



BRAND WATCH

NON-LUXURY SEGMENT TOPLINE REPORT

2nd Quarter 2020



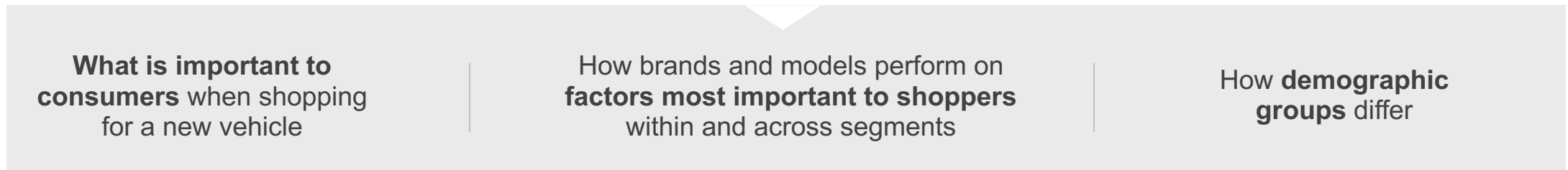
WHAT IS BRAND WATCH™ ?

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



WHAT CAN BRAND WATCH™ DO?

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



BRAND WATCH: NON-LUXURY CONSIDERATION

As the US was in the midst of the pandemic and an economic downturn in Q2 2020, OEMs offered enticing incentives to drive consideration and sales. Certain brands fared better than others especially ones with pickup trucks in their model line-up. Pickup consideration spiked in Q2 with Ford F-150, Chevy Silverado 1500, Toyota Tacoma, Ram 1500 & Ford Super Duty pickups showing healthy growth.

Toyota Leads the Pack

- Toyota continued its reign as the leading non-luxury brand in consideration for 2 consecutive years.
- The 3 models supporting Toyota's dominance are Tacoma, RAV4 and Camry. Tacoma ascended 4 rankings to being the 4th most considered model.

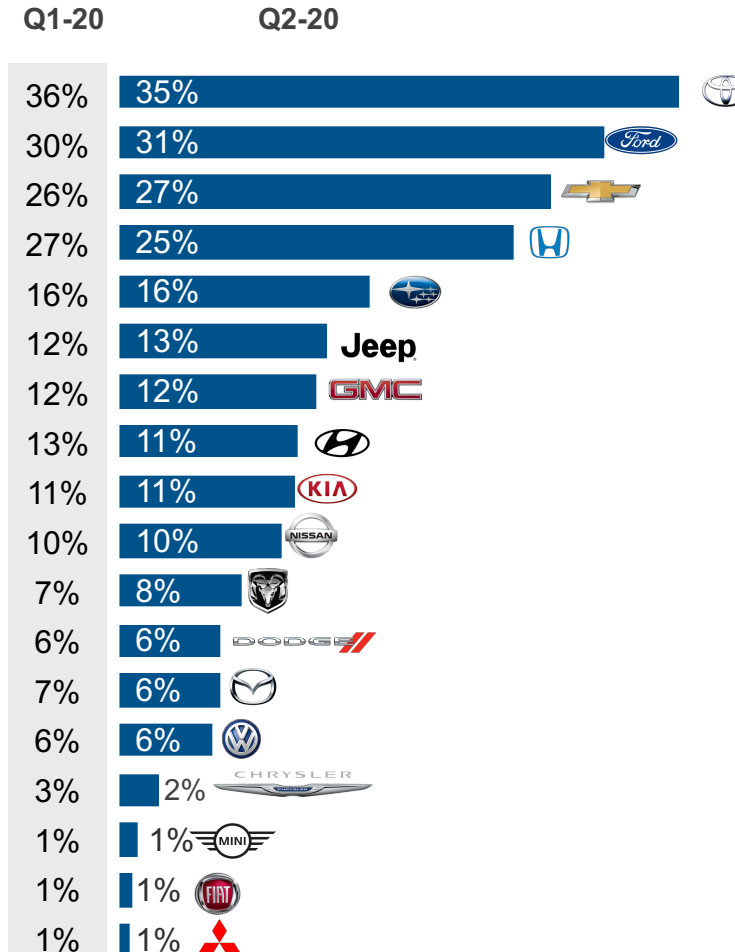
Ford Closes in on Toyota's Lead

- Ford maintained its hold in second place for the 5th quarter and gained in consideration.
- In addition to the popularity of F-150, Ford's F-250/F-350/F-450 Super Duty trucks made their debut in the top 10 most considered models.

