

For Earth Day 2008, IntelliChoice.com conducted a comprehensive analysis of all gas-electric hybrid vehicles for the 2008 model year, in our continuing quest to help consumers decide if a hybrid car or SUV is right for them. Conventional wisdom has long held that while hybrids might save you gas money, in the long run, they do not justify their higher sticker price. But IntelliChoice.com's analysis of 2008 hybrids reveals that consumers shouldn't be quick to make that assumption.

For the 2008 model year, there are 24 hybrid vehicles spanning 15 model lines and covering a wide-range of classes. There is the midsize Toyota Prius, the compact Honda Civic, the Lexus LS600h L luxury sedan, and full-size SUVs like the Chevrolet Tahoe and GMC Yukon, just to name a few.

Most people choose to drive a hybrid model because they are a green vehicle and not because they save drivers money. However, as our data below reveals, "going green" can be a smart economic choice.



2008 Ford Escape Hybrid 2WD



2008 Honda Civic Hybrid

The Importance of Ownership Costs

As IntelliChoice.com has long held, the price of a vehicle is just one side of the cost equation when buying a new or used car. Car buyers need to make sure that they will want to see that new car or truck in their driveway two or three years down the road. The smarter the pocket-book choice a buyer makes up front, the more likely they are to be happy with their purchase—because they won't be paying for more car or truck than they can afford. The way to ensure a smart and happy vehicle purchase is to look at the overall long-term cost of ownership.

The Seven Essential Cost Factors

Once a car is driven off the lot, there are seven areas that determine how much consumers will pay for that car, beyond the sticker price. These factors are: depreciation, financing, fuel, insurance, maintenance, repairs and state fees. These are the cost factors that IntelliChoice.com has tracked and analyzed in every vehicle on the road for the past 20 years. By determining a vehicle's long-term ownership costs, IntelliChoice.com is able to assess which cars, trucks and SUVs offer consumers the best overall value.

Overall Cost Comparisons: Running the Numbers

IntelliChoice.com looked at the 24 different 2008 model year hybrid vehicles and selected a comparable non-hybrid vehicle. In some cases, selecting a comparable vehicle is difficult because feature configurations between hybrids and non-hybrids can differ. In the case of the Toyota Prius, for instance, there is no non-hybrid Prius, so a low end Toyota Camry was selected as the comparable vehicle. Also, hybrid and non-hybrid vehicles of the same model line can come with slightly different equipment packages. Overall, though, pitting hybrid models versus non-hybrids yields interesting findings when examining total five-year ownership costs.

What the table shows: The first two columns are derived by taking the number for the hybrid vehicle and subtracting the number for its non-hybrid counterpart. The third column shows the difference in cost performance between hybrids and non-hybrids. In other words, the column shows in dollar terms how much better (or worse) the hybrid performed over the non-hybrid in actual ownership costs versus expected ownership costs. An even easier way to read it: negative numbers indicate hybrid savings.

Hybrid Vehicle	Non-Hybrid Vehicle	MSRP Comparison	5-Year Total Cost of Ownership Comparison	Expected vs Actual Cost Performance
2008 Chevrolet Malibu Hybrid	2008 Chevrolet Malibu LT	\$1,510	-\$439	-\$1,699
2008 Chevrolet Tahoe Hybrid 2WD	2008 Chevrolet Tahoe LTZ 2WD	\$3,950	\$1,999	-\$2,711
2008 Chevrolet Tahoe Hybrid 4WD	2008 Chevrolet Tahoe LTZ 4WD	\$3,905	\$3,278	-\$1,987
2008 Ford Escape Hybrid 2WD	2008 Ford Escape Limited 2WD	\$2,500	-\$5,549	-\$7,232
2008 Ford Escape Hybrid 4WD	2008 Ford Escape Limited 4WD	\$2,500	-\$4,561	-\$6,250
2008 GMC Yukon Hybrid 2WD	2008 GMC Yukon Denali 2WD	\$3,560	\$2,095	-\$1,347
2008 GMC Yukon Hybrid 4WD	2008 GMC Yukon Denali AWD	\$3,375	\$3,369	-\$104
2008 Honda Civic Hybrid	2008 Honda Civic EX (Auto)	\$3,090	-\$2,634	-\$4,758
2008 Honda Civic Hybrid w/Navigation	2008 Honda Civic EX w/Navigation (Auto)	\$3,090	-\$2,529	-\$4,655
2008 Lexus GS 450h	2008 Lexus GS 460	\$2,280	\$965	-\$809
2008 Lexus LS 600h L	2008 Lexus LS 460 L	\$32,500	\$25,134	\$3,548
2008 Lexus RX 400h 2WD	2008 Lexus RX 350 FWD	\$3,880	\$1,623	-\$1,151
2008 Lexus RX 400h AWD	2008 Lexus RX 350 AWD	\$3,880	\$1,117	-\$1,660
2008 Mercury Mariner Hybrid 2WD	2008 Mercury Mariner Premier 2WD	\$3,140	-\$5,031	-\$7,133
2008 Mercury Mariner Hybrid 4WD	2008 Mercury Mariner Premier 4WD	\$3,140	-\$4,287	-\$6,385
2008 Nissan Altima Hybrid	2008 Nissan Altima S (Auto)	\$4,490	-\$703	-\$4,020
2008 Saturn Aura Hybrid	2008 Saturn Aura XE	\$2,395	-\$631	-\$2,484
2008 Saturn VUE Hybrid	2008 Saturn VUE XE FWD	\$2,920	-\$1,471	-\$3,870
2008 Toyota Camry Hybrid	2008 Toyota Camry SE (Auto)	\$2,960	\$78	-\$2,661
2008 Toyota Highlander Hybrid 4WD	2008 Toyota Highlander 4WD	\$4,950	\$2,413	-\$1,697
2008 Toyota Highlander Hybrid Limited 4WD	2008 Toyota Highlander Limited 4WD	\$5,800	\$2,998	-\$1,295
2008 Toyota Prius	2008 Toyota Camry (Auto)	\$2,855	-\$3,430	-\$5,529
2008 Toyota Prius Standard	2008 Toyota Camry (Auto)	\$1,480	-\$4,450	-\$5,942
2008 Toyota Prius Touring	2008 Toyota Camry LE (Auto)	\$2,295	-\$3,284	-\$5,272

