



2021 Global Automotive Consumer Study

Key Findings: Turkey

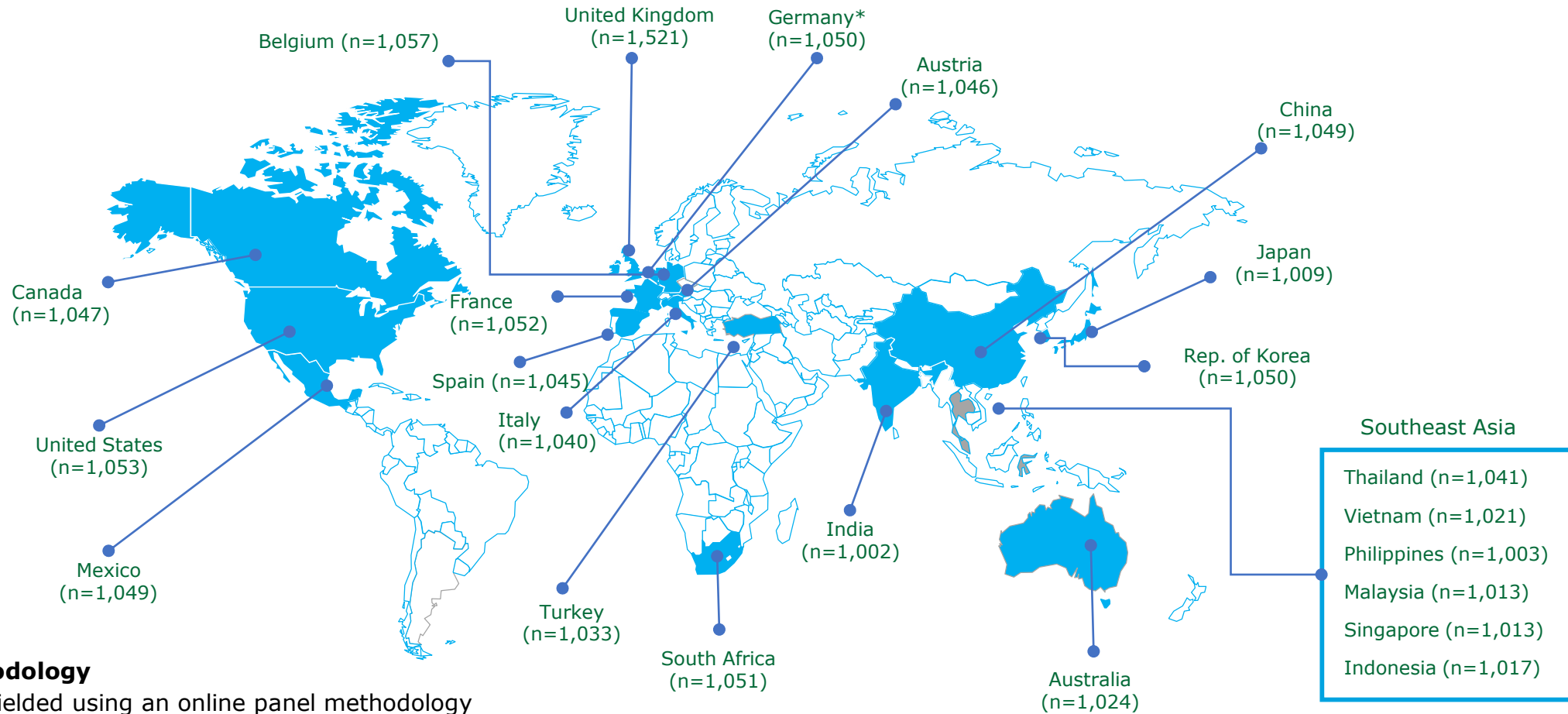
February 2021

Agenda

- About the study
- Technology in focus: Vehicle electrification
- Vehicle financing trends
- Future vehicle intentions

About the study

The 2021 study includes more than 24K consumer responses across 23 global markets.



Study methodology

The study is fielded using an online panel methodology where consumers of driving age are invited to complete the questionnaire (translated into local languages) via email.

*Data for Germany has been weighted by age group.

Note: "n" represents the number of survey respondents in each country.

- **For over a decade, Deloitte has been exploring automotive consumer behaviours and trends impacting a rapidly evolving global mobility ecosystem.**

Key insights from our Global Automotive Consumer Study which Turkey is also involved in last three years:

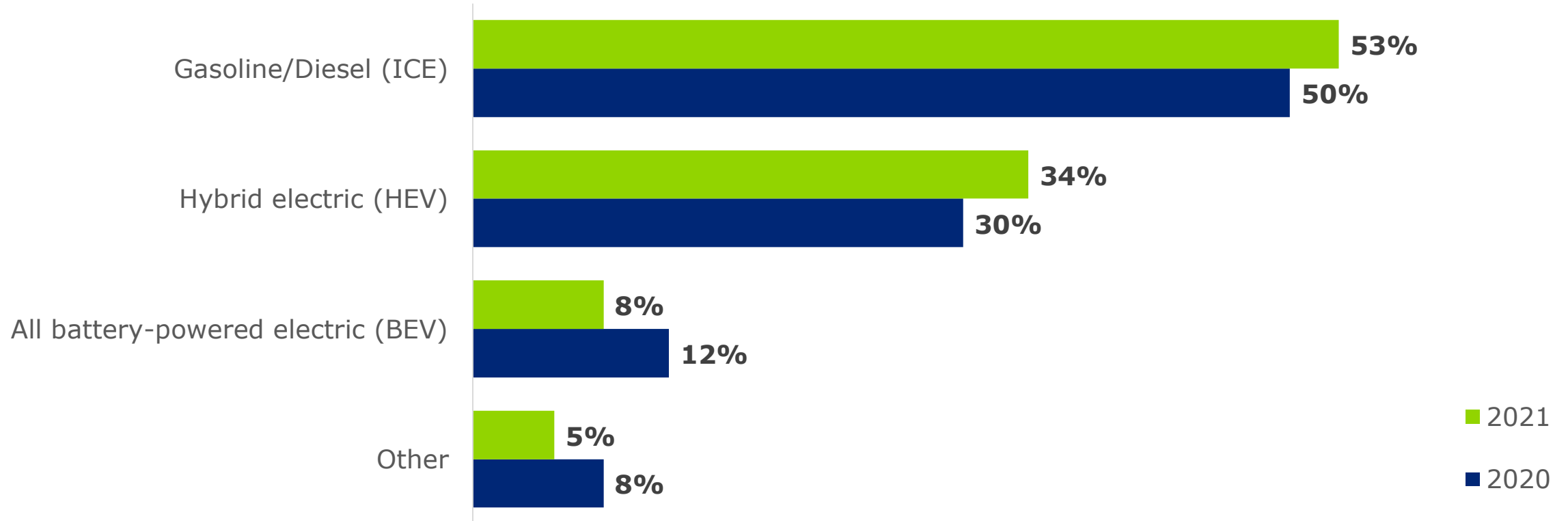
- 2010** Overall value ranked as the primary factor when evaluating brands
- 2011** “Cockpit technology” and the shopping experience-led differentiators
- 2012** Interest in hybrids driven by cost and convenience, while interest in connectivity centers on safety
- 2014** Shared mobility emerges as an alternative to owning a vehicle
- 2017** Interest in full autonomy grows, but consumers want a track record of safety
- 2018** Consumers in many global markets continue to move away from internal combustion engines (ICE)
- 2019** Consumers “pump the brakes” on interest in autonomous vehicles
- 2020** Questions remain regarding consumers’ willingness to pay for advanced technologies.

The Global Automotive Consumer Study informs Deloitte’s point of view on the evolution of mobility, smart cities, connectivity, transportation, and other issues surrounding the movement of people and goods.

Technology in focus: vehicle electrification

Despite financial concerns caused by the COVID-19 pandemic, interest in alternative fuel vehicles continues.

Type of engine in next vehicle



Note: "Other" includes engine types such as compressed natural gas, ethanol, and hydrogen fuel cells

Q42. What type of engine would you prefer in your next vehicle?

Sample size: n= 954 [2021]; 1,154 [2020]

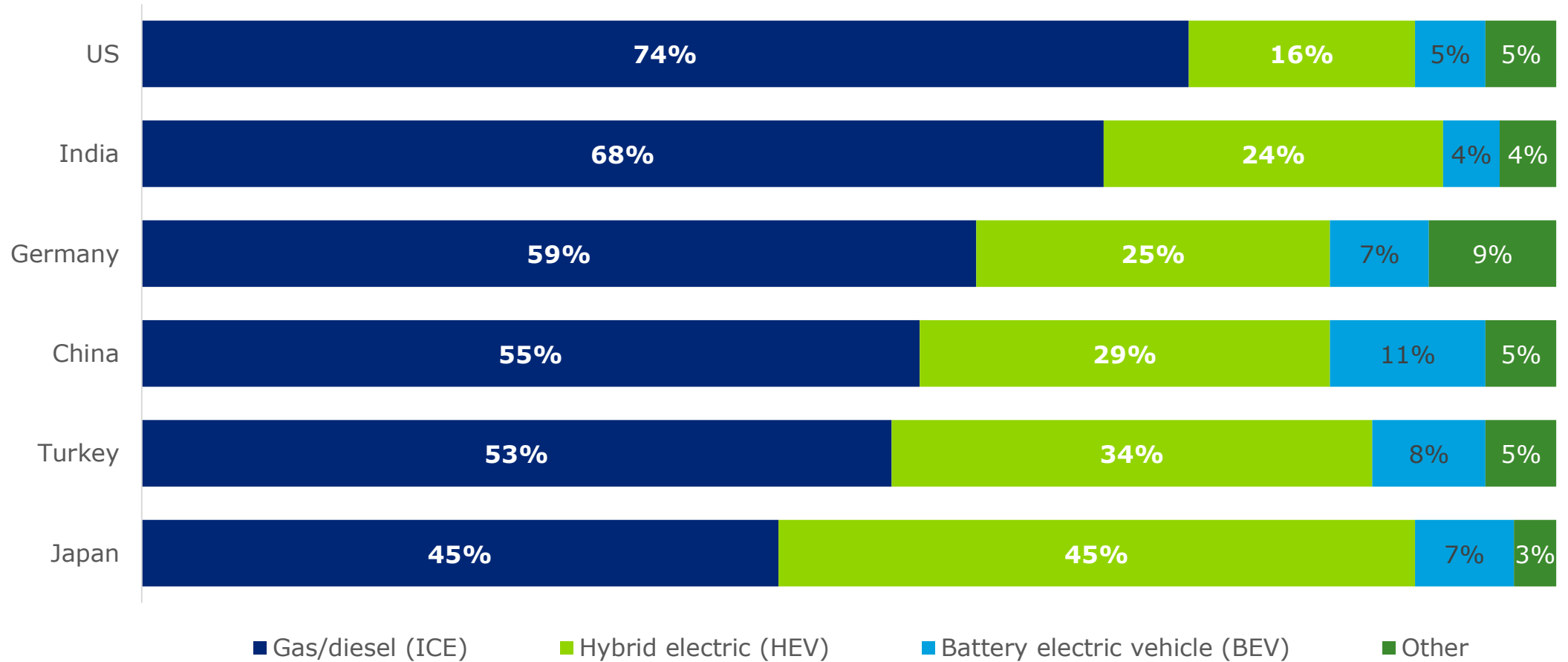
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Turkey

2021 Deloitte Global Automotive Consumer Study

Consumers' choices for the next vehicle differ significantly between countries.

Consumer powertrain preferences for their next vehicle



Note: "Other" category includes ethanol, CNG, and hydrogen fuel cell.

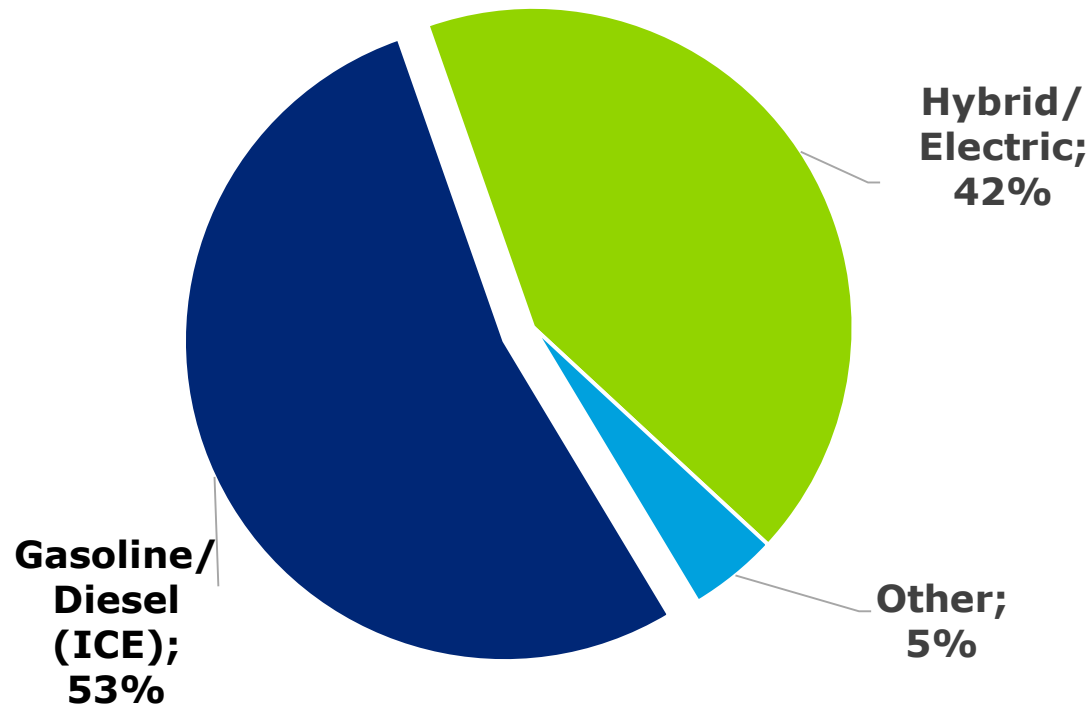
Q42. What type of engine would you prefer in your next vehicle?

Sample size: Germany=779; US=879; China=886 India=880; Japan=597; Turkey= 954

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For the people intending to buy an EV, it's mostly about lowering fuel costs, a better driving experience, and reducing emissions.

Type of engine in your next vehicle



Note: "Other" includes engine types such as compressed natural gas, ethanol, and hydrogen fuel cells
Q42. What type of engine would you prefer in your next vehicle?
Sample size: n= 954

Ranking of factors in terms of their impact on your decision to acquire an electrified vehicle (highest to lowest)

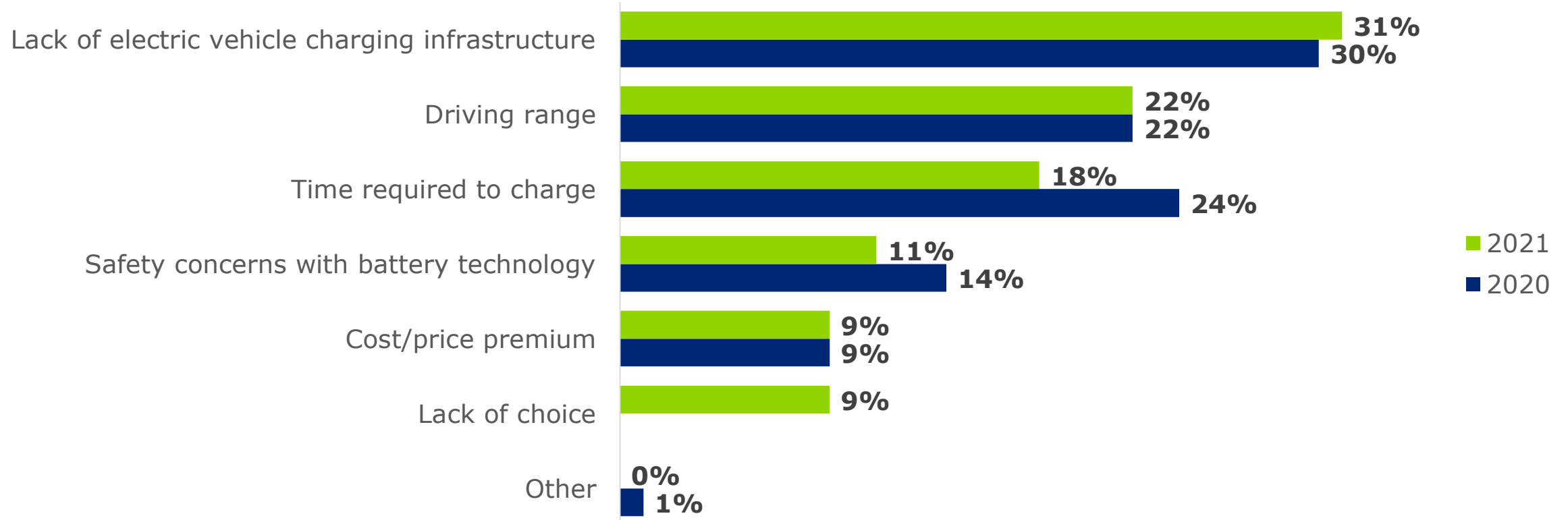
1. Lower fuel costs
2. Better driving experience (e.g., quieter, more performance)
3. Concern about climate change / reduced emissions
4. Less maintenance
5. Government incentives / stimulus programs

Q43. Please rank the following factors in terms of their impact on your decision to acquire an electrified vehicle (highest to lowest).

