



MEDIAMARK

bringing people & media together

AUTOMOTIVE
INDUSTRY

APRIL 2023

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AUTOMOTIVE INDUSTRY

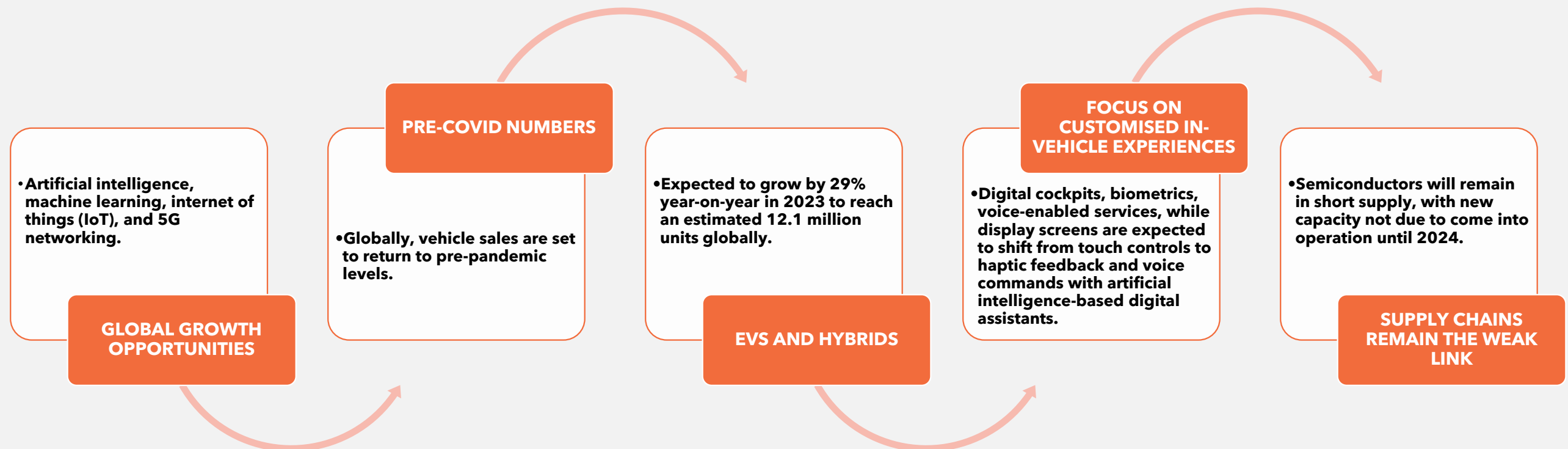
WHAT ARE THE CURRENT CHALLENGES?



AUTOMOTIVE - GLOBAL OVERVIEW

CURRENT CHALLENGES

- Globally, in 2023, new vehicle sales growth is expected to be minimal or negative.
- Year an inflection point for the automotive and mobility industries.
- Rising sustainability pressures, technological progress and changing consumer preferences.
- Growing move towards automated vehicles.
- Rapid transition to sustainable fuels and powertrains.
- Shared mobility companies to embrace mobility-as-a-service (MaaS).

