

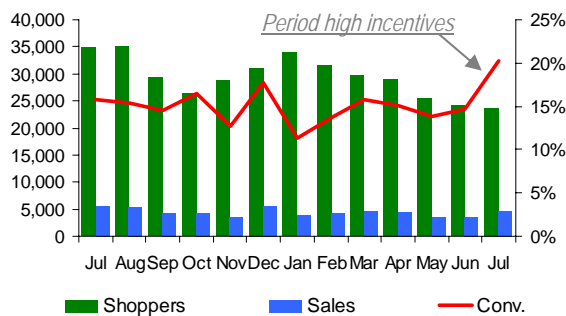
AUTOINTELLIGENCE™

Monthly automotive competitive insights from Compete

ACURA RDX LAUNCH ANALYSIS

MDX was Acura's sole SUV until the recent addition of RDX. Acura has stated it wants about 40,000 RDX sales per year in the US. Compete assessed the likely number of RDX shoppers needed to reach that goal at various stages of the RDX launch by analyzing Acura MDX results over the past 12 months.

MDX SHOPPER COUNTS, SALES (LEFT) & CONVERSION (RIGHT), JUL 2005- JUL 2006



MDX conversion (equivalent to a close rate) averaged 15.2% over the past year (chart). If RDX conversion tracks at that level, it will need 22,000 shoppers per month on a sustained basis to produce 3,333 monthly sales. Market-wide, conversion is typically worse at launch but sales goals are often lower as well. Compete created early launch and mid-launch scenarios based on weaker conversion and a lower sales goal (table).

A more detailed launch analysis would include (1) benchmarking shopper and conversion results of RDX rivals, such as

RDX LAUNCH SCENARIOS			
	Early Launch	Mid-Launch	Sustained
Shoppers	44,000	30,000	21,968
Conv.	5.0%	10.0%	15.2%
Sales	2,200	3,000	3,333

X3, and (2) charting month-by-month shopper and sales goals (i.e., Roadmaps). Monthly ad spend requirements can be estimated by multiplying monthly shoppers needed by costs per shopper. Compete calculates costs per shopper based on historic segment and/or Acura launch costs per shopper.

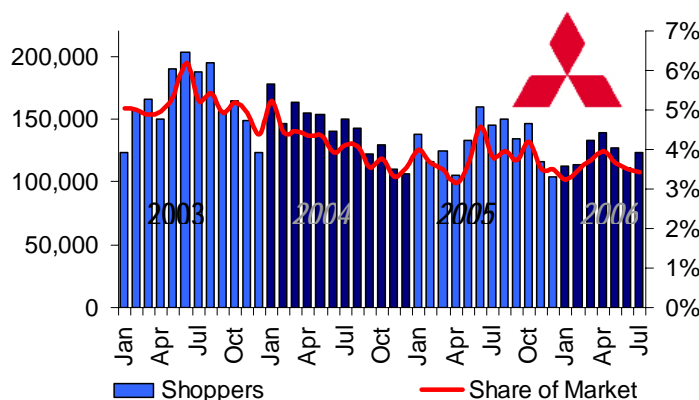
Roadmaps should also include incentive plans. Launching without incentives may reduce costs but may also mean slower conversion improvement (i.e., more shoppers needed). MDX's period-best conversion of 23% in July 2006 coincided with period-high MDX incentives of \$4,100 (source: Autodata); MDX incentives averaged \$2,100 over the period.

BASELINE FOR OUTLANDER AND LANCER LAUNCHES

Outlander and Lancer both launch soon and are key to Mitsubishi's continuing turn-around. Compete determined the number of Mitsubishi brand shoppers from which Outlander and Lancer will build.

Mitsubishi had 122,900 unique shoppers in July 2006, up 10% m-o-m, but down 16% y-o-y. Shopper counts peaked in June 2003 (203,300 shoppers) as did Share of Market Interest (SMI) of 6.2%. SMI (the share of all new vehicle shoppers that shopped a Mitsubishi) was 3.4% in July 2006. Strong brand results in 2003 were driven by peak shopper counts for Outlander in February (just after launch), Lancer in June (Evo added), and Endeavor in August (just after launch).

MITSUBISHI SHOPPER COUNTS (LEFT) & SHARE OF MARKET (RIGHT) JAN 2003 - JUL 2006



The impacts of those launches on the brand are benchmarks for the Outlander and Lancer launches, though results will be impacted by ad spend and ad efficiencies now vs. in 2003. July's baseline will also help to determine the extent to which Outlander and Lancer add incremental shoppers to the brand. Incremental shoppers are the best demand opportunity to increase sales.

RDX will need 22,000 shoppers per month on a sustained basis to reach sales goals



Compete provides automakers with the most detailed and immediate insights into vehicle demand generation and conversion, as well as vehicle and brand competitiveness. Our services help automakers optimize marketing and incentive decisions and benchmark performance against rival actions.

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