



BRAND WATCH

NON-LUXURY SEGMENT TOPLINE REPORT

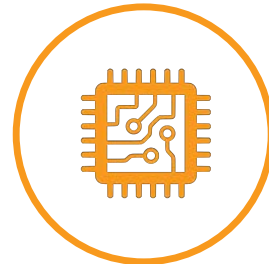
1st Quarter 2021



BRAND WATCH KEY TAKEAWAYS



SUV consideration broke new ground with 2 out of 3 new-vehicle intenders looked to purchase an SUV. Asian brands dominated the SUV market. Subaru made the biggest stride with consideration growth for Outback and Forester.



Ford lost a little steam, which was driven by the slowdown in consideration for the F-Series as it was hindered by low inventory due to the chip shortage.



RAM was on a winning streak in Q1, taking top honors in 7 categories - Driving Comfort, Performance, Interior Layout, Technology, Exterior Styling, Ruggedness, and Prestige/Sophistication.



RAM

BRAND WATCH: NON-LUXURY CONSIDERATION

Q1 2021 new-vehicle sales were extraordinary with an 11.4% gain from Q1 2020, when the pandemic hit. Toyota and Ford have held onto the No. 1 and No. 2 spots, respectively, in consideration for a few years. The Korean brands gained traction in Q1 as demand for the Kia Telluride and Hyundai Santa Fe surged. Consideration for most Japanese brands, including Honda, Subaru and Nissan also soared due to the hefty demand for their SUVs.

Toyota Held Tightly to the Top Spot

- Toyota sales outpaced the new-vehicle market with a 20.3% increase YOY (vs. 11.4% for the industry). Toyota consideration has been leading since Q2 2018.
- While Toyota brand consideration was stable, the volume models such as RAV4, Highlander, and Tacoma consideration lost traction. However, Prius Prime's popularity rose in Q1 2021.

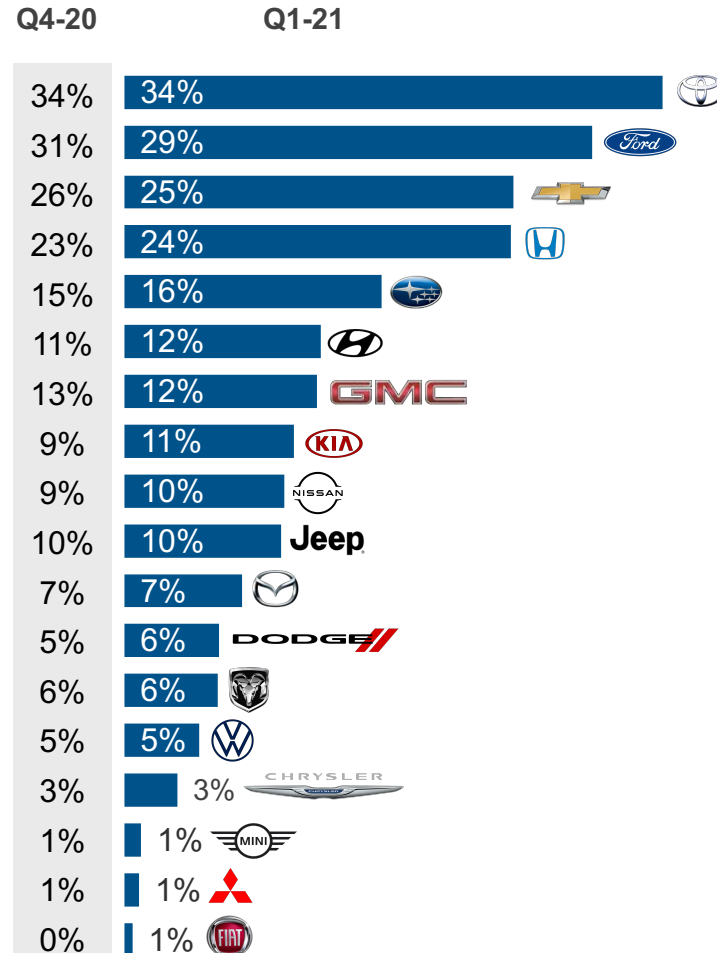
Ford Hit a Bump in the Road

- Ford consideration slipped, due to softening consideration for the entire F Series, which was likely due to the decline in incentives and the inventory shortages.