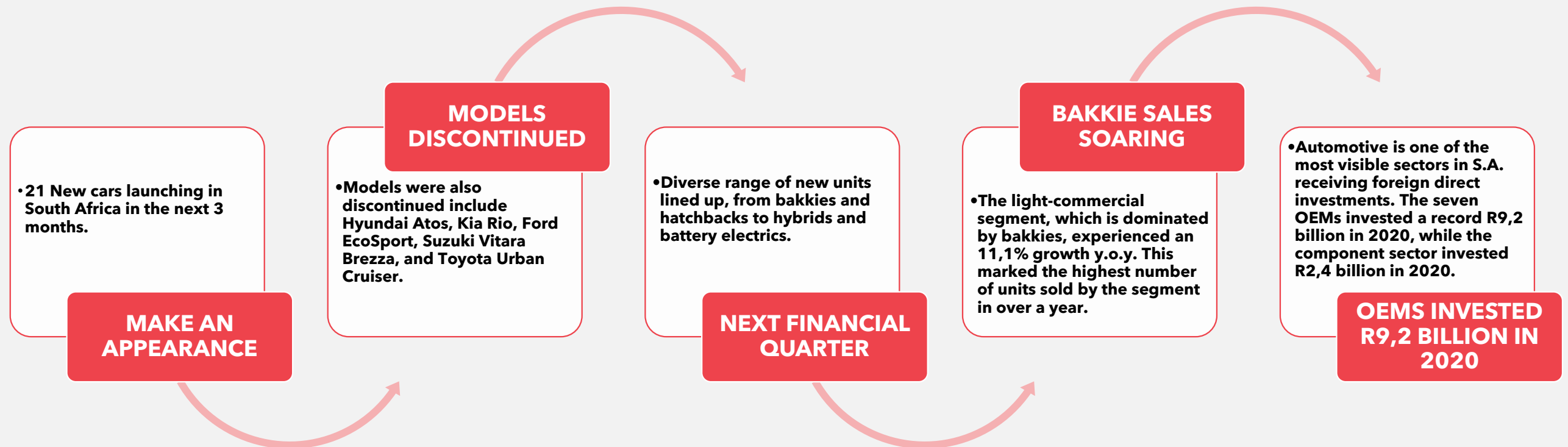


AUTOMOTIVE - SOUTH AFRICAN OVERVIEW

CURRENT CHALLENGES

Some of the challenges faced by the industry in South Africa.

- Challenged to re-define its future
- Mobility revolution
- Regulatory environment
- Lack of infrastructure for electric vehicles
- Technological advances
- Carbon emissions
- Local challenges with production for vehicles and components
- Decline in local new vehicle sales

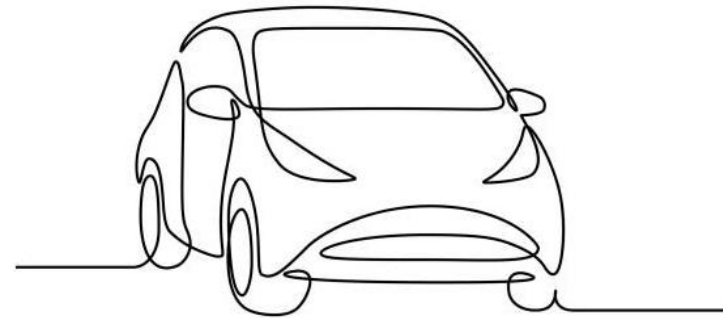


AUTOMOTIVE - FOCUSSED ON THREE SECTORS

CURRENT CHALLENGES

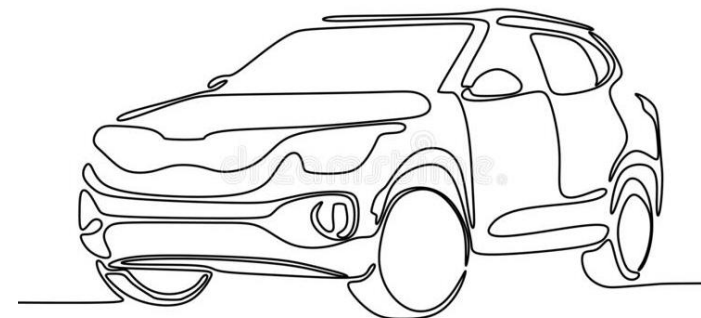
The Automotive industry is a complex industry, with a myriad of influences affecting its health and well being.

SMALL PASSENGER VEHICLES



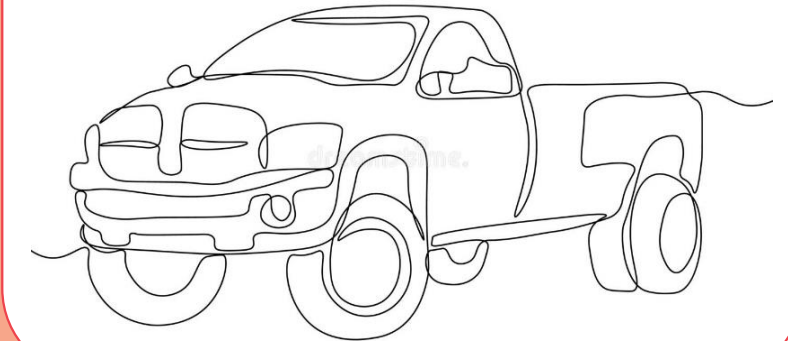
The strong buy-down trend we saw emerging just before the Covid lockdown will continue. Fuel-efficient cars with integrated smartphone functionality and service plans will remain popular.

SMALL SUV & CROSSOVER VEHICLES



With the compact crossover segment overtaking small hatchbacks and sedans in market share, it follows that the variety of offerings is growing at a similar rate as well.

