



Digital Helps Tire Brands Gain Traction

November 2013

WHAT WE WANTED TO KNOW

How does digital drive
automotive tire
research and purchases?

WHAT WE FOUND



Tire buyers are becoming more proactive

Purchases driven by routine maintenance have grown 91% YoY and buyers are spending more per transaction.



Consideration is widening

Buyers are doing more research and considering more retailers and brands. Buyers considering 3+ brands is up 38% YoY.



Brand matters

As buyers do more research, they are indicating that reputation and brand are more important than ever.



Winning tire buyers through digital

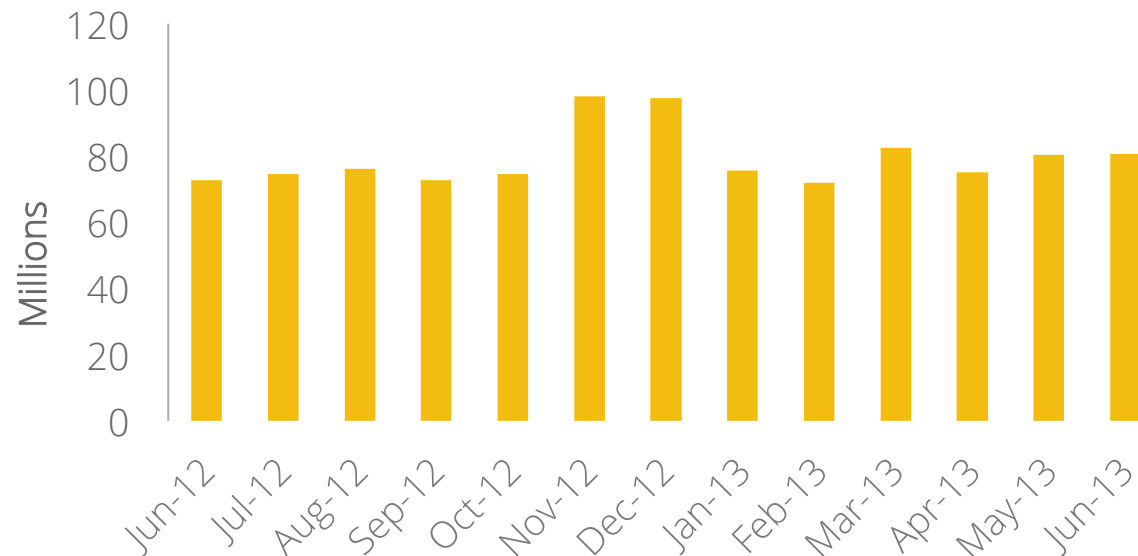
The combination of search, mobile and video is driving decision-making.

