

September 2021
Issue #3

The Long View

Automotive Localism on Outdoor

Welcome to the latest edition of
The Long View.

Localism continues to grow in importance for consumers. The bush fires of 2020 followed by the pandemic have helped fuel a trend of consumers rallying around local retailers and producers. 3 in 5 consumers are now paying more attention to product origin¹.

With no local manufacturing, how can Auto brands tap into this consumer trend? In this issue of The Long View we'll look into some examples of localism in action on Out of Home.

But first, let's look at recent car sales....



ooh![®]
unmissable

Just the VFACTS

Volume & Spend

Given the headwinds that the auto industry has faced, the market is showing strong resilience.

The auto industry continues to grow despite the lockdowns in NSW and VIC, with August sales up 33% YoY². With 81,199 vehicles sold in August, YTD sales have reached 732,828, an increase of 27% vs 2020 YTD.

Despite consumer confidence³ being at its lowest point in a year (104) it is still well above the lows seen during last year's national lockdown (75.6) and Victoria's 'second wave' restrictions (79.5). Consumer confidence is tracking upwards with vaccination rates, and car sales will follow. This suggests Q4 will be good for sales.

2021 YTD (Jan-Jul) ad spend has been positive with \$338 million being invested in media⁴, representing an uplift of 27% against the same period in 2020. Brands have done a lot of work to stay visible, despite stock challenges, and this will support Q4 growth further.

Brands & Models

Toyota retains its number one spot with sales +25% YTD, followed by Mazda and Hyundai with an increase in sales of +44% and +22% respectively.

Sales across all vehicle classes were up, with SUVs representing 50% of the total sales in August, with a growth rate of 27% YOY. Light commercial vehicles had the largest gains in volume sales growing +71% during August compared to the same period in 2020.

SUVs account for 51% of the total market sales this year, followed by light commercials at 24%, passenger cars at 21%, and heavy commercials with 4% share.

Electric Vehicles

Across April to July there were 4 months of consistent growth in the ratio of electric car sales. Undoubtedly knocked off course in August by the lockdowns, as consumer confidence grows through Q4 we expect to see the upward trend return.

Electric and hybrid vehicles represent 7% of total market sales in Australia.

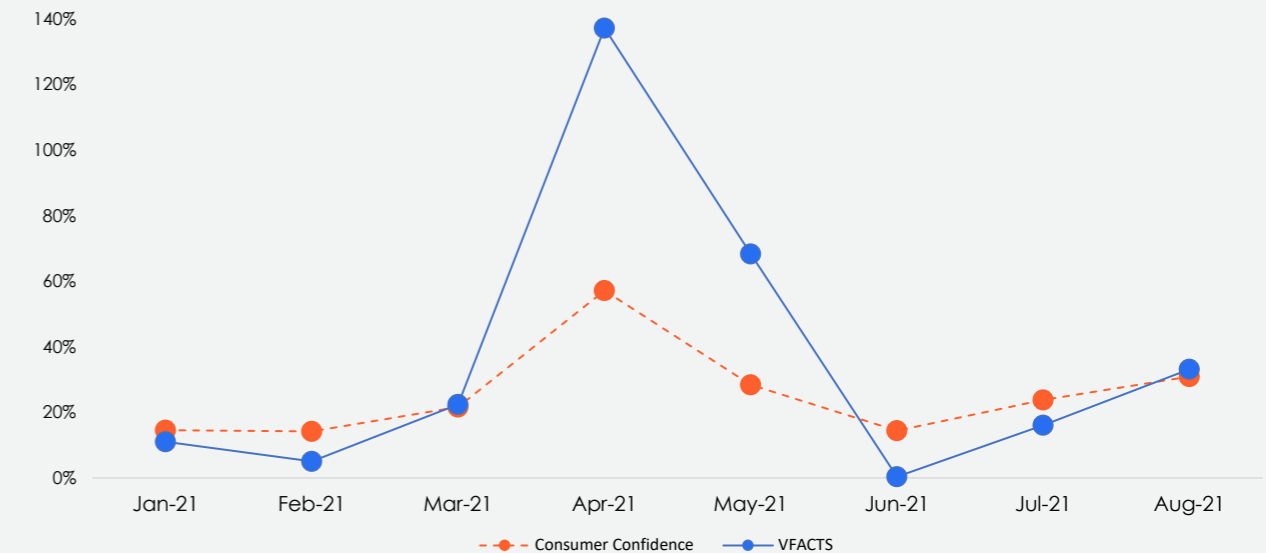
Overall, the market is showing strong resilience despite the headwinds faced over the last 18 months and recent lockdowns. Consumer appetite will grow through Q4 so there is a lot to be optimistic about.

