



*TNS Canada Automotive  
Eco-Friendly Technology Report*

January 27, 2010



# Executive Summary

- Toyota and Ford top the list of leading automotive manufacturers that Canadian consumers see as being best positioned to offer vehicles with advanced fuel technologies, such as hybrid and bio-fuel powered vehicles.
  - While Toyota dominates the hybrid market in terms of perceived market-readiness, Ford, followed by Honda are also regarded as being strongly positioned and competitive in their ability to deliver vehicles driven by hybrid technology.
  - By contrast, the bio-fueled market is quite flat. Each of Toyota, Ford and Chevrolet/GM are regarded as being equally well positioned to move forward and offer emerging bio-fueled technology, with Honda slightly behind, and the only other competitor of note in this market.
- Perceptions of market-readiness for the delivery of fully electric vehicles is not measurably different, with Toyota leading, followed closely by Chevrolet/GM, Honda and Ford. All are regarded as having comparable strength in their ability to deliver these emerging fuel technologies.
- Interest in alternate fuel technologies has built slowly over years and even decades. In 2006, 51 per cent of new vehicle intenders were likely to consider a hybrid vehicle, compared to virtually the same numbers (52 per cent) in 2009, showing no change in broad interest and possible uptake over the past three years. That said, the fundamental shift has been in the level of firm commitment to hybrid technologies, now sitting at 23 per cent, compared to 17 per cent in 2006, reflecting growing commitment to the technology.
- With this growing commitment to hybrid technologies, the well placed market leaders, Toyota, Ford, Chevrolet/ GM and Honda have a well positioned equity on which to build measurable growth in retail sales.

