

AUTOMOTIVE

Own the
moments that
matter

SUMMARY OF FINDINGS
August 2023





The buying journey has been meaningfully destabilised, the industry is at a point of inflection and this is increasingly compounded

**... buyers are inexperienced decision makers at every step
AND there's more of them than ever before**

The landscape is evolving RAPIDLY

SUPPLY

Regulations, supply chain delays, customs and quarantine, all impacting decisions around new vs used, origins, budgets and timelines

DEMAND

Buyers face more and new choices of brands and features (challenging loyalty and stigmas in the consideration set), emerging tech, fuel modes and infrastructure ... they also have to wait for it

CONSUMER NEED

Evolving life and lifestage dynamics coupled with COL are impacting total true-cost affordability

Intention has rebounded rebounded DRAMATICALLY

3.2M > 6.2M
Mar'20 Mar'23

(source: Roy Morgan: Australians intending to purchase a car in the next 2 years)

... a **92% increase** in active intention over the past 3 years

Buyers are in the market... whether they like it or not

HALF

ARE TRIGGERED BY ISSUES WITH OR LACK OF AN EXISTING VEHICLE

1 IN 3

HAVE CHANGING LIFE & LIFESTYLE DEMANDS FOR MORE SPACE

2 IN 5

SEEK SOMETHING NEWER AND BETTER (E.G. TECH &/OR PRESTIGE)

The sheer volume of understanding and nuance required for this new market dynamic cannot be understated

We now know psychological safety contributes to 60% of a consumer's decision making ability, it used to be driven by investment

The pace of change is driving greater hunger for information and support.

49%

FEEL OVERWHELMED BY RAPID PACE OF SECTOR CHANGES

1 in 4

SAY SECTOR NEWS, INFO & OPINION IS A TOP-5 FACTOR IMPACTING THEIR TIMINGS/ DECISION

4 & 5

SEPARATE & DISTINCT SOURCES & TOPICS ON AVERAGE THROUGH THEIR JOURNEY

and we can see...

Buyers are already
highly and actively
engaging with the
category seeking
guidance

63%

OFTEN DISCUSS THE AUTO
SECTOR WITH OTHERS

70%

LOOK AT AUTO LISTINGS
&/OR VISIT DEALERSHIPS
OUT OF CURIOSITY

59%

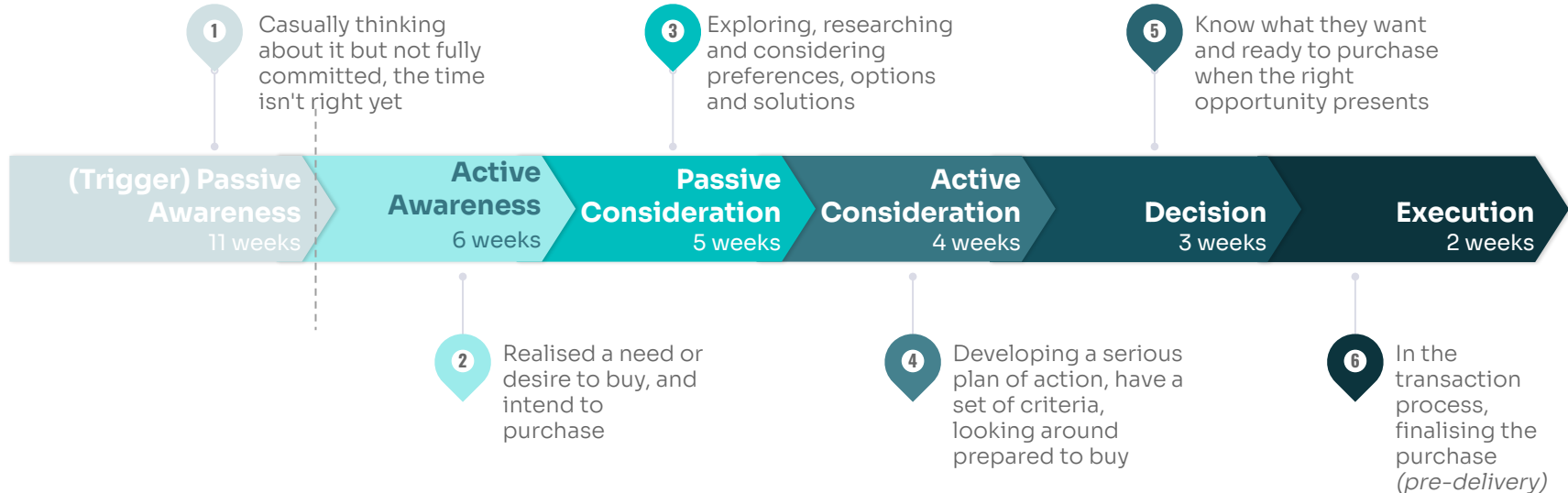
LIKE TO ALWAYS KEEP AN
EYE ON THE AUTO MARKET

