# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>02</td>
</tr>
<tr>
<td>Executive summary</td>
<td>03</td>
</tr>
<tr>
<td><strong>Consumer perspectives:</strong></td>
<td></td>
</tr>
<tr>
<td>Autonomous Vehicles (AVs)</td>
<td>04</td>
</tr>
<tr>
<td>Electrified Vehicles (EVs)</td>
<td>09</td>
</tr>
<tr>
<td>Vehicle Purchase</td>
<td>13</td>
</tr>
<tr>
<td>Experience in dealerships</td>
<td>18</td>
</tr>
<tr>
<td>Communication from Dealers and OEMs/Brands</td>
<td>31</td>
</tr>
<tr>
<td>Leaving the Dealer behind</td>
<td>35</td>
</tr>
<tr>
<td>Forward-looking tools and scenarios</td>
<td>38</td>
</tr>
<tr>
<td>Survey methodology and demographics</td>
<td>41</td>
</tr>
<tr>
<td>Contacts</td>
<td>43</td>
</tr>
</tbody>
</table>
For nearly a decade, Deloitte has been exploring consumers’ evolving automotive expectations and the mobility ecosystem around the world.

Deloitte’s Global Automotive Consumer Study has been conducted since 2009, gathering data and opinions from consumers in 17 countries representing both developed and emerging economies.

Our Future of Mobility effort began in September 2015 in response to major changes that were starting to disrupt and reshape the global auto industry.

Key insights from our Global Automotive Consumer Study over the 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
Executive Summary
Exploring new automotive business models and changing consumer preferences

Consumer behaviour is changing in the automotive industry. Driven by technology, consumers are not only changing their preferred way of travelling, but also their expectations of the future of mobility. For automotive companies, it is imperative to acknowledge these changes.

The key findings are:
1. Changing business models
   For automotive companies, technological change brings the need to confront oneself with the question "What does it mean to be an automotive company in the future?" It is vital for automotive companies to adapt their business models to new demands. We see disrupters making significant investments in the automotive industry. How do traditional players adapt to the changing business model?

2. Reshaping investment norms
   The drivers and determinants of corporate value have evolved: tangible assets no longer exclusively dictate a firm's value. Leveraging technology and data analytics is key for companies to stay on the radar of investors. We describe 5 new roles that will exist in the future automotive industry: from hardware providers and fleet operators to operating system providers, data aggregators and mobility advisors.

3. Evaluating the big bets being made on hybrids, electric and autonomous vehicles
   The study's findings suggest that SA consumers may be warming to the concept of fully self-driving vehicles: 43 percent of SA consumers in this year's study feel that autonomous cars will not be safe, which is down from last year's 59 percent. It still leaves consumers in most markets doubting the safety of this technology. Safety, government regulation, brand trust, and cost are all major factors determining South Africa's consumer acceptance of these new technologies.

4. Customer experience
   OEMs and automotive dealers need to change the way to reach the South African consumer. An example is that across the major auto markets consumers are interested in digitally completing all the admin behind a purchase, including pre-approvals, and prefer to only walk into a dealer for the test drive and customer experience, with a smooth handover to after-sales.

Dr Martyn Davies  
Africa Automotive Leader  
Deloitte Africa

Adheesh Ori  
Risk Advisory Leader: Automotive  
Deloitte Africa
How do consumers feel about Autonomous Vehicles (AVs)?
SA consumers are more positive about fully self-driving vehicles

SA consumers see benefits such as being able to focus on other activities while in a fully self-driving vehicle

Consumer opinion on fully self-driving vehicles

- I am willing to use a vehicle that could drive itself, if price and/or safety were not an issue: 71%
- A fully self-driving car will free up my time so I can focus on other activities: 66%
- Travelling in a fully self-driving car will be a positive experience: 60%
- Fully self-driving cars will not be safe: 43%

Note: Percentage of respondents who strongly agreed or agreed have been added together
All SA generations are accepting of self-driving vehicles

Unlike many markets covered in this year’s study, there is no age effect among consumers when it comes to the acceptance of AVs

Consumer opinion on fully self-driving vehicles

- I am willing to use a vehicle that could drive itself, if price and/or safety were not an issue
  - Pre/Boomers: 71%
  - Gen X: 69%
  - Gen Y/Z: 72%

- A fully self-driving car will free up my time so I can focus on other activities
  - Pre/Boomers: 61%
  - Gen X: 63%
  - Gen Y/Z: 69%

