



# 2010 Automotive Marketing and Media Annual Review



***When Will the Market Rebound?  
What Marketing Issues Should Be Watched?***

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Vice President  
Auto Marketing/Media Solutions

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USAD Research

**May 20, 2010**

# Agenda

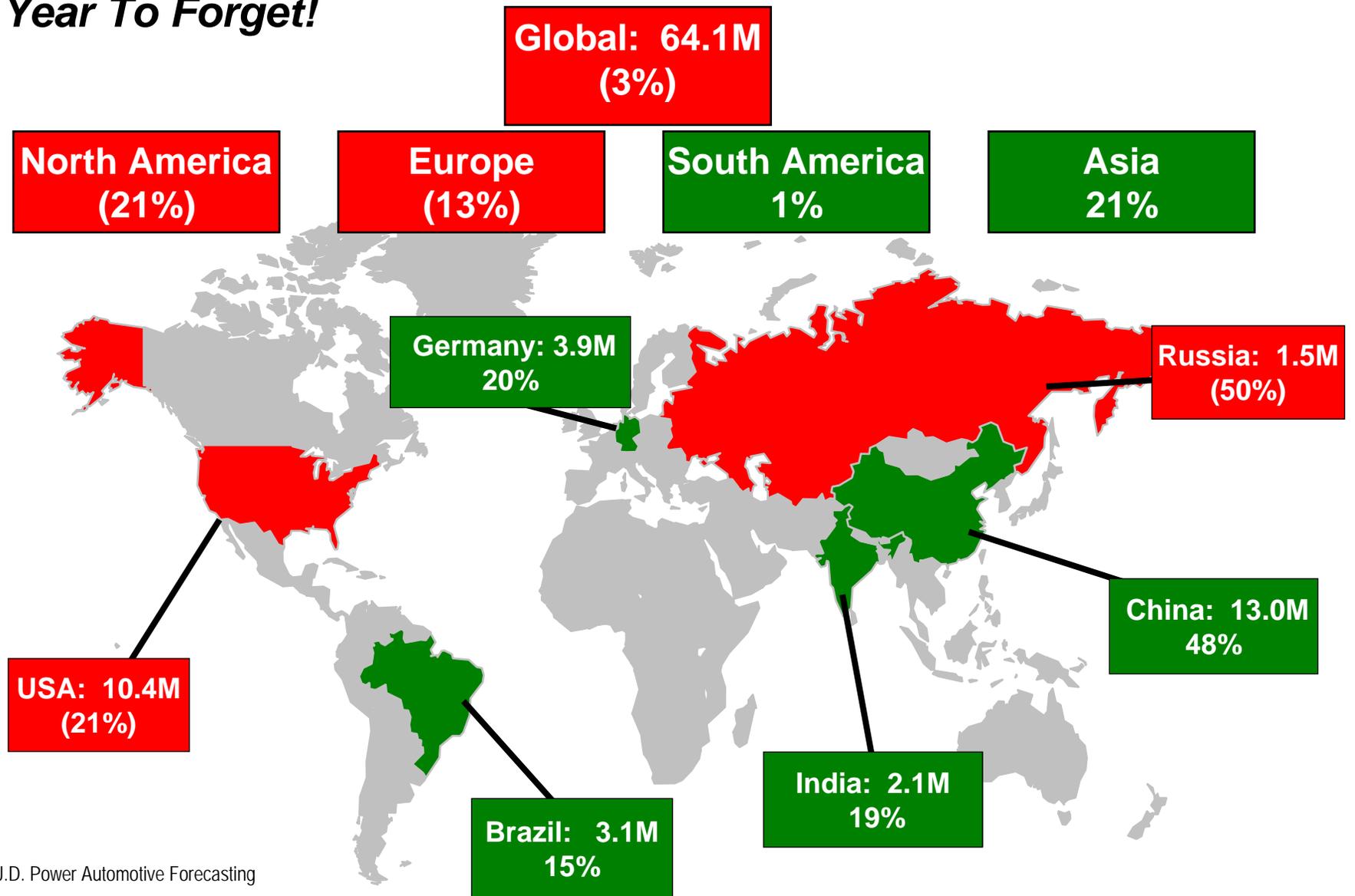
- The sales recovery and how it will develop
  - Global & U.S. Sales Summary
  - Forecast
  - Challenges
- The challenge for new models: quality and perception
- More effective targeting
- Media habits of new vehicle buyers
- A look at the heavy cross-platform user
- Marketing insights from social media on two current campaigns
- Media patterns of the four fastest growing segments
- A look forward at the hottest new models
- Q & A



# The Sales Recovery and How It Will Develop

# 2009 Global Sales:

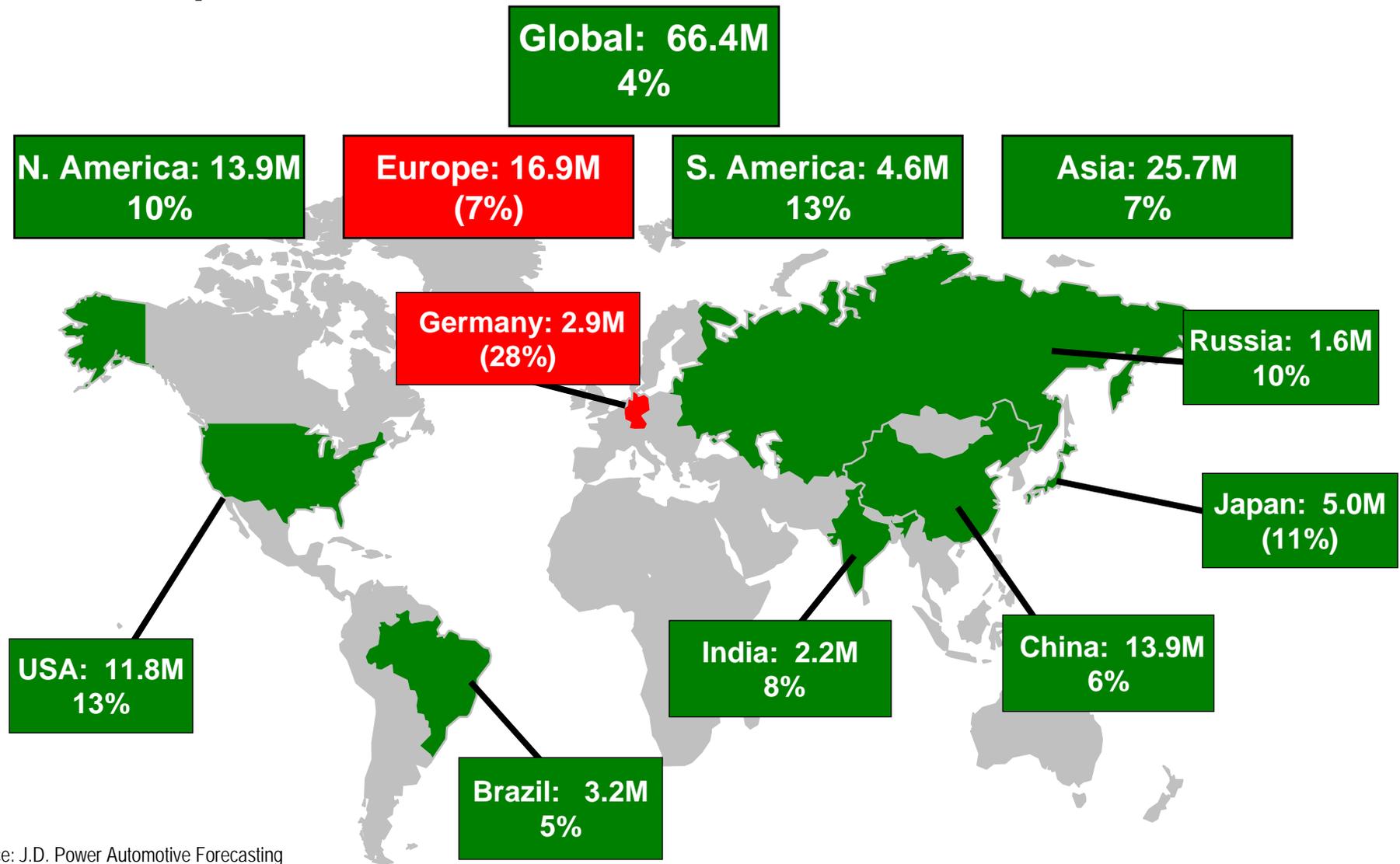
*A Year To Forget!*



Source: J.D. Power Automotive Forecasting

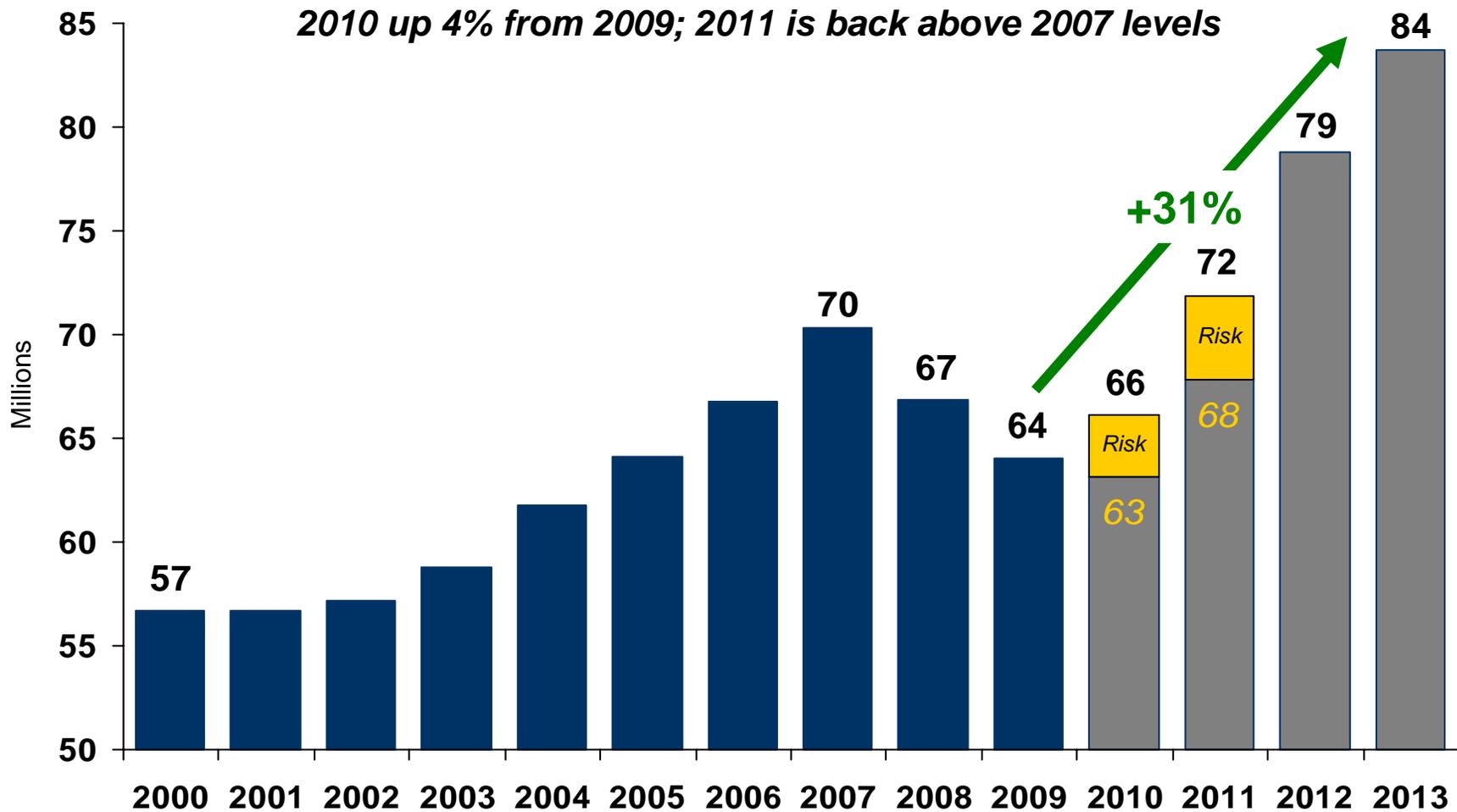
# 2010 Global Forecast:

## *Marked Improvement*



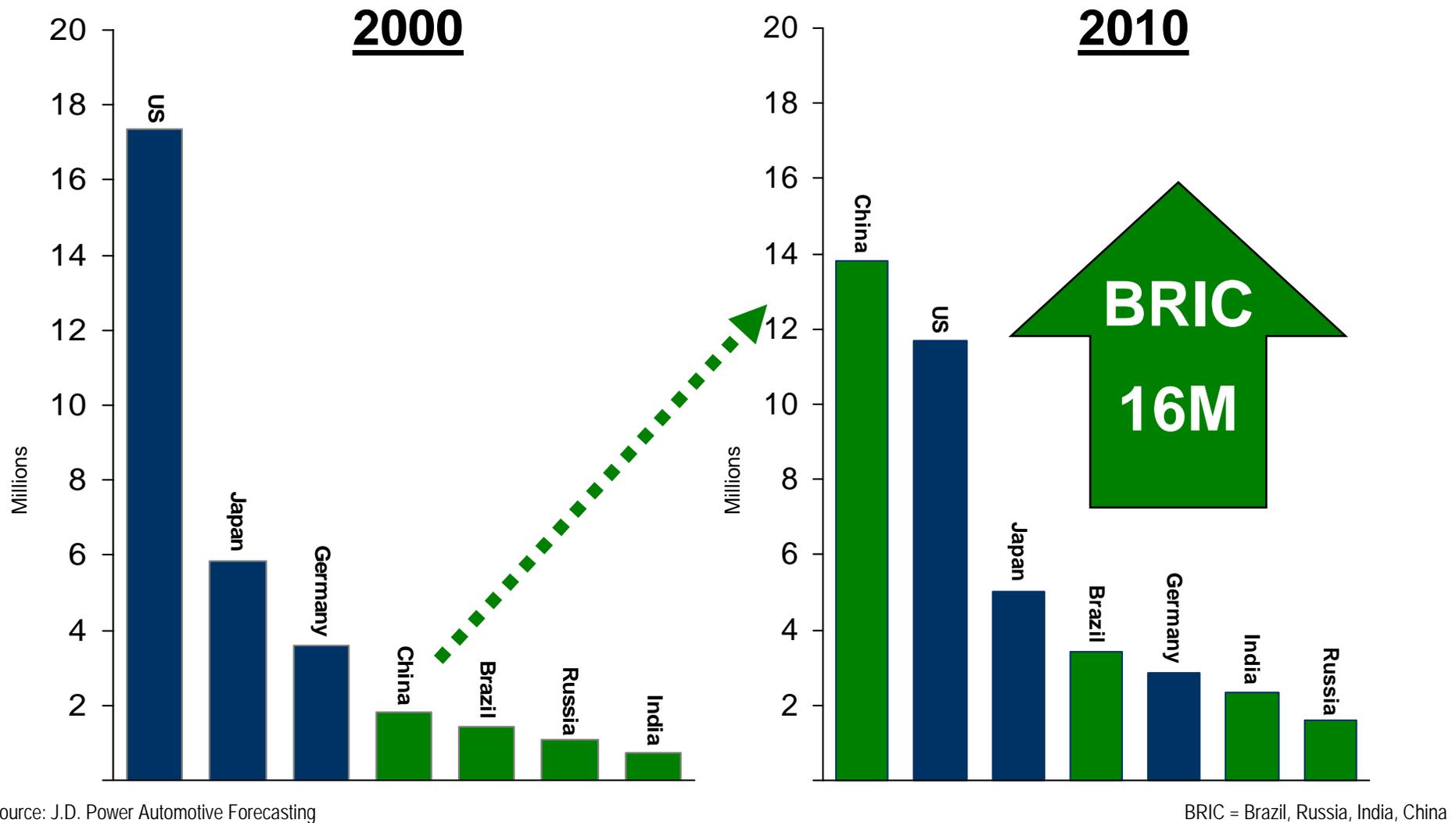
Source: J.D. Power Automotive Forecasting

# Global Sales Trend



Source: J.D. Power Automotive Forecasting

# Changing Landscape



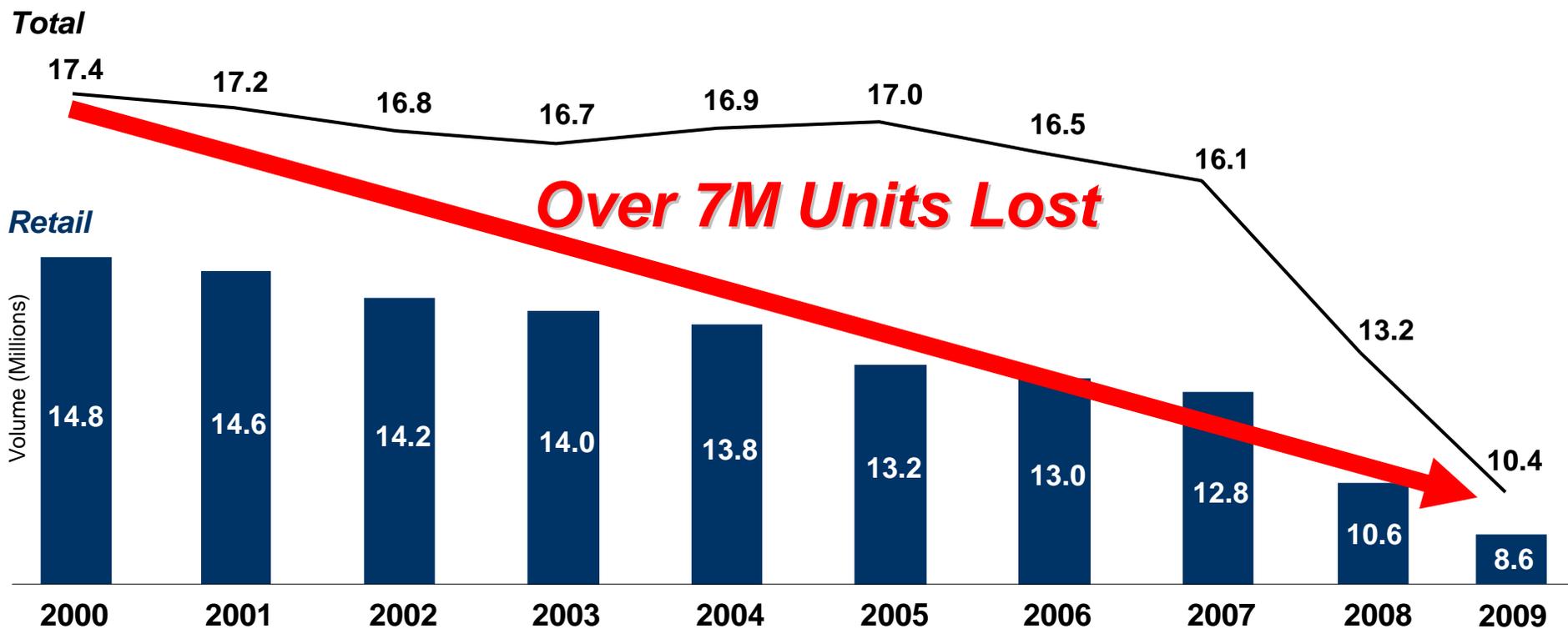
Source: J.D. Power Automotive Forecasting

BRIC = Brazil, Russia, India, China



# U.S. Recovery & Natural Demand

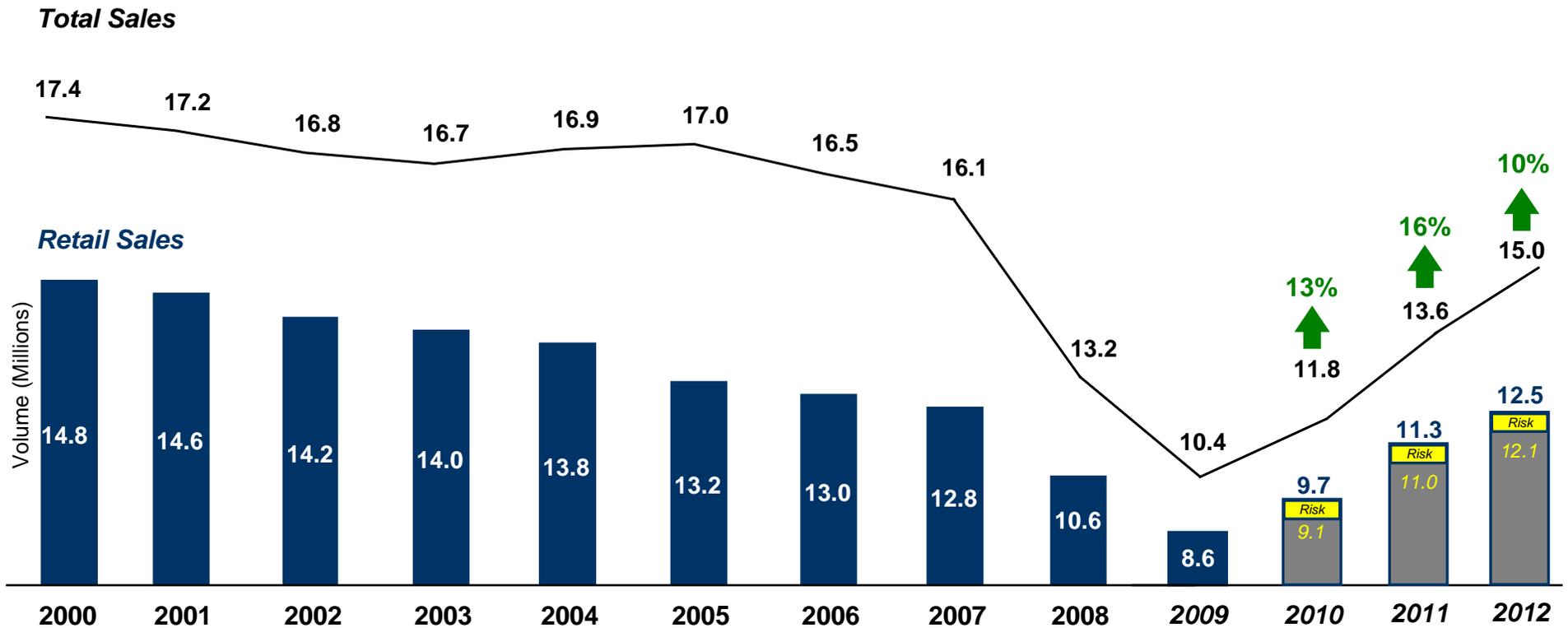
# U.S. New Vehicle Sales: *Is the Worst Over?*



