

AUTOMOTIVE CHIP SHORTAGE

CONSUMER PERSPECTIVE WAVE 2

Field Dates: 8/16-8/24/2021 • Consumers: In-market shoppers for a vehicle purchase/lease (Wave 2: n=173; Wave 1: n=266)

KEY FINDINGS



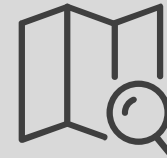
About a third of these in-market shoppers are now willing to pay above the MSRP compared to about 42% in April and would pay a **13% premium** (vs. 12% in April).



Due to the chip shortage, just under half (48%) of in-market shoppers are likely to postpone their purchase compared to 37% in April.



Overall, most consumers still anticipate negative impacts on the automotive market as a result of the chip shortage, from increased prices to inventory shortages and longer delivery times.



Three-quarters of consumers are willing to drive outside of their local area for a vehicle, but fewer than 20% will drive more than 200 miles.

CHIP SHORTAGE FAMILIARITY

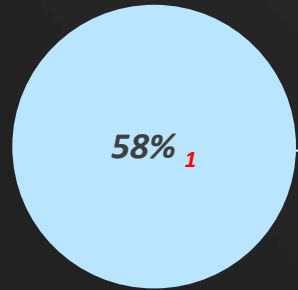
More than half of those aware of the chip shortage are familiar with the cause of this shortage, and more than 7-in-10 are familiar with the effect on the automotive market.

EXTREMELY/VERY FAMILIAR WITH CHIP SHORTAGE

(Among those who have at least heard about shortage)

WAVE 2

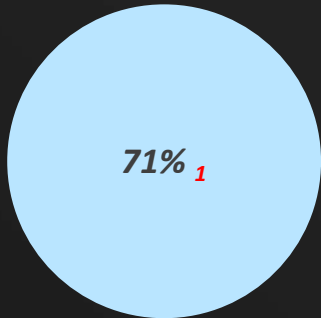
August 2021 (n=160)



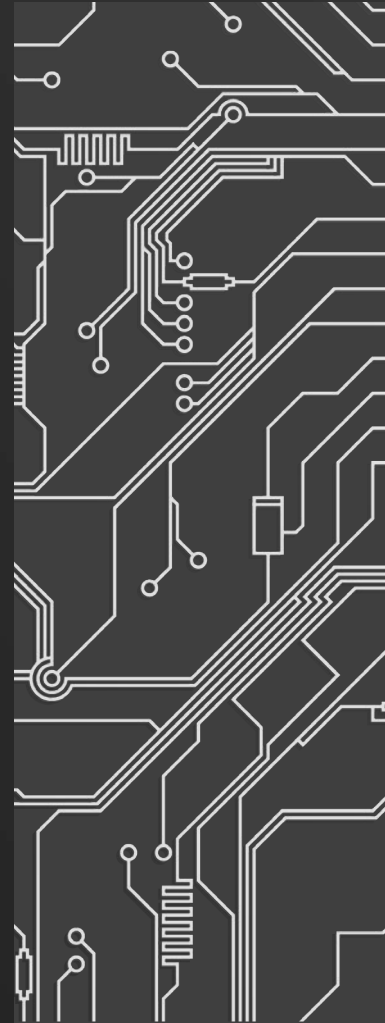
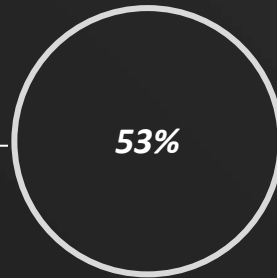
Cause of the Shortage

WAVE 1 – BASELINE

April 2021 (n=203)



