



Tire Buyers Today

The New Path to Purchase

Compete/Google

U.S., September 2012

Methodology & Key Findings

Methodology

Compete conducted an online survey using panelists who purchased automotive tires within the past six months. Surveys were fielded in August 2012 (N=1,365)

Key Findings

1. Tire purchasers [shop for regular maintenance](#) and just 8% purchase for a particular season. They look for durability, they research on the go, and they buy within a week.
2. 84% purchase in store but 46% of [tire purchases involve digital engagement](#). Top 2 of 3 tire shopping resources are digital.
3. Tire purchasers are typically the decision makers themselves. They are [married, more educated, and skew only slightly male](#) and otherwise look similar to the American population.
4. 72% of tire shoppers are [open to multiple tire brands, retailers or both](#), but tire manufacturers and retailers have relatively low familiarity among shoppers.
5. [Online video is the most useful ad format for tire shoppers](#), and 'purchase' is the most common action resulting from watching tire videos online, but 58% of shoppers aren't aware that you can find tire videos online.

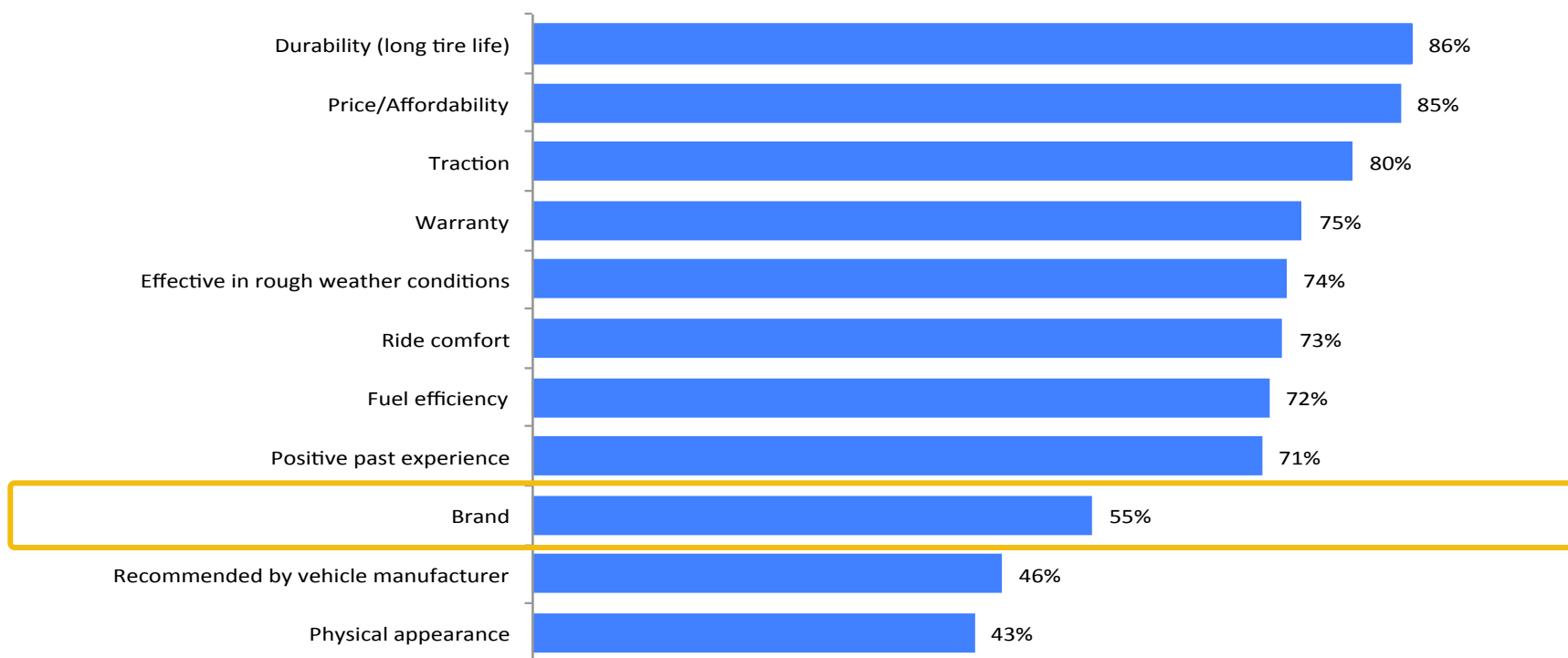
Purchase Overview

Online, In-store

Durability, price most important factors

An opportunity for the industry to improve the perceived value of brands

Importance of Features in Tire Purchase (Top 2 Box Response)



Source: Complete Tire Path to Purchase, September 2012.

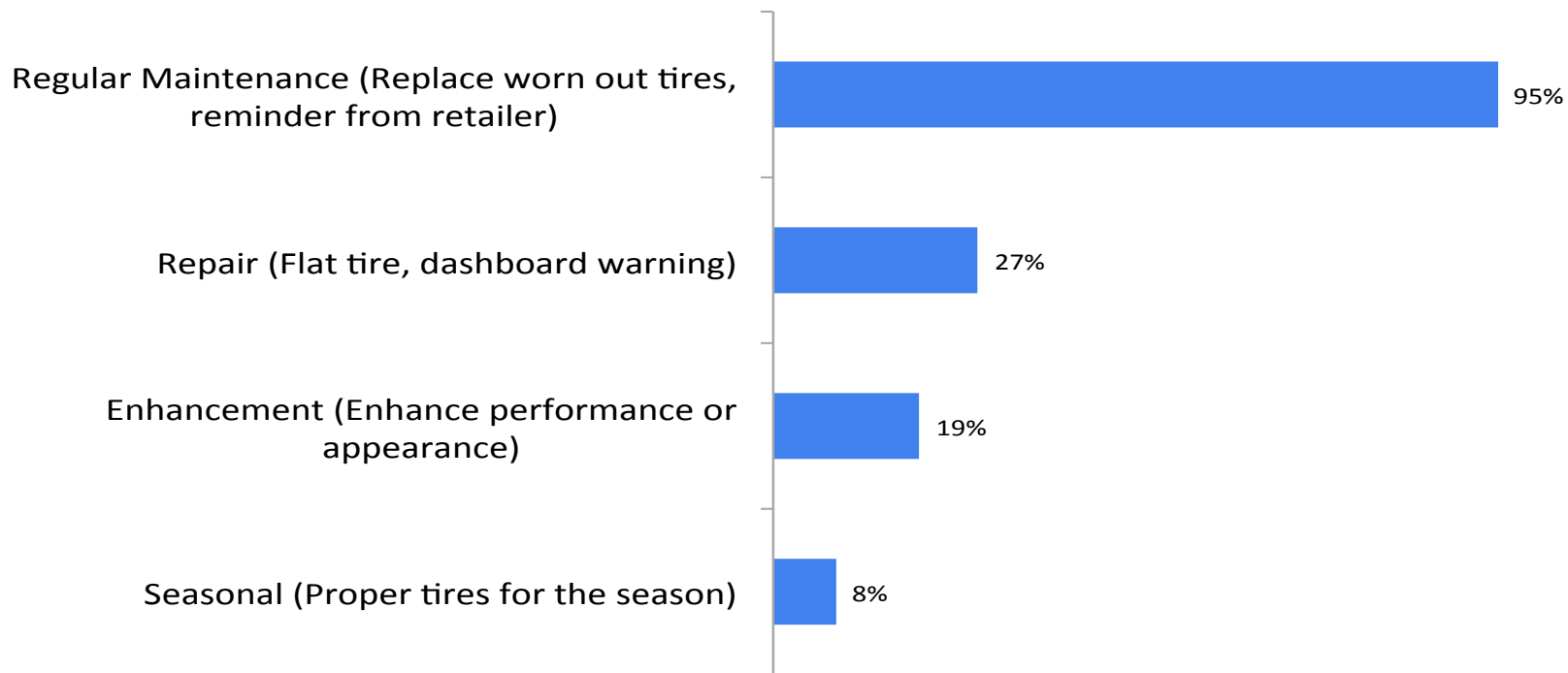
BI1. How important were each of the following features to you when shopping for tire(s)? Please select only one option per feature.

N=1,365

Majority of purchases due to wear and tear

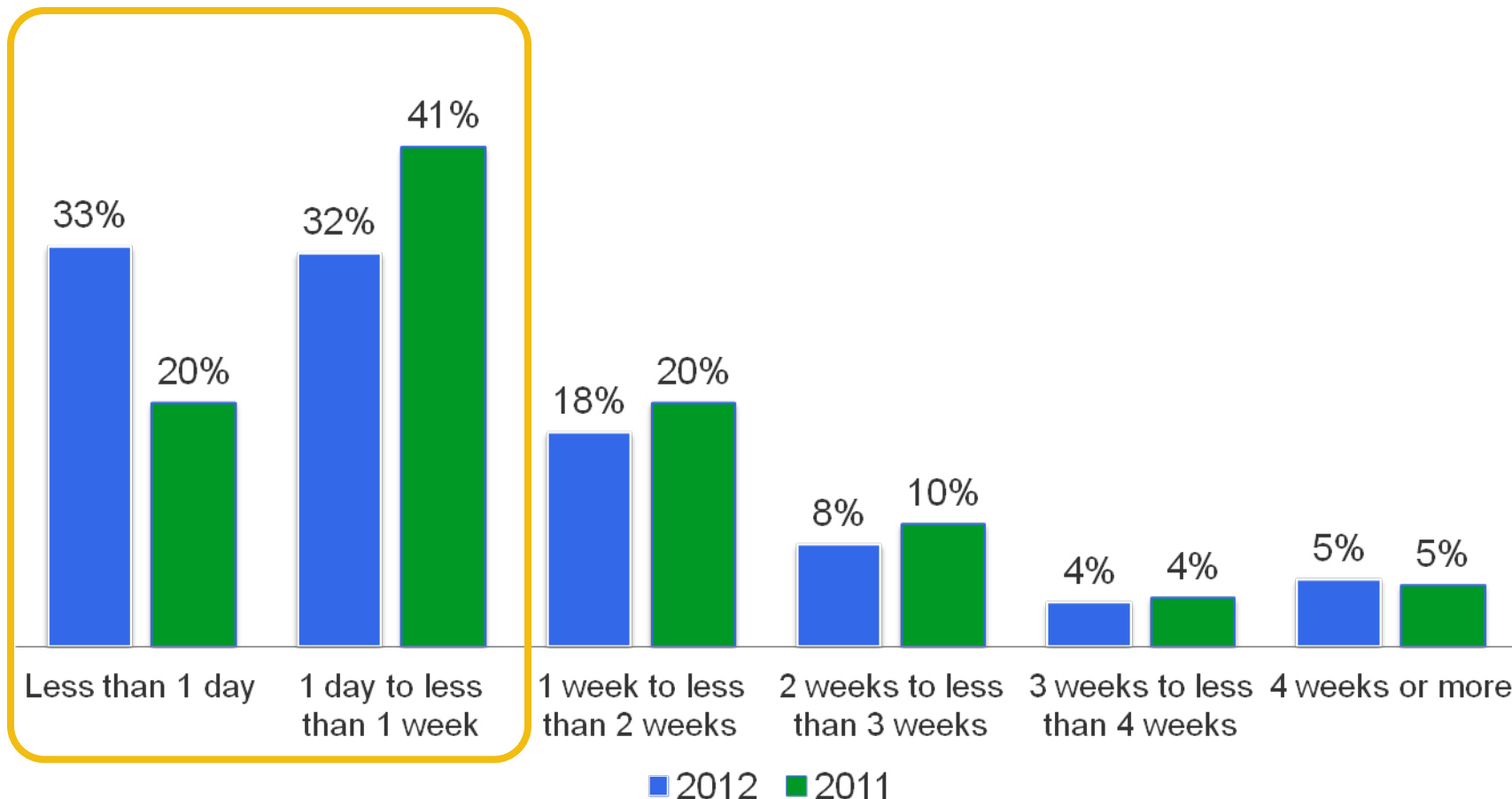
Tire purchasers confirm that routine replacement more often drives purchase than seasonality

