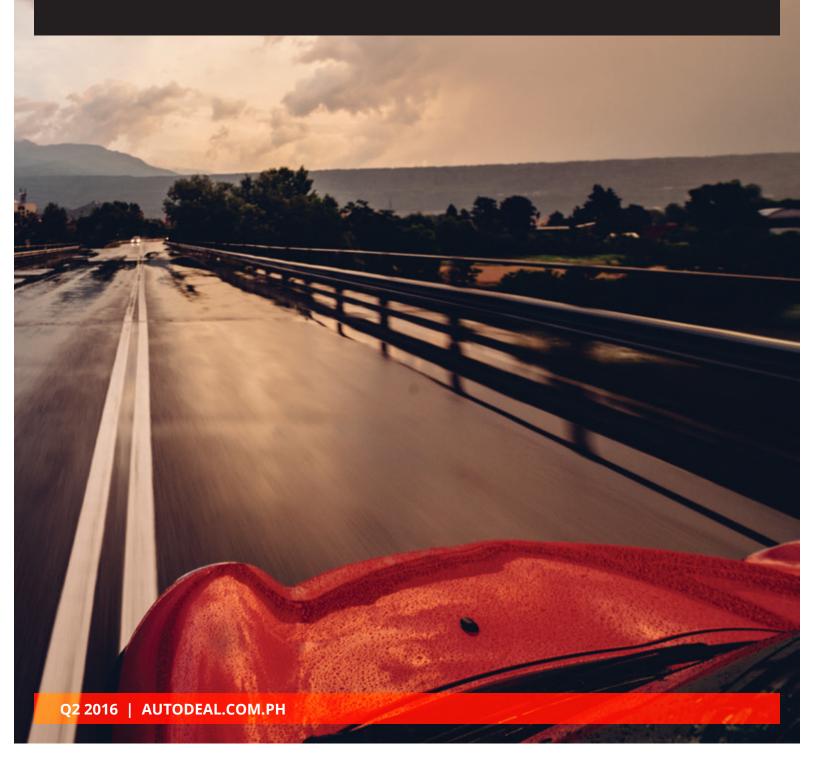
Philippines

April 1 - June 30, 2016

AUTO INDUSTRY INSIGHTS

AUTODEAL



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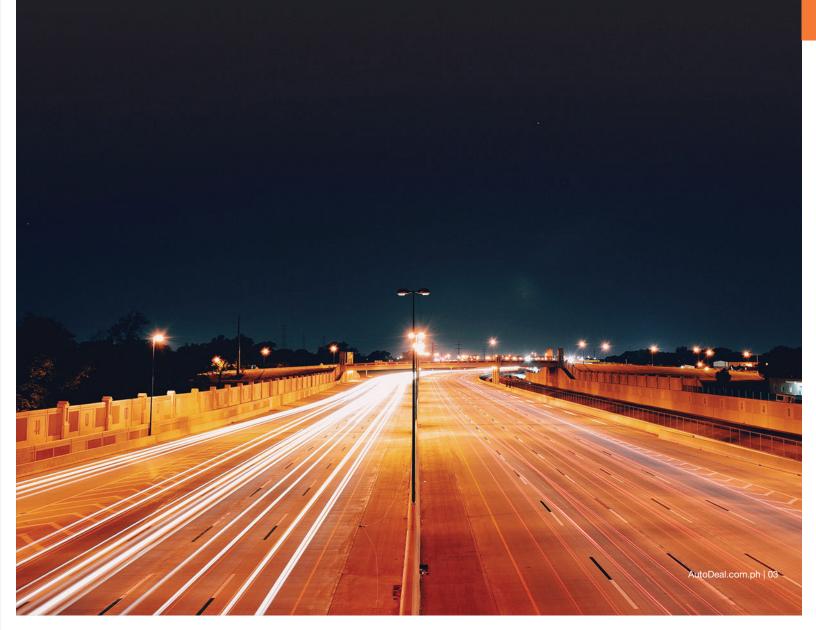
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DISCLAIMER

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DATA SOURCES

The assumptions made in this report are made based on quantitive transactional data retrieved from the AutoDeal.com.ph platform from April 1, 2016 to June 30, 2016. The sample size used in this study includes 1.8M users and 25,000 transactional data points.



QUARTERLY UPDATE

APRIL 1 - JUNE 30, 2016

Our numbers have grown (again!)