Effect of shortage on Automotive Market

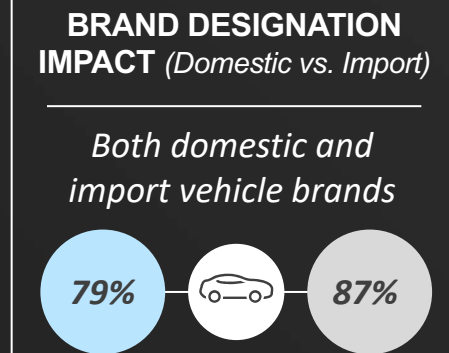
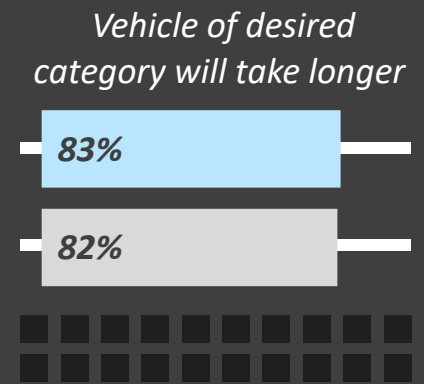
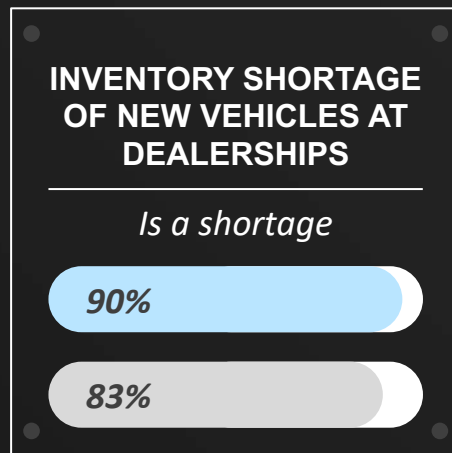
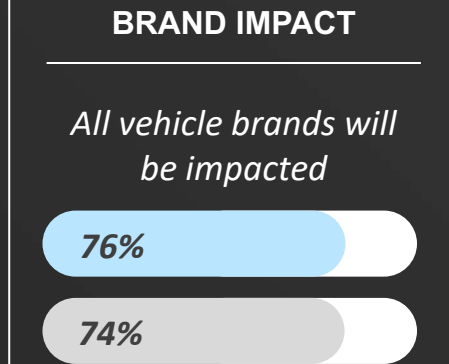
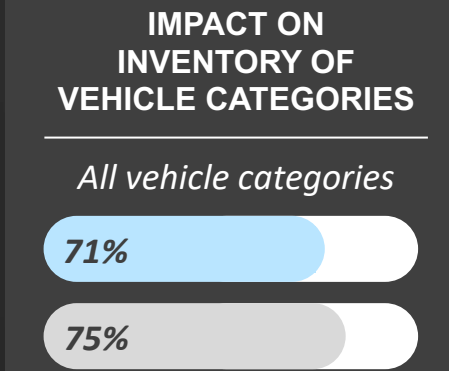
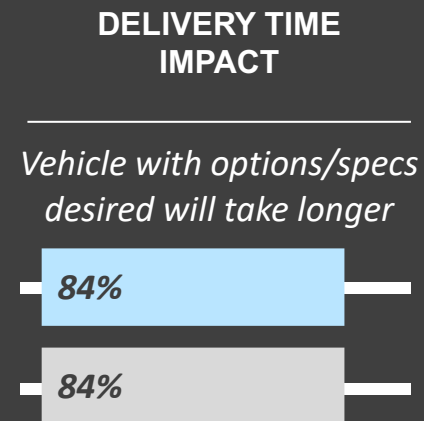
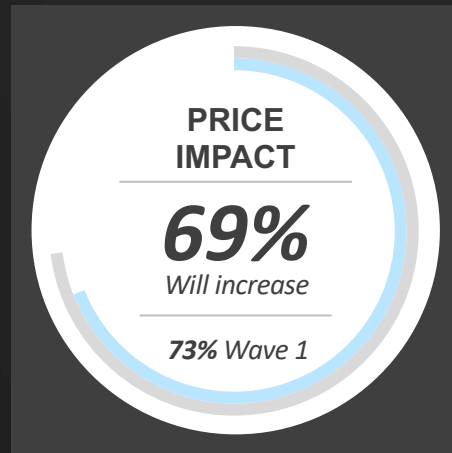


CHIP SHORTAGE IMPACT

More of these consumers recognize an inventory shortage at the dealerships now than they did in April, but slightly fewer feel this global chip shortage is affecting BOTH domestic and import vehicles.

CHIP SHORTAGE IMPACT ON CONSUMER AND/OR AUTOMOTIVE MARKET

(Among those who have at least heard about shortage)



CHIP SHORTAGE IMPACT (cont'd)

Only slightly fewer shoppers now than in April are willing to pay above MSRP to obtain their vehicle of choice and would pay a **13% vs. 12% premium (Aug vs. April)**.

CONSUMER WILLINGNESS TO PAY ABOVE MSRP FOR DESIRED VEHICLE

(Among those who have at least heard about shortage)

I would be willing to pay more than the MSRP



I would NEVER pay above the MSRP



■ WAVE 2 August 2021 (n=160)
 ■ WAVE 1 - BASELINE April 2021 (n=203)

Slightly more consumers are now anticipating postponing their vehicle purchase than they were in April.

