carsales presents: Auto Futures

The Journey to Vehicle Ownership

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DISCLAIMER

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EXECUTIVE SUMMARY

1 Over the years, the vehicle buying industry has changed dramatically. There are now more models, makes and new vehicle segments competing for the Australian vehicle buyer than ever before. In addition, new vehicle affordability (in relation to average salaries) has steadily increased for the past 35 years.

2 These changes in choice and affordability have contributed to a decline in brand loyalty. In addition, many vehicle buyers cross shop between used and new vehicles and across the vehicle segments. In this competitive market, engaging the consumer appropriately is ever more important.

3 Recent research undertaken by carsales and Ipsos has uncovered that consumers experience five distinct stages along the path to purchasing a new vehicle, and digital media plays a crucial role across the purchase journey.

4 Most people do a considerable amount of research online prior to visiting a dealership. Multiple digital sources are often used to cross reference information as well as to gain a broad perspective of the market. Mobile use is increasing, with consumers often checking locations and prices on the move and at the point of dealership.

5 Dealers' Primary Market Area (PMA) have extended over the years, with some consumers willing to travel considerable distances to secure a better deal.

6 Dealer websites are extremely important, especially in the later stages. Consumers appreciate up-to-date, optimised versions of websites that they can check with confidence on the go.

7 The dealer experience goes a long way to allowing people to feel confident in their decision. Personalising recommendations and advice to suit individual shoppers' lifestyles is key. In addition, consumers want their sales person to offer relevant information on what the car would be like to own.

8 Once buyers commit to a purchase they have a strong need to validate their decision. Dealer follow-up offers an opportunity to enrich relationships with their customer base post-purchase.

9 Knowing where consumers are going for information is critical for marketers and media planners, however, knowing their needs at each stage of the vehicle purchasing journey, and the dominant emotion(s) experienced, is also important for successful dealer interactions.

INTRODUCTION

"As well as being a practical necessity for my job, buying a new car is also one of the big indulgences of my life. It's my ticket to freedom and flexibility."

- Male medium car buyer

Australians love their cars. We have one of the highest per capita car ownership levels in the world – and it remains our primary mode of mobility. The relationship we have with our car is significant and the journey to purchasing a new vehicle is a considered one. We aim to be practical when buying a new vehicle but the journey is also an emotional one as it is fundamentally a journey towards feeling confident in our decision.

With increasing changes in the journey to vehicle ownership brought about by the influence of the internet, coupled with the complexities of the Automotive landscape in Australia, carsales.com.au sought to validate the car buying journey. In August 2013, carsales.com.au approached independent research agency Ipsos to bring the car buying journey to light for the Australian marketplace for new and used vehicle buyers and intenders.

This research attempted to navigate this new buying landscape; one that is ever more cluttered and competitive, and one where this new consumer can arm themselves with information via multiple channels before ever stepping foot in a showroom.

"Auto Futures: Journey to Vehicle Ownership" addresses the following questions and objectives:

- What triggers consumers on the path to new vehicle purchase?
- What are the activities consumers undertake along the way?
- What are the biggest influences at each stage?
- What are the key milestones and turning points that bring them closer to actually purchasing?
- What are the barriers they encounter which slow them down and how can they be overcome?

MARKET OVERVIEW

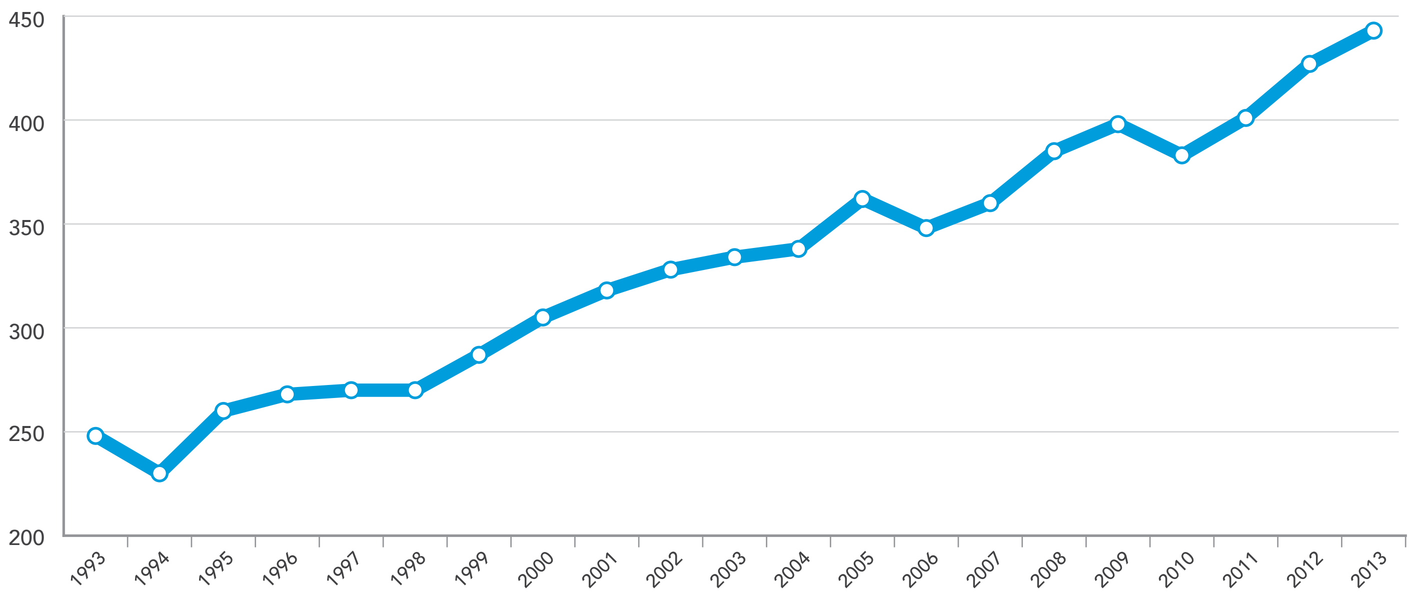
In Australia, an estimated 1.1 million new vehicles were sold in 2013, excluding heavy commercial vehicles. Add this to the 1.8 million used vehicles that were sold and this equates to almost 3 million vehicle purchases within that year[1].

For most consumers, purchasing their next vehicle is a major decision which involves careful thinking and due diligence to ensure that they are purchasing a vehicle which not only meets their lifestyle needs, but also one that satisfies their financial criteria. However, with over 65 brands to choose from[2], finding the best suited vehicle can be overwhelming.

While previous ownership can greatly influence purchase decisions, brand loyalty is never certain – only about half of those who intend to be repeat brand purchasers actually do[3]. Increasing fragmentation has contributed to this decline in brand loyalty.

Australians are increasingly connected. 82% of Australians 16yrs+ are now online using a combination of desktop/laptop, tablet and mobile devices[4]. In line with general search session activity, cross shopping is common on carsales with 73% of people who view car details of one vehicle brand also viewing details of a second, different brand[5].

Number of distinct car model families on sale



Graph source: Redbook Australia. Excludes Heavy Commercial vehicles. Count one per model family (i.e. Toyota Corolla, Mazda3, Hyundai i30, Ford Focus, etc).

1 Source: Citi Research, ABS, VFACTS, Dec 2013
2 Source: Source: VFACTs 2012 (Includes Passenger, SUV, LCV & HCV)
3 Source: Constant Consideration: New Vehicle Path to Purchase, Compete/Polk/TNS (September 2012), Autotrader UK brand Loyalty study (2010)
4 Source: 'Nielsen Australian Connected Consumers Report 2013
5 Source: carsales internal data, Business Intelligence, last 60 days, Dec 2013 – Feb 2014

THE JOURNEY MODEL

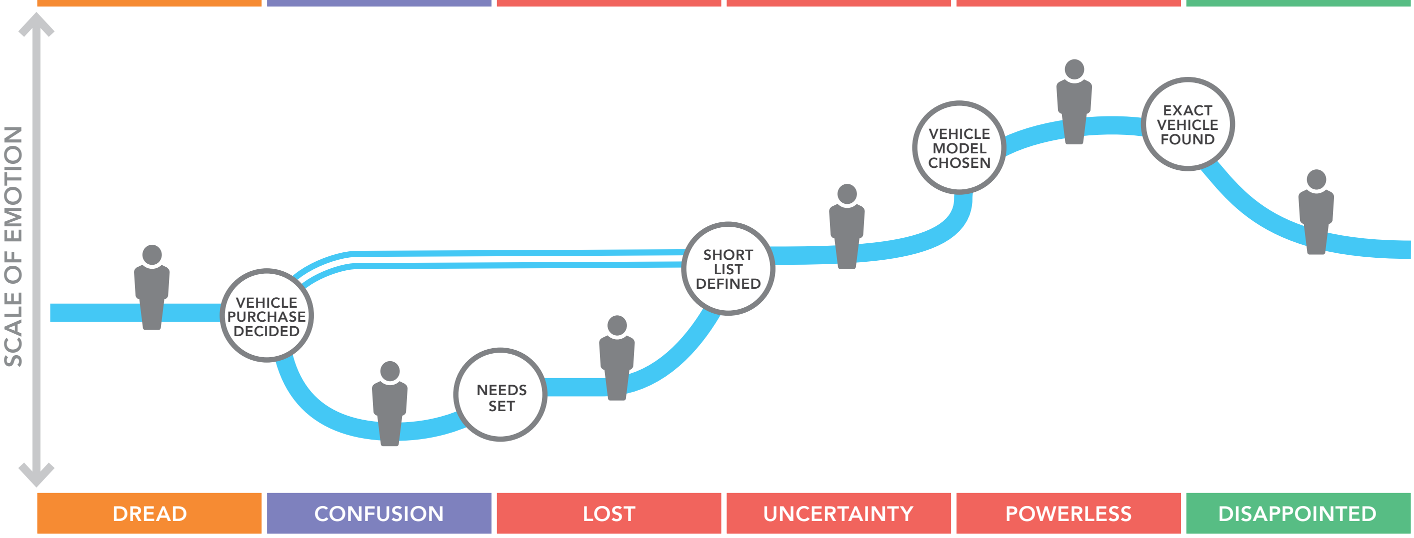
The Right Fit For Where You Are Now

As consumers progress through their vehicle journey, they consider their wants and needs, and which options in the market can best meet these needs. They are looking for a worthwhile purchase that fits their circumstances. Although a new vehicle means many things to different people, all know that this will be a significant purchase and all wish to have a 'worthwhile relationship' with their next vehicle.

