



trakt

phone cases

A smartphone case that stores and charges wireless, Bluetooth earbuds.

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S.W.O.T. Analysis

Strengths:

Convenient: traKt's capability to hold earbuds ensures that they will always be readily available, and never lost or forgotten. As a result, the phone case eliminates the need to buy multiple pairs of earbuds due to loss or damage due to wires. The earbuds conveniently charge within the case and can last up to twelve hours on one charge, allowing for several uses.

Compatible: traKt comes in multiple sizes in order to cater to a variety of iPhone users, more specifically iPhones 5-7. Since new iPhone models replace auxiliary jacks with Bluetooth technology, traKt parallels the latest Apple technology¹.

Aesthetically Pleasing: The traKt case is superior to competitors' headphone-equipped phone cases, such as TurtleCell's, due to its sleek design and Bluetooth capabilities².

Weaknesses:

Charging Requirement: traKt's Bluetooth earbuds need to be charged, which adds to the required charging time for the phone as a whole. This inconvenience may deter customers from purchasing the product.

Bluetooth Complications: Bluetooth technology has a reputation for delayed connection issues; it is possible that customers may encounter similar issues³. Additionally, the product requires the consumer's phone to remain in Bluetooth mode, causing its battery life to drain more quickly than it would without Bluetooth mode engaged.

Opportunities:

Utilizing Apple's Success: Apple's market share of smartphones peaked in the fourth quarter each year from 2011-2015⁴. The debut of traKt in parallel with Apple's annual iPhone release will match market demand for Apple accessories. The release of Apple's new iPhone 7 series forces masses of users to consider Bluetooth technology as their primary option by omitting the traditional auxiliary jack. traKt's compatibility with the latest technology encourages consumers to abandon their brand loyalty to competing firms who have failed to keep up with the trend toward Bluetooth technology.

¹ ("iPhone 7", 2016)

² ("Digital Treasures", 2016)

³ (Purdy, 2016)

⁴ ("Market Share Held by Apple", 2016)

Industry Growth: Headphone annual sales have increased from 236 million to 334 million units in 2016, showing that there is a global demand for the key element of traKt, a phone case with built in earbuds⁵.

Market Expansion: The Android market segment holds nearly 45% of the US smartphone market and 86% of the global smartphone market^{6,7}. Expanding the traKt product line to be compatible with Androids provides the opportunity for immense market share growth.

Threats:

Limited Market: Apple holds about 29% of the global smartphone industry⁸. traKt is only compatible with iPhones 5-7, thus resulting in a limited market.

Competitors: Similar products are offered for a lower price than traKt on Amazon by companies such as TurtleCell. TurtleCell offers a phone case with retractable wired headphones for \$35-\$60.⁹

Unpopular Technology: In June 2016, Bluetooth headphone only accounted for 17% of total headphone sales, while wired headphones accounted for the other 83%¹⁰. One of traKt's key components is its wireless earbuds, which could deter customers from buying the product.

⁵ ("Global Unit Sales", n.d)

⁶ ("Mobile operating systems", n.d)

⁷ ("Share of Android OS", 2016)

⁸ ("Brand Shares", 2016)

⁹ ("Digital Treasures", 2016)

¹⁰ (Richter, 2016)

Segmenting, Targeting, and Positioning

Segmenting:

traKt has the potential to satisfy the headphone needs of consumers ages 25-34 since they are 61% more likely to watch or listen to something on their smartphone than all adults. People who work in management, business, and financial operations are 26% more likely to watch or listen to something on their smartphone than all individuals, and are 29% more likely to have bought ear buds in the last 12 months than all adults.^{11,12} People who graduated college are 35% more likely to have spent \$41+ on headphones in the last 12 months than all adults. People with a HHI of \$75,000+ are 125% more likely to have spent \$41+ on headphones in the last 12 months than all adults.¹³ In addition, people ages 25-34 are 371% more likely to live in a household with 3 or more similarly aged adults than all adults¹⁴. People who work in management, business, and financial operations are 185% more likely to travel domestically for business than all adults. In addition, people who work in management, business, and financial operations are 42% more likely to travel on vacation than all adults.¹⁵

Targeting:

traKt intends to target young college graduates from ages 25-34 with a HHI of \$75,000+ who work in management, business, and financial operations. traKt will specifically target the 73% of the individuals in the age range that describe their lives as very busy or constantly “on the go” and the 53.65% that say they often invest in the latest technology¹⁶.

Persona:

Danny is a 26-year-old USC graduate with a masters degree in mechanical engineering. He works as a young executive at the Palo Alto Tesla plant, lives in an apartment in San Francisco with three male roommates and commutes to work on his Ducati. He makes an annual salary of \$75,000. Danny enjoys using the latest technology to match his dynamic lifestyle. He values a work-life balance, gets a high from his “weekend warrior” adventures, and has saved thousands of airline miles from work and leisure travel.

¹¹ (“Cellular/Mobile Phones/Smartphones - Activities”, 2015)

¹² (“Audio Equipment and Accessories”, 2015)

¹³ (“Audio Equipment and Accessories - Amount Spent on Headphones”, 2015)

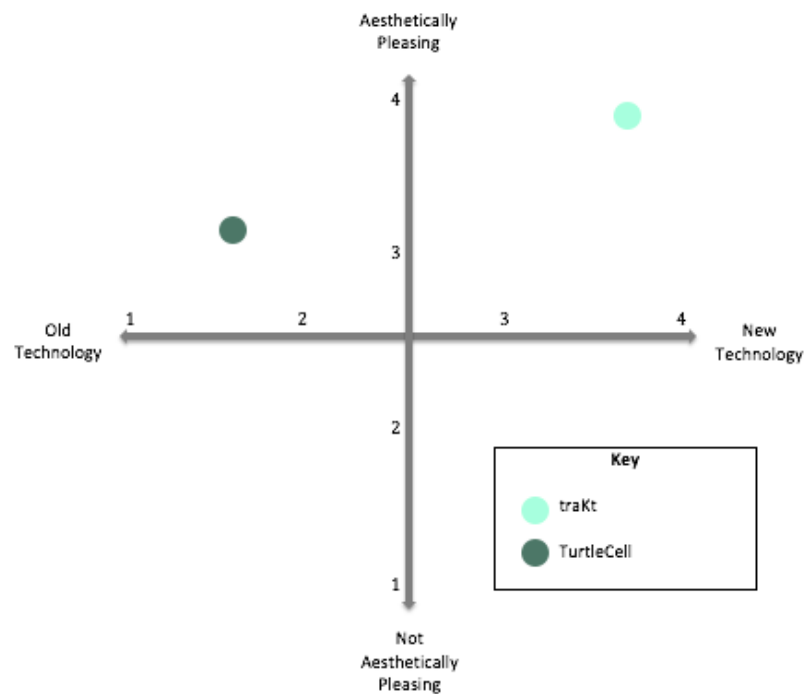
¹⁴ (“Number of Adults in HH 25-34”, 2015)

¹⁵ (“Domestic Travel - Reason for Trip”, 2015)

¹⁶ (“Qualtrics”, 2016)

