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**PRODUCT INNOVATION AND “LOVE,” NOT SIMPLY COUNTING PROBLEMS,
INCREASES QUALITY PERCEPTION AND SALES, SAYS STRATEGIC VISION**

San Diego – Strategic Vision Inc. (SVI) presented results of their 2011 Total Quality Index® (TQI) today, revealing the importance of understanding the consumer’s definition of “Quality” as being reflected in the “Total” sum of the emotionally relevant experience for the new car buyer.

“Ford—a quality leader in our study—innovated, and *we who count problems* discovered that Ford received a large number of complaints primarily about one thing, Sync.—an in-car connectivity system. Does that warrant their ‘tumble’ in some quality metrics?” Darrel Edwards, Ph.D., Chairman and Founder of Strategic Vision does not think so. “Decades ago, we decided to measure ‘Quality’ from the ‘Total’ perspective of the driver/owner, because this is how people actually judge ‘Quality’ in terms of the decision to purchase or not,” says Dr. Edwards. “The number of complaints is considered, but there is absolutely justification—even requirement—for also considering the total positive experience created for the owner/driver,” continues Dr. Edwards.

A perfect illustration can be shown in the Volkswagen Jetta and Hyundai Sonata—two vehicles that tied for leadership position of Total Quality in the Mid-Size Car Segment. Both vehicles had a higher incidence of owners reporting problems (30%) than the segment average (22%) which isn’t a good start to a customer’s perception of quality. However, the impact of those problems on the customer’s perception of quality is negligible because very few customers (only 1 in 20) experience a ‘Serious’ problem, which is often fixed immediately at the dealership. Then, most importantly, vehicle attributes from exterior styling to interior room combined with the emotional benefits delivered by the driving and ownership experience to create some of the highest perceptions of delight and love for their vehicle.

“When customers explicitly state ‘I love [this] about my vehicle,’ it results in increased sales,” says Alexander Edwards, President of Strategic Vision. “We explicitly measure the emotional impact of each vehicle attribute and ask the customer what they Love about their vehicle. Jetta and Sonata owners report more Love than most all of their competitors. This is why it is no surprise to us that the Jetta and Sonata have had their best sales ever with their 2011 models.”

“Anyone who rejects the concept of the ‘Total Quality’ of a customer’s experience being most important should beware, and ask themselves about how the emotional experience (intensity) and quality all work together,” says Christopher Chaney, Strategic Vision Vice President of automotive research.

Chaney continues, “Case in point, when Apple released the first generation iPhone it had a number of problems unique to its innovative position. I suppose it could have been subjected to a simple quality study which would have deemed it among the worst of solidly built, but innovatively boring, competitors. However, billions of dollars in profit and \$335 per share later, competitors to Apple are desperately chasing iPhone’s tail winds—with some being left in the dust. When our Total Quality data is used correctly, companies don’t find themselves asking ‘How did we get so far behind?’ Rather they ask, ‘how do we remain in the lead.’”

Volkswagen of America (VoA) was rated the best Full-line Corporation in Strategic Vision’s study, now in its sixteenth year of gathering data from the total population of new car buyers. VoA had three models (Golf, Jetta and Tiguan) that were Total Quality leaders, with attributes of Design and Exterior Styling that particularly impressed owners, along with many other cues of Quality that were very impactful upon owners.

Ford—as a Full-line Corporation—had the second best Total Quality score (863), but statistically ranks alongside American Honda Corporation (862) and Nissan Motor Corporation (862). Ford’s Total Quality score received bolstering from segment leaders Mustang Coupe and Convertible, Flex, F-150, and 250/350, along with a number of other models that ranked very high. Strategic Vision’s study did capture that Ford owners reported a higher (28%) than industry average (24%) percentage reporting problems, but the strength of their design, other important quality cues and innovation, along with brand strength kept sales and Total Quality scores high.

American Honda Motor continues strong with Civic Hybrid, Accord Crosstour, Odyssey and Ridgeline being segment winners. The Honda Ridgeline is basically in a class of its own among Standard Pickups, having been the segment leader since its introduction.

