RUSSIA

AUTOMOTIVE INDUSTRY TRENDS

Q3 2017

Auto@Google

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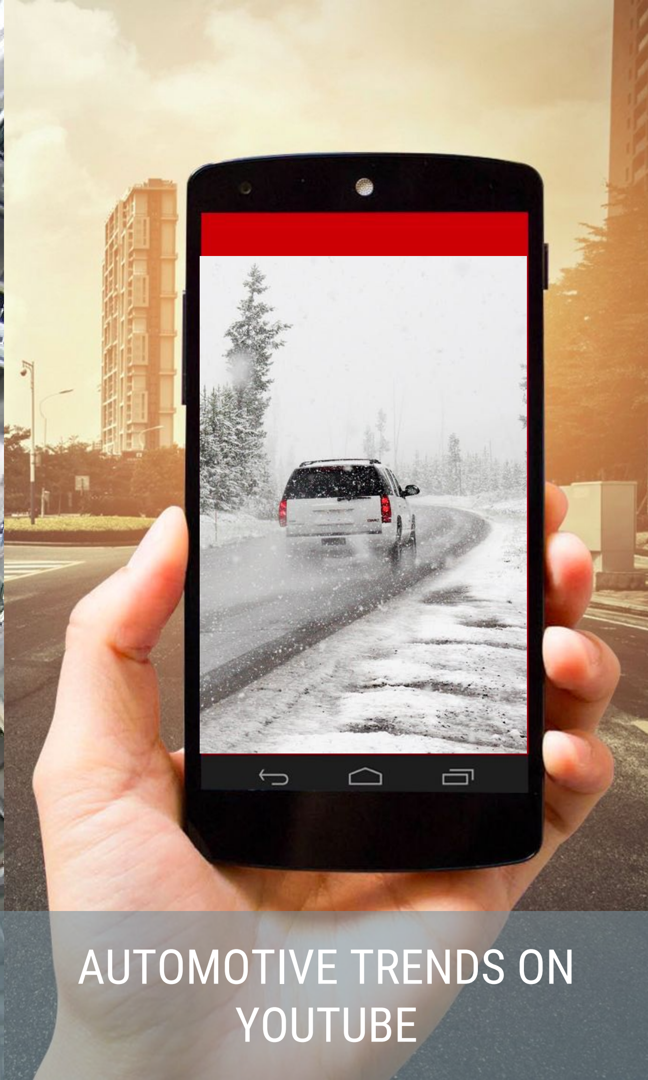


Key Q3 2017 highlights

01

Automotive queries grew 4% YoY on Search and 11% on YouTube

Mobile queries showed the fastest growth: +21% on Google search and +40% on YouTube search.

Two leading categories in terms of growth - Car Financing and Trade-in.

Interest towards new cars grew 6%

Interest towards mass segment grew 7% YoY, premium started growing 1% YoY

Kia and Lada are new leaders in terms of consumer interest in Q3. Both of them launched new cars this quarter. BMW is a leader in premium segment, while Mercedes and Audi are competing for the second spot

02

03

Automotive on YouTube is huge and growing

Almost 360M organic views of automotive videos occured on YouTube in Q3 2017 in Russia.

The leader of growth is Small cars segment with more than 3x growth YoY. However, SUV segment is still leading in absolute numbers

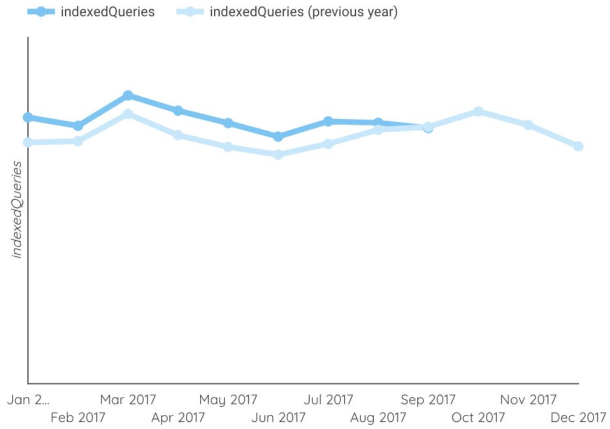
CATEGORY TRENDS & KEY AUCTION METRICS

Overall, Industry is continuously growing **4%** YoY only driven by massive **mobile** growth

Interest to Automotive Last Quarter results		Mobile dynamics Last Quarter results		Desktop & Tabs dynamics Last Quarter results	
VOLUME	72M	VOLUME	47M	VOLUME	25M
YoY GROWTH	3.7%	YoY GROWTH	21.1%	YoY GROWTH	-18.3%

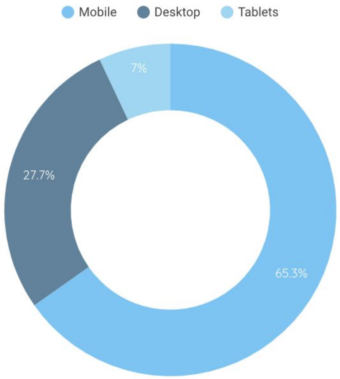
Interest to Automotive, Indexed

Default time period : Jan 16 - Last Quarter.



Automotive Interest by Device

Last Quarter.



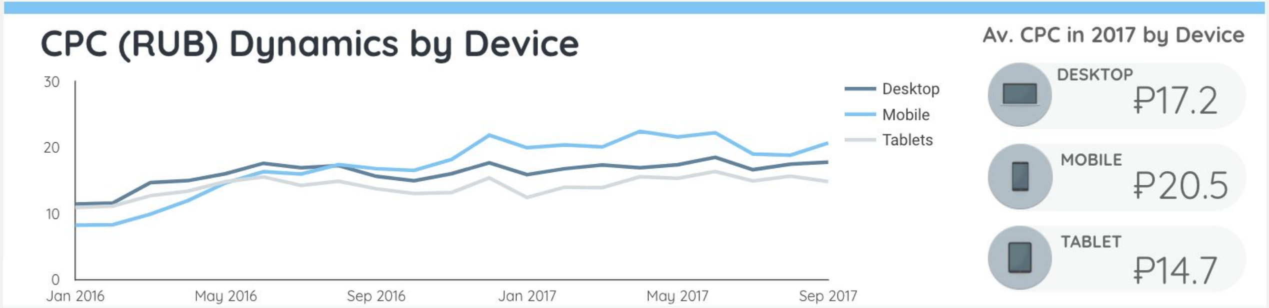
Mobile is playing significant role in automotive category

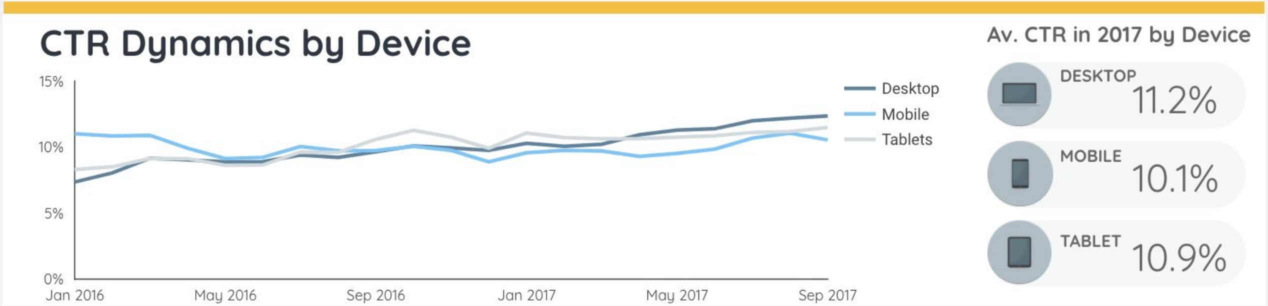
65%

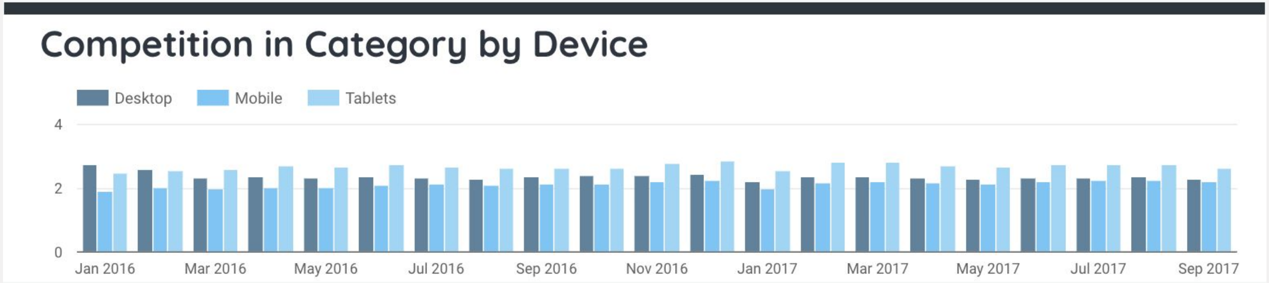
of queries in Automotive Category come from mobile devices but competition (avg. # of advertisers per query) is higher on desktops and tablets