Source: J.D. Power Automotive Forecasting

# U.S. New Vehicle Sales:

## Forecasted Recovery



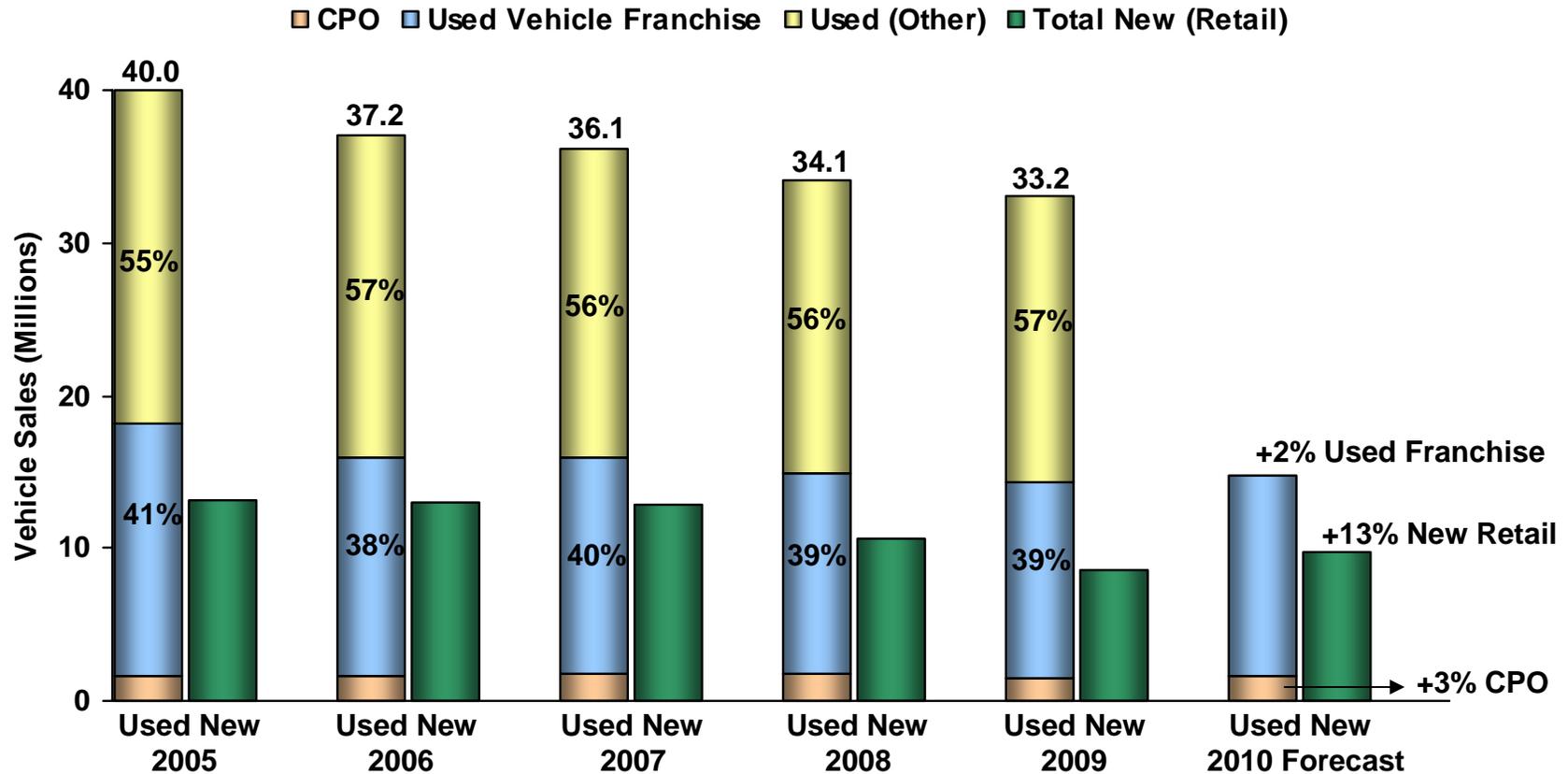
Source: J.D. Power Automotive Forecasting

■ = Forecast

# Used Vehicle Sales

## Critical to Understand the Domination of Used Vehicles

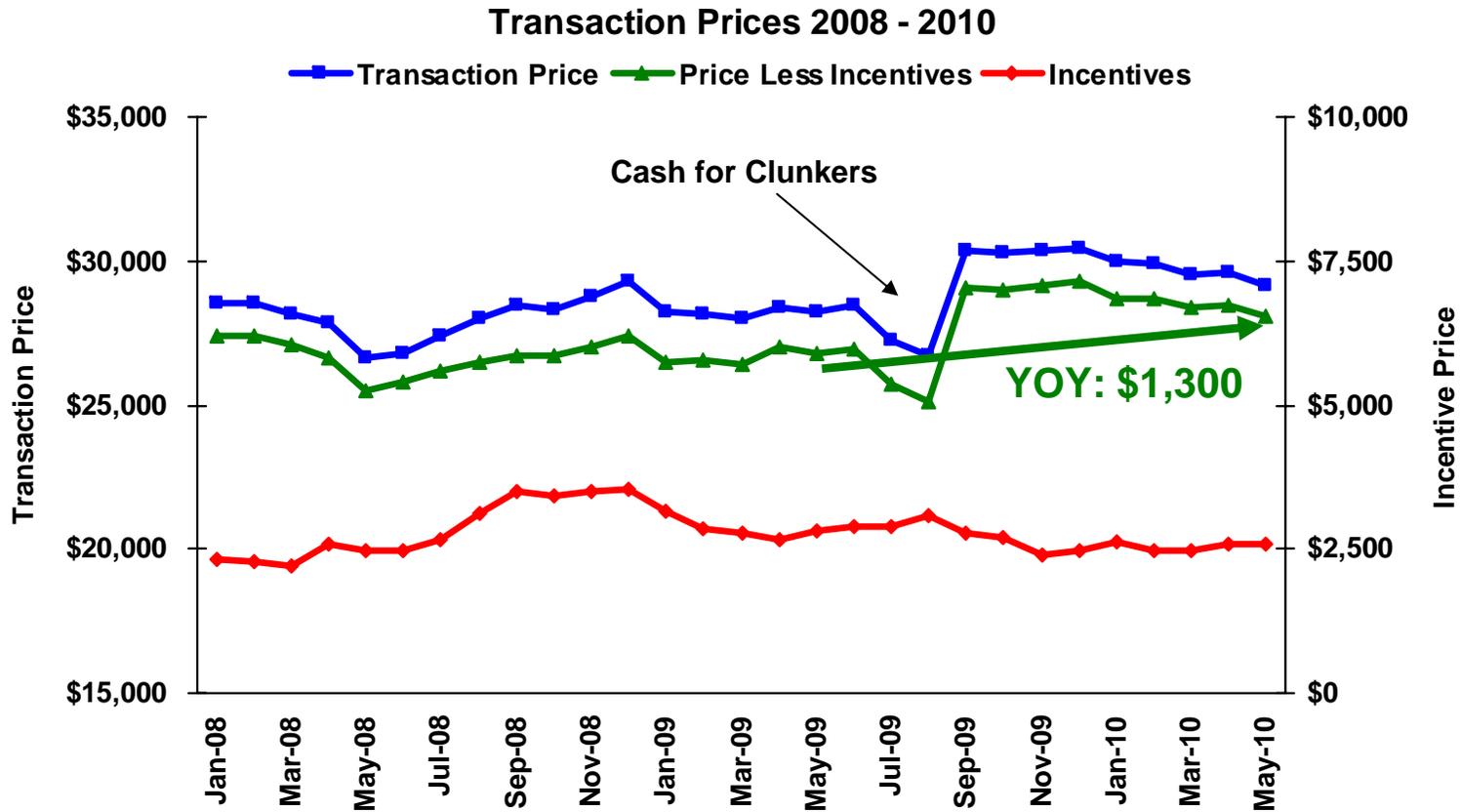
Volume Breakdown of New and Used Vehicle Sales



Source: Power Information Network; R.L. Polk & Co.

Note: Used (Other) Vehicle Forecast for 2010 not available

# Healthy Signals: Price Improvement

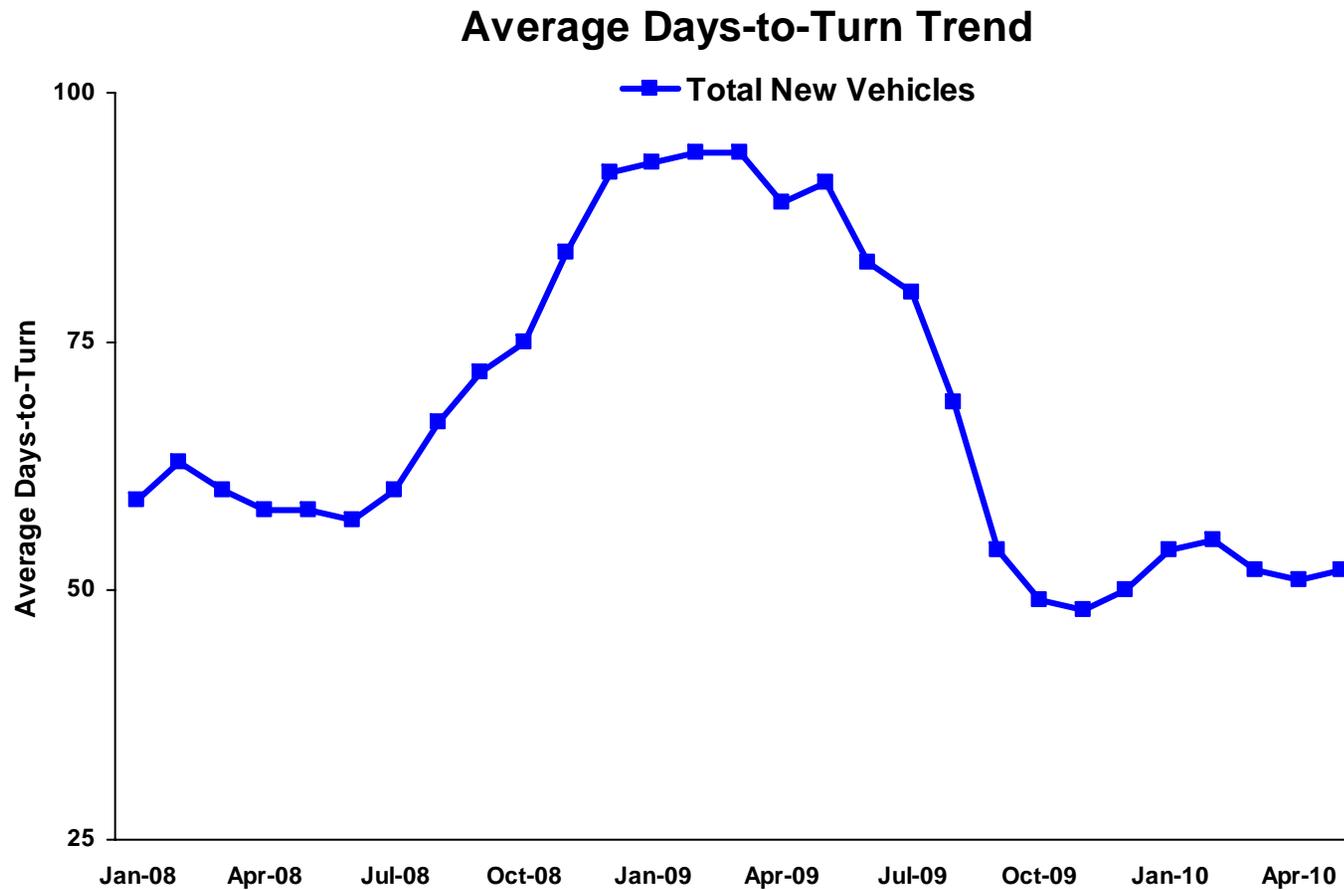


Source: Power Information Network; Data through May 9, 2010

YOY = Year over year

# Healthy Signals:

## *Return to Rational Retail Inventory Levels*



Source: Power Information Network; Data through May 9, 2010

The retail turn rate is the average number of days that a model remains on a dealer lot before selling.

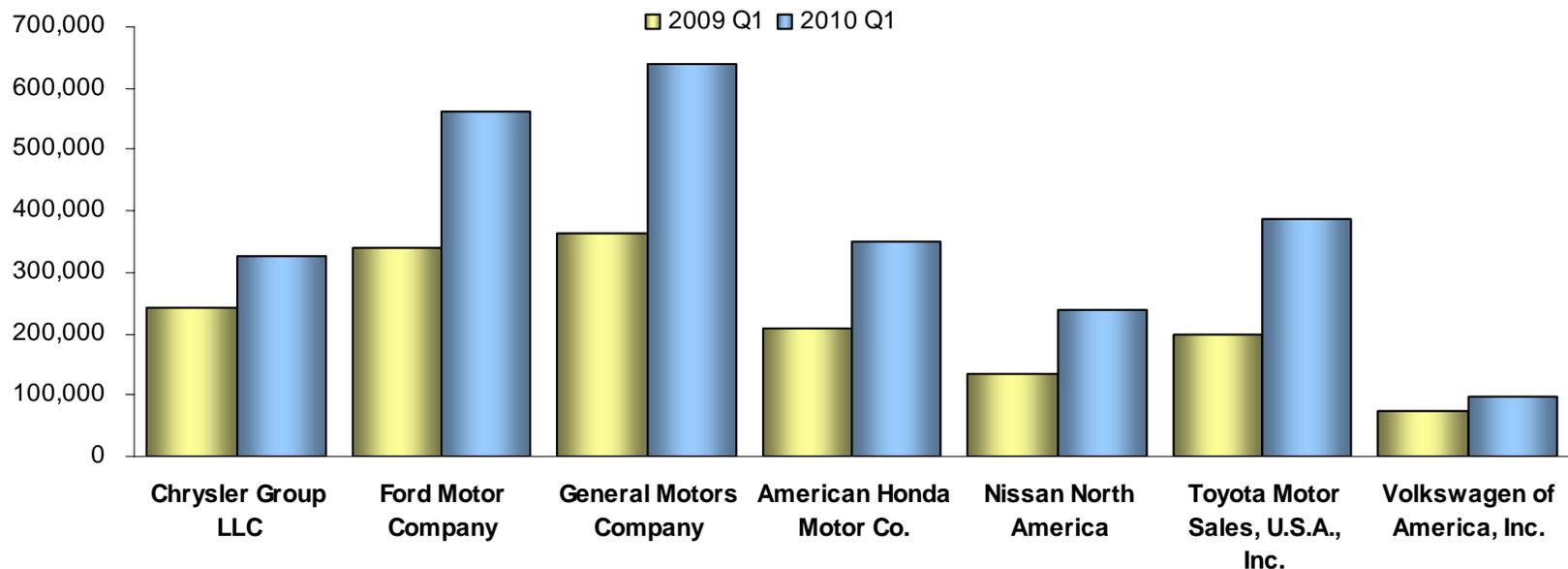
If a unit is dealer-traded, the retail turn rate returns to zero at the time of trade.

# Healthy Signals:

## *Production Boost*

- 2010 Q1 production grew an average of 71% vs. 2009 Q1
- 2010 Q2 production forecasted to grow 59% vs. 2009 Q2

**North American Automotive Production  
Top 7 Corporations**



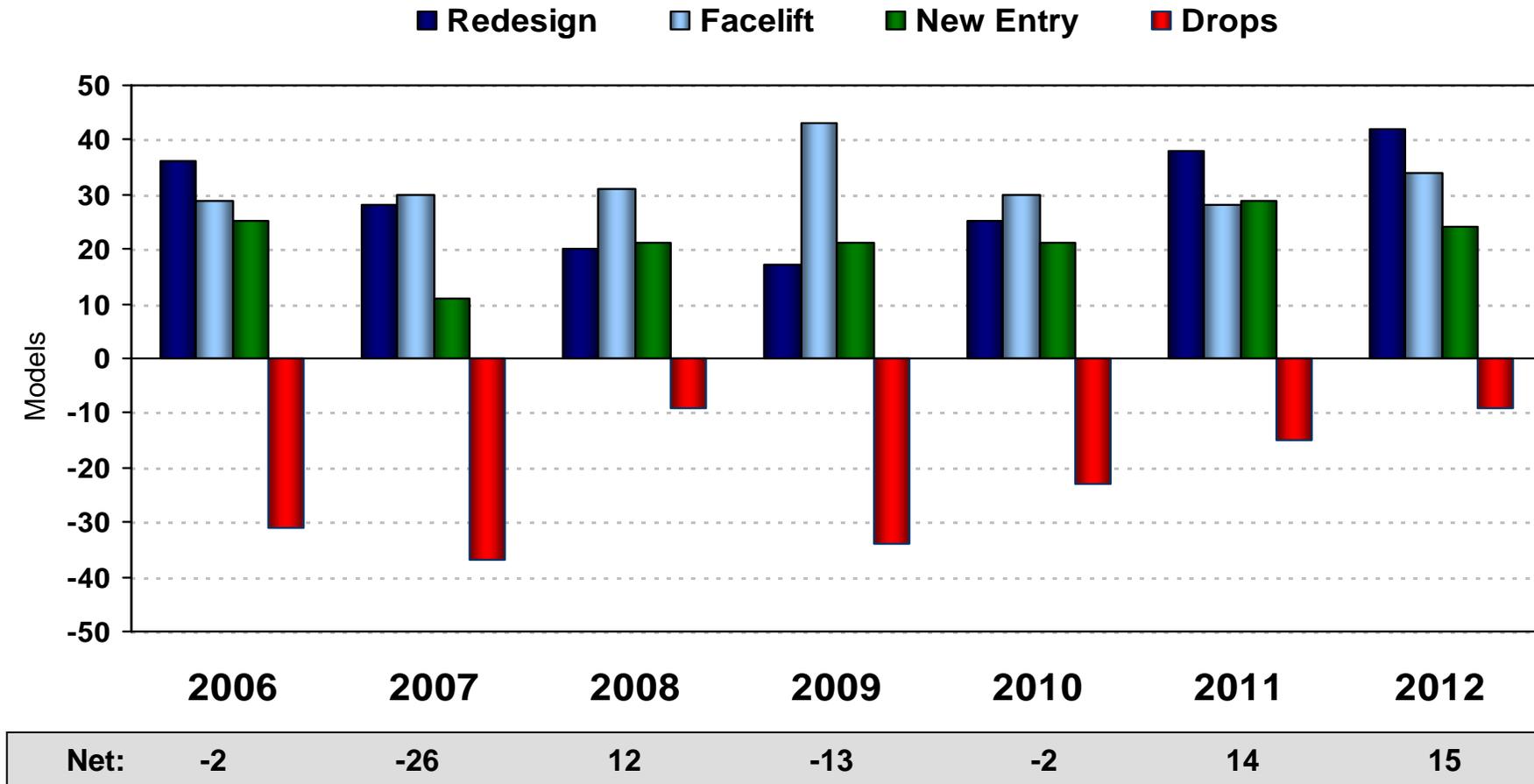
Source: J.D. Power Automotive Forecasting