- Travelling in a fully self-driving car will be a positive experience
  - Pre/Boomers: 59%
  - Gen X: 57%
  - Gen Y/Z: 62%

- Fully self-driving cars will not be safe
  - Pre/Boomers: 45%
  - Gen X: 42%
  - Gen Y/Z: 42%
Established safety track record becoming more important for self-driving vehicles

More than three-quarters of consumers would also feel better about AV technology if offered by a trusted brand

Factors making consumers feel better about riding in a fully self-driving vehicle

- An established track record of self-driving cars being used on the streets safely: 78% (2018), 73% (2017)
- Vehicle is offered by a brand you trust: 76% (2018), 68% (2017)
- Government regulation / approval of self-driving cars: 54% (2018), 49% (2017)

Note: Percentage of respondents who strongly agreed or agreed have been added together.
Consumers are still looking to traditional OEMs for AV technology

55% of consumers would however, trust someone else to bring AV technology to market, signaling an opportunity for brand partnerships

Type of company consumers trust the most to bring fully self-driving technology to market

- Traditional car manufacturer: 45% (2018), 49% (2017)
- Existing technology company: 34% (2018), 29% (2017)
- Others: 2% (2018), 2% (2017)
How do consumers feel about Electrified Vehicles (EVs)?
SA consumers still prefer vehicles with traditional engines

Evidence suggests consumers still intend to acquire a vehicle with a conventional powertrain – Hybrid Electric Vehicles (HEVs)/Battery-Powered Electric Vehicles (BEVs) still a long way off for consumers

Consumers expectations with respect to engine type in their next vehicle (2018)

Note: ‘Other” category in 2018 data includes ethanol, CNG, and fuel cell
Lack of charging stations are still a significant concern for Battery-Powered Electric Vehicles (BEVs)...

50% of SA’s consumers are mostly concerned about the lack of charging stations and cost/price premiums with regards to BEVs becoming mainstream

Greatest concern regarding all battery-powered electric vehicles

- Lack of electric vehicle charging infrastructure: 31%
- Cost/price premium: 19%
- Driving range: 17%
- Time required to charge: 13%
- Safety concerns with battery technology: 10%
- An all battery electric powertrain is not offered in the type of vehicle I want (e.g., SUV, truck): 5%
- The brand I prefer doesn't offer electrified vehicles: 4%
- Other: 1%
...however, BEVs lower operating cost still very attractive

52% of the consumers would consider an electric vehicle for its lower operating costs

Reason to consider an all battery-powered electric vehicles

- Lower vehicle operating costs (e.g., fuel, service): 52%
- Lower emissions/environmental responsibility: 29%
- Rebates/tax incentives: 6%
- Social status/keeping up with latest technology: 5%
- Others: 1%
- I would not consider it for any reason: 7%
How do SA consumers research a vehicle purchase?
Most SA consumers start researching 3 months before a purchase

Vehicle brands have relatively little time to identify, intercept and connect with consumers to influence a vehicle purchase decision

Duration of doing research before deciding to acquire current vehicle

<table>
<thead>
<tr>
<th>Duration of Research Before Purchase</th>
<th>Generation Breakdown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than a month</td>
<td>Pre/Boomers: 36%</td>
</tr>
<tr>
<td></td>
<td>Gen X: 34%</td>
</tr>
<tr>
<td></td>
<td>Gen Y/Z: 23%</td>
</tr>
<tr>
<td>1 month to less than 3 months</td>
<td>Pre/Boomers: 37%</td>
</tr>
<tr>
<td></td>
<td>Gen X: 35%</td>
</tr>
<tr>
<td></td>
<td>Gen Y/Z: 35%</td>
</tr>
<tr>
<td>3 months to less than 6 months</td>
<td>Pre/Boomers: 14%</td>
</tr>
<tr>
<td></td>
<td>Gen X: 18%</td>
</tr>
<tr>
<td></td>
<td>Gen Y/Z: 23%</td>
</tr>
<tr>
<td>6 months to less than 9 months</td>
<td>Pre/Boomers: 7%</td>
</tr>
<tr>
<td></td>
<td>Gen X: 7%</td>
</tr>
<tr>
<td></td>
<td>Gen Y/Z: 9%</td>
</tr>
<tr>
<td>9 months to 12 months</td>
<td>Pre/Boomers: 2%</td>
</tr>
<tr>
<td></td>
<td>Gen X: 2%</td>
</tr>
<tr>
<td></td>
<td>Gen Y/Z: 6%</td>
</tr>
<tr>
<td>I would not consider it for any more than 12 months reason</td>
<td>Pre/Boomers: 4%</td>
</tr>
<tr>
<td></td>
<td>Gen X: 4%</td>
</tr>
<tr>
<td></td>
<td>Gen Y/Z: 4%</td>
</tr>
</tbody>
</table>
Global Automotive Consumer Study | Advanced Technology Update & Customer Experience | Insights for South Africa

