A photograph of a row of cars in a dealership, viewed from a low angle. The cars are in various colors, including white, silver, and blue. The word "FIRST." is written in a large, white, sans-serif font, enclosed within a white circular outline in the upper right corner of the image.

FIRST.

Searching for Cars Online

Which websites are maximising their market share?



Calculating share of search

- Rankings Based Reach (RBR)* provides a simple way to compare a website's search engine rankings with its competitors.
- RBR is an estimate of the percentage of available search traffic a website will receive for a set of phrases – this gives the sites share of search or reach.
- It is weighted based on the popularity of each search phrase and the relative click through rate (CTR) of each ranking position.

*Source: Rankings Based Reach (RBR) is a methodology developed by FIRST



Selected sites

The following New Zealand car sites were selected for Ranking Based Reach (RBR) organic search performance analysis.

Used cars
2cheapcars.co.nz
aa.co.nz
autobase.co.nz
autotrader.co.nz
buyrightcars.co.nz
carfair.co.nz
drivesouth.co.nz
trademe.co.nz/motors
turners.co.nz

Car brands
ford.co.nz
holden.co.nz
honda.co.nz
hyundai.co.nz
kia.co.nz
mazda.co.nz
nissan.co.nz
subaru.co.nz
suzuki.co.nz
toyota.co.nz



What are people searching for? – Used Cars

In order to investigate which websites are leading in search, FIRST researched frequently used car - related phrases.

Search Phrase	Local searches per month
cars for sale nz	5,400
cars for sale	2,400
cheap cars	1,300
cars for sale auckland	1,000
car sales	1,000
used cars	880
used cars for sale	880
budget car sales	720
car dealers	720
cheap cars for sale	720
classic cars	720
wholesale cars	720

Search Phrase	Local searches per month
car auctions	590
electric cars	590
smart car	480
car transport	480
second hand cars	480
fast cars	480
economy cars	390
hybrid cars	390
cars online	210
used car dealers	170
buy a car online	110

Total searches per month
20,830



Total searches per year
249,960



What are people searching for? – Car brands

In order to investigate which brand websites are leading in search, FIRST researched frequently used car -related phrases.

Search Phrase	Local searches per month
cars for sale nz	5400
cars for sale	2400
cars for sale auckland	1000
car sales	1000
car dealers	720
classic cars	720
wholesale cars	720
car auctions	590
electric cars	590
smart car	480

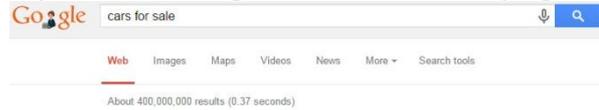
Search Phrase	Local searches per month
car transport	480
fast cars	480
hybrid cars	390
cars online	210
new cars	170
new cars nz	170
buy a car online	110





Google: Search engine results page 1

What the consumer sees: The top of the Google search results page for a search on 'cars for sale'



Trade Me, Nissan and Holden are ranking in the top three positions for the paid search results for the term 'cars for sale'.

In the organic search results, majority of the analysed companies rank on Google's first page. Despite ranking well for organic listings, Trade Me and Turners are still investing heavily in paid advertising which allows them to dominate the first page with multiple listings.

Trade Me Motors - Buy or sell your used car online
www.trademe.co.nz/motors
Do it all on Trade Me Motors!
Trade Me has 3,437 followers on Google+
Used Cars New Cars
Buying & Selling Guide Dealer Directory

Nissan Car Deals - See the range of Nissan vehicles
www.nissan.co.nz
Innovation and excitement for all!

Looking For Cars On Sale? - Holden.co.nz
www.holden.co.nz/LatestOffers
View the Holden car range, compare models and book a test drive today!
Holden's Vehicle Showroom - Latest Offers - Request a Brochure - Build Your Car

Car auctions | Used Cars for sale in New Zealand | Trade Me
www.trademe.co.nz/motors/used-cars
Thousands of used cars for sale on New Zealand's leading online shopping website - Trade Me.

Used Cars For Sale - Cars For Sale - New Cars ...
www.carsforsale.com
Find used cars for sale on Carsforsale.com. With millions of cars for sale use Carsforsale.com to find used cars and best car deals.
Ford - Chevrolet - Mustang - Dodge

Used Cars For Sale - Auto Trader
www.autotrader.co.nz/used-cars-for-sale
Results 1 - 20 of 30439 - Find a car, New Car, Make, Cars by Make ... Advanced Car Search: clear: Make: Cars by Make ... Used Cars for Sale. Results 1 - 20 of ...

Cars for sale - AA Carfair | AA New Zealand
www.aa.co.nz/cars/cars-for-sale
Search for new cars and used cars online. Whether you are selling a car, buying a car or just looking for advice on how to buy or sell a car, start your search with ...

Turners | Car Auction | Cars For Sale | Used Cars | Car ...
https://www.turners.co.nz
Turners - Need a New Car, Need to Sell Your Car? Turners is the Obvious Choice.

Cars for Sale, Bikes for Sale, Boats for Sale, Trucks for sale
www.autobase.co.nz
Cars, Used cars for sale in New Zealand. ... 2013 Honda V6 Accord. \$45,950 ... More Latest Listings for Cars, Utes, Vans. Loading Most Viewed... Please wait.

Cars for Sale , Buy a Car , Used Vehicles | Drivesouth New ...
www.drivesouth.co.nz/cars-for-sale
Cars for Sale , Buy a Car , Used Vehicles. Home. Browse the latest featured used cars for sale or use the search box to refine your results ...

