



START YOUR ENGINES

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TV ACCELERATES AUTOMOTIVE BUYERS' PATH TO PURCHASE

VIDEO ADVERTISING BUREAU REPORT 2016

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VAB commissioned *Research Now* to conduct a survey to better understand the role each media type plays throughout a likely buyer's journey of purchasing or leasing a vehicle.



How

1,000 respondent online survey representative of the national sample

Who

Adults 18+ who indicated they will likely purchase or lease a new, used or certified pre-owned vehicle in the next 6 months

When

Fielded November 2016

Why

Investigate the impact different media have on likely buyers during each stage of the purchase journey

WHAT ROLE DOES MEDIA PLAY IN THE AUTO BUYERS' PURCHASE JOURNEY?

Vehicle Purchase Journey

DISCOVERY



"What brands should I consider?"

CONSIDERATION/
EVALUATION



"What are the attributes of each brand?"

SHOPPING
(TEST-DRIVE)



"Where can I see the vehicle & test it out?"

VEHICLE
PURCHASE



"I am ready to buy"

TELEVISION HAS THE GREATEST INFLUENCE ON LIKELY BUYERS FROM DISCOVERY TO PURCHASE



Vehicle Purchase Journey





LIKELY BUYERS' DISCOVERY PHASE

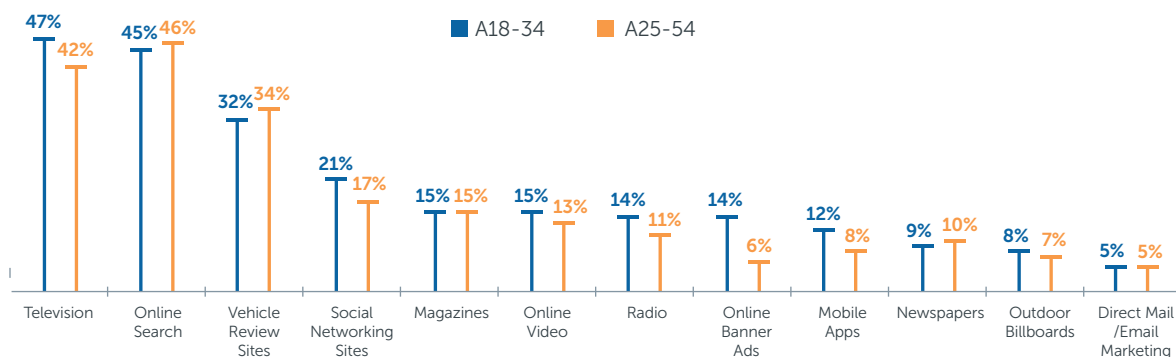
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WHAT BRANDS SHOULD I CONSIDER?



TV GENERATES INSTANT BRAND AWARENESS – ESPECIALLY AMONG MILLENNIALS

When You Are Starting To Think About Buying A Vehicle, Where Are You Most Likely To First Learn About Different Vehicle Brands?



TV bests social media for building brand awareness among all demographics

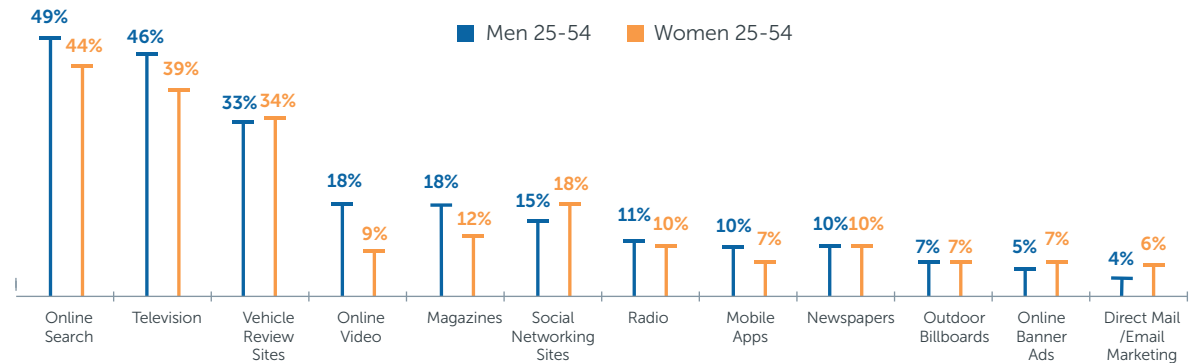
Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months;
 Q. When you are starting to think about buying a vehicle, where are you most likely to first learn about different vehicle brands (e.g., Ford, Honda, Mercedes, etc)? Select any or all that apply



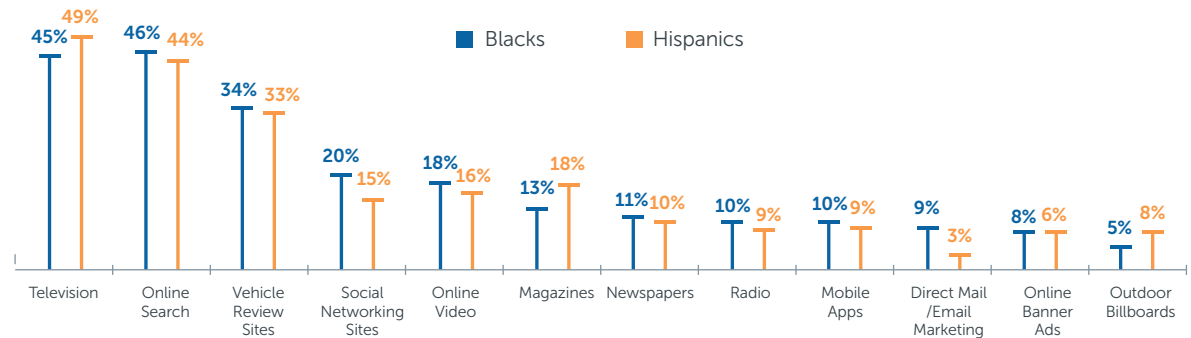
MEN, WOMEN, BLACKS & HISPANICS ALL RELY ON TV TO LEARN ABOUT AUTOMOTIVE BRANDS

When You Are Starting To Think About Buying A Vehicle, Where Are You Most Likely To First Learn About Different Vehicle Brand?