Source: Internal Google Data

TOTAL

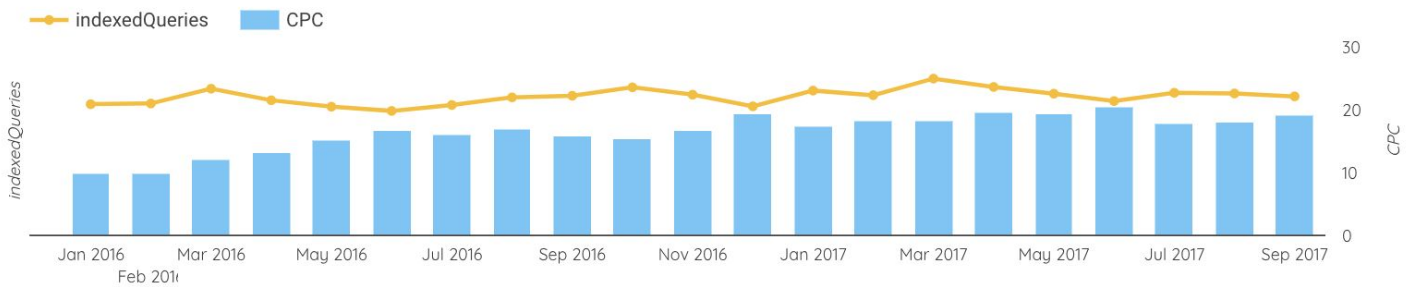




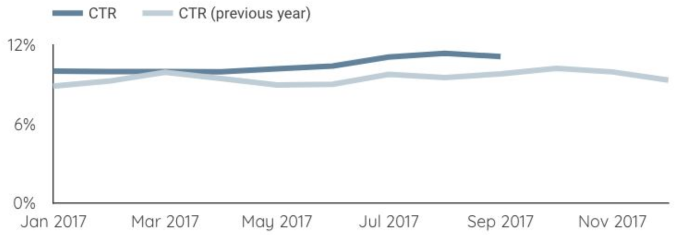


Comparing to previous year, industrial CTR in Q3 17 grew by 15% with AdDepth staying stable and CPC growing by 13%

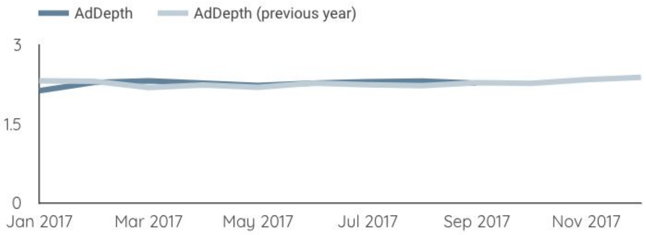
Auction Dynamics



CTR trends



Competition in Category



CTR
Last Quarter results

VALUE 11%

YoY GROWTH 15.3%

CPC, RUB
Last Quarter results

VALUE ₽18

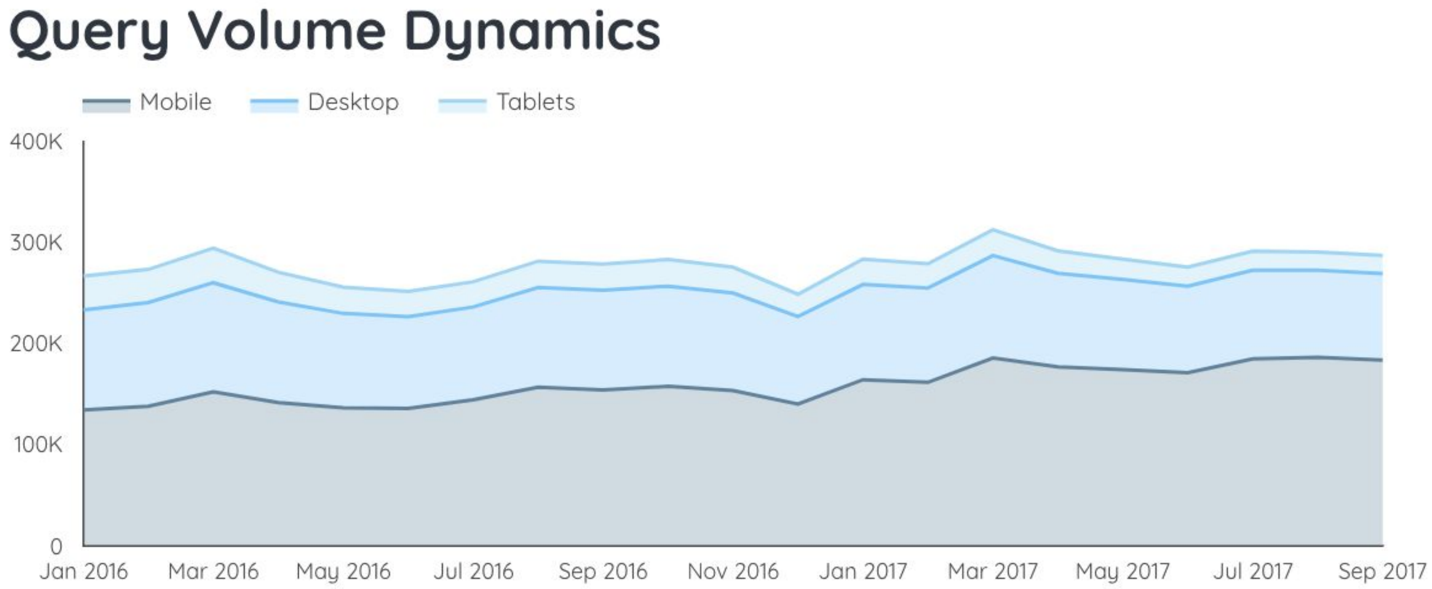
YoY GROWTH 12.9%

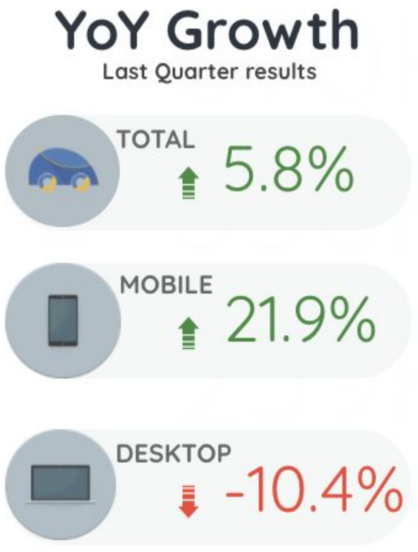
AD. DEPTH
Last Quarter results

VALUE 2.3

YoY GROWTH 2.0%

Interest towards **new cars** grew **6%** YoY in Q3 2017, 65% of queries came from mobile (that grew **22%** YoY)

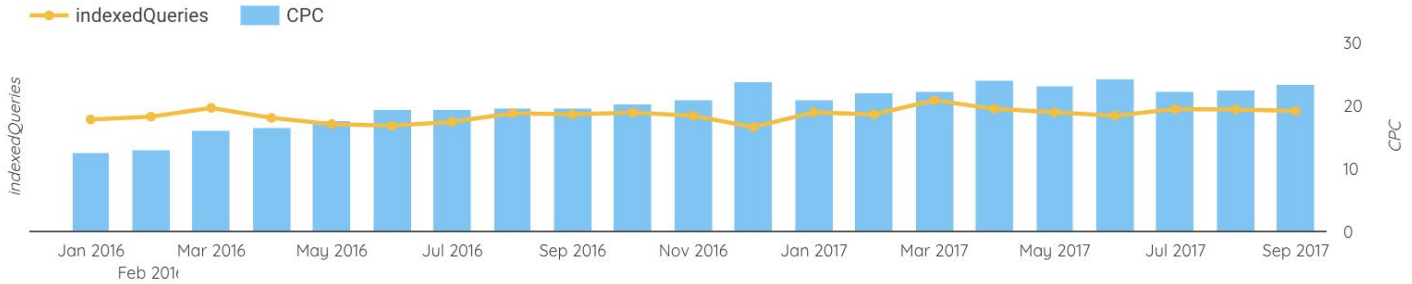




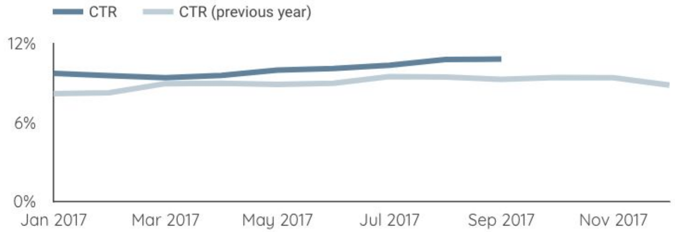
Google

Comparing to industry in general, there was a bigger increase in competition in **new cars** category

