



Ipsos Reid



Motor Vehicle Sales Authority of British Columbia

2008 Usage and Attitude Study

October 2008

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INTRODUCTION

Background and Objectives

- ◆ The Motor Vehicle Sales Authority of British Columbia (VSA) is a not-for-profit organization and administrative authority delegated by the provincial government. Its primary role is to administer and enforce various acts such as the Motor Dealer Act and the Business Practices and Consumer Protection Act. Through the enforcement of such acts and statutes, the organization hopes to build an informed and confident consumer within the motor vehicle sales industry (as per its vision statement).
- ◆ Recently, VSA initiated a research program with Ipsos Reid to measure (and track over time) the progress it has made in accomplishing its mission. Findings from this research will enable VSA to gain insight into the public's awareness of this organization and will provide valuable information about attitudes and perceptions toward the motor vehicle sales industry. As a result, this will allow VSA to make informed marketing decisions that will most effectively reach its target audience.
- ◆ The specific objectives of this research are to:
 - Benchmark awareness of VSA and its role in the sale of motor vehicles;
 - Assess perceptions of the motor vehicles sales industry on relevant attributes;
 - Profile new and used vehicle buyers and decision-makers to fully understand VSA's target market; and,
 - Track VSA's progress in achieving its mission to serve an informed and confident public going forward.

- ◆ This study was undertaken via the Internet using Ipsos Reid's proprietary online panel.
 - Invitations were sent to a random sample of adults 18 years and older in BC.
 - Those who are mainly or jointly responsible for the buying/leasing decisions for motor vehicles in their household and who have bought/leased a vehicle from a dealership for personal or family use within the past 12 months or are very likely to in the next 12 months were asked to complete the survey.
 - Data was weighted by age and gender to the incidence of the population who bought/leased a vehicle within the past 12 months and/or are very likely to buy/lease a vehicle within the next 12 months.
- ◆ Overall, 827 online surveys were completed between the dates of September 3 and 15, 2008.
- ◆ Further, to cross-check key statistics like past 12 month vehicle purchase and VSA awareness level among the general public, these two key questions were conducted using Ipsos' BC Reid Express Omnibus.
 - In total, 802 surveys were completed via telephone between the dates of September 9 and 14, 2008.

- ◆ The following details the breakdown of the sample and margin of error (nineteen times out of twenty) of total telephone and online respondents, past 12 month vehicle buyers/lesors and not past buyers/lesors but likely future:

	Sample	Margin of Error
Telephone Methodology:		
Total respondents	802	±3.5%
Past 12 month buyer/lesor	150	±8.0%
Online Methodology:		
Total respondents	827	±3.4%
Past 12 month buyer/lesor	536	±4.2%
Not past buyer/lesor but likely future	291	±5.7%



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KEY HIGHLIGHTS

- ◆ **VSA is largely an unknown for now, but seem to have no negatives to overcome.**
 - As may have been anticipated, awareness of VSA among its target market is low. On an unaided basis, almost none of the target audience (past and potential future vehicle buyers/lesors) realize that the VSA exists or incorrectly name the organization. Even when prompted with the organization's name on an aided basis, claimed awareness remains low at less than one-fifth.
 - Clearly, advertising to get VSA's name and role known by the public is warranted.
 - More positively, those who have some form of awareness and knowledge about VSA tend to have favourable impressions of the organization. This provides further support that awareness rather than perception is the main roadblock for VSA to overcome.
 - This is further illustrated by the fact that most respondents who learned about the organization through this survey indicated they are likely to contact VSA in the future prior to or after buying/leasing a vehicle. Clearly, they realize the potential value in the services VSA offers even when very briefly introduced to it.
 - Currently (and as can likely be confirmed by VSA's own statistics), telephone is the most common method of contacting the organization. Promoting awareness and use of the website will ensure both a high degree of accessibility of information to the public and also potentially minimize costs associated with providing the telephone service.

Conclusion:

While increasing awareness of the organization as a whole is clearly the primary mandate, VSA will likely also want to specifically increase awareness and thus drive traffic to its website in particular.

- ◆ **While vehicle buyers/lesers feel confident and informed, they may not know as much as they think.**
 - Generally speaking, consumers – even first time buyers/lesers – feel confident and informed when buying/leasing a vehicle.
 - Despite this, as already noted, few are aware of VSA and the role it plays in the motor vehicle sales industry – the very organization designed to protect their interests as a consumer. This finding suggests that buyers/lesers are not as well informed as they think they are.
 - Another finding that adds to this conclusion is the fact that only slightly more than half of used vehicle buyers/lesers had a mechanical inspection completed for their vehicle and even fewer (18%) proactively asked for an inspection. A mechanical inspection completed by a qualified, independent mechanic can help to build consumer confidence, yet it seems few realize its importance.
 - Finally, while many consumers do receive their vehicle documents, the practice is not yet universal. And though many do have an understanding of the documents they receive, relatively few completely understand the contents of the documents.

Conclusion:

In sum, all provide clear evidence that further consumer education – one of VSA's mandates – is needed in order for consumers to be truly confident and informed when buying or leasing a vehicle.

Key Highlights (cont.)

- ◆ **Although most have positive experience when buying/leasing, problems do exist.**
 - Happily, a majority of consumers say they have had a positive experience with their vehicle buying/leasing process and with the dealership salesperson. Many are also likely to return to the same dealership if they were looking to buy/lease the type of vehicle the dealership sells.
 - Still, despite the positive ratings, approximately one-third say they have experienced an issue, problem or concern with a dealership or buying/leasing process. While most are minor rather than major in nature, this is still a fairly significant portion of transactions where problems occur, which clearly underscores the need for an organization like VSA.
 - Another concern is that a significant portion of consumers feel pressure from salespeople to buy optional vehicle items and consumers who feel pressure are more likely to buy the optional items.

Conclusion:

While it seems that the industry is on the right track overall, further work through training, education and enforcement is clearly needed to reduce the occurrence of some problems or issues, particularly those most common to buyers/lesers.

Key Highlights (cont.)

- ◆ **Independent dealerships appear to warrant greater focus by VSA.**
 - As VSA may have anticipated from their past work in the industry, buyers/lesors who have experienced major issues, problems or concerns are more likely to have bought/leased their vehicle from independent dealerships than franchise dealerships.
 - As well, used vehicles (which may be associated with further complications than new vehicles) are more likely to have been bought/leased from independent dealerships than franchise dealerships.

Conclusion:

These findings reinforce the need of VSA to carefully monitor the policies and practices of independent dealerships in particular.



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DETAILED FINDINGS



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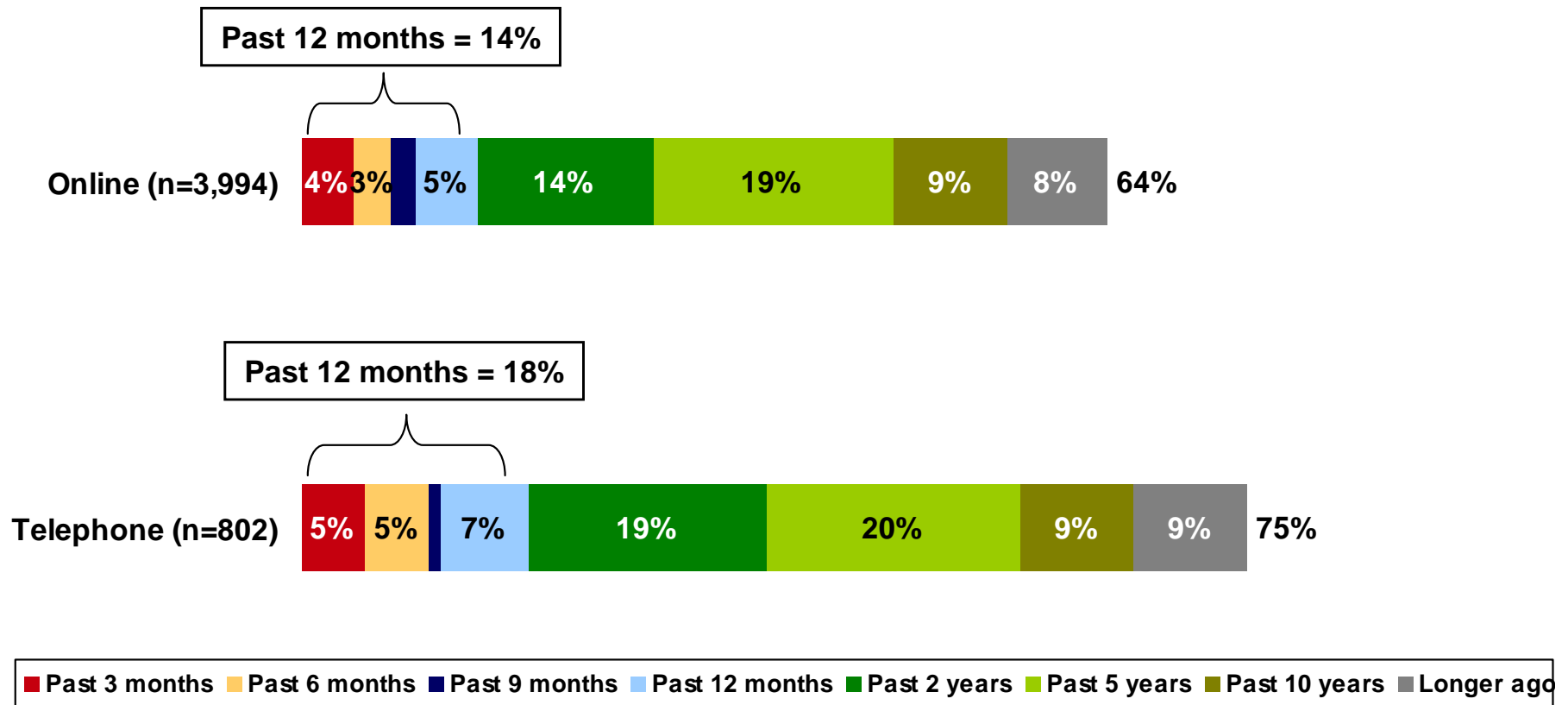


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The Vehicle Buying/Leasing Market

Past Purchase/Lease Methodology Comparison

- ◆ To verify the incidence of past purchasing/leasing of vehicles, the question was asked in both the online and telephone methodologies. As can be seen, there are slight variances in the data, but the difference in incidence at the key past 12 month interval is very similar between the two methodologies (the four-point difference is within the margin of error).
- ◆ As such, this provides additional reassurance about the validity of the data gathered from the online methodology.



Base: All respondents
(Online includes those screened out)

S3. When was the last time you bought or leased a new or used vehicle from a dealership (i.e., not a private sale) for personal or family use (i.e., not a vehicle paid for by your company)?

Demographic Profile

- ◆ Overall, past 12 month buyers/lesers and not past but likely future buyers/lesers are more likely to be younger and married compared to BC's general population.

	BC*	Total Respondents (n=827)	Past 12 Month Buyer/Leaser (n=536)	Not Past Buyer/Leaser But Likely Future (n=291)
Gender:				
Male	48%	52%	55%	48%
Female	52%	48%	45%	52%
Age:				
18 to 34	27%	37%	36%	37%
35 to 54	39%	36%	35%	39%
55+	34%	27%	29%	24%
Marital Status:				
Single (never married)	32%	23%	22%	24%
Married/living with a partner	54%	65%	68%	61%
Widowed	6%	3%	3%	4%
Divorced/separated	8%	8%	7%	10%
Not comfortable answering	–	1%	<1%	1%
Household Composition:				
Adult only	–	31%	28%	35%
Family	–	35%	36%	32%
Post-family	–	34%	36%	33%

* Source: Statistics Canada 2006 Census.

Demographic Profile (cont.)

- ◆ As well, past and likely future buyers/lesers are more likely to have lower household income than the general population of BC.
- ◆ Further, past 12 month buyers/lesers are more likely to have household incomes ranging from \$40,000 to \$79,999 than those who have not bought/leased a vehicle in the past but are likely to in the future. No other statistically significant differences exist between these two groups.