Buy Right Cars: Auckland's Best Cars. Get The Real Deal
www.buyrightcars.co.nz
Direct importers of Japanese cars with yards in Grey Lynn and South Auckland.

Used Cars for Sale, New Car Dealerships, Buy a Car Near ...
www.cars.com/for-sale
Find a used car listed near you with our advanced vehicle search, or customize options for your next new car and contact a dealer.

Budget Car Sales - Cheap Used Cars for Sale in Manukau ...
www.budgetcarsales.co.nz
Budget Car Sales - We have a wide range of cheap used cars to suit all types of budgets from \$1000 in Manukau, Auckland. Vehicle trade-ins & easy finance.

The Latest Kia Cars
www.kia.co.nz
New Era Cars with the Power to Surprise. Find a Dealer Online Now!

Used Cars At Low Price
www.beforward.jp
Quality Japanese Car Direct Sales
Cheaper Than Your Local Car Dealer!

We payTop \$ for junk cars
www.carcollection.co.nz
cash paid for unwanted cars , utes, trucks and 4x4. call 0800786587 now

New Honda Cars NZ
www.honda.co.nz
View The Latest Honda Models.
Request A Test Drive Online Today.

Toyota Used Cars for Sale
www.drivesouth.co.nz
Compare our great selection
All makes & models for sale

AutoAngels - Auckland
www.autoangels.co.nz
09-263 1005
Buying a used car a bit daunting?
Trust our female sales consultants.

Cars For Sale at Auction
www.turners.co.nz/Car-Auctions
Buy at Auction & Only Pay the True Market Value. Browse Our Range Now!
Cnr Penrose & Leonard Rds, Penrose
09-525 1920

New Car Peugeot 308
www.peugeot.co.nz
AMI NZ Autocar Car of The Year. Now You Be The Judge. Test Drive Now!

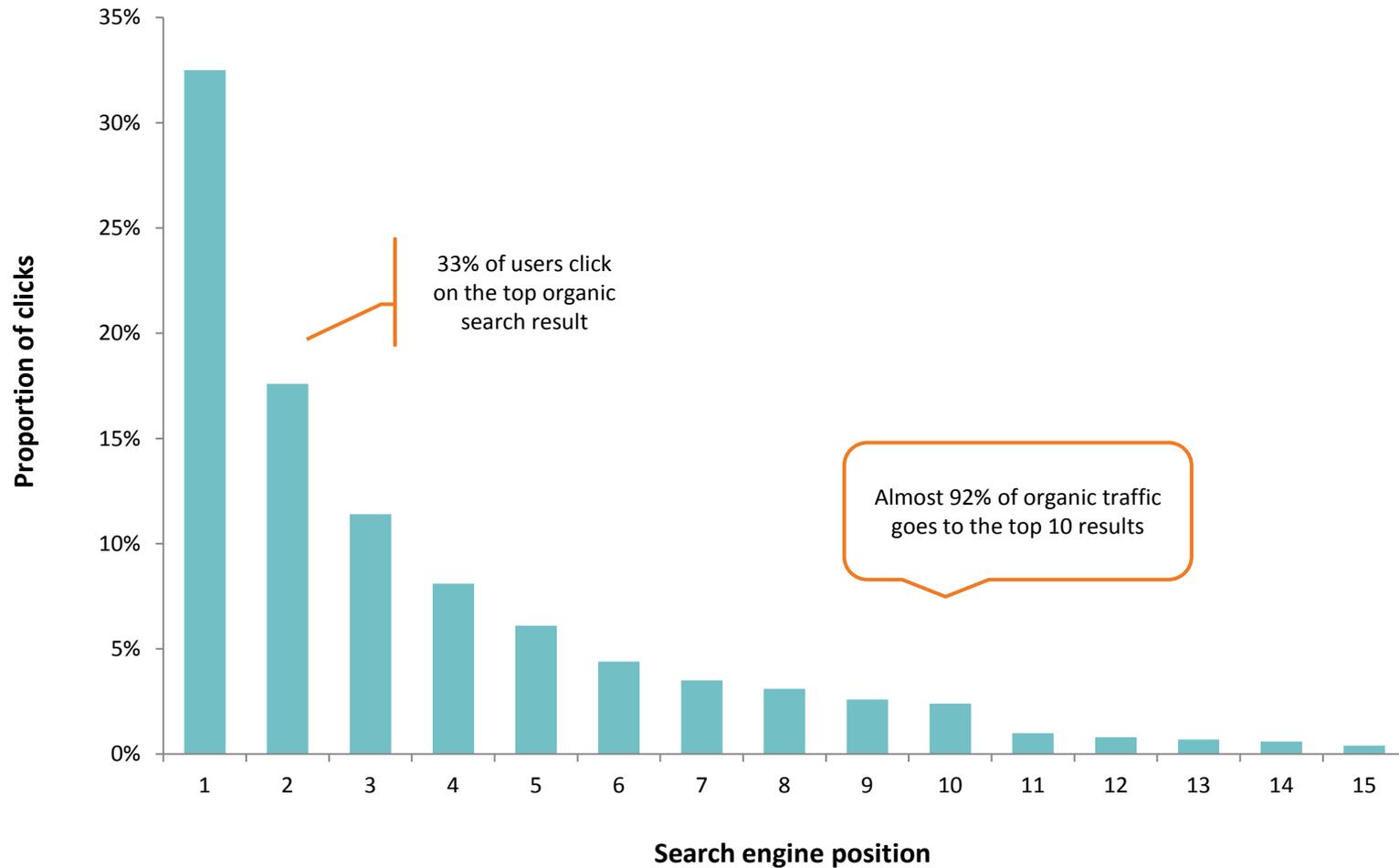
Paid search results

Kia and Honda are also very prominent in the paid search results ranking in the 4th and 7th positions. In total there are 11 companies ranked for paid search. That represents the maximum number of paid search results for the first page. Given that, the used cars and car brands markets are highly competitive.

