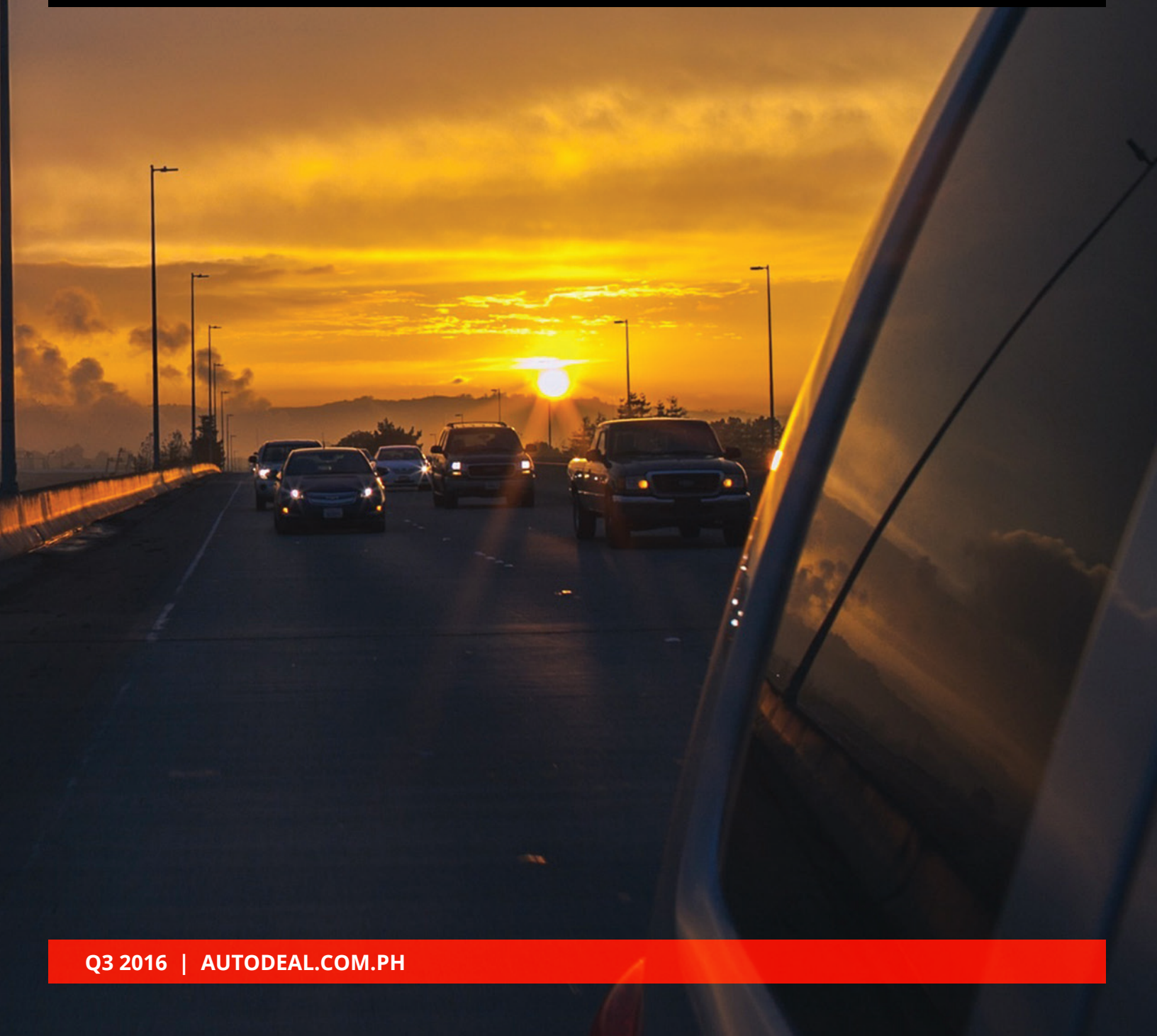


Philippines

July 1 - September 30, 2016

AUTO INDUSTRY INSIGHTS

AUTODEAL



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DISCLAIMER

The content represented in this report has been prepared by AutoDeal.com.ph (The SirQo Group Inc.) to represent 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 advice or recommendations. The SirQo Group Inc. will not be held responsible for any damages or loss of business caused by the interpretation of this document.

DATA SOURCE

The assumptions made in this report are based on quantitative transactional data retrieved from the AutoDeal.com.ph platform from July 1 to September 30, 2016. The sample size used in this study includes 3.23M users and 35,000 transactional data points.



Quarterly Update

July 1 - September 30, 2016

Our numbers are up (again)



37%

Visits

34,717

Verified Leads

25%

of AutoDeal Users complete purchase in 30 - 60 days*

*Based on 5,000 customer surveys in September 2016.



July - September 2016

3.23M

Visits

Jan - March 2016

1.8M

Visits

Apr - June 2016

2.35M

Visits



59%

Mobile



29%

Desktop



12%

Tablet

Pageviews

9,176,459

Jan - March Total Pageviews

11,147,523

April - June Total Pageviews

13,695,002

July - September Pageviews

Average Price of Vehicle Sold in Q3 : P1,029,669



Used Cars + Trade In Tool

As a means to help complete the online buying cycle, AutoDeal has launched its Used Car and Trade In Tools as a means to help buyers offset their old vehicles. AutoDeal provides specific features for used car dealers, certified pre-owned programs and repossessed vehicle outlets.