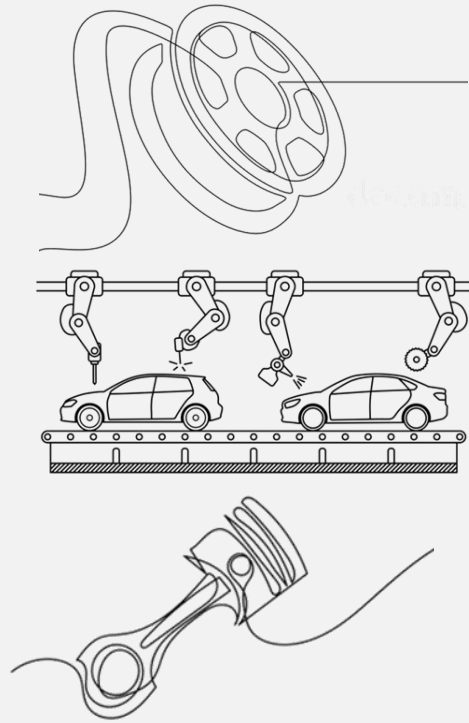
BAKKIES / LIGHT COMMERCIAL VEHICLES



South Africa's many bakkie enthusiasts are in for a treat in 2023, as there are at least four manufacturers with plans to introduce a new model.

AUTOMOTIVE - NUMEROUS CHOICES

VECHICLE OPTIONS AVAILABLE TO SOUTH AFRICANS



In SA there are:

- 22 companies producing cars
- 7 major vehicle manufacturers/assemblers
- 21 companies importing and distributing new vehicles
- 500 automotive component suppliers
- 180 first-tier suppliers



More choices are leading to more cross-shopping between models and ultimately less brand loyalty

- Over 55 car brands made in SA
- Selling over 3,000 model derivatives
- 26 bakkie brands
- Selling over 700 bakkie models

RADIO'S EFFECTIVENESS FOR AUTOMOTIVE CAMPAIGNS



AUTOMOTIVE BENEFITS OF AUDIO



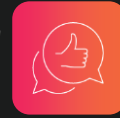
Creativity & Flexibility

Audio offers the most creative and flexible platform to execute campaigns



Reach

Reach millions of people every day and target the right people at the right time



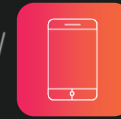
Digital's Bestie

Audio is the perfect platform to drive digital interaction with your brand



Believability

Audio is the most trusted platform for information



Mobility

Audio is the most mobile platform that can be taken anywhere



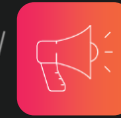
Innovation

Audio is at the forefront of driving innovation for advertisers



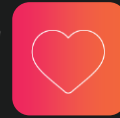
Branding Genius

Audio is the perfect platform to launch new brands and grow existing brands



Call-to-action

Audio activates people and is a strong ROI platform



Togetherness

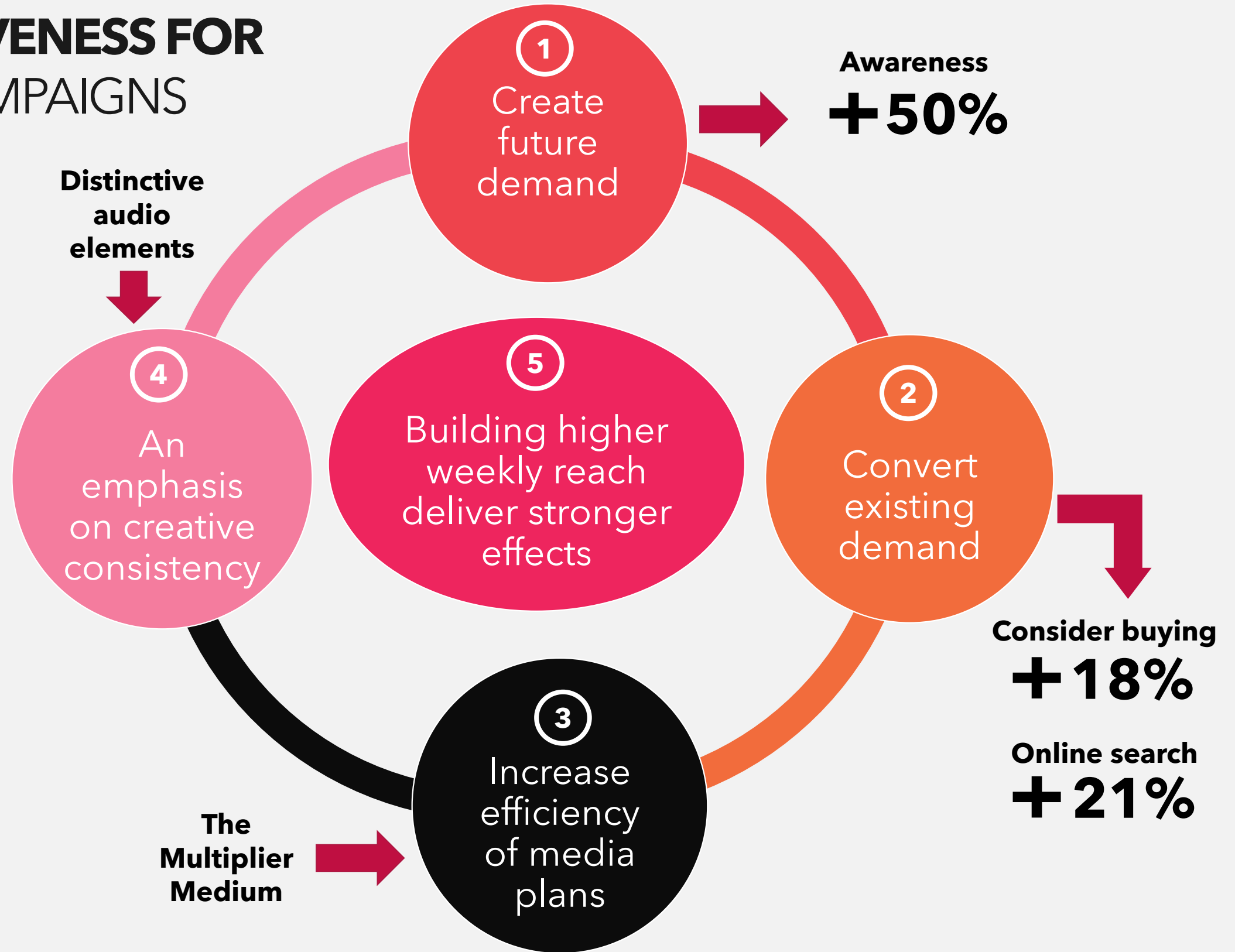
Through information and entertainment, people develop a sense of belonging, making it the perfect platform for engagement