As the grid indicates, every hybrid model is more expensive than the non-hybrid model, at least in terms of MSRP. However, 12 of the 24 hybrid models have a lower total 5-year cost of ownership. When we further factor in expected costs versus total 5-year cost of ownership, every model except the Lexus 600h L (a high-end hybrid designed for power rather than fuel savings) delivers better cost performance than the non-hybrid model.

Hybrids Deliver on Depreciation and Resale Value

The most important area of ownership cost is depreciation, which can determine up to 50 percent of a vehicle's 5-year ownership costs. 12 of the 24 hybrid vehicles have a retained value significantly greater than the class average and 10 hybrid vehicles have a retained value significantly greater than the non-hybrid. However, the GMC Yukon Hybrid and Lexus LS600h L have significantly lower retained values.

Hybrid Vehicle	Non-Hybrid Vehicle	Retained Value %	Retained Value Comparison	Class Average Retained Value %
2008 Chevrolet Malibu Hybrid	2008 Chevrolet Malibu LT	42.31	-1.52	50.75
2008 Chevrolet Tahoe Hybrid 2WD	2008 Chevrolet Tahoe LTZ 2WD	43.45	2.14	44.46
2008 Chevrolet Tahoe Hybrid 4WD	2008 Chevrolet Tahoe LTZ 4WD	42.52	2.00	44.46
2008 Ford Escape Hybrid 2WD	2008 Ford Escape Limited 2WD	50.20	4.56	49.79
2008 Ford Escape Hybrid 4WD	2008 Ford Escape Limited 4WD	49.73	4.41	49.79
2008 GMC Yukon Hybrid 2WD	2008 GMC Yukon Denali 2WD	43.48	-6.38	44.46
2008 GMC Yukon Hybrid 4WD	2008 GMC Yukon Denali AWD	42.56	-6.60	44.46
2008 Honda Civic Hybrid	2008 Honda Civic EX (Auto)	68.10	0.53	58.33
2008 Honda Civic Hybrid w/Navigation	2008 Honda Civic EX w/Navigation (Auto)	64.67	0.79	58.33
2008 Lexus GS 450h	2008 Lexus GS 460	58.55	-0.09	51.28
2008 Lexus LS 600h L	2008 Lexus LS 460 L	50.58	-3.91	47.21
2008 Lexus RX 400h 2WD	2008 Lexus RX 350 FWD	63.62	-0.28	54.96
2008 Lexus RX 400h AWD	2008 Lexus RX 350 AWD	63.26	-0.28	54.96
2008 Mercury Mariner Hybrid 2WD	2008 Mercury Mariner Premier 2WD	49.17	5.55	49.79
2008 Mercury Mariner Hybrid 4WD	2008 Mercury Mariner Premier 4WD	48.82	5.33	49.79
2008 Nissan Altima Hybrid	2008 Nissan Altima S (Auto)	58.94	-1.64	50.75
2008 Saturn Aura Hybrid	2008 Saturn Aura XE	49.45	1.39	50.75
2008 Saturn VUE Hybrid	2008 Saturn VUE XE FWD	49.11	-0.04	49.79
2008 Toyota Camry Hybrid	2008 Toyota Camry SE (Auto)	66.66	2.57	50.75
2008 Toyota Highlander Hybrid 4WD	2008 Toyota Highlander 4WD	56.29	-1.15	47.49
2008 Toyota Highlander Hybrid Limited 4WD	2008 Toyota Highlander Limited 4WD	50.74	-0.43	47.49
2008 Toyota Prius	2008 Toyota Camry (Auto)	72.41	5.66	50.75
2008 Toyota Prius Standard	2008 Toyota Camry (Auto)	74.98	8.23	50.75
2008 Toyota Prius Touring	2008 Toyota Camry LE (Auto)	70.60	4.99	50.75

Do Hybrids Cost More to Maintain?

