

2011 automotive shopping behavior study

agenda

- 1 key findings
- 2 shopping overview
- 3 digital use
- 4 search, mobile, video impact

key findings

key findings

today's vehicle shoppers:

- 1 research and decide faster
- 2 use an increasingly diverse set of online tools
- 3 search to navigate and compare
- 4 expect dealer sites to be as helpful as OEM sites
- 5 watch videos to discover and compare brands
- 6 rely on their mobile devices to research on the go

study methodology

methodology- compete/ polk

Phase 1

- Survey automotive consumers who purchased a vehicle in the last 12 months and identify attitudes with respect to:
 - The influence of automotive online video, mobile devices/tablets, social networking, etc. with respect to automotive research, shopping and purchase decisions
 - The importance of in-vehicle technology
 - How different automotive consumer segment (vehicle, price, etc) conducted their research and shopping process prior to purchase

Phase 2

- Compete matched clickstream behavior from its panel of 2 million online consumers to Polk vehicle registration data from January 2007 through December 2010.
- Compete used this matched data set to evaluate the impact of online automotive research on consideration and purchasing decisions.

methodology- compete/ polk phase 1

- **Significance Testing**

- For 2-variable significance testing, two asterisks (**) indicates significance at the 95% level and one asterisk (*) indicates significance at the 90% level
- For multiple variable significance testing, uppercase letters indicate significance at the 95% level and lowercase letters indicate significance at the 90% level
- Base sizes under 30 were removed from the study and any base sizes between 30-50 marked as low sample

methodology- compete/ polk phase 2

Google, R.L. Polk and Compete created a new dataset to study new vehicle retail registrations



Source: R.L. Polk & Co., Compete Inc.

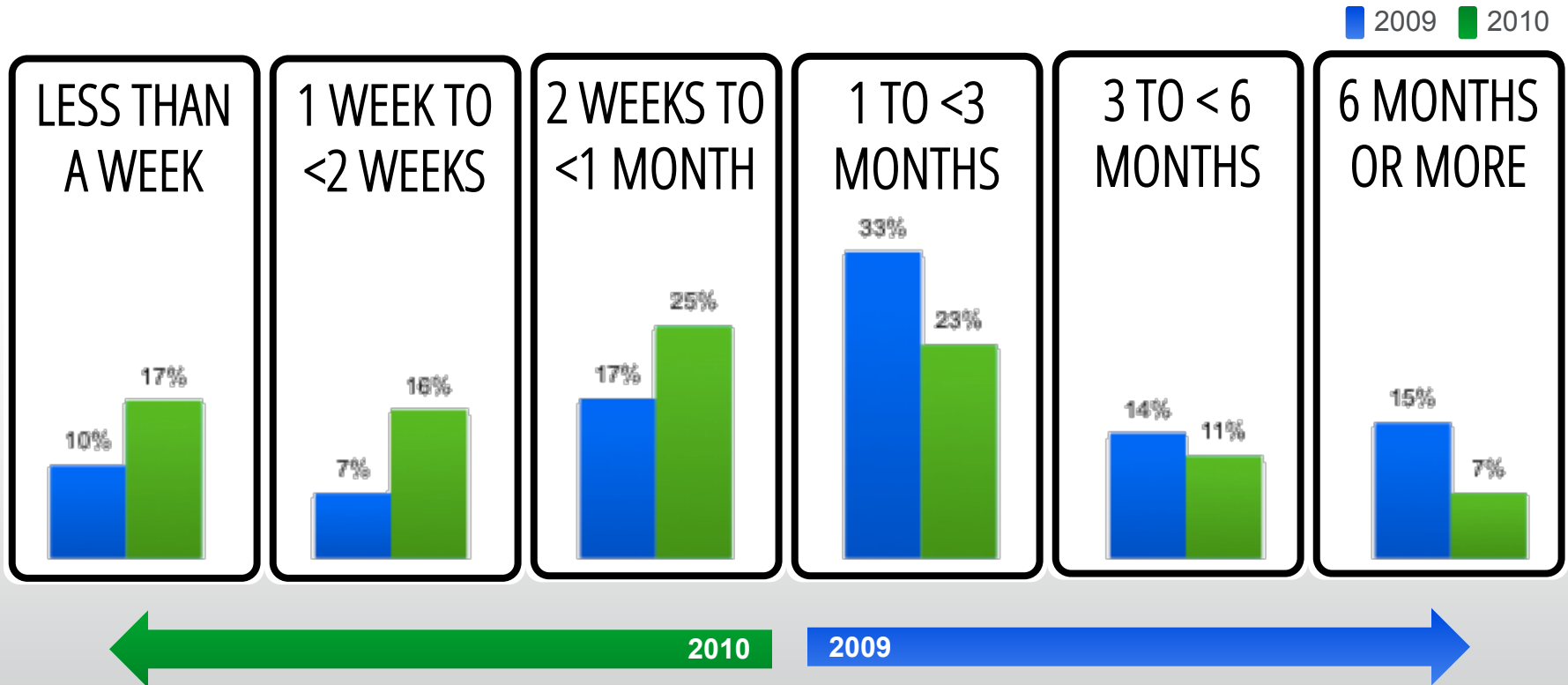
shopping overview

compete/ polk study



81% of shoppers decide within 3 months

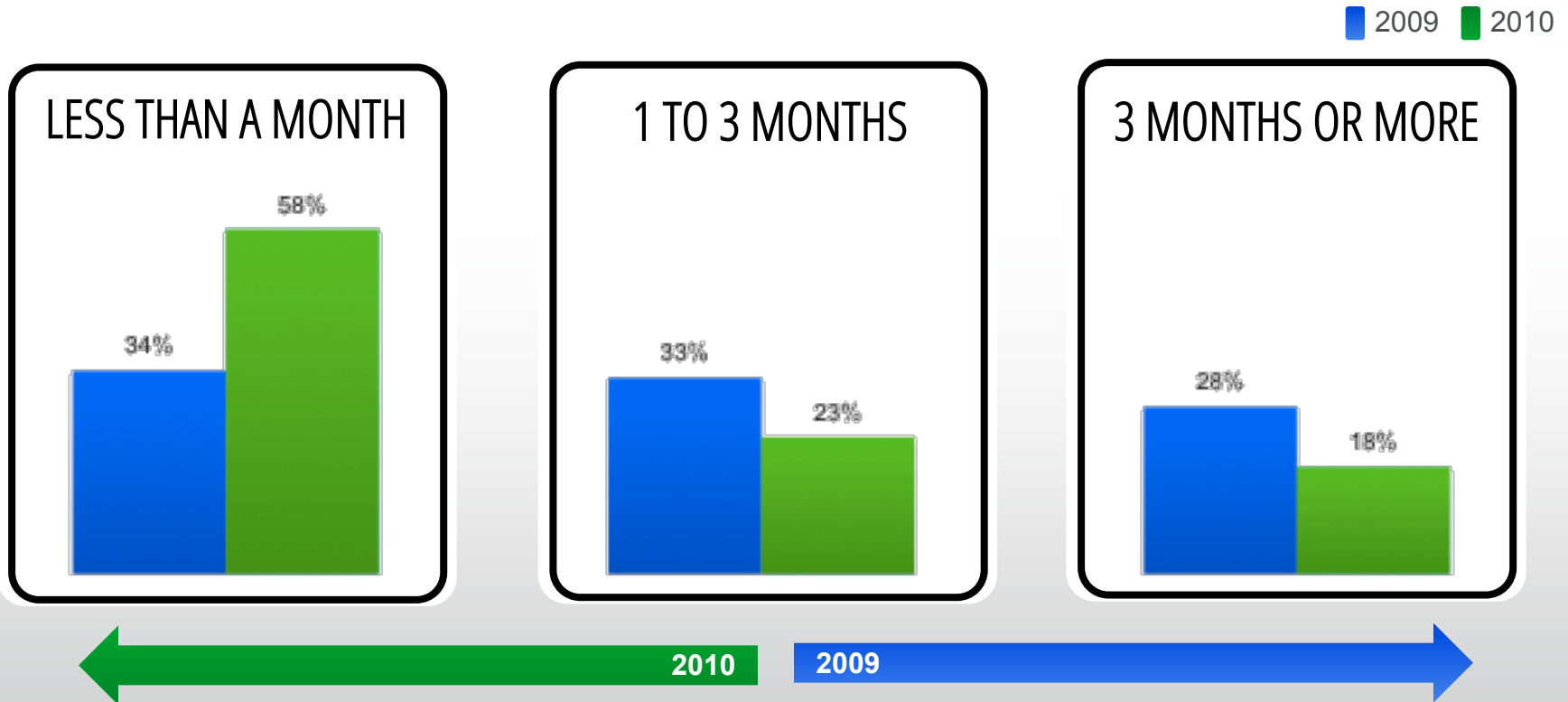
The shopping window has compressed



Auto Shopper Behavior Study, Google/Compete, 2011. O8 - How much time passed from when you first started researching or shopping online to when you actually made a purchase? Please select one answer only. Base: New purchasers (n=942) versus used purchasers (n=644)

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The shopping window has compressed

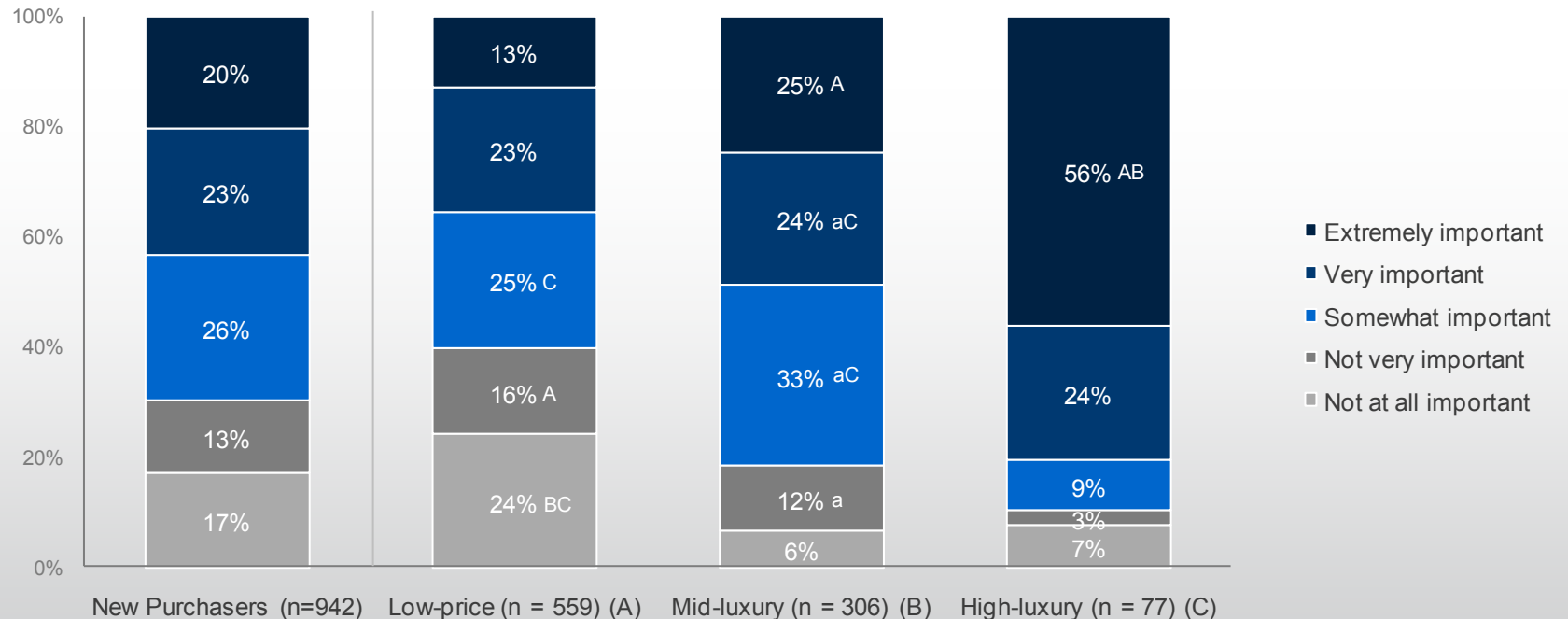


Auto Shopper Behavior Study, Google/Compete, 2011. O8 - How much time passed from when you first started researching or shopping online to when you actually made a purchase? Please select one answer only. Base: New purchasers (n=942) versus used purchasers (n=644)

technology is important to luxury purchasers

over half of high-luxury purchasers found in-vehicle technology extremely important