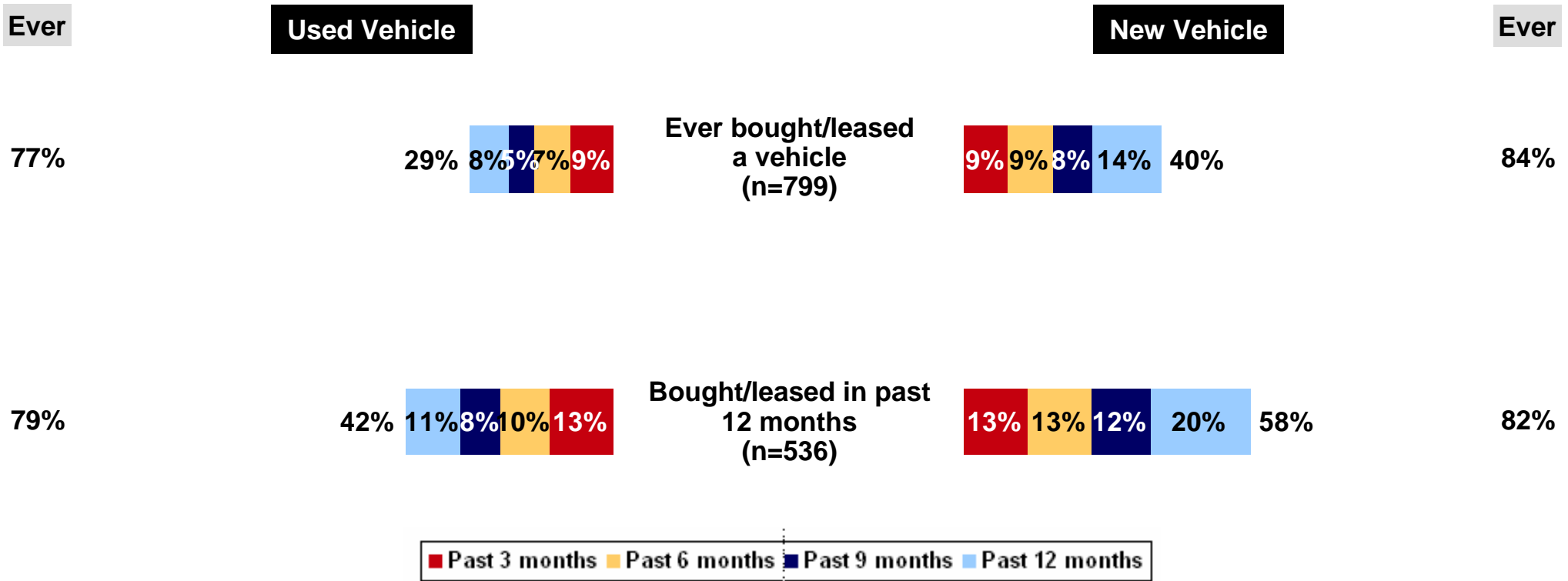
	BC*	Total Respondents (n=827)	Past 12 month Buyer/Leaser (n=536)	Not Past Buyer/Leaser But Likely Future (n=291)
Household Income:				
Under \$40,000	26%	40%	38%	44%
\$40,000 to \$79,999	36%	35%	40%	26%
\$80,000+	38%	25%	22%	30%
Education:				
High school or less	–	22%	24%	20%
Some college/university	–	25%	24%	25%
Graduated college/university	–	53%	52%	55%
Employment:				
Employed	–	67%	65%	70%
Not employed	–	31%	33%	27%
Other	–	2%	2%	3%
Region:				
City of Vancouver	14%	12%	13%	10%
Lower Mainland excluding Vancouver	32%	32%	33%	30%
Lower Mainland including Vancouver	47%	44%	46%	40%
Rest of BC	53%	56%	54%	60%

* Source: Statistics Canada 2006 Census.

40% Significantly higher.

Past Purchase/Lease of New/Used Vehicle

◆ According to self report, the dealership market is basically a 60/40 split between new and used vehicles both in the past year and in the longer term.



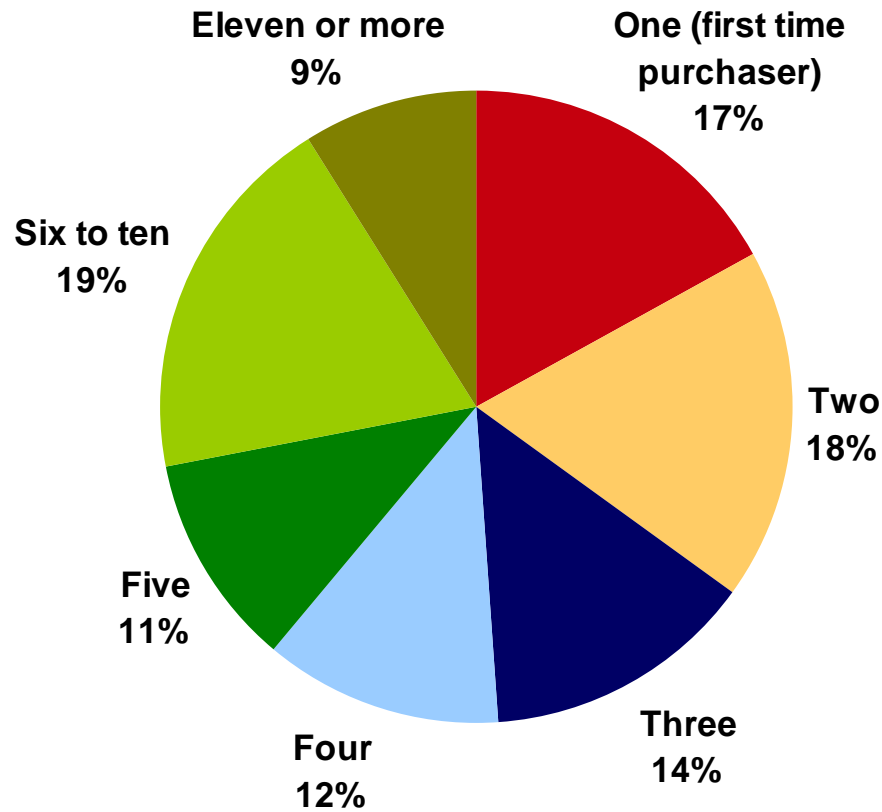
Base: Ever bought/leased a vehicle

A1a. More specifically, when was the last time you bought or leased a new and/or used vehicle from a dealership (i.e., not a private sale) for personal or family use (i.e., not a vehicle paid for by your company)?

Number of Vehicles Bought/Leased

◆ Largely, those who have bought/leased a vehicle have had some prior experience buying/leasing from a dealership for personal or family use. Hopefully this past experience translates into a more skilled and knowledgeable consumer when it comes to the sale of motor vehicles.

Average = 4.9
Median = 3.0



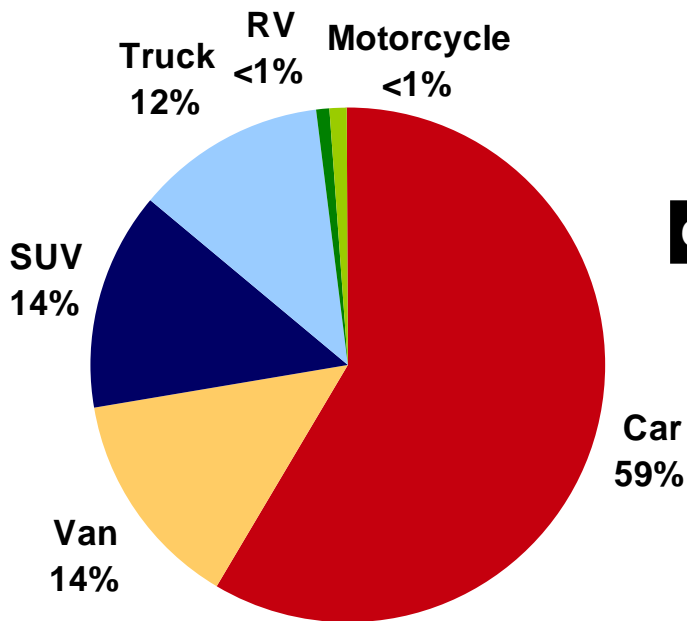
Base: Ever bought/leased a vehicle excluding don't know (n=777)

A1. How many vehicles, if any, have you ever bought or leased from a dealership for personal or family use?

Type of Vehicle Bought/Leased Most Recently

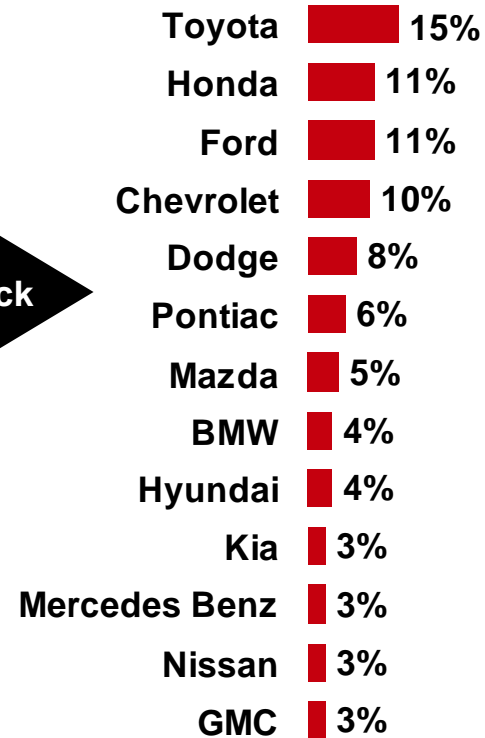
- ◆ On the basis of the **last** vehicle purchased, over half of past 12 month vehicle buyers/lesors purchased a car. Vans and sports utility vehicles (SUVs) make up a significant portion of the market as well followed closely by trucks. Recreation vehicles (RVs) and motorcycles, on the other hand, make up only a small fraction of the vehicle sales market.
- ◆ Japanese vehicle manufacturers such as Toyota and Honda and North American manufacturers such as Ford and Chevrolet are the most popular makes for cars, vans, SUVs, and trucks bought/leased in the past 12 months.

Type of Vehicle



Base: Bought/leased a vehicle in past 12 months (n=536)

Manufacturer of Car, Van, SUV, Truck



Note: Only mentions of 3% or more are shown.

Base: Bought/leased a car/van/SUV/truck in past 12 months (n=533)

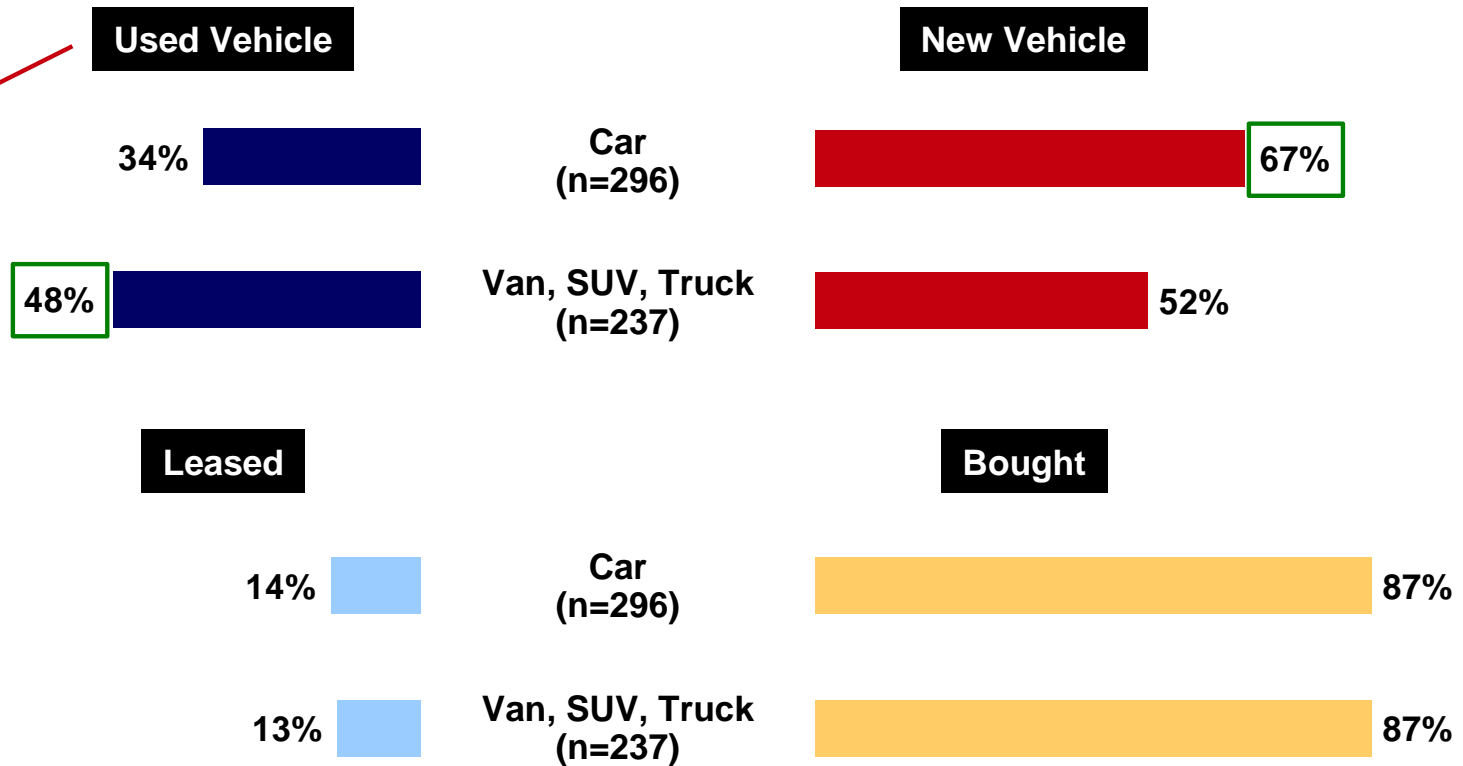
A2. What type of vehicle did you buy/lease most recently?

A3. What is the make (i.e., manufacturer) of the vehicle you bought/leased most recently?

Type of Vehicle Bought/Leased Most Recently

- ◆ Interestingly, those who buy/lease a car are more likely to purchase new while those who buy/lease a van, SUV or truck are more likely to purchase a used vehicle.
- ◆ There is no difference in buying versus leasing when it comes to type of vehicle (car vs. van, SUV, or truck).

Rest of BC residents are more likely than Lower Mainland residents to have bought a used vehicle most recently (45% vs. 33%).