↑30%Visits

31,250

Verified Leads

P3 Billion*

Worth of vehicles sold

*Figure is representative of confirmed sales tracked using the AutoDeal platform or through customer feedback. Data is not reflective of the entire



April - June 2016

2.35M

Visits

Jan - March 2016

1.8M visits



sample of sales generated.

57%

Mobile

13%



30%

Desktop



are Apple iPhone Users



AutoDeal For Agents App

AutoDeal for Agents App provides a more seamless experience for sales agents to receive inquiry notifications and respond to customers. Combined with an offline mode to source leads from real-world exhibits, the AutoDeal Sales Agent app is now the perfect companion for any sales person in the Philippine automotive industry.



AutoDeal Inquiry Kiosk

Synchronize the AutoDeal Lead Management System (LMS) with your real-world exhibits and events with our Inquiry Kiosk White Label Solution.



New Advertising Offers

AutoDeal now offers an extended suite of display, content and dynamic targeted advertising opportunities to manufacturers and dealership groups.

- **25,000** conversations between sales people and car-buyers.
- P998,000

Average price of Vehicle Sold on AutoDeal.

• 1,500+
sales agents using
AutoDeal every day.





Sales Agent Insights

It's now easier for dealers, groups and brands to track the performance of their best performing sales agents with our dealer and sales agent insights. From here you can monitor agent response time, customer service standards and conversion rates with ease.



INTRODUCTION

Without a shadow of a doubt, technology and the automotive industry are becoming intertwined at a faster rate than ever before. Not only does technology continue to be a vital part of the car buying process, but it's also becoming an increasingly important part of the decision-making progress, as car-buyers are given a greater array of choices when it comes to innovative entertainment, information, convenience and safety features in their vehicles.

The AutoTech revolution also remains relevant elsewhere in the world as a key battleground for global automotive corporations. On one side of the fence, Toyota have launched a strategic investment with ride-hailing service UBER while Volkswagen have hedged their bets with a \$300M USD investment into UBER competitor Gett. In recent months, BMW (through its BMW iVentures venture capital arm) also made an investment into California-based carpooling app Scoop, continuing a trend of AutoTech investments this year which was led by General Motors investing in Lyft, and acquiring the assets of floundering ride sharing service Side-Car.

Fiat Chrysler Automobiles (FCA) also set alarm-bells ringing by announcing their manufacturing deal with Google. The aftermath of which has had many analysts suggesting a new era of technology disruption in the automotive industry has now been set in motion.

Locally, ride-hailing apps continue to grow in popularity in the Philippines, but have come under fire by some groups who claim that the ride-hailing service is paradoxically increasing the volume of cars on the road as Filipinos invest in additional UBER vehicles as sideline businesses. Despite some criticism, UBER has now set up UBERPool, a car-pooling service that hopes to succeed where other locally deployed car-pooling apps have failed in the past.

Nevertheless, while AutoTech may eventually position itself to disrupt the fundamentals of the automotive industry, based on the data being released by several local brands, it's clear to see that the Philippine automotive industry is making good progress on achieving it's forecasted sales growth estimates. In this, our second report of 2016 we will provide insights related to the buying-power of Overseas Filipino Workers (OFWs), will showcase data on the cars that continue to catch the online car-buyers eye and will indicate how Cavite may have become the next big battleground in Philippine vehicle sales.

CHRISTOPHER FRANKS
CO-FOUNDER



Setting up car dealerships in geographic hotspots is nothing new. Even today, with the exception of highly populated areas like Quezon City, the majority of car brands in the Philippines only have a single dealer to serve a specific locale. This will consist of a centralized dealer in the province (maybe with a satellite office or two) and in Metro Manila – a core dealer taking center stage in much of the major cities.

The strategy behind this has always been quite simple, a dealership is deployed to serve as the local dealer for any said community, providing sales and servicing options to customers residing in the local area. In the age before the internet, smartphones, and social media, this made a hell of a lot of sense for dealers to capture that ever so important foot traffic.

Based on AutoDeal's transactional car buying data, we found that 37% of customers who purchased with the assistance of AutoDeal did not avail from their local dealer. This is to say, that the customer bypassed the dealer on their doorstep and transacted with an AutoDeal Partner Dealership.