“Why did you purchase these tires?”



Similar Y/Y, most purchase within a week

However, 2012 purchasers are 63% more likely to purchase within a day versus 2011



Source: Complete Tire Path to Purchase, September 2012.

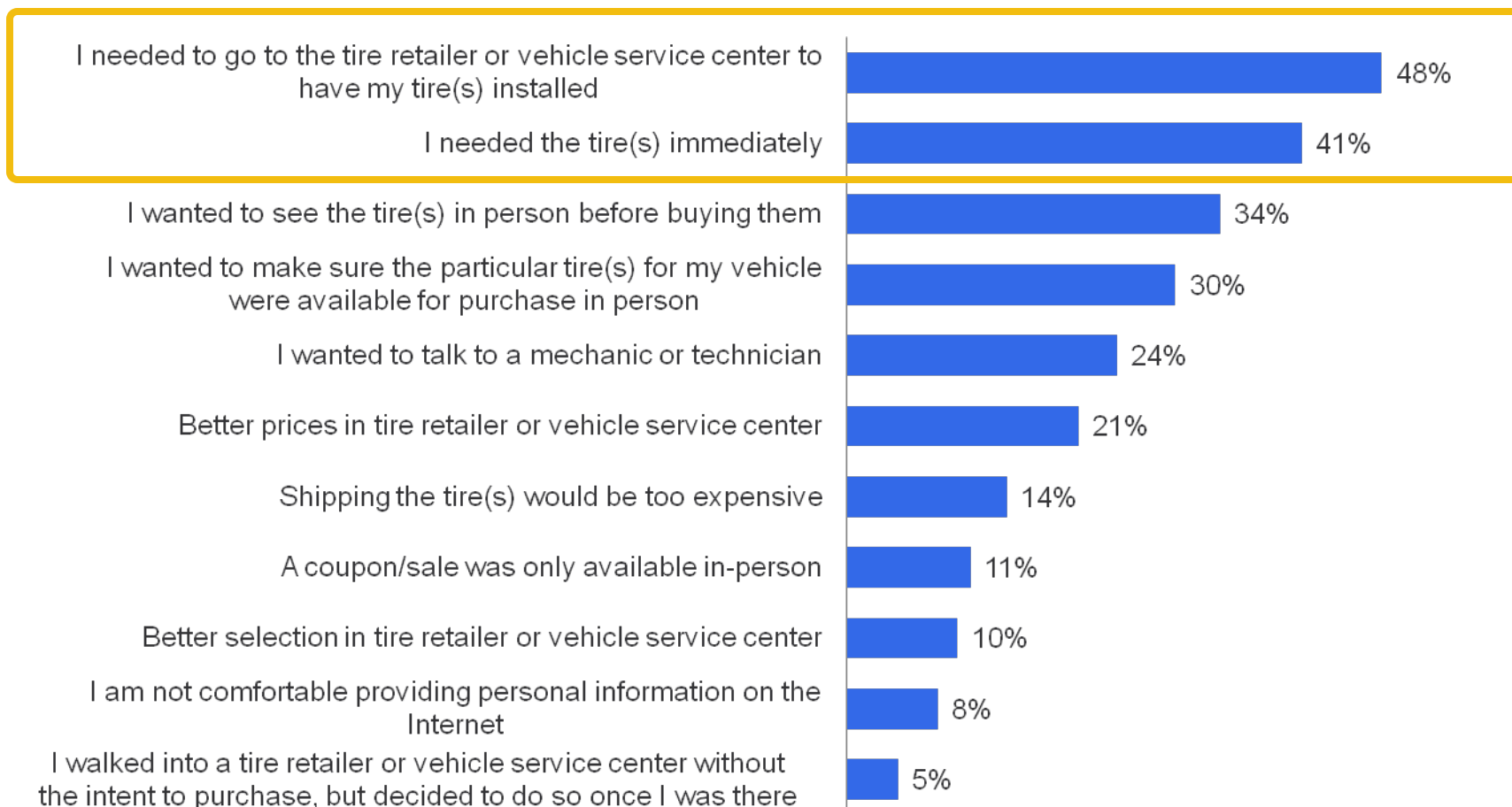
O11. How much time passed from when you first started shopping to when you actually purchased tire(s)? 2012 n=1365

O8. How much time passed from when you first started researching/shopping online to when you actually purchased the item?

2011 n=513

Offline purchasers looking for installation or immediacy

Reasons Why Purchased Offline ...



Source: Compete Tire Path to Purchase, September 2012.

O10. Why is it that you shopped for this/these tire(s) online but purchased in person? N=609

O8. Why did you purchase this/these tire(s) online on your computer rather than in person or by calling a representative? N=226

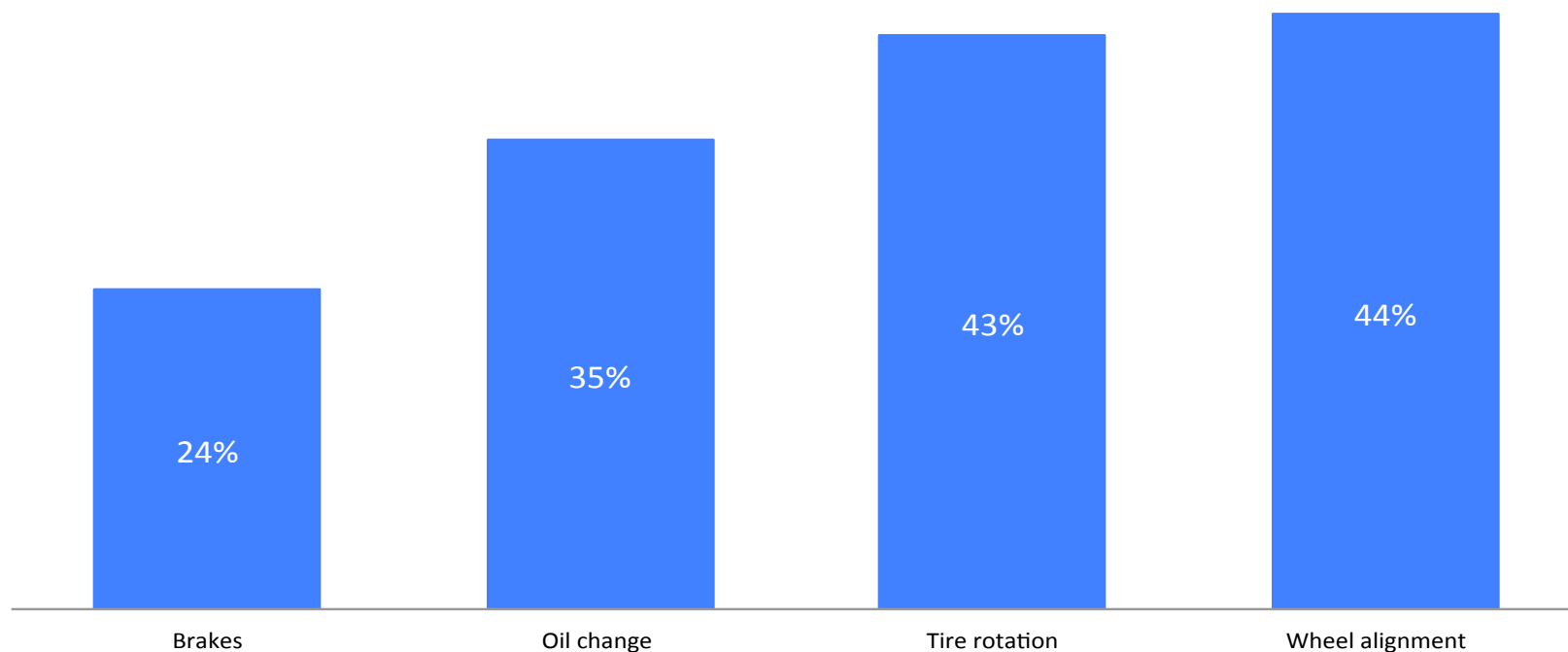
Online purchasers are more price conscious

Reasons Why Purchased Online...