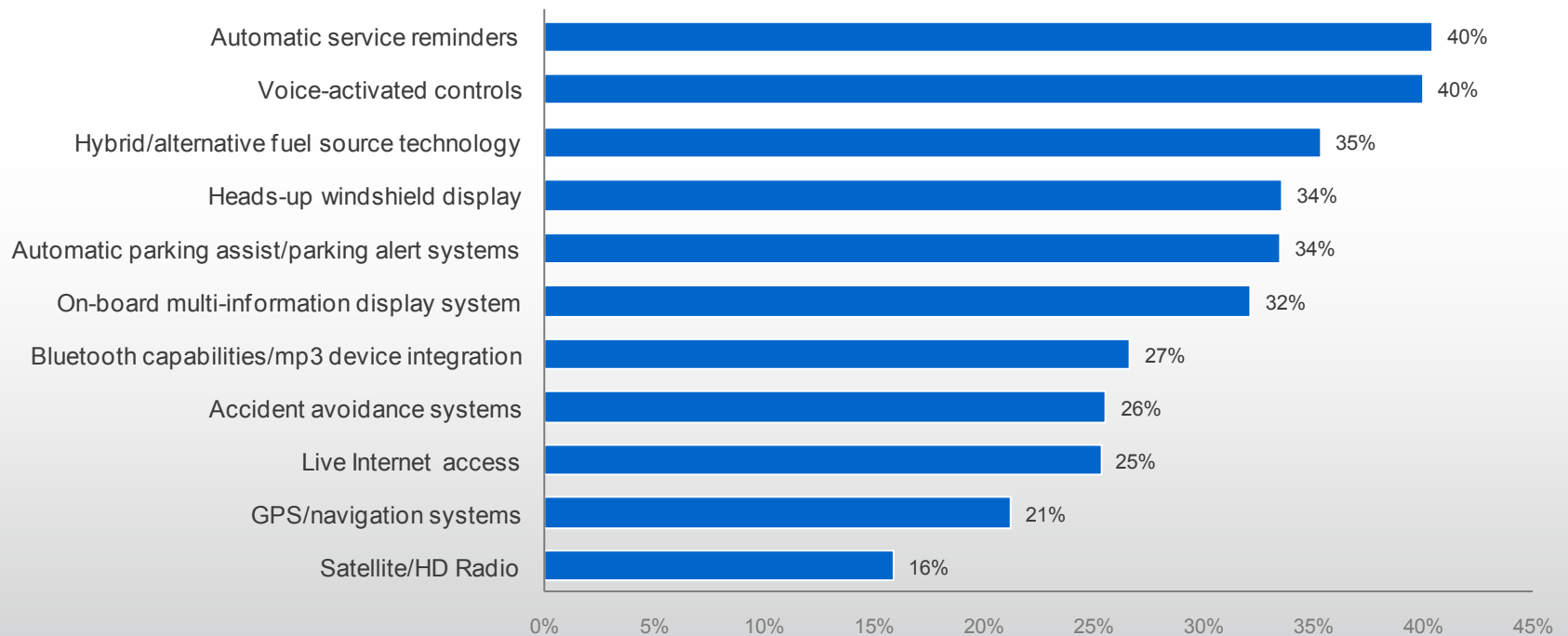
Importance of In-Vehicle Technology



Auto Shopper Behavior Study, Google/Compete, 2011. T1 - In general, how important were in-vehicle technologies (e.g., built in GPS, Bluetooth, parking assist, etc.) to you when researching or shopping for cars/trucks? Base: New purchasers by vehicle purchase price; high-luxury, \$50k+ (n=77), mid-luxury, \$30-50k (n=306), low-price, <\$30k (n=559)

safety, utility, fuel efficiency gain interest

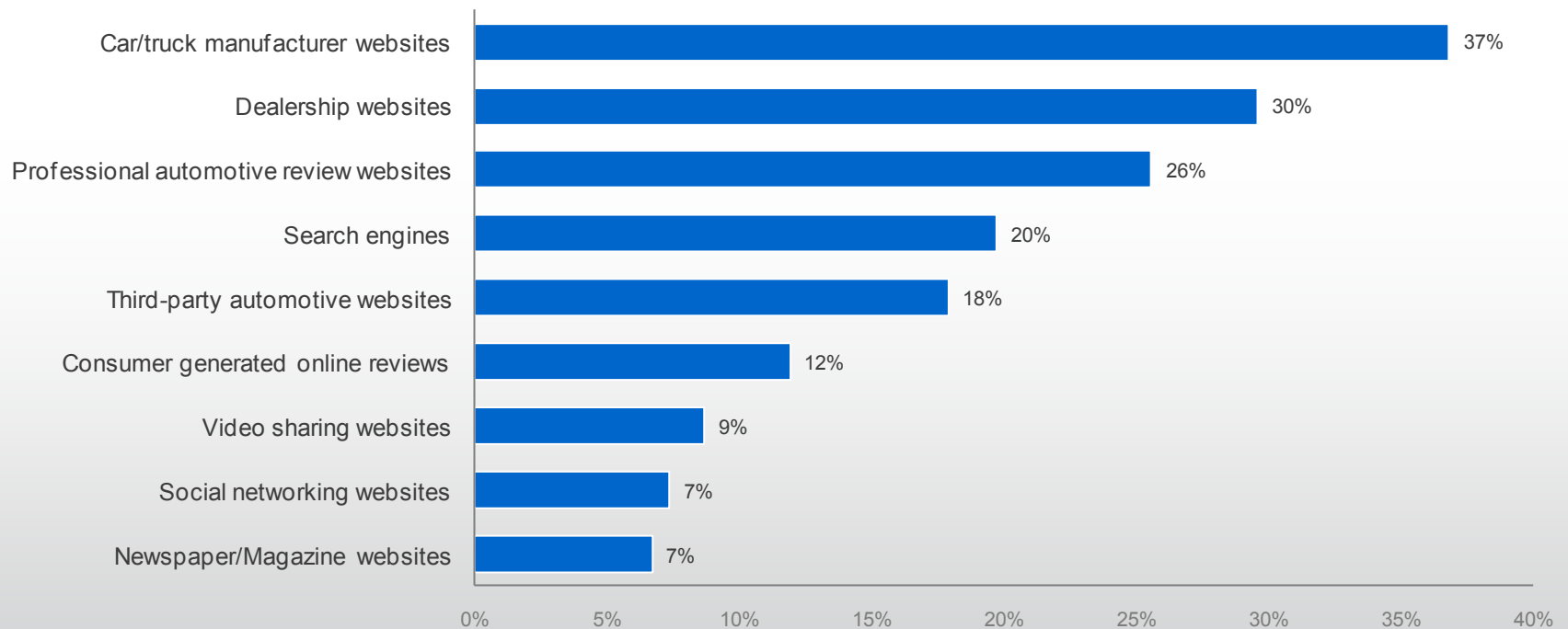
Importance of Specific In-Vehicle Technology Features



Auto Shopper Behavior Study, Google/Compete, 2011. T3 - How important were each of the following in-vehicle technologies to you while you researched or shopped for cars/trucks? Please select the one response that best applies to each row. Base: New purchasers (n=942)

shoppers discover in-vehicle technology on OEM sites

Online Sources Used to Research Technology



Auto Shopper Behavior Study, Google/Compete, 2011. T5 - Which of the following online sources, if any, did you use to look for information on in-vehicle technologies in the past 12 months? Please select all that apply. Base: New purchasers (n=942)

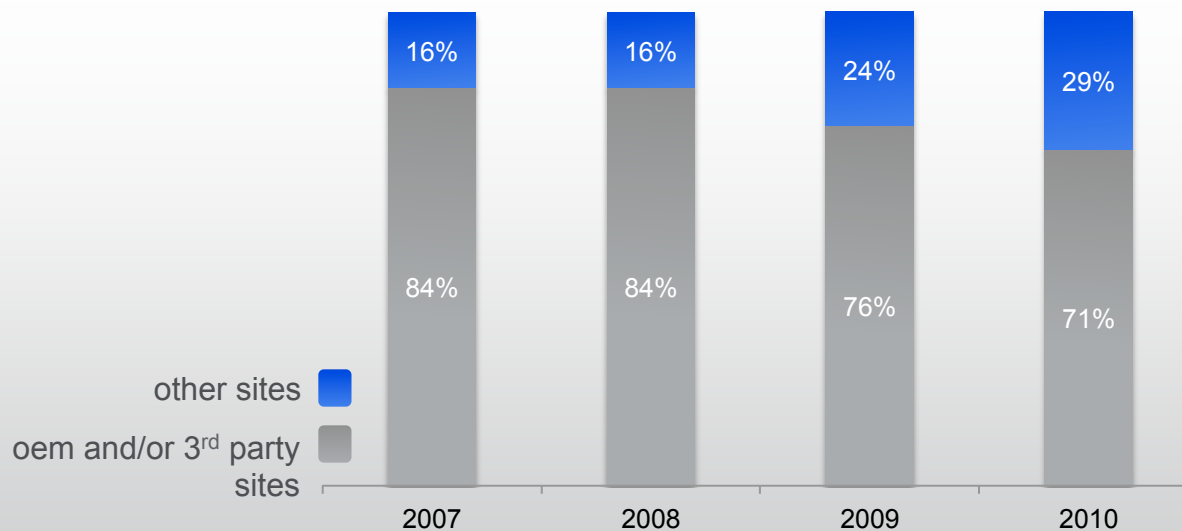
role of online research



consumers are moving beyond traditional sites

digital research behavior has diversified

OEM and 3rd Party Site Purchaser Visitation
(Clickstream Data; Share of Purchasers 6-Months Prior to Purchase)

