



## Hyundai – 3, Toyota – 0; Perceived Quality the New Paradigm Says Strategic Vision

San Diego – For the first time ever, the Hyundai brand has produced the most leaders on Strategic Vision's Total Quality Index™ (TQI), leading in three segments. The San-Diego-based research firm today announced 2007 results, based on the ratings of new vehicle owners in 19 product segments.

The only other brand to produce three leaders was Nissan. Hyundai Motors had a total of five leaders (the Kia brand earning two more), Ford Motor and BMW Group each earned three (one for BMW, two for Mini); GM, Honda, and Mercedes each earned two with Dodge, Lexus and Volkswagen each earning one. BMW repeated as the top scoring brand, the eighth time in nine years, and Volkswagen of America kept its claim as the best full-line corporation.

The Total Quality Index™ is the premier measure of new vehicle owner satisfaction. It asks buyers to rate all aspects of the ownership experience, from buying and owning to driving. Although Toyota improved overall with their TQI scores, the most significant change in 2007 is the lack of any Toyota brand segment leaders. Examining the number of problems or Things-Gone-Wrong per vehicle (the traditional definition of quality), Toyota and Lexus are still among the best. However, Toyota's lead in this narrower definition of quality is now shared with other brands like Honda, Hyundai, Infiniti and domestic brands such as Ford. For example, the Ford Expedition EL enjoyed a very large lead and had fewest problems in the segment. Expedition EL owners recognized innovative changes, which are key to future domestic success.

“With automotive corporations now doing a terrific job in providing vehicles with minimal problems, the Cues of Quality (those product attributes that signal quality and create customer Trust) have a greater impact on the purchase decision. Perceived Quality has the power to change customer's perceptions of a vehicle from being 'interesting' to eventually considered and purchased,” says Alexander Edwards, Strategic Vision President. “In the past, one could count the number of problems per vehicle; but for automotive customers today and tomorrow, a comprehensive and integrated perception of the ownership experience will be what drives the decision making process.”

“Even though Hyundai is often overlooked by the US customer, Hyundai's success in 2007 is not surprising given its' current products and press in leadership that is looking to the near and distant future with new designs from styling to powertrain,” reports Dr. Darrel Edwards, Founder and CEO of Strategic Vision.

Long time leader Honda Odyssey (five years in a row) has now been replaced by the Hyundai Entourage, Kia Sedona and Nissan Quest in a three-way tie for this segment. The Ford F-150 returns to a leadership position in this most tightly contested segment, tied with the Nissan Titan.

TQI – add one

Buyers rated the following vehicles tops in their segments:

Small Car	Honda Civic*	<b>882</b>
Small Multi-Function (MFV)	Volkswagen Rabbit	<b>880</b>
Medium Car	Saturn Aura, Nissan Maxima	<b>892, 891</b>
Large Car	Hyundai Azera	<b>901</b>
Near-Luxury Car	BMW 3-Series Sedan	<b>919</b>
Luxury Car	Mercedes S-Class	<b>928</b>
Small Specialty <\$25,000	MINI Cooper	<b>911</b>
Convertible <\$30,000	MINI Cooper Convertible*	<b>905</b>
Convertible >\$30,000	Chevrolet Corvette*	<b>930</b>
Minivan	Kia Sedona, Hyundai Entourage, Nissan Quest	<b>866, 866, 865</b>
Small SUV	Hyundai Santa Fe	<b>885</b>
Medium Crossover	Dodge Magnum	<b>882</b>
Medium SUV	Kia Sorento	<b>889</b>
Large SUV	Ford Expedition EL	<b>918</b>
Near-Luxury SUV	Lexus RX 350*	<b>905</b>
Luxury SUV	Mercedes ML	<b>915</b>
Standard Pickup	Honda Ridgeline*	<b>879</b>
Large Pickup	Nissan Titan, Ford F-150	<b>876, 875</b>
Heavy Duty Pickup	Ford F-250/F-350	<b>876</b>

\* 2006 Total Quality Award™ winner

“Unlike last year, we’re seeing many new or redesigned vehicles not ranking near the top of their segments.” says Alexander. “These vehicles typically have the potential to deliver more rational and emotional elements which are relevant to buyers. Although the Honda Fit, Nissan Versa and Toyota Yaris all did well, they did not hit the same emotional chord which resounded in the DNA of the Volkswagen Rabbit buyers.”

Responses from more than 27,000 buyers who bought 2007 models in September, October and November of 2006 were used to calculate the Total Quality Index™. Strategic Vision has calculated TQI annually since 1995.

Since its incorporation in 1989, Strategic Vision has studied consumer and constituent decision-making for the widest variety of clients, including most auto manufacturers, Coca-Cola, American Airlines, Procter and Gamble, most advertising agencies. Its unique expertise is identifying consumers’ motivational hierarchies, including the values that shape perceptions and capture the customers’ emotional responses and drive behavior. The firm’s in-depth Discovery Interviews and ValueCentered Surveys provide comprehensive, integrated, and actionable outcomes.