SHOPPER TRENDS SNAPSHOT

SUVs AND MIDSIZE TRUCKS TOUT BIGGEST SHARE GAINS

NEW ENTRIES FUEL SHOPPER INTEREST AND COMPETITION

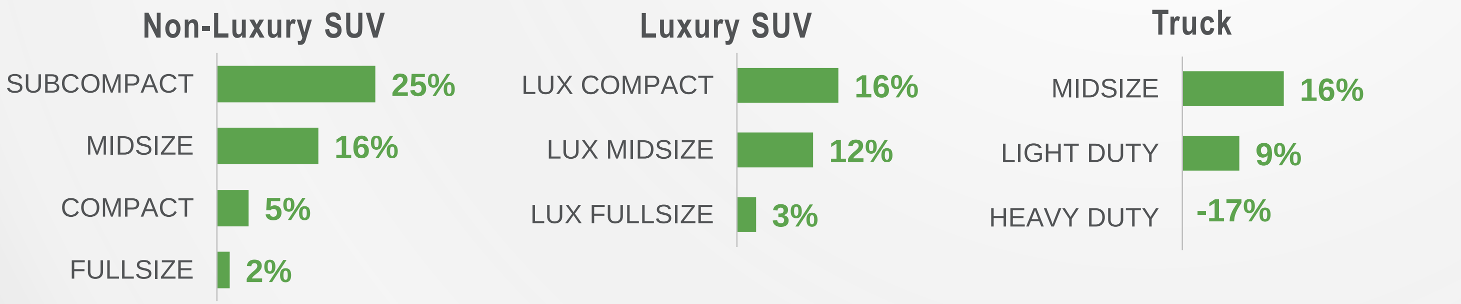
A look at year-to-date new car prospect traffic compared to the same period last year shows the top five growth segments (among 17 mainstream segments) in share of overall traffic are all small to midsize SUVs and trucks. It's no surprise given the general rise in popularity of SUVs and trucks, and as shopper interest continues to be strong, these segments inevitably expand as OEMs bring new offerings to the marketplace. Over the last 18 months, 20 new entries have appeared across these top five growth segments, with 14 of them just in the last year. As these new options spark interest, attracting shopper attention becomes more challenging for established models, as evidenced by the segment traffic growth attributed to fresh entries.

TOP 5 GROWTH SEGMENTS: SHARE OF TRAFFIC

Jan-Jul 2019 vs. Jan-Jul 2018

+25%	+16%	+16%	+16%	+12%
SUBCOMPACT SUV	MIDSIZE SUV	LUX COMPACT SUV	MIDSIZE TRUCK	LUX MIDSIZE SUV

While the five noted segments demonstrate the most substantial share growth, all SUV and truck segments have experienced year-over-year gains, with the exception of heavy duty trucks, which took a dip starting last June when housing starts declined by double digits. However, traffic for the segment increased recently (in July) to its highest level since May 2018, despite a second month of mild decline in housing starts.



14 NEW MODELS

Four of the five top gaining segments have had multiple new entries in the past 12 months

LUXURY COMPACT SUV

LUXURY MIDSIZE SUV

MIDSIZE SUV

MIDSIZE TRUCK

Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020)

SHOPPER TRENDS SNAPSHOT

SUBCOMPACT SUV SEGMENT

NEWER ENTRIES & ESTABLISHED MODELS CREATE CHALLENGES FOR RIVALS

Among the top five segment gainers, Subcompact SUVs experienced the greatest percentage growth in share of overall traffic. Although it's the only segment without new entries in the past 12 months, it's still benefiting from attention being paid to the overall category as well as shopper interest in newer models Kicks and Kona (launched the first half of 2018), which contributed to nearly 40% of the segment's traffic growth. Encore and EcoSport demonstrated the strongest gains among established models and, combined with interest in the newer entries, steered attention away from other models (including domestics Trax and Renegade and imports HR-V and Rogue Sport).

