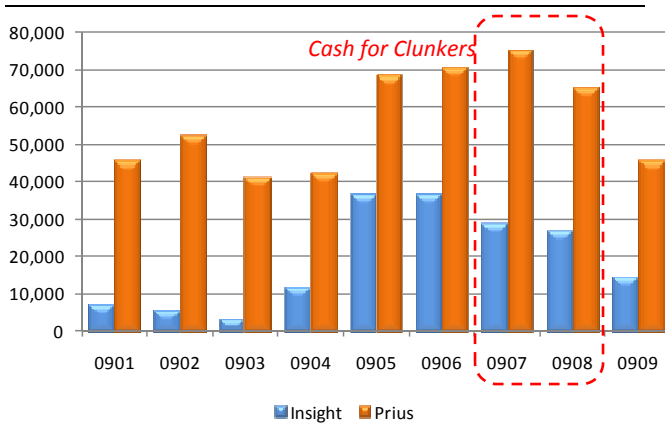


Honda Competes: Insights on Insight

Compete, Inc. evaluated demand and conversion for the Honda Insight during its launch against like results for the Toyota Prius



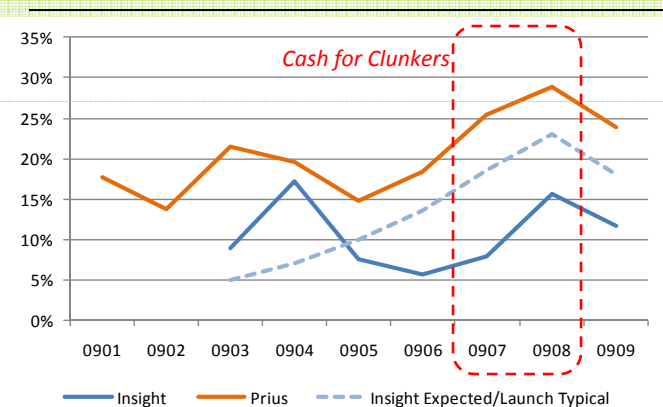
Unique In-Market Shoppers by Month



- *Honda Insight demand never reached levels of segment stalwart Prius*
 - *Insight peaked at 37,000 shoppers and decreased from there—even during Cash for Clunkers months*
 - *During the same period, Prius shopper counts peaked at 75,000*
 - *Prius' all-time peak in May 2008 (143k shoppers in May 2008) coincided with highest-ever gas prices*

- *Insight conversion of shoppers to buyers also trailed Prius levels*
 - *Insight conversion was relatively weak at launch, which is typical, but never reached Prius levels*
 - *Insight conversion was not inhibited by tight supplies (Ward's)*
- *Prius' 11k Sept. sales were 6X Insight sales on 3X shoppers & 2X conversion*

Conversion of In-Market Shoppers to Buyers



Lost Insight Sales & Revenue Estimates Based on Actual Shoppers and Expected Conversion

15,791	Actual Sales
24,097	Potential Sales
8,306	Difference
\$20,000	Unit Price
\$166	Lost revenue (\$M)

Actual and potential Honda Insight sales March to September 2009, based on actual shopper counts and more typical conversion patterns

- *Compete estimates Honda missed a \$166M revenue opportunity on 8,300 sales (table)*
 - *Lost sales are on based on actual Insight shopper counts (top chart) and expected post-launch conversion patterns (shown as dotted line in second chart)*
- *Compete cross-shop data suggest about half of lost Insight sales may have been captured as sales of other Hondas*

Honda may need to consider a second iteration of the Insight launch

- *This should include reverse-engineering combinations of shoppers and conversion that yield sales goals, including the impact of transaction prices on conversion as well as understanding what share of Insight shoppers bought other Honda models*