APAC

Automotive Insights

Consumer purchasing preferences and digital patterns

April 2021

Quantcast

The Road to Recovery

COVID-19 presented a major challenge for the auto industry–but towards the end of 2020, buying behaviour showed that consumers were starting to increase vehicle purchases.

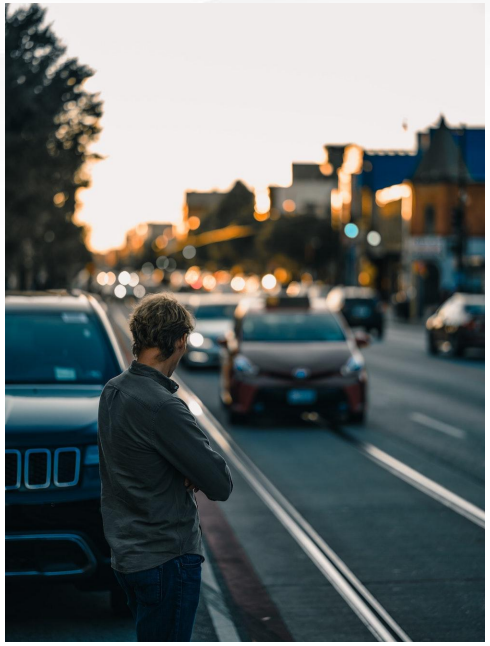
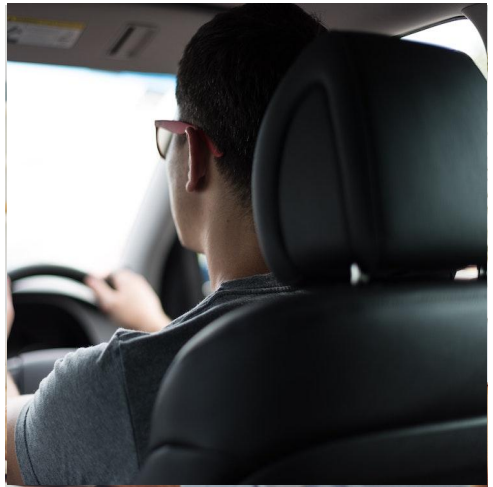
And while the road to recovery in Asia Pacific is still largely being mapped out, it is now more important than ever for automotive brands and retailers to understand and quickly adapt to evolving shifts in consumer shopping behaviour as the industry recovers.

Quantcast analysed industry research and thousands of indexed data points across Asia Pacific, including **Australia, New Zealand, Singapore, Japan, South Korea, Malaysia, Hong Kong,** and **Thailand,** to better understand how the automotive industry is recovering post-pandemic and what emerging trends are influencing vehicle buying behaviour in 2021.

This report provides insights and actionable takeaways across the following areas:

+ The trends driving recovery for car sales in APAC
+ Audience patterns and preferences of today's driver
+ Key conversion points across automotive websites
+ How top-selling vehicles are ranked and browsed against competing models

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Automobile Insights 2021 Highlights

Key trends influencing auto purchases in APAC

1. Government-driven initiatives, seasonality, and increasing market activity with brands
2. Booming demand with second-hand cars and electric vehicles
3. Vehicle purchases being triggered by interest areas, such as car culture, financial activity (e.g., getting a home loan) and life milestones (e.g., getting married and career progression)
4. Rising automotive e-commerce with more of the purchases taking place online this year than ever before
5. Increasing demand and lesser availability has created more urgency and decreased time for prospects to convert towards a sale

Automobile Insights 2021 Highlights

Key trends: What do they mean for you?

- **Be timely in supporting industry-wide initiatives.** Timing your promotional strategies around industry trends can help increase your conversions to match interest in the market.
- **Know your audience to stay ahead of the competition.** By understanding who your audiences are, you can better target your digital ads with the right models and sell more effectively.
- **Use AI and other technologies to keep pace with industry changes.** Getting live audience behaviours can help you reach more prospects, with the right messaging at the right time, helping you stand out from competing brands and reducing ad waste.
- **Invest in the digital experience you offer to prospects.** Want more conversions? Make sure you're giving prospects the information they need at every stage of their purchasing journey.
- **Hone in on your audience interests.** Casting your ad radius to a wider pool of lifestyle interests could help generate more traffic to your website.
- **Keep on building brand awareness and affinity.** Balance your targeted campaigns with brand building to reach aspirational audiences who research years before they can buy.
- **Consider using rich media formats** to create visually exciting digital experiences for people visiting your site.
- **Amplify your messaging with measurable digital solutions that** complement your offline offers to help drive customers into your showroom.

Car Sales in Asia Pacific

What is driving recovery in the region?

With COVID-19 resetting the industry, automotive buying today is being shaped by more than just seasonality. Here's a look at what global trends are influencing vehicle purchases in APAC.

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Trends Behind the Recovery in APAC

1 . Government and Nation-Wide Initiatives

The onset of the COVID-19 pandemic slowed sales down in APAC throughout 2020, and governments have responded with national or industry-wide initiatives, which in turn have helped drive recovery to vehicle sales in Q4 2020 and early 2021.[1]

Some of these schemes include:

- **Australia:** the Federal Government's instant asset write-off stimulus[2]
- **Malaysia:** sales tax breaks for passenger vehicles[3]
- **Vietnam:** reduced registration fees for locally produced automobiles in Vietnam[4]
- **South Korea:** extending a 30% cut in consumption tax on passenger cars till December 2020[4]

2 . Brands Forging Ahead at the End of 2020

Several brands are setting the momentum for an upwards buying trend in 2021 by launching new models in the face of COVID-19

Nov 2020: BMW held a virtual launch of the M2 Edition by Futura 2000[5]

Sep 2020: Vietnamese brand VinFast unveiled a new SUV exclusively for the Vietnamese market[6]

Oct 2020: Honda launches the Honda e, its first ever mass-produced electric car[7]

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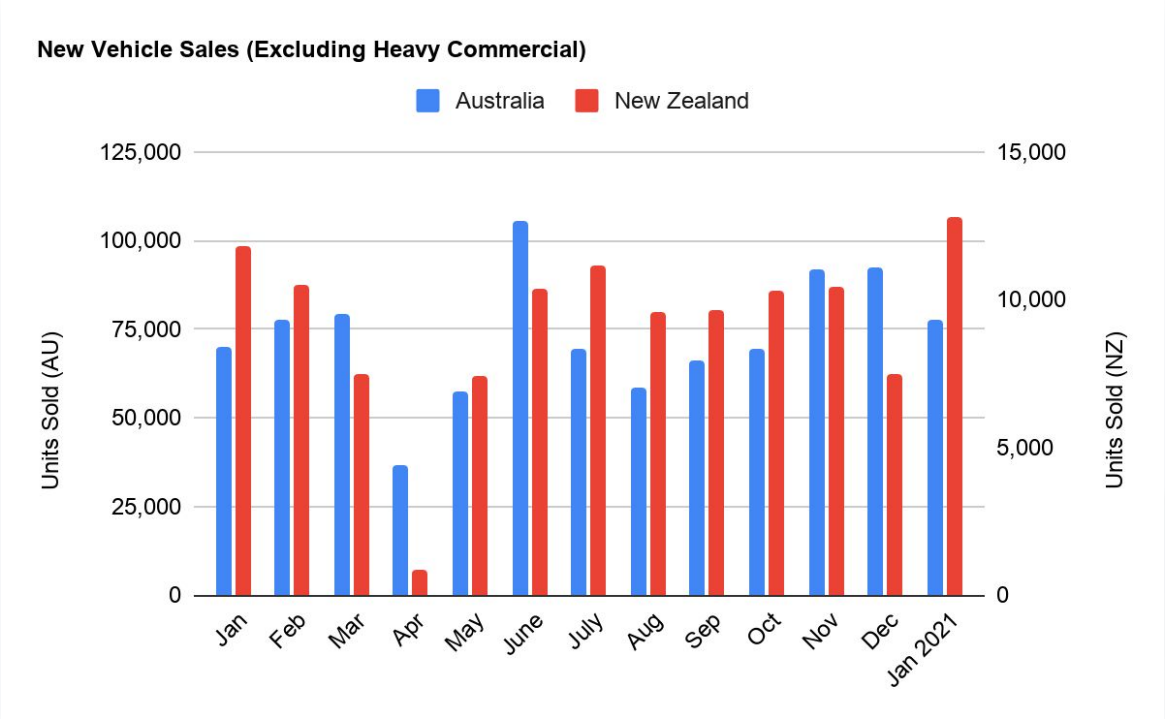
[1] 2GB, New vehicle sales showed a strong recovery, September 1, 2020
[2] Caradvice, Business buyers have an extra six months to take advantage of the tax incentive, June 2020
[3] Marklines, Malaysia government extends sales tax exemption for vehicles, December 29, 2020
[4] Counterpoint, Weekly Update: COVID-19 Impact On Global Automotive Industry, September 15, 2020
[5] BMW Group, BMW M2 by FUTURA 2000, February 13, 2020
[6] Nikkei Asia, Vietnam automaker VinFast unveils $164k SUV to burnish brand, September 7, 2020
[7] Nikkei Asia, Honda to launch first mass-produced electric car in October, August 27, 2020