The tire industry is seeing **steady growth**



Drivers looking for tires **increased 11% YoY**

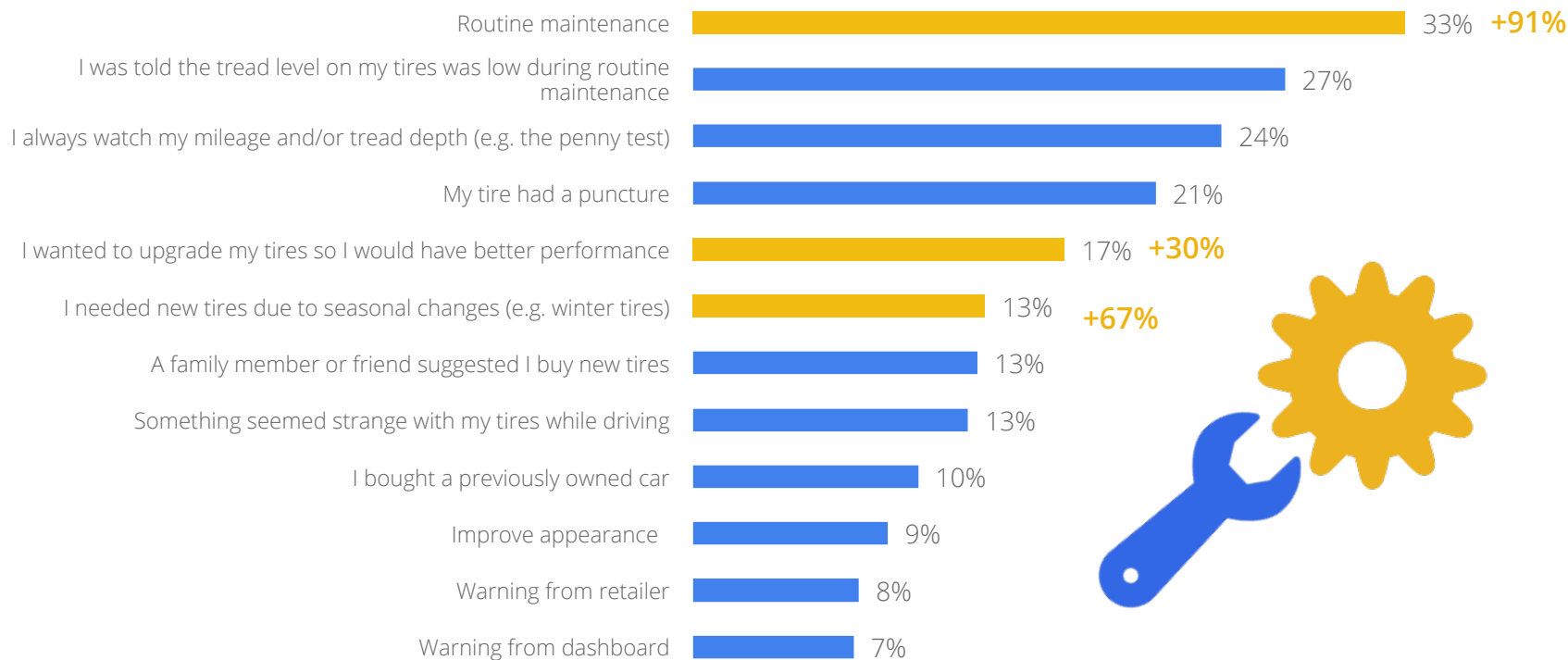
UNIQUE VISITORS TO TIRE CATEGORIES





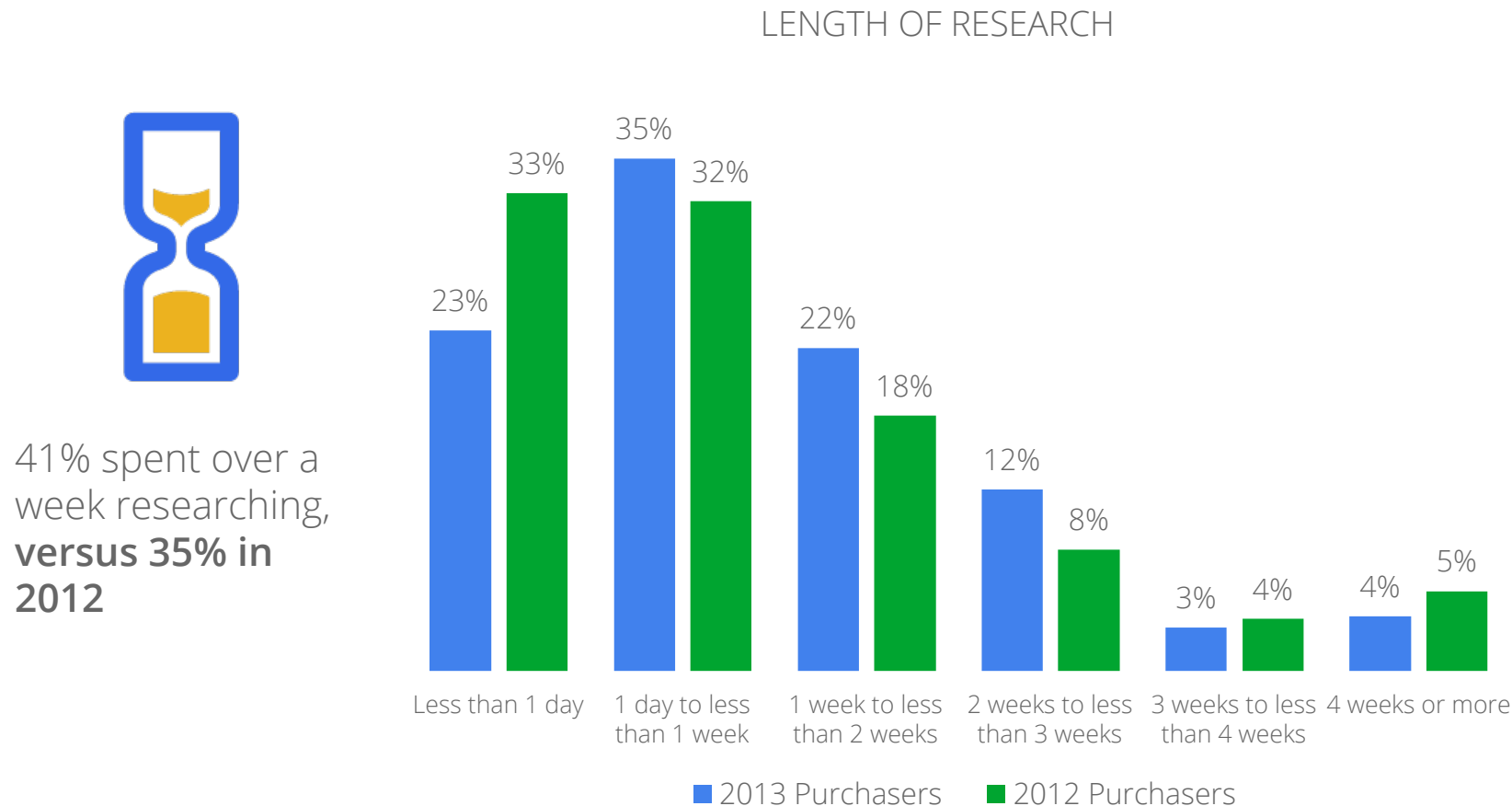
Tire buyers are **more proactive**