Extended Content & Rich Media Team

In order to provide more coverage of the local automotive scene and to increase reciprocated value to our partners, we've extended our content and audio-visual capabilities. Such improvements include our video reviews and AutoDeal Unboxing videos.



AutoDeal Team

From 34 team members on June 30, to 45 on September 30.



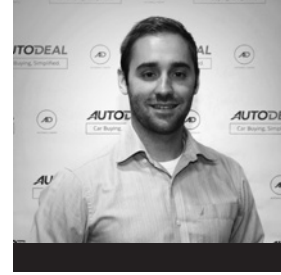
28,661

Total Conversations between car buyers and sales agents over AutoDeal



WANT TO FIND OUT MORE? CONTACT INFO@AUTODEAL.COM.PH

INTRODUCTION



Ladies and Gentlemen, welcome to the home straight!

As cliché as it may sound, 2016 has passed by ridiculously fast. As we enter Q4, many of us now find ourselves finalizing plans and putting budgets in place for 2017, a year which some industry insiders are already declaring could be one of the most competitive in recent memory. While our mind stays busy with pre-emptive forward-planning, we often neglect ourselves ample time to reflect on the achievements of the year.

At AutoDeal (while we try to refrain ourselves from sounding too self-promotional), this year has been our very best on record, owed in part to the tremendous partnerships and relationships that we've been able to continue developing at both the manufacturer and dealership level.

Having grown our overall audience size by more than 237%, it's now apparent more than ever how online is truly changing the dynamics of a car buyer's journey. With raised numbers, comes new trends as approximately 60% of AutoDeal users now opt to connect with dealers via their smartphone, a figure that has grown by 20% in our two and half years of operation.

Growing numbers also give birth to fresh challenges and new faces as the AutoDeal family doubles in size to help accommodate the needs of the industry through the implementation of on-ground services. As Philippine adoption to digital innovation continues to grow, it's no longer just necessary to have an online strategy, but to make important changes to business practices and standard operating procedures. This year alone, the AutoDeal Training team has conducted seminars and workshops with more than 1,000 professionals in the local automotive industry, teaching them not just about our own services, but orientating them on how to meet the expectations of a growing user base of online buyers. Results have been overwhelming, having reduced the average dealership response time to below 24 hours at more than 50% of our partner dealers and further improving this to 3 hours at 25% of dealers and 1 hour at 10% of dealers.

While these results may seem superficial to some outsiders, the result is joint success through partnership, having helped to vastly improve the experience of thousands of online car buyers. Irregardless of growth in other areas, this is the one thing that I can reflect on which fills me with the deepest sense of pride.

So, in this our third edition of our quarterly insights report, I urge you all to take time to reflect on the achievements of the year. As Confucius said, reflection is the noblest method that we may learn wisdom.

I hope that you find the third edition of our insights report useful.

Best Regards,



DANIEL SCOTT
CO-FOUNDER

What factors are most important to online car buyers?

By Christopher Franks

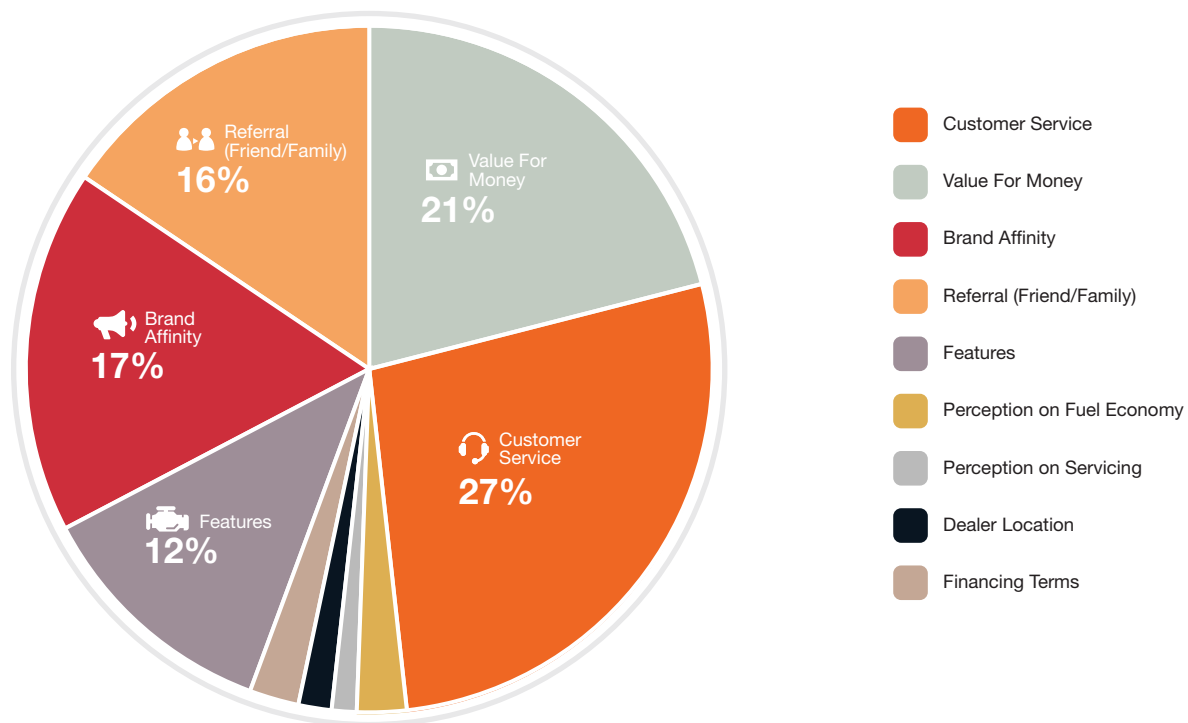
There's no mistaking that the internet plays a vital role in the purchase decision of the majority of car-buyers today. Despite an ever increasing commitment from manufacturers to market online, the challenge that many brands continue to face is the ability to fully understand the expectations of a prospective customer, to attract them to their products and (most importantly) to ensure that an offline conversion eventually takes place.

