J.D. POWER

Press Release

Safety Features Score Big, Boosting New-Vehicle Appeal, J.D. Power Study Finds

<u>Porsche Ranks Highest in APEAL for 12th Consecutive Year:</u> <u>General Motors Receives Six Segment-Level Awards, Hyundai Motor Company Receives Five</u>

DETROIT: 27 July 2016 — Popular driver-assist technologies help make vehicles considerably more appealing to their owners, according to the J.D. Power 2016 U.S. Automotive Performance, Execution and Layout (APEAL) Study,SM released today.

The study finds that new vehicles equipped with safety features such as blind spot monitoring and low speed collision avoidance have overall APEAL scores substantially higher than similar vehicles without the technologies. Overall APEAL scores are higher among the 41% of owners whose vehicles have blind spot monitoring than among those whose vehicles do not have this technology (821 vs. 787, respectively). Similarly, APEAL scores are higher among the 30% of owners whose vehicles have collision avoidance technology than among those whose vehicles do not have this technology (828 vs. 790, respectively).

"Technology-enabled safety features help drivers feel more comfortable and confident while driving their vehicles," said **Renee Stephens, vice president of U.S. automotive quality at J.D. Power**. "These features are also 'gateway technologies' to autonomous driving capabilities, so the continued level of consumer interest in them will be a critical metric to watch as the industry evolves toward including more automation in new vehicles."

Launches Critical to Vehicle Appeal

The overall industry APEAL score improves by 3 points to 801, helped by the launch of many new vehicles. In 2016, 22 of the 30 all-new or major redesigned models included in the study score higher than their respective segment average. Over the past 10 years, newly launched vehicles have scored an average of 29 index points higher than their segment average.

"The key to successful models is to launch with very high appeal and limit the decline that often comes in subsequent years," said Stephens. "As automakers continue to add more content, including advanced technologies, to their vehicles, one key way to maintain appeal is to design technology that is easily upgradable and intuitive. Intuitive designs never go out of style. For example, for infotainment systems, intuitive design may mean simplification: bigger buttons, bigger screens and menus that are laid out in a manner that is easy for the driver to understand."

More key findings of the study include:

• APEAL Affects Advocacy: Among owners whose vehicles have average or above-average APEAL scores (801 or higher) and who report no problems with their vehicle in the first 90 days of ownership, 90% say they "definitely will" recommend their vehicle to others. In contrast, among owners whose vehicle has low APEAL scores (800 or lower), even when their vehicle is problem-free, advocacy drops to 64%. Among those who report one or more problems with their vehicle, advocacy plummets to 49%.¹

¹ All problem-related data in the paragraph are from the J.D. Power U.S. Initial Quality StudySM (IQS)

- **Navigation Nightmares:** Factory-installed navigation systems remain a challenge for vehicle owners. Two of the lowest-rated vehicle attributes are related to the navigation system: usefulness of the navigation features and ease of using the vehicle's navigation system.
- **Saving Gas:** Nine of the 10 categories improve in 2016, with fuel economy posting the largest gain (+14 points) year over year. Audio/communication/entertainment/navigation (ACEN) and visibility and safety also make notable gains of 6 points and 4 points, respectively.
- **Transmissions Not So Smooth:** Engine/transmission is the only category to decline (-1 point) this year, with the largest attribute decline in transmission smoothness when shifting, as penetration of 8- and 9-speed automatic transmissions increases.

Highest-Ranked Nameplates and Models

Porsche ranks highest overall in APEAL for a 12th consecutive year, with a score of 877 index points. **BMW** ranks second with 859, **Jaguar** and **Mercedes-Benz** rank third in a tie at 852, and **Land Rover**, **Lexus** and **Lincoln** rank fifth in a tie at 843. **Volkswagen** (809) ranks highest among non-premium brands, followed by **MINI** (808), **Kia** (807), **Ford** (803), **Ram** (803) and **GMC** (802).

General Motors receives six segment-level awards, followed by **Hyundai Motor Company** with five and **BMW AG** and **Volkswagen AG** with four each. **Nissan Motor Co., Ltd.**, and **Toyota Motor Corporation** each have two models that rank highest in their respective segments.

The segment-level APEAL awards by corporation are:

- General Motors: Buick Cascada; Chevrolet Camaro; Chevrolet Colorado; Chevrolet Sonic; Chevrolet Tahoe; and GMC Sierra HD
- Hyundai Motor Company: Hyundai Tucson; Kia Optima; Kia Sedona; Kia Sorento; and Kia Soul
- BMW AG: BMW 2 Series; BMW X1; BMW X6; and MINI Clubman
- Volkswagen AG: Audi A6; Porsche 911; Porsche Boxster; and Porsche Macan
- Nissan Motor Co., Ltd.: Nissan Maxima and Nissan Titan
- Toyota Motor Corporation: Lexus RC and Toyota RAV4

Other models receiving awards are **Land Rover** Range Rover and **smart** fortwo. The BMW 7 Series is the highest-scoring model in the study in 2016, although no award is presented in the large premium car segment as there are insufficient models represented.

About the Study

The industry benchmark study, now in its 21st year, measures owners' emotional attachment and level of excitement across 77 attributes, ranging from the power they feel when they step on the gas to the sense of comfort and luxury they feel when climbing into the driver's seat. These attributes combine into an overall APEAL Index score that is measured on a 1,000-point scale. The importance of these results cannot be overstated. Year after year, the study has shown that higher APEAL leads to significantly higher advocacy and customer loyalty.

