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BLUE BOOK BRIEFING

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All-new and updated video and written reviews from the editorial staff of Kelley Blue Book's kbb.com

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INDUSTRY INSIGHTS:

Riding the Fuel Price Roller Coaster

- Jack R. Nerad, executive editorial director and executive market analyst,
Kelley Blue Book's kbb.com

Pardon us at Kelley Blue Book if we are experiencing a strong dose of déjà vu. Just as we have seen several times in the past decade or so, fuel prices have scooted up again. As usually is the case, an outside influence has been a prime mover in the quick price run-up – this time around the wave of unrest in the Middle East has had a whipsaw effect on current oil prices. In addition, we are seeing signs of increasing economic activity, and we are closing in on Spring, when driving traditionally increases. So, in short, fuel prices are up. In California where Kelley Blue Book is based, gasoline is nearing \$4.00 a gallon and, in some areas, diesel fuel already has pushed beyond the \$4.00 a gallon mark.

Yes, we have seen this before, but that isn't the only case of déjà vu we are experiencing. We get exactly the same sense of "been there, done that" when we examine consumer reaction to the price run-up. Just as they have in years past, consumers have responded to the increases in prices at the pump by shifting their attention to more fuel-efficient vehicles. This is clearly demonstrated in traffic shifts on our website, kbb.com.

For instance, we just compared traffic to certain models on kbb.com from the weekend of February 19-20 to the traffic from the following weekend, February 27-28. It seems that consumers' experience with the new higher prices for fuel and the media attention paid to the increases moved the needle in a major way. Traffic to hybrids and electrics jumped a whopping 73 percent from one weekend to the next. Traffic to compact cars as a segment blossomed 46 percent in the same period.

Among individual models, every compact car we tracked was up a minimum of 20 percent week-over-week, and the Ford Fiesta jumped 77 percent. Hyundai Elantra, Ford Focus and Honda Accord each jumped by more than 60 percent. On the hybrid/electric side, individual increases were even more dramatic. The all-electric Nissan Leaf jumped 154 percent, while the Toyota Prius spiked 86 percent.

“CONSUMERS MAKE LONG-TERM BUYING DECISIONS, E.G. BUYING A VEHICLE, BASED ON VERY SHORT-TERM INFORMATION, E.G. WHAT FUEL PRICES ARE TODAY...”

- JACK
NERAD

Since we have seen this as a recurrent pattern, we believe it is quite indicative of what we will see if fuel prices keep increasing. Compacts and hybrid-electrics will gain share, and larger and less fuel-efficient vehicles will lose share. The recent example is equally indicative of human behavior as it affects the car-buying process. Consumers make long-term decisions, e.g. buying a vehicle, based on short-term information, e.g. what fuel prices are today. It seems that where fuel prices may go – up or down – in the future is largely immaterial or, perhaps more precisely, if consumers experience a fuel-price rise they automatically expect that fuel prices will continue to creep up, even though history has shown us that is not necessarily the case. This means that manufacturers must not only prepare products that anticipate long-term trends, but also be prepared to cater to short-term variations.

LATEST NEWS STORIES ON KBB.COM :

Check out the very latest news stories by visiting www.kbb.com and scrolling down to the Latest News & Articles link on the home page. The following latest news stories by kbb.com's editorial staff went live on the site or were updated during February 2011.

Written Stories Posted to kbb.com:

[2011 Cadillac CTS-V Black Diamond Editions - Designed to dazzle](#)
[2011 Chicago Auto Show](#)
[2011 Dodge Durango Heat - 2011 Chicago Auto Show](#)
[2011 Dodge Grand Caravan R/T - 2011 Chicago Auto Show \(w/video\)](#)
[2011 Dodge Journey R/T - 2011 Chicago Auto Show](#)
[2011 Ford F-Series Super Duty retakes max-tow honors](#)
[2011 Lexus IS 350C F Sport Special Edition](#)
[2011 Mazda MX-5 Miata Special Edition - 2011 Chicago Auto Show](#)
[2011 Mini Clubman Hampton](#)
[2011 Ram 1500 'Code name: Adventurer' -- First Look](#)
[2011 Ram Tradesman - 2011 Chicago Auto Show](#)
[2011 Saab 9-3 Convertible Independence Edition -- Geneva Auto Show](#)
[2011 Toyota Matrix - 2011 Chicago Auto Show](#)
[2012 Acura TL - 2011 Chicago Auto Show \(w/video\)](#)
[2012 Buick Regal with eAssist - 2011 Chicago Auto Show](#)
[2012 Chevrolet Camaro ZL1 - 2011 Chicago Auto Show \(w/video\)](#)
[2012 Dodge Charger SRT8 - 2011 Chicago Auto Show](#)
[2012 Fiat 500 - First Drive Review](#)
[2012 Ford Focus Review - Stepping up and stepping out](#)
[2012 Ford Mustang Boss 302 -- First Drive](#)
[2012 Honda Civic -- First look](#)
[2012 Hyundai Genesis 5.0 R-Spec - 2011 Chicago Auto Show \(w/video\)](#)
[2012 Infiniti M35h Hybrid - First drive](#)
[2012 Kia Rio - Geneva Auto Show Preview](#)
[2012 Maserati GranCabrio Sport -- Geneva Auto Show preview](#)
[2012 Mazda MAZDA3 with SKYACTIV technology - First look](#)
[2012 Mercedes-Benz C-Class Coupe - Geneva Auto Show Preview](#)
[2012 Mercedes-Benz C63 AMG - First look](#)
[2012 Pagani Huayra - Geneva Auto Show preview](#)
[2012 Porsche 911 Black Edition Carreras - Soon to be here](#)
[2012 Porsche Boxster S Black Edition - Ebony ecstasy](#)
[2012 Porsche Panamera S Hybrid - Geneva Auto Show preview](#)
[2012 Volkswagen Jetta GLI - 2011 Chicago Auto Show \(w/video\)](#)
[Audi A3 Sedan Concept -- Geneva Auto Show preview](#)
['BMW i' is official name of new sustainable-mobility sub-brand](#)
[BMW Vision ConnectedDrive Concept - Geneva Auto Show Preview](#)
[BMW confirms four-cylinder turbo power for 2012 U.S. models](#)
[Bertone Jaguar B99 Concept -- Geneva Auto Show preview](#)
[Bio-fueled Bentley breaks 200-mph speed barrier on ice](#)
[Car Commercials from the Big Game](#)
[Chevrolet MyLink to debut on 2012 Volt and Equinox](#)
[Chevrolet Volt marketing will go nationwide by end of 2011](#)
[Exclusivity Alert: 250-mph Bugatti Now Available with Hermes Leather](#)
[Feds find no electronics-based fault with Toyota's throttle system](#)
[GMC Sierra All Terrain HD Concept - 2011 Detroit Auto Show \(w/video\)](#)
[Hyundai Tucson ix FCEV - A new generation of fuel-cell efficiency](#)
[Infiniti Etherea Concept - Geneva Auto Show preview](#)
[Infiniti teases small sport/luxo concept for Geneva](#)
[Lamborghini Aventador LP700-4 - Geneva Auto Show teaser](#)
[Lexus Five Axis Project CT 200h - 2011 Chicago Auto Show](#)
[Mercedes-Benz F-CELL World Drive - 125 days on the Hydrogen Highway](#)
[Mercedes-Benz will take over smart sales in U.S.](#)

[Mini Rocketman Concept -- Geneva Auto Show preview](#)
[Mitsubishi will build the Outlander Sport in Illinois](#)
[Nissan ESFLOW Concept - Geneva Auto Show Preview](#)
[Porsche Boxster E will serve as rolling test lab for future EV model](#)
[Renault CAPTUR Concept - The shape of tomorrow set for Geneva debut](#)
[Rhys Millen Racing Hyundai Veloster Rally Car - Chicago Auto Show](#)
[Rinspeed BamBoo Concept -- Geneva Auto Show preview](#)
[Rolls-Royce 102EX Concept -- Electric Phantom teased for Geneva](#)
[Saleen S5S Raptor: Over 200 mph, Under \\$200,000](#)
[smart forspeed Concept -- Geneva Auto Show preview](#)
[Top 10 Family Cars of 2011](#)
[Top 10 Turn-on Cars for Valentine's Day](#)
[Toyota FT-86 II Concept teaser previews Geneva Auto Show reveal](#)
[Toyota Yaris Hybrid Concept teased - Geneva Auto Show preview](#)
[Volkswagen XL1 Concept -- 261-mpg turbodiesel plug-in previewed](#)
[Volvo V60 Plug-in Hybrid - Geneva Auto Show preview](#)