RADIO'S EFFECTIVENESS FOR AUTOMOTIVE CAMPAIGNS

59 Tier One Automotive Brand Case Studies:

AM/FM Radio generates significant brand **awareness**, **consideration**, and **purchase intent**.



AUTO PLAYBOOK

5 STRATEGIES TO WIN WITH AUDIO ADS

Put buyers in the driver's seat - and in your showroom

You want folks in your showroom, deciding which vehicle they're going to bring to their driveway and on their road trips.

We want that too. After launching thousands of local and regional dealer audio campaigns, our experts share the five most relevant, actionable insights for advertisers to attract potential buyers in for a test drive.



1 Find your buyers

Ready to tap into a ready-to-buy audience? Get the show on the road with Audio.

Talking to the right audience.

It's time to cut through the noise and drive your customers to your dealership.

2 Fire on all cylinders - not just traditional daypart

Forget what you think you knew about formats and times of day when your audience is most likely to engage with your message. **Listening has changed, and you need to change too.**

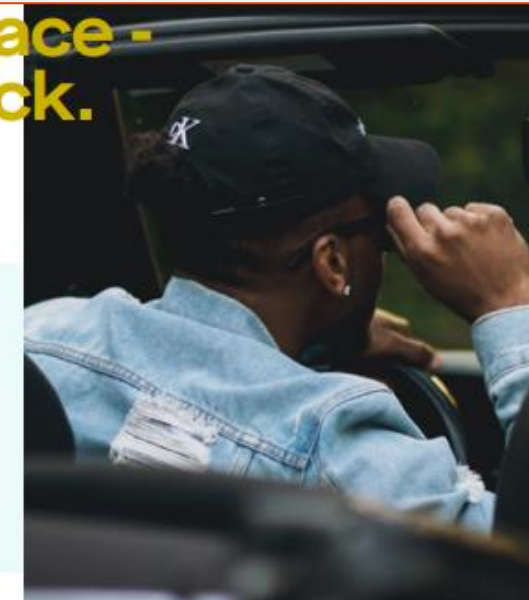


Time & place - check and check.

Next, let's explore what to say - and how to say it.

3 Rev Up Your Creative

The same-old-same-old messaging doesn't cut it anymore either. To capture attention - and drive action - consider these new-and-improved approaches.



Creative is on point

What - or who - can make it even better?

4 Embrace the Endorsement

In order to win this auto race, you need to do more than tell your story - you need to involve people your listeners trust. That's where an influencer's endorsement comes in. When the host of the show test drives one of your cars, and then raves about the experience, that live read and endorsement can generate the highest response rates.

CASE STUDY

Influencers drive it home for Mazda.

When Mazda wanted to encourage purchase consideration among auto intenders, Audacy



You're campaign ready

What - or who - can make it even better?

5 Capture those Conversions

Dealerships across the country are still winning new buyers and outperforming their competitors. all with Audio.