3 . Seasonality in ANZ Markets

In Australia, June proved to be the highest selling month for new vehicles sales in 2020, driven by:

- End-of-financial-year deals
- Expiring leases
- Easing COVID-19 restrictions
- Extension of the Federal Government's instant asset write-off scheme
- Brand and dealer pro-activity

In New Zealand, new vehicle sales saw an even more dramatic impact from COVID-19 in April, but also rebounded to post the best selling month in July 2020. January 2021 has been New Zealand's best month yet so far with a **6.2% YoY increase in sales.**[8]



Source
Graph: VFACTS, Australian Car Sales, MIA, New Zealand Car Sales:
[8] MIA New Zealand Car Sales

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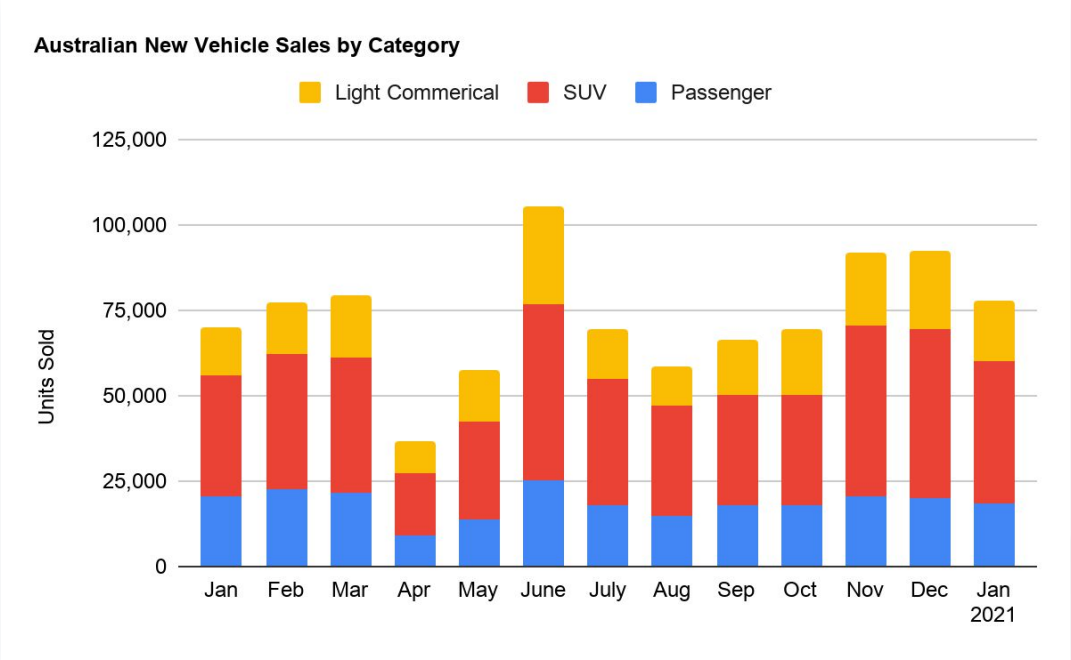
4 . Booming Second-Hand Car Demand

With domestic travel gaining popularity, Australians are paying almost **40% more for used cars** now than in pre-pandemic 2019. The demand for SUVs, in particular, is staying strong.[9] In a similar fashion, New Zealand also sells more SUVs than any other vehicle type. In January 2021, **58% of new vehicle sales** in New Zealand were SUVs, compared to just 16% for passenger cars.

In Asia, used car sales are **1.3 times more than new vehicles,**[10] with ratios expected to double in the coming decade.

The ASEAN Car Rental Market is anticipated to register a CAGR of about 6.7% during 2020-2025.



Graph Source
VFACTS, Australian Car Sales

[9] the age,'Never seen anything like it': The used car market's wild coronavirus ride

[10] Mordor Intelligence,SOUTH-EAST ASIAN USED CAR MARKET - GROWTH, TRENDS, COVID-19 IMPACT, AND FORECASTS (2021 - 2026)

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5 . Rising Demand for Electric Vehicles in APAC

The APAC automotive industry is at a crossroads as electric vehicles (EVs) become increasingly important for a new generation of consumer looking for environmentally-friendly technologies in their cars.

Factors such as an increase in demand for high-performance and low-emission vehicles coupled with government rules and regulations around lowering vehicle emissions are boosting Asia's EV market growth.

New regulations and initiatives include:

- The Thai government introduced an EV roadmap with the aim of producing 250,000 EVs by 2025.[11]
- The Indonesian government signed a regulation to promote battery-powered road vehicles in Aug 2019, with an aim to provide 1 million cars for exports by 2025, of which 20% will be electric vehicles.[12]
- A bill was filed in the Philippines Senate on Mar 2020, setting out a regulatory framework for the use of EVs and EV charging stations.[13]

Research forecasts that the Asia Pacific region will show the highest electric vehicle growth in 2021, with China already holding the largest electric vehicle fleet at 2 million vehicles.[8]

Source

[11] ABB Conversations,Asia Pacific – the ultimate showcase of why electric vehicles are the future

[12] AHK, Indonesia issues legal framework for electric vehicles

[13] Senate of the Philippines,Sponsorship Speech: Senate Bill No. 1382 / Committee Report No. 58

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2021: The Year of Automotive Digital Retail

With COVID putting a halt on travel in the region, the automobile industry has had to pivot, like everyone else, to digital and accommodate changing consumer behaviour.

Because the internet is not going anywhere, it has become necessary for auto brands and dealerships to intimately understand the digital experiences they offer consumers, especially in a time when more people are browsing and buying from home.

- According to Frost & Sullivan, over **70% of vehicle sales leads will be digital by 2023.**[14]
- Analysts predict that the APAC automotive e-commerce market will hit **$34.46 billion by 2026.**[15]
- Nissan announced the launch of Nissan@Home in December 2020, a digital platform **allowing customers to conduct 100% of their purchase online,** including test drives, financial arrangements, and more.[16]

Source

[14] Frost & Sullivan, Future of Automotive Retail & Aftersales

[15] Global Market Insights, APAC E-commerce Automotive Aftermarket size to hit $34.46 Bn by 2026, November 3, 2020

[16] Forbes, Buying A Car At Home: Manufacturers, Dealers Ramp Up E-Commerce Tools, January 11, 2021

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Emerging Trends in Automotive Buying

The Marketer's Opportunity

Recap

- Governments and industry bodies are stepping in with initiatives to support the industry's recovery
- Several brands are already forging ahead with strong post-pandemic market strategies
- Seasonality in ANZ markets continues to drive demand
- Second-hand cars and electric vehicles are becoming more popular across APAC
- Driven by the pandemic, consumers are researching and buying online more than ever

Be timely in supporting industry-wide initiatives

Upweighting your promotional strategies around government-driven national and industry-wide initiatives can help increase your conversions to match interest in the market.

Know your audience to stay ahead of the competition

Use interest-based targeting to create the most effective messaging and drive conversions from your best buyers. Understanding your audiences and their buying triggers also helps to reduce ad spend waste by targeting those most receptive to your brand and most likely to buy.

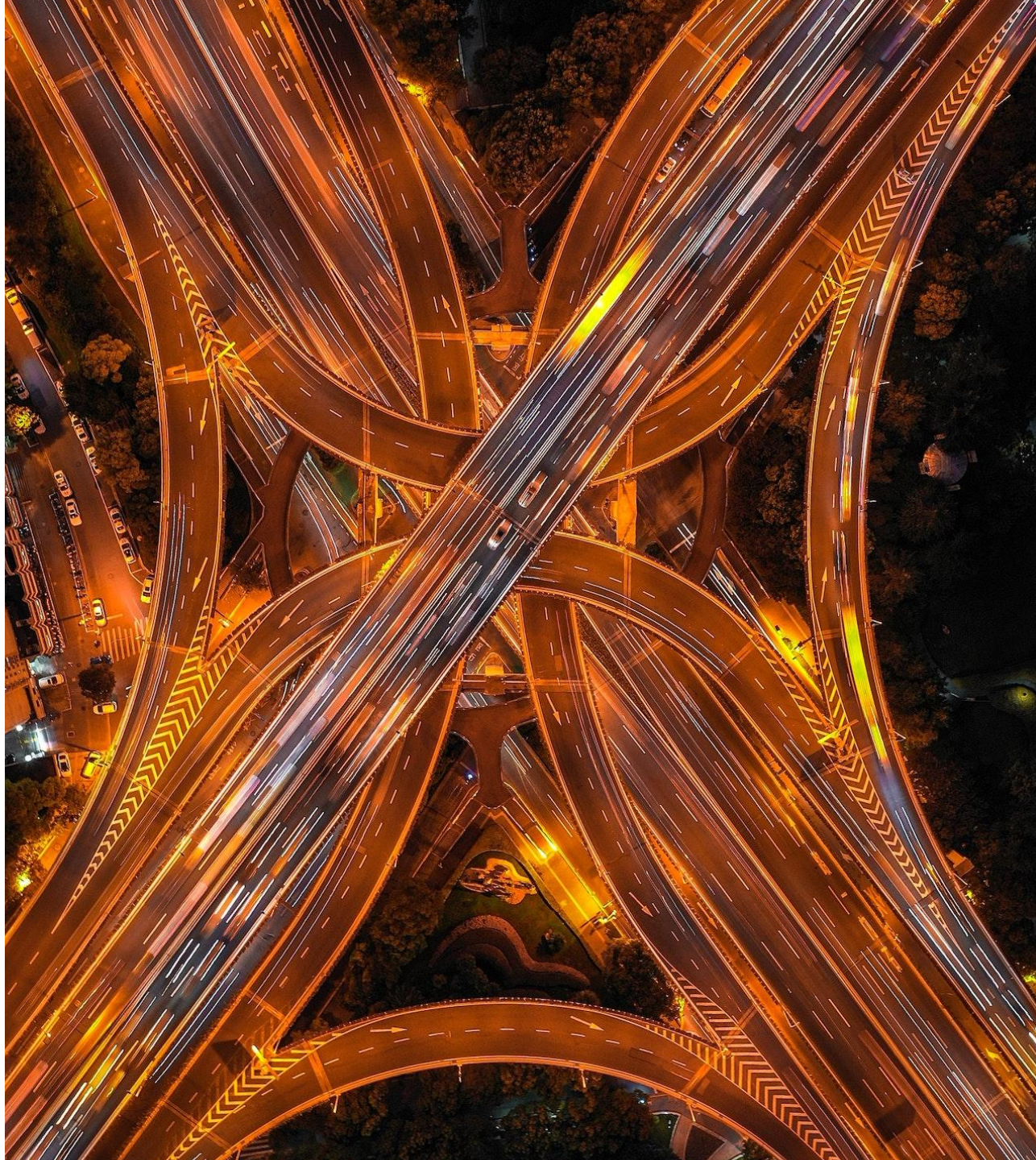
Invest in your digital buying experience