Consumers may begin their journey with pre-conceived ideas and brand preferences. However, due diligence is always exerted to ensure they are clear on what they want / need in their approach to buying a new vehicle. Each stage of the purchasing journey, and the potential emotions experienced, will be further described in the following pages.

Looking for a worthwhile purchase that fits my circumstances

THE PRE-TRIGGER	LANDSCAPE	VALIDATE	COMPARE	THE DEAL	OWNERSHIP
The Journey Begins	The Lost Traveller	Creating a Shortlist	Picking the Winner	Hunting Down the One	The Relief!
• Accident/write-off • Problems with current car • Life event change • Desire for change	• What do I want/ need? • What is my budget? • How will it be used? • Who will use it?	• Aware of needs • Discount/eliminate segments in market unsuitable • Identify suitable vehicles	• What will each be like to own in reality? • Which one suits my life the best? • How can I be sure?	• Armed with information • Finding the best deal • Negotiating with the dealer • What can I sacrifice?	• How does it drive? • what do others think? • Expectations met or exceeded?
ANTICIPATION	CLARITY	INFORMED	CONFIDENCE	EMPOWERED	RELIEVED



MEDIAN TIME FROM LANDSCAPE TO OWNERSHIP: 4.3 MONTHS

THE PRE-TRIGGER

The Journey Begins

"I just want to know whether buying a new vehicle right now is a good idea or not?"

- Male small car buyer

Experience with current and previous cars feed into how the journey will be navigated. Some will plan their next purchase and start idly researching the marketplace. Others don't start the process until they are forced to.

- **Anticipation:** Planned trigger such as a promotion, a change in family circumstances or a lease coming to an end – means the journey is looked forward to.
- **Dread:** Sudden/unexpected loss of old car prompts financial worry. Unsure where to start or who to turn to.

THE LANDSCAPE

The Lost Traveller

"At this stage, I just want to get an idea about what's out there. I don't really know what cars I'm interested in yet…"

- Female SUV buyer

The vehicle marketplace is surveyed as people discover what their needs are versus what options are available to them. People start to frame their decision (new or used, budget, type of vehicle) but these parameters are not rigid and may change later in the journey.

- **Clarity:** People with prior knowledge and interest in the automotive market quickly understand what could suit them.
- **Confusion:** A lack of knowledge / trusted advisors results in stalling / feeling overwhelmed.

VALIDATE

Creating a shortlist

"I know that all the cars I'm considering now are roughly the right size and price. It's just a matter of finding which one is perfect for me."

- Male small car buyer

Understanding of the current marketplace has evolved to the point were a shortlist of preferred vehicles is considered. At this stage, most are usually set on new vs. used, although a budget revision or other factors can still prompt a decision change.

- **Informed:** Knowledge of the various vehicle models and their features is sufficient to enable vehicles to be validated against needs.
- **Lost:** Lack of clarity about key parameters such as budget, new vs. used or size of vehicle.

COMPARE

Picking The Winner

"There's lots of different information out there. I need to make sure I'm making the right decision for me."

- Female small car buyer

Life with each shortlisted vehicle is visualised to see if it meets all their needs. The shortlist is whittled down until a preferred model remains. Opinions are sought and confidence in the choice increases understanding as familiarity with the vehicle grows.

- **Confidence:** Certainty increases, decision is sense checked and validated against needs in the previous stage.
- **Uncertainty:** Sources of information are not consistent (between manufacturers, dealers and other sources) or buyer does not feel sufficiently supported by their network in their choices.

THE DEAL

Hunting Down the One

"When I was comparing the Mazda3 to the Civic, I had a great experience with a dealer – he really knew his stuff. I remembered him and went back when I was ready to buy."

- Male small car buyer

The hunt for the exact vehicle is on. The sale is negotiated and compromises may be made to achieve a timely and worthwhile deal. Insurance (and finance, if needed) is formalised.

- **Empowered:** Exact vehicle is located. Dealer provides good customer service and the negotiation process goes smoothly.
- **Powerless:** Exact vehicle hard to find or dealer experience poor. Frustration with entire experience and strong desire for it to be over.

OWNERSHIP

The Relief

"It's exciting going to pick up your new car, of course it is. There's also a sense of 'phew, that's all over now."

- Female pick up buyer

The vehicle is finally acquired and hopefully meets or exceeds expectations. The purchase decision is post-rationalised and validated.

- **Relieved:** New vehicle exceeds expectations – purchase is a success. Decision shared by peer group and/or online comparisons.
- **Disappointed:** New vehicle does not meet buyer expectations. This could be due to budget constraints or a lack of preparedness. New knowledge gained after the fact may add to this feeling of disappointment.

THE PRE-TRIGGER

The Journey Begins

The pre-trigger consists of the lead-up time before the big decision to purchase a new vehicle is made. For some consumers, this period could take months or even years in length as they have plenty of time to gain a broad level understanding of the market and what's out there. For others, this stage is extremely short as they are forced into the decision by an adverse event such as a family vehicle breakdown or a significant car accident. The trigger that prompts consumers into the vehicle purchasing journey plays a major role in determining both the length of time and the amount of frustration consumers encounter in the early stages of the journey. The more sudden the event, the greater the sense of urgency and pressure to purchase a vehicle, and the greater likelihood of frustration being experienced. Fortunately for most, the key trigger to purchasing a vehicle is often not driven by an adverse event, but rather for a desire for change.

Triggers for purchasing vehicle

16%	just want a new vehicle
14%	better features / performance
9%	better fuel efficiency
8%	current vehicle has recurring maintenance problems
8%	just need to have another vehicle in the household
6%	need a bigger vehicle
5%	current vehicle is unreliable
4%	current vehicle requires major repair

"It's something I considered for a while. Whether to pay down the mortgage or buy a new car? When Toyota rang me to say they were offering zero percent finance, I couldn't pass it up."

- Male medium car buyer

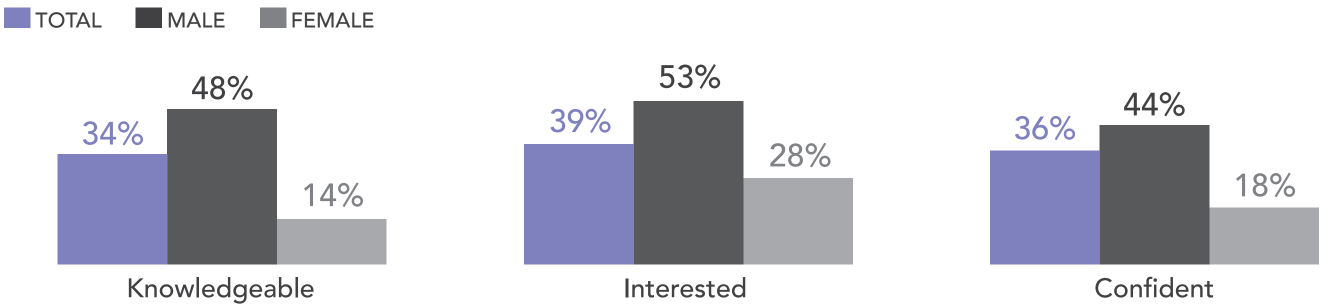
Whatever the circumstances, the milestone of making a serious decision to buy indicates the end of this stage and represents a major turning point in the path to purchase.

STAGE 1 **'LANDSCAPE'**

The Lost Traveller

When consumers enter this stage, they are settled on their decision to purchase a new car. Overall, the key emotions experienced are a combination of interest in what's out there, as well as anticipation of what lies ahead. However, males enter the vehicle purchasing journey with more knowledge, confidence and interest than females, with the ability to assess what is available and what they need with relative ease.

How knowledgeable/interested/confident are you about the automotive category in general?



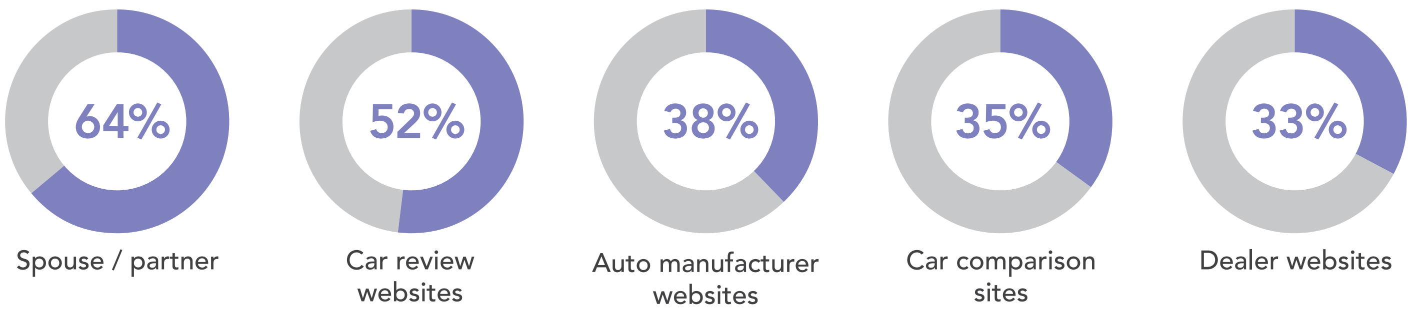
At this stage, consumers are attempting to establish a broad, landscape understanding of the current car market and the full range of options available. And in doing so, be better able to determine the purchasing parameters or criteria for their next vehicle. Thus, consumers are concerned with:

1. What are the key issues involved with buying a car these days?
2. What are the latest developments in each vehicle category?
3. What are average price brackets in each category?
4. Which features should I expect to be standard and which should I expect to pay more for?