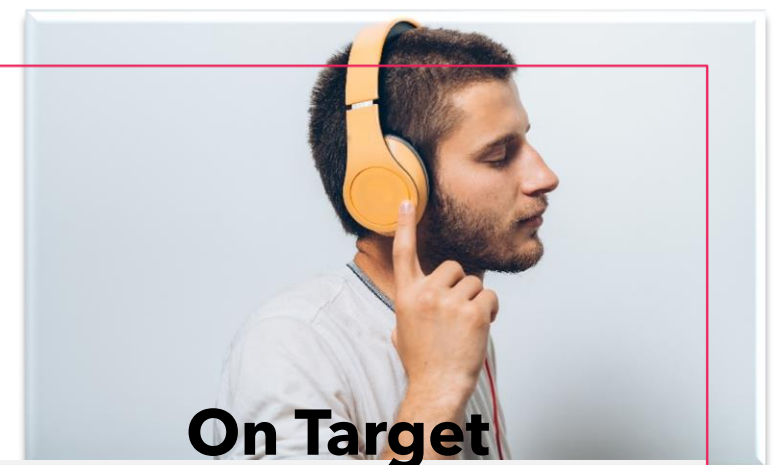


RADIO & DIGITAL AUDIO PRODUCT LAUNCHES

Why Radio and Digital audio should be in a new product launch campaign

The different characteristics of live radio and on-demand audio mean that they are suited to different need-states and play complementary roles in the listener's life.

The use of digital audio and radio offers both the listener and the advertiser integrated solutions through multiple touch points.