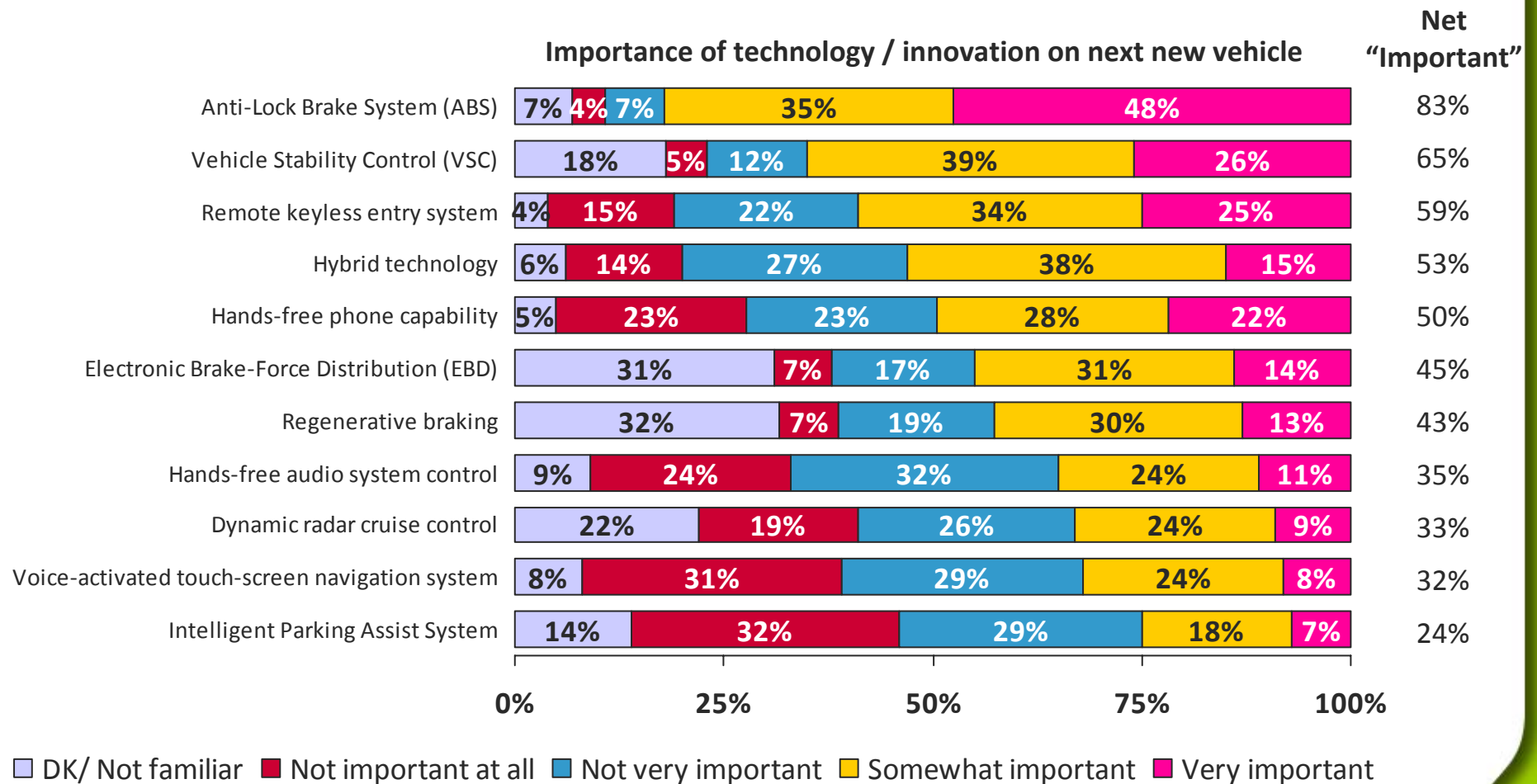
# Executive Summary

- Today, hybrid technologies sit close to the top of consumer priorities in new vehicle purchase, being among the top four features that Canadian consumers will look for in their next new vehicle purchase. One-half (52%) of Canadians who are planning to buy a new vehicle within in the next 24 months intend to consider hybrid as a key technology in their next vehicle purchase, placing hybrid fuel systems second only to critical safety features, like anti-lock braking systems, stability control and keyless entry, in the final product decision process.
- Interest in hybrid vehicles is being driven by perceptions of value, notably the lower overall operating costs relative to traditional fuel technology driven vehicles.
- In comparative terms, the popularity of bio-fuel and electric is quite strong relative to the established presence of hybrid technology, the latter of which has multiple brands in-market. Currently, one-third (34%) of new vehicle intenders would consider a bio-fueled vehicle, while only slightly fewer (27%) would consider a fully electric new vehicle.
- For more full-scale adoption, electric vehicles must address negative perceptions of limited performance and poor reliability. Bio-fuelled technologies suffer from uncertainty in these same areas, but perceptions suggest uncertainty, rather than the more defined negative sentiments that are directed towards the performance and reliability of fully electric vehicles.

# Importance of Eco-Friendly Technologies



Hybrid technology is among the top four features that Canadian consumers will look for in their next new vehicle purchase – among the features provided in the study.



Q. How important will each of the following automotive innovations be in the purchase of your next vehicle?

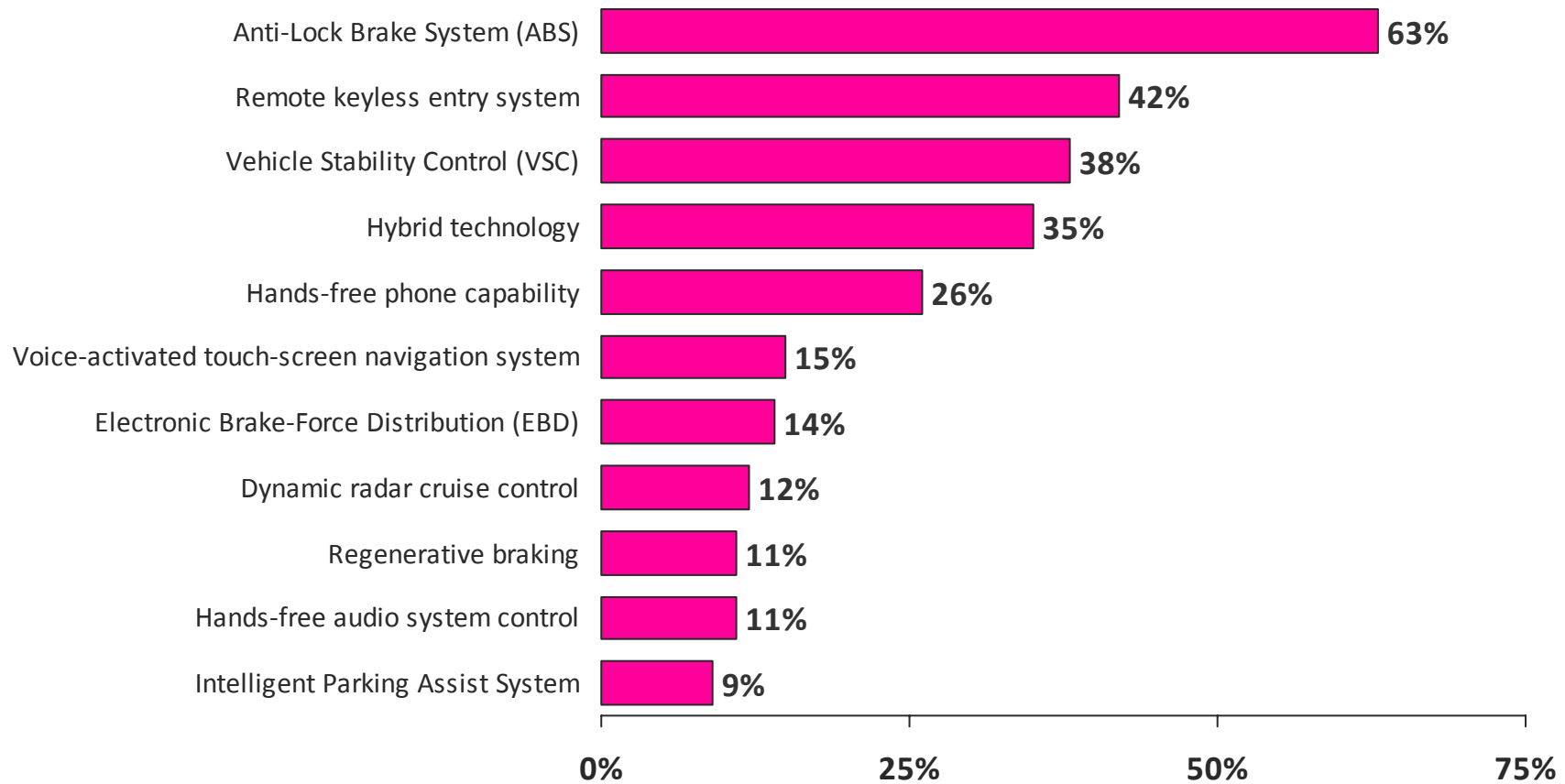
Base: Total 24-month new vehicle intenders (n=821)

\* Percentages may not add up to 100% because of rounding error



More than one-third put Hybrid technology among the top three most important features on their next vehicle.

