



# BRAND WATCH

## NON-LUXURY SEGMENT TOPLINE REPORT

2<sup>nd</sup> Quarter 2022



# 2022 BRAND WATCH METHODOLOGY EVOLUTION

## The Inclusion of Mobile and Desktop Users

Cox Automotive is always striving to improve the fundamentals behind our KBB Brand Watch Study. Established in 2007, the study has evolved over the years to reflect changes in the market. Our most recent change helps better reflect the growing reliance of shoppers on their mobile devices. In keeping up with this evolution, **as of January 1, 2022, Cox Automotive started surveying both mobile and desktop users** for the Brand Watch Study.

## The Impact

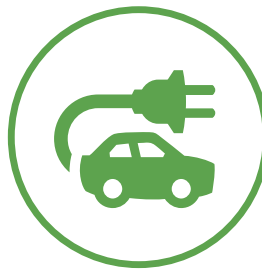
The new sampling of both mobile and desktop users will provide a better response rate and a more diverse group of respondents.

# BRAND WATCH Q2 2022 KEY TAKEAWAYS



## Car Consideration Climbed

As fuel prices climbed and inventory remained tight, demand for cars has significantly increased over the past few quarters. Consideration for non-luxury cars was the highest since Q3 2019.



## Electrified Vehicle Demand Rose

Consideration for electrified models rebounded in Q2 after a decline in Q1. More than 1-in-4 in-market New shoppers considered an alternative fuel vehicle.



## Toyota Accelerated

Despite having one of the leanest inventories in the industry, Toyota remained the leading non-luxury brand in consideration, with three models in the Top 10 - RAV4, Tacoma and Camry, which was the biggest gainer.

*Starting in January 2022, both Mobile and Desktop users are included in the BW results. Prior to 2022, results were based on Desktop users only.*

# BRAND WATCH: NON-LUXURY CONSIDERATION

Toyota widened the consideration gap with Ford as it held tightly to the No. 1 spot and gained a point in Q2. The all-new Sequoia, new EV bZ4X and the upcoming, lift-up Crown sedan generated momentum for Toyota. Ford declined a point due to lower purchase intentions for the F-Series pickup.

## Toyota on the Rise

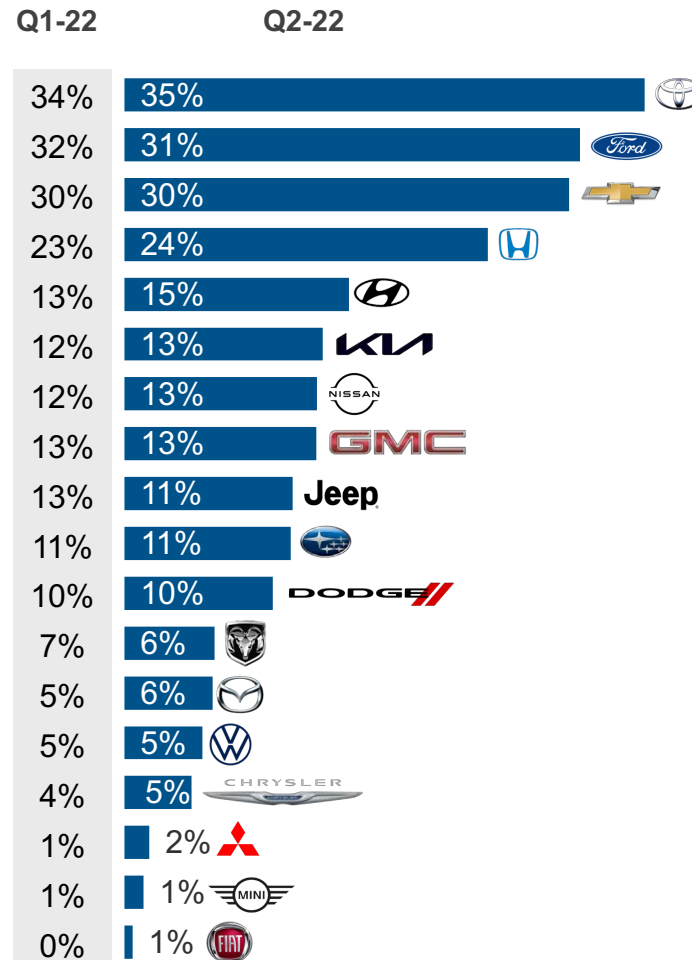
- Despite having one of the leanest inventories in the industry, Toyota remained the leading non-luxury brand in consideration, with three models in the Top 10 - RAV4, Tacoma and Camry, which was the biggest gainer.
- Toyota consideration will likely gain further when the Crown is launched in late 2022 and the Grand Highlander rolls out in 2023.