Subaru Consideration Rose

- Subaru's one-point gain was driven by the spike in consideration for the Outback and Forester. The Outback Wilderness trim launches in Q2, which may boost Subaru's momentum.

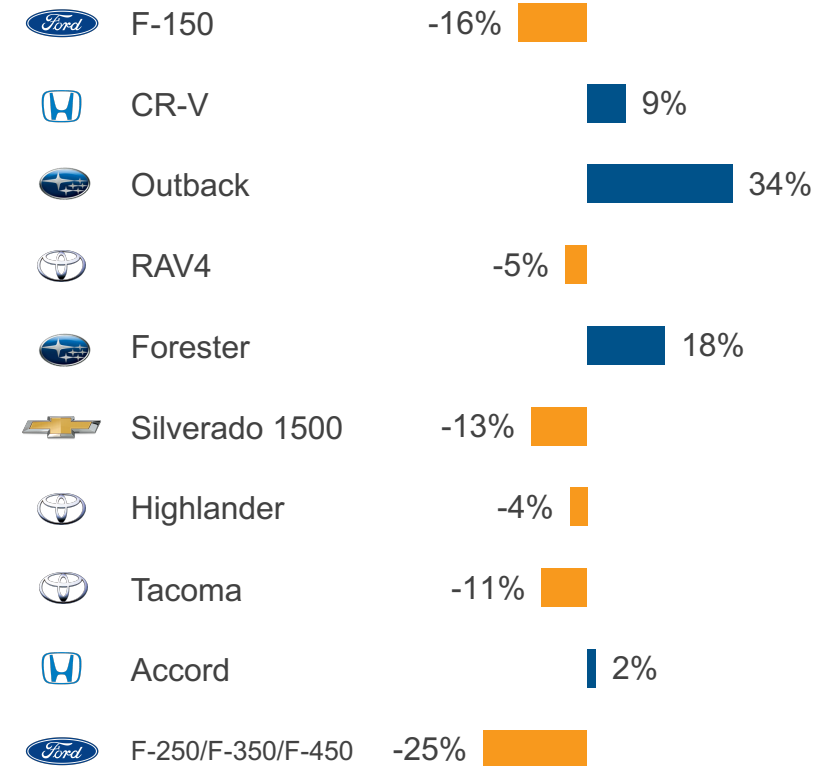
QUARTERLY BRAND CONSIDERATION



QUARTERLY CONSIDERATION GROWTH

TOP 10 MODELS

Q1-21 vs. Q4-20



A CLOSER LOOK: NON-LUXURY SEGMENT CONSIDERATION

SUVs broke new ground and reached an all-time high for consideration. Consideration for pickup trucks dwindled, driven by the reduction in pandemic-induced incentives and low inventories especially for the Ford F-Series trucks in dire need of microchips. Car consideration grew 2 percentage points from Q4 2020 with Accord and Camry leading the way. Car consideration grew 2 percentage points from Q4 2020 with Accord and Camry leading the way. While the chip shortage may be affecting light trucks, Cars didn't have availability issues with days supply at 75-90 while the industry average was 63 in March.

QUARTERLY SEGMENT CONSIDERATION

67% 
SUVS

33% 
CARS

29% 
PICKUPS

6% 
MINIVANS






Last Qtr.	Last Year
63% ▼	66%

Last Qtr.	Last Year
31%	37% ▲





Last Qtr.	Last Year
32% ▲	30%

Last Qtr.	Last Year
5% ▼	5%

TOP 5 SUVs

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






TOP 5 CARS

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

TOP 5 PICKUPS

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

TOP 5 MINIVANS

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

SUV Demand Reached Highest Level Ever

- Two out of three new-vehicle intenders were looking to purchase an SUV in Q1.
- Asian brands dominated the SUV market. Subaru made the biggest stride with growth for Outback and Forester.
- Outback sales softened in 2020, which made it the second highest selling Subaru, right behind the Forester. However, in 2021, Outback rebounded and expected to grow when it launches its Wilderness variant.

