



We create chemistry

BASF Asia Pacific Color Report For Automotive OEM Coatings 2017

Bright reds gain popularity on mature Asia Pacific markets

The automotive coatings market in Asia Pacific is being driven by the increasing vehicle population and the diversity of the different regional conditions. From mature markets like Japan to rapidly growing markets such as China and ASEAN, the distribution of colors is diverse and offers deeper insights in the regional automotive segments. BASF's color design team observes the popularity of colors as well as developments in society, technology or other influencing industries.

The BASF Asia Pacific Color Report For Automotive OEM Coatings shows which trends are reflected on the road. At the same time, the color report is a starting point for further development and leads to new dynamics in the world of automotive colors.

White and brown – New image of quality and advanced technology

At 49 percent, white is the favorite color, but bright red, blue shades and exclusive grays are attracting much more attention. In Asia Pacific's cultural context, white colors are associated with the positive image of purity and intelligent advanced technology. This image is increasingly combined with smart eco-technology solutions. Thus, white cars have been gaining high-volume growth in Asia Pacific over the past several years. Apart from white, brown colors are also gaining in popularity – especially for midsize SUVs in grayish tones that adopt a low-profile luxurious style. In a nutshell, both white – especially pearl white – and brown are positioned as stylish colors with luxurious flavors that are welcomed by the Asia Pacific market.

*Some colors are shown only in the chromatic color range because their percentage is too low.

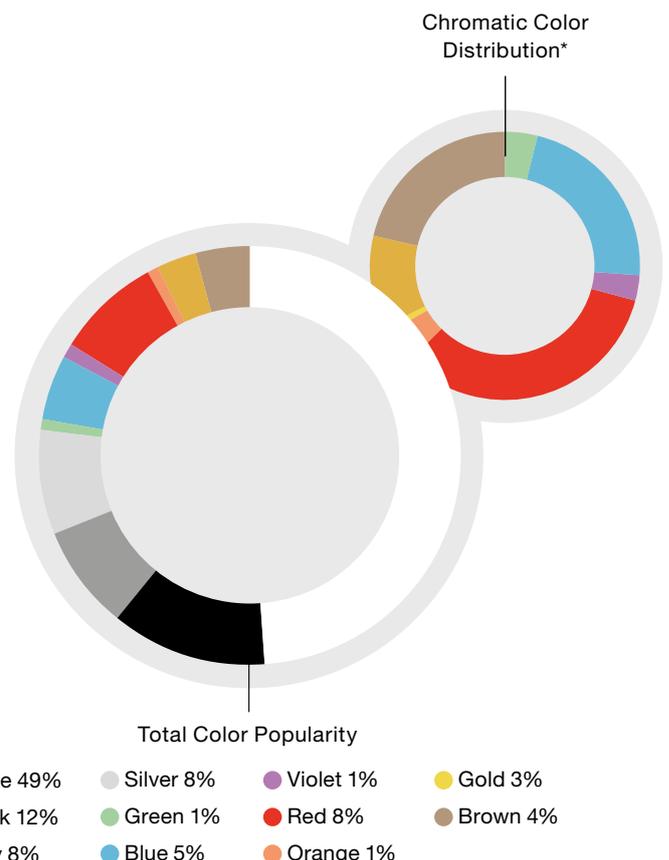
“The exclusive next-generation color for luxury and sporty models will be gray, as it is a reliable but stylish future color. And the diverse effects of new grays will make the body more attractive. Furthermore, various shades of blue represent the individual and environmentally friendly values. It evokes our exciting, but realistic future.”



Chiharu Matsuhara, Head of Color Design Asia Pacific

Red – Smart individuality

Bright red, as a provocative yet smartly individual color area, is highly popular in the chromatic range of colors within the automotive market. In general, red for automotive attracts attention, which is an important factor in the mature markets of Asia Pacific.



