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CONSUMED

S.U.V. and Sympathy

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HYUNDAI ASSURANCE

Earlier this year, the American subsidiary of the South Korean carmaker Hyundai began promoting a program it called Hyundai Assurance: buy one of our vehicles, the ads explained, and “if in the next year you lose your income, we’ll let you return it.” One of these decidedly unfestive spots ran during the [Super Bowl](#). And while that sounds like a horrible idea — the big game is one of the few moments when we can get together and not think about being canned — Hyundai can point to results. Its sales for the year are up about 4.9 percent over the same period in 2008. That compared with about a 40 percent drop for car sales overall.

Assurance came about very quickly after Hyundai marketers conducted a series of focus groups in October 2008. At that point, [Lehman Brothers](#) had collapsed, but the Dow Jones industrial average started the month above 10,000, and official word that we had been in a recession for a year had not yet come. So it was not quite clear why the usual tent-sale and financing deals that have prodded car buyers in past economic slumps simply weren’t working. A big theme in the focus groups was fear of job loss. In retrospect, this seems obvious. But at the time, “the elephant in the room,” according to Joel Ewanick, Hyundai vice president of marketing, was how many people feared losing their jobs in 2009. “It was interesting how many people at our company — we felt the same way, we just hadn’t talked about it,” Ewanick says.

This led to the notion of offering something like mortgage-protection insurance, but for car loans. Hyundai’s U.S. financing division worked out a deal with a company called Walkaway U.S.A., a subsidiary of the auto-retail-services firm EFG Companies, which was trying to market just such a product. “It’s designed to give the consumer peace of mind,” says Jeff Beaver, senior vice president, marketing and product management for EFG Companies.

As of early March, no Hyundai buyer had yet returned a vehicle bought under the Assurance umbrella. This raises the intriguing point about what sort of consumer is being reassured. Probably anybody who is really afraid of losing a job simply isn’t going to buy a car right now. But somebody whose insecurity is more abstract, who perhaps simply needs a rationale for a big-ticket purchase at a moment when the headlines are full of doom — that’s different.

Around the time Hyundai was conducting its consumer research, the consulting firm Olson Zaltman Associates was doing something similar (but not for Hyundai). Olson Zaltman's lengthy process includes having people choose pictures that represent their thoughts and personal stories, which are analyzed for "metaphors" meant to reveal deeper ideas than you might otherwise articulate. "What surprised me was the depth of the negativity," Gerald Zaltman, a founder, says. In more recent interviews, he continues, a new element has emerged: a bit less isolation among subjects, more of "a sense that they have company," Zaltman says. "Maybe what Hyundai has done is to say: 'We're in this with you.'"

That's certainly what the company is trying to do. One Assurance ad actually includes the line "We're all in this together, and we'll all get through it together." There may be other, less-feel-good factors at work, too. Zaltman's studies found a lot of inchoate anger at large entities, and it may be that the Assurance offering is a better fit for a company like Hyundai, which is a comparatively small player in the U.S. market. The program also projects financial strength, a form of reassurance potential car buyers might find less credible coming from an auto company that's borrowing government money to avoid bankruptcy.

That said, Assurance's apparent resonance raises the possibility that, like cash rebates and zero-percent financing, the program might become a regular feature of the car market. "I hope not," says Ewanick of Hyundai. He would rather see an economic rebound that eliminated the need. But Beaver, the Walkaway executive, says his firm has been getting interest in a variety of categories — boats, furniture, prefab housing. And he points out that [JetBlue](#) has recently been promoting a deal that offers business travelers a refund if a trip is canceled by a lost job. "This is definitely a concept," Beaver says, "whose time has come."

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