Car Consideration Pulled Ahead

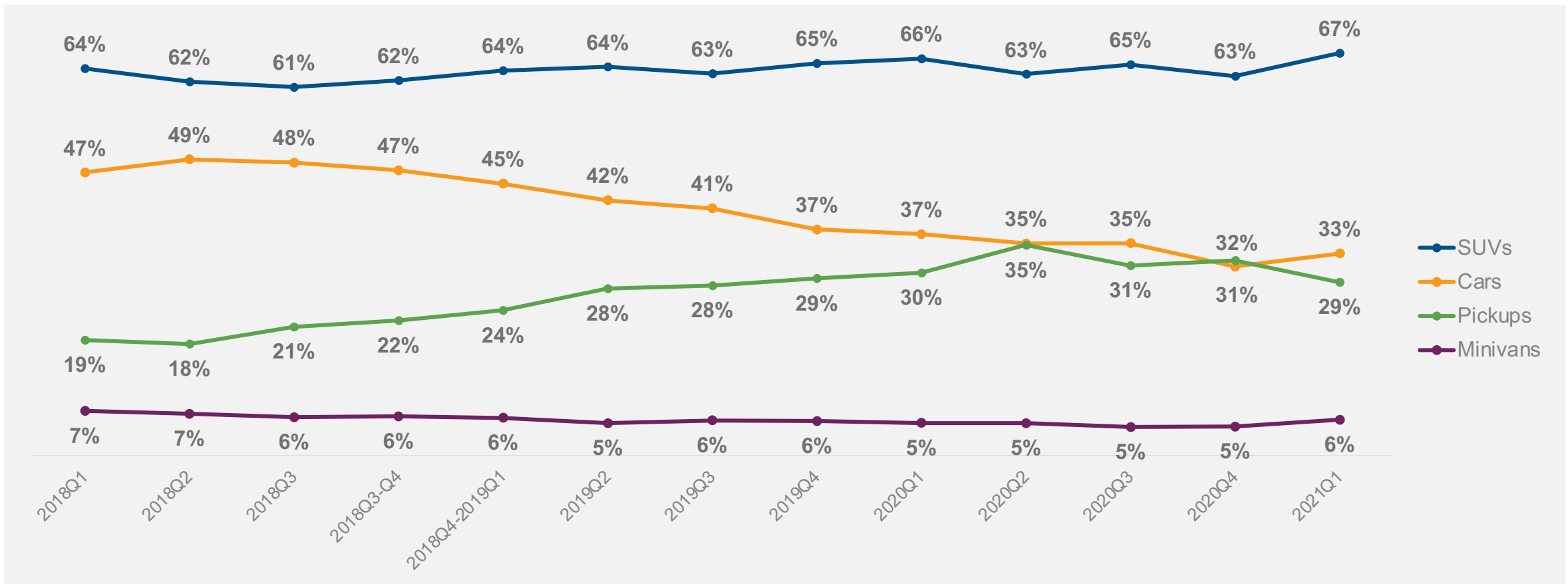
- Midsize cars garnered more demand especially for Accord and Camry. Civic was in sell-down mode and is expected to expand when the all-new model launches later this year.

▲ ▼ indicate significant % change Q/Q

NON-LUXURY SEGMENT CONSIDERATION: TREND

SUV consideration increased significantly from Q4 2020 posting a record high at 67%. Consideration for Pickups slipped in Q1 after setting a record in Q2 2020. Car consideration surpassed pickups in the quarter but still lower than in previous years. Minivan consideration eked up, thanks to the new hybrid-only Toyota Sienna.