When online buyers enter the store, they add more services
Alignment and tire rotation are most common additional services

Additional Services (Online Tire Buyers Who Have Someone Else Install)



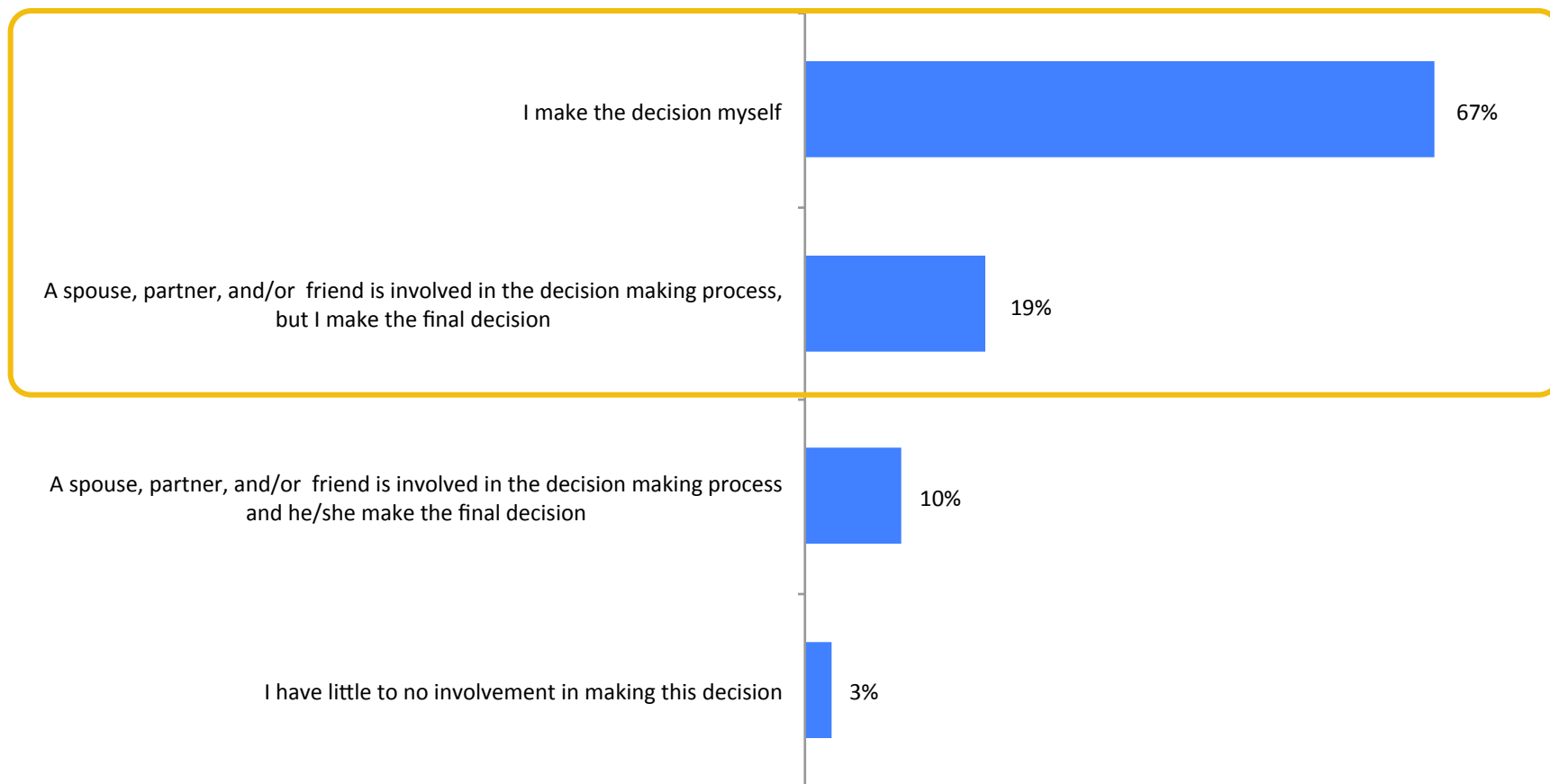
Source: Complete Tire Path to Purchase, September 2012.

Q4. Which of the following other automotive services, if any, did you have performed or are you planning to have performed on your vehicle when you purchase(d) the tire(s)? N=150, Base = Of those who do not perform own tire changes

Who's Buying Tires?

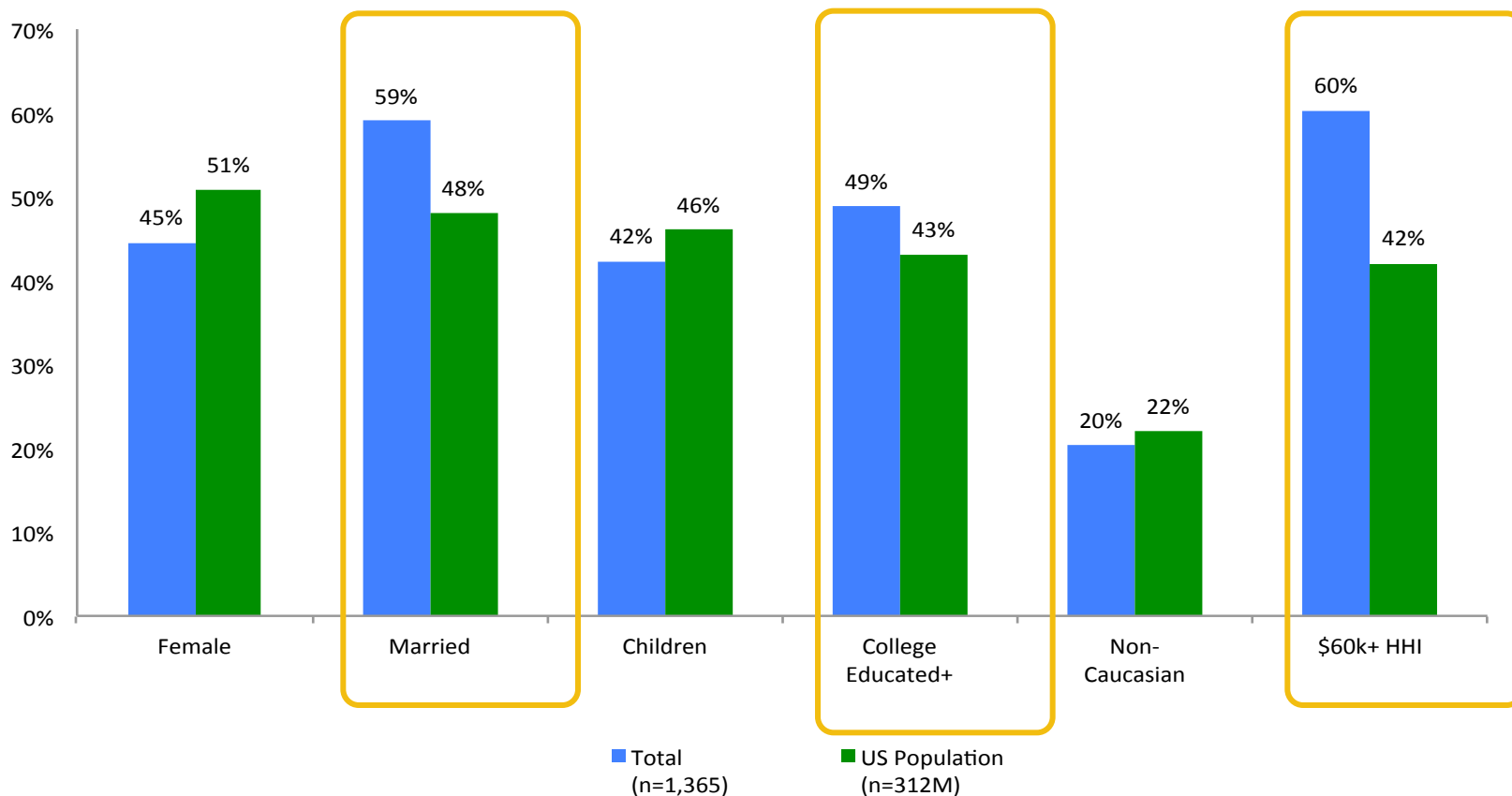
Demographic Overview

87% of purchase decisions are driven by the buyer



Tire buyers are married, more educated

Tire shoppers do not skew as male as we might think



Source: Complete Tire Path to Purchase, September 2012.

D1. What is your gender? Please select one answer only. D2. What is your marital status? Please select one answer only. D3. How many children under the age of 18 currently live in your household? Please select one answer only. D4. What is the highest level of education you have completed? Please select one answer only. D5. What is your annual household income before taxes? Please select one answer only. D6. Which of the following best describes your race or ethnic background? Please select one answer only. N= 1,365

The middle income male tire buyer

Accounting for 8% of tire purchasers this is the largest demographic segment of purchasers with common gender, age and HHI bracket

Quick Facts:

- Gen X, Male, with Annual Household Income of \$60-\$99,999
- 72% are married
- 62% have at least one child
- 60% have graduated with a 4 year college degree or higher, 84% of whom hold a college degree only



The upwardly mobile female tire buyer

Accounting for 6% of tire purchasers this is the second largest demographic segment of purchasers with common gender, age and HHI bracket

Quick Facts:

- Gen X, Female, with Annual Household Income of \$60-\$99,999
- 72% are married
- 57% have at least one child
- Interestingly, only 37% have graduated with a 4 year college degree or higher – 50% have attended some college and/or have an Associate's degree



Affluent male tire buyer

Accounting for 5% of tire purchasers this is the third largest demographic segment of purchasers with common gender, age and HHI bracket



