

Pulse Vehicle Buyer Intenders Study

Powered by iCarros

Wave 1 - September 2016

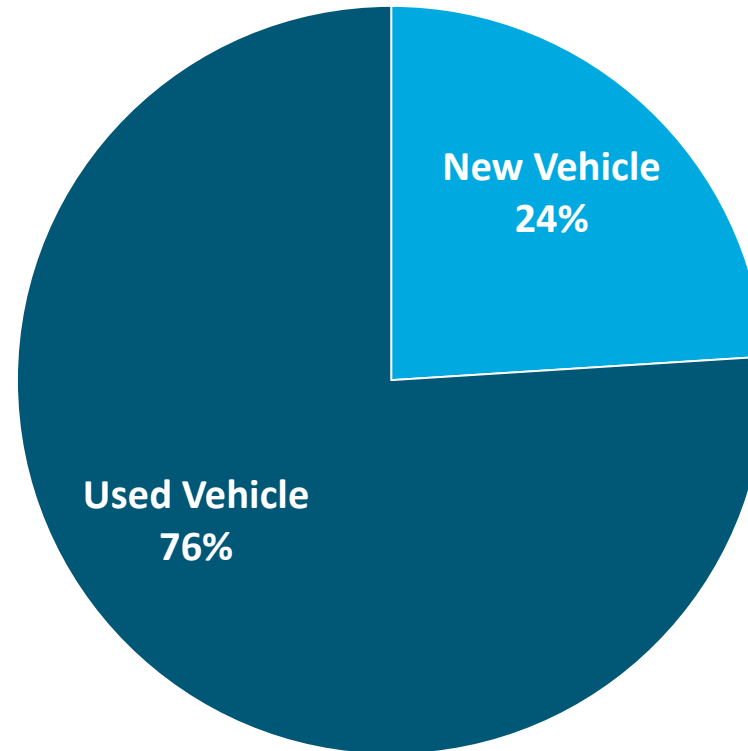
Fabio Braga

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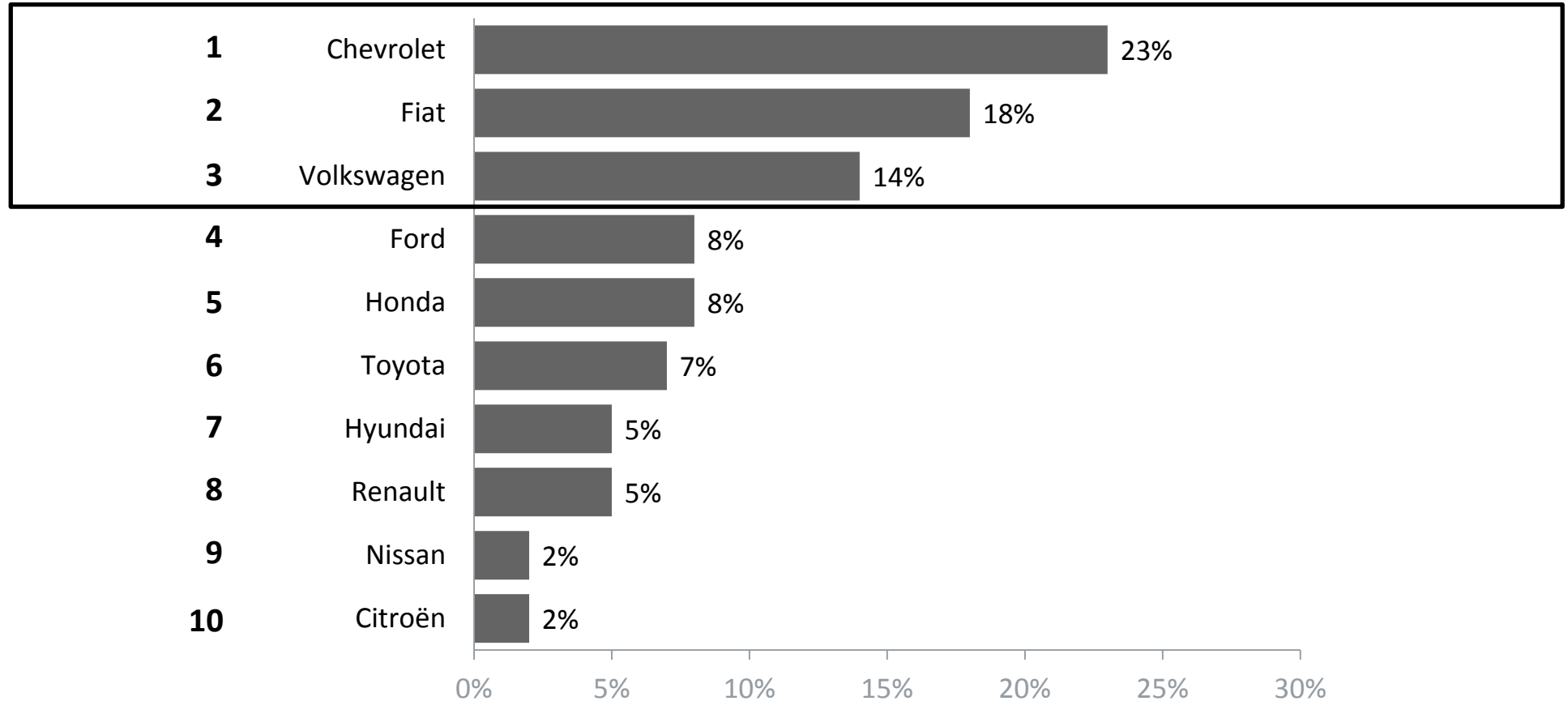
Brazil Auto Practice and Research Manager