Consumers indicated 3 key needs that are important to them at this stage: **discovery** (discovering what feels right), **enrichment** (gaining a better sense of what is being considered) and **projection** (thinking about what might work for me).

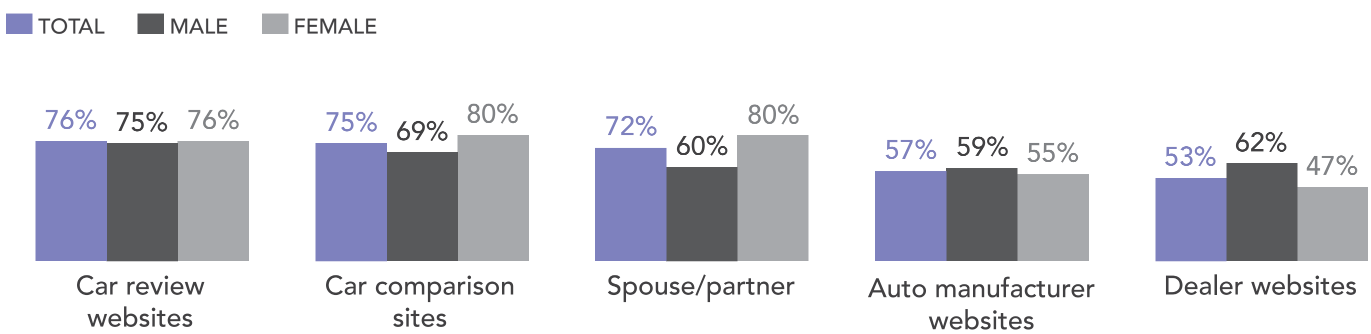
To reconnect with the car market, a variety of sources are used. Spouses / partners are often consulted to determine lifestyle needs, and digital media sources are used more frequently than traditional media sources (such as the newspaper) to investigate what's out there and what's available. On average, males use 4 media sources and females use 3. Below details the key sources used, and the needs met by each source.

Sources consulted



While manufacturer websites meet the important needs of discovery and enrichment, independent car review and comparison websites are more influential to consumers, in particular for females, as they help fulfil needs of confidence and validation.

Source "had a lot" of influence on my decision



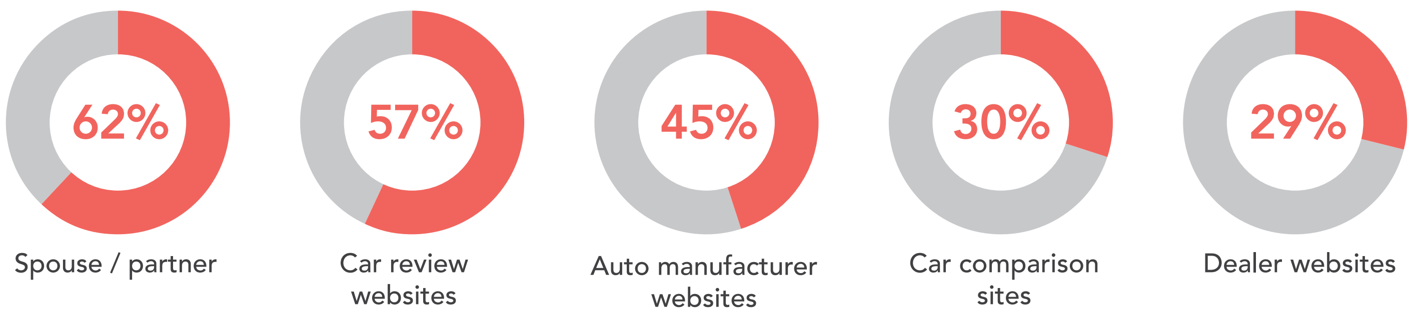
Once consumers understand the basic landscape and the basic parameters, consumers move forward to the next stage of establishing a list of vehicles to be considered.

STAGE 2 **'VALIDATE'**

Creating a Shortlist

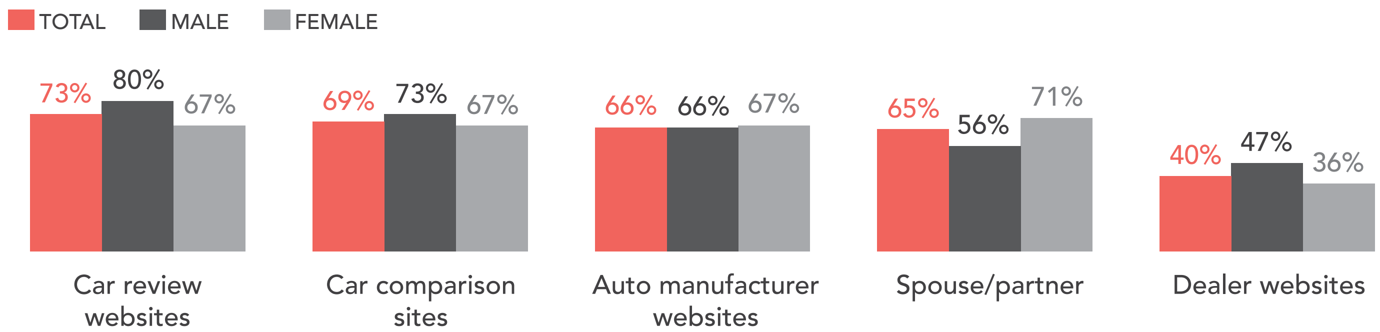
Consumers now know roughly what the landscape looks like and are able to map their needs against the marketplace. As such, they begin to eliminate options that do not suit and identify and compare those that do. The dominant emotions continue to be that of interest and anticipation. Meanwhile, the key needs continue to involve enrichment, but now also investigation as consumers look deeper for more specific information. The objective of this stage is to be able to narrow down a list of options with which they can seriously consider. Sources used in the previous stage continue to be used here, and are used closely in conjunction with each other to help consumers compare and eliminate unsuitable options.

Sources consulted



Independent car review and comparison websites continue to be the most influential, in particular amongst males. Females, however, take a more consultative approach to their needs analysis in incorporating feedback from their spouse/partner in their decision.

Source "had a lot" of influence on my decision



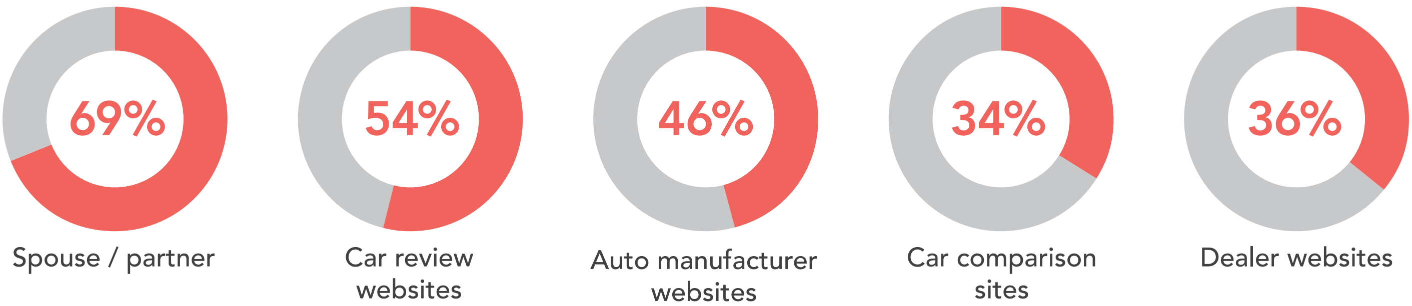
By the end of this stage, consumers will have constructed a shortlist of vehicles that they are seriously considering owning.

STAGE 3 **'COMPARE'**

Picking the Winner

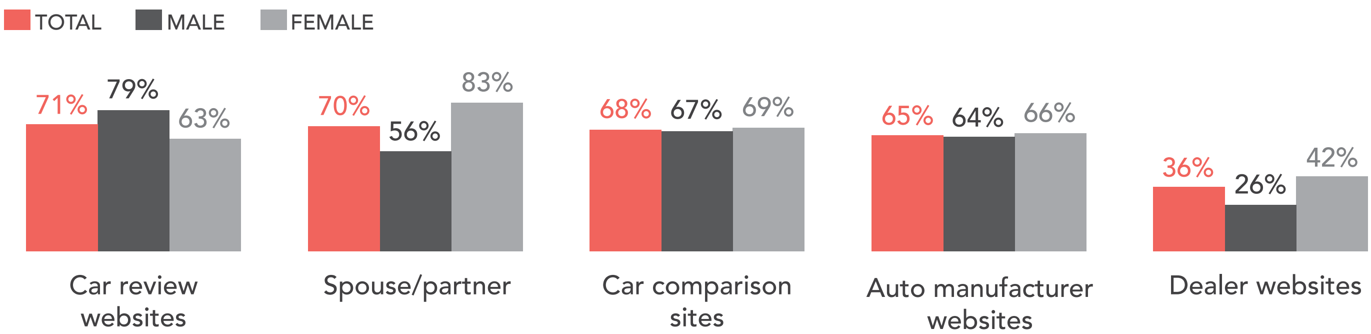
At this stage consumers have grown in both ability and confidence compared to when they first entered the purchase journey in Stage 1: Landscape. Four cars, on average, are shortlisted to be considered at this stage. The challenge now is picking the winner. Consumer needs continue to be heavily focused on investigation and enrichment, to compare and contrast the specific details of each car considered. However projection emerges again as consumers evaluate how each vehicle would meet and suit their needs. Consumers indicated car comparison websites and auto manufacturer websites to be best placed to help them gain a better sense of the vehicles considered.

