

January 2022

THE STATE OF AUTO AFTERMARKET PARTS & SERVICES

NBCUniversal

AUTO AFTERMARKET PARTS & SERVICES IS A BROAD SEGMENT

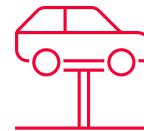
All sub-segments are included in this analysis. Throughout the analysis, this will be referred to as Auto Parts & Services.



PARTS
(e.g., AutoZone)



ACCESSORIES
(e.g., WeatherTech)



REPAIR
(e.g., Safelite AutoGlass)



TIRES/WHEELS
(e.g., Tire Rack)

*Note: There is a lot of overlap in this category with many companies offering products and services across these segments
Ex: AutoZone does parts, accessories, and tires*



CHANGES IN THE INDUSTRY ARE IMPACTING AUTO PARTS & SERVICES...



Keeping Cars Longer

The current deficiency of new cars, and growth in used car prices, due to the chip shortage, has led to a booming maintenance business¹



E-Commerce Growth

Auto Parts & Services players, like most retailers, need to shift to an omnichannel model²



Electric Vehicle Adoption

EV owners, a fast-growing audience, are generally less satisfied with service and maintenance³

Capture the Opportunity

Prepare for the future





...AS WELL AS TWO KEY CONSUMER SHIFTS



Sustainability

Customers for whom sustainability plays a clear role in their purchase choices, are becoming increasingly bigger parts of the Auto Parts & Services industry's customer segment¹



Relationships

Saying hello and acknowledging customers upon arrival at a service facility can significantly improve customer satisfaction scores²

