

Driven by Pickups: Ford and Chevrolet's Loyalty Connection



By Tony Rached

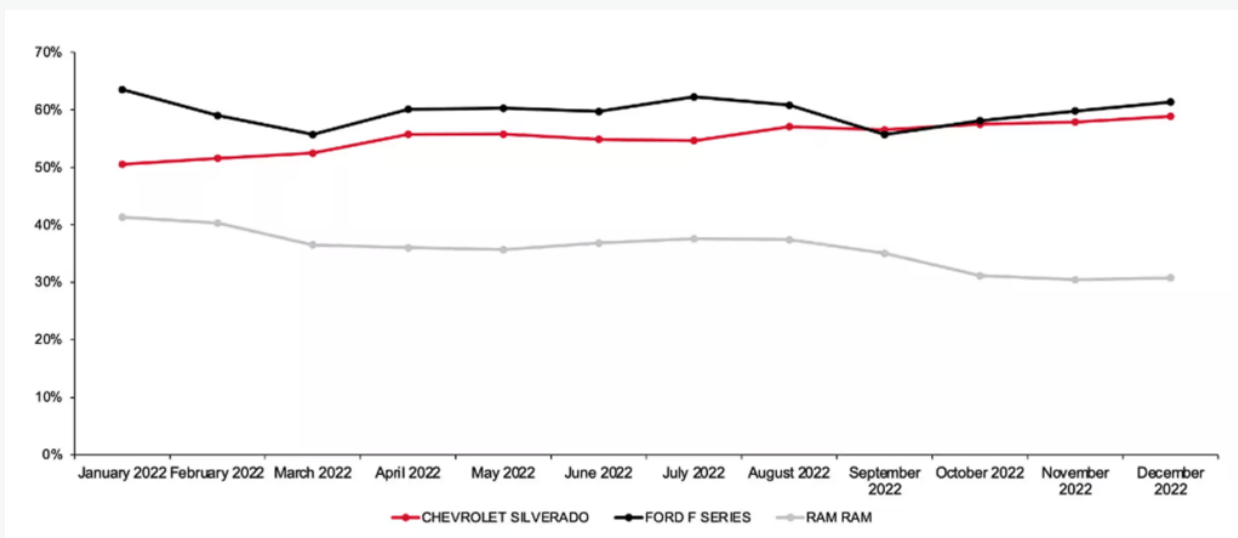
Driven by Pickups: Ford and Chevrolet's Loyalty Connection

Tuesday, May 23, 2023.

The age-old battle between Ford and Chevrolet has often centered around their iconic pickup trucks – the Ford F-Series and the Chevrolet Silverado. These legendary models have not only competed for the title of America's best-selling truck but have also played a crucial role in cultivating brand loyalty that spans generations of owners. However, an interesting phenomenon emerges when we examine brand loyalty in the absence of these revered pickup trucks.

The Role of Brand Loyalty

Brand loyalty is a measure of how frequently households return to a particular brand when purchasing their next new vehicle. It encompasses both replacement purchases and additions to the existing garage. In the case of Ford and Chevrolet, the presence or absence of their flagship pickup models significantly impacts brand loyalty.



Brand Loyalty for Three Full-Size Pickups by Month

The Influence of the F-Series

For Ford, the F-Series has long been its best-selling nameplate, bolstering the brand's overall loyalty figures. In 2022, Ford's brand loyalty stood at an impressive 58.6%. However, when we remove the F-Series models, including the F-150, F-250, and F-350,

Appraiser Blog

from the equation, brand loyalty drops to 49.5%. This shift highlights the substantial contribution of the F-Series to Ford's brand loyalty.