Sample size: n= 403

Concerns around charging infrastructure and EV range continue to be top of mind while consumers are somewhat less concerned about charging time.

Greatest concern regarding all battery-powered electric vehicles



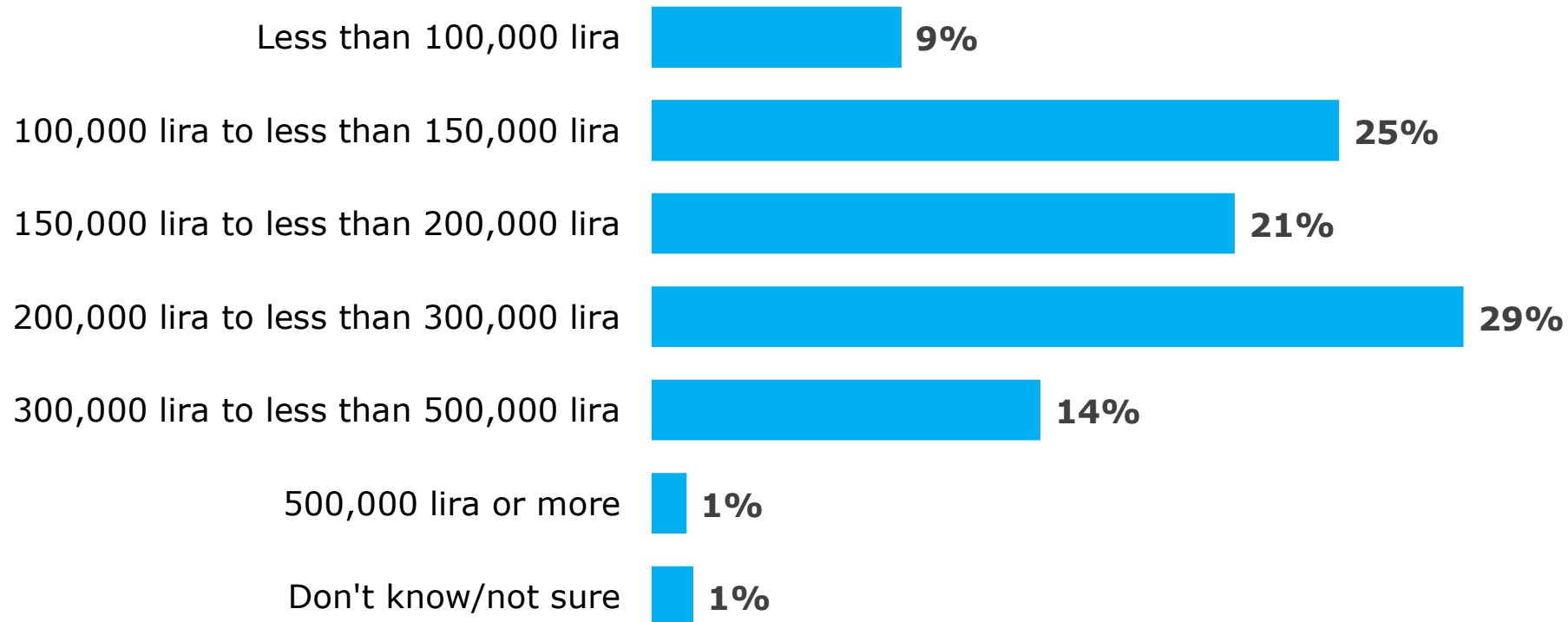
Note: Lack of choice is not provided as an option in the 2018 study

Q47. What is your greatest concern regarding all battery-powered electric vehicles?

Sample size: n= 954 [2021]; 1,268 [2020]

55% of consumers who want to buy electric vehicles are ready to pay 200K lira and less, 29% in the range of 200 -300K TL and 15% are ready to pay 300K TL and above.

Percentage of consumers willing to shop for an electrified vehicle in the price range of...

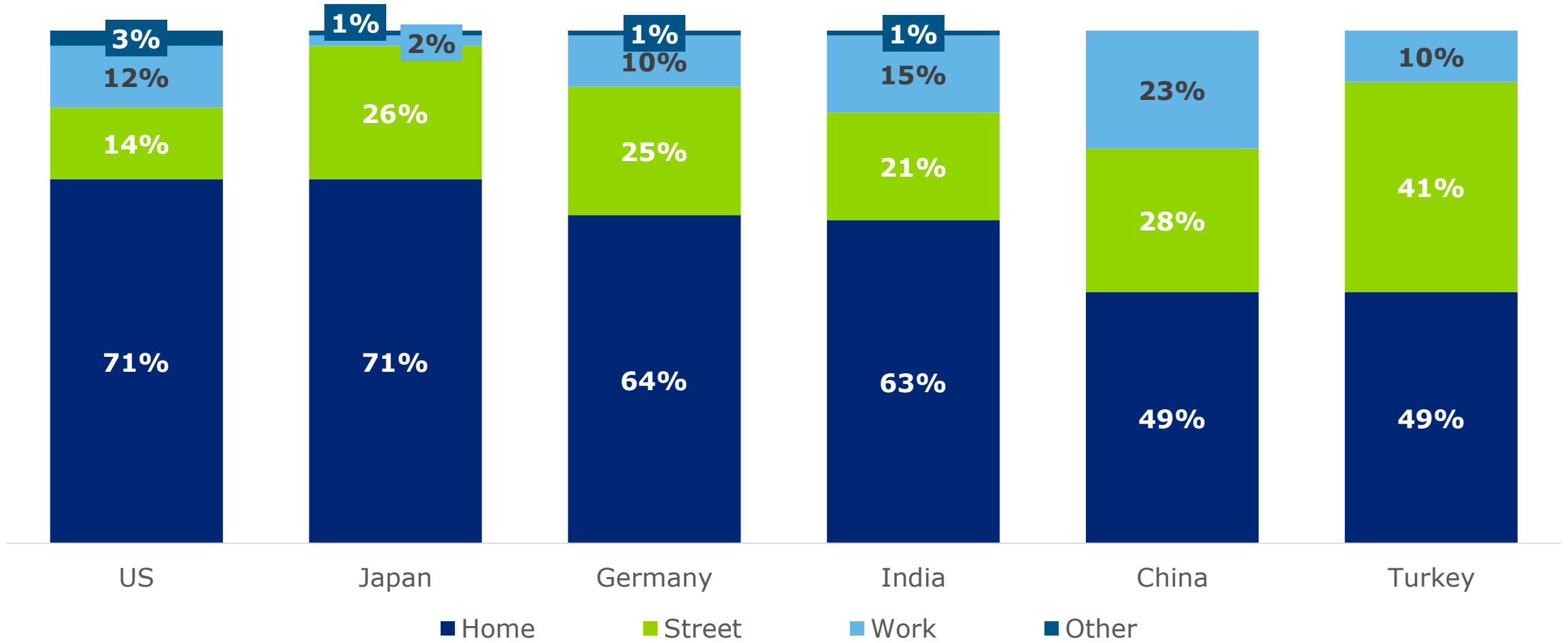


Q44. In which of the following price ranges will you be shopping for an electrified vehicle? (Please indicate what you would expect to pay after any dealer/brand or government incentives that might be available)

Sample size: n= 403

Most consumers intending to acquire an EV expect to charge it at home. Consumers' biggest concern for EV is the lack of a suitable charging network.

Location people expect to charge their electrified vehicle most often



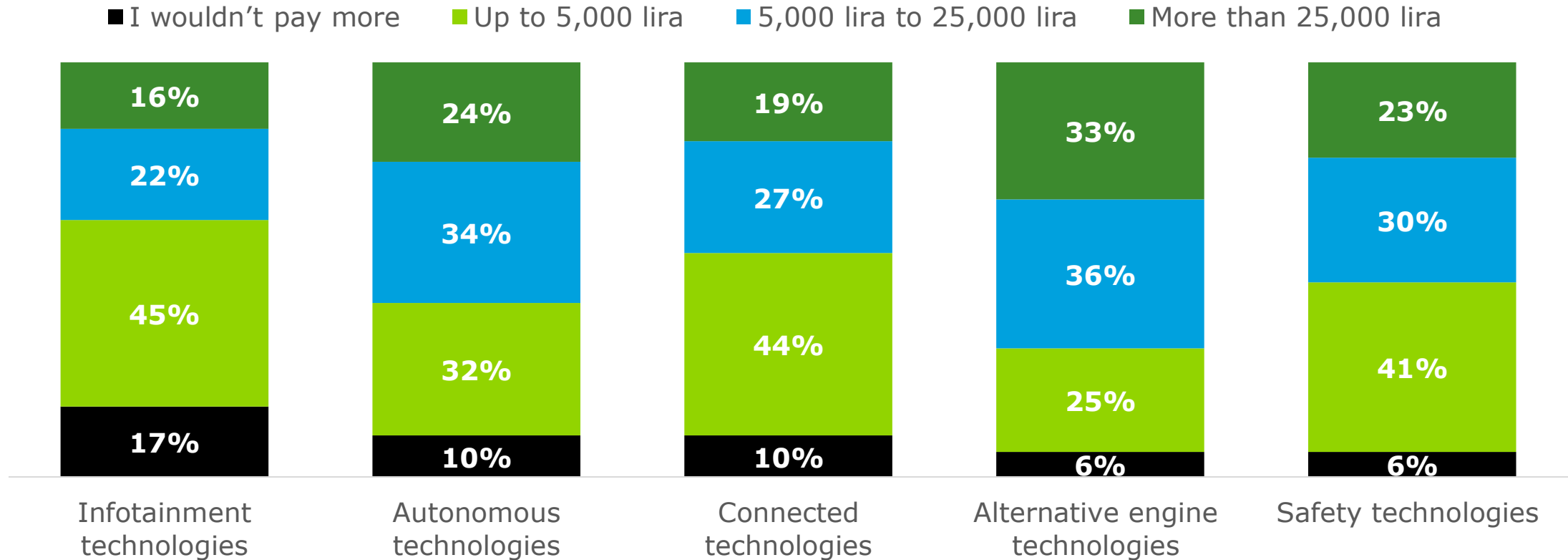
Q45: Where do you expect to charge your electrified vehicle most often?

Sample size: Germany=246; US=185; China=352; India=244; Japan=314; Turkey= 403

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One-third of consumers are willing to pay more than 25,000 lira for an alternative motor vehicle.

Willingness to pay for technologies



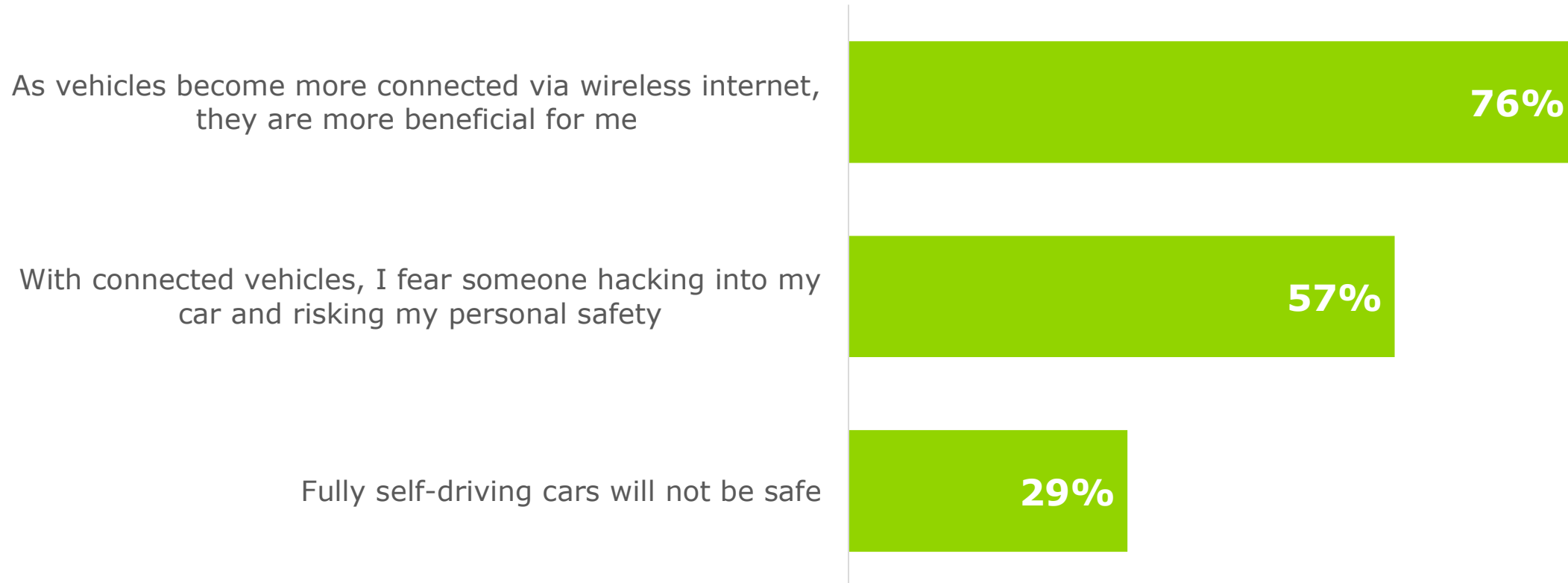
Note: Did not consider "Don't know" responses

Q4: How much more would you be willing to pay for a vehicle that had each of the technologies listed below?

Sample size: n=990

As for other CASE technologies, consumers are interested in connected, autonomous vehicles, but 57% are concerned about vehicle security.

Percentage of consumers who agree that ...

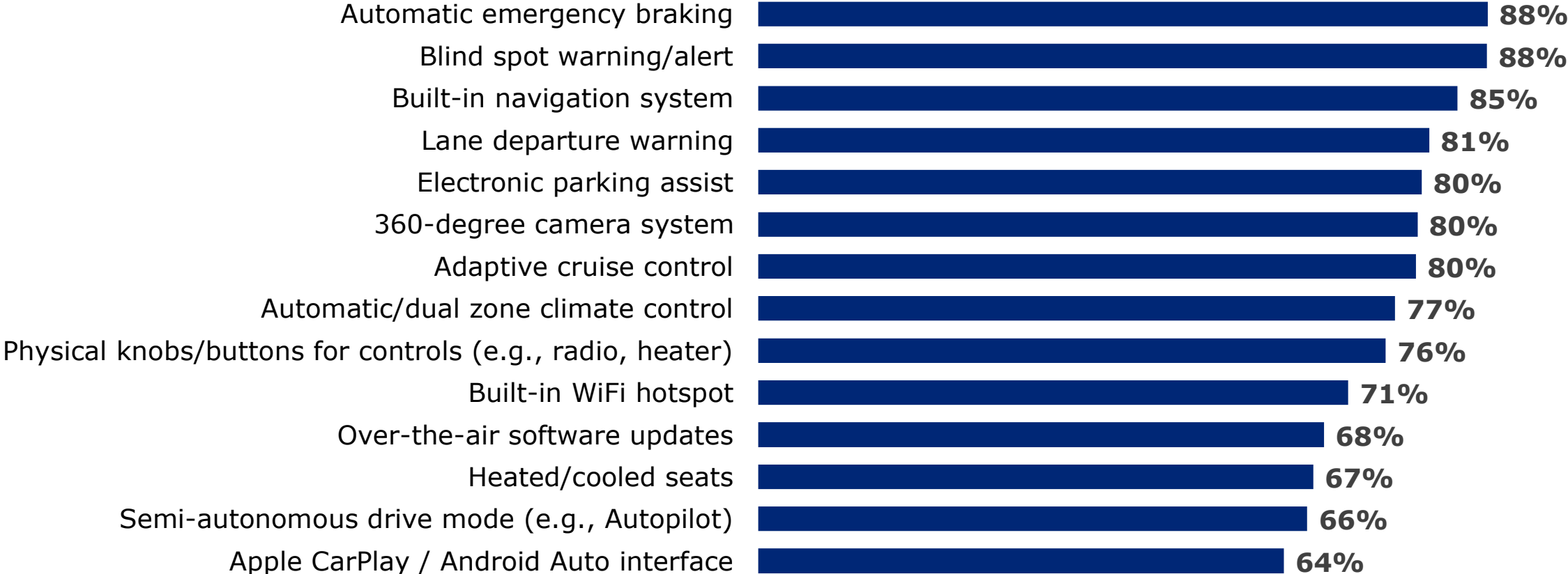


Q3: To what extent do you agree or disagree with the following statements?