Chevrolet Rebounds into Top 3

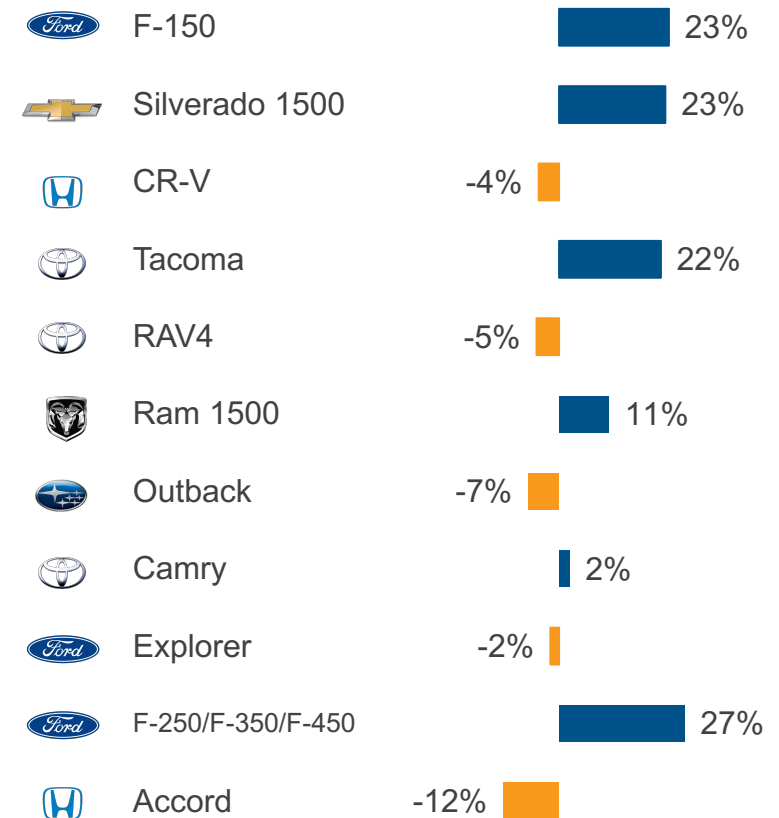
- Chevy pulled ahead of Honda for the first time in 4 years with the assistance of Silverado's impressive growth.

QUARTERLY BRAND CONSIDERATION



QUARTERLY CONSIDERATION GROWTH

TOP 10 MODELS Q2-20 vs. Q1-20



A CLOSER LOOK: NON-LUXURY SEGMENT CONSIDERATION

Pickup consideration grew a whopping 5 percentage points, putting it on equal footing as Car consideration. Cars continued to lose steam as it is at the lowest level ever. SUVs softened too, but remained the most popular segment, likely to continue with upcoming launches such as the Hyundai Santa Fe, Nissan Rogue and comeback of the Ford Bronco.

QUARTERLY SEGMENT CONSIDERATION

63% 
SUVS

Last Qtr.	Last Year
66%	64%

35% 
CARS

Last Qtr.	Last Year
37%	42%▲






35% 
PICKUPS

Last Qtr.	Last Year
30%	28%▼

5% 
MINIVANS

Last Qtr.	Last Year
5%	5%

TOP 5 SUVs

- #1  CR-V
- #2  RAV4
- #3  Outback
- #4  Explorer
- #5  4Runner






TOP 5 CARS

- #1  Camry
- #2  Accord
- #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

SUV Consideration Softened

- SUV consideration may see a lift as new SUVs launch later this year.
- Ford Explorer and Toyota 4Runner both moved up in rankings within the SUV segment.