Automotive segments in Asia Pacific – Color Overview

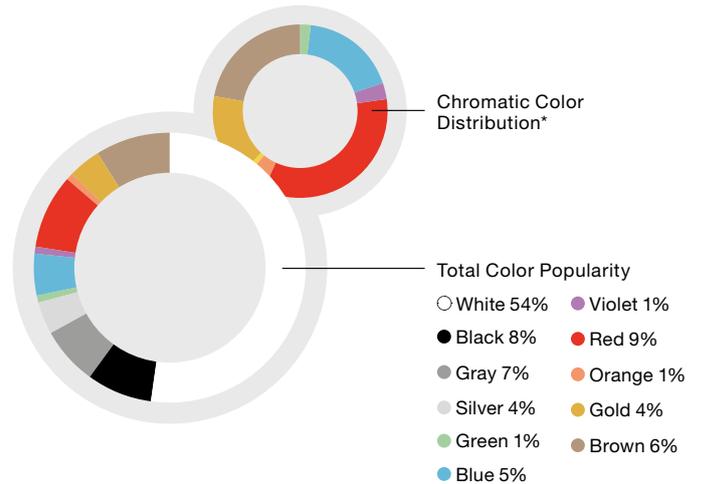
The color preferences along the model types show detailed insights into the car market in Asia Pacific. Every car model belongs to a distinctive car segment based on its length and construction.

While each segment shows its own characteristics, white is still the most favorite color in 2017. Blue and exclusive gray are gaining more attention on the market. These color areas are especially present in Asia’s environmentally friendly models that are based on advanced design concepts and a “more than a car” image.



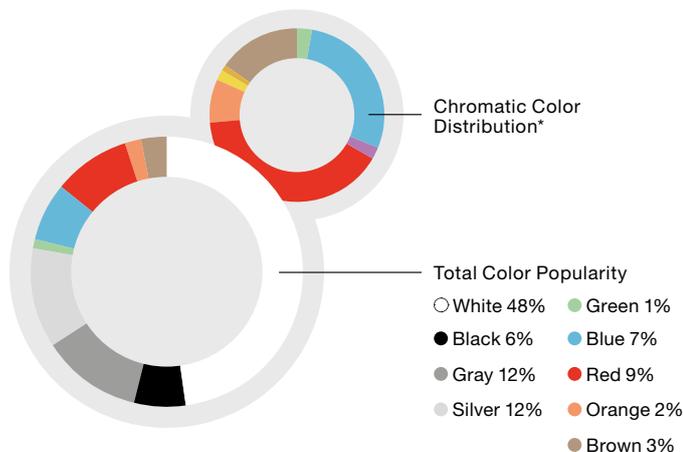
Compact

Compact cars represent the largest vehicle segment in Asia Pacific, the most colorful segment. Although white is still the most favorite color in this segment with a share of 54 percent, the chromatic color ratio increased the most in this segment. We can see significant shares of red and blue as Asian consumers enjoy more colorful cars and recognize this as a way of their style expression.



Subcompact

Subcompact cars are dominated by white, with a share of 48 percent, followed by silver and gray with shares of 12 percent each. Further colors of choice in the subcompact segment are red, at 9 percent, and black, at 6 percent.

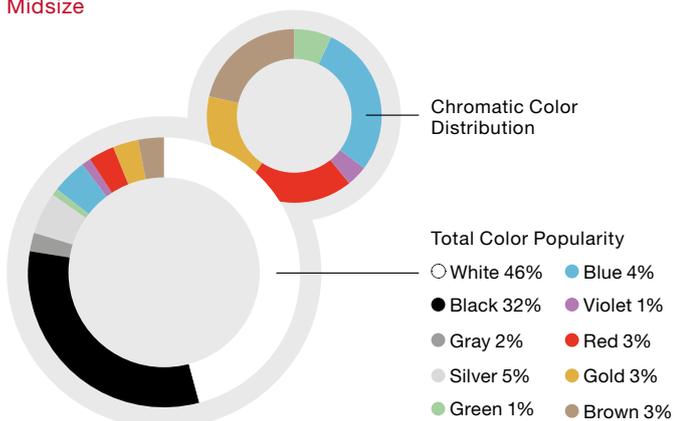


Midsize + Large

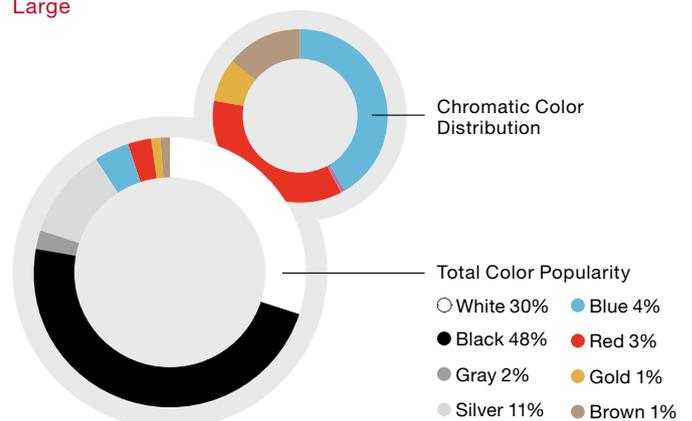
White and black are the dominant colors in these segments due to the image preference of traditional and luxury cars. However, the new generation of customers in these segments has slightly different ideas and values. Up-and-coming young executives who have international and flexible minds do not stick to the stereotypical notions. They are free to pursue their desires and enjoy life in their own way. They prefer more stylish images even for these segments and push the popularity of blue and red. Chromatic colors add emotional values to the cars.

