INSIG
| AutoDeal.com.ph
Philippine Automotive Industry Report Q2 2018 - Vol. VI


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A quick introduction and evaluation on industry progress
in Q2 2018.
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Sales \& Conversion
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buy? We showcase data related to sales volumes and
conversion.
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We put the spotlight on best performing dealers and
explore data related to dealership engagement levels.

AutoDeal.com.ph (The SirQo Group Inc.) prepared all the content in this report to represent the general data about online marketing for the Philippine automotive industry. This data is given in summary, and as such, all information is to be used and interpreted at the readers own risk. Any data represented in this report should not be considered as any form of advice or recommendation. The SirQo Group Inc. will not be held responsible for any damages or loss of business caused by the interpretation of this document.

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## Getting Down to Business

Christopher L. Franks I AutoDeal Chief Operating Officer

A lot has happened since our last Insights report. Whether it be new-product launches, dealership expansions, brand reinvention or new automakers coming into the market; one thing remains clear - the Philippine automotive-industry seems to have weathered the hard times that it experienced earlier in the year, and is finally getting down to business.

Some of the most notable events of the past quarter would have to be the introduction of the Toyota Rush, the Mitsubishi Xpander, and the long awaited Nissan Terra.

Bringing new products to the market is always a sure means to stimulate consumer interest; however Toyota and Mitsubishi's new nameplates are more than just new product entries. These new cars represent the brands' way to deal with the ever-changing requirements of the Philippine market. In this instance, more affordable rugged seven seaters are not only useful for buyers to face the challenges of Philippine roads, but these cars also pave the way to counter-combat the rise in SUV prices.

For Nissan, its entry into the mid-size SUV arena could be the final missing ingredient to propel the Philippines' fastest growing auto-brand into a serious top five contender. Nissan isn't scrimping it either, by media mileage alone the Nissan Terra has to be the most impactfu product launch of 2018, not just locally, but regionally.

Volkswagen also won some of the recent limelight with what can only be described as a relaunch of the brand which will now see the Philippines be the first country in the region to bring in newly launched products from China, including the Santana, Lavida, Lamando and Tiguan. It's a milestone for Volkswagen, the Ayala Corporation and the Philippine automotive market as a whole.

Slowly but surely one thing is becoming clear: as the environment changes, brands are finding ways to evolve and overcome the challenges that face them as a result of changing business economics.

At AutoDeal, the increased competition in 2018 has been incredibly beneficial to car-buyers using our platform. Not only have we seen a phenomenal improvement in dealership engagement, marked by reduce response time; but the volume of positive testimonials from consumers steadily continue to rise through our buyer reviews feature.

It may have taken longer than usual, but the pieces seem to have finally been set, and the game is now on to see which brands will finish on top this year.

## Q2 Summary

AutoDeal is the number one automotive website in the Philippines.

## 7,328,162 <br> - 10.38\% <br> WEBSITE VISITS <br> By Car Buyers, Vehicle

Owners, and Enthusiasts.

57,325
71.65\%

INQUIRIES

From car buyers requesting
quotes, asking questions or booking test drives.
PURCHASES
CONVERSATIONS
Tracked and confirmed from
users who submitted leads in
Q1 2018

## Key Findings

How have consumer trends shifted in Q2 2018? If at all.


Those worried about the Mid-Size SUV market may take comfort in consumer interest levels in Q2; which saw a $10.59 \%$ jump compared to Q1.

Spurred by new product entries, dealers should anticipate increased sales opportunities throughout the Q3.

## 2

## Product Preferences

Subcompact cars, light pickup trucks and compact crossovers continue to be the preferred purchases of choice as mid-size SUV numbers continue to struggle.

Steadfast interest in the MPV/AUV market could help fuel growth in the year for new market products like the Toyota Rush and Mitsubishi Xpander.

## 3

## Purchase Urgency

In comparison to Q1, purchaseintent among Philippine car buyers is improving with more prospects targeting the completion of a purchase within the year. Likewise Q2 experienced a speed up in lead to sale conversion with the quarterly average dropping to just 43 days (7 days quicker than Q1)

Despite such improvements, purchase urgency still remains significantly lower when compared to the same period in 2017.


## Consumer Interest \& Leads

## Total Leads

Total online car buying inquiries are up by 21\% year on year, down by 1.65\% from Q1 2018.



## Leads by Market Segment <br> Based on AutoDeal inquiries for major vehicle categories



## Leads by Source

More car buyers than ever are visiting AutoDeal directly or via search engines.