# Challenges

# Challenges:

## *U.S. Hyper-competitive Model Activity*



Source: J.D. Power Automotive Forecasting

Net = New Entry vs. Drops

# Challenges:

## *Restructuring – Brands Leaving the Market*

### Exited the U.S. Market in the Past 5 Years

**ISUZU**



Oldsmobile

### Currently Leaving

**HUMMER**



**PONTIAC**



**SATURN**

# Challenges:

## *New Competitors Want a Piece of the Market*

### Plans To Enter



### Boutique Start-ups



### Under Consideration

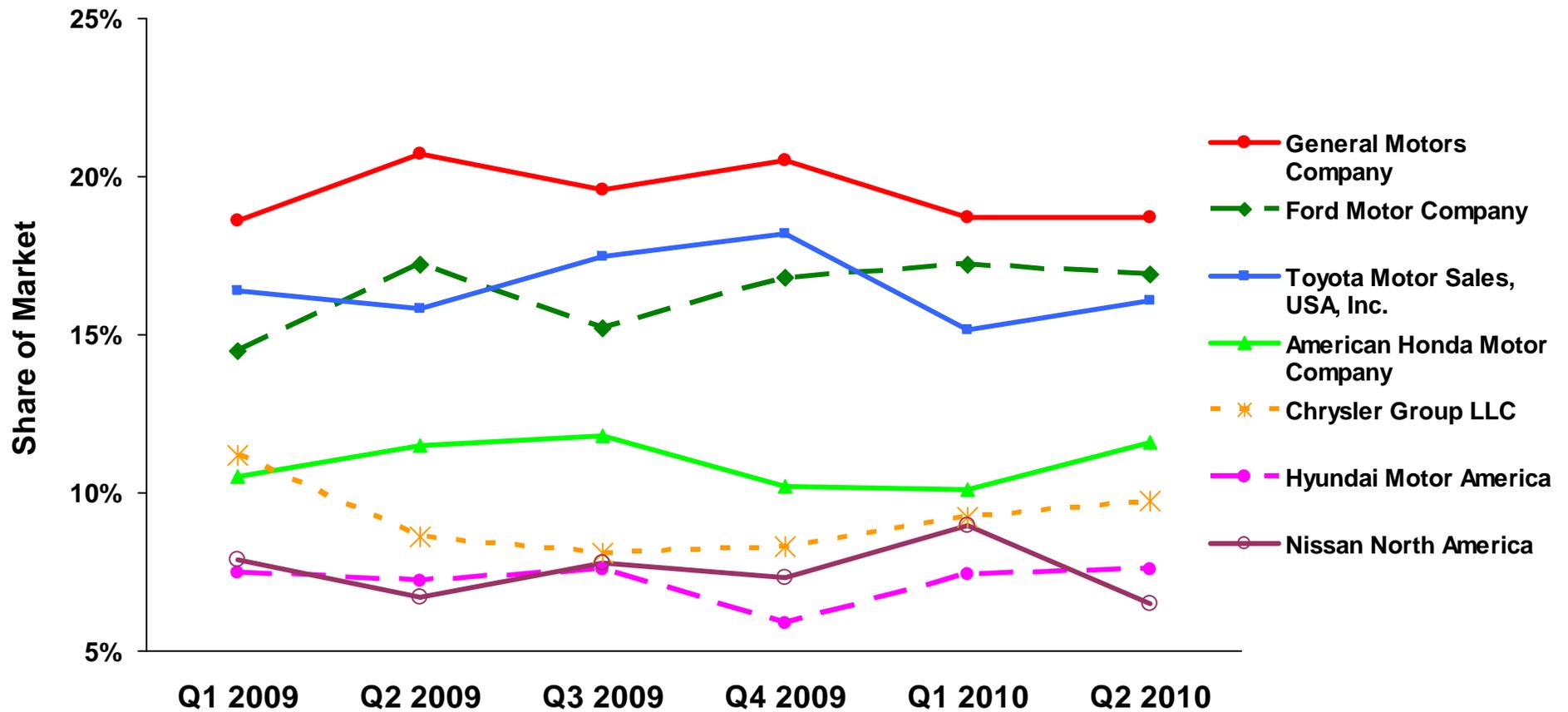




# Sales Trends

# Market Shares are settling into Tiers

## Top 7 Corporations Quarterly Share Trend by OEM

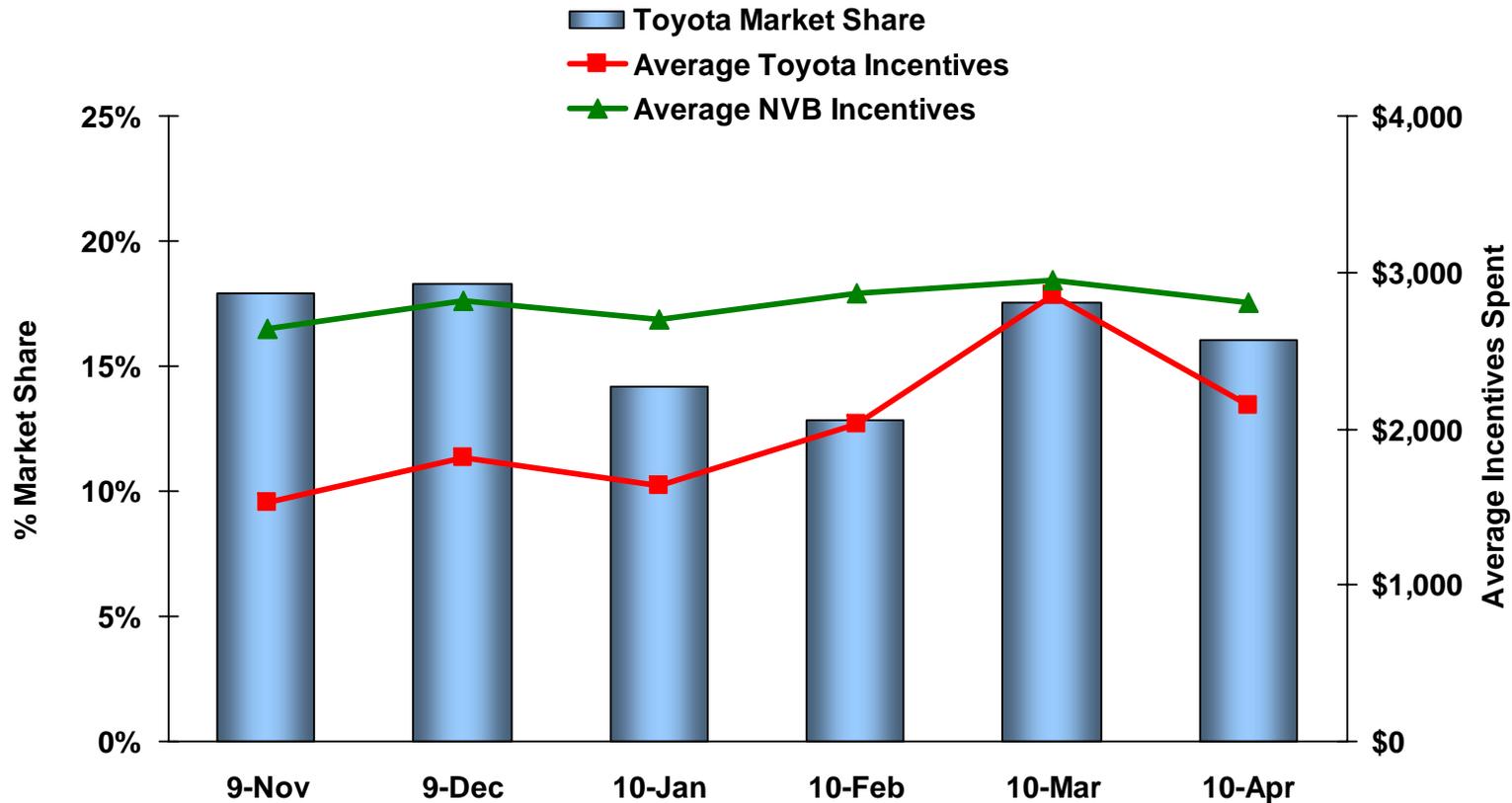


Source: JDP A Sales Report, April 2010 (Q2 2010 represents April sales only)

Note: SAAB moved from GM to Spyker as of Q1 2010

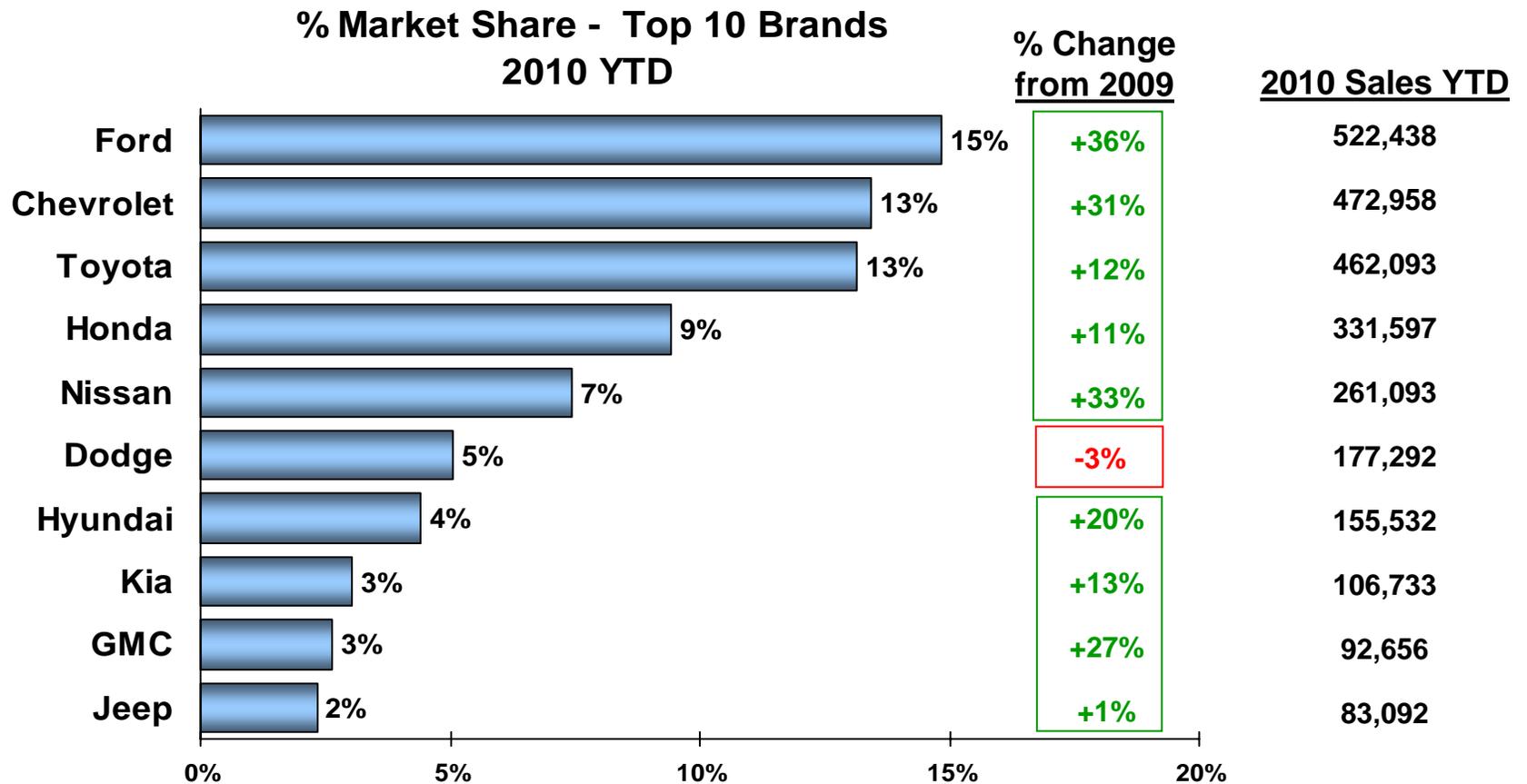
# Toyota's marketing and incentive efforts have helped them pull through the recalls

Average Incentives vs. Market Share  
Past 6 Months



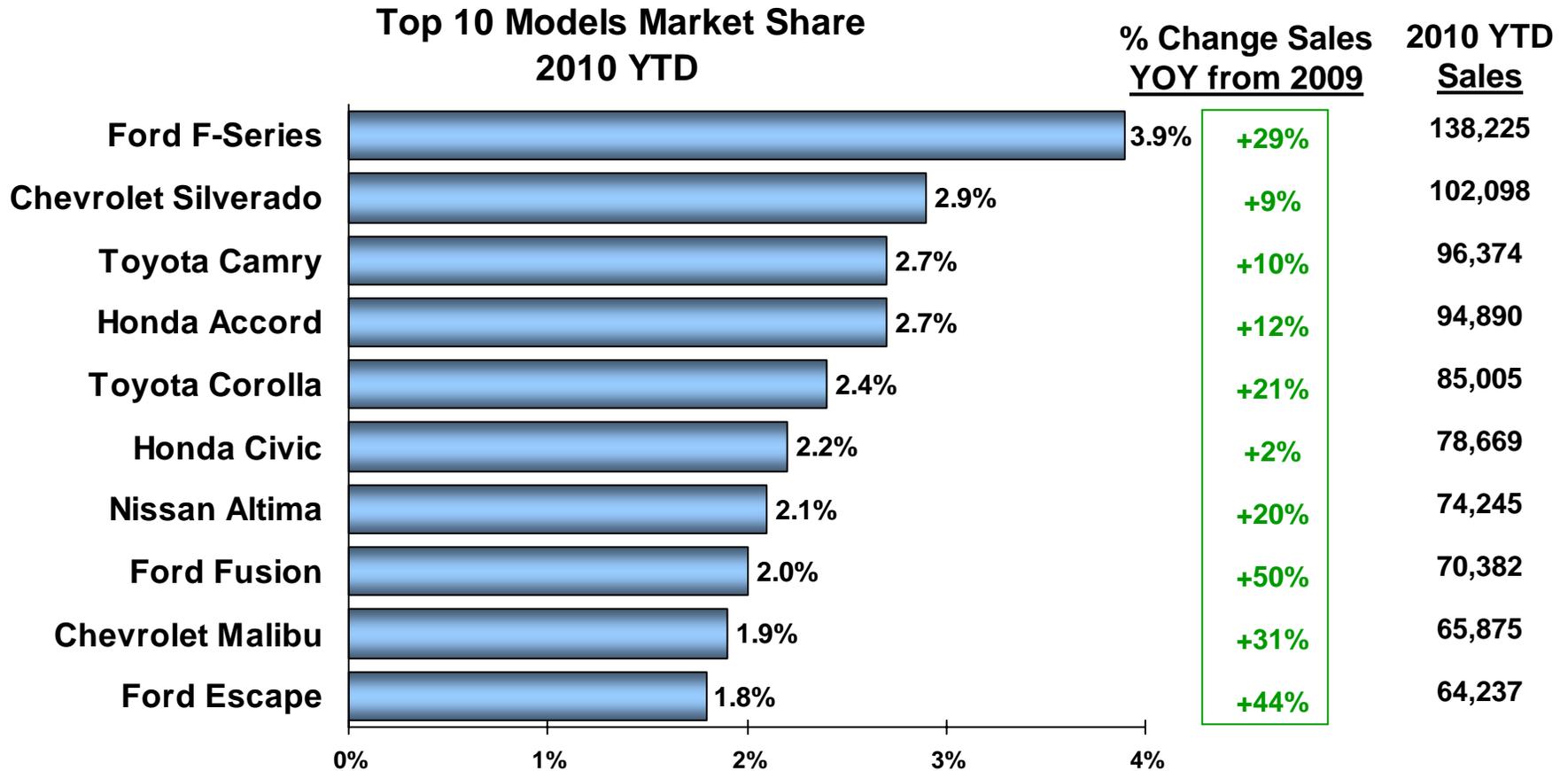
Source: Power Information Network, JDP A Sales Report  
 Note: Toyota represents Toyota Motor Sales, USA, Inc.

# Ford is winning the Brand Market Share Race



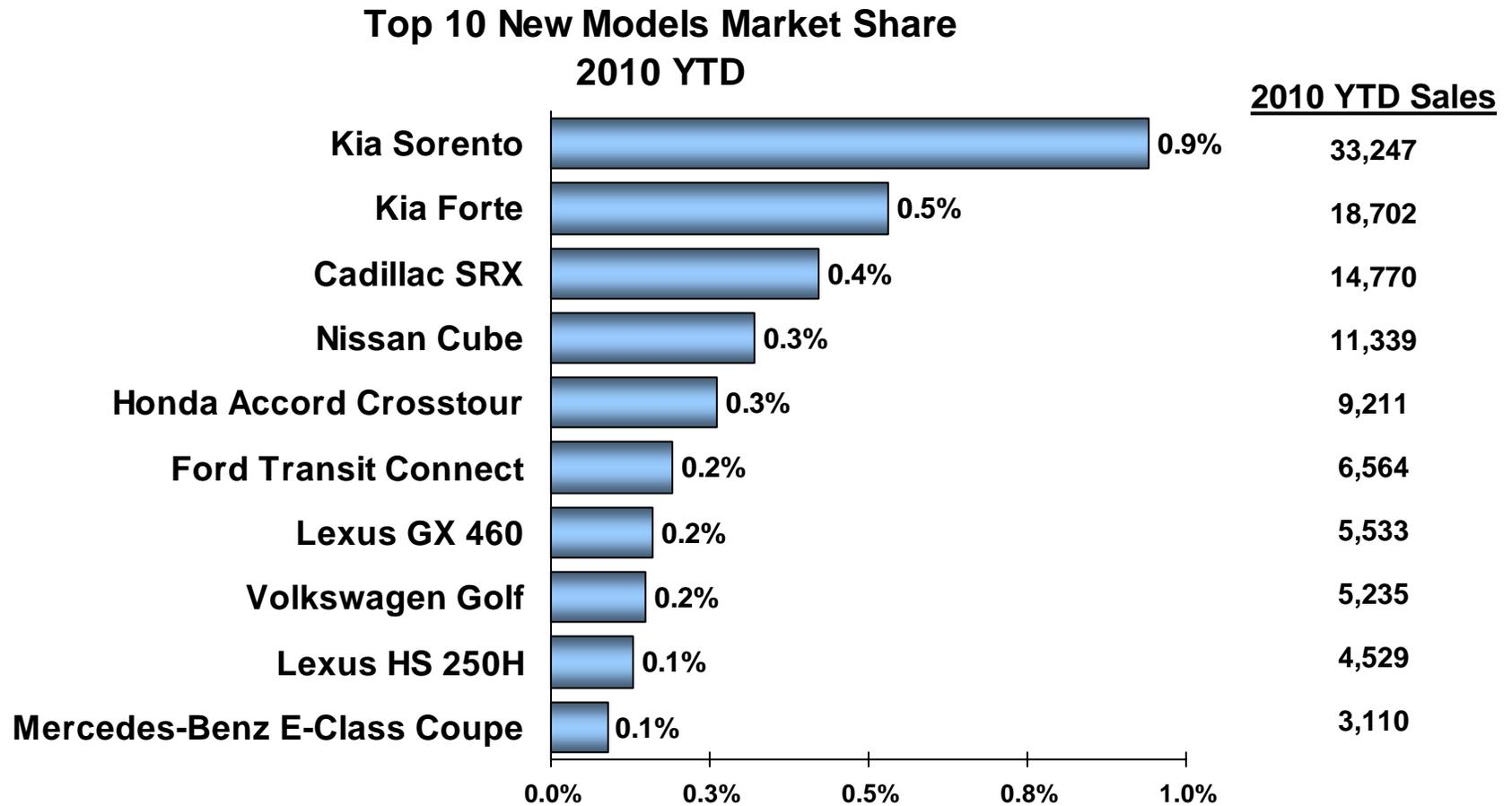
Source: JDPower Sales Report, April 2010  
 Note: Dodge includes RAM brand models

# Truck models lead share again with favorites Camry and Accord just behind



Source: JDPower Sales Report, April 2010  
 YOY = Year Over Year

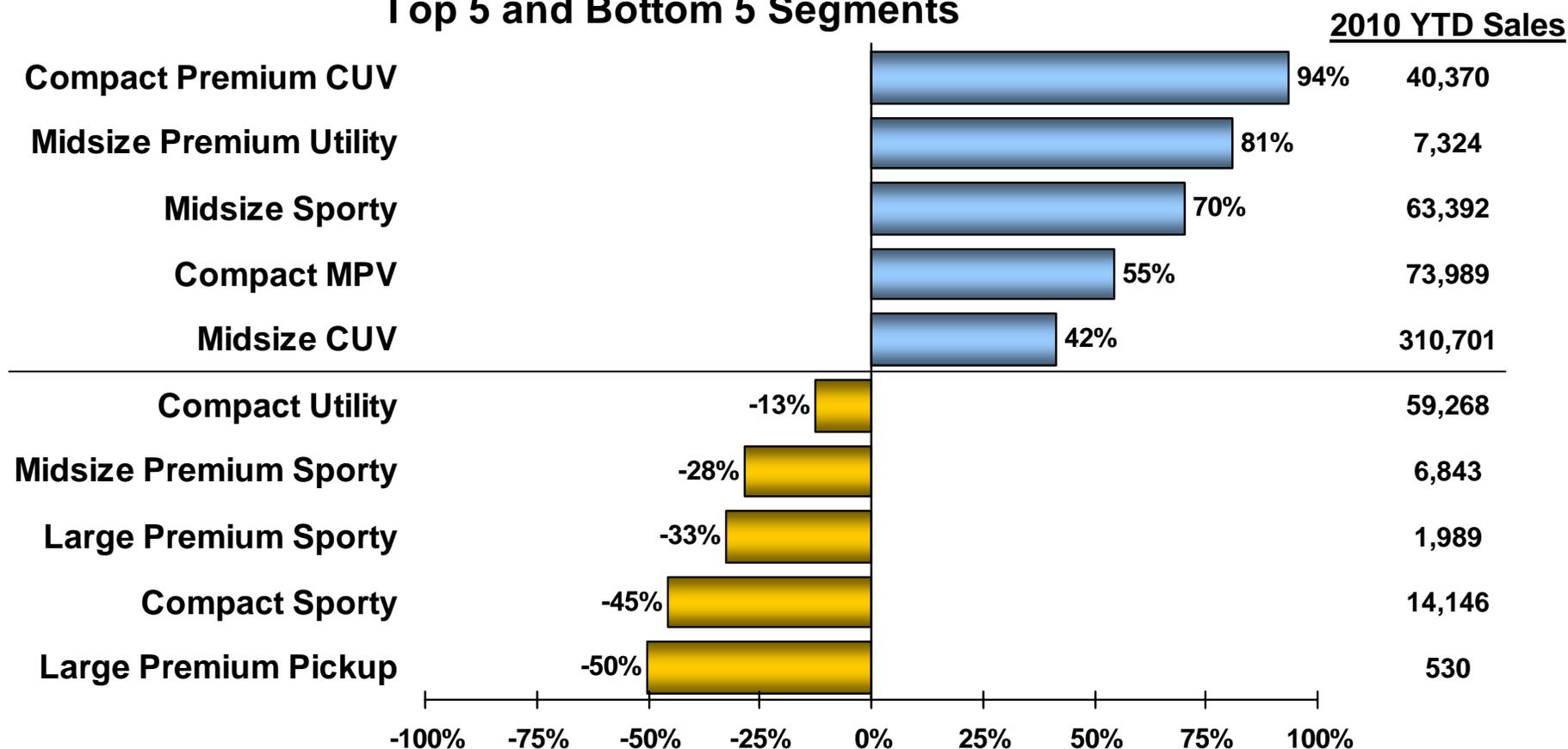
# Early in 2010 Kia has two strong entries



Source: JDPower Sales Report, April 2010

# New entries and redesigns are driving segment sales growth

**% Change in Sales - 2010 vs 2009 YTD**  
**Top 5 and Bottom 5 Segments**



Source: JDPA Sales Report, April 2010

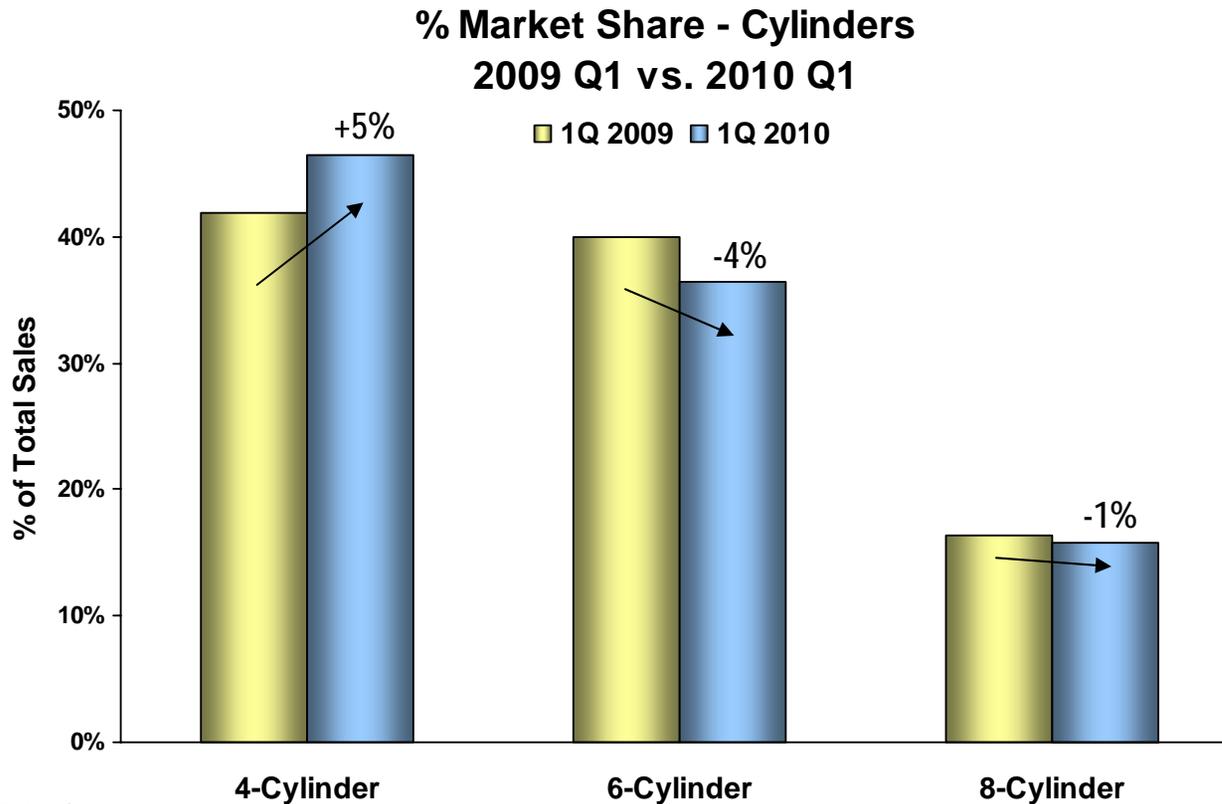
Note: Compact MPV is a new segment

# Compact MPV – the new segment

- **M**ulti **P**urpose **V**ehicle
- Typically a CUV type vehicle with interior space for passengers and cargo as a primary characteristic
- Current Models
  - Chevrolet HHR
  - Chrysler PT Cruiser
  - Ford Transit Connect
  - Kia Rondo
  - Kia Soul
  - Mazda Mazda5
  - Nissan Cube
  - Scion xB