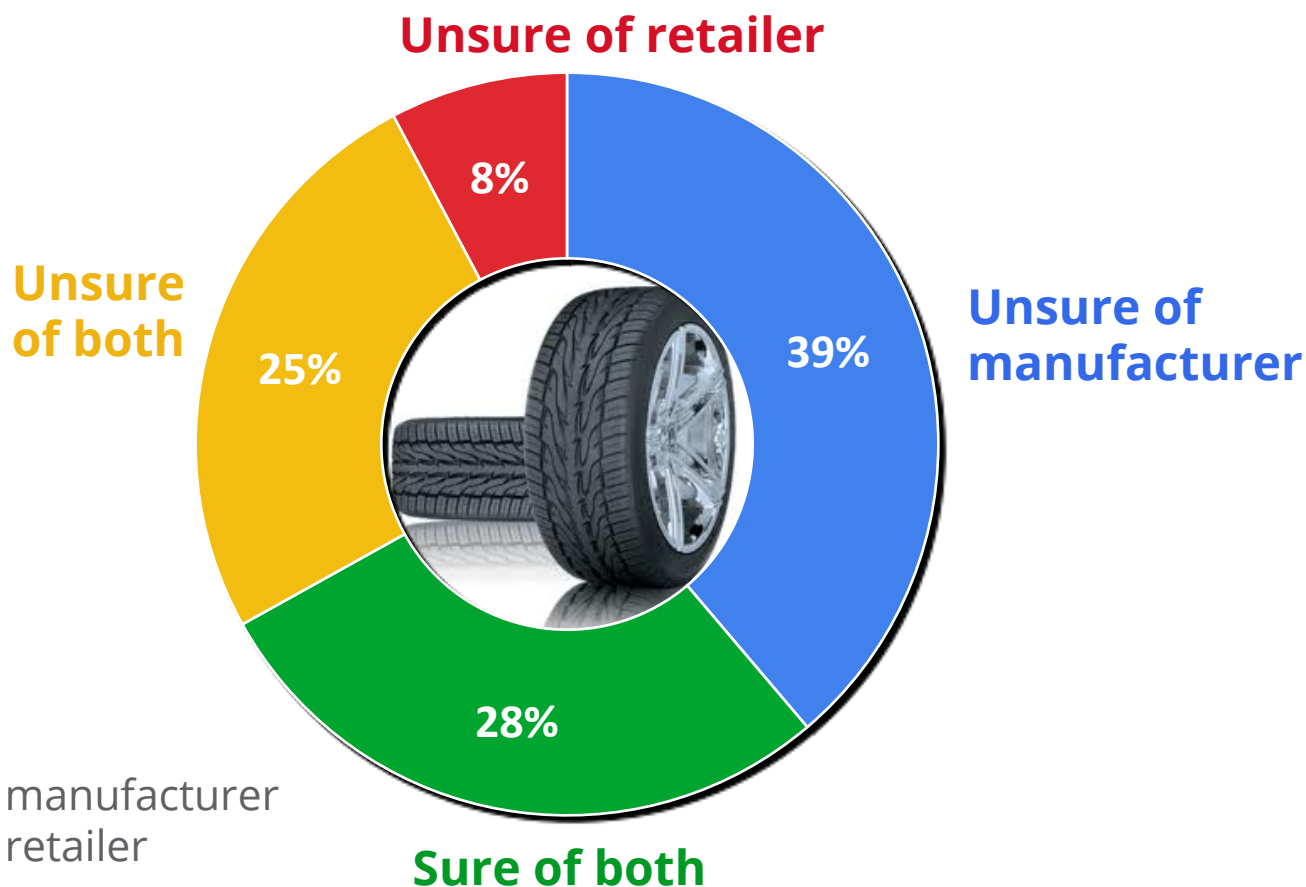
Quick Facts:

- Gen X, Male, with Annual Household Income of \$100-\$149,999
- 83% are married
- 55% have at least one child
- 75% have graduated with a 4 year college degree or higher, with over half of those holding a Master's or Doctorate degree

Purchase Influencers

Research Tools, Moments That Matter

72% are open to multiple manufacturers, retailers, or both



64% unsure of manufacturer
33% unsure of retailer

Source: Compete Tire Path to Purchase, September 2012.

BI7. Thinking back to when you first started shopping for tire(s), which one the following statements best describes your approach regarding selecting a retailer (e.g. Pep Boys, Belle Tire, etc.) and brand/manufacturer (e.g. Goodyear, Michelin)? N=1,365 BI6. Was this the first time you ever purchased a/an <BI2%> tire(s)? Please select only one answer only. N=1,184

46% of purchases involve online engagement

Research and Purchase Channel

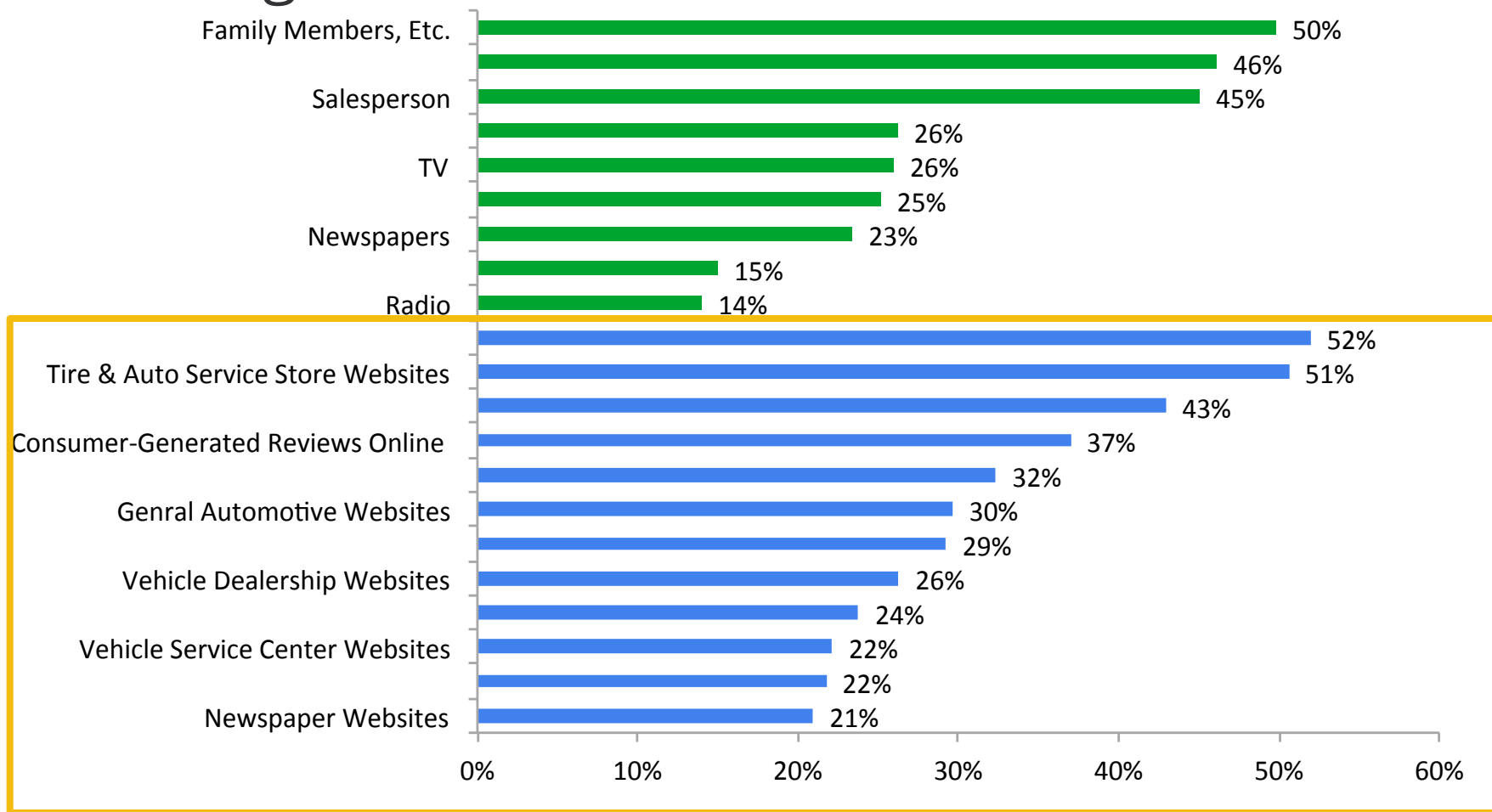


Source: Complete Tire Path to Purchase, September 2012.

C1. Which of the following best describes how you approached your most recent tire(s) purchase? Please select one answer only.

N=1,365

Digital sources are the most common tools for selecting tires



Source: Complete Tire Path to Purchase, September 2012.

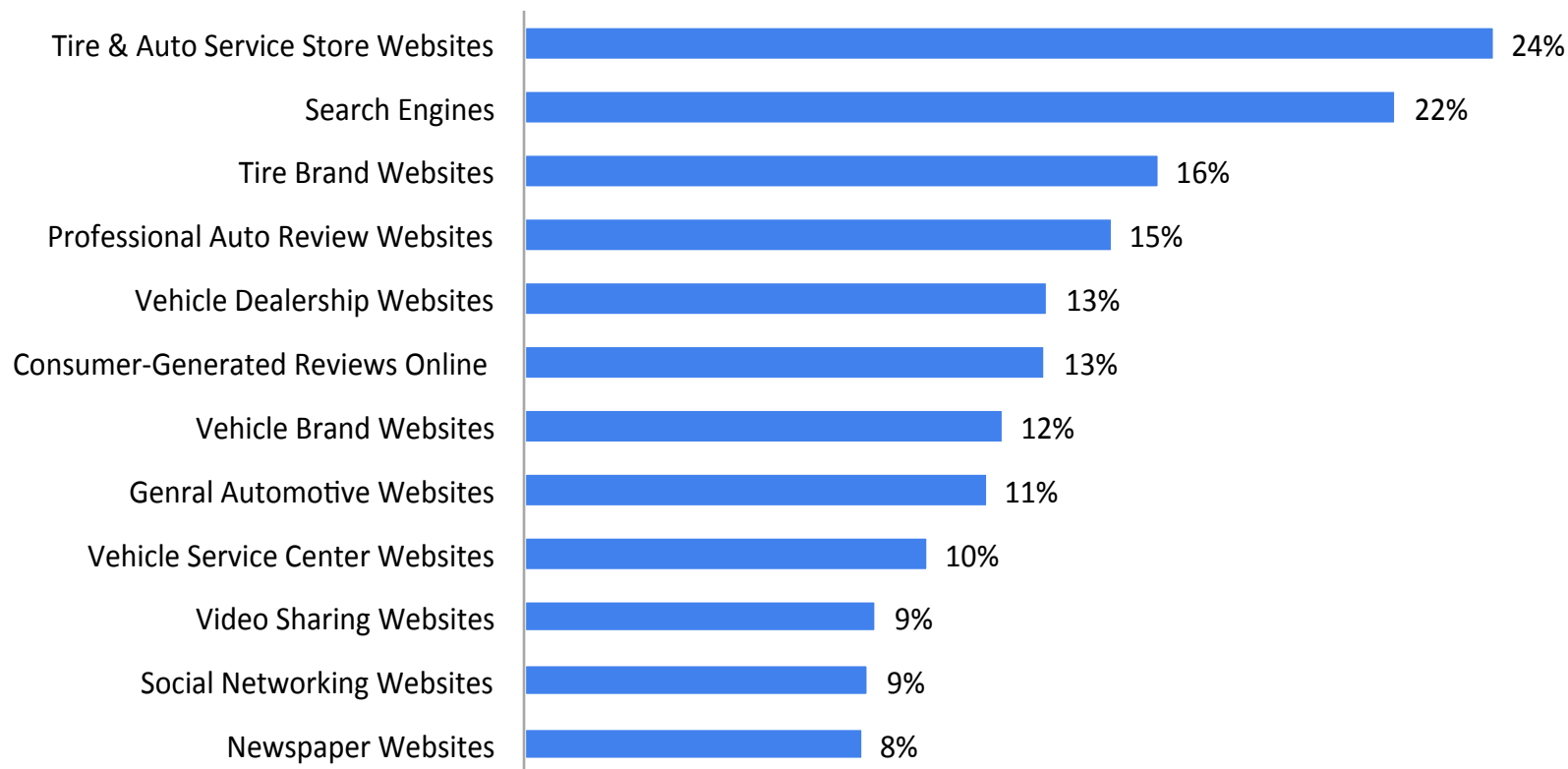
RT1. Which of the following sources, if any, did you use to look for information on tire(s) using these types of devices? N=1365 (Computer+Mobile+Tablet)