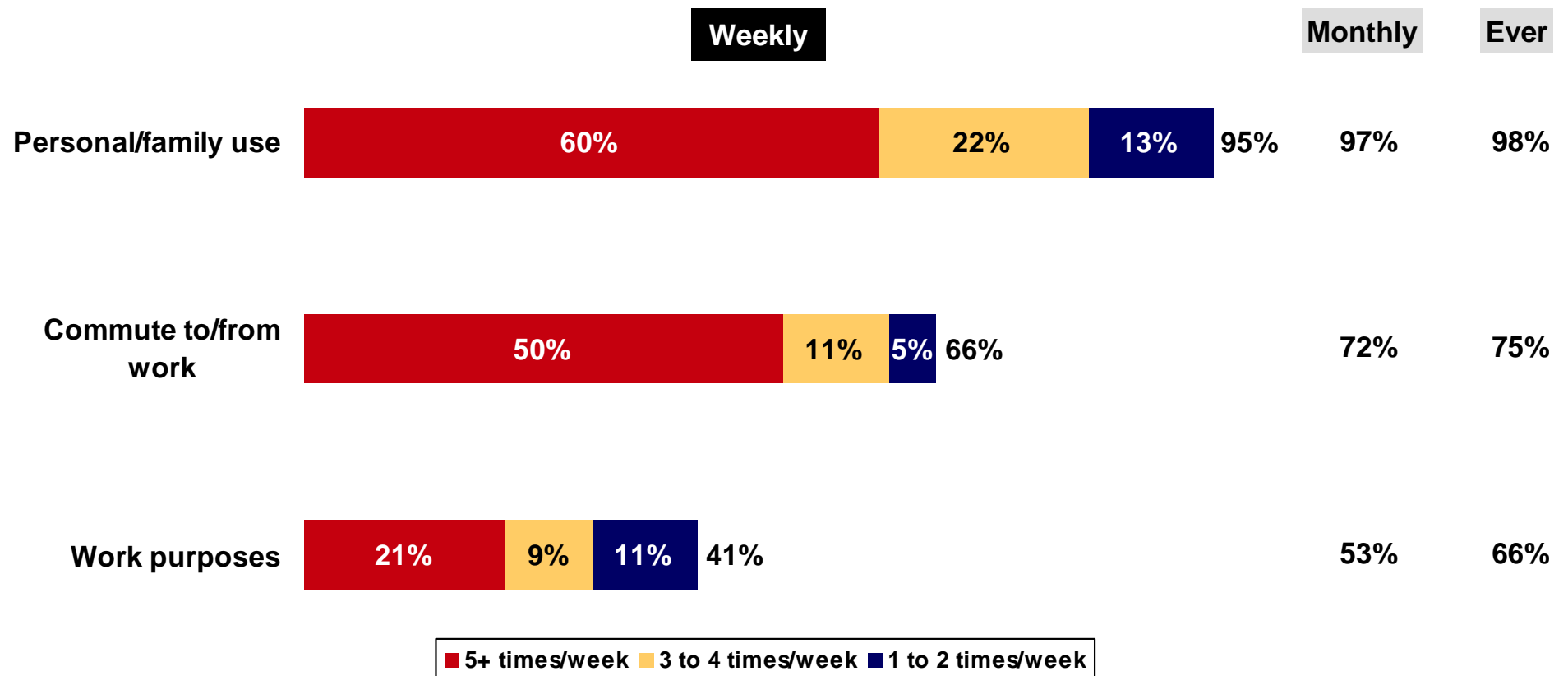
Base: Bought/leased a vehicle in past 12 months

A4. Did you buy/lease a new or used vehicle most recently?
 A5. And did you buy or lease this vehicle?

 Significantly higher.

Use of Vehicle Bought/Leased Most Recently

- ◆ The most prevalent use of the vehicles bought/leased is personal or family use with almost all buyers/lesors driving their vehicles for this reason on a weekly basis.
- ◆ Two-thirds also use their vehicle to commute to and from work on a weekly basis and four-in-ten drive their vehicle for work purposes at least once a week, illustrating the multiple purposes most vehicles are put to.



Base: Ever bought/leased a vehicle (n=799)

A6. Thinking about the vehicle you bought/leased most recently, how often is your vehicle driven (by you or others in the household) for the following purposes?



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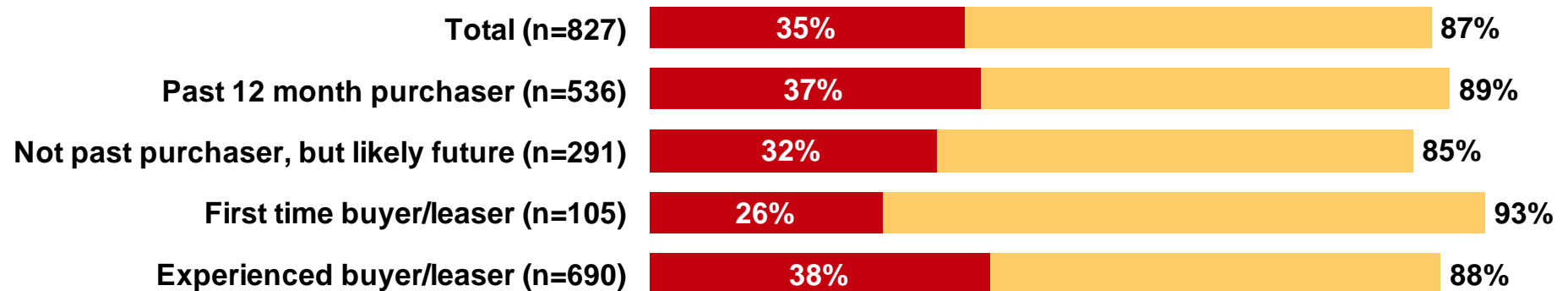
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Buying/Leasing Process

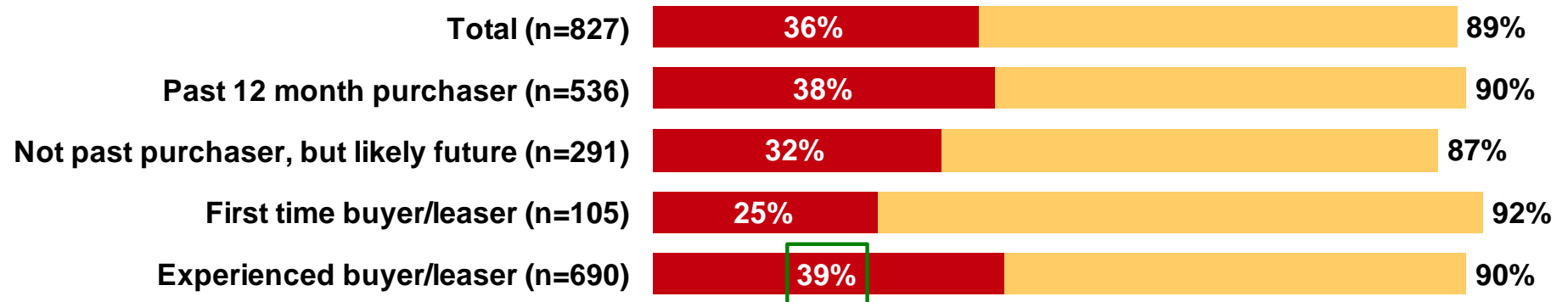
Attitudes to Vehicle Buying/Leasing Process

- ◆ Positively, almost all vehicle consumers feel confident and well informed when buying/leasing a vehicle. This is the case regardless if the consumer has had experience buying/leasing vehicles from a dealership before, although experienced buyers/leasers are a little more emphatic about their knowledge and being informed than those less experienced.
- ◆ This finding suggests that most consumers are off to a good start in buying/leasing a vehicle in that they feel they have the knowledge it takes to make a wise decision.

You feel confident when buying/leasing a vehicle



You are well informed when buying/leasing a vehicle



■ Agree strongly ■ Agree somewhat

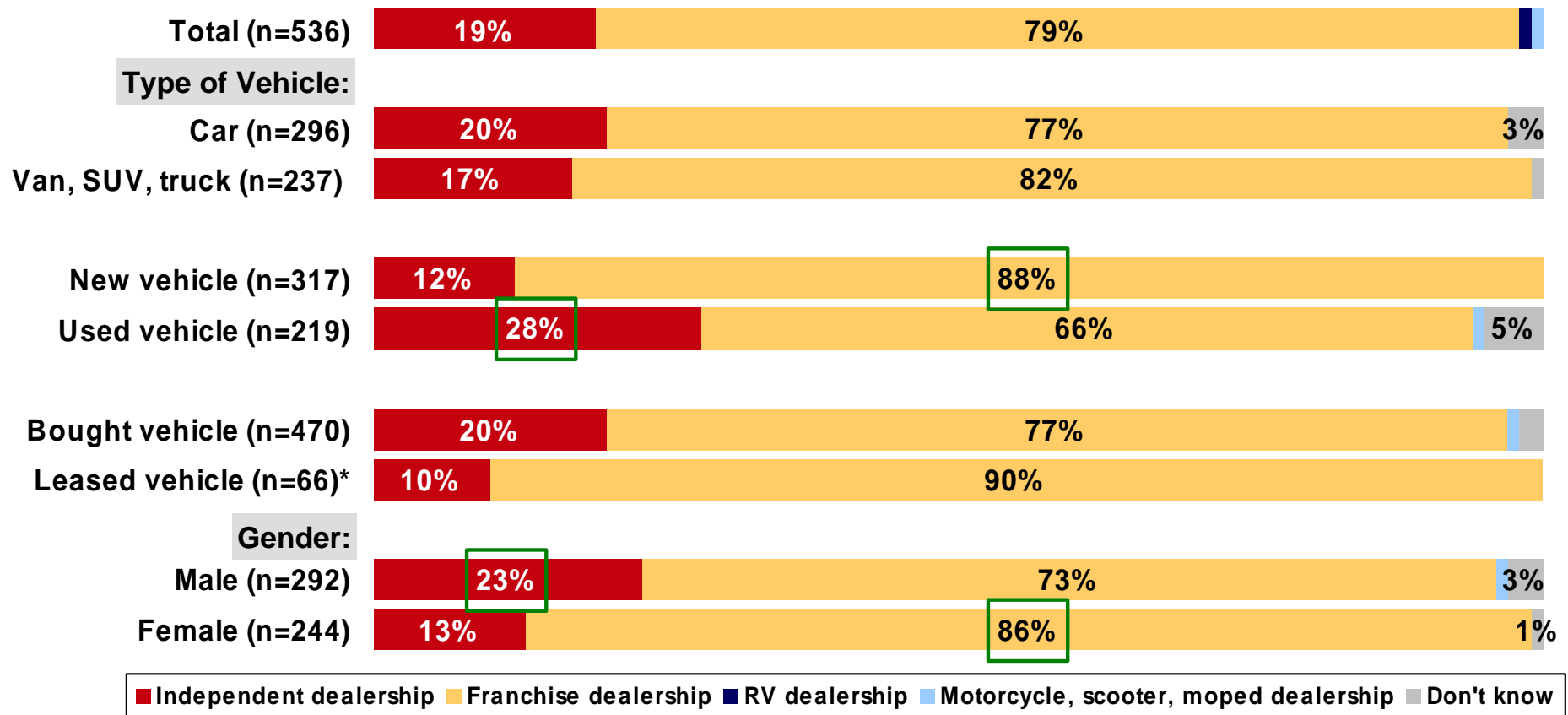
Base: Total respondents

Z1. Please indicate how much you personally agree or disagree with the following statements ...

 Significantly higher.

Type of Dealership Bought/Leased Vehicle From

- ◆ As the VSA is aware, most vehicles are bought/leased from a franchise dealership, although our understanding is that this self-reported level of purchase from a franchise dealership is somewhat higher than the actual volume sales suggests.
- ◆ Predictably, new vehicles are more likely to be bought/leased from a franchise dealership while used vehicles are more likely to be purchased from an independent as directionally so (due to a small base size, the difference is not statistically significant) are leased vehicles in comparison to those purchased.
- ◆ Additionally, males are more likely to buy/lease from independent dealerships whereas females are more likely to buy/lease from franchise dealerships.



* Small base size, interpret with caution. Base: Bought/leased a vehicle in past 12 months

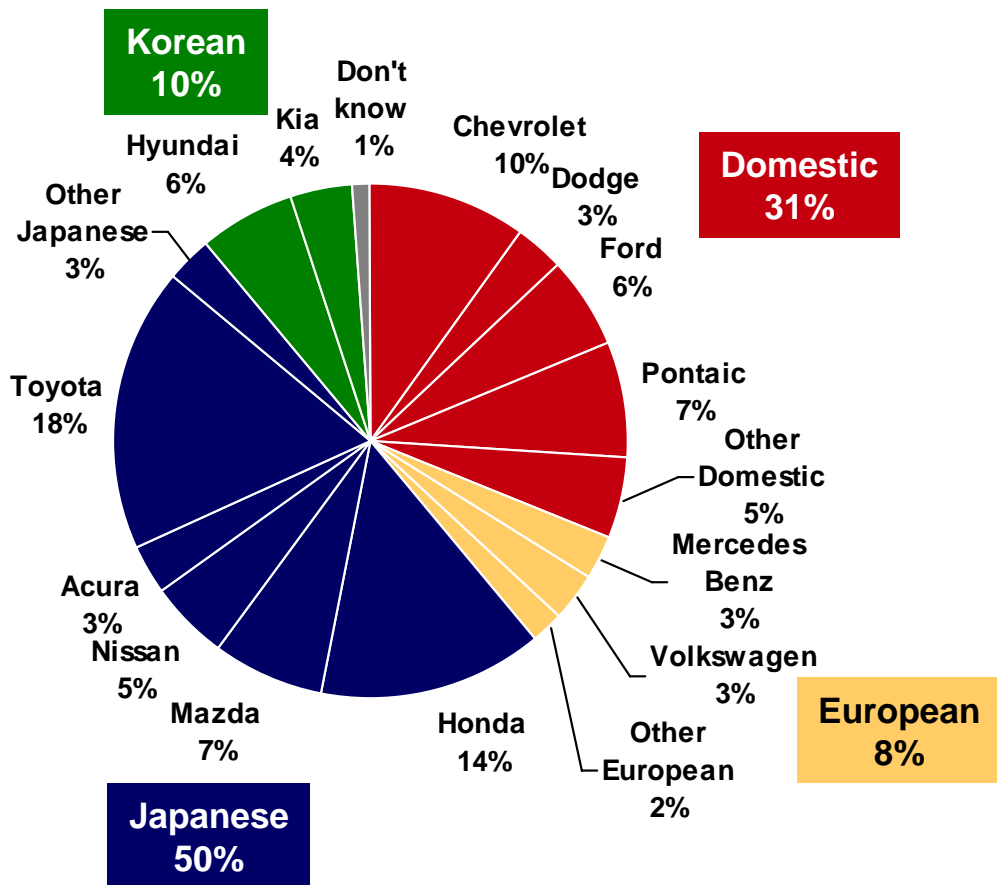
B2. From which of the following types of dealership did you buy/lease your vehicle?

