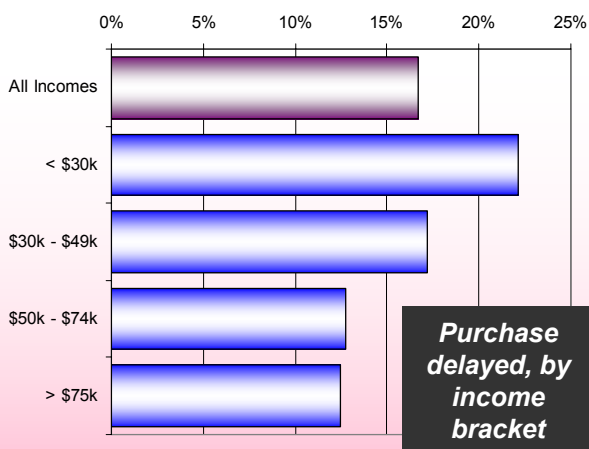
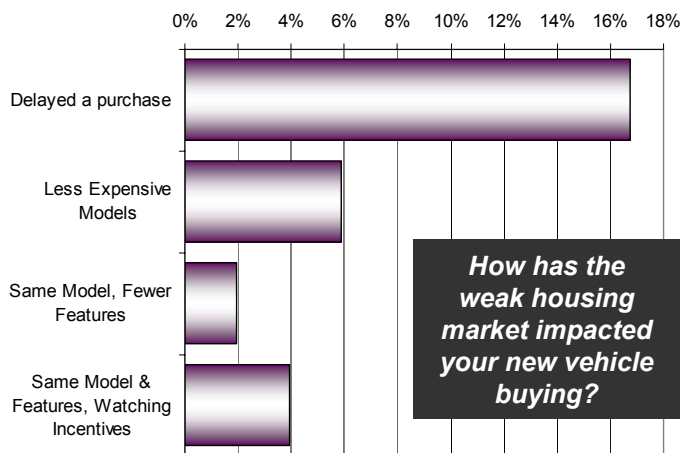


## WEAK HOUSING MARKET DELAYS ONE IN SIX NEW VEHICLE PURCHASES



Several automakers have cited the weak housing market as one of the reasons for weaker new vehicle sales. TNS surveyed 2,500 consumers on how the weak housing market has impacted their purchase decisions.

About **one in six** respondents (17%) reported that the **weak housing market** has caused them to **delay a vehicle purchase** (right). Another 12% remain in-market, but are considering lower cost models, opting for fewer options, or watching incentives. The remaining respondents (71%) said the housing market has not impacted their vehicle buying decisions (not shown).



A greater share of consumers in the **lower income brackets** reported delaying a vehicle purchase versus those in the upper brackets (left). Over **22% in the lowest bracket** reported leaving the market. (Lower income respondents may not own homes, but may work in industries impacted by housing's weakness.) Even the wealthiest consumers are not immune: **More than one in ten of upper income bracket consumers** reported delaying a purchase.

The automakers' association of weak new vehicle sales and weak home sales appears **well-founded**, with a potential for **vehicles sales to be down 17%**. Consumers could be encouraged to purchase with higher incentives, but the **opportunity appears relatively small in this case** with such a relatively small share pursuing lower price-point options (such as less expensive models).

TNS is the world's foremost provider of custom research and analysis, combining in-depth industry sector understanding with world-class expertise in the areas of new product development, segmentation and positioning research, brand and advertising research and stakeholder management. For additional information on these results contact Lincoln Merrihew of TNS Automotive (Lincoln.Merrihew@tns-global.com) or Jennifer Curran of TNS Marketing (Jennifer.Curran@tns-global.com)