## Ford Consideration Stalled

- Consideration for Ford dropped 1 point since Q1. Chevrolet inched closer to overtaking Ford. The Ford F-150 and Super Duty trims as well as the Mustang weakened since Q1.
- A stop-sale due to a potential safety defect on the electric Mustang Mach-E hurt Ford consideration.

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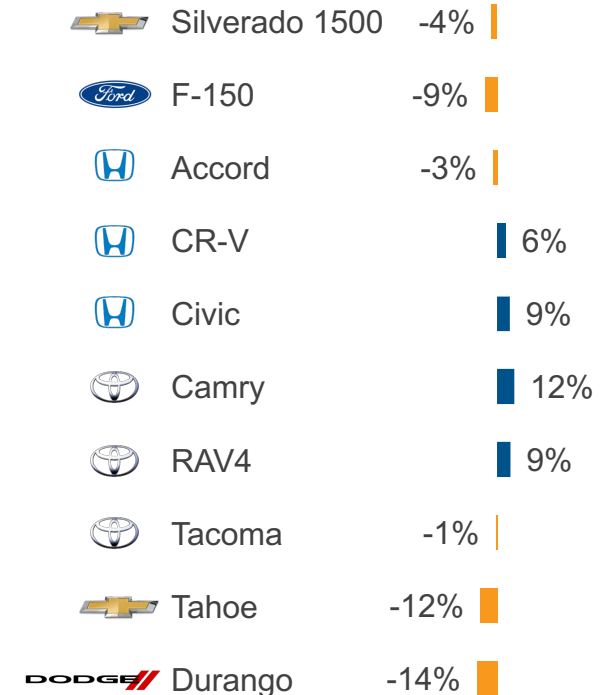
## QUARTERLY BRAND CONSIDERATION



## QUARTERLY CONSIDERATION GROWTH

### TOP 10 MODELS

### Q2-22 vs. Q1-22





# A CLOSER LOOK: NON-LUXURY SEGMENT CONSIDERATION

SUVs remained highly popular with a point uptick since Q1. Car consideration improved by 3 points in Q2, fueled by rising gas prices despite low inventory levels. Pickup truck consideration turned down as the housing market and home improvement plans cooled.

## QUARTERLY SEGMENT CONSIDERATION

**67%**   
**SUVS**

Last Qtr.	Last Year
66%	64%▼

**40%**   
**CARS**

Last Qtr.	Last Year
37%▼	33%▼






**33%**   
**PICKUPS**

Last Qtr.	Last Year
35%▲	31%






**5%**   
**MINIVANS**

Last Qtr.	Last Year
5%	5%

### TOP 5 SUVs

- #1  CR-V
- #2  RAV4
- #3  Tahoe
- #4  Durango
- #5  RAV4 Hybrid






### TOP 5 CARS

- #1  Accord
- #2  Civic
- #3  Camry
- #4  Charger
- #5  Malibu

### TOP 5 PICKUPS

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

### TOP 5 MINIVANS

- #1  Sienna
- #2  Odyssey
- #3  Pacifica
- #4  Pacifica Hybrid
- #5  Carnival MPV

### Highest Car Consideration Level Since Pre-Pandemic

- Consideration for non-luxury cars reached the highest level since Q3 2019.
- The Top 5 list for Cars represents a good mix of Import and Domestic brands.
- Toyota Crown is generating interest in the car market. It is positioned as a performance sedan with a higher ride height to appeal to shoppers who prefer crossovers/SUVs.

