Auto Aftermarket: Today's Digital Driver

November 2013

WHAT WE WANTED TO KNOW

How does **digital** drive automotive parts research and purchases?

WHAT WE FOUND

Aftermarket needs haven't changed, but the research and purchase process is evolving

Parts sales are still driven by a range of proactive maintenance and reactive repair needs.
Most drivers still purchase in person because of immediate needs, yet online purchasing is a growing channel.

Today's drivers are increasingly digital

Seven in 10 drivers research online before they purchase, regardless of where they buy.

Search engines drive consideration & purchase

Search is the most used source for shopping, and drivers use both branded and category terms to research.
90% of drivers clicking on paid category search terms were new customer prospects.

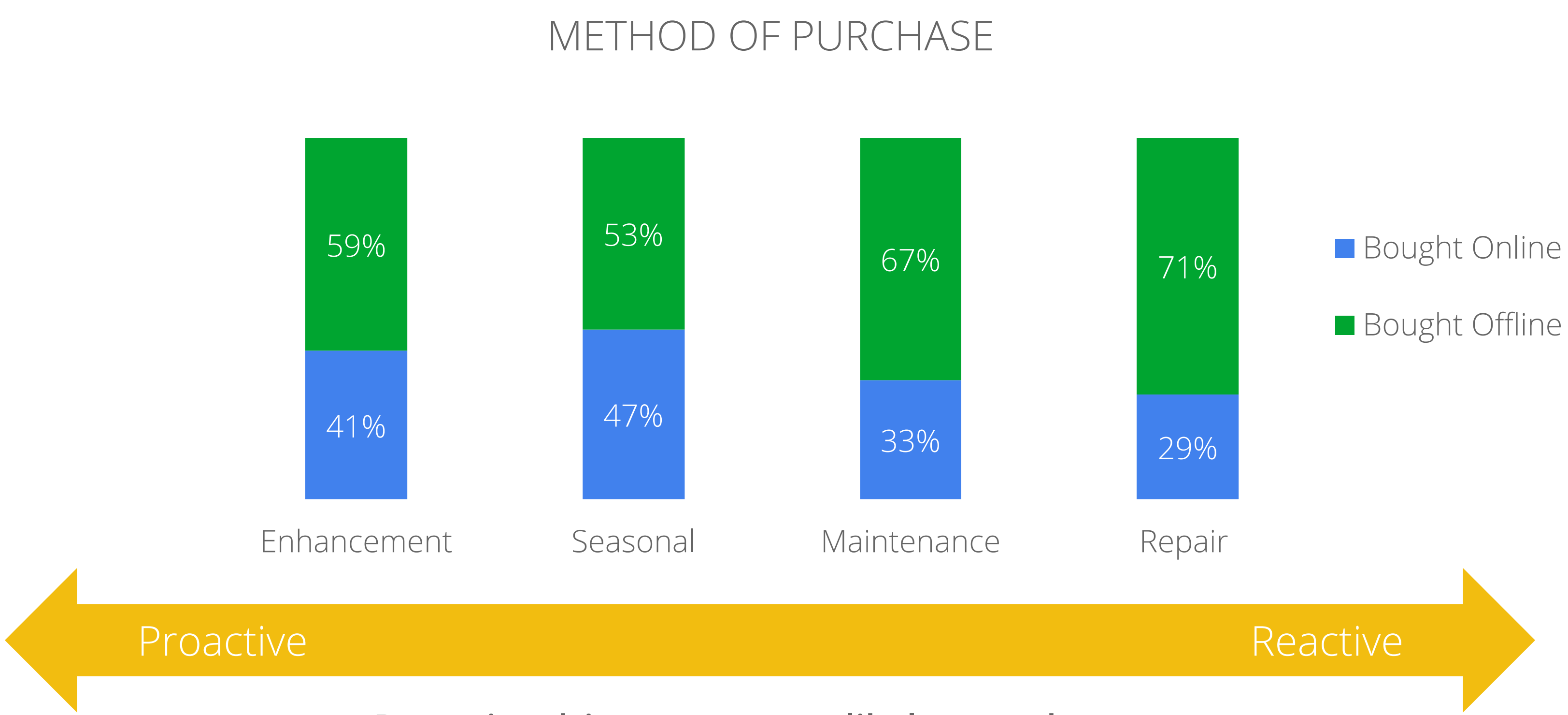
Video introduces drivers to new brands and drives action

Over one-third purchased parts or visited a parts retailer as a result of watching online videos.

Mobile is the digital driver's constant companion, even in-store

Drivers use their phones throughout the purchase process for proactive research, a reactive need, or in-store showrooming. 32% use their devices while at a parts store.