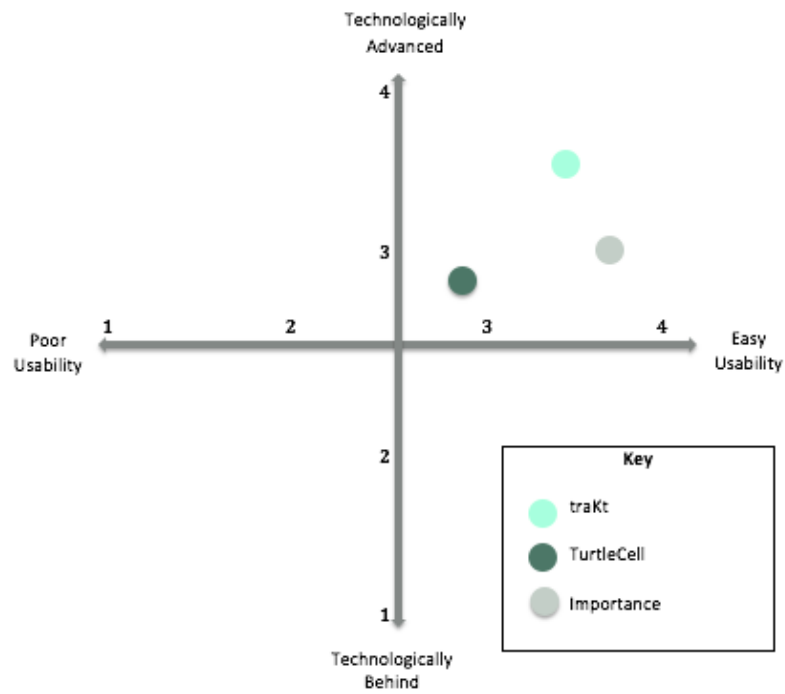
Positioning:

When compared to TurtleCell, traKt will be recognized as a more technologically sophisticated, easier to use version of its biggest competitor, TurtleCell¹⁷. traKt's wireless approach and slick earbud compartment both add to the product's perceived seamless usability when compared to TurtleCell's reliance on outdated technology and low price point combination. The earbuds included in traKt phone cases serve as earplugs to escape noisy roommates by day, and a Bluetooth-synced personal alarm by night, suiting the lifestyle of busy, young executives.

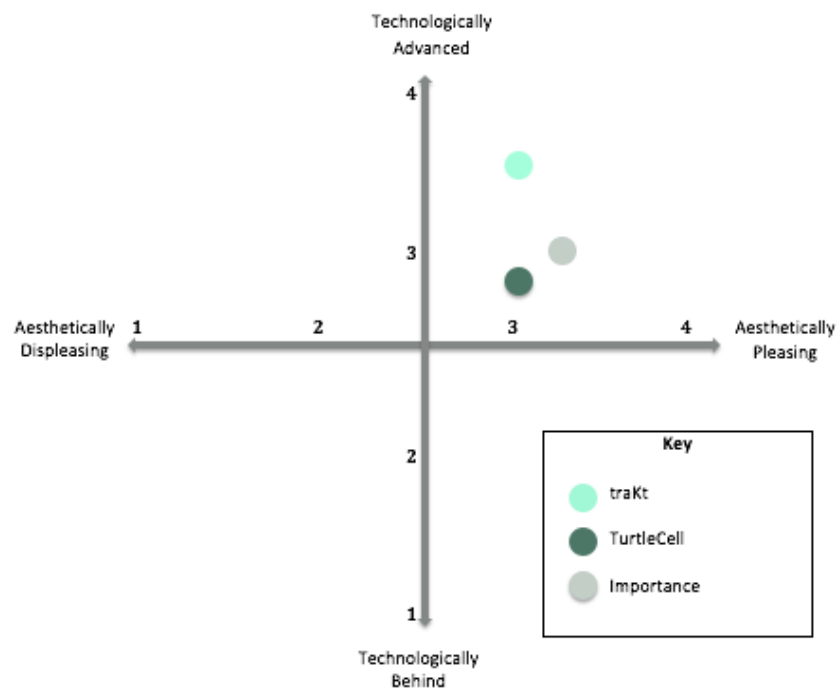


("Customer Reviews", 2015)

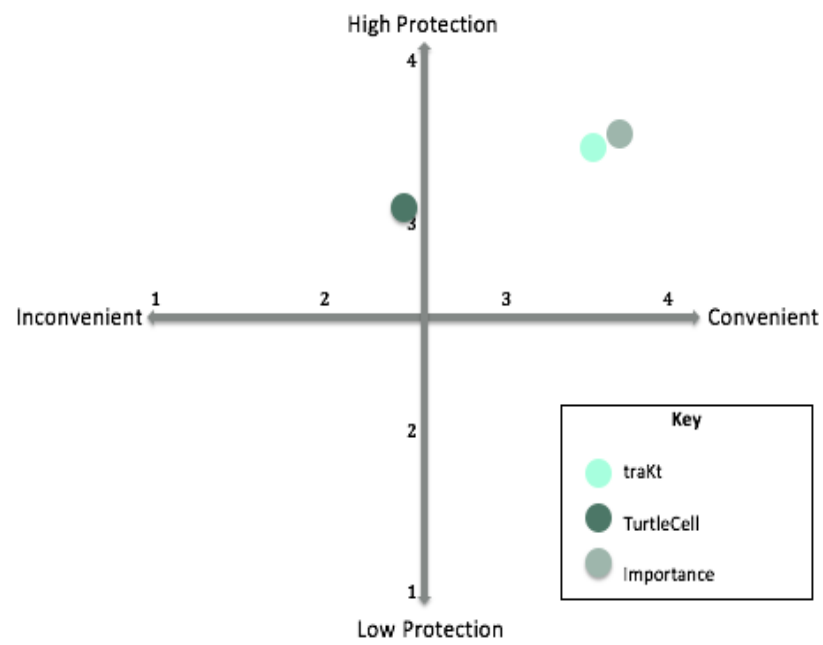
¹⁷ ("Qualtrics", 2016)



(Qualtrics, 2016)



(Qualtrics, 2016)



(Qualtrics, 2016)

Product Strategy

Main Features:

traKt is a phone case made for iPhones 5-7 that comes equipped with wireless Bluetooth earbuds that can be stored within the case, alleviating consumers from the stress of losing or forgetting their earbuds. The earbuds are Class 2 Bluetooth with a range of up to 33 feet, a standard distance for Bluetooth headphones; enough to satisfy the target market's needs, who are habitually near their smartphones¹⁸. The case is designed to charge the earbuds when the phone is simultaneously being charged, eliminating the need for extra charging devices. In addition, the earbuds only require two hours to fully charge their twelve-hour battery capacity, providing consumers a promising battery life to withstand their dynamic lifestyles.

The right earbud will also feature a small button with the capability to answer calls, which complies with the popular business movement of shifting from wired phones to headsets to promote employee productivity and minimize workplace injuries¹⁹. Furthermore, individuals in the age range of 25-34 are 371% more likely to have roommates than all other adults, thus subjecting them to constant background noise²⁰. traKt users will be able to sync their iPhones with the earbuds to cancel out noise with sound tracks or to utilize their iPhone's alarm function without waking their roommates. traKt's comfortable earbuds will allow consumers to sleep while using the product.

Packaging:

traKt will mimic packaging tactics used by other luxury mobile device and technology products, such as Apple and Beats, to appeal to a similar target market. Members of traKt's potential client base exhibit a high purchasing power; therefore, they associate high-end packaging with high class products.²¹ traKt's secondary packaging will utilize quality paperboard with coatings for color and texture instead of transparent plastic, which is associated with low-end products²². The front of the box will feature a true-to-size image of the back of the phone case, exposing the Bluetooth earbuds on a white background, while the back of the box will detail the product description and slogan, giving consumers a preview of the product and its capabilities. The primary packaging will consist of thinly coated plastic, molded to fit the product.

¹⁸ (Wright, n.d)

¹⁹ ("Best Bluetooth Headsets for Business", 2010)

²⁰ ("Number of Adults in HH 25-34", 2015)

²¹ ("Leading Luxury", 2013)

²² ("Luxury Packs in the Value", 2004)

Branding:

_____traKt will differentiate itself from competitors by utilizing the slogan, “Get your life on traKt” to relate to its target market’s desire for organization within their busy lifestyles. traKt’s mint-colored logo represents attributes the target market strives for: competence, reliability, successes and intelligence²³. traKt will isolate and magnify its logo on the two longest sides of the secondary packaging as well as the on all pages of its website. This will increase brand recognition because using the same logo on all products will make traKt instantly recognizable to the target market²⁴.