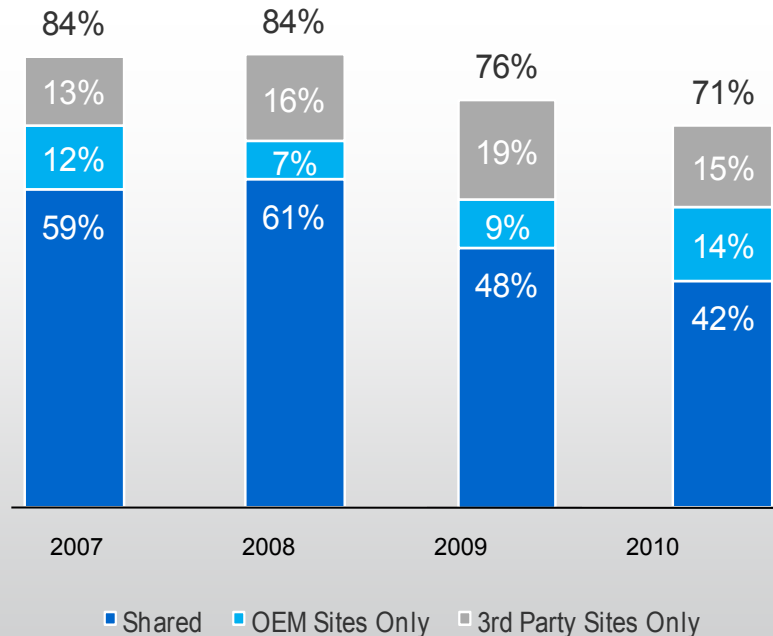


Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2007-December 2010

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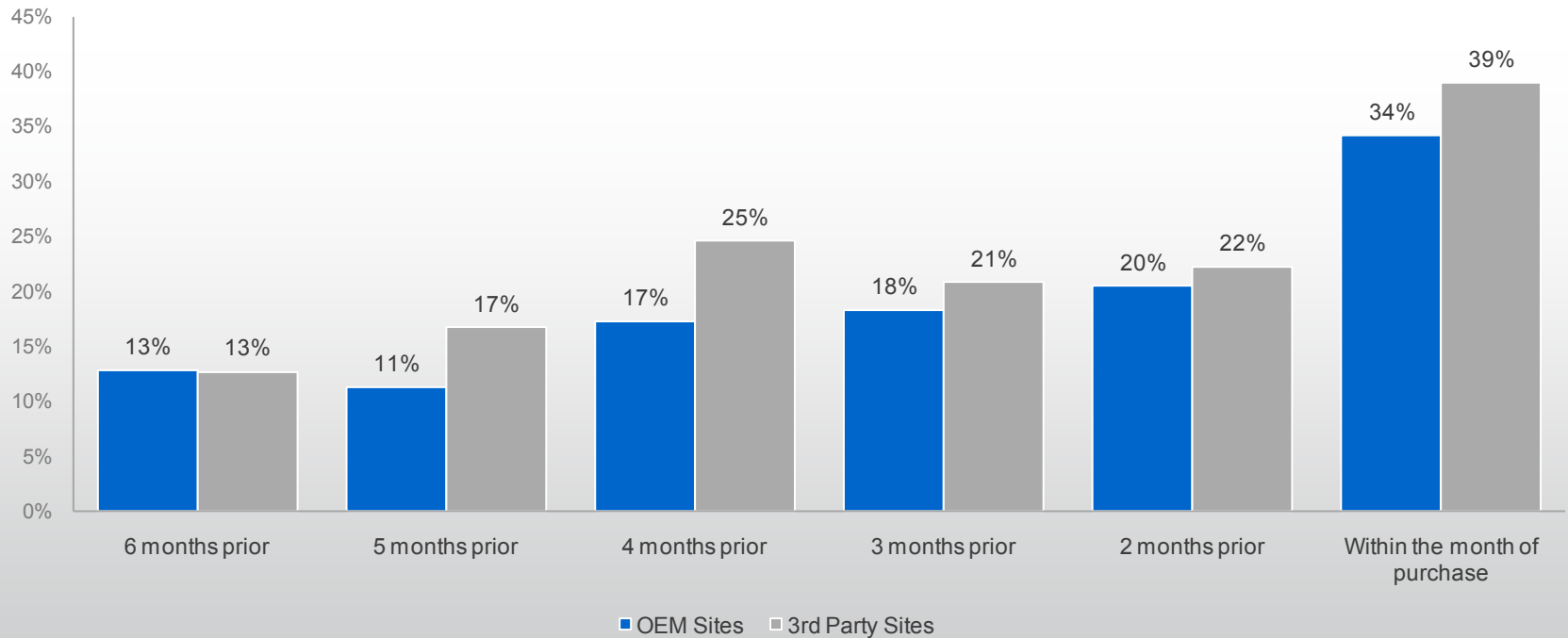
OEM and 3rd Party Site Purchaser Visitation
(Clickstream Data; Share of Purchasers 6-Months Prior to Purchase)



Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2007-December 2010

oem/ 3rd party visitation peaked during purchase month

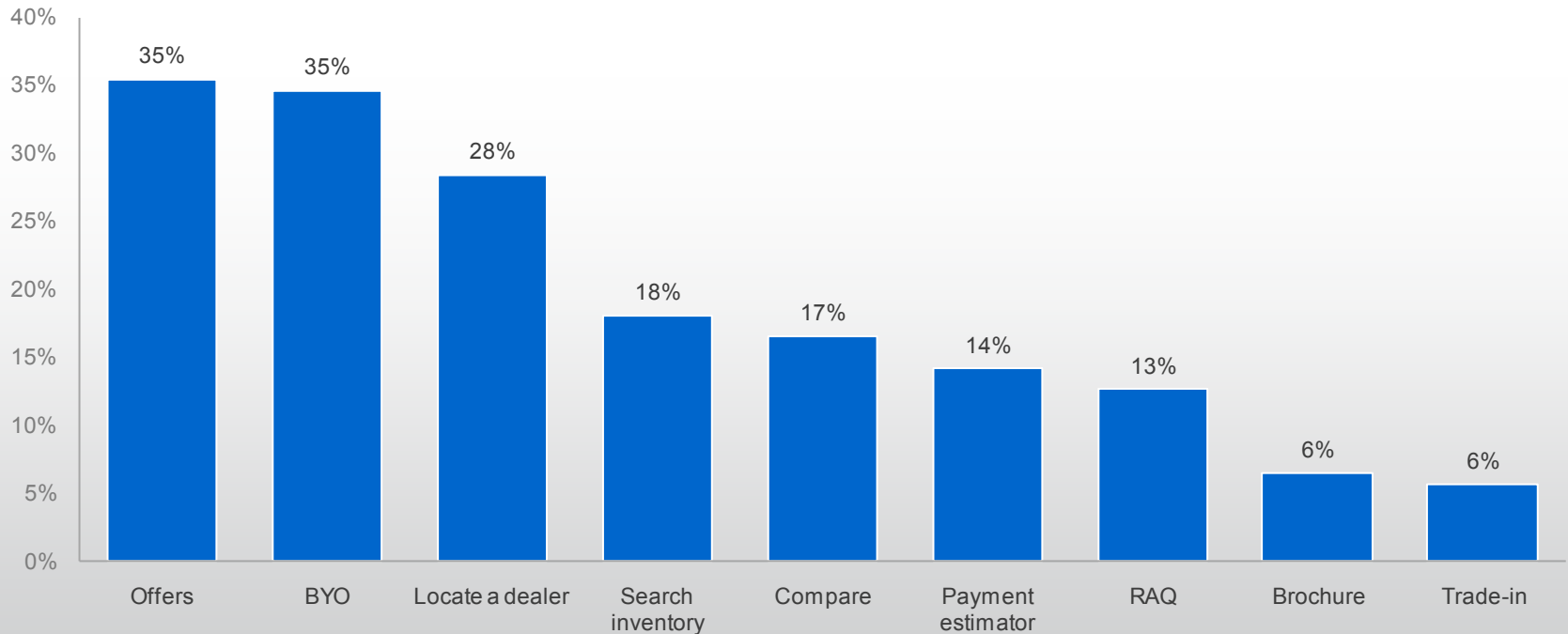
OEM and 3rd Party Site Visitation by Purchase Month
(Clickstream Data; Share of Purchasers 6-Months Prior to Purchase)



purchasers looked for offers on OEM sites

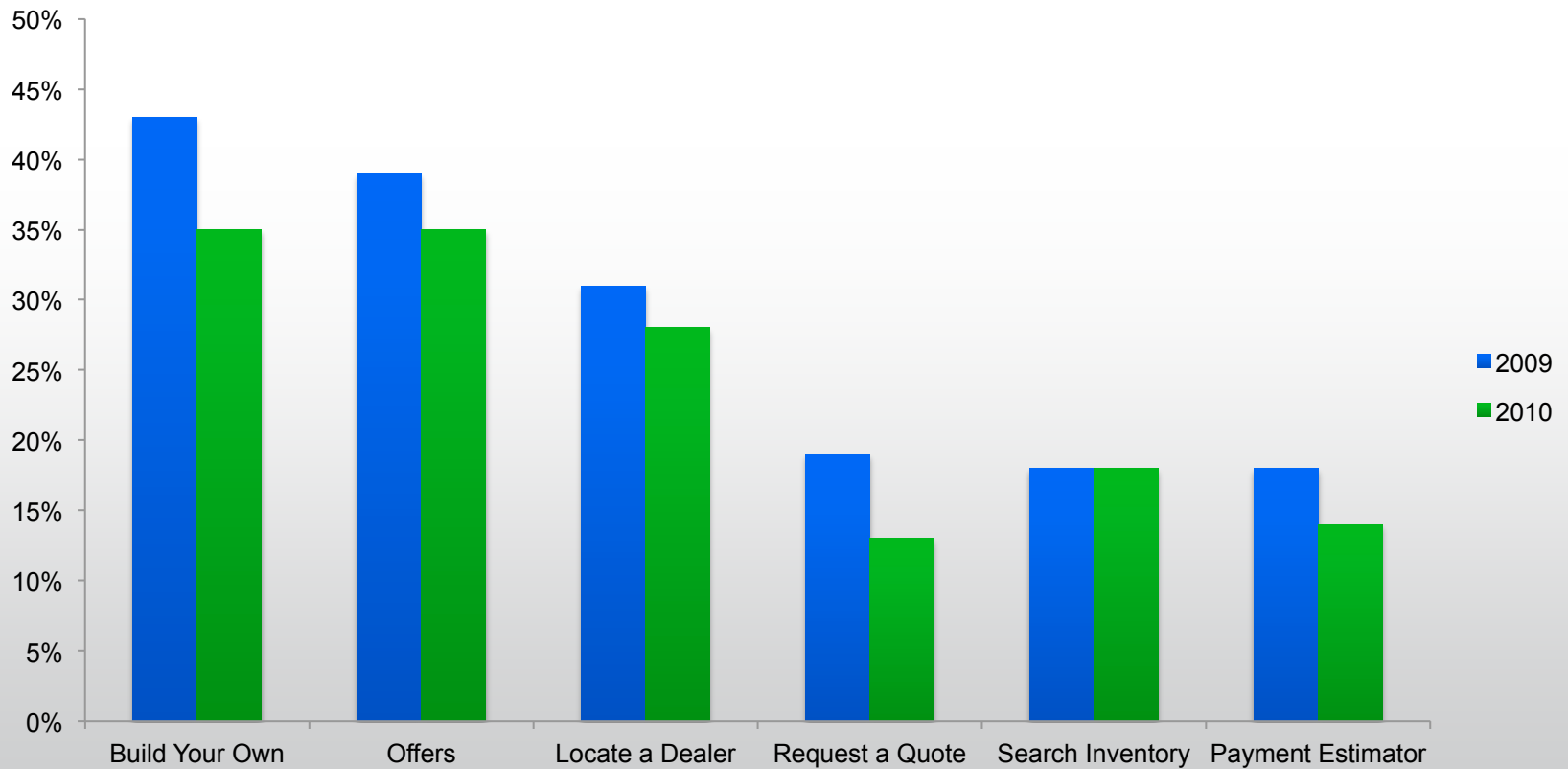
offers, BYO and locate a dealer are used by about a third of purchasers

OEM KPI Usage
(Clickstream Data; Share of Purchasers Anytime During the 6-Months Prior to Purchase)



Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2010-December 2010

YOY Comparison- OEM Site Behavior

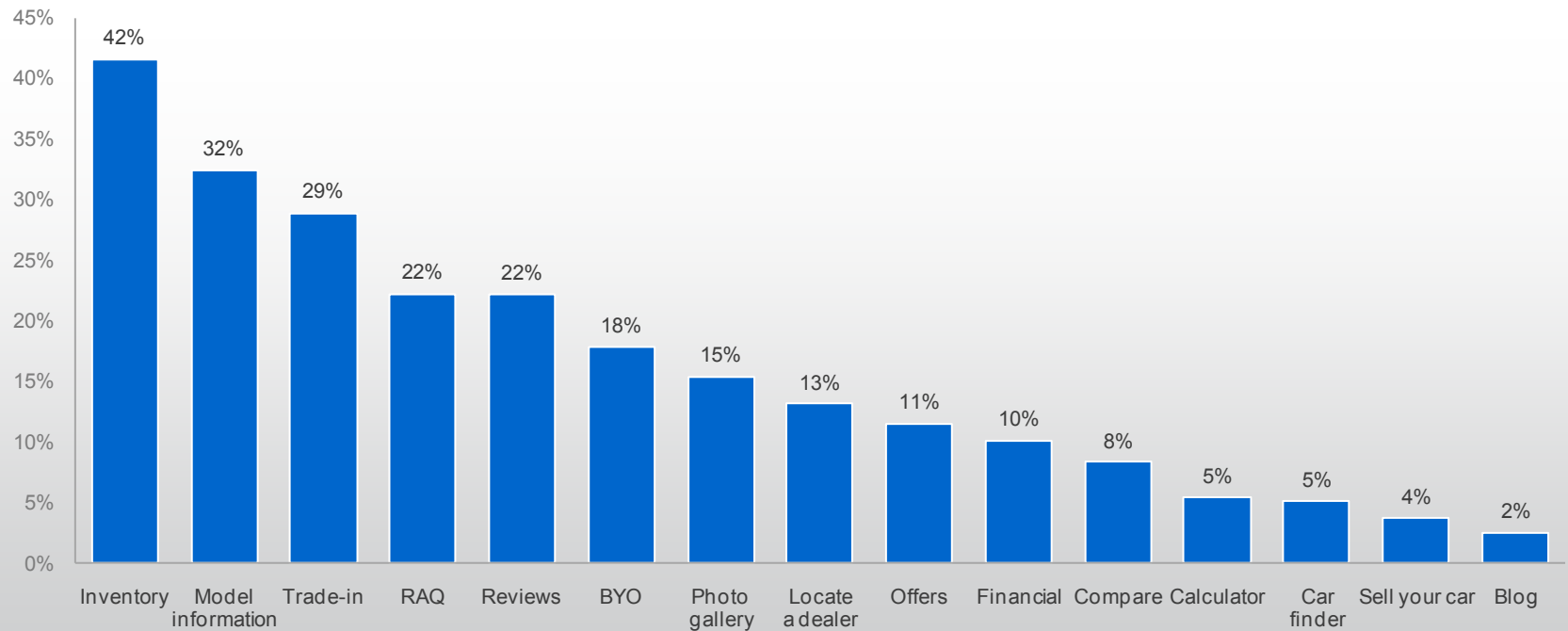


Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2010-December 2010

search inventory most-used 3rd party tool

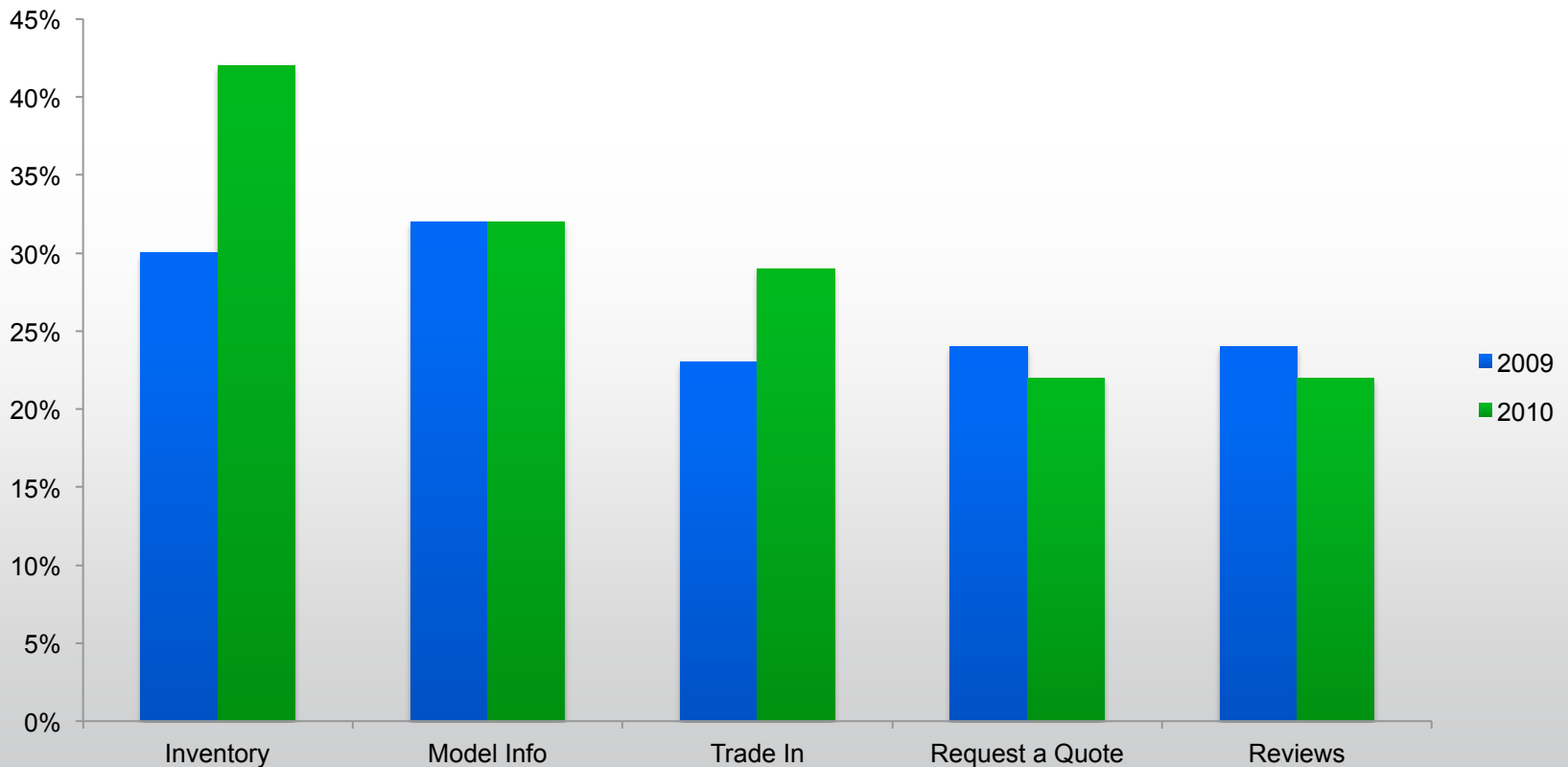
a greater portion of shoppers searched inventory on 3rd party sites than OEM sites

3rd Party KPI Usage
(Clickstream Data; Share of Purchasers Anytime During the 6-Months Prior to Purchase)



Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2010-December 2010

YOY Comparison- 3rd Party Site Behavior

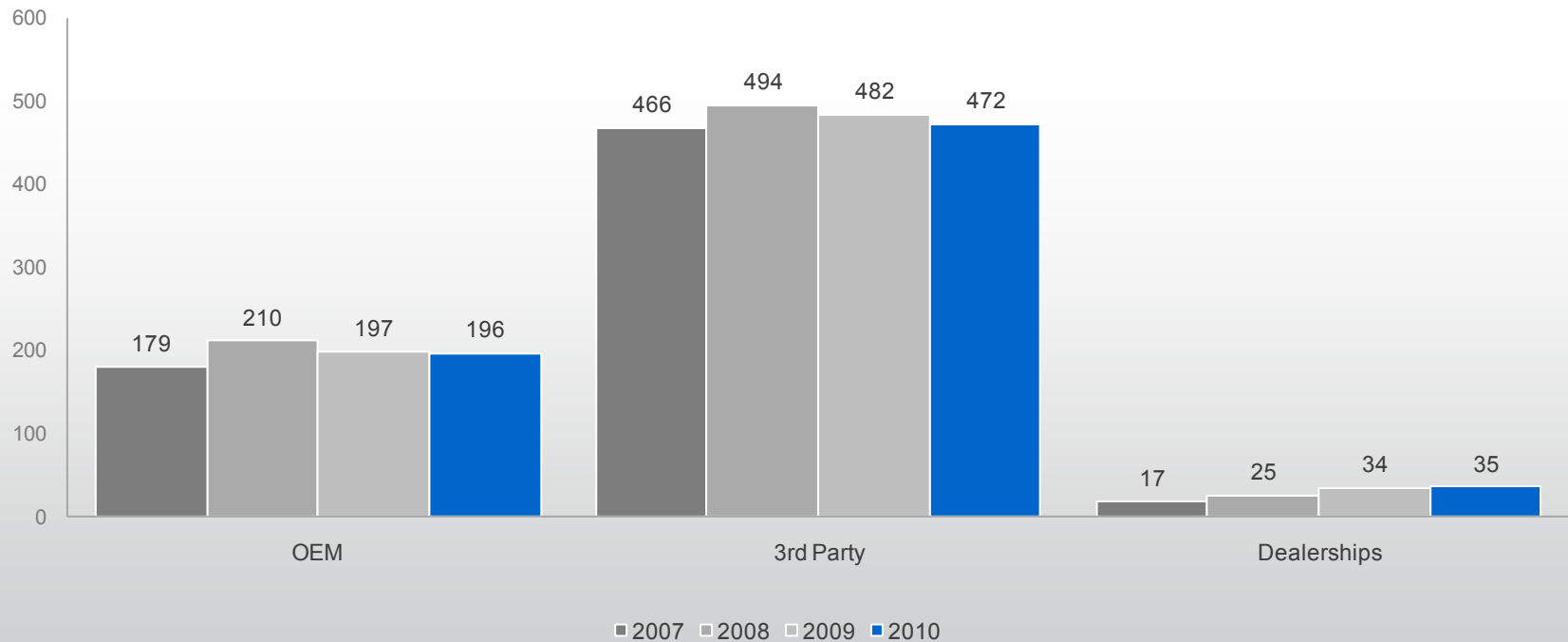


Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2010-December 2010

dealer site visitation continues to climb

usage has doubled to 35m since 2007

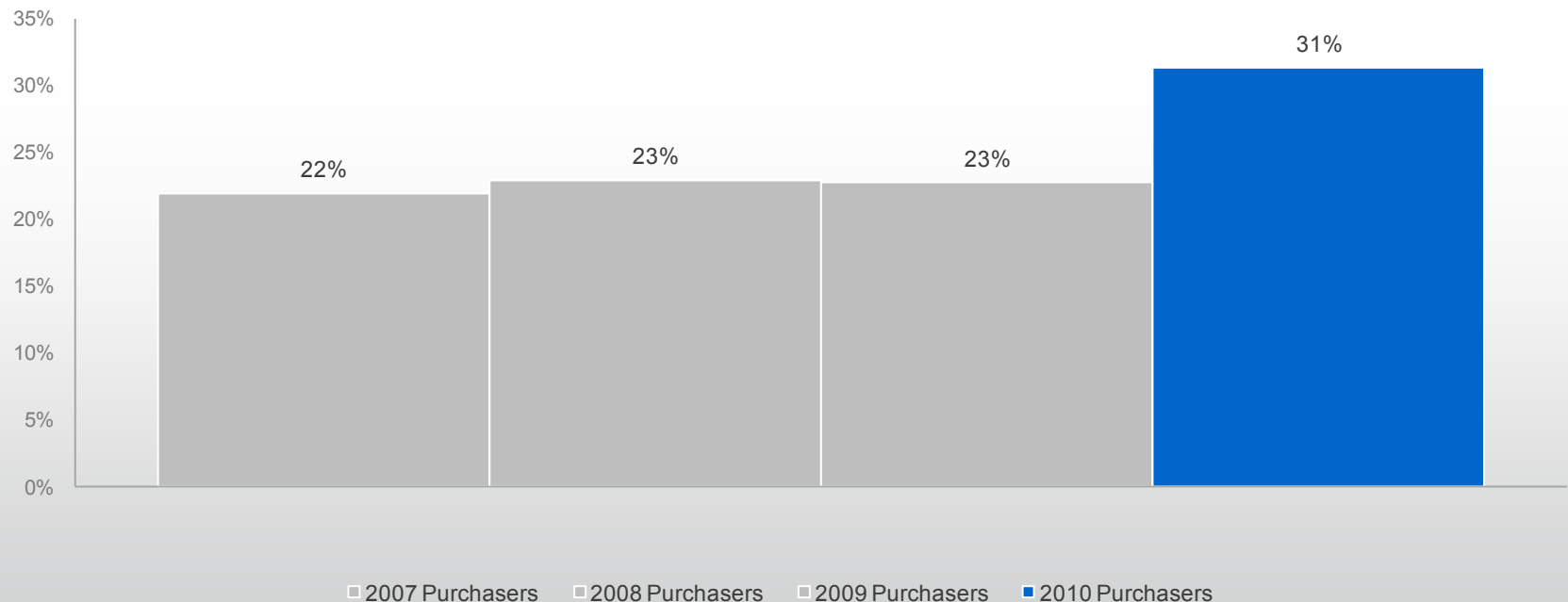
OEM and 3rd Party Site Overall Visitation
(Clickstream Data, Millions of Visitors; January 2007-December 2010)



Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2007-December 2010, Millions of Visitors

nearly 1 in 3 purchasers visited dealership sites

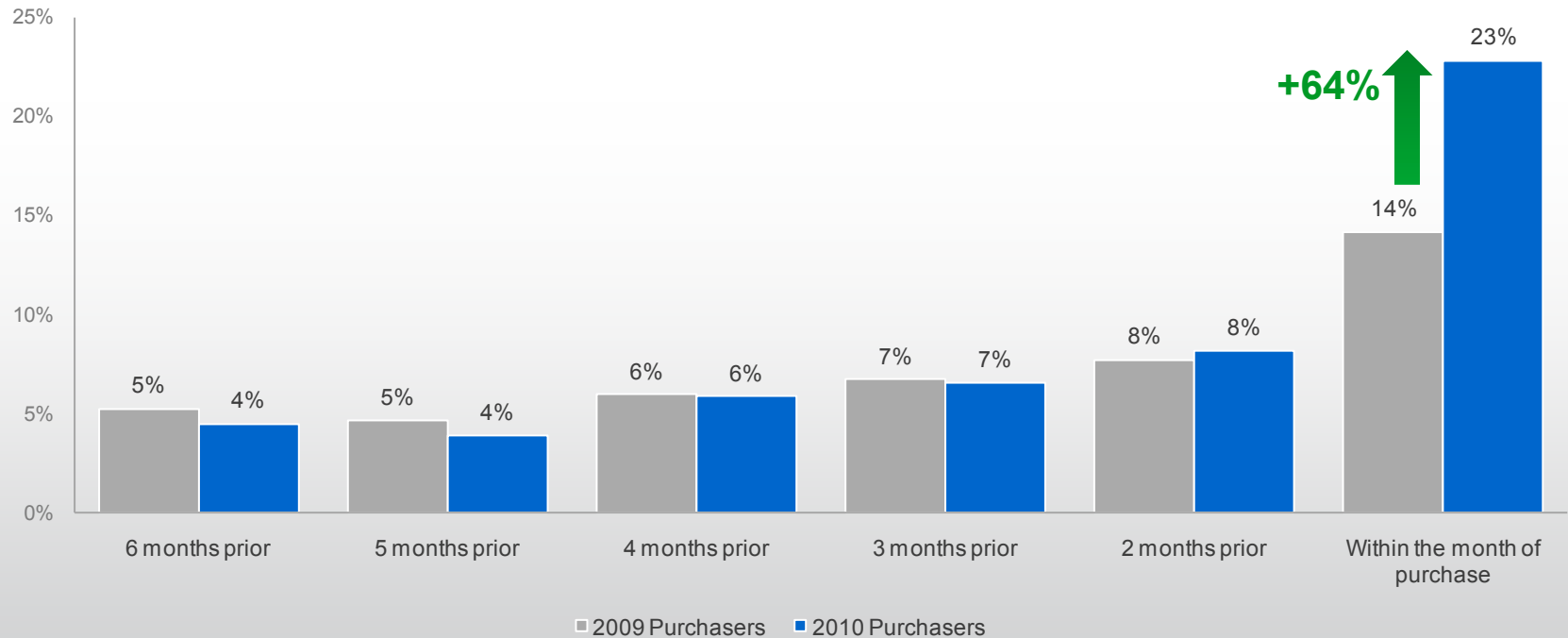
Dealership Site Visitation by Purchase Year
(Clickstream Data; Share of Purchasers Anytime During the 6-Months Prior to Purchase)



Auto Shopper Behavior Study, Google/Compele, 2011. Clickstream data, January 2007-December 2010

dealership visitation peaked in purchase month

Dealership Site Visitation by Purchase Month
(Clickstream Data; Share of Purchasers 6-Months Prior to Purchase)



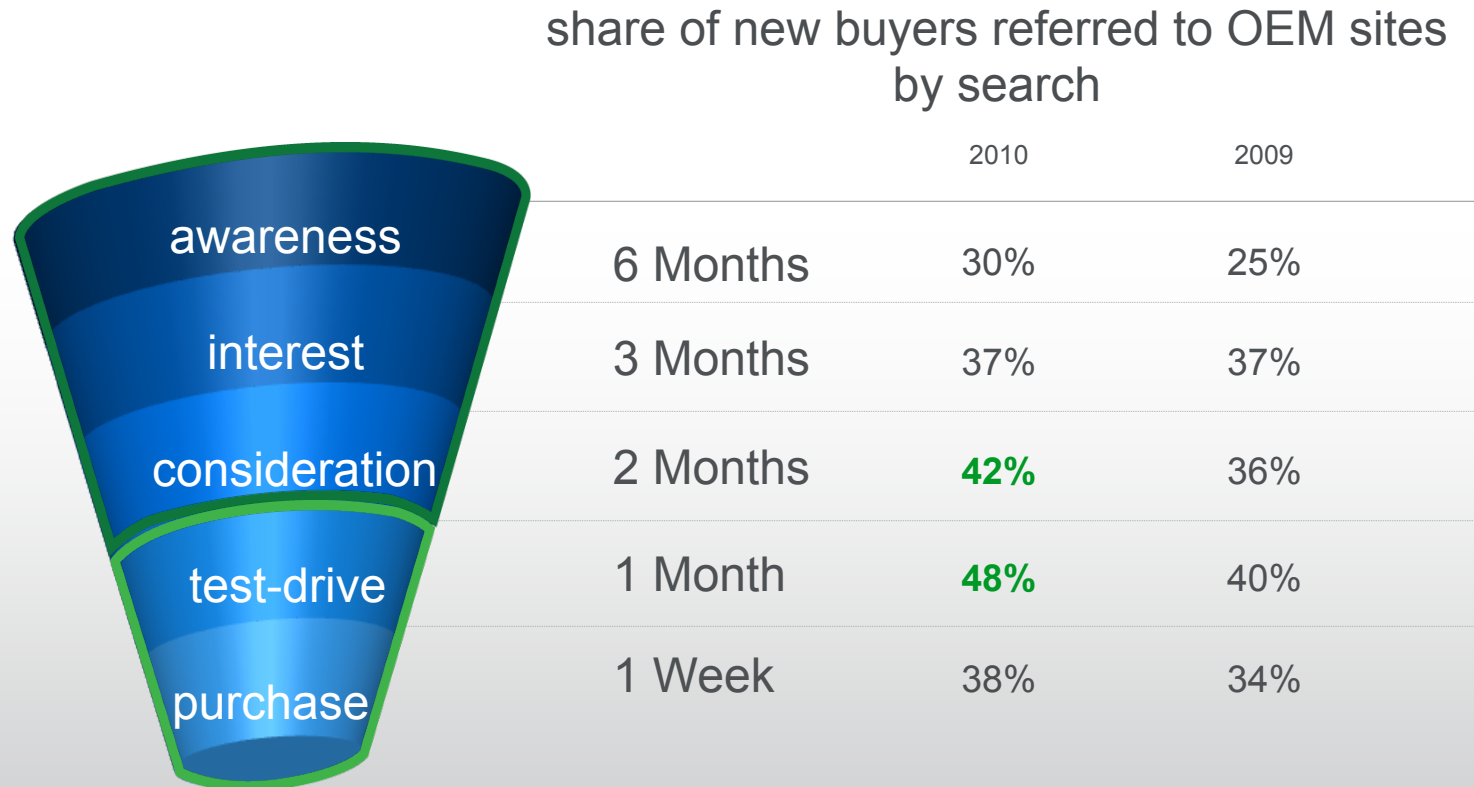
Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data, January 2009-December 2010

search impact



purchasers search to navigate to online sources

search directs at least a third of traffic within 3 months of purchase

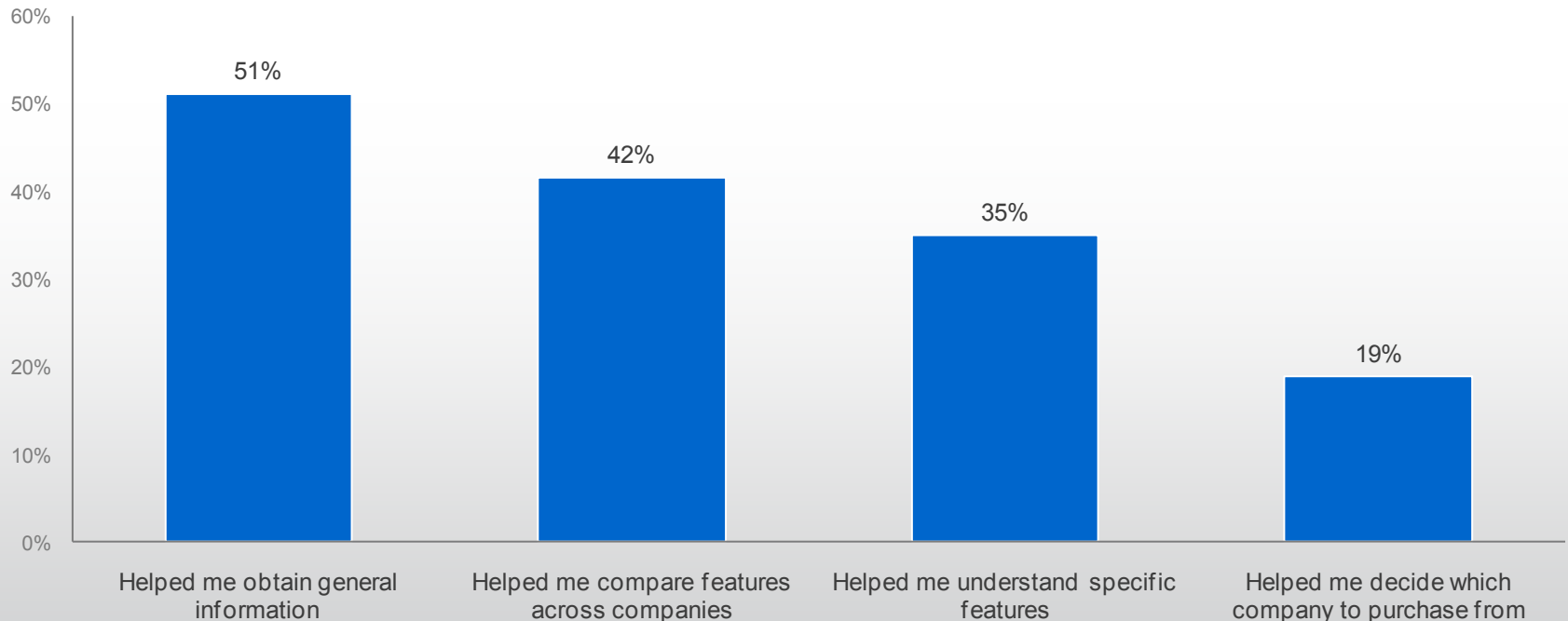


Auto Shopper Behavior Study, Google/Compe, 2011. Clickstream data, by time periods, discrete months, January 2010-December 2010.