Looking closer, we discovered that of those 37%, the average distance travelled by an AutoDeal car buyer was 69 kms (the equivalent distance of San Fernando, Pampanga to the outskirts of Quezon City), while

many traveled even further. We could say that the furthest was 13,665 km - the distance between New York City and Quezon City, which was a transaction completed by an overseas Filipino worker (OFW), but that might distract us from the overall discussion at hand.

So why are customers traveling further distances?

There a number of possible scenarios, the first could quite simply be that customers are finding better deals online from Metro Manila dealers who are giving more exposure to themselves by advertising online. However, even if this were the case, would the customer stop by their local dealer to compare rates and terms? Possibly not.

In the fast day-to-day environment that we now find ourselves in, being accessible online is the new form of convenience that customers are looking for, especially with regards to the new generation of first-time buyers who live in the on-demand world of UBER, iFlix, and FoodPanda.

Put simply, if you're not online, you're no longer convenient.

WHAT CARS ARE OFW'S LOOKING FOR?

As an Overseas Filipino Worker (OFW), the struggles of buying a vehicle can be a little bit overwhelming. Different time-zones, international phone call rates, and poor feedback from dealer websites are just a few things that can turn the supposed pleasurable experience into a total nightmare.

Luckily, over the last two years, AutoDeal has helped hundreds of OFWs complete transactions with Philippine car dealers, regardless of them being thousands of miles away. By connecting with dealers on AutoDeal, OFWs can message sales agents for free and complete necessary requirements remotely without needing to visit the showroom or speak to an agent in person. Since AutoDeal guarantees that agents on it's platform are certified representatives of it's partner dealers, OFWs can rest easy that any sensitive personal information they submit is being handled with the upmost care.

Since OFW transactions account for around 20% of all engagement on AutoDeal, we've come to learn a lot about the preferences of buyers in different host countries.

Most Popular Cars Searched by OFW's Toyota Vios Mitsubishi Adventure Toyota Fortuner Isuzu Crosswind Toyota Avanza Toyota Hilux Isuzu mu-X Toyota Innova Nissan NV350 Urvan Nissan Almera

OFW's are still crazy for Toyota.

It comes as no great surprise that the world's largest carmaker Toyota reigned somewhat supreme, accounting for 50% of the top 10 inquiries made by OFW's. In particular the Vios ranked in 1st place followed by the Fortuner in 2nd and the Avanza in 3rd. The Hilux and the Innova brought in the rear finishing in 8th and 9th respectively.

Aside from Toyota, both Isuzu and Nissan ranked well with the Isuzu mu-X (the dark horse of the SUV Wars) ranking 4th, the new Nissan NV350 Urvan ranking in 5th (as the no.1 most searched for van), the faithful Isuzu Crosswind finishing 7th and the Nissan Almera rallying in 10th. Mitsubishi Motors also scored 6th place with the Mitsubishi Adventure while models like the all-new Montero Sport and Mirage surprisingly did not make the list.

Nature of Searches

On average, OFWs in Canada searching for vehicles had the most expensive tastes with the average vehicle price of searches reaching P981,800. There was also distinct differences in the types of vehicles OFWs were searching for. SUVs were most commonly sought for by OFWs in Saudi Arabia, United States, and Japan while MPVs and AUVs were searched for in United Arab Emirates, Singapore, Kuwait, and Australia. OFWs in the United Kingdom and Malaysia had more taste for sedans while those in Canada were most likely to search for vans and minivans.

East Asia & Oceania

East Asia and Oceania were dominated by Japanese brands with Toyota taking the crowns in Malaysia and Singapore. In Japan, the Isuzu mu-X took 1st place while the Mitsubishi Adventure was most commonly inquired for by OFWs in Australia.

In addition to Toyota, Isuzu, Nissan, and Mitsubishi, brands like Suzuki, Ford, Hyundai, and Chevrolet scored well in specific markets. The only European vehicle representing in any line-up was the Volkswagen Polo sedan which ranked in 9th place for OFWs in Malaysia.

Europe & North America

OFW engagement in North America also massively favored Japanese brands with Toyota, Mitsubishi, and Isuzu all scoring well in searches both in the United States and Canada. Surprisingly, neither Ford or Chevrolet reached the top 10 lists.

In the United Kingdom, OFW's favored the Nissan NV350 Urvan above all else.

Middle East

In Saudi Arabia, SUVs reigned supreme with the all-new Toyota Fortuner ranking in 1st place. Also present was the Isuzu mu-X (ranked 3rd) and the Ford Everest (ranked 7th). In Kuwait, the Toyota Innova was top preference while in the United Arab Emirates the Mitsubishi Adventure took the crown.