# Sales are trending towards a higher proportion of more fuel efficient engines

- In Q1 this year, nearly half (47%) of new vehicle buyers chose a 4-cylinder engine
- Year over year, 4-cylinder engines grew 5% in market share



Source: Power Information Network

Note: Engine sizes only shown with market share greater than 2% (Rotary, 3, 5, 10, and 12 cylinders not shown)

# This week's snapshot of the auto industry

Corporations Month to Date Year-Over-Year Sales Performance As of May 16, 2010		
<b>INDUSTRY</b>	<b>Up</b>	<b>11%</b>
<b>Hyundai Motor America</b>	<b>Up</b>	<b>54%</b>
<b>General Motors Company</b>	<b>Up</b>	<b>21%</b>
<b>Daimler AG</b>	<b>Up</b>	<b>20%</b>
<b>American Honda Motor Company</b>	<b>Up</b>	<b>20%</b>
<b>Volkswagen of America, Inc.</b>	<b>Up</b>	<b>18%</b>
<b>Ford Motor Company</b>	<b>Up</b>	<b>14%</b>
<b>Nissan North America</b>	<b>Up</b>	<b>3%</b>
<b>Toyota Motor Sales, USA, Inc.</b>	<b>Down</b>	<b>-2%</b>
<b>BMW of North America</b>	<b>Down</b>	<b>-4%</b>
<b>Chrysler Group LLC</b>	<b>Down</b>	<b>-14%</b>

Source: Power Information Network

All figures based on year over year comparisons for the month to date of May (May 01, 2010 – May 16, 2010)

# Summary

- Global Sales
  - Marked improvement for 2010 and beyond
  - China surpasses the US in auto sales
- U.S. Recovery
  - Increase in production and purchase price
  - Improved days-to-turn
- Challenges
  - Hyper-competitive model activity
  - Restructuring of the marketplace
- Trend towards more fuel-efficient engines
  - Favoring smaller engines, not necessarily smaller cars
- Long-term sales fundamentals support growth and volume in 15-16 million range again, but long road ahead
  - Industry will be healthier at lower annual volume



# The Challenge for New Models: Quality Perceptions

# Consideration is critical because buyers shop only a limited number of models

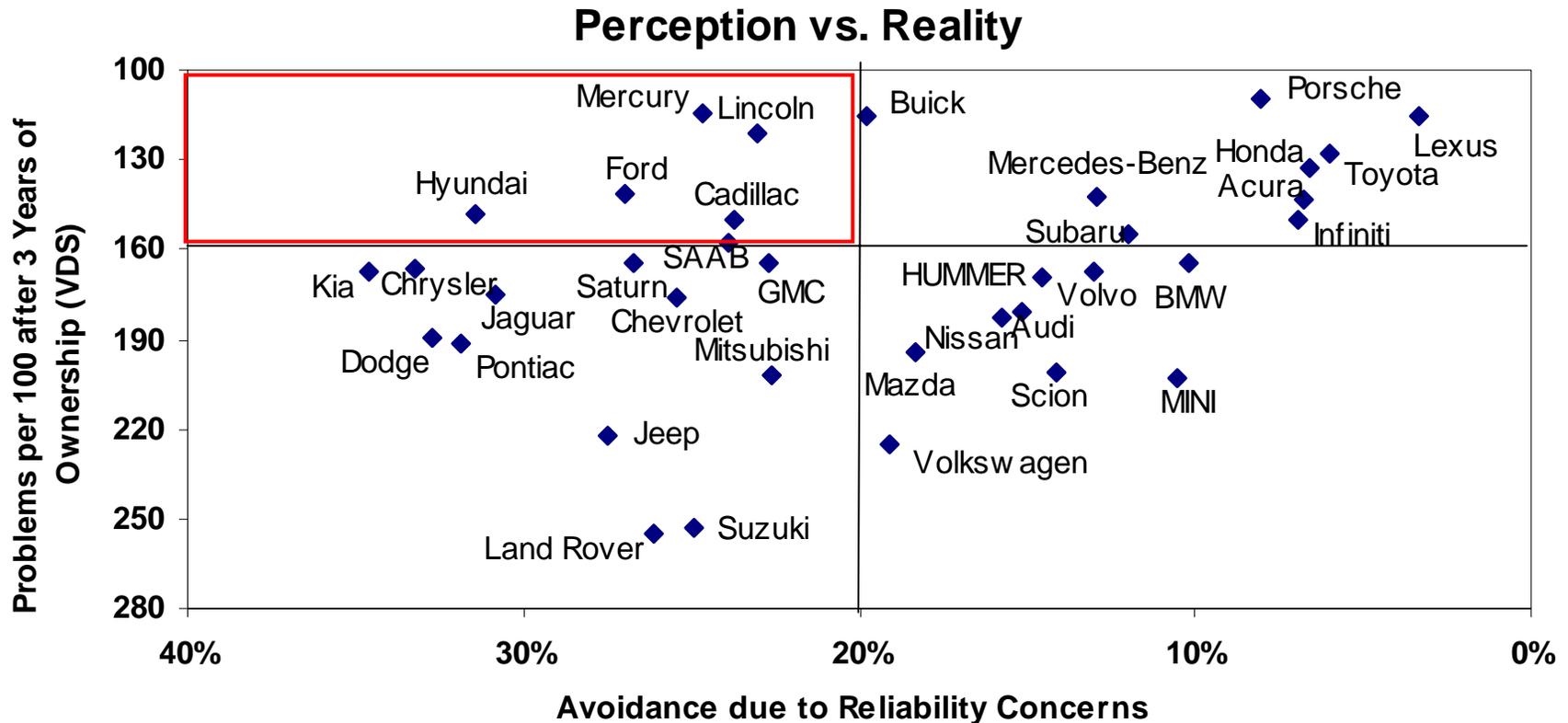


Source: 2009 Web Site Performance Tools Wave 1. Based to AIUs

# The importance of quality and perception

- Perception of quality and dependability is the most influential factor in the decision to purchase a specific vehicle model
- Several brands with high quality are avoided at relatively high rates due to consumer concerns about dependability
- Targeting these brands with the proper media would help raise awareness of vehicle dependability

# For certain brands, quality and reliability perceptions challenges their new model introductions



Source: J.D. Power and Associates' 2010 Vehicle Dependability Study and 2009 Avoider Study

# Specific media can provide better targeting to reach the shoppers who must have attitudes changed

<b>Compact CUV</b> (ex. Hyundai Tucson)	<b>Index</b>	<b>Compact Premium Conventional</b> (ex. Lincoln MKZ)	<b>Index</b>
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## Offline Media Report – Top 5

More	157	Details	402
In Touch Weekly	147	Los Angeles Magazine	276
Backpacker	135	New York Magazine	272
Fitness	132	W	270
Martha Stewart Living	131	Skiing	260

## Prospects Current Behavior – Top 5

parentdish.com	1,343	nbcuniversalstore.com	802
redplum.com	1,302	restaurant.com	475
walletpop.com	705	popcap.com	467
polls.aol.com	647	hgtv.com	393
news.aol.com	509	everydayhealth.com	354

Minimum 10% Online NVB Reach; Ranked by composition index  
Source: 2010 Power Auto Offline Media Report, Winter; 2010 PCB April (February Data)

Note: Sites categorized as "Services" were removed from PCB lists



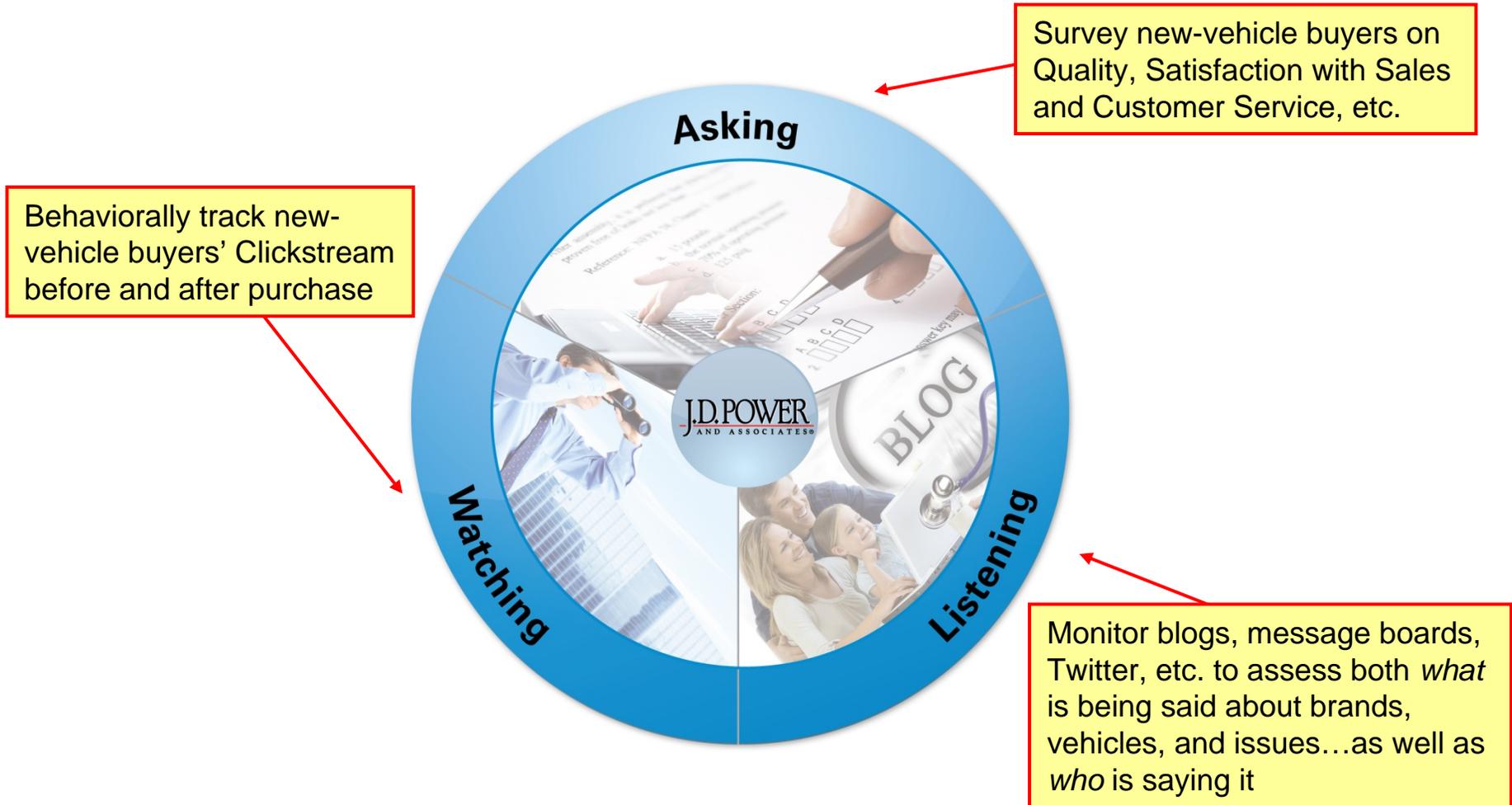
# J.D. Power and Associates



## Automotive Marketing and Media Studies

# J.D. Power and Associates

## 360° Approach to Research



# J.D. Power and Associates

## *Automotive Marketing and Media Solutions*

Products	Measurement	Performance	Strategic
Power Auto Offline Media Report	✓		
MRI Product & Psychographic Supplement	✓		
Prospects Current Behavior (PCB)	✓		
In-Market Buyer Behavior (IMBB)	✓		
Web Site Performance Tools (WSPT)	✓	✓	✓
Avoider			✓
Automotive Marketing Radar (AMR)			✓
Launch Assurance Study		✓	
Manufacturer Web Site Evaluation Study		✓	
Mobile Web Site Evaluation Study (Pilot)		✓	
Used Vehicle Market Report (UVMR)			✓
Auto Intelligence Monitor*	✓		✓
Tribe Intelligence*		✓	✓
Verbatim Intelligence*		✓	

\* Web Intelligence Products

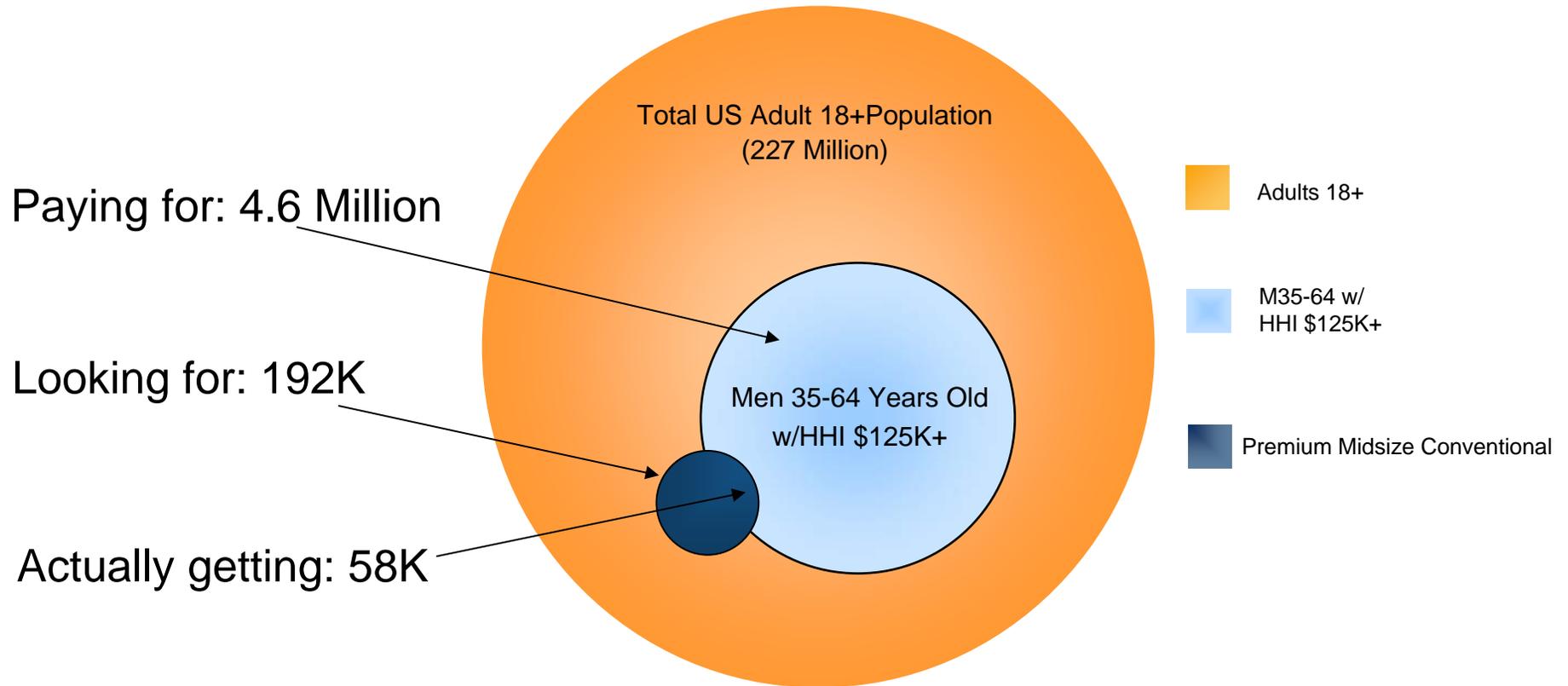


# More Effective Targeting

# Demographic targeting can miss the mark

Premium Midsize Conventional Segment

Demographic Targeting



Source: 2006-2008 American Community Survey 3-Year Estimates; 2010 Power Auto Offline Media Report – Winter

# Demographic vs. Segment targeting impacts media selection

## Top 15 Magazines Ranked by Composition Analysis

Rank	Midsize Premium Conventional
1	Departures Magazine
2	New York Magazine
3	Los Angeles Magazine
4	Travel + Leisure
5	Robb Report
6	Tennis Magazine
7	Veranda
8	Conde Nast Traveler
9	Food & Wine Magazine
10	New York Times Magazine
11	Forbes
12	W
13	Smart Money
14	Traditional Home
15	Architectural Digest

Rank	Male 35-64, HHI \$125K or more	Midsize Premium Conventional Rank
1	Harvard Business Review	20
2	Robb Report	5
3	Departures Magazine	1
4	Ski Magazine	37
5	Men's Journal	80
6	Skiing	33
7	Yachting	35
8	Fortune	21
9	Economist	50
10	Details	48
11	GQ	32
12	Wired	49
13	Bicycling	102
14	Esquire	36
15	Outside	116

Source: 2010 Power Auto Offline Media Report, Winter

# Discover your opportunities

## Top 15 Magazines Ranked by Composition Analysis

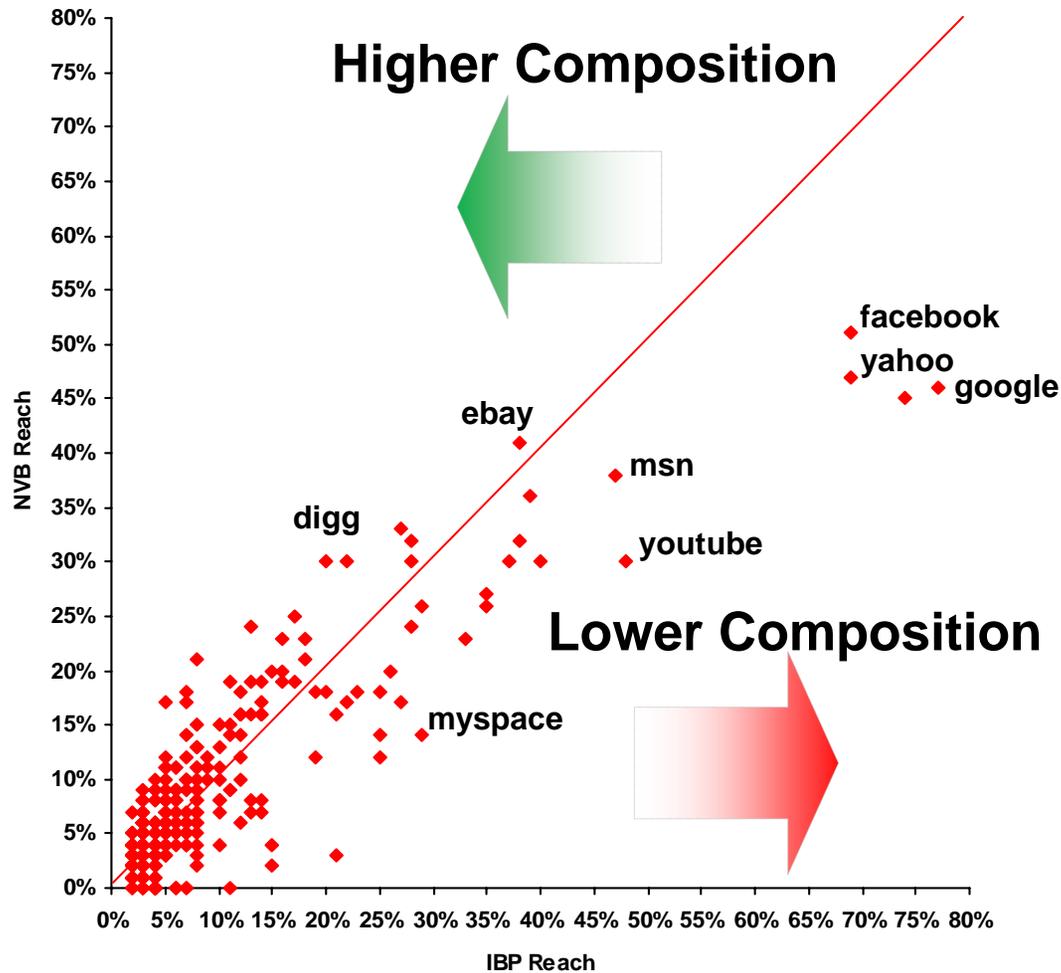
Rank	Compact CUV
1	More
2	In Touch Weekly
3	Backpacker
4	Fitness
5	Martha Stewart Living
6	Ladies Home Journal
7	Good Housekeeping
8	Glamour
9	Prevention
10	This Old House
11	Elle Décor
12	US Weekly
13	Parenting
14	Midwest Living
15	Discover

Rank	Adults 25-64, HHI <\$100K	Compact CUV Rank
1	Essence	115
2	Ebony	88
3	FamilyFun	82
4	American Baby	27
5	Glamour	8
6	Parents	17
7	Maxim	52
8	Parenting	13
9	Everyday with Rachael Ray	32
10	Star	24
11	Truckin'	127
12	North American Hunter	120
13	Brides Magazine	16
14	OK Weekly	23
15	Muscle & Fitness	107