KEY PLAYERS IN AUTO PARTS & SERVICES

The top 4 media spenders overall

In Order of Reported Media Spend



WeatherTech®

Accessories

Floor/bed/trunk mats & liners

Main Offering

Business Info

\$121M in Profit (2018)¹

Over 10,000 authorized dealers²

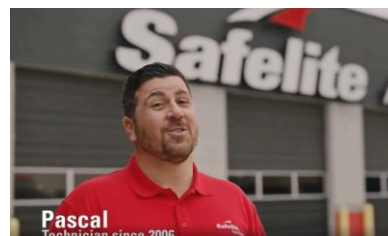
2020 Media Spend⁸

\$136M

Top 2020 Creative⁹



'Holiday Shopping'
Spend: \$6M
Impressions: 654M



'Camping Trip: Pascal'
Spend: \$12M
Impressions: 3.6B

Parts & Repair

Retailer of aftermarket auto parts & accessories

\$14.6B in Revenue (FY 2021)⁵

6,051 stores⁵

\$41M



'El auto no arranca' (Spanish)
Spend: \$4.5M
Impressions: 212M

Tires/Wheels

Specializes in tires & wheels, also sells parts & accessories

\$234M in Sales (2020)⁶

Inventory from 26 major tire and 60 wheel brands⁷

\$30M



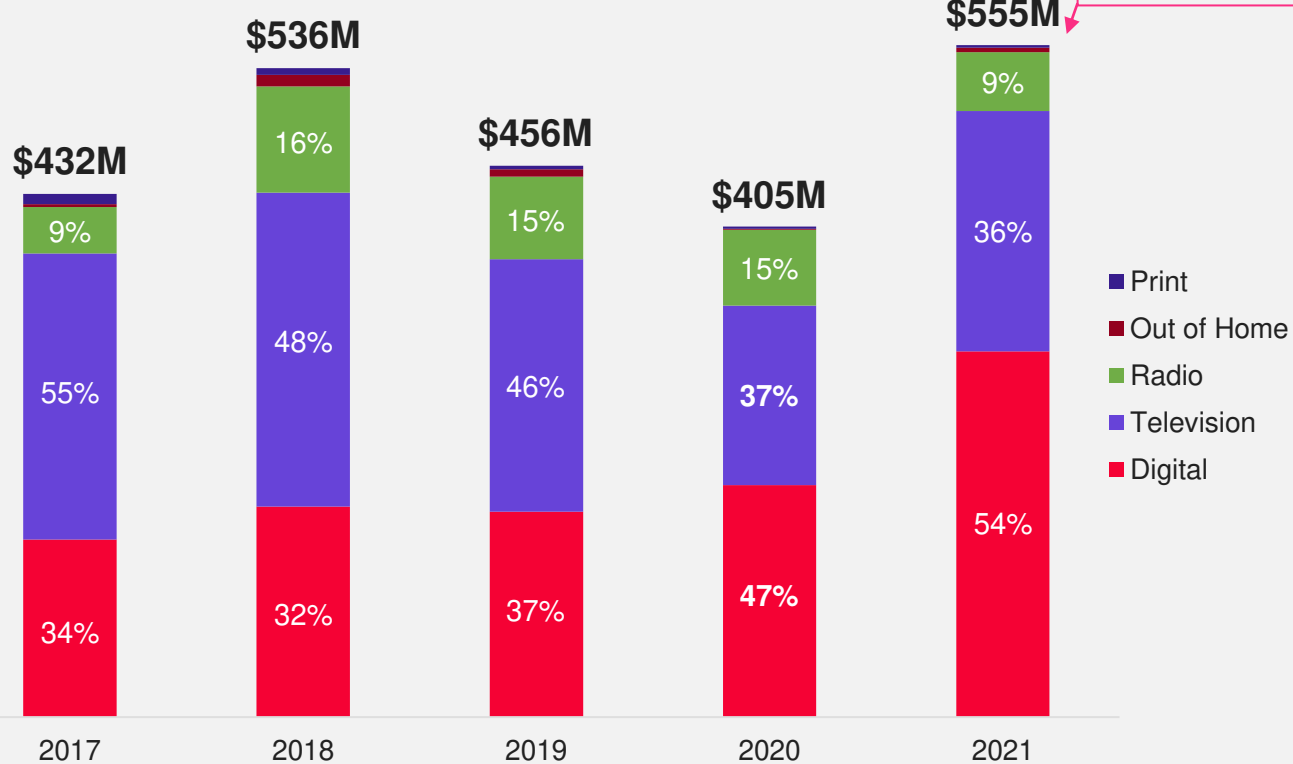
'Online Shopping: Free Shipping'
Spend: \$692K
Impressions: 111M

AUTO PARTS & SERVICES, A DIGITAL-FIRST APPROACH

Following consumption and industry trends

Auto Parts & Services Media Spend

2017-2021



Shifting to digital

2020 was the first year Digital spend exceeded Linear TV

- **TV** spend is decreasing (-4% CAGR), while **Digital** is increasing (+20% CAGR)
- **Streaming** spend in 2021 rebounded from 2020, reaching **\$36.3M**, surpassing 2019 levels

Tapping into cultural relevancy

Brands are connecting with communities and cultural interest

- Spend on **Hispanic properties** has stayed relatively stable since 2018 at 3-4% of category spend (**\$13-16M**)
- Spend on **Sports** properties has decreased -2% CAGR since 2017, but was higher in 2021 (**\$67M, 12% of total spend**) than in 2020

Note: CAGR refers to 2017-2021.

Source: SMI, Automotive Aftermarket Parts & Services Category, 2017-2021 Spend by Media Type.

KEY CONSIDERATIONS

“The pandemic will tangibly impact the aftermarket but only in the short and medium term.”

“Start preparing for the long-term transformation now”

- McKinsey

Achieving objectives now and setting up for the future with NBCU

AUDIENCE

Capture the immediate audience opportunity by leveraging data targeting to reach new key audience segments (e.g., interest in **sustainability, consideration of EVs, longer ownership periods**).

MESSAGE

Drive brand preference by using NBCU talent to **highlight the relationship** you have with your customers in order to build trust with potential buyers.

CREATIVE

Become top-of-mind by telling your story with innovation in engaging **streaming** environments to establish your **e-commerce and emerging electric vehicle offerings**.



CONTACT US!



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