SA consumers are decisive when it comes to research

61% of consumers spend less than 15 hours researching vehicles before they make a decision to buy

Time spent by consumers researching vehicles

<table>
<thead>
<tr>
<th>Time Spent</th>
<th>Pre/Boomers</th>
<th>Gen X</th>
<th>Gen Y/Z</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 4 hours</td>
<td>27%</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>4 to less than 10 hours</td>
<td>27%</td>
<td>26%</td>
<td>23%</td>
</tr>
<tr>
<td>10 to less than 15 hours</td>
<td>15%</td>
<td>17%</td>
<td>18%</td>
</tr>
<tr>
<td>15 to less than 20 hours</td>
<td>8%</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>20 to less than 25 hours</td>
<td>6%</td>
<td>5%</td>
<td>9%</td>
</tr>
<tr>
<td>25 hours or longer</td>
<td>18%</td>
<td>21%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Generation breakdown
Dealer visits/experience helps strengthen trust with the salesperson

Word of mouth (family/friends) & OEM/Brand websites are relied upon both pre & post Dealer visits

Sources of information that were visited at least once or more pre and post dealer visit
Social connections have the most impact on a purchase decision

More than 40% of consumers rated family, friends, and co-workers as having a major impact on the purchase decision of their current vehicle

Impact of information sources on which vehicle bought

<table>
<thead>
<tr>
<th>Information Source</th>
<th>Little/No Impact</th>
<th>Some Impact</th>
<th>Significant Impact</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family, friends, co-workers</td>
<td>37%</td>
<td>20%</td>
<td>42%</td>
<td></td>
</tr>
<tr>
<td>OEM/Brand websites</td>
<td>35%</td>
<td>23%</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>Dealer websites (view inventory, find dealer hours/location)</td>
<td>42%</td>
<td>20%</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>Safety-related websites (e.g., Consumer Reports, government crash test ratings)</td>
<td>40%</td>
<td>24%</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Retail Websites (e.g. Autotrader)</td>
<td>51%</td>
<td>17%</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>Other (media reviews, magazines)</td>
<td>46%</td>
<td>24%</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Financial provider websites</td>
<td>57%</td>
<td>18%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Social media (e.g., Facebook)</td>
<td>59%</td>
<td>15%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Fully self-driving cars will not be safe</td>
<td>67%</td>
<td>15%</td>
<td>14%</td>
<td></td>
</tr>
<tr>
<td>Third-party websites (pricing info only e.g. online magazines)</td>
<td>65%</td>
<td>16%</td>
<td>14%</td>
<td></td>
</tr>
</tbody>
</table>
Consumer Experience in dealerships
76% of consumers visited their selling dealer more than once

Also, one-third of consumers did not visit any other dealerships apart from the one where they acquired their current vehicle
Customer experience is clearly not dead...

77% of consumers rate customer experience as an important factor in choosing where to buy a vehicle

How important is customer experience in choosing which dealer to buy from?

- Very important: 46%
- Important: 31%
- Neutral: 16%
- Not very important: 6%
- Not at all important: 1%
Upon first visiting a dealer, 50% of SA consumers bought a vehicle within less than two weeks.

8% of consumers bought on the same day they entered their first dealership.