Sample size: n=1,016

Safety technologies are top of mind as people most desire blind spot warning and emergency braking features in their next vehicle.

Importance (Somewhat/very important) of various vehicles features for next vehicle purchase



Q26. How important are each of the following features for your next vehicle?

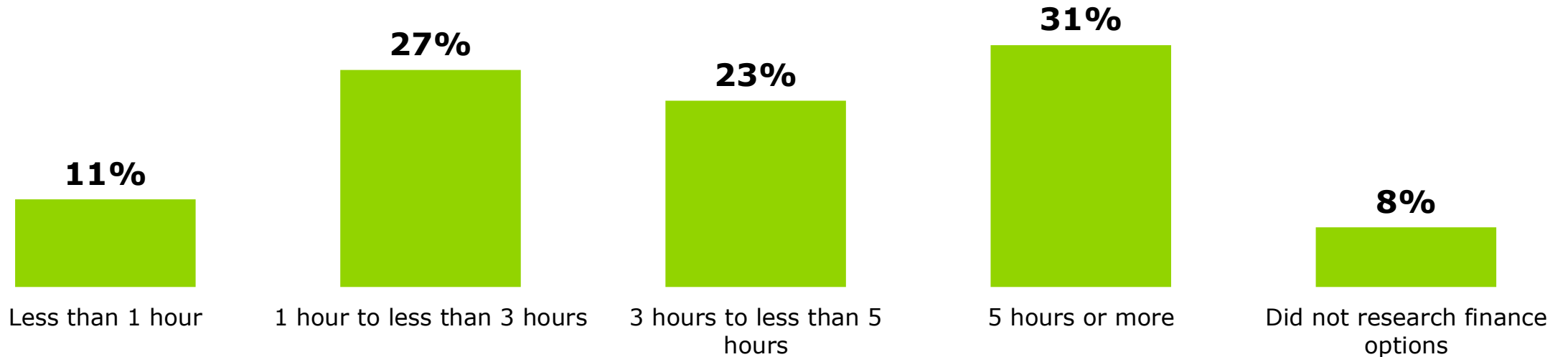
Sample size: n= 989

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Vehicle financing trends

More than half of consumers spent at least 3 hours researching financing options prior to acquiring their vehicle.

Time spent by consumers in researching finance options prior to acquiring their current vehicle

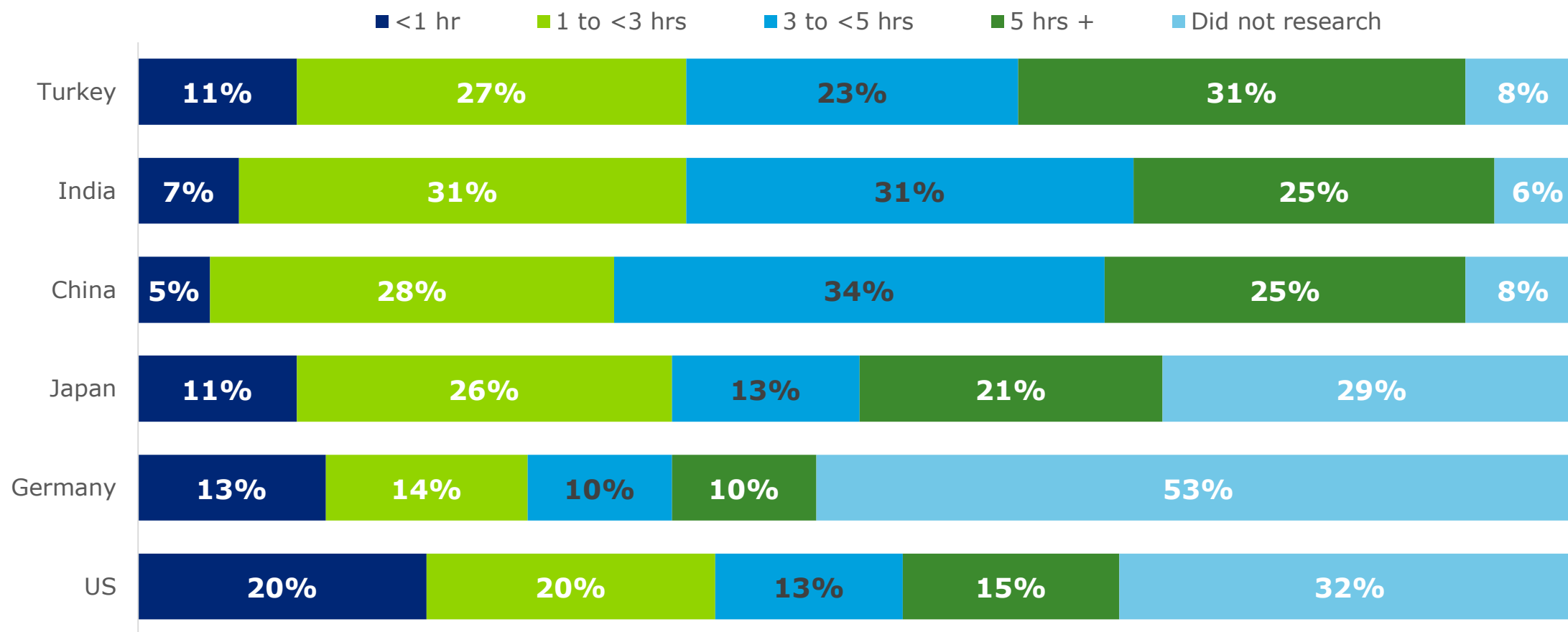


Q13: In total, how long did you spend researching finance options prior to acquiring your current vehicle?

Sample size: n=796

Global consumer behaviour varies significantly regarding the amount of time spent researching finance options prior to acquiring a vehicle.

Time spent by consumers in researching finance options prior to acquiring their current vehicle



Q13: In total, how long did you spend researching finance options prior to acquiring your current vehicle?

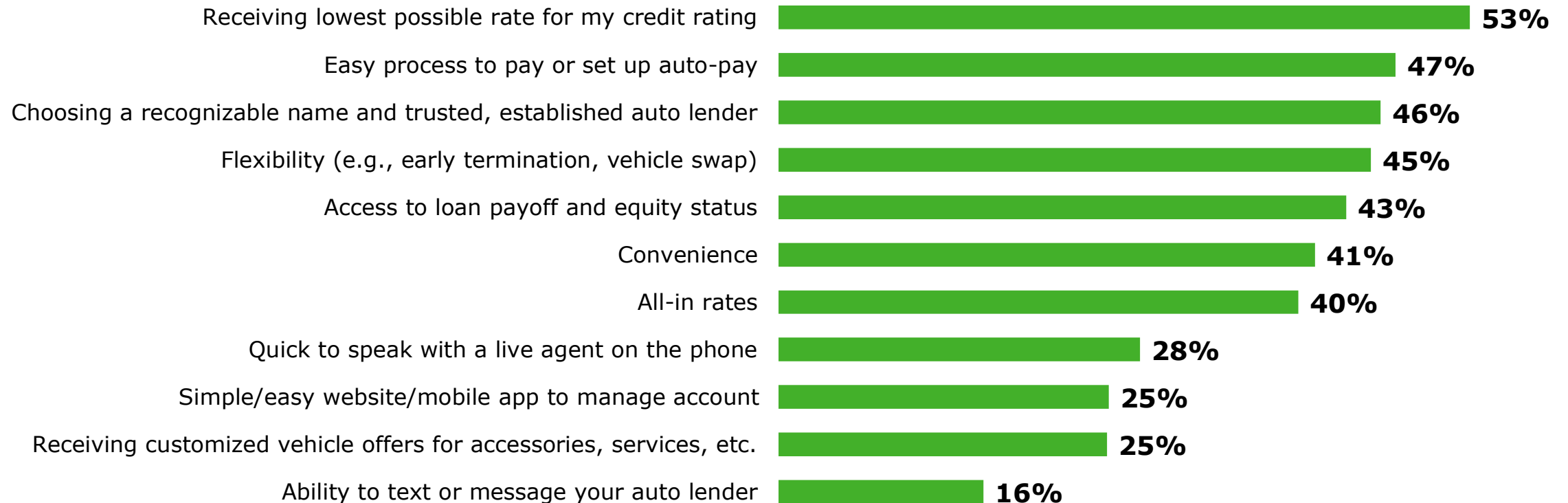
Sample size: Germany=746; US=826; China=790; India=692; Japan=470; Turkey= 796

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Deloitte Global Automotive Consumer Study

Top three most important factors for financing are receiving the lowest rate from a trusted lender with an easy-to-use payment interface.

Most important things related to loan/lease account

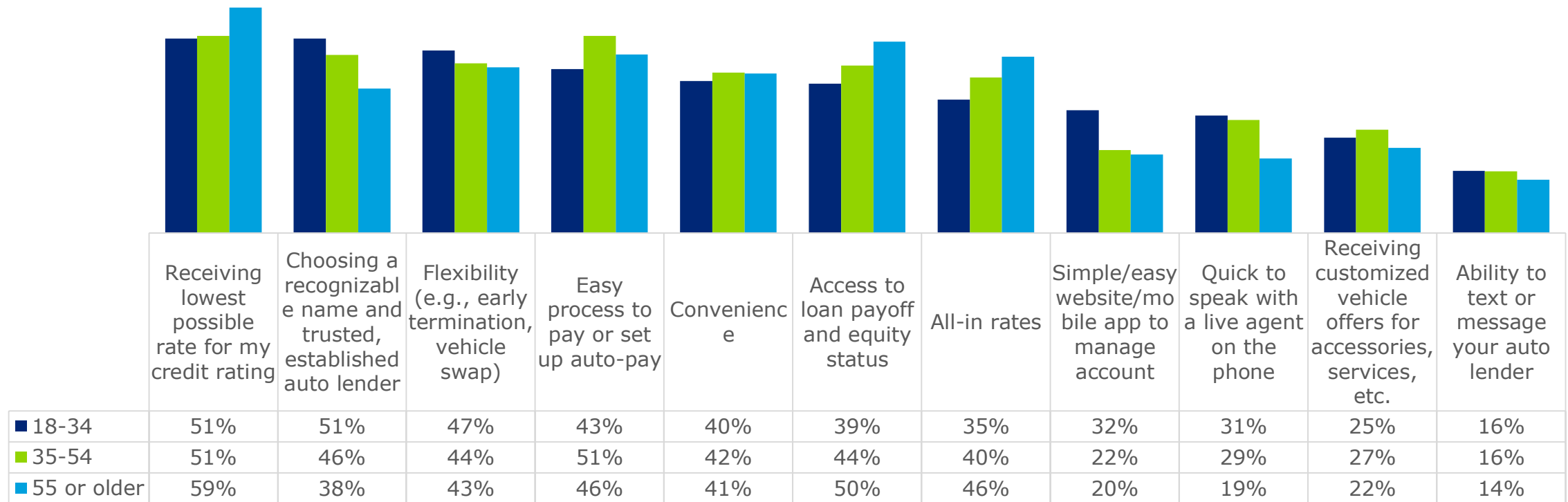


Q14: When it comes to your loan/lease account, what is most important to you? Please select all that apply.

Sample size: n=796

Consumers, across age groups, are interested in loan accounts that provide them the lowest finance rate.

Most important things related to loan/lease account by age groups

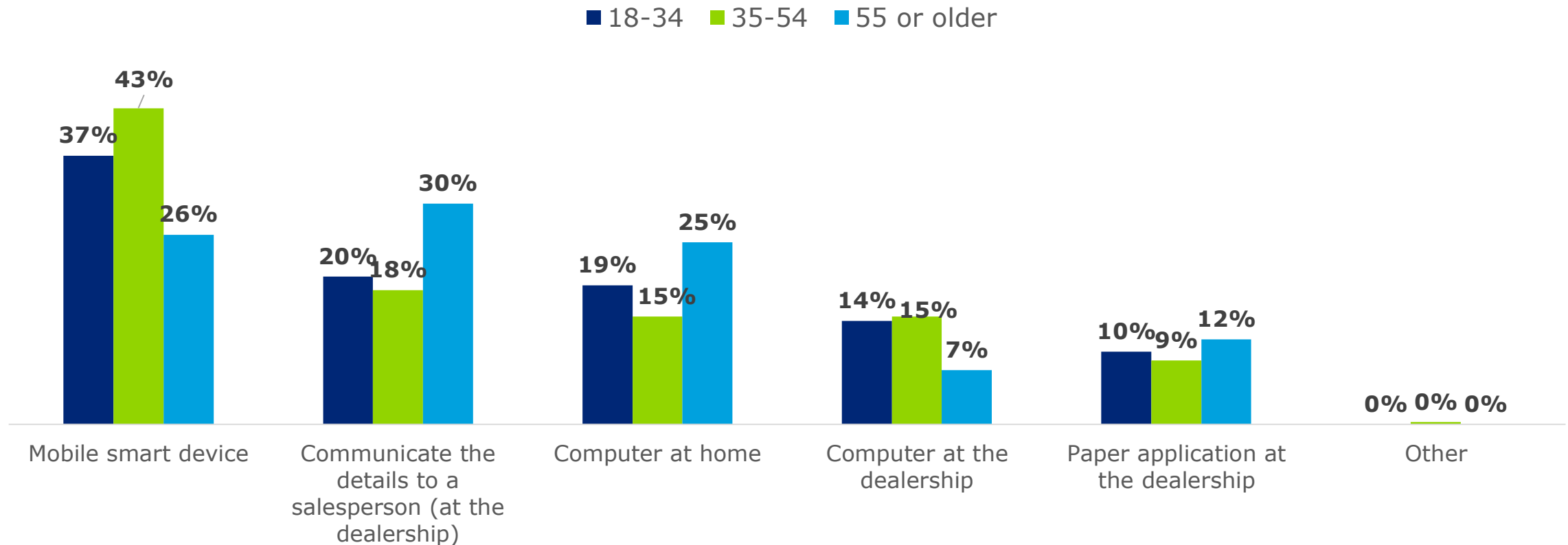


Q14: When it comes to your loan/lease account, what is most important to you? Please select all that apply.

Sample size: n=291 [18-34]; 324 [35-54]; 181 [55 or older]

Younger consumers most prefer completing a finance application via their mobile device while the older age group wants to deal with a salesperson.

Most preferred way to complete a vehicle financing application



Q38. How would you most prefer to complete a vehicle financing application?

Sample size: n= 332 [18-34]; 333 [35-54]; 189 [55 or older]

Overall, majority of people are somewhat/very likely to buy additional finance products as part of a bundle and credit protection on their loan.