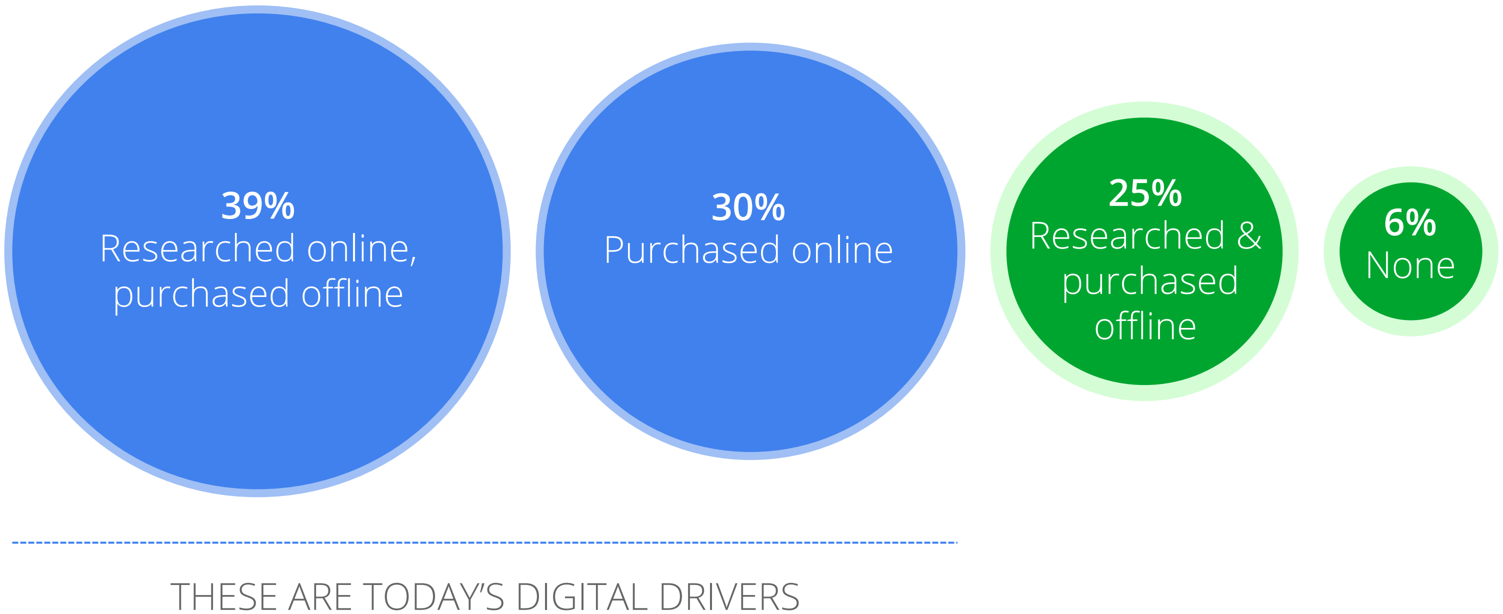
How drivers purchase **depends on the need**



Proactive drivers are more likely to make purchases online, and reactive shoppers need parts quickly

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
C1. Which of the following best describes how you approached your most recent [CATEGORY] purchase? Please select one answer only.
N=219-1018

While most purchases still happen offline, seven in 10 drivers **start their parts purchase process online**