Q4 is peak-demand season for Out of Home as brands run Christmas campaigns and try to capture some of the forecasted \$55bn⁵ that will be spent by consumers. With restrictions soon-to-lift and the emergence of 'revenge-spending' there are predictions that Q4 this year will be bigger than ever.

Auto brands looking to capitalise on growing consumer confidence are advised to speak to oOh! today to avoid missing out on key Out of Home channels like Road, Retail and Street.

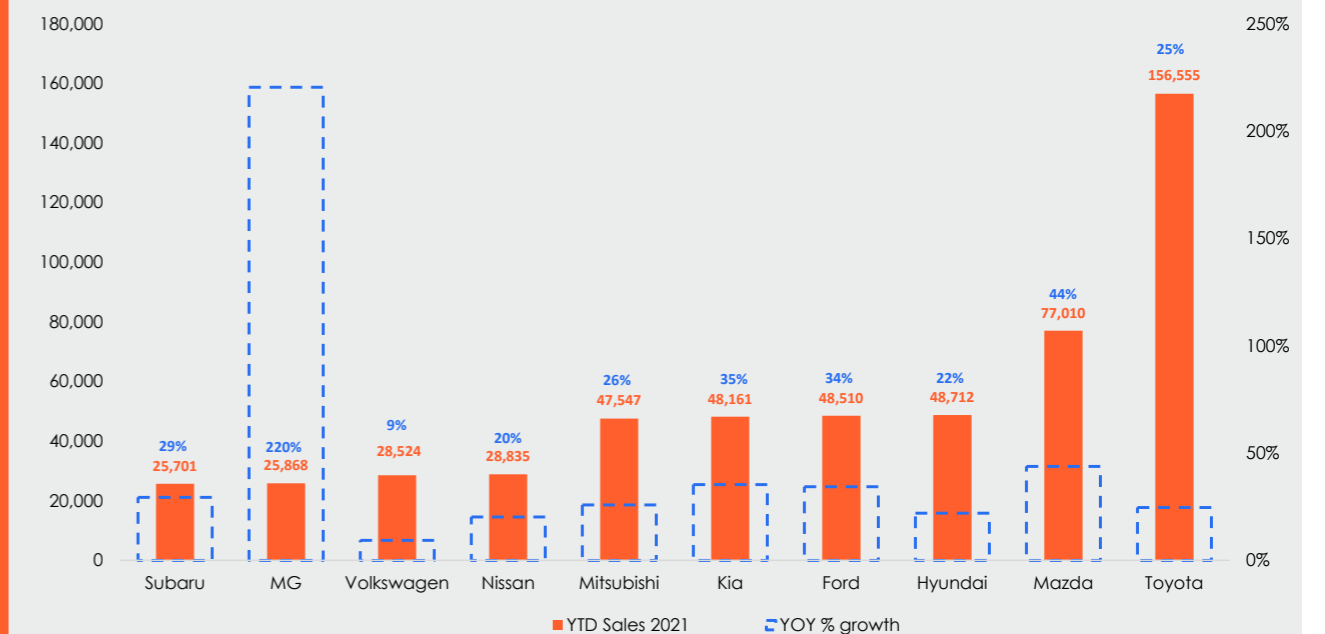
Total Vehicle Sales vs. Consumer Confidence