### Three technologies/ innovations most likely to have on next new vehicle



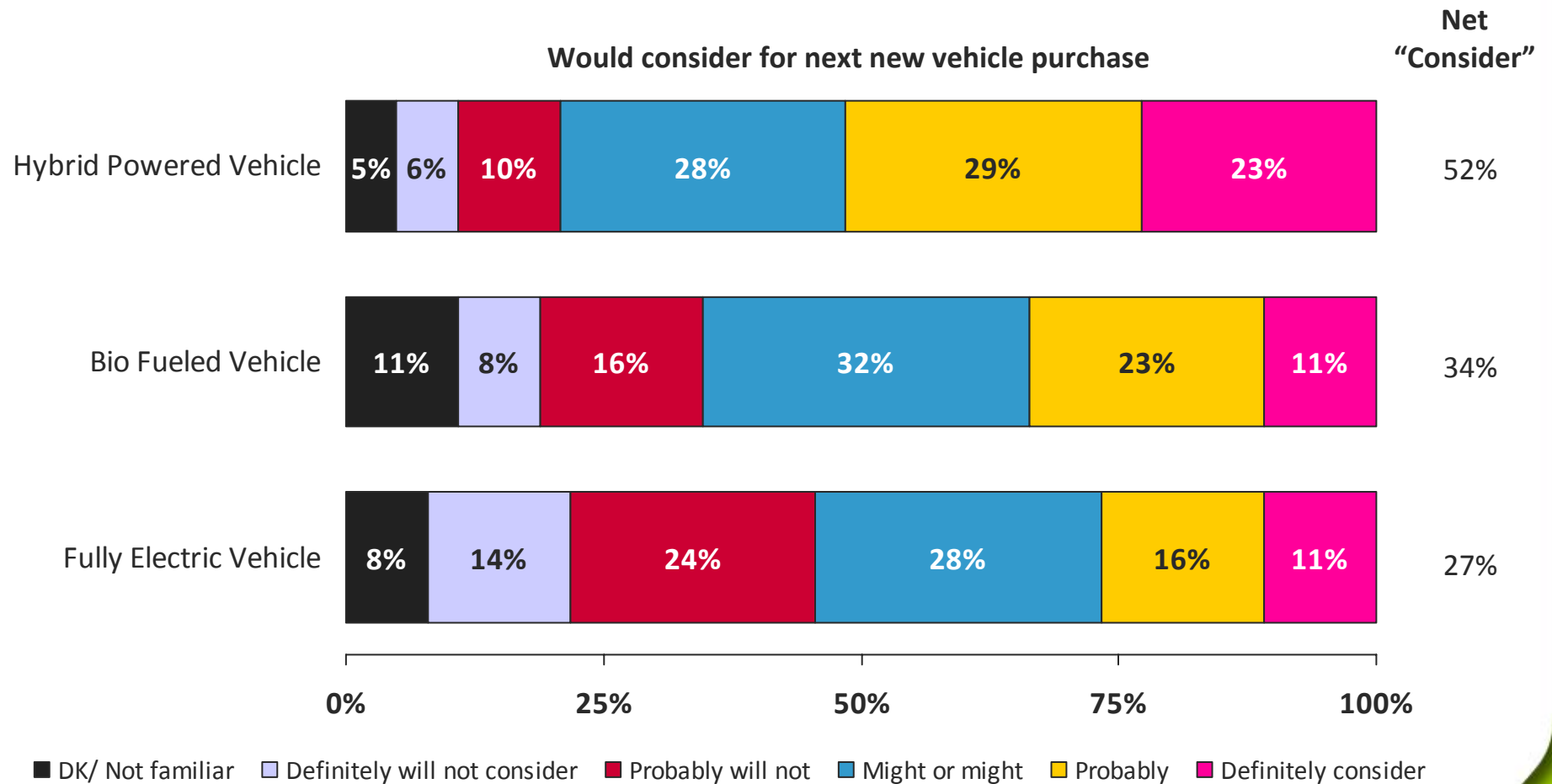
Q. If you had to select just three of these technologies or innovations that your next new vehicle would include, which three would you choose?

Base: Total 24-month new vehicle intenders (n=821)

\* Percentages will not add up to 100% because of multiple answers



Half (52%) of new vehicle intenders would consider a Hybrid and more importantly, nearly one-quarter (23%) will definitely consider the technology. One-third (34%) would consider a Bio-fueled vehicle, while only slightly less would consider a fully electric vehicle.



Q. Which of the following eco-friendly options would you consider for your new vehicle purchase beyond lower gas per mileage technologies?

