Nearly 80 Percent Of Consumers Think Vehicle Hacking Will Be Frequent Problem In Near Future, According To New Kelley Blue Book Survey

Almost Half Will Consider News of Recent Vehicle Hacking Incident When Buying/Leasing Next Car; Domestic Auto Manufacturers Deemed Most Susceptible to Vehicle Hacking

IRVINE, Calif., July 31, 2015 /<u>PRNewswire</u>/ -- The vulnerabilities of vehicle hacking have made an impression on car owners and shoppers, and nearly 80 percent say it will be a frequent problem within the next three years or less, according to an all-new survey by Kelley Blue Book <u>www.kbb.com</u>, the only vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry. Awareness of the recent Jeep Cherokee hacking incident is very high, and nearly half of respondents said they will keep this event in mind when buying or leasing their next car. Moreover, the majority of consumers do not think there will ever be a permanent solution to the problem of vehicle hacking.

"Technology offers a wide range of enhanced convenience for today's new vehicle buyers, but it also offers the increasing potential for unauthorized access and control," said Karl Brauer, senior analyst for Kelley Blue Book.

"Cyber-security is still a relatively new area of specialization for automakers, but it's one they need to take seriously



to ensure they are ahead of the curve. If automotive engineers find themselves playing catch-up in this field, it could have disastrous results for both consumers and the industry. According to Kelley Blue Book's latest survey, while few consumers consider vehicle hacking a major problem today, many feel it will be a real threat in the next one-to-three years. Consumers also are highly skeptical that a comprehensive solution to prevent vehicle hacking can ever be developed, though an overwhelming majority would be willing to pay for hack-proof vehicle security if it existed."

Key Highlights from Kelley Blue Book's Vehicle Hacking Vulnerability Survey

Awareness and Concerns about Vehicle Hacking:

- 72 percent said they are aware of the recent Jeep Cherokee hacking incident.
- 41 percent said they will consider this recent vehicle hacking incident when buying/leasing their next car.
- 78 percent said vehicle hacking will be a frequent problem in the next three years or less.
- 33 percent classified vehicle hacking as a "serious" problem; 35 percent classified it as a "moderate" problem.
- 58 percent do not think there will ever be a permanent solution to vehicle hacking.

• 41 percent think pranking is the most common reason for hacking a vehicle; 37 percent think theft is the most common reason for hacking a vehicle.

Responsibility and Preferred Methods for Vehicle Hacking Notification/Fix:

- The vast majority of respondents view vehicle manufacturers as most responsible to secure a vehicle from hacking, and most would prefer to get a security patch installed in-person at a dealership right away.
 - 81 percent think the vehicle manufacturer is most responsible to secure a vehicle from hacking; only 11 percent consider themselves most responsible to secure a vehicle from hacking, and 5 percent see it as the responsibility of their wireless provider.
 - 64 percent would prefer to go into a dealership to get a vehicle's security patch installed; only 24 percent would prefer to do it wirelessly, and a mere 12 percent would prefer to have the software mailed so they could install it themselves.
 - 47 percent said they would go to a dealership "immediately" if they knew they had to install a security patch to protect their vehicle from hacking; 31 percent said "within a week," and 17 percent said "within a month."
 - 44 percent would prefer to be notified via mail, and 41 percent would prefer to be notified via e-mail, in the event their vehicle was recalled. Only 11 percent preferred notification via a phone call, and 5 percent preferred text.
 - 52 percent indicated they would be willing to pay for a monthly subscription to ensure that their vehicle would be completely protected from hacking, with \$8 being the average respondents would be willing to pay each month.

Perception of Automakers Most Susceptible to Vehicle Hacking:

• Respondents view domestic auto manufacturers as most susceptible to vehicle hacking.

Which of the following automobile manufacturing companies do you think have vehicles that are most susceptible to hacking?*

Fiat Chrysler Automobiles (e.g., FIAT, Chrysler, Jeep, Dodge,	
RAM)	70%
General Motors Corporation (e.g., GMC, Cadillac, Chevrolet,	
Buick)	47%
Ford Motor Company (e.g., Ford, Lincoln)	30%
Toyota Motor Corporation (e.g., Toyota, Lexus, Scion)	18%
Daimler (e.g., Mercedes-Benz, Smart)	12%
Tesla Motors	11%
Hyundai Motor Company (e.g., Hyundai, Kia)	11%
BMW Group (e.g., BMW, MINI)	10%
Honda Motor Company (e.g., Honda, Acura)	9%
Nissan Motor Corporation (e.g., Nissan, Infiniti)	8%
Volkswagen Group (e.g., Volkswagen, Audi, Porsche)	4%
Mazda Motor Corporation	3%
Fuji Heavy Industries (e.g., Subaru)	2%

*Respondents could choose up to three answers

Kelley Blue Book fielded the Vehicle Hacking Vulnerability Survey from July 24 - 27, 2015, and the survey had 1,134 respondents. Surveys were completed by members of <u>Kelley Blue Book's Blue Ribbon Panel</u>, an exclusive online community for vehicle owners and shoppers who are invited to share opinions that provide valuable and timely insights.

To discuss this topic, or any other automotive-related information, with a Kelley Blue Book analyst on-camera via the company's on-site studio, please contact a member of the Public Relations team to book an interview.

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