With more consumers choosing to research and buy cars online, it is now more important than ever for automotive brands and dealerships to have established digital paths that give prospects the information they need at every stage of their purchasing journey. Because the industry is still going to change, leveraging AI and other technologies that reveal live audience behaviours can help you reach more prospects and stand out from competing brands.

Patterns in the Buying Journey

Today’s vehicle buyers have specific triggers and paths to purchase

So what does today’s car buyer look like?
We leveraged Quantcast's category interest data to understand and profile users in the top four best-selling car segments: **Mainstream Medium SUV**, **Luxury Medium SUV**, **Mainstream Small Passenger Car**, and **UTE**.



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Value still takes precedence: mainstream mid-size SUVs have the broadest gender appeal, but budget-friendly mainstream small cars are also popular with middle- and high-income earners

Mainstream Mid-Size SUV

Broadest appeal to both men and women, with or without kids

They are likely to be in their 30s with a broad household salary range of $75-200K

Mainstream Small Car

Appeals to younger males in their mid-20s to early-30s with a broad income range, starting from $75K

Practicality and value are most important to these buyers

Luxury Mid-Size SUV

Educated males in their early 30s-40s, earning over $150K

They are likely to have younger kids in the household

UTE / Light Truck

Appeals to older males in their 40s to late-50s

They tend to have incomes ranging from $75-200K, but under-index for the highest income bracket of >$200K

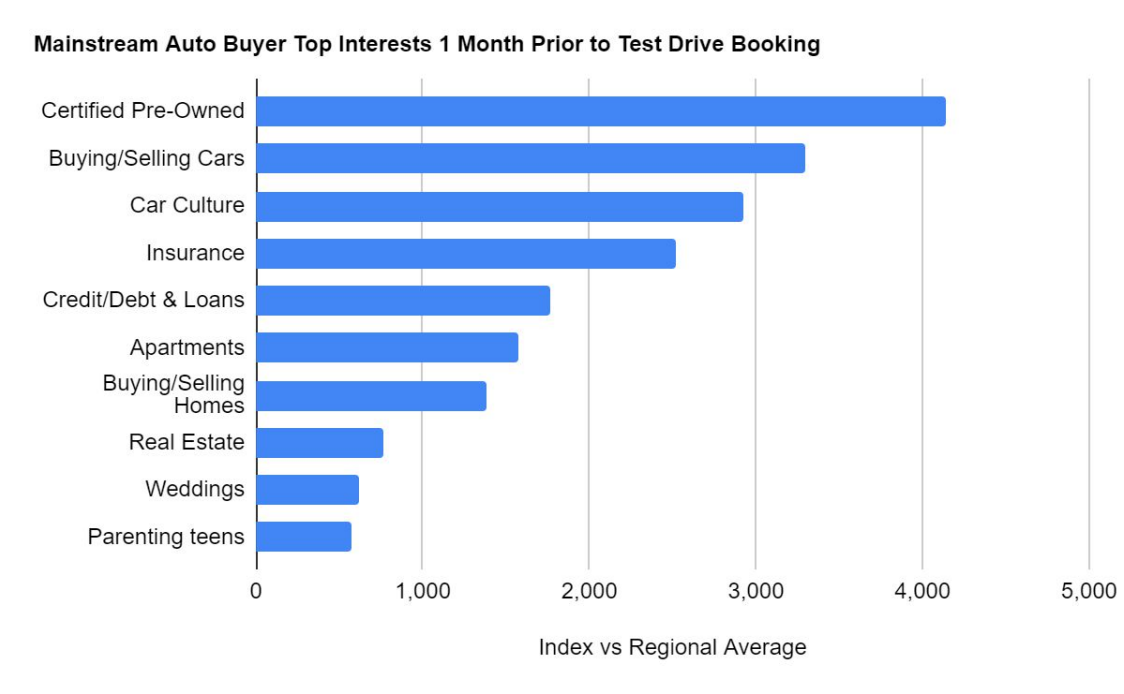
Source

Quantcast Measure, AU, NZ, Feb 2020 - Feb 2021. Index based on the national average of the same time period.

A typical car buyer's purchasing journey starts before a site visit to a car brand web page. Using Quantcast data, we've mapped out the most common paths users take when deciding to book a test drive at a dealership–which Quantcast defines as the lowest online funnel activity possible before a sale.

Interest Triggers for Mainstream Car Buyers Include Car Culture, Insurance, and Loans

Mainstream car buyers are likely to have young families, be actively saving, or be more interested in specific brands and models for practical reasons (what they need and can afford versus what they want). They are also more likely than luxury car buyers to preemptively research about insurance and finance before booking a test drive. Car buying among this group of consumers is often triggered by life changes, such as buying a home, getting married, and starting a family.



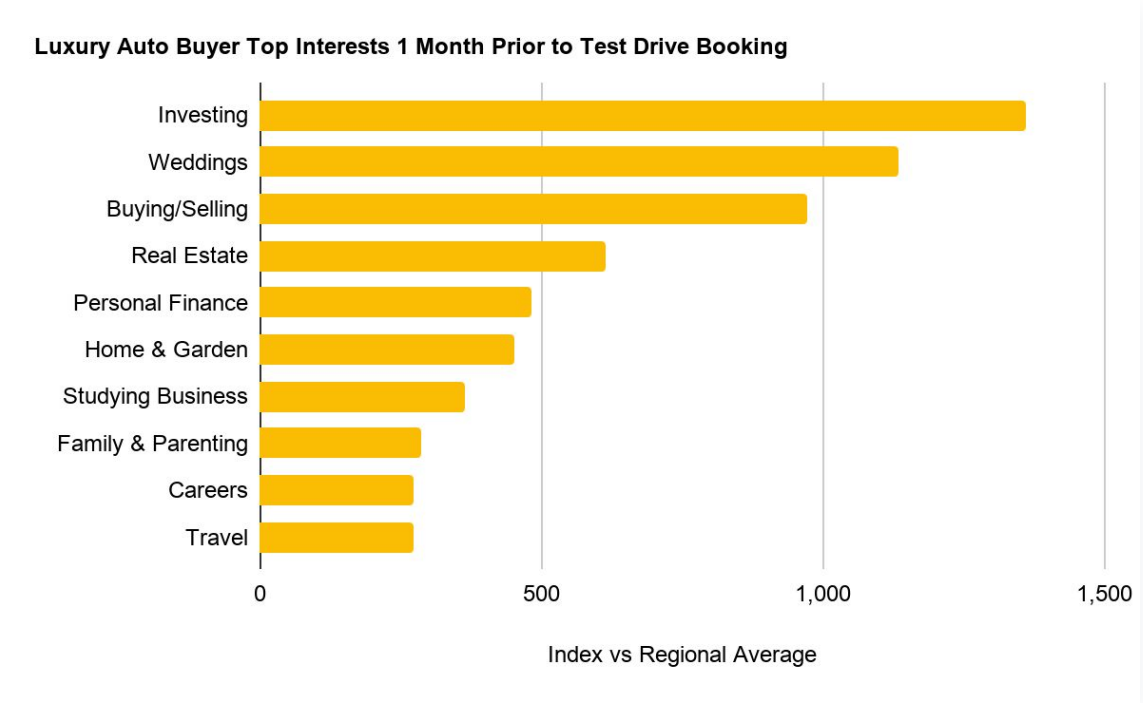
Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021, Interests indexed to the regional average for the same time period.