Nature of OFW Car Searches

COUNTRY	AVERAGE PRICE OF VEHICLE SEARCHED	MOST SEARCHED VEHICLE TYPE
Canada	981,800	Van
United Kingdom	969,600	Sedan
Saudi Arabia	964,100	SUV
United States	921,000	SUV
Japan	914,800	SUV
Malaysia	896,700	Sedan
United Arab Erimates	857,100	AUV
Singapore	842,000	MPV
Kuwait	810,000	MPV
Australia	761,700	AUV



A trusted nameplate

Toyota continues to prevail as one of the sought after cars of Filipinos during the second quarter (Q2) of 2016. Reliability and quality go with their brand name, along with a number of service centers and spare parts available throughout the country.

Among their lineup, the Wigo remains to be on top and sits at the 1st spot in our top 10 cars for Q2. It's relatively compact but it can seat up to 5 occupants, which makes it a perfect city car. More importantly, its appeal comes from its competitive price point without forgetting about standard features like dual airbags,

electronic door locks, and a decent entertainment system even for its entry-level variant.

Another arsenal of the Japanese marque is the Vios, which takes the 2nd place. With its growing population on the streets, the Vios is clearly one of the popular vehicles in the local market. Moreover, majority of partners/operators of the ridesharing apps like Uber and Grab choose the Vios because of Toyota's attractive deals for both fleet and personal purchases.

Lastly, after launching its refreshed model and stirring up the market last year, the new Avanza (8th place) returns to the top 10 this quarter. It may have lost its traction during the first quarter, but you can't blame the market; its redesigned, bulky fascia is attractive, which we think catches the interest of the buyers

Outstanding subcompact sedan

Ever since subcompact sedans were introduced to our country, it steadily rose to fame with more models entering the segment each year. With that in mind, the Mitsubishi Mirage G4 is one of the vehicles that continues to attract car buyers, owning the 4th spot for the quarter.

"The Mitsubishi
Mirage G4 is one of
the vehicles that
continues to attract
car buyers, owning
the 4th spot
for the quarter."

Being the sedan version of the Mirage Hatchback (6th place), the G4 inherited its quality of build and fun-to-drive character. It also serves as an option for those who opts for a sedan rather than a hatchback. Within its segment, it also has an advantage with styling especially with its top-of-the-line variant with chrome embellishments and interior features like push start button, automatic climate control, and 2-DIN touchscreen head unit.

The AUV's charm

Early this year, two AUVs made the list, a proof that they continue to be top choices among Filipino car buyers. However, one of them prevails and retains the spotlight in Q2 – the Isuzu Crosswind, taking the 5th spot in our top 10.

It has the charm for both business and personal uses, but comparing it with the top-of-the-line variant of its closest competition, it's more powerful and bigger in terms of dimensions. That means, its 10-person seating capacity can be maximized without compromising comfort.

The king of SUVs

Aside from being a status symbol, SUVs are big and beefy vehicles that radiates an authoritative demeanor. This is the main reason why Filipinos tend to consider them when buying a car for their family. With its ample interior space, it's perfect to fit 7 people inside – with enough room for their luggage and other stuff. With all the choices in this segment, the Isuzu mu-X (7th place) rose above all, with the most number of organic searches for an SUV for the past 2 quarters of 2016.

The mu-X sustained its popularity because of its stylish exterior, decent engine power, and maximum

interior comfort. It also has a wide array of safety and security features.

