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MBLM Announces Automotive Industry is #1 for Brand Intimacy

Brand Intimacy 2017 Report Reveals Harley-Davidson Ranks First in Category, Followed by BMW and Toyota

NEW YORK — April 20, 2017 — MBLM, the Brand Intimacy Agency focused on strategy, design, creative and technology, today revealed that the <u>automotive industry</u> ranked first in its *Brand Intimacy 2017 Report*. The report, which is the largest study of brands based on emotions, found that Harley-Davidson placed first in the industry followed by BMW and Toyota. Brand Intimacy is defined as a new paradigm that leverages and strengthens the emotional bonds between a person and a brand. According to the 2017 report, top ranked intimate brands continued to outperform the S&P and Fortune 500 indices in both revenue and profit over the past 10 years.

Harley-Davidson ranked third in MBLM's 2015 report but overtook BMW and Toyota this year. In addition to being the strongest intimate category overall, the automotive industry is also the top industry for males, those older than 35 and those with a higher income. The remaining brands in the top 10 for the industry are: Honda, Jeep, Chevrolet, Ford, Volvo, Mercedes and Chrysler.

"The auto industry leads all others in the degree of intimate brands. Car brands form powerful bonds with us because they are both significant purchases and an extension of our identity and values. Cars make a statement about who we want to be and what we admire," stated Mario Natarelli, partner at <u>MBLM</u>. "As technology continues to disrupt the category in terms of car sharing, autonomous vehicles and electric/hybrids, it will be interesting to see which brands adapt best to the changing needs and priorities of their customers."

Leading brands like BMW, Toyota and Honda form powerful bonds with their customers through better (more reliable) performing cars and better service, delivering high-quality products that assure customers that their money was well spent.

While ranking first, the category is showing some potential signs of slippage compared to the 2015 report. Auto recalls hit a record high of 53.2 million in 2016, topping the 51.1 million recalls in 2015.

Other notable automotive industry findings from the report in the U.S. include:

- The archetype most associated with the industry is fulfillment exceeding expectations, delivering superior service, quality and efficacy – and it has the highest average fulfillment score of any industry
- The top brand for millennials is Chevrolet, for consumers 35 to 44 years-old is Harley-Davidson and for 45 to 64 year-old consumers is Harley-Davidson as well
- Harley-Davidson has had success in building and maintaining intimacy across multiple generations, placing in the top three for all age groups; although the brand appears to be less popular with millennials, its ability to appeal to all ages is a sign of its strength as a brand
- Millennials have less intense feelings of intimacy for their top brands than the older groups; the average brand intimacy quotient for the top three automotive brands for millennials is 59.5, while the top brands of consumers ages 35 to 44 average a score of 62.3, and those of consumers over 45 average a score of 62.6

• Millennials are more comfortable with fully self-driving vehicles than consumers of other generations (47 percent versus 31 percent) and would also be more willing to use car-sharing services if they were readily available (42 percent versus 28 percent)

This year's report contains the most comprehensive rankings of brands based on emotion, analyzing the responses of 6,000 consumers and 54,000 brand evaluations across 15 industries in the U.S., Mexico and UAE. MBLM's reports and interactive Brand Ranking Tool showcase the performance of almost 400 brands, revealing the characteristics and intensity of the consumer bonds.

To download the full *Brand Intimacy 2017 Report* or explore the Ranking Tool please visit: <u>http://mblm.com/brandintimacy/</u>.

Methodology

During 2016, Praxis Research Partners conducted an online quantitative survey among 6,000 consumers in the United States (3,000), Mexico (2,000), and the United Arab Emirates (1,000). Participants were respondents who were screened for age (i.e. 18 to 64 years of age) and annual household income (\$35,000 or more) in the U.S. and socioeconomic levels in Mexico and the UAE (A, B, and C socioeconomic levels). Quotas were established to ensure that the sample mirrored census data for age, gender, income/socioeconomic level, and region. The survey was designed primarily to understand the extent to which consumers have relationships with brands and the strength of those relationships, from fairly detached to highly intimate. It is important to note that this study provides more than a mere ranking of brand performance and was specifically designed to provide prescriptive guidance to marketers. We modeled data from a total of 54,000 brand evaluations to quantify the mechanisms that drive intimacy. Through factor analysis, structural equation modeling, and other sophisticated analytic techniques, the research allows marketers to better understand which levers need to be pulled to build intimacy between brands and consumers.

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About MBLM: Founded in 2004, MBLM is the Brand Intimacy Agency, which is dedicated to creating greater emotional connections between people, brands and technology. With offices in nine countries, its multidisciplinary teams help clients deliver stronger marketing outcomes and returns for the long term. To learn more about creating and sustaining ultimate brand relationships, visit mblm.com.