SUBCOMPACT SUV SEGMENT

2.9% Jul-19 share of traffic

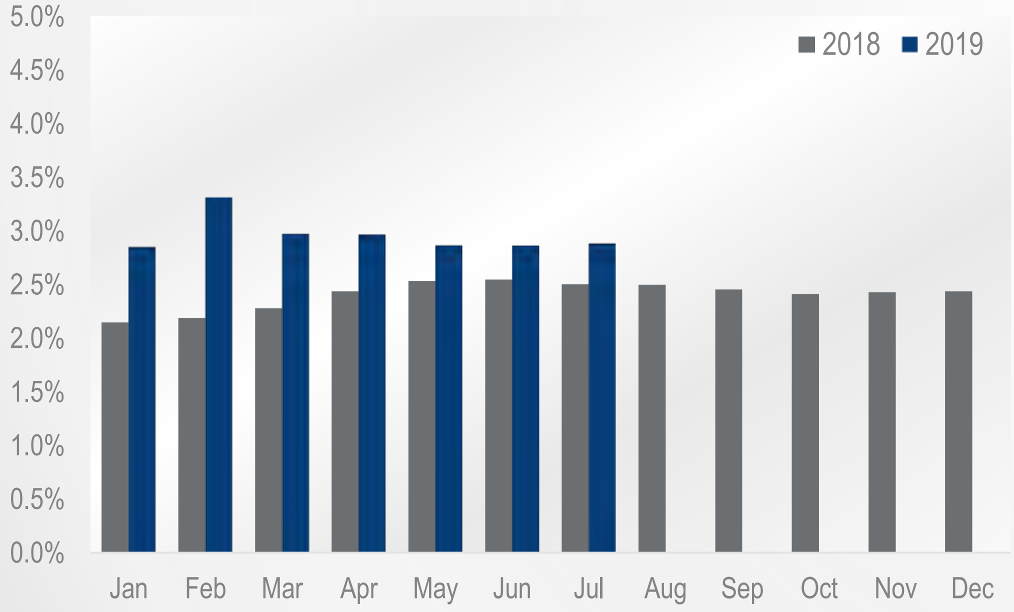
Jan-Jul 2019 vs. Jan-Jul 2018

+25% share of traffic growth

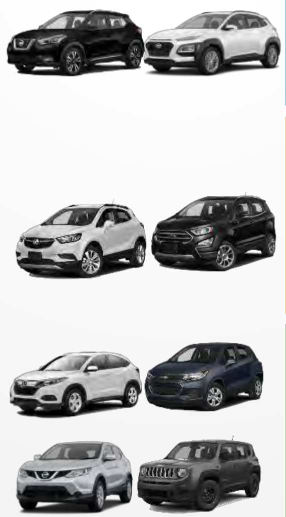
+0.6 share point gain

38% of traffic growth attributed to newer models

Segment Share of Traffic Trend



Increased Interest For Some Yields Challenges For Others



Kicks struggles to rise out of the trail pack but sees its strongest shares since entry in the past two months

Kona has been a consistent top 5 player all year, enjoying a top 3 spot in several months

#4 Jul-19

Encore shows strongest share gains of more established models, rising to #1 as of February

+6.2 share points

EcoSport has teetered in and out of the top 5 this year, well ahead of its 2018 positioning

Trax, Rogue Sport, HR-V, and Renegade have all declined in excess of a share point and a half

Renegade loses #1 spot, HR-V is out of the top 5, Trax and Rogue Sport see upticks in July following declines

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Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020), Jan-Jul 2019 vs. Jan-Jul 2018; Jul 2019 Segment Ranks

MIDSIZE SUV SEGMENT

NEW ENTRIES MAKE NOISE WHILE CHALLENGING LEAD-PACK MODELS

With four new models since the start of the year – Blazer, Passport, Palisade, and Telluride – Midsize SUVs offer the most product offerings (21) of all non-luxury SUV segments. These newcomers along with Subaru's Ascent (which entered in June of last year) are responsible for more than three-quarters of the segment's traffic gain. Of note among the 2019 entries is Telluride, which advanced to the segment top five by its 3rd month of availability (a feat in any segment). As consumer attention becomes more fragmented amidst these additions, several of the segment's higher-trafficked established models have taken the largest hits, each declining by at least a share point and a half: Grand Cherokee, 4Runner, Explorer, and Traverse.