Organic search results



The importance of top rankings

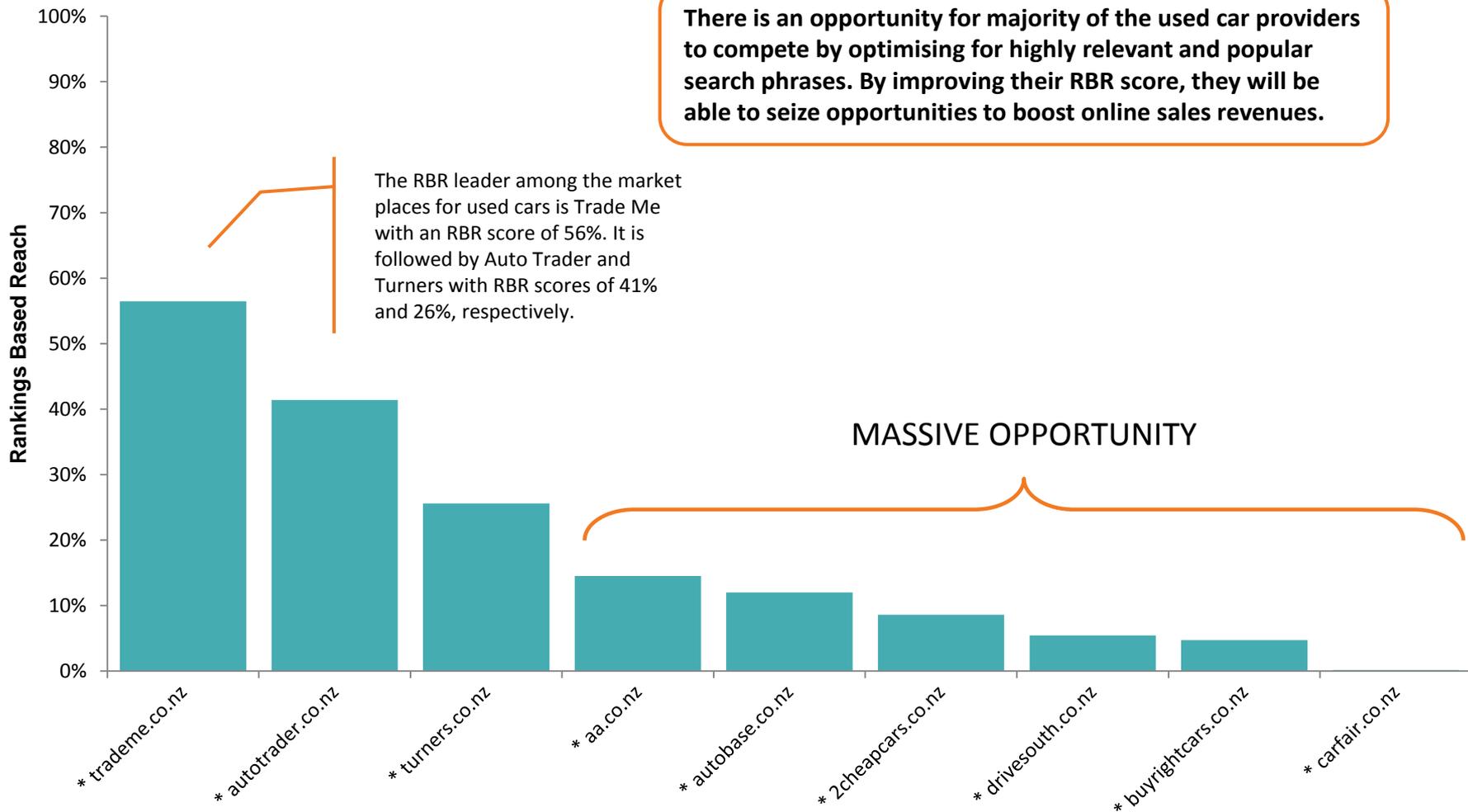


Source: Chitika, 2013 (Organic Search)



Rankings Based Reach: Natural Search for Used Cars

There is an opportunity for majority of the used car providers to compete by optimising for highly relevant and popular search phrases. By improving their RBR score, they will be able to seize opportunities to boost online sales revenues.



The RBR leader among the market places for used cars is Trade Me with an RBR score of 56%. It is followed by Auto Trader and Turners with RBR scores of 41% and 26%, respectively.