Interest Triggers for Luxury Car Buyers Include Investing, Real Estate, and Family Changes

Luxury Cars

Luxury auto buyers' interests prior to booking a test drive are less focused on acquiring and preserving assets and more on wealth-generation, such as investing. Like mainstream car prospects, major life changes involving family and home buying are potential triggers for purchasing a car.

The over-index on career sites may indicate a new job opportunity that either necessitates a car or a self-reward for a better paying career. Travel–and the need for comfort while on the road–is also another trigger for luxury car buyers.



Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021, Interests indexed to the regional average for the same time period.

The Path to Purchase Includes Five Touch Points Across Automotive Brand Websites

What does the online journey look like for auto buyers in recent months?
To summarise, here's the typical path to purchase for both mainstream and luxury car prospects, plus we'll explore what triggers them to buy.

Homepage / Model

Users visit the homepage and model-specific sites

Finance and Promotions

Users view pages on current national offers, incentives, and finance options

Dealership Info

User looks at information on where to find a dealership

Brochure Download*

User looks for pages that offer downloadable brochures

Test Drive

Users confirm booking a test drive.

* Brochure download data not available for mainstream car brand sites

Younger Audiences Convert More With Mainstream Cars but Start to Research Luxury Car Brands Early

While both men and women are equally involved in the research phase of buying mainstream cars, younger men are more likely to convert and book a test drive. Older visitors to luxury automotive sites, in general, tend to be more serious buyers and are booking test drives, but younger visitors continue to browse luxury models in their buying journey, indicating that the aspiration–and research–to buy luxury starts early on.

Page Category	Mainstream Automotive Site Visitors	Luxury Automotive Site Visitors
Homepage / Model	Gender: Neutral Age: Neutral	Gender: Neutral Age: 18-24 (Slight Over Index)
Finance and Promotions	Gender: Neutral Age: 21-24 (Slight Over Index)	Gender: Neutral Age: 25-39 (Moderate Over Index)
Dealership Info	Gender: Neutral Age: Neutral	Gender: Neutral Age: Neutral
Brochure Download	N/A**	Gender: Male Age: 21-24, 65+ (Slight Over Index)
Test Drive	Gender: Male Age: 18-24 (Slight Over Index)	Gender: Male Age: 30-44 (Moderate Over Index)

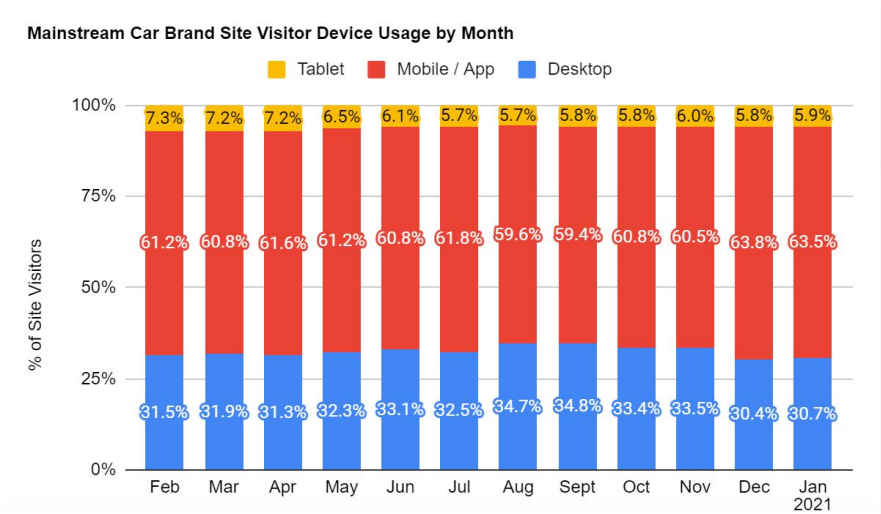
Quantcast

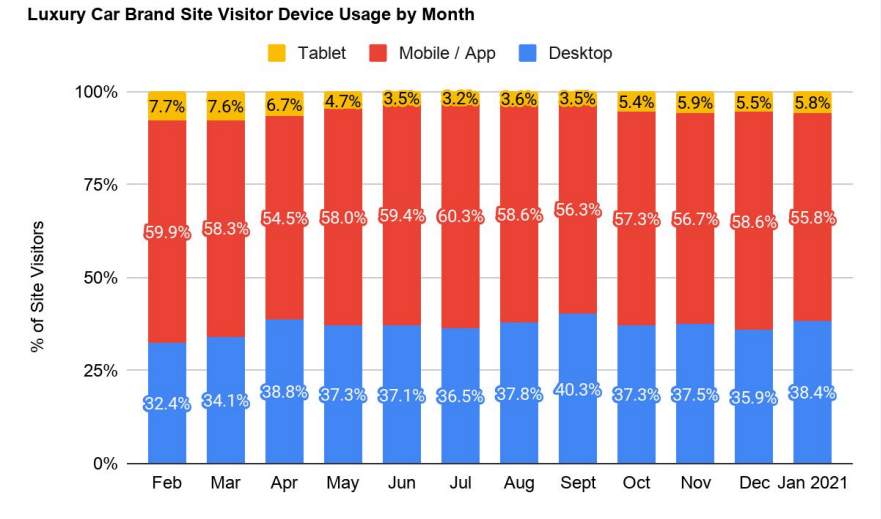
Table Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021, indices based on the average auto brand site user.
* Insufficient data for mainstream car brand brochure download demographic profiling

While Mobile Phones Are Most Widely Used, Luxury Car Brand Websites Experienced a Higher Percentage of Traffic From Desktops Compared to Mainstream Brands

In January 2021, **over 8% more users browsed luxury car brand websites compared to mainstream car sites.** People who browse for luxury car brands are typically an older audience. Quantcast data and research show that **users aged 45+ prefer using laptops and desktop for online research activities,** indicating a preference for richer content experiences versus accessing information quickly using a mobile device.

As far as devices go, tablet usage is declining for all audience groups, and mobile phones continue to remain the top device type for consumers.





Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, November 2020 - February 2021
Devices outside of tablets, mobile/app and desktop were excluded

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Mainstream Car Buyers: *"I've done my research elsewhere. I'll come to you if I need more information or when I'm ready to book a test drive."*

Over **35% of all users** who end up booking a test drive in recent months in new mainstream vehicles did so straight from the home page or model research page. This group also takes the least amount of time to convert from first landing on a car brand site to when they book a test drive.

16% of all users booked a test drive after looking at a brand or dealership's finance and promotional offers first. Users who research dealership info as well along the way represent an even smaller group at less than 3% and take the longest to book a test drive at **14 days.**

These behaviours indicate that users are researching much more in their car buying journeys today. Research often takes place on trusted third-party websites (e.g., www.caradvice.com.au) well before visiting an authorised retailer's site to book a test drive.

Pathing^	Pathing Duration (Days)^^	% of All Test Drive Bookers
Homepage / Model > Test Drive	3.1	35.11%
Homepage / Model > Finance and Promotions > Test Drive	9.0	15.86%
Finance and Promotions > Homepage / Model > Test Drive	5.6	7.76%
Homepage / Model > Test Drive > Finance and Promotions	8.8	7.47%
Homepage / Model > Finance and Promotions > Dealership Info > Test Drive	14.0	2.87%

Table Source

^ Pathing based on first site visit and subsequent page visits before booking the first test drive

^^ Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, November 2020 - February 2021

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Luxury Car Buyers: *"Price matters less to me. I want an easy decision process."*

In the luxury car segment, again a **majority of all test drive bookers (55%)** head straight to booking a test drive from the homepage / model landing page and take an average of 3.1 days to do so after visiting a brand or dealership's website.

Unlike with mainstream car buyers, information on a brand's finance and promotions are often not a factor among luxury car buyers. Quantcast data indicates that having easy access to booking a test drive and the driver experience appeals more to this segment than having content around pricing and affordability.

Pathing^	Pathing Duration (Days)^^	% of All Test Drive Bookers
Homepage / Model > Test Drive	3.1	55.01%
Homepage / Model > Finance and Promotions > Test Drive	9.3	13.89%
Homepage / Model > Test Drive > Brochure	5.4	6.14%
Homepage / Model > Brochure > Finance and Promotions > Test Drive	14.3	1.61%
Homepage / Model > Dealership Info > Test Drive	5.2	1.60%

Table Source

^ Pathing based on first site visit and subsequent page visits before booking the first test drive

^^ Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, November 2020 - February 2021

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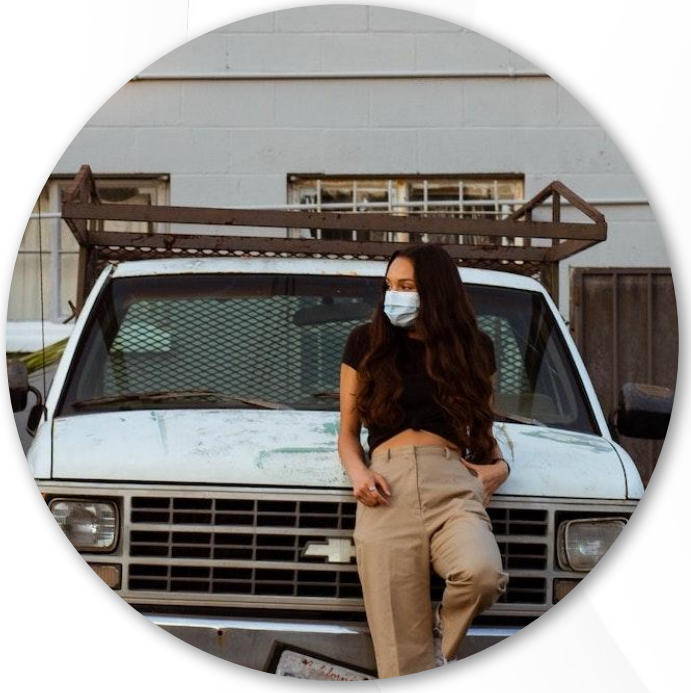
COVID-19 Impact on Pathing Duration

Social distancing measures as well as healthy concerns have changed the way consumers shop for personal vehicles. Interestingly, the **time it takes for a user to book a test drive has significantly decreased** since the start of the pandemic.

