

All-New Eco Watch Study From Kelley Blue Book Marketing Research Tracks, Trends Shoppers' Opinions

New-Vehicle Shoppers' Environmental Concerns Influence Purchase Decisions, Perceptions of Auto Brands, Alternative-Fuel-Related Technologies

IRVINE, Calif., Sept. 22 /PRNewswire/ -- According to Kelley Blue Book (<http://www.kbb.com/>) Marketing Research's all-new Eco Watch study, in-market new-vehicle shoppers are not only increasingly concerned about the environment, but are making purchase decisions based on how their choices will affect the environment. Sixty-one percent of new-vehicle shoppers say it is important to purchase a vehicle from a brand that is environmentally friendly. Consumers cite Toyota, Honda and Chevrolet as first, second and third (respectively) for having the most fuel-efficient and environmentally friendly vehicles.

"While Toyota and Honda have long been praised for being fuel-efficient and environmentally friendly, in-market car shoppers also are now seeing Chevrolet near the top of the list, demonstrating that Chevy's recent push of hybrids, flex-fuel and most recently plug-in electric vehicles is really resonating with the car-buying public," said Jack R. Nerad, executive editorial director and executive market analyst for Kelley Blue Book and kbb.com. "The latest EcoWatch results show that brands with robust alternative-fuel-technology models, be it Toyota with hybrids, Honda with hybrid, natural gas and hydrogen fuel-cell vehicles, or Chevrolet with hybrid, flex-fuel and the much-talked-about electrically driven technologies epitomized by the upcoming Chevrolet Volt, are garnering consumer perception as being the most eco-friendly."

Sixty percent of consumers are concerned about the environment, with the top issues being water pollution, air pollution, global warming and energy shortages. When asked what they are doing to change their lifestyles in response to environmental issues, 58 percent say they are considering a more fuel-efficient vehicle, 57 percent say they have changed their driving habits, and 56 percent say they are making their home more energy efficient. New-car shoppers also are changing their spending habits in response to elevated gas prices, with nearly 50 percent saying they are shopping less for clothes, going out to eat less and spending less money on entertainment.

In addition, half of consumers say that gas prices have made them change their mind about the type of vehicle they are considering, or have made them think strongly about vehicles they were not previously considering. Fifty-eight percent of shoppers who have already changed the type of vehicle they are planning to purchase say they would not revert back to their previous consideration even if gas prices dropped \$1.00/gallon. In lieu of reverting back to their previous considerations, consumers instead are changing the specifications on the vehicles they are considering in order to save money and protect the environment. Shoppers say they are willing to compromise on engine size, vehicle size, vehicle category and performance, while they are less likely to compromise on available features and options, vehicle capacity or in-vehicle storage. On average, consumers say they are willing to spend \$2,600 more for an environmentally friendly vehicle.

Nearly three-quarters of new-vehicle shoppers say they wish there were more alternative-fuel vehicles to choose from in the marketplace. The alternative-fuel

types in which consumers are most interested are hybrid, hydrogen fuel cell and natural gas vehicles, while consumers are more skeptical about biofuel, diesel and battery-electric vehicles.

Eco Watch September 2008 Results: Interest in Alternative-Fuel Technologies*

Top Three Alternative-Fuel Technologies in which New-Vehicle Shoppers Are "Definitely Interested"		Top Three Alternative-Fuel Technologies in which New-Vehicle Shoppers Are "Skeptical"	
Hybrid Vehicles	40%	Biofuel Vehicles	44%
Hydrogen Fuel Cell Vehicles	39%	Diesel Vehicles	43%
Natural Gas Vehicles	30%	Battery-Electric Vehicles	42%

*Question asked using a four-point scale: definitely interested, interested but have questions, skeptical, never heard of it

"The all-new Eco Watch report from Kelley Blue Book Marketing Research offers a fully comprehensive view into the minds of consumers who are currently in the market to buy a new vehicle, providing great insight into the shoppers' environmental concerns and how they affect what vehicle brands, segments and models they choose and why," said Rick Wainschel, senior vice president of marketing and analytics for Kelley Blue Book and kbb.com. "Having this information tracked and trended on a monthly basis from a large sample of current in-market new-car shoppers provides unparalleled information to aid automakers' marketing, product planning and development efforts."

The latest Eco Watch study from Kelley Blue Book Marketing Research study was conducted on Kelley Blue Book's kbb.com among 1,000 in-market new-vehicle shoppers during September 2008. Eco Watch is a syndicated online study of in-market new-vehicle shoppers' opinions about the effect of fuel prices, alternative-fuel-related technologies, environmental issues, new-vehicle brand and model consideration, and more. Eco Watch results are delivered monthly and trended over time, and detailed demographic information is provided. For Eco Watch sales inquiries, please contact Kelly Kim, director of marketing research services for Kelley Blue Book and kbb.com, at 949-268-2756 or kkim@kbb.com.

About Kelley Blue Book (<http://www.kbb.com/>)

Since 1926, Kelley Blue Book, The Trusted Resource(R), has provided vehicle buyers and sellers with the new and used vehicle information they need to accomplish their goals with confidence. The company's top-rated Web site, <http://www.kbb.com/>, provides the most up-to-date pricing and values, including the New Car Blue Book(R) Value, which reveals what people actually are paying for new cars. The company also reports vehicle pricing and values via products and services, including software products and the famous Blue Book(R) Official Guide. Kbb.com is rated the No. 1 automotive information Web site among both new and used vehicle shoppers, and half of online vehicle shoppers visit kbb.com. Kbb.com is a leading provider of new car prices, car reviews and news, used car blue book values, auto classifieds and car dealer locations. No other medium reaches more in-market vehicle shoppers than kbb.com.

Source: Kelley Blue Book

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