REASONS FOR PURCHASE





They are spending **more time researching** YoY

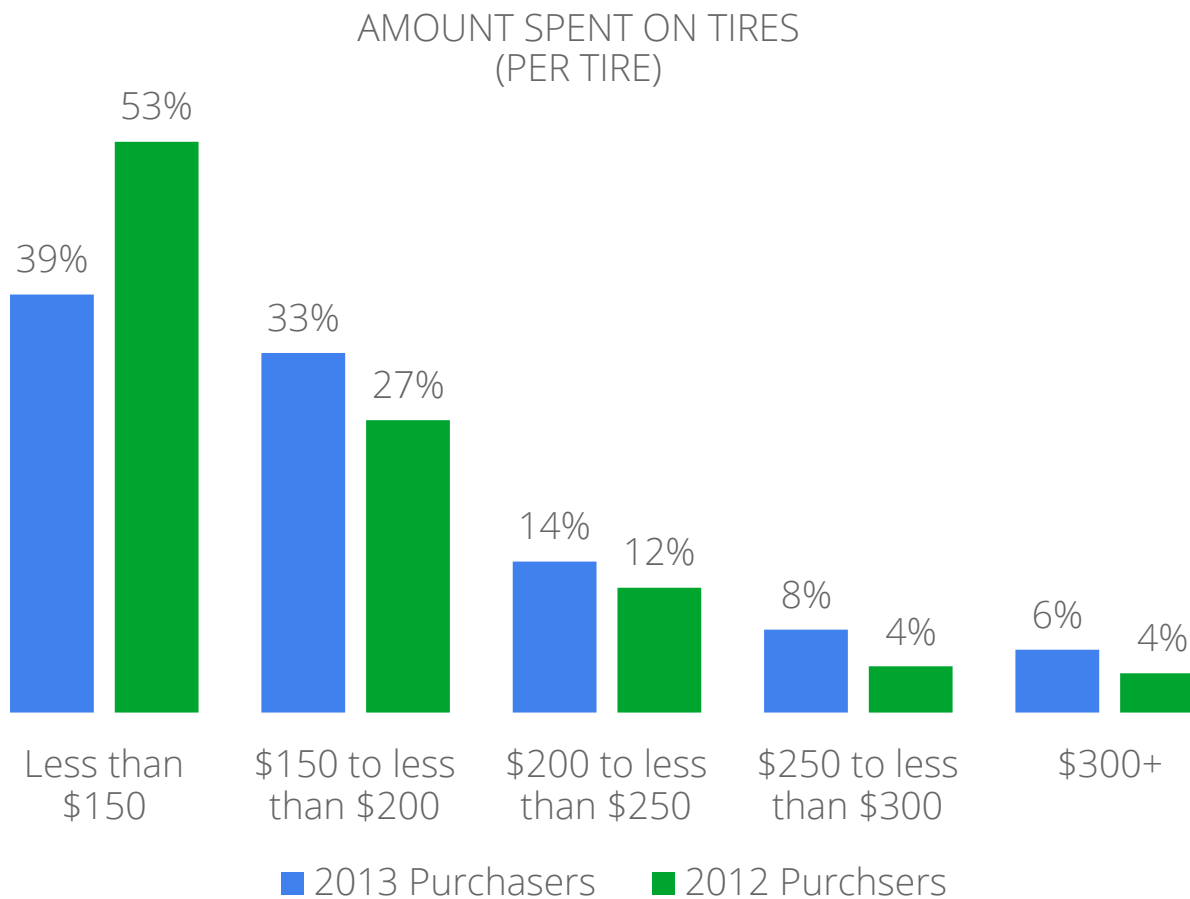




And they're **spending more** per transaction

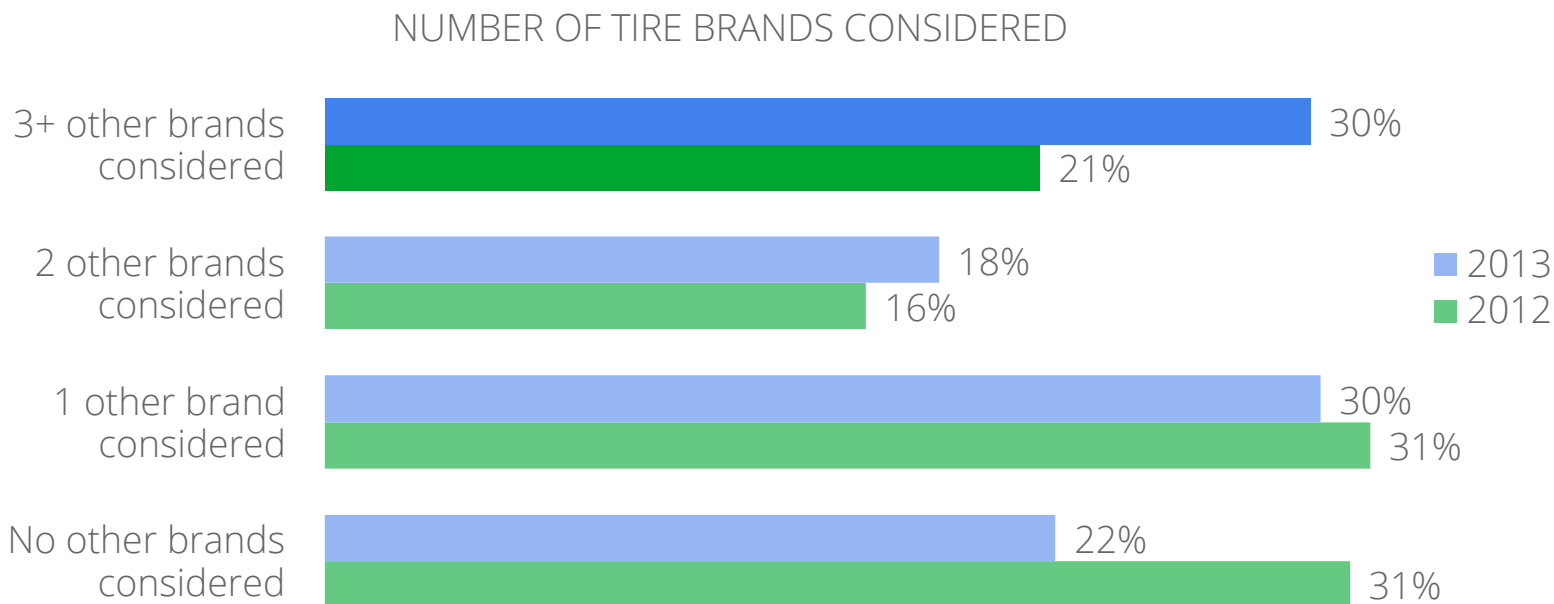


61% spent over
\$150 per tire
**versus 47% in
2012**