Sources consulted



In the end, car review websites continue to hold the greatest influence on decision-making, particularly amongst males.

Source "had a lot" of influence on my decision



In addition, visits to dealerships begin to take place for some (about 1 in 5 consumers), to get a feel for the cars and sense check their choice. By the end of this stage, they will have chosen the exact make and model of the vehicle they want.

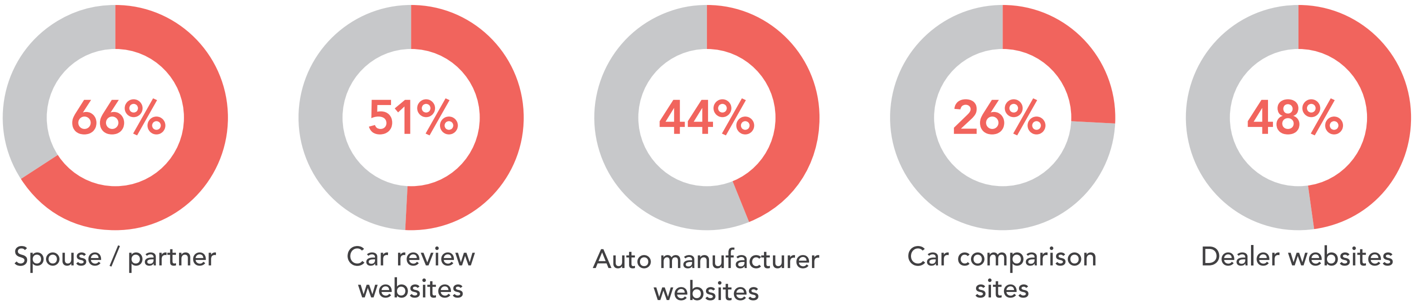
STAGE 4 **'THE DEAL'**

Hunting Down the One

At this stage, consumers have selected their choice of vehicle and are hunting for the perfect car (right price, desired colour, desired model). Anticipation and happiness are the dominant emotions now that the purchase is in sight. Some will persevere to find 'the one', while others will sacrifice their preferred colour or some other factor for the sake of expediency.

This is the stage that people most visit dealerships. The following sources are consulted to ensure that consumers arrive at the dealer with clarity on the vehicle to be purchased, validation on the purchase decision and price, and confidence in being able to find and negotiate a good deal.

Sources consulted



Depending on experience, the dealer can be viewed as an adversary or a friend, an enabler or a hindrance. Visitation to dealer websites increase during this stage, relative to previous stages, to validate the deals and offers available. On average, consumers will make four dealership visits before committing to a purchase. These dealership visits could be a mix of multiple visits to the same dealership and singular visits to different dealerships. It is important to note that factors other than price influence negotiations.

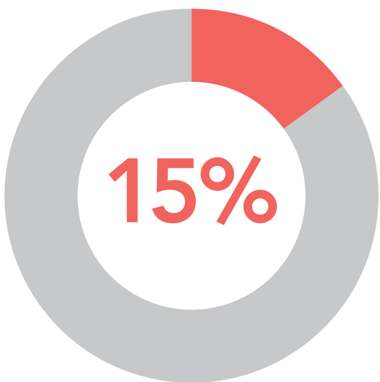
"I brought along a male friend and the dealer talked straight at him! I had to remind him I was the one buying the car."

- Female SUV Buyer

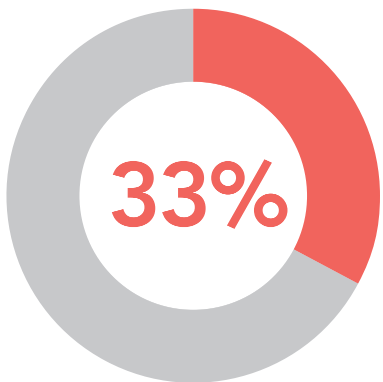
One of the effects of digitising much of the search process is that car buyers are now more willing to travel greater distances to find the exact car they want. Most people would travel up to 40kms to visit a dealership that offered a better price, value for money or had the exact vehicle model desired in stock. In fact 15% of **buyers** travelled more than 80km to buy their latest car and a third of the **intenders** we surveyed, were willing to travel over 80km. This extension to dealers' Primary Market Area (PMA) has significant implications for the way dealerships may choose to market and advertise their stock.

"I found a dealer on Carsales offering a great Ford Territory for what worked out to be $4,500 cheaper. I'm happy to drive a couple of hundred KM for that sort of saving."

- Male SUV Buyer



of buyers **travelled over 80km** to buy their vehicle



of intenders are **prepared to travel over 80km** to find their ideal vehicle

Being able to see available vehicles on dealer websites is crucial for buyers when deciding to visit a dealership. People also wish to have access to photos of actual vehicles, rather than generic stock photos and get a sense of price, before traveling to a dealership.

"My most irritating experience? Turning up at a dealership wanting to see a car that had already been sold. Infuriating!"

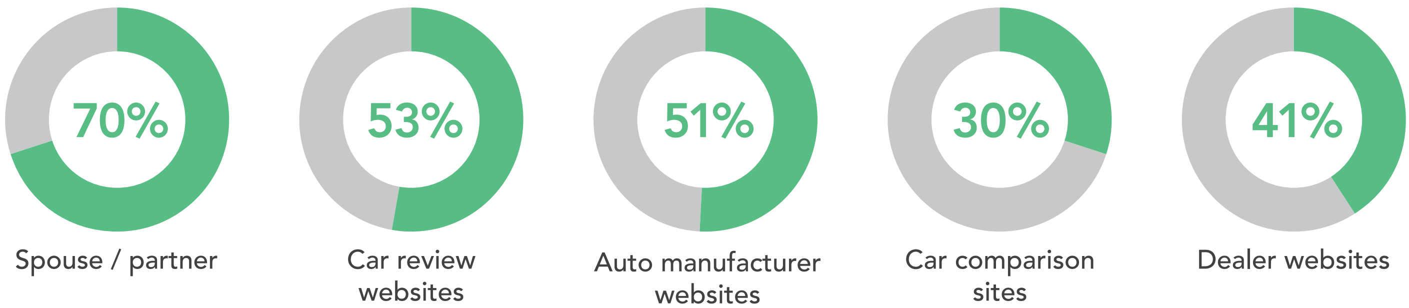
Male small car buyer

STAGE 5 **'OWNERSHIP'**

The Relief!

At this stage the consumer can celebrate and enjoy their purchase. They feel relieved that the journey has ended and are happy with the outcome. They have a desire to view the journey as a success. While most consumers mentioned purchasing their vehicle from a dealer based on price, value or availability, consumers still feel a need to validate their purchase to ensure that they have made the right decision and were able to negotiate / receive a good deal. Car review and comparison websites are particularly important at this stage as they not only offer a better understanding of the vehicle just purchased, but can validate and offer confidence on the purchase decision.

Sources consulted



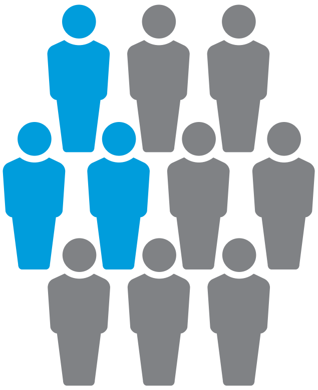
This stage can also be an exploratory phase for the consumer as they become more familiar with driving the vehicle. As such, auto manufacturer and car review websites continue to be relevant for this stage to enable consumers to gain a better understanding of their vehicle. Some may still need to sell their previous vehicle and so they continue to visit sites they have used in their car buying journey.

	Stage 1 Landscape	Stage 2 Validate	Stage 3 Compare	Stage 4 The Deal	Stage 5 Ownership
Most Used	52% Car Review Websites	57% Car Review Websites	54% Car Review Websites	51% Car Review Websites	53% Car Review Websites
Second Most Used	38% Auto Manufacturer Websites	45% Auto Manufacturer Websites	46% Auto Manufacturer Websites	48% Dealer Websites	51% Auto Manufacturer Websites

HESITATIONS AND BACKTRACKING

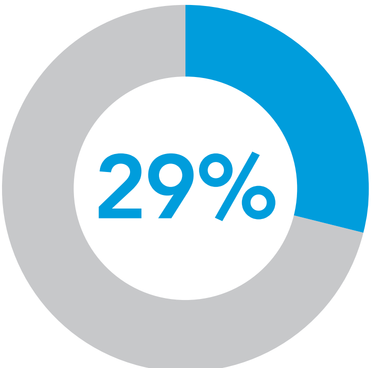
While at least half of consumers manage to progress smoothly between the stages of the vehicle purchasing journey, about 1 in 5 buyers hesitate at some point.

