridge, Massachusetts, for the same purpose of obtaining an idea of their methods. About seventy-five per cent of this company's trade is

carried on through the jobbers; however, they have a direct retail trade which has been established for some time. Other channels are through commission merchants to care for export trade. This company has a few missionary salesmen throughout the country.

CONTAINER

Appendix A gives a picture of the container. The round and flat tin can is the customary container for shoe polishes. Some concerns have recently adopted tubes, but this has not become very popular, and people have not been educated to use this type for shoe polish as yet. Some of the smaller cans have devices on the side of the can which enable the user to open the can easily, but the larger cans do not have this. The operation necessary to open the large can is to insert a knife under the edge of the cover and draw the knife around the entire edge. When this is done, there is not so much difficulty to remove the cover.

Appendix I will show the dimensions of the can. When the cover of the can is in place, there is very much more surface to take hold of on the top of the can to remove the cover than there is on the

lower part. This is rather inconvenient and makes removing the cover difficult. If the proportions of these two surfaces could be altered so that the upper and lower surface were the same, removing the cover could be made a less difficult task. The thickness of the can could remain the same.

At the present time the majority of shoe polish cans have as much printing and pictures as can be placed on their surface. Furthermore, there seems to be a tendency to overdo the decoration of the can. Appendix J gives a suggested form of printing for the container. The advantages of such a form are: first, the name which is to be remembered and advertised is in the most important place on the top surface or three-fifths the distance up from the bottom of the circle;* second, the trade mark appears at the top for the protection which this offers; third, the kind of shoe polish appears in a position which is seen quickly; and fourth, the name of the manufacturer is given for reference. With just these four

*Scott, W.D., Psychology of Advertising, Boston. Small Maynard & Co., 1917, pp. 26-37.

items on the cover a person can detect readily the most important facts he wishes to know. Psychology proves to us that at a glance a person cannot retain more than four items in an advertisement; consequently, the cover of a can designed in this way could be used in advertisements.

The bottom of the can tells what the polish is for, how it is opened, how to use it, and cautions how to preserve it. Possibly the directions might be printed in other languages too; but the general opinion is that this is not necessary.

The side of the can contains the net weight, the brand of the polish, and the order number. The drawing shows three of the names, but, if these were limited to only two, there would be less tendency to "overdo" the printing. The net weight is given for reference, and the order number is placed on the bottom to remain with the product until it is used up. If the order number were the net weight, it would be advisable to put the net weight on the bottom.

The same colors of the enamel as now used could be used for each shade of shoe polish. Possibly one

color of enamel could be used for all the shades of polish provided the one color was very distinctive. However, people are educated to have the color of the can intimate the shade of shoe polish so the present colors of red and light and dark brown seem to be advisable. With the black shoe polish, there is a white enamel surface on the top and most of the bottom. The printing on the top and bottom is black. The side and part of the bottom are of black enamel with white printing. This design is the same as of another brand of shoe polish, - Kelly's, - and is not distinctive. It would be much more individual to use some other color scheme.

It is not expected that the proposed design be adhered to, but it is hoped that it will be a suggestion toward individuality for this product. Furthermore, decorations have been left out, for fundamental design was aimed at particularly. Incidentally, some polish cans leave parts of the surface without any enamel to form printing and pictures; this causes reflection of light and makes the wording difficult to read.

TRADEMARKS

The policy of the United States is to require all trademarks to be registered. There is a rule which has a bearing on that of the Boston Blacking Company. No trademarks can be registered which "consist merely in words or devices descriptive of goods with which they are used, or of the character or quality of such goods, or merely of a geographical name or term..... Old marks may be registered irrespective of the above rules, on proof that they have been actually and exclusively used as a trademark of the applicant or his predecessors from whom he derived title in such commerce as aforesaid for ten years before the 20th. of April, 1905."*

From the above it is seen that the law discourages all names of geographical places to be used as trade names. Consequently, another trade name might be coined to be used in place of the word Boston. The essential qualities of a trade name are: first, it should be short; second, it should be easy to pronounce; and third, it should be

*Encyclopedia Britannica, 11th. Ed., Vol. 27, p. 134.

striking to be remembered.* One writer has told us that one of the best of such coined trade names is Kodak, which is well known to all. The company uses the coined word Bos-Bla-Co; while this word is good, there could be another which would be easier to pronounce. Even BOBLAK would be a better trade name, but even then some people would ask for "bob lack." Names of persons are not considered to be good trade names, for another person of the same name could use it too. Often coined words which "convey an idea of quality or utility or some other characteristic of the article will help sales."**

Even at the present time Whittemore Brothers Corporation, Boston, Massachusetts, use the word "Bostonian Cream" on several shades of their shoe dressing. This is an embarrassment to both concerns where one uses Boston and the other uses Bostonian.

* Blanchard, F.L., Essentials of Advertising, New York. McGraw-Hill Book Co., 1921, p. 292.

**Ibid.

MARKET ANALYSIS

Several interviews were held with various types of jobbers, advertisers, and chain stores. The substance of these interviews is given below.

H. R. HOLDEN COMPANY

This company is located at 134 Summer Street, Boston, and carries on a jobbing business of shoe findings in general among which about seven or eight kinds of shoe blacking are included. Also, this company has about four salemen in New England. Mr. Holden was interviewed personally; he mentioned that an attempt had already been made to put Boston shoe polish on the market, but thought it had not met with much success. Furthermore, on account of the many brands which were on the market and which he carried, he would not think it a good policy for him to carry Boston polish unless a demand forced him to do so. At that time he would require the following prices: \$1.50 per dozen to the jobber, \$2.00 to the retailer, and \$3.00 to the consumer.

COLLEISON BROTHERS CORPORATION

This concern is a jobber to bootblacks and shoe repairers of leather, polish, and findings and is

located at 24 Union Street, Boston. Mr. Colleison mentioned that he had carried Boston polish, but while its quality was good, there were many others on the market which were much better. He has two salesmen working throughout New England. He said that he would not consider carrying Boston polish chiefly because he already had others of better quality for the same price. He suggested that a twenty-five cent size would be more popular with bootblacks and repairers. The prices at which it would be taken if conditions warranted were \$1.50 per dozen to the jobber, \$2.00 to the retailer, and \$3.00 to the consumer.