RT2. Besides the Internet, which of the following sources, if any, did you use to look for information about tire(s)? N=1365

Your website leads as a key purchase influencer

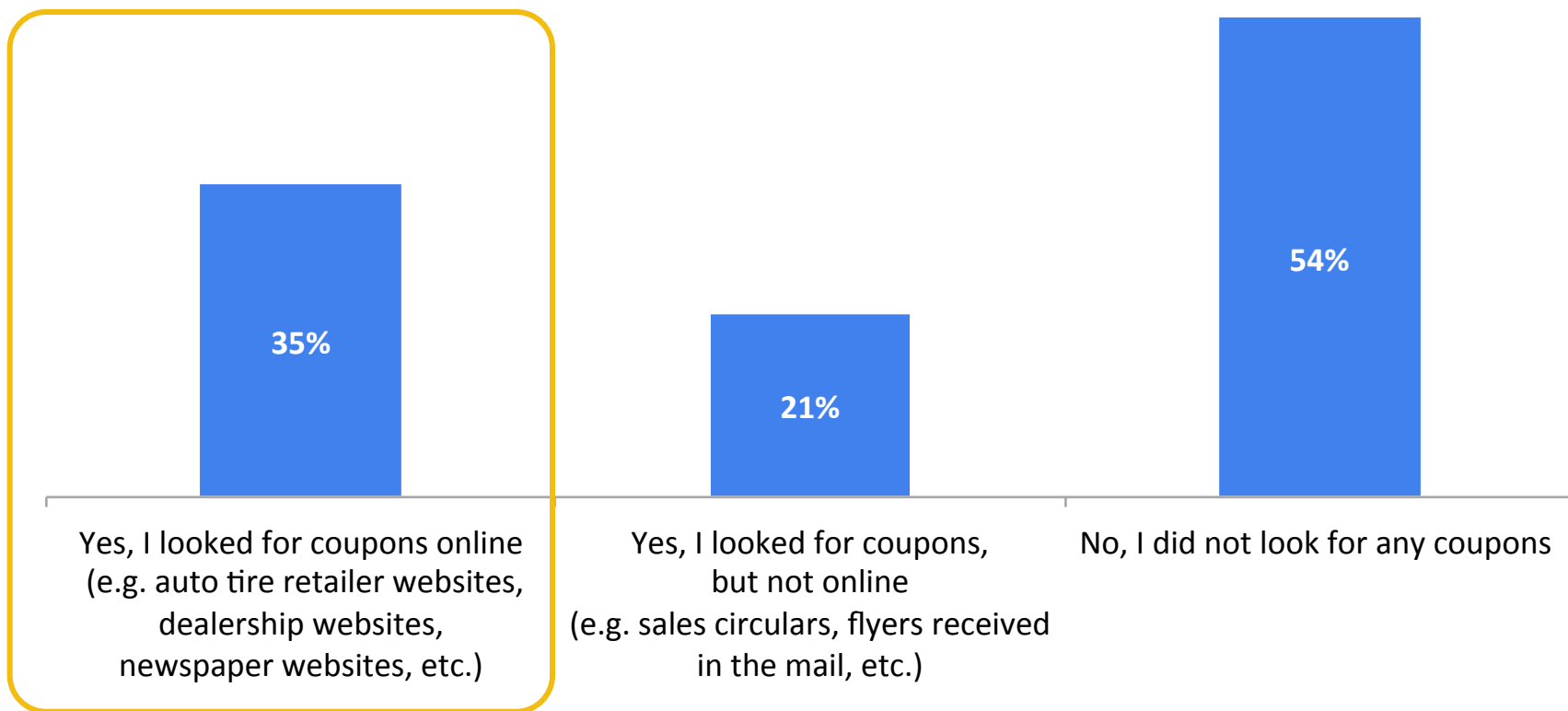
Search engines and product store websites are top digital sources for tire brand choice

Top Digital Sources That Help Consumers Decide Which Tire Brand to Purchase



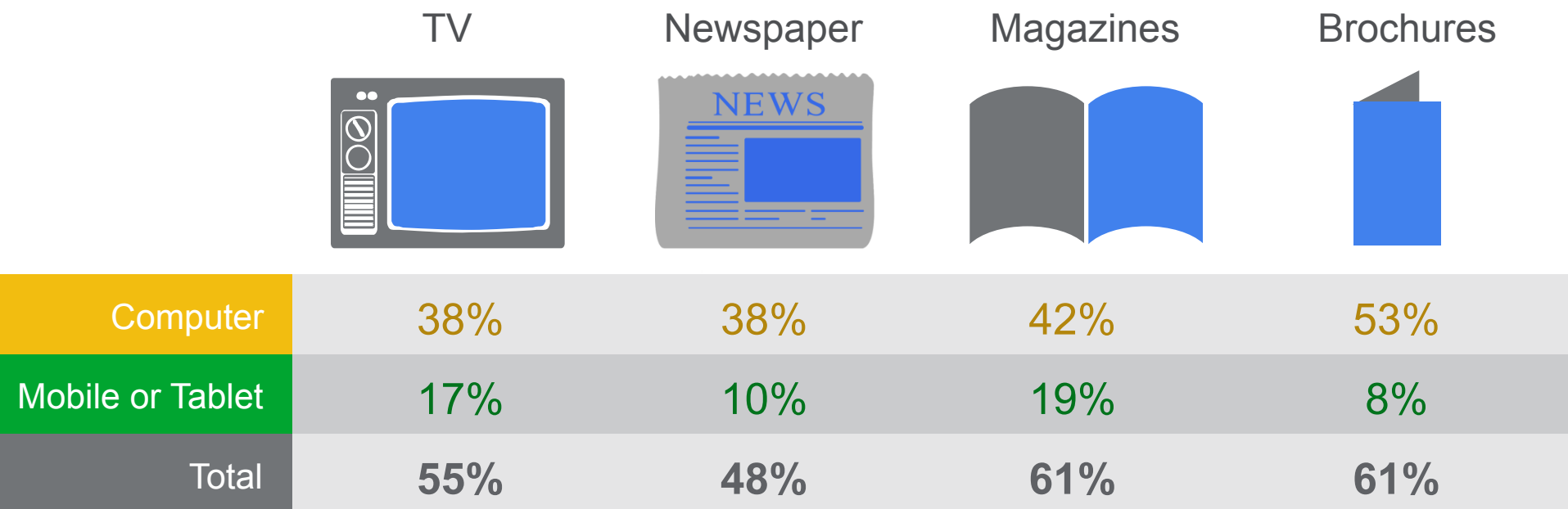
56% of tire shoppers coupon, and most clip online

Did you look for any coupons while shopping?



Half or more will seek out your brand online following offline exposure

After viewing the following types of ads, which device did you use to research if any?



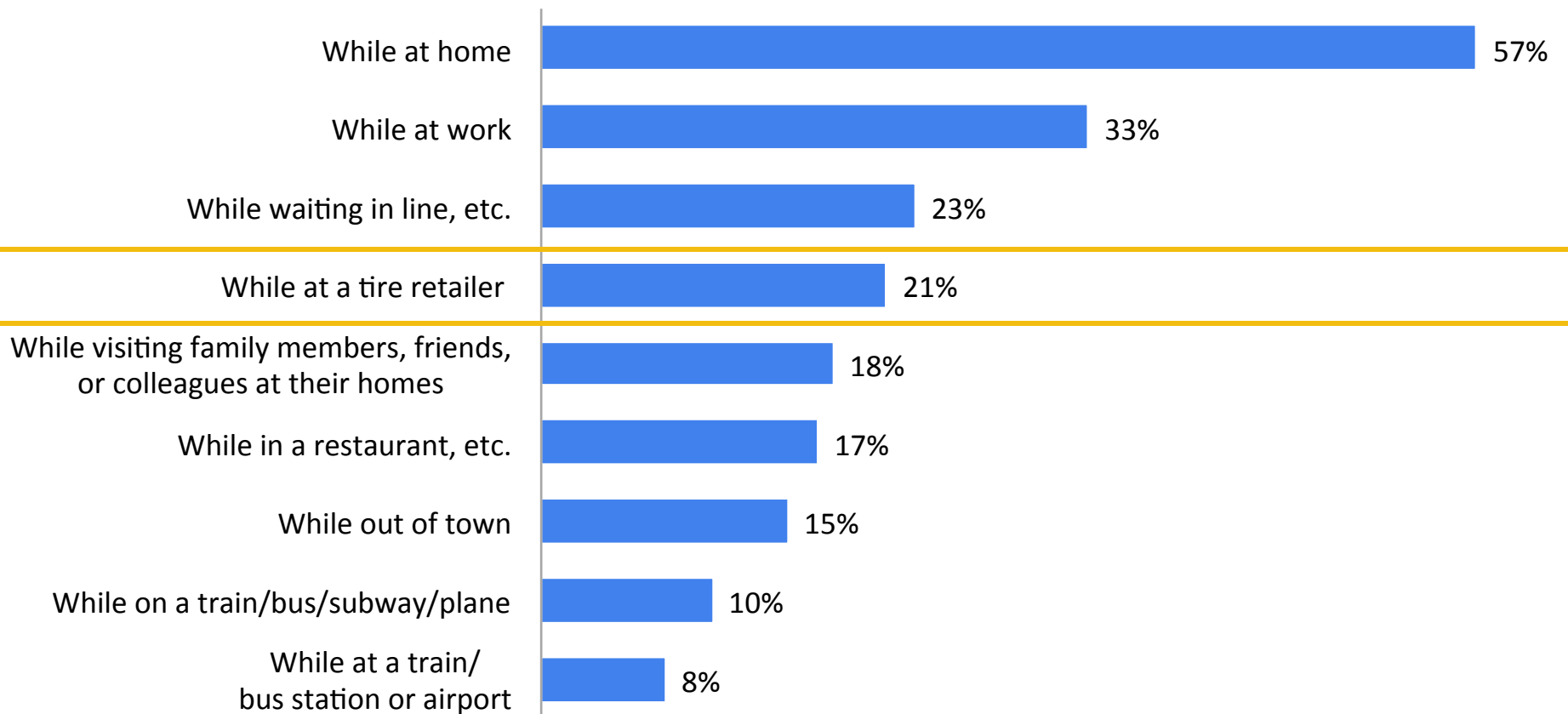
Source: Complete Tire Path to Purchase, September 2012.