Jan-Jul 2019 vs. Jan-Jul 2018

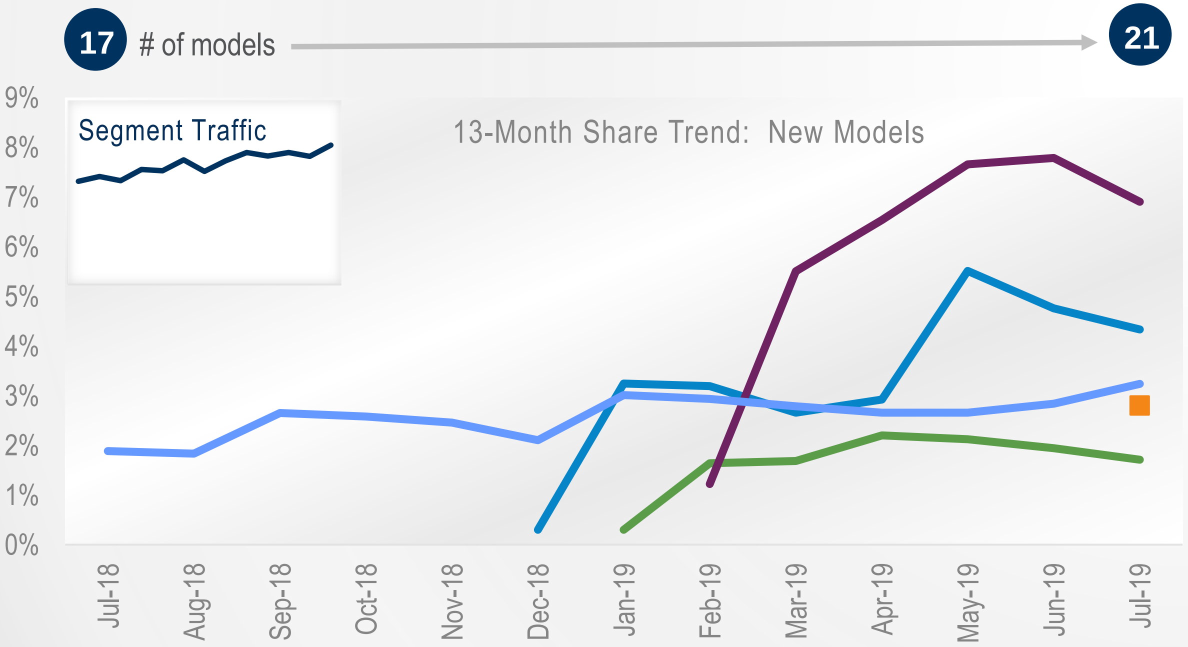
MIDSIZE SUV SEGMENT

10.2% Jul-19 share of traffic

+16% share of traffic growth

+1.4 share point gain

63% of traffic growth attributed to 2019 entries



TOP 3 NEW ALTERNATE BRAND SUVs

	New Entries	Cross-Shop	Reverse Cross-Shop
	Blazer Share 4.3% Rank #10	G. Cherokee Telluride Explorer	UX 200 Passport Nautilus
	Passport Share 1.7% Rank #20	RAV4 G. Cherokee 4Runner	UX 200 RDX QX50
	Telluride Share 6.9% Rank #5	Atlas G. Cherokee Explorer	Aviator Nautilus Passport

Palisade
Share 2.8%
Rank #15
Joins the segment in Jul-19

Ascent
Share 3.2%
Rank #14
Joined segment in Jun-18

Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020), Jan-Jul 2019 vs. Jan-Jul 2018; Jul 2019 Model Ranks and Share Cross-Shop Behavior Q2-19