Sample Frame	New vehicle intenders: <ul style="list-style-type: none">▪ National coverage▪ Purchase intention within six months▪ Random sample
Methodology	Online surveys: <ul style="list-style-type: none">▪ Fieldwork completed in September 2016▪ Deployment made by iCarros to its portal visitors▪ No incentive to respondents
Sample Size	4,818 interviews: <ul style="list-style-type: none">▪ No quota provided▪ No weighted data
Demographics	Profile: <ul style="list-style-type: none">▪ Gender = <i>Male (84%), Female (16%)</i>▪ Age = <i>18-24 (5%), 25-34 (20%), 35-44 (29%), 45-54 (26%), 55+ (21%)</i>▪ Region = <i>South (14%), Southeast (60%), Midwest (9%), Northeast (13%), North (3%)</i>



Due to Brazil's economic crisis and consequent lack of credit, three out of four people are looking for used cars. This 3-1 (used vs. new vehicles) size proportion is consistent with other markets.

Overall - Top 10 Purchase Intention Brands



Consistently with the 2016 Brazilian market share, the top three brands shopped are Chevrolet (23%), Fiat (18%) and Volkswagen (14%), indicating a concentrated market among few brands. The Asian OEMs put four brands in the top 10, representing 22%, approaching one out of four customer interest.

