

## Premium Brands Perception Maps

### Style and Quality

- Saab, Lexus, and to a lesser extent Mercedes-Benz are regarded by those considering purchasing them as being the premium brands with the most style and design features. BMW and Land/Range Rover are regarded slightly less so.
- Jaguar is regarded as being the premium brand which is of higher quality and offers greater reliability than the other premium brands, but is weaker in terms of style and design. These perceptions reverse the brand's historical reputation from the years preceding its current and previous corporate ownership.

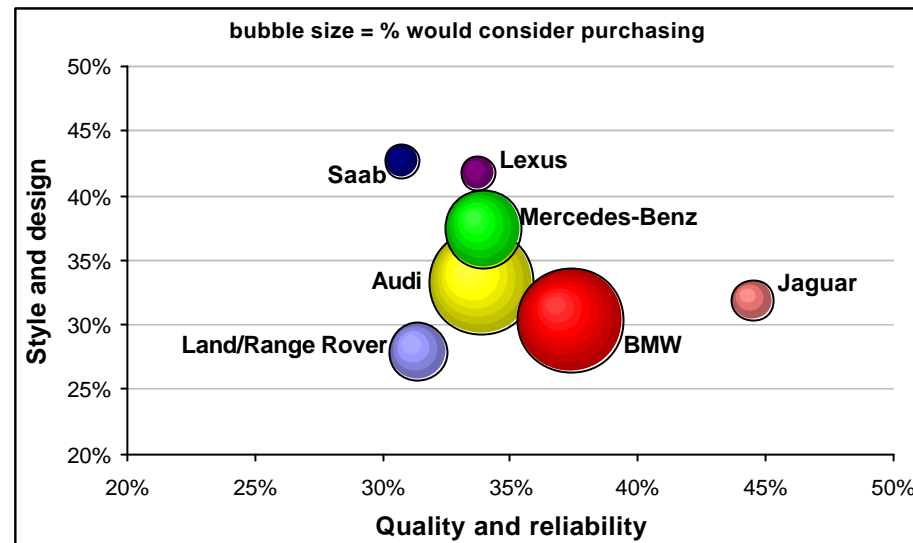
### Economy and Affordability

- Of the seven main premium brands analysed, Audi is regarded as being the most economic premium brand to run and Jaguar, Lexus and Land/Range Rover the least economic to run.
- With the exception of Land/Range Rover, the other six premium brands are regarded as being near-equal in terms of affordability; only Land/Range Rover is seen as being clearly the least affordable of the main premium brands.

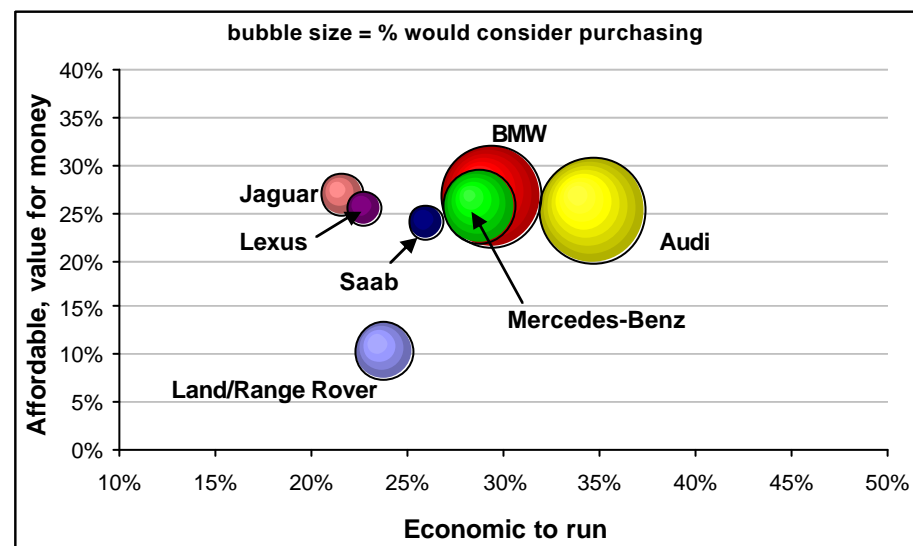
Audi's running cost advantage over the other main premium brands may be due in large part to its range of fuel-efficient petrol and diesel engines, although BMW and Mercedes-Benz also have fuel-efficient diesel engines. However, for premium brand models to be considered as more competitive in respect of running costs with the volume brands, they may need to include more affordable mini and supermini models within their ranges – as Audi, BMW and Mercedes-Benz have done.