Men rely on Online Video considerably more than women when learning about different vehicles



Only 1 in 3 Blacks and Hispanics utilize vehicle review sites to first learn about different vehicle brands



Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. When you are starting to think about buying a vehicle, where are you most likely to first learn about different vehicle brands (e.g., Ford, Honda, Mercedes, etc)? Select any or all that apply



LIKELY BUYERS' CONSIDERATION PHASE

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WHAT ARE THE ATTRIBUTES OF EACH BRAND?

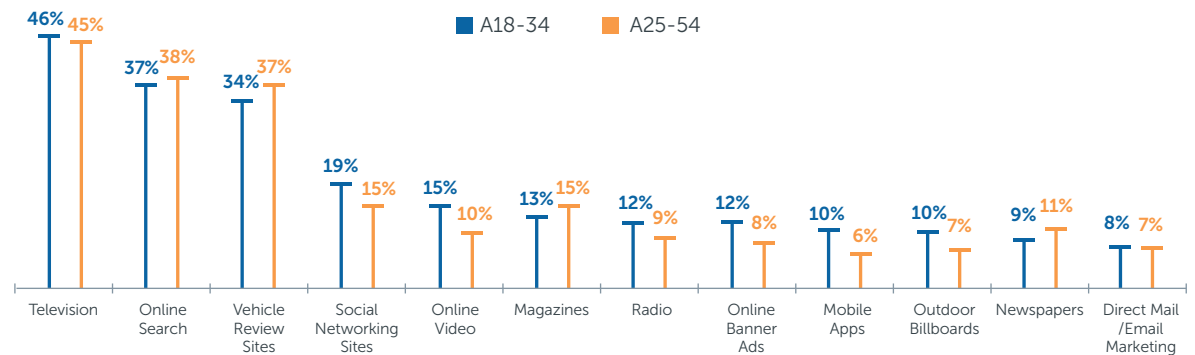
HOW FAR IN ADVANCE ARE CONSIDERATION LISTS MADE?

HOW MANY BRANDS ARE ON THE CONSIDERATION LIST?



TV RANKS FIRST IN HELPING CONSUMERS FORM THEIR CONSIDERATION LIST

Which Of The Following Helps You Develop Your Consideration List Of Vehicle Brands?



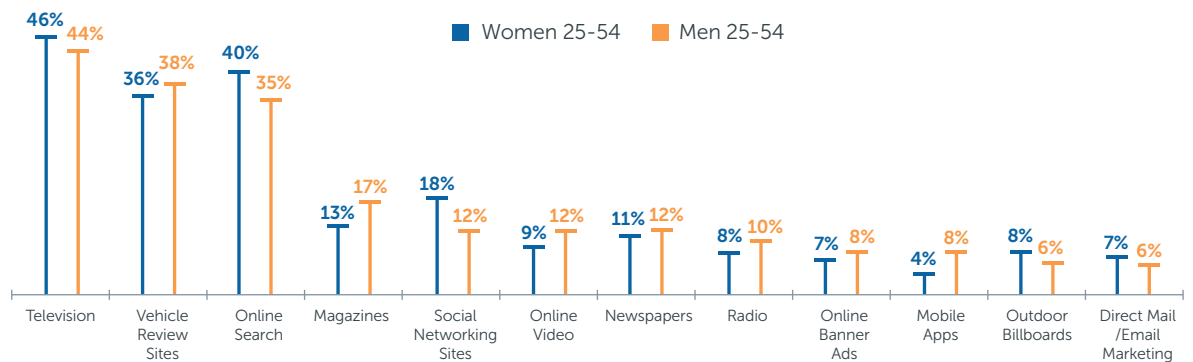
When considering a vehicle, Television has more influence on buyers than online search and online video

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following helps you develop your consideration list of vehicle brands? Select any or all that apply

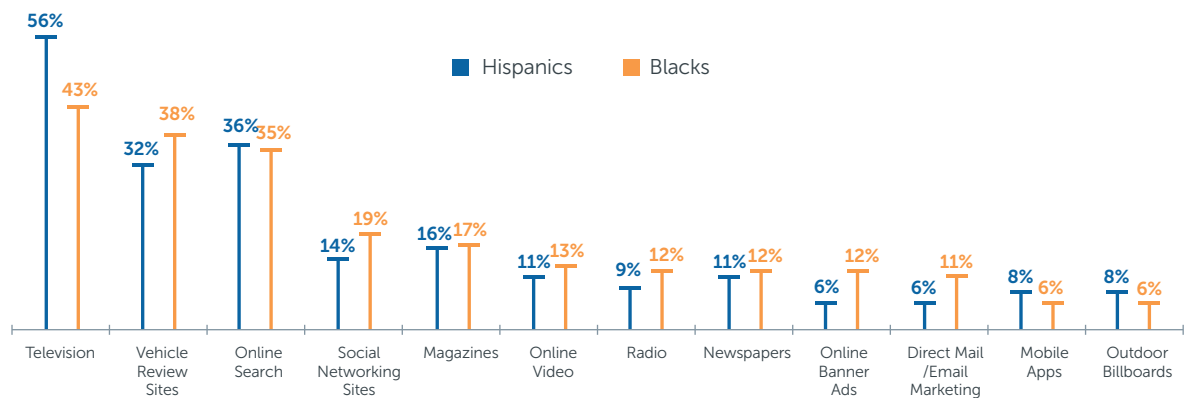
REGARDLESS OF GENDER AND ETHNICITY – TV IS THE CLEAR LEADER DURING THE CONSIDERATION PHASE

Which Of The Following Helps You Develop Your Consideration List Of Vehicle Brands?