Base: Total 24-month new vehicle intenders (n=821)

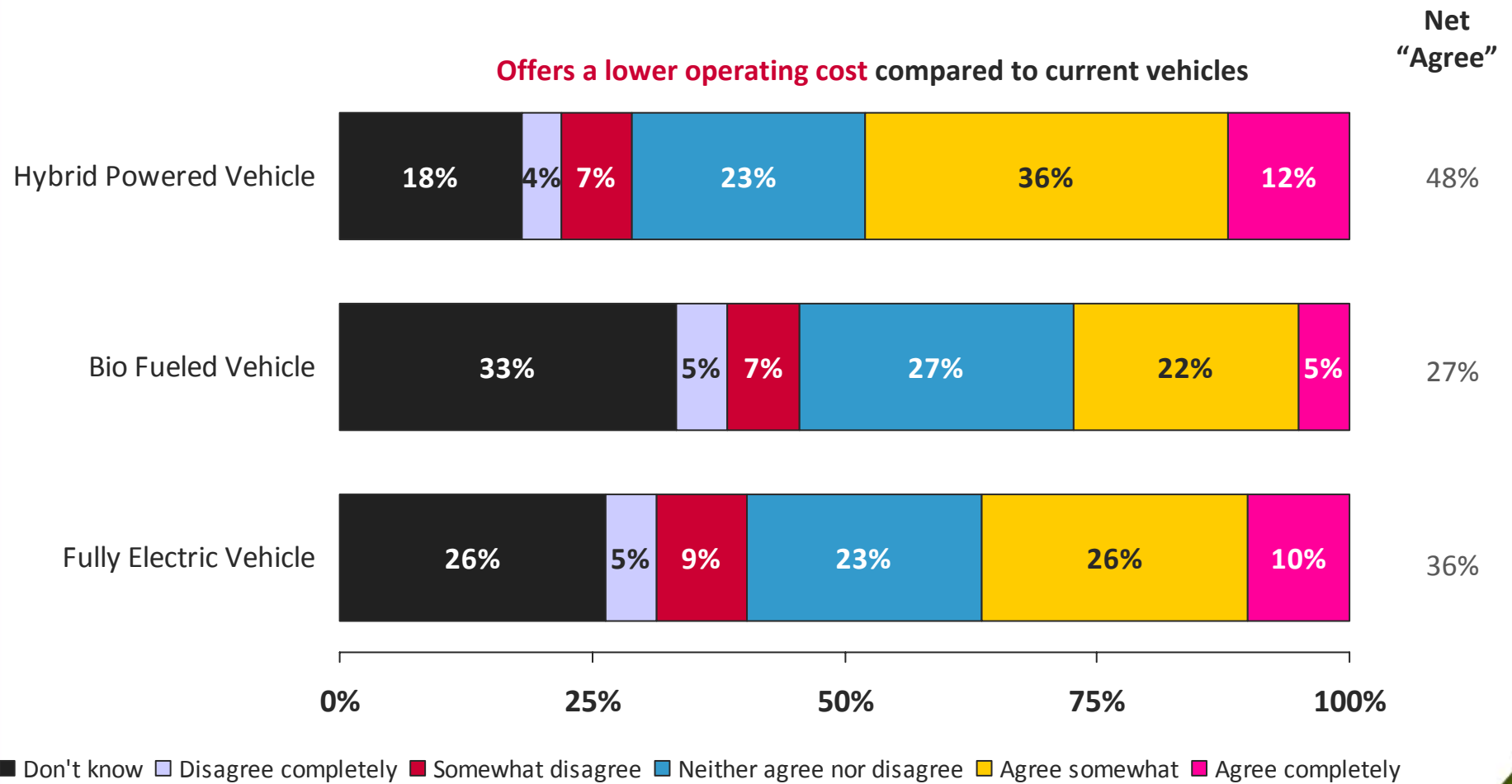
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# Advantages of Eco-Friendly Options

Lower operating cost is seen as an important advantage for all three technologies. Bio-fuel and electric vehicles only suffer from a lack of familiarity in this regard.



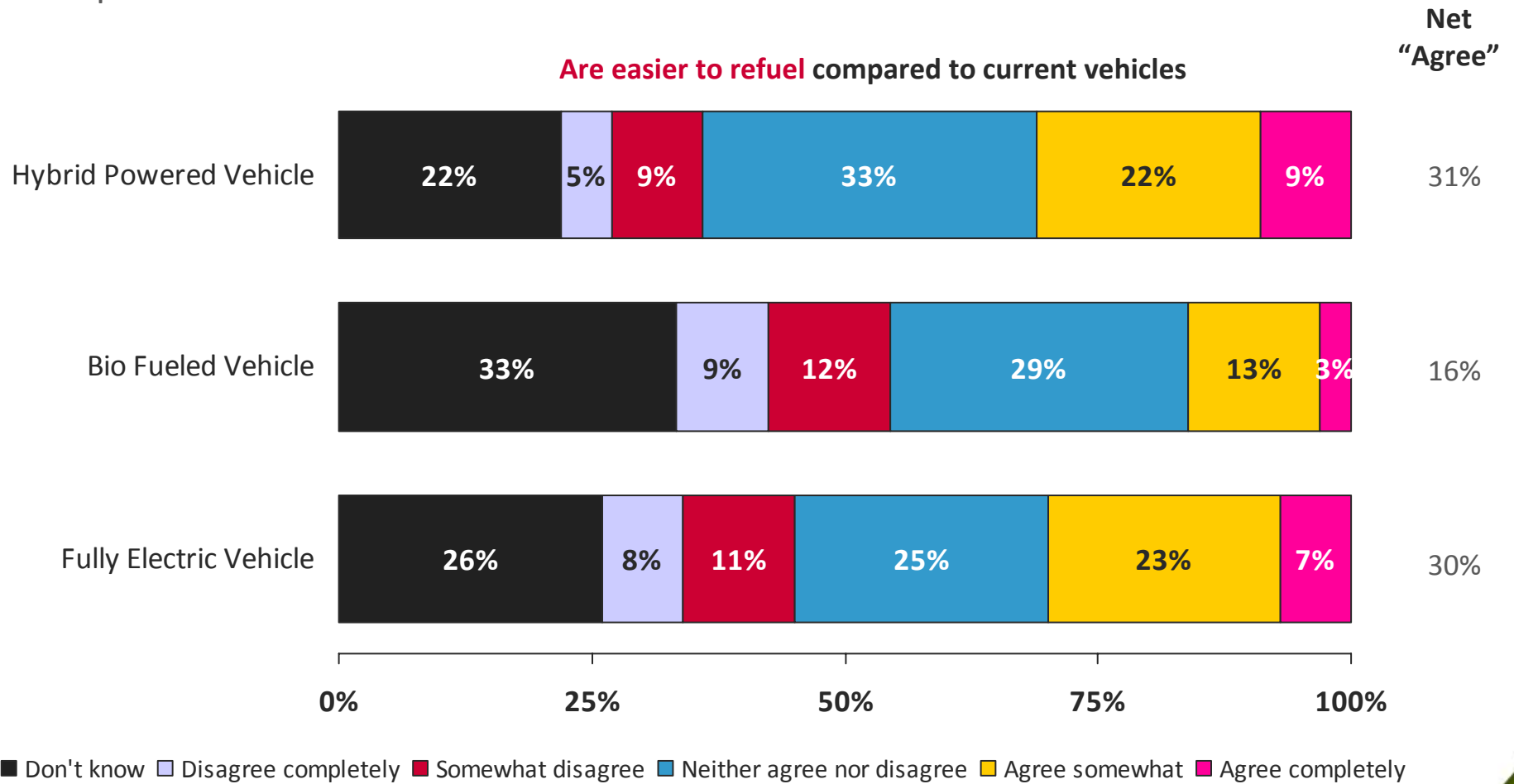
Q. Thinking specifically about xxx, how much do you agree or disagree with the following statements.