YOY % Change 2021 vs 2020



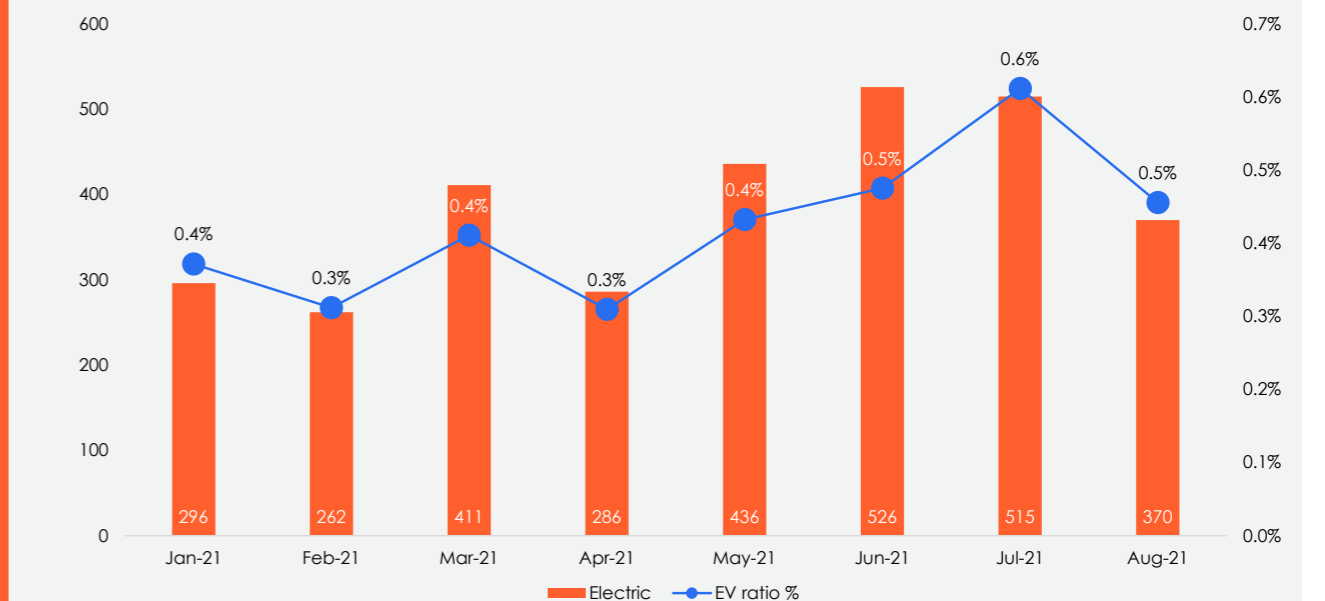
Brand Volume Sales Growth

Total Sales



Electric Vehicles Ratio % over Total Sales

No. of electric vehicles



Source: VFACTS New Vehicle Sales Data August 2021, Consumer confidence Westpac Banking

Localism on Out of Home

With a market comprised of international brands and all manufacturing operations overseas, the responsibility sits firmly on marketing to tap into and deliver the local relevancy that consumers demand.

In 2019 BigDatr⁶ compared TVC creatives for the luxury vehicle segment, looking into multiple consumer considerations such as recall, relevance, likeability

and more. The two brands with the best performance (Audi and Lexus) both have local creative agencies.

Here we share some examples of localism being delivered via Out of Home, showing a range of different ways to increase cut through.



Celebrating long term commitment

Marking 70 years since the first Porsche arrived in Australia, a celebratory campaign was launched across premium high impact locations drawing attention to the brands' committed presence to this country.

What this means for brands

Celebrating milestones is important at a personal level. Using outdoor to proudly proclaim their local anniversary helps Porsche cut through with a distinctive message that is celebratory for existing enthusiasts and also draws new customers into the brand.

Engaging the local sports community

Sports sponsorship is an established strategy enabling brands to tap into consumer passions and deepen links into the local community.

Nissan has partnered with Hawthorn Football Club since 2018, and throughout July to September, they drew attention to this association by featuring players in a Victoria-focused street furniture campaign.

What this means for brands

As Australia opens up over the summer, tactical campaigns on Out of Home can extend a sports partnership easily into the community.