Warranty:

traKt will offer a one year warranty for Bluetooth issues and manufacturing defects, standard for other companies in this industry, such as TurtleCell²⁵. In addition, traKt will offer a customer service help line Monday-Friday from 9 a.m. to 5 p.m. to assist with troubleshooting issues.

²³ (Ciotti, 2016)

²⁴ (Michaels, 2013)

²⁵ (“TurtleCell”, 2016)

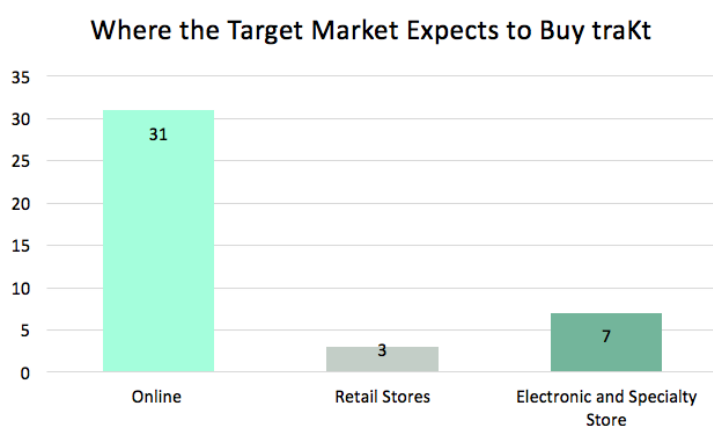
Distribution Strategy

Channel Strategy:

traKt smartphone cases will be manufactured by Plantronics, based in Santa Cruz, California. By producing the product locally, traKt will avoid heavy outsourcing and transportation costs during the introductory phase of its life cycle. In addition, Plantronics already manufactures both components of traKt's product: smartphone cases and Bluetooth earbuds. Plantronics prides itself with "being on the forefront of audio innovation," a statement that aligns with traKt's innovative focus²⁶.

To minimize horizontal conflict and reduce risk, traKt will limit its initial retailer to Amazon.com, which is cost effective charging \$39.99 per month, and is already partnered with Plantronics^{27,28}. 77.19% of survey respondents in traKt's target market reported that they would expect to purchase traKt online, thus the company's reliance on an online vendor will match the market's reachability expectations²⁹. During its growth stage, traKt plans to expand into a retailer partnered with Plantronics,

Best Buy, one of the most successful vendors in the electronics market^{30,31}. Selling traKt through a retailer that also sells smartphones will allow for synergy between iPhones and traKt, where customers will be inclined to purchase traKt after purchasing an iPhone.



(Qualtrics, 2016)

During traKt's introduction to the market, products will be shipped directly from Plantronics to Amazon distribution centers. Brightstar, a global organization partnered with Plantronics, will be utilized once demand for traKt begins to grow. Located in Miami, Florida, Brightstar is a leading distributor of mobile accessories and offers customizable merchandising plans, full service vendor-managed inventory, sales channel specialists, channel communication support, and access to their network of global retailers^{32,33}. Leveraging Brightstar will lead to an increase in sales with market development and penetration. Brightstar adds value to traKt by

²⁶ ("About Plantronics", 2016)

²⁷ ("Where to Buy", 2016)

²⁸ ("Start Selling", 2016)

²⁹ ("Qualtrics", 2016)

³⁰ ("Consumer Electronics", 2016)

³¹ ("Where to Buy", 2016)

³² ("Where To Buy", 2016)

³³ ("About Us", 2014)

providing timely, accurate data through its supply chain management platform, allowing for traKt to make more accurate decisions to quickly respond to consumer needs.³⁴

traKt will initially enter the Western U.S. market, near its California manufacturer, allowing for a bigger promotional budget due to lower transportation costs. traKt will grow into new U.S. regions through Brightstar's network of retailers after it gains sufficient brand recognition and market share, propelling traKt into the growth phase of its lifecycle.

Transportation:

traKt's product transportation methods will require strict tracking and monitoring, given the nature of traKt's expensive products, and to ensure smooth and timely delivery to consumers³⁵. traKt will be transported by truck since the seven Amazon fulfillment centers and the regionally selected Best Buys all are located within California³⁶. The cost of truck transportation has stayed relatively stagnant from 2008-2013, at an average marginal cost per mile of \$1.676. This low cost will contribute to higher profit margins³⁷. Eventually, Brightstar will take over transportation when it partners with traKt.

Channel Management:

Plantronics will oversee the manufacturing and distribution of traKt. Therefore, it will be liable for traKt's entire distribution channel until it reaches the end retailer. Plantronics is a manufacturing company that conducts business with noteworthy companies³⁸. Once traKt products reach Amazon, it will assume liability for the product.

³⁴ ("Bringing More", 2016)

³⁵ ("Wireless Telecommunications Services", 2016)

³⁶ ("Amazon Fulfillment," 2016)

³⁷ (Torrey IV, 2014)

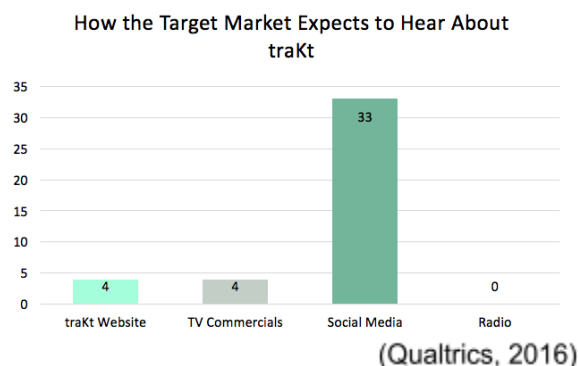
³⁸ ("Where to Buy", 2016)

Promotion Strategy

Pull Strategy:

To increase interest and awareness for its product, traKt will implement guerilla marketing in the center of the Silicon Valley³⁹. traKt will place actors equipped with a traKt phone case in the Financial District to ask visitors to take pictures of them with their phone. The median age in the Financial District is 32.61 with an average income of \$134,164, aligning with traKt's target market⁴⁰. They will engage in casual conversation emphasizing traKt's major features, sparking interest to research and purchase the product.

80% of survey respondents reported that they would expect to hear about traKt through social media⁴¹. Facebook is most frequented by users between the ages of 25-34, matching traKt's target market⁴². traKt will build a presence on Facebook by using sidebar advertisements featuring business executives using the traKt product, saying "Get your life on traKt."



traKt will create a "spectacular", a 6'x6' static lighted box in the three major airports in California: LAX, SFO, and SAN since its target market travels often^{43,44,45}. Additionally, adults ages 25-35 are 55% more likely to have used Wi-Fi on their last domestic flight than all adults, and people who work in management and financial operations are 108% more likely to have used Wi-Fi on their last domestic flight than all adults⁴⁶. Therefore, sponsoring in-flight Wi-Fi will expose traKt to numerous customers in traKt's target market. If consumers purchase in-flight Wi-Fi, they will receive a 15% discount on all traKt products.

Once per quarter for a single workweek, traKt will purchase and paint a dumpster suggesting passersby to "Dump Your Headphones, Get Your Life On traKt", and dispose of old and unused electronics. traKt will place it in Union Square, a popular plaza less than a mile away from the San Francisco Financial district, where its target market is highly concentrated⁴⁷. Tourists and San Francisco locals spend weekends and lunch breaks in the plaza, making it a

³⁹ (Florida, 2015)

⁴⁰ ("Financial District", 2016).