Appreciating the mindset of a customer during the initial research and inquiry phase of the buying journey

is essential for brands who want to bridge the gap between their online marketing efforts and real-world sales at the dealership level.

As a means to further understand the preferences of customers who shop online, AutoDeal conducted a survey with more than 5,000 prospective car-buyers, asking those that had already purchased between 30 to 60 days to explain what was the most prevailing reason that they selected the vehicle that they did.

Here's what we found...





Customer Service

A buyer's perception on customer service was the number one consideration for 27% of car-buyers. In many cases, customers were willing to not only switch dealers, but actually switch between brands when they felt that their business was not truly valued by sales consultants.



Perceived Value For Money

When asked what factors influenced a purchase, 21% of car buyers commented that price of the vehicle was the major contributing factor. In particular, this did not mean that customers selected the lowest priced car, but instead commented that they chose the vehicle with the best perceived value for money. In short, Filipinos are still looking for that 'Sulit' deal which is why tools like the AutoDeal Car Comparison Tool continue to be popular.



Brand Affinity

Overall brand awareness and a buyer's overall connection with a particular car make was the no.1 consideration for 17% of car buyers that we spoke to. High volume brands like Toyota, Mitsubishi, and Ford were among those that often won when this consideration was top of mind.



Referral (Friend/Family Member)

In 16% of cases, customers purchased their vehicle upon direct referral from a trusted friend or family member (usually spouse or parent). First time female buyers were exceptionally prevalent in this group with brands like Toyota and Honda often coming out on top.



Features

12% of our sample commented that the actual features of the vehicle were the single most important factor taken into consideration.



Financing

While financing terms, especially downpayment and monthly are incredibly important parts of a buying process, only a small volume of car-buyers claimed that this was their number 1 consideration.



Dealer Location

We've already provided commentary on the fact that many car-buyers no longer seem phased by the location of the dealer they purchased from. This data was reinforced again by the small volume of customers who commented that having a dealer within their local area was the most important factor to their purchase decision.