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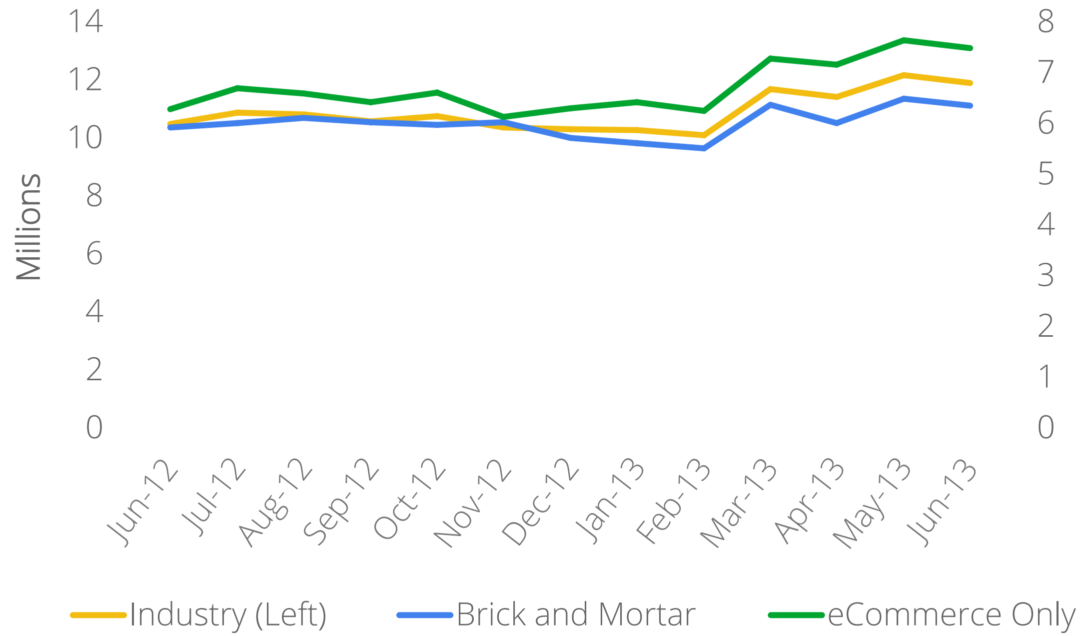
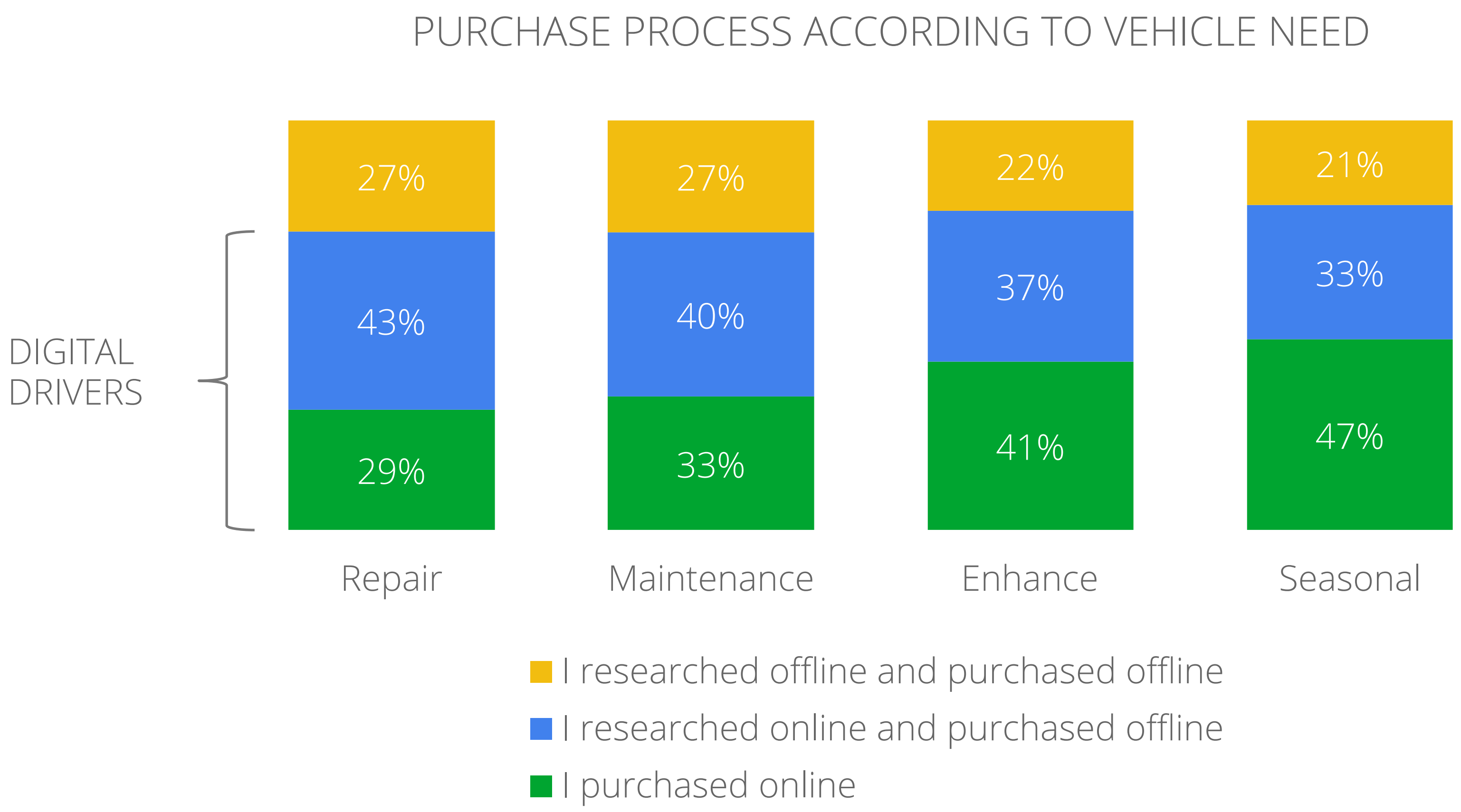
Digital drivers are **on the rise**, up to 14% year over year

Ecommerce had the largest year-over-year gains, increasing 19% in the period, brick and mortar also up 7% year over year

UNIQUE VISITORS TO PARTS CATEGORIES (JUNE 2012–JUNE 2013)

