



Ipsos Automotive Center of Excellence

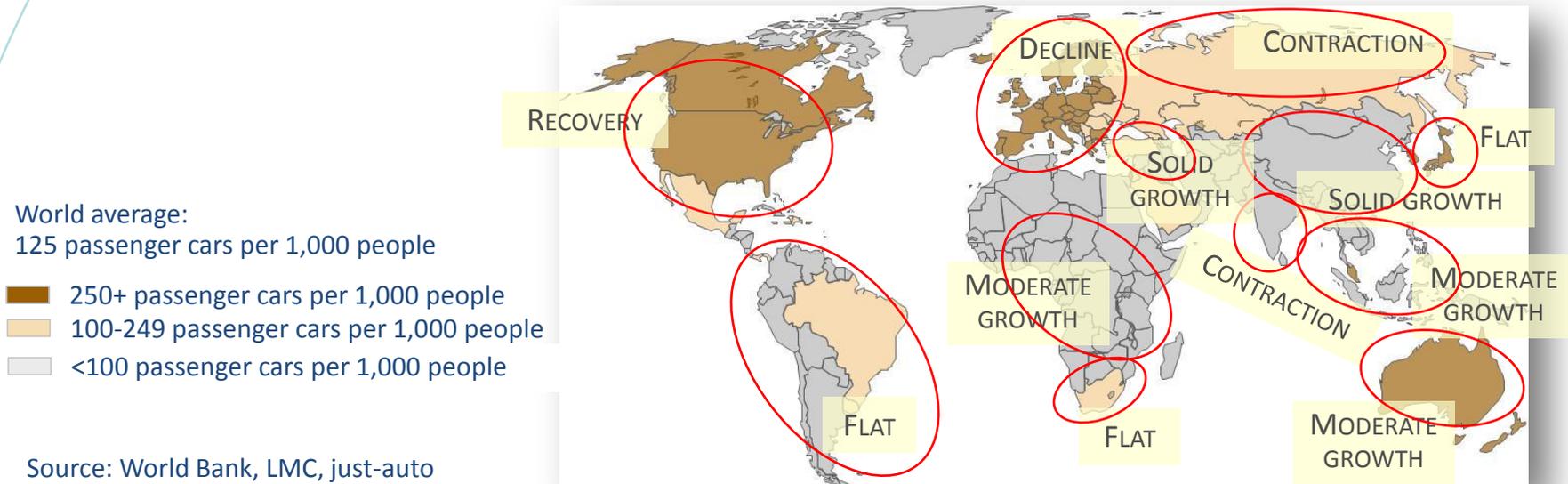
- Actionable insights for the global motor industry -

2014



Global automotive markets at a glance

Currently an estimated 1 billion light vehicles are circulating globally, production volume forecast for 2013 is >83 million units. While globally the sector is slightly growing, the speed of market development in the main regions shows different dynamics:



A shift in needs assessment and expectations towards vehicles in all markets!

In essence, consumers become increasingly critical towards the value proposition of cars, and expect better offerings to match their individual needs

Underlying global changes affecting the auto industry

Structural

URBANIZATION

Social

GENERATION SHIFT

Economic

NOTION OF PROSPERITY

Environmental

ECO-SENSITIVITY

Technological

DIGITAL

Change of needs, behaviours

Evolving attitudes and expectations towards cars
The car as integral part of modern life

TRANSPORTATION

COMMUNICATION

INFOTAINMENT

HOW TO REMAIN RELEVANT AND BETTER ENGAGE WITH CONSUMERS?

- Product offer (vehicle type, -size, technology, on-board functionality, etc.)
- Brand perception

The new mobility- 'usage' vs. 'ownership'

THE CONCEPT OF CAR IS CHANGING

MOBILITY CONCEPTS

CAR SHARING

DRIVERLESS CAR

NEW PLAYERS

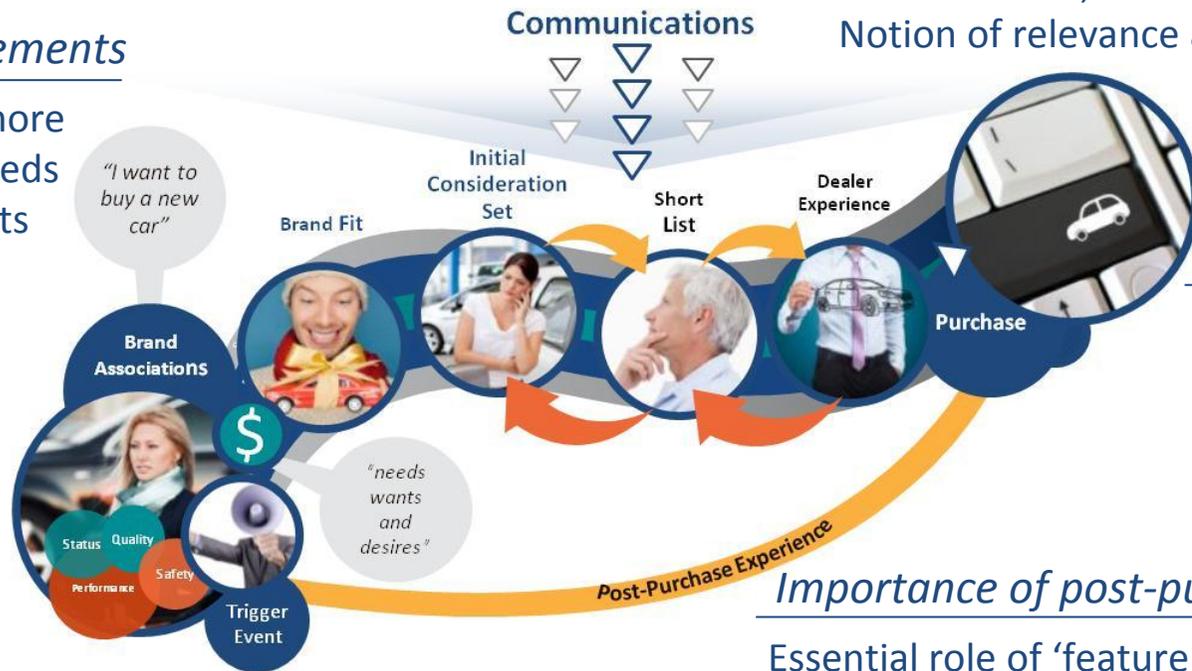
ETC.

