

The Consumer Journey: Auto-buyers

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Microsoft

Revisit the Purchase Funnel

The traditional **marketer-centric** purchase funnel, which separates brand from direct response activities:

Awareness

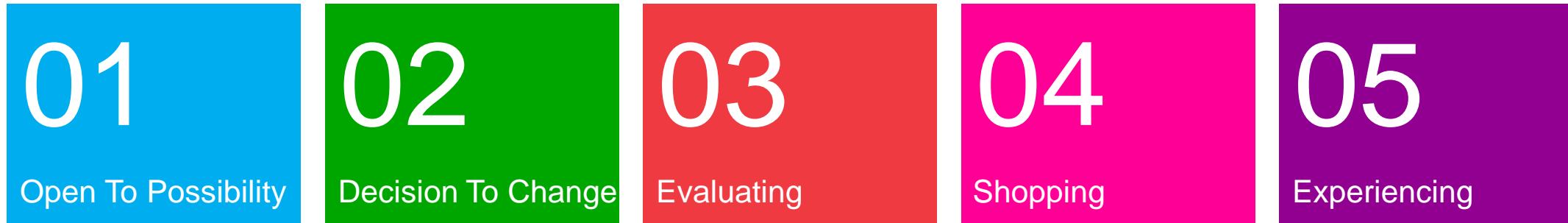
Consideration

Preference

Action

Loyalty

To Uncover a Journey



A consumer-centric decision journey...
...and digital plays a critical role at each stage.

What We Set Out To Do

Microsoft Advertising partnered with Ipsos Media CT and Ipsos OTX to conduct consumer-based research

Focus of the research on cars in the economy sector

The research involved desk research, qualitative and quantitative methodologies

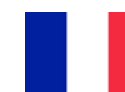
Conducted over a five-month period from February to June 2012