Source: 2010 Power Auto Offline Media Report, Winter

# Sites have different compositions of new vehicle prospects compared to the Internet browser population

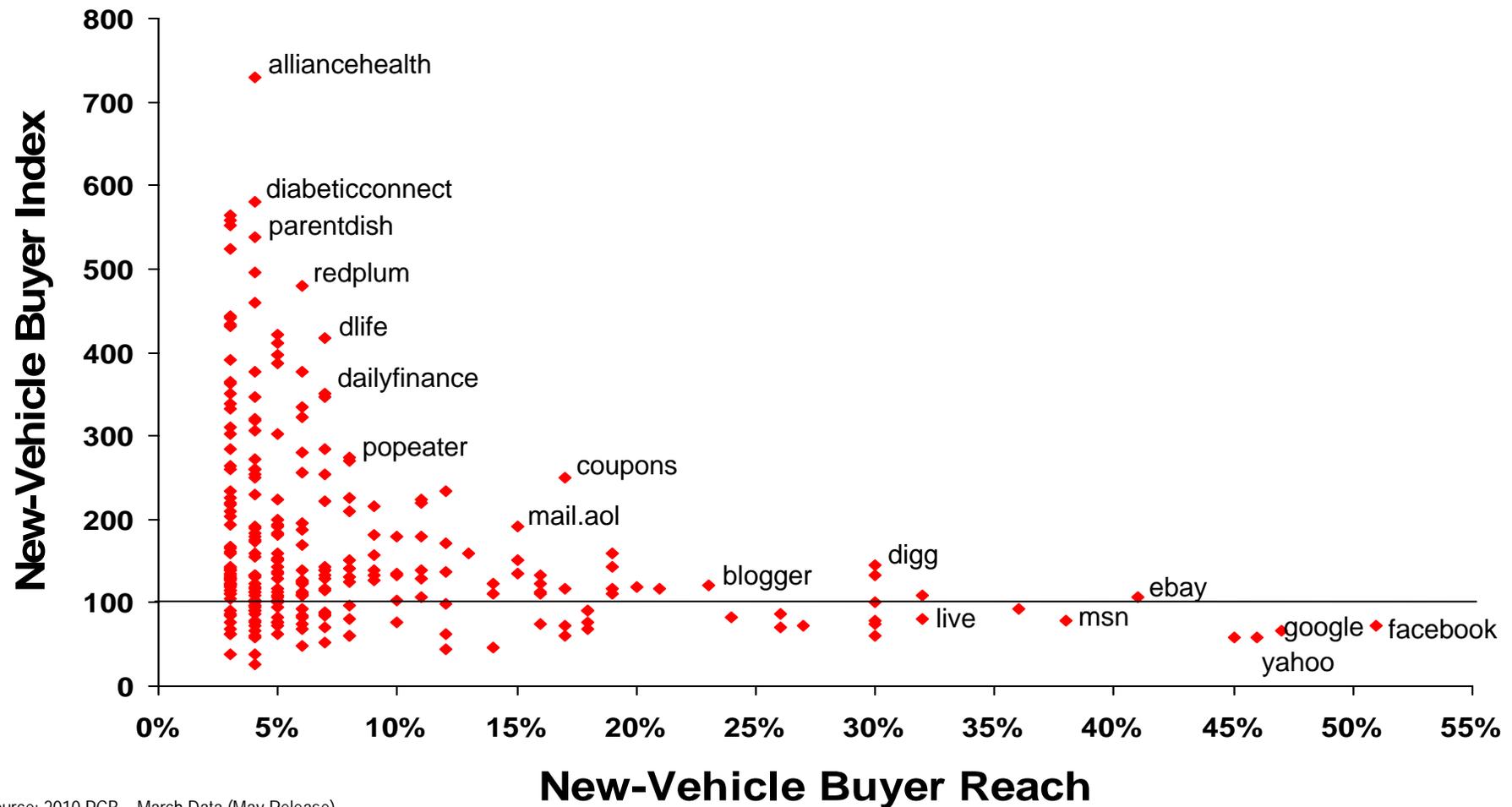
Top 400 Sites Internet Browser Population



Source: 2010 PCB – March Data (May Release)

# Opportunities for ROI when looking at a combination of reach and composition

## Top Sites Reach vs. Composition



Source: 2010 PCB – March Data (May Release)

Based on online new-vehicle buyers

Sites with at least 3% online reach and ad supported are shown

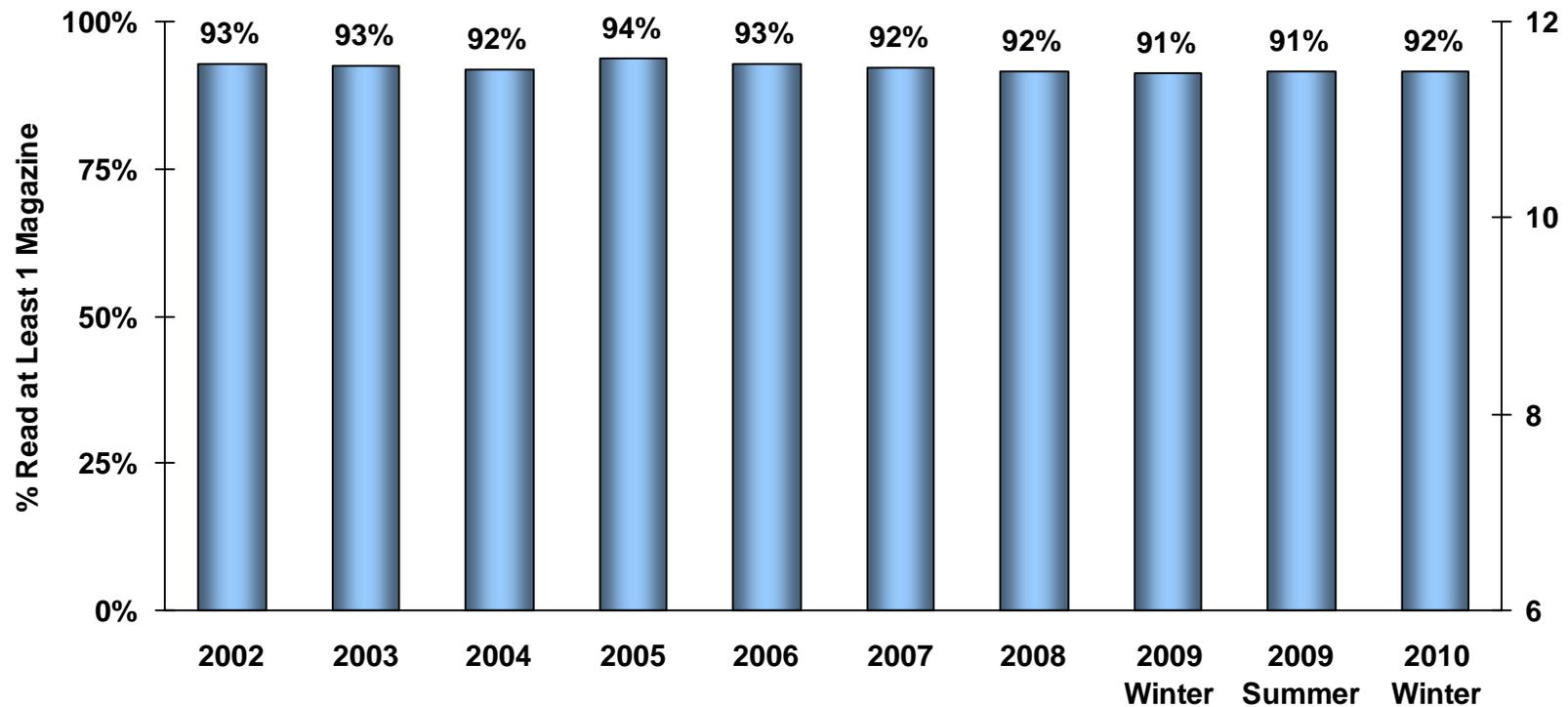


# Media Habits of New Vehicle Buyers

# Magazine readership still remains high

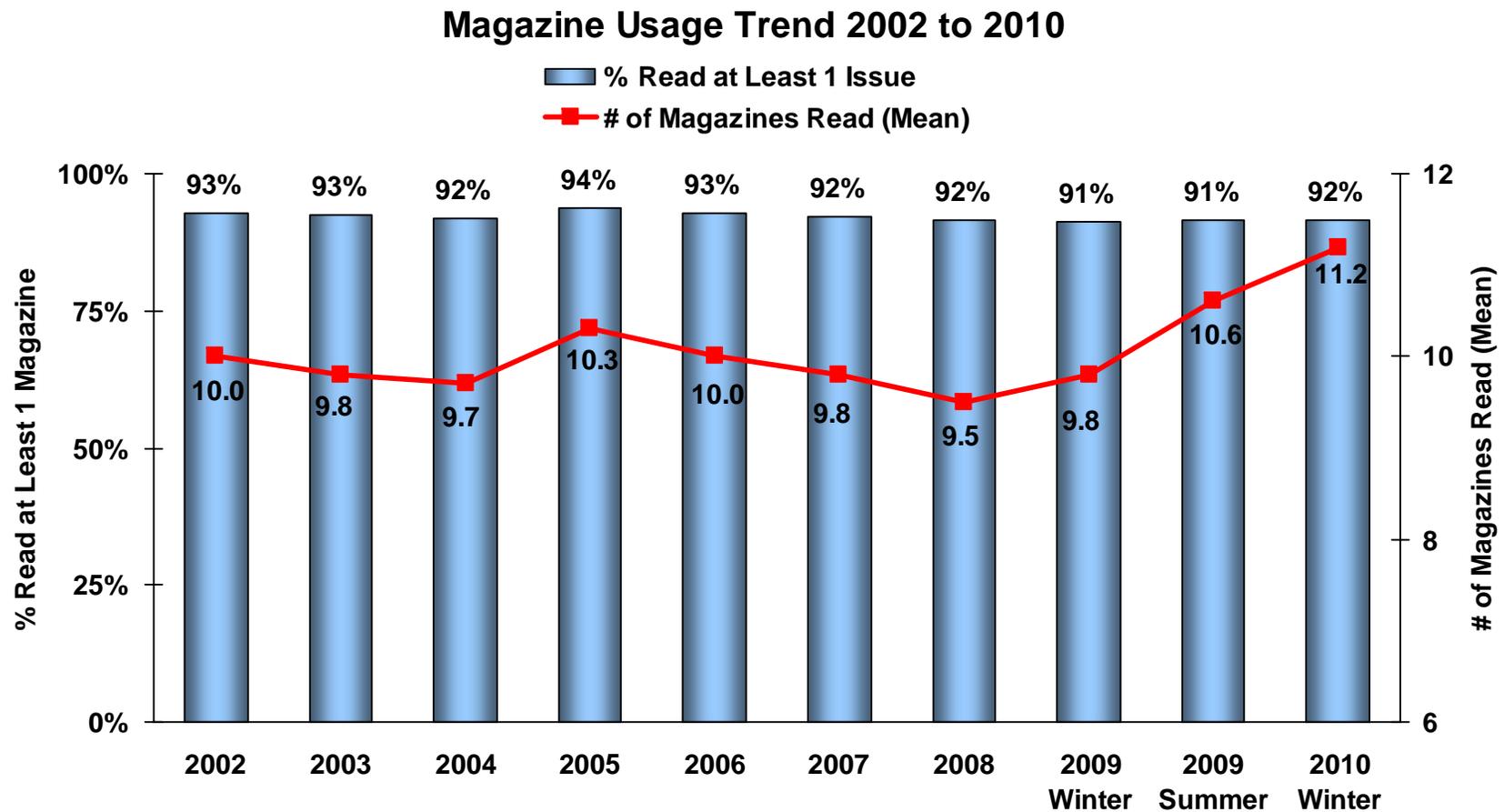
## Magazine Usage Trend 2002 to 2010

■ % Read at Least 1 Issue



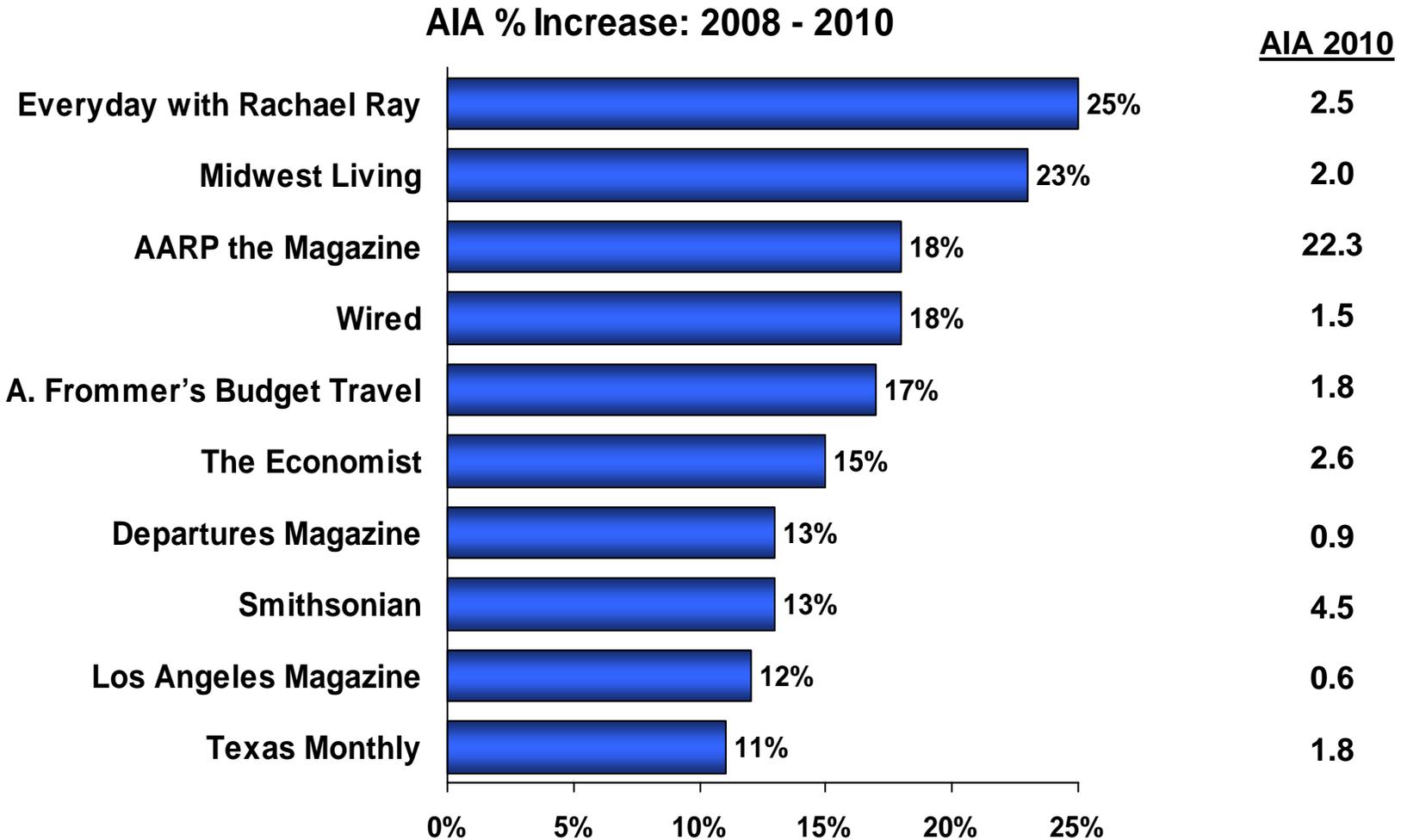
Source: 2002-2010 Power Auto Offline Media Reports  
# of Magazines Read in Last 6 Months (including Sunday Supplements)

# Magazine readership still remains high



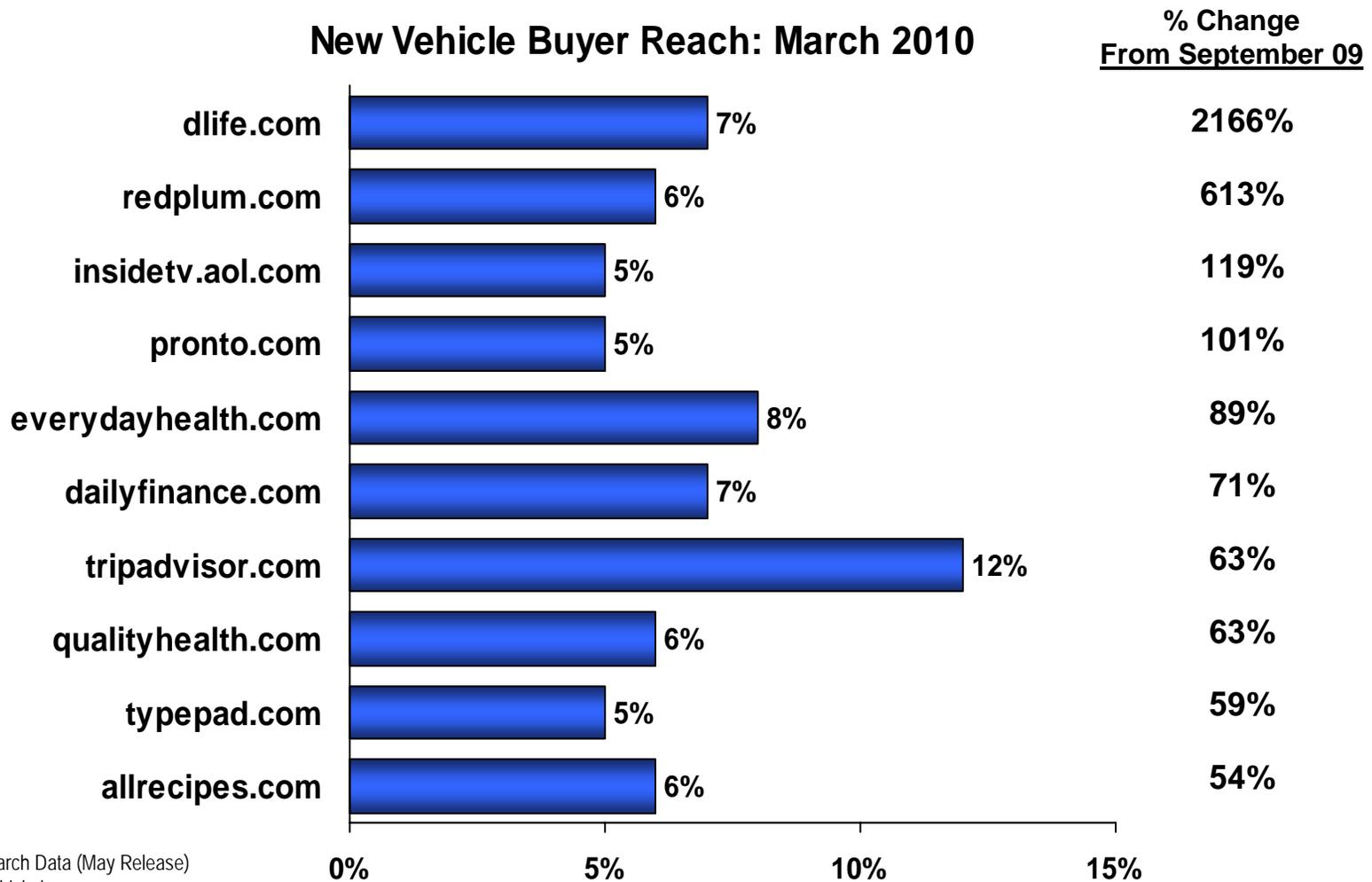
Source: 2002-2010 Power Auto Offline Media Reports  
 # of Magazines Read in Last 6 Months (including Sunday Supplements)

# Top 10 Fastest Growing Magazines for Reaching New Vehicle Buyers in the Last Two Years



Source: 2010 Power Auto Offline Media Report, Winter & 2008 Power Auto Offline Media Report, Spring

# Top 10 Fastest Growing Sites for Reaching New Vehicle Buyers in the Last Six Months



Source: 2010 PCB – March Data (May Release)  
 Based to online new-vehicle buyers  
 Sites with at least 5% online reach and ad supported are shown

# New Internet questions provide ways to target your audience online

	<b>% Yes</b>	<b>% No</b>
Have Internet Access	90%	10%
Access Internet via mobile phone	26%	71%
Watched TV online in past 30 days	16%	81%

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only and Accessed Internet  
Note: Percentages may not sum to 100% because of no answers

# Watching TV online ranks high with Compact segments

## Watched TV online in past 30 days Top Five Indexing Segments

Segment	Reach	Index
Total	16%	
Compact Basic	23%	147
Compact Sporty	21%	135
Compact Conventional	19%	123
Large Premium Utility	19%	122
Midsized Utility	19%	121

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only & Access Internet (Yes)

# Business, entertainment, and women's interest magazines are popular among those who watch TV online

## Watched TV online in past 30 days Top 10 Indexing Magazines

<b>Magazines</b>	<b>Index</b>	<b>Magazines</b>	<b>Index</b>
Wired	293	In Touch Weekly	206
Fast Company	280	Allure	191
Elle	219	Harvard Business Review	187
Lucky Magazine	210	Maxim	187
OK! Weekly	207	Marie Claire	179

Source: 2010 J.D. Power and Associates, Winter  
Based to Winter Wave Only

# Premium segments rank high for Internet via mobile phone

## Access Internet via Mobile Phone Top 5 Indexing Segments

Segment	Reach	Index
Total	26%	
Large Premium Utility	59%	229
Large Premium Sporty	56%	219
Midsize Premium Utility	56%	217
Midsize Premium Sporty	46%	181
Compact Premium CUV	43%	167

