IMPACT OF CORONAVIRUS TO NEW CAR PURCHASE IN CHINA

Ipsos
12 March 2020
RESEARCH METHODOLOGY

- **Date**: 2020.2.24
- **Method**: Online (Programmatic Sampling)
- **Sample Size**: N=1620

**Regions by Severity of Covid-19**
- Severe: 38%
- Moderate: 25%
- Mild: 37%

**City Tier**
- Tier 1: 25%
- Tier 2: 25%
- Tier 3: 50%

**No. of Vehicle in the household**
- No Vehicle: 37%
- One: 52%
- Two and Above: 11%

Total respondents (N=1620)

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CONSUMERS TEND TO USE MORE PRIVATE CARS AND LESS PUBLIC TRANSPORTATION

Before Coronavirus Outbreak

- Private Car: 34%
- Two-wheeled Vehicle: 45%
- Bus/ Metro: 56%
- Taxi: 21%
- Car hailing: 21%
- Car sharing/ Car rental: 3%

After Coronavirus Outbreak

- Private Car: 66%
- Two-wheeled Vehicle: 45%
- Bus/ Metro: 24%
- Taxi: 15%
- Car hailing: 12%
- Car sharing/ Car rental: 5%

Total respondents (N=1620)
NEW CAR PURCHASE INTENTION IS INCREASING AMONG CONSUMERS WHO CURRENTLY DO NOT HAVE A CAR, DUE TO LACK OF TRUST OF PUBLIC TRANSPORTATION

72% Strengthening Purchase Intention

- Strongly enhance purchase intention: 39%
- Enhance purchase intention: 33%

Especially in severe outbreak region and tier 1 cities

66% Would Like to Purchase a Car within 6 months

Who currently do not have a car (N=601)

Who currently do not have a car (N=430)
HIGHER PREFERENCE ON MASS JV BRANDS, SUV WITH ICE ENGINE. THE AVERAGE BUDGET IS 200K RMB.

- Engine Type:
  - ICE: 59%
  - NEV: 41%

- Body Type:
  - SUV: 47%
  - Sedan: 26%
  - Hatchback: 21%
  - MPV: 3%
  - Wagon: 2%

- Brand:
  - Mass JV: 68%
  - Domestic brand: 23%
  - Luxury Brand: 10%

1st time buying intenders (N=430)

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HIGHER FREQUENCY OF DIGITAL TOUCHPOINTS FOR SEARCHING CAR INFORMATION

<table>
<thead>
<tr>
<th>Touchpoint</th>
<th>Frequency Increase</th>
<th>Frequency Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile APP</td>
<td>67%</td>
<td>3%</td>
</tr>
<tr>
<td>Websites</td>
<td>63%</td>
<td>4%</td>
</tr>
<tr>
<td>Social Media</td>
<td>57%</td>
<td>5%</td>
</tr>
<tr>
<td>News APP</td>
<td>50%</td>
<td>17%</td>
</tr>
<tr>
<td>Friends/Relatives</td>
<td>38%</td>
<td>17%</td>
</tr>
<tr>
<td>Traditional Ads</td>
<td>36%</td>
<td>17%</td>
</tr>
<tr>
<td>4S Store</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Offline Marketing Activity</td>
<td>32%</td>
<td>38%</td>
</tr>
</tbody>
</table>

1st time buying intenders (N=430)
**HEALTH-RELATED FEATURES ARE HIGHLY PREFERRED**

<table>
<thead>
<tr>
<th>Purchase Consideration</th>
<th>Preferred Features</th>
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<tbody>
<tr>
<td>Healthy configuration</td>
<td>Air conditioning system with germ filter 51%</td>
</tr>
<tr>
<td>Vehicle safety</td>
<td>Interior uses antibacterial materials 49%</td>
</tr>
<tr>
<td>Vehicle quality</td>
<td>Outbreak area reminder 44%</td>
</tr>
<tr>
<td>Sales / after-sales service</td>
<td>Health monitoring of members in the car 42%</td>
</tr>
<tr>
<td>Comfort</td>
<td>Autonomous parking 38%</td>
</tr>
<tr>
<td>Power</td>
<td>Summit 37%</td>
</tr>
<tr>
<td>Roominess</td>
<td>In-car office 29%</td>
</tr>
<tr>
<td>Vehicle price</td>
<td></td>
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<tr>
<td>Brand reputation</td>
<td></td>
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<td>Connected features</td>
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<td>Ownership cost</td>
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<td>Design</td>
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<td>Design 45%</td>
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42% of severe outbreak region are interested in online car purchase programme

79% of severe outbreak region prefer door-to-door test drive & car delivery

Online Sales Services
- Online showroom, virtual 4S shop: 79%
- VR or AR car display: 57%
- KOL live streams: 43%
- Short videos: 38%
- Articles, long videos, pictures: 36%

Online Aftersales Services
- Professional antibacterial disinfection services: 47%
- On-site maintenance: 42%
- Service process live monitoring: 35%
- On-site valet maintenance: 34%
- Vehicle services such as insurance and annual review: 32%
- On-site valet charging: 30%
- 1st time buying intenders (N=430)
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