In four different markets: UK, Brazil, US and India

Further quantitative conducted: December 2012 Spain, France,



Ipsos OTX MediaCT

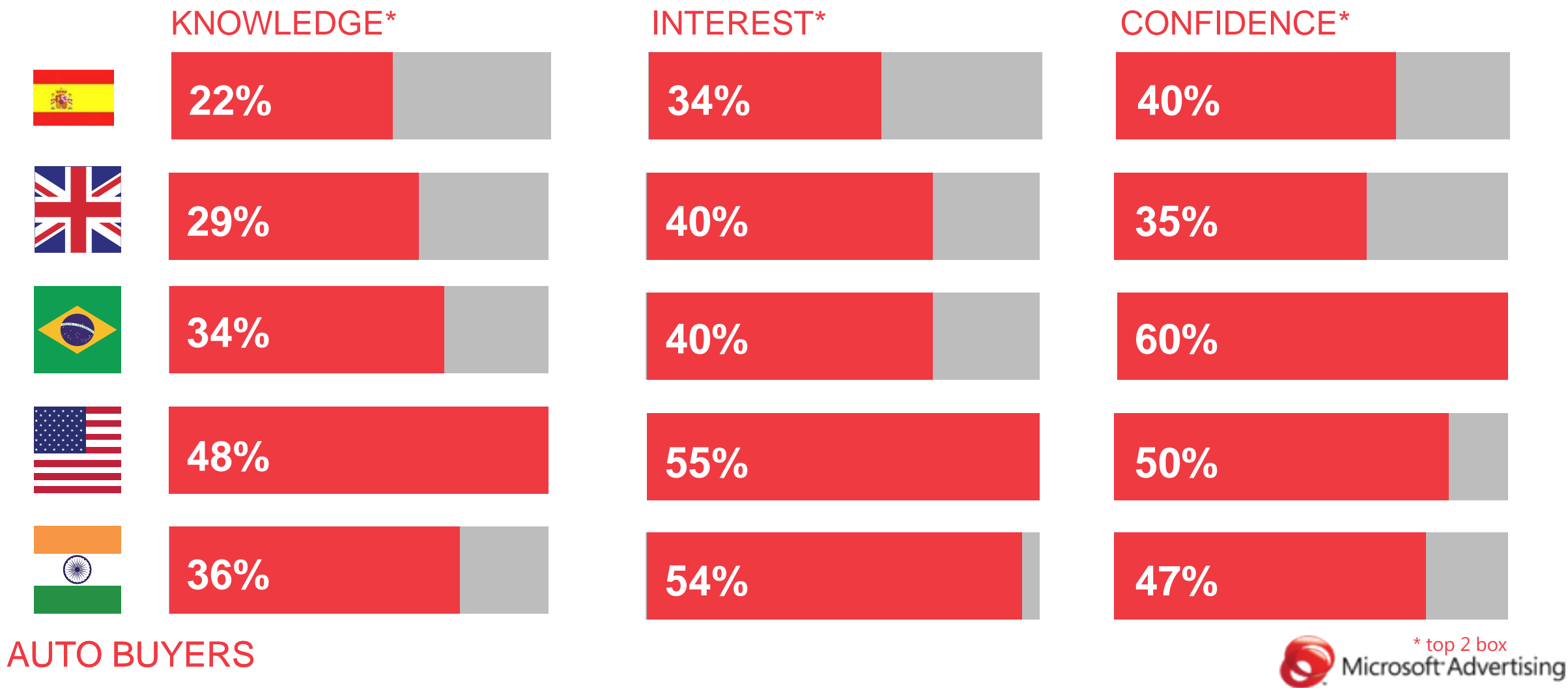


AUTO BUYERS

Introducing The New Consumer Decision Journey

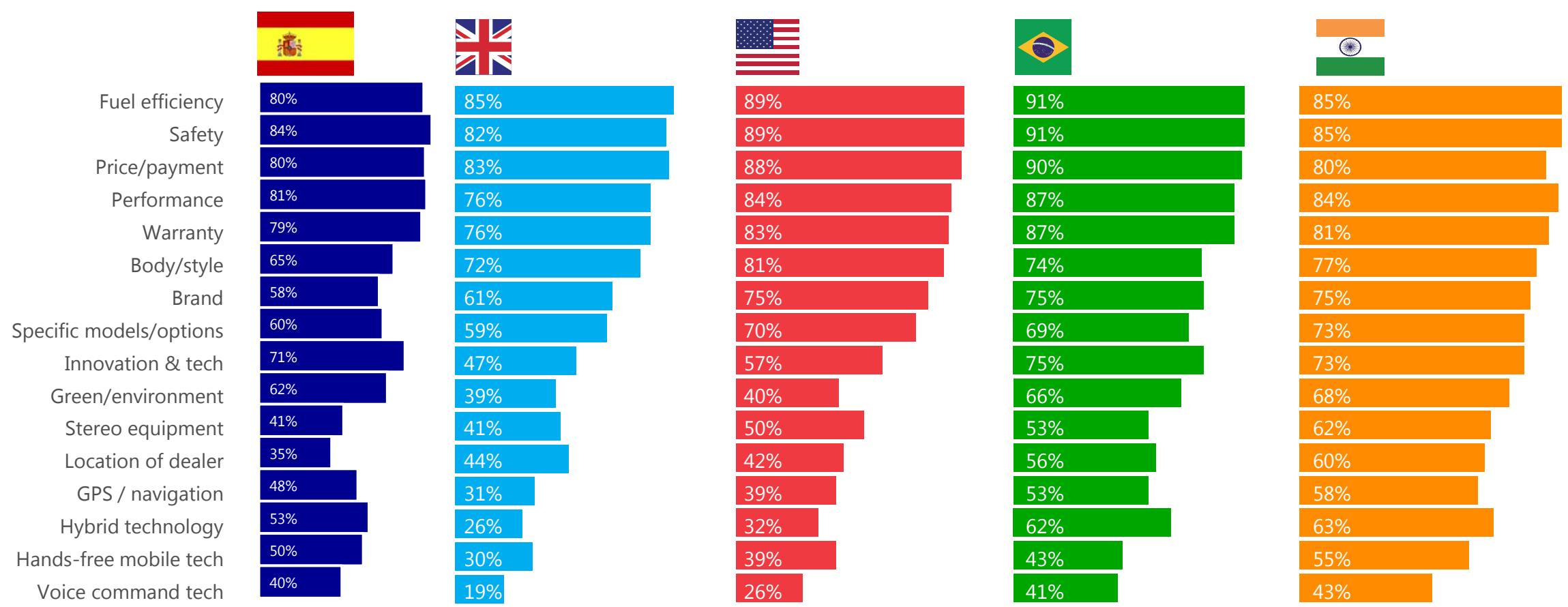
Where They Begin

We asked our consumers how they would rate their levels of knowledge, interest and understanding at the very start of the journey. Here's how they compare:



In Brazil And India, Almost Everything Is Taken Into Consideration

Whereas in Spain, US and the UK, auto-buyers focus on fewer factors:



Av. number of factors considered important **9.9** **8.7** **9.8** **11.1** **11.2**

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A Matter of Three

Consumers describe their cars in three broad themes—often applying more than one theme to the same car

IMAGE

The image the car projects

FEELING

The feeling of driving the car

FUNCTION

What the car does

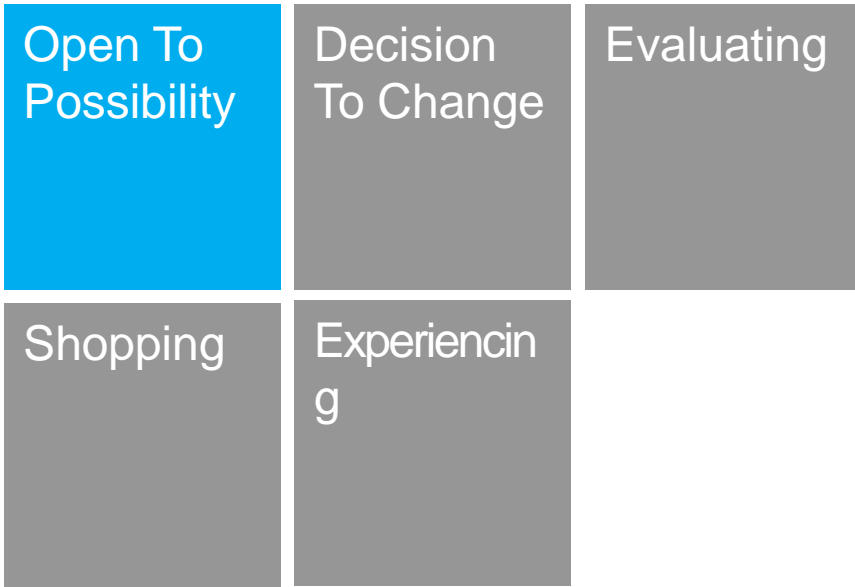


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But It All Boils Down To One Emotion