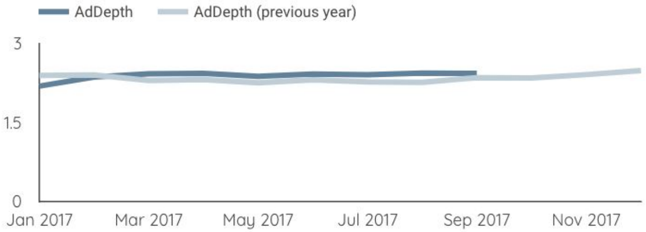
Auction Dynamics



CTR trends



Competition in Category



CTR
Last Quarter results

VALUE 11%

YoY GROWTH 13.3%

CPC, RUB
Last Quarter results

VALUE ₽23

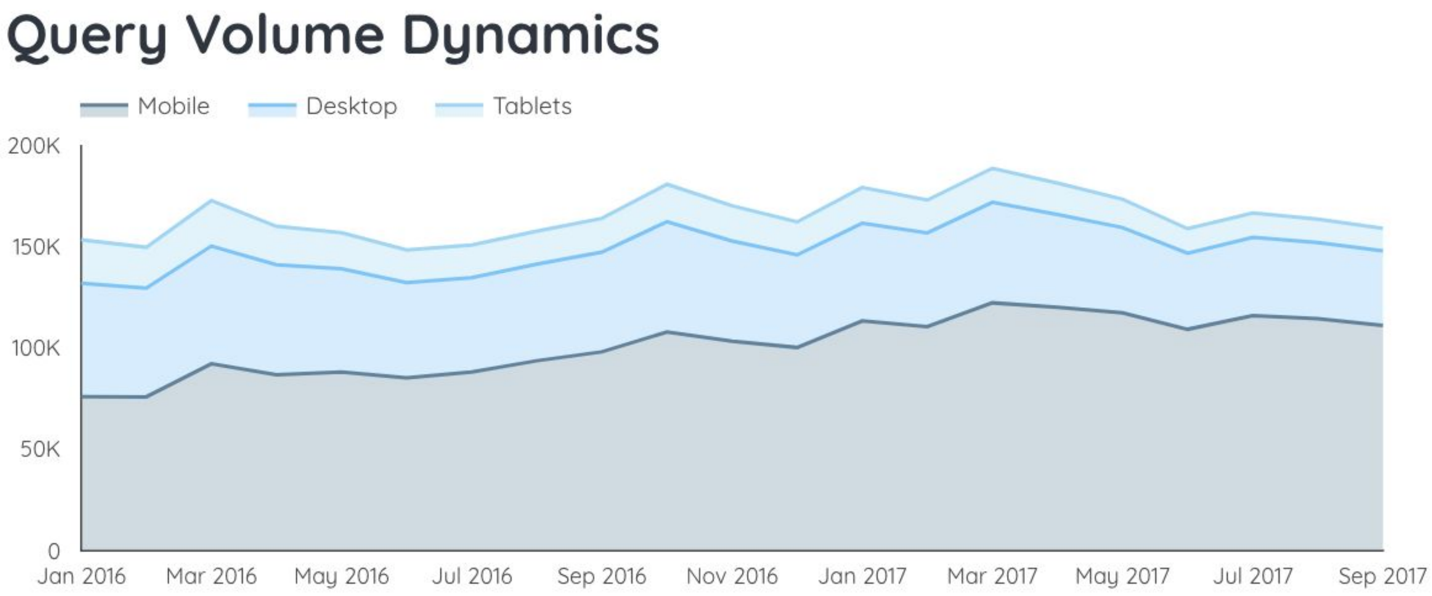
YoY GROWTH 16.7%

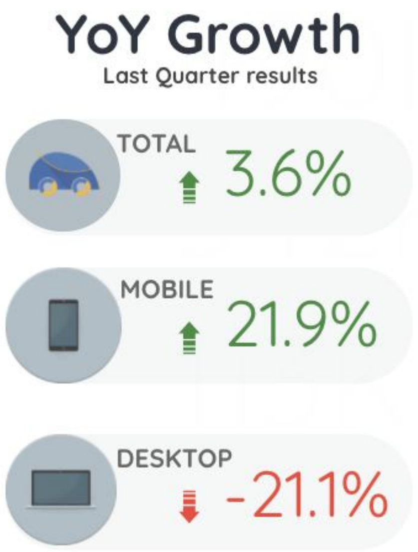
AD. DEPTH
Last Quarter results

VALUE 2.4

YoY GROWTH 5.7%

In Q3 17, **used cars** category grew slower than new cars (**+4%** YoY) with almost 70% share of mobile



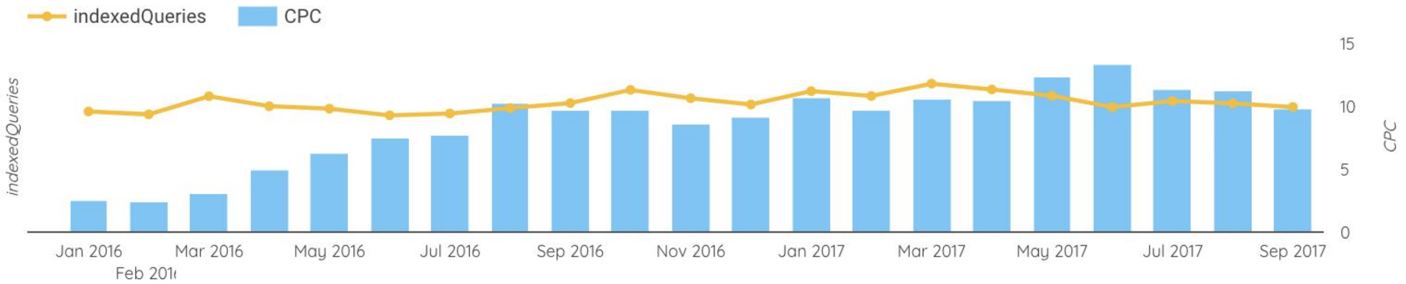


Source: *Internal Google Data*

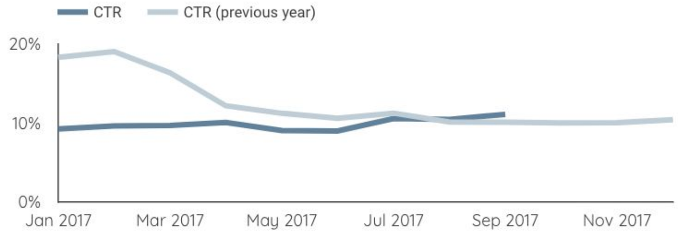
* Used car terms consists of generic used terms (e.g. 'купить подержанный автомобиль', 'автомобили с пробегом' and brand/model keywords with used characteristics, e.g. 'ford focus 2008', 'used toyota', etc. Used cars Auto portals are not included

And the competition in **used cars** category slightly decreased YoY, while CTR and CPC grew