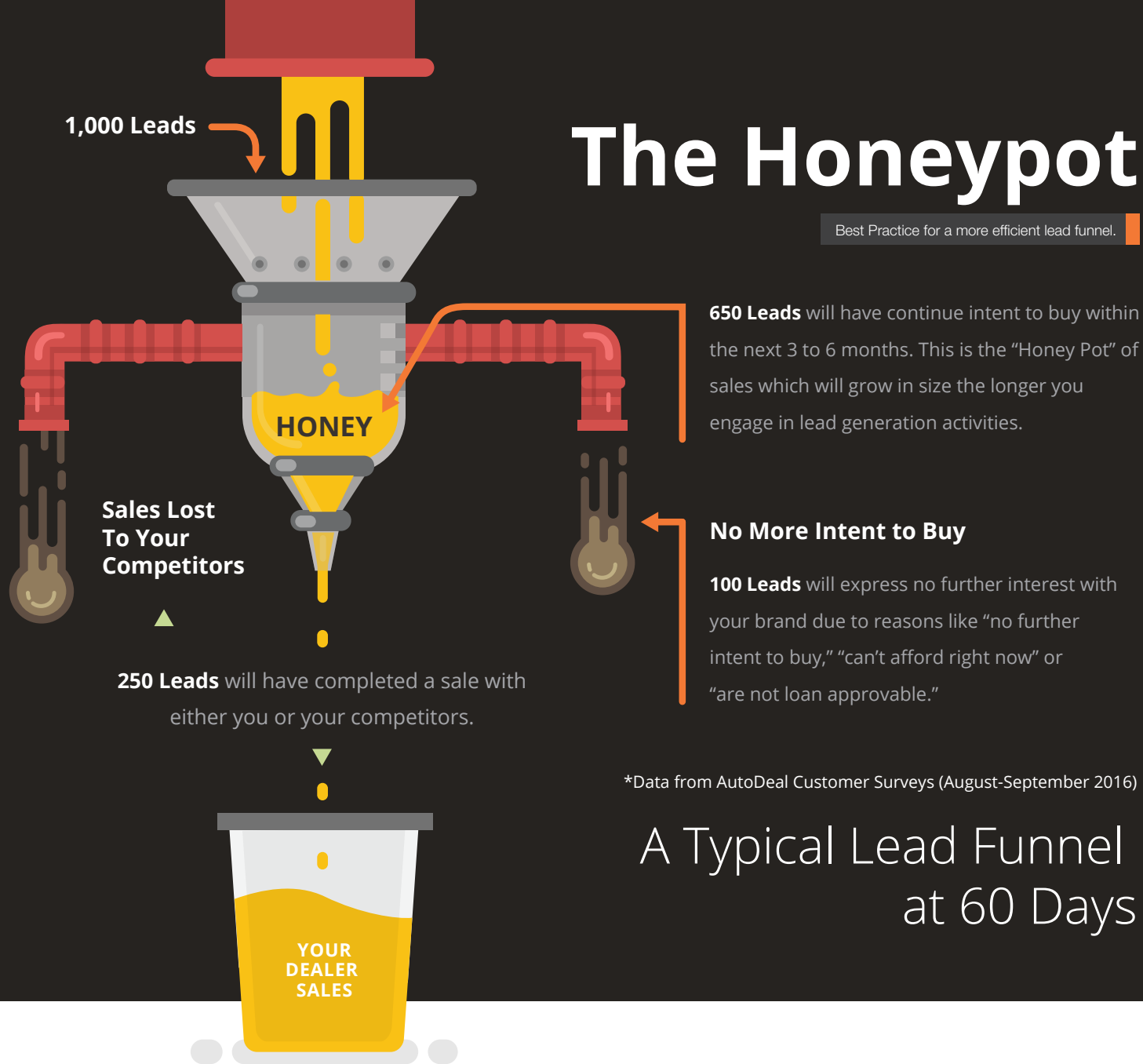
Perception on Servicing

While the costs associated with servicing will always be a driving force for many brands, only a small selection of customers classed this as their number 1 consideration.



Economy

Despite running costs being a serious consideration, not many car-buyers valued it as the number one reason why they bought a specific vehicle.



When it comes to the world of sales, it's important not to be too short-sighted. Based on the recent data from more than 10,000 prospective customers, just 25% of people who inquire online will complete a purchase within the first thirty (30) to sixty (60) days.

The "honey pot" is related to the 65% of customers who declare themselves to be still interested after 60 days, but won't be likely to complete a purchase until

between three and six months after their initial inquiry. It's important not to forget about those customers that are still in your sales funnel after 60 days because they are likely to have already spoken to multiple brands or dealers over this period of time, making them more susceptible to be lost to the competition.

Routinely prompting your honey pot—without pressuring them—could be a great way to increase your conversion over time.

Top 10 Most Popular Vehicles on AutoDeal

Based from the volume of inquiries made on AutoDeal.com.ph

Monthly Rankings

Rank	Brand	Model	July	Aug	Sept	Trend from Q2
1	 TOYOTA	Wigo	1	2	2	-
2	 TOYOTA	Vios	3	3	1	-
3	 Ford	EcoSport	10	1	4	-
4	 KIA	Picanto	2	5	9	⬆️
5	 Ford	Everest	24	6	3	⬆️
6	 HYUNDAI	Accent	8	4	14	⬆️
7	 TOYOTA	Innova	13	8	5	⬆️
8	 ISUZU	Crosswind	5	10	11	⬇️
9	 TOYOTA	Avanza	8	12	7	-
10	 Ford	Ranger	25	7	8	⬆️

11. Nissan Almera 12. Mitsubishi Mirage 14. Honda Mobilio 23. Chevrolet Trailblazer 24. Suzuki Ertiga 32. Mazda 2

Monthly Overall Rankings

1

NISSAN

Nissan Urvan

2


TOYOTA


Toyota Hiace

3


FOTON

Foton
View Traveller

Van Wars

A quick glimpse at the world of mass-transport. 

It might not hog the media limelight like SUV Wars and it might not sound as good as Pick-Up Wars, but there's a secret conflict being fought in an unsexy but inadmissibly important market segment this year. That's right, we're talking about the glamorous competition in the mass-commuter van segment.

Unfortunately the term 'Van Wars' doesn't make the headlines quite as much as it should, this year alone AutoDeal has seen the ratio of inquiries in this segment sharply increase by almost double compared to the same period in 2015. As small and medium scale enterprises continue to sprout up (and large sized families remain commonplace), the hunger for 12 to 18 seater vehicles should continue to grow, providing great opportunities for products like the Nissan Urvan, Toyota Hiace, and Foton View-Traveller that were among the three most popular vans sought after in Q3 2016.

Since its arrival in the Philippines last year, the new Nissan Urvan has sustained popularity for serious consideration by both business and private










buyers. Aside from the fact that the vehicle regularly appears in our top 20 lists, the Urvan has managed to maneuver its way to a favorable position thanks to a competitive price point, superior torque, and a great deal of diversity thanks to its 12, 15, 18, and cargo variants. A lighter bodyweight and less need for rigorous maintenance also provide a few advantages to boot.

The steadfast Toyota Hiace also remains popular and has been refreshed somewhat with the addition of 3.0L engine variants back in January. This upgrade gives the Hiace some edge in horsepower which adds to the plus points that mainly revolve around its more enhanced passenger comfort.

From left field, the Foton View-Traveller combines attractive pricing with impressive vehicle dimensions that make it almost ideal for commercial buyers. Attractive financing offers have also helped the Chinese brand sustain solid interest all year round.

Top 10 Premium Vehicles on AutoDeal

Based on total volume of inquiries made on AutoDeal from July to September 2016.