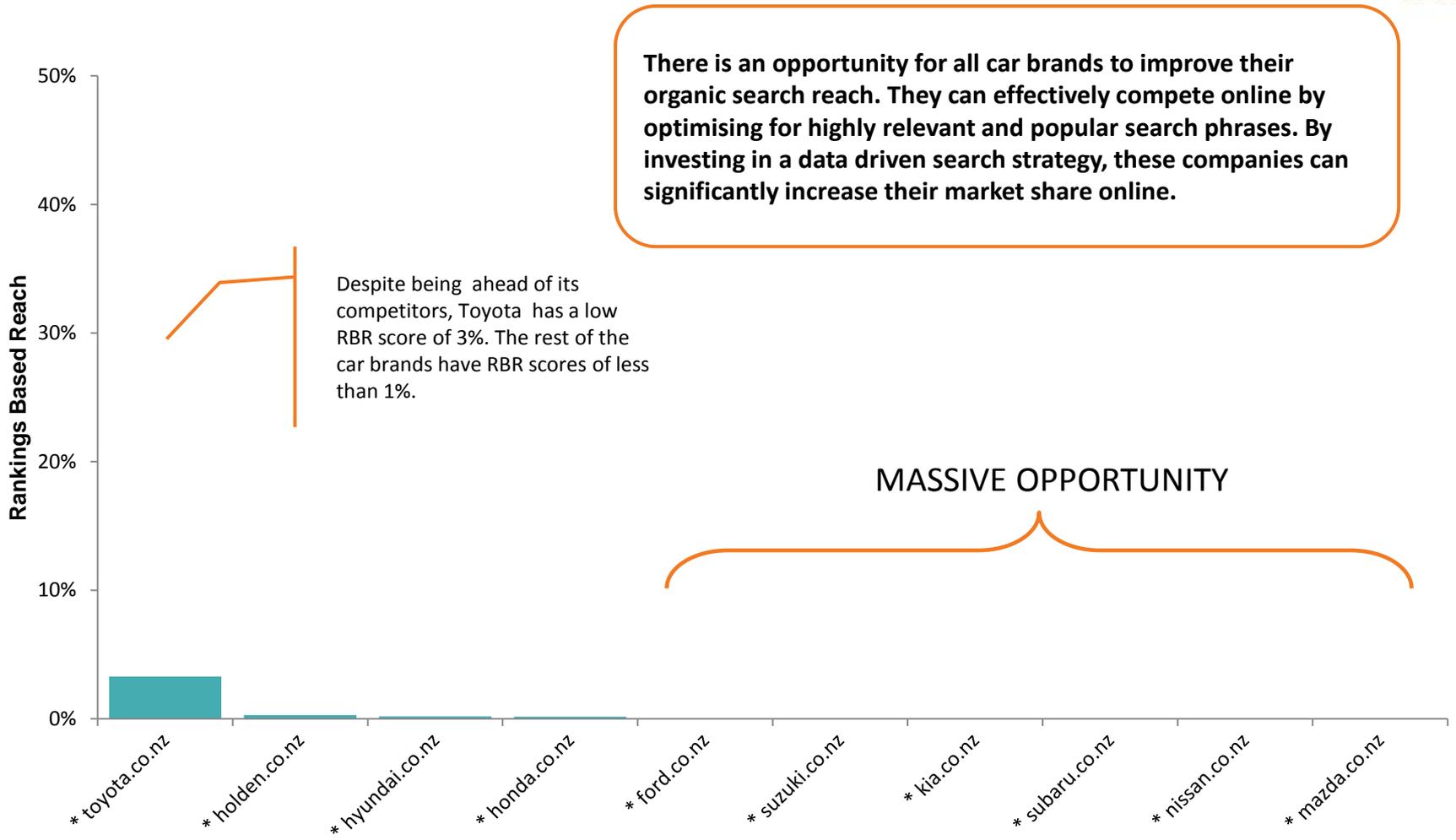
MASSIVE OPPORTUNITY

* includes all websites under the relevant domain name (e.g. including www.)

Source of ranking data: Google New Zealand, www.google.co.nz, Apr 2015



Rankings Based Reach: Natural Search for Car Brands



* includes all websites under the relevant domain name (e.g. including www.)

Source of ranking data: Google New Zealand, www.google.co.nz, Apr 2015

Search trends

The chart below illustrates interest in key search term 'cheap cars' in New Zealand over the last 5 years in the autos & vehicles specific category.

"Cheap used car prices drove a 17% increase in overall car sales during January [2015], as the sun continued to shine on car dealers. Low prices created by a weakened yen, coupled with improving labour market conditions and subdued interest rates had fuelled the demand. The price of used cars dropped 3% in the December 2014 quarter year-on-year, while new car prices fell 1.8%. Favourable car prices have been a key factor driving demand over recent months¹."

There was a notable uplift for the search term 'cheap cars' among New Zealand customers since December 2013 and has consistently increased in terms of search volume in the following years. This points directly to the need and significance of adopting quickly and maximising search engine optimisation.