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only

# Business, wealth, and men's interest magazines are popular among Internet via mobile phone

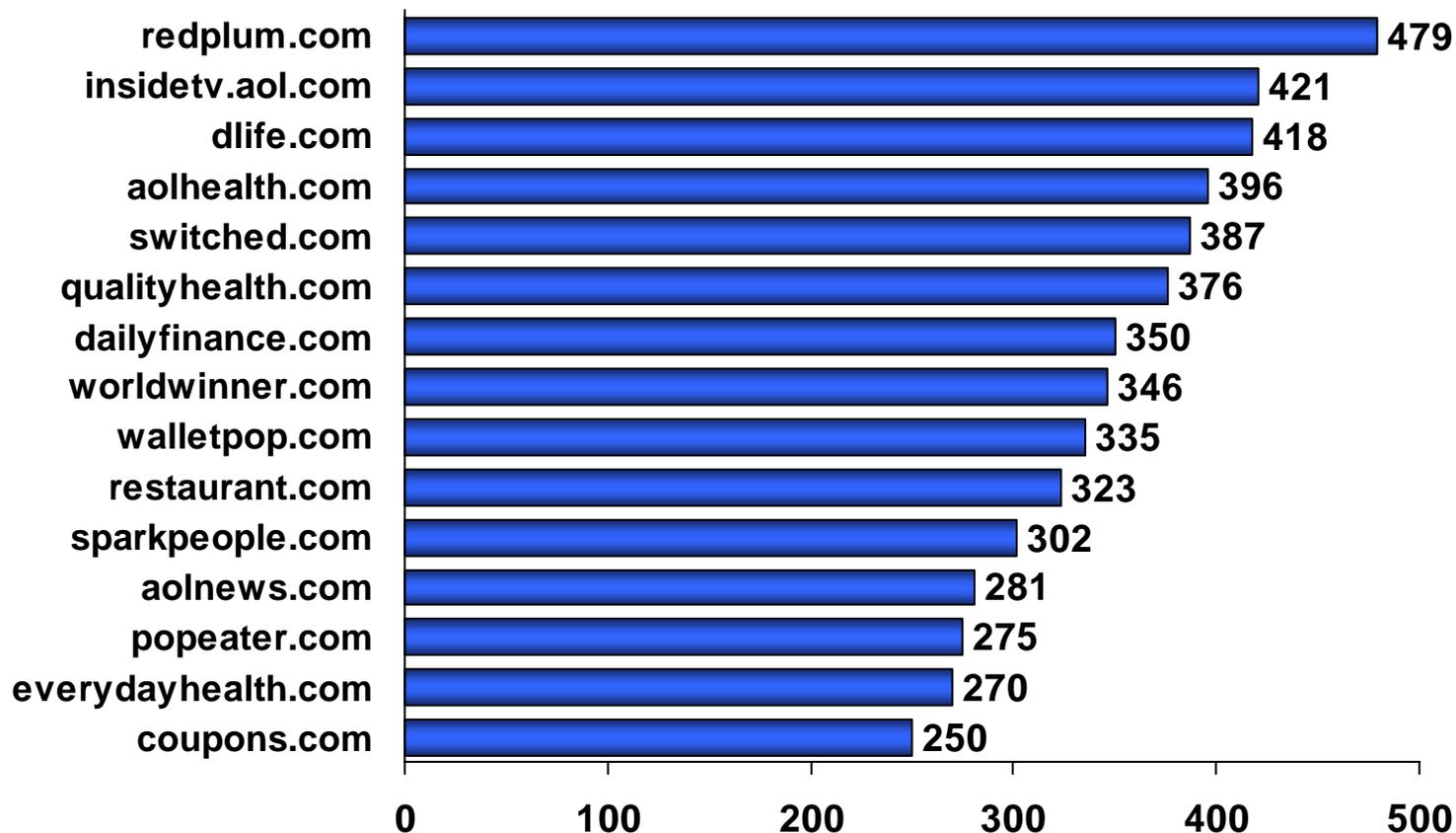
## Access Internet via Mobile Phone Top 10 Indexing Magazines

<b>Magazines</b>	<b>Index</b>	<b>Magazines</b>	<b>Index</b>
Fast Company	274	Los Angeles Magazine	218
Harvard Business Review	257	Robb Report	217
Wired	256	GQ	208
Departures Magazine	235	Maxim	200
Details	220	Runner's World	190

Source: 2010 J.D. Power and Associates, The McGraw-Hill Companies, Inc. All Rights Reserved.  
Based to Winter Wave Only

# Shopping, entertainment, health, and finance sites combine high composition of buyers...

Top 15 Indexing Sites in March 2010



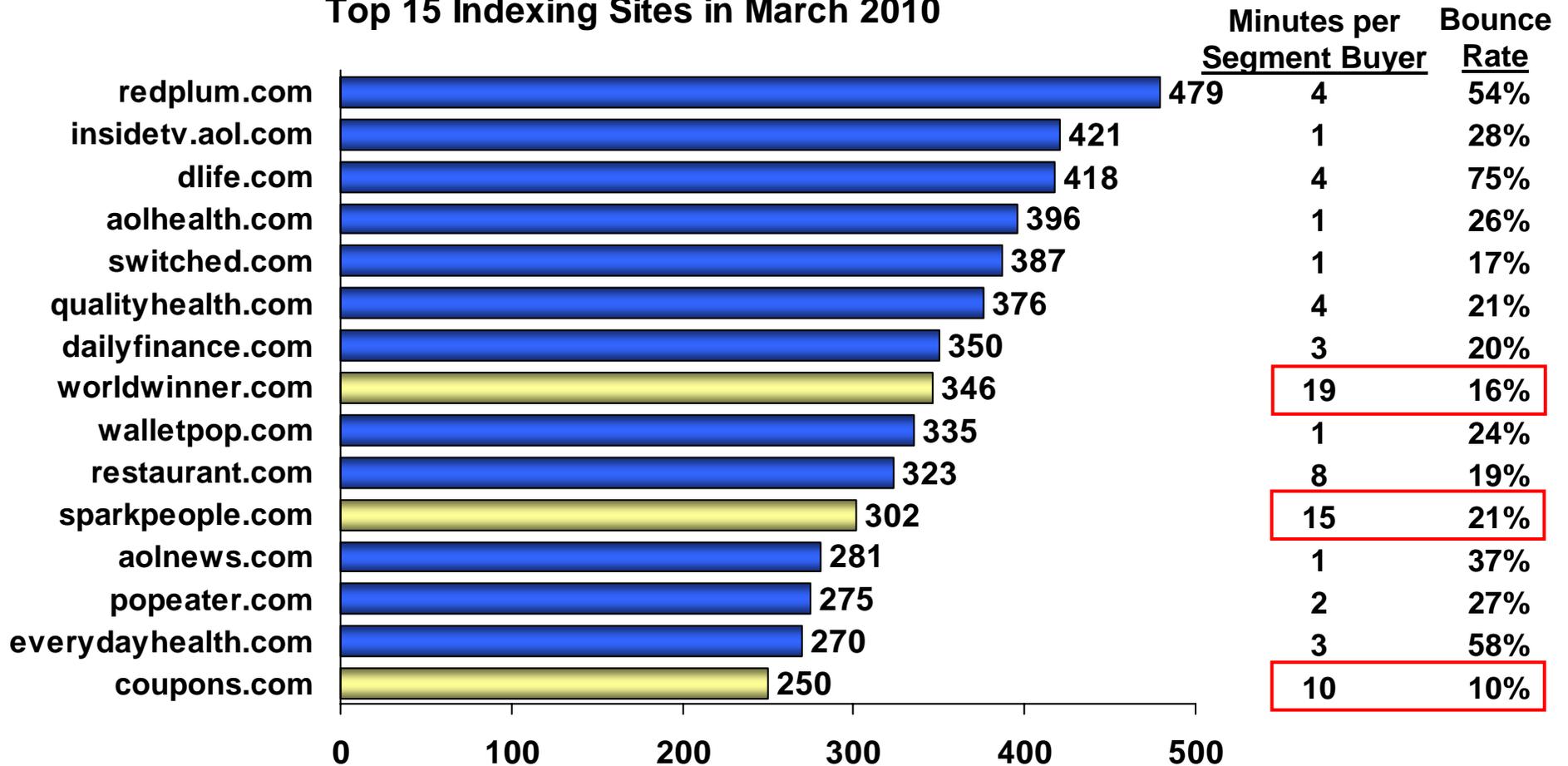
Source: 2010 PCB – March Data (May Release)

Based to online new-vehicle buyers

Sites with at least 5% online reach and ad supported are shown

...but looking closer, worldwinner.com, sparkpeople.com, and coupons.com offer high time-spent as well as low bounce rate

Top 15 Indexing Sites in March 2010



Yellow-highlighted bars combine both high time-spent with a low bounce rate

Source: 2010 PCB – March Data (May Release)  
Based to online new-vehicle buyers  
Sites with at least 5% online reach and ad supported are shown



# The Heavy Cross-Platform User

# What is a heavy cross-platform user?

- Among new vehicle buyers, we looked at those who:
  - Read 10 or more magazines in the past 6 months
  - Used the Internet for 10 hours or more per week (personal use)
  - Watched TV for 255 minutes or more per week (4.25 hours)
  - Use the Internet via mobile phone
- Only 2% of new vehicle buyers fall into this category

Source: 2010 J.D. Power Auto Offline Media Report, Winter  
Based to Winter Wave Only

# Premium brands index high for heavy magazine readers

## 1. Heavy Magazine Readers

- Read 10 or more magazines in the past 6 months

➔ 37% of NVB are top volume magazine readers

## Heavy Magazine Readers

Top 10 Indexing Brands	Comp	Index
Land Rover	64%	173
Porsche	57%	155
Audi	52%	142
BMW	52%	142
Maserati	52%	141
Jaguar	50%	136
Mercedes-Benz	47%	128
Lexus	47%	126
Infiniti	46%	125
Acura	45%	123

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only  
NVB = New Vehicle Buyers

# When we add Internet, Land Rover and Porsche stay on top and SAAB moves up to third

- 1. Heavy Magazine Readers
- 2. Heavy Internet Users
- Used Internet for 10 hours or more per week

➔ 16% of NVB are top volume magazine readers and Internet users

## Heavy Magazine & Internet Users

Top 10 Indexing Brands	Comp	Index
Land Rover	28%	181
Porsche	27%	173
<b>SAAB</b>	<b>26%</b>	<b>167</b>
Infiniti	25%	159
Audi	24%	156
BMW	24%	156
Maserati	24%	151
Acura	23%	147
Jaguar	21%	137
Lexus	21%	135

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only  
NVB = New Vehicle Buyers

# When we add TV, non-premium brands appear

1. Heavy Magazine Readers
  2. Heavy Internet Users
  3. **Heavy TV Watchers**
- Watched TV for 255 minutes or more per week

 7% of NVB are top volume magazine readers, Internet users, and TV watchers

## Heavy Magazine, Internet, & TV Users

Top 10 Indexing Brands	Comp	Index
Infiniti	12%	185
Jaguar	12%	182
Acura	10%	156
<b>smart</b>	<b>10%</b>	<b>148</b>
<b>HUMMER</b>	<b>9%</b>	<b>143</b>
<b>Honda</b>	<b>9%</b>	<b>142</b>
Land Rover	9%	136
SAAB	9%	135
Lincoln	9%	134
Lexus	9%	133

Source: 2010 J.D. Power Auto Offline Media Report, Winter  
Based to Winter Wave Only  
NVB = New Vehicle Buyers

# When we add mobile to complete our heavy cross-platform mix, premiums index high, as well as GMC and Scion

1. Heavy Magazine Readers
2. Heavy Internet Users
3. Heavy TV Watchers
4. Access Internet via Mobile Phone



2% of NVB are heavy cross-platform users

## Heavy Cross-Platform Users

Top 10 Indexing Brands	Comp	Index
Land Rover	7%	373
BMW	5%	273
Audi	5%	261
Cadillac	4%	214
Mercedes-Benz	4%	210
<b>GMC</b>	<b>4%</b>	<b>208</b>
Porsche	4%	206
Infiniti	4%	205
<b>Scion</b>	<b>4%</b>	<b>191</b>
Jaguar	3%	166

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only  
NVB = New Vehicle Buyers

# Heavy cross-platform users are younger and more affluent than the average new vehicle buyer

	Heavy Cross-Platform Users		Total NVB
	Median		Median
Median Age	48		54
Median HH Income	\$133,294		\$88,111
	Reach	Index	Reach
Married	72%	99	73%
Single	15%	150	10%
Divorced/Separated	8%	81	9%
Living with Domestic Partner	3%	139	2%
Children - Yes	37%	130	29%
White/Caucasian	81%	93	87%
Black/African American	4%	105	3%
Asian/Asian American	6%	150	4%
Latino/Hispanic	6%	266	2%
Other Race	9%	175	5%

Source: 2010 J.D. Power Auto Offline Media Report, Winter  
Based to Winter Wave Only  
NVB = New Vehicle Buyers

Children in Household 17 years or younger  
Blue Font = Index 110 or Higher

# Heavy cross-platform users index high among business and wealth magazines

## Heavy Cross-Platform Users

Top 10 Indexing Magazines	Comp	Index	Mobile Site?	Mobile App?
Fast Company	13%	718	✓	
Details	13%	701		
Veranda	12%	664		
Harvard Business Review	12%	629	✓	✓
Robb Report	9%	498		
Wired	9%	484	✓	✓
Los Angeles Magazine	8%	416		
Departures Magazine	8%	409		
W	8%	405	✓	✓
Men's Journal	8%	403		

Source: 2010 Power Auto Offline Media Report, Winter  
Based to Winter Wave Only

# Insights on Two Current Campaigns



## Auto Intelligence Monitor Reporting

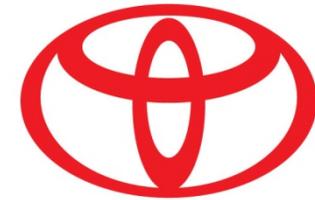
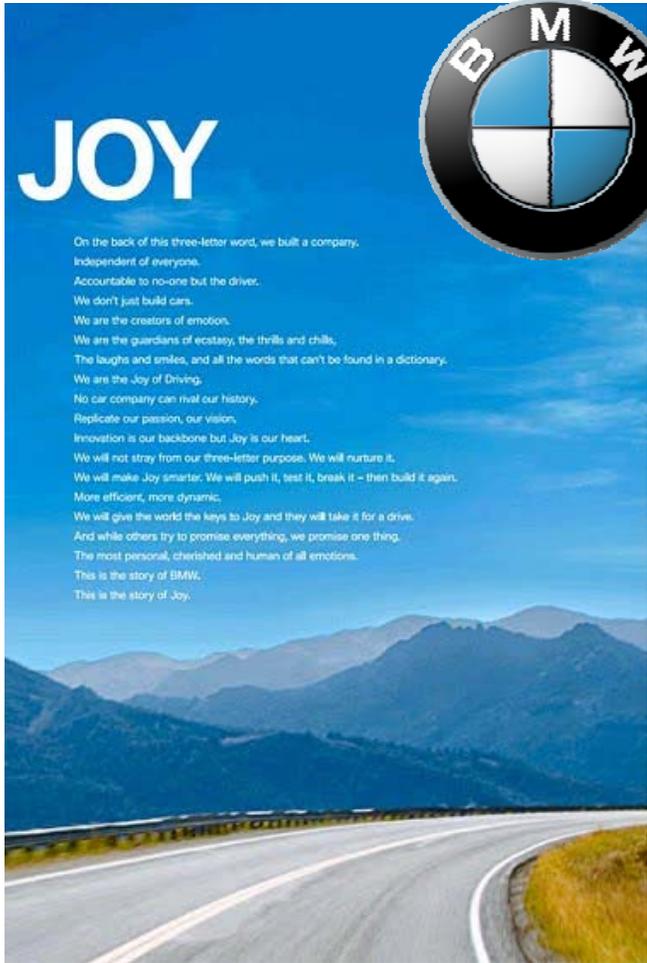
# Using New Tools to Measure Campaign Effectiveness

## J.D. Power Auto Intelligence Monitor™



# JOY

On the back of this three-letter word, we built a company.  
Independent of everyone.  
Accountable to no-one but the driver.  
We don't just build cars.  
We are the creators of emotion.  
We are the guardians of ecstasy, the thrills and chills.  
The laughs and smiles, and all the words that can't be found in a dictionary.  
We are the Joy of Driving.  
No car company can rival our history.  
Replicate our passion, our vision.  
Innovation is our backbone but Joy is our heart.  
We will not stray from our three-letter purpose. We will nurture it.  
We will make Joy smarter. We will push it, test it, break it – then build it again.  
More efficient, more dynamic.  
We will give the world the keys to Joy and they will take it for a drive.  
And while others try to promise everything, we promise one thing.  
The most personal, cherished and human of all emotions.  
This is the story of BMW.  
This is the story of Joy.



# BMW's new "Joy" campaign is a major departure from their well-known "Ultimate Driving Machine" message

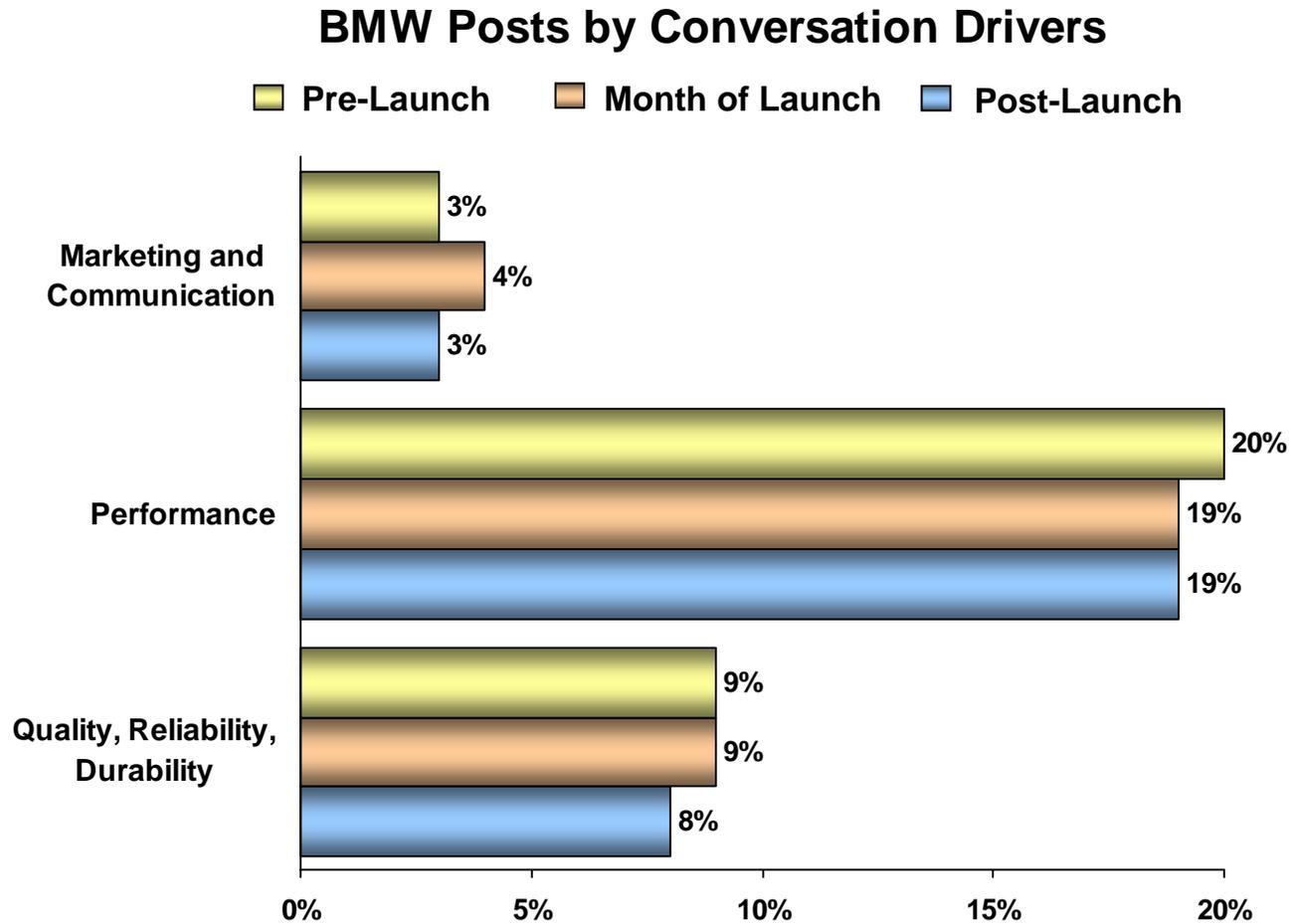


**JOY IS MATERNAL.**



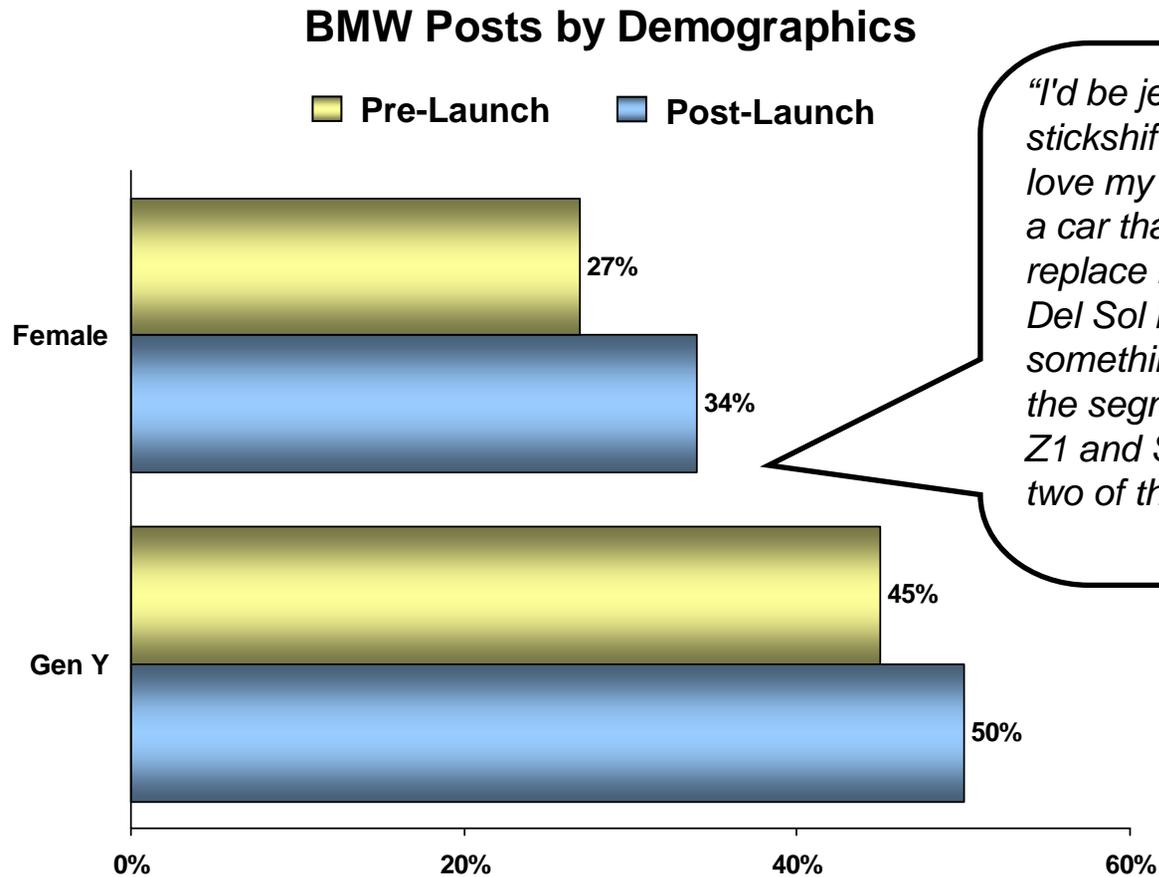
A BMW advertisement for EfficientDynamics. It features a car driving on a road that curves upwards. The text 'JOY IS INTELLIGENT ENERGY MANAGEMENT.' is prominently displayed. Below it is a 'Find Out More' button. In the top right corner, there are logos for 'BMW EfficientDynamics' and 'The Ultimate Driving Machine'. In the bottom right corner, there are 'Replay' and 'Close' buttons. The BMW EfficientDynamics logo and tagline 'Less consumption. More driving pleasure.' are in the bottom left corner.