Rank	Brand	Model	Jul	Aug	Sept
1	Jeep	Wrangler	2	1	1
2		X1	1	4	13
3		1-Series	8	6	2
4		Discovery	12	2	3
5	 Mercedes-Benz	A-Class	35	3	4
6		3-Series	6	9	8
7	 Mercedes-Benz	CLA-Class	14	7	5
8		Z4	20	8	6
9	 JAGUAR	F-Type	3	13	14
10		Range Rover Evoque	5	14	11

12. Maserati Quattroporte 13. Audi A3 14. Lexus IS 22. Porsche Macan

Top 20 Geo-Locations

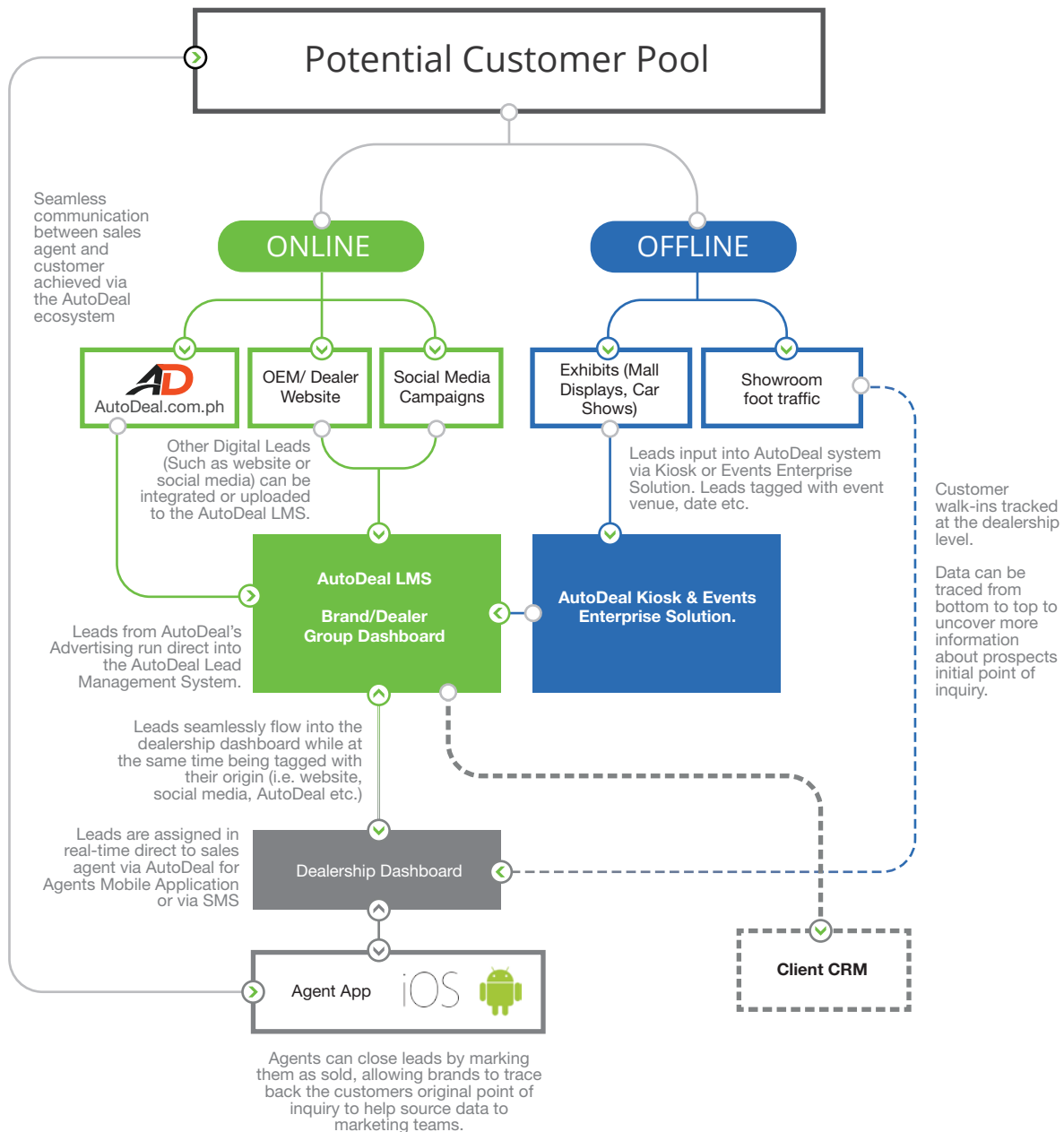
Based on total volume of inquires made on AutoDeal from July to September 2016.

	City/Town	Region	% of Total Inquiries
1	Quezon City	NCR	8.69%
2	Manila	NCR	5.88%
3	Makati	NCR	4.01%
4	Pasig	NCR	2.84%
5	Davao City	Davao	2.63%
6	Bacoor	Cavite	2.28%
7	Taguig	NCR	2.25%
8	Cebu City	Cebu	2.21%
9	Caloocan	NCR	2.14%
10	Mandaluyong	NCR	2.02%
11	Las Pinas	NCR	1.92%
12	Paranaque	NCR	1.92%
13	Cagayan De Oro	Northern Mindanao	1.69%
14	Antipolo	Rizal	1.68%
15	Dasmarinas	Cavite	1.67%
16	Imus	Cavite	1.60%
17	Muntlupa	NCR	1.52%
18	Angeles City	Pampanga	1.39%
19	San Fernando	Pampanga	1.39%
20	Marikina	NCR	1.22%

22. Santa Rosa, Laguna 26. Batangas City, Batangas 27. San Jose Del Monte, Bulacan

AutoDeal Lead Environment.