Men Rely More On Mobile Apps Than Women When Creating Their Consideration List



Hispanics rely heavily on TV and are less likely to utilize social media to form their consideration set

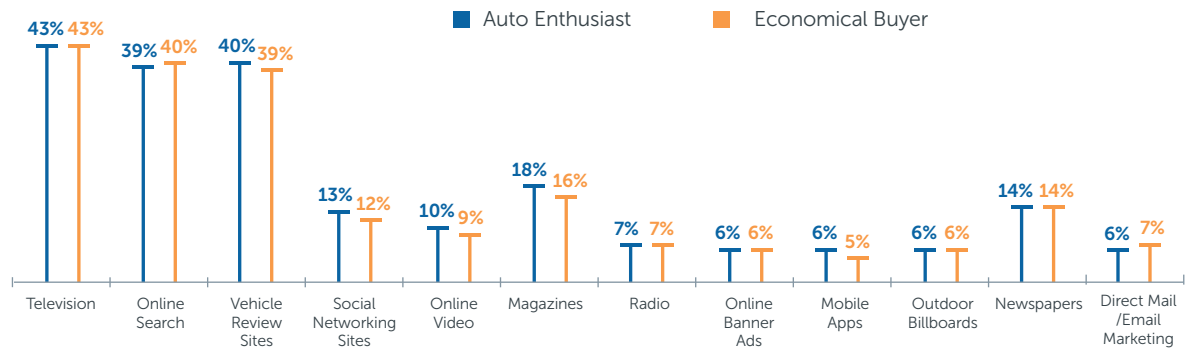


Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following helps you develop your consideration list of vehicle brands? Select any or all that apply



AUTO ENTHUSIASTS AND PRICE SENSITIVE BUYERS RELY ON TV THE MOST FOR INFORMATION

Which Of The Following Helps You Develop Your Consideration List Of Vehicle Brands?



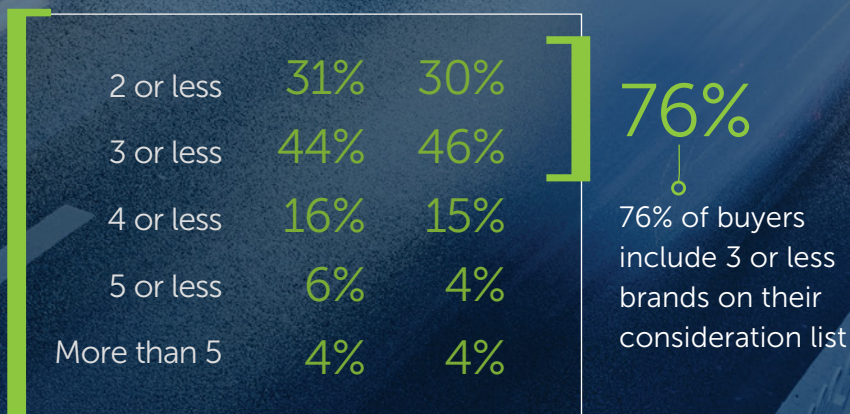
TV has 3X the Impact of Social Media among both Auto Enthusiasts and Economical Buyers

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Economical Buyer: selected price point/incentives/specials/rebates as top priority; Auto Enthusiast= Selected current features and brand name/style as top priority Q. Which of the following helps you develop your consideration list of vehicle brands? Select any or all that apply

REGARDLESS OF AGE, GENDER OR ETHNICITY, THE VEHICLE CONSIDERATION LIST IS SHORT AND FORMS EARLY

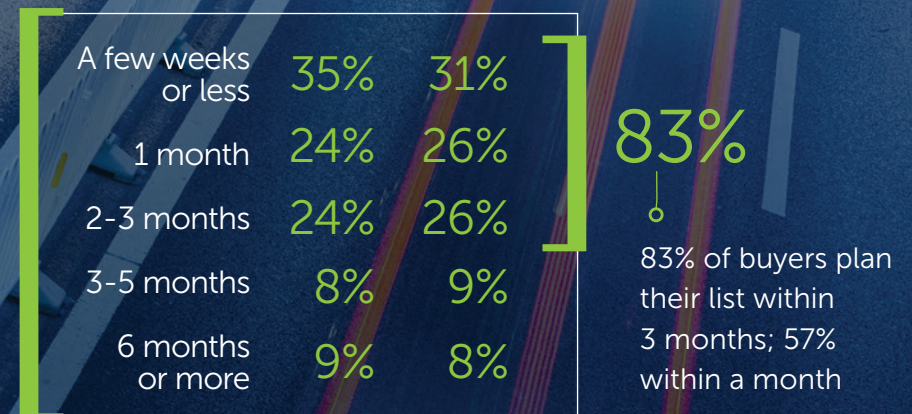
When You Narrow Down Your Search, How Many Vehicle Brands Do You Believe Will Be In Your Consideration List?