LIKELIHOOD OF POSTPONING PURCHASE *(Extremely/very likely)*

Wave 2
August 2021 (n=173)

48%¹

Wave 1-Baseline
April 2021 (n=266)

37%

Among those who are likely to postpone their purchase of a vehicle due to the chip shortage, about half would delay their purchase by six months or less compared to about 60% 4 months ago.

POSTPONEMENT OF VEHICLE PURCHASE

(Among those who are extremely/very/somewhat likely to postpone)

WAVE 2

August 2021 (n=141)

12%

1-2 months longer

40%

3-6 months longer

40%

7+ months longer

WAVE 1 - BASELINE

April 2021 (n=188)

22%

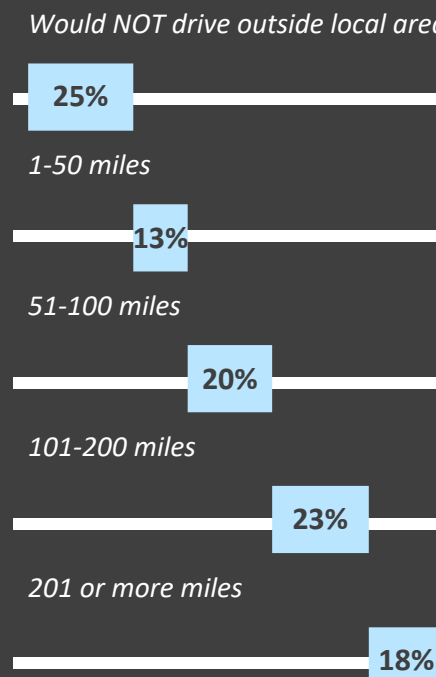
37%

34%

A quarter of consumers are NOT willing to drive outside of their local area to obtain a vehicle that meets their criteria. Most shoppers are willing to drive 50-200 miles for the right vehicle.

DISTANCE WOULD DRIVE OUTSIDE OF LOCAL AREA

(Wave 2 August 2021) (n=173)*



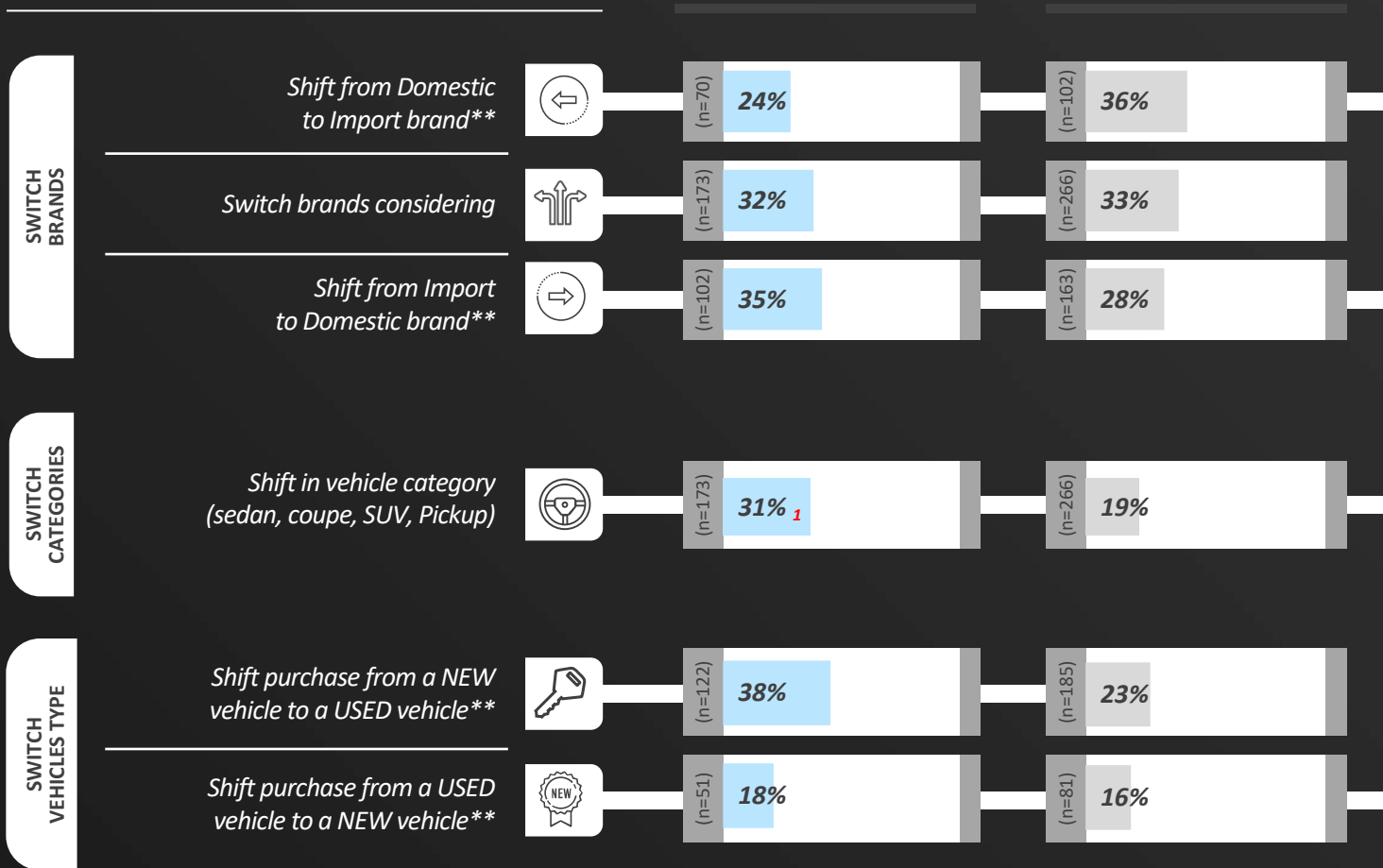
**Only asked in Wave 2 and subsequent waves*