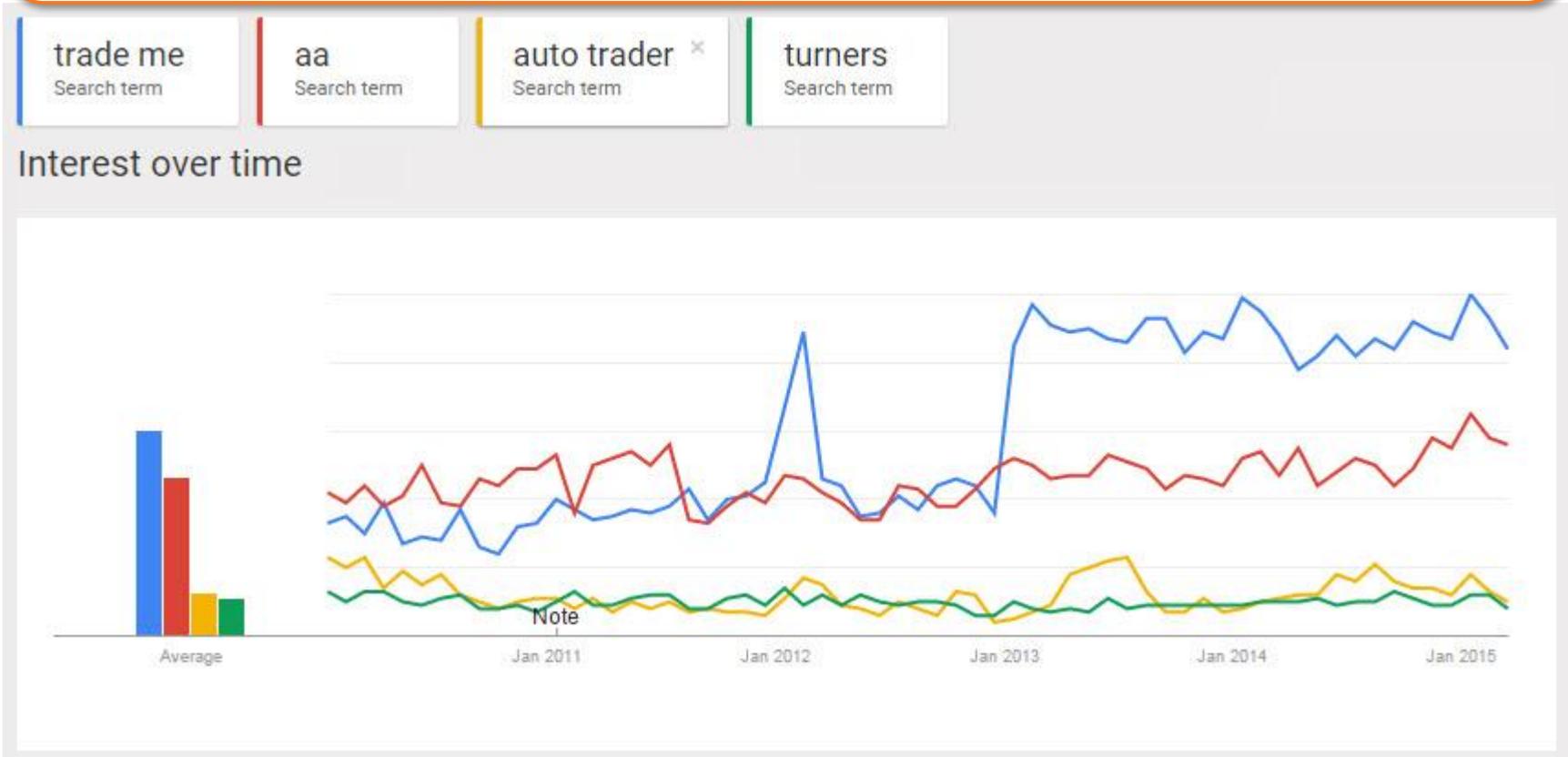
Graph source: Relative total keyword performance on a normalised scale of 1 to 100, Google Trends, New Zealand, Apr 2015

¹Source: Lower prices rev up demand for used cars, Stuff.co.nz, Feb 2015

Brand search trends – Used cars

The chart illustrates the brand search terms for used car providers in the autos & vehicles specific category. The trend data show Trade Me accelerating away starting December 2012 in terms of online brand search. This upward increase was due to the acquisition of AutoBase in the 2nd half of 2012 and Tradevine in August of the same year. Both businesses have been contributing to Trade Me's growth in the New Zealand market¹. AA and Trade Me were head-to-head in terms of search popularity among New Zealand customers up until December 2012 where AA remained stagnant in the next 3 years. With nearly similar search volumes, Ami, Tower and AA are lagging behind its competitors.

To combat being left behind, runner-up used car providers need to drive consumer brand recognition via search, display, social and email remarketing campaigns.



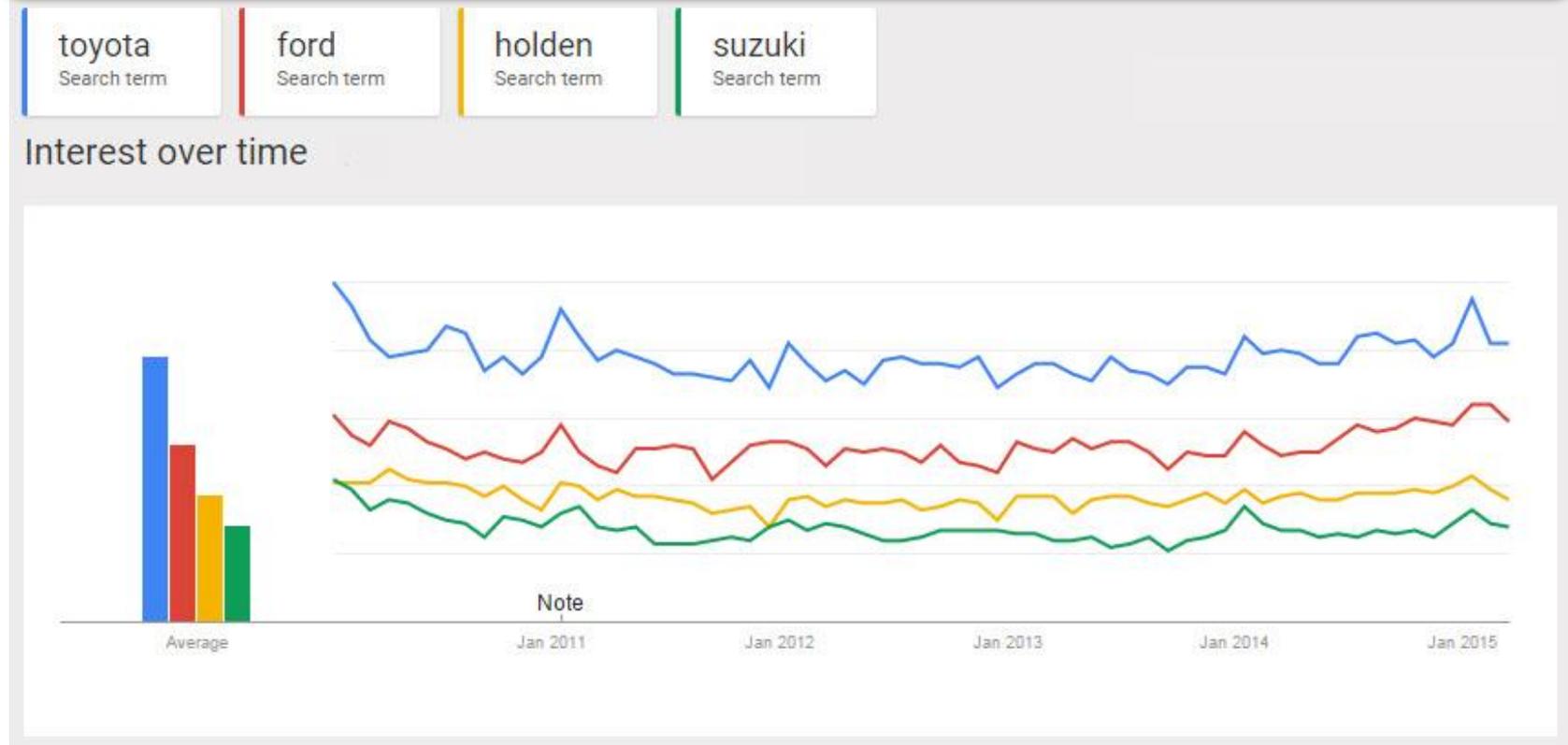
Source: Relative total keyword performance on a normalised scale 1 to 100, Google Trends, New Zealand, Apr 2015

