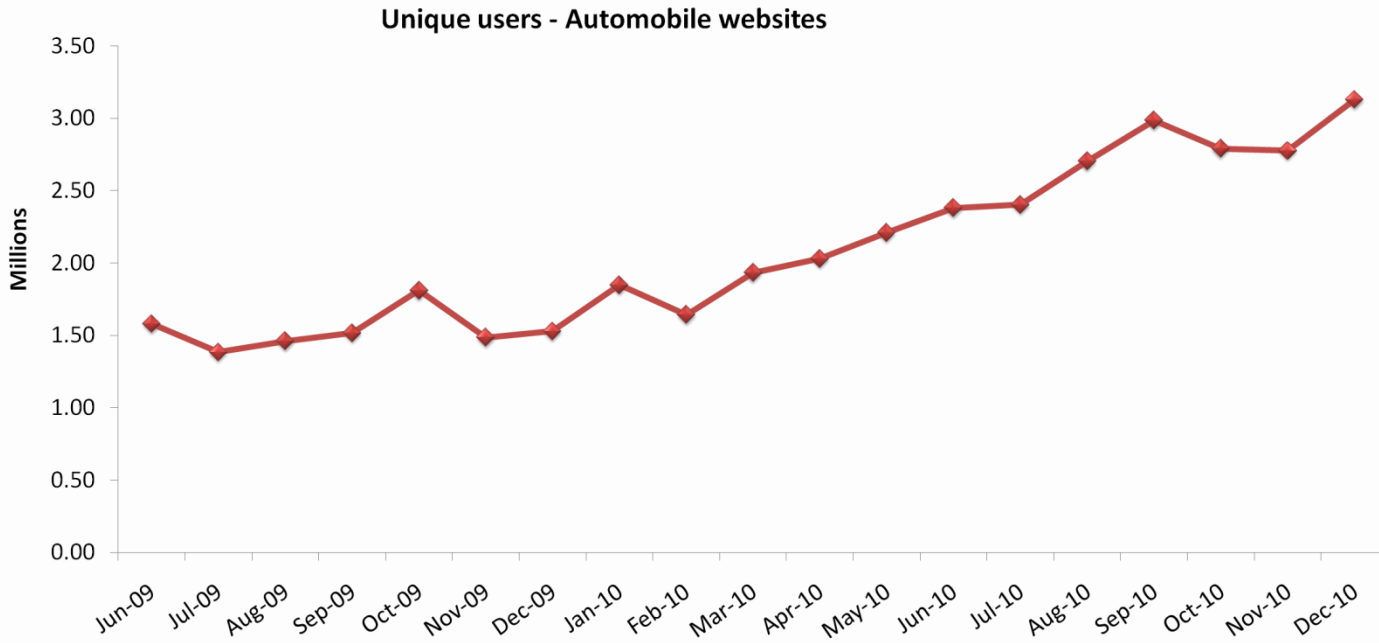


The Virtual World of the car buyer

Revealed: by ViziSense

January 2011

Users on automobile websites in 2010 have grown by almost 50% since last year



Spurt in Aug-Sep'10 indicates the effect of the oncoming festival season of Dusshera, Diwali in addition to depreciation related purchases



Introduction

Automobile websites have seen a growth in traffic of 50% in 2010 while the passenger car industry grew 31%* during the same period.

The Indian car market is witnessing good traction across all segments of cars viz. entry level cars, hatchbacks, sedans, SUVs, etc. Car buyers today seek variety of information before taking decisions. Walk-ins to virtual showrooms are as much as their brick 'n' mortar counterparts which makes it important to understand the behavior of these prospective online car buyers.

The purchase cycle or the time to take a decision to buy a car has also shrunk due to the amount and depth of data (user reviews, expert reviews, technical information, visuals, legacy information, comparisons, etc.) available online.



Introduction

In this report, the ViziSense Research Desk identifies and analyzes the online potential car buyer beyond his search request. Insights around the behavior of this potential car buyer get revealed once the buyer moves on from the search engines to automobile websites and OEM (car manufacturer) websites in the quest for easy, real and detailed information.

Our research reveals that the potential car buyer does a host of activities online:

- Views features for specific car model/s within a segment
- Analyzes models within a segment across parameters (fuel efficiency, price, performance, etc.)
- Compares the above across models/segments
- Seeks first hand information through user/expert reviews (User generated content)
- Seeks test drives (sampling activity)
- Seeks information on finance, insurance, taxes, warranties, etc. (ex-showroom to on-road price)



The online car purchase process

Recognizing the need



Information search



Evaluation of alternatives



Purchase decision

- Search for vehicles on search engines and visit to Automobile websites
- Views features for specific car model/s within a segment
- Analyzes models within a segment across parameters (fuel efficiency, price, performance, etc.)
- Car comparisons within/across segments and seeks first hand information through user/expert reviews (User generated content)
- Registering for *Test drives* on OEM websites, visiting *loans, finance/EMI* pages on Automobile websites



Report based on 'Revealed behavior'

Insights have been derived purely by analyzing the online behavior of potential car buyers captured from select 5000+ 'Active ViziSense panelists' looking for cars online during the period June to December 2010.

Panel Measurement:

- Tracks actual users & measures pre-verified demographics
- Accurate site stats based on actual usage

Publisher Tags:

- Improve accuracy through actual server requests and site usage data
- Gives additional information about international traffic

Advanced Techniques:

- Industry-leading Triangulation methodology that correlates data from panel & tags
- Demographic and usage-based clustering
- Iterative Proportional Fit Algorithm

Vizisense Methodology



Some of the insights drawn by the study

- A huge 33% of all potential online car buyers are interested in cars above Rs 6 lakhs. The share of such cars in the passenger car market is seen at around 25%. This shows affluence of online users and their ability to drive higher purchases of the Rs 6 lakh+ segment of cars.
- Chandigarh, Indore and Coimbatore figure as the key cities beyond the Top 8 Metros which see high interest from potential online car buyers
- First-hand ownership experience related to a new car purchase, dealership and service experience etc., which would be equivalent to word-of-mouth in the offline world, is seen as a huge social influencer for potential online car buyers and is also preferred to 'expert' car reviews
- Within OEMs, the Tata Motors online properties sees the highest interest by potential car buyers



Key components of the report

Contribution of automobile portals and OEM sites to car buying and comparison of the same (in terms of usage)

Share of cars searched (in every segment from entry to premium)

Comparisons across models and segments

Attributes & features most consumed on automobile & OEM sites

Top cities & share of non-metros across segments

Share of interest between 'new' & 'used' cars

Type of reviews read on Auto forums

Way forward...



This report is part of the series of custom studies to demystify trends around online usage and behavior by the research team at ViziSense.

Unlike the usual methods of surveys and multiple-choice answers, these insights are drawn, analyzed and collated from the actual online behavior of a significant sample of select 5000+ online folks (as part of the ViziSense India Panel).

The entire report is available in PDF format. For further details, please contact: Anand Ramaswamy on +91 98206 91487 or anand.ramaswamy@vzisen.com