61.13\% of our inquiries are driven from high quality sessions that originate from search engines' queries. It's an increase of 5.55\% from Q1 2018.
9.0\% of inquiries come from users directly accessing the AutoDeal.com.ph website or revisiting from a browser bookmark. This is an increase of $2 \%$ form Q1 2018.
8.8\% of inquiries derive from social media platforms like Facebook, Twitter, YouTube and Instagram.
13.2\% of inquiries come from users visited AutoDeal through our own digital advertising campaigns.
4.9\% of inquiries are driven from our e-mail newsletter subscribers who receive our weekly content and promo eDMS.

## Inquiring \& Buying Trends

Buying intent sped up in Q2; pre-empting increased sales for Q3 \& Q4.


Purchase intent accelerates in the second quarter of 2018.

In our last Insights report, we indicated how the expressed buying time of consumers significantly dropped in Q1 of 2018; an event which we believe was the result of consumer 'pullback' due to the after-effects of heightened retail prices of many vehicles affected by the passing of the Tax Reform for Acceleration and Inclusion (TRAIN) Act.

Based on our data from Q2, we have identified that buyer purchase intent is beginning to accelerate with the volume of consumers looking to buy within the 3 to 12 month period showing steady improvement. While those looking to buy within 0 to 3 month period is lower year-on-year, it is still important to acknowledge that, on average, 44.56\% of online inquiries are looking to purchase within three months of their quote request. This not only represents the largest portion of buyers but, given the recent increases in lead volumes, it should provide dealers something to smile about by the time we get to the end of this year.

## Leads by Location

## Percentage of Total Inquiries from the Top 10 Locations in each major region.


$\left.\begin{array}{clll}\text { Metro } & \text { Manila } & & \\ & & \text { \% of Total }\end{array}\right]$


Luzon

| $\%$ of Total Leads |  |  |  |
| :---: | :--- | :---: | :---: |
| 1 | Bacoor City | $2.23 \%$ | - |
| 2 | Angeles City | $2.08 \%$ | $\Delta$ |
| 3 | Imus City | $2.03 \%$ | $\boldsymbol{\nabla}$ |
| 4 | Dasmarinas City | $1.90 \%$ | $\Delta$ |
| 5 | General Trias | $1.54 \%$ | $\Delta$ |
| 6 | Calamba City | $1.45 \%$ | $\Delta$ |
| 7 | Antipolo City | $1.43 \%$ | $\boldsymbol{\nabla}$ |
| 8 | Baguio City | $1.34 \%$ | $\Delta$ |
| 9 | Santa Rosa City | $1.26 \%$ | $\boldsymbol{\nabla}$ |
| 10 | San Pedro City | $1.03 \%$ | - |
|  |  |  |  |

Mindanao

| \% of Total Leads |  |  |  |
| :---: | :--- | :---: | :---: |
| 1 | Davao City | $3.45 \%$ | - |
| 2 | Cagayan De Oro | $2.15 \%$ | - |
| 3 | General Santos | $1.00 \%$ | - |
| 4 | Zamboanga City | $0.73 \%$ | - |
| 5 | lligan City | $0.63 \%$ | $\nabla$ |
| 6 | Butuan City | $0.51 \%$ | - |
| 7 | Tagum City | $0.47 \%$ | $\Delta$ |
| 8 | Koronadal City | $0.34 \%$ | - |
| 9 | Paradigan City | $0.31 \%$ | $\nabla$ |
| 10 | Kidapawan City | $0.25 \%$ | - |

## AUTODEAL

## Leads by Device <br> Inquiries made via mobile devices continue to rise.


[ 69.9\%
On Mobile Devices

- 5.1\%


## What's Hot?

Vehicles that seem to be getting all the limelight and most inquiries.

Top 10 Most Inquired Vehicles
in Q2 2018

| $\pm$ | Xpander |
| :---: | :---: |
| Trover | Rush |
| - | Ranger |
| \%or | Vios |
| (rovor | Wigo |
| (2) | Innova |
| suzuk | Vitara |
| \%20 | Hilux |
| 4 | Navara |
| Isuzu | mu-X |

Top 5 Most Inquired New Vehicles
in Q2 2018

| $\frac{98)}{\text { TOYOTA }}$ | Rush |
| :---: | :---: |
|  | Terra |
| Serad | Mustang |
| (18) | Santana |
|  | X2 |

## Sales \& Conversion

## Q2 Best Sellers

Top Selling Vehicles on the AutoDeal Platform for Q2 2018


TOYOTA WIGO

TOYOTA VIOS
MITSUBISHI MONTERO SPORT

TOYOTA FORTUNER



HONDA BR-V
tOYOTA AVANZA


SUZUKI VITARA

SUBARU XV

## Conversion Timeline

## Average Inquiry to Closed Sale transaction timeline tracked on AutoDeal*



## Lead-to-Sale Conversion speeds up in Q2.

The average lead-to-sale conversion time sped up in recent months dropping from an average of 50 days in the first quarter to 43 days in Q2.

