



# BRAND WATCH

## NON-LUXURY SEGMENT TOPLINE REPORT

3<sup>rd</sup> Quarter 2019



# WHAT IS BRAND WATCH™ ?

Brand Watch, a **shopper perception study**, reveals trends in **vehicle consideration** among new car consumers and **factors that influence purchase decisions**.

**Brand Level Study**  
135,000+ interviews since 2007



## BRAND WATCH™



**Model Level Study**  
84,000+ interviews since 2012

Captures **brand and model consideration & familiarity** among new car shoppers

Tracks **12 factors important to shoppers** across all segments and models

Respondents are **in-market for a new vehicle** and recruited from KBB.com

## WHAT CAN BRAND WATCH™ DO?

Identify key factors driving vehicle purchase decisions and measure OEM brand equity

What is **important to consumers** when shopping for a new vehicle

How brands and models perform on **factors most important to shoppers** within and across segments

How **demographic groups** differ

# BRAND WATCH: NON-LUXURY CONSIDERATION

Brand rankings in shopping consideration saw no major shifts in Q3.

Toyota, Ford and Honda maintained their top positions for non-luxury consideration. However, subtle movements were notable.

Shopping consideration was largely on par with Q3 2018 and Q2 2019

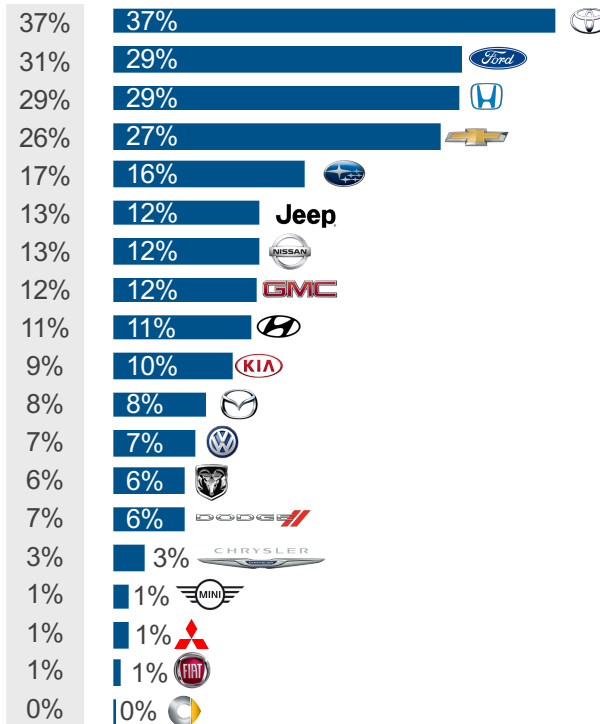
### Asian Brands Slip

- **Toyota** retained the top spot by a wide margin on the strength of Camry while RAV4, Tacoma and Highlander slipped
- **Honda** consideration continued its steady decline that started in 2017 as Accord, CR-V slid and Civic stagnated
- **Nissan**, despite high incentives, dropped from 6th to 7th place, due to aging products and company turmoil with management and strategy changes

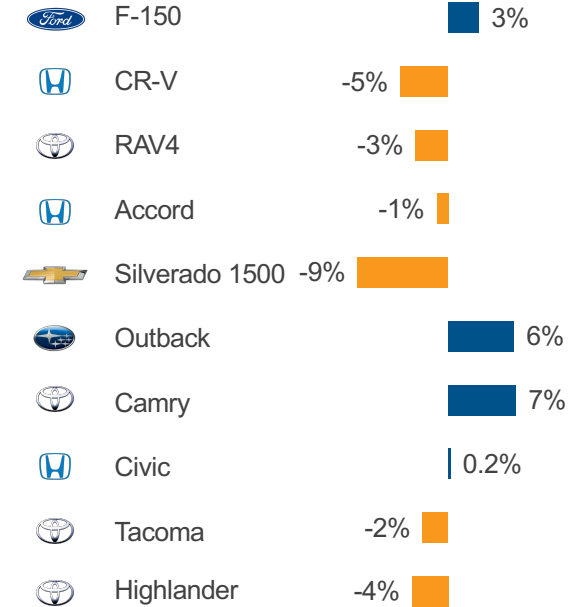
### Domestic Brands Upswing

- **Ford, Chevrolet, Ram, Jeep** climbed, thanks to SUVs, pickups fueled by hefty incentives
- **Chevrolet** rose on Corvette hype, Tahoe and Traverse hikes despite Silverado's hefty drop

## QUARTERLY BRAND CONSIDERATION



## QUARTERLY CONSIDERATION GROWTH



# A CLOSER LOOK: NON-LUXURY SEGMENT CONSIDERATION

Car shopping consideration tumbled to its lowest level ever as some automakers dropped cars from their lines. Meantime, pickup truck consideration rose to record highs for the second consecutive quarter, thanks to new entries, a strong economy and business benefits of tax reform. SUV consideration remained strong; minivans held their own.