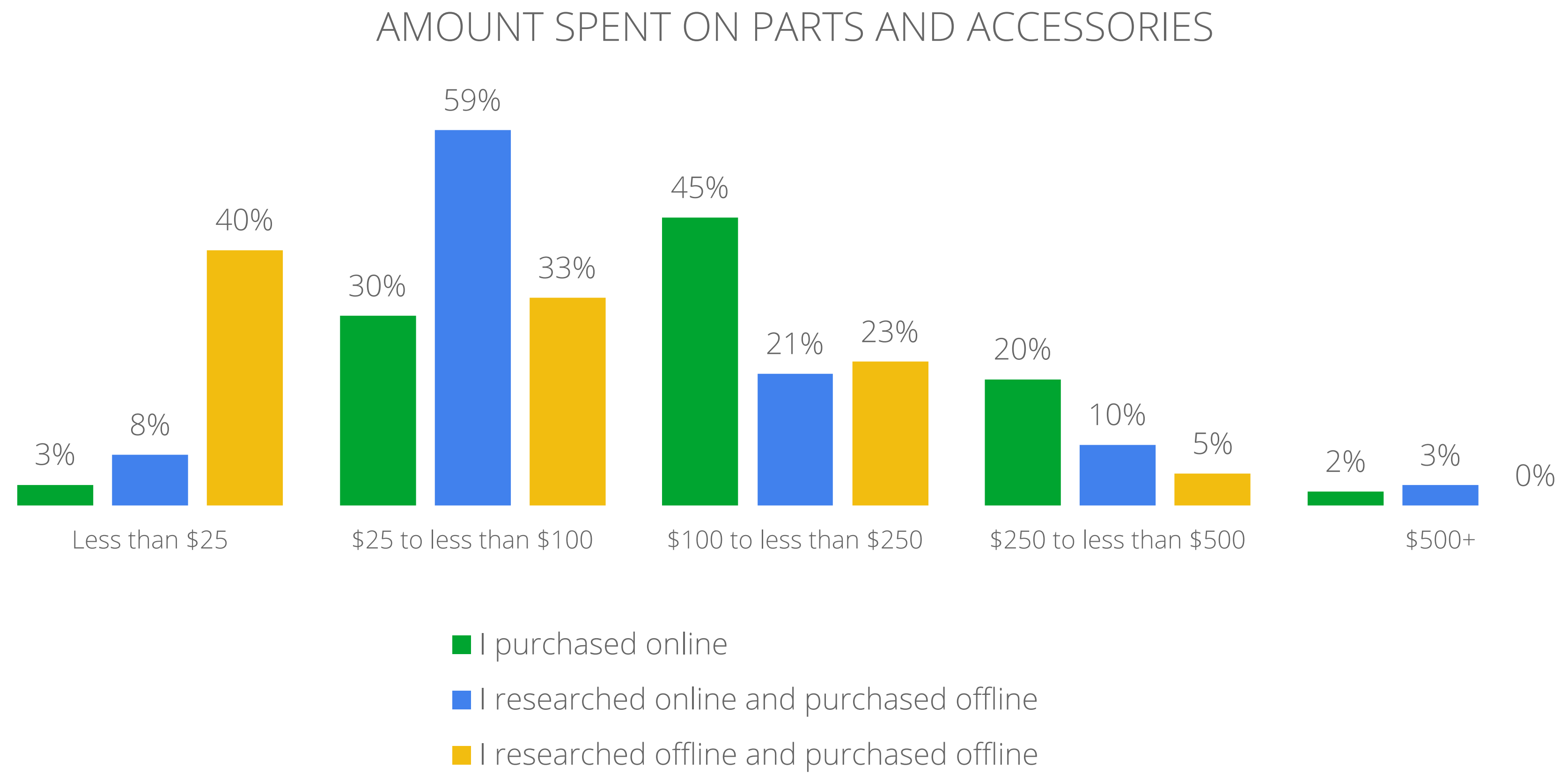


They're online **regardless** of their vehicle need



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
C1. Which of the following best describes how you approached your most recent [CATEGORY] purchase? Please select one answer only. N=219-1018

And **spend more money** per transaction



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
SPEND1. Which of the following best describes the price range of the [CATEGORY] you recently purchased?
Please select one answer only. N=1241