The right fit for
where you are
now

The Autos Journey



Open To Possibility

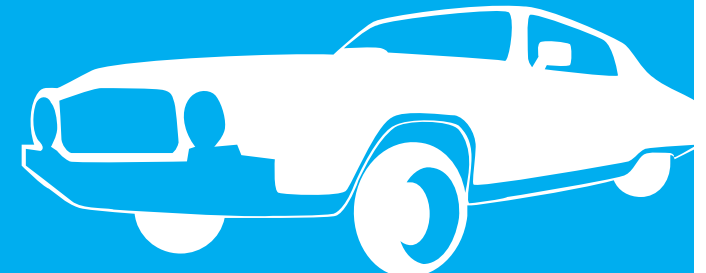
Current state

The baggage you take into the

journey

What drew me to my car? Reputation really, my husband is a great believer in Ford, anyone can fix a Ford! I think in terms of monetary value they are affordable for the family in mind.” Female UK

- You have a subconscious ‘idea’ about cars
- The car your parents drove
- Cars you've owned
- Cars on your street
- Advertising and movies



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The Autos Journey

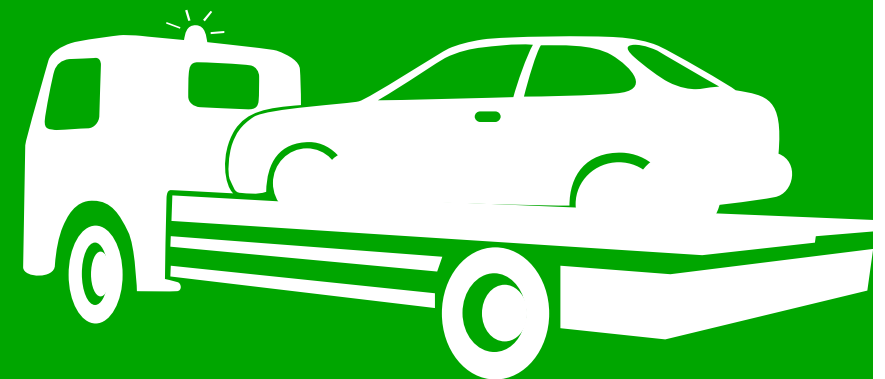


Decision To Change

Motivation

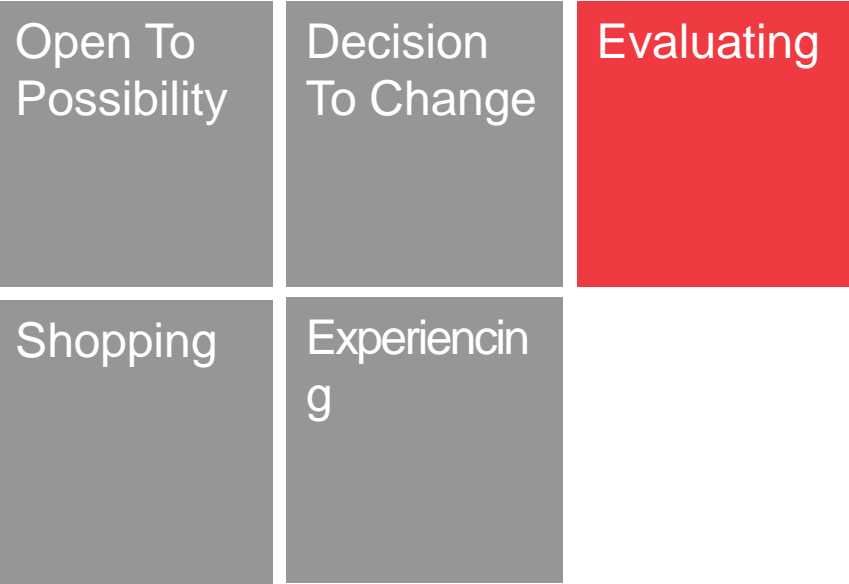
The reason for beginning the journey

- Something triggers a need
- A time for something new
- A life-change
- A strong desire



AUTO BUYERS

The Autos Journey

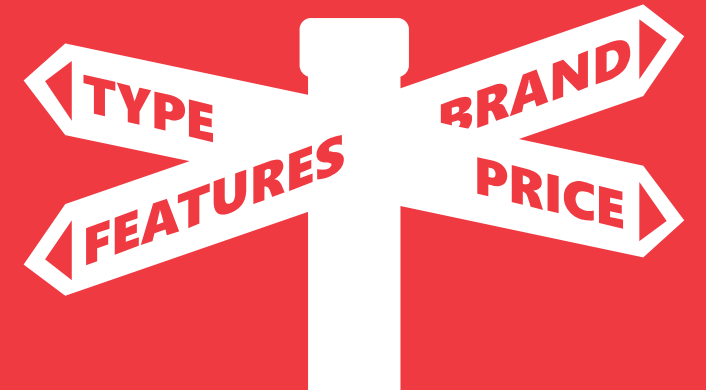


Evaluating

Setting the Scene

How you're going to navigate the journey

- You confirm you're going to buy a new car
- You work out what you want from the car
- How you're going to make the decision
- And establish a base-level of brands or models



