

## Press Release

### J.D. Power Reports:

Appealing Vehicles are Critical to Automakers' Success as They Sell Faster, Command Higher Prices and Lead to Higher Customer Loyalty

<u>Volkswagen Group Receives Five Model-Level Awards, GM Receives Four, and Ford Receives Three:</u>
<u>Porsche Ranks Highest among Nameplates</u>

**WESTLAKE VILLAGE, Calif.: 24 July 2013** — The most appealing vehicles tend to remain on dealer lots for shorter periods, command higher transaction prices, and are more likely to create owner loyalty when they are ultimately traded-in, according to the J.D. Power 2013 U.S. Automotive Performance, Execution and Layout (APEAL) Study<sup>SM</sup> released today.

The APEAL Study, which serves as the industry benchmark for new-vehicle appeal, has been completely redesigned for 2013. The study, now in its 18<sup>th</sup> year, has been updated to better measure the appeal of today's vehicles, particularly with respect to the new technologies and features now being offered. Owners evaluate their vehicle across 77 attributes, which roll up into an overall APEAL score on a 1,000-point scale.

The study finds that manufacturers are able to charge more for vehicles with higher APEAL. Owners of vehicles with an APEAL score of 100 points or higher than the segment average typically spend at least \$1,800 more on their new vehicle than do owners of vehicles with a score of at least 100 points lower than the segment average.

Similarly, vehicles with APEAL scores at least 100 points higher than the segment average remain on dealer lots an average of three days less than vehicles with scores at least 100 points below the segment average.

"Appealing vehicles are simply good news for both consumers and automakers," said David Sargent, vice president of global automotive at J.D. Power. "Even within the same vehicle segment, consumers are willing to spend substantially more on vehicles that they find attractive, provide the performance and utility they are looking for and have well-executed interiors. These vehicles also sell more quickly."

Analyzing some of the results of previous years' studies highlights the impact of APEAL on customer loyalty. Nearly two-thirds (64%) of owners whose vehicle achieved an APEAL score at least 100 points above the segment average repurchase the same brand the next time they shop for a new vehicle, compared with just 55 percent of those whose vehicle scored at least 100 points below the segment average.

"One percentage point of loyalty is worth tens or even hundreds of millions of dollars to automakers," said Sargent. "These companies are fighting for every last customer, and it is clear that appealing products remain the key to achieving this."

#### **2013 APEAL Ranking Highlights**

Volkswagen Group receives the highest number of segment awards of all corporations included in the study for the Audi allroad, Porsche Boxster, Porsche Cayenne, Volkswagen GTI and Volkswagen Passat.

Chevrolet receives the highest number of segment awards of any brand for the Avalanche, Sonic and Volt models, all of which also received awards in 2012.

Ford and Nissan brands each receive two model awards: Ford, for the F-250/F-350 Super Duty and Mustang; Nissan, for the Armada and Murano.

Also receiving awards are the BMW 5 Series; Buick Encore; Dodge Charger; Fiat 500; Honda Odyssey; Kia Soul; Land Rover Range Rover; Lexus LS; Lincoln MKZ; Mazda CX-5; and Mercedes-Benz SL-Class.

The Land Rover Range Rover achieves the highest APEAL score of any model in the industry in 2013, which marks the first time a model outside the large premium car segment has done so.

Porsche is the highest-ranked nameplate for a ninth consecutive year. Ram is the highest-ranked non-premium nameplate.

J.D. Power offers the following tips to consumers when purchasing a new vehicle:

- Have realistic expectations about the fuel economy of your vehicle, and remember that the
  city/highway/combined mileage ranges listed on the window sticker are merely estimates
  provided by the EPA. Your actual miles per gallon will vary due to many factors, including weather
  conditions, driving style, tire inflation and the overall condition of your vehicle.
- Before you buy, ask your salesperson to demonstrate all of the audio/communication/ entertainment/navigation features on the vehicle. In particular, ensure the voice recognition system (if available) responds accurately to your commands. Also, have the salesperson assist you in pairing and connecting your wireless devices to the vehicle's audio and communication system.
- Although exterior styling is an important part of a new vehicle's appeal for many consumers, consider all aspects of a vehicle to ensure it meets your needs. You want to enjoy your vehicle ownership for many years, not just for a few months.

The <u>APEAL Study</u> examines how gratifying a new vehicle is to own and drive, based on owner evaluations of 77 vehicle attributes. The study is used extensively by manufacturers worldwide to help them design and develop more appealing vehicles and by consumers to help them in their purchase decisions. The 2013 APEAL Study is based on responses gathered between February and May 2013 from more than 83,000 purchasers and lessees of new 2013 model-year cars and light trucks who were surveyed after the first 90 days of ownership. The APEAL Study complements the Initial Quality Study (IQS), which focuses on problems experienced by owners during the first 90 days of ownership.

### About J.D. Power

J.D. Power is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. Headquartered in Westlake Village, Calif., J.D. Power has offices in North/South America, Europe and Asia Pacific. For more information on <u>car reviews and ratings</u>, <u>car insurance</u>, <u>health insurance</u>, <u>cell phone ratings</u>, and more, please visit <u>IDPower.com</u>. J.D. Power is a business unit of McGraw Hill Financial.