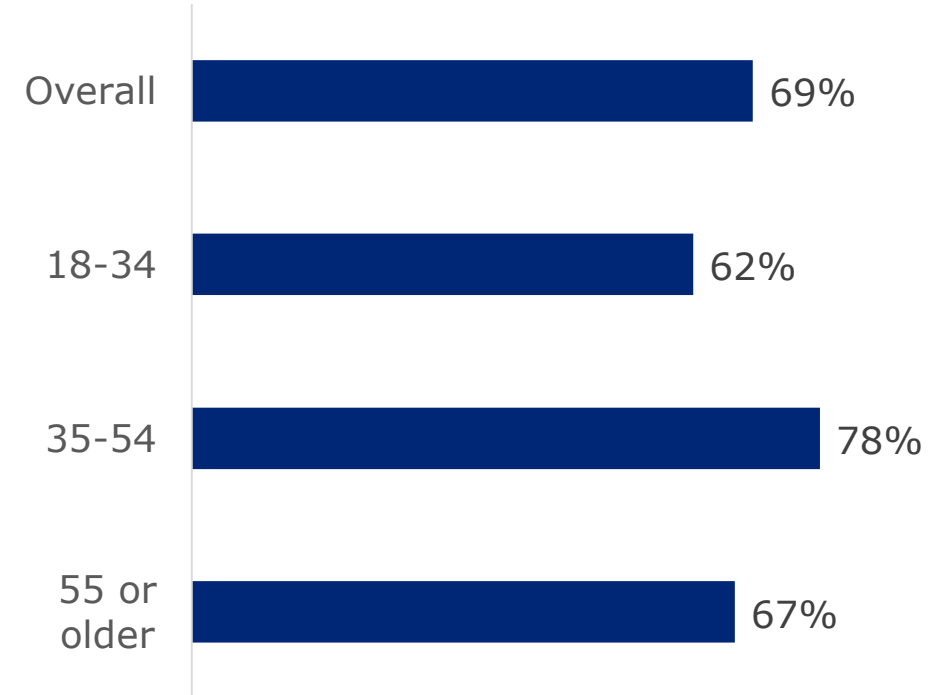
Percentage of consumers who are somewhat/very likely to purchase additional finance-related products if they were bundled into vehicle's single monthly payment



Q36. How likely would you be to purchase additional finance-related products (e.g., insurance, extended warranty) if they were bundled into your vehicle's single monthly payment?

Sample size: n= 811 [Overall]; 307 [18-34]; 325 [35-54]; 179 [55 or older]

Percentage of consumers who are somewhat/very likely to purchase credit protection on a new loan/lease

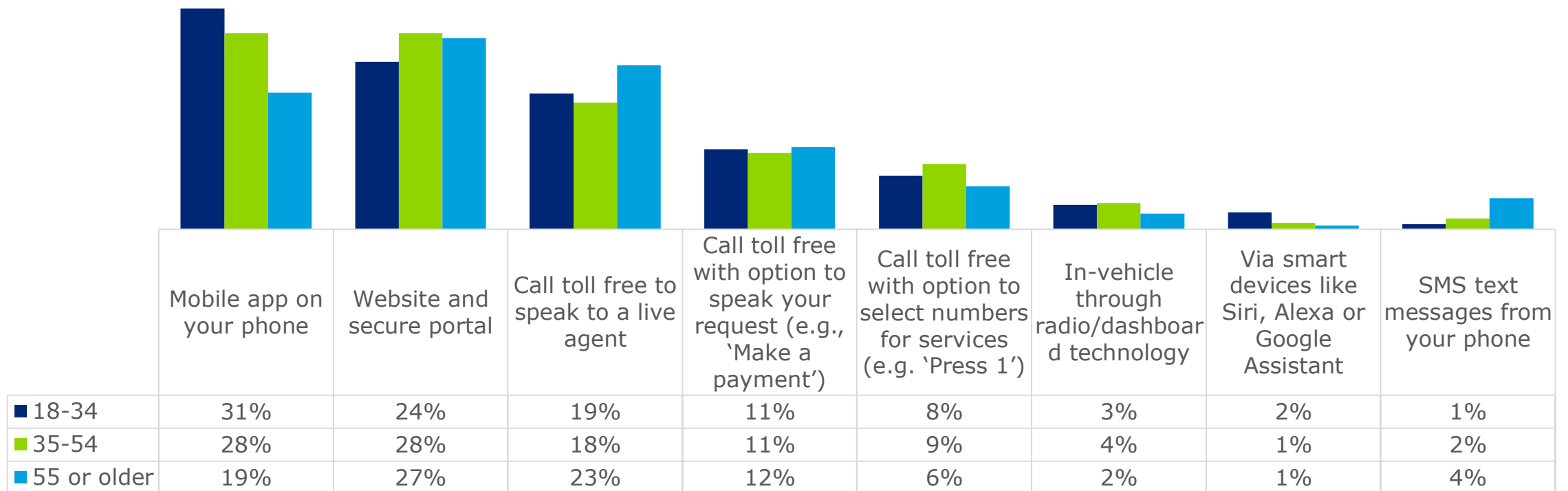


Q37. How likely would you be to purchase credit protection on a new loan/lease (i.e., a small increase in monthly payment for protection that pay offs or reduces your amount owed in the case of disability, death, job loss, etc.)?

Turkey

While websites are the most preferred way for older consumers to interact with their lender, a mobile option is more important for younger consumers.

Most preferred way of interacting with auto lender by age groups



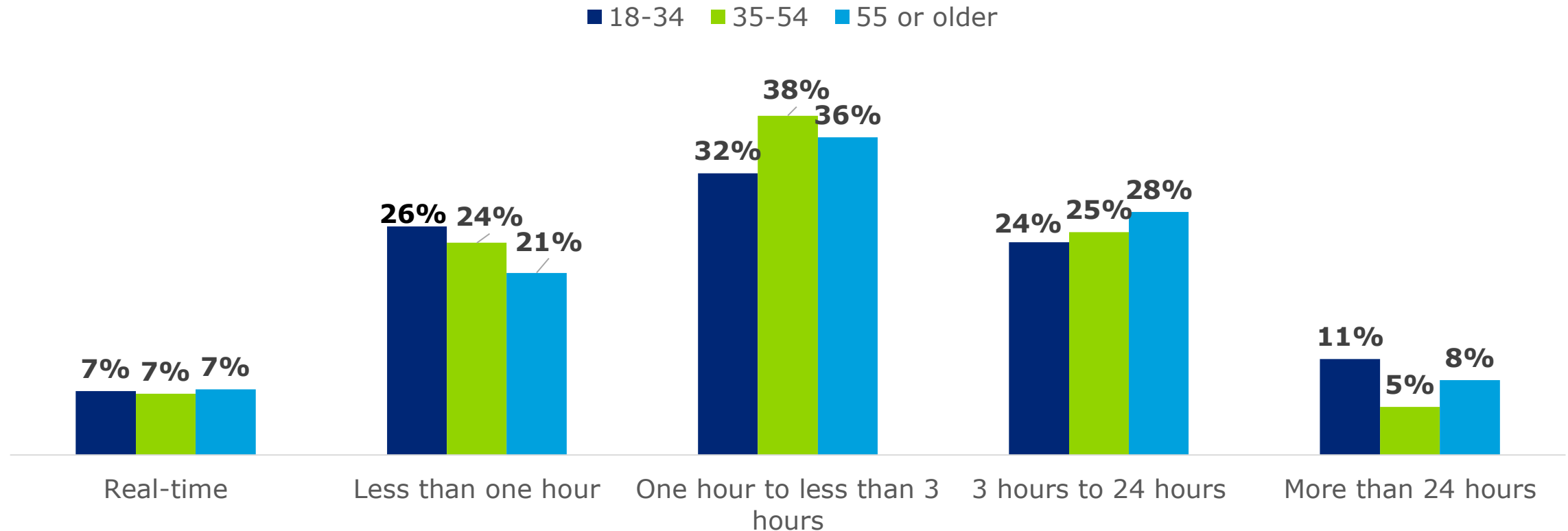
Note: Sum of preferred ways of interacting with auto lender do not add up to 100% as N/A % was not shown

Q15. What is your most preferred way of interacting with your auto lender?

Sample size: n=291 [18-34]; 324 [35-54]; 181 [55 or older]

Consumers are willing to wait longer to receive a decision about their vehicle financing application – only 7% want it in real-time.

Acceptable wait time to receive a decision on vehicle financing application



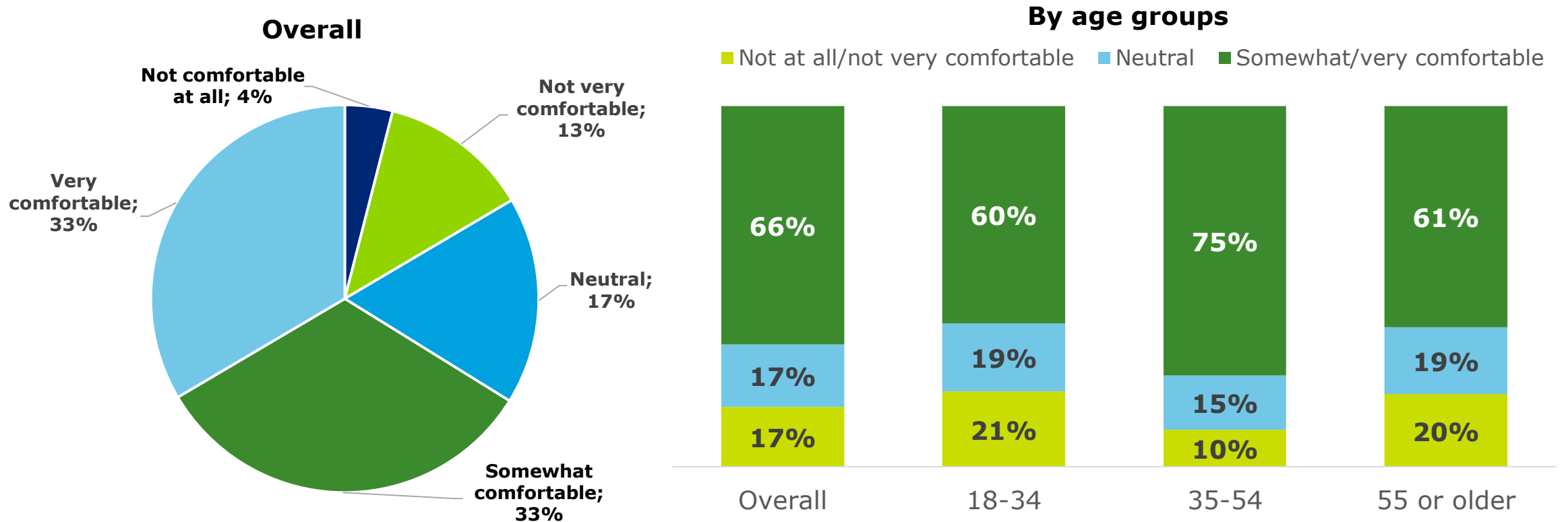
Note: Sum of %s for 35-54 age group do not add to 100% due to rounding

Q39. When applying for vehicle financing, how long is an acceptable wait time to receive a decision?

Sample size: n= 332 [18-34]; 333 [35-54]; 189 [55 or older]

Two-thirds of consumers are comfortable with completing a vehicle finance transaction via live video on their mobile device.

Comfort level in completing a finance transaction (i.e., submit application and sign the contract) via live video on mobile device

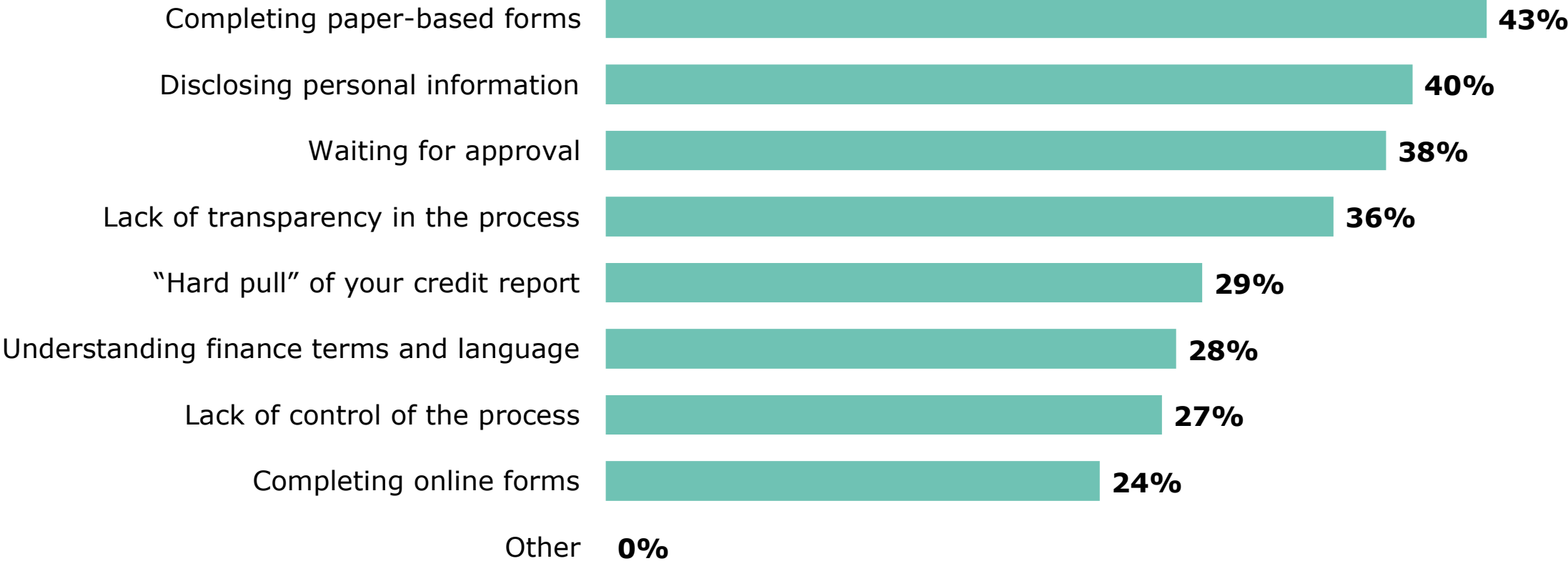


Q40. How comfortable would you be completing a finance transaction (i.e., submit application and sign the contract) via live video on your mobile device?

Sample size: n= 854 [Overall]; 332 [18-34]; 333 [35-54]; 189 [55 or older]

Completing paper-based forms, disclosing personal info, and approval wait times are the most disliked aspects of the financing process.

Most disliked part(s) of the finance process

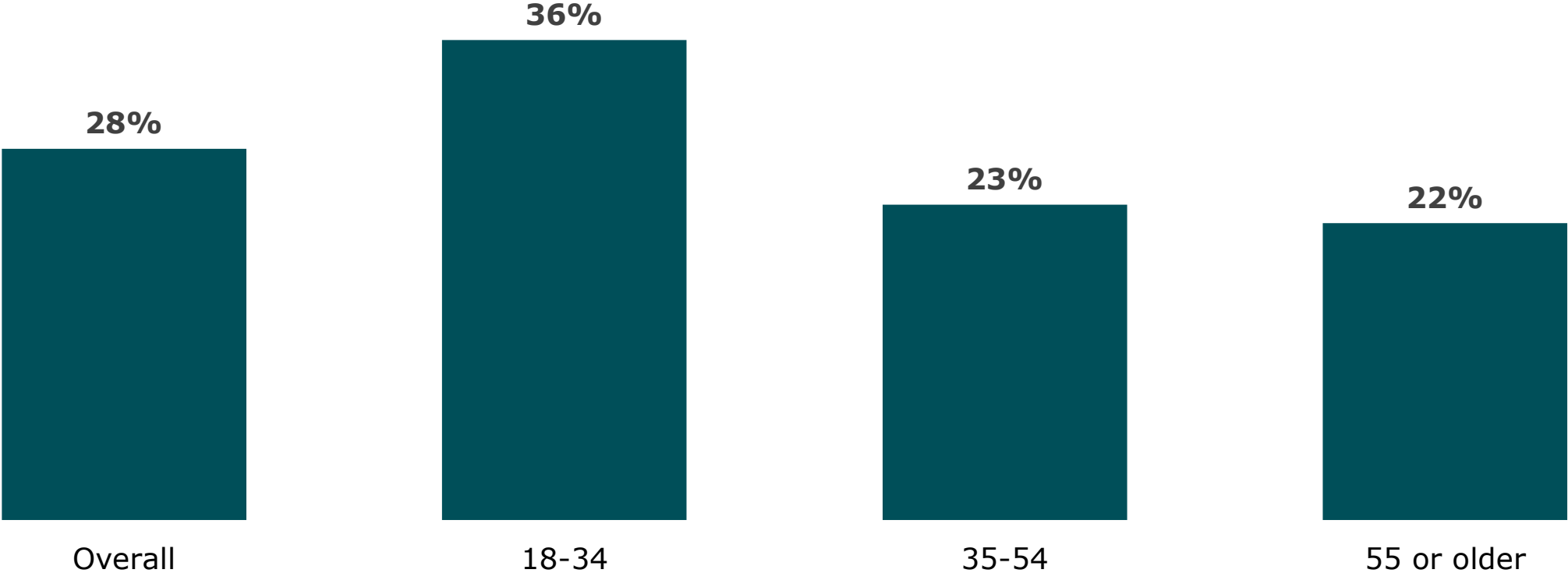


Q41. What part(s) of the finance process do you dislike the most? (Select all that apply)

Sample size: n= 854

Finally, more than a third of younger consumers have requested a vehicle payment deferment this year, perhaps as a result of the pandemic.