As a brand, Nissan is starting to show the results of hard work and improvement, and essentially ties as the second best brand in Total Quality. The Nissan Maxima was the Large Car Total Quality winner in a very strong segment.

The Chrysler Group also shows signs of resurgence toward leadership with Dodge Challenger and Jeep Grand Cherokee (redesigned) being winners in their very popular respective segments. Though not listed, the Chrysler Town & Country ranked second behind Odyssey in the Minivan Segment, and with the right innovation, may threaten for leadership again.

When just considering the Problem Impact score, Toyota Motor Sales would be considered the industry leader, with the least problems, but owners are still looking for more of a “Total Quality” experience, such as they have found with segment leader Sequoia.

Perhaps the biggest story among luxury manufacturers is the “comeback” of Land Rover and Jaguar. Jaguar XJ was leader—and with the highest Total Quality score in the industry—in the astonishingly superb segment of Luxury Cars, along with Land Rover LR4 in the Near-Luxury SUVs. BMW had two leaders with the 1-Series and X6, but the Mercedes C-Class took leadership in the Near-Luxury Car Segment.

Buyers rated the following vehicles top in their segments:

Small Car	Honda Civic Sedan Hybrid	881
Small Multi-Function (MFV)	Volkswagen Golf	871
Medium Car	Hyundai Sonata / Volkswagen Jetta	876 / 876
Medium Multi-Function (MFV)	Honda Accord Crosstour	889
Large Car	Nissan Maxima	888
Convertible	Ford Mustang	905
Near-Luxury Car	Mercedes C-Class	903
Luxury Car	Jaguar XJ	929
Small Specialty Coupe	Dodge Challenger / Ford Mustang	901 / 899
Premium Coupe	BMW 1-Series	917
Minivan	Honda Odyssey	860
Entry Utility	Volkswagen Tiguan	880
Medium Crossover	Ford Flex	886
Medium SUV	Jeep Grand Cherokee	877
Large SUV	Toyota Sequoia	916
Near-Luxury SUV	Land Rover LR4	923
Luxury SUV	BMW X6	909
Standard Pickup	Honda Ridgeline	864
Full-Size Pickup	Ford F-150	906
Heavy-Duty Pickup	Ford F-250/350	885

Who is also winning big in the Total Quality race? The buyers! “Quality is becoming an increasingly more elusive concept for those in the automotive industry that don’t understand its total nature. Even Webster’s dictionary struggles with a definition that barely defines the attribute,” says Dr. Edwards. “Since transmissions are not falling out, and basic—but foundationally important—Security issues are solid with most cars, our decision is to measure Quality from the total perspective of the driver which is essential to understanding future success,” continues Dr. Edwards.

The Total Quality Index® asks buyers to rate all aspects of the ownership experience from buying and owning to performance and driving—much more than simply counting problems, although problems and the impact the problems have on the customers’ experiences are included in the calculation. Results from studies that measure the number of problems or the overall satisfaction of a vehicle do not measure the customers’ commitment to, advocacy for, loyalty, or the Delight and Love of their vehicles accurately.

The Total Quality Index® was calculated from 37,069 buyers who bought 2011 models in September to December of 2010. Strategic Vision has presented Total Quality Awards® annually since 1995.

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Since its foundation in 1972 and incorporation in 1989, Strategic Vision—led by company founders Darrel Edwards, Ph.D., J. Susan Johnson, Sharon Shedroff and Alexander Edwards—has studied consumer and constituent decision-making for a wide variety of clients, including most auto manufacturers, Coca-Cola, American Airlines, Procter & Gamble, the White House, 10 Downing Street, and many advertising agencies. Its unique expertise is identifying consumers' motivational hierarchies, including the values, emotions and images that shape perceptions and behavior. The firm's in-depth Discovery Interviews and ValueCentered Surveys provide comprehensive, integrated and actionable outcomes, linking behavior to attributes to consequences to values and emotions to images. For more information please visit www.strategicvision.com.