

## AUTOINTELLIGENCE™

Monthly automotive competitive insights from Compete

### XTERRA TRENDING UP

In late October, Motor Trend® named Xterra its 2006 SUV of the year. Compete investigated the extent to which Xterra shopper counts changed coincident with the award.

In November, Xterra shopper counts increased 41%, which was only the second month-over-month gain in eight months—the other was in July (up 3%) when new vehicle shopper counts market-wide peaked. The number of Nissan shoppers overall was down 10% month-over-month. Xterra's gains bettered Compete's Import Entry SUV segment overall, which drove Xterra Share of Segment Interest to a 7-month high.

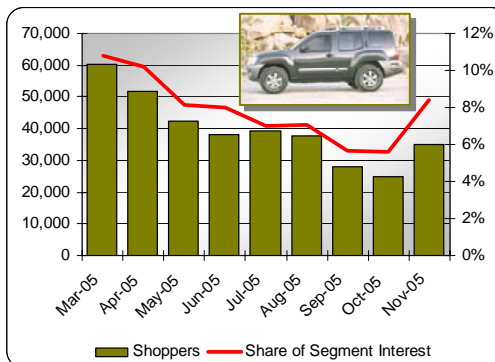
The *value* of such an award in generating demand can be measured by better advertising cost-effectiveness.

If advertising is more effective when including accolades, cost per shopper should decrease compared to non-accolade months. If Nissan did not promote the award itself, Xterra realized market-driven gains.

The value of such an award in creating more *purchase-ready* shoppers can be measured by more cost-effective incentives. If accolade ads create more purchase-ready shoppers, incentive cost-effectiveness should improve (after adjusting for changes in transaction prices). Xterra shopper conversion in November (based on total Xterra sales including fleet) was flat, despite 17% lower incentives (source: Autodata).

By correlating Compete shopper count data with advertising spend data, OEMs can quantify advertising effectiveness and the monetary benefit of including awards in advertising.

XTERRA SHOPPER COUNTS (LEFT) AND SHARE OF SEGMENT INTEREST (RIGHT)



**Xterra shopper counts increased 41% in November—shortly after it won SUV of the Year**

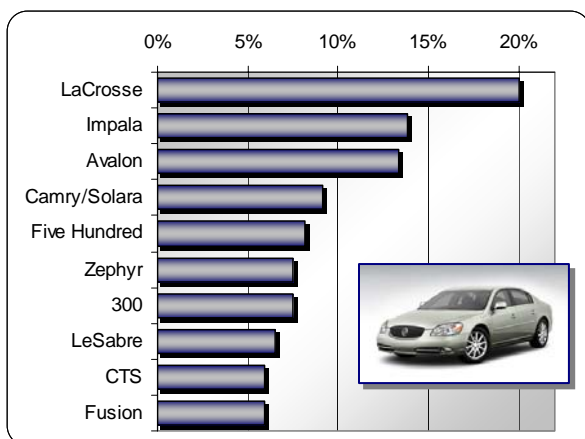
Compete provides automakers with the most detailed and immediate insights into vehicle demand generation and conversion, as well as vehicle and brand competitiveness. Our services help automakers optimize marketing and incentive decisions and benchmark performance against rival actions.

### LUCERNE CROSS-SHOP SET DOMESTIC

Lucerne is a new nameplate for Buick, replacing LeSabre and Park Avenue. In November, 30% of all Buick shoppers shopped Lucerne—more than any other Buick. Compete assessed how consumers perceived Lucerne based on cross-shop behavior among Lucerne shoppers.

Eight of the top 10 models in the November Lucerne cross-shop set were domestic models. The only import nameplates were Avalon and Camry/Solara. The set was led by LaCrosse (the second-most-shopped Buick). Same-brand cross-shop is not a risk to sales if there are enough unique shoppers to support sales targets for both models. If not, sales of one may come at the expense of the other.

LUCERNE CROSS-SHOP SET, NOVEMBER 2005  
(Share of Lucerne shoppers shopping vehicles shown)



Impala (also a GM model) and Lucerne do not share platforms, though each offers a V6 with an optional V8. The same is true for 300 and CTS (V-Series). Avalon's position among Lucerne shoppers may reflect Lucerne positioning as well as Avalon's strength market-wide (Avalon had 2.4-times as many shoppers as Lucerne in November).

Buick can quantify its ability to position the Lucerne by documenting the extent to which the Lucerne cross-shop set contains the target rivals (and separately, the extent to

which target rivals' shoppers cross-shop Lucerne) This assessment is important during launch and over time as launch advertising subsides. Changes in the cross-shop set over time will also indicate the extent to which new models (such as the pending Lexus ES replacement) impact Lucerne.

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Direct your comments to  
Lincoln Merrihew at  
Lmerrihew@compete.com