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Electric and hybrid powered vehicles (30% and 31% respectively) are both seen as being easier to refuel than current vehicles. Consumers are more concerned with bio-fuel on this particular notion.



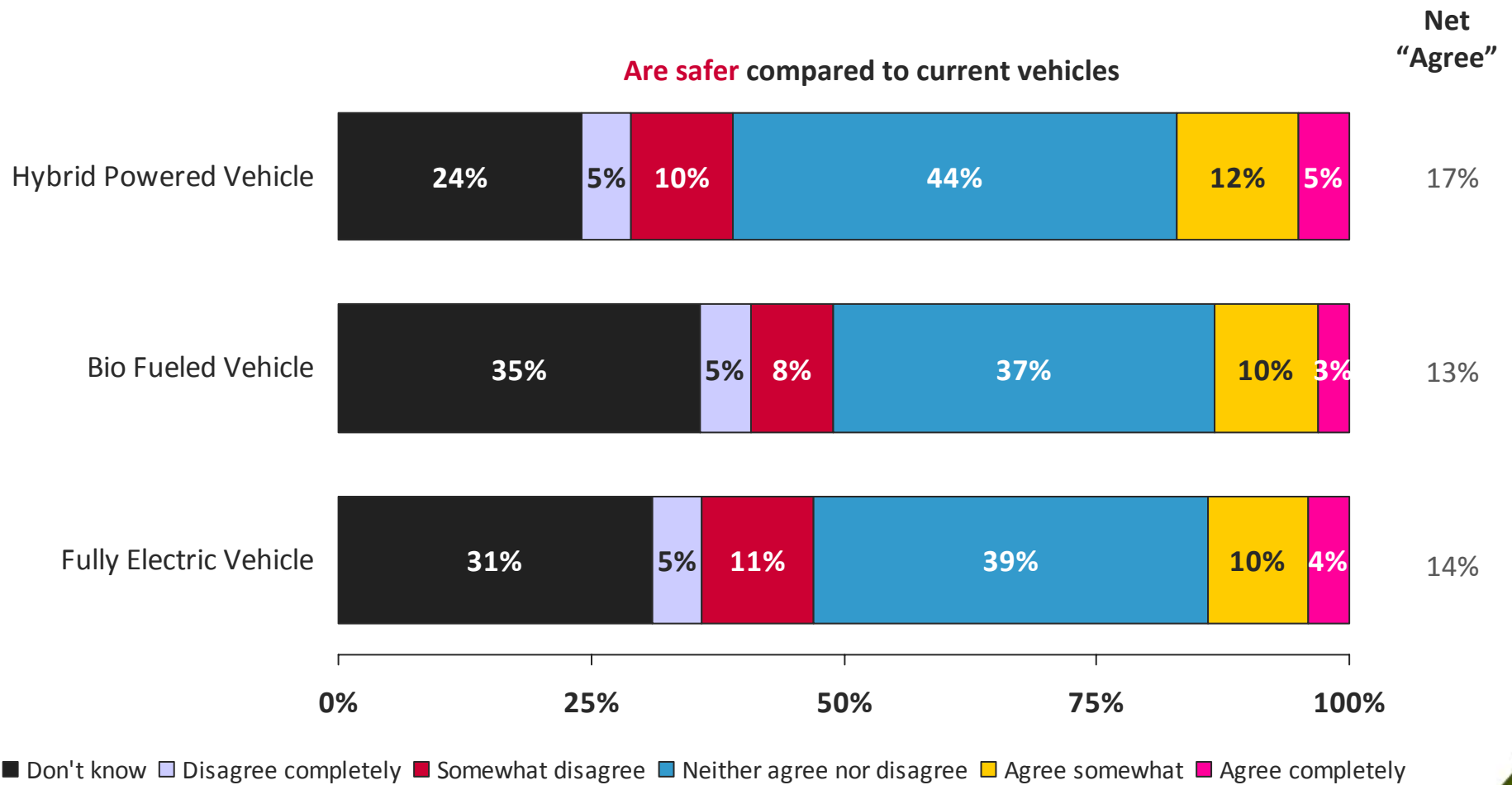
Q. Thinking specifically about xxx, how much do you agree or disagree with the following statements.