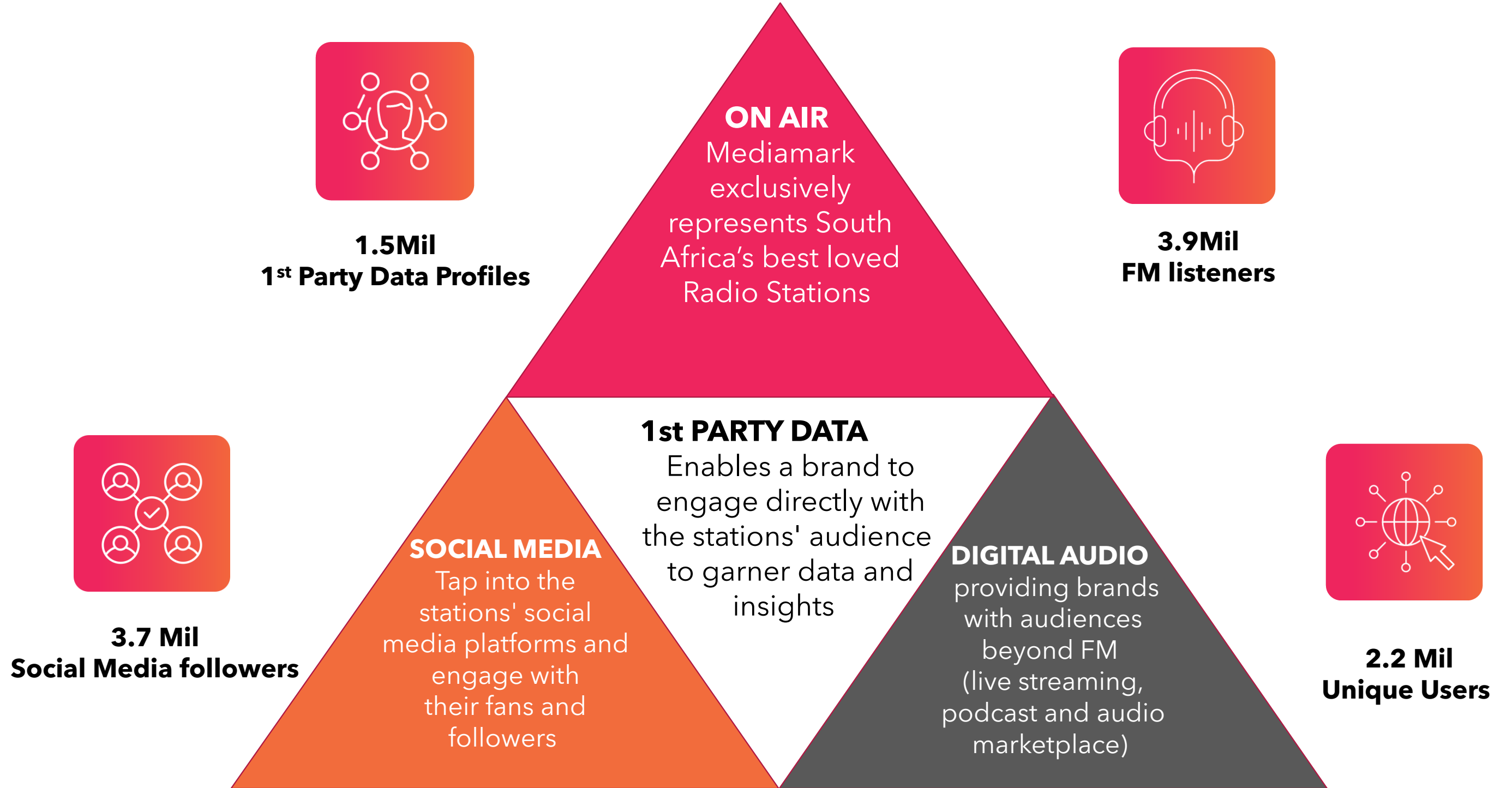


REACHING PROSPECTIVE VEHICLE BUYERS



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THE MEDIAMARK AUDIO PROPOSITION



AUTOMOTIVE

OUR LISTENERS ARE BRAND CONSCIOUS AND RESPONSIVE TO ADVERTISING

60% say when buying a car, they want a unique/different product/model that will stand out



55% perceive brands that are advertised as better in quality than brands that are not advertised



3 in 5 say their car should express my personality, with comfort being the most important factor