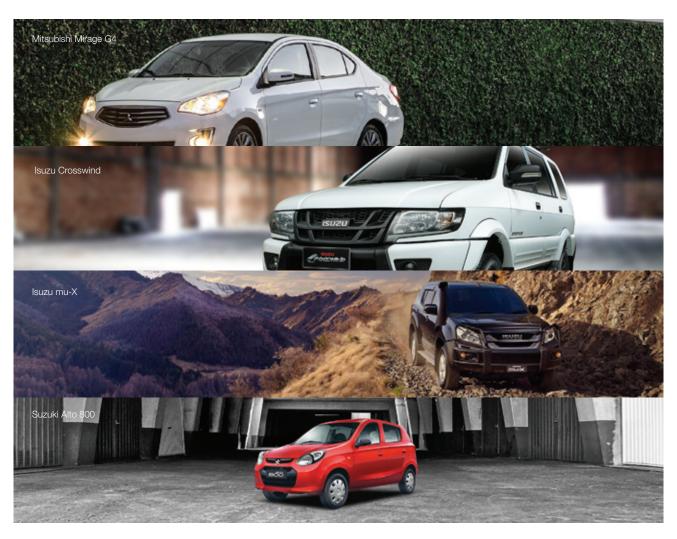
The newcomers

Aside from the mentioned returning champs from Q1, there are new names on the list that are highly notable. Yes, the Suzuki Alto wasn't in the top 10 during the first quarter, but that doesn't mean it's not getting the interest of our buyers. In fact, this 800cc hatchback takes the 8th spot from April to June 2016. Why is it popular to our buyers? Mainly because of its price tag, below P500,000. With that amount, you can get a brand new vehicle with basic amenities, which makes it perfect choice as a first car.

Moreover, the Ford EcoSport also gets a relatively high position in the list, taking up the 3rd spot. This isn't a surprise as this subcompact crossover is one of Ford Philippines' best selling vehicles for 2015 and up until today. It's presence on the road solidifies that data, and our buyers this quarter think so too.

Lastly, the Nissan Juke takes the last spot this quarter but nevertheless, it's one of those top new cars in Q1 that sustained its popularity for another 3 months.

Aside from Nissan's relentless and effective marketing strategy, this subcompact crossover has head-turning looks, backed up with a reliable performance on the road as seen on multiple reviews here and abroad.

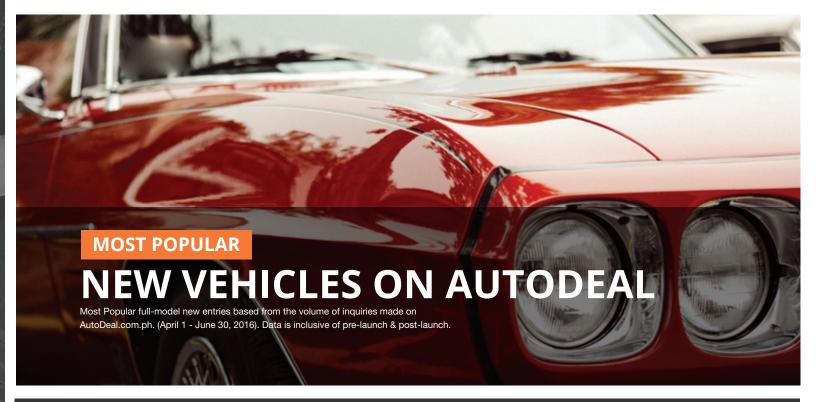


TOP TEN MOST POPULAR VEHICLES

ON AUTODEAL

Rank	Brand	Model	April 2016	May 2016	June 2016
1	ТОУОТА	Wigo	7	3	1
2	TOYOTA	Vios	10	2	2
3	Ford	EcoSport	2	1	5
4	MISUBSHI	Mirage G4	1	5	7
5	ISUZU	Crosswind	5	4	8
6	MISUBSHI	Mirage	4	7	6
7	ISUZU	mu-X	8	6	22
8	\$ suzuki	Alto	3	8	27
9	TOYOTA	Avanza	19	16	3
10	NISSAN	Juke	6	12	16

Notable mentions: Chevrolet Trailbllazer = 13, Toyota Fortuner = 16, Ford Everest = 20, Honda City = 14, Mazda 2 = 24



Rank	Brand	Model	April 2016	May 2016	June 2016
1	MTSUBISHI Mission	Mirage	1	1	1
2	H	Civic	4	3	3
3	SUBARU	Forester	3	2	4
4	CHEVROLET	Sail	5	4	2
5	\$ suzuki	Ciaz	2	5	6
6	KIA	Sportage	6	8	5
7	PEUGEOT	308 GTi	7	7	9
8	H	Accord	0	6	7
9	Е	Veloster	-	-	8

TOP NEW CARS IN Q2 2016

By Randolph de Leon and Yabee Dee Eusebio



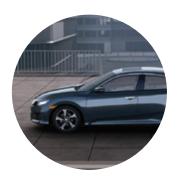
Mitsubishi Mirage

The Mitsubishi Mirage is the most popular all-new model in Q2 2016. Debuting last April, it then gained attention from car buyers because of its redesigned exterior, refreshed interior, and competitive SRP.