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Consumers do not believe that any of these new technologies will impact vehicle safety, either in a positive or negative manner.



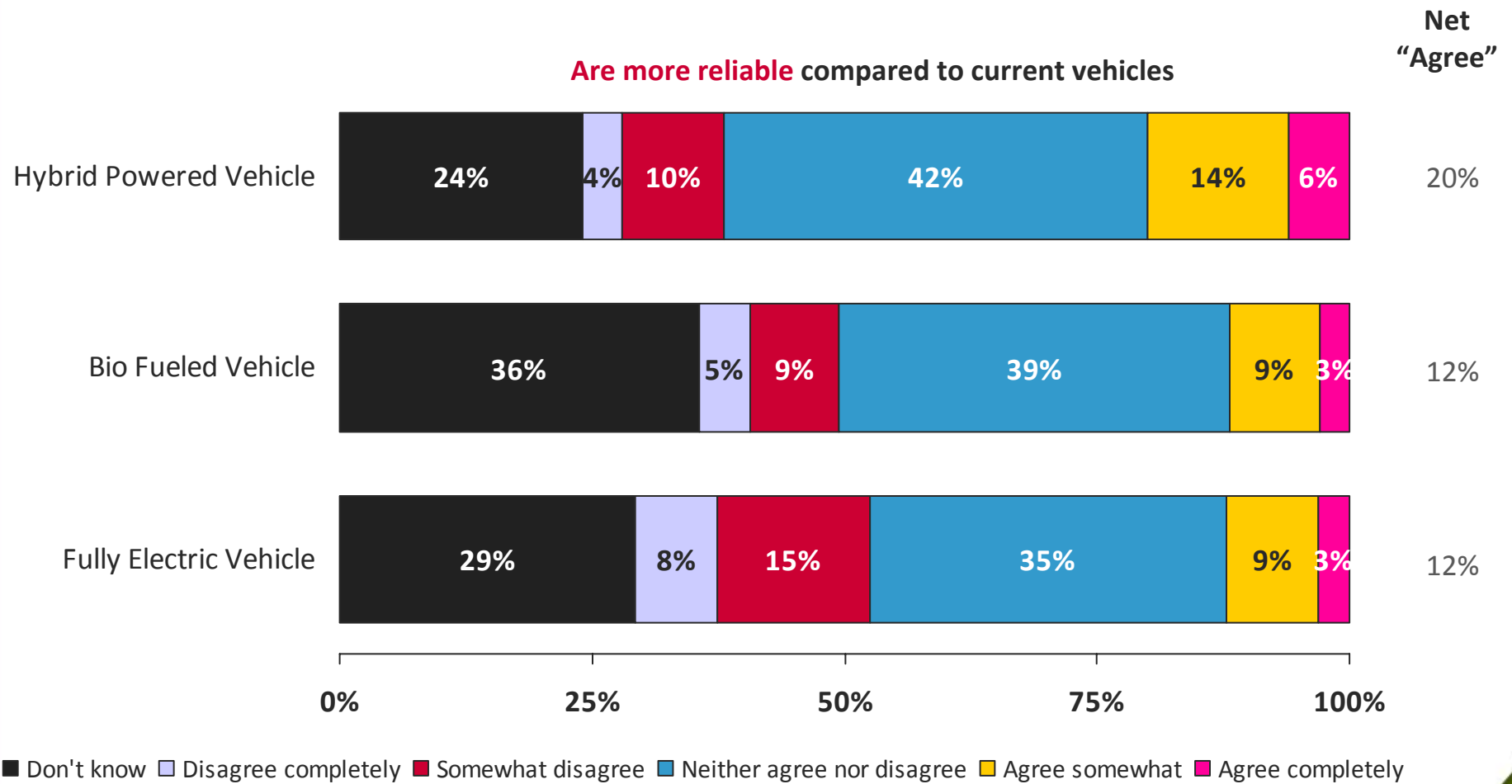
Q. Thinking specifically about xxx, how much do you agree or disagree with the following statements.

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Consumers are more concerned with the reliability of electric vehicle than they are with hybrid or bio-fuel powered vehicles.