SHOPPER TRENDS SNAPSHOT

LUXURY COMPACT SUV SEGMENT

NEW ENTRIES FACE CHALLENGING ROAD IN CROWDED SEGMENT

Luxury Compact SUVs welcomed four new entries in the past nine months, with XT4 and UX 200 contributing to nearly a quarter of the segment growth (X3 M and X4 M having just hit the market in July). With seven new entries total in the last 18 months (those four plus X2, XC40, and E-Pace earlier in 2018), it is the largest among all SUV segments (26 models). In the midst of divided attention from consumers (both in-segment and cross-segment, as evidenced by cross-shop behavior), only two of the new models have been able to rise to the segment top 15 (XT4 and X2). This also speaks to established models holding their own or gaining traction, including RDX, Stelvio, and GLC-Class, which have all gained over a share point in the measured period.

Jan-Jul 2019 vs. Jan-Jul 2018

LUXURY COMPACT SUV SEGMENT

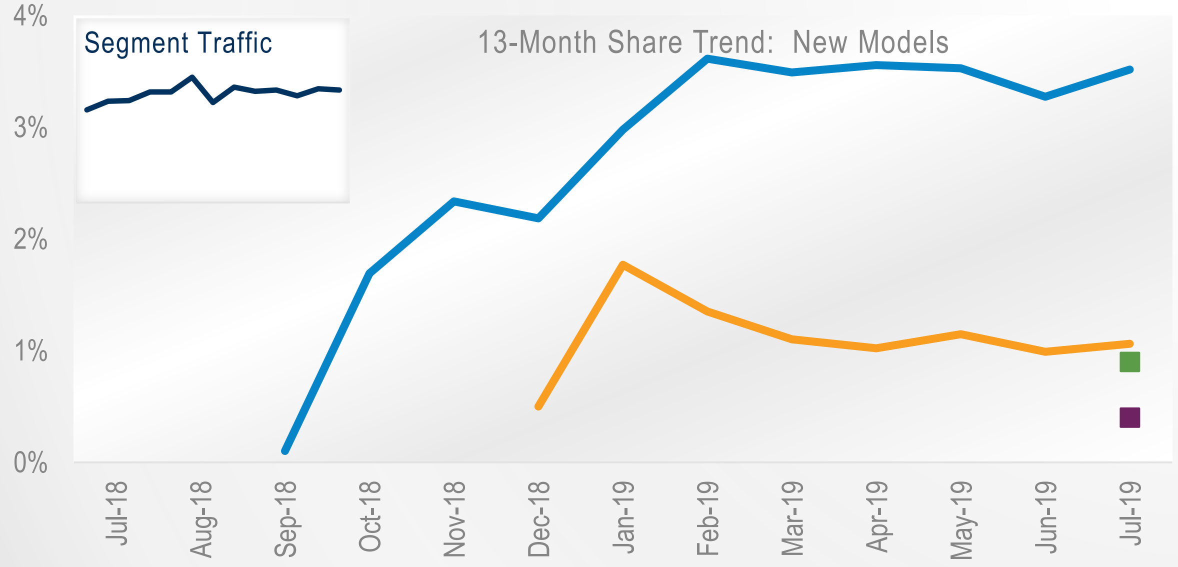
5.0% Jul-19 share of traffic

+16% share of traffic growth

+0.7 share point gain

23% of traffic growth attributed to newer models

22 # of models → **26**



TOP 3 NEW ALTERNATE BRAND SUVs

New Entries	Cross-Shop	Reverse Cross-Shop
XT4 Share 3.5% Rank #12	G. Cherokee Blazer GLC-Class	MKC UX 200 E-Pace
UX 200 Share 1.1% Rank #24	RAV4 G. Cherokee RDX	X2 E-Pace X1

New BMW models join the segment in Jul-19

X3 M
Share 0.9%
Rank #25

X4 M
Share 0.4%
Rank #26

Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020), Jan-Jul 2019 vs. Jan-Jul 2018; Jul 2019 Model Ranks and Share
Cross-Shop Behavior Q2-19