Contributing to the speed up were the fast paced sales transactions in April and May.

Longer transaction times could be expected throughout Q3 and Q4, given the large volume of prospective buyers who stated that they would purchase outside of 0 to 3 month buying period in both Q1 and Q2.

## Sales by Segment

Transaction proportions of vehicles sold on AutoDeal.com.ph*


## Pickup \& Crossover purchases take another bite out of the SUV market.

The ratio of Mid-Size SUV to Pickup or Crossover sales continues to drop for a second consecutive quarter as the proportion of Mid-Size SUV sales on AutoDeal drops to an alltime low of $12.69 \%$.

In return, both the Crossover and Pickup markets continue to rally, with Pickups now accounting for 21.29\% of all AutoDeal Sales in Q2 and Crossovers accounting for 20.08\%.
Subcompact sales also experienced a small decrease, dropping from $27.6 \%$ to $26.6 \%$.

Note: This graph shows the breakdown of sales transactions recorded through the AutoDeal platform from 2017 to Q2 2018.

## Sales by SRP

Volume of vehicles sold on AutoDeal in Q2 2018 based on SRP.


P1,143,709
Average Price of Vehicle Sold on AutoDeal during Q2 2018.

Average Price of Vehicle Sold on AutoDeal
(2016-2018)


## Segment Conversion Timeline

Average Inquiry to Sale conversion timeline by market category in Q2 2018.


## Faster purchase time

The lead-to-sale conversion rate has quickened for customers in all of our major focus segments; with the exception of the Mid-Size SUV Category which saw an average increase of two (2) days in the time spent between an inquiry and final purchase.

While we might derive that the increase is a result of a more active buying market, it may be wise to practice caution when analyzing these findings as external factors, like the access to inventory, which may also be a major contributor.

## Dealer Talk

## Industry Response Time

Q1 average response time to online inquiries has improved by 45 hours year on year.



Ford Global City | AutoDeal dedicated sales and marketing team.


## $\star * * * *$

Gf Nikki is a very accommodating and well verse sales agent. She helps a lot on all customer's needs in regards to requirements and other privileges of owning a Ford Ranger Wildtrak. Me and my family are very lucky to have her as our sales agent. y

## Ford Global City <br> Q2 2018 | AutoDeal Sales Champion

When it comes to bagging awards, Ford Global City is no stranger to success. Having achieved the mantle of being Ford Philippines' top selling dealer since 1999, the team certainly feels at home when sitting on top.

Operated under the AutoHub Group of companies, Ford Global City is among one of the pioneers of the AutoDeal partnership program, and has systematically achieved exponential sales results year on year. It therefore comes as very little surprise that they were able to achieve recognition as the AutoDeal Sales Champion for Q2 2018.

Contributing to its success is a systematic and analytical approach to its AutoDeal performance which is supported from the sales team all the way through middle management and up to the AutoHub President, Willy Q. Tee Ten.

When it comes to performance; there are no cheap tricks or shortcuts. Its achievement stems from high quality engagement, attentive customer service and expert salesmanship.


55 Confirmed Sales

4.73\%

Ave. Q2 Conversion. 1hr 38m Ave. Response Time.

## Customer: Jeronimo Abuan

Purchased: Ford Ranger 2.2 Wildtrak 4x2 AT
June 12, 2018.

## Top Dealers <br> In terms of Lead-to-Sales Conversion

| Apri 2018 |  |  |
| :---: | :---: | :---: |
|  | Dealer | Conv. |
|  | Chevrolet, llocos Norte | 40.00\% |
| chevrour | Chevrolet, Dagupan | 20.00\% |
| (NI5SAN | Nissan Camsur | 12.50\% |
|  | Mazda, Cabanatuan | 12.50\% |
|  | Nissan Cebu South | 8.33\% |
| NISSAN | Nissan Cebu North | 7.69\% |
| an | Nissan Westgate Alabang | 6.90\% |
| NISSAN | Nissan Cabanatuan | 5.88\% |
| NISSAN | Nissan Sucat | 5.56\% |
| Soral | Ford, Global City | 5.28\% |