H.W. RAMSAY COMPANY

This concern is located at 77 Bedford Street, Boston, and has two salesmen covering New England; at the time of the interview one of these salesmen was working the New York territory. This concern carries several types of demanded polishes. Among these is the Cleveland polish; the company which formerly manufactured the Cleveland polish was recently bought out by the Ramsay Company. The person

interviewed of this company mentioned that Boston polish had been on the market once before, but he was "down on" the Boston Blacking Company for the attempt it had made, the way the attempt was made, and the product it put on the market. This same person said that the Ramsay Company would not be interested in carrying Boston polish. He was of the opinion that the Boston Blacking Company should be more original and individual in any attempt to market than in the other attempt. However, he said that a Mr. Blackman, another jobber in the same building, would carry a line of polish when the company turned over to him a certain amount of orders from retailers.

S. S. PIERCE COMPANY

Mr. Eaton, a buyer for this company, was interviewed. The present policy of the company is to carry only those brands which have a demand. The company has about twenty-five salesmen covering New England. However, when a demand was created for this polish, it would probably be carried by S.S. Pierce Company. Mr. Eaton did not mention any definite price at which the polish would be bought, but indicated that the

\$1.50 per dozen to jobbers, \$2.00 to retailers, and \$3.00 to consumers was "about it."

COBB, BATES and YERXA

This concern is a manufacturer, jobber, and retailer located centrally at 222 Summer Street, Boston, and with other retail stores in Boston. The concern employs four or five salesmen who work in and about Boston. Mr. Smith, a buyer, thought that unless a firm had extreme patience and plenty of money for four or five years, there would be very little chance of success with such a product. Furthermore, he thought that the fifteen cent size of polish would be more popular than either the ten or twenty-five cent size. This concern would not be interested in carrying it until there was a demand for it. The profit it would require is \$1.80 to it as a jobber, \$2.25 to the retailers. (The concern does a large retail business itself.)

EASTERN DRUG COMPANY

This concern is located at 14 Fulton Street, Boston, and employs about twenty-five salesmen covering New England. Their specialty is drugs, and among the many products it handles, shoe polish is a small item. However, Mr. Cutler, a buyer, was

interviewed and suggested that probably this concern would handle Boston polish. He also suggested that it was a small outlet compared to the other outlets for shoe polish. The usual prices were suggested by him: \$1.50 per dozen to jobber, \$2.00 to retailer, and \$3.00 to consumer.

THE GINTER COMPANY

This company operates a large chain of retail grocery stores about New England; the central offices are at 369 Congress Street, Boston. Mr. Emery, a purchaser, was interviewed. As is the custom of all retail chain stores, only products which have a demand are carried. Consequently, they would not carry Boston blacking until a demand had been created for it. The prices at which it would be carried are \$1.50 per dozen, \$2.00 to their retail stores, and \$3.00 to the consumers. Incidentally, Mr. Emery suggested that those who live at home probably shine their own shoes more than others. Also, he thought that the ten cent size would be more popular than the twenty-five cent size and that the grocery store would be one of the largest outlets.

S. S. KRESGE COMPANY

This concern operates several twenty-five cent to one dollar stores and is located at 477 Washington Street, Boston. Mr. Sweeney, a buyer, was interviewed. At the present time 2 in 1 and Shinola are carried. Any attempt to introduce Boston blacking should be made through the Detroit office of this company.

WOOD, PUTNAM, AND WOOD

This concern is an advertising agency located at 178 Tremont Street, Boston. Mr. Wood, Jr., was interviewed. Some time ago this concern considered the possibility of advertising Boston polish. An extensive investigation was carried on, but a conclusion was reached to the effect that it was not advisable to advertise this product. The reason was particularly that of quality of the product. Mr. Wood, Jr., believes that each locality has its own brand of shoe polish as is the case with mayonnaise salad dressing. Furthermore, advertising gets the product into the home; quality of the product gets repeat business.

TYPES OF RETAIL OUTLETS

The shoe store should be the main outlet for shoe polish theoretically; however, this is not the case. Most all shoe stores carry shoe polish and many of them carry a large variety. An article appeared recently in Printers Ink* which told of how a manufacturer had difficulty in marketing a lubricating device for springs of automobiles. His sales were very much increased by getting automobile dealers to sell the lubricator when the new car was sold. The psychology here is that, when a person is making a large purchase, he has less resistance to sales than any other time, and the spending mood may be used to good advantage by the seller of "fixings." Consequently, the retail shoe store is the logical place to sell the buyer of shoes the "fixing" of shoe polish.

The bootblack and shoe repairers are the next most logical outlet. Almost every shoe repairer shines shoes, but there are a comparatively fewer number of establishments which shine shoes without

*Burwen, Henry, "Making the Sale a Trailer to a Bigger Sale Overcomes Selling Resistance," Printers' Ink, Vol. CXXIII, No. 7, May 17, 1923, p. 33.

repairing them. Just as the shoe store is a psychological place to sell the shoe purchaser with shoe polish so is the repair shop. The repairer's sale is not so large as with the original purchase of the shoes, but the customer is in another state of mind which is advantageous to the polish manufacturer indirectly. That is, the customer is desirous of preserving his shoes, and polish is one way of keeping them in good condition. However, since most repairers polish shoes, some repairers would rather shine the customer's shoes occasionally and keep the polish for those who ask for it.

Another point of view is that the bootblack and repairer will carry the best line of polish in order to make the best shine for the customer. This reasoning is similar to that where the carpenter will use the highest quality of hammer that he can buy. Consequently, to sell the bootblack and repairer for their own use, the highest quality of polish is necessary.

The grocery store is another outlet for polish. There is probably a feeling on the part of the shoe store owners against the grocery stores carrying

polish. However, convenience to the housewife is necessary, and the grocery stores have been forced to carry it.