50%

ARE CONSUMING
CATEGORY CONTENT
ON A REGULAR BASIS

The fundamentals remain: Cars are one of the biggest single purchases people make in their lives

The journey is not linear and has many stages, each can be complicated and time intensive



In 2023, the journey is more complex

Timelines have gotten shorter as buyers accelerate

The market is influencing the speed buyers (perceive) they can drive away

... from 7 months in 2021, to 4 months in 2023

Buyers have to compromise to stay on track

HALF of buyers report some sense of urgency to buy

1 in 6 buyers adapted their timeline, the market push and pull around Price and Supply

2 in 5 purchased something different than intended

Driven by true-cost decision making

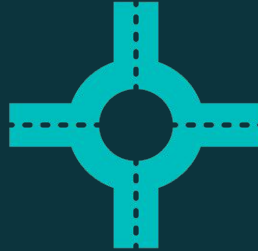
95% call out financial factors as impacting choices - from purchase price, to on-roads and the role of other life/household expenses.

This complexity leads to tipping points in the journey where buyers **drive onward**, or need to **u-turn**



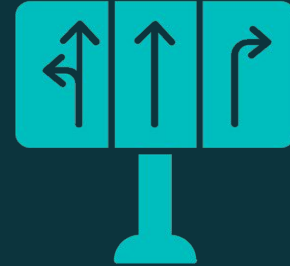
Speedbumps

Functional, information-based and/or situational hurdles



Roundabouts

Emotional sentiment felt at the time



Street Signs

Content as a source of influence, information, and inspiration

introducing...

The Moments that Matter in Auto

How to win with auto intenders' in 2023

MtM 1. The (re)Calibration

The shift from awareness to consideration, where buyers take their first serious steps into the market. What they find, particularly around price, prompts them to calibrate (and often re-calibrate) their expectations



Why this moment matters...

This is the first point of meaningful category contact and friction in the mind of the consumer.

They are confronted with the realities of a new market with higher prices and less supply.

They're quickly overwhelmed, and also often expecting the worst.

The opportunity...

Marketers need to re-establish their credentials within this (re)calibration.

If you can disrupt the shock and help them feel more comfortable early on, it will help establish stickiness of your brand/channel with them.

Tonally lean into possibilities and highlight practical tools which help them align criteria to reality.

MtM 2. The Conviction

The shift from consideration into decision is seen by buyers as the most significant in the journey, marking the point where evaluation is over and they are convinced on what they want/need, now ready to find it



Why this moment matters...

A crucial time of high cognitive load, expectation and pressure.

All their research comes together, and engagement begins narrow as they settle on the must have make, model, specs

They are also having tangible exposure via test-drives and in-person visits which can either muddy or clarify the waters.

The opportunity...

The opportunity for marketers is to help build agency, enabling buyers to feel organised and therefore confident.