SHOPPER TRENDS SNAPSHOT

MIDSIZE TRUCK SEGMENT

LEAD MODELS FACE UPHILL BATTLE TO REGAIN FOOTING AMID NEW ENTRIES

The arrivals of Gladiator and Ranger have swiftly shifted the balance in the Midsize Truck segment. Ranger took a few months to rise to the top three and was displaced only by Gladiator's entry, the model advancing to the third-highest trafficked model in the segment by its 2nd month (and having remained there since). These rises, while displacing Frontier and Canyon (the former #3 and #4 trafficked models), resulted in share losses for all established segment models. Most notably, longtime leaders Tacoma and Colorado have held rank but declined significantly in share (down 10 points and nearly four points, respectively, the difference also resulting in the overall segment share gap between the two being cut in half).

MIDSIZE TRUCK SEGMENT

4.1% Jul-19 share of traffic

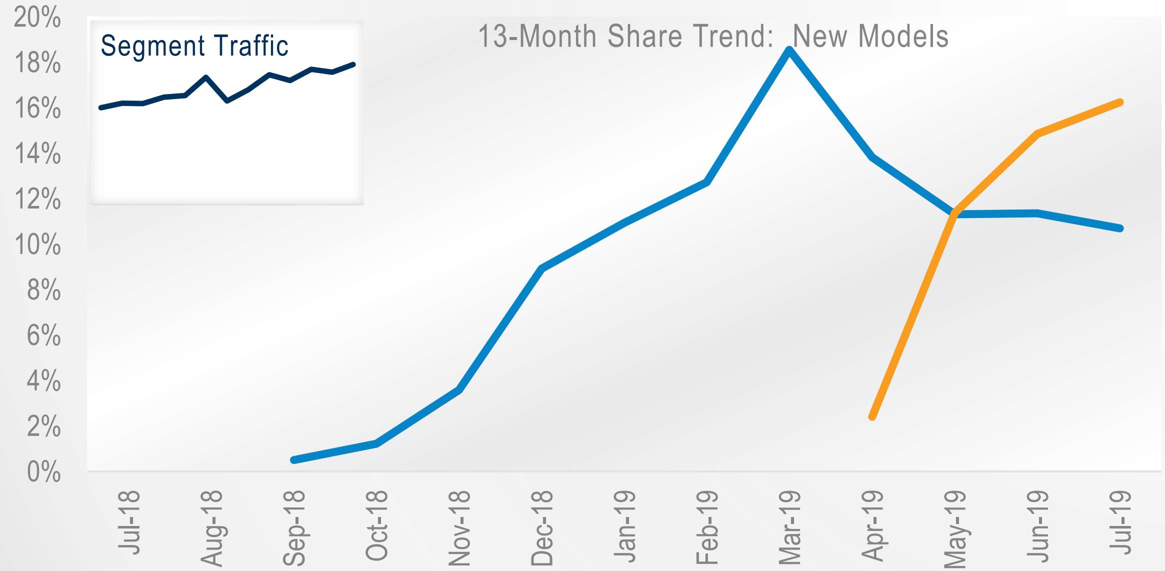
Jan-Jul 2019 vs. Jan-Jul 2018

+16% share of traffic growth

+0.5 share point gain

98% of traffic growth attributed to newer models

5 # of models → 7



TOP 3 NEW ALTERNATE BRAND TRUCKS

New Entries	Cross-Shop	Reverse Cross-Shop
Jeep Gladiator Share 16.2% Rank #3	F150 1500 Silverado 1500	*not yet available**
Ford Ranger Share 10.7% Rank #4	Colorado Tacoma Silverado 1500	Canyon Ridgeline Colorado

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Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020), Jan-Jul 2019 vs. Jan-Jul 2018; Jul 2019 Model Ranks and Share
Model growth may be influenced in part by a remarketing campaign (AT Promoted Content): Ranger Mar-Apr 2019
Cross-Shop Behavior Q2-19 (*Low sample sizes given recent entry)