31%
hesitate during
Stage 2: Validate

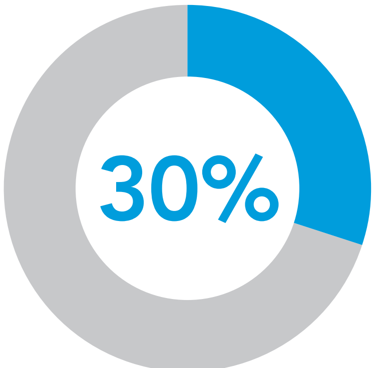


Around
3 in 10
backtrack during
Stage 1: Landscape

A considerable number of new vehicle buyers consider buying a used vehicle instead (29%). Conversely, a similar proportion of used vehicle buyers consider buying a new vehicle instead (30%). This switching between new and used is important for sales people to consider, especially when different personnel handle new and used sales within the same dealership.



of new vehicle buyers consider buying **a used vehicle instead**



of used vehicle buyers consider buying **a new vehicle instead**

"I really was weighing up the difference between buying new or used and I wanted a bit of guidance. I could tell the dealer was just not interested in selling me a used car, which was a shame."

- Female small car buyer

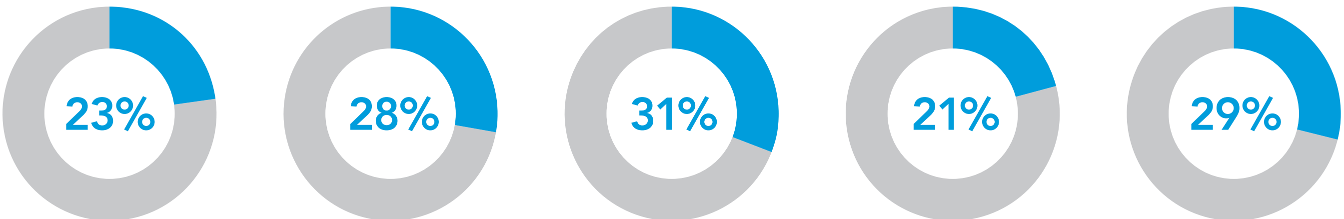
HESITATIONS AND BACKTRACKING
(continued)

"I wasn't finding used Toyota Taragos in good condition. I really wanted a reliable car so when I read that Hyundai offered five year warranties on all new cars, that made up my mind to go new."

- Female small car buyer

At this stage the consumer can celebrate and enjoy their purchase. They feel relieved that the journey has ended and are happy with the outcome. They have a desire to view the journey as a success. While most consumers mentioned purchasing their vehicle from a dealer based on price, value or availability, consumers still feel a need to validate their purchase to ensure that they have made the right decision and were able to negotiate / receive a good deal. Car review and comparison websites are particularly important at this stage as they not only offer a better understanding of the vehicle just purchased, but can validate and offer confidence on the purchase decision.

Frequent reasons for hesitation/backtracking within each stage



Couldn't find a vehicle they liked during **Stage 1: Landscape**

Couldn't find the specific make/model they wanted at the right price during **Stage 2: Validate**

Weren't sure if they needed a used or new vehicle during **Stage 3: Compare**

Had a review or competitive comparison change their mind during **Stage 4: The Deal**

Couldn't find the specific make/model they wanted at the right price leading into **Stage 5: Ownership**

However, the majority of consumers are able to resolve the setbacks experienced by reconsidering to purchase a used vehicle instead of new, or vice versa.

INTERACTION WITH CARSALES.COM.AU THROUGHOUT THE JOURNEY

"carsales saved me time and money. Its search function is really accurate so I was able to find the exact vehicle I wanted before leaving the house."

- Male SUV buyer

carsales is a key resource for car buyers in Australia. As seen earlier, independent car websites, such as car review and comparison websites (such as carsales), are the most influential source across all stages of the purchase journey, from the moment consumers have decided to buy a car until the moment the car is purchased. Of all independent car websites, carsales.com.au is consistently the website that consumers are most aware of, used by most, and said to be the most relevant and important, holding a clear lead over its next competitor.

	AWARENESS	USAGE	MOST RELEVANT	MOST IMPORTANT	OWNERSHIP
Stage 1 Landscape	carsales.com.au	87%	74%	66%	49%
	Next competitor	67%	55%	30%	14%
Stage 2 Validate	carsales.com.au	83%	67%	63%	50%
	Next competitor	72%	59%	30%	19%
Stage 3 Compare	carsales.com.au	91%	71%	65%	50%
	Next competitor	75%	59%	28%	15%
Stage 4 The Deal	carsales.com.au	85%	69%	59%	49%
	Next competitor	70%	51%	27%	21%
Stage 5 Ownership	carsales.com.au	81%	62%	52%	44%
	Next competitor	69%	49%	29%	22%

Seen as a 'whole of market' search engine, consumers view the website as a complete digitised version of the car marketplace. It is a place where most consumers educate themselves on the car buying landscape, work out budgets, identify potential dealerships and validate their decisions.

carsales.com.au is integral to a consumer's decision and is the most often used independent car website in conjunction with other influencers (spouse / partner, auto manufacturer and dealer websites) throughout each stage of the purchase journey.

ABOUT CARSALES.COM.AU

carsales.com Ltd listed on the ASX in 2009 and is the largest online automotive, motorcycle and marine classifieds business in Australia; attracting more Australians interested in buying or selling cars, motorcycles, trucks and boats than any other classified group of websites.

carsales' services include:

Mediamotive

MediaMotive provides online display and brand advertising solutions to media agencies and their clients, dealers, industry organisations and many other businesses throughout Australia. To put it simply, we help sellers to reach buyers.

MediaMotive enables advertisers to showcase their products and services by providing them access to relevant, active and in-market consumers across Australia's leading network of automotive, marine and industry websites. With a network of 21 websites and over 23 million sessions across desktop, tablet and mobile every month*, MediaMotive can deliver your marketing message to the right audience at the right time in their purchasing journey. By providing targeted and engaging advertising solutions, MediaMotive can help your business grow.

** carsales internal data, Webtrends, Jan 2014.*

Classifieds

The carsales.com.au Dealer Development Team is spread far and wide across Australia with over 60 industry specialists in the field. Working with thousands of dealers nationally, both large and small, we are educating them regularly on the best ways to improve their online sales results.

Whether it's selling cars, bikes, boats, trucks or caravans etc, our people are passionate about dealers improving their business. Through experience, tailored solutions, the most up to date technology and real-time data, we aim to point our dealers in the right direction, endeavouring to always achieve a positive return for their carsales investment.

Datamotive Services

DataMotive, a division of carsales.com Ltd, is the leading business to business service provider in the online arena. DataMotive delivers innovative products and solutions that assist our Manufacturing partners and our Dealer network to maximise sales opportunities and streamline daily operations.

DataMotive solutions include:

- Stock Management Products: LiveMarketTM, LiveTrade, CarFacts Report Manager and Professional Photography
- Digital Marketing Solutions: Automated Video, Search Engine Marketing (SEM), Guaranteed Top Spot and Top Deals
- Web Services: Website Design and Hosting, Mobile websites, Stock Locators, Auto Responses and New Car Data
- Enquiry Management Products: Autogate, Autogate Pro, Autogate AfterMarket and Call Tracker
- Data & Research Solutions: Redbook, Data Business Intelligence and Research Services.

APPENDIX

METHODOLOGY

Qualitative and Quantitative

carsales chose Ipsos as their research partner because of the heritage Ipsos has in Automotive research. Globally, Ipsos have conducted similar Auto-Buyer studies which employed their proprietary Journey Pathfinder approach to draw out the influences, behaviours and mindsets of consumers.

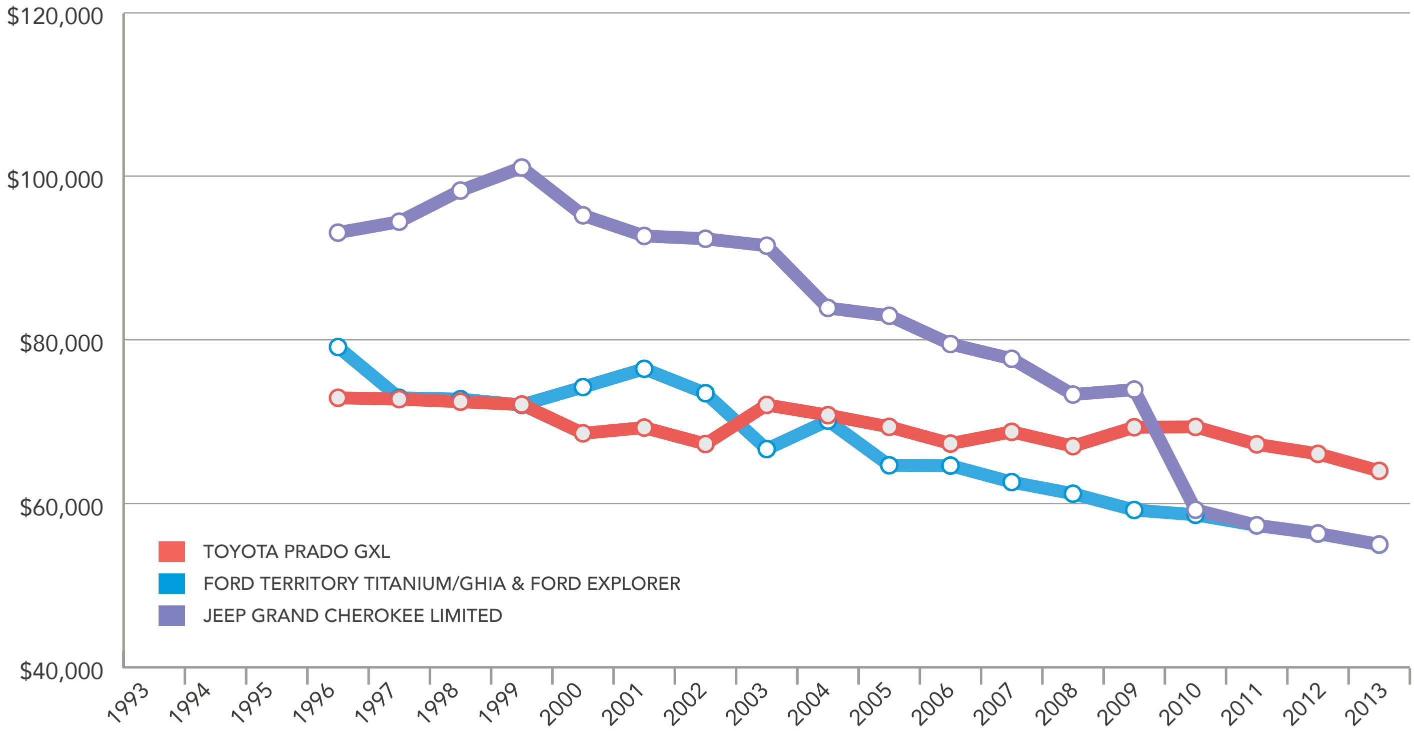
A mixed methodology was undertaken to first map the consumer vehicle buying journey qualitatively followed by a quantitative study to validate the journey.