A18-34 A25-54



How Far In Advance Do You Plan To Make Your Consideration List?

A18-34 A25-54



Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months

TV IS KEY FOR AUTO BRANDS TO GAIN A SPOT ON A BUYER'S SHORT LIST

Likely Vehicle Buyers Who Believe the Following Statements Are True For Them

	A18-34	A25-54
TV Ads inform me about vehicles I might not have otherwise considered	40%	43%
I am more likely to consider vehicle brands that advertise on TV	35%	33%
I expect to see vehicle advertising across all TV programming genres	36%	41%

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months Q: Which are true to you (select all that apply)



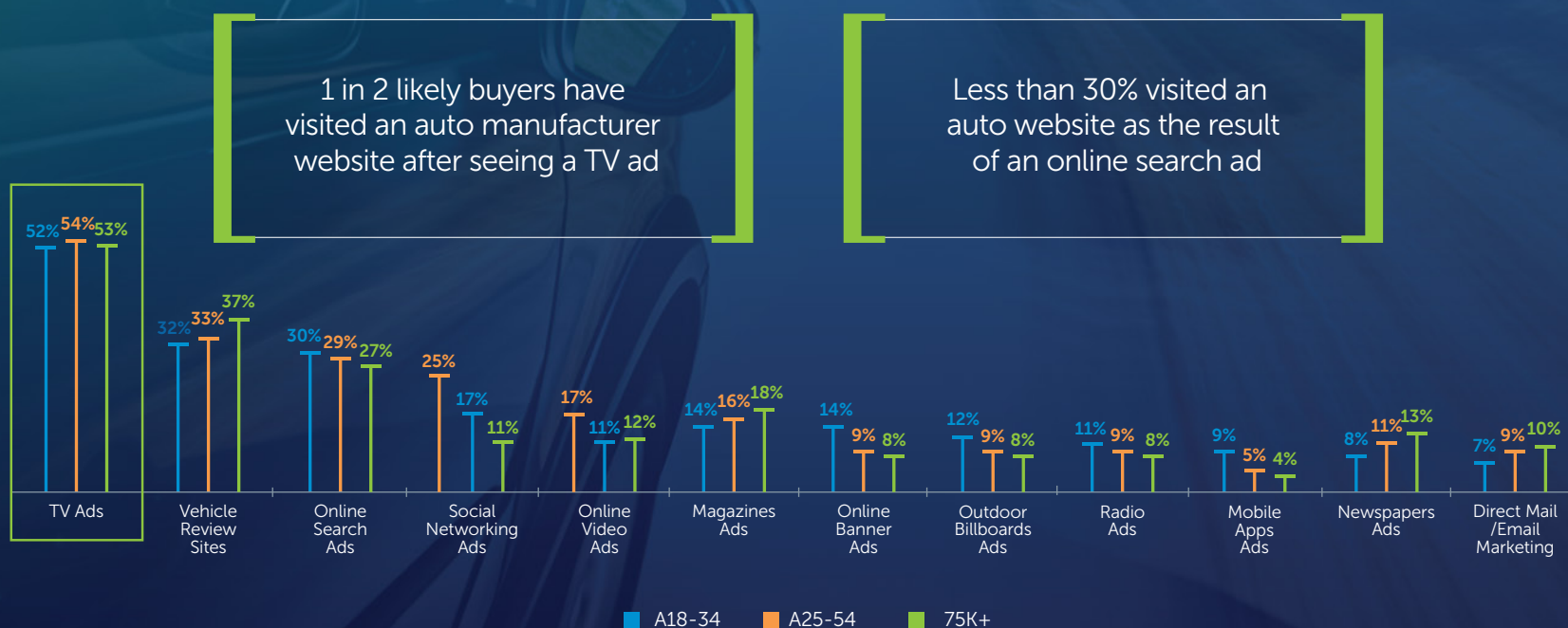
TV AND ONLINE – WORKING IN TANDEM

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TV DRIVES CONSUMERS ONLINE

TV ADS ENCOURAGE CONSUMERS TO INVESTIGATE VEHICLES ONLINE MORE THAN ANY OTHER MEDIUM

Which Of The Following Types Of Vehicle Ads Have Prompted You To Look For More Info On Vehicle's Manufacturer Site?

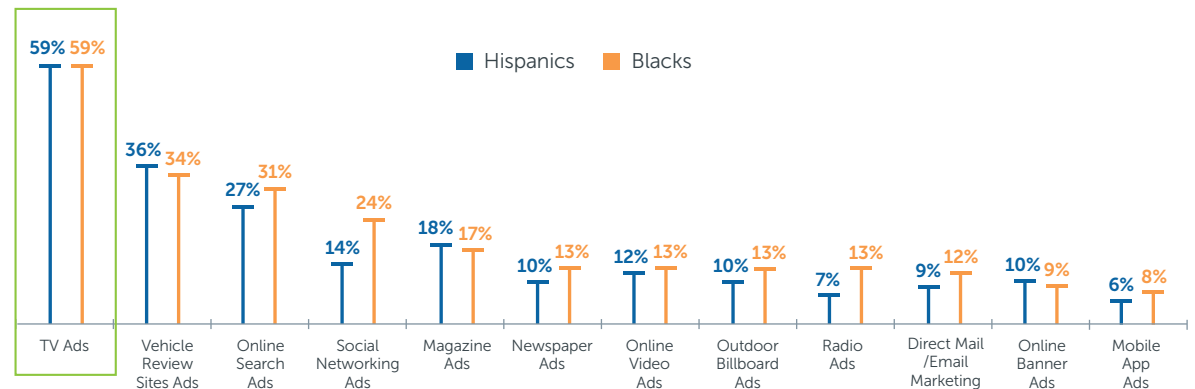


Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following types of vehicle advertisements have prompted you to look for more information on a vehicle manufacturer website? (e.g. www.lexus.com, etc) Select any or all that apply



AMONG BLACKS & HISPANICS, TV HAS AN EVEN GREATER INFLUENCE – ALMOST DOUBLE ANY OTHER MEDIUM

Which Of The Following Types of Vehicle Ads Have Prompted You To Look For More Info On Vehicle’s Manufacturer Site?