## QUARTERLY SEGMENT CONSIDERATION

**63%**   
**SUVS**

Last Qtr.	Last Year
64%	61%

**40%**   
**CARS**

Last Qtr.	Last Year
42% ▲	48% ▲

**28%**   
**PICKUPS**

Last Qtr.	Last Year
28%	21% ▼

**6%**   
**MINIVANS**

Last Qtr.	Last Year
5%	6%






### Strong SUV consideration

- SUVs still tops by a wide margin due to their versatility/practicality and new entries
- 1-point dip in SUV and 1-point gain in minivans suggest cross-shopping 3-row SUVs vs minivans

### Record-low car consideration

- Honda and Toyota led with their reputation for quality small/midsize cars

### TOP 5 SUVs

- #1  CR-V
- #2  RAV4
- #3  Outback
- #4  Highlander
- #5  Forester






### TOP 5 CARS

- #1  Accord
- #2  Camry
- #3  Civic
- #4  Corolla
- #5  Mustang

### TOP 5 PICKUPS

- #1  F-150
- #2  Silverado 1500
- #3  Tacoma
- #4  RAM 1500
- #5  F-250/F-350/F-450

### TOP 5 MINIVANS

- #1  Odyssey
- #2  Sienna
- #3  Pacifica
- #4  G. Caravan
- #5  Sedona






▲ ▼ indicate significant % change Q/Q and Y/Y

# TOP 10 CONSIDERED MODELS: NON-LUXURY SHOPPERS

Only 3 cars were among the top 10 considered models by non-luxury shoppers in Q3. Three pickup trucks and four SUVs rounded out the top 10 list. The top 5 models in Q3 were the same as in Q2 2019, though the order shifted slightly.

TOP 10 MODELS

\* New to Top 10

#1	#2	#3	#4	#5
 <b>F-150</b> Fullsize Truck	 <b>CR-V</b> Compact SUV	 <b>RAV4</b> Compact SUV	 <b>Accord</b> Midsize Car	 <b>Silverado 1500</b> Fullsize Truck
#6	#7	#8	#9	#10
 <b>Outback</b> Midsize SUV	 <b>Camry</b> Midsize Car	 <b>Civic</b> Compact Car	 <b>TACOMA</b> * Midsize Truck	 <b>Highlander</b> Midsize SUV

## TOP 10 IN Q3-19

### Honda

Honda CR-V lost No. 1, a first since Q3 2016, overtaken by Ford F-150, due to pickup strength and more SUV/CUV cross options.

### Toyota





































Toyota Tacoma broke into the top 10, a first since Q2 2016, as the smaller truck market surges and Tacoma dominates the segment

### Subaru

Subaru Forrester fell from top 10, a first since Q2 2016 due to the expansion of Subaru's line and cross-shopping among its models.

# FACTORS DRIVING NON-LUXURY CONSIDERATION

The dozen most important factors for non-luxury vehicle shoppers have remained largely steady over the past five years. Durability, safety, driving comfort and affordability are as important today as they were five years ago.

RANK		FACTOR	IMPORTANCE	TOP RANKED BRAND		
Q3-14	Q3-19				#2	#3
1	1	Durability/Reliability	84%▲			
2	2	Safety	73%▲			
3	3	Driving Comfort	65%▲			
3	4	Affordability	64%▲			
6	5	Driving Performance	56%▲			
7	6	Reputation	49%▲			
5	7	Fuel Efficiency	47%▼			
8	8	Interior Layout	40%▲			
9	9	Technology	39%▲			
9	10	Exterior Styling	36%▲			
11	11	Ruggedness	27%			
12	12	Prestige/Sophistication	10%▲			

## What's Most Important

- **Fuel efficiency** is less important, as gas is cheap and new vehicles achieve better fuel economy
- **Reputation** climbed, spurred by events like Takata airbags and diesel engines

## Brand Ranking Shifts, from Q2 to Q3

- **Toyota** returned to No. 1 for reputation for the first time in 3 years, replacing **Subaru**
- **Mazda** took No. 1 in affordability from **Hyundai**. Affordability has been a **Hyundai/Kia** hallmark. As it focuses on sales through affordability, **Mazda** lost No. 1 for performance that had been its signature
- **Honda** is slipping. A year ago, **Honda** took top spots in 7 categories. In Q3 this year, **Honda** was top in only 2 factors - **Fuel Efficiency and Technology**

▲ ▼ indicate significant % change from Q3-14 vs. Q3-19



## BRAND WATCH TOPLINE

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