**Time to vehicle delivery**

- Same day: 8%
- The next day to less than one week: 17%
- 1 week to less than two weeks: 25%
- Two weeks to less than one month: 24%
- One month to less than three months: 18%
- Three months to six months: 6%
- More than six months: 2%
Usefulness of digital info key for younger customers

Traditional information sources useful regardless of age group (mostly) but digital becomes much more important for Gen Y/Z

Usefulness of information channels at a dealership (% somewhat/very useful)

- Conversation with a salesperson:
  - Pre/Boomers: 90%
  - Gen X: 89%
  - Gen Y/Z: 83%

- Printed brochures and specification sheets:
  - Pre/Boomers: 85%
  - Gen X: 86%
  - Gen Y/Z: 73%

- Your own mobile device:
  - Pre/Boomers: 75%
  - Gen X: 67%
  - Gen Y/Z: 49%

- A tablet device provided by the dealership:
  - Pre/Boomers: 44%
  - Gen X: 35%
  - Gen Y/Z: 28%
Clearly, SA consumers are most concerned with the experience of a good deal

Quick and efficient vehicle buying process and friendliness/experience with sales person are the most enjoyable aspects

The most enjoyable aspects of the dealer experience are...

- Got a good deal/price (discount) 61%
- Quick/efficient process 46%
- Friendliness/experience with sales person 45%
- All my questions were answered 38%
- The test drive 35%
- Convenient location 18%
- I learned about extra features 17%
- Follow-up post-purchase 12%
- Technology that made the experience more efficient/easier 10%
- Did not have to negotiate 10%
- Technology that made the experience more fun (e.g...) 5%
- Dealership amenities (e.g., kid's play room..) 3%
- Other 1%
SA consumers do not want to wait, in order to drive off with their new car

SA consumers place a great emphasis on overall purchase time and on the dealer having the right vehicle on hand

The most disliked aspects of the dealer experience are...

- Too much paperwork: 58%
- Overall purchase experience took too long: 33%
- Lack of availability/stock: 31%
- Pushy sales person: 27%
- Location: 26%
- Pricing issues/haggling: 24%
- Poor dealer responsiveness to emails/texts/phone calls: 20%
- Poor technology/digital tools: 20%
- Poor demonstration of in-vehicle features/technology: 18%
- Dealer did not have access to information I had: 14%
- Poor showroom/dealership condition: 13%
- Other: 16%
SA consumers will not wait for key processes

SA consumers expect to wait the least amount of time for a test drive and to receive purchase/lease information from the dealer

Longest amount of time for specific sales processes

<table>
<thead>
<tr>
<th>Process</th>
<th>&lt; 20 mins</th>
<th>21 - 45 mins</th>
<th>&gt; 45 mins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wait to test drive vehicle (before purchasing or leasing)</td>
<td>50%</td>
<td>40%</td>
<td>10%</td>
</tr>
<tr>
<td>Get information from dealership on vehicles to purchase or lease</td>
<td>33%</td>
<td>50%</td>
<td>17%</td>
</tr>
<tr>
<td>Vehicle delivery</td>
<td>22%</td>
<td>34%</td>
<td>44%</td>
</tr>
<tr>
<td>Process financing after purchasing or leasing</td>
<td>19%</td>
<td>48%</td>
<td>33%</td>
</tr>
<tr>
<td>Process paperwork and registration associated with purchase and final sale</td>
<td>18%</td>
<td>53%</td>
<td>29%</td>
</tr>
<tr>
<td>Perform simple service (e.g. oil change, tire rotation)</td>
<td>12%</td>
<td>30%</td>
<td>58%</td>
</tr>
</tbody>
</table>
Majority of people need physical interaction before buying

More than 8 out of 10 consumers still feel the need to see and test drive the vehicle before they buy it

How do people feel about their experiences at a dealership?

- I need to see the vehicle before I buy it (e.g., color) 87%
- I have to test drive the vehicle to make sure it’s right for me 85%
- I like to interact with real people 79%
- I want to negotiate in person to get the best deal 77%
- I want to build a relationship with the dealer for service 69%
- I would pay to have a dealer pick up my vehicle for service and drop off a loaner 51%
- I would prefer to design, build, and negotiate price with a dealer over the Internet to purchase my next vehicle... 35%
- I would prefer to purchase a vehicle without negotiating with a salesperson 32%
- I spend more time at the dealer because of the amenities it offers 28%
- I would prefer not to have to go to the dealer for anything 27%

Note: Percentage of respondents who strongly agreed or agreed have been added together
Minimal paperwork is the most important aspect

Interacting with a real person and pre-approved financing before vehicle shopping are also vital aspects for consumers