search helps shoppers discover and compare

search engines were helpful for upper funnel activities

How Search Engines Were Helpful

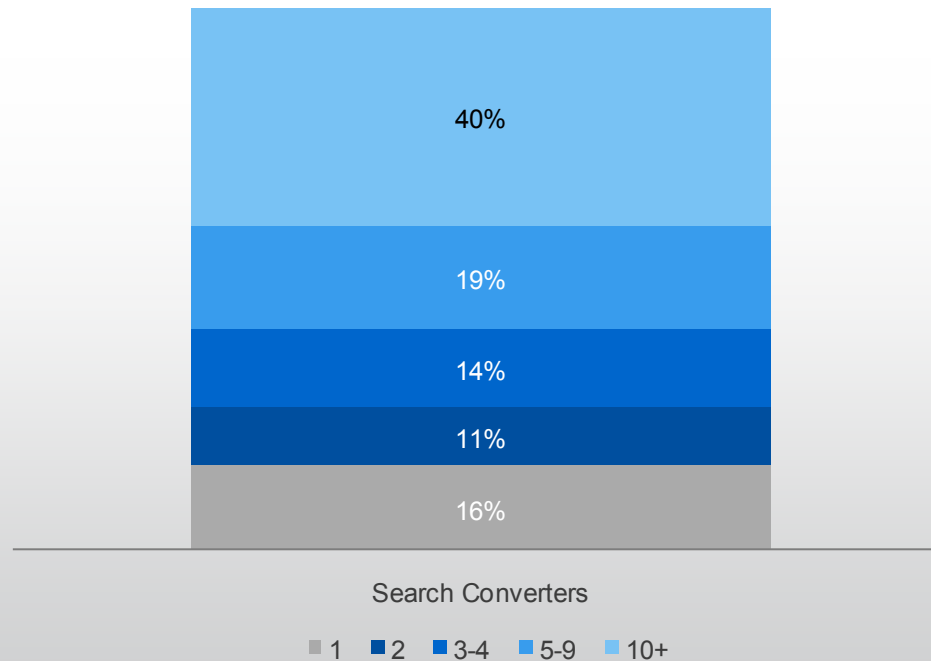


Auto Shopper Behavior Study, Google/Compete, 2011. RT5 - How did each of the following source(s) help you while you researched or shopped for cars/ trucks? Please select all of the responses that apply for each source. Base: New purchasers that selected search engines in RT1/RT2 that received a rating of 2-5 in RT3 (n=364)

purchasers search repeatedly

84% searched more than once

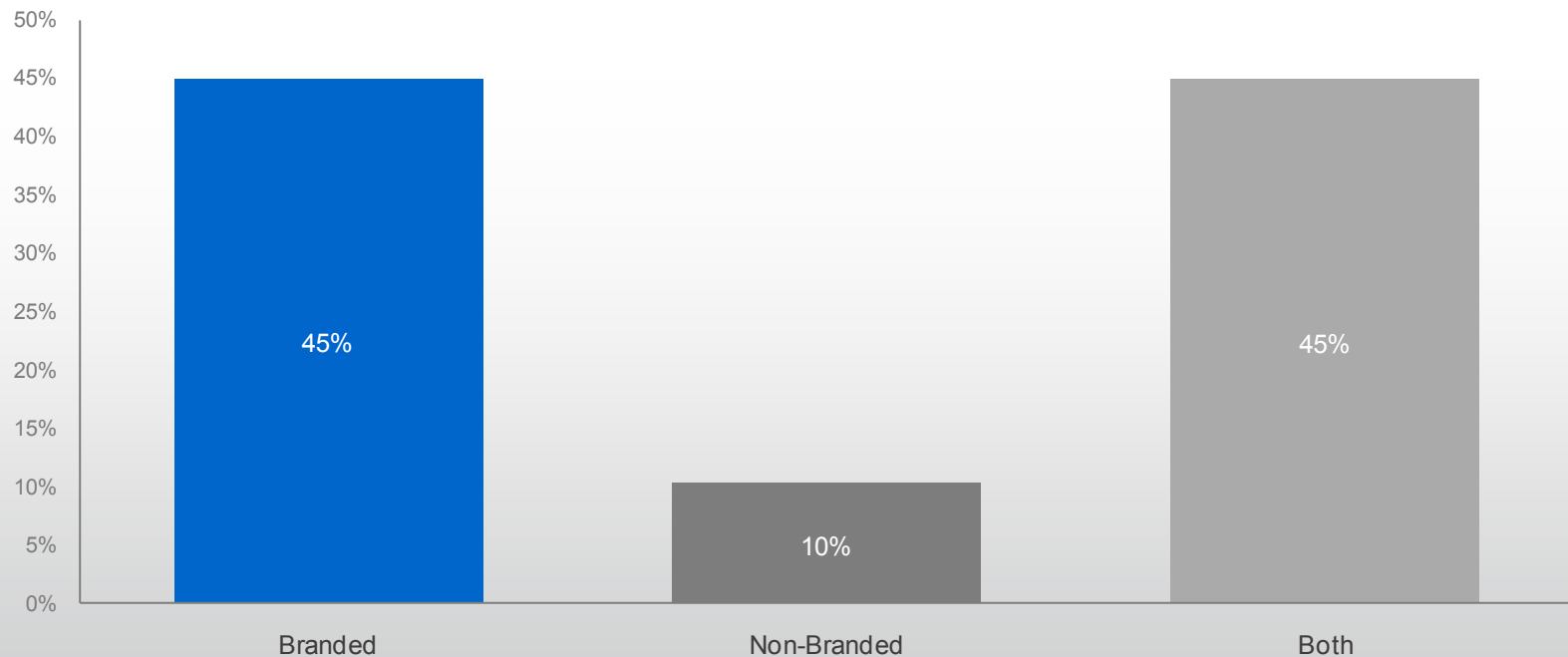
Number of Automotive Search Queries
(Purchasers; Jan-Dec 2010)



Auto Shopper Behavior Study, Google/Compele, 2011. Converters Total Query Volume: 19.3M; Clickstream data

shoppers use both branded and non-branded terms

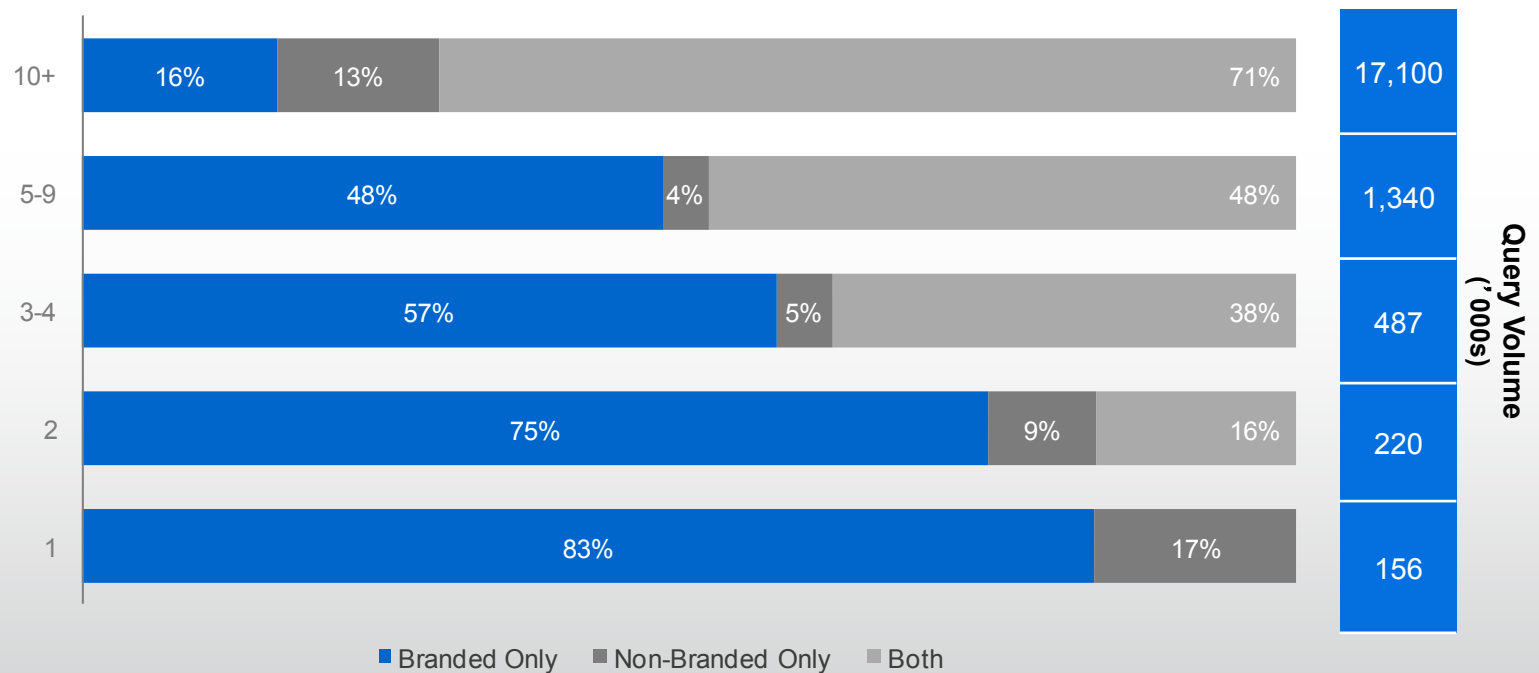
Share of Converters by Query Term Type Used
(Purchasers; Jan-Dec 2010)



Auto Shopper Behavior Study, Google/Compete, 2011. Clickstream data

as search usage increases, keyword type varies

Branded Versus Non-Branded Search, by Number of Queries
(Purchasers; Jan-Dec 2010)



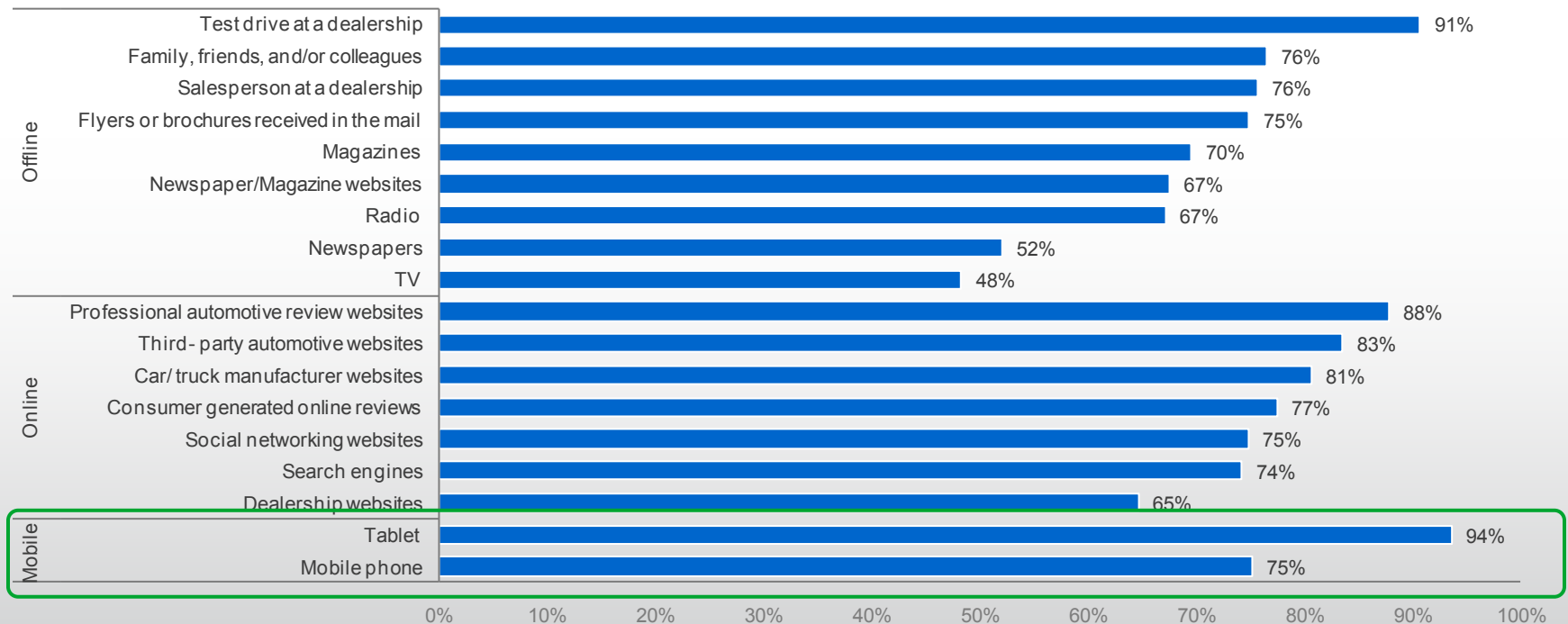
Auto Shopper Behavior Study, Google/Compete, 2011. Base: Converters from Jan-Dec 2010; total query volume among converters: 19.3M; Clickstream data