Mainstream buyers took up to 4 fewer days and luxury buyers took up to 6 fewer days.* The comparison period includes the height of the pandemic and consumer uncertainty sentiment, so luxury buyers may have taken longer to make a purchase decision.[24]

Additionally, recent car shortages in Australia caused by an uptick in demand as well as supply issues may have created a greater sense of urgency.[25]



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Source

* Comparing pre-period: March 2020 - June 2020 vs post-period: November 2020 - February 2021

** See appendix for a full breakdown of pathing duration changes

[17] ABC News, Car shortage continues for Queensland's consumers with no certainty when supply will rev up

Patterns and Preferences in Today's Car Buyers

The Marketer's Opportunity

Recap

- Value is more important to most of today's car buyers, even affluent ones
- Buying triggers differ across mainstream car models and luxury brand models and are dependent on income level and lifestyle changes
- Younger prospects research luxury car brands early on, years before they might be able to buy
- Mobile remains the dominant device type of choice for potential vehicle buyers in their purchasing journey

Hone in on your audience interests

For brands and dealerships, casting your ad radius to a wider pool of lifestyle interests–including real estate, family and parenting, and wedding content publishers–could help generate more traffic to your website.

Quantcast data also indicates that most users close to a purchase tend to have prior knowledge or have already done plenty of research in their interested vehicles prior to booking a test drive on a website. In this case, attributing the effectiveness of marketing campaigns should not rest on clicks to the test drive booking page alone, but at every touchpoint a customer sees before heading to the website to book a test drive.

Keep on building brand awareness and affinity

While targeted campaigns can drive more conversions with a particular model, it is equally important to ensure you are continually building brand awareness among prospects researching early on for cars they aspire to buy later in life. Start to build customer loyalty early to drive high lifetime value.

Create exciting digital experiences to drive walk-ins

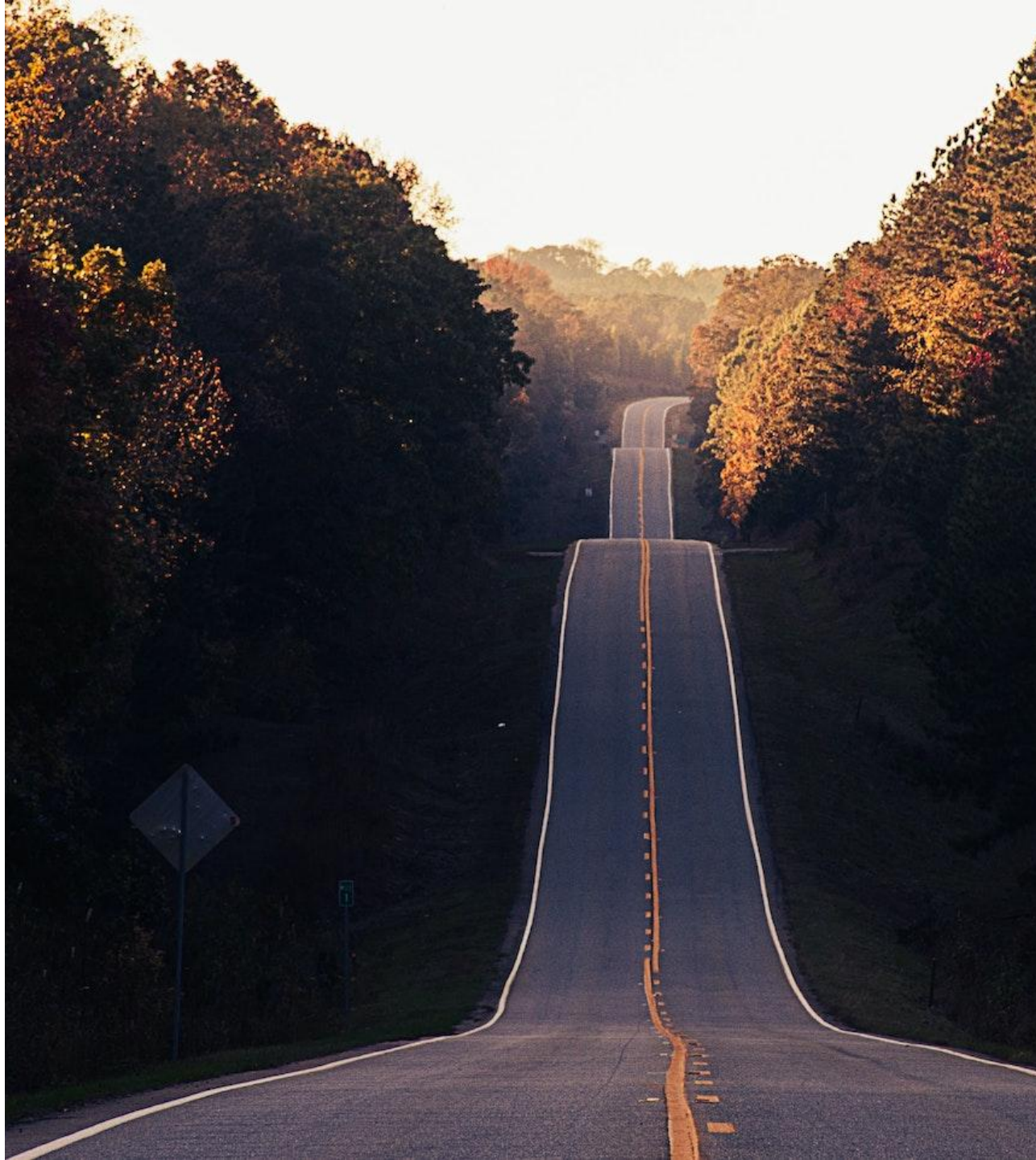
Consider using rich media formats to create visually exciting digital experiences for people visiting your site. Amplify your messaging with measurable digital solutions that complement your offline offers to help drive customers into your showroom.

Quadrant Mapping by Segment

How does your car brand rank among competitors?

Understanding consumer consideration in relation to close competitors is key to growing the brand and ultimately sales. Using a combination of Quantcast interest and demographic data, we have mapped car models in quadrants based on **their appeal and uniqueness score.**

Quantcast



How Quantcast Determines Your Appeal and Uniqueness Score

Appeal score is a measure of the demographic likeliness of the car model audience to the average segment buyer.

A higher score suggests higher demographic appeal with the segment audience.

Appeal Score

Popular Competitor

- High cross-search activity with other in-segment models means cars in this quadrant have relatively more online competition than others

Popular Champion

- Broadest appeal among different in-segment car buyers and least likely to be cross browsed with other models
- This quadrant tends to include sales market leaders, although not always the case

Niche Competitor

- Appeals to a focused audience and tend to be cross considered with other in-segment models
- Newer entrants to the segment usually start off in this quadrant before growing a stronger and more loyal audience base

Niche Champion

- Dominant in its market to a more focused audience base, whether it be younger, older or luxury appeal

Uniqueness Score

Uniqueness score is a measure of the likelihood a user would consider its competitors when making a purchase decision. A higher uniqueness score suggests a car model with less online competition.