 Significantly higher.

Manufacturer Associated with Franchise Dealership

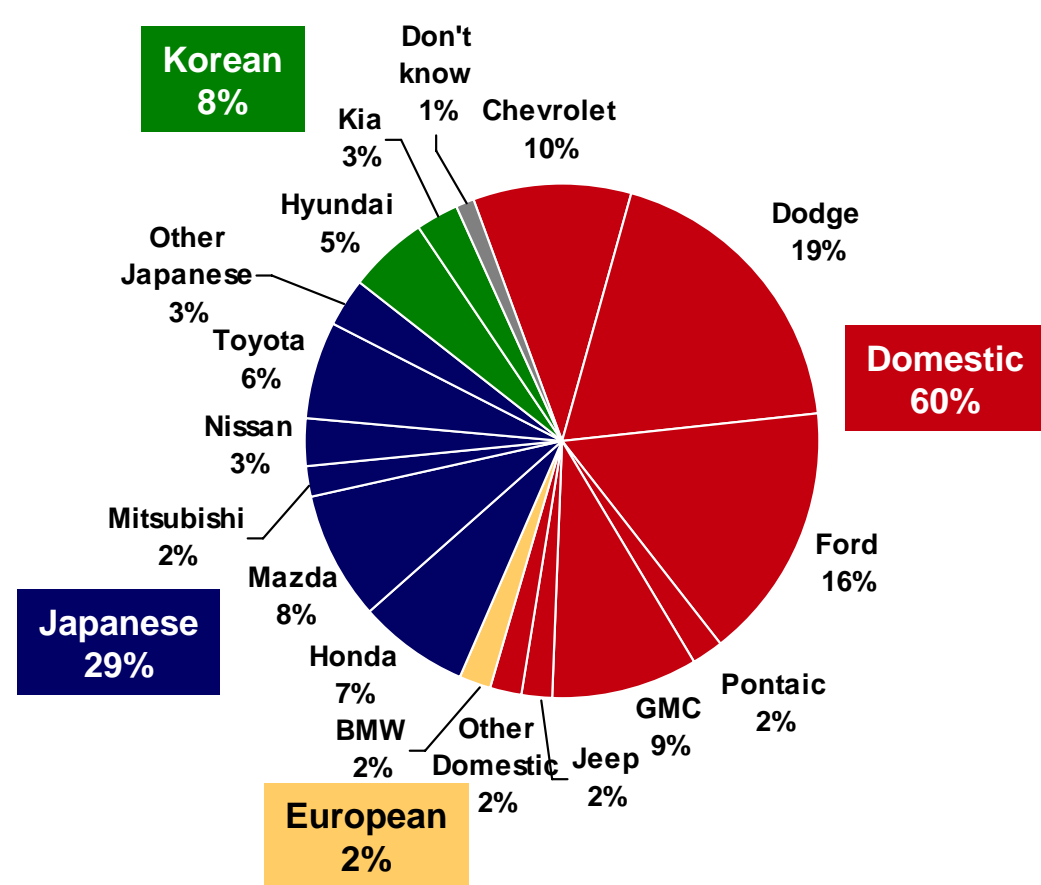
◆ Of the vehicles bought/leased from a franchise dealership, most are from a Japanese or domestic (North American) dealership. Cars (in comparison to vans, SUVs and trucks) are more heavily Japanese and European rather than domestic.

Car



Base: Bought/leased a car from franchise dealership (n=262)

Van, SUV, Truck

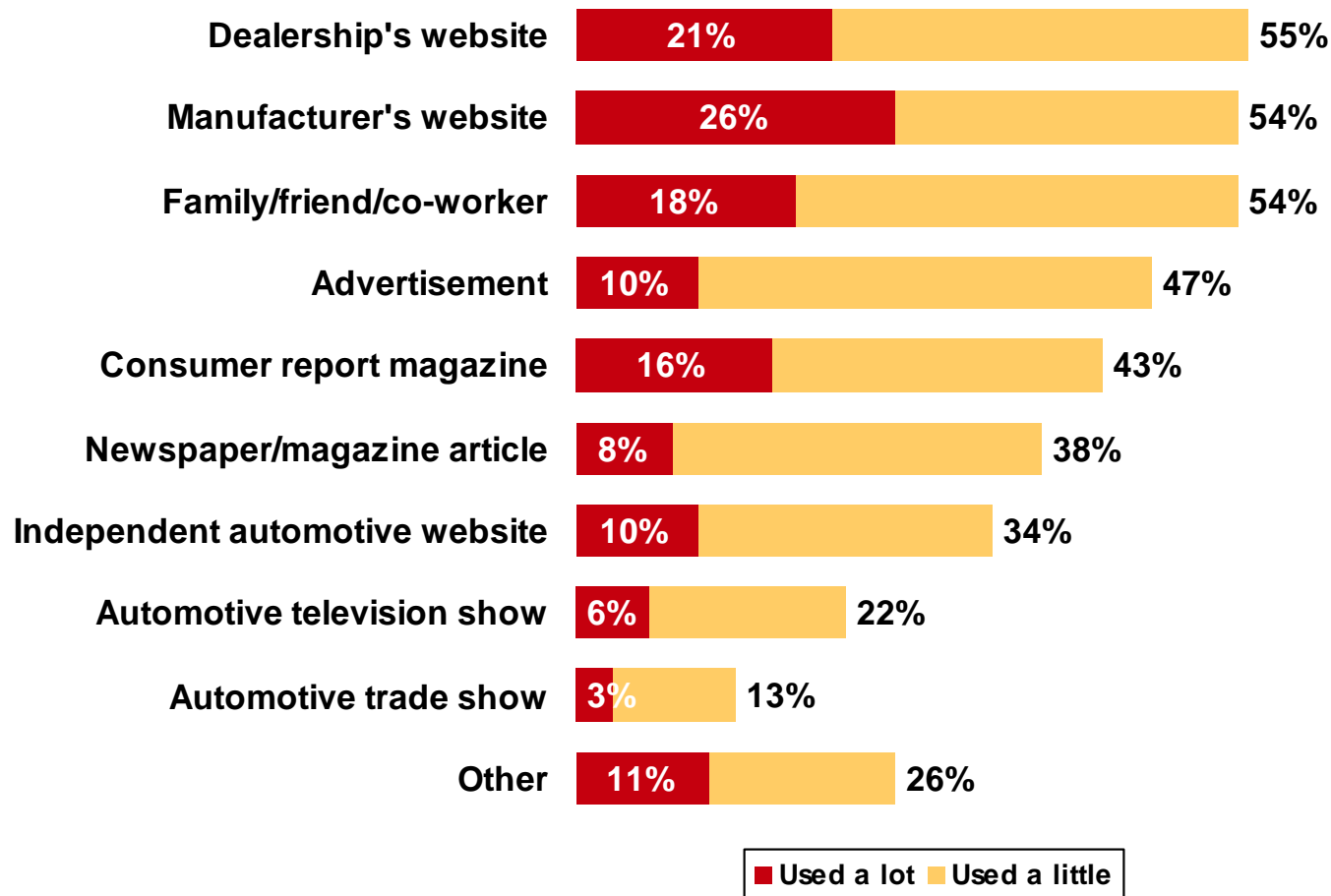


Base: Bought/leased a van/SUV/truck from franchise dealership (n=205)

B3. What is the name of the vehicle manufacturer associated with the dealership where you bought/leased your vehicle from?

Sources Used to Aid Buying/Leasing Decision

- ◆ Vehicle buyers/lesors apparently use a variety of different information sources, although none are universally used. The Internet is the most widely used tool, with a dealership's website and a manufacturer's website heading the list. Still, word-of-mouth remains just as often consulted and a variety of mass media sources (including advertising) are consulted by many.



Those who buy/lease from a franchise are more likely to utilize a manufacturer's website than those who buy/lease from independents (59% vs. 40%).

Base: Bought/leased a vehicle in past 12 months (n=536)

B1. Prior to visiting the dealership, how much, if at all, did you use the following sources to help you decide where to buy/lease?

Sources Used to Aid Buying/Leasing Decision by Demographic Groups

- ◆ Generally, Lower Mainland residents and males are more likely than their counterparts to use various information sources prior to visiting the dealership to help decide where to buy/lease.

% Used A Lot/A Little					
	Total (n=536)	Gender		Region	
		Male (n=292)	Female (n=244)	Lower Mainland (n=214)	Rest of BC (n=322)
Dealership's website	55%	56%	54%	62%	49%
Manufacturer's website	54%	57%	50%	61%	48%
Family/friend/co-worker	54%	53%	55%	62%	48%
Advertisement	47%	48%	44%	53%	41%
Consumer report magazine	43%	44%	42%	54%	34%
Newspaper/magazine article	38%	44%	31%	47%	30%
Independent automotive website	34%	41%	26%	42%	28%
Automotive television show	22%	29%	13%	31%	14%
Automotive trade show	13%	18%	7%	22%	5%
Other	26%	30%	22%	33%	21%

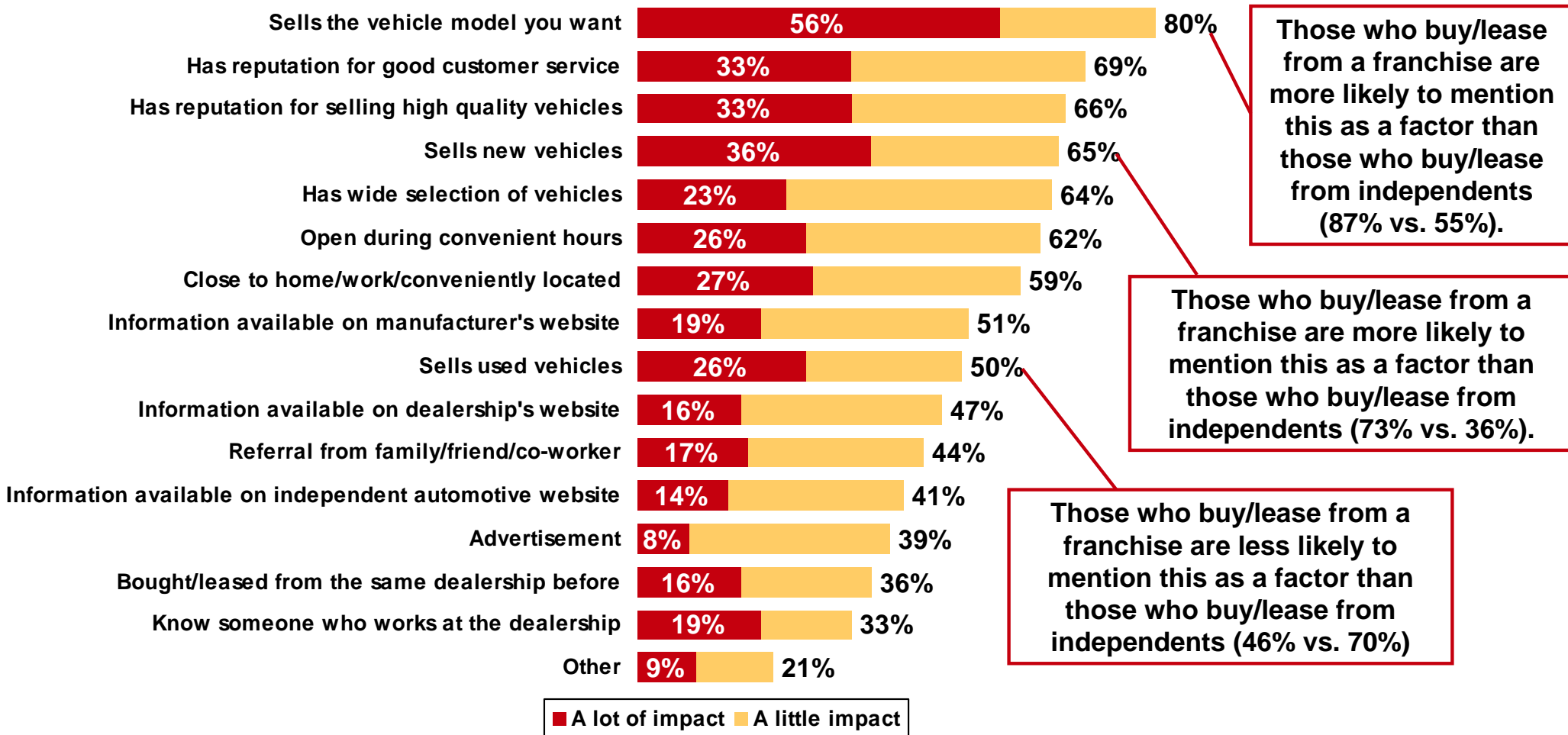
Base: Bought/leased a vehicle in past 12 months

Significantly higher.

B1. Prior to visiting the dealership, how much, if at all, did you use the following sources to help you decide where to buy/lease?

Impact on Decision to Buy/Lease from Dealership

- ◆ Of the factors tested, product offering and reputation has the most impact on decision to buy/lease from a particular dealership.
- ◆ VSA may want to share this with licensed dealerships in order to explore ways to improve sales at particular locations.