▲ ▼ indicate significant % change Q/Q

Last Qtr. = Q1-22, Last Year = Q2-21

Interpretation Example: 67% of non-luxury shoppers consider non-luxury SUVs

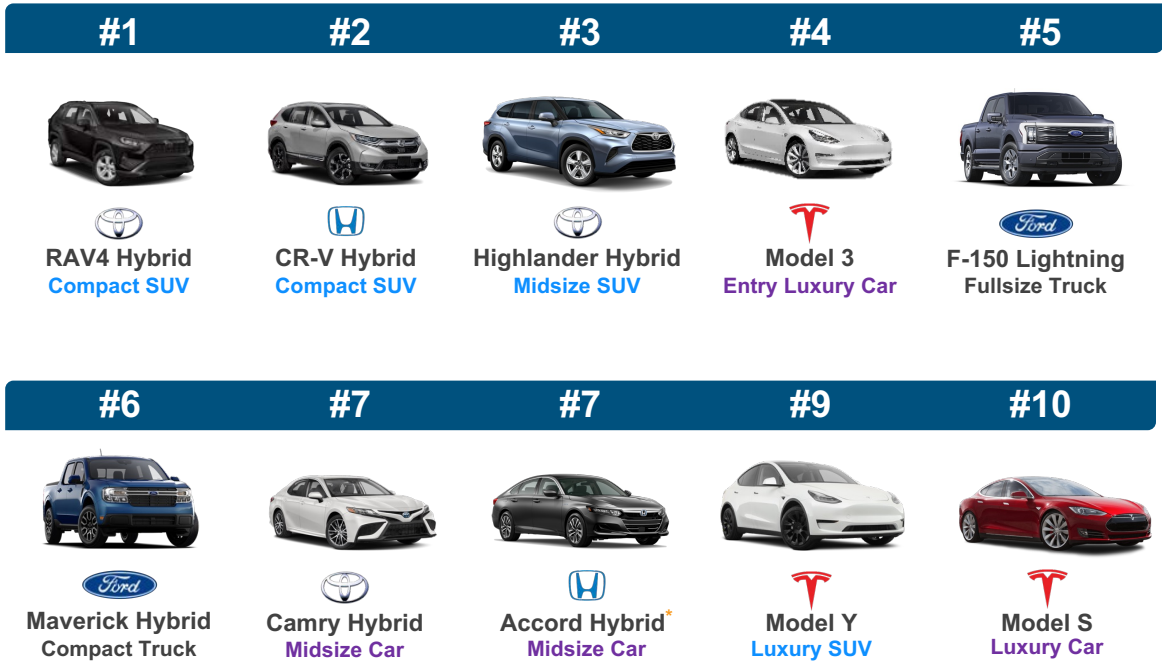
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# TOP 10 CONSIDERED ELECTRIFIED MODELS & OVERALL CONSIDERATION

Consideration for electrified models rebounded in Q2 2022 after a decline in Q1. EV consideration will accelerate as new entrants hit showrooms, like Hyundai Ioniq 5 and Ioniq 6, Toyota bZ4X, Subaru Solterra, Chevrolet Silverado Electric, GMC Sierra Electric, RAM 1500 Electric, and more.

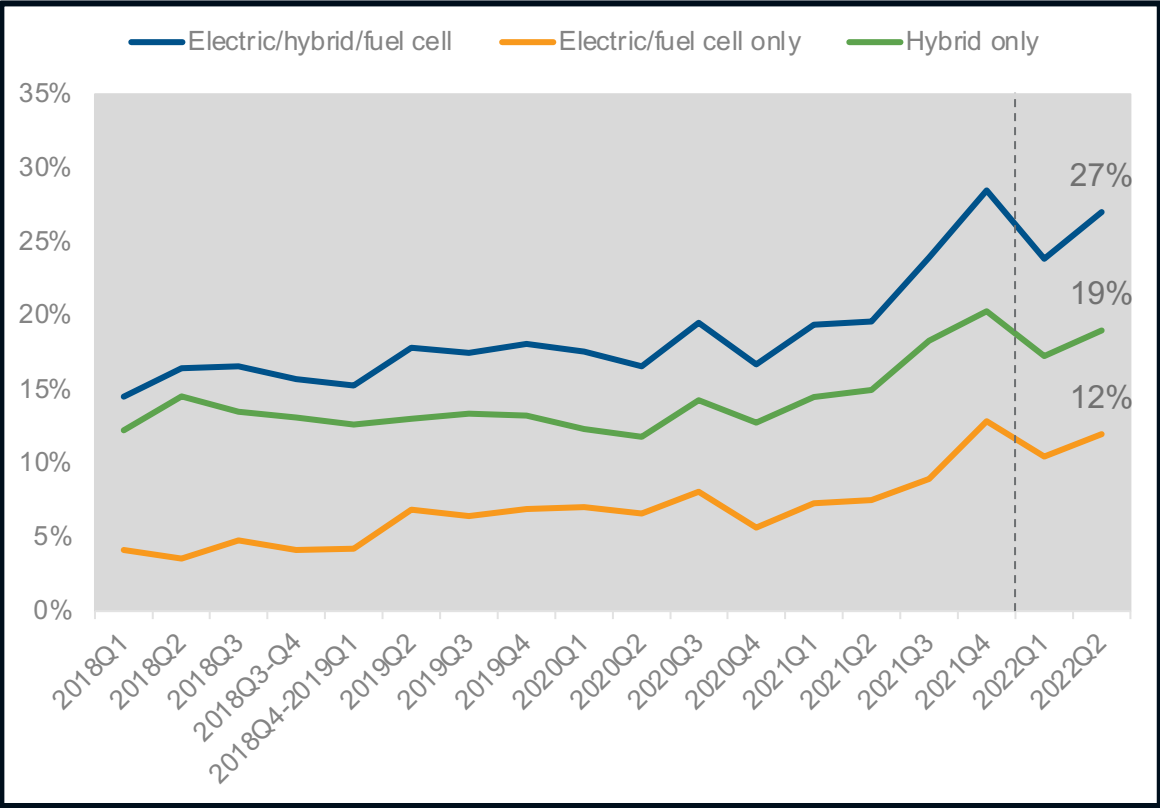
## QUARTERLY TOP CONSIDERED ELECTRIFIED MODELS