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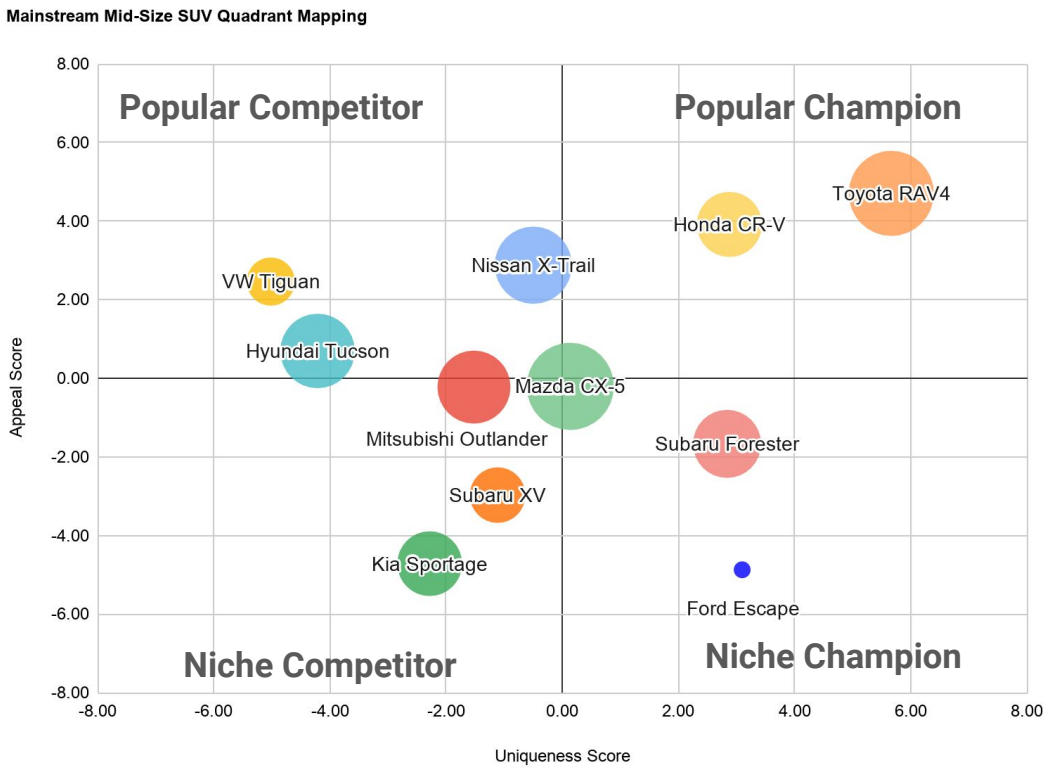
Each model audience group is created from Quantcast's category interest data aggregated across publisher and tagged sites
See appendix for more information on score methodology

Mainstream Mid-Size SUVs: Ranking Against Competing Models



The Toyota RAV4 maintains market dominance by having the right demographic appeal and the least online interest competition

According to CarsGuide, the mainstream mid-size SUV market has two clear leaders: Toyota RAV4 and Honda CR-V. These models appeal well to the average mainstream SUV consumer and are less likely to be cross considered due to their strong unique value proposition. This is especially so for the RAV4, which recently introduced a hybrid trim.

New entrant Ford Escape, being more expensive, is lower on the appeal score among younger and lower income buyers but rates higher than the average mainstream SUV.

The Tiguan is one of Volkswagen's highest selling models, yet it is highly cross browsed with other models in the segment. Having high sales performance does not necessarily mean buyers are not considering options before the purchase.

Graph Source
Quantcast Measure, AU, February 2020 - January 2021, bubble size represents sales volume in AU for 2020
Sales data source: carsguide,Top 100 new cars sold in Australia in 2019
Each model audience group is created from Quantcast's category interest data aggregated across publisher and tagged sites
See appendix for more information on score methodology

Quantcast

Mainstream Mid-Size SUVs: Cross-Search Volumes

Mainstream Mid-Size SUV Cross-Interest Matrix

	Ford Escape	Honda CR-V	Hyundai Tucson	Kia Sportage	Mazda CX-5	Mitsubishi Outlander	Nissan X-Trail	Subaru Forester	Subaru XV	Toyota RAV4	VW Tiguan
Ford Escape		6	5	6	3	7	8	5	4	11	5
Honda CR-V	67		65	69	92	69	100	59	67	89	67
Hyundai Tucson	22	24		43	28	20	24	19	23	20	27
Kia Sportage	29	29	49		30	23	27	23	29	24	30
Mazda CX5	28	69	56	52		46	53	49	60	38	55
Mitsubishi Outlander	20	17	13	13	15		19	19	13	16	16
Nissan X-Trail	62	75	48	47	53	60		46	47	51	42
Subaru Forester	23	23	20	21	25	30	24		46	27	29
Subaru XV	24	35	32	35	42	29	33	62		29	34
Toyota RAV4	31	23	13	14	13	17	17	18	14		15
VW Tiguan	15	18	20	19	20	18	15	21	18	16	

Higher Scores represent higher cross-interest activity between the two models

The Honda CR-V is the most competitive SUV among mainstream mid-size SUVs

While the Honda CR-V was not the highest sales performing model, it was the most cross-searched vehicle compared to other SUVs in the segment. In other words, the CR-V is the most competitive model among top selling mid-size SUVs, except for the Subaru Forester, which is more cross browsed alongside its smaller sibling the Subaru XV.

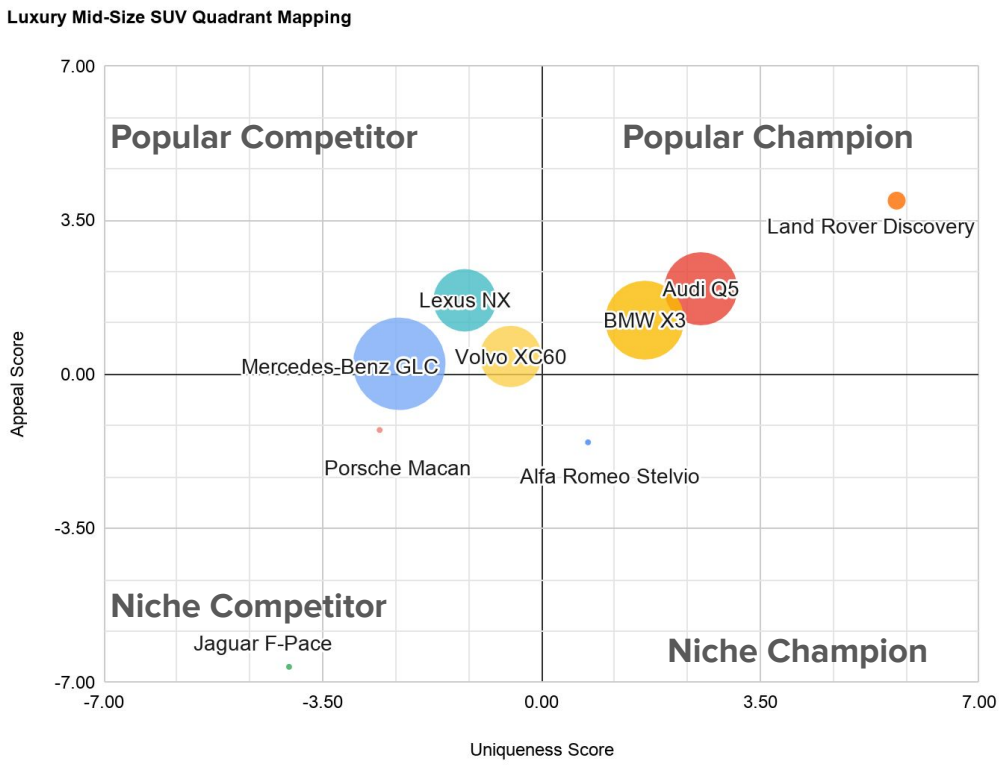
Other heavily competitive models include the Mazda CX-5 and the Nissan X-Trail.

Quantcast data shows that the Toyota RAV4 had strong sales but low cross-search scores. This suggests that the RAV4 model has a loyal fan base who are less likely to consider other models when buying an SUV.

Quantcast

Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021

Luxury Mid-Size SUVs: Ranking Against Competing Models



Despite lower sales, Land Rover Discovery is in a strong position with little online competition and an ideal demographic appeal

Sales data from CarsGuide show the luxury mid-size SUV segment is dominated by legacy powerhouses **Audi Q5**, **BMW X3**, and **Mercedes Benz GLC**. The former two appear to have a stronger brand value with a higher uniqueness score compared to Mercedes, despite the GLC having the highest sales in the segment.

Land Rover's strong heritage background and brand recognition is evident in the Discovery's uniqueness score, and Quantcast data indicates that those who consider purchasing a Discovery are not likely to consider competing models. Sales numbers are a little low for the Discovery, perhaps due to recent press around the model's reliability.[18]

The Jaguar F-Pace is low on both Appeal and Uniqueness scores, likely due to its niche appeal to older buyers, and therefore lacks broader interest from the rest of the market.

Graph Source
Quantcast Measure, AU, February 2020 - January 2021, bubble size represents sales volume in AU for 2020
Sales data source: carsguide,Top 100 new cars sold in Australia in 2019
Each model audience group is created from Quantcast's category interest data aggregated across publisher and tagged sites
See appendix for more information on score methodology
[18] whichcar, Quality issues cost Jaguar Land Rover 100,000 annual sales

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Luxury Mid-Size SUVs: Cross-Search Volumes

Luxury Mid-Size SUV Cross-Interest Matrix

	Alfa Romeo Stelvio	Audi Q5	BMW X3	Jaguar F-Pace	Land Rover Discovery	Lexus NX	Mercedes-Benz GLC	Porsche Macan	Volvo XC60
Alfa Romeo Stelvio		6	3	14	16	2	2	3	6
Audi Q5	55		69	42	58	37	43	49	61
BMW X3	33	79		39	57	54	68	49	63
Jaguar F-Pace	22	8	6		17	5	6	11	9
Land Rover Discovery	89	36	31	56		21	21	24	38
Lexus NX	17	29	38	22	27		62	44	37
Mercedes-Benz GLC	22	55	76	39	45	100		95	63
Porsche Macan	25	42	37	52	34	48	64		32
Volvo XC60	47	55	50	46	56	42	45	34	

Higher Scores represent higher cross-interest activity between the two models

The BMW X3, Audi Q5, and Mercedes GLC compete fiercely for sales and online interest

Being fairly recent entrants to the market, the Alfa Romeo Stelvio and Jaguar F-Pace are least likely to be considered a competitor for all other top segment models.

