

# BMW 1 Series Pricing Snafu - Consumer Pre-Launch Survey Results Released

*Results of a survey polling BMW 1 Series shoppers on their plans to buy a BMW 128i and 135i were released today. Over 40% of the shoppers have dropped out of the market according to the survey.*

The Pasch Consulting Group (PCG) released their results of a survey of over 650 US consumers who had expressed an interest in the new BMW 1 Series cars over the past 12 months. The BMW 128i and 135i will be in dealer showroom around March 22, 2008.

The survey which contained 10 targeted questions seeking to understand the current mindset of potential 1 Series buyers and BMW enthusiasts. Brian Pasch, CEO of PCG added, "BMW dealers have commented to us that their 1 Series preorder sales were very low. This gave us the idea to conduct the survey and find out why."

Pasch Consulting Group summarized the survey results as follows:

1. Over 40% of the consumers that were once interested in a 1 Series car are off the market and looking at other models or manufacturers.
2. In the consumers mind, BMW has priced the 1 Series too close to the 3 Series forcing consumers to hold off pre-orders until they can see and drive the car.
3. The pricing strategy has angered some initial BMW 1-Series customers, as if they expected the 1-Series to be significantly lower in base price. Some consumers outright consider the car overpriced. Pricing has driven many away from buying a 1 Series.
4. Consumer feedback shows that the 3-Series may actually be a "down sell" for BMW dealers. Some consumers feel that they may find better value and lower lease payments for a comparable 3-Series car. 3 Series sales may actually get a bump from the 1-Series launch.
5. The survey favorite is the 135i Coupe by a 3:1 margin over the 128i Coupe. It was suggested that the survey results may be prejudiced if you believe that consumers who participate in BMW web forums or sign up for car newsletters may be more of an "enthusiast" class on not representative of a typical BMW consumer. We have no way of proving or disproving this suggestion but it was part of our team discussion.
6. Consumers have indicated that competition from Audi A3 - A4 and the Infiniti G37 Coupe are compelling purchasing alternatives. Audi was a clear favorite for consumers considering a BMW 1 Series purchase by a 2:1 margin.

[b]To read the entire survey results and over 400 consumer free form comments addressed to BMW USA, you can download the 29 page report by visiting the Pasch Consulting Group website at: <http://www.seonj.com> [/b]

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