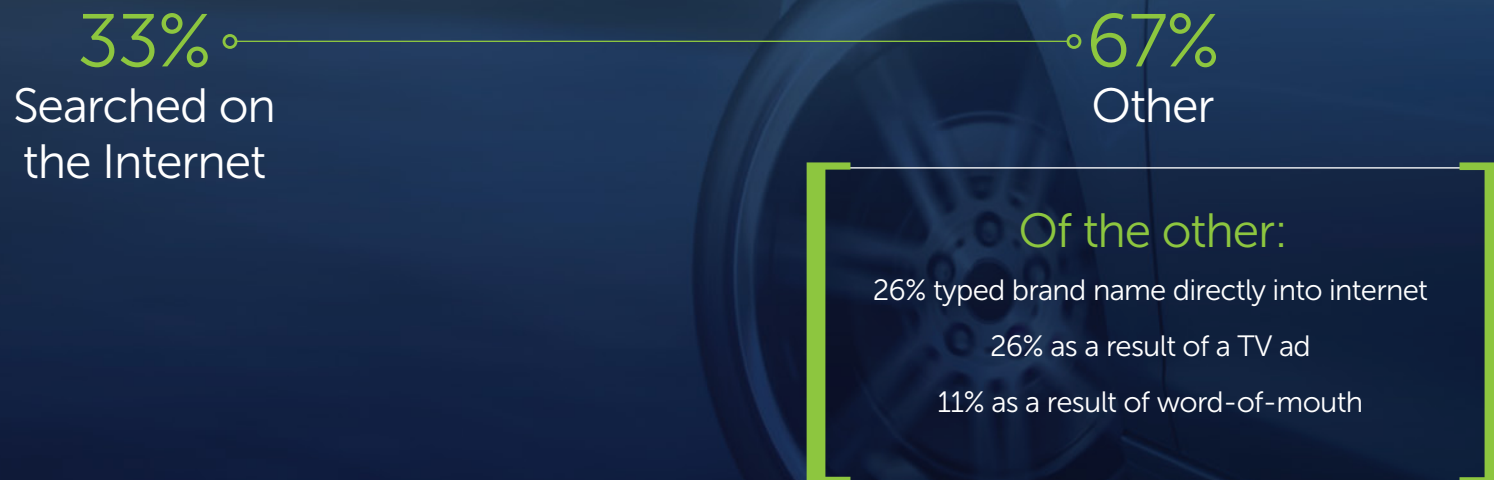
6 out of 10 Blacks and Hispanics have visited a manufacturer website as a result of a TV ad

Online banner ads score the lowest in driving Blacks and Hispanics to auto manufacturer websites

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following types of vehicle advertisements have prompted you to look for more information on a vehicle manufacturer website? (e.g. www.lexus.com, etc) Select any or all that apply

ONLY 3 OUT OF 10 LIKELY BUYERS SEARCHED ONLINE TO OBTAIN THE ADDRESS OF THE AUTO MANUFACTURER WEBSITE THEY VISITED

How did you first learn the URL website address of the auto manufacturer website? (A25-54)



Source: VAB Automotive Likely Buyers Study, November 2016; Base: Visited a vehicle manufacturer website; Q. How did you first learn the URL website address (www.lexus.com) of the automotive manufacturer website (Select one)

BUYERS TAKE ACTION AFTER SEEING AN AUTOMOTIVE AD ON TV

Likely Vehicle Buyers Who Believe the Following Statements Are True For Them

	A18-34	A25-54
A deal I saw on TV about a vehicle prompted me to look up more information online	33%	33%
I looked up information about a vehicle while watching TV	32%	31%
A local dealership ad prompted me to go online for more information	29%	30%

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following statements are true for you? (Select any or all that apply)

IN CONTRAST TO TV, YOUTUBE ADS HAVE A LIMITED EFFECT ON A LIKELY BUYER DURING THEIR VEHICLE DECISION PROCESS

Likely Vehicle Buyers Who Believe the Following Statements Are True For Them

	A18-34	A25-54
I first learned about a vehicle through a YouTube video/channel	18%	13%
YouTube vehicle videos provide all the information I need to make a purchase	15%	15%
I subscribe to a vehicle brand's channel on YouTube	10%	6%

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following statements are true for you? (Select any or all that apply)