Local consumer insights

Learning that 79% of Australians experience driving anxiety, DDB Sydney was able to address common driving fears and link them back to the VW Tiguan's advanced safety features⁷. The campaign style paid homage to the movie horror genre helping it to cut through, with considered use of Out of Home consecutives presenting the 'horror' creative side-by-side with a more traditional creative mentioning the Tiguans' tech 'solution'.

What this means for brands

Anchored in local insight along with stylish creative and clever media placement, VW were able to tell a relevant story using just two out of home placements.



Planning to maximise

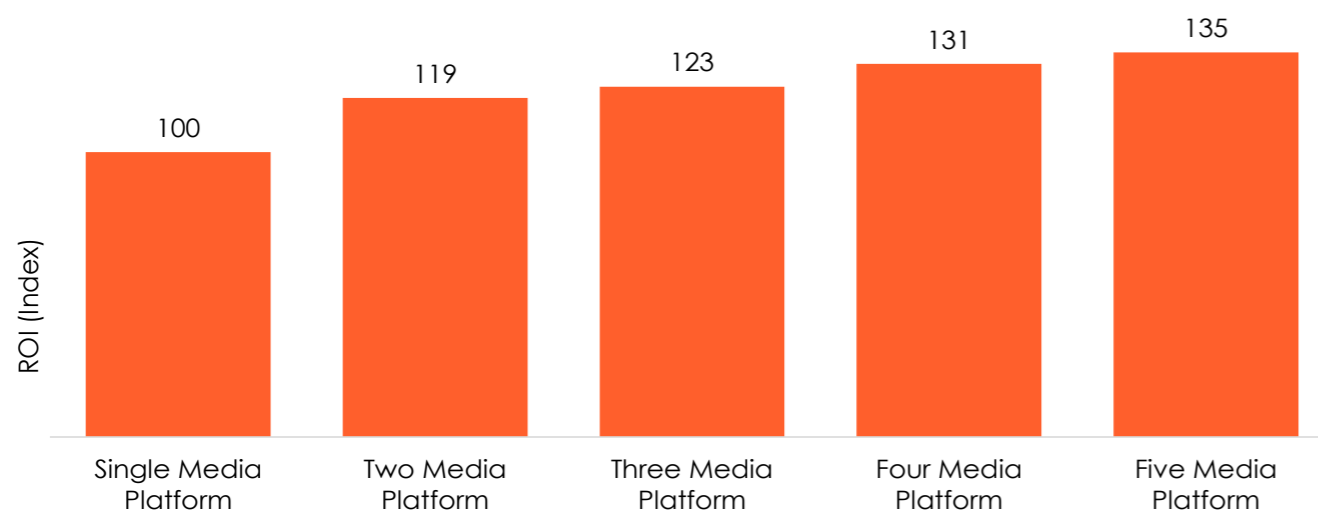
ROI

Advanced mixed market modelling by Analytic Partners tells us how ROI is affected and offers practical tips which may make your planning easier and improve campaign performance⁸.

- 1. Plan by category-buyers.** Out of Home will always be a one-to-many medium, however planning by category-buyer allows you to reach more of an audience who are already displaying purchase behaviour habits relevant to you. We call this one-to-better-many.
- 2. Activate across multiple Out of Home channels** to reach consumers at different moments, driving campaign synergy and increasing ROI. Once you reach a point of diminishing returns on one Out of Home channel, introduce a second, third, fourth channel etc.
- 3. 41% of your campaign effectiveness comes from your creative,** so think about dynamic triggers and contextually relevant messaging to lower cognitive load and ease your message home.

Multimedia campaigns have a higher ROI than single media campaigns

ROI strategy comparison



SOURCE: Analytic Partners -ROI Genome Marketing Intelligence Report 2016 Analysis based on over 3,200 campaigns from 2010-2015; Platforms include TV, Print, Radio, Display, Paid Search, Online Video, PR, Out-of-Home and Cinema

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Case Study: Isuzu MU-X



Launching the All-New MU-X into a highly competitive SUV market, Isuzu wanted to impact consumers with high quality locations, and showcase how the MU-X enables owners to live the good life through big and small adventures.