Cross-shopping is the norm

76% of purchasers visited **multiple parts websites** prior to purchase

1 Site
24%

2–4 Sites
32%

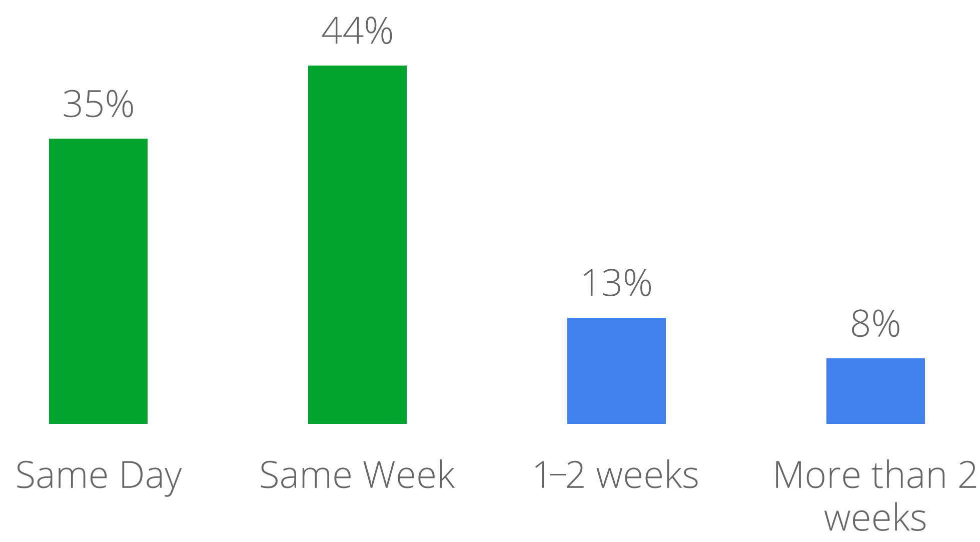
5+ Sites
44%

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
Clickstream: BF02, cut by converters

And they decide **quickly**

79% made a purchase **within one week**

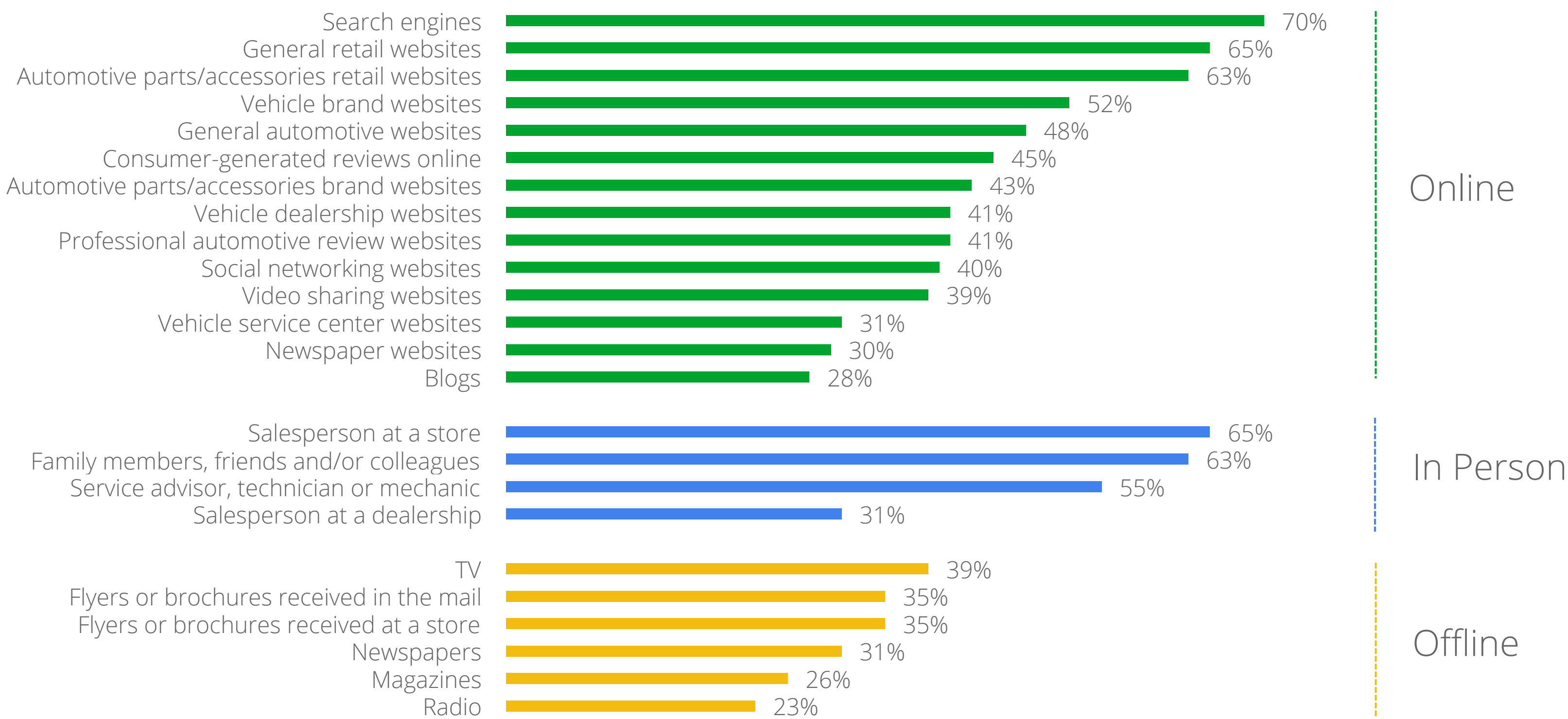
TIME PASSED BETWEEN RESEARCH AND PURCHASE



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
O11. How much time past between when you started researching and purchased?