⁴¹ ("Qualtrics", 2016)

⁴² ("Number of Facebook", 2016)

⁴³ ("Airports in California", 2016)

⁴⁴ ("Domestic Travel - Reason for Trip", 2015)

⁴⁵ ("Domestic Travel - Reason for Trip", 2015)

⁴⁶ ("Domestic Travel - In-Flight Entertainment", 2015)

⁴⁷ ("Financial District", 2016)

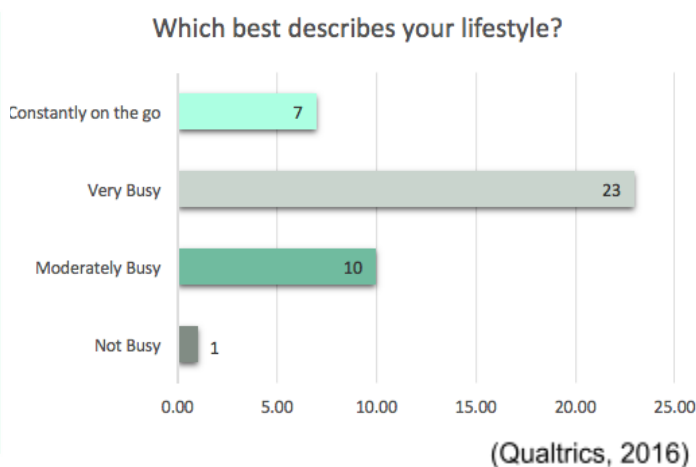
prime location for public relations⁴⁸. The dumpster will promote safe e-waste disposal while inducing conversation about traKt products.

Push Strategy:

CES is one of the most renowned trade shows for consumer electronics in the U.S. In 2016, CES included 32,949 representatives from buying organizations and 7,545 media organizations⁴⁹. traKt's main distributors, Amazon and Best Buy, had the most representatives in 2016⁵⁰. traKt representatives will attend CES to engage in personal selling with their primary retailers to gain media attention with those organizations.

traKt will encourage Best Buy to sell its products by creating a unique point of purchase display to increase sales in their stores. 88% of individuals ages 18-29 made an impulse buying decision in 2014, encompassing a large portion of traKt's target market⁵¹. Positioning the display between phone cases and headphones with traKt's logo and slogan, "Get your life on traKt," will facilitate impulse buying decisions. This slogan offers customers the order they need in their chaotic lives because traKt's target market describes their lifestyle as very busy⁵².

Logo:



⁴⁸ ("Union Square Plaza", 2016)

⁴⁹ ("CES", 2016)

⁵⁰ ("CES", 2016)

⁵¹ ("CreditCards.com", 2014)

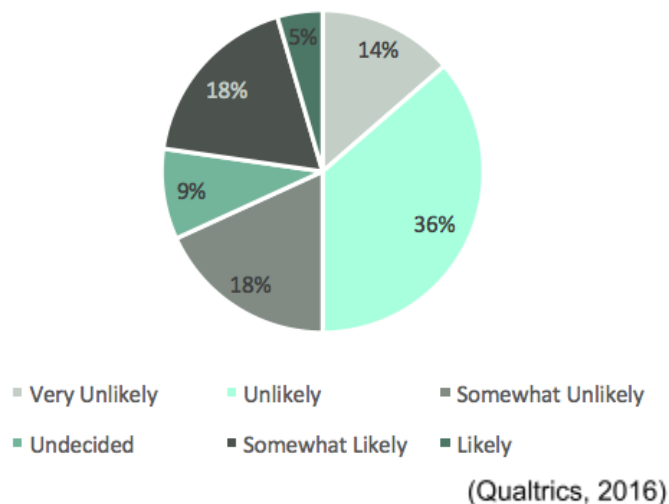
⁵² ("Qualtrics", 2016)

Pricing Strategy and Financials

Pricing Strategy:

traKt will cost \$15.36 per unit to manufacture, which is the combined price of bluetooth earbuds and charging phone cases, the two key components of traKt^{53,54}. traKt's per unit shipping cost will equate to an additional \$.80 per unit⁵⁵. traKt's price elasticity of demand is 2.81, thus demand for traKt is elastic and a one percent change in price will cause a 2.81 percent change in quantity demanded⁵⁶. Based on survey data, traKt's MSRP will be \$80 to maximize profit⁵⁷. Retailers require a 40-60 percent discount; therefore, traKt will sell its products to Amazon and Best Buy for \$48⁵⁸. Since traKt is already offering its product to retailers at a discounted price, no further coupons or promotions will be offered.

Likelihood of Buying traKt for \$80



Expenses:

_____ In Year One, traKt's distribution, marketing, and promotional expenses are estimated to be \$313205.08. Amazon charges \$39.99 per month for professional selling and \$0.54 per cubic foot per month for storage at its fulfillment centers. A standard pallet is 40x48 inches, which holds 640 units of product; Amazon will carry five pallets of product a month equating to \$911.88 per year^{59,60}.

⁵³ (Woo, 2016)

⁵⁴ ("Full Level", 2016)

⁵⁵ ("Start Selling", 2016)

⁵⁶ ("Qualtrics", 2016)

⁵⁷ ("Qualtrics", 2016)

⁵⁸ (Levins, 2016)

⁵⁹ ("Start Selling", 2016)

⁶⁰ ("Onpallet", 2016)

Marketing and promotional expenses will total \$312293.20 in the first year. Advertising on Facebook will cost \$9.66 per 1000 impressions; a budget of \$2000 for Facebook advertising will reach 207039 people⁶¹. A booth at the CES tradeshow, paired with travel, lodging, and food expenses, will cost \$114000⁶². traKt expects to gain exposure to 4753350 consumers through the CES tradeshow^{63,64}. Advertising a 15% product discount with Gogo inflight wifi will result in 1.5 million impressions and cost \$14490^{65,66}. Fifty percent of people who see discounts are likely to take advantage of them, thus 4575 people will want to buy traKt and use the discount, accumulating \$32940 in lost revenues⁶⁷. It will cost \$7819.20 to pay three independent performers the average industry wage to interact with traKt's target market in the financial district bi-weekly for ten weeks⁶⁸. For traKt's e-waste program, traKt will buy a dumpster for \$2500 and rent space in Union Square once per quarter for a single workweek, costing \$8659 per day^{69,70}.

In Year Two, traKt will place spectaculars in LAX, SFO, and SAN, costing \$3600, and increasing sales by \$348480⁷¹. traKt will also place a point of purchase display in Best Buy. Each will cost on average \$0.36, equating to \$25.56 for Best Buy retail stores in California⁷².

Sales:

.61% of consumers who are aware of traKt will purchase it. Therefore, based on the number of consumers exposed to traKt, traKt expects to sell 39408 units in its first year of operations.⁷³ An initial investment of \$600000 will cover the cost to manufacture 39408 units. Using traKt's margin when selling to Amazon, Year One revenues will accumulate to \$1891584. In Year Two, traKt expects its unit sales to grow by 18.4% to 46668 units due to the addition of spectaculars in major airports, bringing in an additional revenue of \$348480⁷⁴.