SHOPPER TRENDS SNAPSHOT

LUXURY MIDSIZE SUV SEGMENT

NEW CONTENDERS STIMULATE INTEREST BUT STRUGGLE TO RISE

New entries Q8, XT6, Aviator, and Nautilus contributed to half of the Luxury Midsize SUV growth, but noise in the segment (25 options in addition to cross-segment consideration by shoppers) makes it challenging for any new model to rise in the ranks. Audi's Q8 is halfway up the ladder (at #12), but it has plateaued in recent months, along with Nautilus (coinciding with sister model Aviator's entry). Meanwhile, established models XT5, QX60, and Cayenne have contributed to a third of the Luxury Midsize SUV segment growth and are the only established models to show share gains in the measured period. Overall, the gap between top ten models is less than three share points, illustrating divided shopper attention and thus the challenge to rise above the noise.

LUXURY MIDSIZE SUV SEGMENT

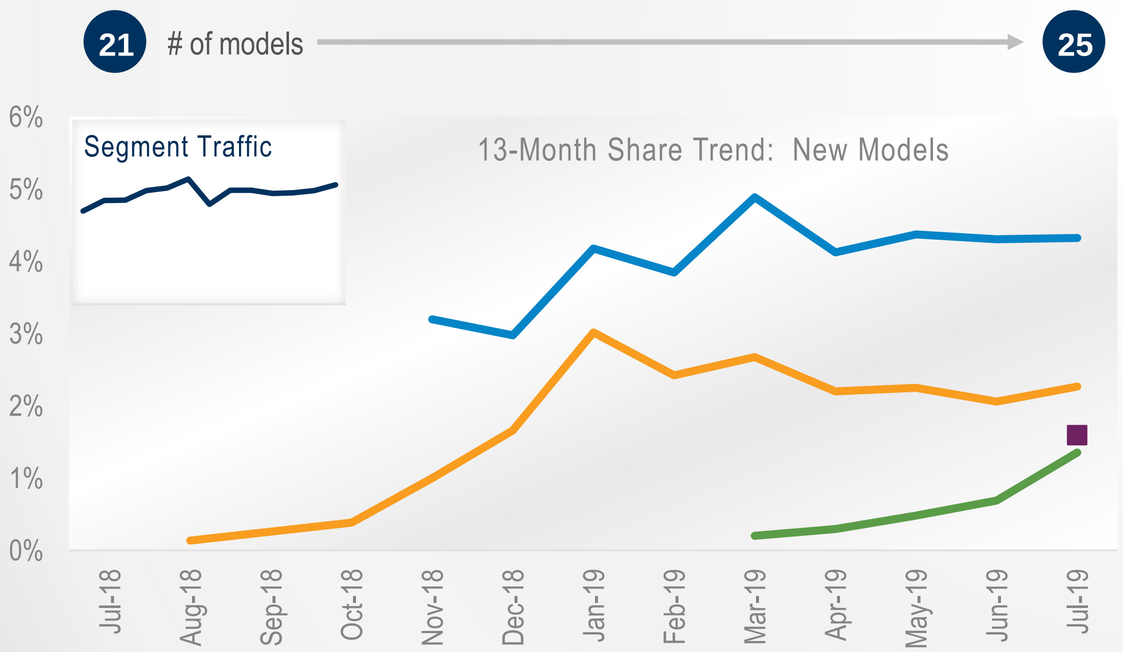
5.3% Jul-19 share of traffic

Jan-Jul 2019 vs. Jan-Jul 2018

+12% share of traffic growth

+0.5 share point gain

50% of traffic growth attributed to newer models



TOP 3 NEW ALTERNATE BRAND SUVs

	New Entries	Cross-Shop	Reverse Cross-Shop
	Q8 Share 4.3% Rank #12	GLE-Class X5 G. Cherokee	X6 M X5 M Aviator
	Nautilus Share 2.3% Rank #17	G. Cherokee Explorer Telluride	E-Pace QX50 XT4
	Aviator Share 1.4% Rank #22	Telluride G. Cherokee Explorer	X7 Q8 LX