*Some colors are shown only in the chromatic color range because their percentage is too low.

Midsize



Large

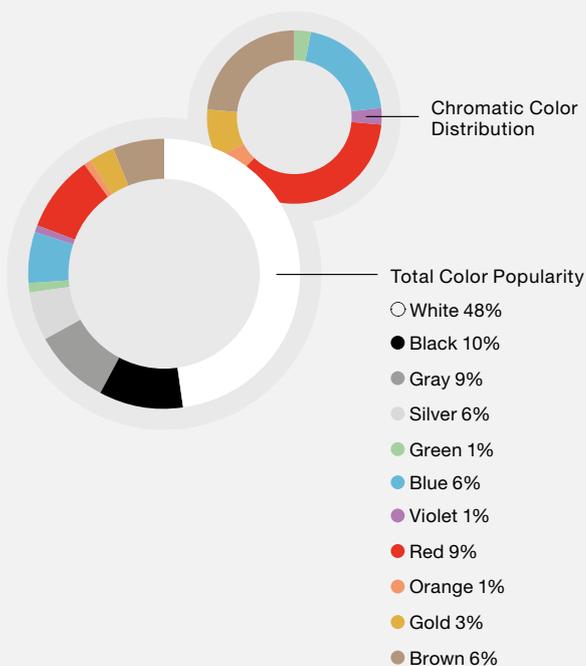


SUV – Image of quality and individuality

Especially in fast-growing automotive markets like China, the popularity of sport utility vehicle (SUV) models is very high. Young families in the big cities are attracted by the “experience and adventure trend” connected to the SUV image. As work-life-balance is an important value for these consumers, they enjoy travelling with families and appreciate the comfort of the SUV on long trips in addition to rides for their daily commutes. Moreover, the trend for better “quality” and more “individuality” in Asia Pacific also drives the preference for the stylish and unique design of the SUV. That is why white is the most favorite color in the trending SUV segment in Asia Pacific – with a dominant share of 48 percent. With a share of 10 percent, the demand for black for SUVs is relatively low among larger cars. This illustrates the need for differentiation in this segment compared to the Midsize and Large segments, where black is the dominant color representing traditional luxury. Another prominent color for SUVs is brown, which represents luxury that is not “pretentious”.



SUVs



Trend competence and innovative color concepts

BASF’s Coatings division has an excellent sense of trends, predicting which colors will play a key role in the future automotive market. Every year, the Coatings division designers create the Automotive Color Trends – a collection of 65 up-and-coming colors – conducting extensive research and in-depth analysis. They uncover global trends and cultural shifts that will influence vehicle color choices three to five years from now. Together with experienced colleagues in the color lab, the Coatings division’s know-how comprises not only the art of designing innovative and creative colors, but also the knowledge required to translate them into applicable paints.

Hundreds of colors are currently in the market and include a broad selection of unique effects. Moreover, functionalities of coatings play an increasing role. Paints with an integrated temperature management, for instance, strengthen a sustainable future mobility. As they minimize the heating of the car surface and thus the heating of the interior, savings in air conditioning lead to reduced fuel consumption or an extended range of electric cars.

Color diversity has increased within the last years and the possibilities for innovative color concepts are multifaceted. BASF works closely together with OEMs to compose the desired look and feel, underlining the spirit of the automotive brands.

“Newly emerging Asian-built electric vehicles (EVs) will influence new color trends. We expect more unique and individual colors for small EV segments, including two-tone and three-tone colors, which makes this segment more attractive.”