Base: Bought/leased a vehicle in past 12 months (n=536)

B4. How much impact, if any, did the following factors have on your decision to buy/lease your vehicle from the particular dealership you chose?

Impact on Decision to Buy/Lease from Dealership by Demographic Groups

- ◆ Perhaps because of their greater likelihood to use information sources, Lower Mainland residents are more likely than rest of BC residents to say the sources impacted their decision to buy/lease from a particular dealership. There are fewer differences between males and females.

% A Little/A Lot of Impact

	Total (n=536)	Gender		Region	
		Male (n=292)	Female (n=244)	Lower Mainland (n=214)	Rest of BC (n=322)
Sells the vehicle model you want	80%	77%	84%	82%	78%
Has reputation for good customer service	69%	68%	70%	70%	68%
Has reputation for selling high quality vehicles	66%	65%	67%	67%	64%
Sells new vehicles	65%	63%	67%	69%	61%
Has wide selection of vehicles	64%	62%	66%	64%	64%
Open during convenient hours	62%	56%	70%	61%	64%
Close to home/work/conveniently located	59%	56%	62%	64%	54%
Information available on manufacturer's website	51%	54%	47%	58%	45%
Sells used vehicles	50%	52%	47%	52%	48%
Information available on dealership's website	47%	49%	43%	53%	41%
Referral from family/friend/co-worker	44%	44%	45%	54%	36%
Information available on independent automotive website	41%	46%	35%	48%	36%
Advertisement	39%	40%	37%	45%	34%
Bought/leased from the same dealership before	36%	40%	30%	43%	29%
Know someone who works at the dealership	33%	38%	27%	44%	24%
Other	21%	24%	18%	29%	15%

Base: Bought/leased a vehicle in past 12 months

 Significantly higher.

B4. How much impact, if any, did the following factors have on your decision to buy/lease your vehicle from the particular dealership you chose?



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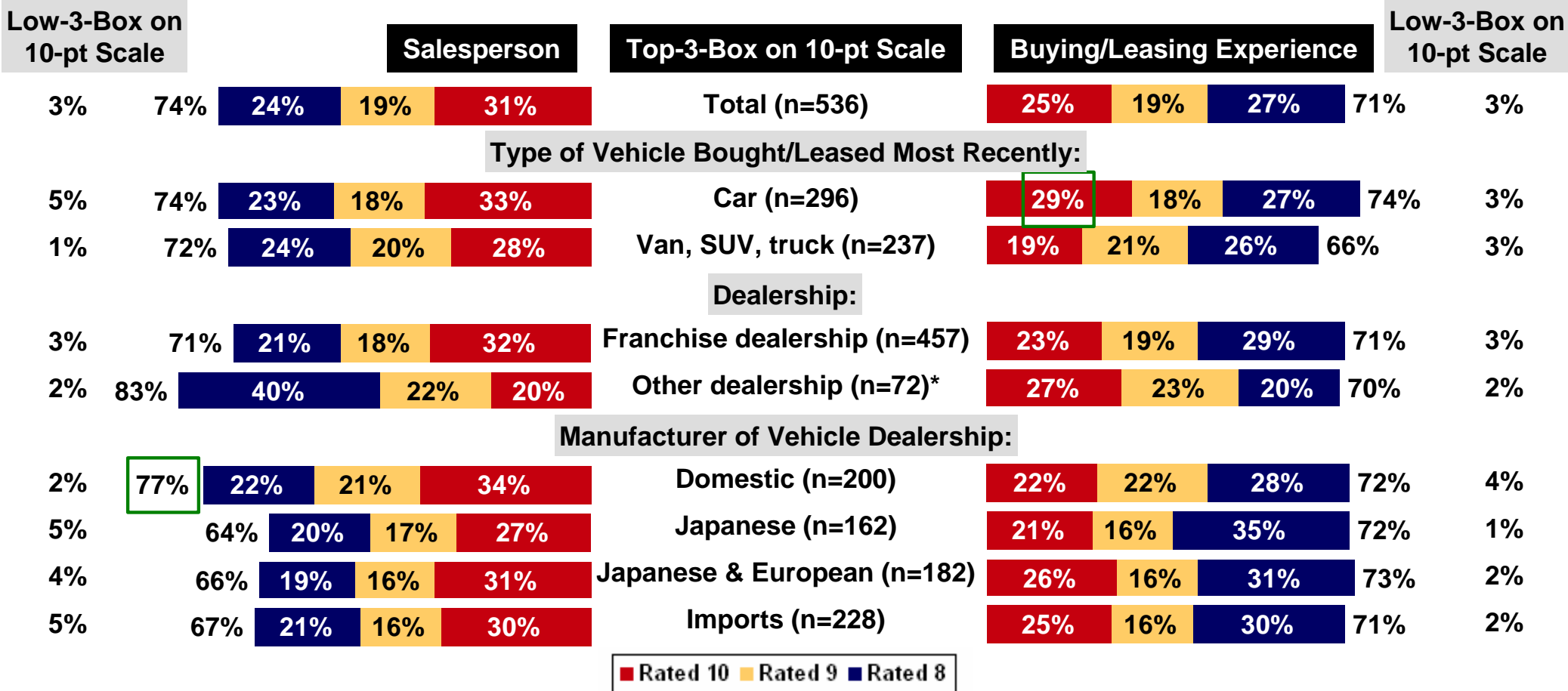


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Purchasing Experience

Rating of Vehicle Buying/Leasing Experience and Salesperson

- ◆ On the whole, consumers are satisfied with the vehicle buying/leasing experience overall and their experience with the dealership salesperson, with only a small minority on the very dissatisfied side of the scale.
- ◆ Those who bought/leased cars are more likely to be very satisfied with the overall experience than consumers who purchased vans, SUVs or trucks. Further, those who purchased domestic vehicles are more likely to be satisfied with the sales experience than those who bought other types of vehicles.



Base: Bought/leased a vehicle in past 12 months

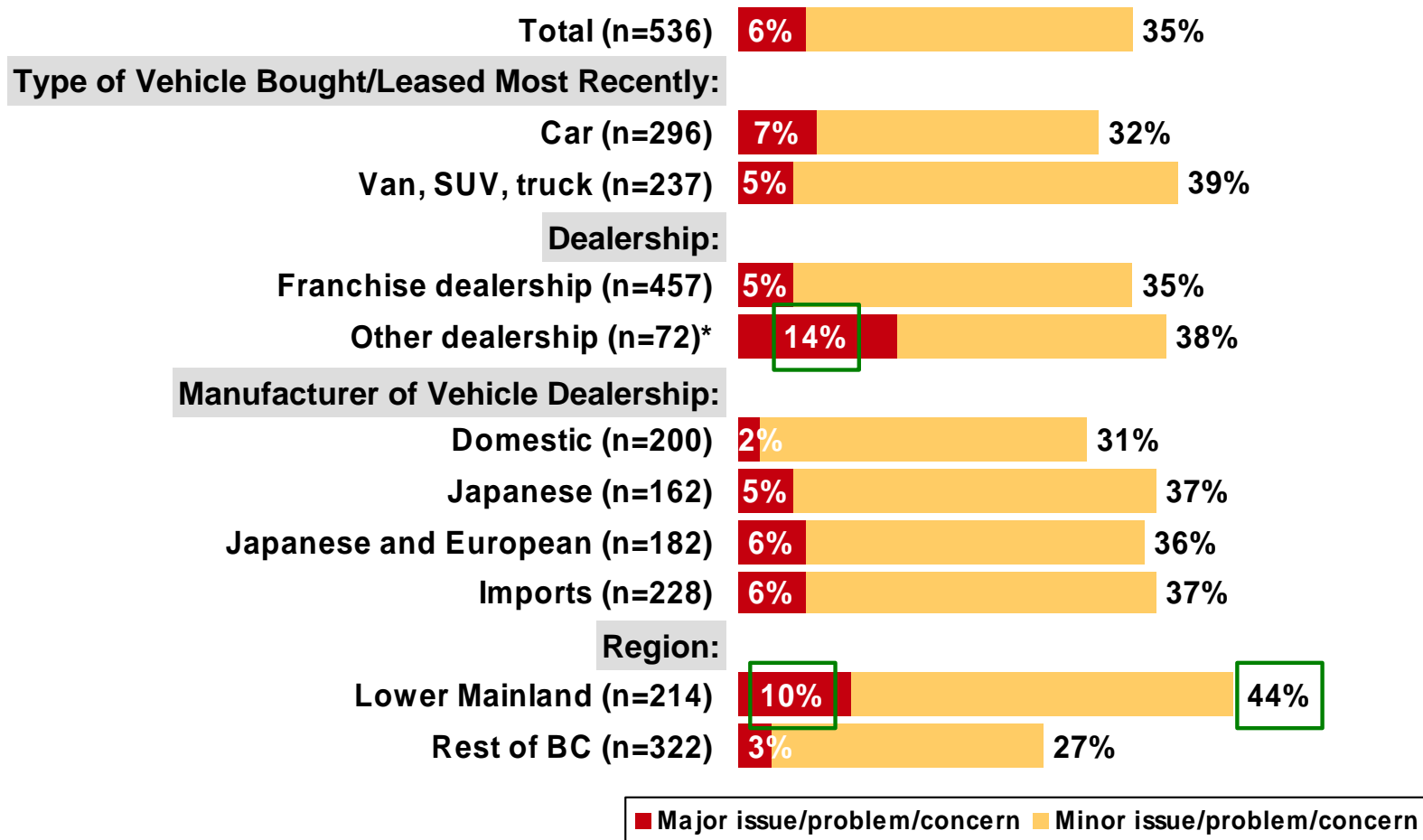
* Small base size, interpret with caution.

 Significantly higher.

C1. Still thinking of the last time you bought/leased a vehicle, please rate your vehicle purchasing/leasing experience overall.
 C2. Please rate your experience overall with the dealership salesperson who sold you the vehicle.

Experienced Issues/Problems/Concerns

- ◆ Despite the high levels of satisfaction, approximately one-third of consumers experienced an issue, problem or concern with either the vehicle dealership or the purchasing/leasing process, a concerning high figure. Still, most of these are minor as opposed to major problems, which may account for overall feelings of satisfaction despite some difficulties.
- ◆ As VSA may have anticipated, those who bought/leased vehicles from other dealerships (not franchises) are more likely to say they experienced a major issue. Further, Lower Mainland residents are more likely to report experiencing an issue as well.



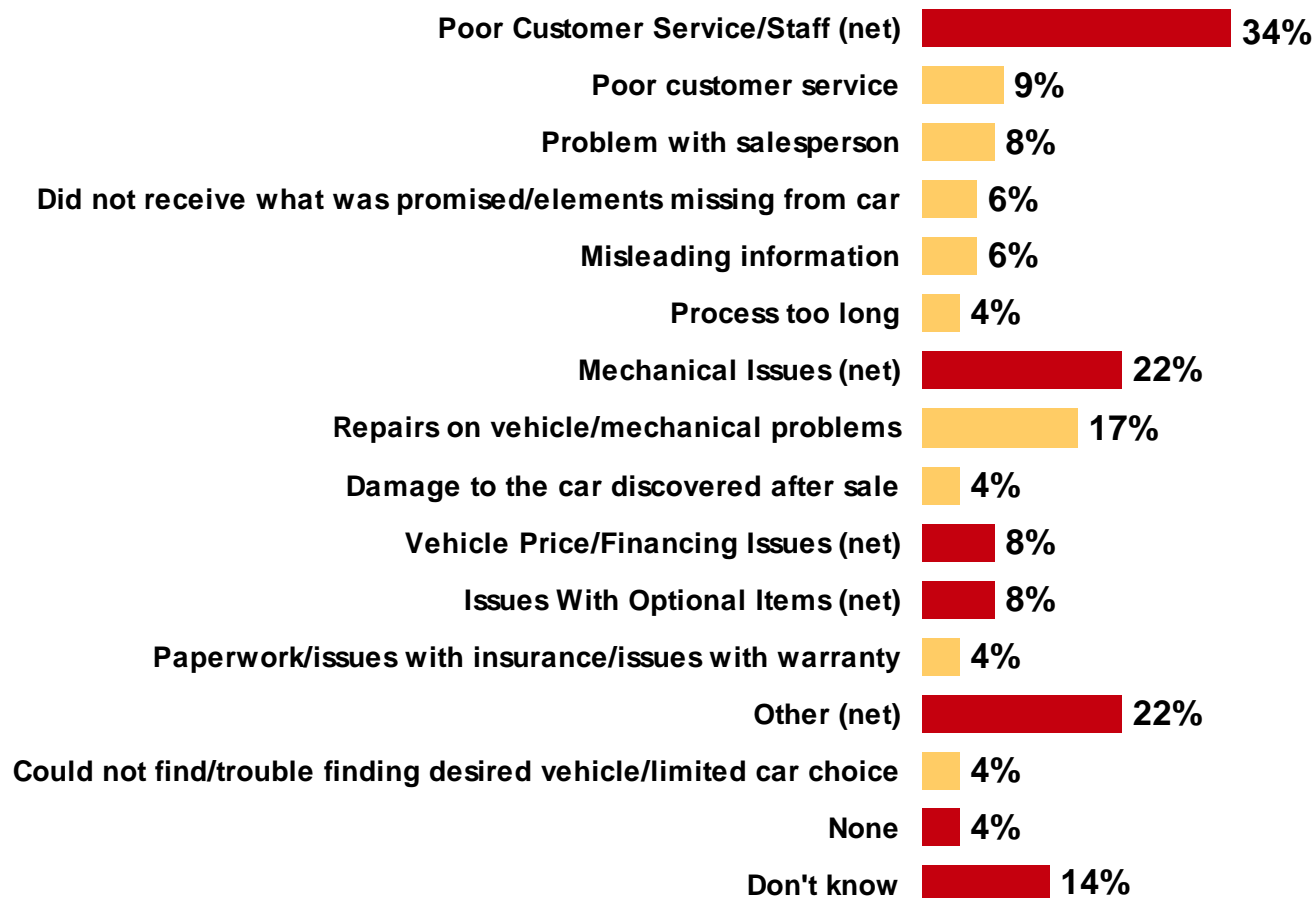
* Small base size, interpret with caution. Base: Bought/leased a vehicle in past 12 months

□ Significantly higher.

