

One Mile at a



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## GM revives Hot Button promotion with a twist

By [Jamie LaReau](#)

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General Motors executives concede that their Hot Button promotion did little to boost sales last year. But they insist that they've learned from their mistakes as they not only revive but expand the program.

Today, April 11, through May 31, all U.S. GM dealerships will offer the promotion. Showroom visitors aged 18 and older with a valid driver's license can push a programmed OnStar button and compete to win a car or truck. GM will give away 1,000 vehicles.

Unlike last year, GM is coupling the promotion with a \$1,000 bonus cash incentive on all new vehicles.

Steve Hill, GM's general director of brand and retail marketing, says the promotion is aimed at "closing the perceptual gaps that exist right now and showing customers how good GM cars really are."

### 2 million-plus pushes

GM ran Hot Button in January and February 2004. Gary Cowger, president of GM North America at the time, said last year: "We had 2 million-plus pushes on the button, but it didn't close a lot of sales." Cowger last week became GM's group vice president of global manufacturing and labor relations.

Mark LaNeve, GM's vice president of North American vehicle sales, service and marketing, says GM ran the program at the wrong time last year. But he says Hot Button generated positive customer feedback and informed consumers about GM's exclusive OnStar onboard communications system.

LaNeve says Hot Button is a sharper sales tool now. "We learned what mistakes we made; we fixed them," he says. "We think we'll have a much better program this year."

### Bribe or boost?

Duane Earl, sales manager of Sawyers Pontiac in East Lansing, Mich., says GM is "bribing the dealers" with the added bonus cash.

"If there wasn't any bonus cash tied to it, I know I wouldn't be doing it," Earl says. "I'd opt out."

But Keith Lang, vice president of Tennyson Chevrolet in Livonia, Mich., says GM deserves credit for working to boost sales.

"They're giving away cars and trying to keep the market moving and doing everything they can to stimulate the economy," Lang says.

Jim Sanfilippo, executive vice president of AMCI, an auto consultancy in Bloomfield Hills, Mich., says the \$1,000 cash bonus strengthens the promotion. But, he warns, applying the incentive to all vehicles weakens the identity of GM brands.

"An individual brand with good equity in the marketplace can do a promotion," Sanfilippo says.

"Toyota and Honda run sales all the time.

"However, you don't have Toyota putting Toyota, Lexus and Scion on sale all in one program, do you?" he says. "Why GM does this is puzzling."

Marc Babej, president of Reason Inc., a New York marketing strategy firm, says GM's revival of Hot Button exudes "the sweet smell of desperation." Says Babej: "And consumers know that."

*Jason Stein contributed to this report*

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