They're considering **MORE BRANDS**



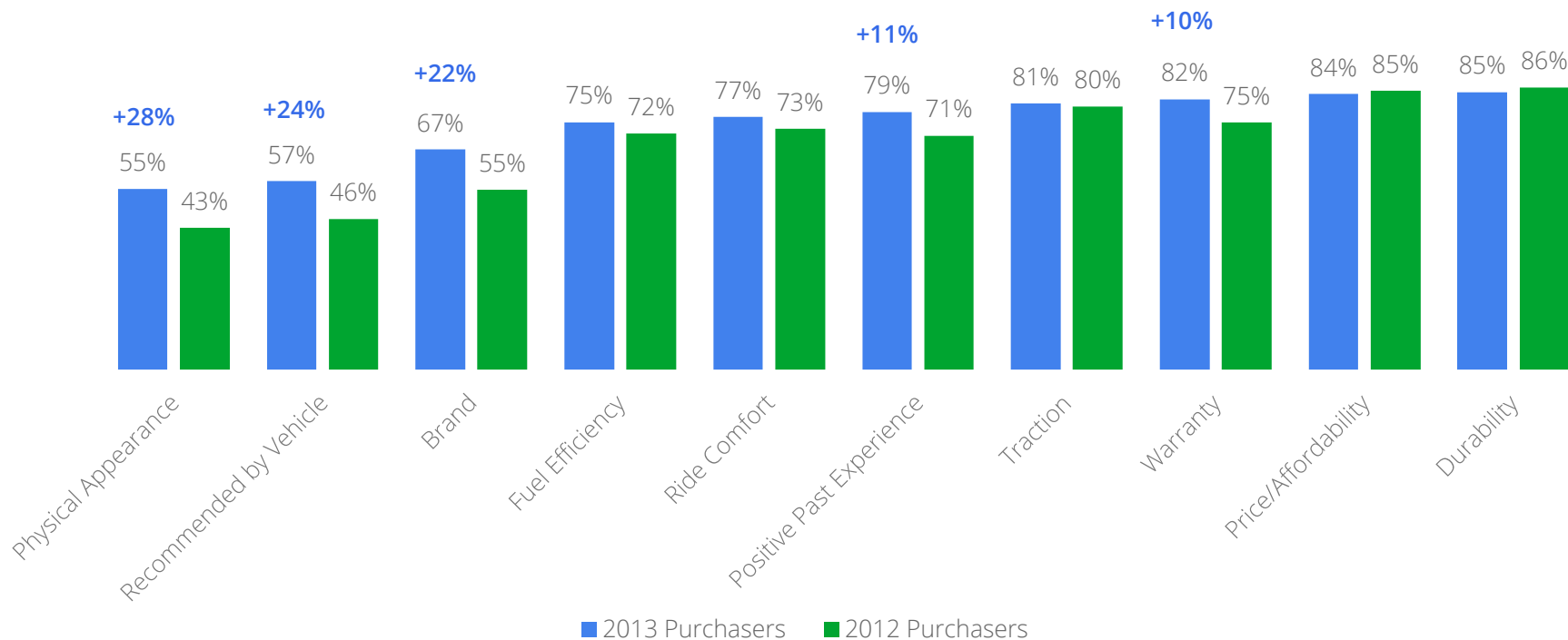
Consumers considering 3+ brands is **up 38% YoY**



BRAND AND REPUTATION

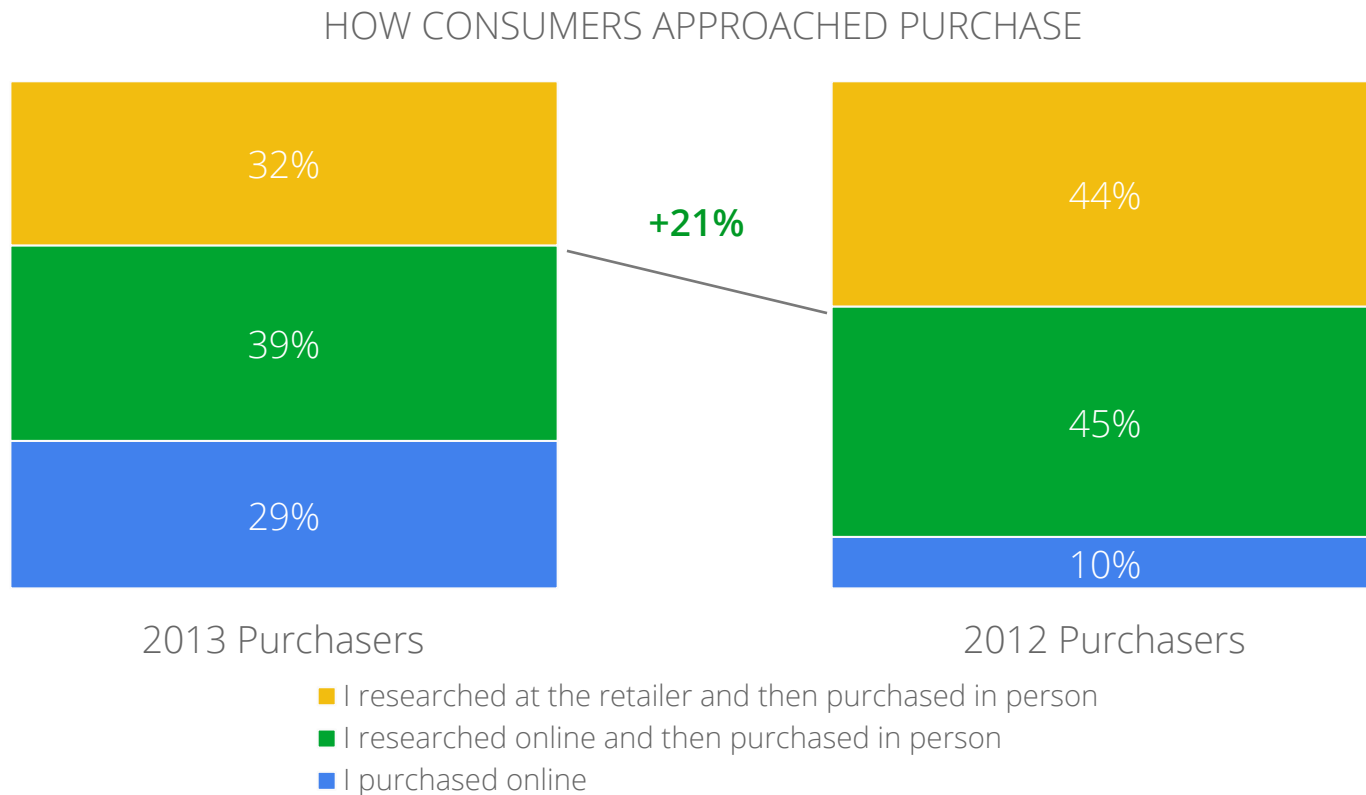
are **increasingly important** in the buying decision