mobile impact



tablets ranked highest in usefulness

Usefulness of Research Tools Used

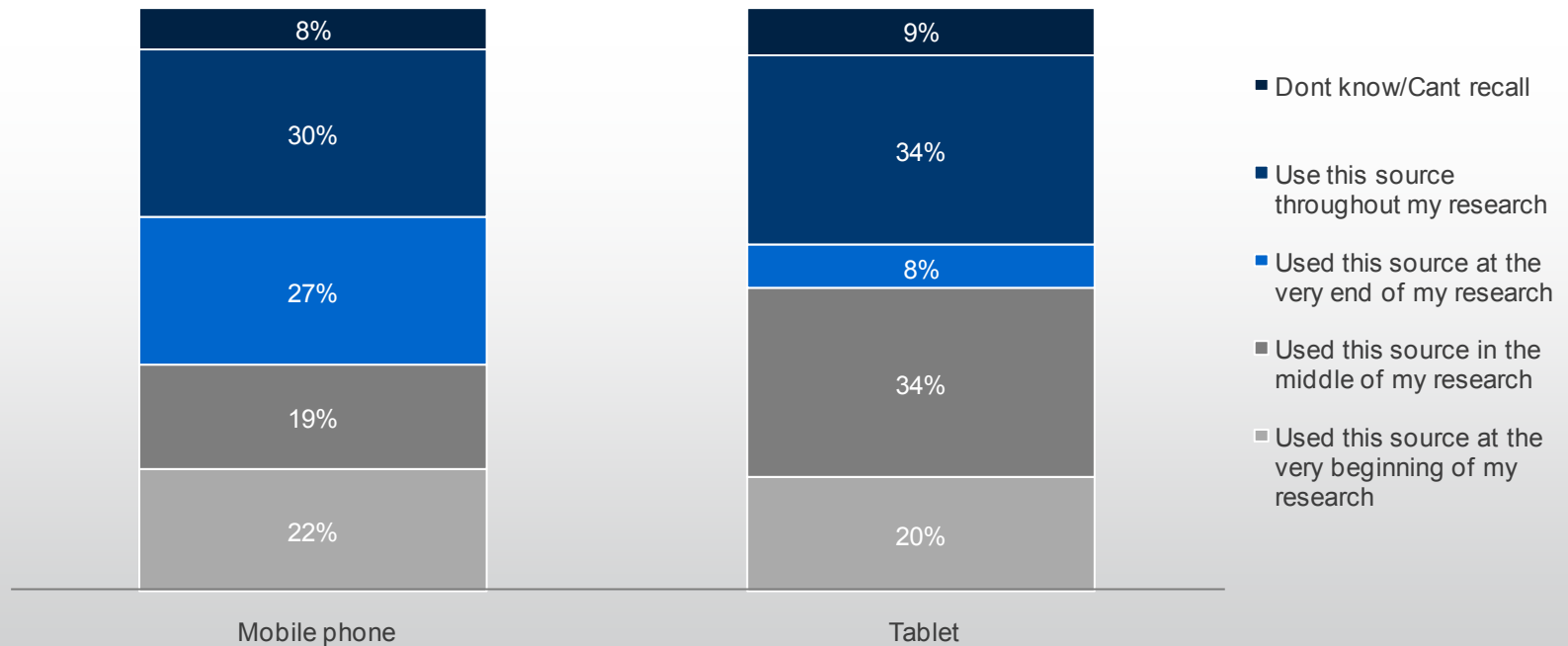


Auto Shopper Behavior Study, Google/Compete, 2011. RT3 - Please indicate how useful each of the following sources were while you researched or shopped for cars/trucks? Please select the one response that best applies to each type of source. Base: New purchasers that selected source used in RT1/RT2 (n=942)

mobile and tablet used throughout research

mobile shoppers are more likely to use mobile throughout or in the beginning, than at the end

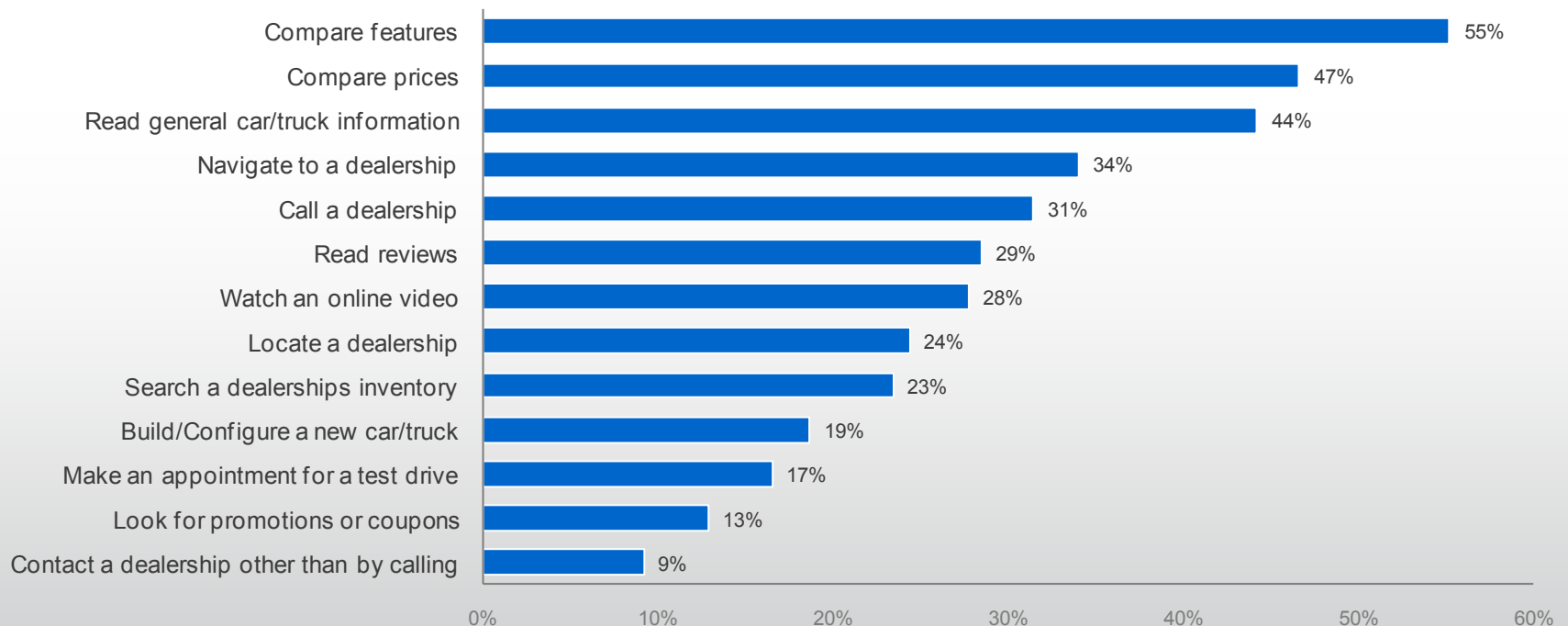
When During the Shopping Process Did You Use Research Tools



Auto Shopper Behavior Study, Google/Compete, 2011. RT4 - For which parts of your research process did you use each of these in researching or shopping for cars/trucks? Please select all responses that apply for each source. If you used a source throughout your research, please only select that option. Base: New purchasers that selected source used in RT1/RT2 (n=942)

mobile phones used to compare models

Types of Research Conducted on Mobile Phone
(New Purchasers That Selected Mobile or Tablet in RT1, n=98)



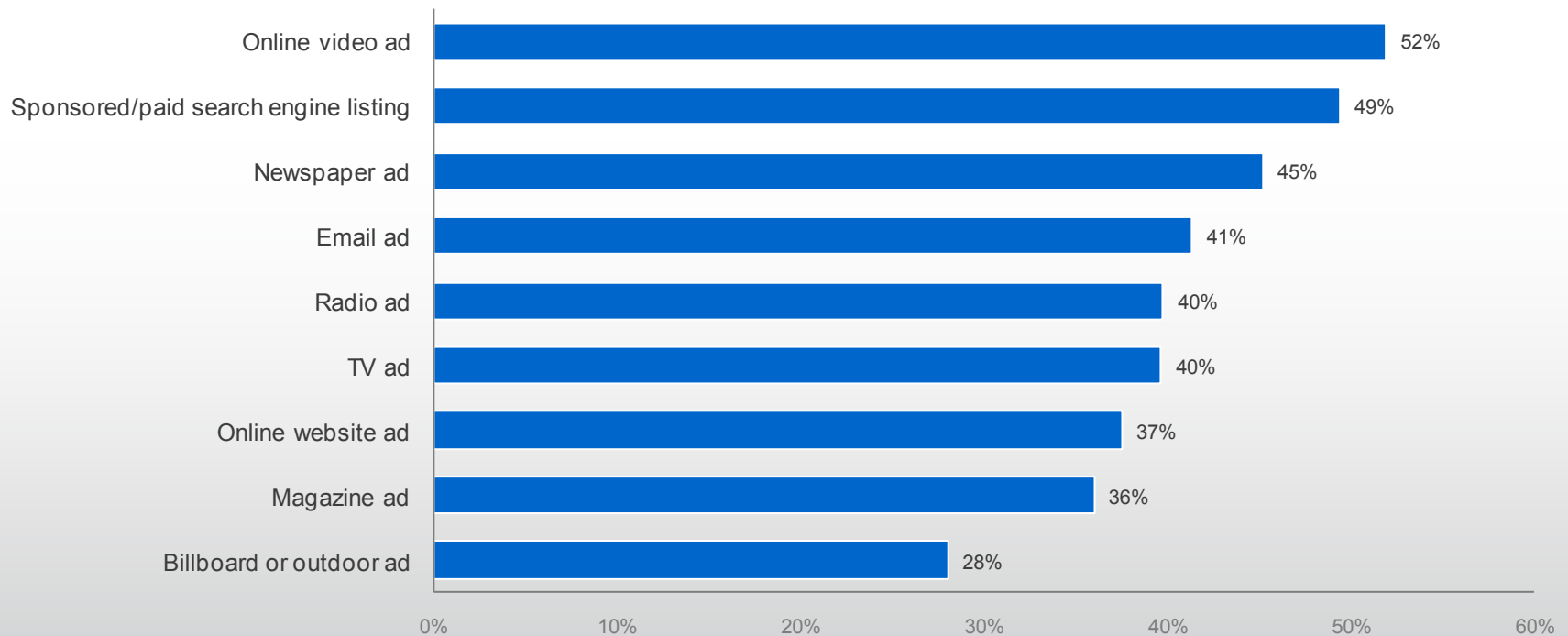
Auto Shopper Behavior Study, Google/Compete, 2011. M2 - Which of the following did you do on your mobile device while researching or shopping for cars/ trucks? Please select all that apply. Base: Selected mobile phone or tablet (e.g., iPad) in RT1, new purchasers only (n=98)

video impact



online video ranked most useful ad format

Usefulness of Advertisements Seen or Heard
(New Purchasers That Selected Ads in MI1, Top 2 Box, n=942)