The top three German models by sales (X3, Q5, and GLC) are all closely considered with one another, with the Porsche Macan and Lexus NX also competing on the same level as the GLC. Based on online interest specifically, the GLC is the NX's biggest competition.

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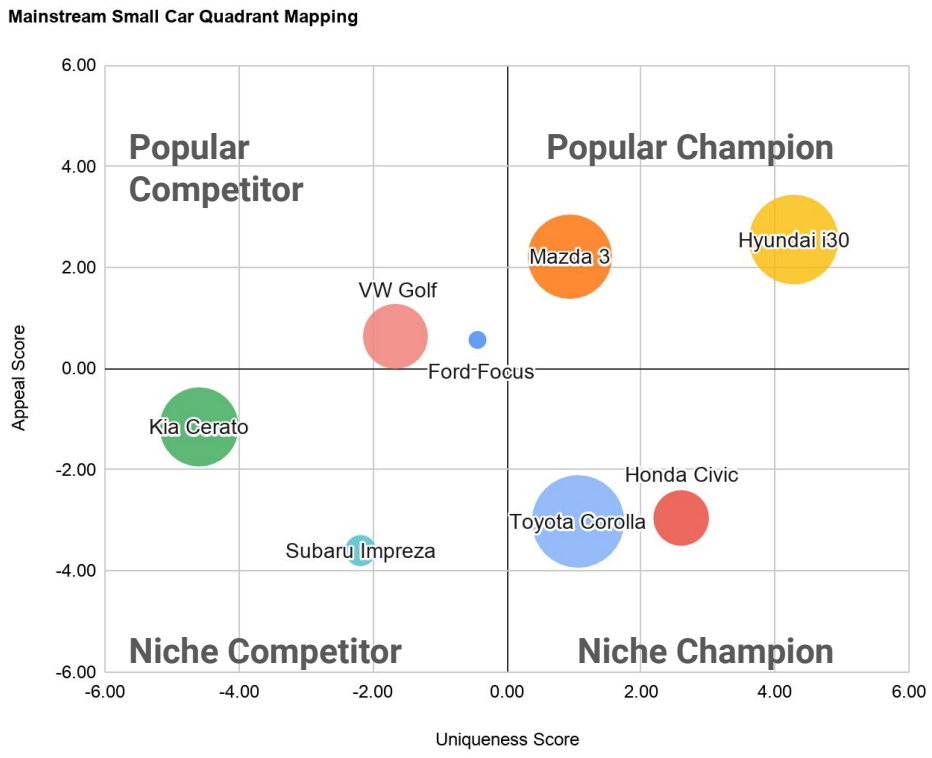
Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021

Mainstream Small Passenger Cars: Ranking Against Competing Models



Hyundai i30's strong sales performance in Australia is due to broad appeal and a high uniqueness factor

According to CarsGuide, the mainstream small car market in Australia is saturated with strong performing Japanese and Korean models, with the Toyota Corolla, Hyundai i30, and Mazda 3 taking the top 3 spots.

While the i30 and Mazda 3 appeal to younger buyers, the Corolla has a distinctly strong appeal towards older audiences, aged 60 and above. For this reason, the Corolla scores lower on the appeal score for its niche demographic skew.

Buyers interested in Kia Ceratos are much more likely to consider other models online than any other car in the segment. Additionally, like the Corolla, the Ceratos also appeals to older buyers. However, increased online competition prevents the Ceratos from ranking top performer in the segment.

Graph Source
Quantcast Measure, AU, February 2020 - January 2021, bubble size represents sales volume in AU for 2020
Sales data source: carsguide,Top 100 new cars sold in Australia in 2019
Each model audience group is created from Quantcast's category interest data aggregated across publisher and tagged sites
See appendix for more information on score methodology

Quantcast

Mainstream Small Passenger Cars: Cross-Search Volumes

Mainstream Small Passenger Car Cross-Interest Matrix

	Ford Focus	Honda Civic	Hyundai i30	Kia Cerato	Mazda 3	Subaru Impreza	Toyota Corolla	VW Golf
Ford Focus		15	35	18	22	15	11	15
Honda Civic	58		41	65	91	86	100	91
Hyundai i30	8	3		8	5	2	3	2
Kia Cerato	13	12	23		15	4	7	11
Mazda 3	59	65	53	57		38	40	42
Subaru Impreza	15	24	8	6	15		13	20
Toyota Corolla	11	28	13	11	15	13		10
VW Golf	26	43	18	26	28	34	17	

Higher Scores represent higher cross-interest activity between the two models

The Honda Civic is the most highly sought after model online compared to many other similar models in its class

Like the Honda CR-V in the mainstream mid-size SUV segment, the Honda Civic is a highly competitive model for all other top mainstream small cars.

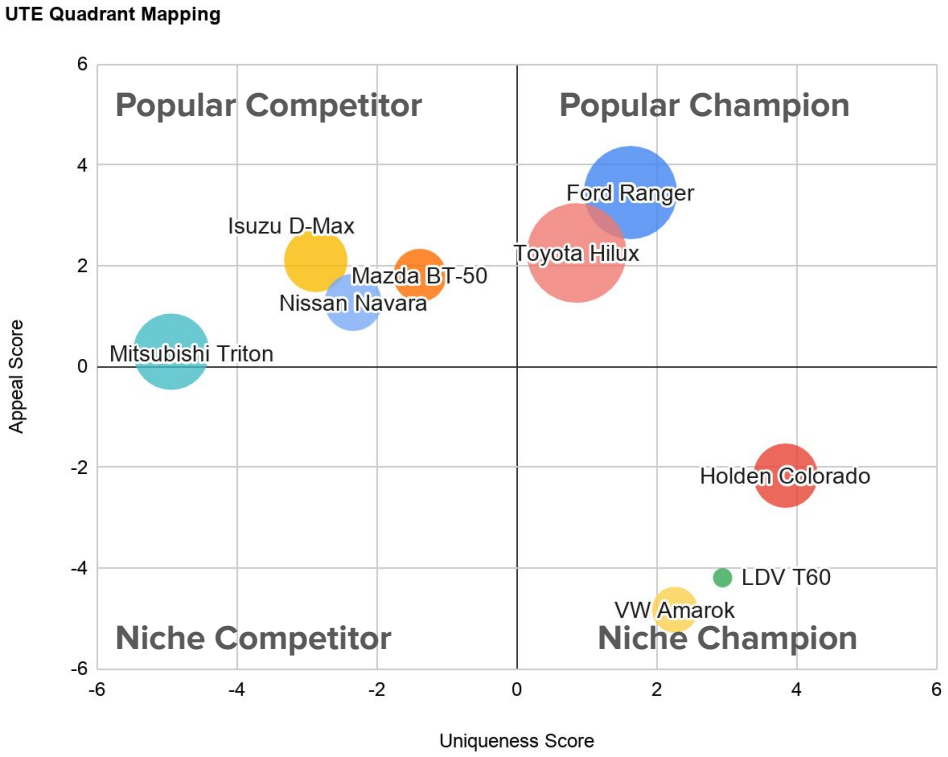
On the other hand, even with the highest sales performance in Australia, the Toyota Corolla is not a strong cross-search competitor for many models due to its distinct appeal to older buyers.

The Hyundai i30 also has low cross-category interest scores with different models because of its high uniqueness score, indicating that prospects who are interested in the i30 are less likely to consider other models in the same class.

Quantcast

Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021

Utility Vehicles: Ranking Against Competing Models



The Toyota Hilux and the Ford Ranger remain leaders with high strong segment appeal and less online competition

Both the Volkswagen Amarok and Holden Colorado appeal to an older audience, compared to the rest of the segment, and score lower on appeal. They do, however, score high on uniqueness because of their different demographic appeal.

The Toyota Hilux and the Ford Ranger constantly battle one another for the top sales spot, not just in segment but also for all new vehicles sold in Australia. Unsurprisingly, they sit in the Popular Champion quadrant with strong segment appeal and less online competition.

The Mitsubishi Triton faces strong online competition despite solid sales figures from CarsGuide. Users interested in the Triton are most likely to consider other models in the UTE / light truck segment.