|  | May 2018 |  |
| :---: | :---: | :---: |
|  | Dealer | Conv. |
|  | Mazda, Cabanatuan | 12.50\% |
| CHEVROUT | Chevrolet, Cagayan De Oro | 6.90\% |
| Sera | Ford, General Santos City | 5.66\% |
| 0 | Mazda, Davao | 4.35\% |
| SUBARu | Subaru, Davao | 4.35\% |
| Send | Ford, Global City | 4.21\% |
| $\stackrel{F}{s}$ | Suzuki Auto, Sta Rosa | 4.17\% |
|  | Suzuki Auto, Biñan | 4.05\% |
| Serad | Ford, Sta. Rosa | 3.81\% |
|  | Chevrolet, Iloilo | 3.57\% |


| June 2018 |  |  |
| :---: | :---: | :---: |
|  | Dealer | Conv. |
| Cumer | Chevrolet, Tarlac | 11.76\% |
| Send | Ford, Global City | 4.69\% |
| Send | Ford, Metro Baguio | 3.39\% |
| (NI5san | Nissan Isabela | 3.08\% |
| NISSAN | Nissan Tacloban | 3.03\% |
| NISSAN | Nissan Bataan | 2.94\% |
| Semed | Ford, Sta. Rosa | 2.80\% |
|  | Toyota, Fairview | 2.25\% |
| (NISSAN | Nissan Cebu South | 2.13\% |
| Isuzu | Isuzu Cabanatuan | 1.85\% |

*Sale conversion is recorded and presented as it stands on July 1, 2018. Conversion is based on the date in which the lead was generated.

## Top Sales Agents <br> AutoDeal Agents with the best lead-to-sale conversion

| Apri 2018 |  |  |  | May 2018 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Dealer | Agent | Conv. |  | Dealer | Agent | Conv. |
| chevrout | llocos Norte | Frederick Cariaga | 40.00\% | $\frac{98)}{\text { тоуота }}$ | Global City | Eloisa Desierto | 33.33\% |
|  | Cebu North | Kate Montesclaros | 33.33\% |  | Sta. Rosa | loannes Yisrael Pagana | 25.00\% |
| NISSAN | Cebu South | Shieldon Abobo | 20.00\% | Semed | Global City | Erwin Duran | 15.00\% |
| suzuki | Cagayan De Oro | Blas Babia | 20.00\% | suzuki | Biñan | Jerric Regis | 13.33\% |
| $\overbrace{\text { cнеквои }}$ | Dagupan | Ian Mejia | 20.00\% | тоуотА | Bicutan | Aldon Marual | 12.50\% |
| (2) | Cebu | Polo Congmon | 16.67\% |  | Cabanatuan | M. B. Reyes | 12.50\% |
|  | Cavite | Regina de Ramos | 14.29\% |  | Davao | Rondell Relativo | 11.11\% |
|  | Cagayan De Oro | Dison Segura | 14.29\% | subiau | Davao | Kristine Ong | 9.09\% |
| Send | Libis | Maloy Apodaca | 12.50\% | mad | Dumaguete | Jesus Francis Miguel A. "JEPOY" Continente | 9.09\% |
|  | Sucat | Cheska Anton | 12.50\% | Sema | Global City | Luigi Manlavi | 9.09\% |


| June 2018 |  |  |  |
| :---: | :---: | :---: | :---: |
|  | Dealer | Agent | Conv. |
|  | Fairview | Ramonito Leonardo | 35.71\% |
| (nissan) | Tacloban | Gerlyn Royeras | 33.33\% |
| (5end | Global City | Jennifer Asebias | 17.39\% |
| ISuzu | Bulacan | Macelle Caralde | 12.50\% |
| снехкоит | Tarlac | Chester James Bugnot | 11.76\% |
| (50ma | Global City | Nikki Asne | 11.11\% |
| isuzu | Cabanatuan | Shayne Pascual | 8.33\% |
| (50rad | Metro Baguio | Marjorie Bueno | 7.69\% |
| (Find | Manila Bay | Ms. June Tusing | 7.14\% |
| (5erad | Otis Manila | Frejen Capao | 6.67\% |

*Sale conversion is recorded and presented as it stands on July 1, 2018. Conversion is based on the date in which the lead was generated.

# Habits of Top Dealers <br> Success comes from within. 

## Initial Response Time

Remains one of the most critical factors for determining dealer success. Q2 top performing dealers maintained a combined average response time of 4.8 hours or less. $24 \%$ of the top performing dealers demonstrated a response time in less than one hour. $60 \%$ of the top converting dealers provided an initial quotation to customers within three hours.


## Quality Responses

95\% of top converting dealers regularly use the message template function in the AutoDeal for Agents mobile application. Those that respond directly with the information that is requested from the prospective customer are often most successful in closing sales at a quick pace. Dealers with short, vague and in-direct responses fail to be as successful as those who give detailed professional replies.