Consumers demand accompany throughout their journey

The intensified competitive landscape, demand sophistication, and technological developments has transformed the simplified 'marketing funnel theory' into the concept of a 'consumer journey'.

Shift of requirements

Appearance of more individualistic needs and 'micro-targets'



Evolution of communication

New channels; micro-targeting
Notion of relevance and benefit

Transformation of POS

Role of digital
Relationship dealer-/customer

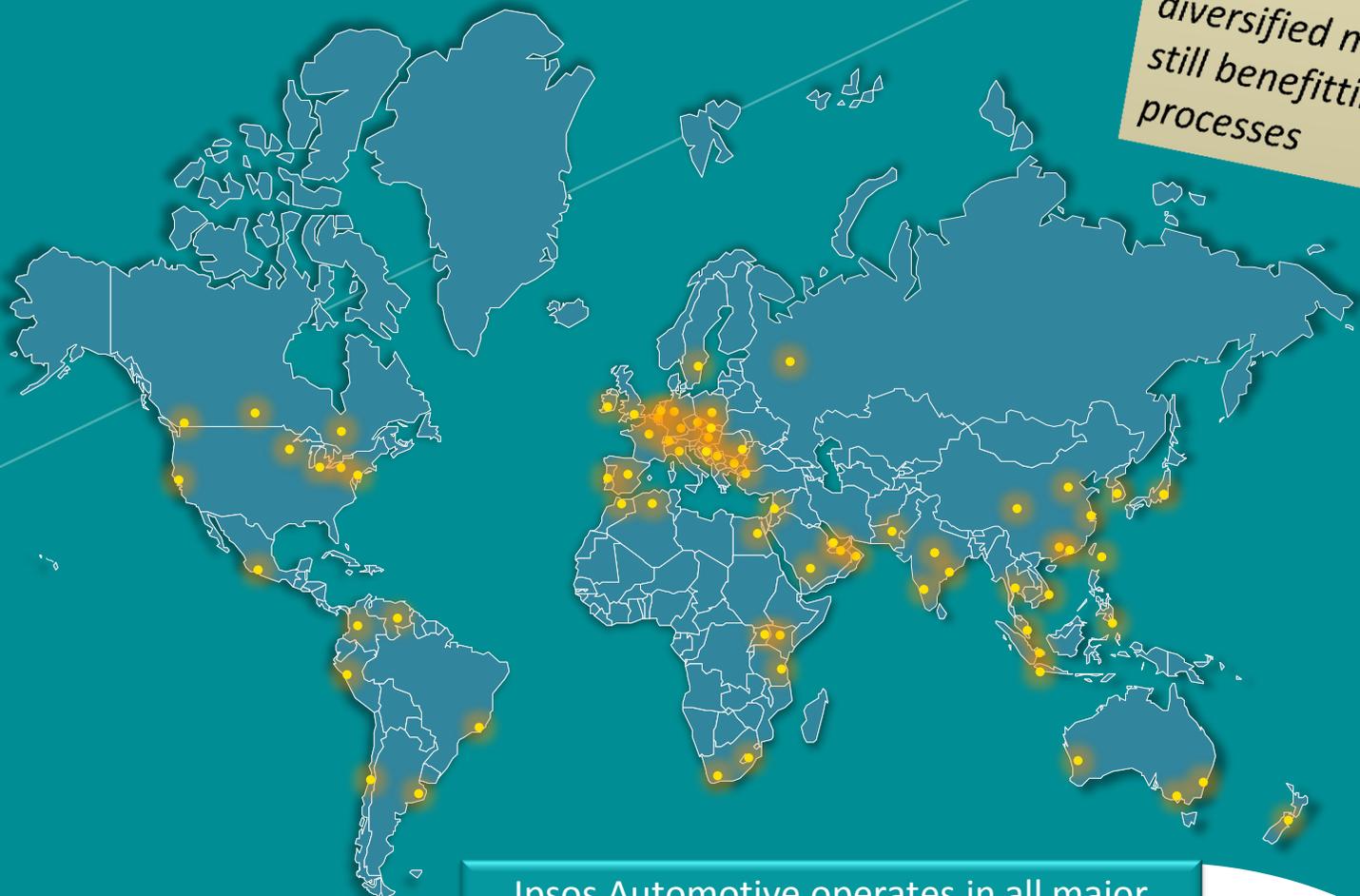
Importance of post-purchase phase

Essential role of 'feature usage'
Amplification of word of mouth



Global coverage, local expertise

The main challenge for vehicle makers is to respond to changing consumer expectations in largely diversified market places, while still benefitting from global processes