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The Autos Journey

Open To Possibility	Decision To Change	Evaluating
Shopping	Experiencing	

Shopping

Initial Investigations

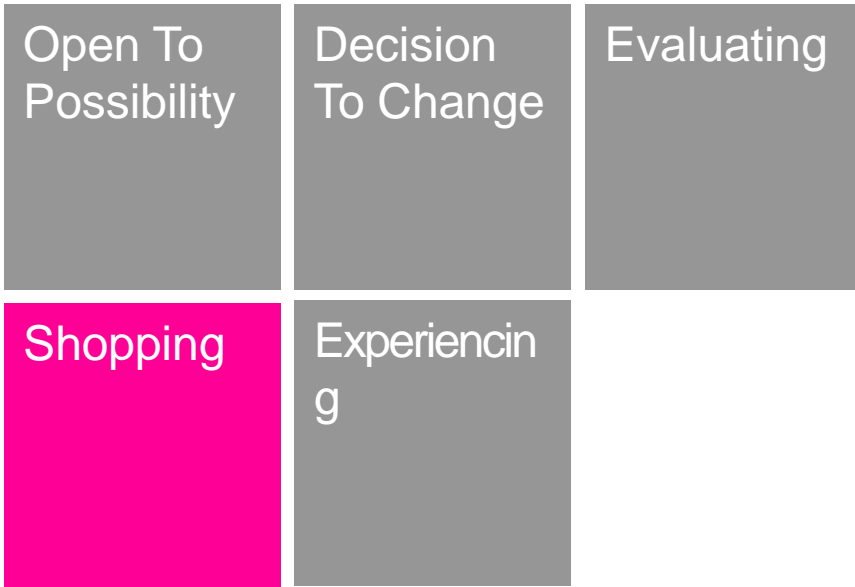
What car to buy?

- You are committed to buying a new car and actively looking into your options
- Experience, friend recommendations, advertising and some light research have helped
- A bit more light exploration and you're down to a smaller set of options
- You compare and contrast, based on detailed specs, reviews, and first-hand experience
- And—for a few—the first-hand experience of a test drive



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The Autos Journey



Shopping

The Car

How are you going to get it?

- You've zeroed-in on 'the one'
- You've narrowed it down to the specs and options
- You might have a plan for negotiating the best deal
- Or want to find the one specific car at exactly the right price



AUTO BUYERS

The Autos Journey



Shopping

The Deal

What's the Best Deal?

- You're going to the dealer to buy a specific car
- You're armed with all the facts you need to get to the best price possible
- And get out of their as fast as you can



AUTO BUYERS

The Autos Journey

Open To Possibility	Decision To Change	Evaluating
Shopping	Experiencing	

Experiencing

Ownership

The reality, the validation, and the on-going journey

- This stage is about the car
- How it performs
- How others react to it
- And you may discover unexpected features—such as integration with your smartphone



AUTO BUYERS

Open To
Possibility

Current State

Decision To
Change

Motivation

Evaluating

Boundary
Setting

Shopping

Initial
Investigations
The Car
The Deal

Experiencing

Ownership



Microsoft Advertising

The Dynamic Range

Microsoft



Where Am I Now?

Clarity
"I'm clear about my motivations and what I need to do."

Confusion
"I'm confused about what I want and unsure about how to progress."



What Car Will Fit Me Best?

Confidence
"I understand my options – where to go to for advice and a good deal."

Uncertainty
"I don't know where to turn for advice, who to trust and what I might end up with."