The initial qualitative stage comprised one on one interviews where consumers worked together with the moderator to create a large visual diagram which tells the purchasing journey in great detail. With 20 in-depth interviews undertaken across Melbourne, Perth and Brisbane, the research uncovered patterns in decision making, with particular emphasis on the emotions, behaviour and triggers at key points in the purchase journey.

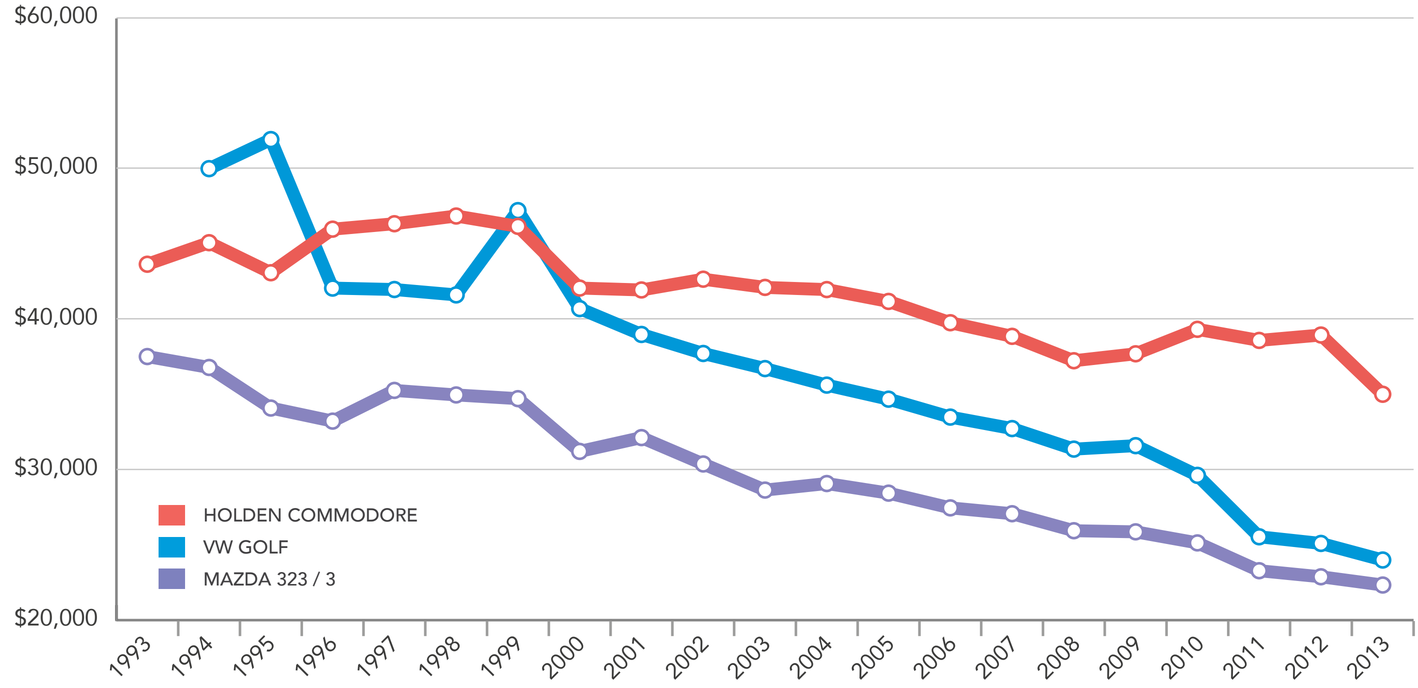
To follow up, findings from the qualitative stage were incorporated into the quantitative stage to validate these patterns and purchase pathways. A total of 831 online surveys were completed across Australia, surveying consumers at varying stages of the purchase journey about their experiences thus far in buying a new vehicle. This enabled insights into the needs, influences and milestones of each stage, as well as quantifying the channels, interactions and experiences throughout the purchasing journey.

CAR AFFORDABILITY

Price New Cars, Adjusted for Inflation in 2013 AUD$



Price New Cars, Adjusted for Inflation in 2013 AUD$

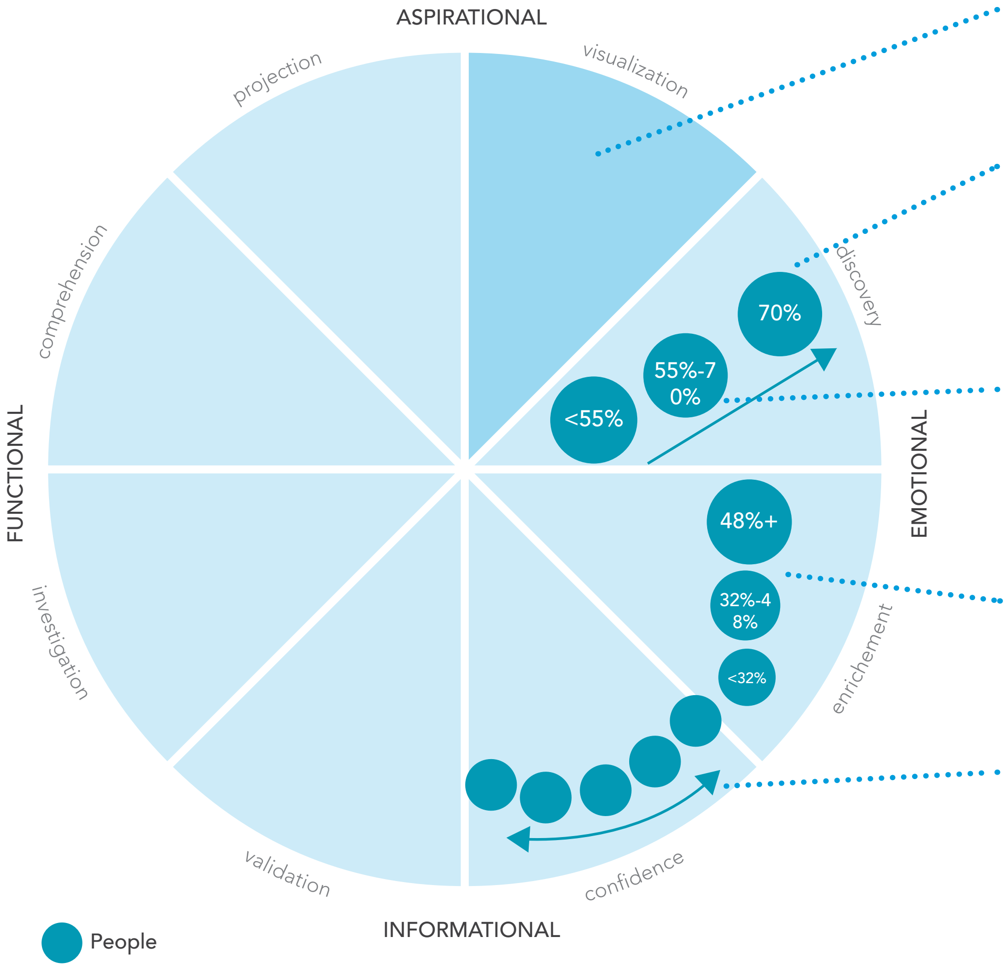


Source: carsales.com Business Intelligence; Reserve Bank of Australia 2014.
Base-level models with automatic transmission, petrol engine and 5 doors used for consistent comparison.