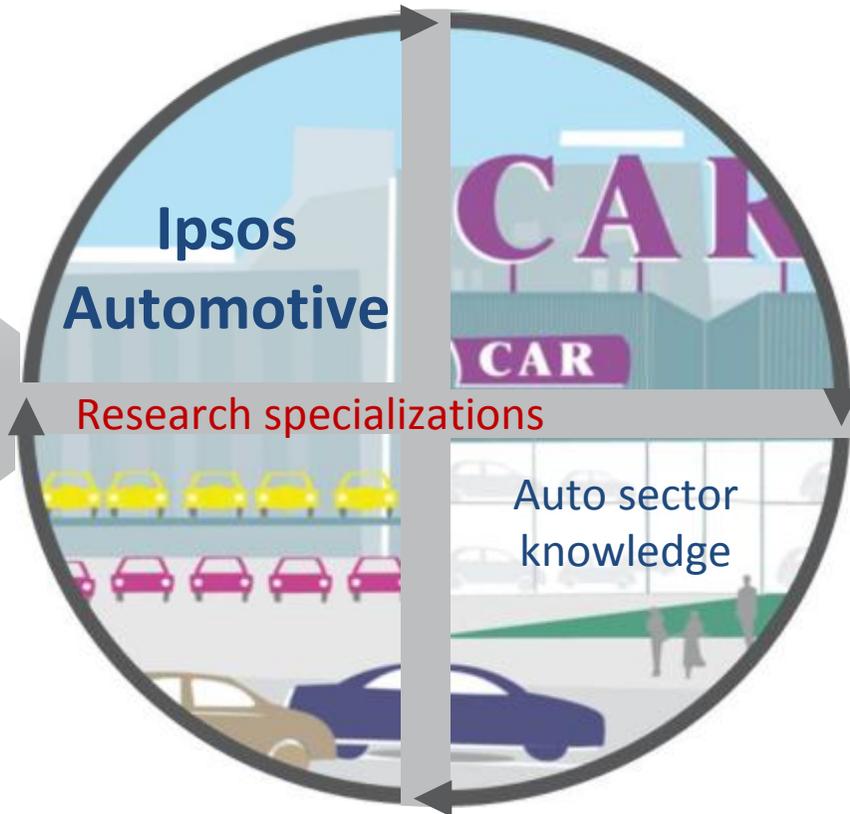
Ipsos Automotive operates in all major vehicle markets, with auto research activities in 50 countries



Six research specializations

Specialists for all relevant areas of research work with industry experts who understand the particular challenges in the automotive sector to provide service excellence for our clients.

- Ipsos ASI**
The Advertising Research Specialists
- Ipsos Marketing**
The Innovation and Brand Research Specialists
- Ipsos MediaCT**
The Media, Content and Technology Research Specialists
- Ipsos Public Affairs**
The Social Research and Corporate Reputation Specialists
- Ipsos Loyalty**
The Customer and Employee Research Specialists
- Ipsos Observer**
The Survey Management, Data Collection and Delivery Specialists



Automotive Center of Excellence

As global automotive markets get more sophisticated, they require vehicle manufacturers to offer the most relevant market propositions to match consumer needs.

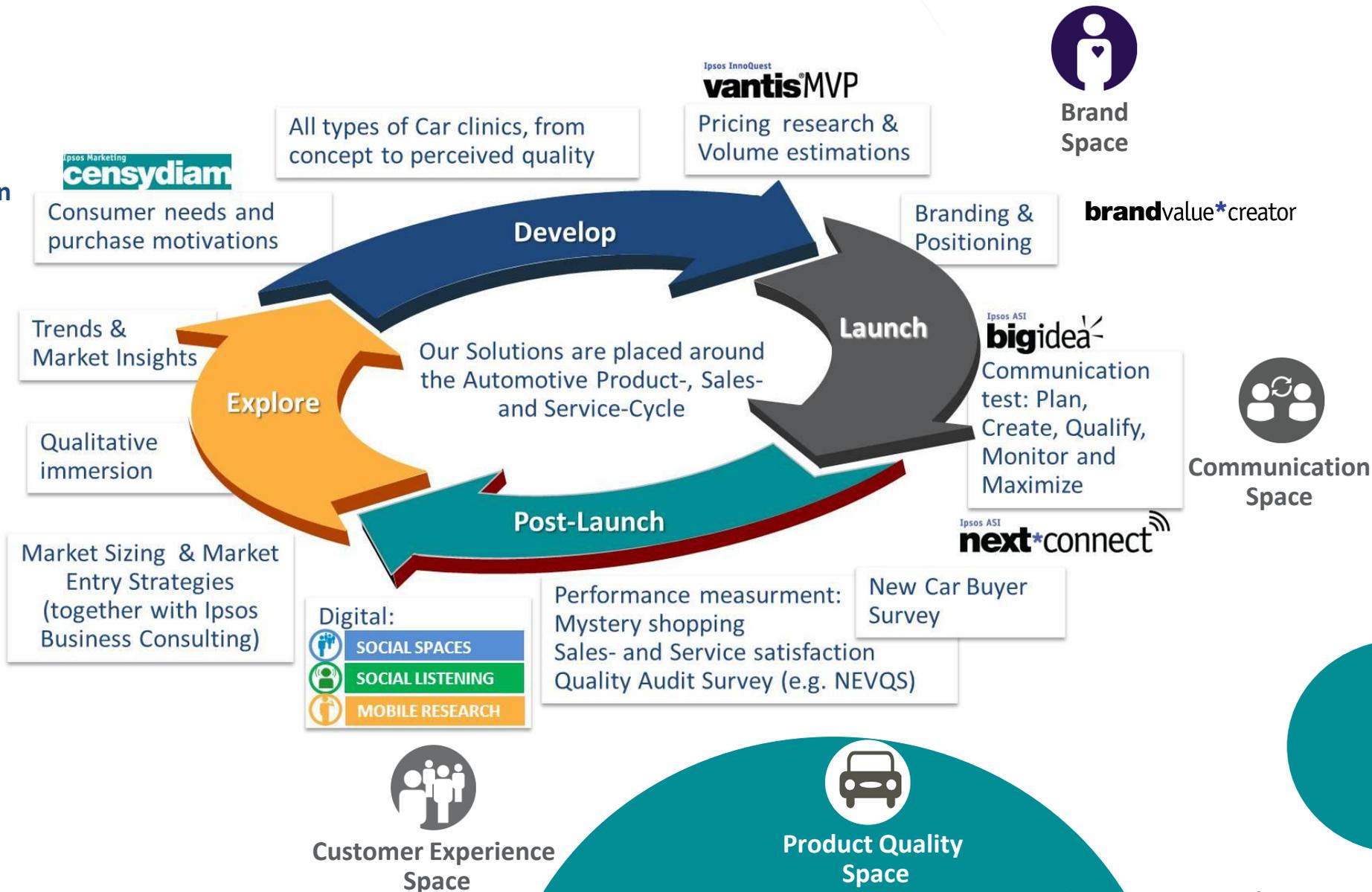
There is greater value than ever before for a global research partner, who understands the requirements of the industry, has mastered innovative research techniques, and knows the specifics of the local clientele.