MI4. Thinking about the last time you saw or heard each of the following types of advertisements, did you then look up the tire(s) advertiser online to get more information? Please only select one option per row. N= varies by resource

Focus on Mobile & Tablet

Multi-screen shopping

1 in 5 mobile users research at the retailer



Source: Complete Tire Path to Purchase, September 2012.

RT12. From which of the following locations did you use your mobile device(s) (e.g., mobile phone and/or tablet) to shop for tire(s)?

N=308

Mobile devices used on the go

Local info and brand/ price comparison are common mobile research activities



Source: Compete Tire Path to Purchase, September 2012.

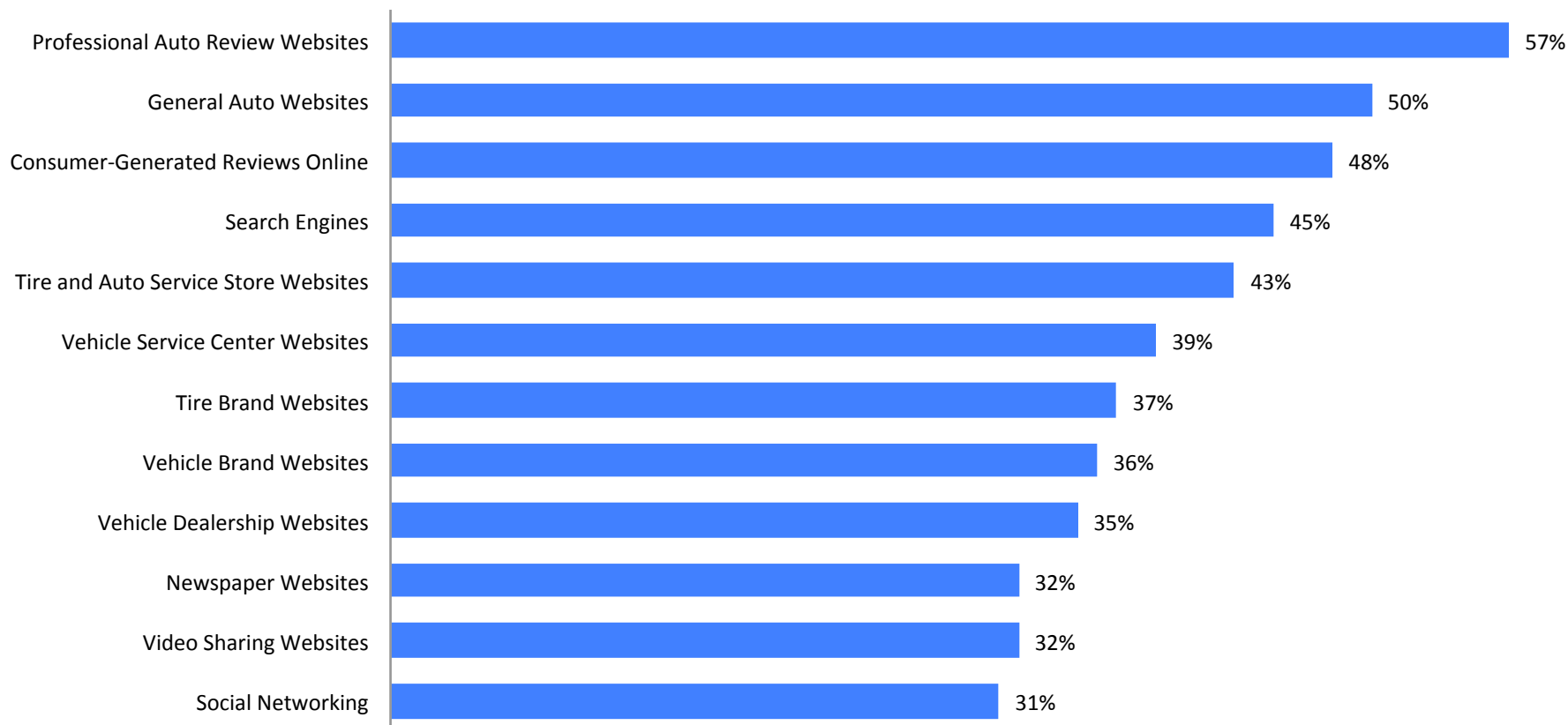
RT10. Which of the following, if any, did you do on your mobile device (e.g., tablet and/or mobile phone) while shopping for tire(s)?

N=308

Mobile research widens a shopper's consideration Set

Digital Sources Used on Mobile Devices

“Discover brands I wasn’t aware of OR Learn more about brands that I hadn’t considered”



Source: Complete Tire Path to Purchase, September 2012.

RT7. How did each of the following source(s) help you while you shopped for tire(s) on your mobile device (e.g., tablet and/or mobile phone)? N = varies by brand. *Only included those responses that widen consideration set: 1) Discover brands I wasn't aware of and 2) Learn more about brands I was aware of but hadn't previously considered.

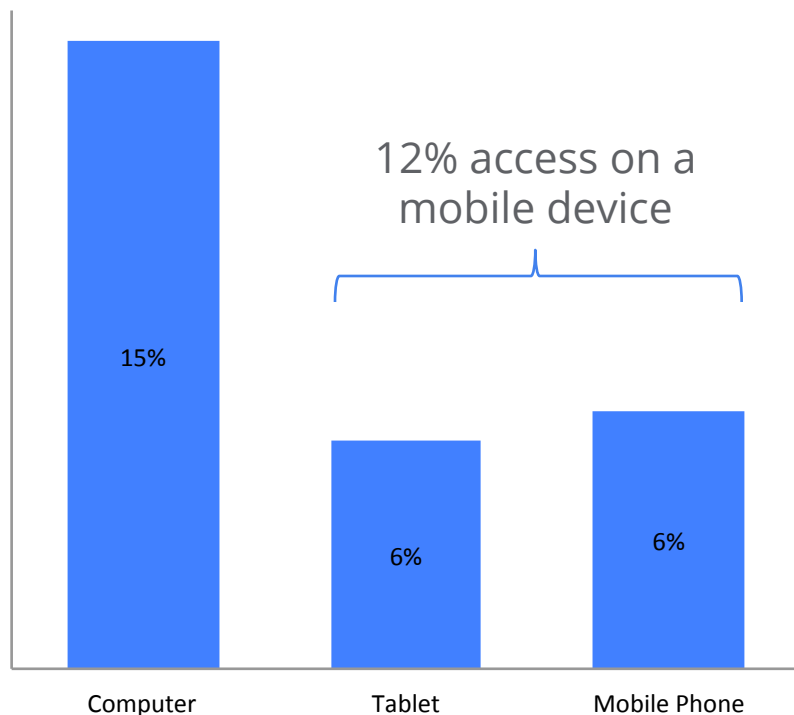
Online Video

Multi-screen Shopping

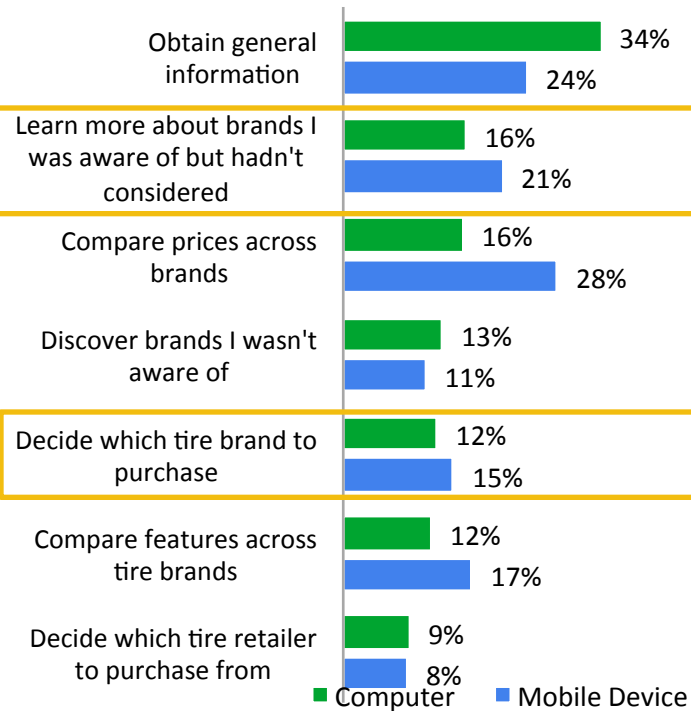
Mobile video research almost as likely as research on a computer

Comparison activities are more likely to occur on a mobile device

Video Site Accessed On...



Video Sources Help Tire Shoppers...



Source: Complete Tire Path to Purchase, September 2012.