Chiharu Matsuhara, Head of Color Design Asia Pacific

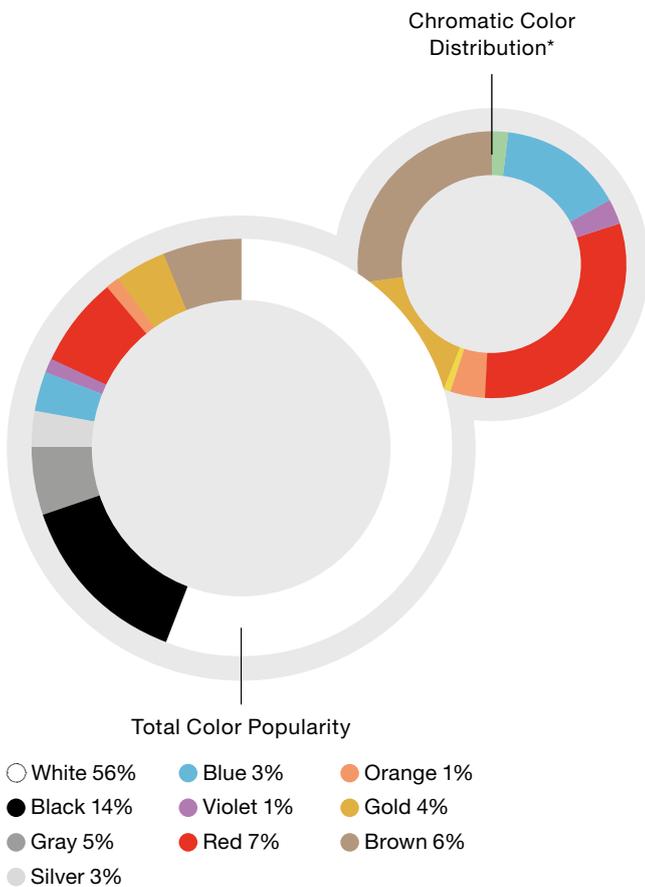
Color Report China 2017

White – No. 1 color in China

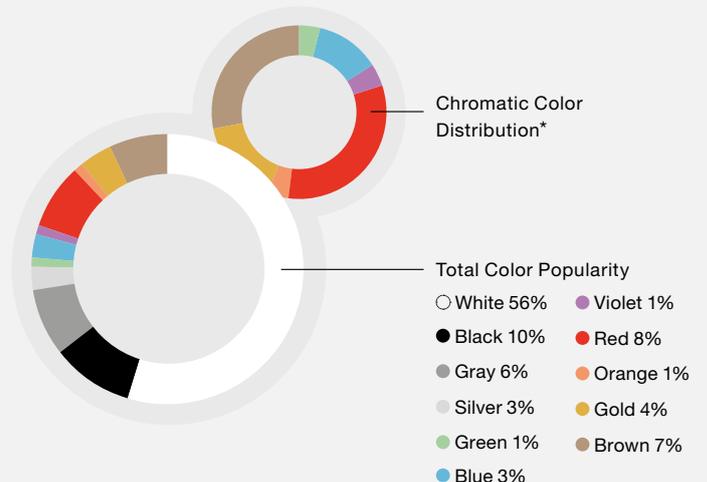
Intelligent and stylish – On the Chinese automotive market, white is by far the most popular color. The strong presence of white is related to several factors:

- The main design directions of Chinese consumers focus on attributes like “intelligent” and “stylish”, which are strongly linked to white color concepts.
- As a neutral color, white is preferred for a long-term investment, such as a car, that should not become outdated quickly.
- Pearl white has become a preferred color space as consumers pay more attention to high-quality textures.

Positive red – The popularity of red as the No. 1 color in the chromatic color range reflects the strong positive ideas of the color red in traditional Chinese culture. Red traditionally stands for happiness, positivity and for good news, which is especially attractive for young consumers buying their first car. Red is a traditionally sporty color catching the automotive spirit and it stands for strong self-confidence of the driver.



SUVs – Design and sportiness – The highly popular SUV automotive segment is dominated by white color tones. Design, as a strong driver in this segment, supports the success of white colors for SUVs. For chromatic colors, red tones account for sportiness, while more and more browns represent a new notion of urban luxury and natural lifestyle.