**Fig 1 Premium brands – style and quality**

Base: 2,200 car buyers considering the purchase of a premium brand



**Fig 2 Premium brands – economy and affordability**



Source: Lake Research/Trend Tracker

# Volvo

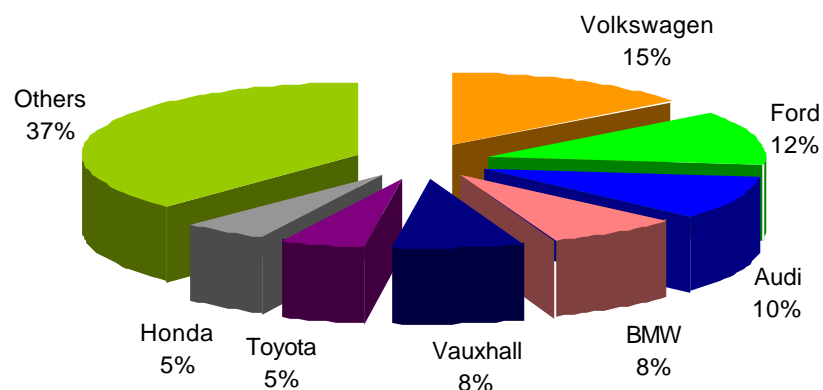
## Volvo strengths and weaknesses

- Volvo is regarded as a versatile and quality brand, due principally to the size of its large estate models and their build quality. It is also perceived as being a comfortable brand with a reputation for safety.
- The brand's weaknesses are that it is not especially economic to run nor particularly affordable, while offering low values on cars offered in part-exchange. While Volvo is therefore a semi-premium brand in terms of its weaknesses, it lacks the requisite strengths of style and design of the premium sector.

### **Brand Position:**

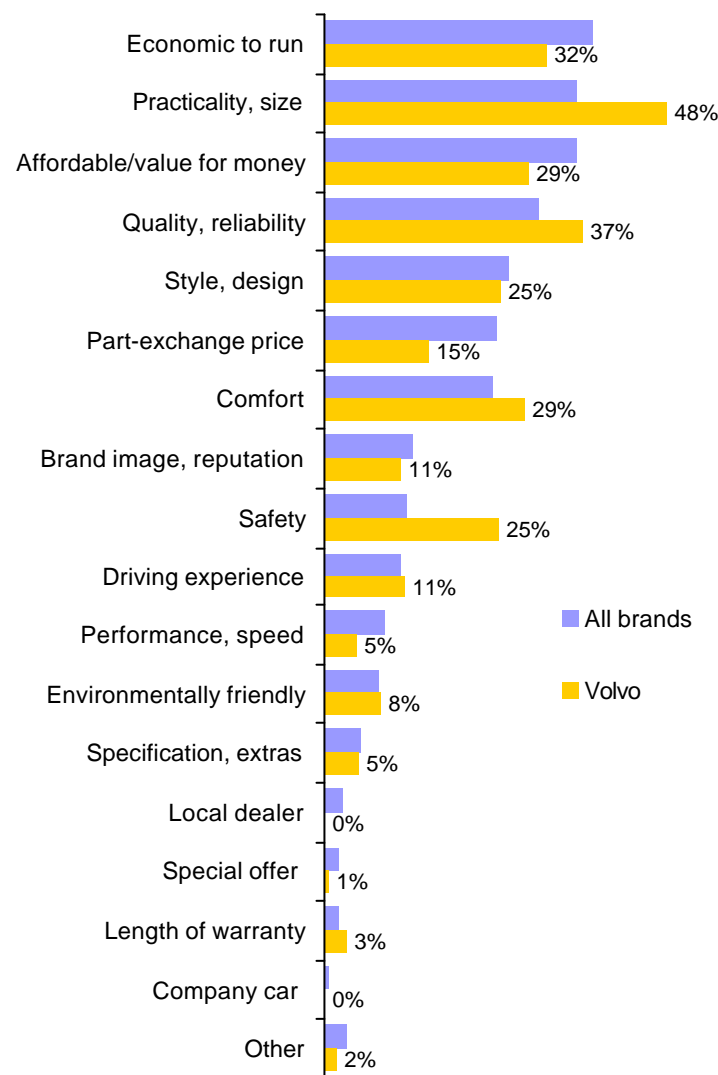
A safe, practical, quality brand, but uneconomic to run with low affordability and poor style and design.

### **Main Competitors:**



**Fig 3 Volvo brand metrics, Jun 2010-May 2011**

Base: 173 car buyers considering purchasing a Volvo (% of respondents preferring Volvo stating factor as important)



Source: Lake Research/Trend Tracker