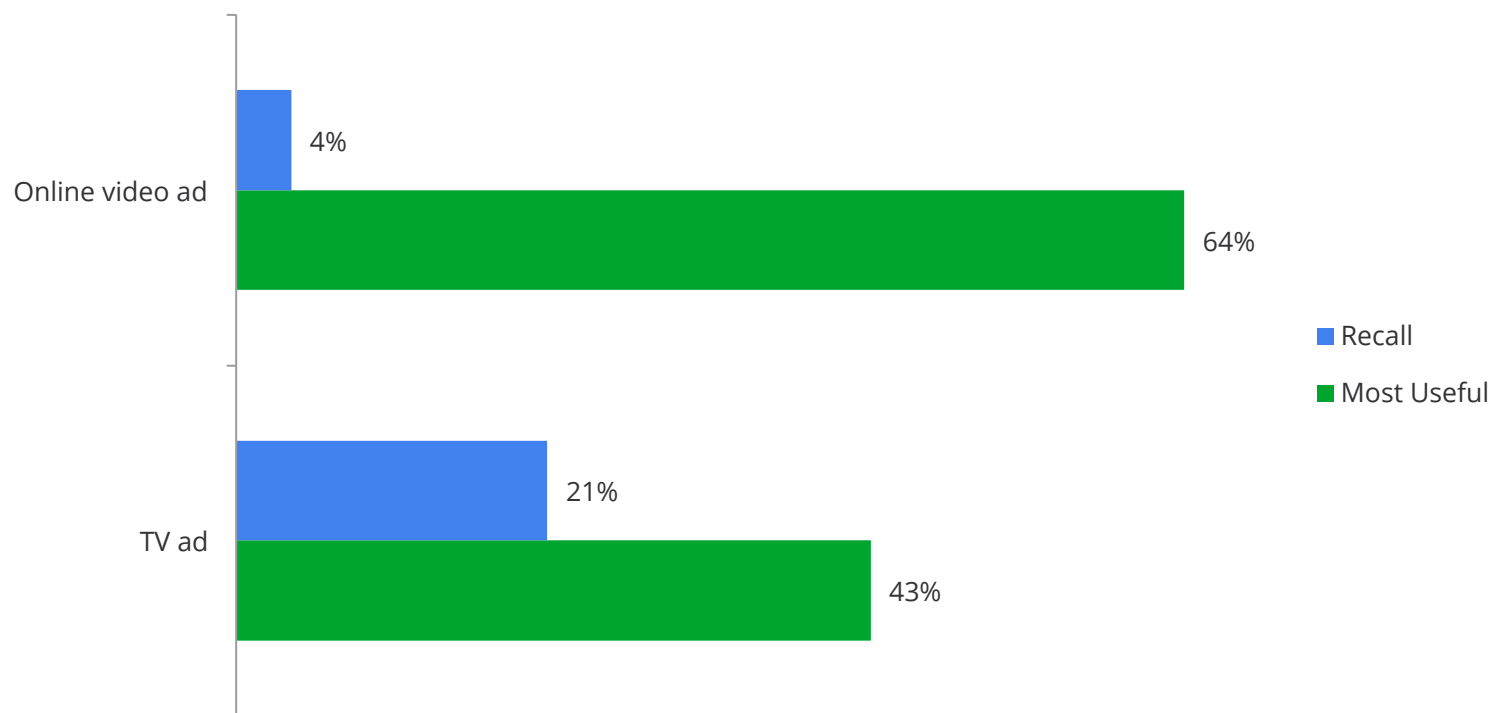
RT1. Which of the following sources, if any, did you use to look for information on tire(s) using these types of devices? N=1365

RT7. How did each of the following source(s) help you while you shopped for tire(s) on your mobile device? N=143.

RT6. How did each of the following source(s) help you while you shopped for tire(s) on your computer? N=208

Online video identified as most useful ad format for tire shoppers

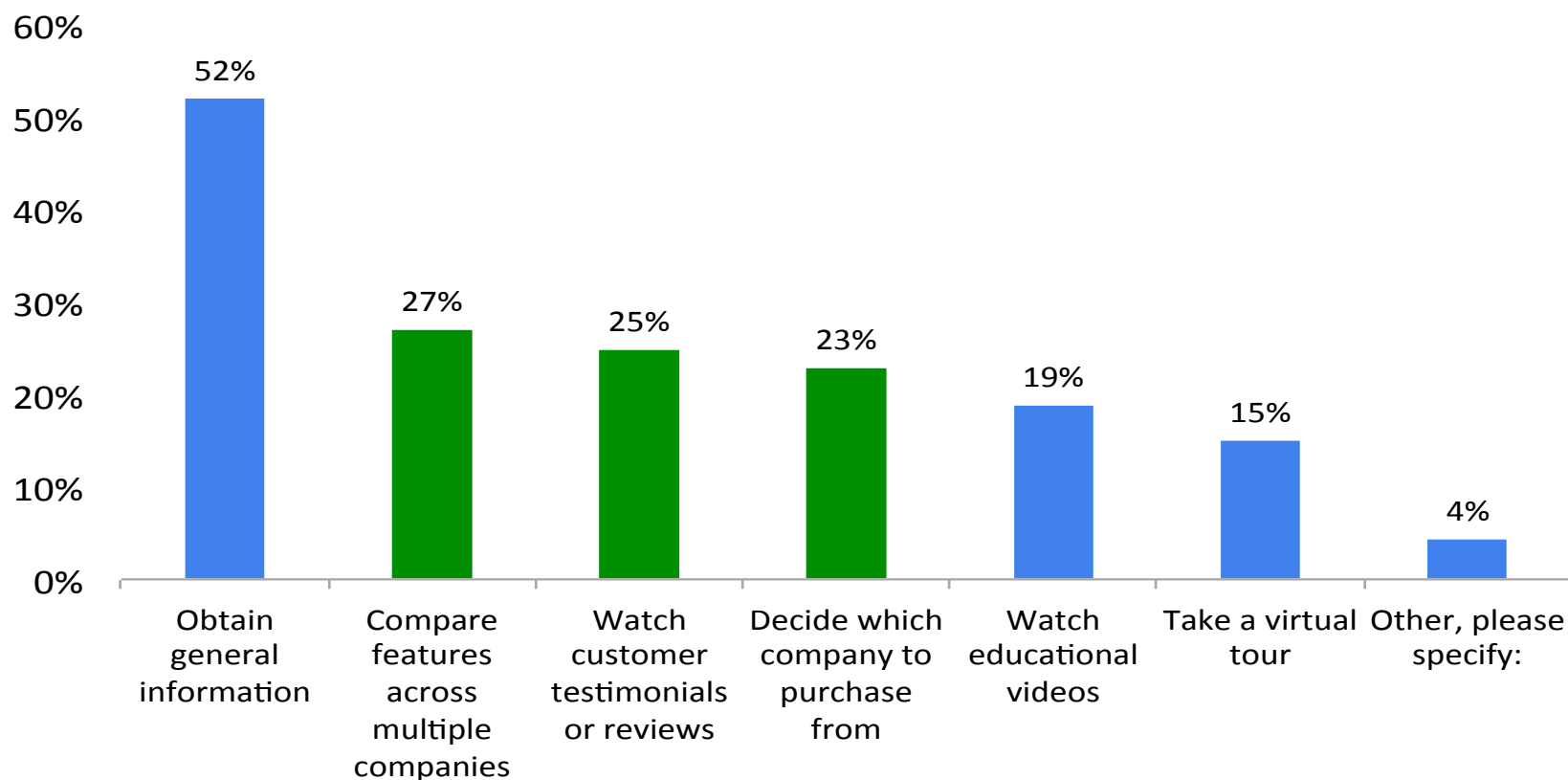
TV Ads are less useful but more prevalent today



Source: Complete Tire Path to Purchase, September 2012.

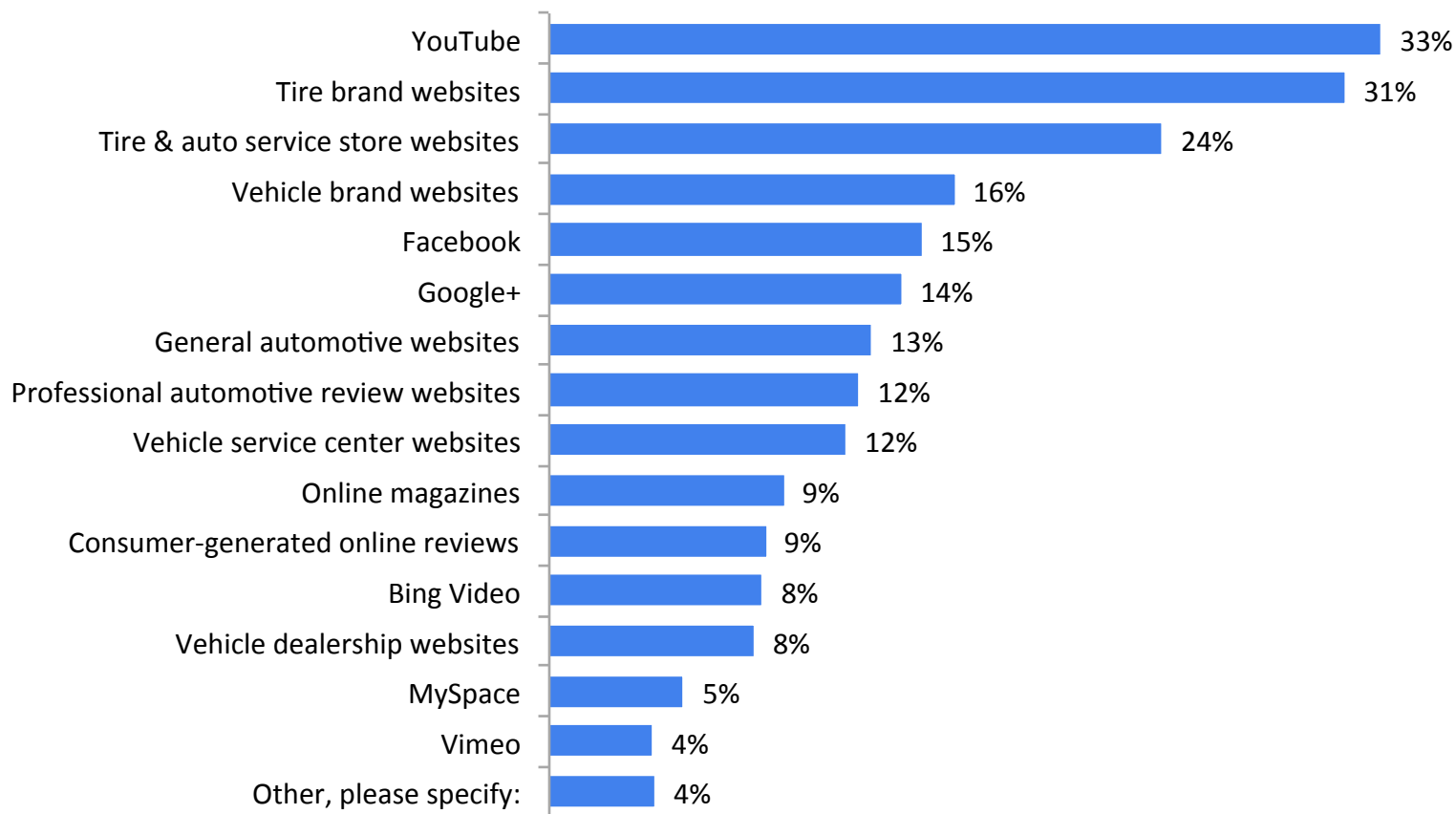
MI1. Which of the following types of tire(s) advertisement(s) do you recall seeing or hearing while shopping for tire(s), if any? Please select all that apply. MI2. How useful were each of the following types of tire(s) advertisements in helping you decide whether to purchase tire(s)? Please select the one response that best applies to each type of advertisement. N= varies by segment