At AutoDeal, we've invested time and resources to ensure that car brands and dealers never lose sight of a potential customer again. Today our Lead Management System is more advanced than ever before, allowing dealers and brands to manage leads generated both online and offline.



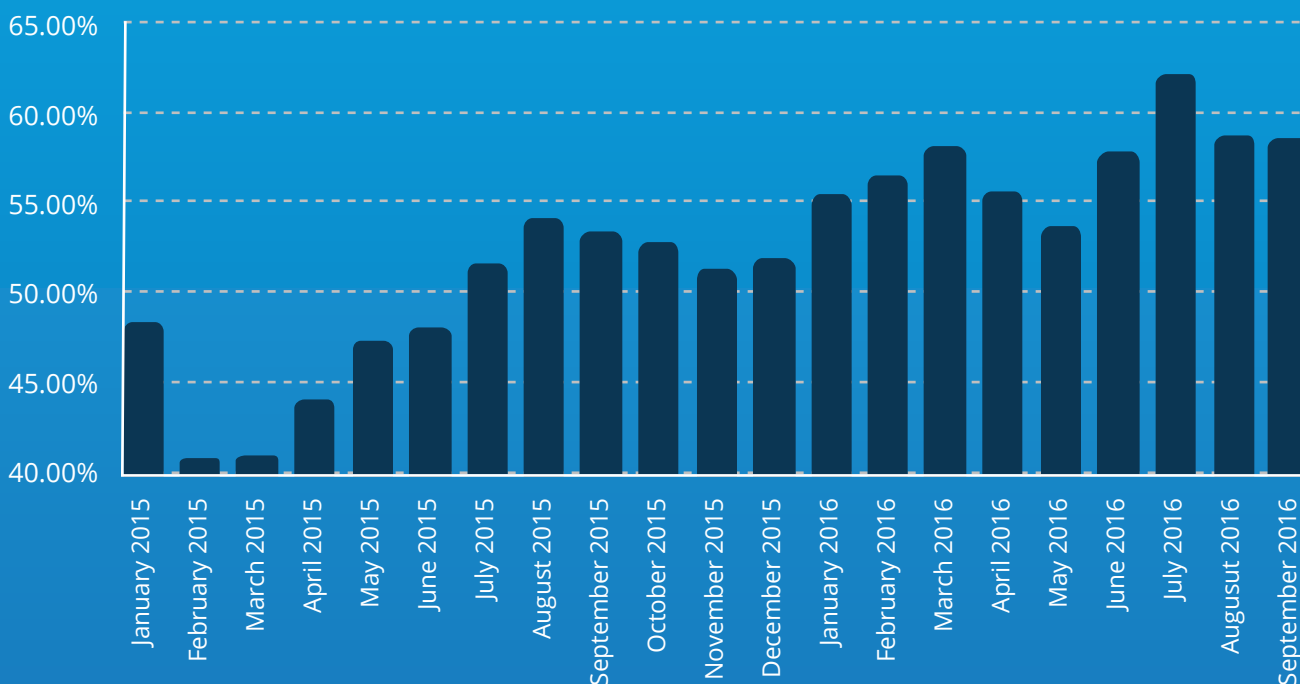
WANT TO FIND OUT MORE? CONTACT SOLUTIONS@AUTODEAL.COM.PH FOR MORE INFORMATION

More Car Buyers than Ever are Shopping on Smartphones

Look around any coffee shop nowadays and you'll notice patrons fixated on the small screen of their smartphones. With Filipinos leading the world in terms of social-media usage and average amount of time spent online, it's hardly surprising that car buyers using their smartphones in the Philippines are increasing.

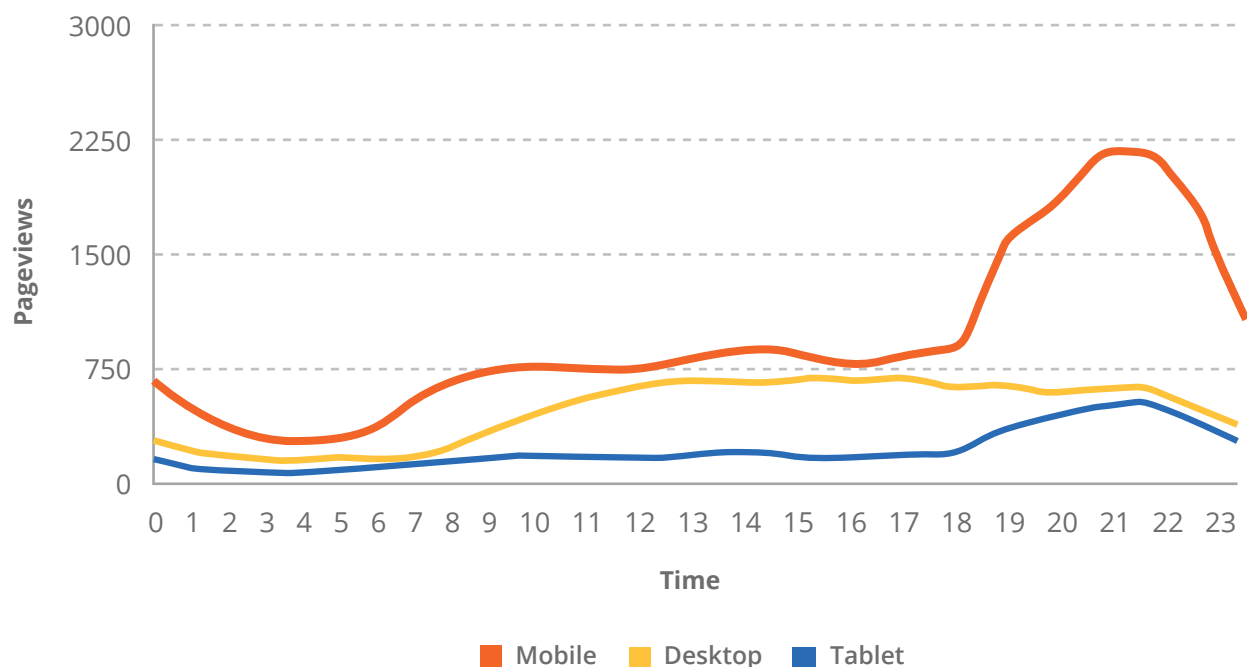
It should therefore come as no great shock that according to data from the last 18 months, more car-buyers than ever are using their smartphone as their primary online shopping tool, massively displacing "traditional" desktop browsing.