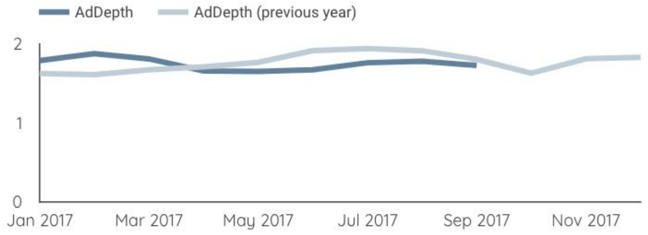
Auction Dynamics



CTR trends



Competition in Category



CTR
Last Quarter results

VALUE	11%
YoY GROWTH	2.0%

CPC, RUB
Last Quarter results

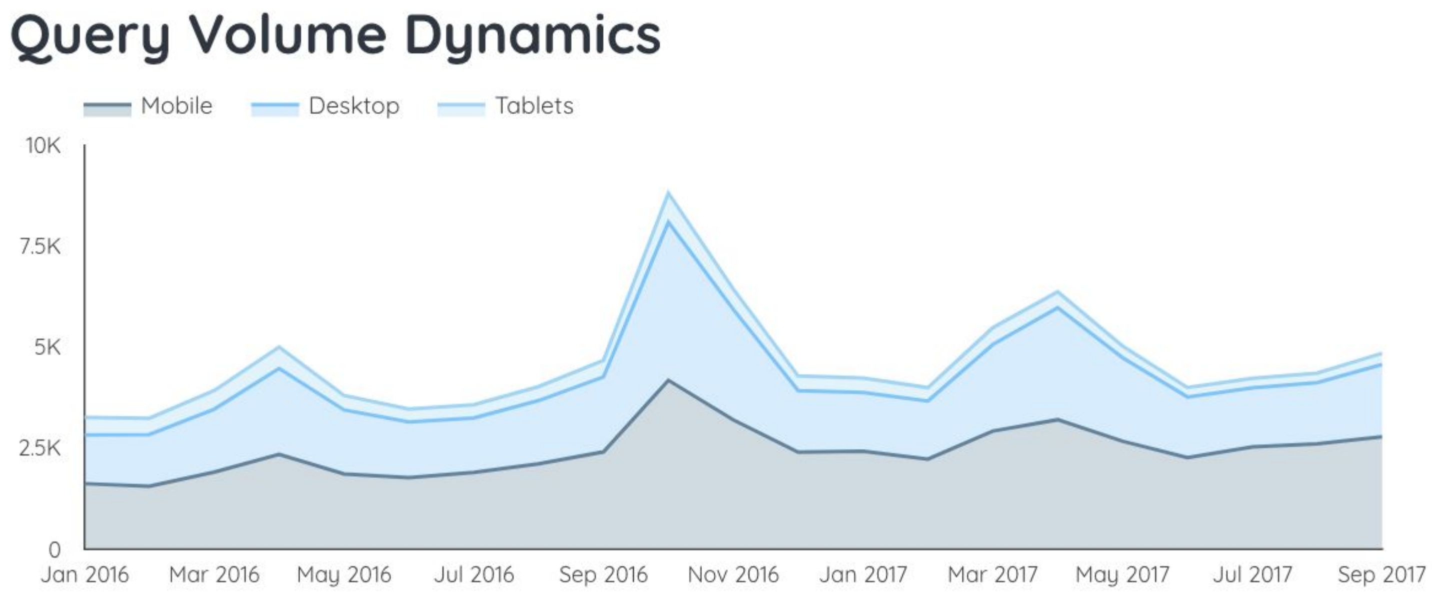
VALUE	₽11
YoY GROWTH	17.5%

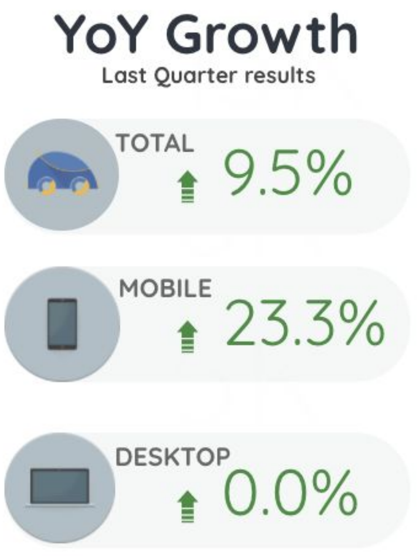
AD. DEPTH
Last Quarter results

VALUE	1.8
YoY GROWTH	-6.4%

Source: Internal Google Data

Aftersales category showed great growth (**+10%** YoY) in advance to peak of tire change season





Source: Internal Google Data

Google

Car financing category grew **20%** YoY due to increased consumer interest to governmental support

Query Volume Dynamics

YoY Growth

Last Quarter results

TOTAL ⬆ 19.7%

MOBILE ⬆ 40.6%

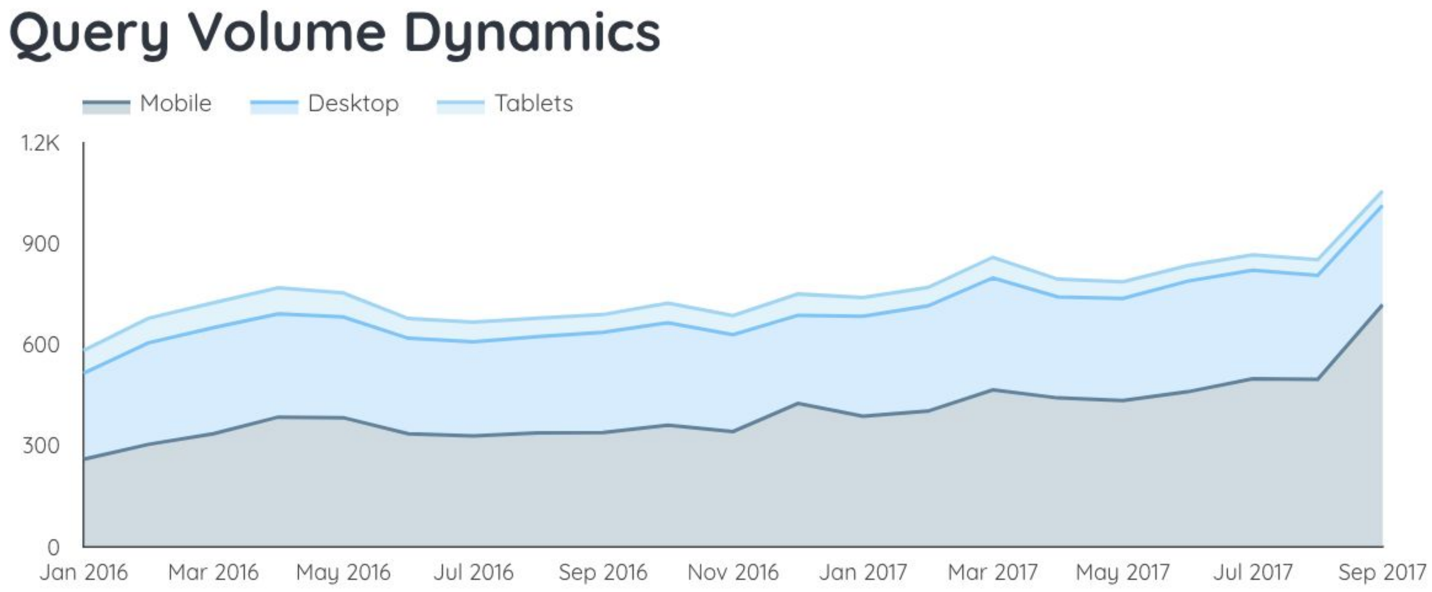
DESKTOP ⬆ 2.8%

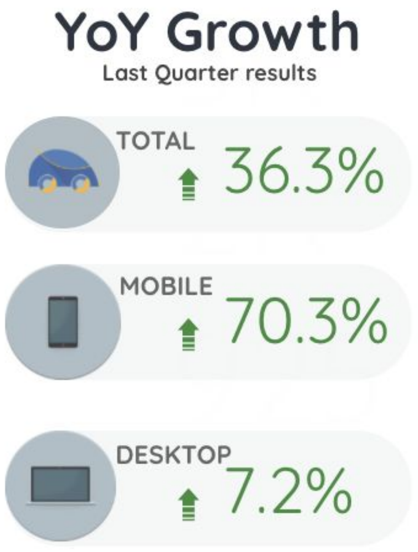
Source: Internal Google Data

* Car financing terms consists of generic auto credit terms (e.g. ‘автомобиль в кредит’, ‘кредитные программы авто’ and branded automotive finance keywords, e.g. ‘ниссан простые правила, ‘skoda financial services’, etc.

Google

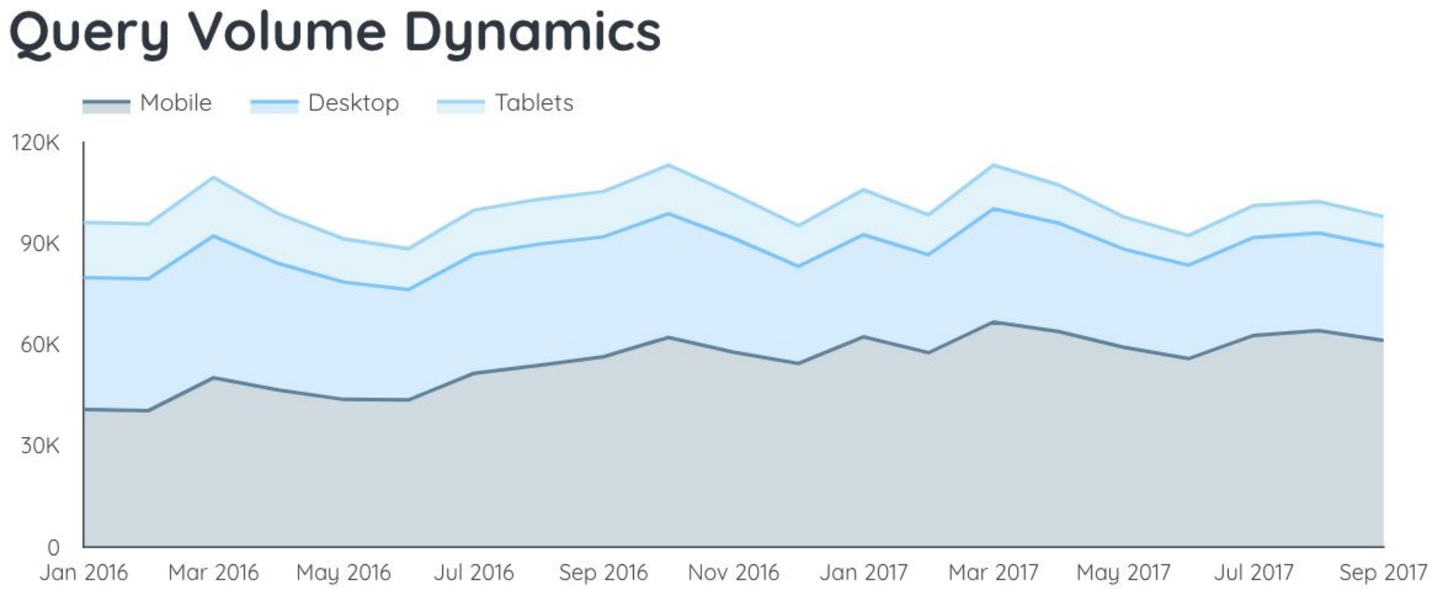
Trade-in category boomed **36%** YoY in Q3 17 due to the interest to governmental support

