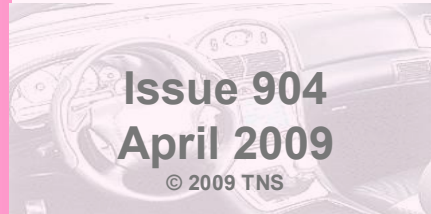




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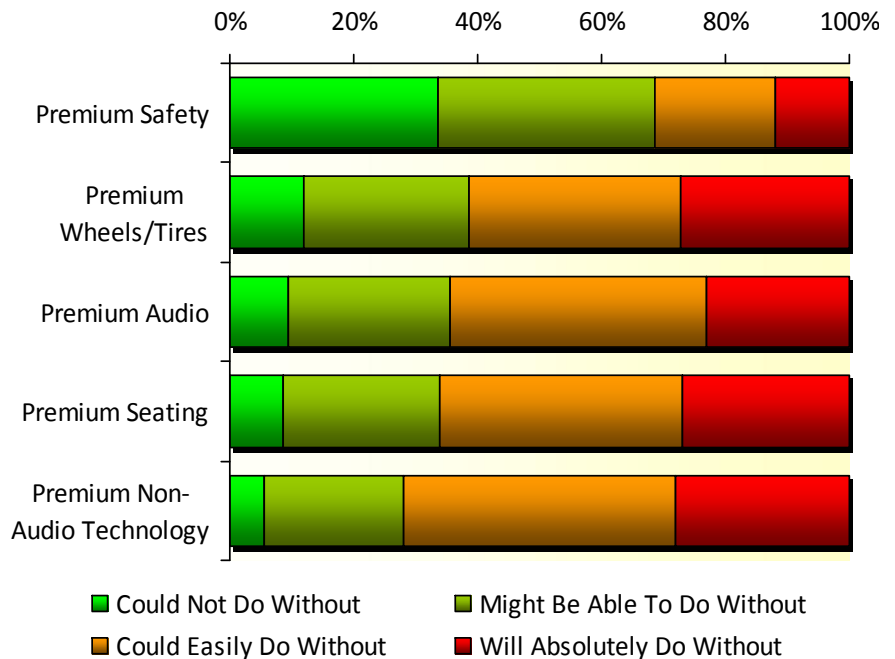
Premium Safety Features the Most Resilient



The recession has clearly caused a slow-down in auto sales. Consumers may also be cutting back on how they content their vehicles. TNS asked 2,500 US adults their views on **extra-cost premium vehicle options**.

Premium safety features led the way, with over a third reporting “Could Not Do Without.” Wealthiest respondents were the **most adamant** in this regard (not shown).

Despite different positive results, all of the non-safety choices had nearly **uniform results** for “Will Absolutely Do Without,” meaning automakers and dealers may **face a hard sell** on vehicles so equipped.



How will consumers evaluate premium features on their next new vehicle (assuming those features cost extra)?

The results do not mean that vehicles with these options are un-sellable. The **simplest and quickest** response for OEMs, suppliers, and dealers may to emphasize the safety-related advantages of premium options as feasible. For example, premium tires could be **positioned as being safer** because of better road-gripping ability. Another approach is to offer certain options as “free” **in lieu of discounts or incentives**. Longer-term, **content logic** can be adjusted, such as by requiring the purchase of less desired—but high margin—options to be able to get safety options.

Follow-up on this directional research should address **tiers of “premium”** to reveal willingness to pay. This includes gauging consumer responses to dollar value or percent tiers that define levels of “premium.” This approach can be applied to individual options and option packages. Additional research should also identify the extent to which **brand plays a role** in willingness to pay. Consumers may be willing to pay more for a premium option from a brand they trust or with which they are at least familiar.

TNS is the world’s foremost provider of custom research and analysis, combining in-depth industry sector understanding with world-class expertise in the areas of innovation, communication, customer acquisition, and satisfaction & loyalty. For more on these results contact Lincoln Merrihew of TNS Business Solutions (Lincoln.Merrihew@tns-global.com) or Melanie Mumper of TNS Marketing (Melanie.Mumper@tns-global.com).