⁶¹ (Marsan, 2016)

⁶² (Pozin, 2012)

⁶³ ("State of the News Media", 2016)

⁶⁴ ("CES", 2016)

⁶⁵ ("Gogo", 2016)

⁶⁶ (Marsan, 2016)

⁶⁷ ("Likelihood of Digital Coupons", 2014)

⁶⁸ ("Occupational Employment", 2016)

⁶⁹ ("Dumpster", 2016)

⁷⁰ ("Union Square Plaza", 2016)

⁷¹ ("Airport Advertising Solutions", 2016)

⁷² ("The Cost", 2016)

⁷³ ("Qualtrics", 2016)

⁷⁴ ("Bureau of Transportation Statistics", 2016)

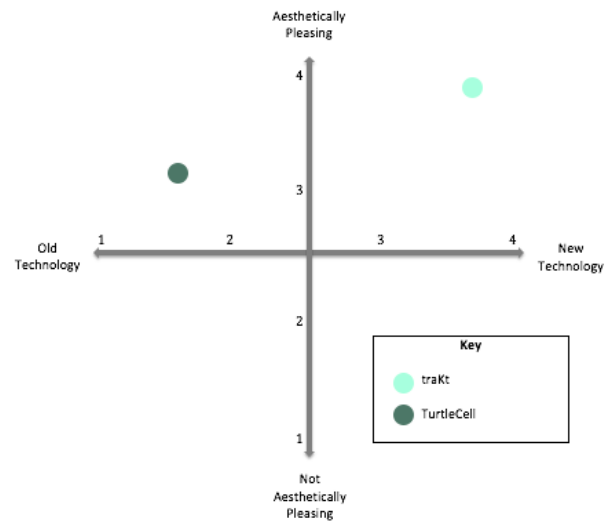
Financials:

	Year One	Year Two
Units Sold	39,408	46,668
Sales (\$48/unit)	\$1,891,584	\$2,240,064
Cost of Goods Sold	\$605,306.88	\$716,820.48
Gross Profit	\$1,286,277.12	\$1,523,243.52
Marketing Expense	\$312,293.2	\$313,418.76
Distribution via Amazon	\$911.88	\$911.88
Total Expenses	\$313,205.08	\$314,330.64
Net Profit	\$973,072.04	\$1,208,912.88

Qualtrics Analysis

Figure 1: Positioning Map 1

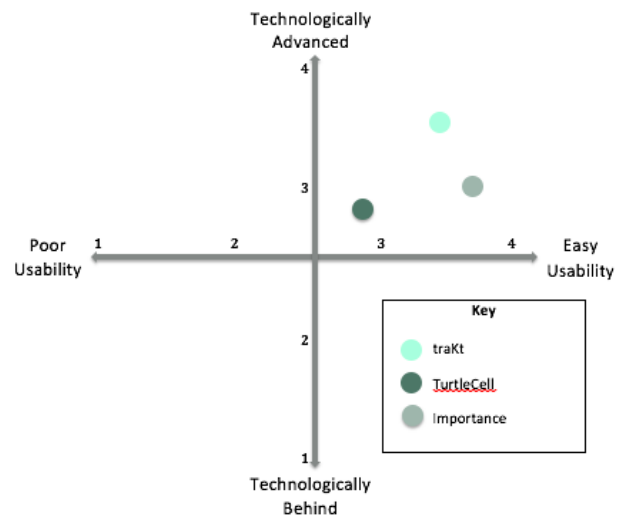
This figure compares the importance of aesthetics and technology.



(“Customer Reviews”, 2016)

Figure 2: Positioning Map 2

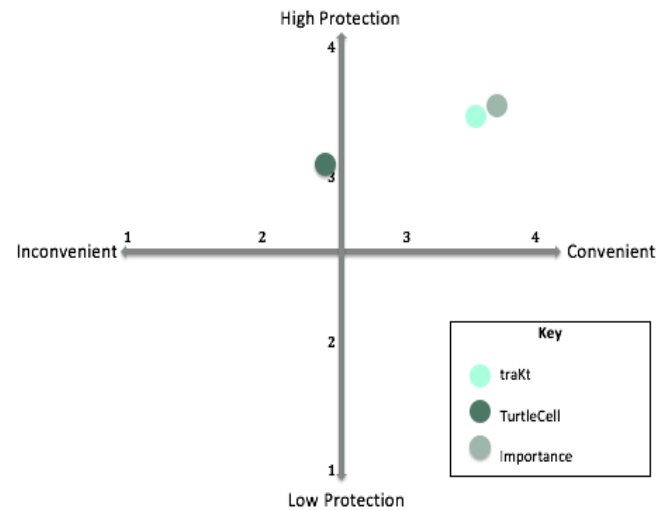
This figure compares the importance of technological advancement and usability.



(Qualtrics, 2016)

Figure 3: Positioning Map 3

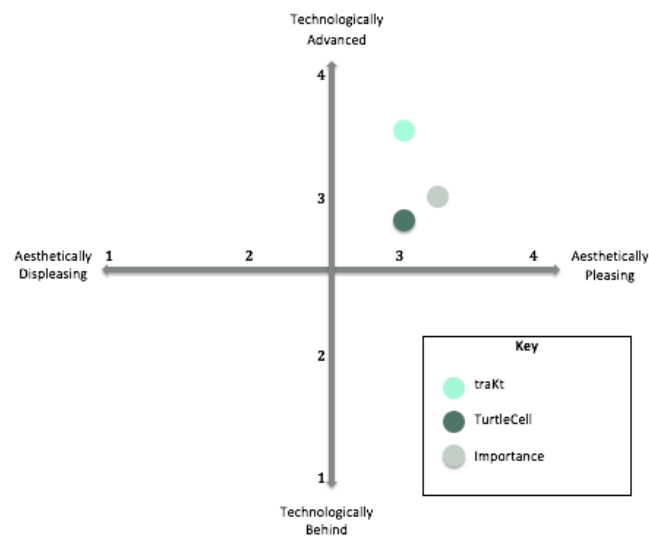
This figure compares the importance of protectiveness and convenience.



(Qualtrics, 2016)

Figure 4: Positioning Map 4

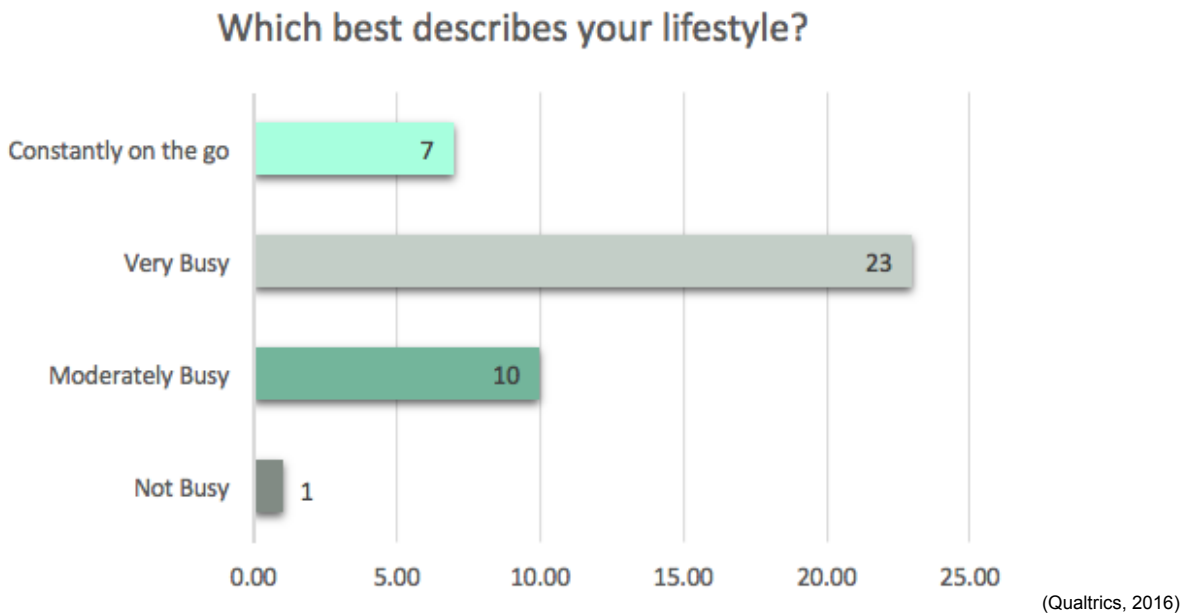
This figure compares the importance of technological advancement and aesthetics.
technological advancement