The Ipsos Automotive Center of Excellence with specialist teams in the relevant markets will ensure that our organization is perfectly aligned for a consistent delivery of accurate, innovative, and actionable service to our clients.



Our ambition is to help you to be successful in your business!

Full service along the life cycle



Supporting your strategies for market growth

To support new market entry or expansion our Automotive Research practice will join forces with Ipsos Business Consulting, our strategic business unit specializing in market and competitive challenges through a combination of fact-based market analysis and strategy consulting.

Areas of specialism include:

- ✓ Market sizing and opportunity assessment
- ✓ Competitive analysis
- ✓ Distribution channel and value chain analysis
- ✓ Market entry strategy and partner diligence



Understand market forces and consumer needs

Understanding consumers within the driving forces of the local automotive market is the basis for sustainable business growth.

Factors of success range from identifying new business opportunities to (re-) positioning brands and optimizing marketing investments with winning strategies.



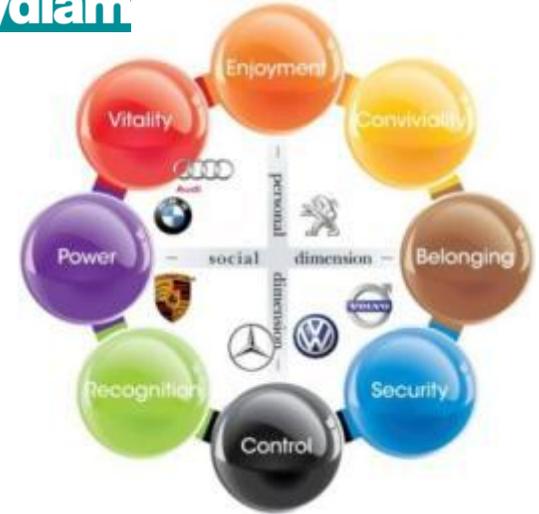
Deliver brand relevance



Autos respond to people's needs for independence, freedom, status, and family harmony, and hold specific meanings according to the cultural context consumers live in.

Ipsos Marketing **censydiam**

"Censydiam" delivers a framework to guide our thinking about human motivations.



Understand consumer motivations, and the role cars are playing in people's lives



Understand the perceived brand positioning in the competitive context



Evaluate the model marketing mix, and understand the product fit with the brand positioning



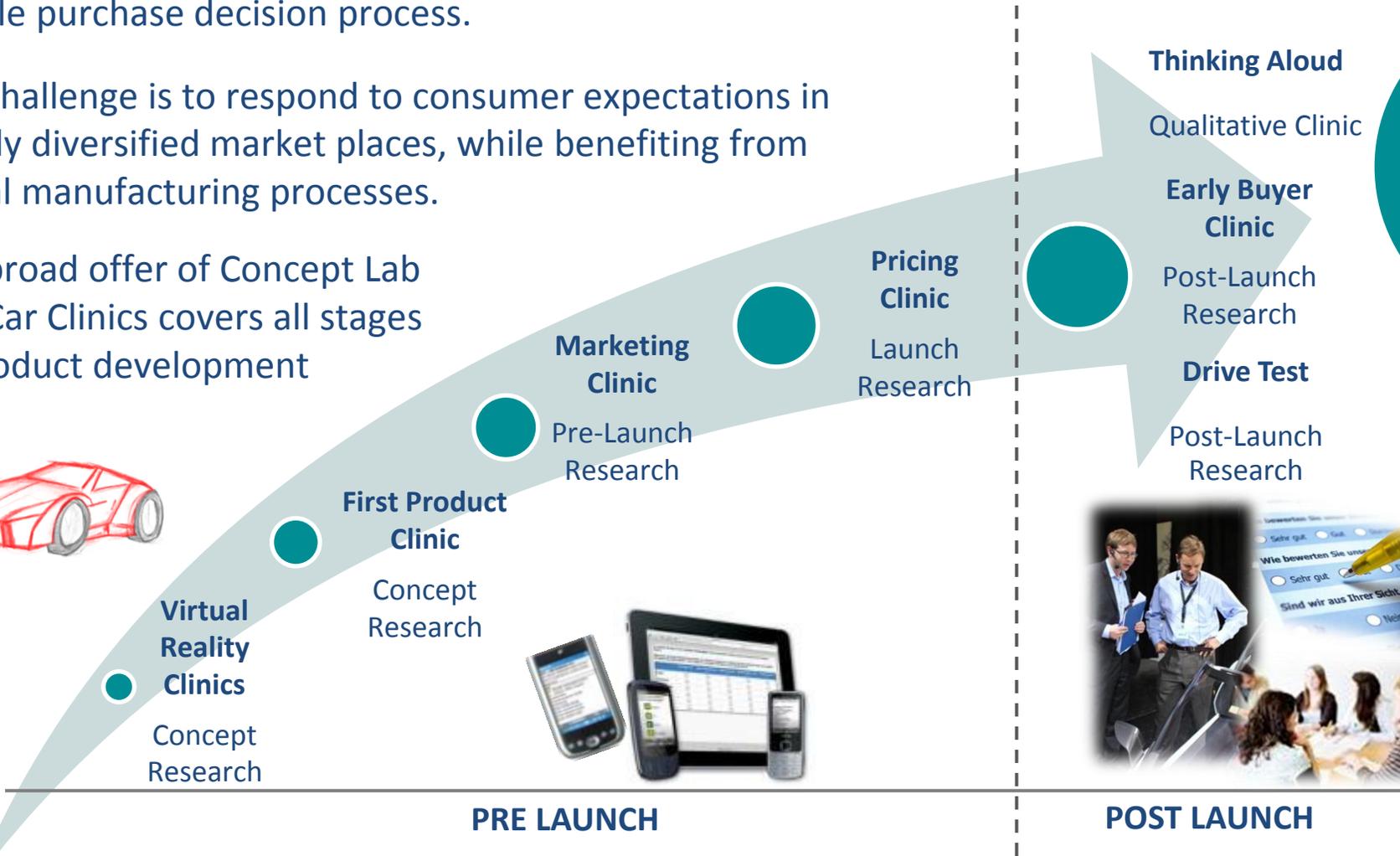
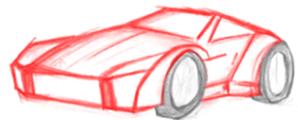
Understand the perception of a new vehicle proposition, and comprehend motivations delivered in the communication, and its impact on Attitudinal Equity

Respond to global requirements and local needs

Styling and exterior appearances shape brand perception and are critical factors in the vehicle purchase decision process.