\* New to Top 10



(\*new models vs. Q1 2022)

## Overall Quarterly Consideration Trend























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# TOP 10 CONSIDERED MODELS: NON-LUXURY SHOPPERS

The Top 10 Most Considered vehicles are represented by a good mix of SUVs, Cars and Trucks. Inventory shortages, gas prices and macroeconomic factors caused shoppers to diversify their consideration sets. Honda and Toyota dominated with 3 models each on the Top 10 list.

## TOP 10 MODELS

\* New to Top 10

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

(\*new models vs. Q1 2022)





































### TOP 10 IN Q2-22

- Despite a slowdown in overall pickup consideration, Chevrolet Silverado and Ford F-150 held the first and second spots, respectively, for the third consecutive quarter. Production for both improved, having weathered the chip shortage.
- Toyota RAV4 and Tacoma returned to the list after dropping off in Q1.

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# FACTORS DRIVING NON-LUXURY CONSIDERATION

The factors rankings have remained mostly unchanged among Non-luxury shoppers over the past 5 years. However, affordability, fuel efficiency and driving performance have become increasingly important to consumers.

RANK	RANK		FACTOR	IMPORTANCE	TOP RANKED BRAND	#2	#3
	Q2-17	Q2-22					
1	1	1	Durability/reliability	80% ▼			
2	2	2	Safety	71%			
3	3	3	Affordability	66% ▲			
4	4	4	Driving comfort	62% ▲			
5	5	5	Driving performance	61% ▲			
7	6	6	Fuel efficiency	58% ▲			
6	7	7	Reputation	48%			
8	8	8	Interior layout	39% ▲			
9	9	9	Technology	37% ▲			
10	10	10	Exterior styling	35% ▲			
11	11	11	Ruggedness	31% ▲			
12	12	12	Prestige/sophistication	15% ▲			

▲ ▼ indicate significant % change from Q2-17 vs. Q2-22

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## Dodge Garnered Most Top Honors

- Dodge maintained the No. 1 spot for Driving Performance, Exterior Styling (Dodge won 2022 KBB Brand Image Award for Best Styling), and Prestige/Sophistication. For the first time, it took the top honors for Driving Comfort and Interior Layout.
- There's buzz around the good looks, performance and sportiness of the upcoming small Hornet SUV, elevating the Dodge brand and rounding out a more substantial model mix in its line-up.

## Ram Lost Some Steam

- Ram held on to the top honors for Technology and Ruggedness in Q2. However, Ram lost its lead in Safety (to Subaru), Driving Comfort and Interior Layout (both to Dodge).



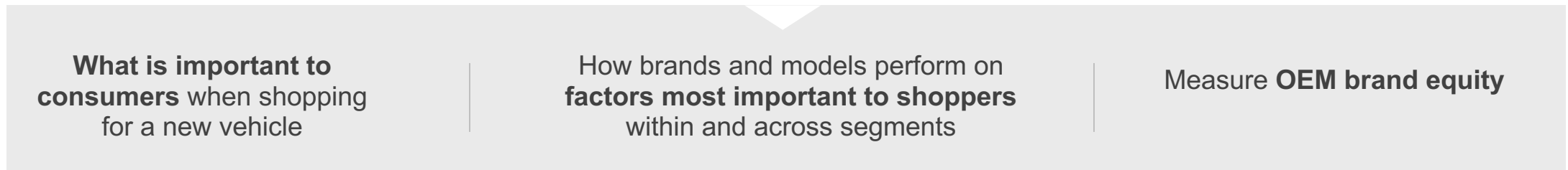
# WHAT IS BRAND WATCH™ ?

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?

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



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# BRAND WATCH TOPLINE

**For all sales or client success inquiries, please contact:**  
OEM Sales Analytics Consulting  
[kbb.SA-OEMConsulting@coxautoinc.com](mailto:kbb.SA-OEMConsulting@coxautoinc.com)

**For all other inquiries, please contact:**  
[Vanessa.Ton@coxautoinc.com](mailto:Vanessa.Ton@coxautoinc.com)