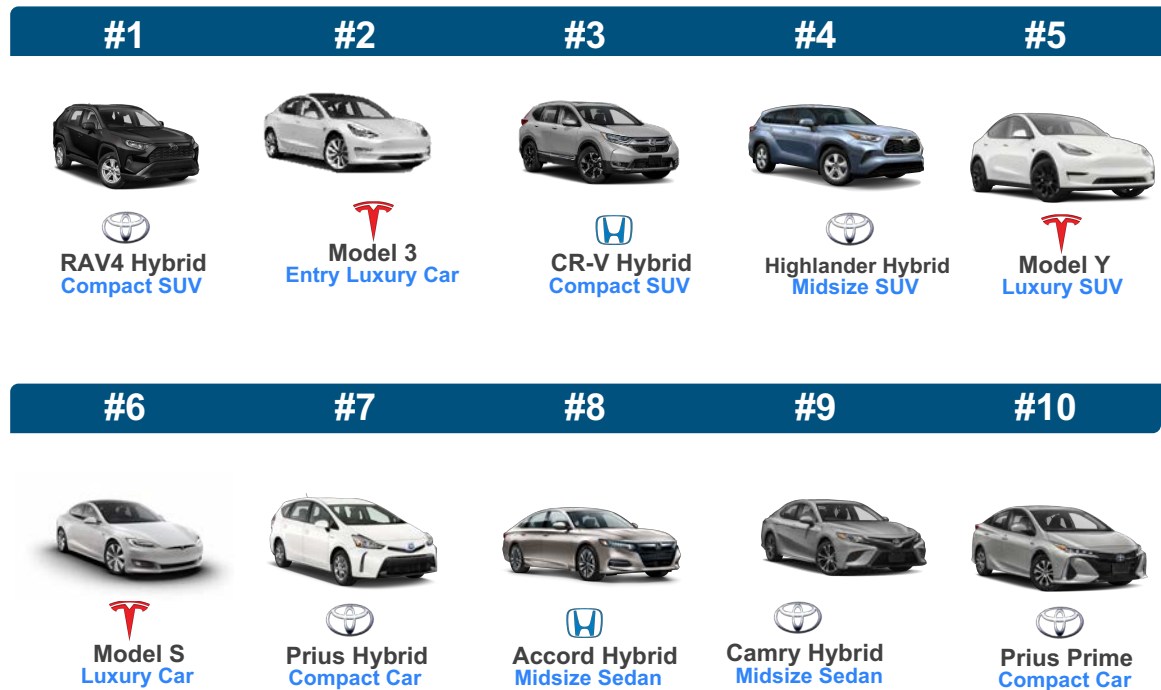
QUARTERLY NON-LUXURY SEGMENT CONSIDERATION



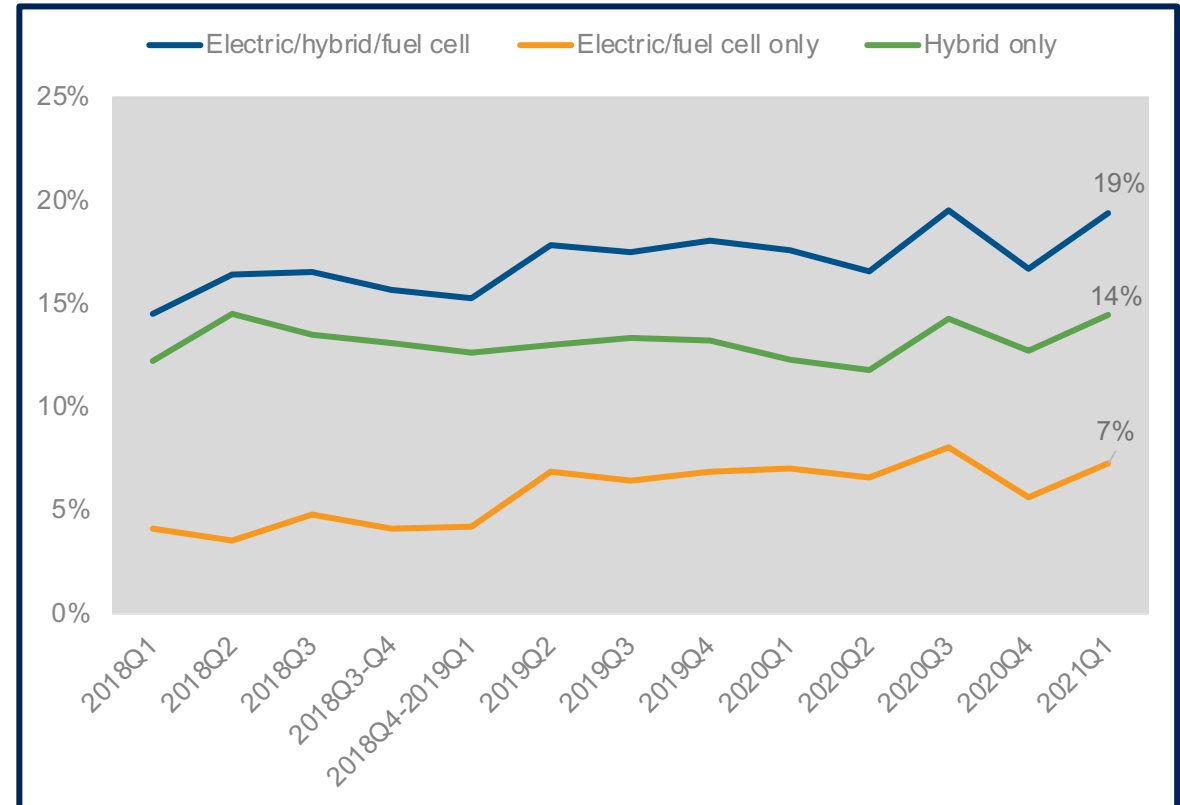
TOP 10 CONSIDERED ELECTRIFIED MODELS & OVERALL CONSIDERATION

Electrification has been a hot topic with OEMs introducing new models and the Biden administration proposing a \$2.25 Trillion infrastructure and stimulus plan to increase EV adoption and investment. The electrified segment grew from Q4 2020 with hybrids taking the lead, followed by BEV/Fuel Cell. Toyota hybrid models dominated half of the top 10 list while Tesla led the BEV segment with Model 3, Model Y and Model S.

Quarterly Top Considered Electrified Models



Overall Quarterly Consideration Trend



TOP 10 CONSIDERED MODELS: NON-LUXURY SHOPPERS

The Top 10 most considered models were a good mix of SUVs and pickup trucks, but Honda Accord was the only car on the list. Subaru encountered lower inventory levels due to the microchip shortage. Still, its consideration was strong especially for the Outback and Forester, which were new entrants to the Top 10 list.

TOP 10 MODELS

* New to Top 10

#1 #2 #3 #4 #5



Ford **F-150**
Fullsize Truck



H **CR-V**
Compact SUV



S **Outback**
Midsize SUV



T **RAV4**
Compact SUV



S **Forester**
Compact SUV

#6 #7 #8 #9 #10



C **Silverado 1500**
Fullsize Truck



T **Highlander**
Midsize SUV



T **Tacoma**
Midsize Truck



H **Accord***
Midsize Car



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

TOP 10 IN Q1-21

F-150 Continued its Reign






























- For the 5th consecutive quarter, Ford F-150 was the No. 1 considered non-luxury model.

Special Mentions to Kia and Hyundai

- While South Korean models were not represented in the Top 10, Hyundai Santa Fe (No. 12) and Kia Telluride (No. 15) made significant gains in Q1 and could potentially be new entrants to the list next quarter.

FACTORS DRIVING NON-LUXURY CONSIDERATION