# There were only slight shifts in BMW posts by conversation drivers before, during, and post-launch



Source: J.D. Power Auto Intelligence Monitor™

# The real change occurred in the people doing the talking, not the conversation topics



*"I'd be jealous if the thing were a stickshift, kinda. I mean, okay, I love my Capri a lot. If I had to pick a car that wasn't a Capri to replace it with, I'd probably pick a Del Sol before a Miata or something. There's a lot of cars in the segment that I like (the BMW Z1 and Suzuki Cappuccino being two of them)."*

*-Gen Y Mom*

Source: J.D. Power Auto Intelligence Monitor™

# The Toyota “Sienna Family” campaign has grown virally, garnering a lot of Internet buzz in recent weeks

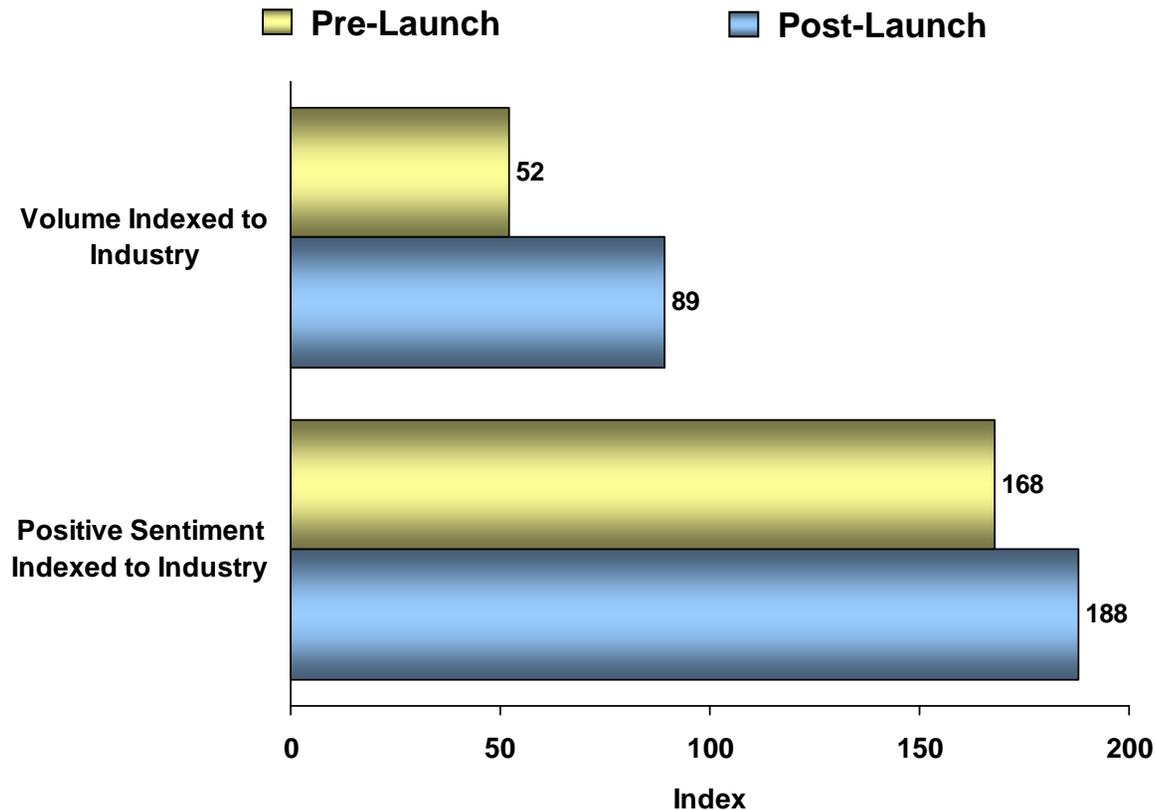
A screenshot of a Facebook page for a group named "Swagger Wagon". The page has a cover photo of a man and a woman. The main content shows a post from "Swagger Wagon" dated March 7 at 12:42pm with the text "SWaGgeR WaGOn!!!!!!". Below the post, it says "13 people like this." and "View all 15 comments". There are three comments: one from Jamal Osman dated May 6 at 8:30pm, one from Alexis Lafferty dated Monday at 9:21pm, and another from "Swagger Wagon" dated March 5 at 10:42pm. On the left sidebar, it says "2,643 People Like This" and lists three users: Doug, Natalie, and Mark.

A screenshot of the Toyota website for the Sienna 11. The header includes the Toyota logo and navigation links for CARS, TRUCKS, SUVs & VAN, and HYBRIDS. Below the navigation, there are links for "BUILD YOUR TOYOTA" and "FIND A DEALER". The main content area features a large image of a silver Sienna minivan with the text "Daddy Like." and "The New Sienna SE Minivan". There are also links for "Models & Prices", "Photos & Colors", "Features & Specs", "Options & Accessories", "Compare Vehicles", "Demos & Videos", "BUILD YOUR SIENNA", and "SIENNA SHOPPING TOOLS". At the bottom, there are social media links for Facebook and YouTube.

A screenshot of a YouTube channel page for "SIENNA MINIVAN". The channel name is "Sienna's Channel". The page shows a video player with a thumbnail of a woman. Below the video player, there are several video thumbnails with titles: "Meet The Parents" (410,555 views), "Daddy Like Help" (113,024 views), "Daddy Like Space" (89,172 views), and "Daddy Like Bonding Time". The channel also has a "Subscribe" button and links for "Uploads", "Favorites", and "Playlists".

# The marketing discussion increased following the launch of multiple “Sienna Family” viral elements

## Toyota Sienna Posts - Marketing and Communication



Source: J.D. Power Auto Intelligence Monitor™

# There are discussions not only helping Toyota, but the Midsize Van segment in general

## Creating Desire

*"I want a swagger wagon! Please feel free to buy, build or steal me one. Thx!"*  
*-Meghyn, Cincinnati, Mom, fiance, hiker, home-owner, foodie*



## Improving Brand Perceptions

*"So we've been looking at the Honda Odyssey and the Toyota Sienna. You GOTTA LOVE the "Swagger Wagon" commercials right now by Toyota! Yes, yes, I know they've been having problems, but don't you think they'd be EXTRA careful about these new models coming out?"*  
*-Karen, 31, Kentucky*



## Owning the conversation lingo

*"...we quickly scoured the internet (i.e., Amazon ) for a magna doodle and procured not only a full sized one for the home, but a travel size one to keep in the swagger wagon."*  
*-Father, Charlotte, NC*



# Auto and Media Patterns



## Media for the Four Fastest Growing Vehicle Segments

# Segment Analysis

- Let's take a look at the media behavior of the top 4 segments of 2010 so far
- These segments had the highest positive percent change from 2009 to 2010 from **January through April**:
  - Compact Premium CUV (+94%)
  - Midsize Premium Utility (+81%)
  - Midsize Sporty (+70%)
  - Compact MPV (+54%)

# Model Mix

## Top Five Models by Segment (% Reach)



Source: 2010 Power Auto Offline Media Report, Winter

# Widely different magazines serve the different segments

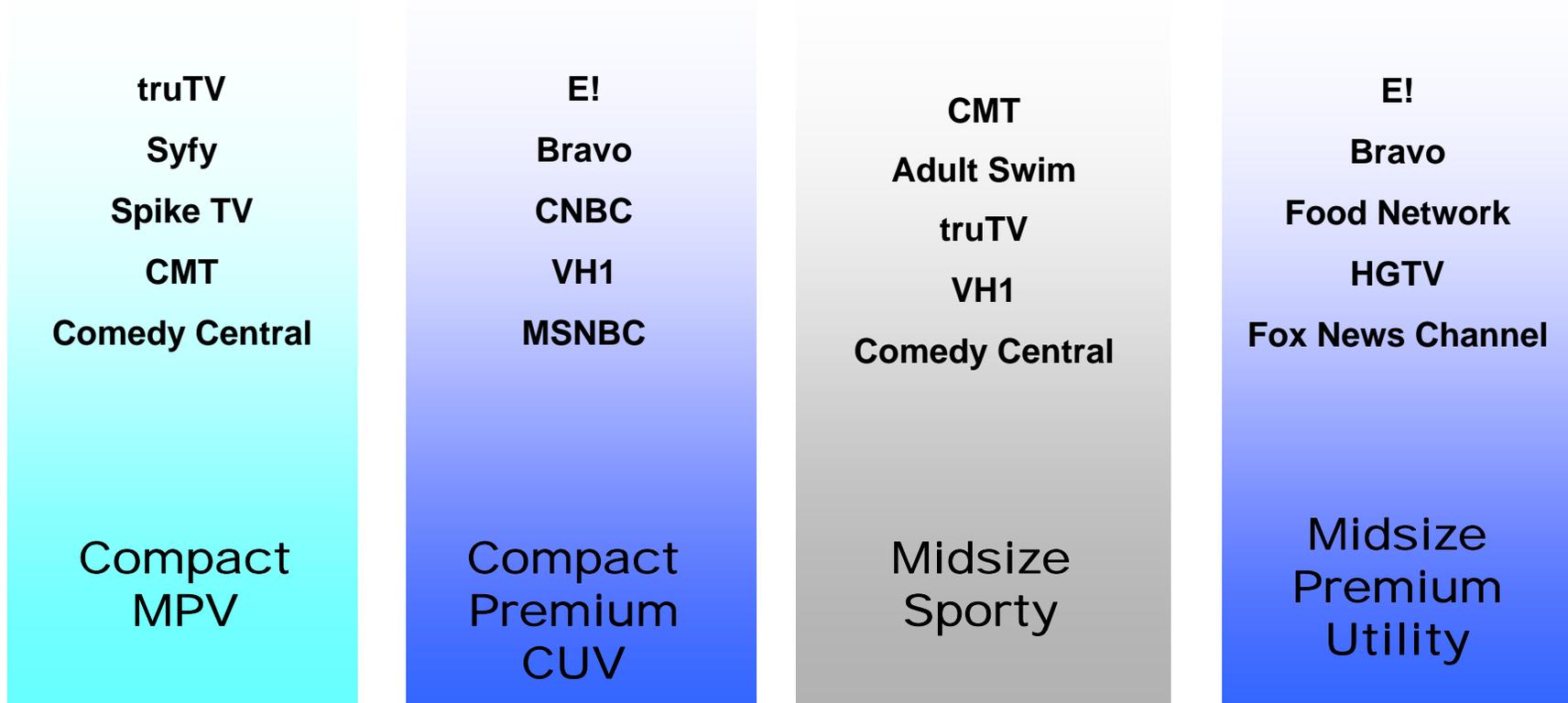
## Top Five Indexing Magazines Read by Segment



Source: 2010 J.D. Power Auto Offline Media Report, Winter  
Read or looked into a publication in the last 6 months (including Sunday Supplements)

# The same is true with Cable

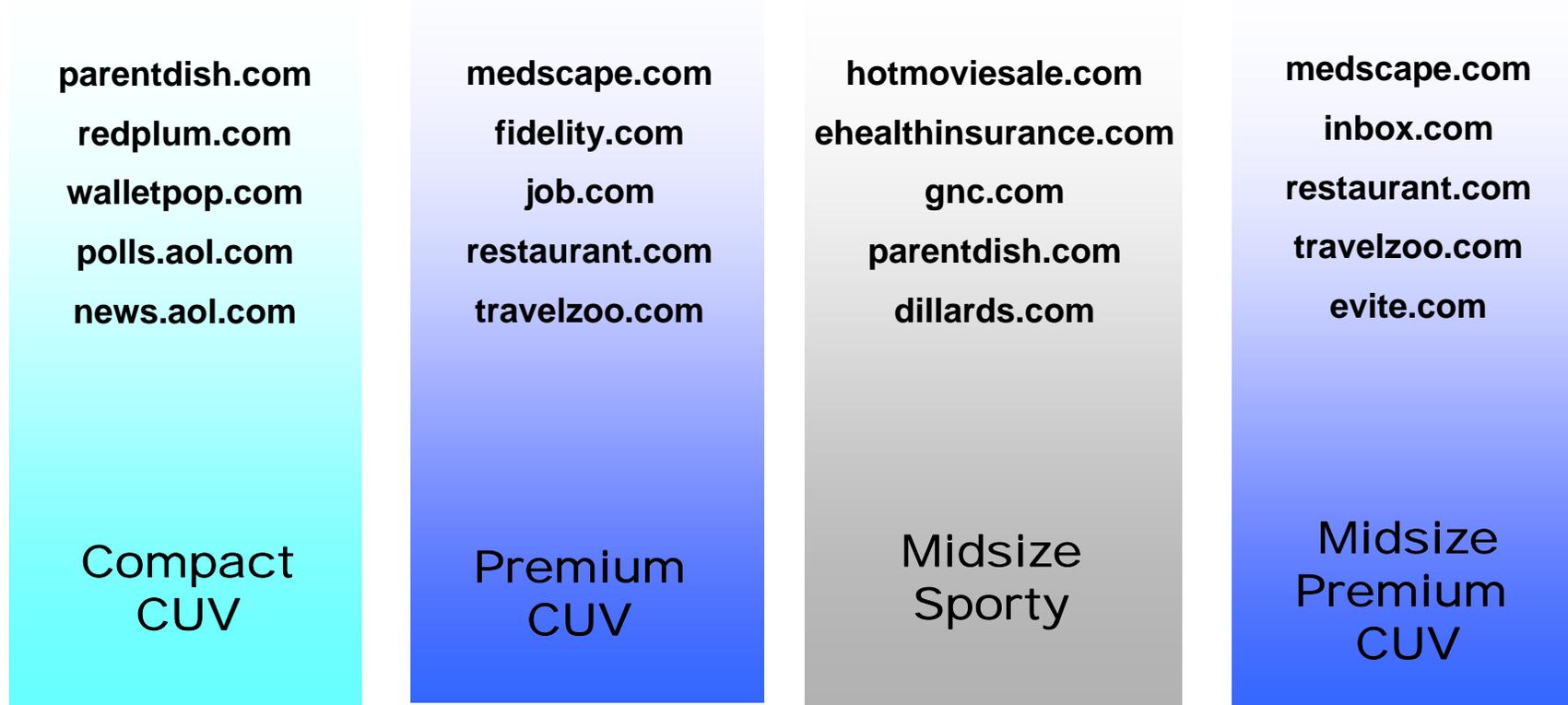
## Top Five Indexing Cable Stations by Segment



Source: 2010 Power Auto Offline Media Report, Winter  
Cable Stations Watched in Past 7 Days

# There is a wide difference in high composition sites between segments

## Top Five Indexing Web Sites



Based to online new-vehicle buyers within the Segment  
 Minimum 10% Online NVB Reach; Ranked by composition index  
 Note: Sites categorized as "Services" were removed.  
 Source: 2010 PCB April (February Data)

Note: Midsize Premium CUV was used instead of Midsize Premium Utility



# Compact MPV

# Compact MPV – the new segment

## Current Models

**Chevrolet HHR**  
29%



**Chrysler PT Cruiser**  
4%



**Ford Transit Connect**  
9%



**Kia Rondo**  
3%



**Kia Soul**  
22%



**Mazda Mazda5**  
9%



**Nissan Cube**  
15%



**Scion xB**  
8%

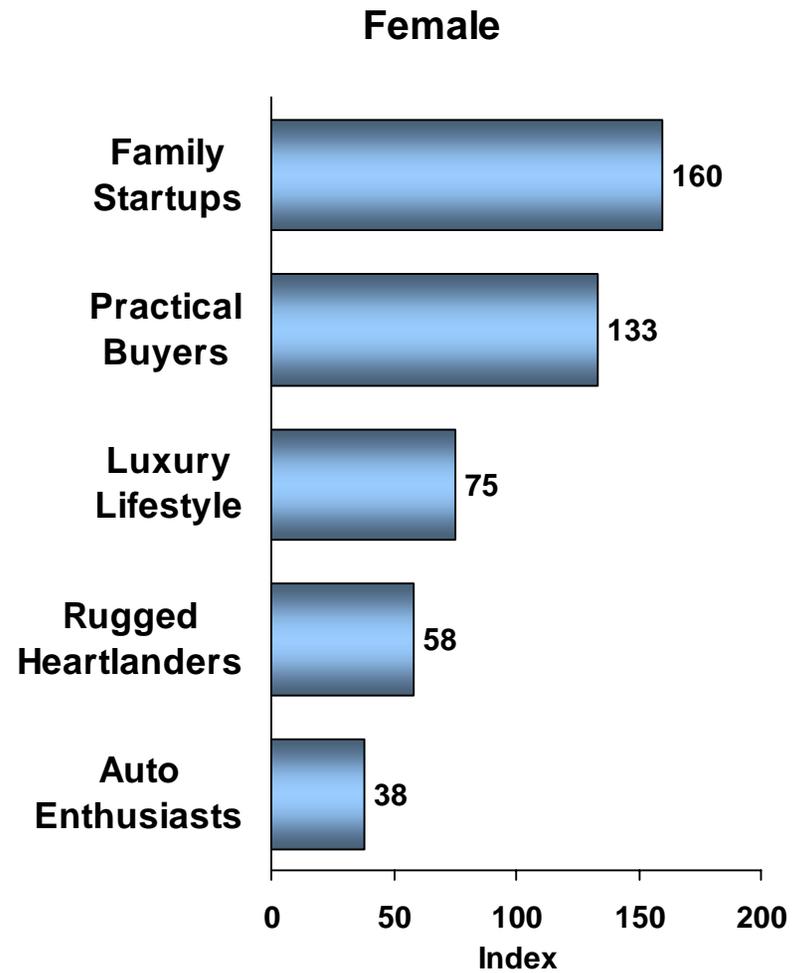
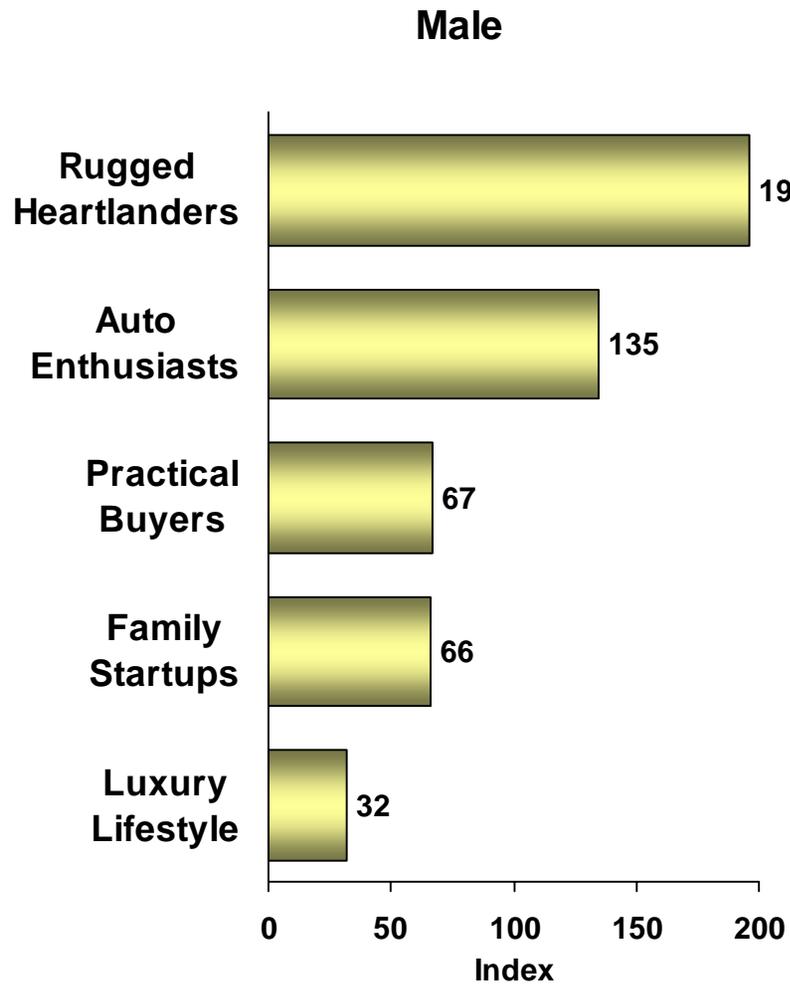


Source: JDPower.com Sales Report, April 2010; Photo source: JDPower.com

Percentages represent the portion each model makes up of the Compact MPV segment for 2010 YTD

