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**Why are African Americans five times more likely to purchase a Chrysler 300 than other ethnic groups? “It’s in their vehicle DNA,” says Strategic Vision.**

San Diego – “Driver’s desires, needs and attribute priorities are called the customer’s vehicle DNA,” according to Alexander Edwards, Strategic Vision President of Automotive. “When you understand the emotional payoff delivered by each vehicle attribute measured against the customer’s vehicle DNA, you will know why an African American views the Chrysler 300 as a vehicle of choice while an Asian American chooses an Acura MDX or BMW 3-Series (accounting for price). This understanding can provide automotive manufacturers with the knowledge of how to create the right product and communicate the right messages that will sell more vehicles, build brand equity, increase customer advocacy and develop future loyalty and retention.”

Everyone wants a great deal on a quality vehicle that meets his or her needs and desires (e.g. affordable with great styling, performance and innovation). However, according to Dr. Darrel Edwards, CEO and Founder of Strategic Vision, “Attitudes, images and personal values ranging from desired security and trust to displaying one’s individuality and success are distinctive in that they differ in the strength or magnitude of their importance among ethnic groups. When the essences of these values are accurately addressed in product, communication and dealership, the best opportunity to capture shopping and purchasing interests and priorities becomes available.”

Differences that clearly stand out with African Americans are greater desires for success and the ability to show it. African Americans are much more likely to advocate vehicles that express their individuality and success to family and friends. Latinos have a greater concern for the impact on the environment while also exhibiting a greater desire to experience exhilarating driving and performance than others. Asian Americans have stronger demands for a balanced, complete vehicle performance and style that matches their lives.

“Understanding the hearts and minds of the ethnic buyer is relevant for the entire automotive industry as the likes and preferences of African Americans, Asian Americans and Latinos are more likely to shape opinions in the US,” reports Christopher Chaney, Director of Special Projects for Strategic Vision. “For example, the true or pure innovators (sometimes called early adopters) – those whose reactions usually best predict the success of new and innovative ideas and products – are more likely to be African Americans (11%) and Latinos (13%) while only 6.5% of Caucasians and Asians see themselves as true innovators.”

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So what is the essence of the images that the ethnic profiles of the African American, Hispanic and Asian communities are looking for? When examining Strategic Vision’s New Vehicle Experience Study (NVES™) some trends become clear. African Americans are attracted to vehicles that are Powerful and Classy (e.g. Chrysler 300). Hispanic buyers look for Aggressive and Powerful, but Confident and Protective, vehicles (e.g. Kia Sedona). Asian buyers, looking for the “complete” package, choose vehicles that are Pleasant yet Powerful, Easy Going yet Protective – all with modern design and technology (e.g. Acura MDX).

### Top Characteristics of New Vehicle Purchased By...

African American Buyers			Hispanic Buyers			Asian Buyers		
Top Characteristics	Col %	Index	Top Characteristics	Col %	Index	Top Characteristics	Col %	Index
<b>Cute</b>	<b>23%</b>	<b>266</b>	<b>Aggressive</b>	<b>21%</b>	<b>250</b>	Athletic	17%	272
Leader	18%	190	Carefree	13%	167	<b>Pleasant</b>	<b>35%</b>	<b>236</b>
Aggressive	13%	158	Leader	15%	162	<b>Easy going</b>	<b>31%</b>	<b>221</b>
Bold	16%	156	<b>Powerful</b>	<b>37%</b>	<b>154</b>	Helpful	19%	187
Honest	15%	150	Bold	14%	137	Cute	12%	138
<b>Powerful</b>	<b>35%</b>	<b>145</b>	Easy going	19%	134	<b>Powerful</b>	<b>32%</b>	<b>133</b>
<b>Energetic</b>	<b>21%</b>	<b>140</b>	Competitive	13%	134	<b>Protective</b>	<b>27%</b>	<b>122</b>
Easy going	19%	138	<b>Confident</b>	<b>29%</b>	<b>130</b>	Aggressive	10%	120
<b>Classy</b>	<b>36%</b>	<b>132</b>	<b>Protective</b>	<b>27%</b>	<b>121</b>	<b>Modern</b>	<b>33%</b>	<b>119</b>

\*Col % is what percent reported their vehicle having this characteristic. (E.g. 23% of All African Americans reported they purchased a Cute vehicle).