Honda Civic

The all-new Honda Civic is a breath of fresh air compared to its previous 2 predecessors. Its back to its sporty exterior and now features a 173 hp 1.5L turbo engine which appeals to buyers who want to have a fun driving experience. Bunch those with its many safety features could be the reason why it's at number 2.





Subaru Forester

At 3rd is the new Subaru Forester. This SUV now features an improved suspension, brakes, and X-Mode for better all-terrain drivability. Inside, it received a better entertainment system compared to the previous model with its new Harman/Kardon speakers and high-grade multi-function touchscreen display.



Chevrolet Sail

The Chevrolet Sail debuts with a bold exterior and a spacious interior that boasts a 9-inch touchscreen infotainment system. It's also the only subcompact sedan that comes with a sunroof. These premium features combined with its affordable price tag give the Chevrolet Sail a commendable 4th place.





Suzuki Ciaz

05

In 5th place is the Suzuki Ciaz. Aside from its stylish exterior, its cabin is also one of the roomiest in its class, thanks to its 2,650 mm wheelbase. The top-spec GLX variant also comes with an Android touchscreen display with Bluetooth and USB connectivity. It has a 1.4L gasoline engine at 92 hp and 130 Nm of torque. It can be paired with either a 5-speed manual or a 4-speed automatic gearbox.

06

Kia Sportage

The 2016 Kia Sportage scored a comfortable 6th place. It now comes with a panoramic sunroof and a headunit with Bluetooth connectivity. Inside, it is designed with leather and chrome trims as well as more legroom (40 mm longer and 10 mm wider) compared to its predecessor.





Peugeot 308 GTi

The Peugeot 308 GTi is available in 2 body types to cater to a wide variety of car buyers - hatchback and station wagon. Both have a powerful 270hp 1.6L engine for a spirited drive. Inside, a black-themed cabin with red and chrome trims can be seen which boasts the innovative driver seat concept the i-Cockpit. This driver centered layout also houses the massive 9.7-inch touchscreen infotainment system. All these cool features help this hatchback/station wagon land in 7th.



Honda Accord

In 8th place comes the Honda Accord. It's been updated for 2016 with a restyled fascia and rear end. Although the inside remained mostly untouched, Honda did improve its infotainment system. The resolution of its intelligent multi-information display (i-MID) is clearer and can show more information simultaneously like trip computer, audio, and compass.





Hyundai Veloster Turbo

The Hyundai Veloster Turbo, which lands in 9th, combines the looks of a coupe and functionality of a hatchback. This asymmetric vehicle boasts a 204 hp 1.6L gasoline engine mated to a 7-speed DCT with H-Matic. Inside, leather-clad seats and a 7-inch touchscreen provide comfort and entertainment for passengers.

TOP GEO LOCATIONS

Based on the geo-locations from which inquiries were made on AutoDeal from April 1 - June 30, 2016.

	Location	Region	April 2016	May 2016	June 2016	TOTAL
1	Cavite	Calabarzon	6.86%	8.63%	8.93%	8.33%
2	Quezon city	NCR	7.15%	7.61%	8.42%	7.86%
3	Manila	NCR	5.62%	6.51%	6.40%	6.24%
4	Laguna	Calabarzon	3.68%	4.44%	5.31%	4.65%
5	Rizal	Calabarzon	3.39%	4.45%	3.94%	3.96%
6	Makati	NCR	2.77%	3.54%	3.70%	3.42%
7	Cebu	Central Visayas	5.50%	4.04%	1.73%	3.35%
8	Pasig	NCR	2.42%	2.76%	2.96%	2.77%
9	Taguig	NCR	1.67%	2.07%	2.48%	2.16%
10	Las pinas	NCR	1.55%	2.03%	2.40%	2.08%
11	Caloocan	NCR	1.76%	2.09%	2.22%	2.07%
12	Davao	Davao	2.81%	2.12%	1.11%	1.83%
13	Batangas	Calabarzon	2.17%	2.45%	1.19%	1.82%
14	Pampanga	Central Luzon	1.51%	1.23%	2.21%	1.74%
15	Paranaque	NCR	1.32%	2.94%	1.06%	1.70%
16	CDO	Northern Mindanao	1.70%	1.57%	1.08%	1.38%
17	Marikina	NCR	1.36%	1.66%	1.47%	1.50%
18	Mandaluyong	NCR	1.22%	1.42%	1.66%	1.48%
19	Muntinlupa	NCR	1.49%	1.43%	1.31%	1.39%
20	Valenzuela	NCR	0.85%	0.82%	1.02%	0.92%

HOW DOES THE AUTODEAL FOR AGENTS APP WORK?