% of Mobile Users on AutoDeal



Between January 2015 and July 2016, AutoDeal has seen a 13.27% increase in the breakdown of users accessing AutoDeal on their smartphone. These numbers contrast perfectly with an 8.9% decrease in users accessing on Desktop. In July 2016, 720,546 visits to the AutoDeal website were made on a mobile device.

Device Usage on a Typical Day



In terms of behavior, mobile shows the strongest engagement thanks to its low bounce rate and number of pages visited. Desktop users typically spend more time on-site, although most buying-intent interactions (such as requesting a quote or booking a test drive) occur on mobile devices. In particular around 65% of AutoDeal's daily inquiries are generated from mobile devices, with another 10% occurring on tablets.

Mobile usage remains consistently higher than desktop throughout the working day but surges between the hours of 5pm to 10pm when most Filipinos are either commuting home from work or engaging in social activities.

For Overseas Filipino Workers (OFW), mobile usage accounts for 51% of total visits, while desktop makes up 38%, and tablet 11%.

So what can we learn from this? First, a mobile-marketing strategy is an absolute must for Philippine automotive brands and dealership groups. Second, the best time to engage customers and have them engage in a purchase decision is typically after hours in the working day. Critically, it's no longer just a matter of being online, make sure your website and digital marketing efforts are mobile-friendly.

If Telco's make good on their commitment to improve data, mobile browsing can be expected to eat up a greater share of online engagement.

Top 10 Dealers on AutoDeal

(July to September 2016)

The dealers noted below have showcased exceptional levels of online customer care.

Metrics used to measure their performance include average response time and response quality.

1



Mazda

Makati

2



Volkswagen

Quezon Avenue

3



HONDA

Honda

Manila Bay

4



Isuzu

Cagayan De Oro

5



HONDA

Honda

Pasig

6



Suzuki

Cagayan De Oro

7



Nissan

Camarines Sur

8



Nissan

Bataan

9



Volkswagen

Bonifacio Global City

10



CHEVROLET

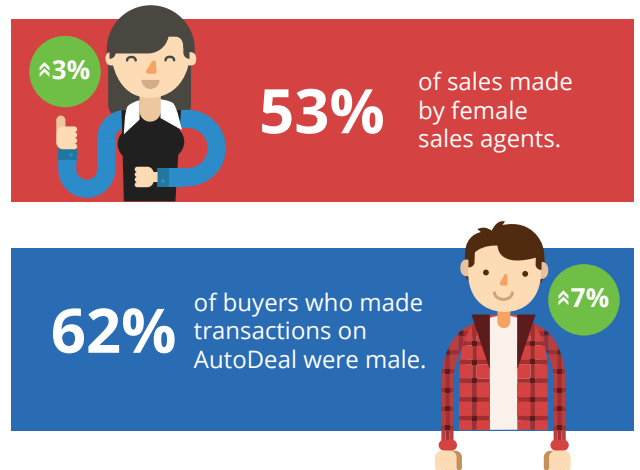
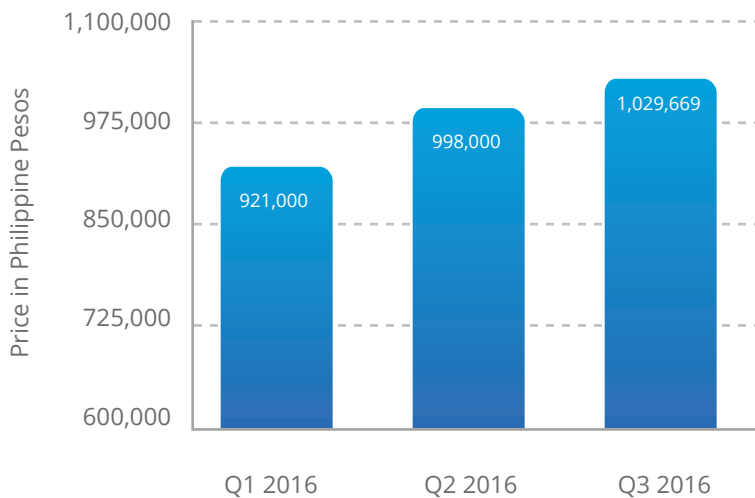
Chevrolet