Top 10 Purchase Intention Brands

Overall

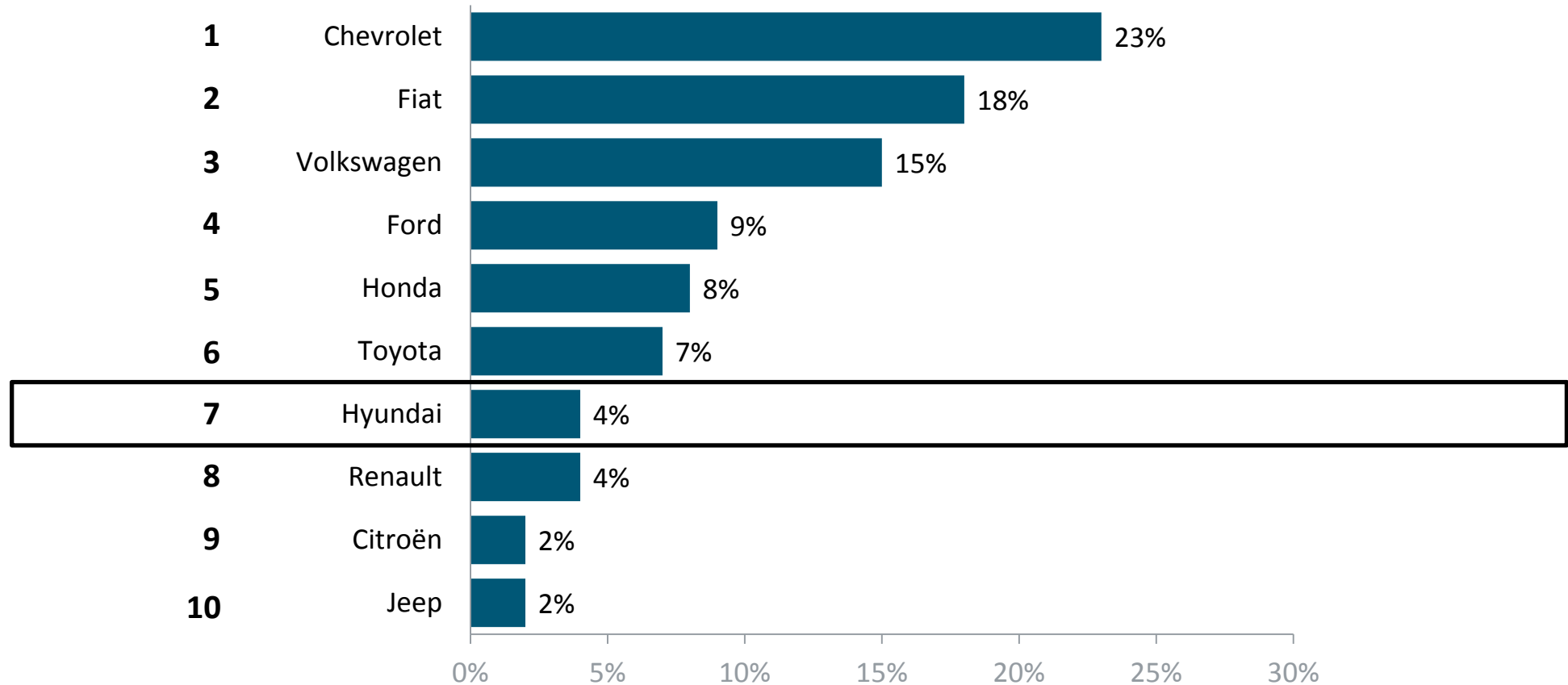
Brands	%
Chevrolet	23
Fiat	18
Volkswagen	14
Ford	8
Honda	8
Toyota	7
Hyundai	5
Renault	5
Nissan	2
Citroën	2

New Vehicles

Brands	%
1 Chevrolet	24
2 Fiat	17
3 Volkswagen	10
4 Honda	8
5 Toyota	7
6 Hyundai	7
7 Ford	6
8 Renault	6
9 Nissan	4
10 Jeep	3