Search is the #1 resource used by today's digital driver

ONLINE AND OFFLINE RESOURCES USED



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
RT1. Which of the following sources, if any, did you use to lxook for information on [CATEGORY] using these types of devices? N=1241;
RT2. Besides the Internet, which of the following sources, if any, did you use to look for information about [CATEGORY]? N=1241

Brand terms capture **existing customers**, while category searches capture **new customers**

DISTRIBUTION OF PAID CLICKS BY CUSTOMER TYPE

Prospects   Existing customers

Category terms are more likely **to drive site visits from prospects** than from existing customers

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013

BTGC Study, June 2012 – June 2013

Category terms drive additional conversions, engagement and brand interest

	Value of THE IMPRESSION	Value of THE CLICK
	Exposed to ad and **didn't click**	Exposed to ad and **clicked**
Site Visits	**2x more likely** than those who weren't exposed	**5x more likely** than those who weren't exposed
Brand Searches	2x	3x
Product Views	4x	22x
Conversions	4x	28x

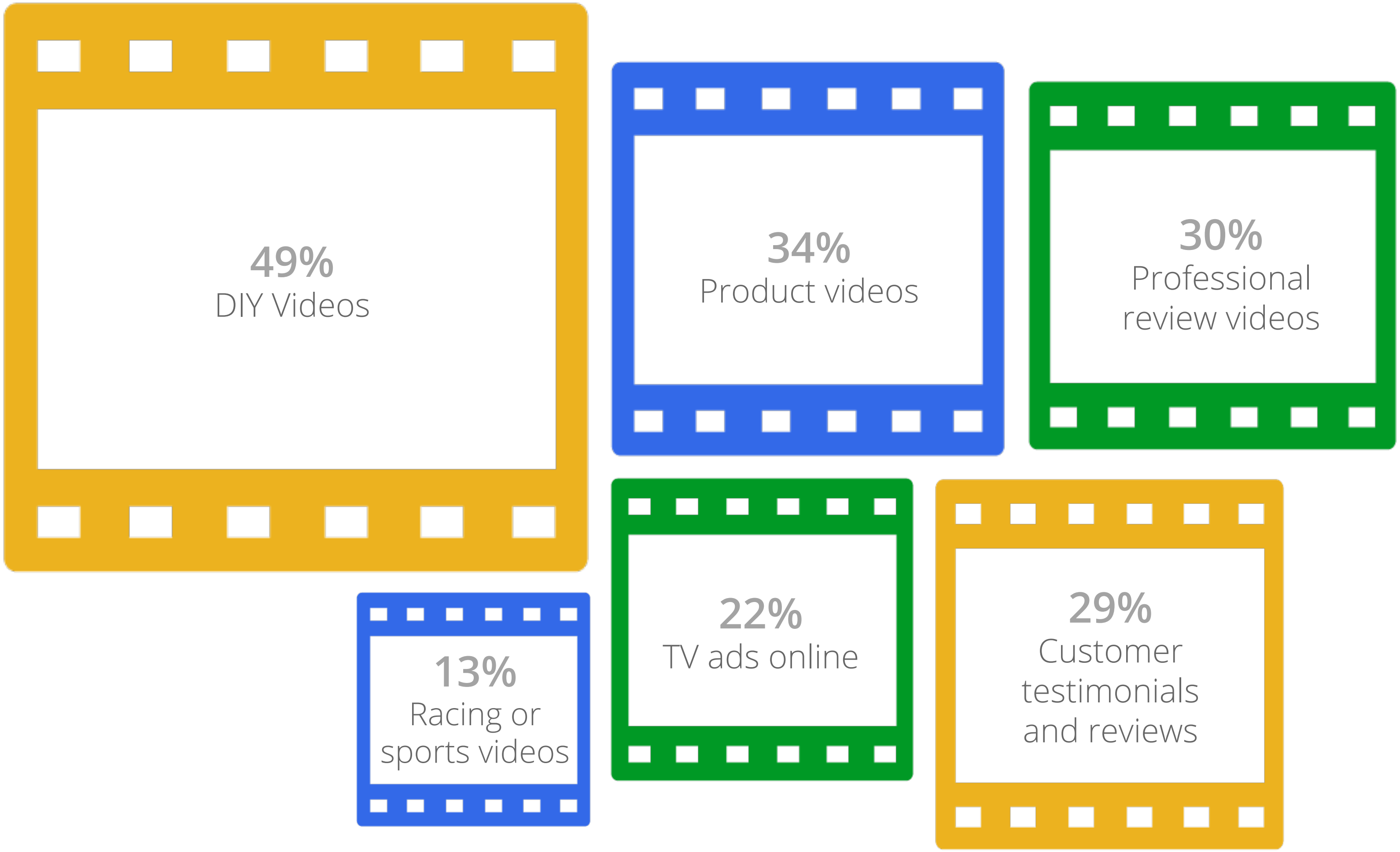
Source: Google/Millward Brown Digital Breaking the Glass Ceiling Study June 2012–June 2013
All Brands, All customers, Non-Branded terms