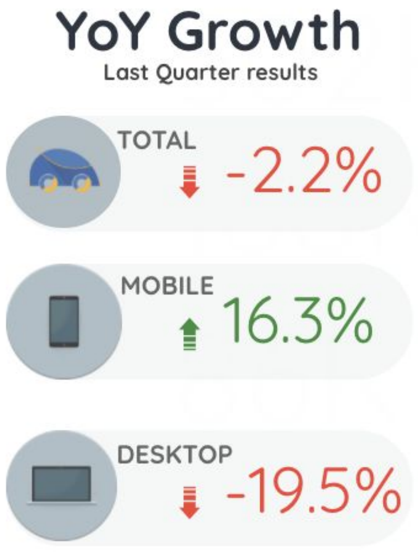




Source: Internal Google Data

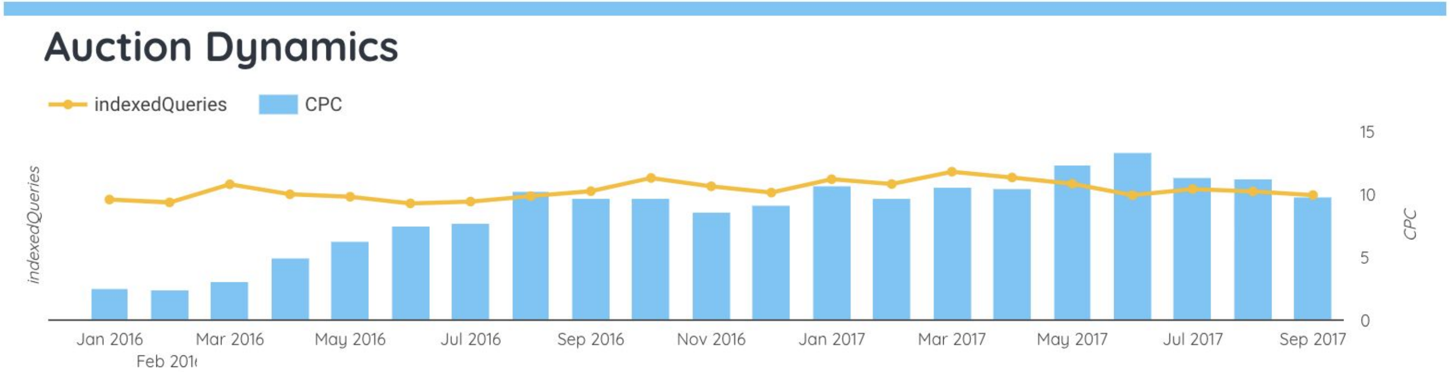
Generic category showed slight decrease (**-2%** YoY), still remaining the third largest category in terms of consumer interest

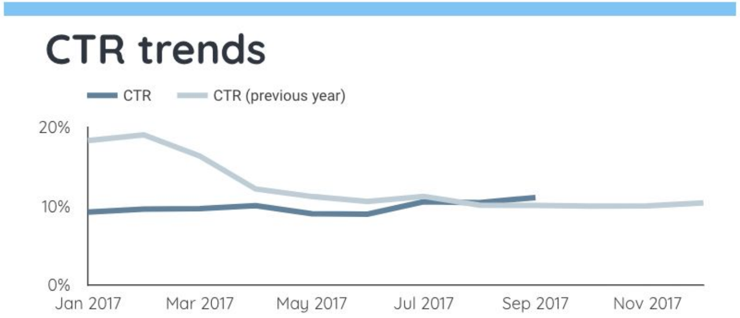


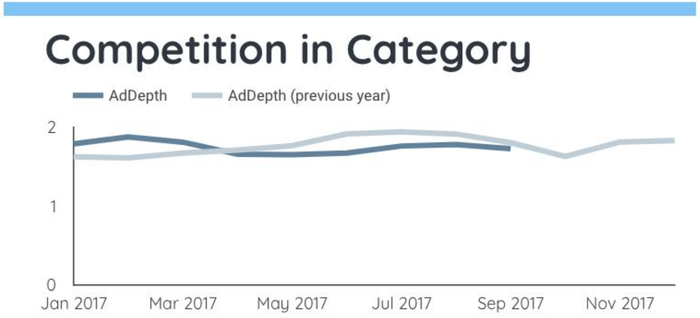


Source: Internal Google Data

However, **generics** is the **cheapest** category and showed great CTR increase (25% YoY)







CTR
Last Quarter results

VALUE	14%
YoY GROWTH	⬆ 24.7%

CPC, RUB
Last Quarter results

VALUE	₽8
YoY GROWTH	⬆ 0.0%

AD. DEPTH
Last Quarter results

VALUE	2.1
YoY GROWTH	⬇ -1.7%

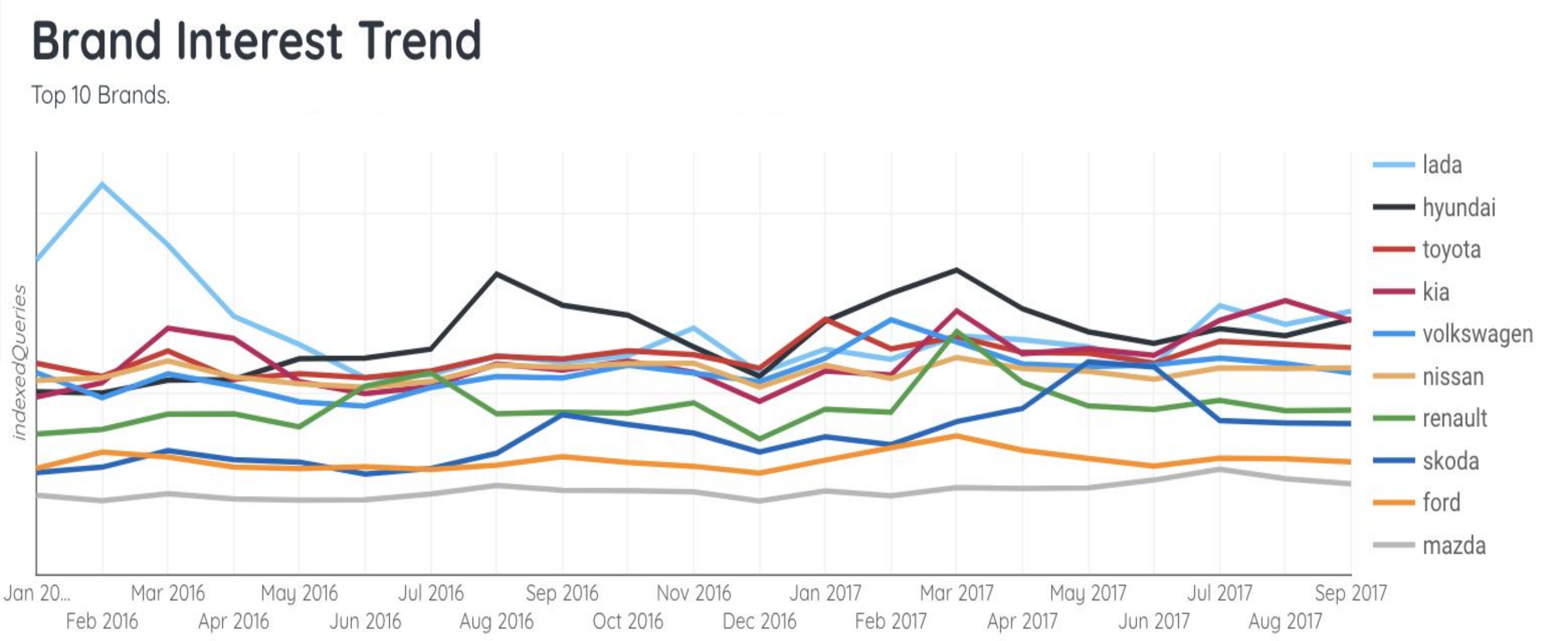
Source: Internal Google Data

Google

BRAND LEADERBOARD ON GOOGLE SEARCH

Lada and Kia both showed great YoY dynamics, growing 24% and 30% accordingly and are now leading mass segment