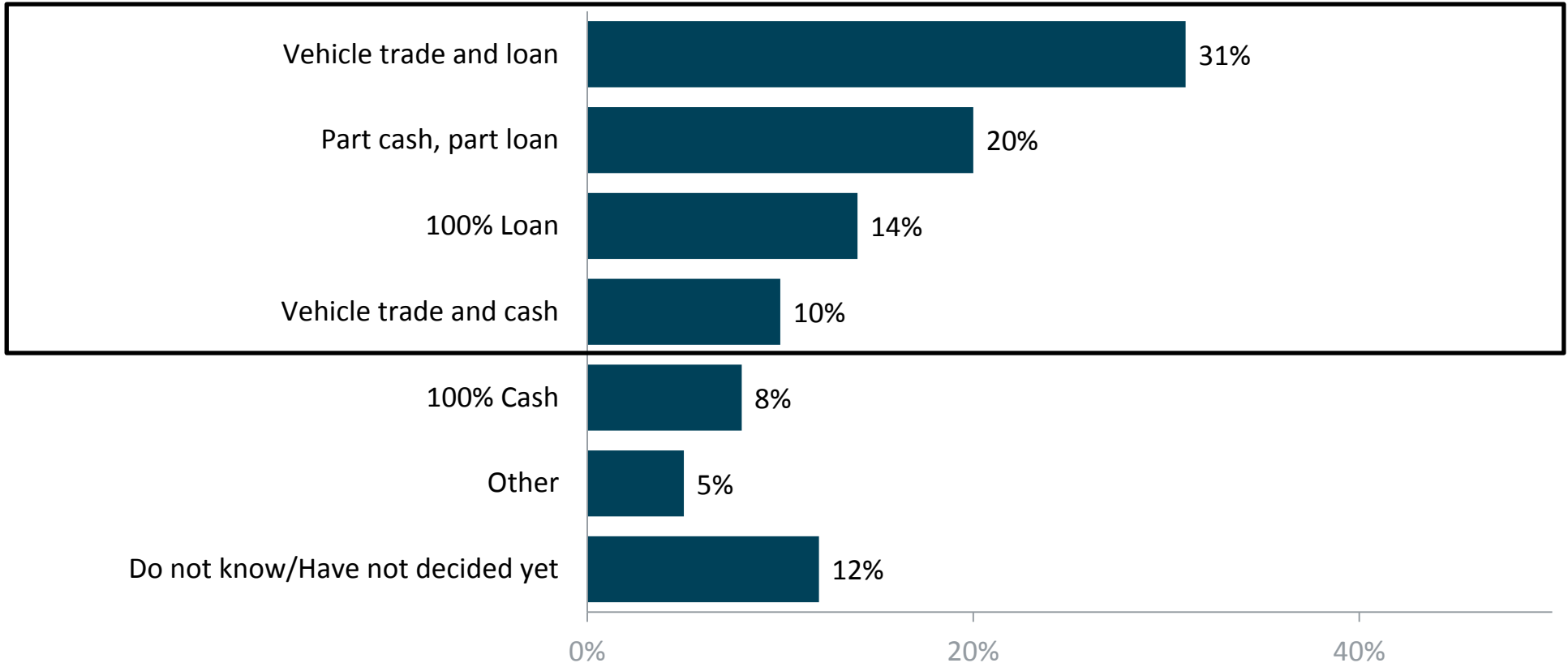
While being the third and fourth most shopped brand in the overall market, among new vehicle shoppers, Volkswagen and Ford rank just in the third and seventh position with 10% and 6%, respectively. This is reflected in the current brands moment, in terms of sales decreasing numbers.