¹Source: CEO 's report, Trade Me Annual Report, 2012

Brand search trends – Car brands

The chart illustrates the brand search terms for car brands in the autos & vehicles specific category. The trend data show Toyota is ahead of its competitors in terms of online brand search. It “was the top selling brand in February 2015 with a 16% market share¹.” Toyota is “followed by Ford and Holden, each with a 10% market share¹.” Suzuki, particularly, the Suzuki Swift is New Zealand’s most popular small car and has been the fourth highest selling new car in New Zealand since 2005².

To combat being left behind, runner-up car brands need to drive consumer brand recognition via search, display, social and email remarketing campaigns.



Source: Relative total keyword performance on a normalised scale 1 to 100, Google Trends, New Zealand, Apr 2015

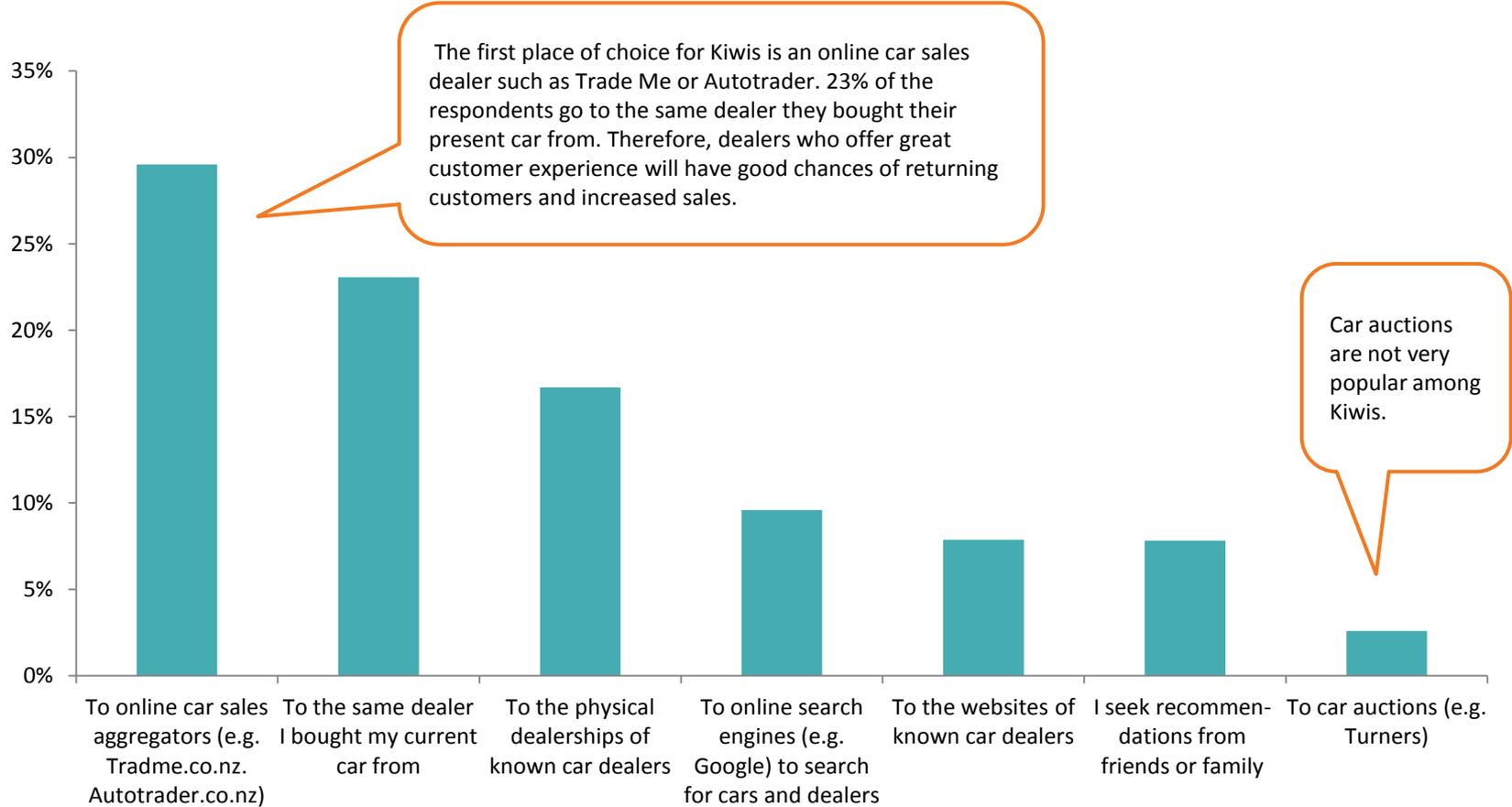
¹Source: New vehicle sales jump 8.1% to 31-year high in February, National Business Review, Mar 2015