Percentage of consumers who requested for a payment deferment



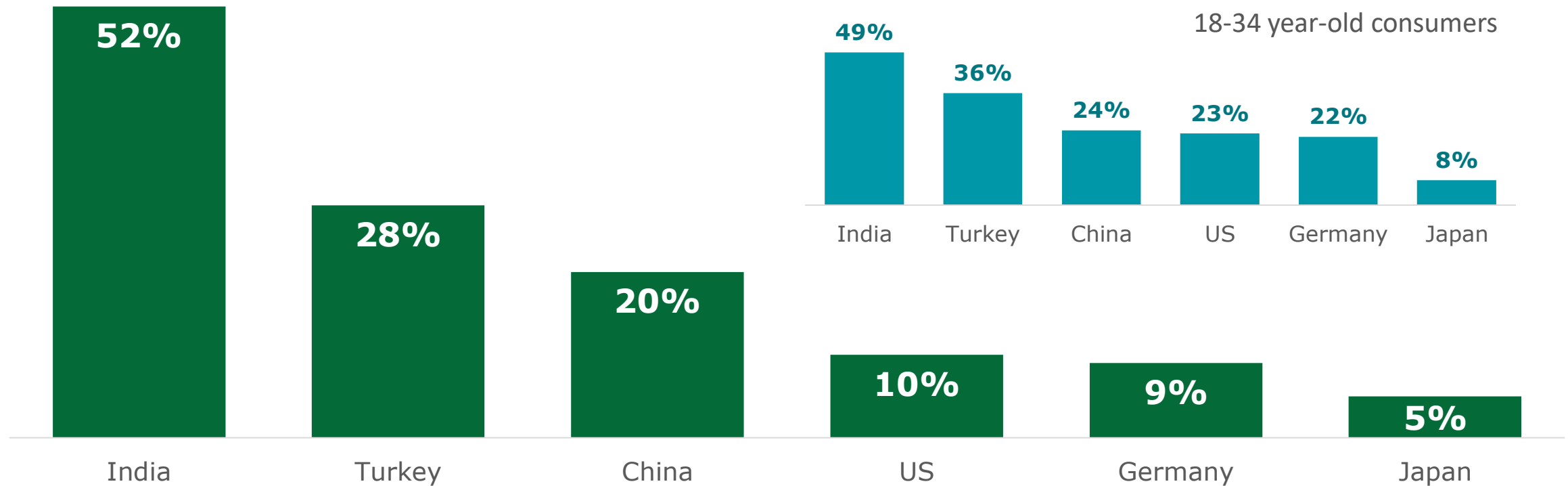
Note: Respondents can select either "Yes", or "No", or "Not applicable"

Q16: Have you requested a payment deferment this year?

Sample size: n= 796 [Overall]; 291 [18-34]; 324 [35-54]; 181 [55 or older]

The overall average for the number of consumers requesting a payment deferment this year may be masking an underlying concern among younger consumers in some markets around the world.

Percentage of consumers who have requested a payment deferment this year (% Yes)



Note: Respondents can select either "Yes", or "No", or "Not applicable"

Q16: Have you requested a payment deferment this year?

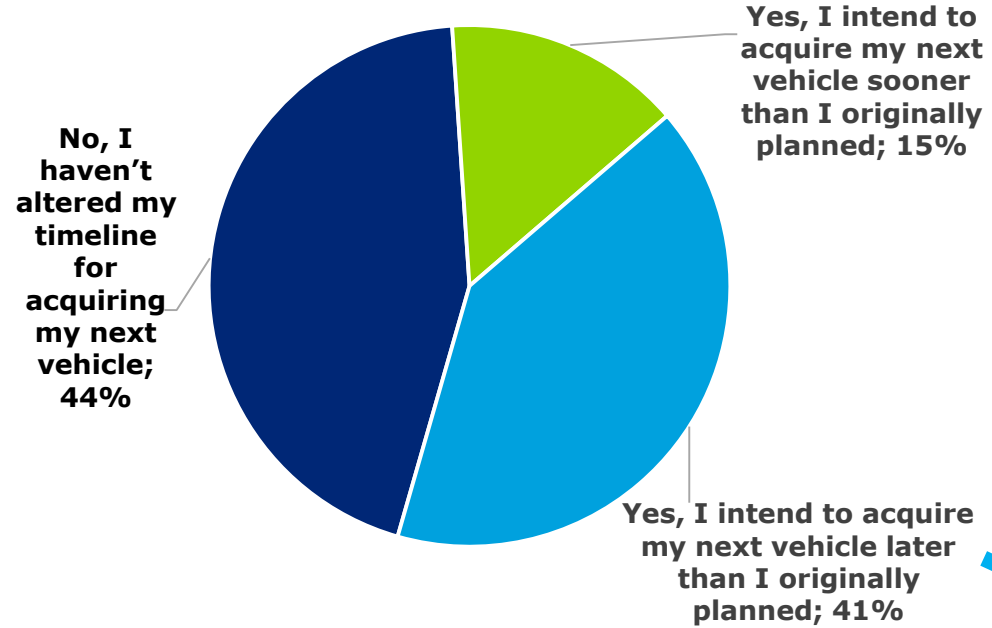
Sample size: Germany=746; US=826; China=790; India=692; Japan=470; Turkey= 796

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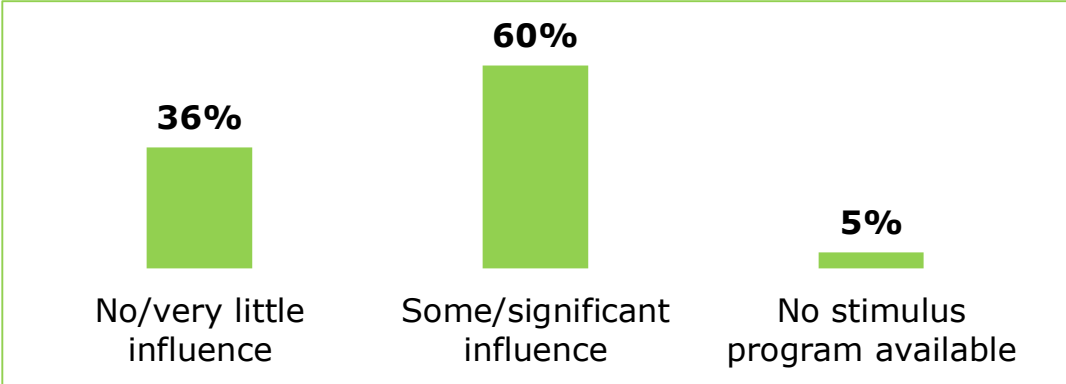
Future vehicle intentions

56% of people have altered their timeline for acquiring their next vehicle, and majority of them are thinking of delaying their purchase.

Percentage of consumers who altered their timeline for acquiring next vehicle because of the COVID-19 pandemic

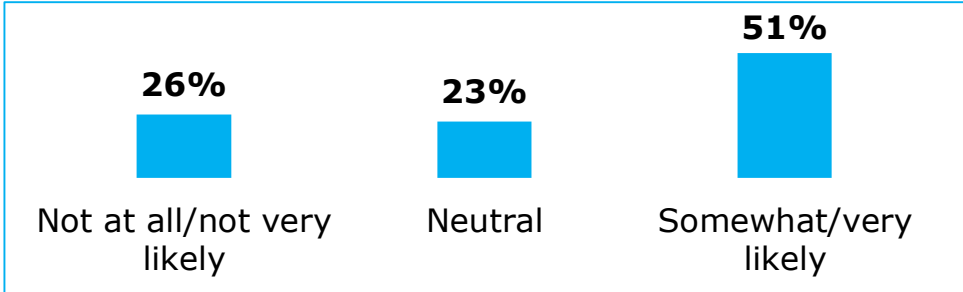


Availability of a government stimulus program influenced your decision to acquire your next vehicle sooner than originally planned



Note: Sum of %s do not add to 100% due to rounding

Acquire next vehicle sooner if you received a pre-approved special finance rate or lease payment



Q23. Have you altered your timeline for acquiring your next vehicle because of the COVID-19 pandemic?

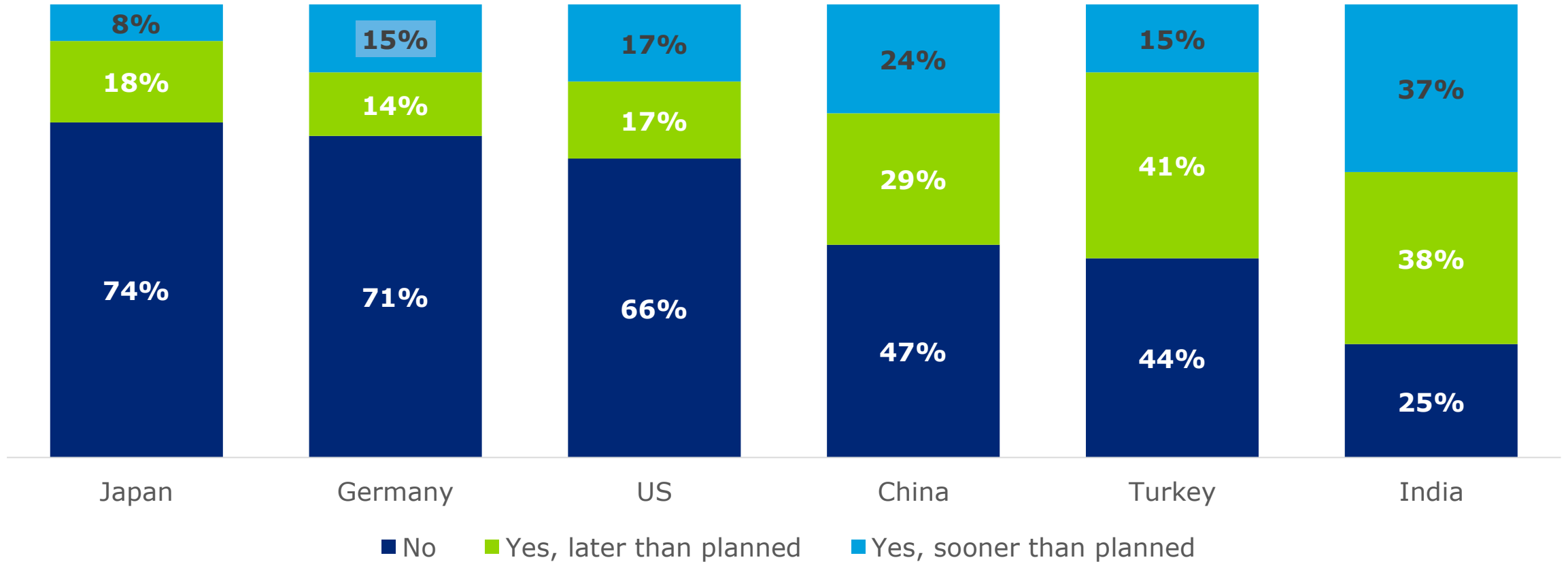
Q24. To what extent has the availability of a government stimulus program influenced your decision to acquire your next vehicle sooner than originally planned?

Q25. How likely would you be to acquire you next vehicle sooner if you received a pre-approved special finance rate or lease payment?

Sample size: n= 989 [Q23]; n= 146 [Q24]; n= 403 [Q25]

The schedule that consumers plan to buy their next vehicle varies by country.

Percentage of consumers who altered their timeline for acquiring next vehicle because of the COVID-19 pandemic



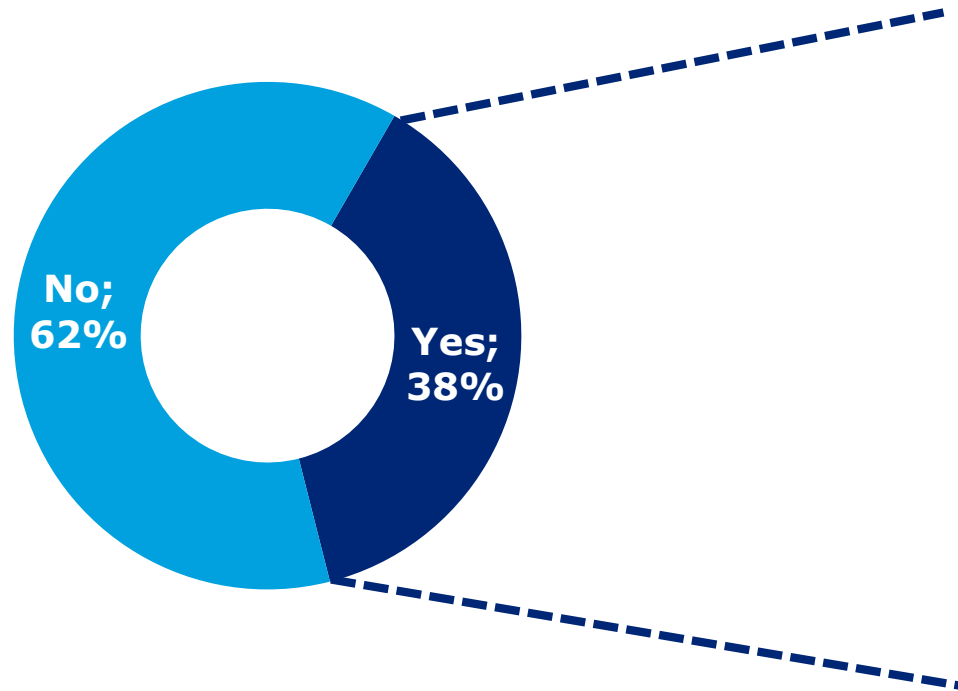
Q23. Have you altered your timeline for acquiring your next vehicle because of the COVID-19 pandemic?

Sample size: Germany=804; US=901; China=899; India=948; Japan=678; Turkey= 989

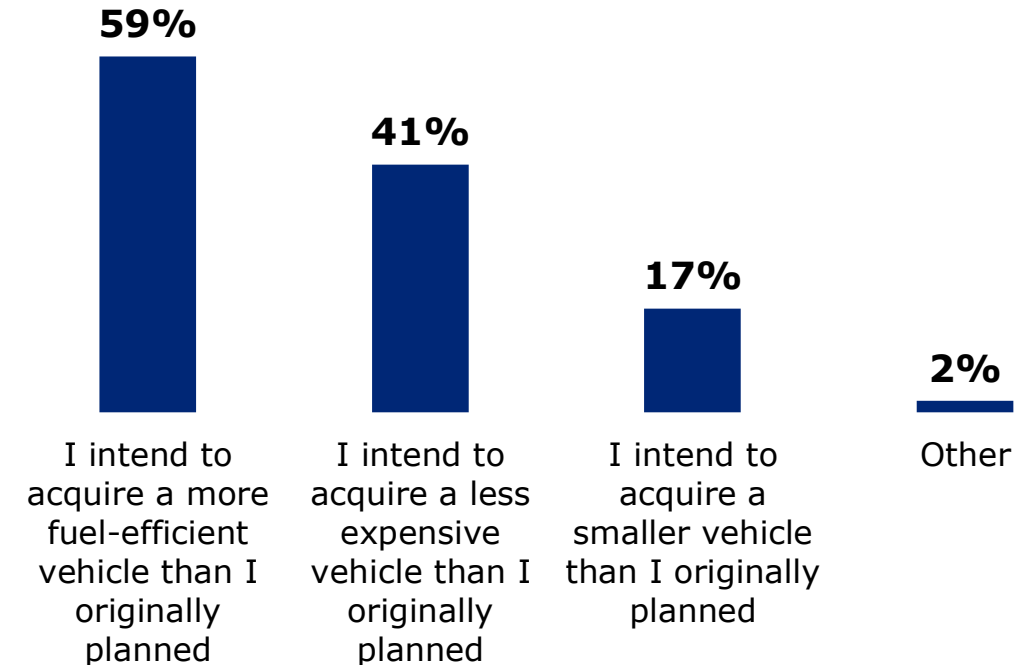
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A third of consumers are thinking about a different kind of vehicle as a result of the pandemic – 59% of these people want more fuel efficiency.