FEATURES IMPORTANT TO TIRE SHOPPERS





Digital is playing an increasing role in tire buyers' decisions

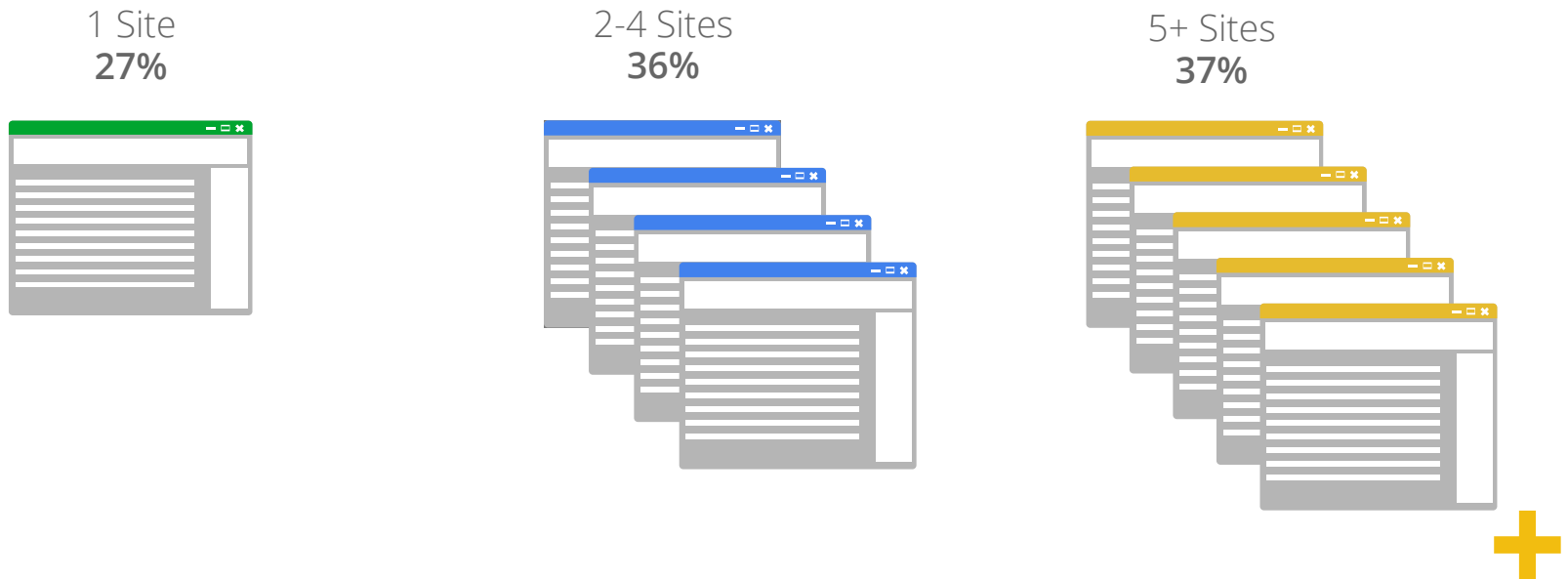


Online usage increased 21% YoY, **driven by online purchases**, which have grown 3x



Tire buyers are casting a **wide digital net**

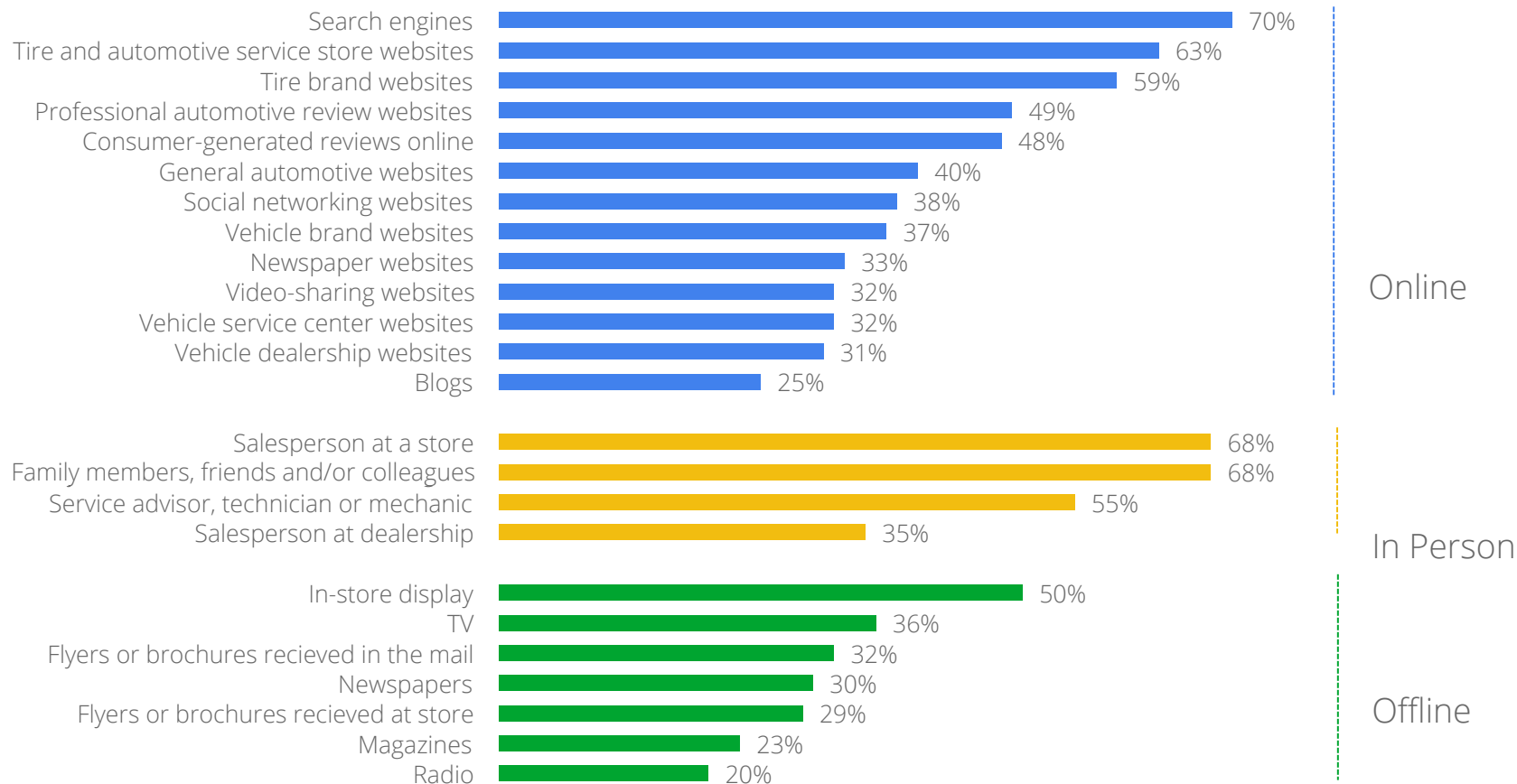
73% of purchasers visited **multiple parts websites** prior to purchase