Other types of retail outlets are the department store, the drug store, and the chain stores. Most of the drug stores carry just enough to "get by on." The other outlets are usually for convenience to the consumer. (See Appendix N for number and types of outlets.)

QUESTIONNAIRE TO CONSUMERS

A questionnaire was obtained from consumers by interviewing about forty people. It was first attempted to obtain results from three classes of people, but with so small a number of people the division was finally made in the upper and lower classes of people based on their estimated position in life. Appendix K will show the type of questions asked of each person, the answers, and the type of people considered. A variety of people was aimed at particularly. The questionnaire does not give an accurate figure to work out a quota on, but a general idea may be obtained whereas without it there would be nothing to work upon at all in this respect, other than one's judgment. (In order to obtain definite working results of this

type, about 500 or 1000 people should be interviewed in some way.) Also, the questionnaire was carried on entirely in a city; in rural districts probably the results in which we are interested would be better. Appendix L gives the results of this questionnaire.

CONSUMERS

The location of consumers is not in any one particular place to any great extent. Some sections of the world would probably have no use for shoe polish, but in New England almost every person has need for shoe polish. However, certain areas have more use for shoe polish than others. Appendix M will show that in more densely populated districts there are fewer people for each bootblack than in the less dense areas. In general then, more people shine their own shoes in the rural districts. Of course, there is a possibility that they do not shine them at all in the rural districts. However, if the assumption is correct, it would be further substantiated by the fact that each bootblackening or repairing establishment in a city has probably more chairs and men actually shining shoes than each blackening and repairing establishment in the country.

Shoe polish is a "convenience" good in that it must be on sale at many places convenient to the consumer and that very probably no one would "go shopping" for polish. Thus, it must have a distribution in many types of retail stores.

In general the polish is purchased by all ages. The questionnaire did not include many young people or many old people; however, the questionnaire indicates that both men and women purchase in the upper class, and more men purchase in the lower class. The writer is inclined to believe that in the upper class the woman purchases shoe polish, for she buys it when she "goes shopping" at some convenient store where she happens to be. In the lower class the man purchases it for the family.

LIMITING FACTORS

Weather has already been mentioned in that black shoes are worn and shined in the winter, and brown shoes in the summer. However, there is need for some kind of polish throughout the year. In the winter when rubbers and overshoes are worn, the shoes are preserved; the "shine" is also preserved by rubbers and overshoes, but there are probably many who get their shoes wet, and these should be shined when

they are dry.

Fashion of women's shoes might have a slight effect on the sale of polish. At the present time shoes of many colors are in vogue; consequently, there is a demand for red, green, blue, and other colors, but the type of polish with which we are concerned should not be used on these shoes of many colors; they require a polish of different composition. However, in the summer time white shoes are worn which require liquid dressing; this probably causes a reduction in the sale of the shoe paste.

Since the company desires to put up the shoe paste in one size of can, it is desirable to have one price to be adhered to at all times. There might be a possibility of selling the polish for twenty cents rather than twenty-five; of the two prices the twenty-five is a more "convenient" price and should be insisted upon.

Prosperity and depression times might have an influence on the sales of polish. The logical thing for a person to do in times of depression is to shine his own shoes to save the dime; however, human nature would probably act in many cases to go without the ^bsine and save both the dime and the price of the polish.

MARKETING PLAN

SALES QUOTA

Appendix O gives the quota for Boston polish of 398,249 cans per year for New England. The quota first considered the total population of New England and subtracted from this the total population of Fairfield County, Connecticut, for this territory is covered by New York. (See Appendix P for Fairfield County.) The rest of the quota was based on the results of the questionnaire chiefly. Another quota was worked out where people from fifteen to sixty years of age, - where half the people forty-five years and over were considered to be between forty-five and sixty (See Appendix Q for available people) and Boston Blacking was to sell five per cent of all shoe polish sold at rate of two cans per year per person, - and this other quota checked the one given very closely. The quota considers normal working for the first year.

EXPENSES

With a gross sale of \$49,781 per year the amount available for promotion, advertising, and overhead should be about \$9,228 for the first year. Two missionary salesmen would carry on the work and turn the orders over to the jobber. Three per cent of gross

sales for freight charges is conservative, for usual rates run from two to three per cent of gross sales.

PLAN OF MARKETING

The plan proposed is to select two missionary salesmen for work in New England. First, training should be given them to familiarize themselves with the product in all ways and to comprehend fully what is to be done. These salesmen could be selected from outside the factory, but very often those selected from inside the factory make the best salesmen, for they are familiar with the product. When this is done, they are to cover the territory of New England according to a definite schedule to be worked out beforehand. The orders which these men will take will be handed over to the jobbers to be filled by the factory. When this plan has been in operation some time, the load will be gradually lifted by the jobbers who will receive orders through their own salesmen. Finally, when a permanent trade has been established, a new territory could be "opened up" in the same way. New England is considered to be one of the "hardest markets" to sell; consequently,

if this one is sold first, there should be less difficulty in selling the next.

There is a fault to the plan in that if the gross sales are about \$50,000 per year, each salesman will have to take orders amounting to about \$25,000. If a salesman works 260 days per year he will have to take orders amounting to about \$96.00 per day. This is high for a new product. Consequently, use another salesman to reduce the sales to about \$64.00 per salesman per day. This is still quite high. This third salesman would work in New England until the jobber trade was established and then could move to the next territory to commence work there. The two missionary salesmen would remain in New England.

ADVERTISING

It is a well-established principle that no product should be advertised to consumers until it has distribution. However, it would be of assistance to this company if advertisements were used at the same time the plan was being put into effect in order to sell the retailer more readily and to create a demand quickly.

National magazines of all kinds should not be used until the product has distribution in those territories where the particular magazine has circulation.

Newspapers,- even Boston Newspapers alone,- could be used while the product was being introduced to the retailers. Also some bill boards and car cards could be used to good advantage to remind the woman shopper of buying polish. Finally, suggestion to the positive rather than negative emotions would probably be the best policy to use in the actual advertisements.