Consumer opinions on important aspects of a vehicle buying process

- Minimal paperwork
- Interacting with a real person to ask questions
- Getting pre-approved for financing before shopping
- Innovative technology to make the purchase process more efficient
- Getting pricing information and/or locking-in a vehicle price online prior to purchase
- Ride-and-drive events where you can test drive several vehicles at one time
- Building rapport with the dealer
- Innovative technology to make the purchase more engaging/fun (e.g., virtual reality)
- Extended duration test drives (e.g., 24 hours or more)
- Access to product specialists (e.g., Apple "genius" concept)
- Minimal contact with the dealer

![Chart showing consumer opinions on important aspects of a vehicle buying process.](chart.png)
Service experience/after-sales hinges on customer time and convenience

More than 8 in 10 consumers consider rapid check-in/check-out, ongoing support and real-time update as the most important aspects

Consumer opinions on important aspects of a vehicle service process

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Not at all/Not very important</th>
<th>Neutral</th>
<th>Somewhat/Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapid check-in/check-out for service</td>
<td>3%</td>
<td>12%</td>
<td>85%</td>
</tr>
<tr>
<td>Ongoing support between service occasions</td>
<td>5%</td>
<td>14%</td>
<td>81%</td>
</tr>
<tr>
<td>Real-time updates during service</td>
<td>6%</td>
<td>13%</td>
<td>81%</td>
</tr>
<tr>
<td>Access to courtesy vehicles during service</td>
<td>6%</td>
<td>14%</td>
<td>80%</td>
</tr>
<tr>
<td>Concierge service to pick up / drop off vehicle from home/office for service</td>
<td>8%</td>
<td>15%</td>
<td>77%</td>
</tr>
<tr>
<td>Amenities/experiences (e.g., kid’s play room, restaurant/coffee shop)</td>
<td>27%</td>
<td>28%</td>
<td>45%</td>
</tr>
</tbody>
</table>
Majority of digital journey is merely meeting expectations

Percentage of digital touchpoints that are below expectations is relatively low, but no one is really hitting a homerun either

Evaluation of digital shopping and buying touchpoints

<table>
<thead>
<tr>
<th>Touchpoint</th>
<th>Below Expectations</th>
<th>Met Expectations</th>
<th>Above Expectations</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturer/brand website (e.g., research models, view photos/videos)</td>
<td>5%</td>
<td>65%</td>
<td>18%</td>
<td>12%</td>
</tr>
<tr>
<td>Vehicle configurator/build-and-price tool</td>
<td>7%</td>
<td>60%</td>
<td>16%</td>
<td>17%</td>
</tr>
<tr>
<td>Vehicle comparison tool</td>
<td>9%</td>
<td>60%</td>
<td>17%</td>
<td>14%</td>
</tr>
<tr>
<td>Dealer websites (e.g., search inventory, book a test drive)</td>
<td>11%</td>
<td>57%</td>
<td>17%</td>
<td>15%</td>
</tr>
<tr>
<td>Dealer communications (email/text/chat)</td>
<td>13%</td>
<td>54%</td>
<td>23%</td>
<td>10%</td>
</tr>
<tr>
<td>Third-party true market pricing tools</td>
<td>13%</td>
<td>47%</td>
<td>11%</td>
<td>29%</td>
</tr>
<tr>
<td>Online financing/credit application</td>
<td>13%</td>
<td>45%</td>
<td>15%</td>
<td>27%</td>
</tr>
<tr>
<td>Trade-in value estimator</td>
<td>21%</td>
<td>44%</td>
<td>10%</td>
<td>25%</td>
</tr>
<tr>
<td>Manufacturer communication (e.g., chat, email, social media, etc.)</td>
<td>16%</td>
<td>43%</td>
<td>17%</td>
<td>24%</td>
</tr>
<tr>
<td>In-dealer tools (kiosks, tablets)</td>
<td>20%</td>
<td>35%</td>
<td>10%</td>
<td>35%</td>
</tr>
<tr>
<td>Enrollment process for subscription-based connected services (e.g.,</td>
<td>11%</td>
<td>34%</td>
<td>11%</td>
<td>44%</td>
</tr>
</tbody>
</table>
And it’s the same story with digital servicing touchpoints

Services such as in-vehicle connected services and over-the-air automatic software updates are not available to most consumers

