

Cars.co.za

MARKET MAKE UP

2022

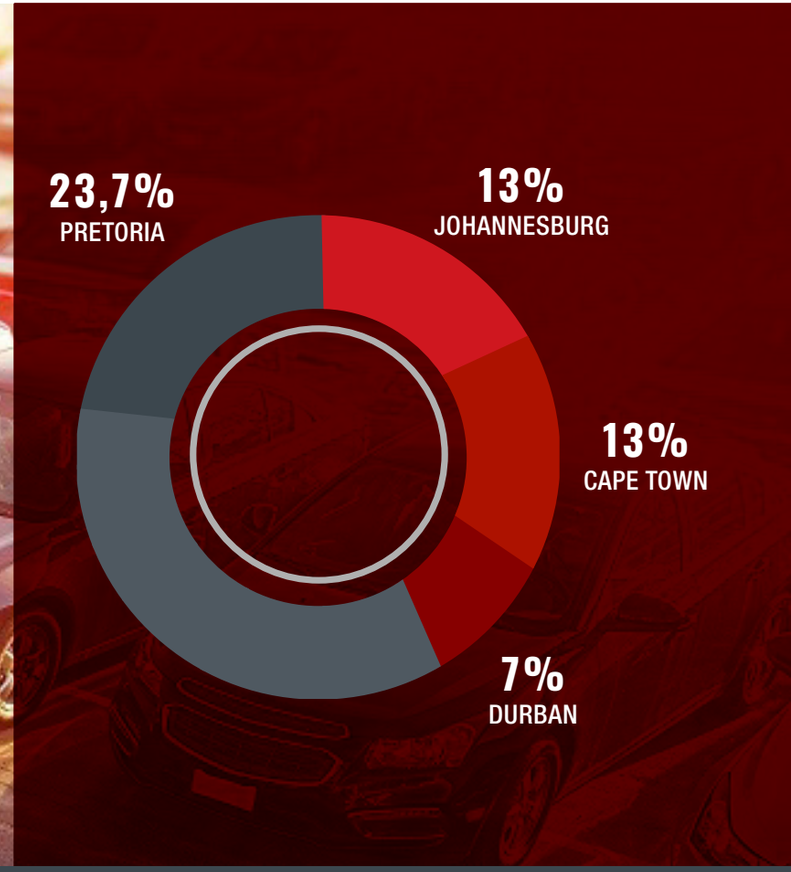
01 PRE-OWNED VEHICLE MARKET

What does the pre-owned vehicle market look like today, who are the shoppers and how could you better accommodate them?

As one of South Africa's largest aggregators, Cars.co.za covers a wide spectrum of consumers; some of the data we track can be used to understand where active shoppers are, plus provide insights about them, to help you align your business strategies with our country's user base.

Our most active city is Pretoria, which accounted for as much as 23% of our traffic allocation last month. Suffice it to say it's an extremely active user base (almost a quarter of the vehicle retail sector's shoppers) and so, for a Pretoria dealership, above-the-line marketing would provide the best ROI! After Pretoria, Johannesburg makes up 13%, Cape Town 13% and Durban

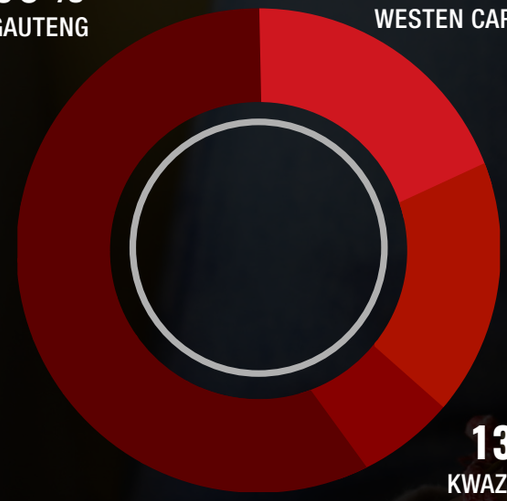




02 PROVINCIAL SPREAD

How does this relate to provincial spread?

What is important to glean from provincial shopping patterns is that apart from your dealership's ability to retain customers in your region, it's worth setting up your business to attract buyers to your region, and make transactions seamless. Users are increasingly likely to shop for vehicles outside of their provinces, which is great news if you've mastered the art of selling digitally. At the time of writing, **our largest market was Gauteng**, which accounts for 60% of our total user base, followed by the Western Cape (17%) and KwaZulu-Natal (13.8%). Our fourth largest active region is the Eastern Cape, followed by Limpopo and Mpumalanga in descending order.





To provide some context, **about 40 000 of Cars.co.za's unique visitors per a month are based in Mpumalanga.** When comparing the sales numbers produced in Mpumalanga with the number of shoppers in the province, it becomes clear a large portion of those users are shopping outside of their region – and the same can be said for the Eastern Cape – but on a far larger scale.

Evidently, dealers in these provinces need to change the mindsets of vehicle buyers in their regions to retain a higher local market share. On the opposite side of the spectrum, the North West sits in 8th position with regards to users on site, but the sales numbers of that province far outway the users, which demonstrates the **users' willingness to shop outside of major centres.**

03 DEMOGRAPHICS

What about the users that are likely to walk into your showroom?

The male-to-female ratio is enlightening, but bear in mind that males represent the bulk of active aspirational shoppers. We've discerned a 60/40 male-female split among would-be buyers, which is notable because male and female shoppers may not focus their attention on, or prioritise, the same vehicle features. This would suggest that if your sales team constructs the text of your advertisements to appeal to both sexes – as opposed to one or the other – you may achieve more queries on your stock.

60 MALE

40 FEMALE

Age brackets in the consumer base are a further consideration.

The chart below displays the respective age brackets of consumers in the South African vehicle retail space. It provides an insight into which stages of their lives they are and, if you consider the age brackets, you can deduce what sizes and types of vehicles they may consider buying.

It is pertinent to consider these demographics in line with the service you provide to consumers. Older-generation buyers, for example, tend to prefer a far more personal car-buying experience, including dealership visits and telephone calls, as opposed to the growing trend of younger shoppers who favour WhatsApp messaging and doing transactions online. Consider guiding your sales team to tailor their communication methods to suit those of specific age brackets.