COVID-19 pandemic caused you to change your mind regarding what type of vehicle you would most like to acquire next



Kind of vehicle consumers are planning to buy now because of change of their mind due to the COVID-19 pandemic



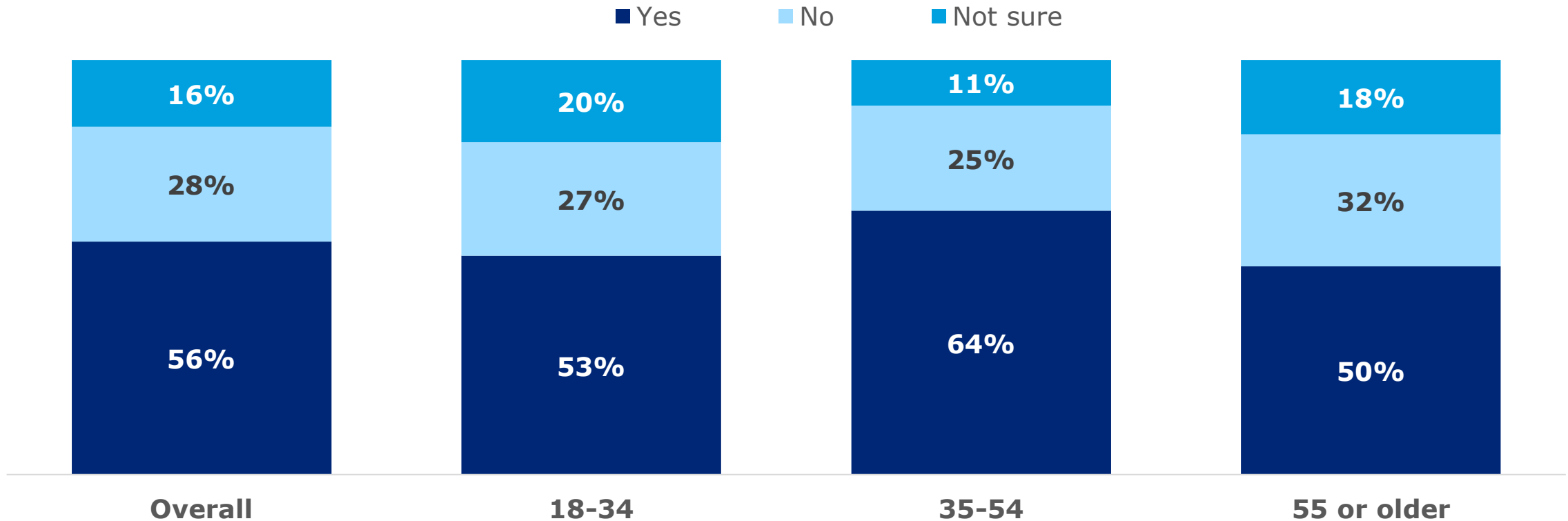
Q30. Has the COVID-19 pandemic caused you to change your mind regarding what type of vehicle you would most like to acquire next?

Q31. How have you changed your thinking about what kind of vehicle you will acquire next? (Select all that apply)

Sample size: n= 989 [Q30]; n= 373 [Q31]

Pandemic-induced social distancing is an important factor pushing consumers to think about vehicle ownership.

Percentage of consumers who are planning to acquire next vehicle primarily due to the need of maintaining social distancing

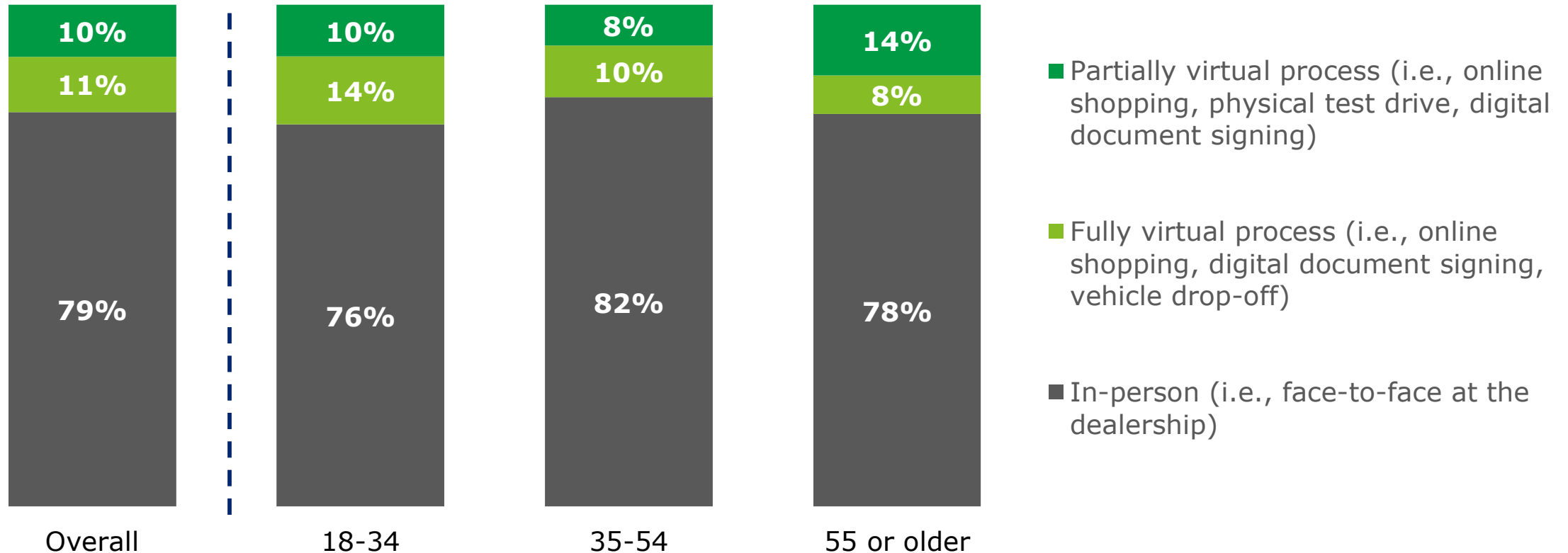


Q28. Are you planning to acquire your next vehicle primarily due to the need of maintaining social distance while traveling?

Sample size: n= 989 [overall]; 394 [18-34]; 366 [35-54]; 229 [55 or older]

Virtual vehicle sales going forward? Yes, but a significant number of people still want to acquire their next vehicle in-person at the dealership.

Most preferred way to acquire next vehicle

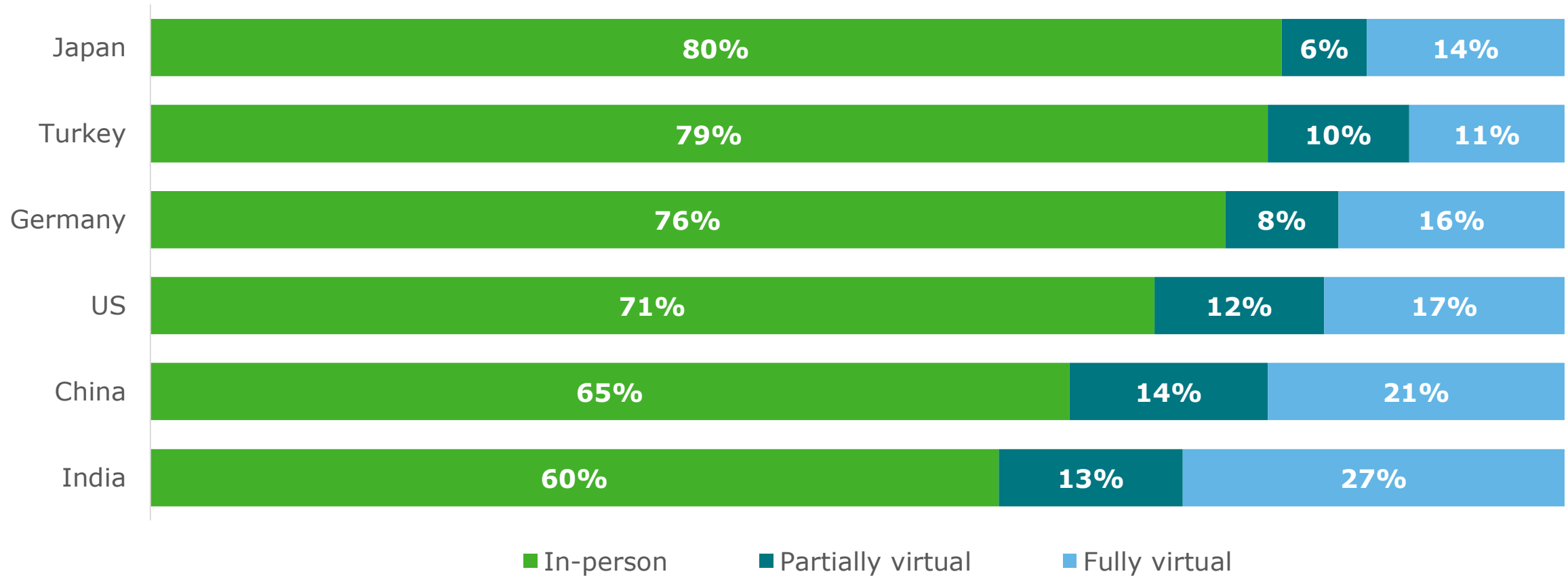


Q48. How would you most prefer to acquire your next vehicle?

Sample size: n= 954 [Overall] ; 377 [18-34]; 357 [35-54]; 220 [55 or older]

Will there be virtual vehicle sales in the future? Absolutely, but let's not write off the in-person experience just yet as most consumers still want it going forward.

Most preferred way to acquire next vehicle



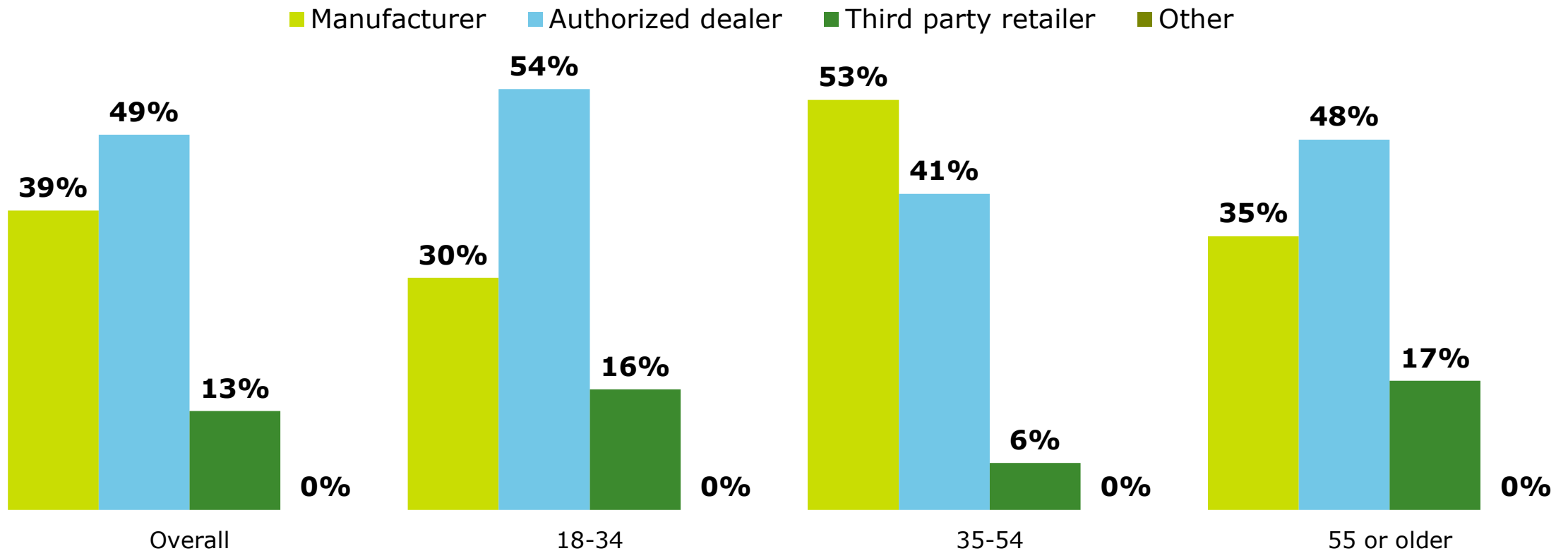
Q48. How would you most prefer to acquire your next vehicle?

Sample size: Germany=779; US=879; China=886; India=880; Japan=597; Turkey= 954

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Even if people are looking for a virtual sales experience, they would prefer to acquire their next vehicle from a dealer or vehicle manufacturer.

Most preferred way to acquire next vehicle via a virtual process



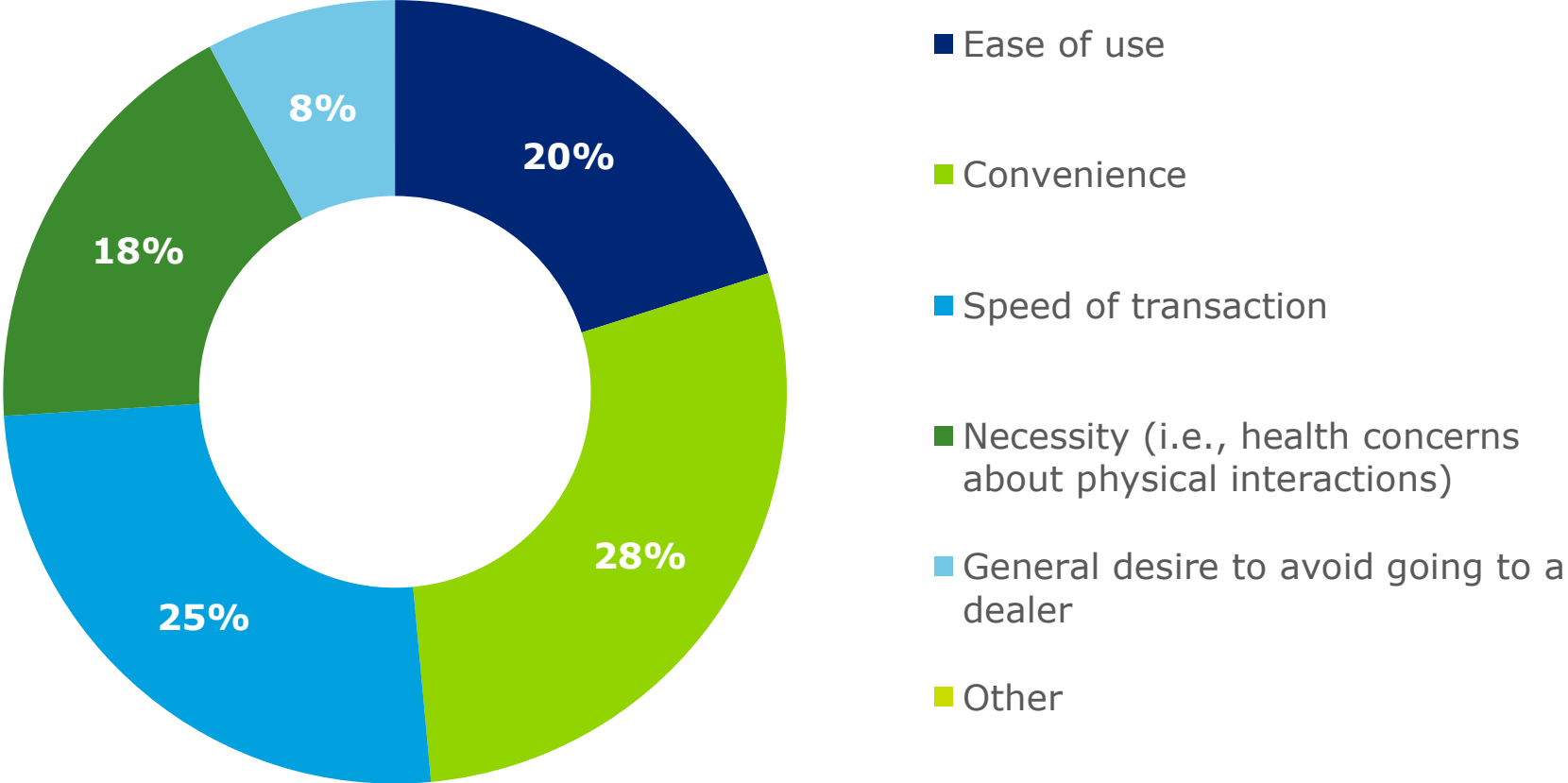
Note: Sum of %s for Overall do not add to 100% due to rounding

Q49. From whom would you most prefer to acquire your next vehicle via a virtual process?

Sample size: n= 258 [Overall]; 119 [18-34]; 88 [35-54]; 51 [55 or older]

Convenience coupled with speed and ease of use are the main reasons for consumers to consider a virtual process for acquiring their next vehicle.

