Global Image and Reputation of the Auto Industry

Frankfurt Motor Show

16 September 2015
During recent history, public attitudes towards the auto industry have shifted up and down in response to global events and, no doubt, by the media coverage of the issues those events have raised.

In early 2015, the International Organization of Motor Vehicle Manufacturers (OICA) decided it was time to take an accurate measure of the state of the industry’s reputation internationally.

For the first study of its kind in terms of subject and scale, the OICA commissioned the Automotive team at TNS Sofres to conduct a survey amongst the general public in 18 countries, with the goal of capturing consumers’ attachment to the automobile and their image and opinion of the sector overall.

Fieldwork for the study was conducted between February and April 2015.
An international first, to measure the reputation of the auto industry around the globe

**18 countries** in the scope / Over **14,000 interviews** conducted **between February & April 2015**

76% of WW car sales

Sample
- 800 interviews per country
- 18 target markets (76% of WW car sales)
- **General public 18+** in developed markets
- **Online population 18+** in developing markets

Methodology
- Online interviews
- 15-minute long questionnaire
- Kantar LSR access panel

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Global image of the auto industry
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Two major topics covered by the research

Attachment to cars

Image & reputation of the industry
What does the automobile represent for consumers today?
Today, the global majority could not imagine living their lives without a car.

**Attachment to cars**

- **57%** I **CANNOT** imagine living my life without a car

- **43%** I **CAN** imagine living my life without a car

**Survey conducted between February and April 2015**

- **Africa**: 78% CAN, 22% CANNOT
- **Americas**: 63% CAN, 37% CANNOT
- **Europe**: 56% CAN, 44% CANNOT
- **Asia**: 48% CAN, 52% CANNOT

Q: Please select which of the following statements best corresponds to the way you feel.
In the context of a daily journey, the automobile has unrivaled image of comfort and efficiency compared to alternatives.

Profile of transportation options

Q: Please indicate to what extent you think each attribute applies to a daily journey taken with the following means of transportation.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Car</th>
<th>Moto</th>
<th>Public Transportation</th>
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</thead>
<tbody>
<tr>
<td>Comfortable</td>
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<td>Practical</td>
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<tr>
<td>Cheap</td>
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</tr>
</tbody>
</table>

Survey conducted between February and April 2015
...and this profile is a relative point of convergence across markets, regardless of their level of development.

Profile of transportation options

Q: Please indicate to what extent you think each attribute applies to a daily journey taken with the following means of transportation.

Survey conducted between February and April 2015
But there are two dimensions to take into account when measuring consumers’ image of and attachment to the automobile.

**Functional**
- Technology
- Environment
- Efficiency

**Emotional**
- Freedom & liberty
- Progress
- Desire
- Status
- Nostalgia
The top statements that constitute the public’s image of the automobile reveal a strong emotional bond to cars and a persistent desire for ownership.

**Top image items associated with the automobile**

The **FIRST CAR** one owns is **VERY SPECIAL**

It’s important to **OWN MY OWN CAR**

It’s always nice to see a **BEAUTIFUL CAR** drive by

The car is one of humanity’s **GREATEST ACHIEVEMENTS**

Cars are the **MOST EFFICIENT** means of getting around

A car is a symbol of **PERSONAL FREEDOM** and **LIBERTY**

**Top 2 Box** (Agree strongly + slightly)

- The **FIRST CAR** one owns is **VERY SPECIAL**: 67%
- It’s important to **OWN MY OWN CAR**: 65%
- It’s always nice to see a **BEAUTIFUL CAR** drive by: 61%
- The car is one of humanity’s **GREATEST ACHIEVEMENTS**: 61%
- Cars are the **MOST EFFICIENT** means of getting around: 60%
- A car is a symbol of **PERSONAL FREEDOM** and **LIBERTY**: 57%

*Q: The following list contains some statements commonly associated with cars. Please indicate to what extent you agree with each.*

Survey conducted between February and April 2015
What is the image and reputation of the auto industry today?
The TNS corporate reputation index takes into account 5 important dimensions.
A sector whose reputation is in good health, with some disparities between mature and emerging markets.