Major Rise in Trucks

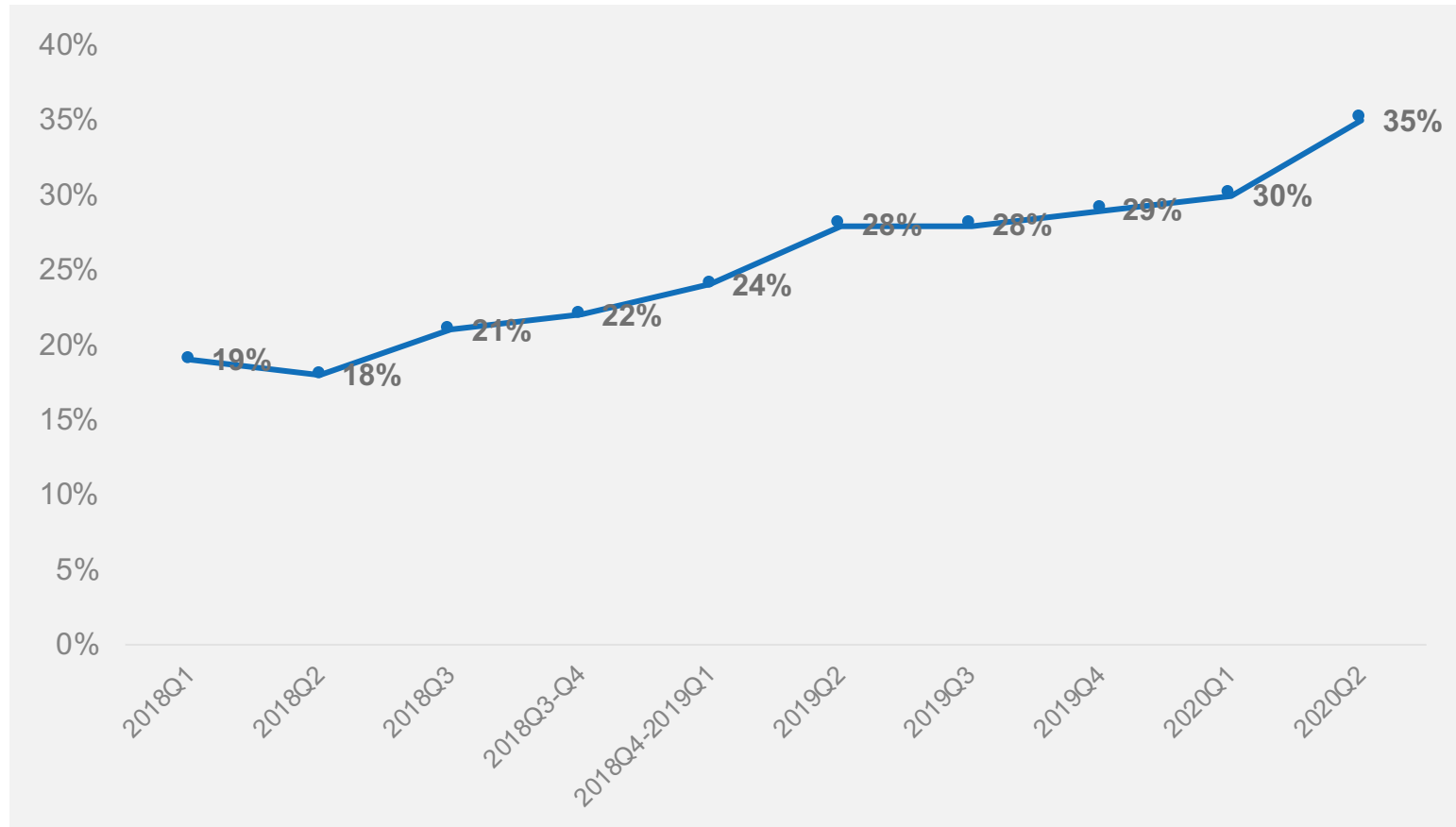
- All top five pickup models made it into the top ten non-luxury consideration set and had positive gains Q/Q.
- Full-size trucks are more considered than midsize though the Toyota Tacoma held onto the 3rd spot.