ECOSYSTEMS OF INFLUENCE

Introducing the Ecosystem of Influence

A guide to using the ecosystem



ROLE IMPORTANCE
Wedge highlighted in gray indicates role is more important in this stage

EFFECTIVENESS
The opacity of the bubble shows the degree to which an influence has 'a lot' of influence at this stage (more solid = more effective)

SPECIFITY
How closely aligned an influence is with the specific role within which it is placed (further from center = more specific)

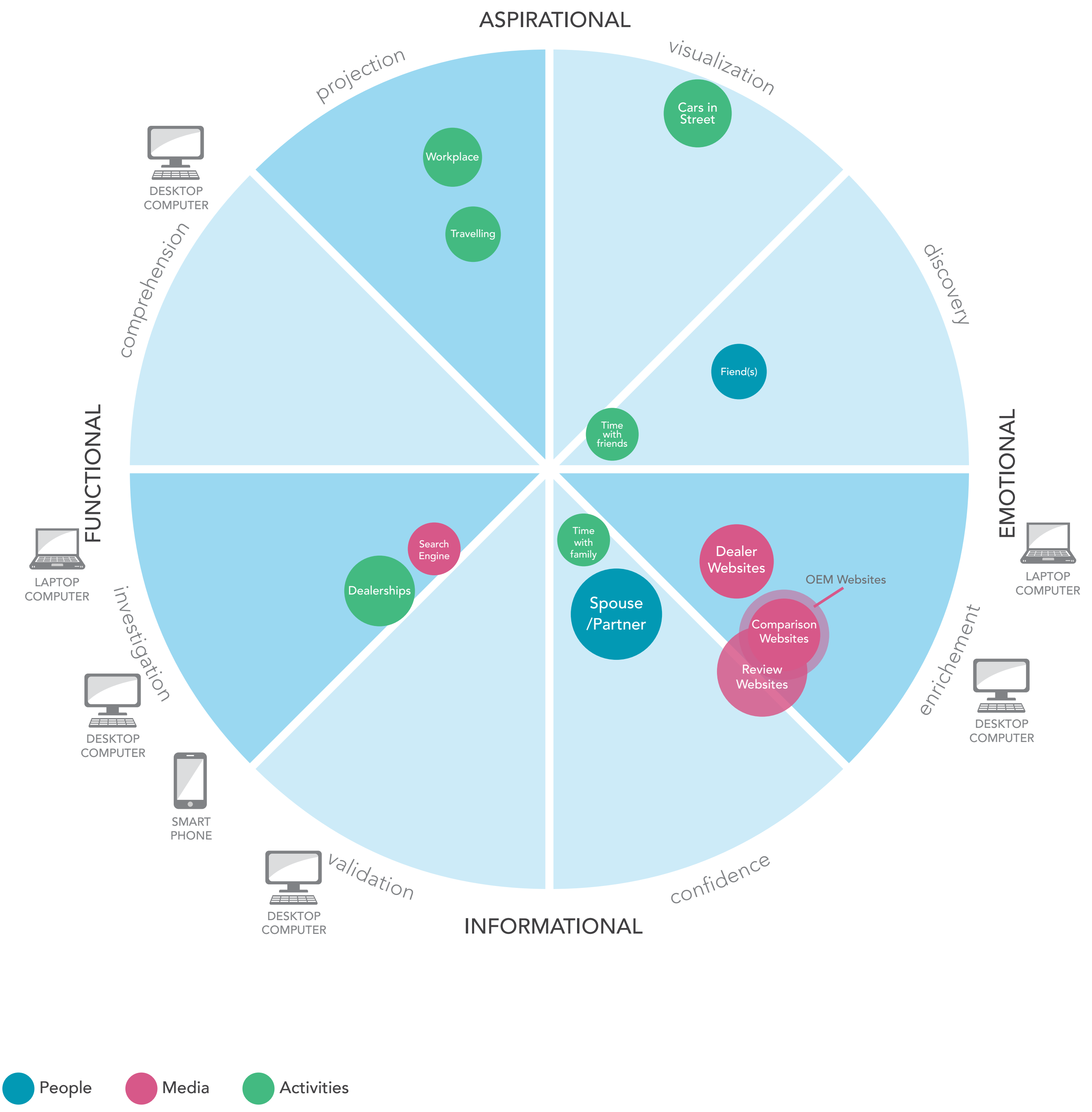
FREQUENCY
Degree to which an influence is used in the stage (larger = more used)

FUNCTION OF INFLUENCE
Angular placement shows the role the influence is primarily serving and how close to other roles it is.

ECOSYSTEMS OF INFLUENCE

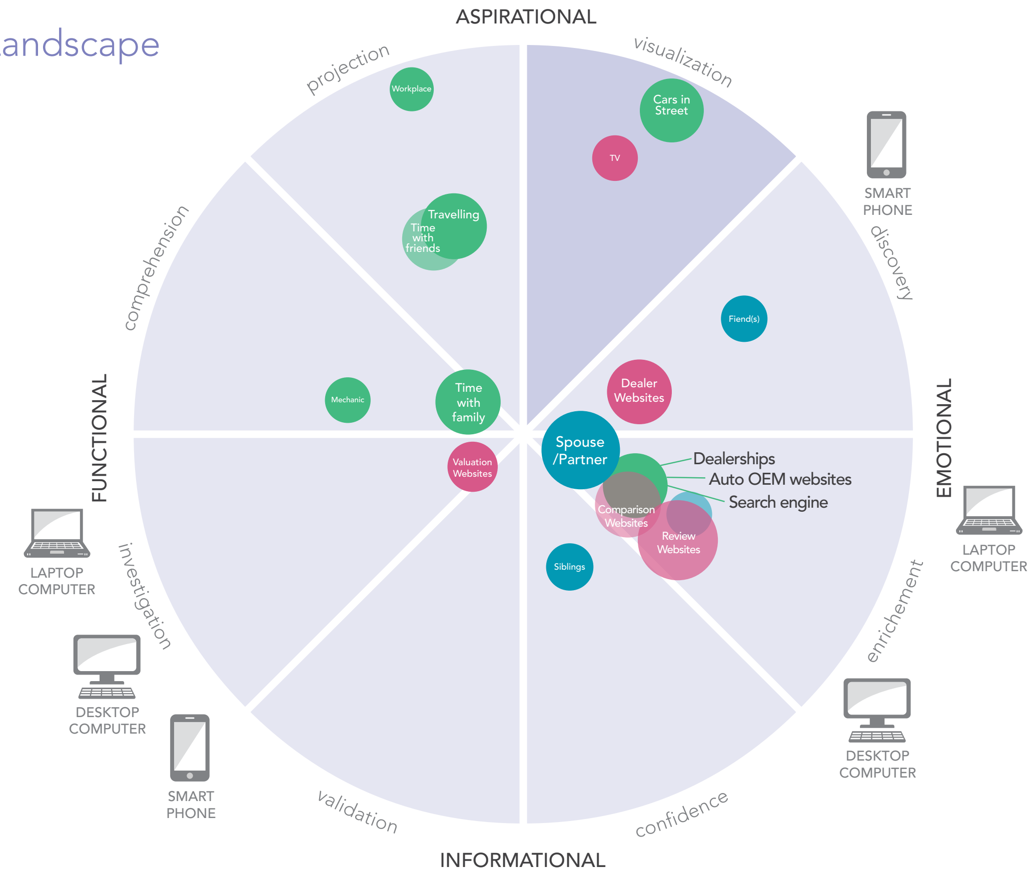
Overall (All Stages)