C3. When buying/leasing your most recent vehicle, did you experience any issues or problems or have any concerns with the dealership, vehicle or purchasing/leasing process?

Unaided Issues/Problems/Concerns Experienced

- ◆ Of those who experienced issues with the vehicle dealership or buying/leasing process, most mention poor customer service/ staff or mechanical issues with the vehicle on an unaided basis.
- ◆ This identifies a challenge for both the dealerships as a whole and their salespeople in particular with an apparent need for more attention being paid to quality of services and products.



Base: Experienced issues/problems/concerns (n=182)

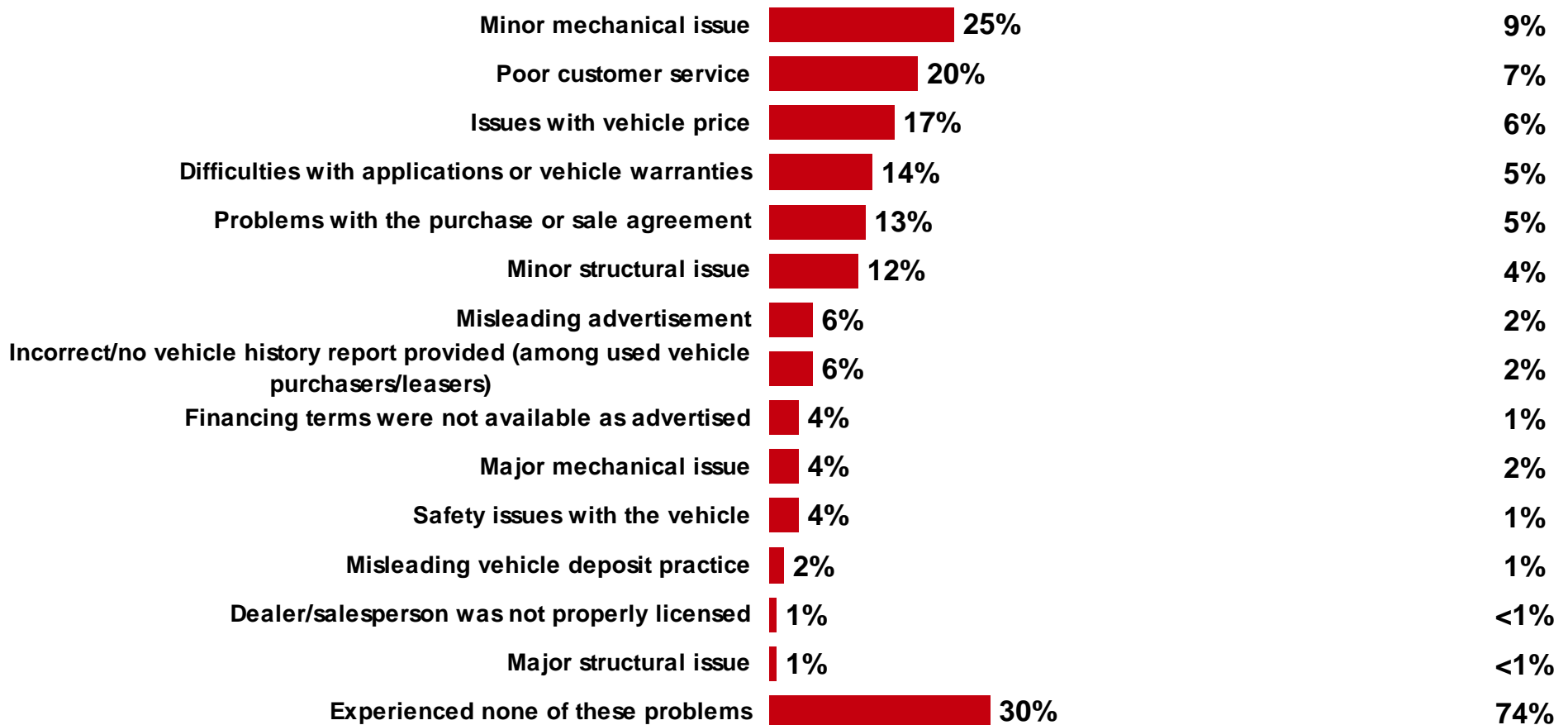
Note: Only mentions of 4% or more are shown.

C4. Please describe the issue(s)/problem(s)/concern(s) you experienced when buying/leasing your most recent vehicle.

Aided Issues/Problems/Concerns Experienced

- ◆ On an aided basis, mechanical issues and poor customer service again tops the list as issues experienced by vehicle buyers.
- ◆ To put the magnitude of these specific issues in perspective, results have been show not only among those who encountered an issue (red bars of the chart) but among all buyers/lesers (column of figures to the right). On this basis, fewer than one-in ten had any of the specific problems tested on this aided basis.

Overall Incidence of Problems (Among All 12 Month Buyers/Lesers (n=536))



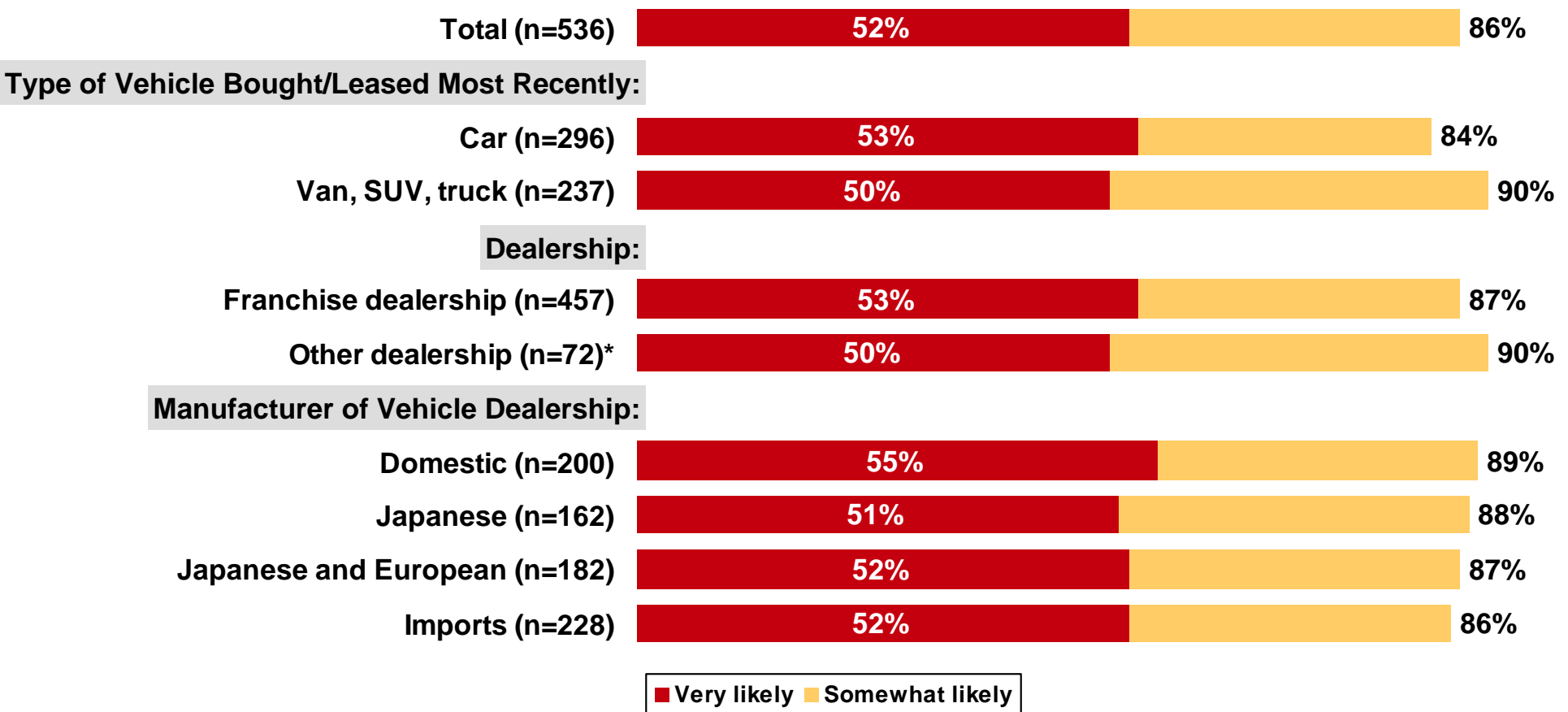
Base: Experienced issues/problems/concerns (n=182)

Note: Multiple mentions accepted.

C5. Which of the following issues/problems/concerns, if any, did you personally experience?

Likelihood of Returning to Same Dealership

- ◆ As indicated earlier, consumers are generally satisfied with the vehicle buying/leasing process. Not surprisingly, many would return to the same dealership if they were to buy/lease the same type of vehicles.
- ◆ There are no significant differences between key subgroups.



Base: Bought/leased a vehicle in past 12 months

* Small base size, interpret with caution.

C11. All things considered, how likely would you be to return to the same dealership in the future if you were to buy/lease the kind of vehicles they sell?

- ◆ Overall, pressure to buy optional items is being experienced by a significant minority, particularly when it comes to extended manufacturer's warranty and a dealer documentation or administration fee.
- ◆ Further, those who felt pressure appear to be more likely to buy the optional items (shown by the column of figures to the right). This continues to underscore the importance the role VSA can play in training of vehicle salespeople, etc.

Bought Among Those Who Felt Pressure (n=varies)



■ Felt a lot of pressure ■ Felt a little pressure

Note: – indicates base sizes too small to report.

Base: Bought/leased a vehicle in past 12 months (n=536)

C6. Did you buy any of the following optional items when you bought/leased your most recent vehicle?
 C7. Did you feel pressure from the dealership salesperson to buy the following for your vehicle?

Felt Pressure to Buy Optional Items by Demographic Groups

- ◆ Lower Mainland residents and males are more likely to report that they felt pressure to buy optional items. This suggests that VSA should further educate these two subgroups in particular about ways to stand up to the pressure.

% A Little/A Lot of Pressure

	Total (n=536)	Gender		Region	
		Male (n=292)	Female (n=244)	Lower Mainland (n=214)	Rest of BC (n=322)
Extended manufacturer's warranty	32%	35%	27%	36%	28%
Dealer documentation or administration fees	26%	31%	19%	32%	20%
Undercoating or rust proofing	24%	30%	17%	34%	15%
Paint protection	22%	28%	15%	30%	15%
Mechanical breakdown warranty	19%	22%	16%	21%	18%
Personal accident or life insurance	18%	22%	12%	24%	12%
Upholstery protection	17%	19%	14%	22%	12%
Additional security devices	15%	22%	6%	25%	6%
Disability insurance	14%	18%	9%	17%	11%
Etching	14%	19%	8%	21%	9%
Accessories	13%	18%	8%	19%	9%
Nitrogen in tires	7%	10%	2%	11%	3%

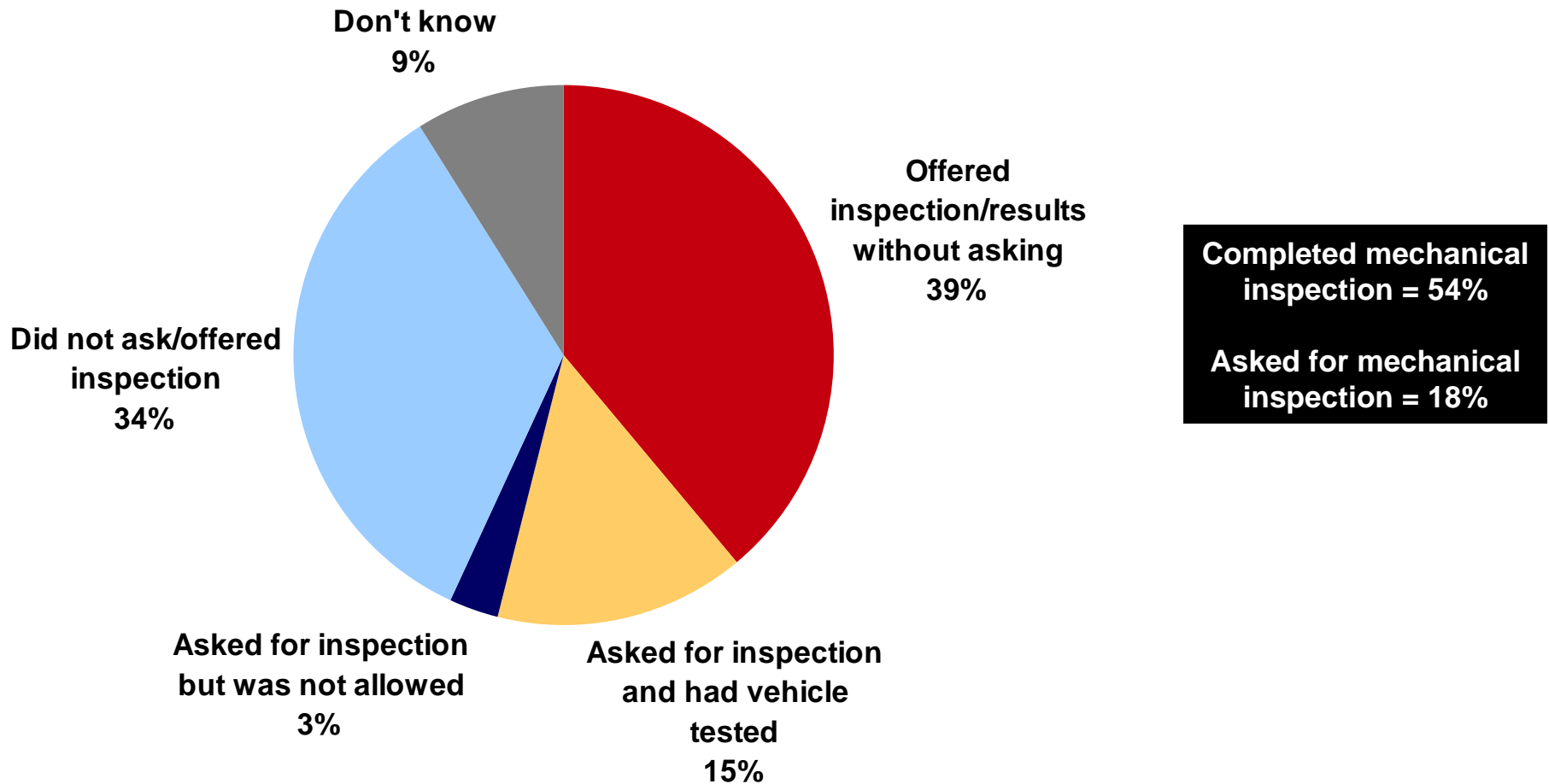
Base: Bought/leased a vehicle in past 12 month

C7. Did you feel pressure from the dealership salesperson to buy the following for your vehicle?