TNS Corporate Reputation Index

TNS Benchmark

Global: 59

Excellent

Very good

Good

Fair

Poor

IT technology: 62
Travel & Tourism: 60
Consumer goods: 52

Europe: 49
Americas: 62
Africa: 65
Asia: 68

TNS TRI*M Corporate Reputation Index (not % score) is based on 5 key indicators: Overall stated reputation, personal opinion of the industry, trust in the industry in the long run, industry’s product and service quality, industry’s perceived economic and financial success. Theoretically, the TRI*M Index is calculated on an ‘open’ scale. In practice, more than 80% of all TRI*M Corporate studies have got an Index between 20 and 76 (General Public target). Benchmark (General Public 18+ - All industries – World – based on 942 000 interviews): 48

Survey conducted between February and April 2015
Many diverse factors contribute to the auto industry’s reputation today, and our study covers those dimensions, down into the details.

**Innovation**
- Latest technologies for vehicles
- Developing connected & intelligent vehicles
- Increasing access to individual forms of mobility

**Environment**
- Invests in sustainable energy sources
- Reducing CO₂ emissions
- Reducing non-CO₂ emissions

**Forward looking**
- Future-oriented
- Looking for solutions to its challenges
- Works towards a sustainable future

**Consumer needs**
- Products adapted to consumers’ needs
- Products that improve quality of life
- Vehicle safety
- Fuel economy
- Reducing maintenance & repair costs
- Vehicle sale prices
- Good value for money

**Corporate & social ethics**
- Committed to local communities
- Creates jobs in my country
- An industry that can be trusted in the long term
- Ethical business practices
- Cares for its employees
- Does not mislead consumers
- Road safety
- Road congestion

Survey conducted between February and April 2015
A surprising mix of factors that drive the auto industry’s reputation today...

**Top drivers of industry reputation**

- **Innovative**
  - Latest technologies for vehicles
  - Developing connected & intelligent vehicles
  - Innovative

- **Future-oriented**
  - Forward looking
  - Looking for solutions to its challenges

- **Products adapted to consumers' needs**
- **Products that improve quality of life**

- **Corporate & social ethics**
- **Consumer needs**

An industry that can be trusted in the long term

Survey conducted between February and April 2015
And on these challenges that most impact its reputation, global public opinion finds that the auto industry has a strong capacity to face them.

Latest technologies for vehicles
- 81%
Developing connected & intelligent vehicles
- 78%
Innovative
- 77%

Auto industry reputation

Good performance rating
(Excellent + very good + good)

Future-oriented
- 79%
Looking for solutions to its challenges
- 74%

An industry that can be trusted in the long term
- 73%

Corporate & social ethics

Consumer needs

Products adapted to consumers' needs
- 78%
Products that improve quality of life
- 76%

Survey conducted between February and April 2015

TNS Sofres
Global image of the auto industry

© TNS
With similar good results on these important drivers across most markets.

- **Latest technologies for vehicles**: 84%
- **Developing connected & intelligent vehicles**: 79%
- **Innovative**: 81%

**Auto industry reputation**

- **Corporate & social ethics**: 69%
- **Consumer needs**: 79%

**Good performance rating**

(Excellent + very good + good)

- **Germany results**
  - Future-oriented: 85%
  - Looking for solutions to its challenges: 76%
- **China results**
  - Products adapted to consumers' needs: 81%
  - Products that improve quality of life: 80%

**Survey conducted between February and April 2015**
On environmental issues that traditionally receive media coverage, global public opinion has gotten the message that the industry has made progress.

- Invests in sustainable energy sources: 68%
- Reducing CO₂ emissions: 70%
- Reducing non-CO₂ emissions: 69%

**Good performance rating**

(Excellent + very good + good)

Survey conducted between February and April 2015
What’s more, public opinion has an accurate view of vehicles’ contribution of to global CO2 emissions.

Vehicle contribution to global CO2 emissions

Q: Please indicate what percentage of global CO2 emissions you think each of the following sectors is responsible for.

Source: International Energy Agency

Survey conducted between February and April 2015
To conclude ...

A strong emotional bond with the automobile amongst consumers and a global desire for ownership.

An industry with a good public perception, even more so in developing markets.

Thanks to its capacity to face those challenges that most contribute to its reputation today.

But...current expectations for the auto industry are very high.

Beyond being able to face specific challenges that impact its reputation in a given market, the public expects a concrete vision for the future if the industry is to maintain a positive perception.