If we can make it easy for them to discover, collate and compare options, and then give them the tools to prioritise they will feel less confused and therefore more likely to make a decision

MtM 3. The Commitment

Moving from decision to execution, the final turning point is this is the most emotionally charged and financially significant for buyers. A car is not something they can just return if it turns out it doesn't 'fit'



Why this moment matters...

The stakes are high for buyers, there is a lot riding on making the right choice at the right time.

They know what they want, but it may not be easy to find, or be without further compromise (e.g. wait-times, cost, inclusions).

They are also busy managing purchase specifics and adjacencies to ownership (finance, rego, insurance, accessories).

The opportunity...

Marketers can continue to show-up with tools, lists and guides which make it easier to keep on track (and on budget, with a true-cost position) at the final turn

Celebrating their 'right' decision and continuing to engage them (e.g. servicing, aftermarket, fuel tips) will endure you to them, with benefits of advocacy and loyalty.

watch-out...

At any point, buyers can be forced, or may choose, to pause, revisit or restart in their journey

We need to support them through the inevitable u-turns and new information at each moment

Demonstrating the Moments that Matter...

Passive
Awareness

Active
Awareness

1.

Passive
Consideration

Active
Consideration

2.

Decision

3.

Execution

MtM 1. (re)Calibration

U-turn = Price Shock
Drive-on = Price Comfort



CONTENT SIGNPOSTS:

Initial passive search.

Sector news focus, price and supply discovery



FUNCTIONAL SPEEDBUMPS:

Price tag, COL pressures and interest rate rises



EMOTIONAL ROUNDABOUTS:

Optimism, Excitement ... and Anxiety

MtM 2. Conviction

U-turn = Waiting Times
Drive-on = In Stock



CONTENT SIGNPOSTS:

High active research.

Vehicle and specs based details



FUNCTIONAL SPEEDBUMPS:

Supply, wait-times, costs and affordability



EMOTIONAL ROUNDABOUTS:

Confidence & Excitement, some Confusion

MtM 3. Commitment

U-turn = Unaffordable
Drive-on = In Budget



CONTENT SIGNPOSTS:

Reduction in search.

Finalising purchase details (finance, rego, accessories)



FUNCTIONAL SPEEDBUMPS:

Purchase price, ongoing cost considerations



EMOTIONAL ROUNDABOUTS:

Excitement, some Stress... and ultimately Relief!

“Take your time, do your research and don’t settle for, even if it is second hand car you’re looking at. It’s your car”

(male, 25-34, past purchaser)

and remember ...

**not everyone starts the journey
in the same place.**

while moments are consistently experienced,
a buyers needs and wants within these vary.
Let's share just one example...

A snapshot of our buyer segments, each with unique needs at the moments that matter ...

UPGRADERS (18%)



Seeking to upgrade to the latest and greatest car/options that the sector has to offer them

UPSIZERS (16%)



Looking for something bigger and more comfortable to accommodate their lifestyle and lifestage

SET-UPPERS (29%)



Enthusiasts who are starting out or beginning a project, however low budgets impact options

A-TO-B (31%)



Buyers who want a no-frills purchase - a practical, safe and easy option for their daily drive

CONSOLIDATORS (6%)

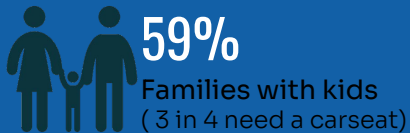
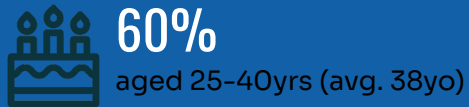
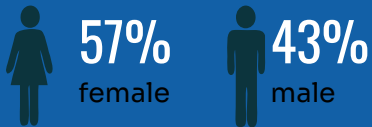


Wanting to reduce their automotive footprint through smaller and cheaper options

... for all the detail on these audiences, please see the full GIC report

Meet Alex, an Upsizer

We're looking for something bigger and more comfortable to accommodate our changing family lifestyle



An example of one of our buyer segments...