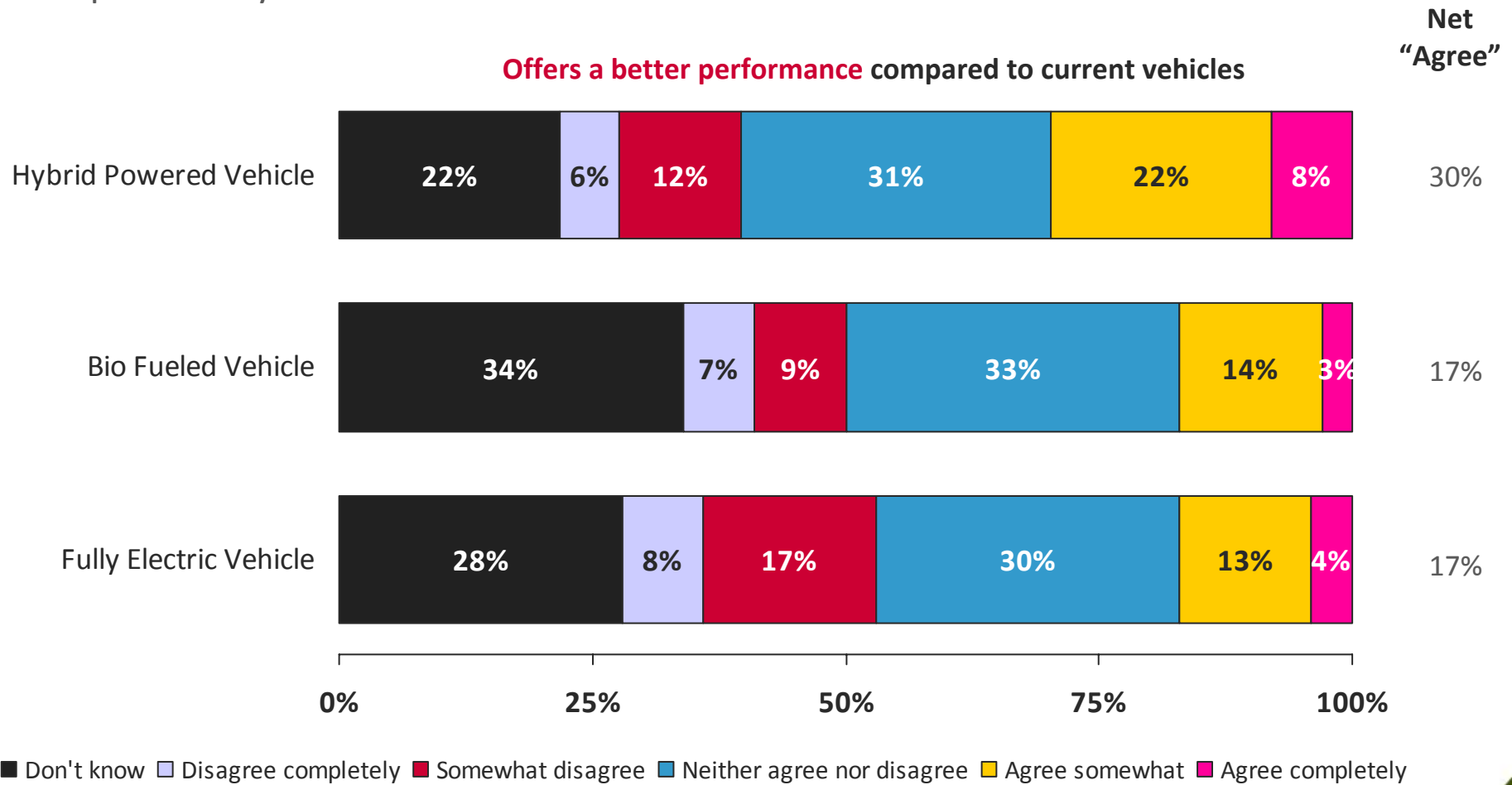
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Similar to perceptions of reliability, fully electric vehicles lag behind other eco-friendly options in terms of offering better performance than current vehicles. One-in-four (25%) are particularly concerned with this issue.