Videos Posted to kbb.com:

[2012 Acura TL - 2011 Chicago Auto Show](#)
[2012 Chevrolet Camaro ZL1 Walk-Around - 2011 Chicago Auto Show](#)
[2012 Chevrolet Camaro ZL1 - 2011 Chicago Auto Show](#)
[2012 Dodge Charger SRT8 - 2011 Chicago Auto Show](#)
[2011 Dodge Durango R/T - 2011 Chicago Auto Show](#)
[2011 Dodge Grand Caravan R/T - 2011 Chicago Auto Show](#)
[GMC All-Terrain HD Concept - 2011 Chicago Auto Show](#)
[2011 Hyundai Elantra Video Review - Kelley Blue Book](#)
[2012 Hyundai Genesis 5.0 R-Spec - 2011 Chicago Auto Show](#)
[Hyundai Veloster Rally Car - Chicago Auto Show](#)
[2012 Volkswagen GLI - 2011 Chicago Auto Show](#)
[2011 Volkswagen Jetta - Lifestyle Video Review](#)

The following new-vehicle reviews written by kbb.com's editorial staff went live on the site or were updated during February 2011. To see any new-vehicle review from kbb.com's editorial staff, please visit www.kbb.com and click on the News and Reviews tab, then select the make and model.

[2011 Audi R8](#)

By all accounts, the 2011 Audi R8 is a supercar, but that doesn't mean it's uncompromising and hard-edged. It's an incredibly capable performance machine, yet every bit as luxurious as it is sporting. The posh interior is loaded with electronics and bathed in leather and Alcantara. With Audi's venerable 4.2-liter V8 providing the power, the R8 isn't at all temperamental – as the notion of a supercar might suggest. And, with a Lamborghini-sourced V10 also available, the R8 can better compete with its most obvious rival, the Porsche 911 Turbo, along with a number of exotic Italians as well...

[2011 Audi R8 Spyder](#)

By all accounts, the Audi R8 is a supercar, but that doesn't mean it's uncompromising and hard-edged. It's an incredibly capable performance machine, yet every bit as luxurious as it is sporting. The posh interior is loaded with electronics and bathed in leather and Alcantara. For 2011 the R8 is available with a new convertible body style, called the Spyder. Offered, at least for now, exclusively with a 5.2-liter Lamborghini-derived V10, the R8 Spyder 5.2 Quattro brings real exotic-car performance and style to the world of open-air motoring...

[2011 Cadillac Escalade](#)

In recent times Cadillac's biggest cars have suffered from slumping economies and spiking fuel prices. Yet, Cadillac's biggest players seem to have emerged relatively unscathed. That the Escalade family hasn't been put out to pasture in an era of plug-in hybrids and all-electric cars is something of a mystery. Yet, despite the misfortune heaped upon the automotive industry over the last few years, the Escalade remains as popular as ever. Call it tenacity or karma or just plain luck, but Americans seem reluctant to give up the Escalade...

[2011 Cadillac SRX](#)

In today's economy, playing in the luxury Crossover Utility Vehicle (CUV) segment is not easy. Money from consumers isn't flowing freely like it used to and, with a number of well-established players – such as the Lexus RX 350, BMW X3 and Mercedes Benz GLK350 – fighting for customers, Cadillac's newly-redesigned SRX is in a tough market. Still, the SRX has a lot going for it with CTS-inspired styling, lots of Caddy chrome and a handsome cabin. But the SRX's ace in the hole is its size. Although priced in line with the X3 and GLK, the SRX's dimensions are closer to (and in some cases bigger than) the much more expensive BMW X5 and Mercedes-Benz ML CUVs. And, while there is no V8 option, there is a turbocharged V6 good for 300 horsepower that should satisfy all but the most fanatical speed freaks...