Monthly dynamics of branded queries in Mass segment, 2016 - 2017



Brand Interest Last Quarter

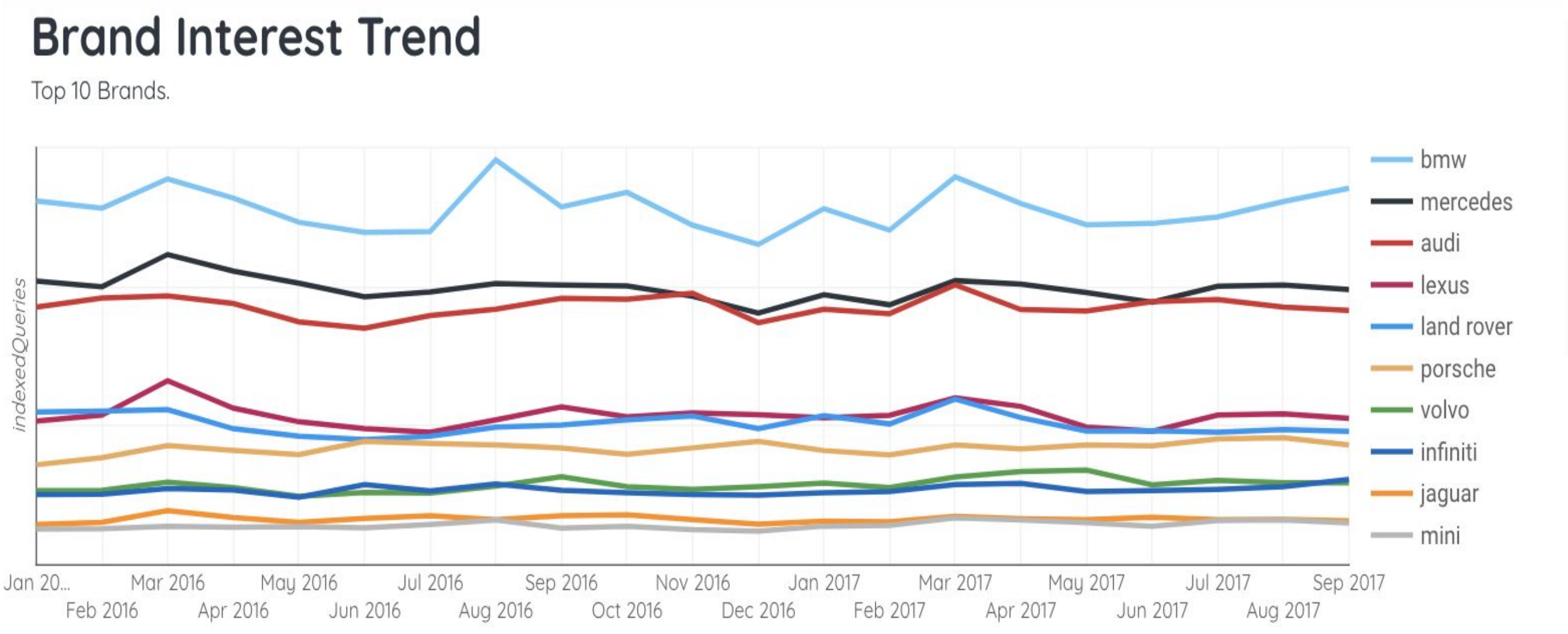
BRAND	INDEXED QUERIES	YoY
lada		23.9% ↑
kia		29.6% ↑
hyundai		-6.9% ↓
toyota		8.3% ↑
volkswagen		8.1% ↑
nissan		1.6% ↑
renault		-4.3% ↓
skoda		17.9% ↑
ford		3.7% ↑
mazda		14.9% ↑

Source: Internal Google Data

Google

BMW is leading the **premium** segment of industry that is much more flat than mass - no big changes YoY

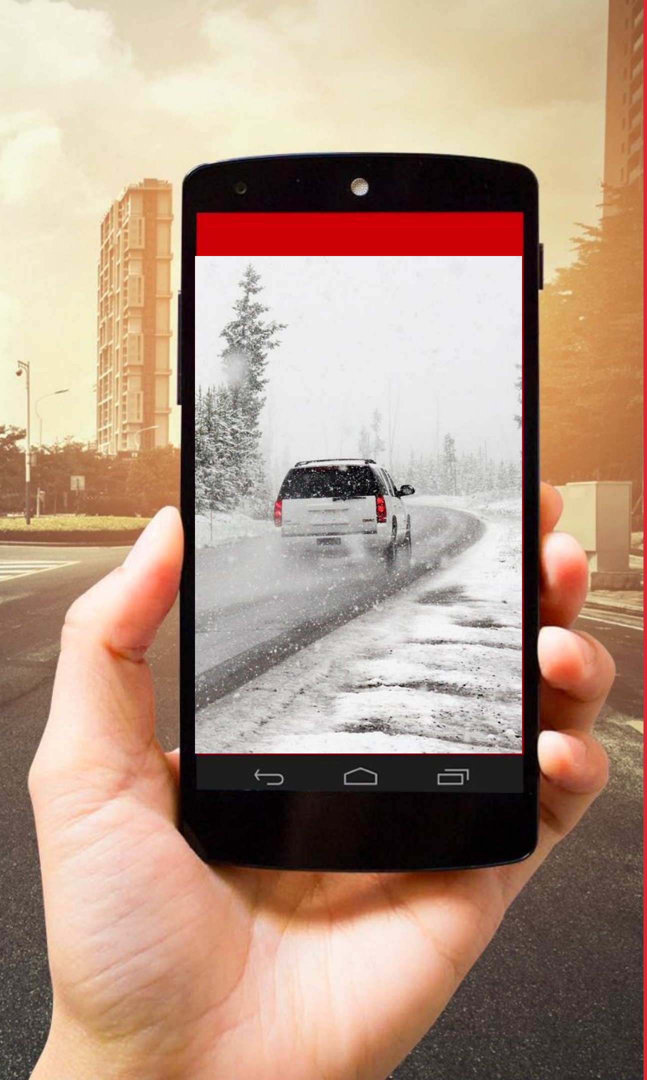
Monthly dynamics of branded queries in Premium segment, 2016 - 2017



Brand Interest Last Quarter

BRAND	INDEXED QUERIES	YoY
bmw		-0.8%
mercedes		0.0%
audi		0.8%
lexus		2.7%
land rover		-1.1%
porsche		4.1%
volvo		4.3%
infiniti		4.1%
jaguar		-6.1%
mini		7.5%

Source: Internal Google Data.



AUTOMOTIVE TRENDS ON YOUTUBE

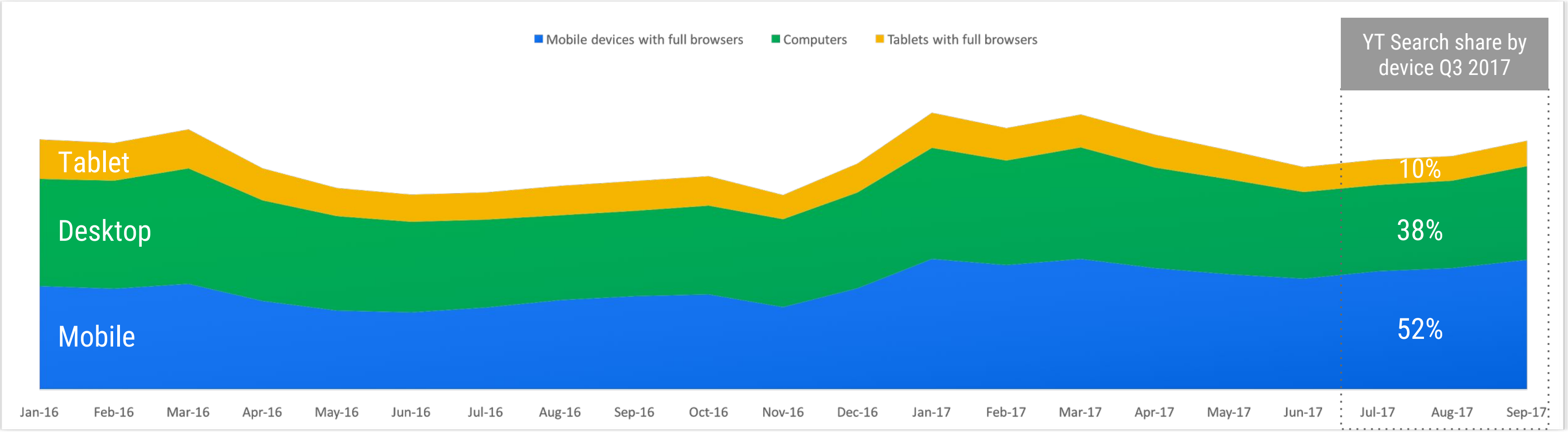
YouTube search in Automotive is huge and growing