 Significantly higher.

Mechanical Inspection

- ◆ Of those who bought/leased a **used** vehicle, slightly more than half completed a mechanical inspection by a qualified independent mechanic. However, surprisingly few actually asked for the inspection.
- ◆ These results suggest that used vehicle buyers/lesors seem to lack knowledge about their right to a mechanical inspection and the importance of doing so. Further education appears to be warranted.

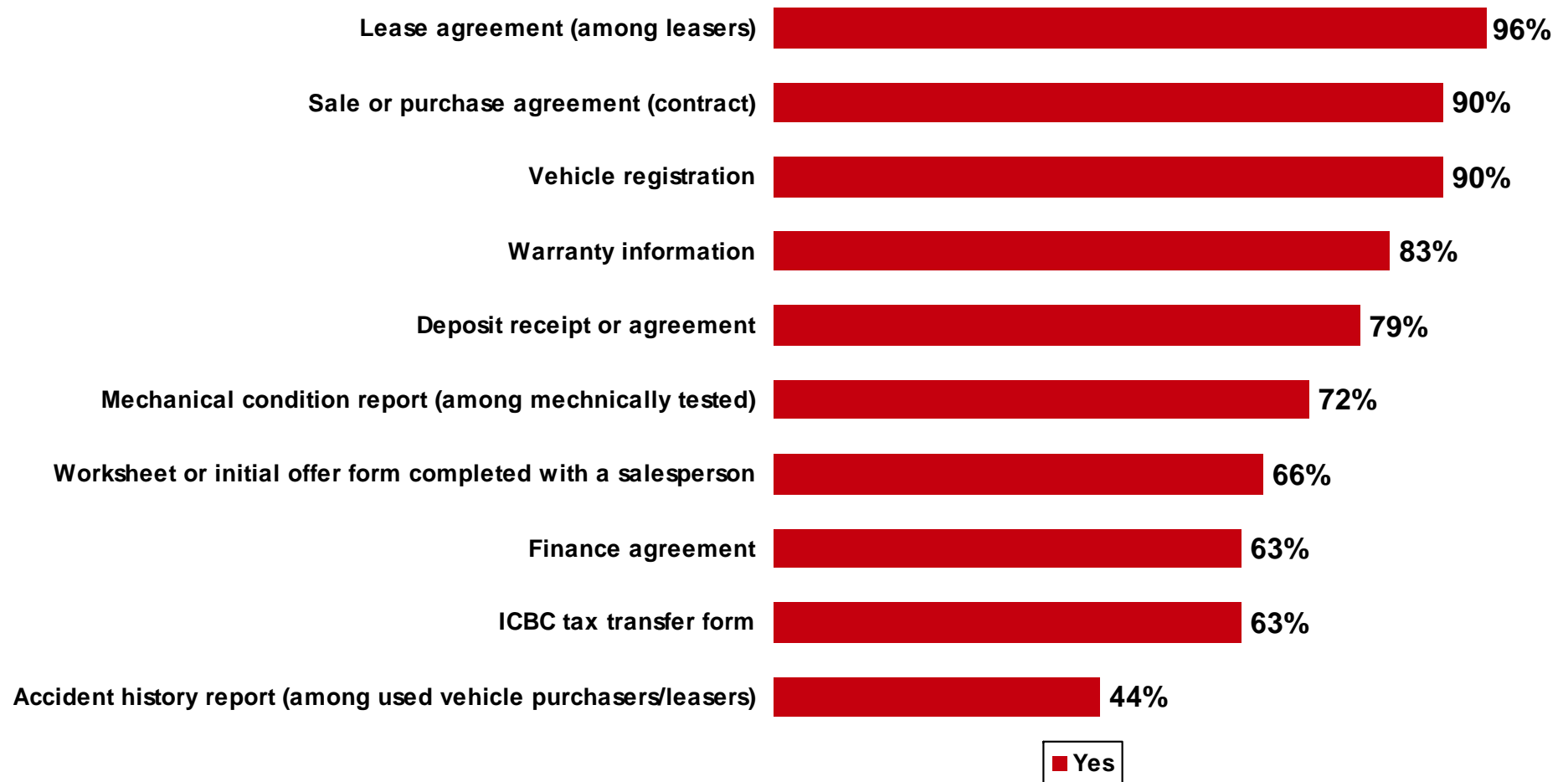


Base: Bought/leased a used vehicle in past 12 months (n=219)

C8. When buying/leasing your most recent used vehicle, were you offered or did you ask for a mechanical inspection by a qualified, independent mechanic?

Received Vehicle Documentation

- ◆ While most vehicle buyers/lesers say they received each vehicle document (with the exception of accident history report among used vehicle buyers/lesers), receipt is clearly far from universal in many cases.
- ◆ This continues to suggest the need for both more education among consumers and reinforcement of training among salespeople.

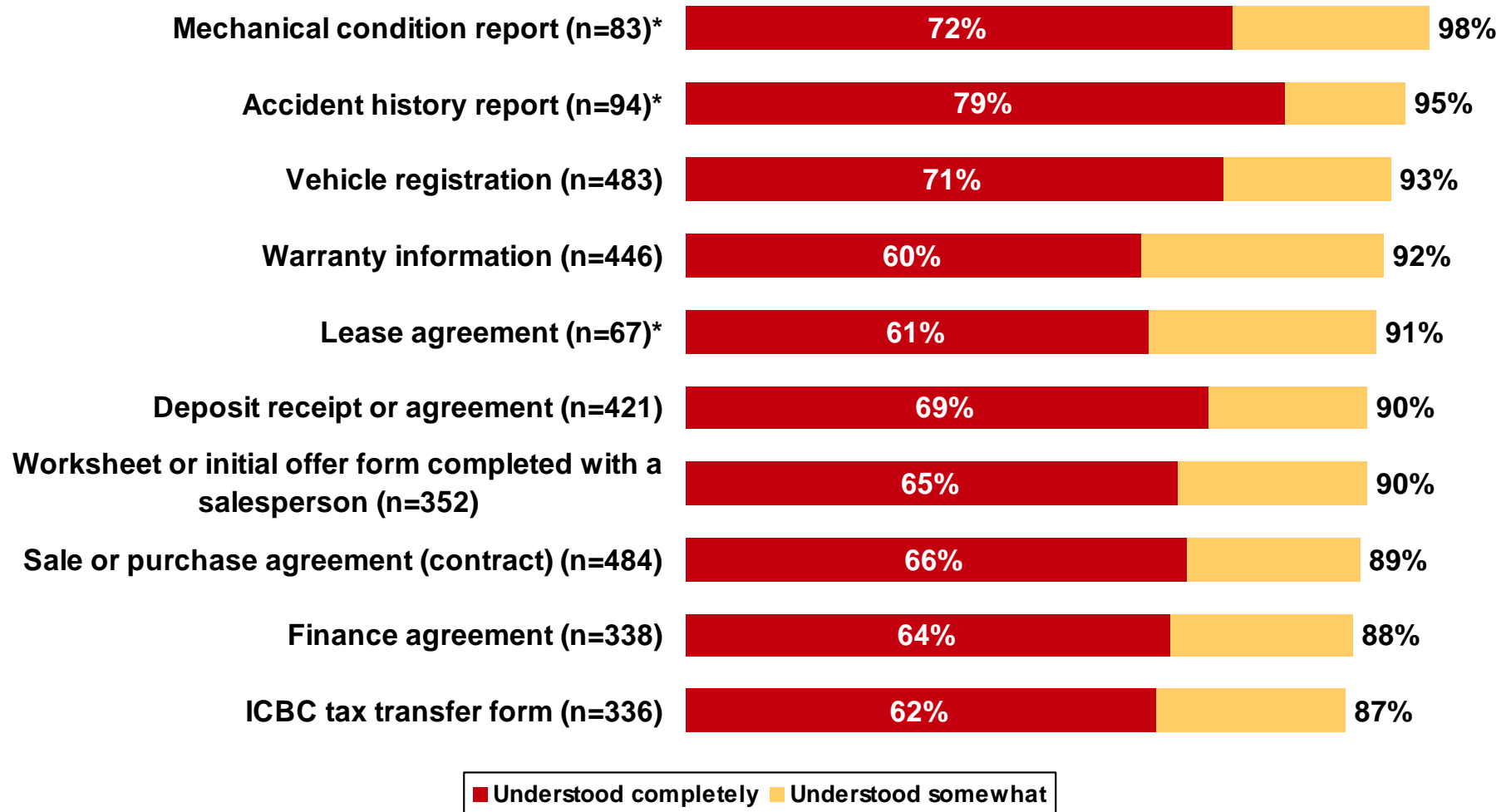


Base: Bought/leased a vehicle in past 12 months (n=536)

C9. When buying/leasing your most recent vehicle, did you receive a copy of the following documents?

Understanding of Documentation

◆ On a more positive note, there is close to universal understanding of the vehicle documents received, even if not all buyers/leasers understood the documents completely!



* Small base size, interpret with caution.

Base: Received documentation

C10. Which of the following best describes your understanding of the documents you received?