[2011 Hyundai Genesis Coupe](#)

No other coupe/sedan twosome is more dissimilar than the Hyundai Genesis collection. The four-door Genesis is an entry-luxury sedan that starts at about \$34,000, the two-door version is a less-lavish sports coupe that starts at about \$23,000, and they look nothing alike inside or out. But we're fans of both. Available with a turbocharged four-cylinder engine or powerful V6, the 2011 Hyundai Genesis Coupe is a viable alternative to a wide range of otherwise-unrelated cars that includes the Honda Civic Si, Ford Mustang and Infiniti G Coupe...

[2011 Toyota Corolla](#)

The Toyota Corolla is one of the best known and best loved cars in America. It's not a stellar beauty, nor is it lightening fast; it doesn't even have a third-row seat or all-wheel drive. What the Corolla does have collectively is millions of trouble-free miles, millions more loyal fans and a resale record that has the competition green with envy. Not wanting to mess with success, the 2011 Corolla arrives with some minor cosmetic changes and more standard equipment. Still, the small-car market has heated up dramatically since the Corolla first appeared, and it – along with long-time rival the Honda Civic – must now do battle with newer, sleeker and better-equipped cars such as the new Hyundai Elantra, Chevrolet Cruze and Kia Forte. Along with its new styling, the Corolla will rely on its time-tested strengths, a formula that combines great fuel economy, a pleasant ownership experience and a no-nonsense design...

[2012 Fiat 500](#)

Do you like sipping espressos at sidewalk cafés while chatting above the erratic screams of passing motor scooters? If you answered yes, oui or si, Fiat has a car for you and is bringing it to the States. The Italian automaker is returning to the U.S. after a 27-year absence – a move facilitated by its new relationship with Chrysler – this time as the small-car brand under the Chrysler umbrella. On one hand, it's easy to call the Fiat 500 an Italian Mini Cooper: They're both small cars with big personalities, they both have storied pasts dating back to the late 1950s and neither has been a true player in the U.S. market until their most recent incarnations. But take a quick spin in each, and a peek at their window stickers, and you'll see just how different they are...

Kelley Blue Book's kbb.com Names Top 10 Family Cars of 2011

Editors Recommend a Wide Variety of Vehicles to Meet Every Family's Needs, Highlight Important Features

IRVINE, Calif., Feb. 24, 2011 -- The expert editors from Kelley Blue Book's www.kbb.com, the leading provider of [new car](#) and [used car](#) information, today named the [Top 10 Family Cars of 2011](#). In this annual list, the kbb.com editors recommend what they feel are the very best of the best vehicles for families this year, highlighting specific important attributes for each car and detailing why it made the Top 10 for 2011. [MORE...](#)

Kelley Blue Book's Kbb.com Names Top 10 Turn-On Cars for Valentine's Day

In Honor of Valentine's Day 2011, Kbb.com Editors List 10 New Cars that Cause Excitement, Stimulate Interest

IRVINE, Calif., Feb. 9, 2011 -- The expert editors from Kelley Blue Book, www.kbb.com, the leading provider of [new car](#) and [used car](#) information, today name the [Top 10 Turn-On Cars for Valentine's Day](#).

Valentine's Day may come but once a year, but the editors of Kelley Blue Book's kbb.com seem to fall in love many times all year long at auto shows and new-vehicle press launch events across the country and around the world, where automakers reveal their newest models. While the term 'turn-on' may prompt a second-thought or two and maybe even a slight blush, upon consulting dictionary.com, the kbb.com editors discovered that the official definition of the hyphenated phrase is "something causing excitement or stimulating interest." Since the kbb.com editors are lucky enough to drive exciting and stimulating cars almost every week, they felt comfortable picking out 10 new cars that are sure to make your pulse race and your heart skip a beat in honor of Valentine's Day 2011. [MORE...](#)

[ABOUT KELLEY BLUE BOOK:](#)

Founded in 1926, Kelley Blue Book, The Trusted Resource®, is the only vehicle valuation and information source trusted and relied upon by both consumers and the industry. Each week the company provides the most market-reflective values in the industry on its top-rated website www.kbb.com, including its famous Blue Book® Trade-In and Retail Values and Fair Purchase Price, which reports what others are paying for new cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies as well as governmental agencies. Kbb.com is a leading provider of new car prices, used car values, car reviews, new cars for sale, used cars for sale, and car dealer locations. Kelley Blue Book Co. Inc. is a wholly owned subsidiary of AutoTrader.com.

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