### Evaluation of digital servicing touchpoints

<table>
<thead>
<tr>
<th>Service</th>
<th>Below Expectations</th>
<th>Met Expectations</th>
<th>Above Expectations</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online owner's manual</td>
<td>93%</td>
<td>48%</td>
<td>13%</td>
<td>30%</td>
</tr>
<tr>
<td>In-vehicle prompts and tutorials</td>
<td>12%</td>
<td>43%</td>
<td>15%</td>
<td>30%</td>
</tr>
<tr>
<td>Online owner portal</td>
<td>11%</td>
<td>40%</td>
<td>9%</td>
<td>40%</td>
</tr>
<tr>
<td>Online service booking tool</td>
<td>13%</td>
<td>39%</td>
<td>12%</td>
<td>36%</td>
</tr>
<tr>
<td>Vehicle health and maintenance app</td>
<td>11%</td>
<td>36%</td>
<td>14%</td>
<td>39%</td>
</tr>
<tr>
<td>Over-the-air automatic vehicle software updates</td>
<td>133%</td>
<td>31%</td>
<td>9%</td>
<td>47%</td>
</tr>
<tr>
<td>In-vehicle connected service (e.g., OnStar)</td>
<td>12%</td>
<td>29%</td>
<td>8%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Legend:
- **Below Expectations**
- **Met Expectations**
- **Above Expectations**
- **N/A**
Communication from Dealers and OEMs/Brands
Both OEMs and dealers could be missing a big opportunity

64% of consumers say they have never been contacted by the OEM and 54% have only had a dealer contact once or twice

<table>
<thead>
<tr>
<th>Manufacturer Touchpoints</th>
<th>Number of times</th>
<th>Dealer Touchpoints</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Never</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>Once or twice</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>3-5 times</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>6-10 times</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>11-20 times</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>More than 20 times</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>Don’t Know</td>
<td>3%</td>
</tr>
</tbody>
</table>
Reason for contact varies between OEMs and dealers

Communication is duplicated across OEM & Dealer; and consumers are pitched multiple products (Does the dealer and/or OEM know what the consumer wants?)

<table>
<thead>
<tr>
<th>Manufacturer touchpoints related to:</th>
<th>Dealer touchpoints related to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>New product information</td>
<td>43%</td>
</tr>
<tr>
<td>Warranty and recall notifications</td>
<td>39%</td>
</tr>
<tr>
<td>Brand/lifestyle information</td>
<td>34%</td>
</tr>
<tr>
<td>Regular newsletters</td>
<td>35%</td>
</tr>
<tr>
<td>Service reminders</td>
<td>56%</td>
</tr>
<tr>
<td>New/used vehicle offers/deals</td>
<td>57%</td>
</tr>
<tr>
<td>Ride and drive events</td>
<td>33%</td>
</tr>
<tr>
<td>End-of-lease notification</td>
<td>31%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
</tr>
</tbody>
</table>
...leading to consumers preferring communication from dealers

54% of consumers prefer communication from dealers rather than the manufacturers

From whom would the consumer prefer hearing in future?
Are consumers ready to leave the dealer behind?
SA consumers still expect price negotiation to be done at the dealer with a person.

Majority of consumers would prefer to complete the F&I process at the physical dealership, while being pre-approved.

- **Negotiate price**: 84% at the dealership, 16% online/virtual.
- **Finance and insurance process & finalize purchase**: 66% at the dealership, 34% online/virtual.
- **Vehicle tutorial**: 61% at the dealership, 39% online/virtual.
- **Credit application**: 51% at the dealership, 49% online/virtual.
- **Learn about different models, packages & features**: 38% at the dealership, 62% online/virtual.
Consumers quite interested in buying directly from the OEM...

More than one-third of consumers are very interested in acquiring their next vehicle directly from the manufacturer via an online process.

How interested are consumers in by-passing the dealer?
Testing some forward-looking tools and scenarios
Consumers want a hassle free service experience

More than 7 in 10 consumers are interested in technology that makes the service experience easier

Consumer opinions on futuristic scenarios

- An app that uses in-vehicle data and manufacturer information to explain to you what is going to be completed during an upcoming service appointment, how long it will likely take, and approximately what it will cost.
  - Not at all interested/Not very interested: 7%
  - Neutral: 14%
  - Somewhat interested/Very interested: 79%

- Ability for my vehicle to self-diagnose issues and book a service appointment.
  - Not at all interested/Not very interested: 8%
  - Neutral: 15%
  - Somewhat interested/Very interested: 77%

- An app on your smartphone that allows you to remotely manage vehicle functions, provides vehicle health metrics.
  - Not at all interested/Not very interested: 11%
  - Neutral: 18%
  - Somewhat interested/Very interested: 71%