Note: Ford Transit Connect and Nissan Cube not yet sampled for 2010 Winter

# Compact MPV – AutoSegmentation<sup>sm</sup>



Source: 2010 Power Auto Offline Media Report, Winter

# Compact MPV – Automotive Attitudes Agree Somewhat/Agree Completely

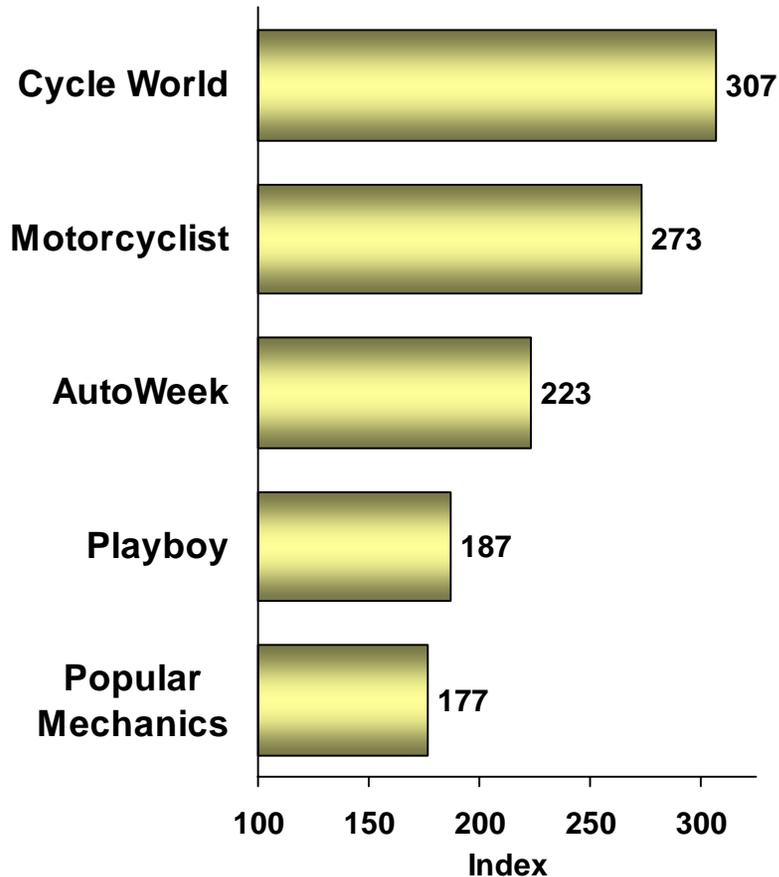
<b>Male</b>	Index	<b>Female</b>	Index
I enjoy reading auto enthusiast magazines	186	First consideration in choosing is miles per gallon	135
I like to change the oil and filter myself	181	Important to have a vehicle that seats many people	126
Friends and family think I know a great deal about autos	151	To me vehicle is a way to get from place to place	121
Like to drive on challenging roadways with hills and curves	142	I need versatile vehicle that accommodates busy lifestyle	111
I like to wash and wax my vehicle myself	131	Will pay more for an environmentally friendly vehicle	111

Source: 2010 Power Auto Offline Media Report, Winter

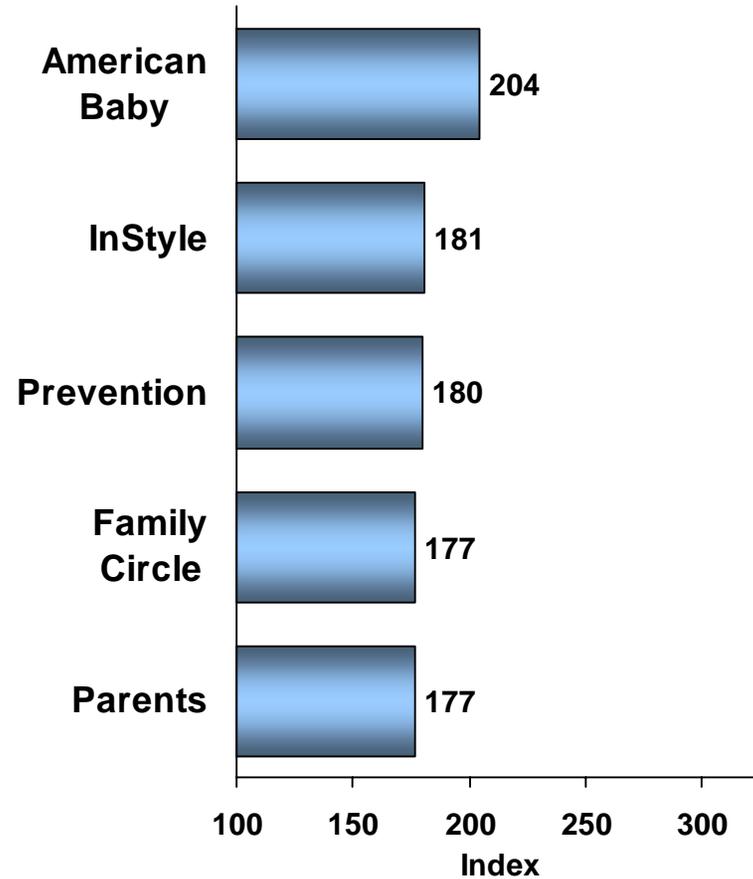
# Compact MPV – Male vs. Female

## Top 5 Magazines Read

Top 5 Indexing Magazines Read  
by Male



Top 5 Indexing Magazines Read  
by Female

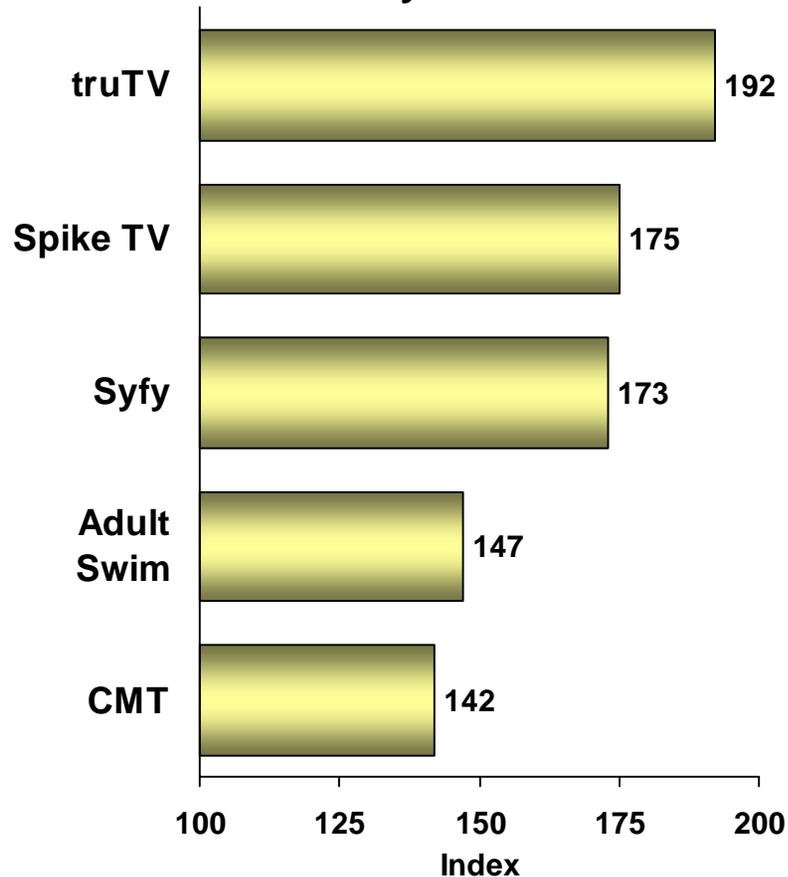


Source: 2010 Power Auto Offline Media Report, Winter  
Read or looked into a publication in the last 6 months

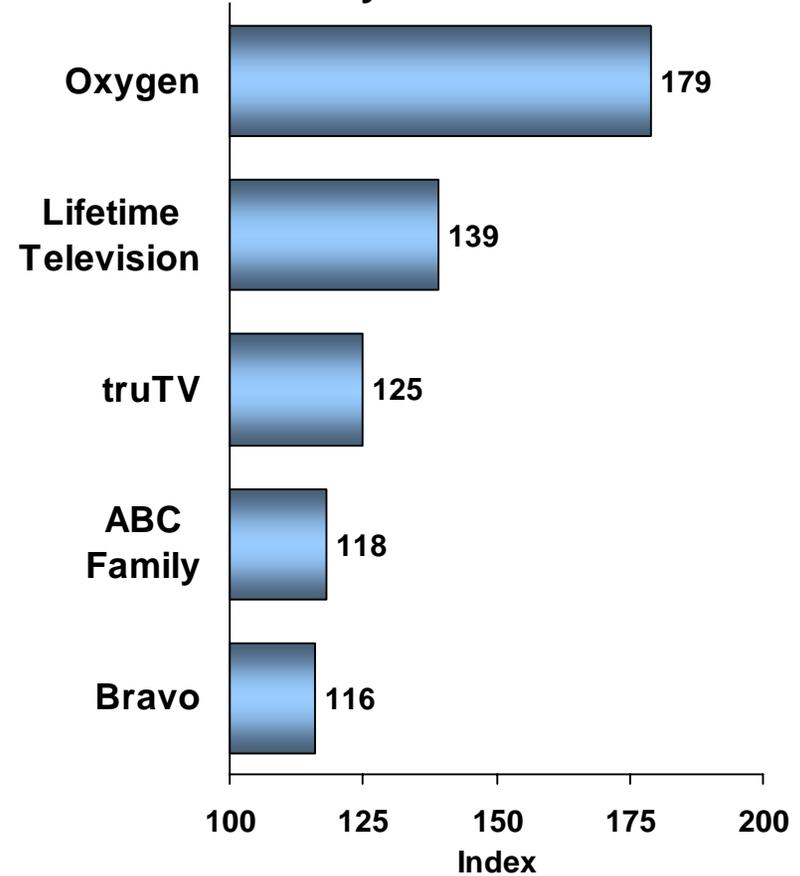
# Compact MPV – Male vs. Female

## Top 5 Cable Stations Watched

Top 5 Indexing Cable Watched  
by Male



Top 5 Indexing Cable Watched  
by Female



Source: 2010 Power Auto Offline Media Report, Winter  
Cable TV Stations Watched in Past 7 Days - Yes

## A look forward



## New Models On The Radar



# New Models

# 307 Current Models

## + 21 in 2010

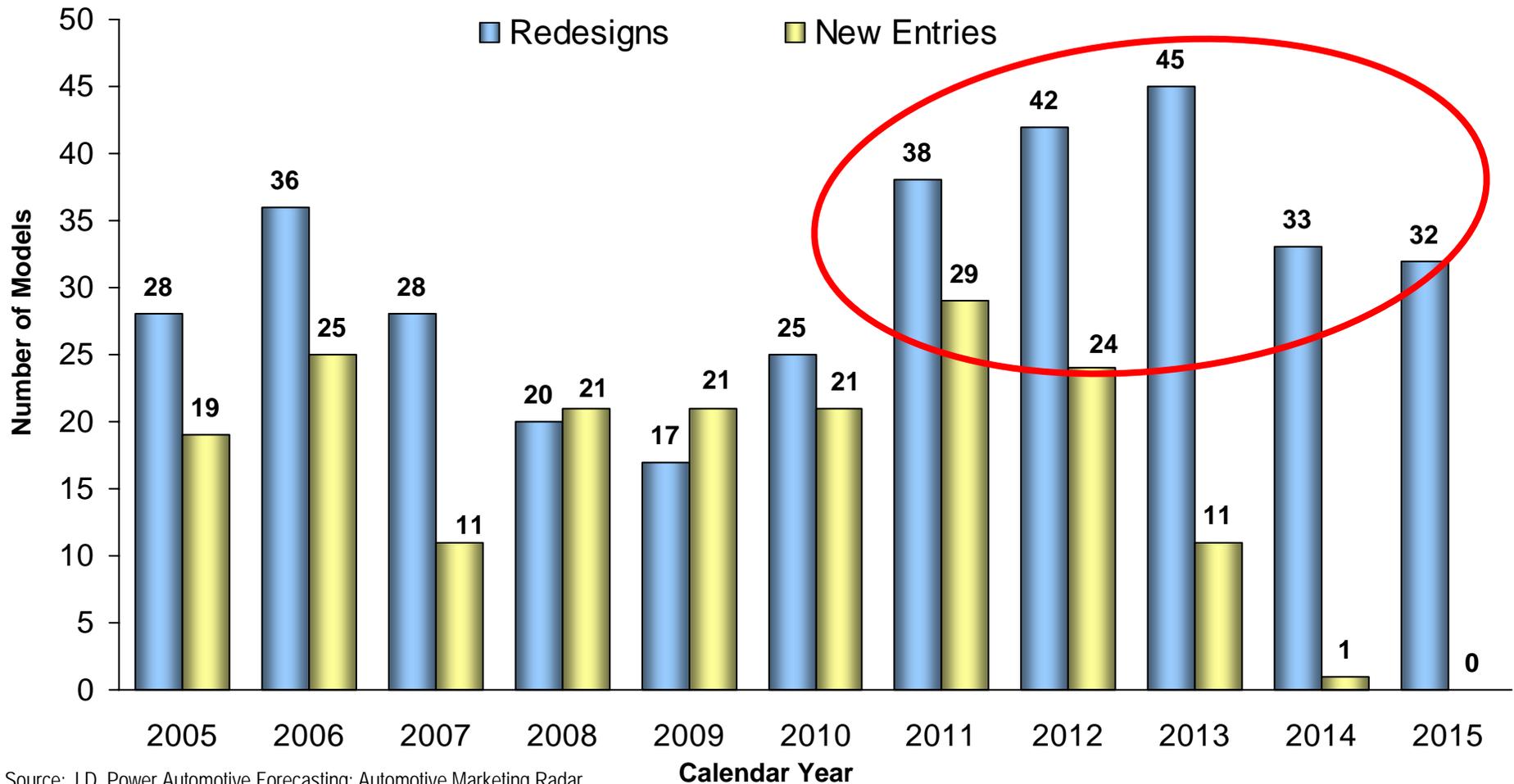
## + 29 in 2011



Photo source: JDPower.com

# Redesigns and new entries promise to fragment the market, requiring more effective targeting

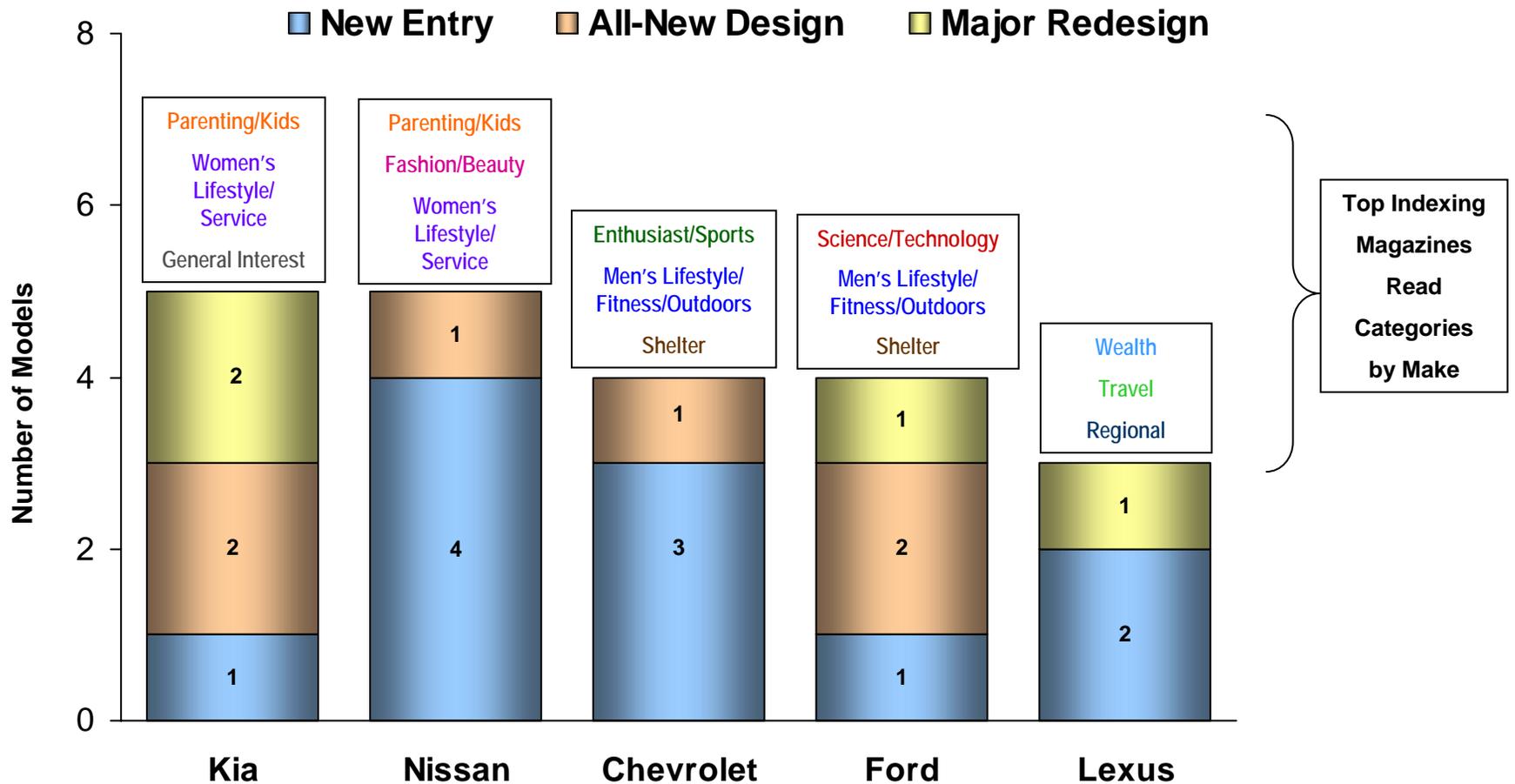
## Redesigns and New Entries in the U.S.



Source: J.D. Power Automotive Forecasting; Automotive Marketing Radar  
Redesigns = All-New and Major

# Kia and Nissan will launch the most new models and have the most redesigns over the next year

Brands with the Most New Entries and Redesigns for 2010 Q2 to 2011 Q1



Source: Automotive Marketing Radar (AMR); 2010 Power Auto Offline Media Report, Winter

# 7 new entries are scheduled for the middle of 2010

## New Entries

2010 Q2		2010 Q3	
<u>Model</u>	<u>Segment</u>	<u>Model</u>	<u>Segment</u>
Ford Fiesta	Sub-Compact Conventional	Chevrolet Cruze	Compact Conventional
Mahindra TR	Midsized Pickup	Fisker Karma	Large Premium Conventional
		Honda CR-Z	Compact Conventional
		Mazda Mazda2	Sub-Compact Conventional
		Nissan Juke	Compact CUV

Source: Automotive Marketing Radar (AMR)

# 12 new entries are scheduled for the 4<sup>th</sup> quarter

## New Entries

2010 Q4

<u>Model</u>	<u>Segment</u>	<u>Model</u>	<u>Segment</u>
Chevrolet Volt	Compact Conventional	Mitsubishi Outlander Sport	Compact CUV
Fiat 500	Sub-Compact Conventional	Nissan Leaf	Compact Conventional
Hyundai Equus	Large Premium Conventional	Nissan NV-Series	Large Van
Lexus LF-A	Compact Premium Sporty	Scion iQ	Sub-Compact Conventional
Mahindra Scorpio SUV	Midsize Utility	Suzuki Swift	Sub-Compact Conventional
MINI Countryman	Compact Conventional	VPG MV-1	Large Utility

Source: Automotive Marketing Radar (AMR)

# Hottest New Models and Redesigns Forecast for 2010



## Chevrolet Cruze

75,000 Sales forecasted for 2010

Compact Conventional



## Ford Fiesta

33,000 Sales forecasted for 2010

Sub-Compact Conventional



## Buick Regal

22,000 Sales forecasted for 2010

Midsize Conventional

Source: J.D. Power Automotive Forecasting; Photo source: JDPower.com

Note: The Compact Basic segment is now the Sub-Compact Conventional segment

# Hottest New Models and Redesigns Forecast for 2010



## BMW 5 Series GT

10,000 Sales forecasted for 2010

Midsized Premium Conventional

## Mazda Mazda2

9,000 Sales forecasted for 2010

Sub-Compact Conventional



## Suzuki Kizashi

8,000 Sales forecasted for 2010

Midsized Conventional

Source: J.D. Power Automotive Forecasting; Photo source: JDPower.com

# Hottest New Models and Redesigns Forecast for 2010



## Acura ZDX

6,000 Sales forecasted for 2010

Midsized Premium CUV



## Infiniti QX

6,000 Sales forecasted for 2010

Large Premium Utility



## Nissan Juke

5,000 Sales forecasted for 2010

Compact CUV

Source: J.D. Power Automotive Forecasting; Photo source: JDPower.com

## Summary: A way forward for the Industry

- Sales will increase driven by the economy and new models
- Success of new models will require smarter marketing
  - To overcome perception legacies
  - To reach optimal target audiences
- Media consumption is increasing and fragmenting
- Opportunities for engagement with the customer are increasing

## For more automotive marketing information

- Visit our blog for a look at the past, present, and future of automotive Internet, and a copy of the presentation:

[www.OnlineAutomotiveReview.com](http://www.OnlineAutomotiveReview.com)

- Follow us on Twitter:

<http://twitter.com/JDPowerInternet>

- Join us at the Automotive Internet Roundtable:

October 20th – 22nd, 2010

Red Rock Resort

Las Vegas, Nevada

# ***Thank You*** ***Q&A***



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# Appendix

# Power Auto Offline Media Report

## *Improvements*

- Faster, more frequent reporting
  - Rolling 12 months of sales
  - Winter Release – January 2010
  - Summer Release – August 2010
- Increased, updated information (2010 Winter Release)
  - Internet access via mobile phone
  - TV viewing online
- Segment updates (2010 Summer Release)
  - Compact Basic segment becomes Sub-Compact Conventional
  - New Compact MPV segment is introduced

# What is the Automotive Intelligence Monitor?



- *Tracks 37 brands, nearly 300 products and 12 key topics of automotive conversation*
- *Designed for marketers, planners and agencies*
- *Includes professionally developed and maintained queries*
- *Trended data going back 2 years*
- *Contains unique J.D. Power metrics to tie social media to ROI*
- *Optional regularly scheduled analyst reports*

# New Product Release: Tribe Intelligence

- The J.D. Power Tribe Intelligence Program provides businesses with in-depth access to high-value, demographic and psychographic consumer groups

## 2010 Scheduled Tribes

### Demographic Tribes

- Teens
- Early Careerists
- Gen Y Moms
- Gen X Moms
- Boomers

### Psychographic Tribes

- Green Consumers
- Wellness Warriors
- Modern Man
- Discretionals
- Domestic Duos

## Tribe Report Outline (for each Tribe)

- **Persona Snapshot**
  - Attitudinal and behavioral characteristics
  - Key conversation drivers (topics)
- **Industry / Category Analysis**
  - Key findings related to top-discussed industries
- **Activities / Hobbies**
  - Top leisure activities / hobbies for each segment
- **Online Behaviors**
  - Analysis of online behaviors and interests
- **Tribe Engagement**
  - Guidelines on how best to connect with the Tribe
- **Implications**
  - Turning information into action

# Automotive Marketing Radar (AMR)

- Interactive tool
- Industry overview
- Provides details on launch vehicles, including projected launch date
- Sales volume forecasts
- Competitive set data
- Nameplate, segment, and model level data