Search engines are the #1 used research source

SOURCES USED FOR INFORMATION ON TIRES





New tire customers come from **non-brand terms**

DISTRIBUTION OF PAID CLICKS BY CUSTOMER TYPE

■ Prospects ■ Existing customers

Branded terms

44%



56%

Non Branded terms

86%







14%



Non-branded terms are more likely to drive site visits from new drivers than from existing customers.



Non-brand terms drive brand demand, engagement, and sales even when buyers don't click

	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	4x
 Product Views	3x	16x
 Conversions	2x	20x



Mobile research happens **everywhere**

PROACTIVE RESEARCH



57%
Home



17%
Work

REACTIVE RESEARCH



13%
Service center



13%
While stranded

SHOWROOMING UP UNTIL PURCHASE



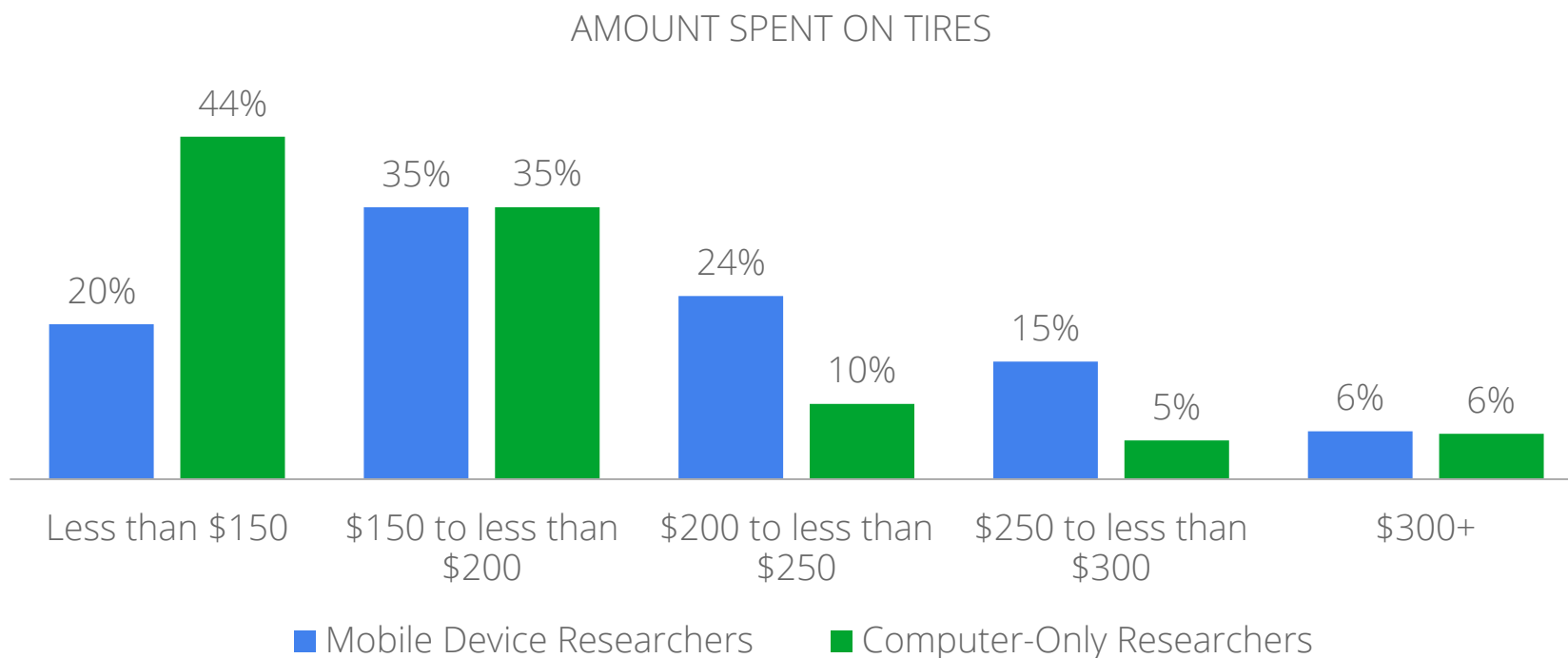
18%
In line



16%
At a tire store



Mobile researchers **spend more** on tires

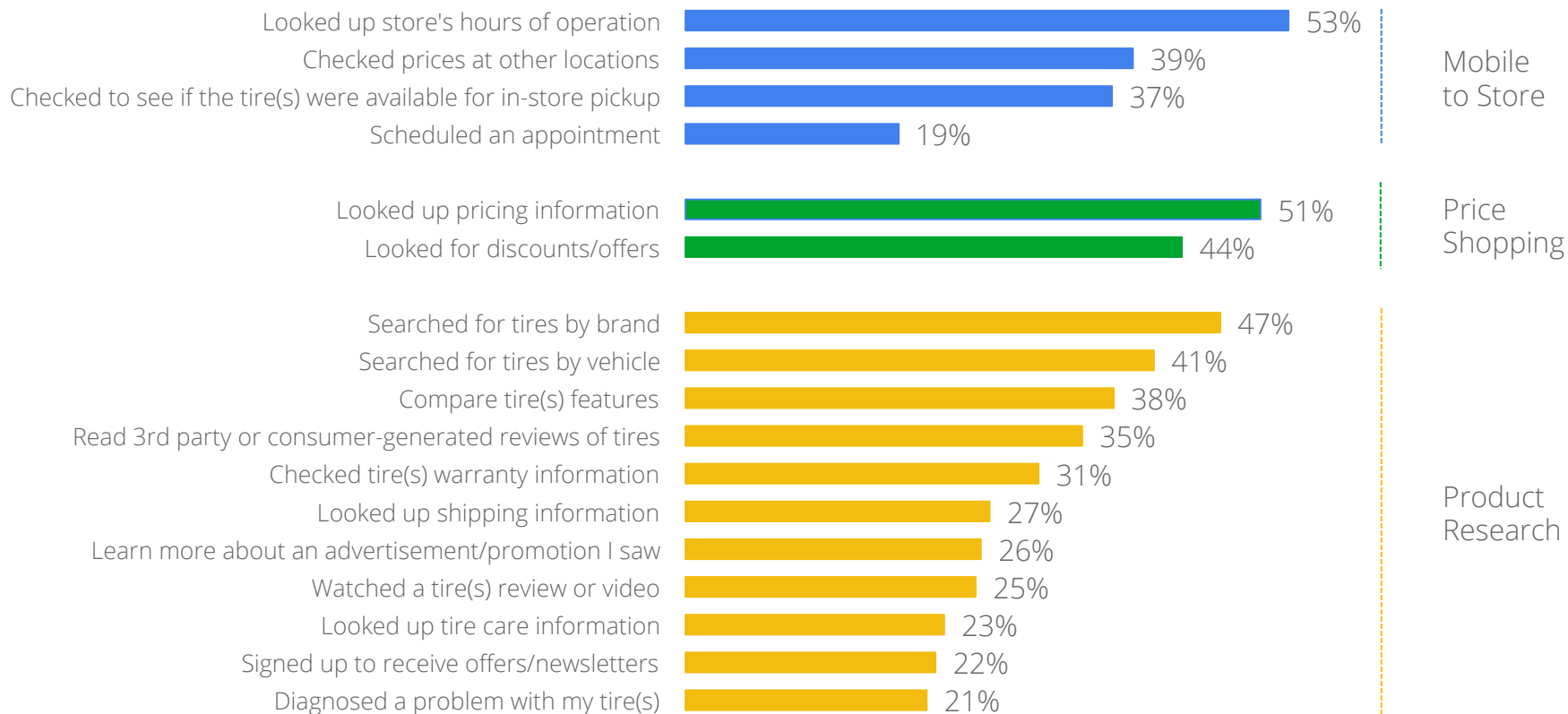


45% **mobile researchers** spent over \$200 on tires, versus only 21% for computer-only researchers.



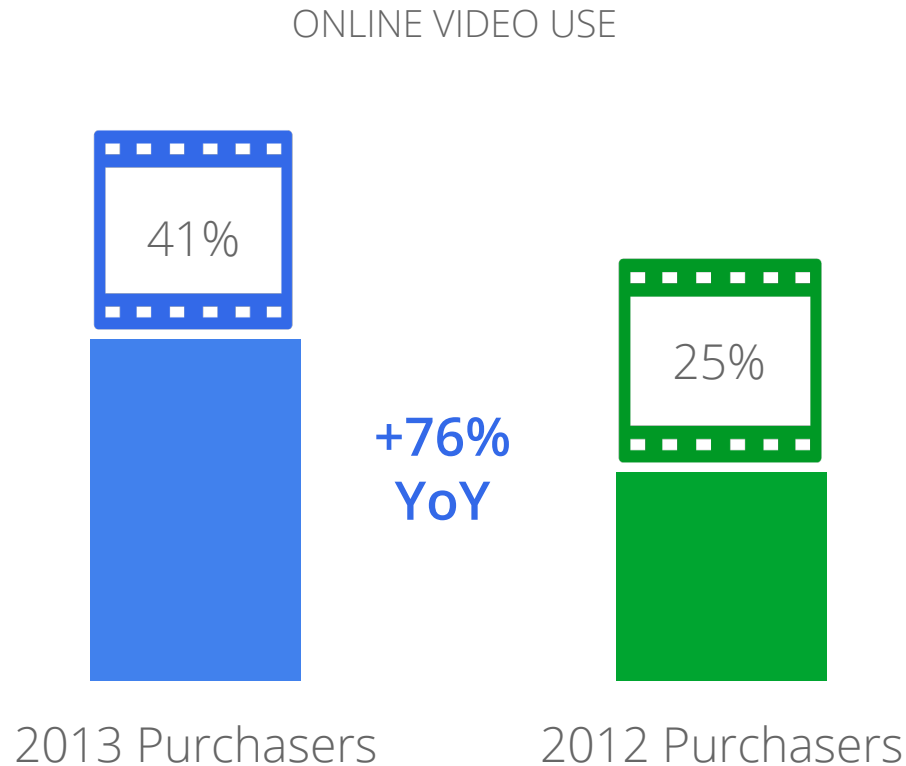
They're **price shopping**, driving **in-store** purchases and **researching** products