²Source: Swift tops three million milestone, Suzuki, Feb 2013



Consumer Research: 30% choose online car sales aggregators

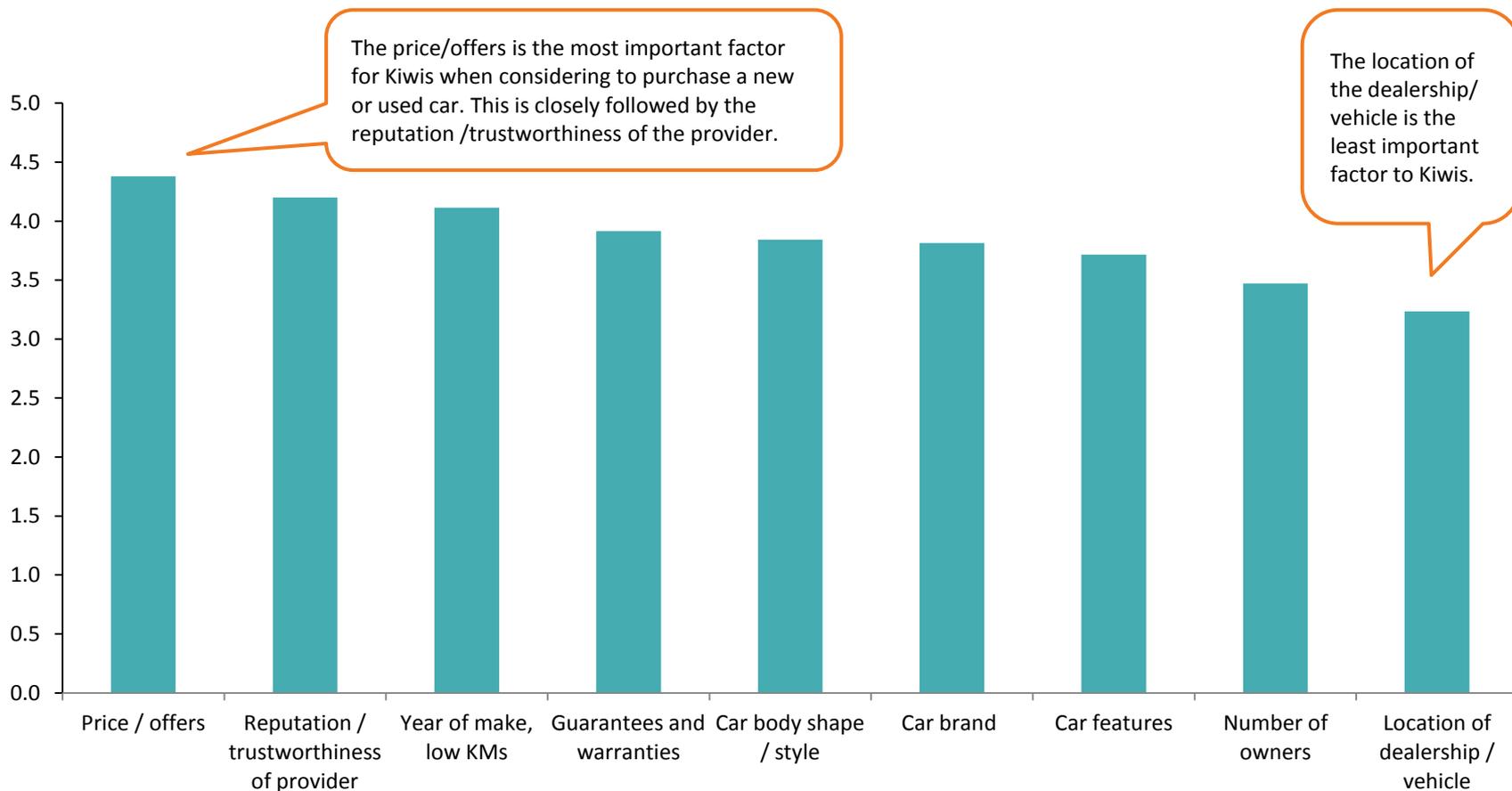
Question 1: Typically, where is the first place you go to when considering to purchase a new or used car?



This representative survey was carried out by 3Di Research on the Great Sites platform, Sep 2014 (n=1,839).