## Engagement \& Accountability

Successful dealers are using best practices to analyze the performance of their sales teams. By actively tracking the sales conversion, response time and attentiveness of individual agents; dealers can be selective on which personnel are part of their online sales generation programs. Support stemming from dealership ownership that is enforced by middle management consistently helps generate the best overall results for AutoDeal partners.

## Customer Testimonials

Here are some of our favorite buyer reviews of Q2 2018.

## Frej Capao I Ford Otis Manila

ff Frej was very patient and good natured about our being undecided at the start. He gave us enough space to decide and did not push or pressure us whatsoever. He was very professional and helpful all throughout. His being accommodating paid off eventually after 2 months when our approval came out. He made sure to give us the best deal possible considering our present situation. I can say that Frej was heaven-sent. Maraming salamat, Frej. God bless you. $\boldsymbol{y}$

Anonymous
Ford Ranger 2.2 Wildtrak 4x2 AT
June 21, 2018

## Love New I Mazda Greenhills

ff This was not my first time to buy a car, but surely the best experience from start to finish. The whole transaction was a breeze and Lovely was very responsive and accommodating to queries and request. The transaction was handled with outmost professionalism. I highly recommend Lovely and the GH Branch. $5 \boldsymbol{y}$

Jasper Vicencio
Mazda CX-3 2.0 FWD Sport AT
June 9, 2018

## LJ Concepcion I Toyota Balintawak $\boldsymbol{*} \boldsymbol{*} \boldsymbol{t} \boldsymbol{t}$

ff We are very contented with the services we received from our agent. Lj is a very diligent agent. She explained everything clearly. Our transactions with Toyota were very convenient even if we are all the way down here in South Cotabato and Toyota is in Balintawak. We are surely happy clients. gy

Donna Ria Canacan
Toyota Fortuner 2.4 G Diesel 4x2 AT
May 7, 2018

## Annabelle Ortega ı Nissan Isabela $\star \rightarrow \star \nrightarrow \star$

ff She was very comfortable to talk with. We are first time owners and we really dont know what to ask or what to expect but as soon as she would answer our queries she will further add information and ideas about owning a vehicle, efficiently and safely using it. , g
Christine Oandasan
Nissan NV350 Urvan Shuttle 15-seater
May 16, 2018

## Jhoanna Marie Perolino I Nissan Shaw

ff Very tactful, helpful, respectful and energetic; ensures all required documents are complete re car loan applications; entertains and provides assistance to the client with a smile! Thank you for all the efforts in helping us bring home our dream car! Keep up the good work JM! リク

Manuel Castro
Nissan Navara 4x2 EL Calibre AT
April 26, 2018

## Inside AutoDeal

## AutoDeal Profile

We are the no. 1 automotive website in the Philippines.


## June 2018 Engagement Metrics

| Monthly Pageviews | Bounce Rate | Avg. Session Duration | Pages Per Session | $2.8 \mathrm{~K}$ <br> Instagram <br> Followers | 28K <br> YouTube <br> Subscribers | 2.75K <br> Followers <br> Followers | 495K <br> Facebook Likes | $\begin{gathered} 175 K \\ \text { E-Mail } \\ \text { Subscribers } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 8,600,000 | 15.63\% | 3:09 | 3.20 | 0 | $\downarrow$ | E | $\square$ | - |

## Most Watched Video Content

## AutoDeal has the fastest growing automotive video channel.



1. 2018 Mitsubishi Montero Sport GT 4x4 vs. Toyota Fortuner V 4×4


Published May 10, 2018.

## 2. 2018 Suzuki Vitara GLX



136,625 views

29,000 views

Published May 22, 2018.
3. 2018 Honda CR-V 1.6 SX CVT


Published Mar 22, 2018.

## Brand New Tech

We've upped our game with brand new dashboards for vehicle brands and dealer groups.


## Track leads, sales and conversion with ease.

## DISCOVER MORE

AutoDeal's New Brand and Dealership Group dashboards provide more insights on the performance of your campaigns than ever before. With our industry leading tool, you can now track a wide variety of important metrics,

LEAD ANALYSIS: Track how many leads you are generating and monitor which vehicles are receiving the most attention.

SALES TRACKING: Track sales volume and lead to sale conversion over time to see which campaign months generated the most sales over time.

TEAM PERFORMANCE: Monitor your dealers and sales agents based on inquiry response time, sales volume and sales conversion.

CONTENT ANALYTICS: See how reviews, editorials and advertorials are helping to generate more commercial value than simply pageviews.

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