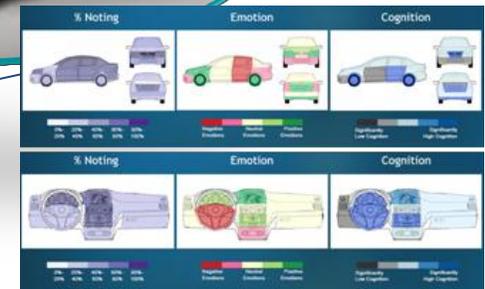
The challenge is to respond to consumer expectations in largely diversified market places, while benefiting from global manufacturing processes.

Our broad offer of Concept Lab and Car Clinics covers all stages of product development



Unearth the subconscious

Ipsos has been developing and using new techniques driven by advances in Neuroscience that have strong potential application for the Automotive industry. Mobile Eye Tracking, Facial Coding, Biometrics and Implicit Association Testing (IAT) will be integrated in future car clinics.



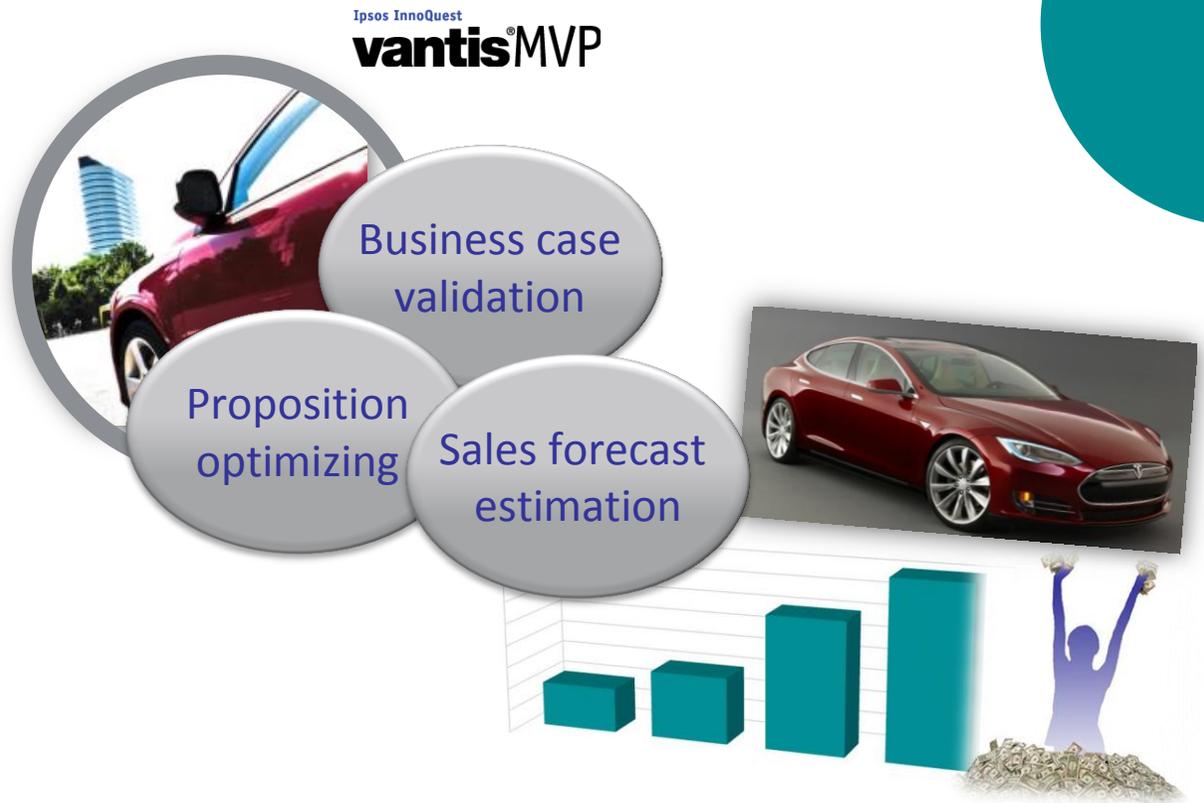
We already successfully use Neuroscience tools in brand and advertising research.



Diagnose impact of new concepts

Vantis is a specialist unit within Ipsos that evaluates new business opportunities by assessing attitudinal equity towards a brand/model, and measuring the underlying consumer perceptions that drive desirability. With our proprietary Vantis* MVP for Auto, sales potential simulations can also be provided for vehicle categories and/or customer segments.

- Validate new Concept Acceptance (early stage)
- Optimize features, bundles & pricing strategy
- Estimate sales volumes under alternative scenarios
- Emerging/converging category modeling



Measure brand desire through Attitudinal Equity

Attitudinal Equity focuses on holistic brand assessment and give you the strengths of the relationship the target audience have with the brand.

ATTITUDINAL EQUITY
*The ability to create strong **brand resonance** with target audience*

- 1. PERSONAL RELEVANCE**
How well the brand meets personal needs
- 2. PERSONAL CLOSENESS**
How close people feel to the brand



brandvalue*creator

A true assessment of brand value in the market requires an understanding of drivers that influence (attitudinal) brand equity as well as (physical) factors that impact the purchase

decision.