AUTO BUYERS

OPEN TO
POSSIBILITY

Current state

DECISION TO
CHANGE

Motivation

EVALUATING

Setting The Scene

SHOPPING

Initial Investigations

The Car,

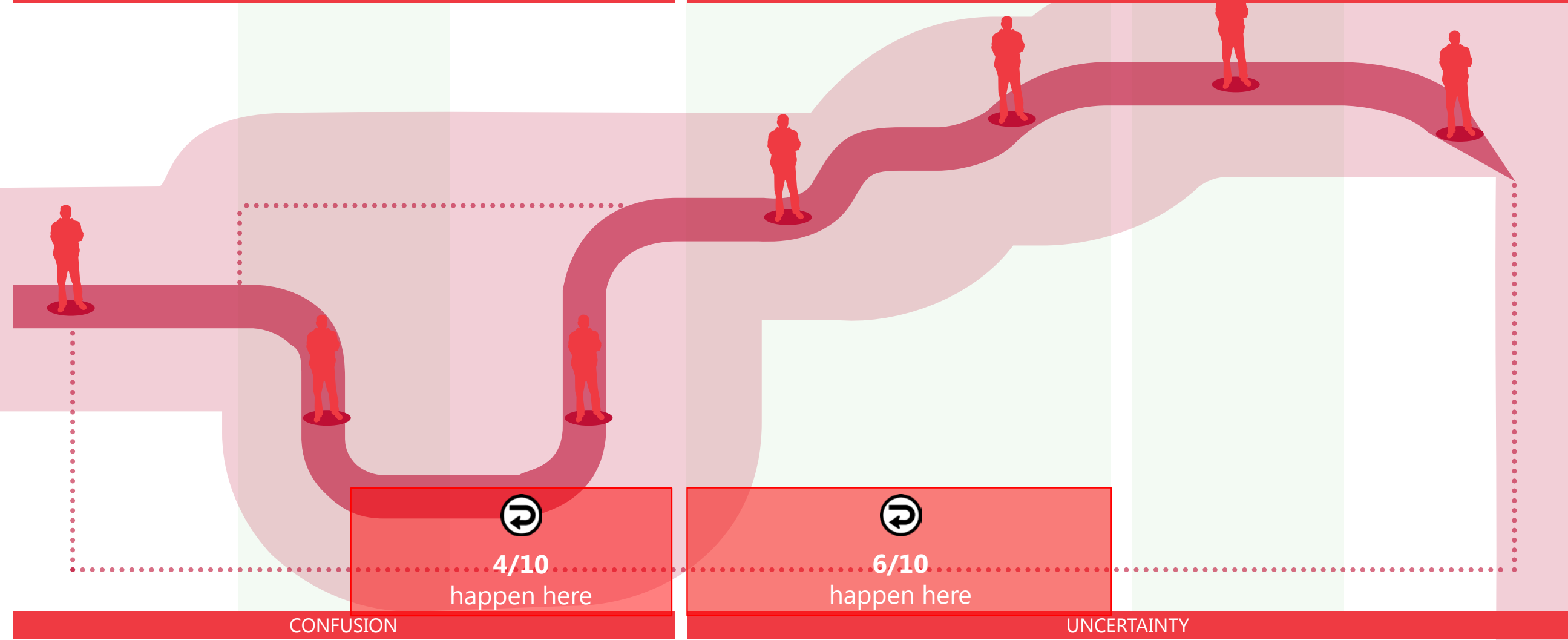
The Deal

EXPERIENCING

Ownership

CLARITY

CONFIDENCE



CONFUSION

UNCERTAINTY

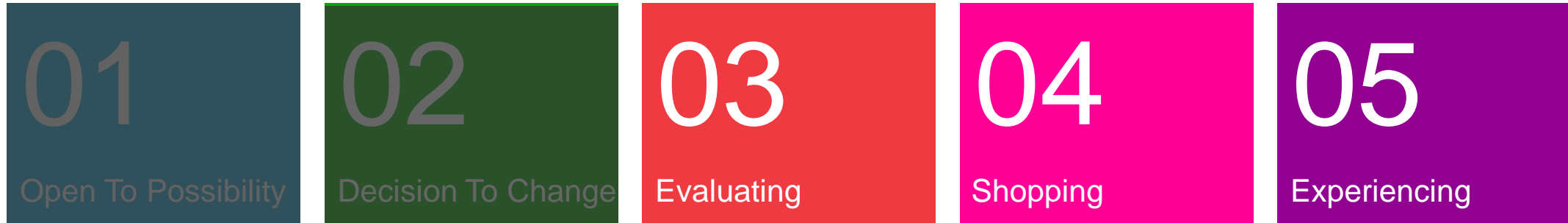
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The Ecosystem Of Influence- Spain



Ready, Set, Drive...

The first couple of steps are ongoing and unique to each consumer



Evaluating: Setting The Scene

How you will navigate the journey

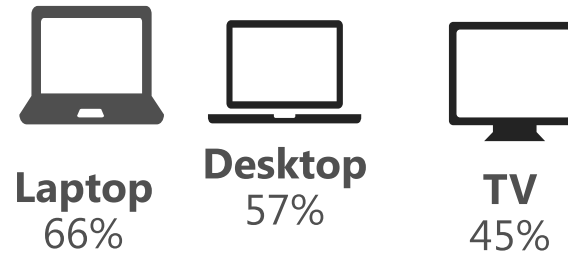
- 01 OPEN TO POSSIBILITY
- 02 DECISION TO CHANGE
- 03 EVALUATING
- 04 SHOPPING
- 05 EXPERIENCING

Time into Path: 5.3 months
Brands Considered: 2.4
Models: 3.4

Emotions:



Devices:



AUTO BUYERS

Evaluating: Setting The Scene

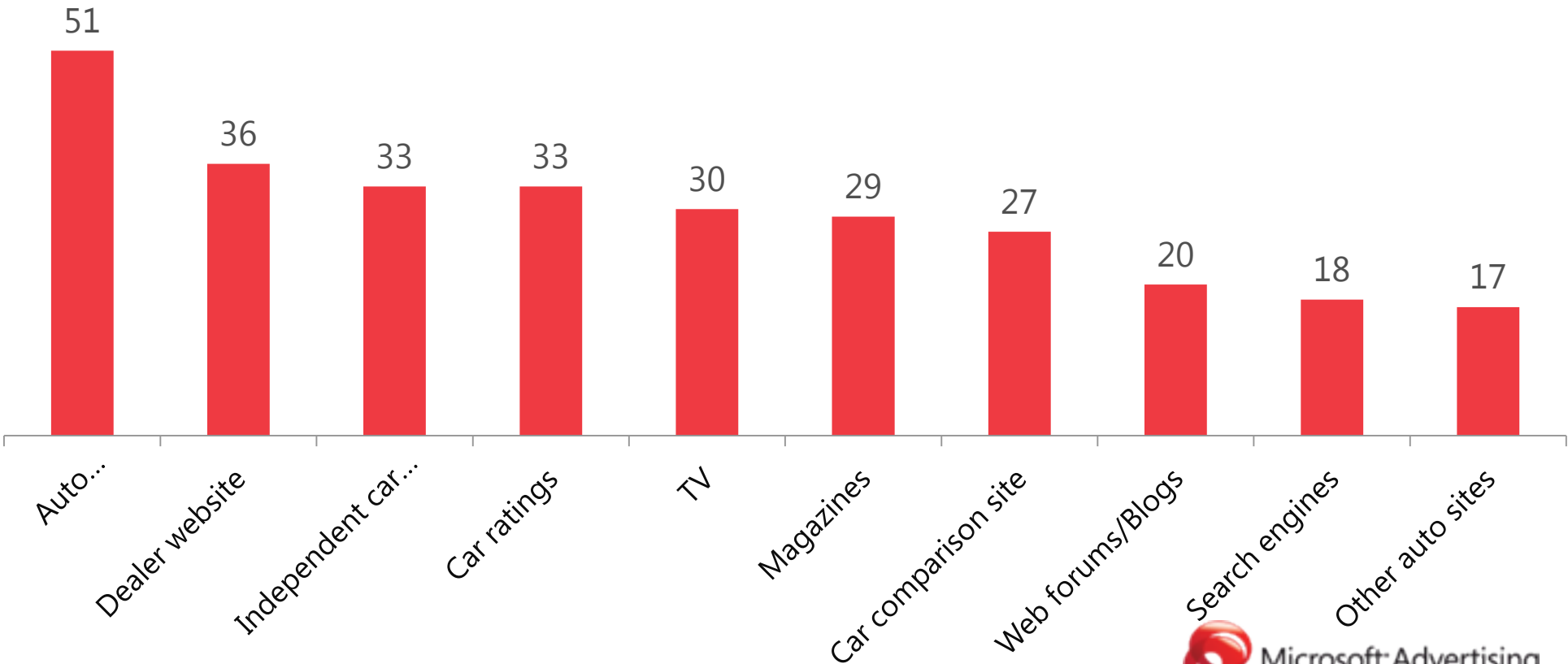
How you will navigate the journey

- 01 OPEN TO POSSIBILITY
- 02 DECISION TO CHANGE
- 03 EVALUATING
- 04 SHOPPING
- 05 EXPERIENCING

People/Places:



Media:



AUTO BUYERS

Evaluating: Setting The Scene

How you will navigate the journey

01 OPEN TO
POSSIBILITY

02 DECISION
TO
CHANGE

03
EVALUATING

04 SHOPPING

05 EXPERIENCING

NEEDS

Ideas.....what's out there
and what's going to work
for me?

OPPORTUNITIES

- Portable lifestyle-related autos content:
"most fuel efficient small hatchbacks"
- Video: engaging them with sight, sound and motion
- Early "fit" and "experience" comparisons

AUTO BUYERS

Shopping: Initial Investigations

The Fog of Consideration: which cars might fit me and which car should I buy

Image

Feeling

Function

- 01 OPEN TO POSSIBILITY
- 02 DECISION TO CHANGE EVALUATING
- 03
- 04 SHOPPING
- 05 EXPERIENCING

Partner

69%

Seeing cars in street
43%

Traveling
37%

Workplace
35%

Time into Path: 5.5 months
Brands Considered: 2.7
Models: 3.9



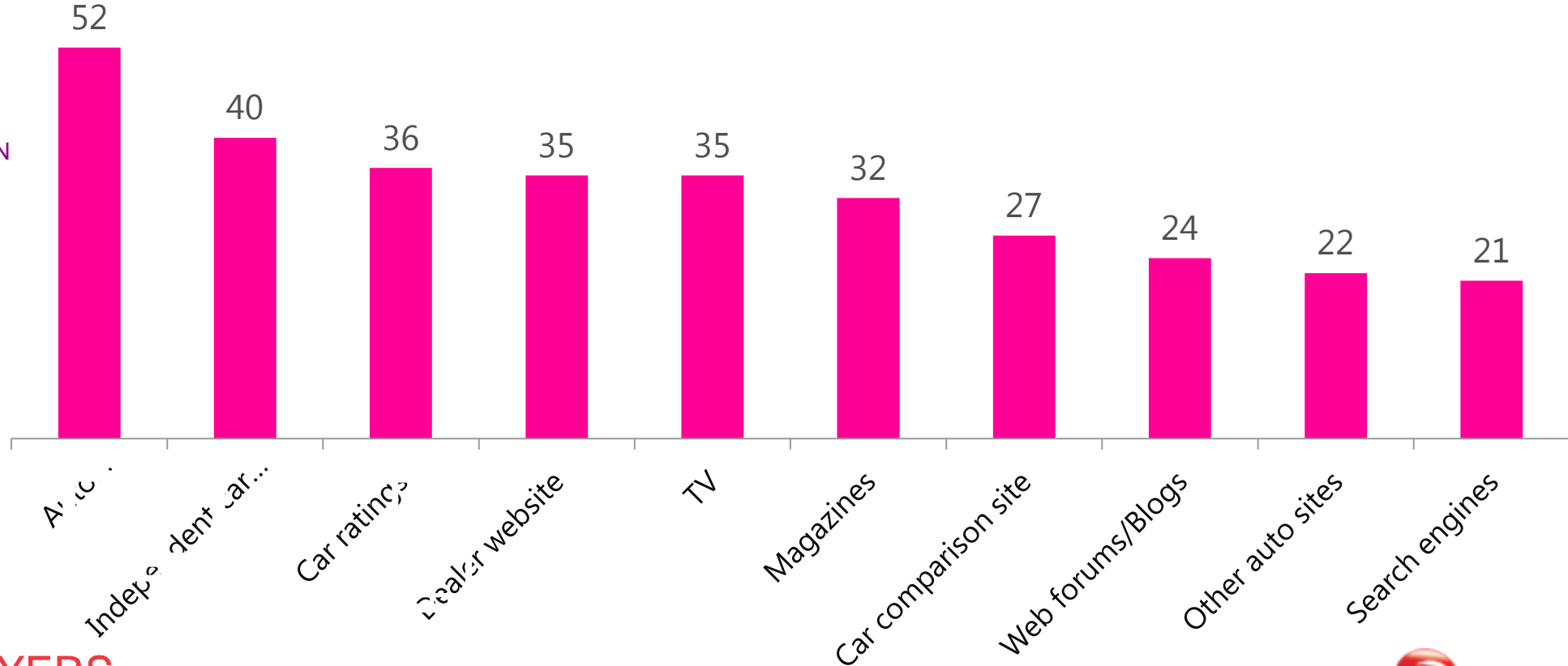
Laptop
67%



Desktop
56%



Smartphone
31%



AUTO BUYERS

Shopping: Initial Investigations

Needs & opportunities to shed light on the Fog of Consideration



NEEDS

- Elimination tools
- Prominently placed for clearer delineation of the two behaviors
- Gain more confidence as detailed research begins