Main reason to acquire next vehicle via a virtual process



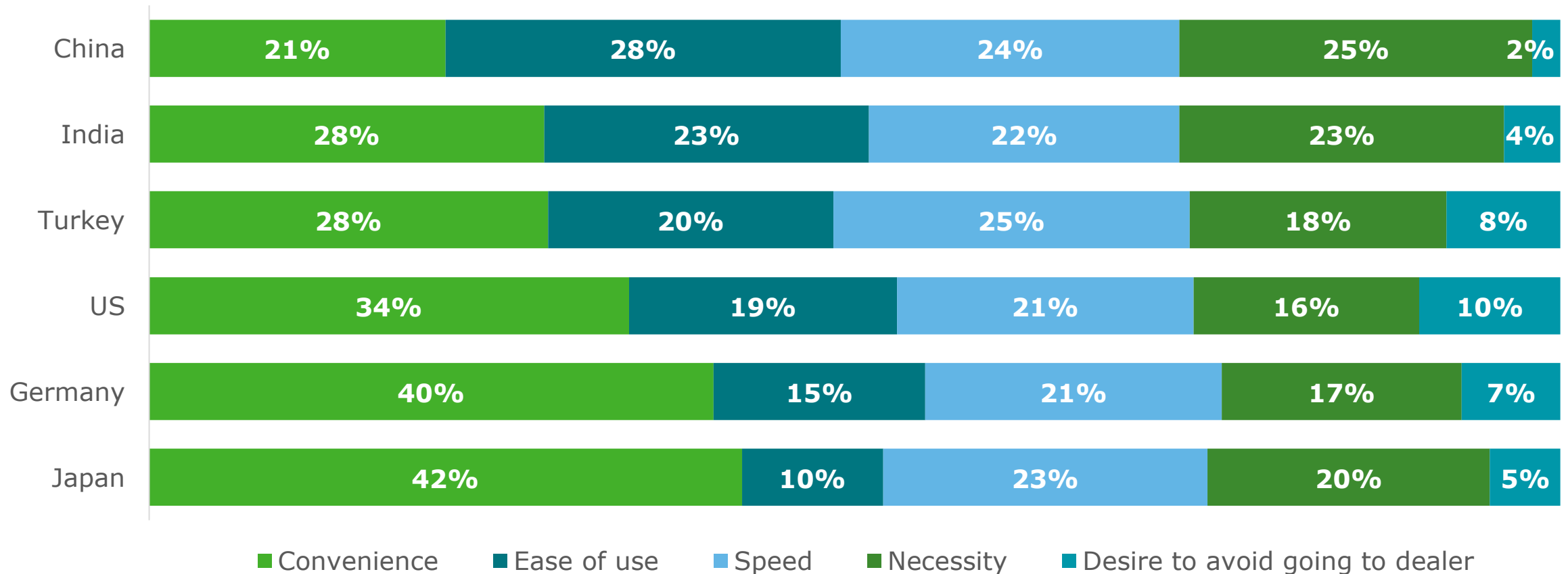
Note: Sum of %s do not add to 100% due to rounding

Q50. What is the main reason you would prefer to acquire your next vehicle via a virtual process?

Sample size: n= 258

The reason people want a virtual buying process for their next vehicle can vary significantly by country.

Main reason to acquire next vehicle via a virtual process



Note: For Germany, "desire to avoid going to dealer" includes one percentage point from "Other" reason

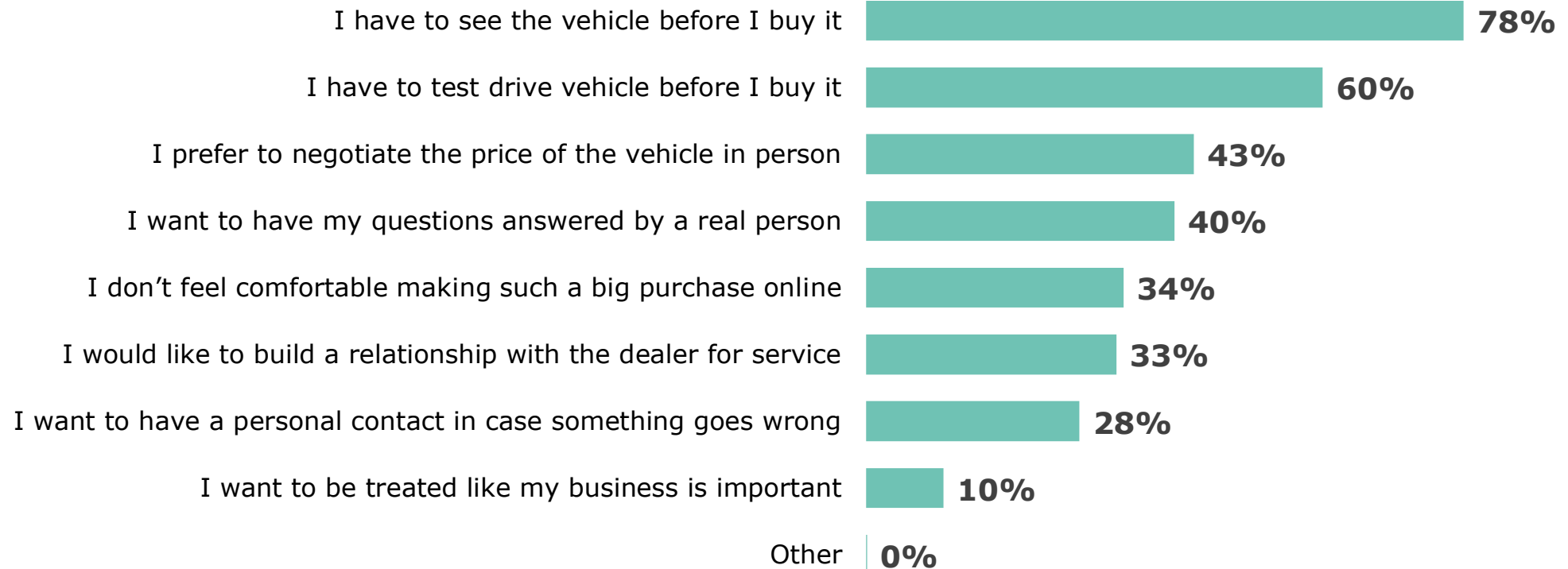
Q50. What is the main reason you would prefer to acquire your next vehicle via a virtual process?

Sample size: Germany=188; US=258; China=312; India=350; Japan=117; Turkey= 258

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But, at the end of the day, some things are simply hard to digitize as people still need to see and drive a vehicle before they buy it.

Main reasons for being not interested in acquiring next vehicle via virtual process

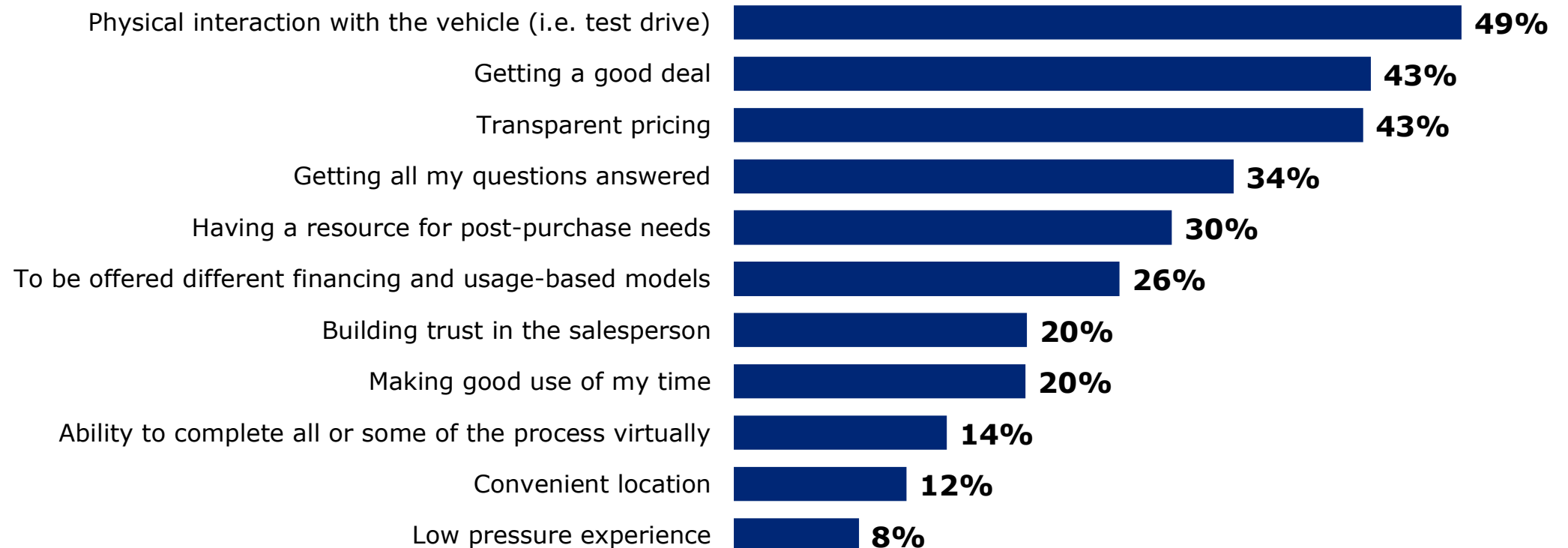


Q51. What are the main reasons you are not interested in acquiring your next vehicle via virtual process? (Select all that apply)

Sample size: n= 750

And, some things never change as consumers still want a good deal with transparent pricing before they commit to buying a vehicle.

Top three most important aspects of the purchase experience

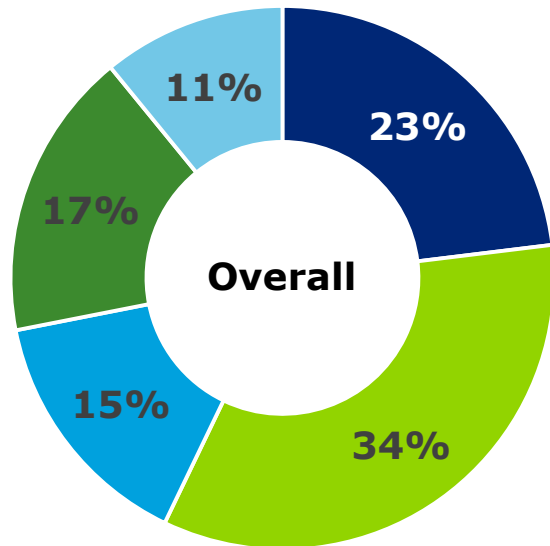


Q52. When looking to acquire your next vehicle, what are the top three most important aspects of the purchase experience? (Select top three)

Sample size: n= 954

In fact, only 28% of consumers are either somewhat or very likely to buy their next vehicle without a test drive.

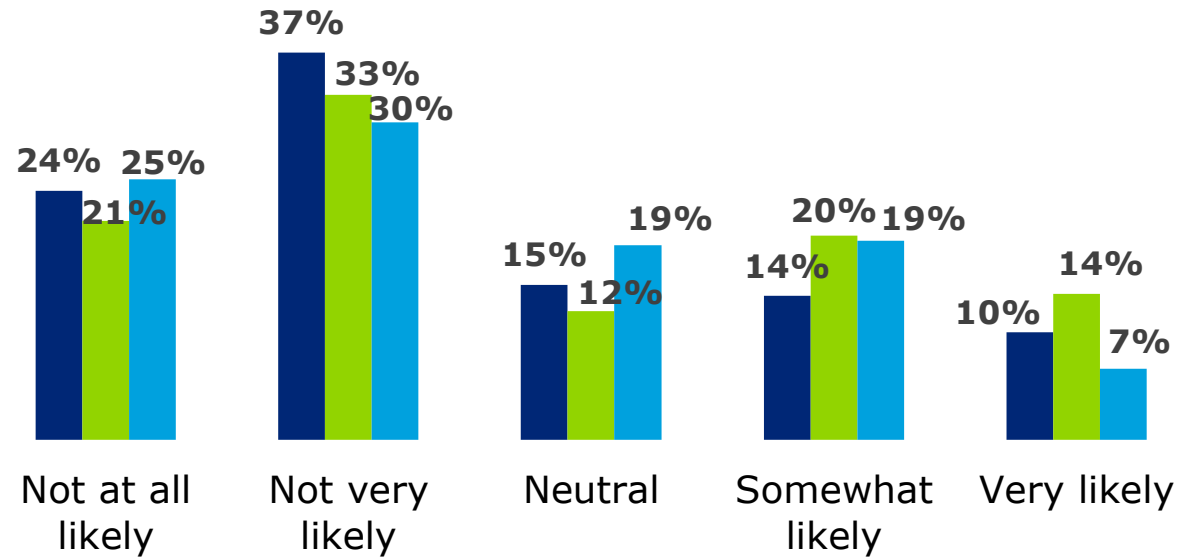
Likelihood of acquiring next vehicle without a test drive



■ Not at all likely
 ■ Not very likely
 ■ Neutral
■ Somewhat likely
 ■ Very likely

By age groups

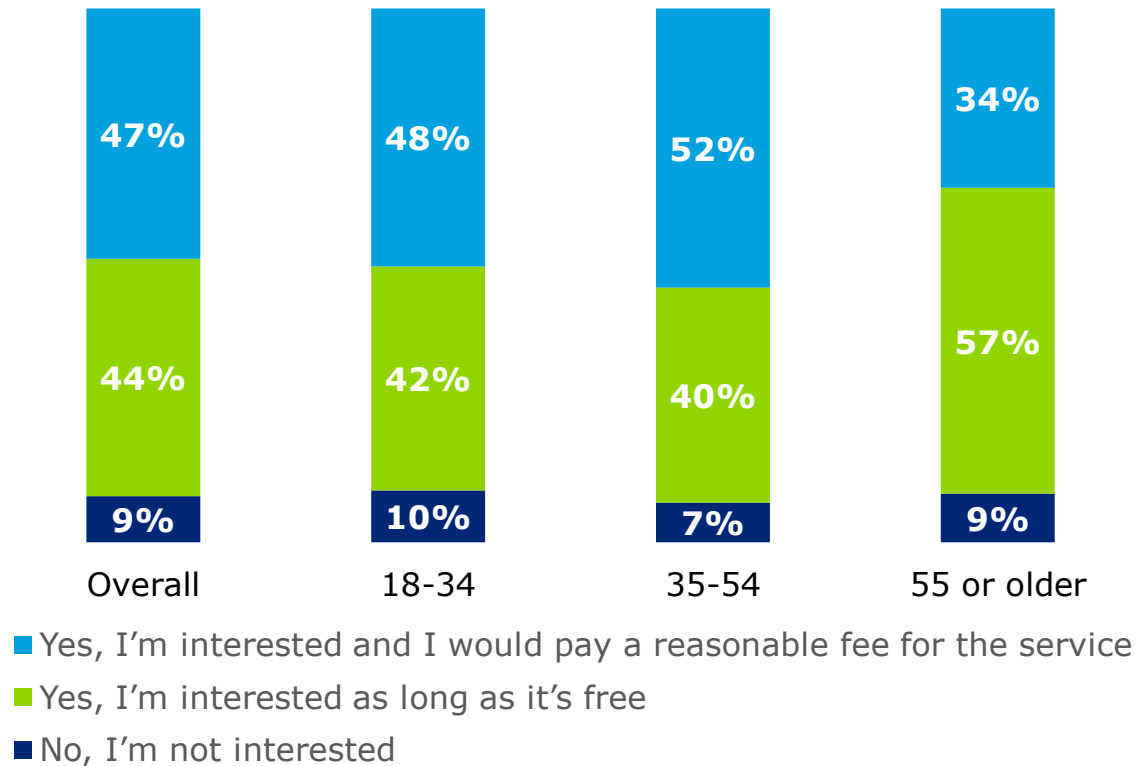
■ 18-34
 ■ 35-54
 ■ 55 or older



Q53. How likely are you to acquire your next vehicle without a test drive?
 Sample size: n= 954 [Overall]; 377 [18-34]; 357 [35-54]; 220 [55 or older]

What about “virtual servicing”? Consumers are interested and are ready to pay a reasonable fee for those services.

