

NEWS RELEASE

23 July 2008

LowCVP survey: advertising spending on fuel efficient cars doubled in 2007

The motor industry has shifted advertising spending towards more fuel efficient cars according to a survey carried out on behalf of the Low Carbon Vehicle Partnership (LowCVP).

During 2007, the proportion of advertising spending on the most efficient vehicles (in VED bands A, B and C) doubled from 20% to 40% of total spending. By contrast, advertising expenditure on larger and less efficient cars in VED bands E and F fell by half. Advertising money spent on the most inefficient VED Band G vehicles remained around 20% of the total.

However, overall advertising spending continues to be biased in favour of higher emitting vehicles. In 2007, 52% of car advertising expenditure was focused on vehicles in VED Bands E, F and G, representing 37% of total registrations. The survey found a disproportionate advertising expenditure on 4x4 (multi-purpose) vehicles - 20% of total advertising spending - compared to the 7% of sales volume represented by this market segment.

The LowCVP Director Greg Archer commented "The trend towards advertising more fuel efficient vehicles is welcomed, but there is still a bias in favour of greater advertising spend on larger and more polluting models. Stronger promotion of the fuel efficient models that are now becoming available is needed to encourage their sale."

The survey also found that 12% of advertising messages now relate to fuel consumption and/or the climate change impact of cars.

The LowCVP survey was carried out to provide a baseline for stakeholder discussions on the development of a protocol for car advertising. This initiative has been prompted both by the European Commission's call for car manufacturers to develop a voluntary advertising code and by proposals from UK environment groups.

The action has the endorsement of the King Review and the Chancellor, who announced in the last Budget that Government would be engaging stakeholders on this issue through the LowCVP.

Jonathan Murray, Deputy Director of the LowCVP, speaking at the LowCVP Conference at ExCel Arena today said: "Greenhouse gas emissions from cars are falling but not fast enough to contribute significantly to our overall climate change targets. Car advertising is an important influencer of consumers in their choice of which car to buy. We hope to be able to move towards a situation in which advertising can help to better inform consumers of the environmental consequences of the car-buying decisions they make ."

Notes to Editors

The survey is based upon analysis of data by Thompson Intermedia in national newspapers throughout 2007.

In 2007, the LowCVP ran a nationwide competition - entitled 'Cars NOT Carbon' - which was designed to stimulate innovative ideas for greener motoring marketing and to encourage engagement between motor and fuels industry decision makers and the creative industries. See: <u>http://www.lowcvp.org.uk/carsnotcarbon/</u>

The Low Carbon Vehicle Partnership was established in January 2003 with funding from the DfT and the (then) DTI with a mandate to accelerate the shift to low carbon vehicles and fuels. The establishment of a stakeholder partnership was one of the central actions arising out of the Government's strategy to reduce greenhouse gas emissions from road transport. The Partnership now comprises over 280 members representing government, the motor and fuels industries, vehicle users, environmental groups, consumer representatives and others. The Partnership is coordinated by a secretariat based in central London.

For further information:

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