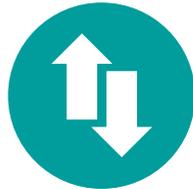
Attitudinal Equity



Strength of the relationship with the car brand



Market Effects



Factors impacting which brands we end up buying



Effective Equity



Real world behaviour and estimated market share

Capture consumers' in-the moment reactions

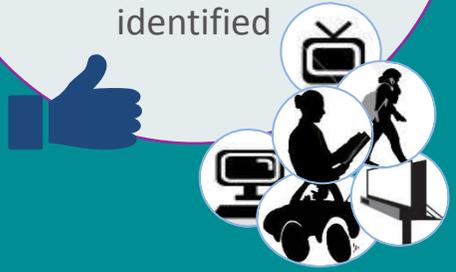
Always-on mobile app lets you read how people react, respond, and interact with your brand in the real world.

Brand | Shout



1 OPTIMIZE YOUR TOUCHPOINTS

Inventory of touchpoints – Understand where and how consumers experience the car brand, and improve where underperformance is identified



2 PLAN MEDIA MORE EFFECTIVELY

Understand how each media is responded to and if it is generating the desired consumer reaction



4 RESPOND TO COMPETITIVE INITIATIVES

Collect rich data combining verbatim, emotion, location and pictures



3 DRIVE AND INFLUENCE WORD OF MOUTH

Drive word-of-mouth by nurturing positive influence and addressing negative reactions



Real time Ethnography

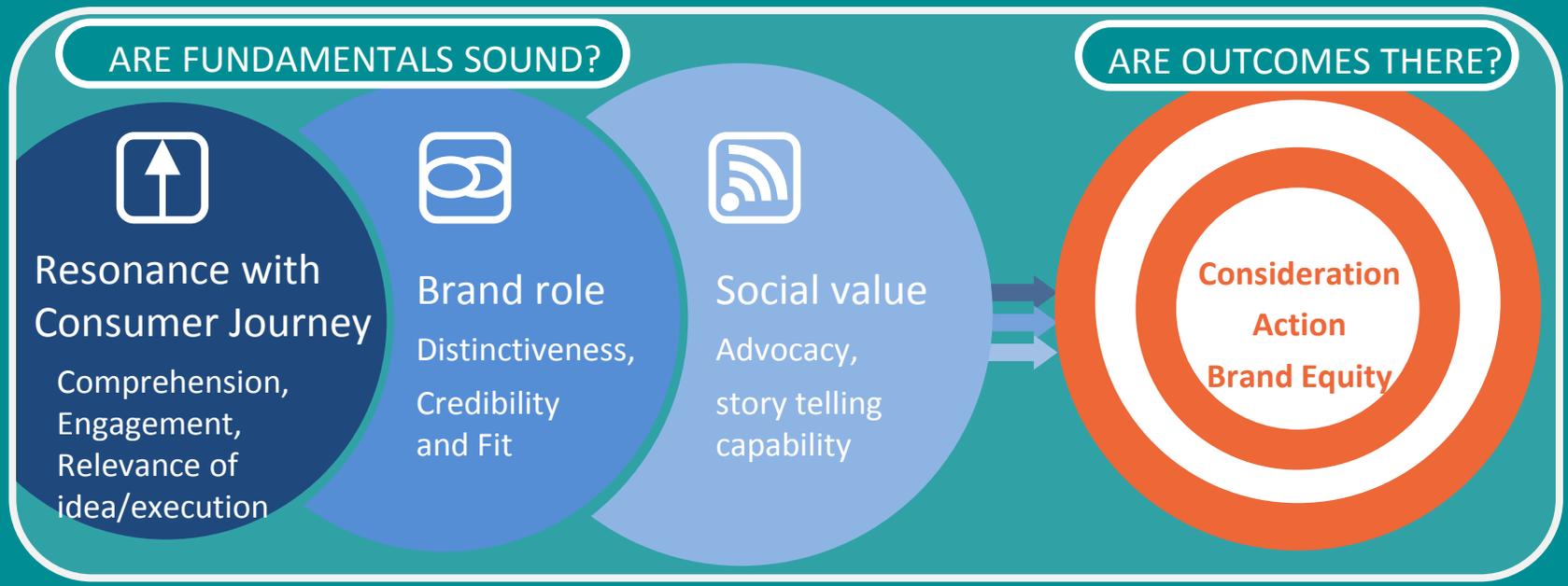
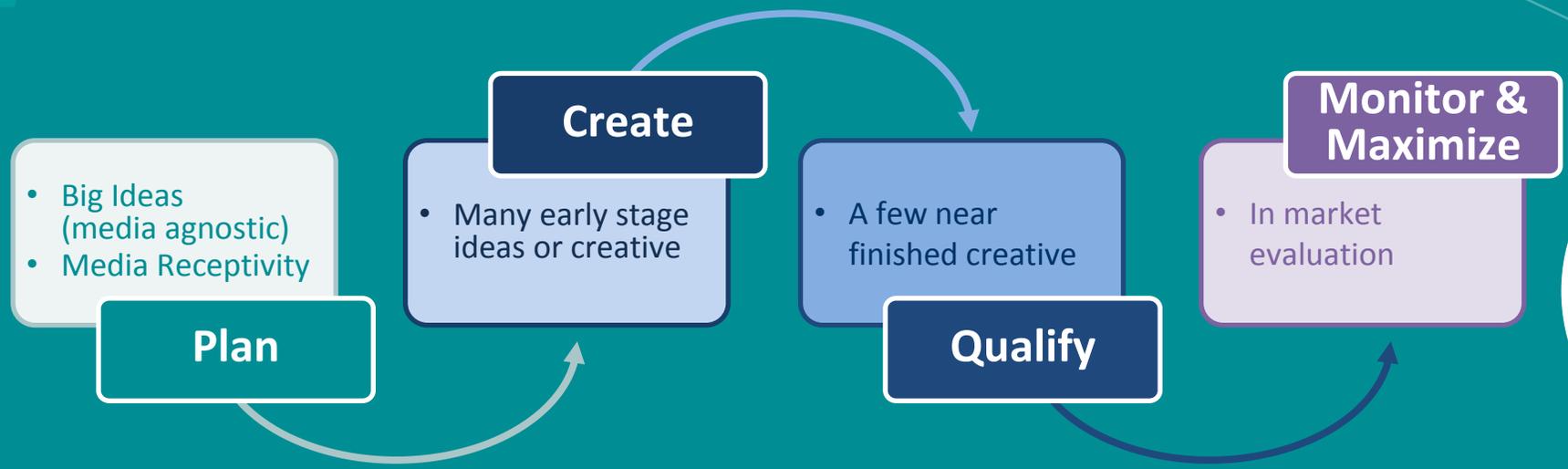


Grow the brand through greater brand resonance

People are on a personal journey to satisfy needs and fulfill aspirations, surrounded by communications. To connect with consumers, communications must resonate within their purchase journey.