CHIP SHORTAGE IMPACT (cont'd)

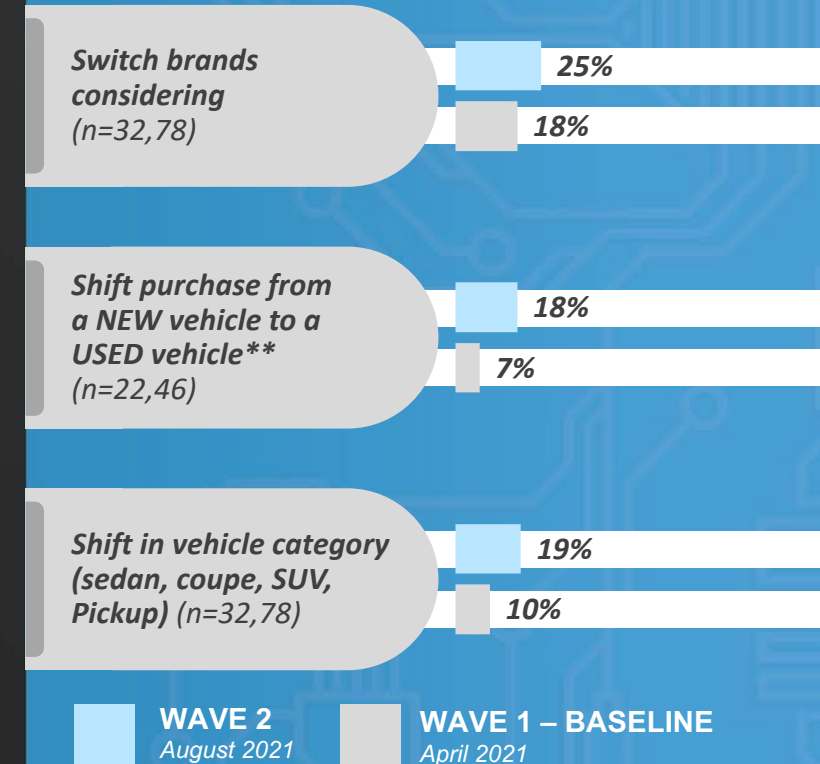
Slightly more consumers now are likely to shift from considering an import to a domestic, a new to a used vehicle, and to switch categories than in April.

More of those **not** postponing their purchase are likely to switch brands, categories, or from a new to a used vehicle than in April.

LIKELIHOOD OF IMPACTING VEHICLE PURCHASE (Extremely/very likely)



LIKELIHOOD OF IMPACTING VEHICLE PURCHASE (Extremely/Very likely) (Among those not likely to postpone purchase)



**Asked only of those considering specific type of vehicle (Domestic/Imported; New/Used). If considering both, was randomly assigned one or the other.