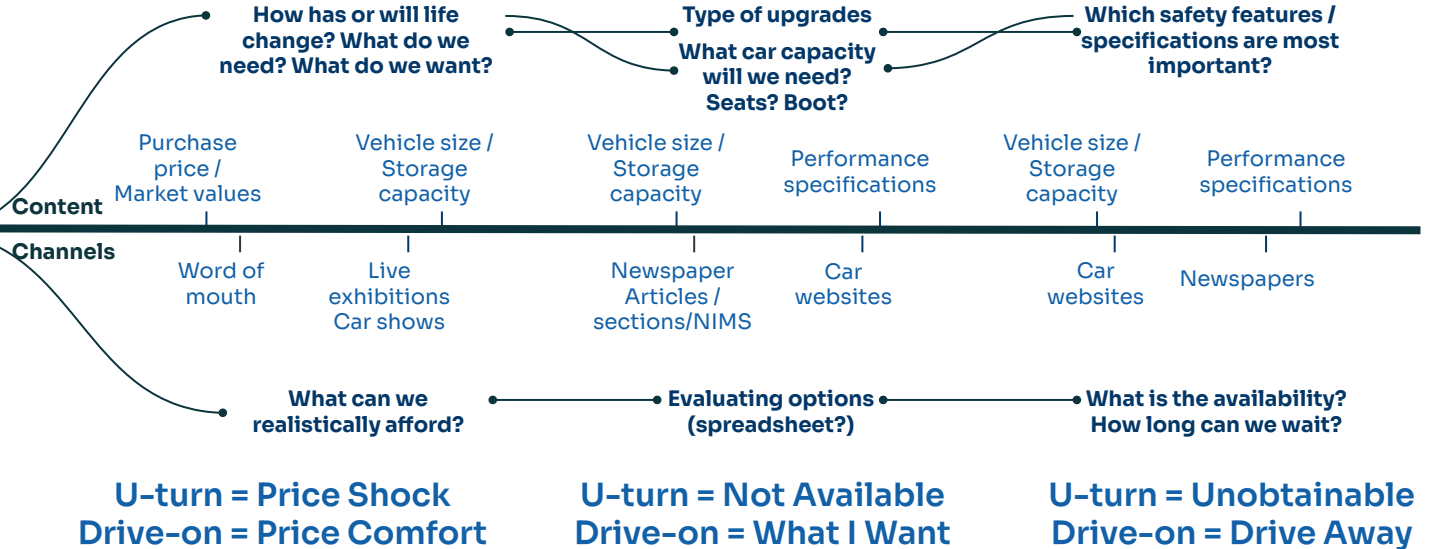
The Upsizer journey is all about meeting a need and timeframe

EXAMPLE TRIGGER:
our family is growing



“You have to be practical with your decisions. The economy is unstable, and the thought process should be informed and stable. I need the space, with multiple children, in multiple sporting activities. Needing the space now”

(Female, 25-34, Intender, Upsizer)



SO ...

**What does this mean for us
as marketers?**

Marketers will need to **demonstrate empathy** for the inexperienced buyer at each step of the journey

Be the trusted advisor



Given the complexities introduced by turbulent supply/demand, **we need to (re)educate buyers.** Create guides, articles, and tools explaining market trends, tech, and full-cost impact in real terms.

Positioning as a source of knowledge will build trust and ongoing credibility with buyers

Show up at every stage



Marketers need to **(re)establish credentials from the start, and continue to be present** as buyers will reconsider and reset throughout the buying process - even at the last moment and post-purchase which are **crucial for customer satisfaction and loyalty**

Make it personal



Buying a car is more than just a transaction, it is **emotionally charged with nuanced triggers.**

Lean into individual buyer preferences, behaviours and profiles to deliver targeted content and offers at key moments. Tailored messages will better resonate and **elevate the psychological safety needed to make decisions**

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moments that
matter

THANKYOU