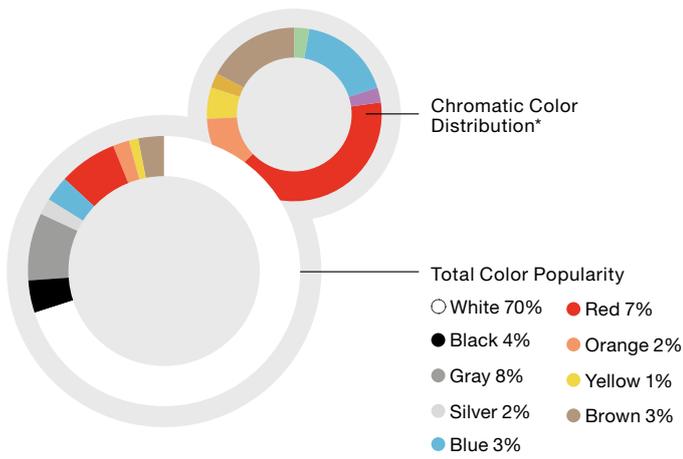


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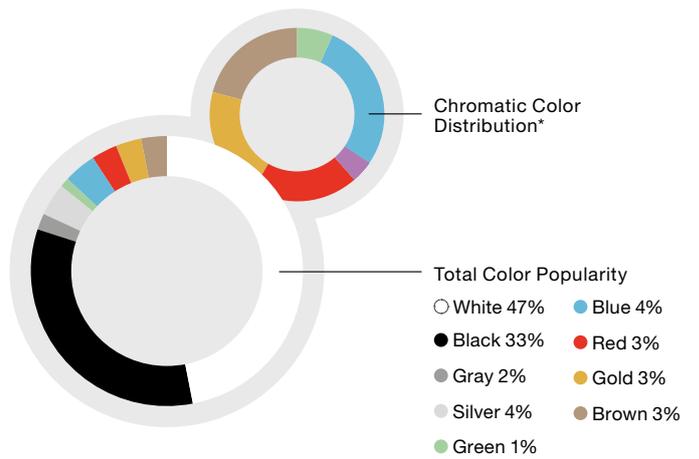
Automotive Segments China – Color Overview

The overview of the automotive segments supports the preference for white as a design-related but neutral color. Bright colors are more popular for smaller segments while black is the No. 1 color for the large car segment.

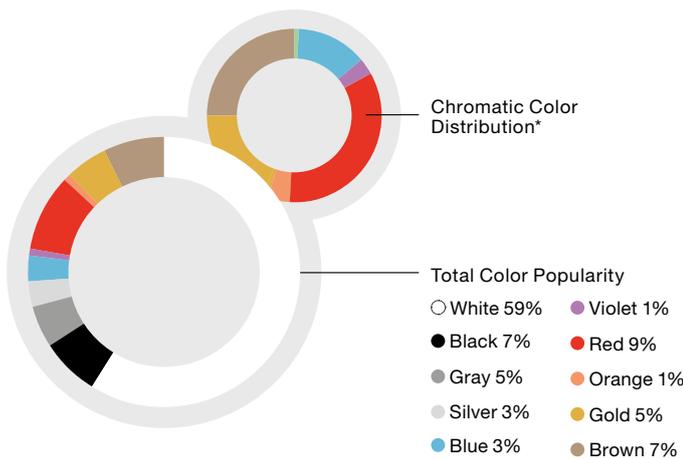
 Subcompact



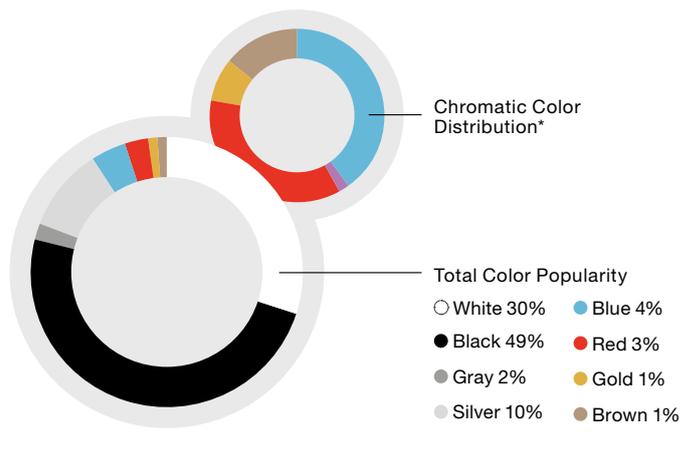
 Midsize



 Compact



 Large



Subcompact and Compact – With a share of 70 percent for subcompact cars and 59 percent for compact cars, white pays off for the high resell opportunity of cars in these segments. In Chinese households, both segments are preferred for a second car. Safety issues such as visibility at night also play an important role for the consumers’ color choice.

Midsize and Large – In the midsize and large car segment, black plays a more important role than for the smaller segments. The formal and serious appearance is more important for the consumer’s choice in this segment.

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