Used Vehicles - Top 10 Purchase Intention Brands



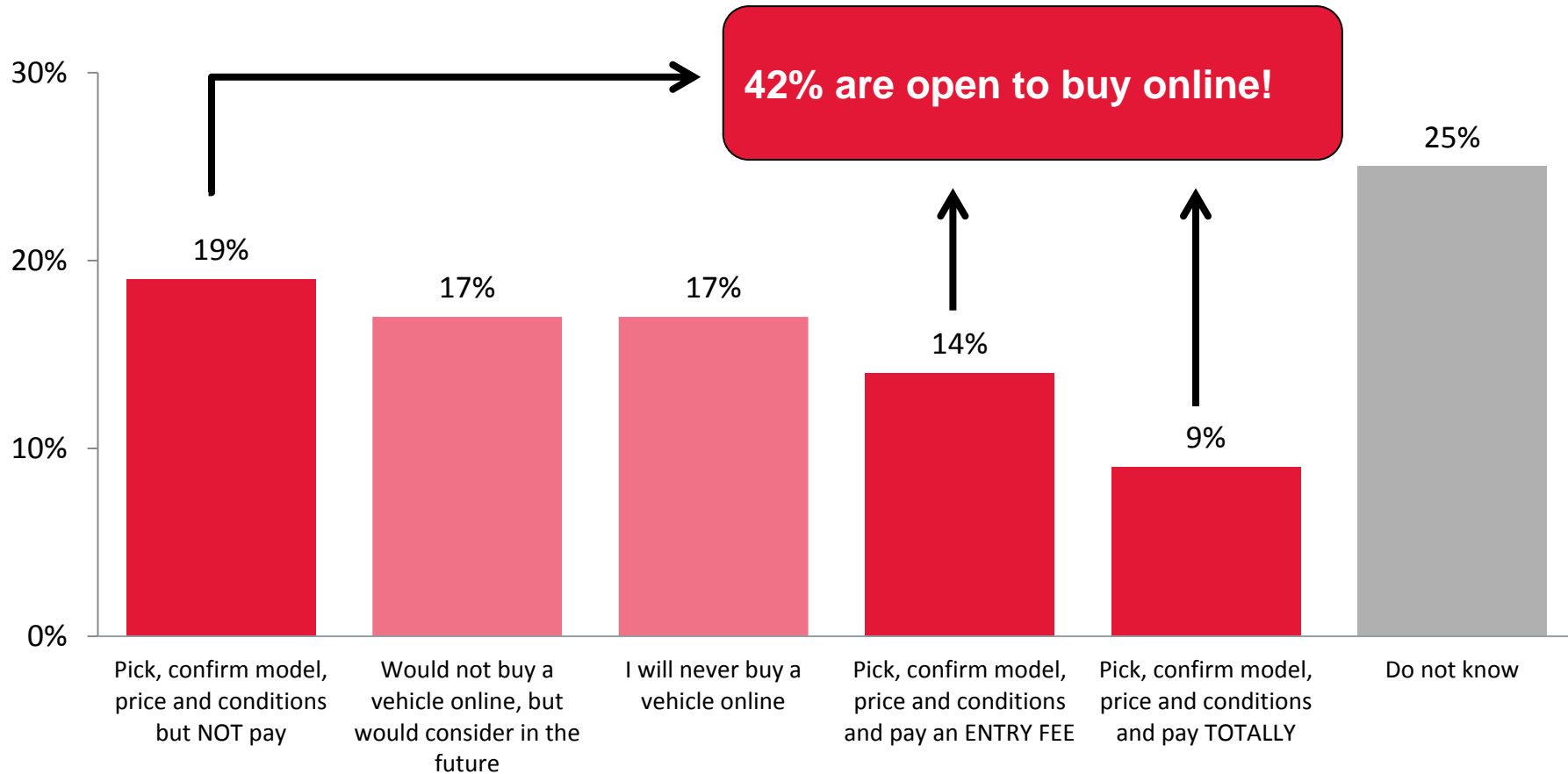
Despite a strong performance in terms of sales (the brand became #4 in 2016), Hyundai doesn't yet perform well among used vehicle shoppers. The brand's small vehicles were recently launched (not easy to find a used), and the SUVs are more expensive than the market average.

Preferred Payment Options



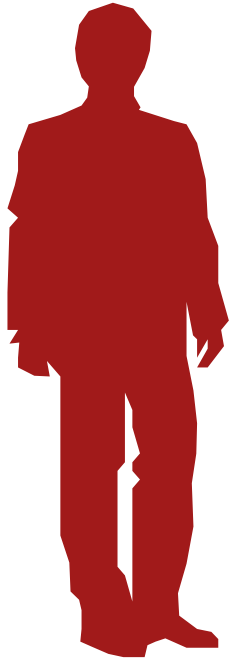
Nearly two out of three (65%) shoppers intend to buy a car through a loan. The data also reinforces the used car trade importance during a shopping process (41%). The current economic crisis in Brazil may be one of the reasons for that.