\*\*Index score is magnitude of ethnic representation. (E.g. African Americans are almost x2 likely to purchase a vehicle with Leadership (Index 190) imagery).

\*\*\*Characteristics in blue signify a strong attraction for vehicles with this ethnic group.

How do the various manufacturers rate in meeting the desires of the ethnic communities? One rating used throughout the industry is Strategic Vision’s Total Quality Index (TQI). TQI captures the more complete experience buyers have with his or her vehicle including rational and emotional connection. TQI calculates the owners’ responses to product weighted by the overall emotional response that the experience creates and transforms the responses to a 1000 point scale for comparisons. Following is an array of TQI scores for luxury and non-luxury brands that were leaders for the various ethnic communities in 2007:

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**2007 Strongest Brands Among Minority New Vehicle Buyers\***

<b>African American Buyers</b>		<b>Hispanic Buyers</b>		<b>Asian Buyers</b>	
<b>Brand</b>	<b>TQI</b>	<b>Brand</b>	<b>TQI</b>	<b>Brand</b>	<b>TQI</b>
<u>Luxury Brand\Model</u>		<u>Luxury Brand\Model</u>		<u>Luxury Brand\Model</u>	
Lexus	938	Mercedes-Benz	922	Mercedes-Benz	909
Mercedes-Benz	918	BMW Brand	918	Audi	909
Infiniti	913	Acura Brand	911	BMW	906
Infiniti FX	952	Mercedes E-Class	955	Mercedes GL-Class	931
Mercedes R-Class Wag	942	Infiniti G35 Sedan	940	BMW 3-Series Cpe	925
Chrysler 300C	941	BMW 3-Series Cpe	933	BMW X5	920
<u>Standard Brand\Model</u>		<u>Standard Brand\Model</u>		<u>Standard Brand\Model</u>	
Honda	895	Scion	902	Hyundai	871
Ford	889	Pontiac	896	Honda	865
Chevrolet	889	Saturn	895	Ford	858
Chrysler PT Cruiser	929	Kia Sedona	924	Mazda3 Hatchback	907
VW Passat	912	Scion xB	920	Hyundai Sonata	902
Ford Fusion	906	Ford Expedition	920	Honda Civic	896

\*TQI scores listed were top for each group where adequate sample was available for 2006-2007

Once personal priorities and vehicle\brand perceptions of the new vehicle customer are understood, it becomes clearer why those of differing ethnicities purchase the brands and models they do. For example: for African Americans the Chrysler 300 matches their desired imagery of being Powerful and Classy. The Chrysler 300 is also one of the highest TQI rated vehicles for African Americans and therefore, it should be no mystery as to why 2% of all vehicles sold to African Americans are Chrysler 300s. In short, if you understand customer values and provide a vehicle that delivers the right product and message, you will sell more vehicles.

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### Top Brands and Models Sold to Minority New Vehicle Buyers\*

