

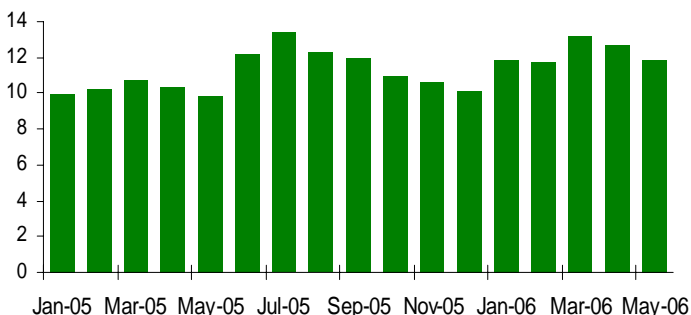
AUTOINTELLIGENCE: THE ONLINE CHANNEL™

Automotive online competitive insights from Compete

OEM TRAFFIC STRENGTH BELIES MARKET WEAKNESS

Several OEMs have been tempted to increase incentives in response to weaker sales and elevated stocks. Compete assessed the extent to which weakness in sales was reflected in lower traffic to OEM branded sites in aggregate. Traffic in aggregate excludes double-counting of shoppers that visited more than one site in a given month.

UNIQUE OEM SITE VISITORS (MILLIONS)



OEM traffic peaked in July 2005—the first month of simultaneous Big 3 employee pricing and related advertising. Though Big 3 promotions continued until September, traffic volume weakened after July. Traffic reached a period low in December. In 2006, traffic has been up an average of 19.8% y-o-y (coinciding with a general increase in automotive online advertising). Higher year-

over-year traffic sets the stage for more leads and sales. *Note: Compete's assessment of in-market new vehicles shoppers across third-party sites has been more consistent year-over-year (not shown).*

The ability to drive sales with OEM site traffic hinges on the amount of traffic, the quality of the traffic, and the ability to steer/leverage traffic towards the sections of sites best able to motivate a purchase (online or offline). Poor quality can be the result of consumers that visit rivals' sites more (meaning less focused on any site), among other things. Poor leveraging can be the result of shoppers failing to reach new vehicle shopping areas or complete the new vehicle research process, among other things.

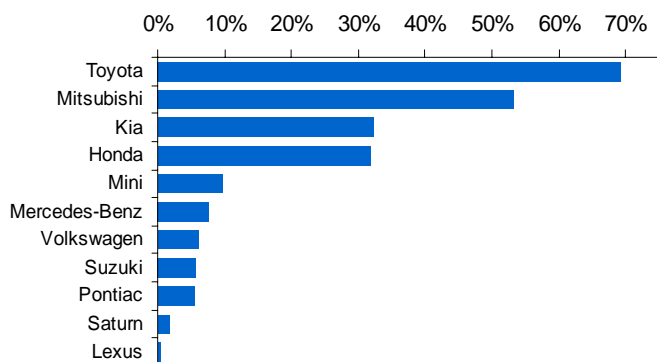
Automakers need an understanding of their effectiveness at driving traffic to their sites (ad effectiveness) and driving visitors into areas that encourage conversion and purchase (site effectiveness). This understanding forms the basis for changes in ad strategies and planning site improvements.

TOYOTA.COM LEADS BOUNCE-BACK

June was the start of 2005's ramp-up in total traffic to OEM branded sites (see above), and May 2006 and June 2005 totals were similar. Compete assessed the change in site-specific traffic between May 2005 and June 2006 to quantify whether different sites contributed to the May 2006 total vs. the June 2005 total.

Toyota.com had the greatest increase (up 69%), followed by Mitsubishi, Kia, and Honda. Two caveats: First, traffic for import brands in general was down in June 2005 as Big 3 discounts started (so a smaller denominator). Second, each of the leading brands shown have had important new vehicle launches recently (so a larger numerator).

CHANGE IN NUMBER OF UNIQUE VISITORS (ALL SECTIONS OF SITES), MAY 2006 VS. JUNE 2005



OEMs use contextual changes in site traffic to understand relative performance vs. key rivals. The typical next step is assessing which sections and sub-sections of sites drove changes (sections such as new vehicle areas vs. entertainment areas; sub-sections such as pages for specific vehicles in new vehicle areas).

More OEM traffic year-over-year consistent with more automotive online advertising in general

Compete provides contextual automotive online intelligence framed in the most detailed and immediate insights into online advertising effectiveness, site effectiveness, and channel synchronization. Our services help automotive online executives optimize content, tool, and marketing decisions and benchmark performance against rival actions.

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