Videos used to compare, review, decide



YouTube most used video asset in tire shopping

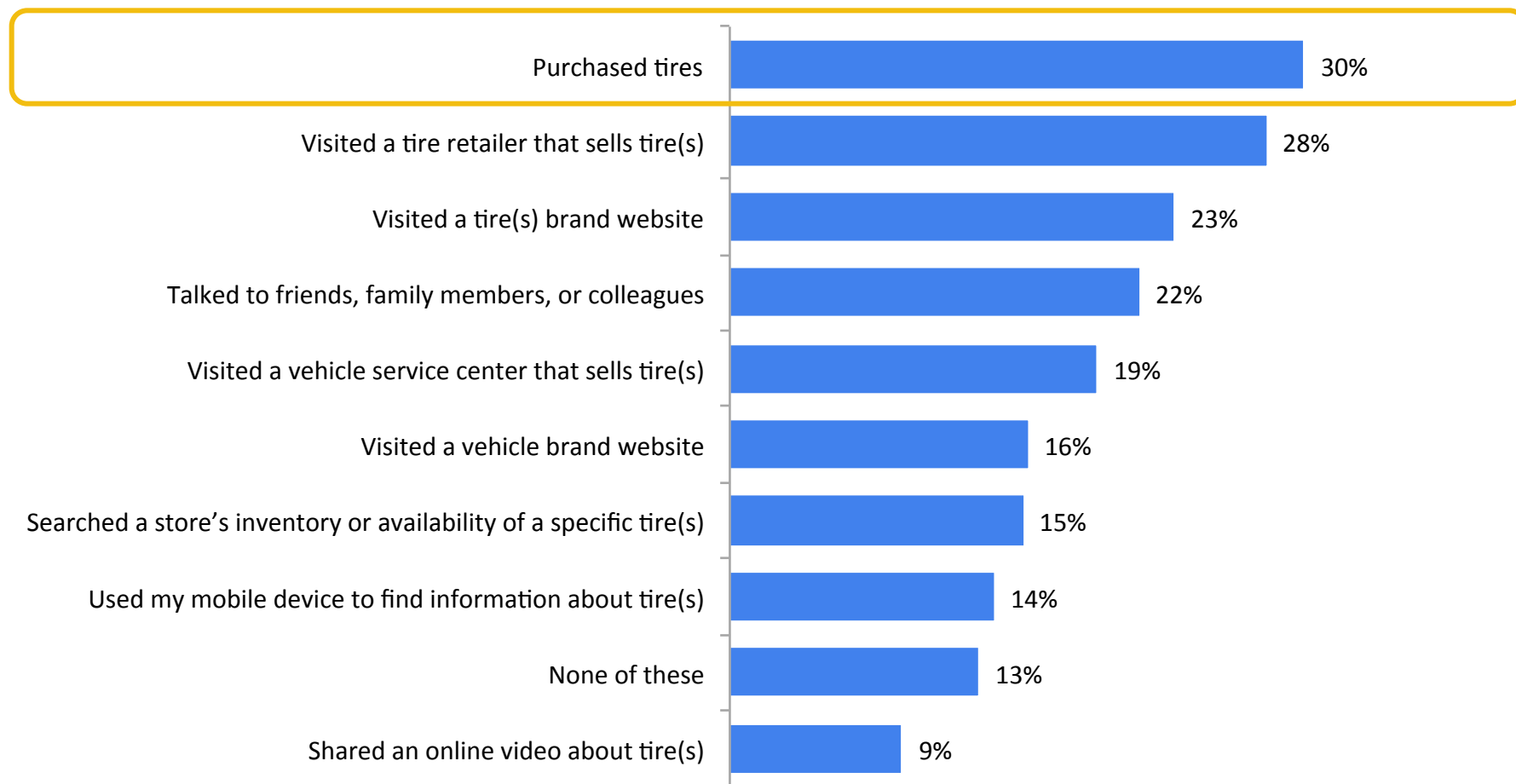
59% would be most or extremely likely to watch videos about tires online the next time they shop



Source: Complete Tire Path to Purchase, September 2012.

VI2. Which of the following websites did you visit to watch videos about tire(s) while shopping for tire(s)? Please select all that apply. VI9. How likely would you be to watch videos about tire(s) online the next time you shop for tire(s)? N=344

Most common result of viewing a video? Purchase



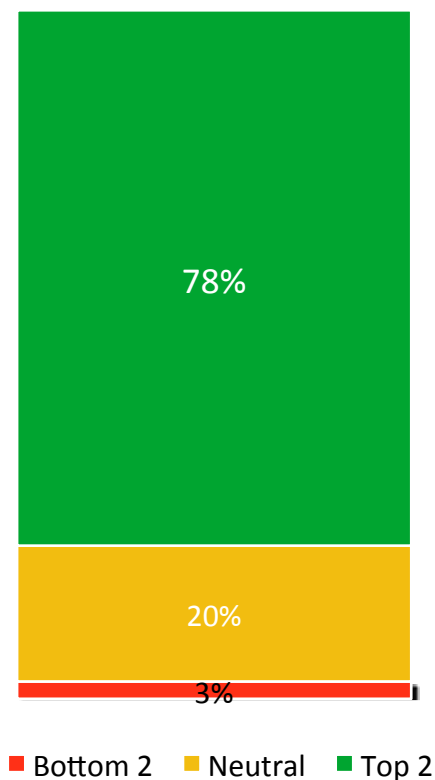
Post-purchase Engagement

Endorsement

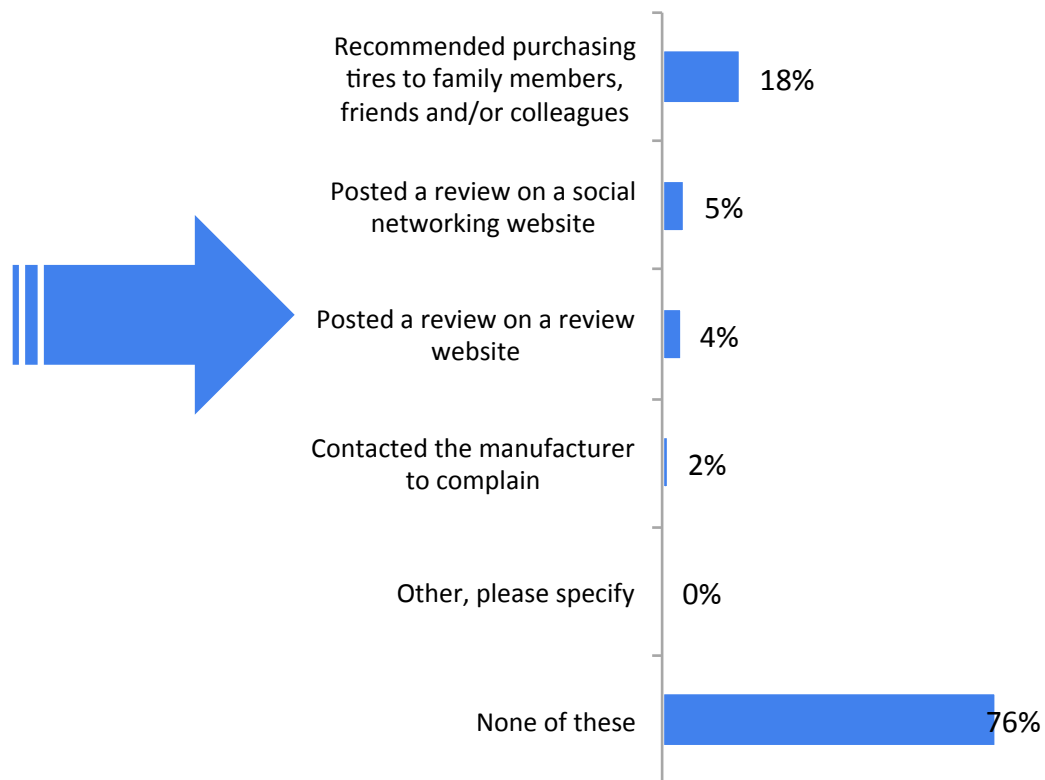
78% were satisfied, but just 24% engaged post-purchase

Greater opportunity to surface endorsement

Post-purchase Satisfaction



Activities Performed Post-Purchase



Implications

Implications & Opportunities

1. Tire purchasers shop for regular maintenance and just 8% purchase for a particular season. They look for durability, they research on the go, and they buy within a week. [Maintain consistent digital and mobile marketing presence to capture tire shoppers throughout the year.](#)
2. 84% purchase in store but 46% of tire purchases involve digital engagement. Top 2 of 3 tire shopping resources are digital. [Across sales channels, a material portion of tire business is impacted by digital research. Construct an attribution plan that evaluates digital in its role assisting sales.](#)
3. Tire purchasers are typically the decision makers themselves. They are married, more educated, and skew only slightly male but otherwise look similar to the American population. [Send the most likely in-market tire buyers to your site and store with a combination of demographic and tire interest targeting.](#)
4. 72% of tire shoppers are open to multiple tire brands, retailers or both, but tire manufacturers and retailers have relatively low familiarity among shoppers. [Increase familiarity and purchase intent by introducing your brand when undecided shoppers search without a brand in mind.](#)
5. Online video is noted the most useful ad format, and 'purchase' is the most common action resulting from watching tire videos online, but 58% of shoppers aren't aware that you can find tire videos online. [Increase brand metrics and sales by balancing TV with online video.](#)