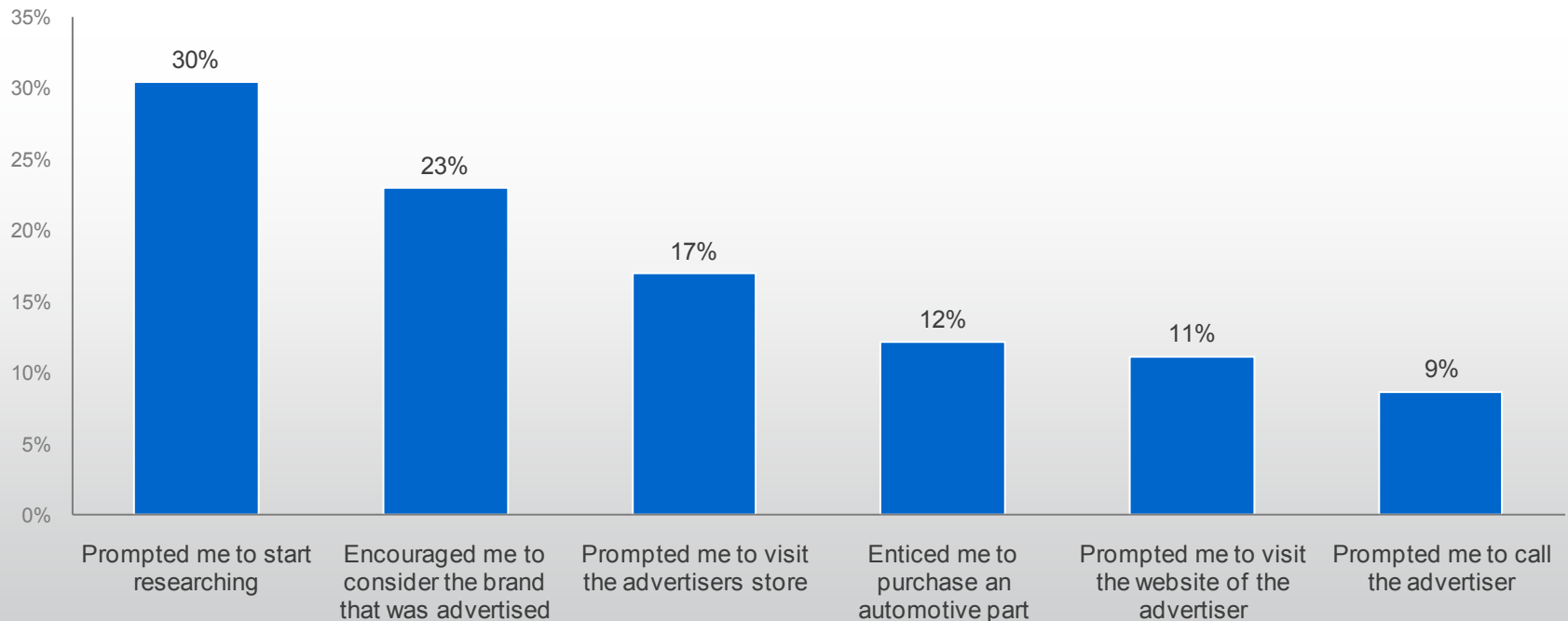


Auto Shopper Behavior Study, Google/Compete, 2011. MI2 - How useful were each of the following types of advertisements in helping you decide whether to purchase a car/truck? Please select the one response that best applies to each type of advertisement. Base: New purchasers that selected ads in MI1 (n=942)

video ads drove initial interest

30% were encouraged to start researching after viewing online video ads

Result of Seeing Online Video Advertisements

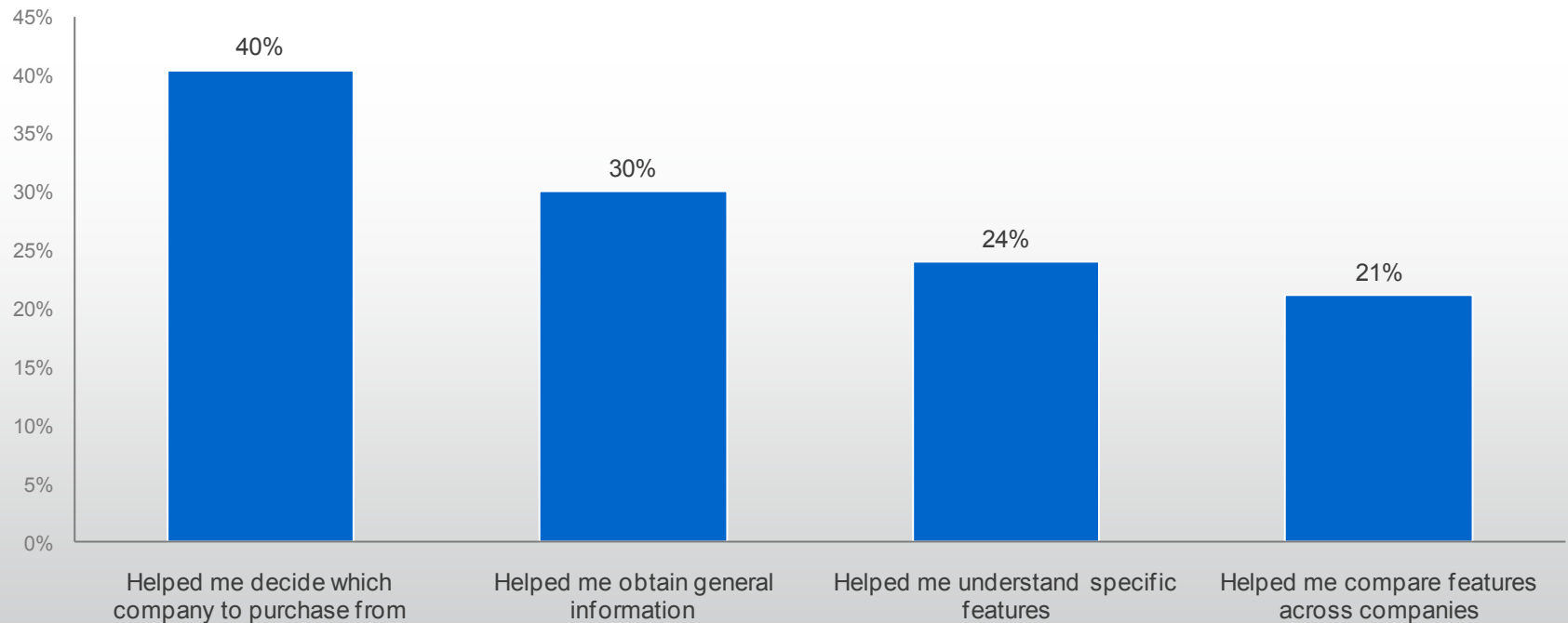


Auto Shopper Behavior Study, Google/Compete, 2011. MI3 - What role did each of the following play while you were researching or shopping for a car/ truck? Please select all of the responses that apply for each type of advertisement. Base: New purchasers that selected Video Ads in MI1, (n=163)

video influences brand choice

40% of video viewers indicated that online videos were helpful in deciding which brand to purchase

How Automotive Videos Were Helpful

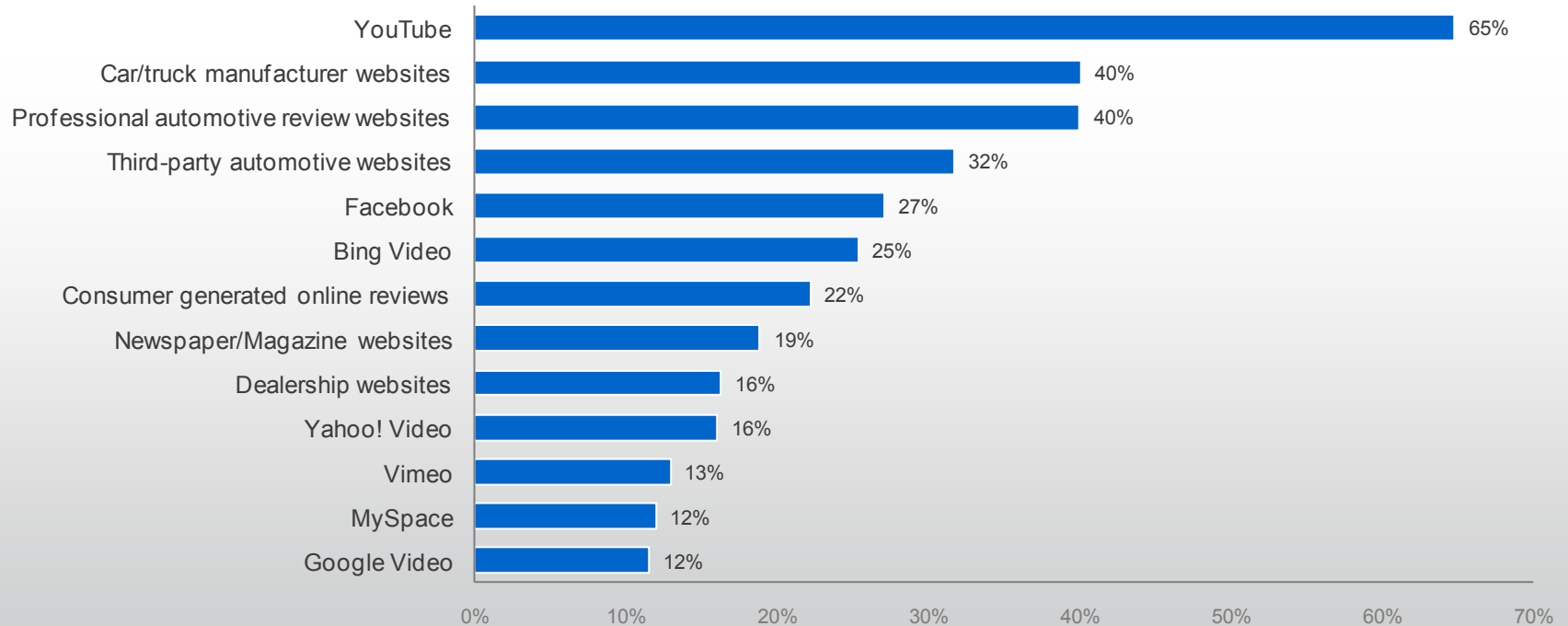


Auto Shopper Behavior Study, Google/Compete, 2011. RT5 - How did each of the following source(s) help you while you researched or shopped for cars/ trucks? Please select all of the responses that apply for each source. Base: New purchasers that selected video sharing used in RT1/RT2 that received a rating of 2-5 in RT3 (n=90)

youtube leads all auto video research sites

2 of 3 purchasers who viewed automotive online videos did so on YouTube

Websites Visited to Watch Online Automotive Videos



Auto Shopper Behavior Study, Google/Compete, 2011. VI1 - Which of the following websites did you use to watch videos while researching or shopping for cars/trucks? Please select all that apply. Base: Selected video sharing websites in RT2, new purchasers only (n=95)

opportunities



opportunities & considerations

to align to today's automotive shopping behavior:

- 1 follow shoppers through an increasingly complex path to purchase versus relying on traditional online destinations alone
- 2 reconsider media use for discrete parts of the funnel and explore strategies for each platform by research stage
- 3 examine dealers' digital presence and coordination with brand-level strategy based on rise in spontaneous shopping and dealer site use
- 4 navigation becomes more important as research diversity increases. is search getting the attention it deserves?
- 5 develop mobile specific strategies to prepare for continued growth and specialization
- 6 produce and distribute video to compete for early interest



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