Rankings for the Top 8 factors have remained the same for the past five years. However, Affordability and Fuel Efficiency have become less important over time while Durability/Reliability, Driving Comfort, Reputation, Interior Layout, Technology, and Ruggedness have become more important to the Non-Luxury shopper.

RANK		FACTOR	IMPORTANCE	TOP RANKED BRAND	#2	#3
Q1-16	Q1-21					
1	1	Durability/Reliability	83%▲			
2	2	Safety	70%			
4	3	Driving Comfort	64%▲		GMC	
3	4	Affordability	60%▼			
5	5	Driving Performance	56%			GMC
6	6	Reputation	50%▲			
7	7	Fuel Efficiency	44%▼			
8	8	Interior Layout	40%▲		GMC	
10	9	Technology	35%▲			GMC
9	10	Exterior Styling	34%		GMC	
11	11	Ruggedness	29%▲		Jeep	
12	12	Prestige/Sophistication	11%		GMC	

Ram Honored with 7 Category Wins

- Ram went from leading 2 to 7 factors of importance in Q1 with top honors in Driving Comfort, Performance, Interior Layout, Technology, Exterior Styling, Ruggedness, and Prestige/Sophistication. Its pickup trucks and vans stood out for their strength and capability in meeting consumers' needs.

Subaru Softened its Position

- Subaru led 2 categories and held the No. 2 spots in 8 factors in Q4 2020. It was not able to continue its previous momentum. It owned the Safety space, but was not able to retain its No. 1 spot in Performance and has not been able to surpass Toyota in Durability/Reliability.

GMC Made Strides

- GMC lost its title in Driving Comfort to Ram in Q1, however it's gaining strength in several categories and took the No. 2 spot in Interior Layout, Exterior Styling and Prestige/Sophistication.

▲ ▼ indicate significant % change from Q1-16 vs. Q1-21

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?

Support the Cox Auto sales team and clients in strategizing vehicle launch plans and key messaging

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

Measure **OEM brand equity**



BRAND WATCH TOPLINE

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