



Consumers in Asia Pacific -
Car Ownership and
Our Purchase Intentions March 2005

Aspirations
Ownership
Choices



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Asians take the driving seat for future car ownership

- *Price a universal consideration*
- *Greatest market potential in Asia, with biggest pool of first time buyers*
- *Toyota the No.1 brand*

A global online survey on car ownership and purchase intentions conducted recently by ACNielsen reveals that Internet users in Asia are the most ‘aspirational’ when it comes to car ownership in the next 12 months when compared with their American and European counterparts.

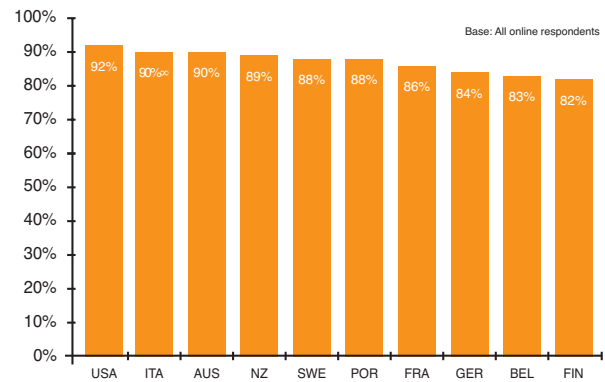
Findings on online consumers’ current and future car ownership intentions were released today by ACNielsen, a leading provider of consumer and marketplace information, as part of its Online Consumer Survey which polled over 14,100 Internet users in 28 countries across Asia Pacific, Europe and the US in October 2004.

Across Asia Pacific, Australia and New Zealand were the only countries in the region making the list of the global top 10 driving nations with 90% of Australians claiming to own a car, on a par with the Italians and just behind Americans at 92%. New Zealanders ranked fourth in the global car ownership stakes, with 89% owning a car.

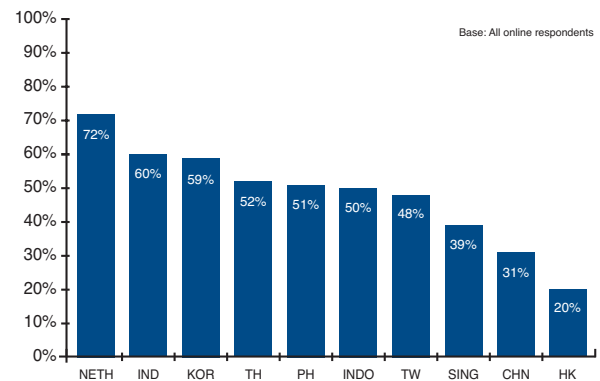
At the other end of the scale, nine of the bottom 10 ranked countries for car ownership hailed from Asia, with Hong Kong (20%), China (31%)

and Singapore (39%) commanding the lowest percentage of car owners globally.

Car ownership was found to be significantly higher among Internet users because of the skew of the Internet population to a more urban, educated, wealthier group of people. In China, for example, a recent ACNielsen offline poll showed car ownership among households in China's key cities to be about 7% ownership of automobiles, the total China market would be even lower.



Car ownership - top 10 ranked countries



Car ownership - bottom 10 ranked countries



Not surprisingly - given the low percentage of car owners in Asia, the highest percentage of online respondents in Asia (30%) expressed an intention to buy one in the next 12 months, compared with less than a quarter of Europeans and Americans intending to purchase.

Based on the survey findings, automotive experts at ACNielsen developed an “**Aspiration Index**” (AI) to further measure the relationship between current ownership levels and future intentions to purchase a vehicle, highlighting countries of high future demand. As a result, significant variations were observed between markets and the types of vehicles aspired to, and the factors driving these choices.

Car Ownership Aspiration Index

High (AI > 60%)

- China
- India
- Korea
- Philippines
- Indonesia
- Thailand
- Hong Kong

Medium (AI 30-60%)

- Malaysia
- Taiwan
- Australia
- Italy
- Belgium
- New Zealand
- Singapore
- Spain
- France
- UK
- Portugal

Low (AI < 30%)

- USA
- Germany
- Austria
- Finland
- Japan
- Sweden
- Norway
- Netherlands
- Denmark

China, while ranking low in current car ownership, was found to have the most car-aspiring online respondents, despite potential car buyers accounting for a small portion of the population.