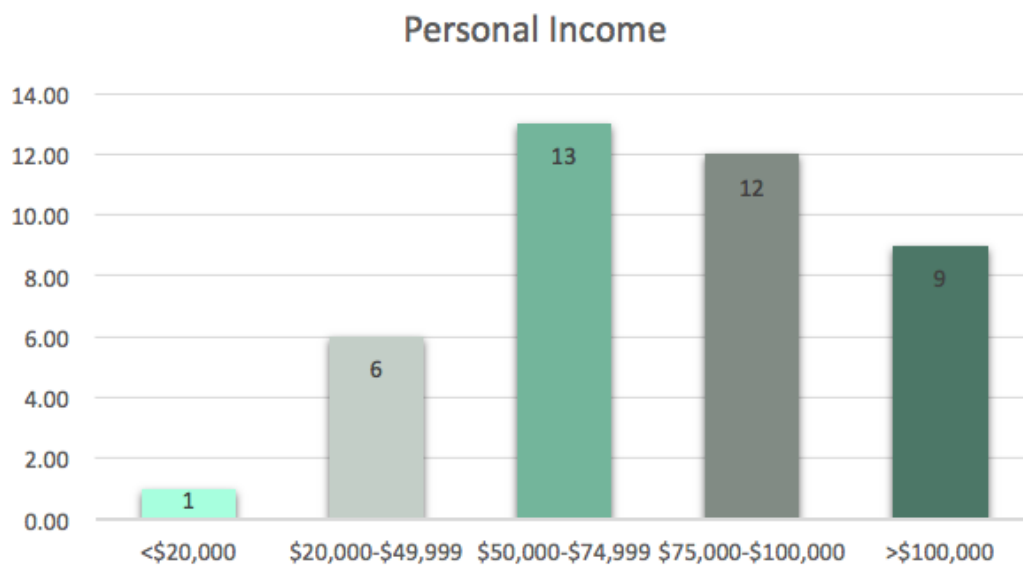
(Qualtrics, 2016)

Figure 5: Which Best Describes Your Lifestyle?

This graph demonstrates how traKt consumers would describe the speed of their lifestyle.

**Figure 6: Personal Income**

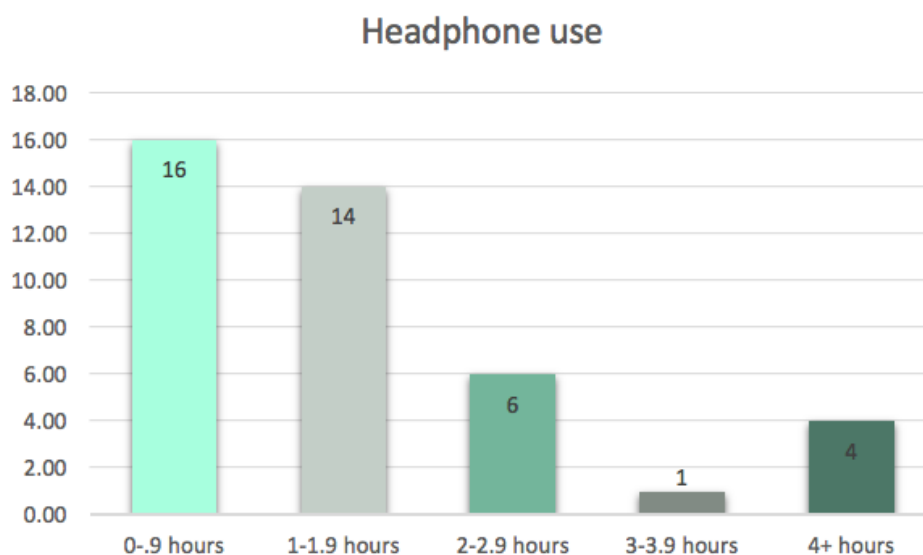
This graph describes the income demographic for traKt's target market.



(Qualtrics, 2016)

Figure 7: Headphone Use

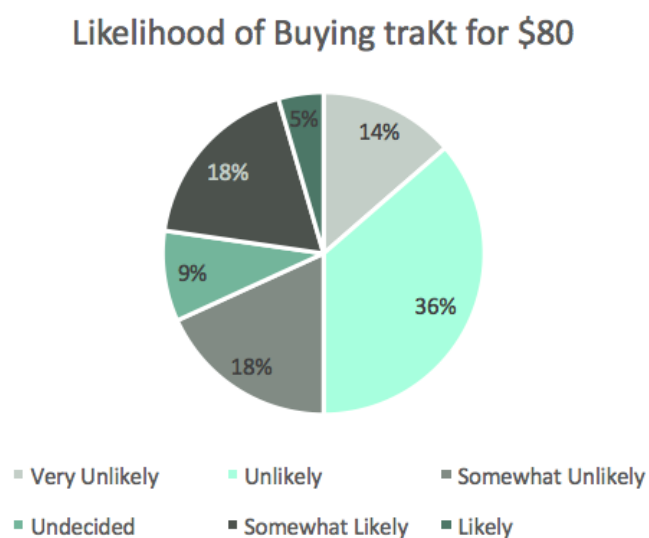
This graph depicts how often the target consumers use headphones.



(Qualtrics, 2016)

Figure 8: Likelihood of Buying traKt for \$80

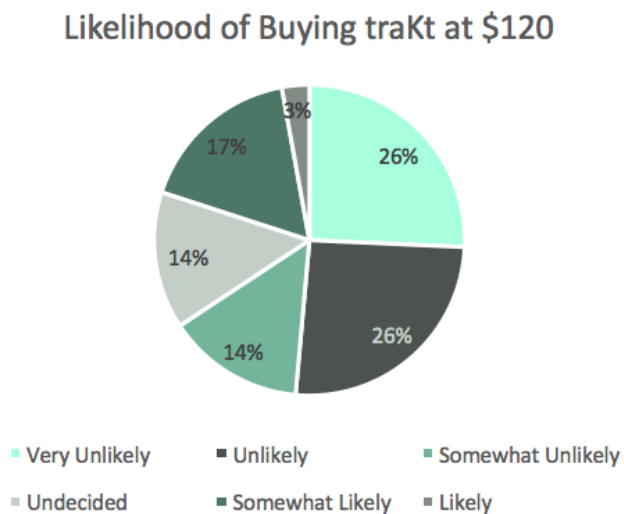
This chart reflects the likelihood of traKt's target market to purchase the product at a \$80 price point.



(Qualtrics, 2016)

Figure 9: Likelihood of Buying traKt at \$120

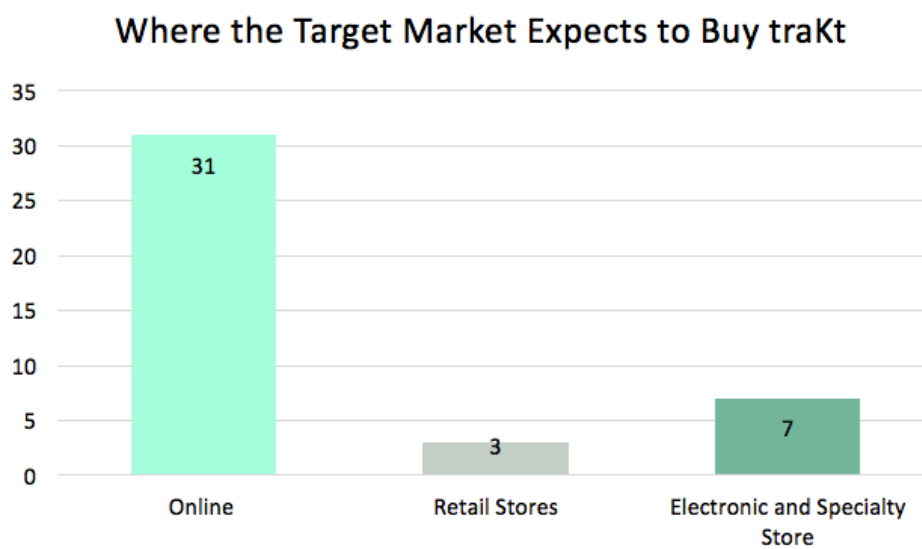
This chart reflects the likelihood of traKt's target market to purchase the product at a \$120 price point.



