

Name: _____

Sales and Marketing in the Auto Industry

Part I Imagine you are in the market to purchase a brand new vehicle and are doing some shopping around to find the best deal for your budget. You have narrowed down your list to the vehicles described below. First, mark which deal is the best fit for you based on your **gut reaction** with a "1". Then rank the remaining options that you feel would be the best, 2- 4, two being the next best deal. Second, use the given equations to determine the actual money out of pocket for each vehicle if paid in full at the end of the purchase agreement.

$$A(t) = P\left(1 + \frac{r}{n}\right)^{nt}$$

Initial Rank (1-4)			Total Paid	Monthly Payment	Final Rank (1-4)
	Option 1:	Interest rate of 6% compounded annually for 5 years			
	Option 2:	Interest rate of 5% compounded annually for 6 years			
	Option 3:	Down payment of \$1000, interest rate of 5.5% compounded quarterly for 5 years			
	Option 4:	10% off the original price, interest rate of 7.4% compounded monthly for 6 years			

Show your work in the space below, or attach a separate piece of paper.

Give at least *one* reason why you chose your option as #1.

Part II Imagine now, that you are not the buyer, but instead a salesperson. On the back side of this sheet, explain which two deals would you promote and why? Lastly, create an **advertisement** and **sales pitch** that you would use to promote these deals.