XT6
Share 1.6%
Rank #20

Joins the segment in Jul-19

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Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020), Jan-Jul 2019 vs. Jan-Jul 2018; Jul 2019 Model Ranks and Share
Cross-Shop Behavior Q2-19

SHOPPER TRENDS SNAPSHOT

NEWEST ENTRIES: TOP 5 DMAs, SHARE OF TRAFFIC

A look at share of (respective) segment traffic across the top 50 DMAs shows geographic strengths for the newcomers, with shares in most cases well outpacing national levels. Not surprisingly, the newer domestic entries show higher attraction across many Midwest markets, with some strong performance also posted in the Southeast and West. All of the luxury models, not just the domestics, show strength in Midwest markets, along with the Southeast, Mid-Atlantic, and West/Southwest (the last specifically for Lexus and BMW, and Lincoln's Nautilus). These regional shares also result in varying competitive positions – for instance, Ranger is second only to Tacoma in Cincinnati, and Gladiator is the top trafficked Midsize Truck in four of its top five markets (Louisville, Dallas, Las Vegas, and Chicago).

MIDSIZE SUV





	BLAZER	PASSPORT	PALISADE	TELLURIDE	ASCENT
Nat'l Share Jul-19	4.3%	1.7%	2.8%	6.9%	3.2%
	6.7% Detroit	5.5% Baltimore	9.0% St. Louis	16.8% Milwaukee	8.4% Boston
	6.4% Cleveland	3.1% Greenville	7.9% Louisville	16.1% Buffalo	6.7% Raleigh
	6.3% Okl. City	3.0% Columbus	6.8% Orlando	15.3% W. Plm. Bch	6.6% Harrisburg
	5.7% Minneapolis	2.6% Houston	6.8% Columbus	14.1% Greensboro	5.3% Portland
	5.6% Raleigh	2.6% Sacramento	6.6% Raleigh	12.9% Boston	5.2% Denver

LUXURY MIDSIZE SUV




Q8	NAUTILUS	AVIATOR	XT6
4.3%	2.3%	1.4%	1.6%
22.8% Memphis	7.3% Albuquerque	13.1% G. Rapids	7.7% Detroit
11.4% Jacksonvll	4.4% Minneapolis	10.4% Detroit	4.0% Chicago
10.3% Milwaukee	3.9% Columbus	9.4% Cincinnati	3.9% Cincinnati
9.9% Columbus	3.9% Okl. City	5.5% Columbus	3.8% Columbus
9.3% Philadelphia	3.6% Denver	5.0% Greenville	3.6% G. Rapids

LUXURY COMPACT SUV




	XT4	UX 200	X3 M	X4 M
Nat'l Share Jul-19	3.5%	1.1%	0.9%	0.4%
	10.6% Milwaukee	2.4% Los Angeles	13.5% Albuquerque	3.8% Albuquerque
	10.3% Charlotte	2.0% Wash. DC	12.4% Harrisburg	3.4% Las Vegas
	9.2% Detroit	1.7% Charlotte	12.0% San Diego	2.9% Chicago
	6.8% G. Rapid	1.7% Cincinnati	11.6% Minneapolis	2.7% San Diego
	5.7% Harrisburg	1.5% Cleveland	10.2% Cincinnati	2.6% Denver

MIDSIZE TRUCK


RANGER	Jeep GLADIATOR
10.7%	16.2%
21.3% Cincinnati	37.7% Louisville
17.9% Kansas City	35.0% Dallas
17.2% Greenville	31.9% Las Vegas
15.9% Buffalo	31.3% Chicago
15.3% Salt Lk. City	30.2% Wash. DC

SUBCOMPACT SUV


KICKS	KONA
4.7%	8.8%
10.4% Memphis	25.1% Baltimore
9.4% Greenville	23.6% Buffalo
8.4% Dallas	16.1% Hartford
7.3% Pittsburgh	14.3% Denver
7.3% San Diego	13.9% San Francisco

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Autotrader New Car Prospects (Unique Visitors Interacting with MY2018-2020), Top 50 DMAs, Jul 2019 Share