Over one-third of drivers **actively look** for vehicle parts videos online

HOW CONSUMERS FIRST HEARD ABOUT PARTS VIDEOS

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
VI5. In general, how did you first hear about the videos you watched online? Please select one answer only. N=546

They're looking for **DIY tips, reviews and more information on product features**



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
RT8. Did you watch any videos about [CATEGORY] to help you shop for [CATEGORY]? N=1241
VI4. Which of the following describe the type of videos you watched while shopping for [CATEGORY]? Please select all that apply. N=546

Online videos help drivers **discover new brands** and move them to **buy or visit a store**

67%

discovered **new brands** by watching online videos

37%

purchased parts/ accessories after watching online videos

34%

went to a retailer that sells parts/ accessories

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
VI8. How much do you agree with each of the following statements about the online videos you watched to learn about [CATEGORY] N= 546 (2013); Top 2 Box; VI7. As a result of watching videos about [CATEGORY] online, which of the following actions, if any, did you perform? Please select all that apply. N=546

Automotive parts video research is **on the rise** and here to stay

85%

of video **researchers plan to watch automotive videos** the next time they shop for parts/accessories

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
VI9. How likely would you be to watch videos about [CATEGORY] online the next time you shop for [CATEGORY]? N=546

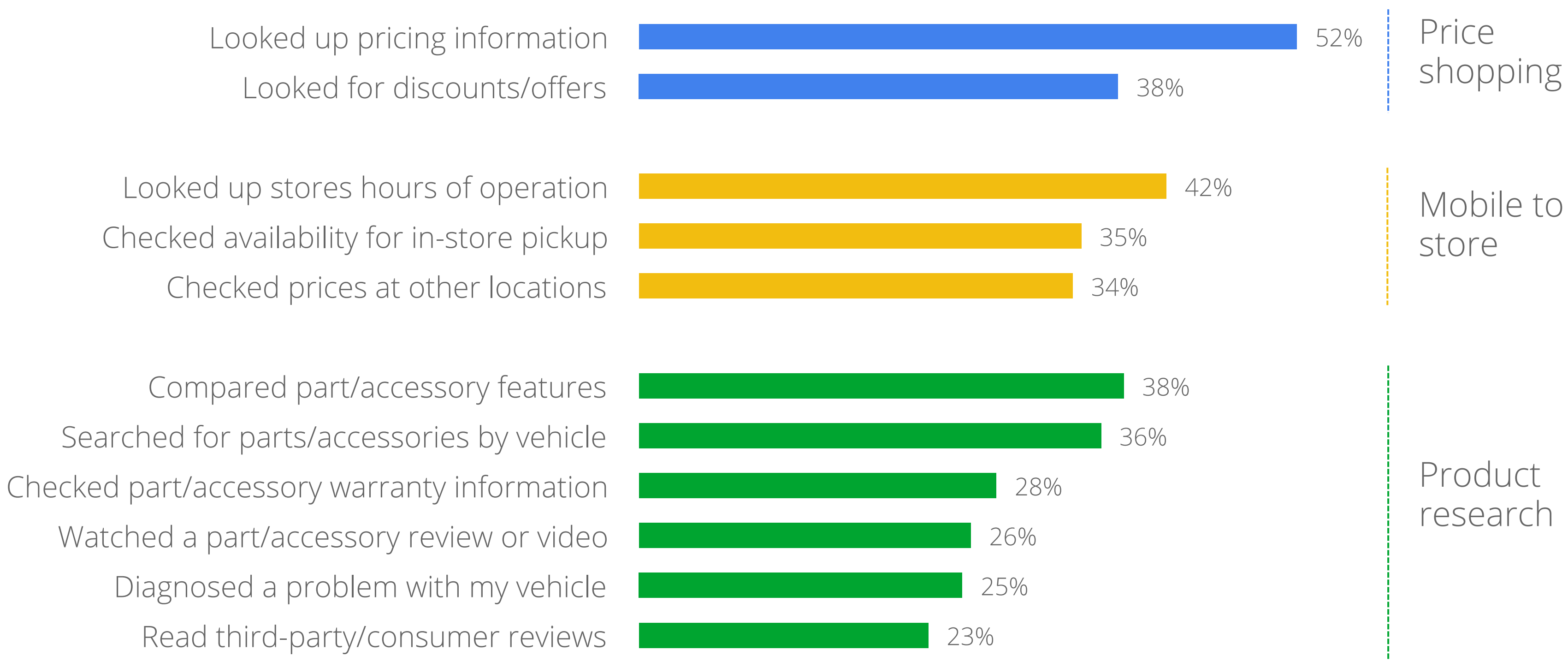
Drivers use mobile devices **throughout the full shopping process**, even when in-store