Solution

Building on the success Isuzu had achieved with Billboards, oOh! were able to demonstrate that inclusion of the Retail environment would deliver key audiences at different moments of the week helping build ROI via a multi-OOH channel strategy.

Large high-impact full-motion Retail Evoke screens capable of running TVC's were identified as an effective way to demonstrate key MU-X features which enable urban and off-road adventures.

The national metro campaign across Billboards and Retail made use of digital capabilities by rotating through multiple creatives, showcasing both city and regional adventure opportunities.

The rear-view

We're looking into our rear-view mirror and sharing insights from the last few months of Auto briefing with oOh! and how the category is thinking of using Out of Home.

Historically Q4 OOH campaign objectives have been focused on expanding the consideration set and driving sales via retail messaging, however based on incoming briefs over the last few months the market is instead asking OOH to deliver against more upper funnel objectives such as delivering impact and increasing awareness. Timings are focused into November and December, no doubt influenced by the current NSW and VIC lockdowns, but with demand also stretching into Q1 2022.

With most briefs specifying similar objectives, only one campaign is asking OOH to communicate car features and they will likely cut through by employing the channel for a different task than the competitive set.

To build awareness and impact consumers, 100% of briefs mandated Billboards as part of their format strategy with a significant majority expecting Roadside Billboards. Only 30% of briefs specified Regional which means they will have a head start in reaching some of the 9.1m Australians living in Boomtown.

30% of briefs specified a broadcast small-format channel (Retail or Street) while only one brief required Rail due to its full motion dynamic capabilities. Office was briefed once in conjunction with Billboards for an electric car launch trying to reach an affluent 'greener' professional audience.

mirror

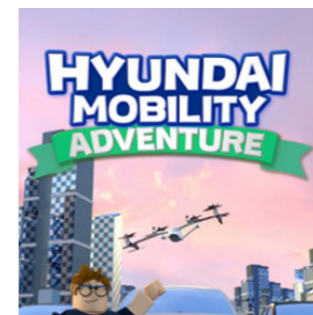
With campaign timings lining up for when restrictions are expected to ease, the inevitable return of audiences into a variety of OOH environments combined with the high likelihood of regional summer holidays, we anticipate brands following audiences and re-briefing for a more diverse OOH channel mix than the limited format selections currently briefed. Retail delivers full motion large and small format, as do most interior OOH environments, so with the high Q4 demand driven by Christmas its important to speak to us early about this environment to avoid missing out.



Toyota's national campaign extended into regional Australia with small and large format sites in Retail centres.



Outside of the frame

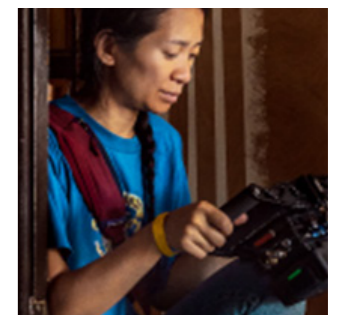


Hyundai have [launched on the online entertainment platform Roblox](#), as a way to put its forward-looking mobility solutions in front of young consumers who may soon be in the market for a car.

RIDE THE WAVE

NATIONAL MINI
WTF DAY.
WAVE TO FRIENDS.
AUGUST 26

It's all about the wave! MINI USA announced [National MINI WTF \(Wave to Friends\) Day](#), an initiative designed to shine a light on the friendly, welcoming nature that exists within the MINI owner's community.



Academy Award winner Chloe Zhao directed [this emotive spot for Ford](#), which debuted during the 2021 Olympic opening ceremony. With sustainability at its heart, we think this is a must watch.

How oOh! can help

Effective Reach

As Australia's leading Out of Home media company with over 35,000 panels across 9 environments and market-leading insights powered by oOh!DataScience, we can help you reach your audience efficiently.

Creative Engagement

Creative has a huge impact on campaign performance, delivering 41% of Out of Home ROI. Through creative ideation, artwork development, digital innovation, special builds and creative production, our creative service team provides expertise in solving business challenges while bringing innovative ideas to life.

Contact Us

For more intel around these insights and support getting ahead of the curve, please reach out to your account manager or contact us directly at:

TheLongView@oohmedia.com.au

Sources

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