Mobile queries dominate - 52% of Automotive YT searches in Q3 2017 appeared on mobile (+40% YoY)

Automotive search volume on YouTube

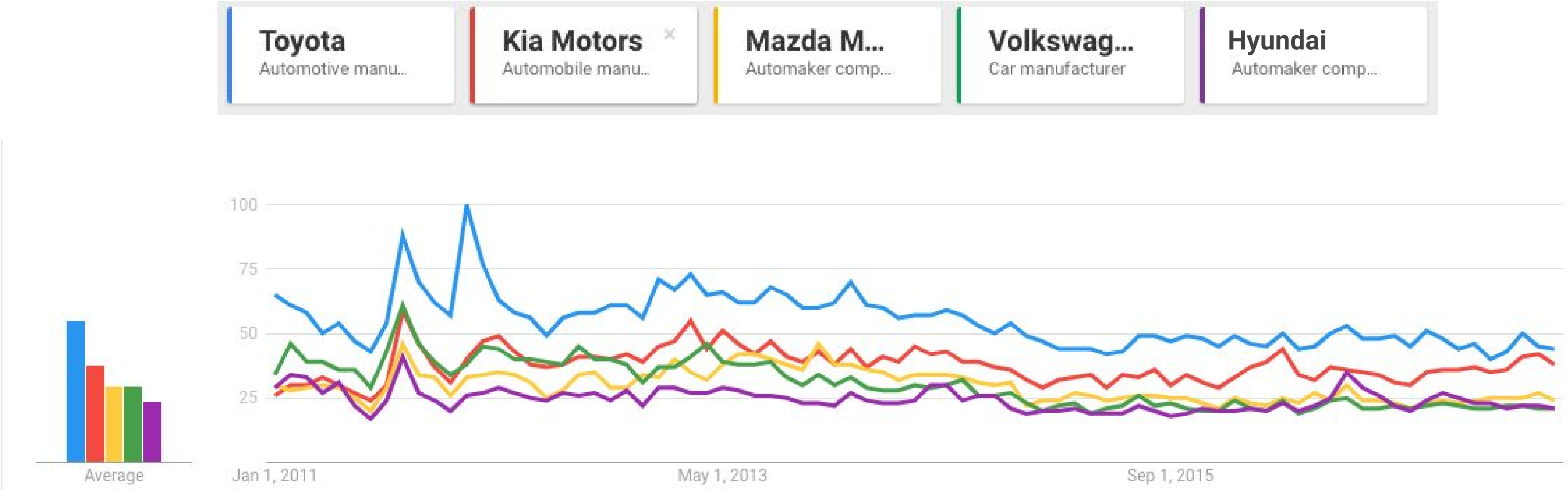
Search Volume on Google in **Q3 2017**
Index: 100 (+4% YoY)

YouTube search Q2'17
22 (+11% YoY)



Source: Internal Google Data

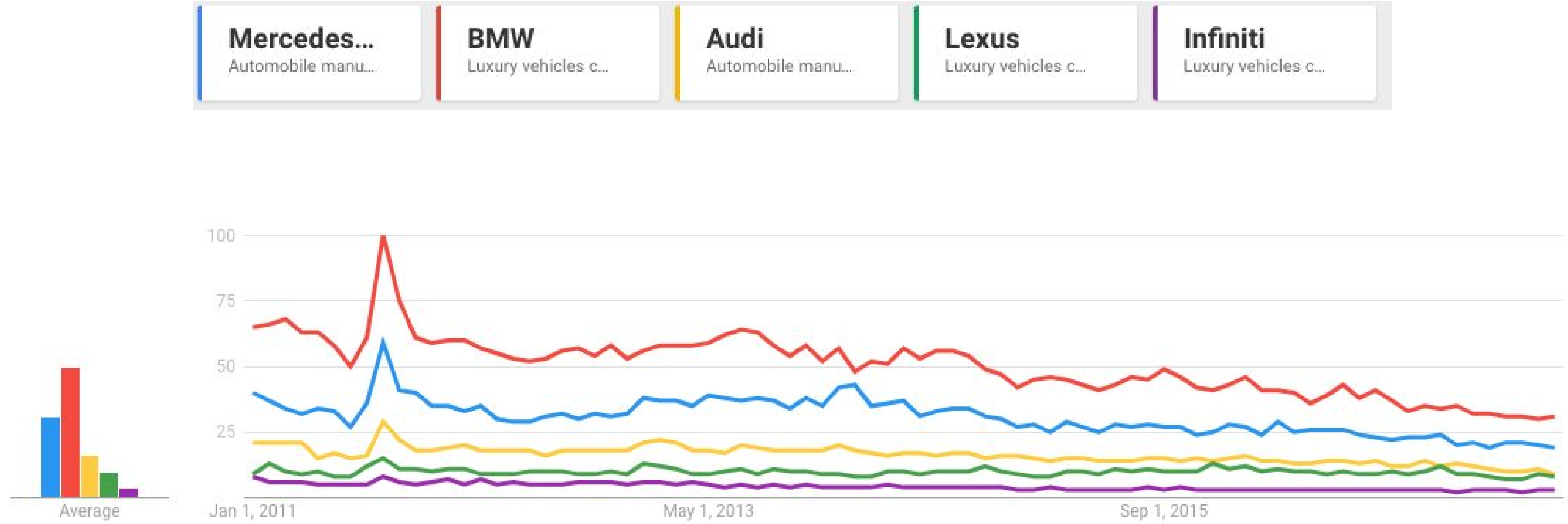
Toyota is leading the mass segment on YouTube search



Click on graph to explore yourself

Source: [Google Trends](), YouTube Search, Russia, 2011-2017

BMW is leading the premium segment on YouTube search



Click on graph to explore yourself

Source: [Google Trends](), YouTube Search, Russia, 2011-2017

Q3 2017 overview

360M

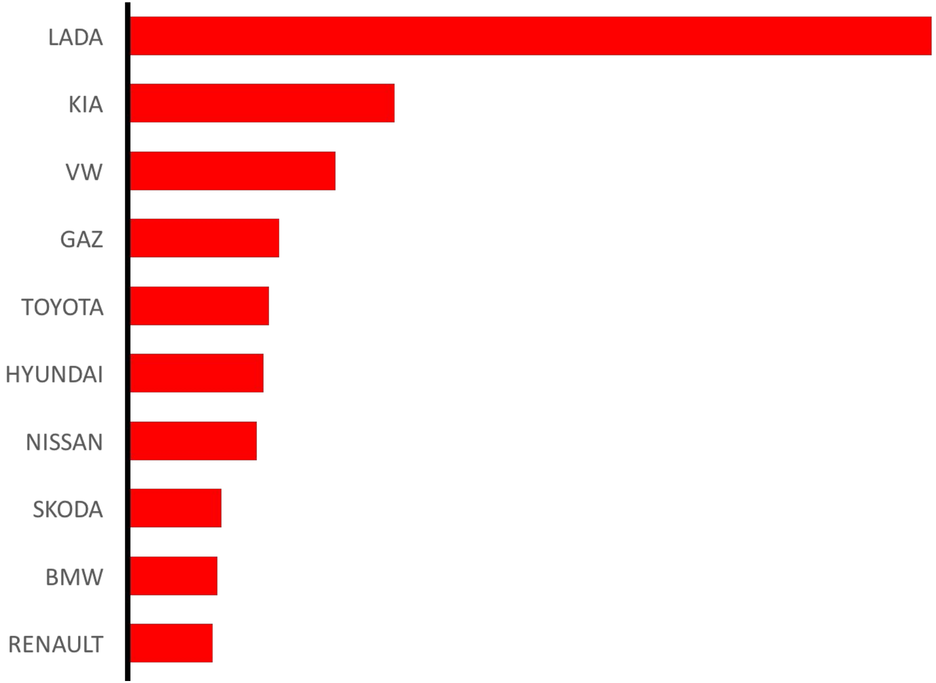
organic views of automotive content in Q3 2017