OPPORTUNITIES

- Virtual test drives, video and 360 degree views in prominent places
- Comparison that gets local: Prominently connect “fit” and “experience” elements to local dealers, influencing later stages
- Focus on communication – consumer reviews approved by inner circle

Shopping: The Car, The Deal

You know what you want—plan how to get it efficiently

Image

Feeling

Function

- 01 OPEN TO POSSIBILITY
- 02 DECISION TO CHANGE EVALUATING
- 03

04 SHOPPING

- 05 EXPERIENCING

Partner

54%

Traveling
32%

Workplace
27%

Seeing cars in
street/Outdoor
recreation

23%

Time into Path: 6.6 months
Brands Considered: 1
Models: 1



Laptop
54%



Desktop
47%



Smartphone
44%



Tablet
23%



Microsoft Advertising
Games console

30

28

23

23

20

20

20

16

16

16

Car comparison site
Auto manufacturer website

Car ratings

Dealer website

TV

Search engines

Independent e-tailer site

Independent Car Valuation Site

Magazines

Social Networks

AUTO BUYERS

Shopping: The Car, The Deal

You know what you want—plan how to get it efficiently

- 01 OPEN TO POSSIBILITY
- 02 DECISION TO CHANGE EVALUATING
- 03
- 04 SHOPPING
- 05 EXPERIENCING

NEEDS

A decision to but is made but there tends to come a pause to reflect & double-check that what you are doing is the right thing

OPPORTUNITIES

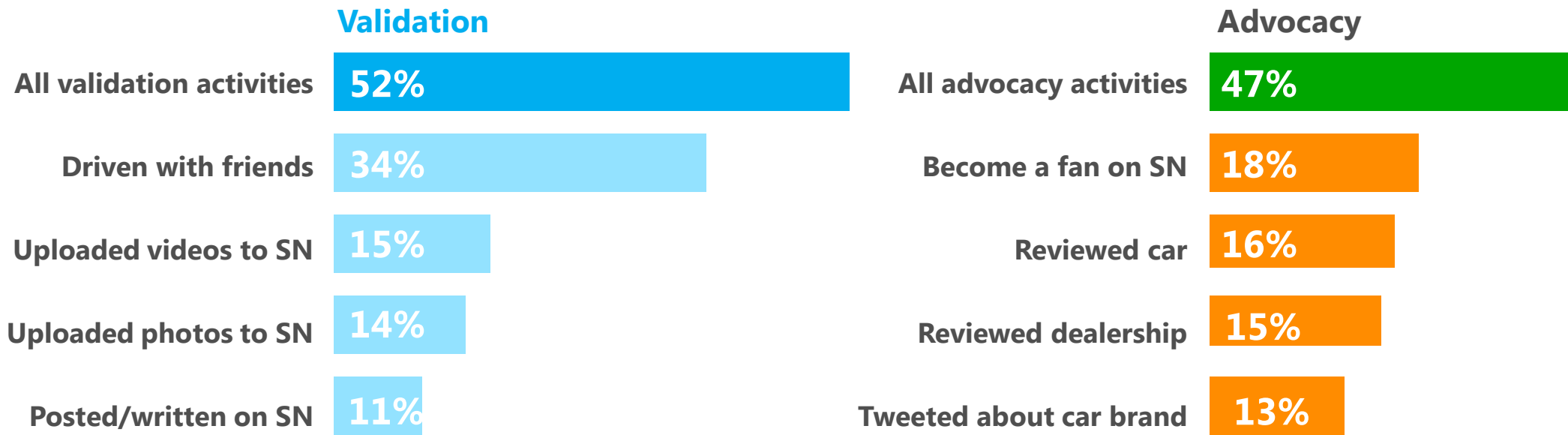
- Lending Tree for cars/sharing data with dealers to reach out with deals
- Location-based links to dealers, combined with easy lifestyle data-sharing
- Local reviews of dealers
- Price comparisons and deal location via smartphone barcode scan

AUTO BUYERS

Experiencing: Ownership

In Spain, validation is more likely than advocacy

- 01 OPEN TO POSSIBILITY
- 02 DECISION TO CHANGE
- 03 EVALUATING
- 04 SHOPPING



More people show off their car than become advocates for the brand—and one in five have connected their smartphone up to the car’s entertainment or communication systems within three months of purchasing the car.

Experiencing: Ownership

The reality, the ongoing journey?