▲ ▼ indicate significant % change Q/Q

NON-LUXURY CONSIDERATION: PICKUP TREND

Pickup consideration nearly doubled in the last 2 years. Owners tend to keep their pickup trucks longer than other vehicle segments because of the versatility and utility of them. Trucks tend to be big ticket purchases, so when very attractive incentives such as zero APR and customer cash come along especially in a recession, shoppers take advantage of these favorable terms.

QUARTERLY PICKUP CONSIDERATION



Pickup Shoppers

Tend to be Male

- ✓ Consideration in Q1 among men was 33% and grew to 38% in Q2.

Mostly among 18-24 & 35-54 years

- ✓ Pickup consideration among 18-24 and 35-54 years saw the most increase from Q1 to Q2. 18-24yrs; 34% to 41% and 35-54yrs; 32% to 39%.

Higher among White/Caucasian

- ✓ However, the increase in pickup consideration was higher among Black/African Americans from 18% (Q1) to 29% (Q2).

Higher in the West

- ✓ Pickup consideration share was higher in the West region. The South though saw more increase in pickup consideration compared to other regions, from 30% in Q1 to 37% in Q2.

TOP 10 CONSIDERED MODELS: NON-LUXURY SHOPPERS

Typically, the top 10 considered list is dominated by SUVs and imports. In Q2, the dominance shifted to pickup trucks with a balance of domestic and import brands. Ford and Toyota each have 3 models represented.

TOP 10 MODELS

* New to Top 10

TOP 10 IN Q2-20

Silverado's Dramatic Rise

- Chevy Silverado catapulted to 2nd place for the first time.

Trucks Take Command

- Ram 1500 and Ford F-250/F-350/F-450 were new additions to the top list compared to Q2.

#1



Ford F-150
Fullsize Truck

#2



Chevrolet Silverado 1500
Fullsize Truck

#3



Honda CR-V
Compact SUV

#4



Toyota Tacoma
Midsize Truck

#5



Toyota RAV4
Compact SUV

#6



Ram 1500 *
Fullsize Truck

#7



Subaru Outback
Midsize SUV

#8



Toyota Camry
Midsize Car

#9



Ford Explorer
Midsize SUV

#10







































Ford F-250/F-350/F-450 *
Fullsize Truck



Honda Accord
Midsize Car

FACTORS DRIVING NON-LUXURY CONSIDERATION

For the past five years, non-luxury shoppers have ranked the top eight factors the same. Surprisingly, despite the economic struggles in the US, Affordability has not moved up in importance, which might have been offset in Q2 by aggressive incentives. Technology is more influential in shoppers' purchase decision as it moved up 2 spots.

RANK		FACTOR	IMPORTANCE	TOP RANKED BRAND	#2	#3
Q2-15	Q2-20					
1	1	Durability/Reliability	84%			
2	2	Safety	72%			
3	3	Driving Comfort	63%			
4	4	Affordability	62%			
5	5	Driving Performance	57%			
6	6	Reputation	48%			
7	7	Fuel Efficiency	42%			
8	8	Interior Layout	41%▲			
11	9	Technology	39%▲			
9	10	Exterior Styling	36%▲			
10	11	Ruggedness	29%			
12	12	Prestige/Sophistication	11%▲			

Toyota's Trust is Secured

- Toyota secured the #1 spot for Durability/Reliability for 5 consecutive quarters and held onto the lead for Reputation.

Room to Improve for Honda

- Honda has not been able to rebound since its strong presence in the top spots in 2018. Since Q4 2019, Honda has only held the #1 place for Fuel Efficiency.

Ram Thrills Shoppers

- Despite falling to 2nd place for Ruggedness, Ram remained the leading brand for 5 of the 12 factors.

Mazda's Unique Blend

- Mazda claimed the top Affordability rank from Hyundai and the top Prestige/Sophistication rank from GMC in Q2

▲ ▼ indicate significant % change from Q2-15 vs. Q2-20



BRAND WATCH TOPLINE

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