COST PER UNIT TO MARKET

Mr. Leatherbee of the Boston Blacking Company was particularly interested in the cost per unit to market. The expense figures show that after deducting the cost of the manufactured product, there is available \$17,921 for expenses. If all of this amount is spent, the cost per unit where there are 398,249 cans sold per year is therefore \$.0450 per can. With three salesmen the amount which is available for promotion, advertising, and overhead is diminished, but, when the jobber trade is established, the normal amount is then available. Any amount over \$17,921 which is spent would increase the cost per unit and would be considered as an investment in marketing.

CONCLUSIONS

The sources of information of this investigation are confined to a narrow sphere, and the conclusions drawn from them may not hold true for other territories. However, in New England and particularly in Boston, Massachusetts, the following conclusions are reached:

First, competition in the sale of shoe polish is severe.

Second, jobbers will not carry a new line of shoe polish until there is a demand for it.

Third, jobbers and bootblacks have little use for the Boston polish of the present quality.

Fourth, advertising is not advisable with the present quality of this product.

Fifth, only a product of the best quality would meet with success on the market.

RECOMMENDATIONS

If Boston polish is to be marketed in New England, the writer suggests the following recommendations:

First, that the quality of the product be improved.

Second, that a research be carried on and a service test be made to insure that the product is of the highest quality.

Third, that improvement be made in the container in its dimensions, printing design, and color for black polish to give the product individuality.

Fourth, that a trade name having the proper qualities be coined for protection against infringement.

Fifth, that production planning and control be prepared, if not already, to meet the required economy and capacity.

Sixth, that a competent advertiser be employed to create the proper demand.

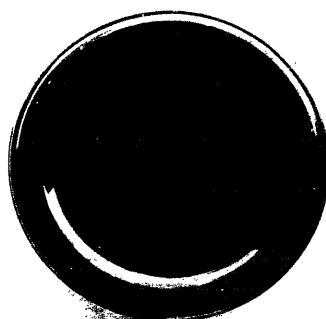
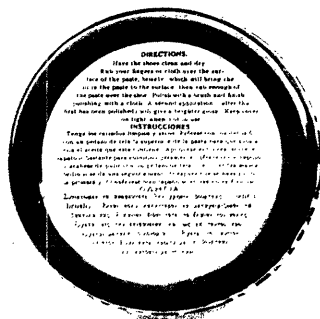
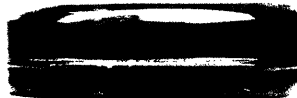
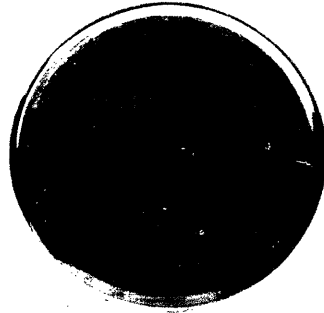
Seventh, when this is done, that the suggested plan for marketing in New England be adopted.

Respectfully submitted,

W. C. Gray

APPENDIX A.

Pictures of the container.



APPENDIX B.

Chart of number of boot and shoe and number
of blacking, stain, and dressing establishments
since 1879.