Quezon Avenue

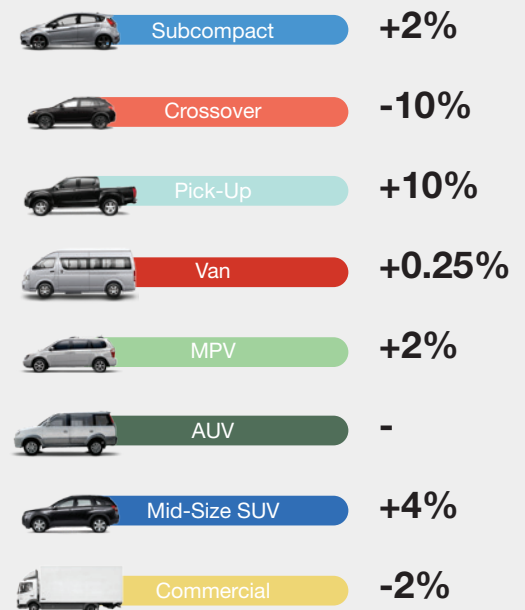
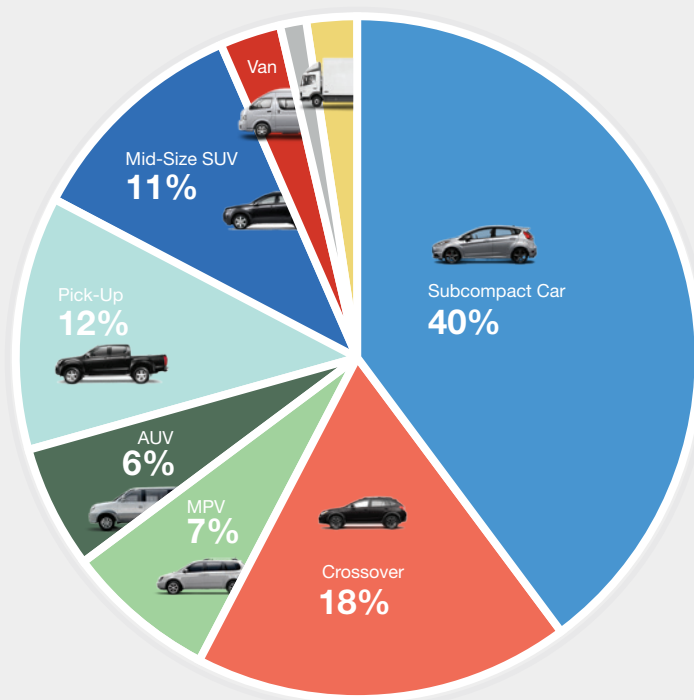
Sales Trend Q2 to Q3

Some quick facts based on sales closed through the AutoDeal Lead Management System.

Average SRP Price of Vehicle Sold on AutoDeal (July to September 2016)



Sales by Vehicle Type on AutoDeal (July to September 2016)



Data represented on this page is reflective of vehicles marked as sold by sales consultants using the AutoDeal Lead-Management system through the months of July, August, and September 2016. Data is reflected multi-brand from AutoDeal's wide network of partner dealers across the Philippines.

Most Popular Used Cars on the Lot

The 10 top most sought after Used Cars in Q3 2016.

Based on the viewing figures of AutoDeal users between July and September 2016.

1		2012 Honda Jazz 1.5 AT	
2		2012 Toyota Avanza 1.3 E MT	
3		2011 Mitsubishi ASX GLX	
4		2007 Honda CR-V 2.0 S AT	
5		2014 Toyota Corolla Altis 1.6 G AT	
6		2002 Toyota Camry 2.4 V AT	
7		2011 Mitsubishi Strada DSL 2.5L AT	
8		2014 Mitsubishi Mirage 1.2 GLX MT	
9		2012 Honda Civic 1.8 S AT	
10		2008 Honda City 1.3 S CVT	

Coming up in Q4

What can you expect next from AutoDeal?



AutoDeal For Agents on iOS

01

The iOS version of the AutoDeal For Agents app will be available to all AutoDeal brand and dealer partners, enabling your sales agents to receive instantaneous notifications every time.

This new platform release will complement the existing AutoDeal For Agents App that is available on Android from Google Play.

Improved Lead Funnel Tracking

02

Our next major Lead Management System update will see features to help brands and dealers better examine where customers fall in their lead funnel. This will enable agents to create reminders about specific customers and mark when specific actions in the buying process take place (like test-drive, loan application etc.).



Enhanced Front-End Design

03

In Q4 we're updating our Promo Section, Car Guide and Comparison Tool as a means to provide increased information to prospective car-buyers. This will be complemented by AutoDeal's New Expert Review's section that is scheduled for launch before the end of the year.



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

10 Jupiter Street Bel-Air
Makati City, Philippines

For OEM and Partnership Inquiries

Annie Santos
annie@autodeal.com.ph

For Dealer Inquiries

Jheyann Marie Duanan
jheyann.duanan@autodeal.com.ph

All Other Inquiries

info@autodeal.com.ph
T: 8941891