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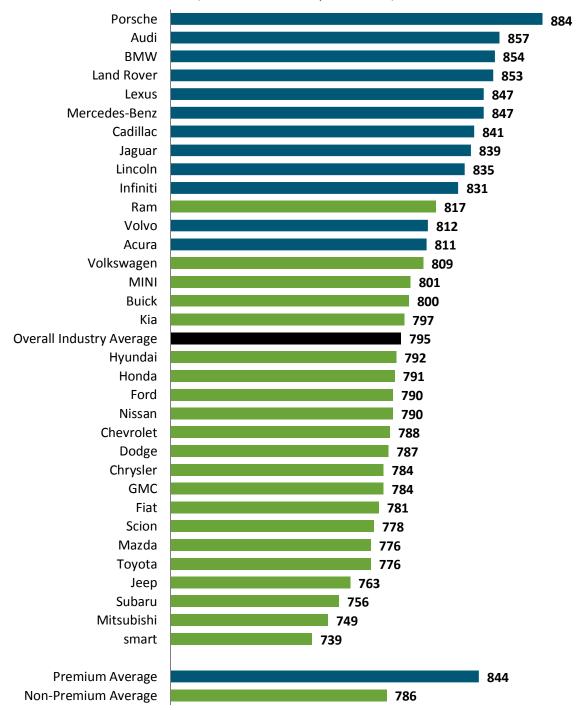
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(Page 3 of 3) NOTE: Three charts follow.

# J.D. Power 2013 U.S. Automotive Performance, Execution and Layout (APEAL) Study<sup>SM</sup>

### 2013 APEAL Nameplate Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2013 U.S. Automotive Performance, Execution and Layout (APEAL) Study<sup>SM</sup>

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power as the publisher and the J.D. Power 2013 U.S. Automotive Performance, Execution and Layout (APEAL) Study<sup>SM</sup> as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

# J.D. Power 2013 U.S. Automotive Performance, Execution and Layout (APEAL) Study<sup>SM</sup>

## Top Three Models per Segment Car Segments

City Car\*

**Highest Ranked: Fiat 500** 

**Sub-Compact Car** 

**Highest Ranked: Chevrolet Sonic** 

Kia Rio Hyundai Accent

**Compact Car** 

**Highest Ranked: Chevrolet Volt** 

Volkswagen Beetle Volkswagen Golf

**Compact Sporty Car** 

**Highest Ranked: Volkswagen GTI** 

MINI Coupe/Roadster Hyundai Veloster

**Compact Premium Car** 

**Highest Ranked: Lincoln MKZ** 

Audi A4/5 BMW 3 Series

**Compact Premium Sporty Car** 

**Highest Ranked: Porsche Boxster** 

BMW Z4
Mercedes-Benz SLK-Class

Midsize Car

**Highest Ranked: Volkswagen Passat** 

Kia Optima Honda Accord

Midsize Sporty Car\*

**Highest Ranked: Ford Mustang** 

Midsize Premium Car

**Highest Ranked: BMW 5 Series** 

Audi A6 Lexus GS

**Midsize Premium Sporty Car** 

**Highest Ranked: Mercedes-Benz SL-Class** 

Porsche 911 BMW 6 Series

**Large Car** 

**Highest Ranked: Dodge Charger** 

Hyundai Azera Chrysler 300 Series

**Large Premium Car** 

**Highest Ranked: Lexus LS** 

Audi A8 Hyundai Equus

# For more detailed findings on new-vehicle APEAL performance, visit www.jdpower.com/performance

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<sup>\*</sup> No other model in this segment performs above segment average.

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# Top Three Models per Segment CUV, MPV, Van, Pickup Segments

**Sub-Compact CUV** 

**Highest Ranked: Buick Encore** 

Volkswagen Tiguan Hyundai Tucson

**Compact CUV** 

**Highest Ranked: Mazda CX-5** 

GMC Terrain Toyota RAV4

**Compact Premium CUV** 

**Highest Ranked: Audi allroad** 

Audi Q5 Land Rover Range Rover Evoque

Compact MPV\*

**Highest Ranked: Kia Soul** 

Midsize CUV

**Highest Ranked: Nissan Murano** 

Buick Enclave Honda Crosstour

Midsize Premium CUV

**Highest Ranked: Porsche Cayenne** 

Audi Q7 (tie) BMW X5 (tie) Minivan\*

**Highest Ranked: Honda Odyssey** 

Toyota Sienna

Large CUV

**Highest Ranked: Nissan Armada** 

Toyota Sequoia GMC Yukon

**Large Premium CUV** 

**Highest Ranked: Land Rover Range Rover** 

Mercedes-Benz GL-Class Infiniti QX56

**Large Light Duty Pickup** 

**Highest Ranked: Chevrolet Avalanche** 

Ford F-150 LD Ram 1500 LD

**Large Heavy Duty Pickup\*** 

Highest Ranked: Ford F-250/F-350 Super Duty

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