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Lincoln MKX beats undefeated Lexus RX:

“Quality, innovation, and brand equity creates value,” says Strategic Vision.

San Diego –Can a Ford beat a Toyota in Total Value? Yes! Although Ford Motor Company obtained only four Total Value leadership positions over the past four years, in 2007 Ford has added three additional wins to its collection: the Lincoln MKX, Ford Edge and Expedition EL. The Lincoln MKX is especially worthy, as it outscored the undefeated Lexus RX350. Although the Lexus brand name offers its customers a stronger belief in reliability and durability, the MKX product characteristics and features, specifically in areas as interior design, quality and roominess, offered at a lower price, makes each dollar spent on the MKX a better choice than the RX350.

The San-Diego-based research firm Strategic Vision today announced the 2007 Total Value Index™ (TVI) results, based on the ratings of new vehicle owners. The calculation of TVI incorporates explicit statements that owners make about value (e.g. expected reliability, expected fuel economy, price paid, expected resale value, etc.). TVI also incorporates the importance of the variables that make up the ownership experience, and it is here that Strategic Vision finds “True Value” – the worth of the attribute weighed against the costs.

Toyota Motor Sales is still the company to beat in customer value; they have had 20 leaders in Strategic Vision’s Total Value Index™ (TVI) over the past four years. In 2007 they add four more, three for Toyota (Yaris, Yaris hatchback and 4Runner) and one for the Lexus LS430 (the leader in its segment since 2004). “Toyota has preached their foundational messages of quality and reliability consistently over many years, and customers have responded by placing their trust and their money into Toyota products, making Toyota the juggernaut it is today,” says Dr. Darrel Edwards, Founder and CEO of Strategic Vision.

American Honda has taken more leadership positions this year than any other corporation with six leading vehicles in five competitive segments. Honda’s Total Value winners are the Civic, Civic Hybrid, Accord Coupe, Odyssey, and Ridgeline for Honda and the TSX for Acura. At times Honda’s strong quality cues were matched by other competitors, but it was Honda’s brand name that was associated with resale value that provided the final reassurance, making Honda the better investment.

Hyundai earned two Total Value wins with the Hyundai Azera and Santa Fe. Although the Hyundai brand name currently does not carry the same level of reassurance that more established brands do, the Azera and Santa Fe both led their segments by providing products high in perceived quality, providing exceptional features, and being exceptionally priced – all supported with Hyundai’s warranty.

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TVI – add one

Kia improved its overall perceived value even though it had no top spots in 2007. Models such as the Kia Amanti, Sedona, Sportage and Sorento all found themselves ranked 2nd or 3rd in Total Value. Executive VP and COO of Kia, Len Hunt has stated that he looks for Kia to be a brand that customers are passionate about – a passion based in integrity and confidence. “Kia products are inspiring its expectations among their customers, delivering security and passion that have allowed Kia to remain near the top in value even though Kia has raised the price of some models,” says Alexander Edwards, President of Strategic Vision’s Automotive Division.

Volkswagen of America was seen as the best full-line corporation in value overall with two Total Value leaders – Volkswagen Jetta and Audi A3. In addition, Volkswagen and Audi brands consistently delivered what their consumers have wanted for their money. They seem to have responded positively to Volkswagen’s repositioning of their vehicle prices, equating the lower price combined with the ability to join the Volkswagen community in overall strong value.

For the second year, GM was the top domestic corporation presenting four 2007 Total Value leaders. The Chevrolet Corvette Coupe and Convertible, GMC Sierra 1500 and Sierra 2500/3500 led in Total Value in their respective segments. Most interesting is Sierra 1500’s lead over the Toyota Tundra. As seen in multiple instances in 2007, the Toyota brand name stood for reliability, but the product cues were where the Tundra was slightly behind the Sierra. For the Sierra, GM’s new warranty also had a strong impact in reassuring customers that their investment was more secure. Last year, Strategic Vision noted that as GM communicated the right quality cues with a reassuring warranty, it would be positioned for success.

“The customer can perceive exceptional value in vehicles that are more expensive. They get what they want in terms of quality, product characteristics and features, innovation and image,” states Dr. Edwards. Value leader MINI Cooper leads its segment for the sixth year. Other winners were the Volvo V50 and Mercedes ML.

“Value isn’t simply the cheap alternative, the choice with the largest incentive, or the option with the biggest warranty. Value begins with the promises inherently made by the brand name, is then supported by the economic implications of purchase, and is ultimately defined by and ends with the product quality cues,” Alexander Edwards concluded. “With so many high quality choices today and new choices coming (perhaps) from places like China in the future, understanding how brand equity combined with the right product will be the keys to success in tomorrow’s market.”

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TVI – add two

Buyers rated the following vehicles tops in Total Value (TVI) in their segments:

Small Car	Toyota Yaris, Honda Civic* & Civic Hybrid	774 / 773 / 772**
Small Multi-Function	Toyota Yaris Hatchback	792
Medium Car	Volkswagen Jetta	799
Medium Multi-Function	Volvo V50 Wagon	755
Larger Car	Hyundai Azera*	778
Near-Luxury Car	Acura TSX	799
Luxury Car	Lexus LS 430*	802
Luxury Multi-Function	Audi A3	768
Small Specialty (<\$28,000)	MINI Cooper*	824
Small Specialty (>\$28,000)	Chevrolet Corvette*	826
Mid-Specialty Car	Honda Accord Coupe*	804
Convertible (<\$30,000)	MINI Cooper Convertible*	802
Convertible (>\$30,000)	Chevrolet Corvette*	812
Minivan	Honda Odyssey	770
Small SUV	Hyundai Santa Fe	781
Medium SUV	Toyota 4Runner	762
Medium Crossover	Ford Edge	764
Large SUV	Ford Expedition EL	747
Near Luxury SUV	Lincoln MKX	798
Luxury SUV	Mercedes ML	777
Compact Pickup	Honda Ridgeline*	736
Full-Size Pickup	GMC Sierra 1500	747
Heavy Duty Pickup	GMC Sierra 2500/3500 Classic	694

*2006 Total Value Award™ winners / **Differences of 1-2 points are not statistically significant.

Strategic Vision is 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 and Procter & Gamble. Its unique expertise is in identifying consumers' comprehensive motivational hierarchies, including the product attributes, personal benefits, values and emotions, and images that drive perceptions and behaviors. The ValueCentered® psychology and research methods were defined by Dr. Darrel Edwards in 1968.

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