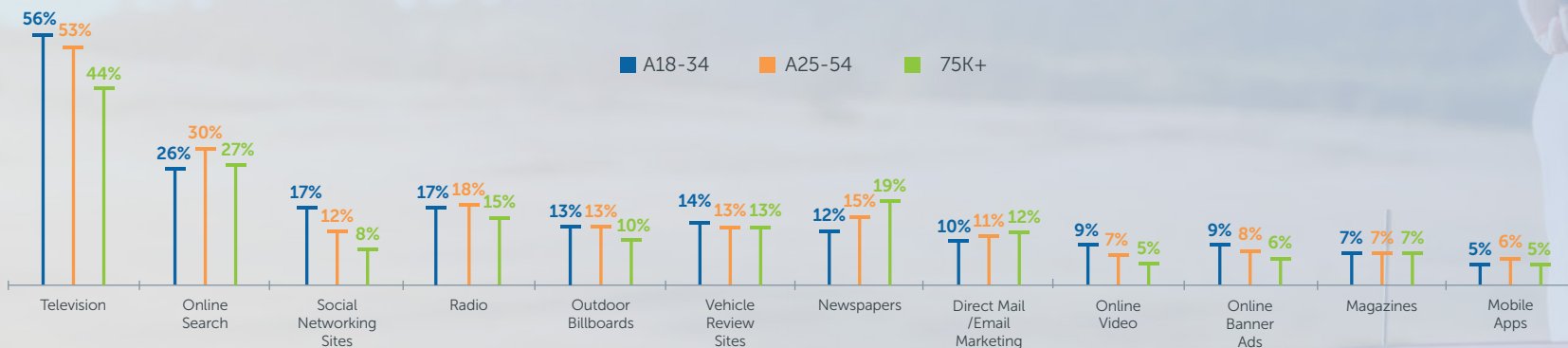
LIKELY BUYERS' SHOPPING EXPERIENCE

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TEST-DRIVING THE VEHICLE

TV ADS MOTIVATE LIKELY BUYERS, DRIVING THEM TO THEIR LOCAL DEALERSHIP – 2X MORE THAN ANY OTHER MEDIUM

Which Of The Following Made You Aware Of Your Local Vehicle Dealerships?



Less than a third of likely buyers found out about their local dealership through online search

Direct mail/email marketing has a nominal effect on informing buyers about their local dealership

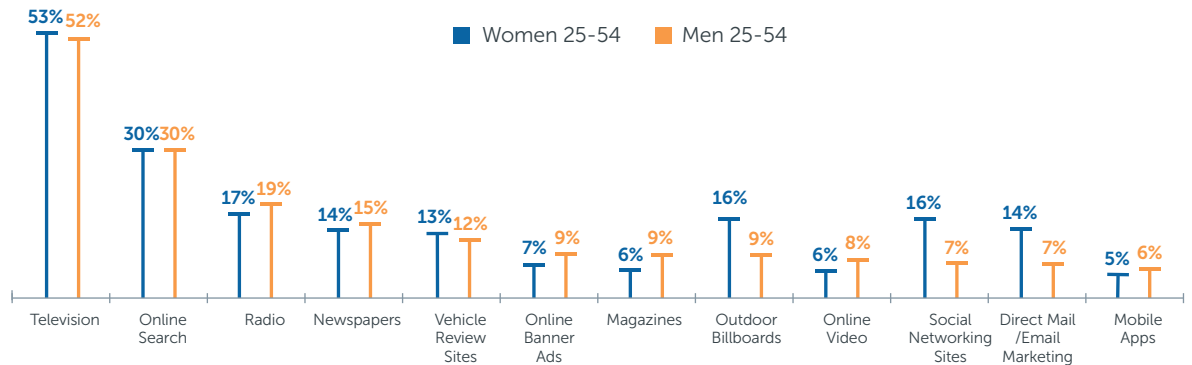
Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following types of vehicle advertisements have prompted you to look for more information on a vehicle manufacturer website? (e.g. www.lexus.com, etc) Select any or all that apply



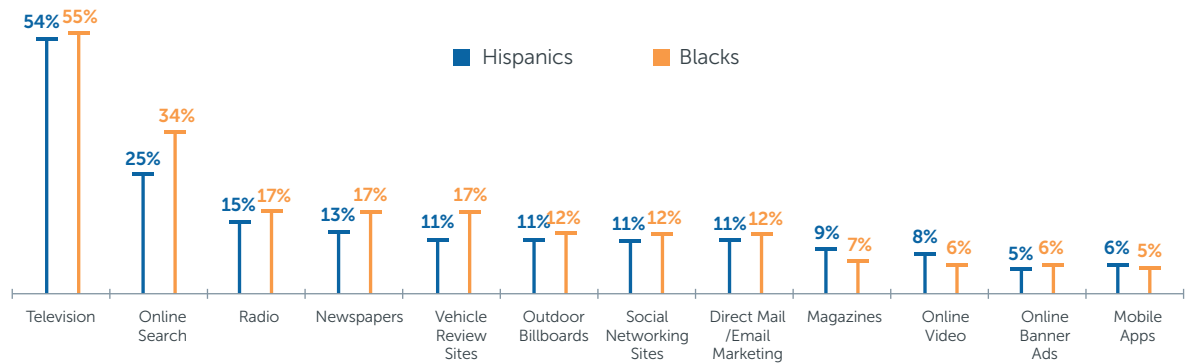
REGARDLESS OF GENDER OR RACE, TV'S ABILITY TO DRIVE LIKELY BUYERS TO THE DEALERSHIP IS UNQUESTIONABLE

Which Of The Following Made You Aware Of Your Local Vehicle Dealerships?

