Green Living

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Hybrid Cars Continue to Reap Green Rewards for Consumers; Mintel Comperemedia Identifies Innovative Campaigns Designed to Attract and Save â€œTrue Greenâ€• Auto Dollars

Chicago (October 30, 2006)- The environmental "green" movement is growing, and hybrid and fuel-efficient vehicle manufacturers are reaping the benefits. With the green products market estimated in a recent Mintel report at $500 billion last year and gas prices setting records during the summer months, more consumers have turned to hybrid technology as an increasingly viable option. The Mintel report also reveals that approximately 35 million Americans are "True Greens" who regularly buy green products, including environmentally friendly vehicles. Hybrid cars continue to capitalize on this growing green popularity, with help from manufacturers and other companies.

According to Mintel Comperemedia, a competitive intelligence service that analyzes direct mail and print media, several types of companies provide rewards for purchasing hybrid vehicles. The first insurance company to debut a discount program, Travelers, began offering a 10 percent discount for hybrid owners earlier this year. Farmers Insurance followed suit with its own green program, offering 5 or 10 percent discounts, depending on the state. Several smaller companies are also offering their own discounts, on a state-by-state basis. Bank of America and Google Inc. both implemented employee programs to aid in hybrid vehicle purchases. Bank of America matches a federal tax credit for purchasing the vehicles, and Google Inc. provides a credit for either purchasing or leasing fuel-efficient vehicles.

"Hybrid vehicles started off as experimental offerings, and now they have become a way of life," said Carmen Curran, analyst for Mintel Comperemedia. "High gas prices definitely contributed to the cause, but auto companies have been able to gain great sales momentum for these vehicles because people are looking for ways to positively contribute to the environment."

Some car manufacturers have taken their commitment to the environment beyond current hybrid technology. These efforts were highlighted in their promotions, further positioning themselves as green companies. Toyota regularly contributes to the Chesapeake Bay Foundation, an organization that preserves the Chesapeake Bay. Ford designed its Rouge manufacturing plant to be more environmentally friendly. In addition, BMW introduced the worldâ€™s first hydrogen-burning car, available for sale in spring 2007.

According to Mintel's consumer research, only four percent of respondents said they owned a hybrid vehicle last year. However, with automobile advertising continuing to ramp up, the category holds great promise for future sales. More aggressive campaigns and greater green marketing will continue to drive interest in the area. In addition, those who view hybrids as "status cars" will also contribute to the industry's profits.

"Toyota continues to experience great success with their hybrid models, and now other companies are looking for ways to improve their own models," said Curran. "Mintel Comperemedia has tracked more hybrid campaigns this year than ever before. The increase in hybrid promotions has helped fuel the overall increase in auto campaigns. Mail volume for the entire auto sector skyrocketed by 117 percent, comparing the first half of 2005 to the first half of 2006. Mintel anticipates that the hybrid and alternative fuel direct mail and print advertising numbers will continue to rise as companies roll out more eco-friendly products and initiatives."
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