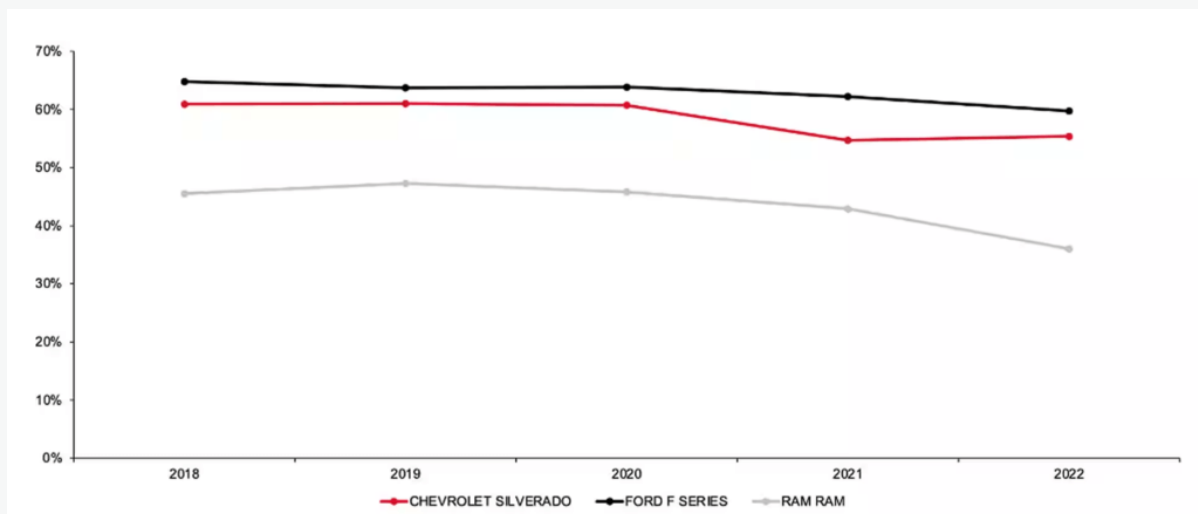
Chevrolet's Silverado Story

Similarly, Chevrolet experiences a comparable effect with its Silverado lineup. In 2022, Chevrolet's brand loyalty reached 56.3%. However, upon removing the Silverado from consideration, loyalty decreased to 47.9%. Although Silverado owners exhibit loyalty, their levels do not quite match those of Ford owners. The loyalty rate for all Silverado models rose from 54.7% in 2021 to 55.4% in 2022.

The Influence of Competitors

Interestingly, Ram's brand loyalty has experienced a decline from 47.3% in 2019 to 36% in 2022. This suggests that the fierce competition within the pickup truck segment affects brand loyalty across the board. Furthermore, General Motors' ownership of the GMC truck brand does not seem to significantly impact Chevrolet's loyalty figures. GMC maintains its own brand loyalty rate of 45.1% in 2022.

Detroit's auto manufacturers are acutely aware of the loyalty their full-size pickup trucks command. The Ford F-Series, Chevrolet Silverado, Ram, and GMC Sierra dominate the segment, and these manufacturers go to great lengths to safeguard their positions. Limiting defections to rival brands is a key focus, given that approximately 2 million full-size pickups are sold each year.



Brand Loyalty for Three Full Size Pickups by Year

Appraiser Blog

Interbrand Dynamics

Looking closely at interband dynamics, the Ford F-Series experiences a minimal net outflow to the Chevrolet brand, with only 5,914 households defecting in the year ending February. Similarly, the Silverado witnesses a modest net inflow of 1,915 households from the Ford brand. These numbers demonstrate the inherent competition and brand loyalty tug-of-war within the pickup truck market.

While the retail registration battle between the F-Series and Silverado remains fiercely contested, the Ford F-Series has claimed the top spot for 21 out of 36 months between January 2020 and February 2023. When considering retail and fleet sales, Ford's F-Series has reigned as the best-selling truck in the United States for an astounding 46 consecutive years, according to Ford-reported sales data.

The significance of pickups cannot be overstated when analyzing brand loyalty within the Ford and Chevrolet customer base. The F-Series and Silverado play pivotal roles in fostering customer loyalty, contributing significantly to their respective brand loyalty figures. The battle for dominance in the pickup truck market is fierce, and Detroit's manufacturers continue to navigate the intricate dynamics of customer loyalty and fierce competition.