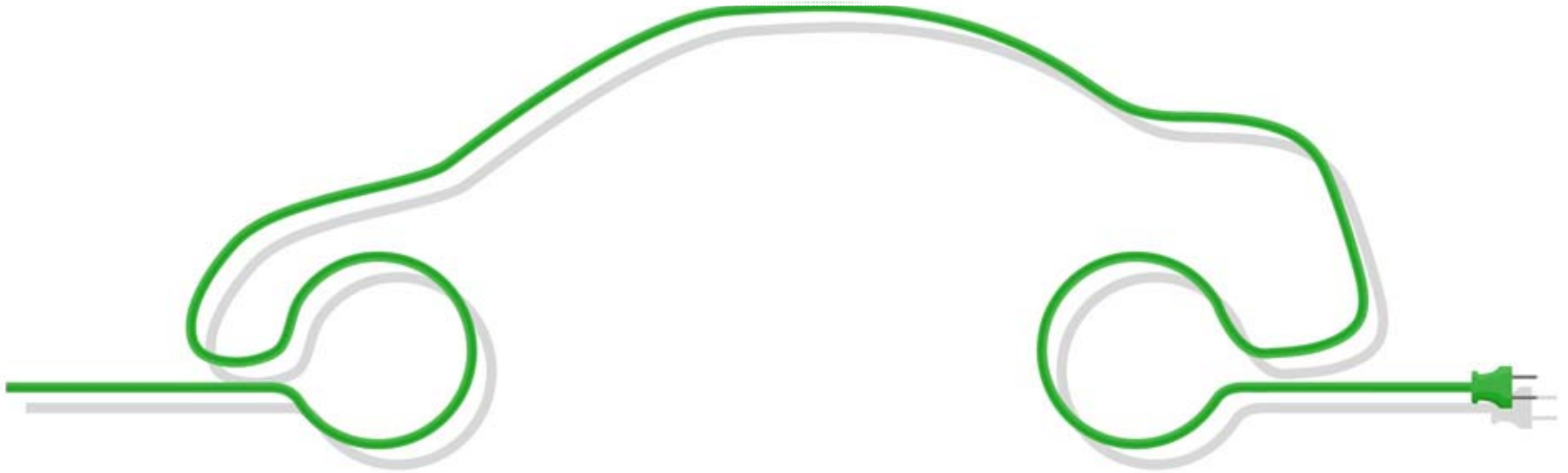
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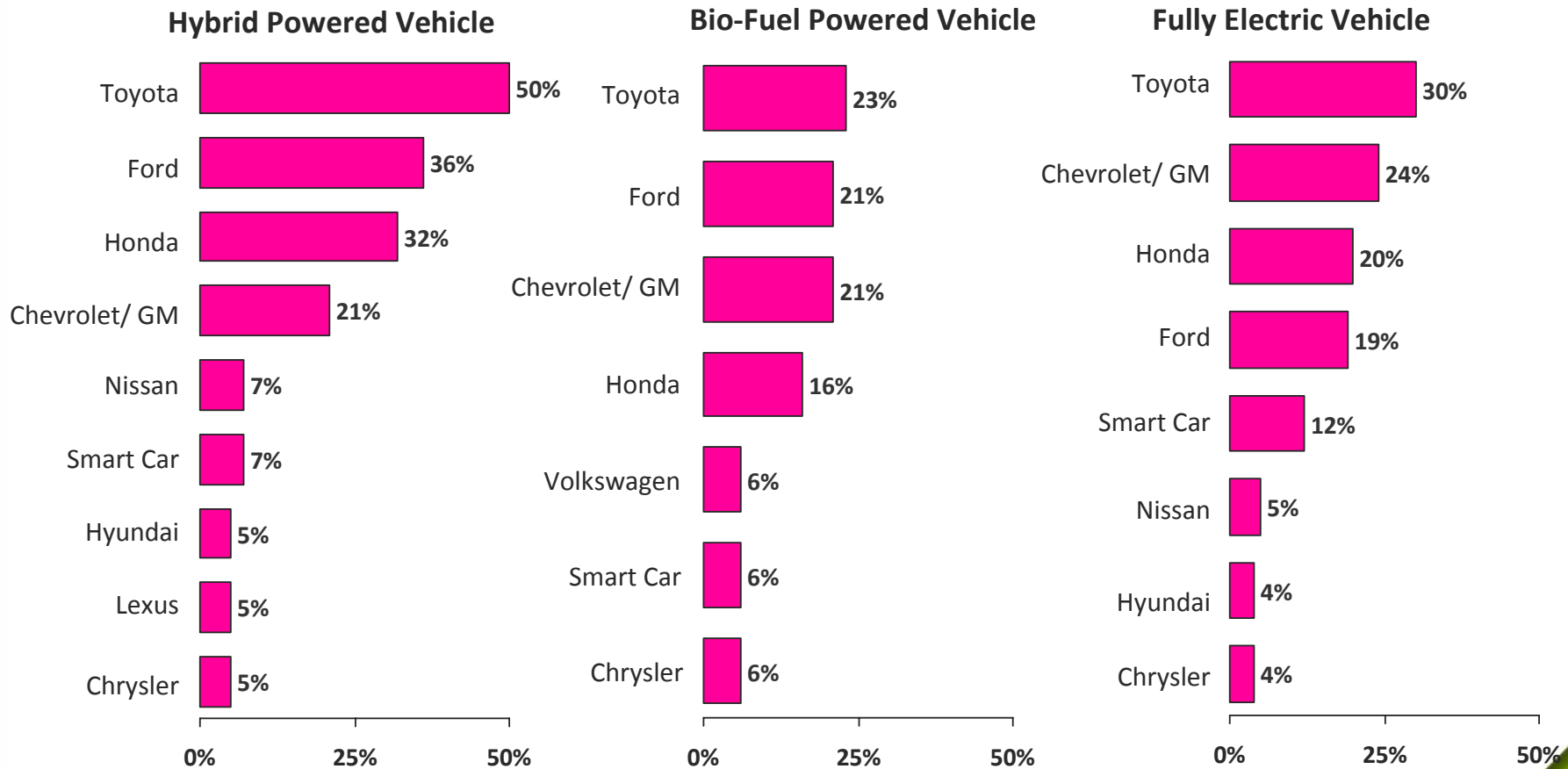


# Manufacturers Better Positioned to Offer Eco-Friendly Technology



Toyota and Ford top the list of leading automotive manufacturers that Canadian consumers see as being best positioned to offer vehicles with advanced fuel technologies, such as hybrid and bio-fuel powered vehicles. With regards to potential to offer electric vehicles, Chevrolet/ GM comes in second position, just under Toyota.

**Manufacturer Better Positioned to Offer/ Currently Offering Technology**



Q. Keeping in mind everything you know and have heard recently about XXX which of the following manufacturers do you think is in a better position to offer, or is currently offering, vehicles with this technology to Canadian consumers?

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# Survey Methodology

- Data collection was completed via a national online survey conducted by TNS Canada.
- A total of 1,477 nationally representative Canadian adults were interviewed, of whom 821 said they intend to purchase a new vehicle in the next 24 months.
- Data collection was completed between December 8 and 16, 2009.
- Data was weighted by gender, age and region to be representative of the general population.