10,000

NUMBER OF BOOT AND SHOE ESTABLISHMENTS

1,000

NUMBER OF BLACKING, STAIN, AND DRESSING ESTABLISHMENTS

100

	BOOT	BLACKING
1879	1959	48
1889	2082	71
1899	1599	121
1904	1316	138
1909	1343	201
1914	1355	197
1919	1449	220

	BOOT	BLACKING
1879	1959	48
1889	2082	71
1899	1599	121
1904	1316	138
1909	1343	201
1914	1355	197
1919	1449	220

Marketing Plan for Shoe Polish
 W. C. Gray - Course XV₂ - 1923

10

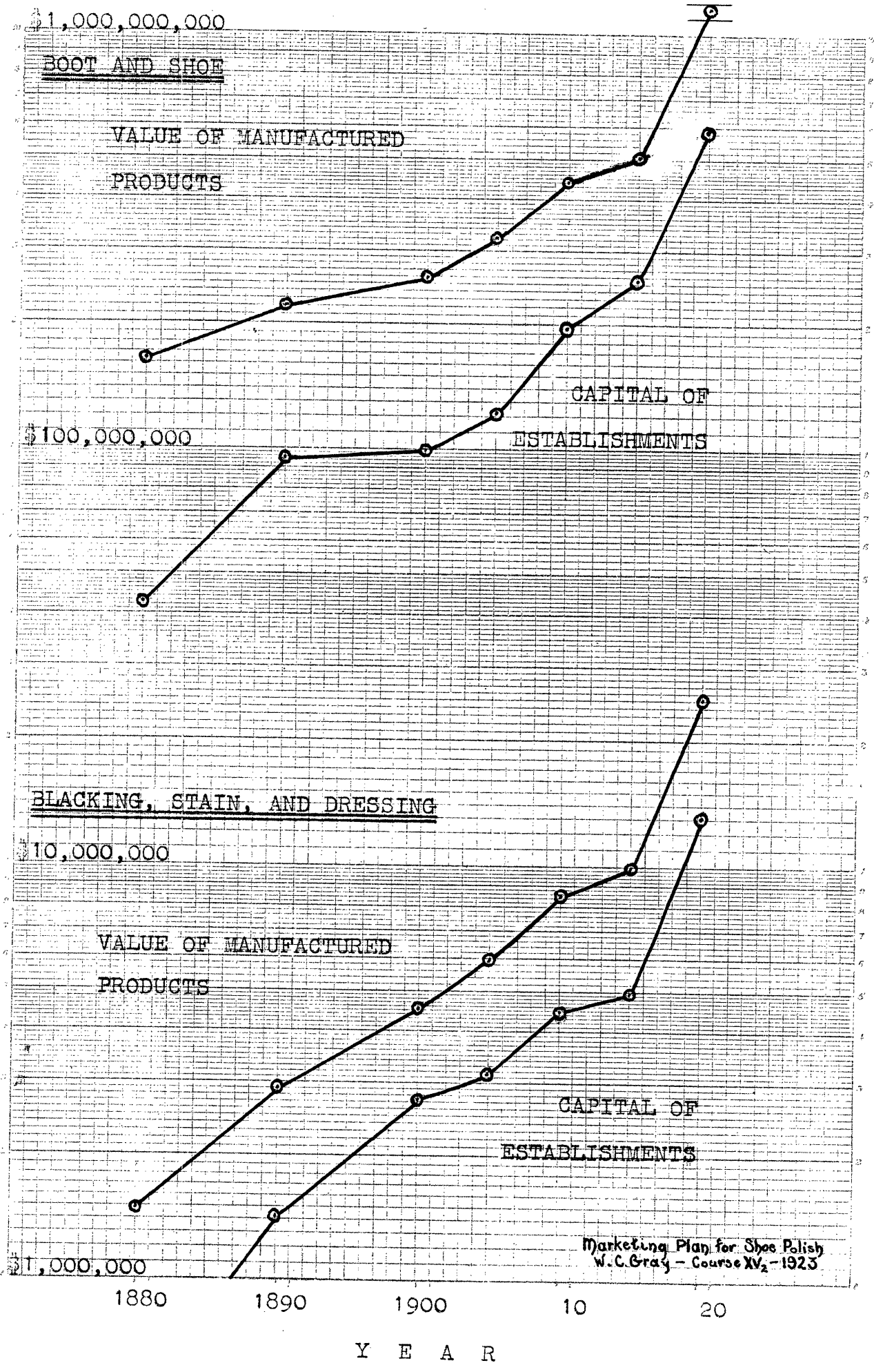
1880 1890 1900 1910 1920

Y E A R

APPENDIX C

Chart of value of products and capital of establishments for both the boot and shoe and the blacking, stain, and dressing industry since 1879.

Table showing the same.



1,000,000
 500,000
 100,000
 50,000
 10,000
 1,000

Y E A R

APPENDIX C.

Table of capital and value of products of boots and
blacking establishments since 1879.

	CAPITAL	VALUE OF PRODUCTS
<u>BOOTS and SHOES</u>		
1879	\$42,994,000	\$166,050,000
1889	95,282,000	220,649,000
1899	99,819,000	258,970,000
1904	122,526,000	320,107,000
1909	197,090,000	442,630,726
1914	254,591,000	501,760,458
1919	580,625,000	1,155,041,436
<u>BLACKING, STAINS,</u>		
<u>and DRESSINGS</u>		
1879	\$495,000	\$1,491,000
1889	1,403,000	2,900,000
1899	2,719,000	4,505,000
1904	3,155,000	5,941,000
1909	4,455,000	8,419,000
1914	4,985,740	9,881,594
1919	13,080,901	25,284,072

APPENDIX D

Chart of population of the United States and
New England since 1879.

Chart of number of pairs of shoes produced
since 1900.

1,000,000,000

NUMBER OF PAIRS OF SHOES PRODUCED IN UNITED STATES

100,000,000

POPULATION OF UNITED STATES

PAIRS OF SHOES UNITED STATES NEW ENGLAND

1880	(Precedes one year)	50,155,783	4,010,529
1890		62,947,714	4,700,749
1900	196,000,000	75,994,575	5,592,681
1904	216,000,000		
1910	248,000,000	91,972,266	6,552,681
1914	253,000,000		
1920	287,000,000	105,710,620	7,400,909

10,000,000

POPULATION OF NEW ENGLAND

Marketing Plan for Shoe Polish
W. C. Gray - Course XV₂ - 1923

1,000,000

1880

1890

1900

1910



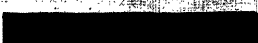



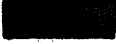


1920










Y E A R










1,000,000
1,000,000
1,000,000
1,000,000
1,000,000

APPENDIX E

Charts of number of establishments, capital,
and value of products of the blacking, stain, and
dressing industry, 1919.

NUMBER OF ESTABLISHMENTS		
Massachusetts		56
New York		41
Illinois		25
Pennsylvania		16
Missouri		14
Ohio		13
New Jersey		11
California		7
Maryland		6

CAPITAL		
New York		\$ 5,666,120
Massachusetts		2,665,600
New Jersey		2,215,161
Illinois		652,742
Pennsylvania		537,435
Ohio		244,079
Missouri		138,233
Maryland		75,144
California		68,483

VALUE OF PRODUCTS		
New York		\$ 10,189,221
Massachusetts		7,108,160
New Jersey		1,754,846
Illinois		1,584,746
Pennsylvania		949,883
Ohio		588,551
Missouri		328,810
Maryland		149,969
California		131,452

Boston Blacking Company's ratings by Dunn and
 Bradstreet and its position in the blacking, stain,
 and dressing industry.

	CREDIT	ESTIMATED WEALTH
# Bradstreet	first grade	\$500,000 to 1,000,000
# Dunn	good	over \$750,000

Total capital of blacking, stain, and dressing
 establishments in 1919 was \$ 13,080,901.

Total number of establishments was 220.

Average capitalization:

$$\frac{13,080,901}{220} \text{ equals } \$59,300$$

Boston Blacking Company's position in the industry:

$$\frac{\$750,000}{59,300} \text{ equals } 12.6 \text{ times the average.}$$

Bradstreet, Vol.22I, April 1923; 346-8 Broadway, New York.

Dunn's Reference Book, Vol.2I9, Jan., 1923; 290 Broadway, N.Y.

APPENDIX G

Letter sent to Shinola and F.F. Dalley Companies.

28 Fenway,
Boston 17, Massachusetts.
May 8, 1923.

Dear Sirs:

At the present time I am struggling with a thesis on the subject of marketing a shoe polish; this work is part of my requirements for graduation at the Massachusetts Institute of Technology, Cambridge, Massachusetts. I find that here in Boston you have very good distribution and very probably in New England; consequently, I appeal to you as one of the leaders to ask two questions:

First, through what mediums do you obtain your distribution chiefly,- through jobbers, salesmen, commission merchants, or other mediums?

Second, is it possible that you give me figures as to how much your sales were increased over a certain period by the use of advertising?

It would be very helpful to me if you could furnish a catalog giving the sizes and prices of your shoe paste.