By Martin Aguilar



Last May 2016, we launched a mobile app that allows sales agent to instantaneously connect with customers inquiring on AutoDeal.com.ph.

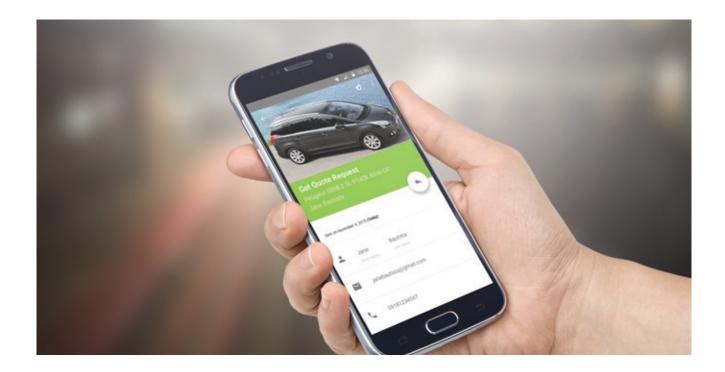
For the uninitiated, the AutoDeal for Agents Android App provide enhanced ways for sales agents to transact with prospective customers who are shopping online. With the said app, sales agents can now search for leads, reply to a customer, and close a deal by using only his/her smart phone.

Of note, the app is equipped with off-line capability which allows sales agents to record customer details while at the showroom or during mall displays and exhibits even when there's no wifi or data available. When the agent reconnects, he/she can simply sync up their recent activities.

So, how does the AutoDeal for Agents App works? Well, it is simple as counting 1 to 3.

When you open the app, you'll see the inquiries from different customers. Inquiries can be sorted three-ways, 'ALL', which includes all of your leads from every source (including the AutoDeal generated inquiries), 'MANUAL' which includes customer inquiries that you've manually uploaded and 'IMPORTED' which will include leads from imported sources, like your manufacturer website.

In case you want to add a new Lead, click the circular orange icon with the 'plus' sign. Upon clicking, you need to fill up the customer's contact details. After providing the necessary information, click on the 'Proceed to Car Details' icon.



Then, you need to select the corresponding car model by clicking the 'plus' sign. You can also specify the exact variant of the vehicle as well as the estimated time-period as to when the customer will close the deal.

When you wish to view one of your leads in the app, simply click on the customer's name to see the detailed information in regards to your current transaction.

To view the customer's complete details, click on the two arrows (one pointing up and one pointing down). Once you closed a deal, click the 'Peso' sign to mark the specific lead as sold.

If you want to reply to a customer, click on the orange icon, placed under the 'Peso' sign. When replying, you can send attachments by clicking on the 'Paperclip' icon.

When you opt to find a specific lead right away, you can simply use the search icon and type in the customer's name to view the current transaction details.

The AutoDeal for Agents App is revolutionizing how sales agents transact with potential car buyers. It allows agents to interact wherever, whenever by using his/her mobile phone alone; translating to better customer service and more optimized lead management.

DEALER

FOCUS

TOP TEN

DEALERS FOR ONLINE CUSTOMER CARE

The dealers noted below have showcased exceptional levels of online customer care. Metrics used to measure their performance include average response time and average response length.

1		Honda Alabang	6	\$ suzuki	Suzuki Auto Shaw
2		Volkswagen Quezon Ave	7	Θ	Mazda Cebu
3	SUBARU	Subaru Iloilo	8	\$ SUZUKI	Suzuki Auto Lipa
4	MITSUBISHI MOTORIS	Mitsubishi Quezon Avenue	9	CHEVROLET	Chevrolet Batangas
5	\$ suzuki	Suzuki Auto Cebu	10	\$ SUZUKI	Suzuki Auto Cagayan de Oro

TOP ACHIEVER

On a brand level, Volkswagen Philippines is setting a standard across its four dealers for the fastest responses to customer inquiries. Collectively the Volkswagen brand achieved the highest online customer service metrics across their entire network of dealers.







THE PHILIPPINES NO.1 ONLINE AUTOMOTIVE MARKETPLACE

Helping thousands of customers compare vehicles, find promos and connect with car dealers every month.

AutoDeal.com.ph

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