Image

Feeling

Function

01 OPEN TO
POSSIBILITIES

02 DECISION
TO CHANGE

03 EVALUATING

04 SHOPPING

05

EXPERIENCING

Partner

55%

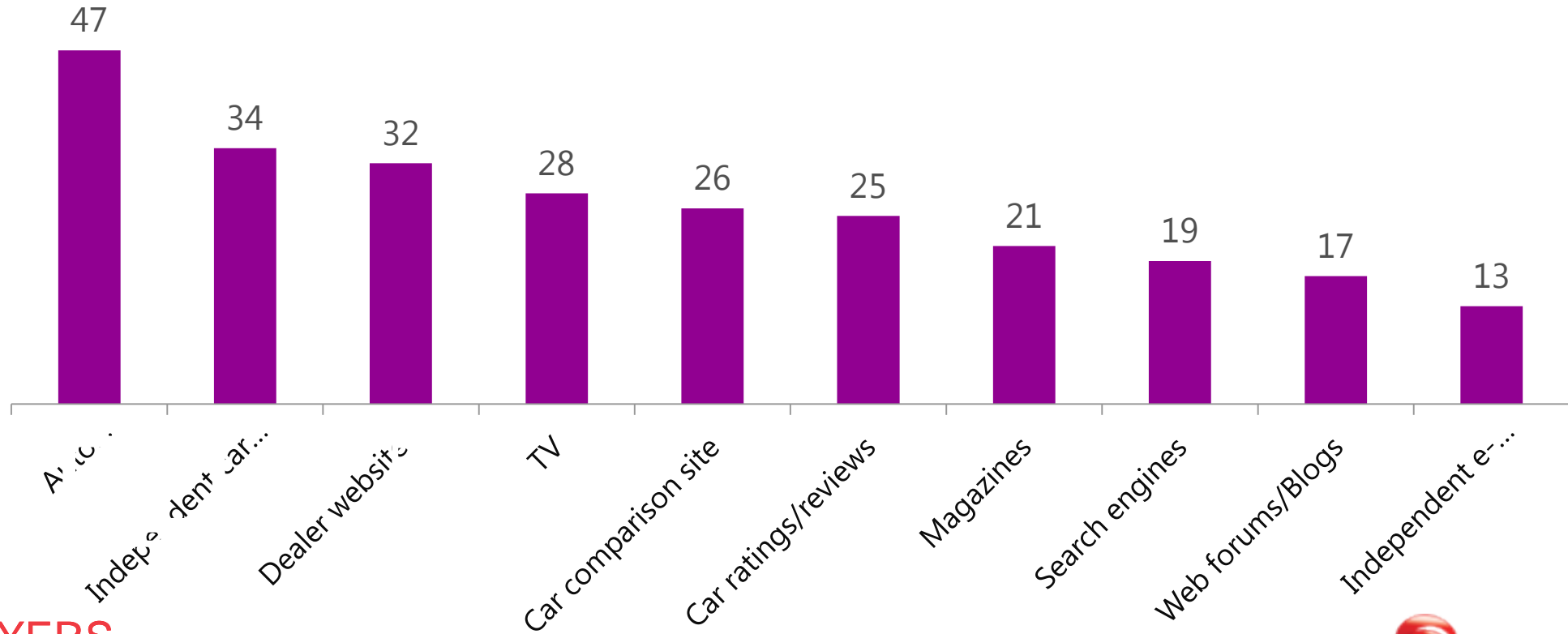
Workplace

43%

Traveling
41%

Seeing cars
in the
street
35%

Time into Path: 6.6 + months



Laptop
57%



Desktop
51%



Smartphone
47%



TV
28%

AUTO BUYERS

Experiencing: Ownership

The Reality, the ongoing journey

01

OPEN TO
POSSIBILITIES

02

DECISION
TO
CHANGE

03

EVALUATING

04

SHOPPING

05

EXPERIENCING

NEEDS

Ideas.....what's out there and what's going to work for me? They need to color in their store of knowledge to help them get some grasp on what's there.

OPPORTUNITIES

- Portable lifestyle-related autos content:
"most fuel efficient small hatchbacks"
- Video: help auto-buyers experience the car, engaging them with sight, sound and motion
- Video from experts to build confidence that consumer opinions alone cannot provide
- Early "fit" and "experience" comparison: more general, "softer" version of an Eliminate opportunity

AUTO BUYERS

Future Needs

- 59% - a website where you can enter your specific requirements and local dealers 'compete' to get you the deal you want
- 51% - Create car price comparisons via scanning barcodes while at the dealership to locate the best deals in a given area
- 49% - Share personal data with local dealers about what cars or specifications interest you so they can reach out with unique offers
- 49% - Online virtual test drives and 360o interior and exterior views of the cars you want to drive, so you can get a real feel for the cars you are interested in
- 46%- Being able to get cars delivered to your home or work for a test drive or purchase
- 43%- Create a personalized market for cars with several brands available at a single destination
- 32% - Using a games console to 'test drive' a car at home and to take a full look around it, both inside and out
- 31% - Purchasing a car directly online without dealer involvement

Key Opportunities

1) Understand the **emotional** or **functional** needs of consumers at each stage in the journey in order to inform creative

- Before models and specs, leverage aggregated lifestyle content such as “Top Ten Family Cars” or “Best City Vehicles” on MSN Autos to help consumers establish their unique “Worldview”

2) Encourage **dealership involvement** - create location-aware mobile messages that get consumers into the dealership

3) Bring the **test drive experience to life** before the dealership through rich media, video and interactive games.

- 32% of Spanish consumers said they would be interested in experiencing a test drive through a gaming environment.

4) Deliver a seamless **connection** between **auto decision-making** and **finance**

5) Help consumers avoid “switchbacks” by providing and storing a combination of **authoritative content, expert reviews, consumer opinions** and **local dealer information across multiple devices**.

6) **Make advocacy easy** – help consumers’ validate their decision through rich post-purchase campaigns that enable consumers to get mobile alerts, store important information and join like-minded communities where they can become brand advocates.

AUTO BUYERS

Thank You