Women rely more on Social Media than Men



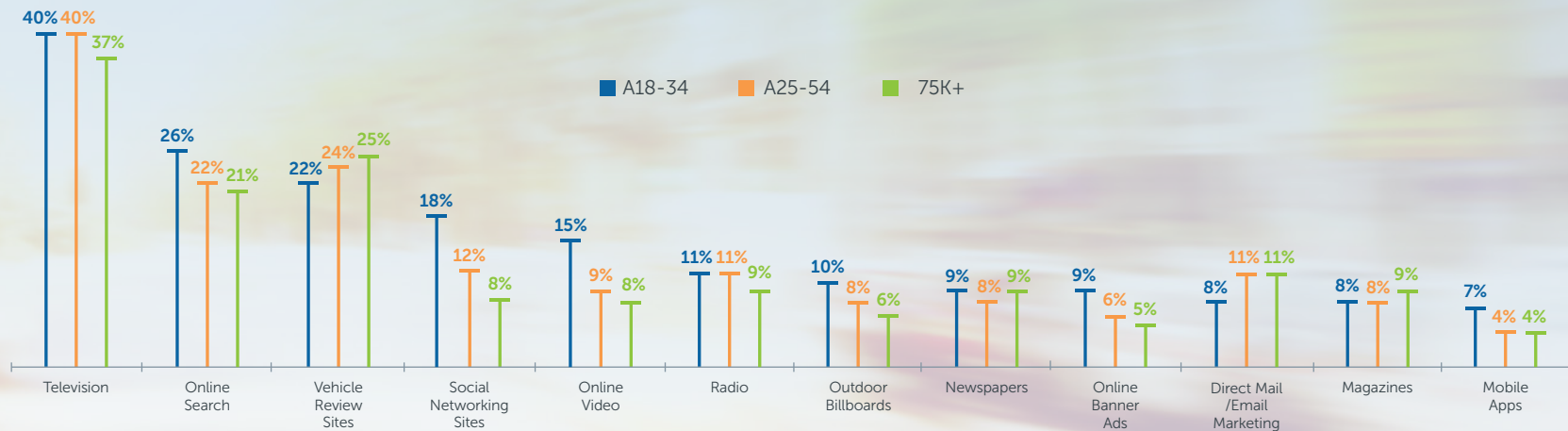
Blacks rely more on online search than Hispanics



Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following made you aware of your local vehicle dealerships? (Select any or all that apply)

CLOSING THE DEAL: TV ADS HAVE A SIGNIFICANT INFLUENCE ON ENCOURAGING LIKELY BUYERS TO TAKE A TEST DRIVE

Which Of The Following Types Of Ads May Have Influenced You To Take A Test Drive At Your Local Vehicle Dealership?



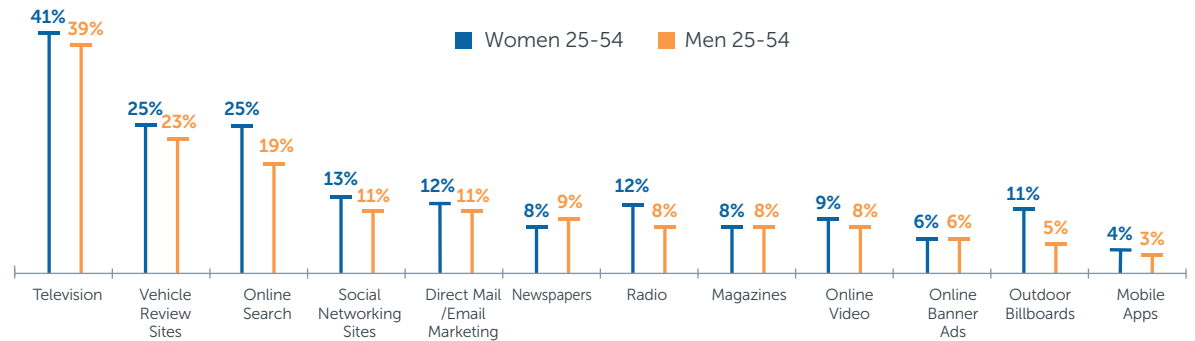
Online search comes in a distant second to TV among all demographic groups

Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following types of ads may have influenced you to take a test drive at your local vehicle dealership? (Select any or all that apply)

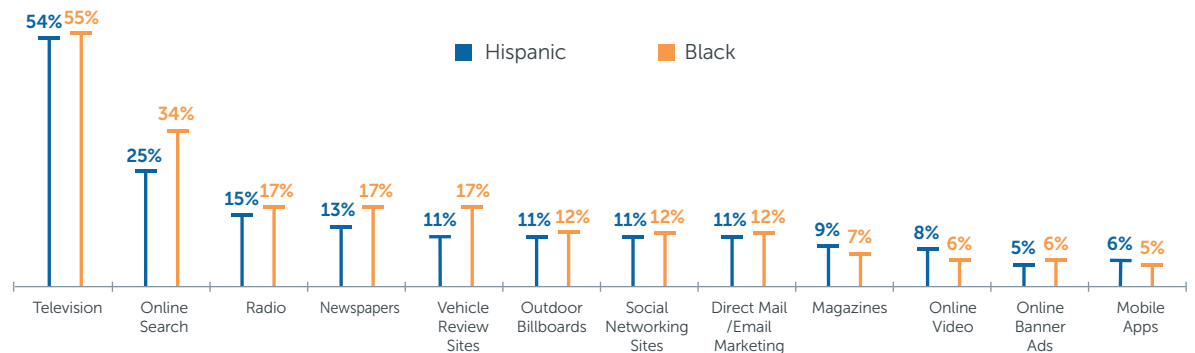
AMONG BLACKS & HISPANICS, TELEVISION HAS THE GREATEST IMPACT ON TEST DRIVES

Which Of The Following Types Of Ads May Have Influenced You To Take A Test Drive At Your Local Vehicle Dealership?