Finally, in order that any information you might suggest be incorporated in my thesis, I would appreciate very much a prompt reply.

Yours truly,
(Signed) W. C. Gray.

APPENDIX H

Letter received from Shinola Company.



BLACK - TAN
OX-BLOOD - BROWN

SHINOLA COMPANY



WHITE

ROCHESTER, N.Y., U.S.A.

May 11th, 1923.

Mr. W. C. Gray
28 Fenway
Boston 17, Mass.

Dear Sir:-

We have your favor of the 8th in regard to the general policy in marketing shoe polish and wish to advise that our product is marketed practically exclusively through jobbers in connection with the work of our salesmen. Our goods are not handled by commission men whatever. In addition to marketing through jobbers we have a very large trade through the chain stores, such as Woolworth Kresge and Kress and other small chains.

With reference to how much our sales were increased over a certain period by the use of advertising, this is something we could not give you definite information on as it is very hard to determine the actual results obtained by the use of advertising. We do know, however, that our business has grown each year and we feel of course that a certain amount of this increase should be attributed to the advertising we are doing.

In regard to forwarding a catalogue we do not have any catalogue with prices listed. We are however, enclosing a small booklet which describes and illustrates the different items we manufacture. The retail price is 10¢ and we make only the one size in black, tan, white, oxblood and brown, all retailing at the same price.

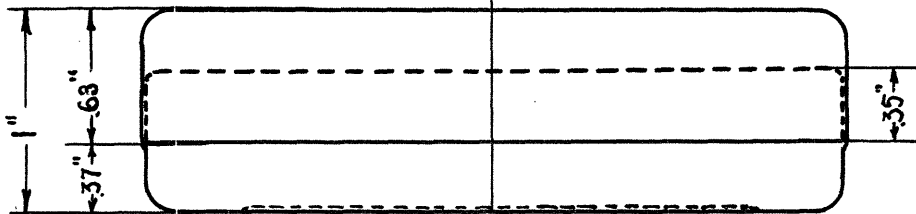
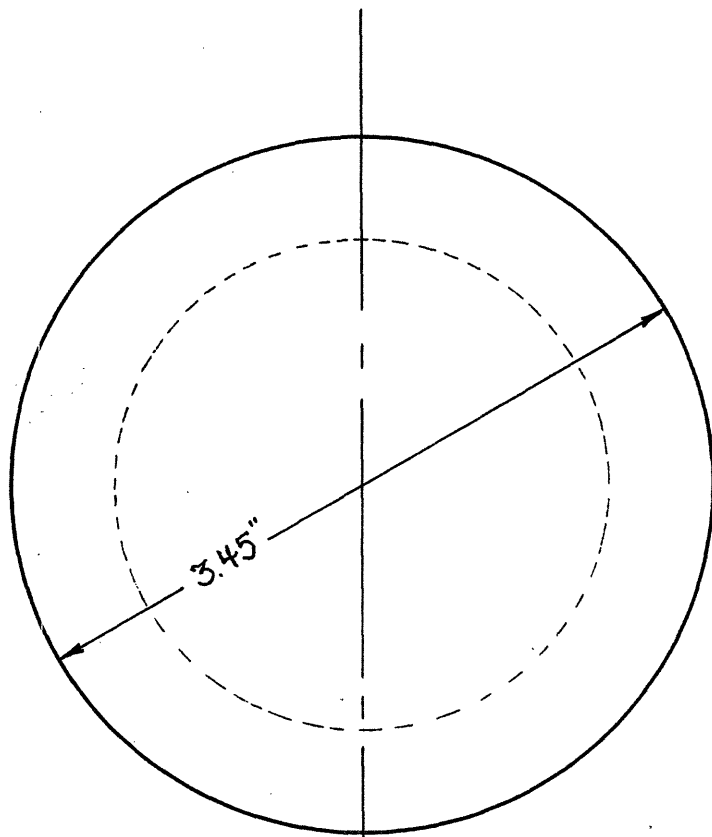
Trusting this information will be what you desire, we beg to remain,

Very truly yours,
SHINOLA COMPANY.

WAH:MT

APPENDIX I

Drawing of container.



Full Size

APPENDIX J

Proposed design of container.



BOSTON

RED SHOE POLISH

BOSTON BLACKING CO
CAMBRIDGE
MASS

DIRECTIONS

FOR POLISHING LEATHER SHOES OF RED OR REDDISH COLOR. TO OPEN, INSERT KNIFE-POINT UNDER EDGE OF COVER AND DRAW AROUND ENTIRE EDGE OF THE COVER TO POLISH SHOES, APPLY CONTENTS WITH FINGERS, CLOTH, OR DAUBER. THEN POLISH WITH A BRUSH AND FINISH POLISHING WITH CLOTH. KEEP COVER ON TIGHT WHEN NOT IN USE.

Full Size

NET WEIGHT 3/8 OUNCES

4 BOSTON No. 4 BOSTON No. 4 BOSTON No. 4 BOSTON No.

Length reduced 1"

APPENDIX K

Questionnaire to upper class.

Questionnaire to lower class.

TYPE OF PERSON UPPER CLASS	SHINE OWN SHOES?	WHO BUYS?	WHAT BRAND?	SIZE?	NUMBER PER YEAR PER PERSON	WHERE BOUGHT?	SEX	ESTIMATED AGE
Housewife	Yes	Self	Zinl	Small	5	Repairer	Lady	55
Housewife	Yes	Self	Shipola	Small	4	Shoe store	L	55
Student	Yes	Self	Zinl	S	2	Shoe store	L	20
Student	Yes	Self	Any	S	1	Repairer	Man	26
Buyer	Yes	Self	Zinl	S	2	Dept. Store	L	27
Buyer	No						M	35
Student	Yes	Self	Any	S	6	Repairer	M	25
Nurse	No						L	35
Secretary	No						L	35
Housewife	Yes	Self	Whittemore	Large	?	Repairer	L	50
Business man	Yes	Self	Properbs	L	1	Harness shop	M	55
Business man	No						M	40
Professor	No						M	50
Business man	Yes	Self	Kaxo	L	3	Dept. Store	M	35
His wife	Yes						L	30
Business man	Yes	Self	Zinl	S	3	Dept. Store	M	27
His wife	Yes						L	26
Dentist	Yes	Self	Zinl	S	5	Repairer	M	32
Business man	Yes						M	55
His wife	Yes	Self	Kaxo	L	2	Dept. Store	L	50

