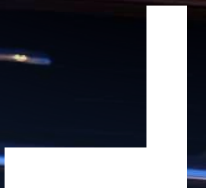


FEBRUARY 2024

Hot Topics for Auto

GOING INTO 2024

NBCUniversal



Hot Topics for Auto

GOING INTO 2024

*Click on a tile
to jump to that topic*



Evolving Ways to Sell



New Competition on the Road



EV Growth Hits a Speed Bump



The Need for More Auto Maintenance



Where to Go With Media & Messaging





Evolving Ways to Sell

What's Happening: Auto brands are exploring new sales models, and dealerships are building more immersive retail spaces.

Why To Watch: To stay competitive, expect to see Auto brands continue to innovate to keep up with consumer expectations and build brand loyalty, with media to support these initiatives.



Reach new audiences (e.g., women, Gen Z) with NBCU's advanced targeting; push new offerings & experiences with NBCU's ad innovations

Car-Buying Online

Auto brands are expanding sales methods beyond traditional dealerships to address evolving consumer behavior

In 2024, Hyundai will be the first auto to sell new cars on Amazon¹



Ford will offer flexible payment options and remote vehicle delivery¹



Car Subscriptions

The Global Car Subscription Market is projected to reach \$15B+ by 2030, increasing at 23% CAGR²

OEM Subscriptions³

PIVOTAL CARE BY VOLVO
SUBSCRIPTION BY JAGUAR AND LAND ROVER

PORSCHE
DRIVE



3rd Party Subscriptions⁴

FINN 
BORROW

 **FreshCar**

Immersive Dealerships

Auto brands are creating engaging dealership experiences to showcase their vehicles⁵

*"We want to make sure dealers are looking out beyond just two or three vehicles with customers, making sure the relationship is a **lifetime relationship** with our consumers going forward."*


- Craig Keeys, Infiniti Americas⁶



New Competition on the Road

What's Happening: As consumer behavior evolves, automotive is becoming a mobility industry, expanding beyond just OEMs to address consumer needs.

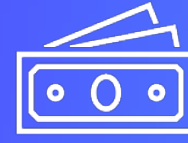
Why To Watch: Expect creativity from auto manufacturers as they embrace a mobility mindset with new / expanded offerings and partnerships and continue to “think like the consumer.”

 *Utilize NBCU's cross-platform optimizer to reach new audiences; optimize creative messaging with A/B testing to determine what resonates*

Consumer concerns with...



Sustainability



Affordability



Connectivity



Efficiency

drive competition in...

Ride-sharing

Ford & Uber launched a pilot program to create flexible leasing solutions for EV Uber drivers¹

Micromobility*

There were **130M** shared micromobility trips in 2022 in the U.S. and Canada, +40% vs. 2018²

*Micromobility reflects station-based bike and scooter share systems with over 150 vehicles (e.g., Citi Bike)

Used Vehicles

44% of consumers interested in purchasing a vehicle in the next three years would consider a used or CPO vehicle³



EV Growth Hits a Speed Bump

What's Happening: Consumer demand for pure EVs is slowing (though still increasing) as interest in hybrids is rebounding.

Why To Watch: In the short-term, automakers will make alt-fuel vehicles more palatable to EV skeptics, while increasing efforts to educate consumers on the electric concept in the long-term.



Educate consumers with best-in-class storytelling across NBCU; capture attention with buzzworthy programming & talent
(check out our [EV marketing playbook](#) for more)

Currently, Pure EV growth is slowing as consumers are still reluctant to convert due to affordability and range anxiety¹

113

By the end of 2023, EVs had **113 days' supply**, vs. 71 for the wider industry²



37

New Pure EVs **expected in 2024**, though some manufacturers are delaying production²



Hybrids are seeing renewed interest, allowing consumers to test the EV experience without fully transitioning

3x

Hybrid sales will **more than triple** over the next five years³

60+

In 2023, manufacturers marketed **more than 60 hybrids** in the U.S.³



The Need for More Auto Maintenance

What's Happening: As consumers keep their cars longer (13.6 years)¹ and EV drivers face the realities of new and more frequent repairs, the need for maintenance is increasing.

Why To Watch: Auto aftermarket brands can provide resources to assist consumers in DIY maintenance & consider an omnichannel approach to selling products to reach new audiences (e.g., women, Gen Z).



Align with NBCU's cross-platform portfolio; create synergies between national and local messaging; leverage Apple News to drive consumer action

Vehicle owners are taking repairs into their own hands

78%

Of consumers have done **at least one auto maintenance project themselves** in the past 3 years²

Consumers save money with DIY repairs

42%

Of car owners would take on a DIY project if it meant **saving \$499 or less**²

EVs require more maintenance than expected

2.6

Number of times the average EV owner **visited a service center** in the past year (vs. 2.3 for the average ICE owner)³

Women are interested in learning DIY maintenance

48%


Of female car owners say they'd like to **learn more** about how to do auto maintenance and repairs themselves²



Where to Go with Media & Messaging

What's Happening: Auto advertisers are decreasing spend in linear TV in favor of digital channels, including social, shortform & programmatic, and highlighting passion points in creative to connect with audiences.

Why To Watch: Advertisers can adopt a cross-platform approach, balancing upper and lower funnel media to reach relevant consumers, beyond the "auto intender," and drive performance.

 *Reach potential buyers with the right message in each phase of their journey with NBCU's digital and programmatic capabilities*

Sources: 1. Internal NBCU Analysis; 2. EDO Search Volume 2021 & 2022 (1/1-12/31); 3. [WARC](#), November 2023

Media

Broad reach channels still provide value



70% less

Media dollars are needed to build brand trust if linear is included in the mix (vs. exclusively digital)¹



Linear TV drives

1.9x

increase in brand searches²



Messaging

Consumers seek vehicle brands that connect with their passions & emotions³



"Defining Class"

Luxury



"Vikings"

Adventure, Outdoors



"College Drop Off"

Family, Lifestages

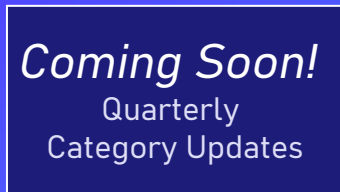
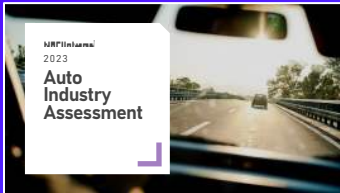


Making Our Auto Insights Work For You

CONTENT FOR FUTURE DISCUSSION & STRATEGIC LONG-TERM PLANNING

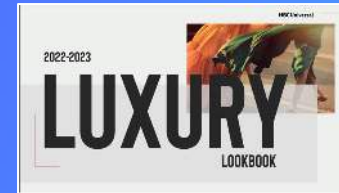
Trends

Industry Assessment, Multicultural Consumers, Generative AI Implications for Auto, Hot Topics



Opportunity Areas

Sales Event Season Opportunities, EV Marketing Playbook, Luxury Lookbook



Marketplace & Advertising

The Power of Advertising, Role of Advertising for EVs, "What If" Scenarios, The Importance of TV for Auto, Gen Z: An Exploration of What Creates Connection



Importance of Advertising Series



NBCUniversal

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GOING INTO 2024

NBCU AUTO CATEGORY STRATEGY TEAM:

Megan Ryan, Nikita Tolani, Melissa Perron, Jackson Freed