The APEAL Study is used extensively by manufacturers worldwide to help them design and develop more appealing vehicles and by consumers to help them in their purchase decisions. It complements the J.D. Power Initial Quality StudySM (IQS), which focuses on problems experienced by owners during the first 90 days of ownership. The 2016 U.S. APEAL Study is based on responses gathered from February through May 2016 from more than 80,000 purchasers and lessees of new 2016 model-year cars and light trucks who were surveyed after 90 days of ownership.

Find detailed information on vehicle quality, as well as model photos and specs, at www.idpower.com/performance.

For more information about the 2016 U.S. APEAL Study, visit http://www.jdpower.com/resource/jd-power-automotive-performance-execution-and-layout-apeal-study.

See the online press release at http://www.jdpower.com/pr-id/2016130.

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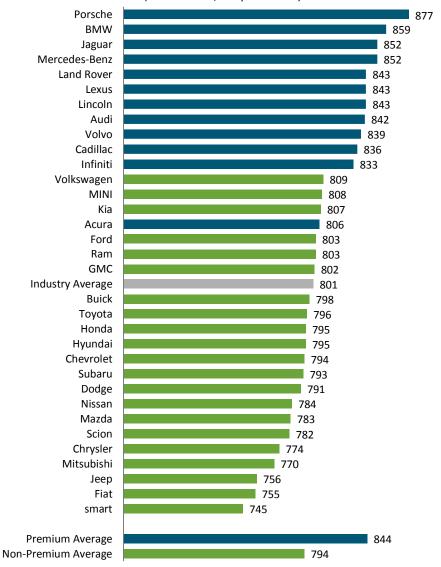
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(Page 3 of 3)
NOTE: Three charts follow.

J.D. Power 2016 U.S. Automotive Performance, Execution and Layout (APEAL) StudySM

2016 APEAL Nameplate Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2016 U.S. Automotive Performance, Execution and Layout (APEAL) StudySM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

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Top Three Models per Segment Car Segments

City Car*
Highest Ranked: smart fortwo

Small Car Highest Ranked: Chevrolet Sonic Scion iA Ford Fiesta

Small Premium Car
Highest Ranked: BMW 2 Series
Mercedes-Benz CLA-Class
Audi A3

Compact Car
Highest Ranked: MINI Clubman
Toyota Prius
Volkswagen Beetle

Compact Sporty Car
Highest Ranked: Buick Cascada
MINI Cooper
Hyundai Veloster (tie)
Mazda MX-5 Miata (tie)

Compact Premium Car Highest Ranked: Lexus RC BMW 4 Series BMW 3 Series Compact Premium Sporty Car Highest Ranked: Porsche Boxster Audi TT Porsche Cayman

Midsize Car Highest Ranked: Kia Optima Nissan Altima (tie) Subaru Legacy (tie)

Midsize Sporty Car*

Highest Ranked: Chevrolet Camaro

Dodge Challenger

Midsize Premium Car Highest Ranked: Audi A6 Lexus GS Audi A7

Midsize Premium Sporty Car* Highest Ranked: Porsche 911

Large Car Highest Ranked: Nissan Maxima Hyundai Azera Dodge Charger

Note: There must be either at least four ranked models or three ranked models comprising at least 80% of sales in any given segment for an award to be presented. The Large Premium Car segment did not meet either of these criteria, thus no award is presented in that segment.

For more detailed findings on new-vehicle APEAL performance, visit jdpower.com/performance

Source: J.D. Power 2016 U.S. Automotive Performance, Execution and Layout (APEAL) StudySM

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st No other model in this segment performs above segment average.

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Top Three Models per Segment SUV, MPV, Van, Pickup Segments

Small SUV

Highest Ranked: Hyundai Tucson

Subaru Crosstrek Volkswagen Tiguan

Small Premium SUV*
Highest Ranked: BMW X1
Land Rover Range Rover Evoque

Compact SUV
Highest Ranked: Toyota RAV4
Ford Escape

Mazda CX-5

Compact Premium SUV

Highest Ranked: Porsche Macan

BMW X4

Mercedes-Benz GLC-Class

Compact MPV*
Highest Ranked: Kia Soul

Midsize SUV

Highest Ranked: Kia Sorento
Ford Edge
Buick Enclave (tie)
Jeep Grand Cherokee (tie)

Midsize Premium SUV Highest Ranked: BMW X6 BMW X5 (tie) Porsche Cayenne (tie) Midsize Pickup*

Highest Ranked: Chevrolet Colorado GMC Canyon

Minivan

Highest Ranked: Kia Sedona

Toyota Sienna Honda Odyssey

Large SUV*
Highest Ranked: Chevrolet Tahoe

Large Premium SUV
Highest Ranked: Land Rover Range Rover

Cadillac Escalade Mercedes-Benz GL-Class

Large Light Duty Pickup

Highest Ranked: Nissan Titan

GMC Sierra

Chevrolet Silverado

Large Heavy Duty Pickup*

Highest Ranked: GMC Sierra HD

Chevrolet Silverado HD

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 $^{{\}color{blue}*} \ \textit{No other model in this segment performs above segment average}.$