How would you consider an online vehicle purchase? **J.D. POWER** | Do Brasil



More than 40% of the shoppers demonstrated interest on buying a vehicle online, no matter making (or not) the payment. Also, one out of four shoppers (25%) has no formed opinion about the issue. These facts raise some present and future opportunities that will allow Brazilians to buy a vehicle online.

Online Purchase Intender Profile



**42% of Current
Online Intenders**

Region	%
South	12%
Southeast	62%
Midwest	8%
Northeast	14%
North	4%
Age	
Average	43
Gender	%
Male	87%
Female	14%

Vehicle Type	%
New	21%
Used	80%
Payment Options	%
Vehicle trade and loan	29%
Part cash, part loan	24%
Vehicle trade and cash	11%
100% Loan	15%
100% Cash	9%
Other	4%
Do not know	9%

The data suggests that, among the 42% that were open to buy online, the majority comes from Southeast (62%), is male (87%), is 43 years old (on average) and want a used car (80%). Finally, this potential customer intends to buy through a vehicle trade and loan (29%).

Top 10 Purchase Reasons

	Total	New Vehicles	Used Vehicles
Total Sample	4451	1066	3385
1 Vehicle Quality	45%	47%	44%
2 Comfort	40%	39%	40%
3 Brand Reputation	34%	36%	33%
4 Design & Style	32%	38%	30%
5 Low Maintenance Costs	31%	31%	31%
6 Internal Space	29%	30%	29%
7 Fuel Consumption	29%	31%	28%
8 Previous Experience with the Brand	23%	27%	22%
9 High Resale Value	23%	25%	23%
10 Performance	23%	27%	22%

The top three purchase reasons are Vehicle Quality (45%), Comfort (40%) and Brand Reputation(34%). Also, Design & Style is much more valued among new vehicle shoppers (38%) than used vehicle ones (30%).

Main Purchase Reasons - Regional Analysis

Midwest



North



Northeast



South



Southeast



Reasons	%	Reasons	%	Reasons	%	Reasons	%	Reasons	%
Vehicle Quality	44	Vehicle Quality	37	Vehicle Quality	45	Vehicle Quality	45	Vehicle Quality	45
Comfort	39	Comfort	36	Comfort	37	Comfort	38	Comfort	42
Design & Style	34	Fuel Consumption	32	Brand Reputation	36	Brand Reputation	34	Brand Reputation	35
Brand Reputation	31	Internal Space	32	Low Maintenance Costs	32	Design & Style	32	Design & Style	33
Internal Space	30	Low Maintenance Costs	30	Fuel Consumption	30	Fuel Consumption	31	Low Maintenance Costs	31

The top two purchase reasons are Vehicle Quality and Comfort in all five regions across the country, which means an increasing requirement from the Brazilian automarket. Brand Reputation is also very much valued by the customers, which brings another opportunity for OEMs and dealers.

Main Shopped Brands - Regional Analysis

Midwest



North



Northeast



South



Southeast



Brands	%	Brands	%	Brands	%	Brands	%	Brands	%
Chevrolet	24	Chevrolet	25	Chevrolet	26	Chevrolet	19	Chevrolet	23
Fiat	19	Fiat	23	Fiat	25	Volkswagen	16	Fiat	17
Volkswagen	13	Volkswagen	16	Volkswagen	13	Ford	9	Volkswagen	14
Toyota	8	Renault	7	Ford	7	Fiat	9	Honda	9
Ford	7	Toyota	6	Toyota	6	Honda	9	Ford	9

Chevrolet, Fiat and Volkswagen are the three most shopped brands across all the five country regions. The only exception is in the South, where VW has a good position (#2) influenced by strong German roots. Toyota has a relevant presence in regions where it is required more pick-up/SUV (Hilux/SW4) usage.

Thank you!

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