+52% yoy

Organic views only

Lada, KIA, VW are leading by number of views on YouTube in Russia in Q3 2017

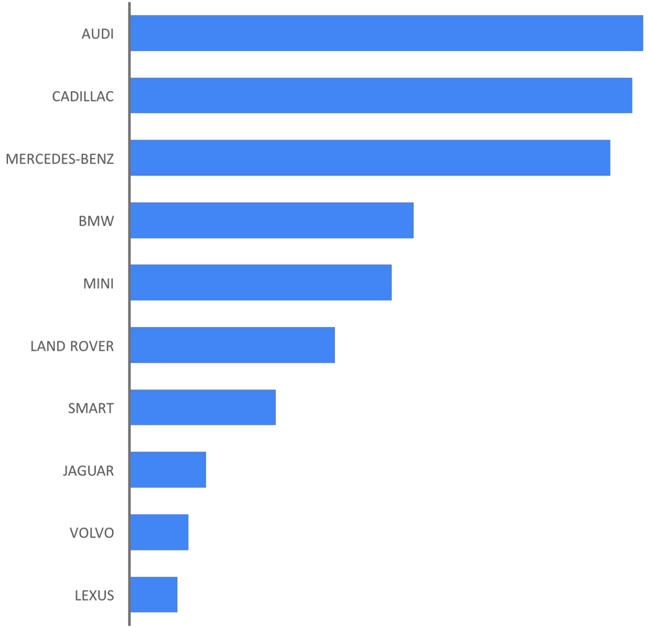
Top 10 automotive brands by views on YouTube, Q3 2017
Blogger, User, and Brand generated content, Organic & Paid views



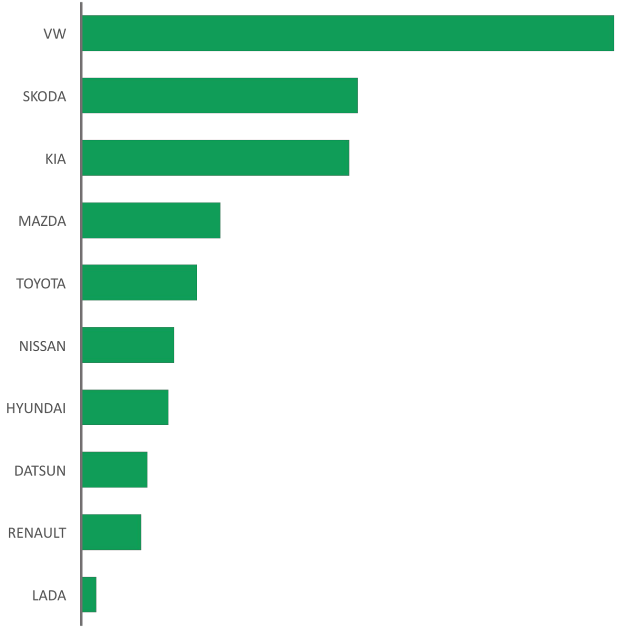
Source: Internal Google Data

Audi channel is the leader in premium segment by number of views, while VW is the leader among mass brands

LEADING PREMIUM BRAND CHANNELS ON YOUTUBE **Q3 2017**



LEADING MASS BRAND CHANNELS ON YOUTUBE **Q3 2017**



*Source: Internal Google Data *Organic & Paid views*

Benchmark for Automotive Brand Channels in Russia

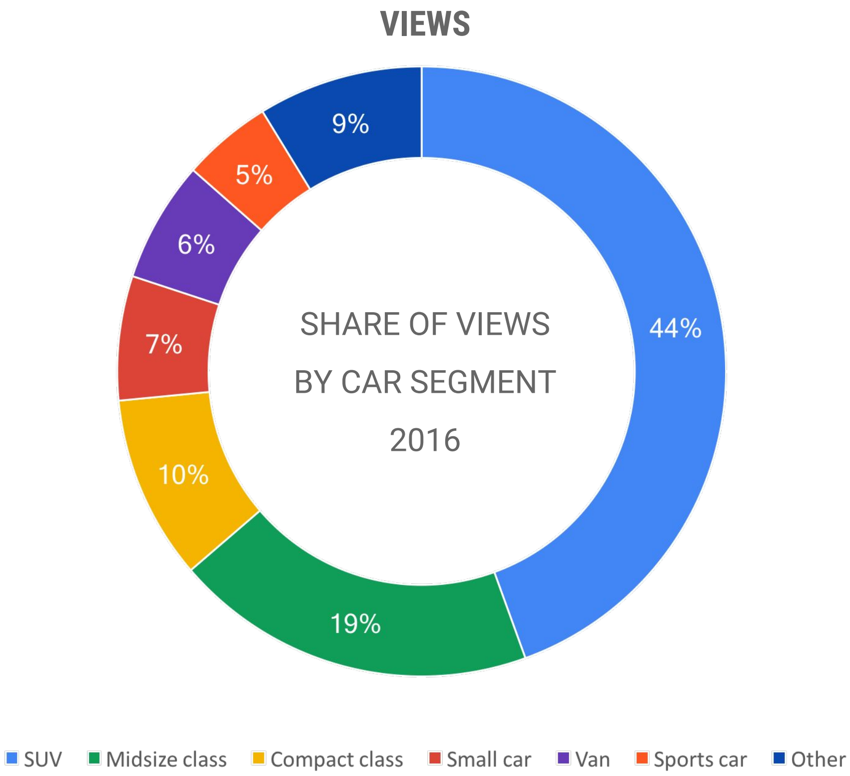
Total lifetime views and subscribers as of Nov 2, 2017

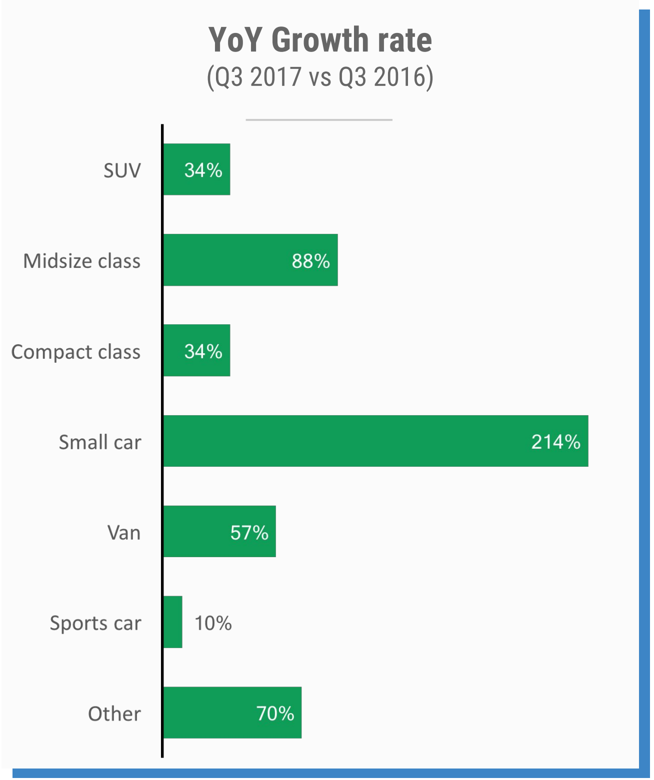
		Subscribers	Total uploaded video views
1	Kia Motors Russia	35 849	65 143 007
2	Volkswagen Russia	39 767	50 610 527
3	skodarussia	24 352	30 836 375
4	AudiRussia	17 848	30 012 540
5	themazdarussia	24 588	27 141 604
6	HYUNDAI Russia	5 477	19 918 113
7	Datsun Russia	7 590	17 798 380
8	BMW Russia	25 580	17 272 693
9	RENAULT РОССИЯ	7 514	17 027 920
10	ALL NEW LADA	15 553	13 369 844

		Subscribers	Total uploaded video views
11	Land Rover Russia	5 233	9 601 384
12	NISSAN RUSSIA	6 096	8 747 092
13	Chevrolet Russia	5 576	8 486 285
14	VolvoCarsRussia	1 594	8 464 130
15	Lifan Motors Rus	416	4 920 980
16	smart Russia	1 545	4 865 430
17	Официальный канал Cadillac Russia	1 100	4 667 453
18	VolvoTrucksRussia	5 382	4 372 297
19	MINITVRussia	5 459	2 532 781
20	Lexus Russia	2 154	2 164 065
21	MitsubishiRussia	2 960	2 154 640
22	Citroën Russia	1 360	1 006 227
23	JEEPinRUSSIA	1 086	808 458
24	SEAT Россия	140	761 340
25	suzukimotorrus	239	566 515

Source: socialbakers.com

Small car segment showed great growth YoY and became 4th largest segment by views. However, the leader is still **SUV**





Source: Internal Google Data

THANK YOU!

Auto@Google

For feedback and questions please reach out to Google Auto team
auto-ru@google.com