Percentage of consumers who are interested in having their vehicle picked up from home/office when it needs service

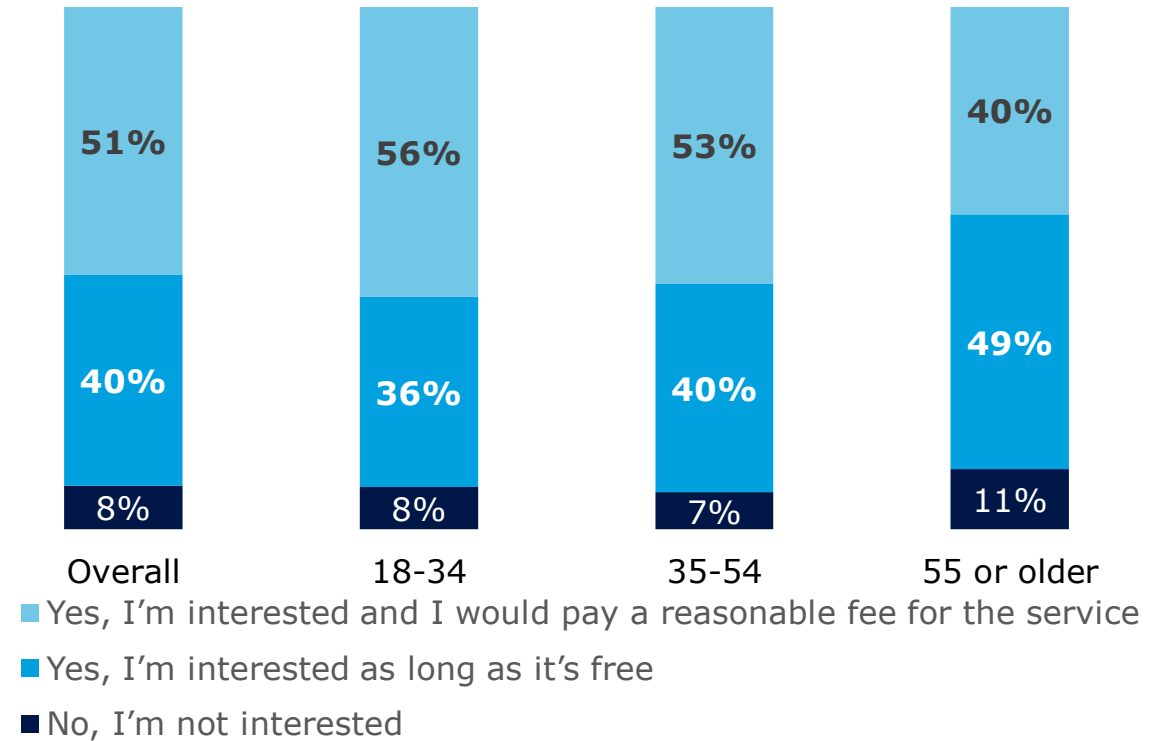


Note: Sum of %s for 35-54 do not add to 100% due to rounding

Q20: To what extent are you interested in the following services?

Sample size: n= 635 [Overall]; 236 [18-34]; 268 [35-54]; 131 [55 or older]

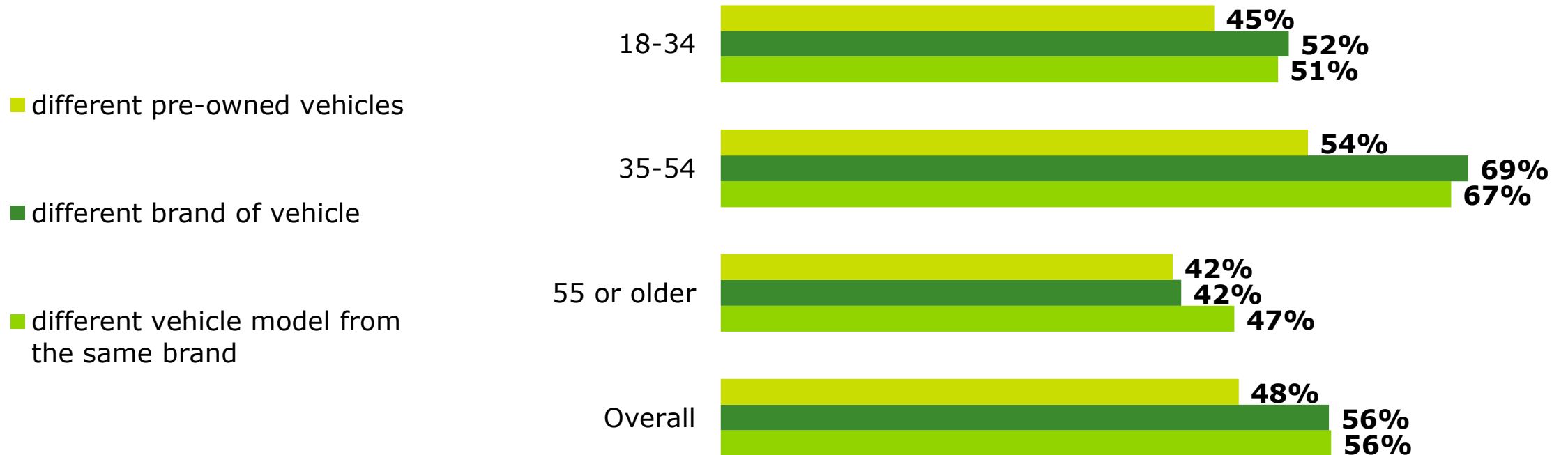
Percentage of consumers who are interested in having a technician come to their home to perform required service



Note: Sum of %s for Overall do not add to 100% due to rounding

Interest in subscription services that offer different brand of vehicle or different models from same brand is relatively high across age groups.

Percentage of consumers who are somewhat/very interested in a subscription service where they have the convenience and flexibility to periodically opt for a ...

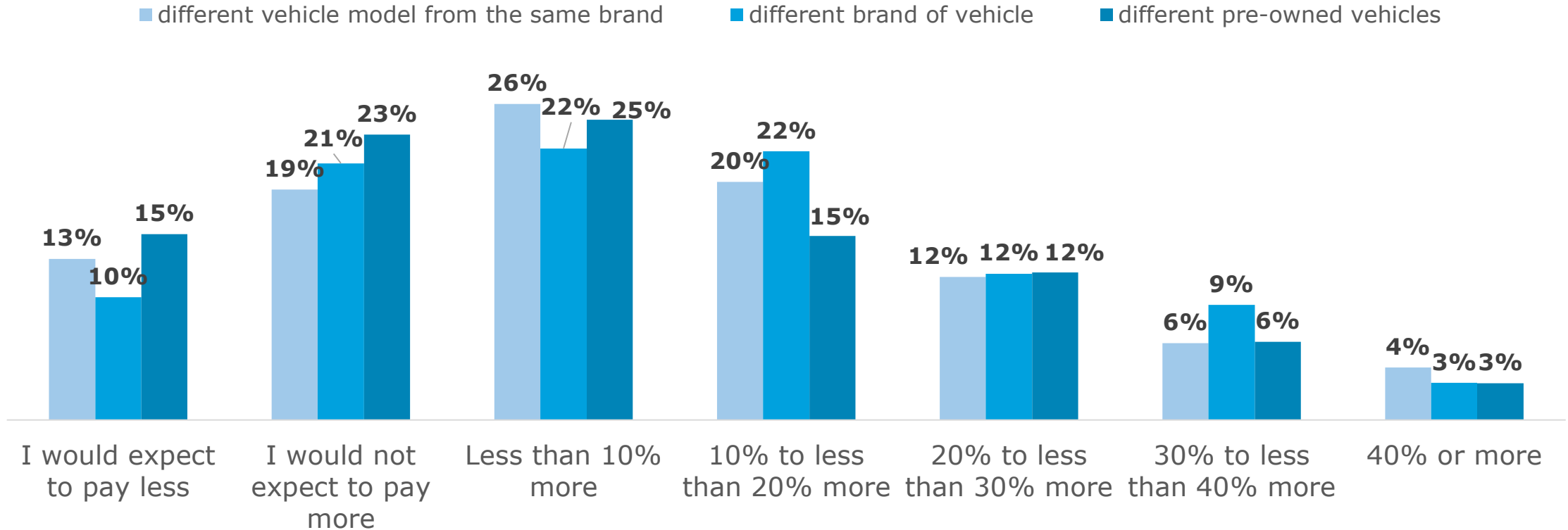


Q59. How interested are you in each of the following scenarios?

Sample size: n= 1,033 [Overall]; 409 [18-34]; 379 [35-54]; 245 [55 or older]

And, consumers are ready to pay more for a subscription with nearly half of people saying they expect to pay something up to 20% more.

Percentage of consumers who are willing to pay for ...



Note: Sum of %s for different brand of vehicle and different pre-owned vehicles do not add to 100% due to rounding

Q60. How much would you be willing to pay for each of the following services? (A subscription service where you have the convenience and flexibility to periodically opt for a different vehicle model from the same brand?)

Sample size: n= 793

Q60. How much would you be willing to pay for each of the following services? (A subscription service where you have the convenience and flexibility to periodically opt for a different brand of vehicle?)

Sample size: n= 825

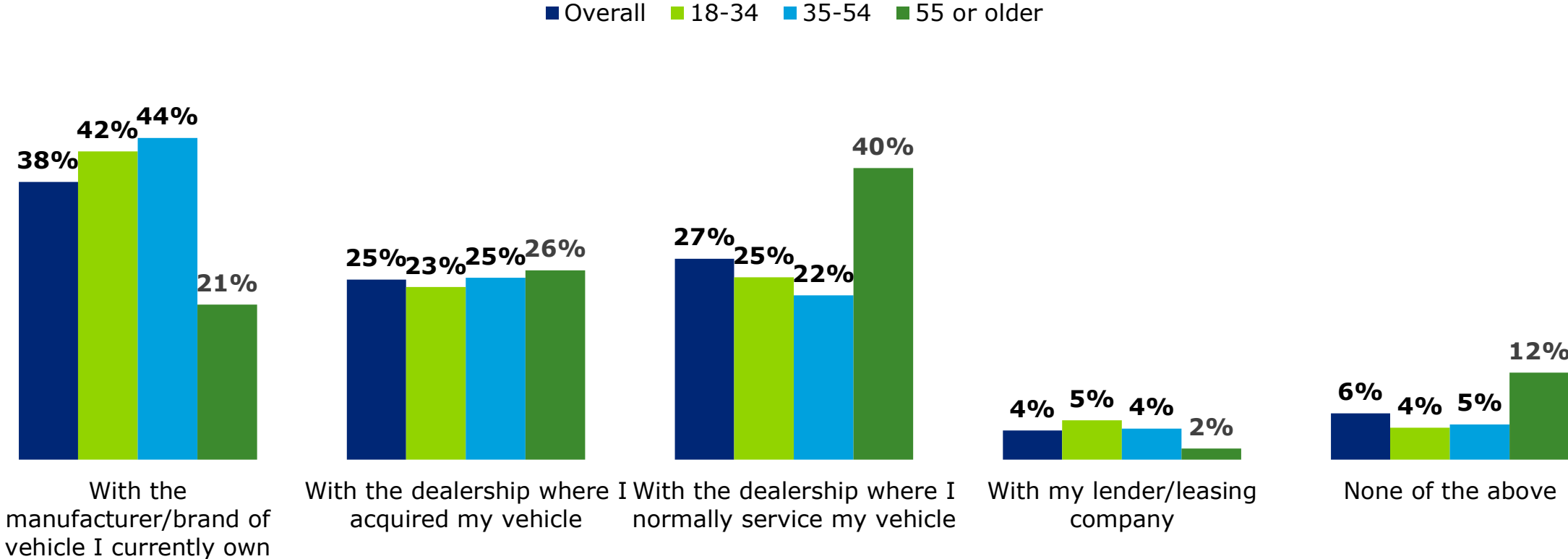
Q60. How much would you be willing to pay for each of the following services? (A subscription service where you have the convenience and flexibility to periodically opt for different pre-owned vehicles?)

Sample size: n= 734

Turkey

Finally, most consumers seem to have the most trusted relationship with the brand of vehicle they own.

Percentage of consumers for whom the most trusted relationship is with



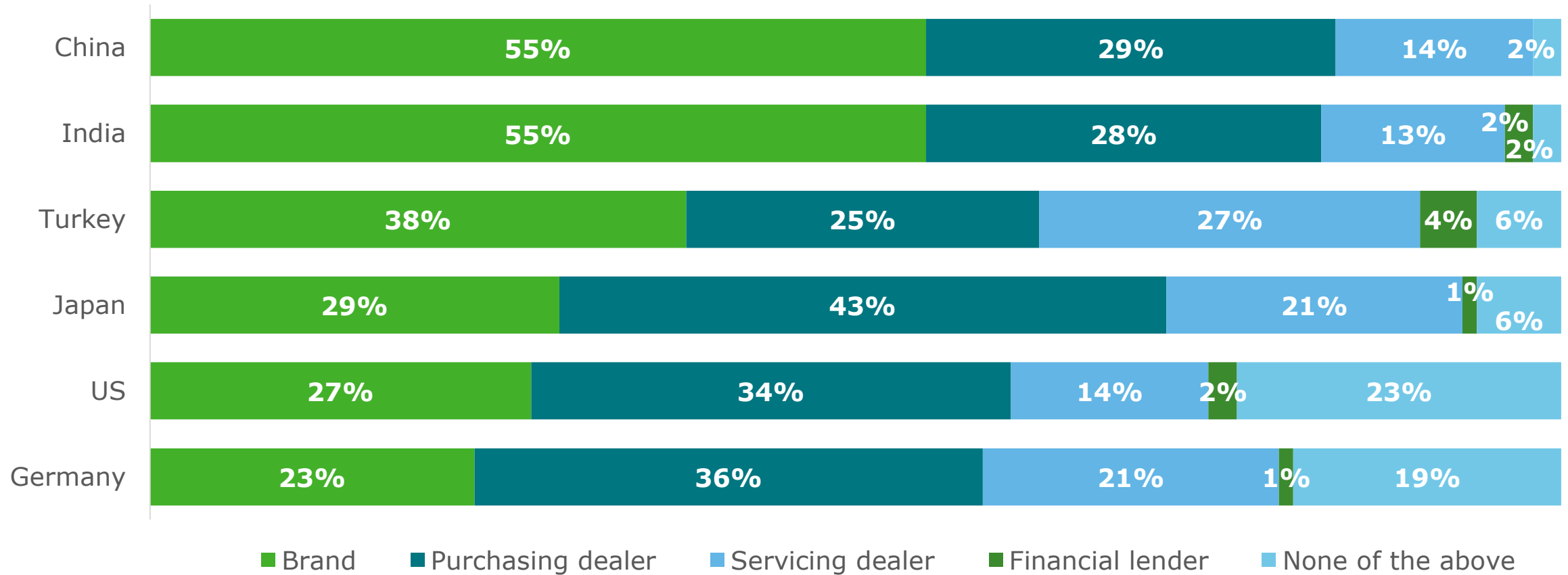
Note: Sum of %s for 18-34 and 55 or older age groups do not add to 100% due to rounding

Q21: With whom do you have the most trusted relationship?

Sample size: n= 823 [Overall]; 298 [18-34]; 331 [35-54]; 194 [55 or older]

Consumers across geographies feel most connected to either the brand of vehicle they currently own or the dealer from which they bought it.

Percentage of consumers for whom the most trusted relationship is with...



Q21: With whom do you have the most trusted relationship?

Sample size: Germany=779; US=884; China=812; India=742; Japan=483; Turkey= 823

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2021 Deloitte Global Automotive Consumer Study

From September through October 2020, Deloitte surveyed more than 24,000 consumers in 23 countries to explore opinions regarding a variety of critical issues impacting the automotive sector, including the development of advanced technologies. The overall goal of this annual study is to answer important questions that can help companies prioritize and better position their business strategies and investments.

1

EVs still have a few hurdles to clear

Although the longer-term trend toward EVs appears to be solidifying, consumers may be looking for more familiarity and affordability in the face of near-term uncertainty.

2

How much are consumers willing to spend on EV's?

55% of consumers who want to buy electric vehicles are ready to pay 200K lira and less, 29% in the range of 200 -300K TL and 15% are ready to pay 300K TL and above.

3

Downside risk for demand in some markets

As a result of the pandemic, a significant number of consumers in Turkey have altered their timeline for acquiring their next vehicle with some people planning to delay it as they consider more affordable options.

4

**Vehicle sales moving online?
Not so fast**

Even though virtual vehicle sales may be here to stay, a majority of consumers would still prefer to acquire their next vehicle in-person at an authorized dealer.



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