Representation of total ecosystem across all stages



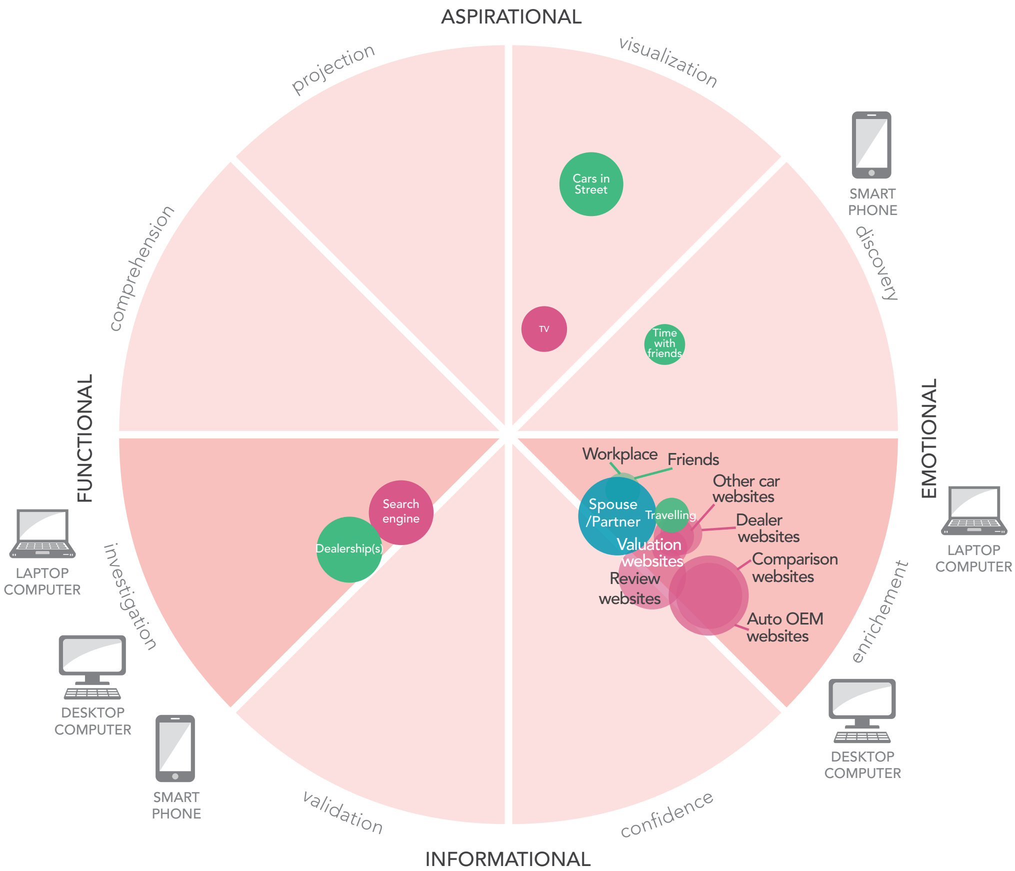
ECOSYSTEMS OF INFLUENCE

Stage 1: Landscape



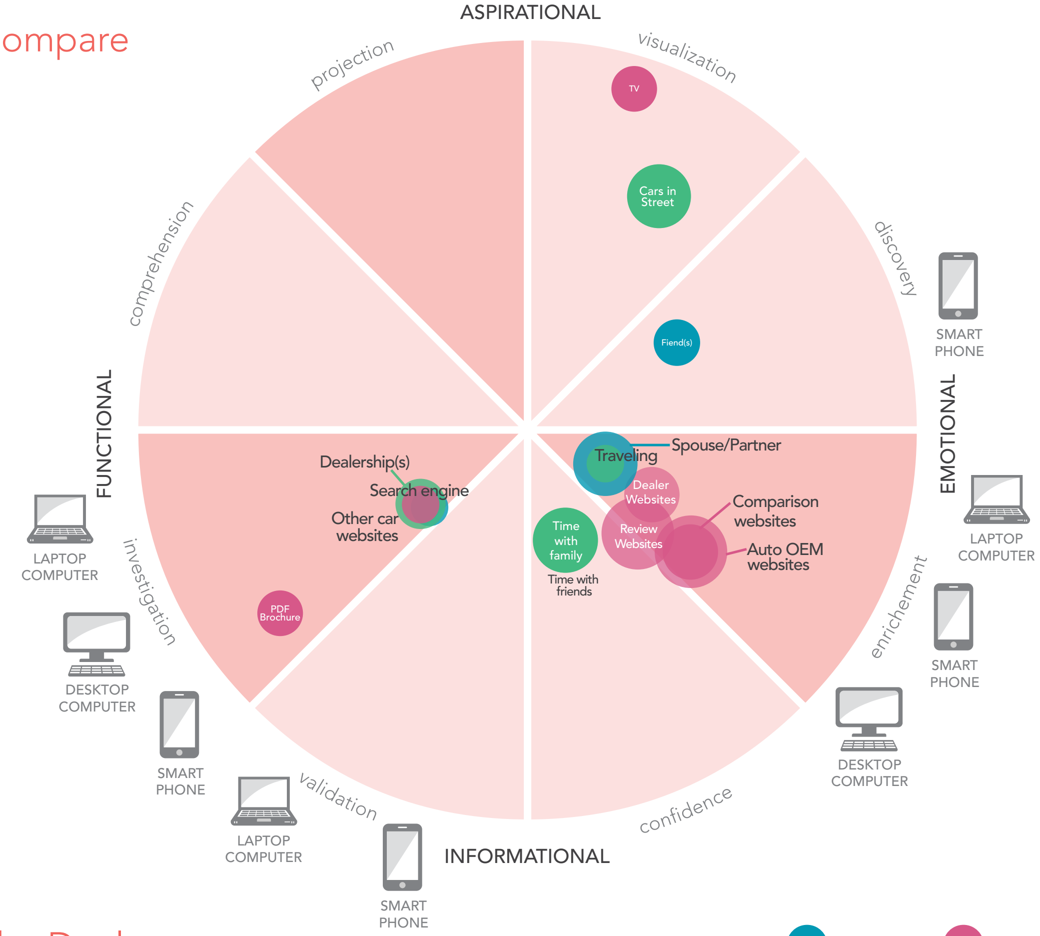
Stage 2: Validate

People Media Activities



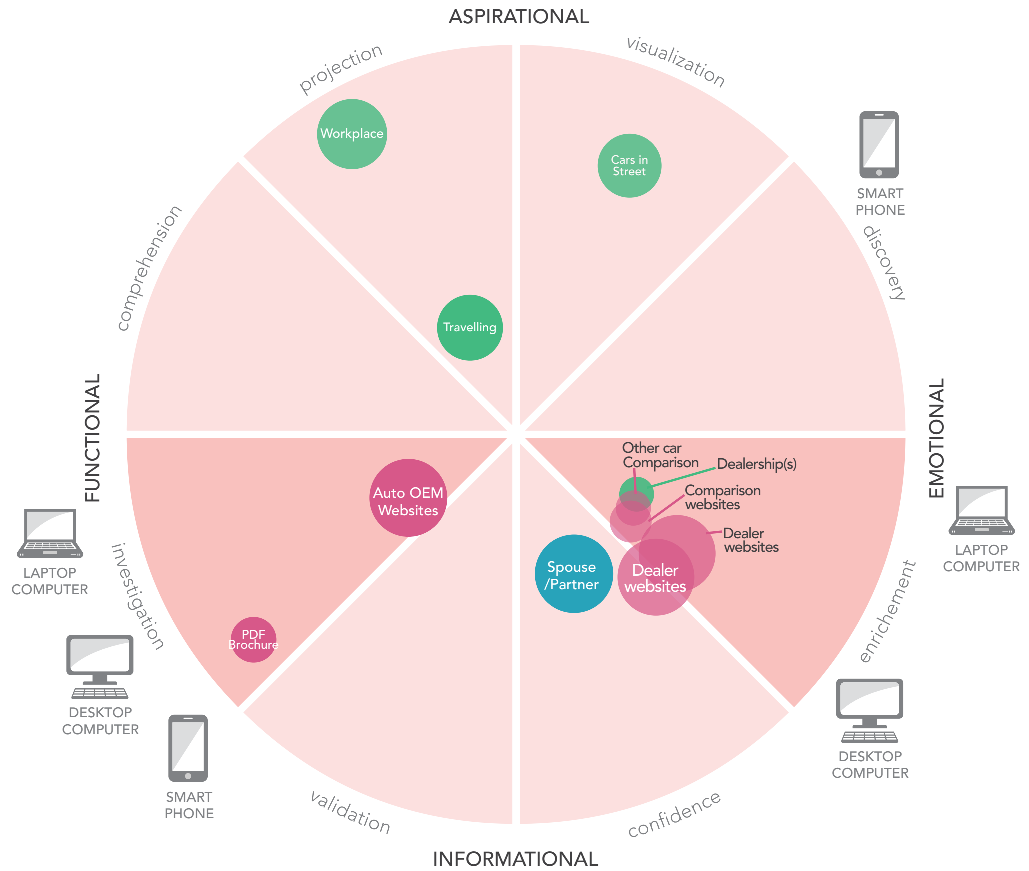
ECOSYSTEMS OF INFLUENCE

Stage 3: Compare



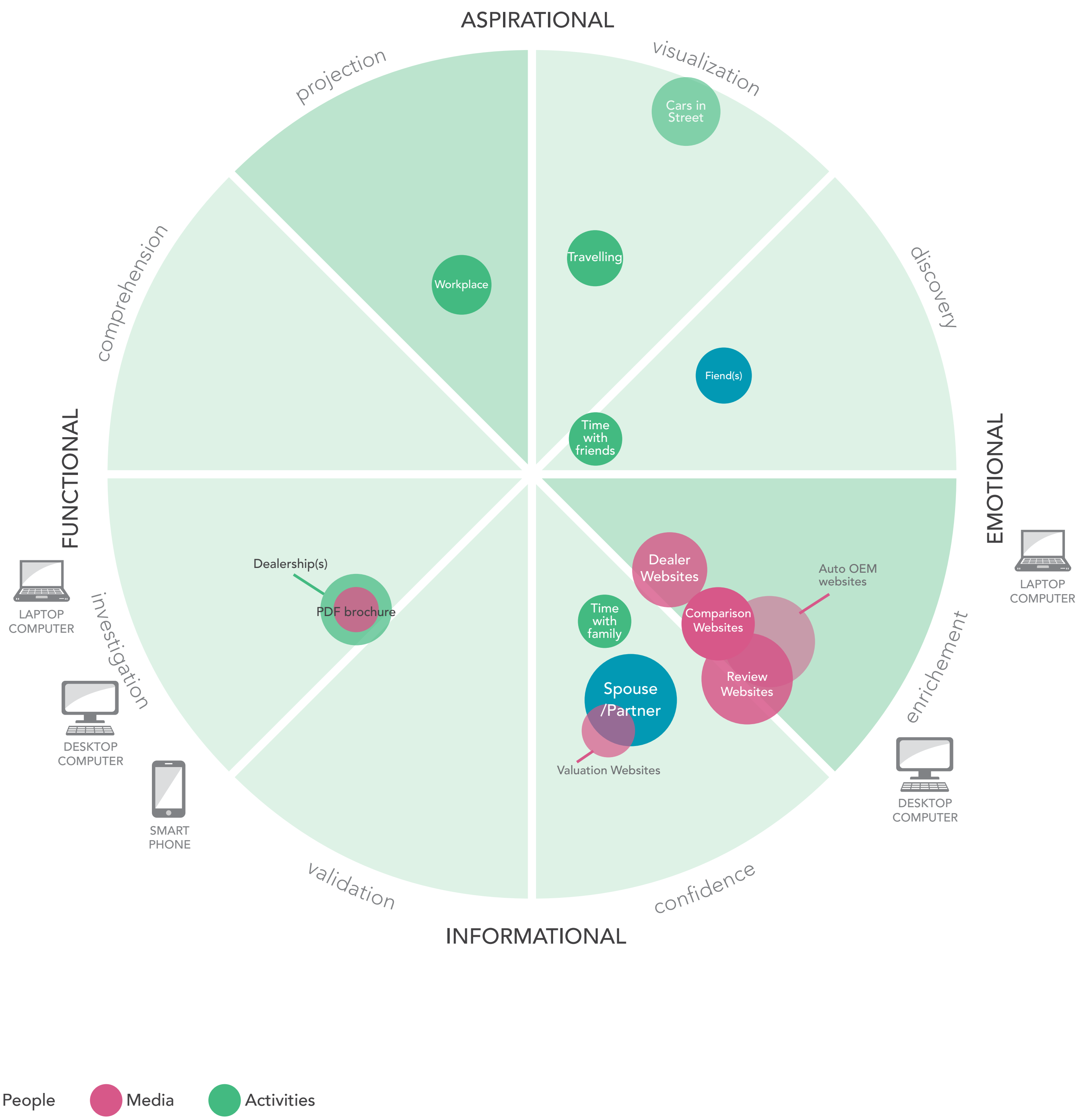
Stage 4: The Deal

People
Media
Activities



ECOSYSTEMS OF INFLUENCE

Stage 5: Ownership



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