Focus on what matters at every stage



Put customers at the heart of considerations

A successful organization is like a successful community. Both have relationships at their heart, both thrive on mutually beneficial relationships. The improvement of business performance passes therefore by a proactive management of customer relationships:



Customer Understanding:

→ What do consumers expect from the vehicle manufacturer and/or car dealers, and what is their ideal customer experience?



Performance Measurement:

→ How well do automotive brands serve their clients, and are they delivering against expectations?



Organizational Alignment:

→ Does the dealer network and the service organization have to be aligned to be able to build stronger relationships?

Measure performance across brand experience

Customer satisfaction measurements extend to several touch points along their brand experience:

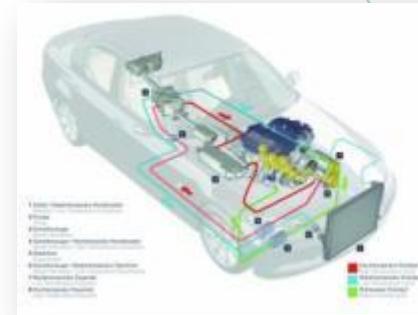
- ✓ In the pre-purchase phase
- ✓ During the purchase- and after-sales service experience
- ✓ Throughout the vehicle usage



Mystery Shopping measures whether the sales and –after-sales processes match customer expectations and –requirements.
Also: Transaction price audit



Sales- and Service satisfaction surveys measure the brand performance at dealerships and sales centers.
Also: Dealer satisfaction surveys



Quality Audit Surveys (QAS) provide product quality benchmark data at different vehicle ownership dates (3, 6, 12, 36, 60 months)

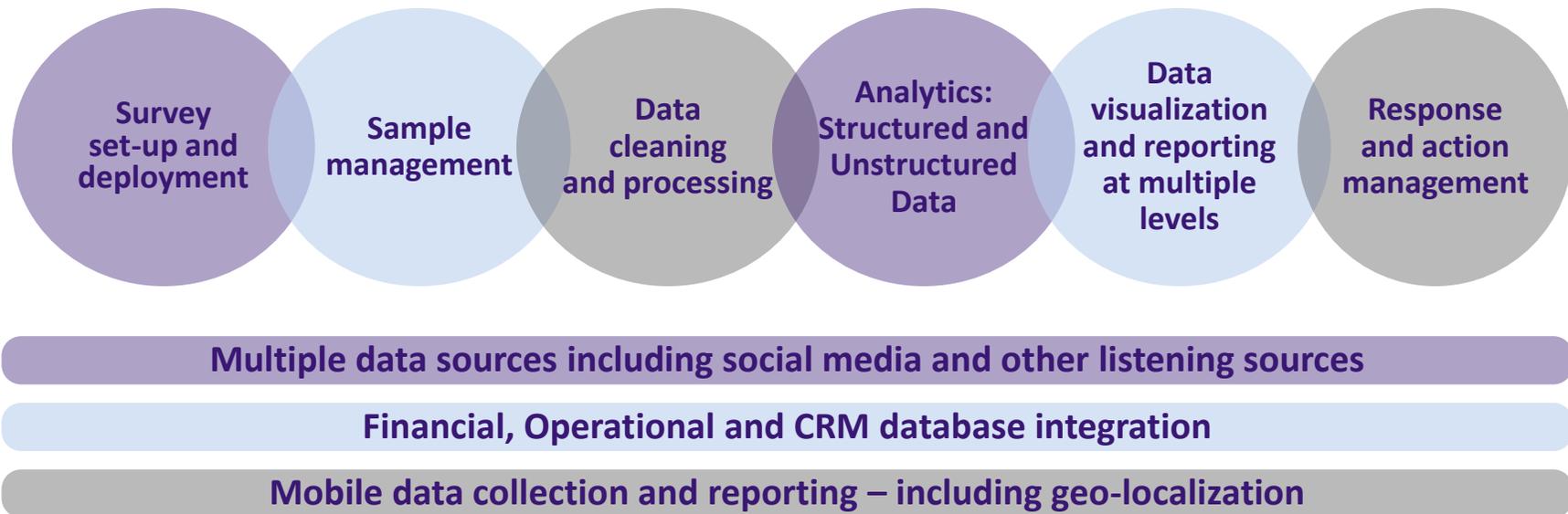


New Car Buyer Surveys (NCBS)
Early Buyer/Rejecter Surveys

Enterprise Feedback Management (EFM)

To ensure customer experience, the task cannot stop at obtaining client feedback and identifying critical issues for improvement, but needs to embrace the entire organization to act immediately on the reports from the market place.

- The requirement is to provide the right information, to the right person, at the right time, to empower all staff and quickly act to resolve client issues.
- Need for a single platform that can perform many functions:



Listen to the customer

ViewsCast™ is our proprietary, automated customer feedback system that uses a combination of **IVR (Interactive Voice Response), SMS, online, and mobile interviews** to capture the Voice of the Customer across multiple touch-points.