ACTIVITIES CONDUCTED ON MOBILE DEVICES



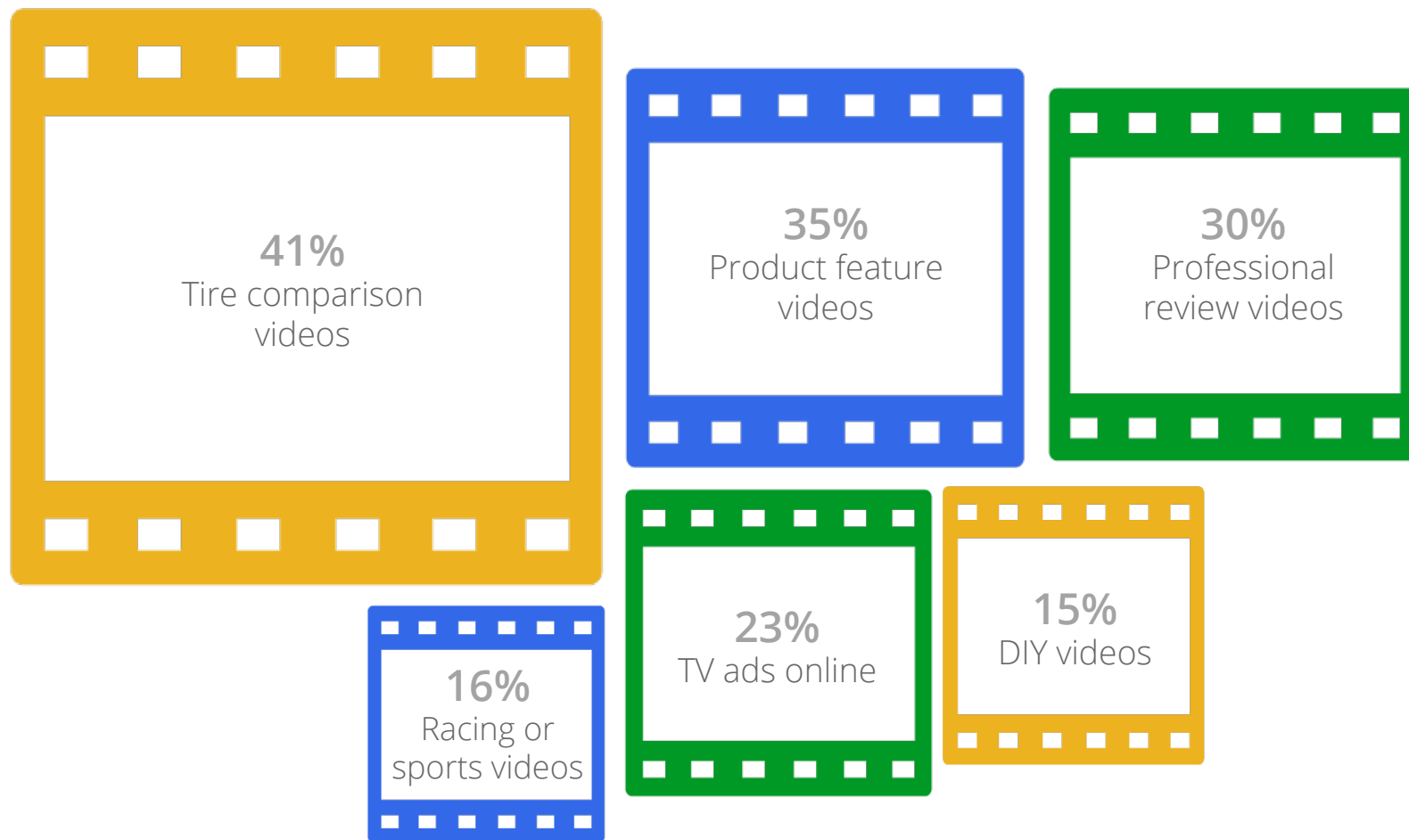


Almost half of tire buyers use **online video** when researching tires





What are tire buyers **watching**?





Online videos drive **brand awareness and action**

new 61%

Watching online video
introduced the driver to
new tire brands



31%

Visited a tire retailer or
store website



30%

Went to a retailer that
sells tires



27%

Purchased tires



Tire video research is **on the rise** and **here to stay**

78%

of video
**researchers plan
to watch tire
videos** the next
time they shop for
tires



WHAT THIS MEANS FOR MARKETERS



Connect throughout the research process

Today's tire buyer is doing more research and considering more brands, so you need to have an always-on presence as they cast that wide digital net.



Gain consideration

Tire retailers and brands can get in the consideration set with paid non-category search terms to drive new customers and demand.



Reach them across screens

Ensure that you are reaching this constantly connected audience at all points, from proactive research at home to price checking in the store.



Drive deep engagement

Tire buyers are turning to online video before purchasing, so provide them with relevant content.

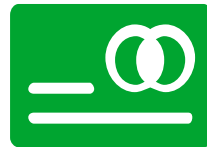
WHAT WE DID

Millward Brown Digital and Google partnered to conduct an online survey using panelists who purchased automotive tires within the past 12 months. Surveys were fielded between September 4 and 10, 2013 (n = 1,657).

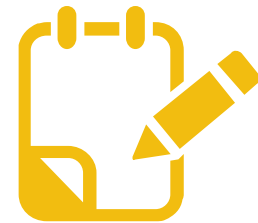
We ran Clickstream purchase analysis for Q3 and Q4 2012 (aggregated).



We **tracked** consumers' online shopping activities to understand shopping and searching patterns.



We **analyzed the behavior of tire converters**, tracking their behavior backward from the point of conversion.



We **surveyed** tire purchasers to understand their shopping behavior.