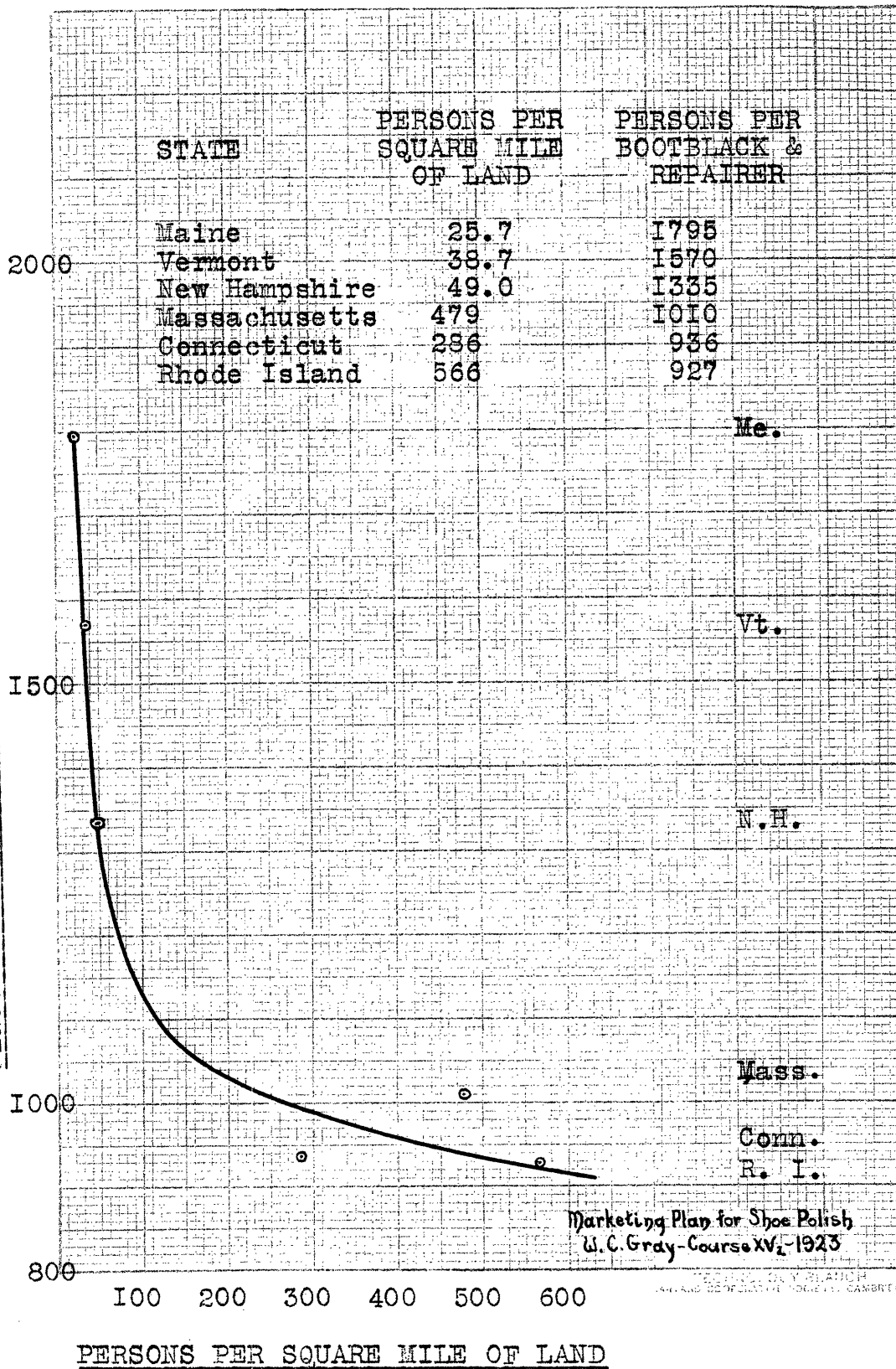
TYPE OF PERSON LOWER CLASS	SHINE OWN SHOES?	WHO BUYS?	BRAND	SIZE	NUMBER PER YEAR PER PERSON	WHERE BOUGHT?	SEX	ESTIMATED AGE
Housemaid	Yes	Husband	2 in 1	Small	2	5 and 10	Lady	30
Housemaid	Yes	Self	2 in 1	S	4	Grocery	L	40
Butler	Yes	Self	2 in 1	S	3	5 and 10	Man	35
Mechanic	Yes			S	4		M	40
His wife	Yes	Self	2 in 1	S	4	Grocery	L	40
Cook	Yes	Self	Liquid				L	40
Clerk	No						M	26
Chauffer	Yes	Self	2 in 1	S	3		M	35
Chauffer	Yes	Self	2 in 1	S	2	Repairer	M	40
His wife	No						L	40
Printer	No						M	45
Type setter	No	Wife	2 in 1	S	5	Repairer	M	30
Barber	Yes	Self	Whittemore	L	1	Shoe Store	M	40
Clerk	No						M	26
Tailor	Yes	Self	Whittemore	L	2	Repairer	M	40
His wife	Yes						L	40
Tailor	Yes	Self	2 in 1	S	4	Repairer	M	45
His wife	Yes						L	45
Stenographer	Yes	Self	2 in 1	S	4	Grocery	L	28
Type setter	Yes	Self	2 in 1	S	4	Grocery	L	35

Results of consumer questionnaire.