PROACTIVE RESEARCH	REACTIVE RESEARCH	SHOWROOMING UP UNTIL PURCHASE
70% Home	**27%** Service center	**29%** In line
33% Work	**17%** While stranded	**32%** At a parts store

Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
RT12. From which of the following locations did you use your mobile device(s) (e.g., mobile phone and/or tablet) to shop for [CATEGORY]? Please select all that apply. *Base- Selected mobile phone or tablet for at least one source in RT1, N=448

They're **price shopping**, driving in-store purchases and researching products

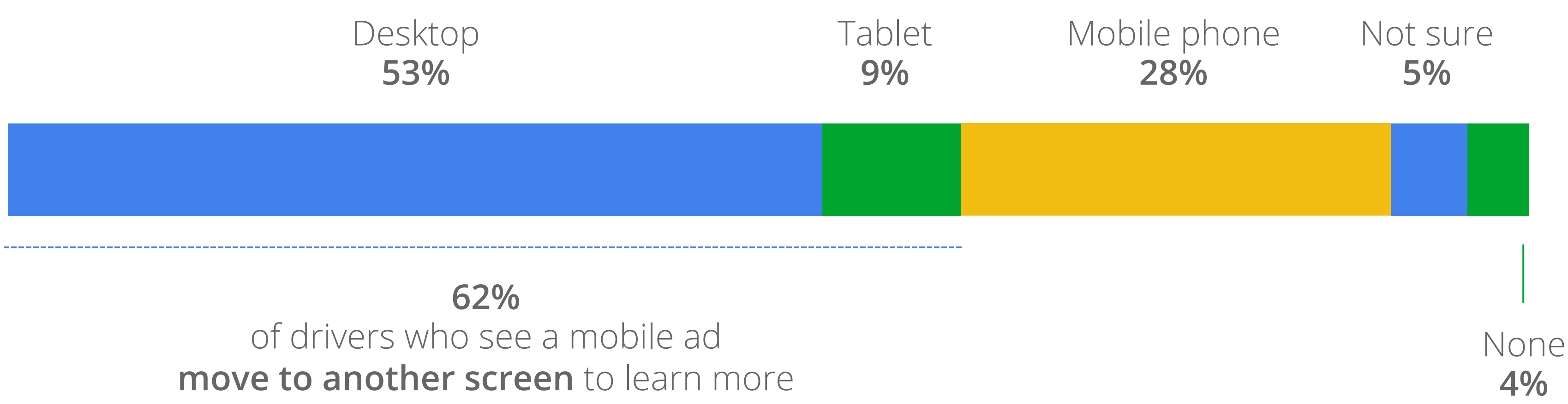
ACTIVITIES CONDUCTED ON MOBILE DEVICES



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
RT10. Which of the following, if any, did you do on your tablet while shopping for [CATEGORY]? Please select all that apply. *Base- Selected tablet for at least one source in RT1, N=339; RT10a. Which of the following, if any, did you do on your mobile phone while shopping for [CATEGORY]? N=364; Net N=448

Drivers are **cross-screen** shoppers

SCREENS TO WHICH DRIVERS MOVED AFTER SEEING A MOBILE AD



Source: Millward Brown Digital/Google Auto Parts/Accessories Purchase Study, August 2013
MI4. Thinking about the last time you saw each of the following types of advertisements, did you then look up the [CATEGORY] advertiser to get more information? N=68

WHAT THIS MEANS FOR MARKETERS

Reaching today's digital driver

Drivers research online and make their decisions quickly. Having an always-on digital presence is critical to catching consumers while they are deciding.

Get considered with search

Parts retailers can get in the consideration set as drivers search using category terms. Be there with paid generic category search terms to gain new customers and increase demand for your brand.

Engage and educate with online video

Provide potential customers with instructional and product videos to help bring your offerings to life.

Be there across all screens

Having a cohesive cross-device strategy is critical for reaching drivers. Make it easy for them to move between screens while they research and buy.

WHAT WE DID

Google teamed up with Millward Brown Digital to conduct an online survey using panelists who purchased automotive parts or accessories within the past twelve months. Surveys were fielded between July 18–23, 2013 (n=1,241). We ran clickstream purchase analysis for Q3 and Q4 2012 (aggregated).

We **tracked** consumer online shopping activity to understand shopping and searching patterns

We **analyzed** the behavior of parts converters by tracking their behavior backward from the point of conversion

We **surveyed** parts purchasers to understand their shopping behavior