Graph Source
Quantcast Measure, AU, February 2020 - January 2021, bubble size represents sales volume in AU for 2020
Sales data source: carsguide,Top 100 new cars sold in Australia in 2019
Each model audience group is created from Quantcast's category interest data aggregated across publisher and tagged sites
See appendix for more information on score methodology

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Utility Vehicles: Cross-Search Volumes

UTE / Light Truck Cross-Interest Matrix

	Ford Ranger	Holden Colorado	Isuzu D-Max	LDV T60	Mazda BT-50	Mitsubishi Triton	Nissan Navara	Toyota Hilux	VW Amarok
Ford Ranger		54	81	38	74	82	84	100	53
Holden Colorado	2		3	20	6	2	2	3	20
Isuzu D-Max	51	40		35	50	46	43	53	34
LDV T60	0	5	1		3	1	0	0	12
Mazda BT-50	14	30	15	55		11	12	10	33
Mitsubishi Triton	55	29	49	43	41		52	57	29
Nissan Navara	51	38	42	20	38	47		48	26
Toyota Hilux	98	63	82	29	55	83	78		64
VW Amarok	1	13	1	32	5	1	1	2	

Higher scores represent higher cross-interest activity between the two models

The Ford Ranger and Toyota Hilux are the segment's biggest competition online except for the LDV T60

The Colorado and Amarok are least likely to be cross-searched for all other segment models because of their unique appeal to a specific demographic.

In the utility vehicles segment, market leaders Ford Ranger and Toyota Hilux are the top two competing models.

The one exception is the LDV T60, which mainly competes with the Mazda BT-50 and the Mitsubishi Triton. LDV T60's budget-friendly pricing is one of its key differentiators in the Australian market.[19]

Quantcast

Graph Source
Quantcast Measure, AU, NZ, SG, JP, KR, TH, MY, HK, October 2020 - January 2021
[19] caradvice, 2020 Ute mega test

Your Brand Against Competitors

The Marketer's Opportunity

Recap

- The Toyota RAV4 Honda CR-V is the top selling mainstream mid-size SUV but has strong competition from the VW Tiguan and Hyundai Tucson
- Top luxury mid-size SUV sales are dominated by the Audi Q5, BMW X3, and Mercedes Benz GLC, with the Land Rover Discovery as their strongest competitors
- The Hyundai i30 and Mazda 3 are mainstream small passenger car top performers, competing against the VW Golf and Toyota Corolla in the same segment
- The Ford Ranger and Toyota Hilux remain the most popular utility vehicle models, competing with the strong selling Mitsubishi Triton and Holden Colorado

Review your car brand and model within Quantcast's quadrant and cross-interest mapping model

Understand who is browsing for your model–is where you are placed within the quadrant in line with your marketing strategy? If you are aiming to reach a wider audience with specific models, Quantcast data can help you understand any gaps you have to reach your audience goals.

Understand where you stand with competitors

Getting a deep understanding of your main competitors can help you identify threats from those who share similar audience profiles with your brand. Mapping out where specific models stand amidst competing brands can help you develop more targeted ad strategies that drive more visits to your brand or dealership's website and encourage more conversions.

>95% of car purchases happen at the dealership, but start with an online search[20]

Using the Quantcast Platform to understand car-buying trends, as well as certain interest topics your audiences are browsing can help you adjust your campaign tactics and get your brand in front of your prospects when they are ready to buy. Layering your digital marketing strategies with compelling in-store offers will help you maximise your customer reach, both online and offline.

Source
[20] Auto Industry Service Statistics

Translating Insights Into Actionable Strategies

01 Reach audiences with real-time behavioural signals

As the automotive audience continues to shift, Quantcast can help by using real-time behavioural signals to deliver ads to the most relevant audience, maximising performance.

02 Tailor messaging to emerging personas

Consider adapting ad creative to resonate with new personas, such as savvy outdoorsy families.

03 Leverage the Power of Programmatic

During this unusual time, programmatic advertising allows you the flexibility of an always-on strategy, where budget can easily be adjusted to match fluctuations in consumer demand.

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Interested in Learning More?

About Quantcast

Quantcast is an audience intelligence and measurement company headquartered in San Francisco with offices spanning North America, Europe, and Asia. Combining machine learning, a privacy-by-design approach, and live data drawn from more than 100 million online destinations, Quantcast provides software, information, and advertising services for marketers, publishers, and advertising agencies worldwide. Founded in 2006, Quantcast has employees in 20 offices across 10 countries.

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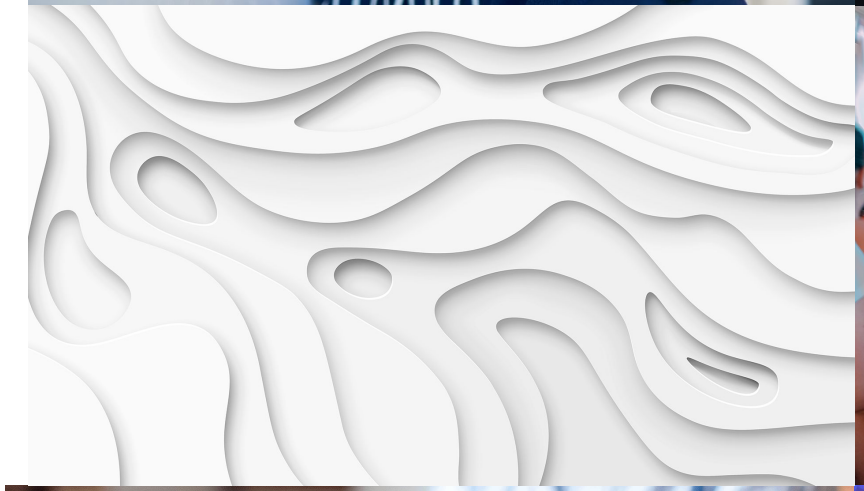

Appendix

VFACTS Motor Vehicle Classifications and Definitions[21]

Passenger Motor Vehicles

Passenger vehicles are classified dependent on size, specification, and average retail pricing. Selected vehicle types will be assessed on footprint defined as length (mm) x width (mm), rounded, as follows:

Micro: Hatch, sedan, or wagon with a footprint < 6,300
Light: Hatch, sedan, or wagon with a footprint range 6,301 - 7,500
Small: Hatch, sedan ,or wagon with a footprint range 7,501 - 8,300
Medium: Hatch, sedan, or wagon with a footprint range 8,301 - 9,000
Large: Hatch, sedan, or wagon with a footprint range 9,001 - 9,500
Upper Large: Hatch, sedan, or wagon with a footprint range 9,501 >
People Movers: Wagon for passenger usage, seating capacity > 5 people
Sports: Car, coupe, convertible or roadster

Sports Utility Vehicles

Vehicles classified as Sport Utility Vehicles (SUV) meet the FCAI criteria for classifying SUV vehicles based on a 2/4 door wagon body style and elevated ride height. Vehicles typically will feature some form of 4WD or AWD; however, where a 2WD variant of a model is available, it will be included in the appropriate segment to that model. Selected vehicle types will be assessed on footprint defined as length (mm) x width (mm), rounded, as follows:

Small: < 8,100

Medium: 8,101 - 8,800

Large: 8,801 - 9,800

Upper Large: 9,801 >

Light Trucks

Vehicles designed principally for commercial but may include designs intended for non-commercial applications.

Light Bus < 20 Seats: 8+ seats, but less than 20 seats
Light Bus > 20 Seats: 20+ seats
Vans/CC <= 2.5t: Blind/Window vans and Cab Chassis <= 2.5t GVM
Vans/CC > 2.5–3.5t: Blind/Window vans and Cab Chassis between 2.5 and 3.5 tonnes GVM
Pick-Up / Chassis 4x2: Two driven wheels, normal control (bonnet), utility, cab chassis, one and a half cab and crew cab
Pick-Up / Chassis 4x4: Four driven wheels, normal control (bonnet), utility, cab chassis, one and a half cab and crew cab

Heavy Trucks

Vehicles designed for exclusive heavy commercial application.

Light Duty: 3,501 - 8,000kg GVM
Medium Duty: => 8,001kg GVM & GCM < 39,001
Heavy Duty: 8,001kg GVM & GCM > 39,000

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Source
[21]FCAI, Segmentation Criteria

Appendix

Quadrant Mapping Methodology

Mass Appeal Score

Euclidean Distance of Demographic Variables
The distance of each demographic variable (indexed to the national average of the same time period the demographic variables were pulled) from the national average is calculated using the Euclidean distance formula.

The demographic variables are:
Female, Male, Age: 18-20, 21-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, 55-59, 60-64, 65+, Income levels: <75k, 75k-150k,150k-200k, >200k

Calculation:
Let 'p' represent the model and q represent the average car segment buyer

$$d(\mathbf{p},\mathbf{q}) = \sqrt{(p_1 - q_1)^2 + (p_2 - q_2)^2 + \cdots + (p_i - q_i)^2 + \cdots + (p_n - q_n)^2}.$$

*Note that equal weighting was given to the 3 main demographic categories: gender, age, and income, despite each category having different numbers of cohorts.

Normalizing Score
The mass appeal score is the demographic distance T-score in the segment population.

Uniqueness Score

Cross Interest %
Cross interest behaviour for each model was analyzed to understand the percentage of users who also browsed competing models. More users who browsed competitors of model X, while also browsing for model X, represents higher cross-interest activity for model X.

Normalizing Score
The uniqueness score is the cross interest % T-score in the segment population.

Units Sold

Size of the bubble is from 2019 Australian car sales figures.[22]

Source
Each model audience group is created from Quantcast's category interest data aggregated across publisher and tagged sites
[22] carsguide,Top 100 new cars sold in Australia in 2019

Quantcast