	UPPER CLASS (%)	LOWER CLASS (%)	AVERAGE (%)
Those shining own shoes	75	75	75
Of those buying: Men	50	67	58.5
Women	50	33	41.5
2 in 1 bought	42	85	
Whittemore's	8	15	
Large size can	33	17	25
Small size can	67	83	75
Where bought:			
Repairer	42	36.5	
Dep't. store	33	0	
Shoe store	17	9	
Grocery store	0	36.5	
5 and 10 cent store	0	18	
Others	8	0	
	UPPER CLASS	LOWER CLASS	
Large cans per year per person buying	2.20	1.50	
Small cans per year per person buying	3.45	3.60	
Percent of men shining their own shoes			63.6
Percent of women shining their own shoes			83.4

APPENDIX M

Graph of persons per bootblack against density
of population.



APPENDIX N

Table of number and types of outlets by
States in New England, 1923.

STATE	POPULATION 1920	AREA SQ. MI.	BOOT- BLACKS	DEPT. STORE	DRUG STORE	GRO- CERY	SHOE REPR.	SHOE STORES	5+10 ETC.
ME.	768,014	29,895	48	9	394	1,620	380	353	23
N.H.	443,083	9,031	37	16	221	918	295	216	21
VT.	352,428	9,124	25	15	168	570	199	170	18
MASS.	3,852,356	8,039	296	69	1,342	8,422	2,383	1,234	81
BOSTON			103	21	375	2,080	1,035	551	8
R. I.	604,397	1,067	25	0	161	1,225	281	133	19
PROV.			36	4	144	863	309	94	4
CONN.	1,380,631	4,820	177	21	576	4,665	1,296	580	37
TOTAL	—	—	747	155	3,381	20,363	6,178	3,311	211

APPENDIX O

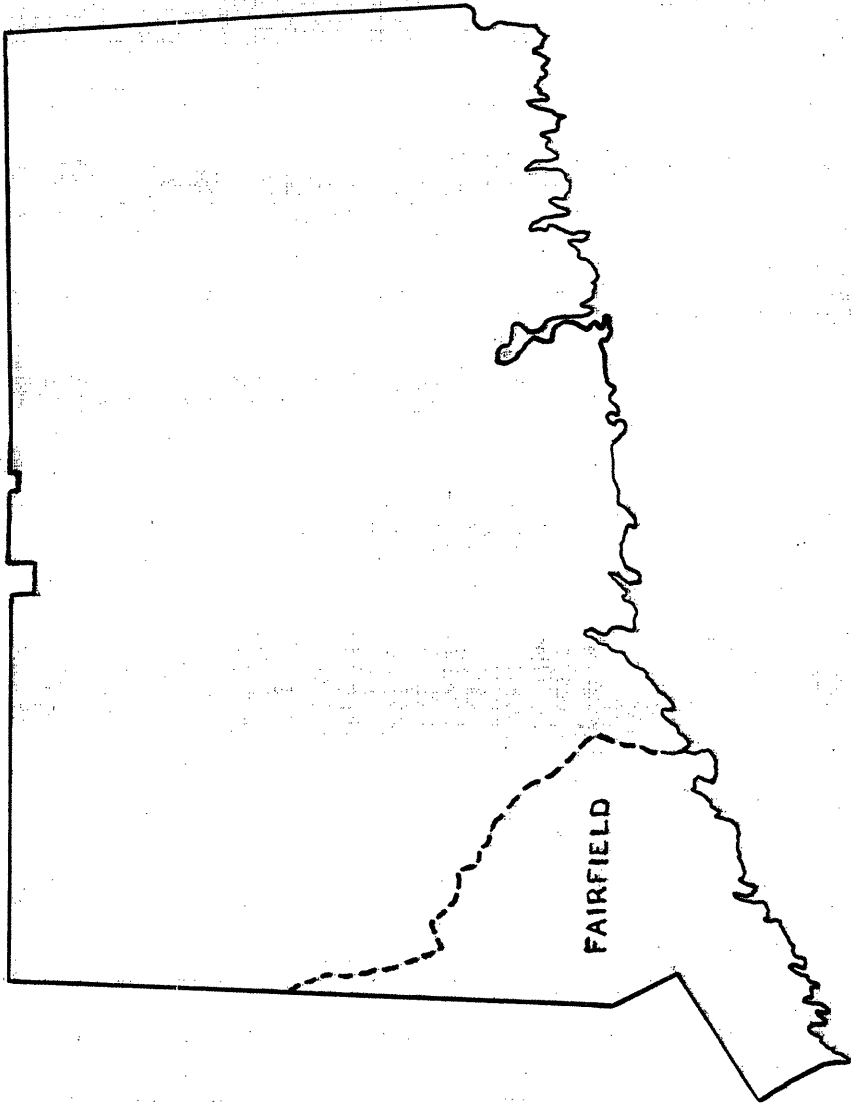
Sales quota and expenses for Boston polish.

SALES QUOTA AND EXPENSES

Population of New England, 1920	7,400,909
Subtract population of Fairfield County, Conn., 1920	<u>320,936</u>
	7,079,973
Multiply by percent of people buying shoe polish	<u>.60</u>
	4,247,984
Multiply by percent of people buying large cans	<u>.25</u>
	1,061,996
Multiply by number of cans these buy per year	<u>1.5</u>
	1,592,994
Boston Blacking Co. to sell 25 percent of these	<u>.25</u>
	398,249
Selling price to jobber is 12½ cents per can	<u>.125</u>
	<u>\$49,781</u>
Gross sales	\$49,781
Deduct cost of manufactured product at 8 cents per can (08 x 398,249)	<u>31,860</u>
	17,921
Deduct salary of two salesmen at \$3600 each per year	<u>7,200</u>
	10,721
Deduct 3 percent of gross sales for freight	<u>1,493</u>
Net available for sales promotion, advertising, and overhead.	<u>\$9,228</u>

APPENDIX P

Map of Connecticut and Fairfield County.



MAP OF CONNECTICUT

FAIRFIELD COUNTY	
Age	Persons - 1920
14 and 15	9,752
16 and 17	9,646
18 to 44	140,556
21 and over	195,765
All ages	320,936

Available persons in New England, 1920, by ages
and total available.

AGE	PERSONS
15 to 19	589,138
20 to 44	2,879,855
45 and over	1,819,363

TOTAL AVAILABLE

589,138
2,879,855
<u>909,682</u>
4,378,675

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