(Qualtrics, 2016)

Figure 10: Where the Target Market Expects to Buy traKt

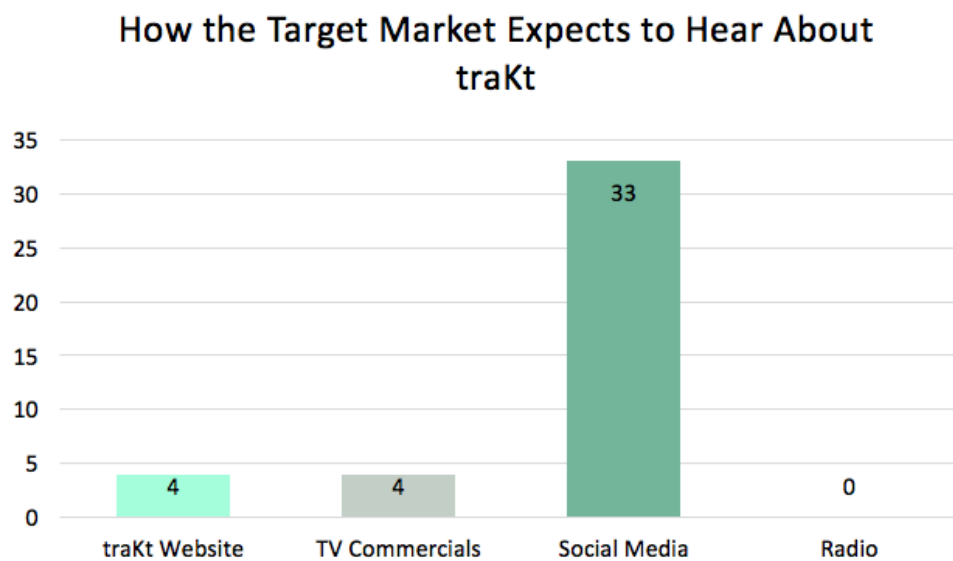
This graph reflects where the target consumers expect to purchase traKt.



(Qualtrics, 2016)

Figure 11: How the Target Market Expects to Hear About traKt

This bar graph reflects where the target market expects to see traKt promotional activities.



(Qualtrics, 2016)

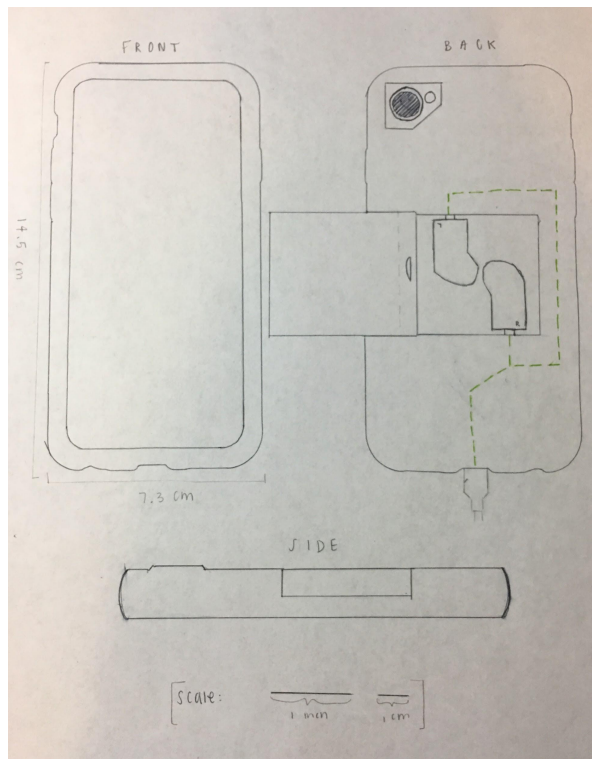
Appendix

Logo:



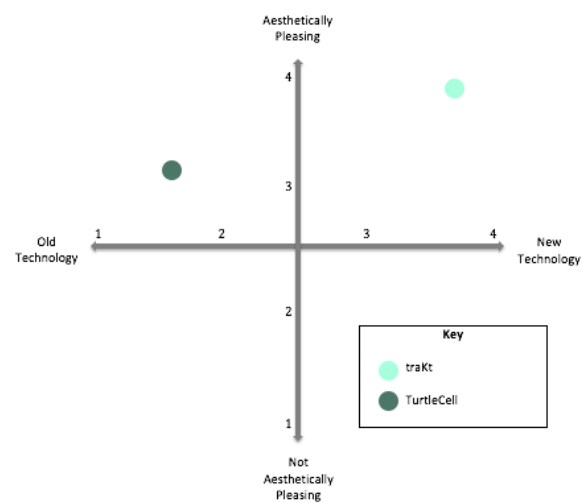
(alternative logo)

Prototype Drawing:



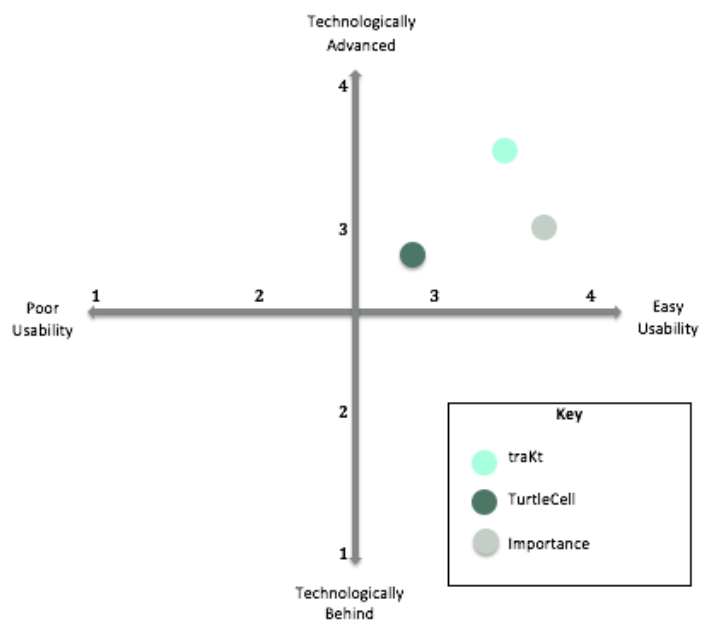
Positioning Maps:

Positioning Map 1: Aesthetics and Technology



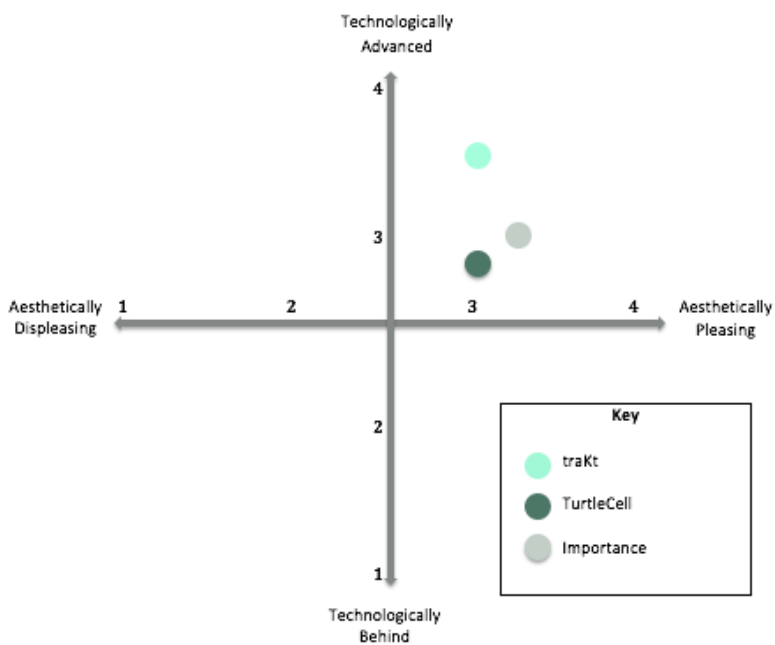
("Customer Reviews", 2016)

Positioning Map 2: Technology and Usability



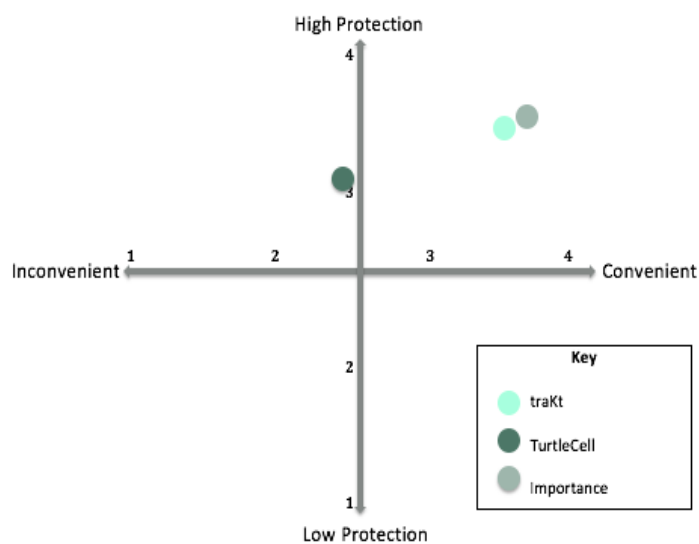
(Qualtrics, 2016)

Positioning Map 3: Technology and Aesthetics



(Qualtrics, 2016)

Positioning Map 4: Protection and Convenience



(Qualtrics, 2016)

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Units Sold	39,408	46,668
Sales (\$48/unit)	\$1,891,584	\$2,240,064
Cost of Goods Sold	\$605,306.88	\$716,820.48
Gross Profit	\$1,286,277.12	\$1,523,243.52
Marketing Expense	\$312,293.2	\$313,418.76
Distribution via Amazon	\$911.88	\$911.88
Total Expenses	\$313,205.08	\$314,330.64
Net Profit	\$973,072.04	\$1,208,912.88

Discounting for Intent:

<u>\$80</u>				<u>\$120</u>			
<u>Responses</u>	<u>Number of Response</u> <u>s</u>	<u>Discount for Intent</u>	<u>Number of Purchasers</u>	<u>Responses</u>	<u>Number of Responses</u>	<u>Discount for Intent</u>	<u>Number of Purchasers</u>
<u>Somewhat Likely</u>	<u>4</u>	<u>1%</u>	<u>0.04</u>	<u>Somewhat Likely</u>	<u>6</u>	<u>1%</u>	<u>0.06</u>
<u>Likely</u>	<u>2</u>	<u>5%</u>	<u>0.1</u>	<u>Likely</u>	<u>1</u>	<u>5%</u>	<u>0.05</u>
<u>Very Likely</u>	<u>0</u>	<u>25%</u>	<u>0</u>	<u>Very Likely</u>	<u>0</u>	<u>25%</u>	<u>0</u>
		<u>Total Number of Purchases</u>	<u>0.14</u>			<u>Total Number of Purchasers</u>	<u>0.11</u>
		<u>Total Number of Respondents</u>	<u>23</u>			<u>Total Number of Respondents</u>	<u>35</u>
		<u>Discount for Intent:</u>	<u>0.0060870</u>			<u>Discount for Intent:</u>	<u>0.0031429</u>

(Qualtrics, 2016)

Price Elasticity of Demand:Price Elasticity of Demand = $\% \text{ Change in } Q_d \div \% \text{ Change in Price}$ $\% \text{ Change in } Q_d = (0.0060870 - 0.0031429) \div 0.0031429$ $\% \text{ Change in } Q_d = .9368 \text{ or } 93.68\%$ $\% \text{ Change in Price} = (80 - 120) \div 120$ $\% \text{ Change in Price} = -0.33 \text{ or } -33.33\%$ Price Elasticity of Demand = $.9368 \div -.33$ Price Elasticity of Demand = $-2.81 = |-2.81| = \mathbf{2.81}$ **Qualtrics Survey:**



Thank you for taking our survey. We will first describe our new product concept and then describe what would likely be our new product's main competitor. Next, you will answer some questions about our new product concept and the competition.

Q1 - traKt is a phone case that is compatible with iPhones 5-7 Plus with built-in, synced, Bluetooth headphones. The case will be about half an inch thick in order to enable the headphones to be stored beneath a sliding back cover and plug in to a built-in charging port. The earbuds will be charged while housed in the case, and the case will be charged simultaneously with the phone.

Q12 - TurtleCell is our main competitor, which is an iPhone 6 phone case outfitted with integrated retractable headphones, a microphone, and button control for hands-free calling. The product's headphones are connected through the auxiliary jack. They extend to full length and lock in place with the ability to retract back into the case when no longer needed. The price of a TurtleCell phone case is \$59.



Please rate each of the following in terms of the list of attributes in the left column

[illegible]

How likely would you be to buy traKt for \$120?

- ☐ Very Unlikely ☐ Unlikely ☐ Somewhat Unlikely ☐ Undecided ☐ Somewhat Likely ☐ Likely ☐ Very Likely

How likely would you be to buy traKt for \$80?

- ☐ Very Unlikely ☐ Unlikely ☐ Somewhat Unlikely ☐ Undecided ☐ Somewhat Likely ☐ Likely ☐ Very Likely

What is your age?

- ☐ 15 and younger
☐ 15-24
☐ 25-34
☐ 35-50
☐ 51+

What is your Personal Income?

- ☐ Less than \$20,000
☐ \$20,000-\$49,999
☐ \$50,000-\$74,999
☐ \$75,000-\$100,000
☐ \$100,000+

How likely are you to pursue the latest technology?

- ☐ Very Unlikely
☐ Unlikely
☐ Somewhat Likely
☐ Undecided
☐ Somewhat Likely
☐ Likely
☐ Very Likely

How often do you use your headphones per day, on average?

- ☐ 0-.9 hours
- ☐ 1-1.9 hours
- ☐ 2-2.9 hours
- ☐ 3-3.9 hours
- ☐ 4+ hours

Which of the following best describes your lifestyle?

- ☐ Not busy
- ☐ Moderately busy
- ☐ Very busy
- ☐ Constantly on the go

Which of the following ways would you expect to hear about traKt?

- ☐ TV Commercials
- ☐ Social Media
- ☐ Radio
- ☐ traKt website

Which of the following ways would you expect to purchase traKt?

- ☐ Online (ex. Amazon, traKt website)
- ☐ Retail stores (ex. Target, Walmart)
- ☐ Electronic and Specialty stores (Best Buy, Frys, Brookstone)

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