Showroom



Servicing



Capture the customer experience at the key touch-points directly after the experience through the use of convenient, **multi-modal** data collection techniques:

- SMS
- Mobile Online
- Online
- IVR



1. Receive your data in **real-time**



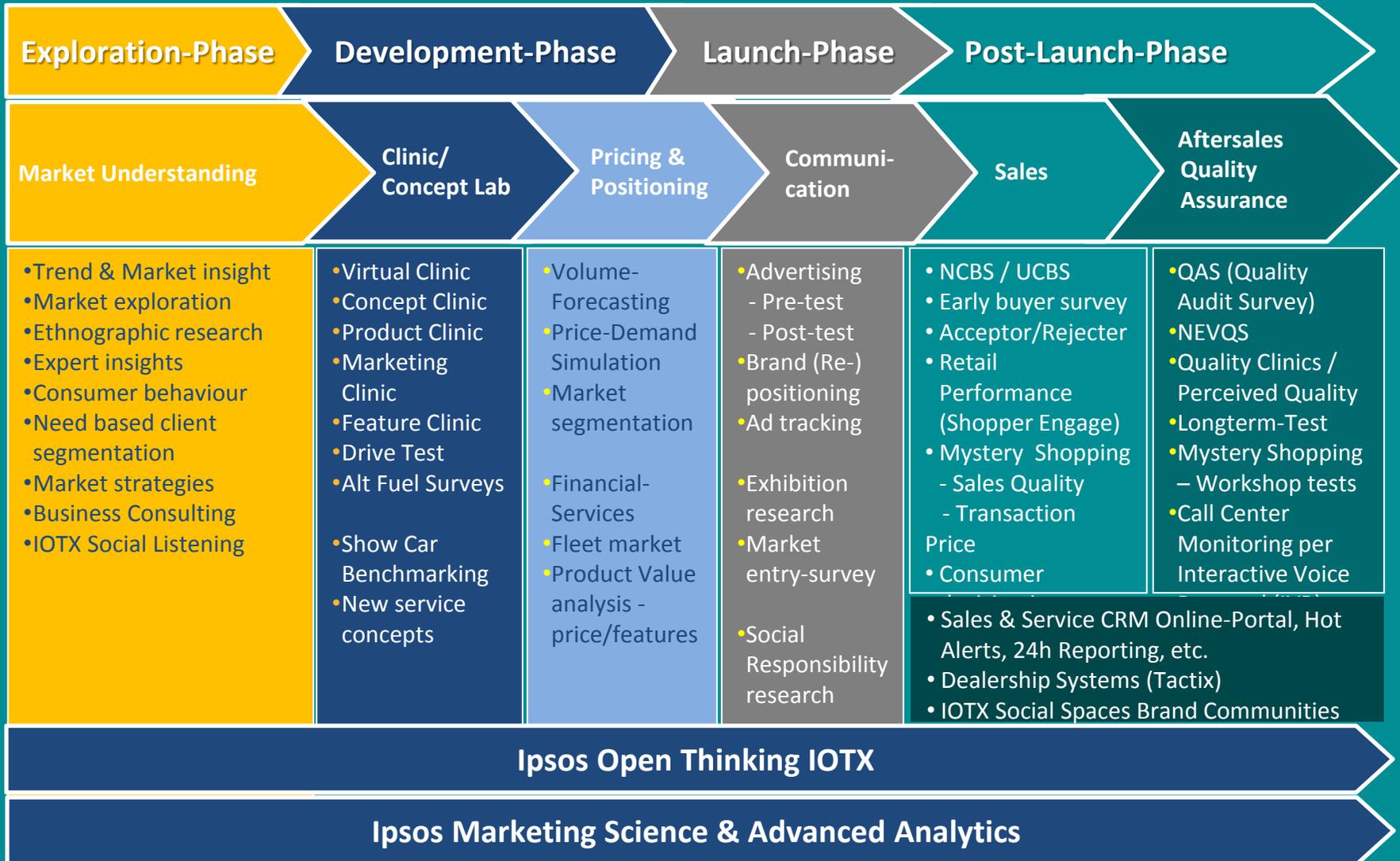
2. Take action straight-away



3. Close the Feedback Loop



Full service across the product-/ sales and service cycle



Embrace the digital world as the new normal

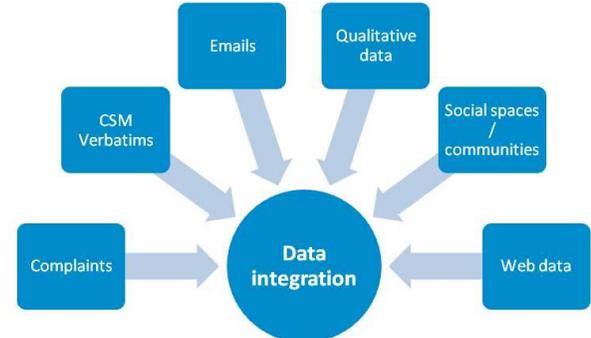
Automotive is importantly exposed in today's social media age. Connecting with consumers in the digital space is no longer an option, but a vital requirement for sustainable success.



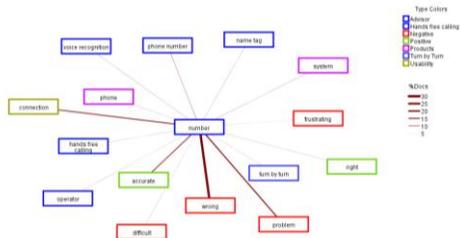
Extracting usable knowledge from unstructured text data, through identification of core concepts, opinions and trends.

Use of natural language processing to identify repeat themes and concepts, from various text sources:

1. Exploration
 - Creation of project-specific resources (e.g. synonym dictionaries).
2. Categorization
 - Creation of categorisation rules and structure.
3. Review
 - Human review of structure and categorization.



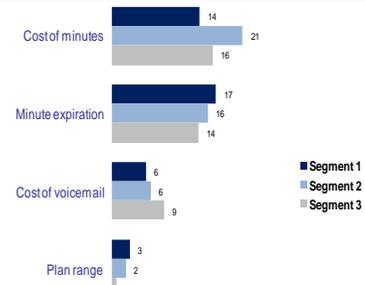
Results:



Webs: explore and display the strength of relationships between re-occurring concepts, themes and sentiment.



Concept clouds: display the frequency of re-occurring and meaningful concepts.



Quantification: Hierarchical coding enables us to look at categories and subcategories



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**Thank
you!**