- Ability to use augmented/virtual reality technology to explore a variety of new vehicles and simulate the driving experience in the dealer showroom.
  - Not at all interested/Not very interested: 17%
  - Neutral: 21%
  - Somewhat interested/Very interested: 62%

- Ability to complete a vehicle purchase online so you never have to step foot in a dealership.
  - Not at all interested/Not very interested: 32%
  - Neutral: 26%
  - Somewhat interested/Very interested: 42%
SA consumers are most interested in maintenance & vehicle updates

SA consumers are interested in benefits that help them predict future costs, and through a more ‘connected’ vehicle save them time

Consumer opinions on benefits of connected vehicles

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Not at all interested/not very interested</th>
<th>Neutral</th>
<th>Interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapid check-in/check-out for service</td>
<td>3%</td>
<td>11%</td>
<td>86%</td>
</tr>
<tr>
<td>Ongoing support between service occasions</td>
<td>4%</td>
<td>11%</td>
<td>85%</td>
</tr>
<tr>
<td>Real-time updates during service</td>
<td>6%</td>
<td>12%</td>
<td>82%</td>
</tr>
<tr>
<td>Access to courtesy vehicles during service</td>
<td>5%</td>
<td>137%</td>
<td>82%</td>
</tr>
<tr>
<td>Concierge service to pick up / drop off vehicle from home/office for service</td>
<td>6%</td>
<td>17%</td>
<td>77%</td>
</tr>
<tr>
<td>Amenities/experiences (e.g., kid’s play room, restaurant/coffee shop)</td>
<td>10%</td>
<td>16%</td>
<td>74%</td>
</tr>
<tr>
<td></td>
<td>9%</td>
<td>18%</td>
<td>73%</td>
</tr>
<tr>
<td></td>
<td>11%</td>
<td>23%</td>
<td>66%</td>
</tr>
<tr>
<td></td>
<td>10%</td>
<td>25%</td>
<td>65%</td>
</tr>
<tr>
<td></td>
<td>19%</td>
<td>26%</td>
<td>55%</td>
</tr>
</tbody>
</table>
Survey methodology and demographics
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. It was fielded in 17 countries and designed to be nationally representative of the overall population in each country.

Sample Size and Key Demographics used

<table>
<thead>
<tr>
<th>Country</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>1,253</td>
</tr>
<tr>
<td>Pre/Boomers</td>
<td>20%</td>
</tr>
<tr>
<td>Gen X</td>
<td>18%</td>
</tr>
<tr>
<td>Gen Y/Z</td>
<td>62%</td>
</tr>
<tr>
<td>Male</td>
<td>50%</td>
</tr>
<tr>
<td>Female</td>
<td>50%</td>
</tr>
<tr>
<td>Urban</td>
<td>42%</td>
</tr>
<tr>
<td>Suburban/Rural</td>
<td>58%</td>
</tr>
</tbody>
</table>

Belgium (n=1,275)  
India (n=1,760)  
China (n=1,759)  
Brazil (n=1,256)  
South Africa (n=1,253)  
Canada (n=1,261)  
Italy (n=1,260)  
France (n=1,258)  
United Kingdom (n=1,261)  
Germany (n=1,759)  
Mexico (n=1,269)  
Japan (n=1,762)  
Rep. of Korea (n=1,763)  
China (n=1,759)  
India (n=1,760)  
Malaysia (n=505)  
Thailand (n=515)  
Indonesia (n=503)  
Southeast Asia (n=1,523)
Contacts

Dr Martyn Davies
Africa Automotive Leader
Deloitte Africa
mdavies@deloitte.com

Mike Vincent
Consulting Leader: Automotive
Deloitte Africa
mivincent@deloitte.com

Adheesh Ori
Risk Advisory Leader: Automotive
Deloitte Africa
aori@deloitte.co.za

Jan-Hendri Tromp
Senior Chief of Staff: Automotive
Deloitte Africa
jhtromp@deloitte.com
Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

Deloitte provides audit, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients’ most complex business challenges. To learn more about how Deloitte’s approximately 245 000 professionals make an impact that matters, please connect with us on Facebook, LinkedIn, or Twitter.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte network”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2018. For information, contact Deloitte Touche Tohmatsu Limited

Designed and produced by Creative Services at Deloitte, Cape Town