Most people know that a hybrid will save them money at the pump, but they expect to pay more for maintenance and repairs. One of the reasons for this is that much of the technology in hybrids is relatively new (do mom and pop repair shops know what to do with a fuel cell?). This is simply not true. As the IntelliChoice data shows, hybrid drivers do indeed save quite a bit of money at the pump, but the maintenance and repair costs for a hybrid versus a non-hybrid are almost identical.

Hybrid Vehicle	Non-Hybrid Vehicle	Fuel Cost Comparison	Maintenance Cost Comparison	Repair Cost Comparison
2008 Chevrolet Malibu Hybrid	2008 Chevrolet Malibu LT	-\$704	-\$172	\$0
2008 Chevrolet Tahoe Hybrid 2WD	2008 Chevrolet Tahoe LTZ 2WD	-\$3,118	-\$279	\$0
2008 Chevrolet Tahoe Hybrid 4WD	2008 Chevrolet Tahoe LTZ 4WD	-\$2,583	-\$279	\$0
2008 Ford Escape Hybrid 2WD	2008 Ford Escape Limited 2WD	-\$3,934	\$324	\$32
2008 Ford Escape Hybrid 4WD	2008 Ford Escape Limited 4WD	-\$3,763	\$324	\$27
2008 GMC Yukon Hybrid 2WD	2008 GMC Yukon Denali 2WD	-\$5,947	\$10	\$0
2008 GMC Yukon Hybrid 4WD	2008 GMC Yukon Denali AWD	-\$5,490	\$10	\$0
2008 Honda Civic Hybrid	2008 Honda Civic EX (Auto)	-\$2,375	-\$96	\$64
2008 Honda Civic Hybrid w/Navigation	2008 Honda Civic EX w/Navigation (Auto)	-\$2,375	-\$96	\$64
2008 Lexus GS 450h	2008 Lexus GS 460	-\$1,734	\$100	\$16
2008 Lexus LS 600h L	2008 Lexus LS 460 L	-\$745	\$286	\$24
2008 Lexus RX 400h 2WD	2008 Lexus RX 350 FWD	-\$2,321	-\$55	\$2
2008 Lexus RX 400h AWD	2008 Lexus RX 350 AWD	-\$2,846	-\$63	-\$10
2008 Mercury Mariner Hybrid 2WD	2008 Mercury Mariner Premier 2WD	-\$3,636	\$324	-\$12
2008 Mercury Mariner Hybrid 4WD	2008 Mercury Mariner Premier 4WD	-\$3,763	\$364	-\$6
2008 Nissan Altima Hybrid	2008 Nissan Altima S (Auto)	-\$1,816	\$0	\$58
2008 Saturn Aura Hybrid	2008 Saturn Aura XE	-\$704	-\$176	\$24
2008 Saturn VUE Hybrid	2008 Saturn VUE XE FWD	-\$2,387	\$60	\$23
2008 Toyota Camry Hybrid	2008 Toyota Camry SE (Auto)	-\$2,197	-\$26	\$54
2008 Toyota Highlander Hybrid 4WD	2008 Toyota Highlander 4WD	-\$2,749	\$1	\$35
2008 Toyota Highlander Hybrid Limited 4WD	2008 Toyota Highlander Limited 4WD	-\$2,749	\$1	\$35
2008 Toyota Prius	2008 Toyota Camry (Auto)	-\$4,259	-\$44	\$85
2008 Toyota Prius Standard	2008 Toyota Camry (Auto)	-\$4,259	-\$44	\$85
2008 Toyota Prius Touring	2008 Toyota Camry LE (Auto)	-\$4,259	\$32	\$85

Conclusion

IntelliChoice.com's survey of 2008 hybrids punctures some myths and adds some clarity to the economic picture for hybrids. Certainly, not all hybrids are created equal, but some, like the Toyota Prius, Ford Escape Hybrid and Mercury Mariner Hybrid, deliver higher quality and value when compared to non-hybrids. Only one hybrid, the luxury Lexus 600h L, significantly lags in low cost performance (but then again, that's not why Lexus designed it). Overall, the big economic question for car buyers—do hybrids deliver enough cost savings to justify their costs—is answered in the affirmative. Hybrids, when viewed over the long term, deliver quality and cost savings equivalent to, and often better than, their non-hybrid counterparts. Which hybrid to buy depends on the vehicle in question and who's doing the buying. IntelliChoice.com's 2008 Hybrid Survey emphasizes the need for consumers to do their homework before hitting the lot.