With three of the world’s four most populous countries leading ACNielsen’s *Aspiration Index*, it is clear that the demand of Internet users for their own set of ‘four wheels’ will drive future sales globally, as consumers’ ability to buy a car falls into line with their aspirations.

In contrast, the US, many northern European countries and Japan were all found to have a low Aspiration Index, reflecting higher levels of existing ownership and reduced potential for further growth.

Price driving purchase choice

Globally, *price* was the most frequently cited driver of choice, and therefore was a universal consideration for new car purchases. Other considerations like fuel consumption, performance and safety were a distant second and third, and varied across the three regions.

Regional average top 4 considerations

	USA	Europe	Asia Pacific
Price	79%	70%	74%
Performance	43%	42%	49%
Fuel Consumption	31%	42%	38%
Safety	29%	36%	24%

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In Asia Pacific, Malaysian (88%), Indonesian (82%) and Thai (81%) Internet users were the most price-conscious while Performance figured highly for about two-thirds of Chinese, Indian and Filipino Internet users. When it came to Fuel Consumption, Indian, Korean and Singaporean Internet users were relatively more concerned.

Brand Image/Prestige did not make it into the top three major criteria for drivers of new car purchases but it ranked higher in the US and Spain (28% respectively) and among the European countries and commanded greater importance in a number of Asia Pacific countries like Taiwan, China and Indonesia (40% each).

Among those intending to purchase a new car, a greater proportion of buyers in Asia Pacific will be doing so for the first time (42%), while over 60% of Americans and Europeans were considering a replacement for an existing car.

Toyota the most popular the world over

Among dozens of car brands, Toyota was the most popular the world over for Internet respondents, both in terms of current ownership (11%) and consideration for future purchase (16%). Ford was second at 8%, with Volkswagen third at 6% in terms of current ownership, while Honda (8%) and Hyundai (6%) took over the second and third positions when it came to future purchases among the world's Internet consumers. An interesting contrast appeared in the US where Ford ranked number one for share of current ownership (18%) yet Toyota was the first choice for 'online' Americans considering a new purchase in the next 12 months (15%).

Sedan remains the most popular car type, for now...

The sedan remains the most popular car type owned by Internet users on a global basis, with hatchbacks and SUVs placed second and third. Sedans were particularly popular in Taiwan and Thailand, where they accounted for nearly three quarters of vehicles owned.

However, the future is increasingly versatile. Despite sedans remaining the most popular vehicle type for purchase in the next 12 months, SUVs were chosen by 19% of potential buyers in the Asia Pacific region, compared with 11% of SUVs currently owned. This increase is largely at the expense of hatchbacks (down 7% from owned to intended).

In the US, intention to buy SUVs was even higher at 36%, compared with 19% of vehicles currently owned, overtaking sedans in the process. The picture is markedly different in Europe, where high fuel prices and congestion make SUVs less attractive. As a consequence, these vehicles only account for 3% of current vehicles and 5% of intended purchases, whereas station wagons are likely to account for one fifth of future purchases.

Because of their heavy skew, particularly in developing markets, towards urban, well educated and wealthier consumers, Internet users are a primary target for car manufacturers. Aside from the fact that they are more likely to be able to afford one, their 'Aspirations' to own one are greater than for the general population at large.



About the survey

The ACNielsen Asia Pacific Online Consumer Confidence Study is conducted twice a year over the Internet in 13 countries in the region. A representative sample of consumers with Internet access are asked questions relating to their views on the economy, what they do with any spare money after covering living expenses and their concerns and attitudes towards a variety of topics and current events.

In October 2004, the survey was expanded to include Vietnam (face-to-face), Europe and the US, bringing the number of markets covered by the survey to 28, interviewing 14,134 consumers on their attitudes towards the economy, their concerns and how they use their spare cash.

This round of the survey was conducted over the period September 28 to October 8 across the following markets:

Asia Pacific

Australia	China	Hong Kong
India	Indonesia	Japan
Korea	Malaysia	New Zealand
Philippines	Singapore	Taiwan
Thailand	Vietnam	

Europe

Austria	Belgium	Denmark
Finland	France	Germany
Italy	Netherlands	Norway
Portugal	Spain	Sweden
United Kingdom		
and U.S.A.		

About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information company. Offering services in more than 100 countries, the company provides measurement and analysis of marketplace dynamics and consumer attitudes and behaviour. Clients rely on ACNielsen's market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns.

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