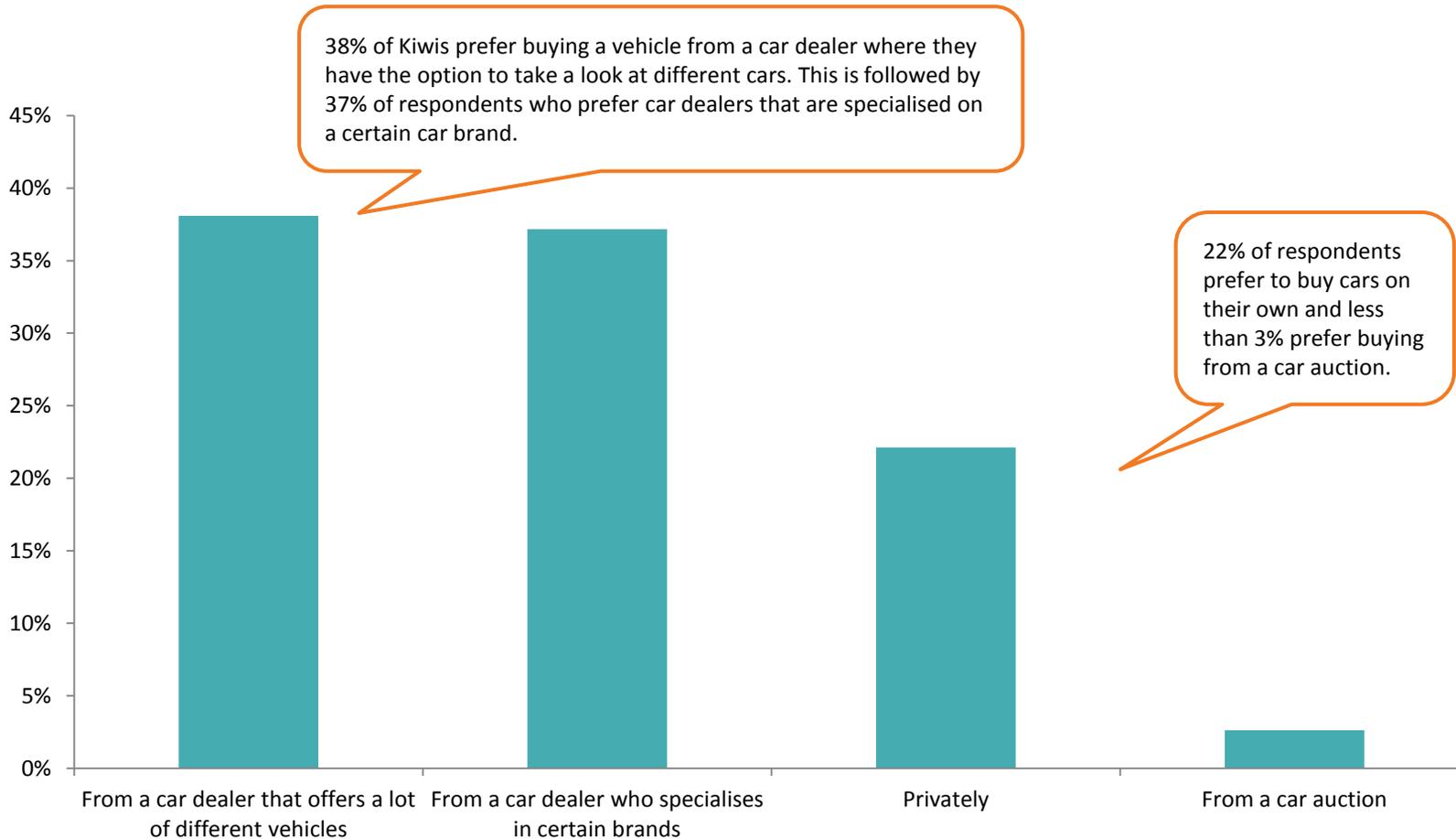
Consumer Research: Price and offers then reputation

Question 2: What is most important to you when considering to purchase a new or used car? (Rank the following on a scale of 1-5, 1 being least important, 5 of great importance)



Consumer Research: 75% of Kiwis buy from car dealers

Question 3: In general, where do you buy cars?



This representative survey was carried out by 3Di Research on the Great Sites platform, Sep 2014 (n=1,839).



Used cars and Car brands– FIRST Insights



- In the used cars category, Trade Me stands out in the search and ranking landscape followed by Auto Trader and Turners capturing a big proportion of the voice thanks to prominent organic presence. While in the car brands category, Toyota leads in terms of online brand search among New Zealand customers.
- Our survey revealed that Kiwis consider price/offers as the most important factor when purchasing cars. This points to the importance of displaying car prices, discounts and other product offers visibly and strategically on the websites of car dealers.
- “A strong [New Zealand] economy has driven new vehicle sales to a record level in 2014. More than 126,000 new vehicles were registered in NZ during 2014 beating the 30-year old record of 123,247 units sold in 1984¹.” Sales were driven by “distributors providing a large number of models at competitive prices².” The outlook for 2015 is for very positive with “anticipated continued strong sales in the light commercial sector¹.”
- Majority of the analysed used car providers have low RBR scores, below 20%. All of the analysed car brands have extremely low RBR scores, below 5%. Given that, there is significant opportunity for these providers to improve their RBR or search engine reach – for important and popular keywords in organic search.
- Due to their low RBR scores, search results are broadly dispersed among a wide range of competitors. In the competitive and margin-driven used cars and car brands markets, providers need to optimise the most cost effective marketing channel - search.
- **A well-executed digital strategy that integrates both organic and paid search should be a key customer acquisition channel for used car providers and car brands, driving revenue and growing the stores share of digital spend.**

¹Source: New vehicles sales hit record, Stuff.co.nz, Jan 2015

²Source: Record new car sales put shine on 2014, The NZ Herald, Jan 2015



About FIRST.

FIRST is an award-winning team of smart Digital Marketers who have helped over 300 companies across 100 industries achieve success online. We help our clients to grow online sales, revenue and improve their ROI.

Our expertise in digital marketing has been built on over 15 years experience in digital strategy, analytics, conversion, search marketing and digital campaigns.

Get in touch to find out more...



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