African American Buyers			Hispanic Buyers			Asian Buyers		
Top Brands	Volume %	Index	Top Brands	Volume %	Index	Top Brands	Volume %	Index
<b>Nissan</b>	<b>13%</b>	<b>201</b>	Toyota	15%	95	<b>Toyota</b>	<b>27%</b>	<b>172</b>
Toyota	13%	83	Chevrolet	11%	97	<b>Honda</b>	<b>22%</b>	<b>200</b>
Chevrolet	10%	89	Ford	11%	102	Nissan	6%	96
Ford	8%	72	<b>Nissan</b>	<b>11%</b>	<b>164</b>	<b>BMW</b>	5%	<b>241</b>
Honda	6%	58	Honda	10%	94	<b>Mercedes</b>	5%	<b>265</b>
Dodge	6%	109	Dodge	5%	91	<b>Lexus</b>	4%	<b>189</b>
<b>Chrysler</b>	5%	<b>205</b>	Jeep	3%	110	<b>Acura</b>	4%	<b>236</b>
<b>Mercedes</b>	3%	<b>173</b>	Hyundai	3%	101	<b>Ford</b>	3%	<b>29</b>
Hyundai	3%	102	<b>Volkswagen</b>	3%	<b>153</b>	Hyundai	2%	85
<b>Kia</b>	3%	<b>189</b>	BMW	3%	121	Mazda	2%	129
Top Models	Volume %	Index	Top Models	Volume %	Index	Top Models	Volume %	Index
<b>Nissan Altima</b>	<b>4%</b>	<b>221</b>	Ford F-Series (F-150)	4%	127	<b>Toyota Camry</b>	<b>6%</b>	<b>275</b>
Toyota Corolla	3%	127	Toyota Corolla	3%	116	<b>Honda Civic</b>	<b>6%</b>	<b>231</b>
<b>Nissan Sentra</b>	<b>2%</b>	<b>315</b>	Chevrolet Silverado 1500	3%	128	<b>Toyota Corolla</b>	<b>6%</b>	<b>235</b>
Ford F-Series (F-150)	2%	84	Honda Civic	2%	99	<b>Honda Accord Sedan</b>	<b>5%</b>	<b>181</b>
Toyota Camry	2%	102	Honda Accord Sedan	2%	93	<b>Honda Odyssey</b>	<b>3%</b>	<b>242</b>
<b>Chrysler 300</b>	<b>2%</b>	<b>504</b>	Nissan Altima	2%	131	<b>Honda CR-V</b>	<b>3%</b>	<b>217</b>
Honda Accord Sedan	2%	69	Toyota Tacoma	2%	146	<b>Toyota Sienna</b>	<b>3%</b>	<b>443</b>
Honda Civic	2%	62	Toyota Camry	2%	76	<b>Honda Pilot</b>	<b>2%</b>	<b>191</b>
<b>Suzuki Forenza</b>	1%	<b>591</b>	Dodge Ram 1500 Pickup	2%	114	<b>BMW 3 - Series</b>	<b>2%</b>	<b>299</b>
Chv Silverado 1500	1%	67	<b>Chevrolet Tahoe</b>	2%	<b>167</b>	Nissan Altima	2%	105
<b>Dodge Charger</b>	1%	<b>273</b>	<b>Nissan Sentra</b>	2%	<b>195</b>	<b>Toyota RAV4</b>	2%	<b>150</b>
Dodge Ram 1500	1%	85	Honda CR-V	1%	93	<b>Acura MDX</b>	1%	<b>307</b>

\*Volume % is market share of each ethnic group. (E.g. 13% of All African Americans purchase a Nissan Brand).

\*\*Index score shows ethnic representation within brand. (E.g. With index of 201, Nissan has 2x as many African Americans as found in macro population).

\*\*\*Brands\models in blue signify a strong attraction to this ethnic group.

The purchase behaviors of new vehicle buyers are directly influenced by the ability of the manufacturer and dealer to satisfy their needs and desires. Those who understand the essence of cross-cultural and cultural distinction will be the ones to lead the automotive industry among the innovative and early adopters. Also, it is through understanding the desired and chosen imagery connected to personal values that correct messages increase sales, higher advocacy, better retention and greater customer loyalty.

Strategic Vision is part of StrategicVision Worldwide, a research-based consultancy with thirty-five years of experience in understanding the consumers' and constituents' decision-making systems for a variety of clients, including most automotive manufacturers, American Airlines, Procter & Gamble and Coca-Cola. Its unique expertise is in identifying individuals', groups' and societies' comprehensive motivational hierarchies, including the descriptive attributes, personal consequences associated with experiences, the values and emotions that establish priorities and set motivation, and the personal images that reveal meaning. ValueCentered® psychology and methods were defined by Dr. Darrel Edwards in 1968.

For further information, contact Alexander Edwards, President Automotive; Christopher Chaney, Director of Special Projects; Susan Johnson, President of Strategic Vision; or Dr. Darrel Edwards, CEO at (858) 576-7141; or visit [www.strategicvision.com](http://www.strategicvision.com).