1 in 2 say their car should be well equipped with all possible safety features

1,4 million say they often notice advertisements on radio



Majority of the listeners feel reassured using products recommended by an expert



More than half say they love their cars as it also perfect for their families

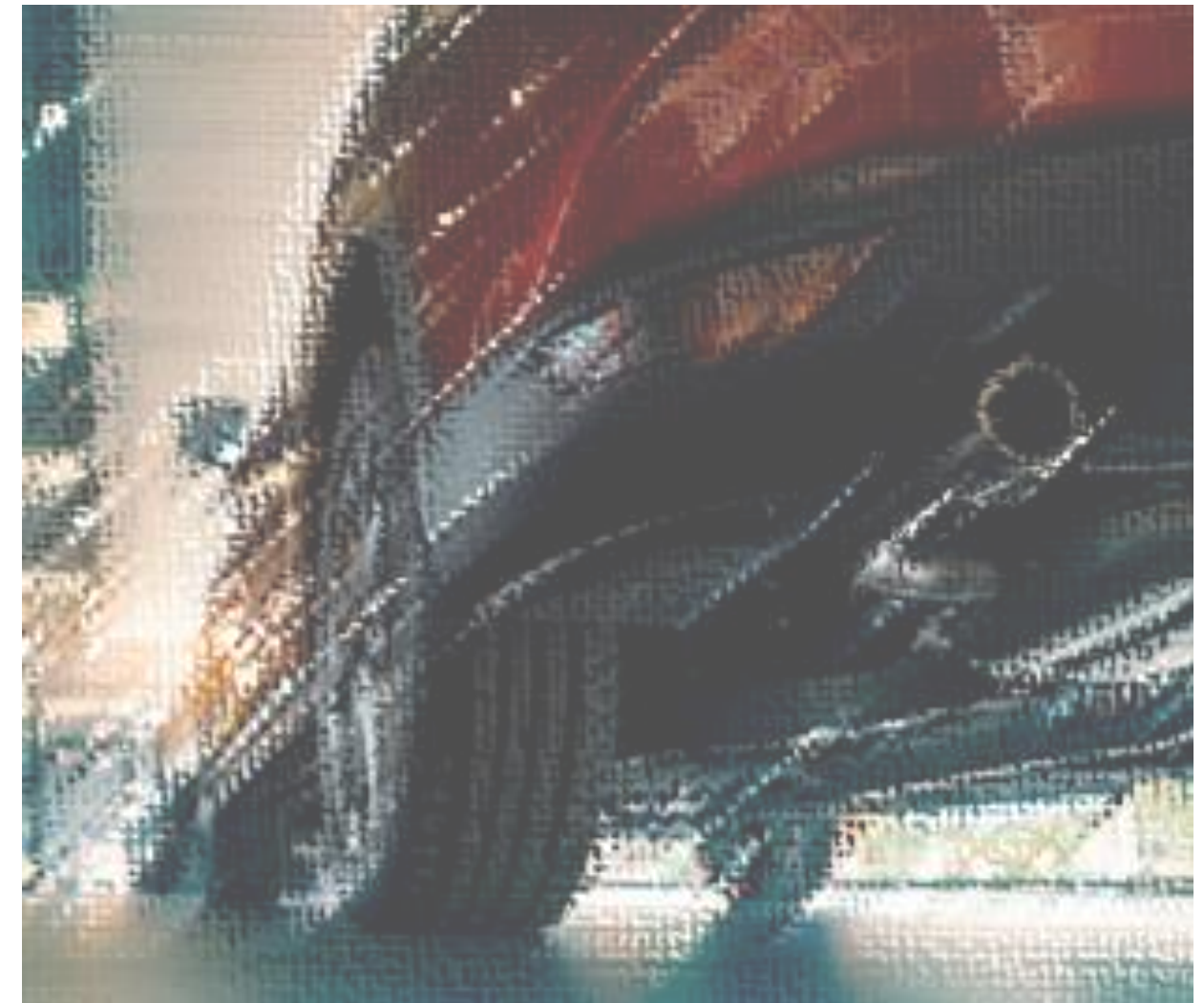
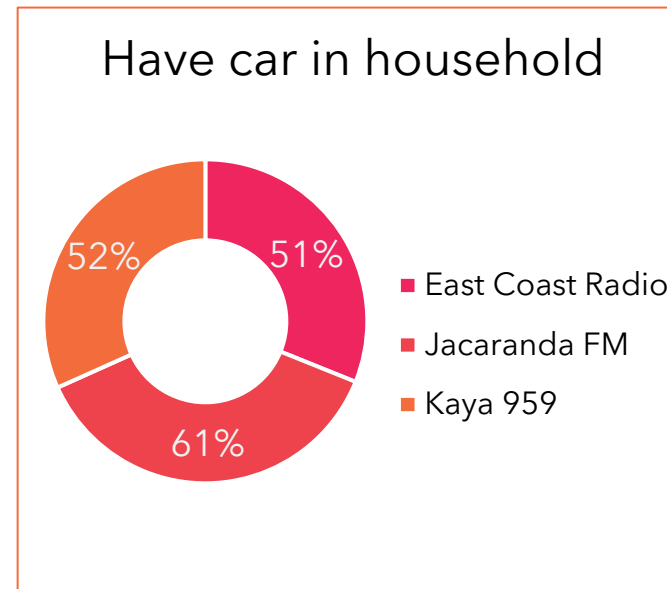
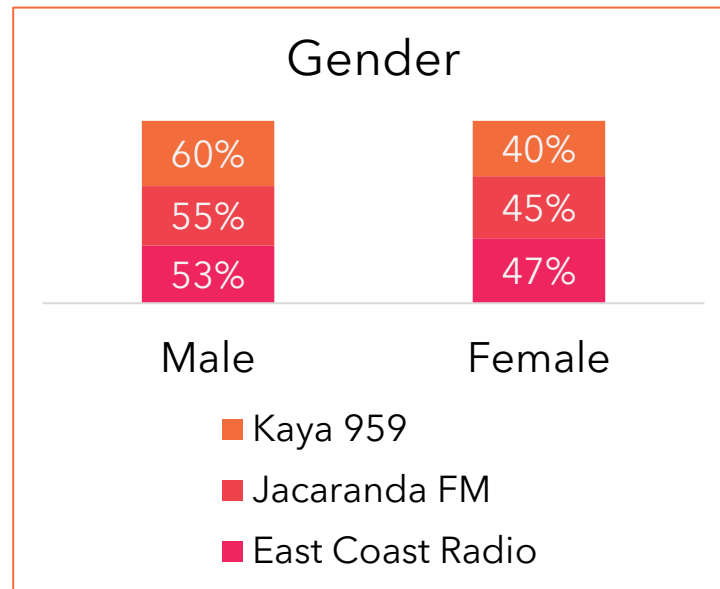


People often ask their advice when it comes to cars



AUTOMOTIVE

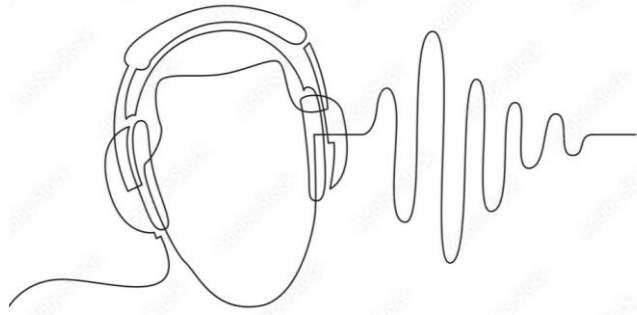
EAST COAST RADIO - JACARANDA FM - KAYA 959 GENDER / CAR IN HH / ASPIRATIONS TO BUY



According to BrandMapp, 447,000 (32%) of East Coast Radio, 574,000 (36%) of Jacaranda FM and 638,000 (48%) of Kaya 959 listeners, say they aspire to buy or change their cars in the next year.