TV is 3X more effective than social media in influencing a test drive



Vehicle Review Sites have little influence on Blacks and Hispanics when it comes to taking a test drive



Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following made you aware of your local vehicle dealerships? (Select any or all that apply)



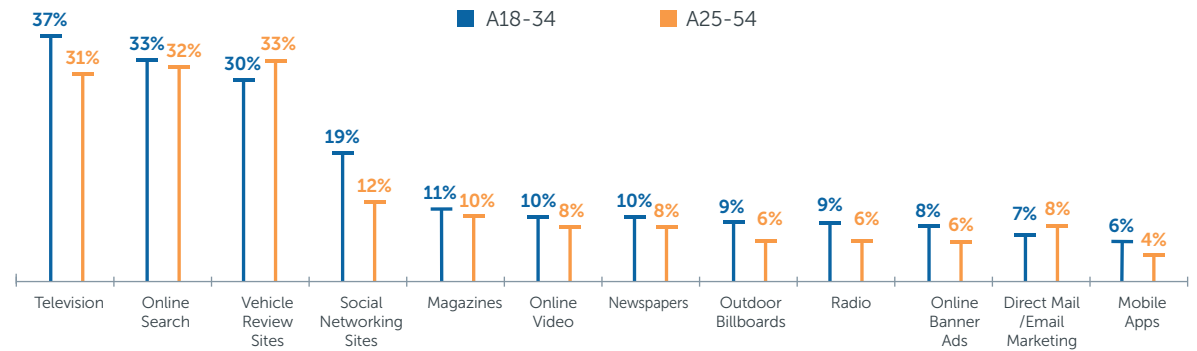
LIKELY BUYERS PURCHASE

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EVALUATING DEALS AND MAKING THE PURCHASE



TELEVISION HAS THE GREATEST INFLUENCE ON THE FINAL VEHICLE PURCHASE DECISION

Which Of The Following Do You Believe Will Help Influence Your Final Choice Of Which Vehicle To Purchase/lease?



Newspapers, Radio, Billboards and Magazines have little influence in a likely buyers purchase decision

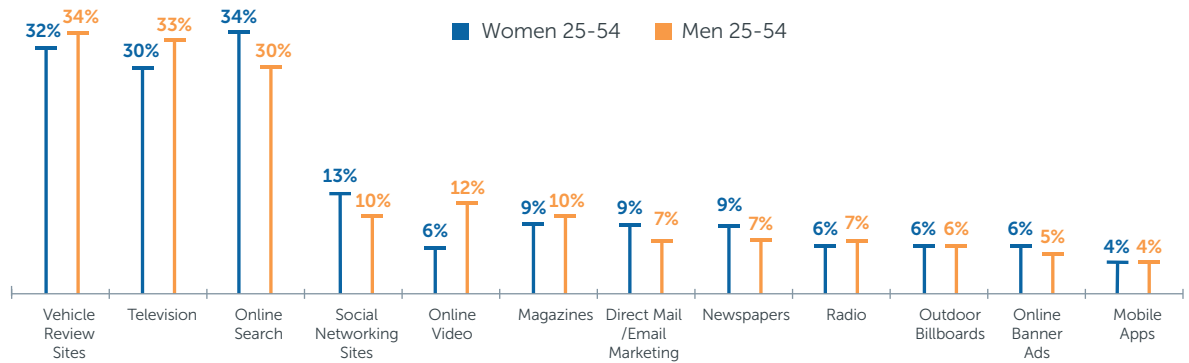
Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following do you believe will help influence your final choice of which vehicle to purchase /lease? (Select any or all that apply)



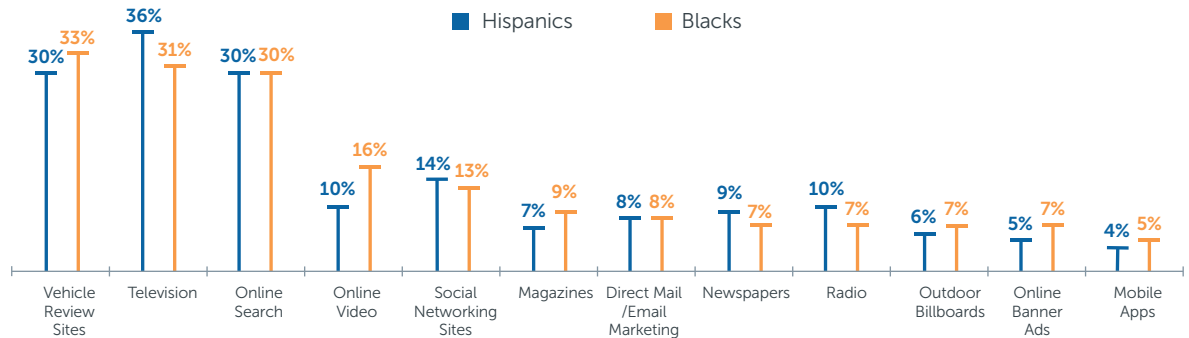
AMONG MEN, WOMEN, BLACKS & HISPANICS, VEHICLE REVIEW SITES & TV HAVE THE STRONGEST INFLUENCE ON THE FINAL DECISION

Which Of The Following Do You Believe Will Help Influence Your Choice Of Which Vehicle To Purchase/lease?

Social Media has little influence in the final purchase decision.



Hispanics rely most upon TV when making their final purchase decision



Source: VAB Automotive Likely Buyers Study, November 2016; Base: Adults 18+ who intend on purchasing/leasing a vehicle in next 6 months; Q. Which of the following do you believe will help influence your final choice of which vehicle to purchase /lease? (Select any or all that apply)

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