AUTOMOTIVE IN-CAR LISTENING



81% of prospective car buyers in the U.S. say they would be **less likely** to buy or lease a vehicle that is **not equipped** with a built-in **radio tuner**. This shows that consumers want to listen to radio and are therefore more receptive to advertising messages.



Radio reaches people when they are travelling in car

With radio, Automotive brands have the opportunity to reach people **while they are driving or travelling in-car**. 87% of media time when travelling in car is spent listening to **live radio** and radio reaches 57% of in-car journeys.[UK]

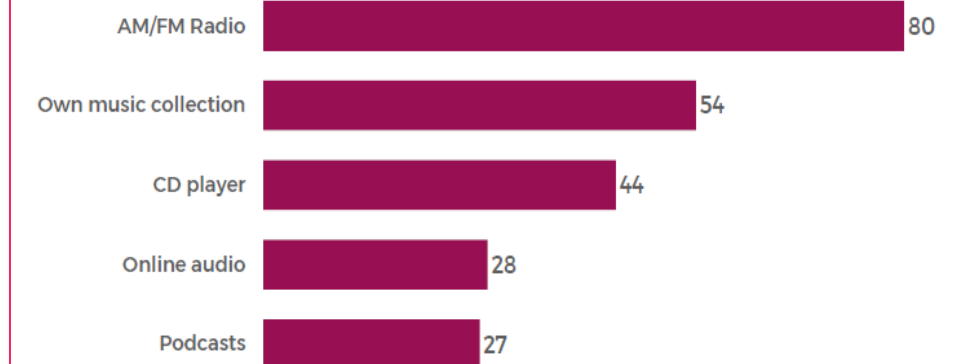


In-car listening for all radio in South Africa is at **24%**

Mediamark radio stations are at **45% in-car** listening.

Audio Sources Currently Ever Used in Car

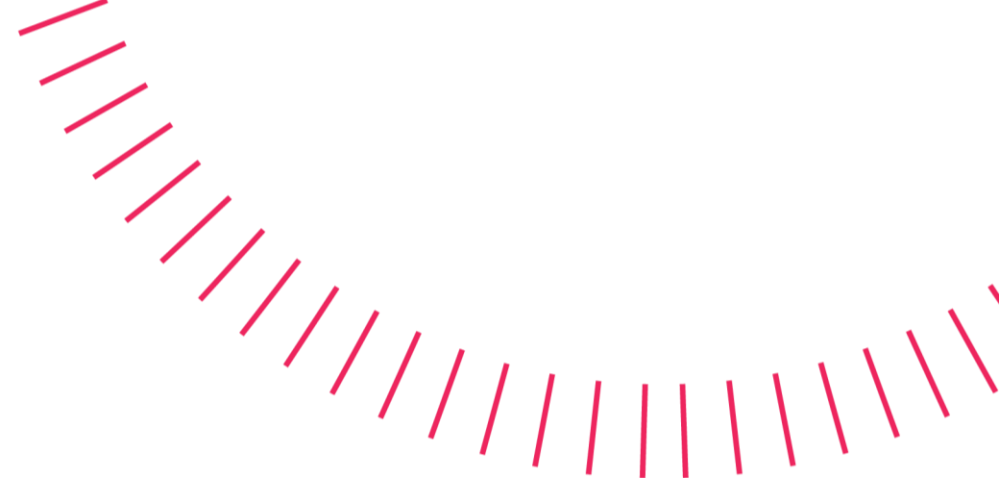
BASE: SOUTH AFRICAN MAJOR METRO COMMERCIAL POPULATION 18+ WHO HAVE DRIVEN/RIDDEN IN CAR IN LAST MONTH; 76%
% USING AUDIO SOURCE IN CAR



80% of the South African metro commercial population of 18+, who have driven/ridden in a car in the last month, prefer listening to AM/FM radio.

AUTOMOTIVE SUMMARY

- Globally, new vehicle sales are set to return to pre-pandemic levels.
- Motoring enthusiasts in South Africa have a lot to look forward to over the next couple of months, with many new model launches taking place.
- The overall new vehicles sales saw a slight year on year decrease, but Bakkies/LCVs continued to shine, selling the most units in more than a year.
- There has been a significant rise in value automotive brands in South Africa, such as Suzuki, Chery and Mahindra, to name a few. They are making huge in-roads and are fast winning the minds and wallets of South African car buyers for being exceptionally well-priced, and for having features you wouldn't normally expect in the lower-end price ranges.
- Despite the various factors negatively influencing the automotive industry in South Africa, Mediamark's audiences are eager to acquire an additional car, own one for the first time, or replace a vehicle.
- Connect with these audiences through the stations' holistic ecosystems, offering various touchpoints, and thereby enhancing your advertising message.



THANK YOU



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