Ipsos Reid

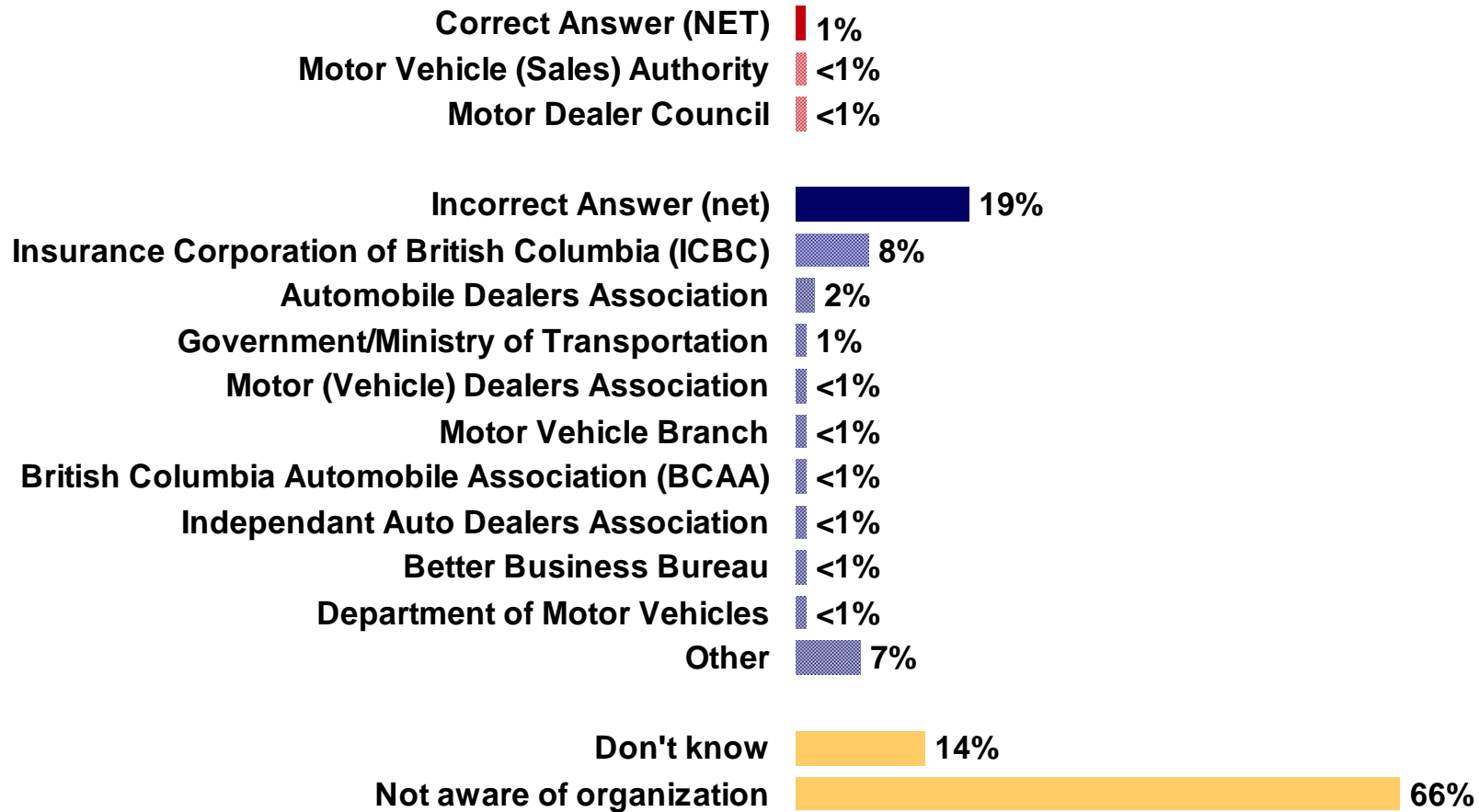


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VSA Awareness

Unaided Awareness of VSA

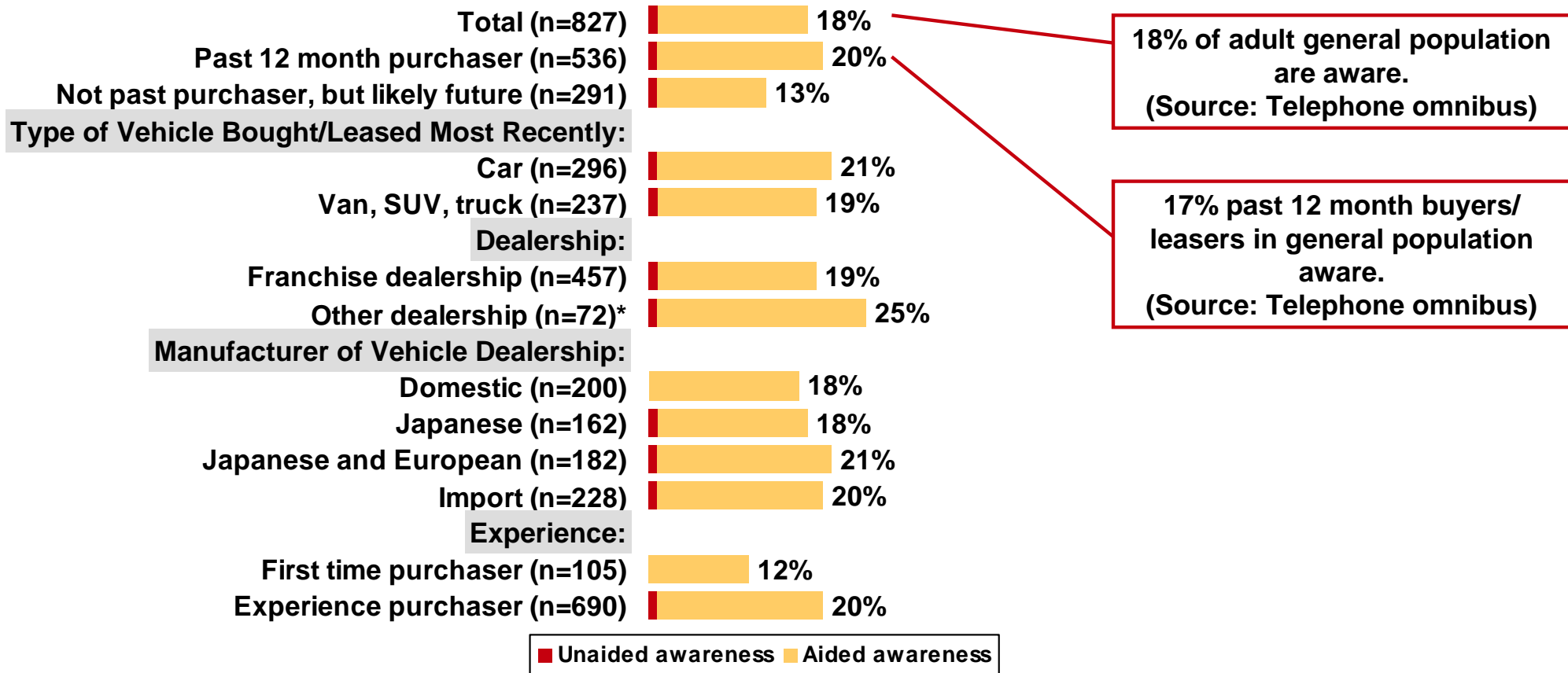
- ◆ On an unaided basis, only one-third of consumers are even aware there is an independent organization in BC that is responsible for the administration and enforcement of various acts relating the sale of motor vehicles.
- ◆ Even among those who say they are aware, very few are able to correctly name VSA (or its former name Motor Dealer Council); most gave an incorrect answer such as ICBC.
- ◆ Clearly there is a great deal of upside potential to create public awareness of the VSA and its role.



Base: Total respondents (n=827)

Awareness of VSA by Key Subgroups

- ◆ Once informed of the name of the organization, awareness levels remain low for the VSA. Clearly, there is room for improvement. This is true for all groups of consumers as no statistically significant differences exist among the key vehicle subgroups for awareness of the organization.
- ◆ Results from the “offline group” closely resemble that of the online group, continuing to reinforce the validity of the online methodology.



* Small base size, interpret with caution.

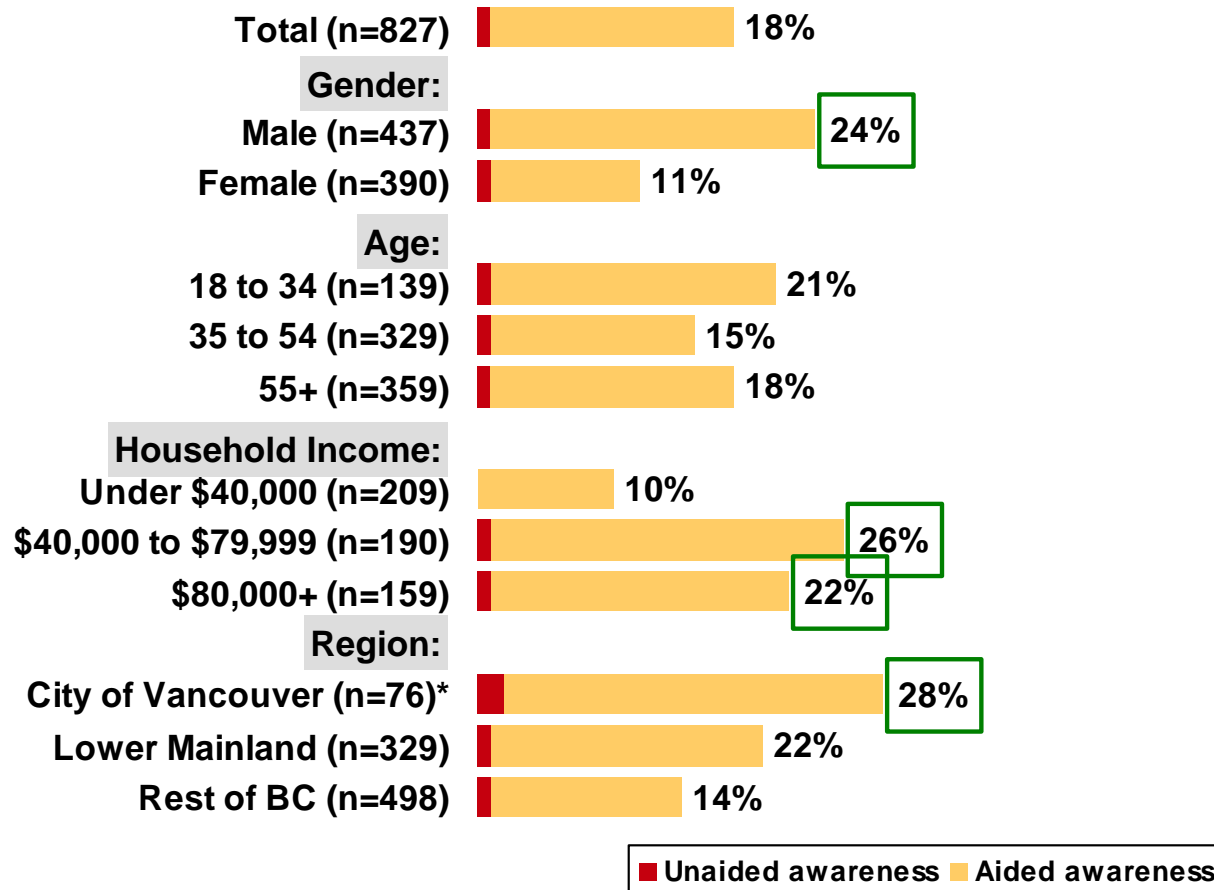
Base: Total respondents

D1. Changing the topic slightly, as far as you know, is there an independent organization in BC that is responsible for the administration and enforcement of various acts relating to the sale of motor vehicles?

D3. As you may know, the Motor Vehicle Sales Authority of British Columbia (VSA) is a not-for-profit organization and an administration authority delegated by the provincial government of BC. The VSA is responsible for the administration and enforcement of various acts relating to the sales of motor vehicles (e.g., the Motor Dealer Act). Before now, were you aware of the VSA?

Awareness of VSA by Demographic Groups

◆ Of the key demographic subgroups, males, households with higher income and residents of the City of Vancouver are more likely to be aware of VSA on an aided basis.



* Small base size, interpret with caution.

Base: Total respondents

□ Significantly higher.

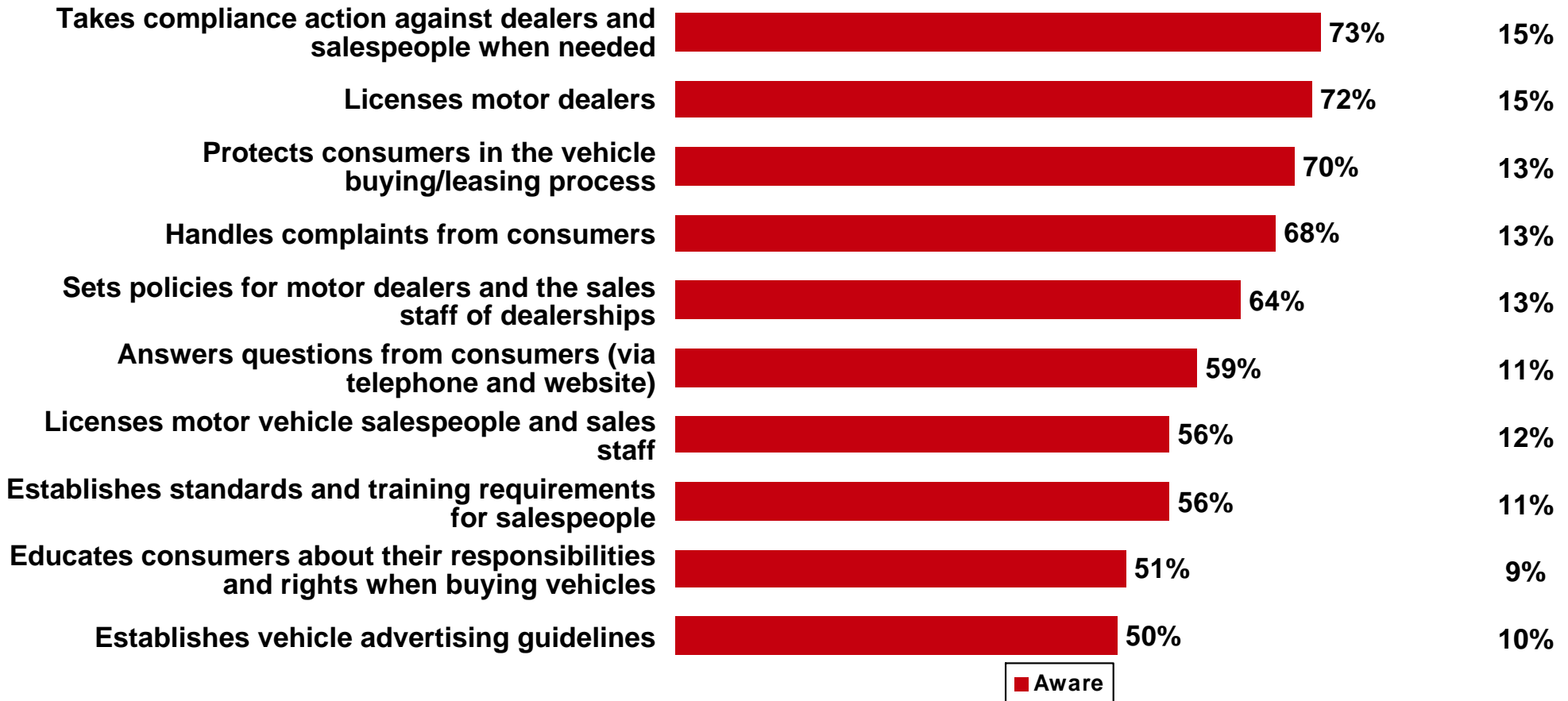
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Aided Awareness of VSA's Responsibilities

- ◆ Of those aware of VSA, on an aided basis, most at least claim to have a thorough knowledge about the organization's key responsibilities, although this knowledge was certainly not "tested" in any way and may represent an "assumption" of the VSA's role.
- ◆ Still, the clear message is that efforts to create greater levels of awareness are warranted – given the low levels of awareness of the organization as a whole, translating this awareness of specific responsibilities onto the entire base of buyers/lessees (column of numbers on the far right) shows that at best, only 15% are aware of any one specific responsibility.

**Overall Incidence
(Among All
Bought/Leased in
Past 12 Months
(n=536)**

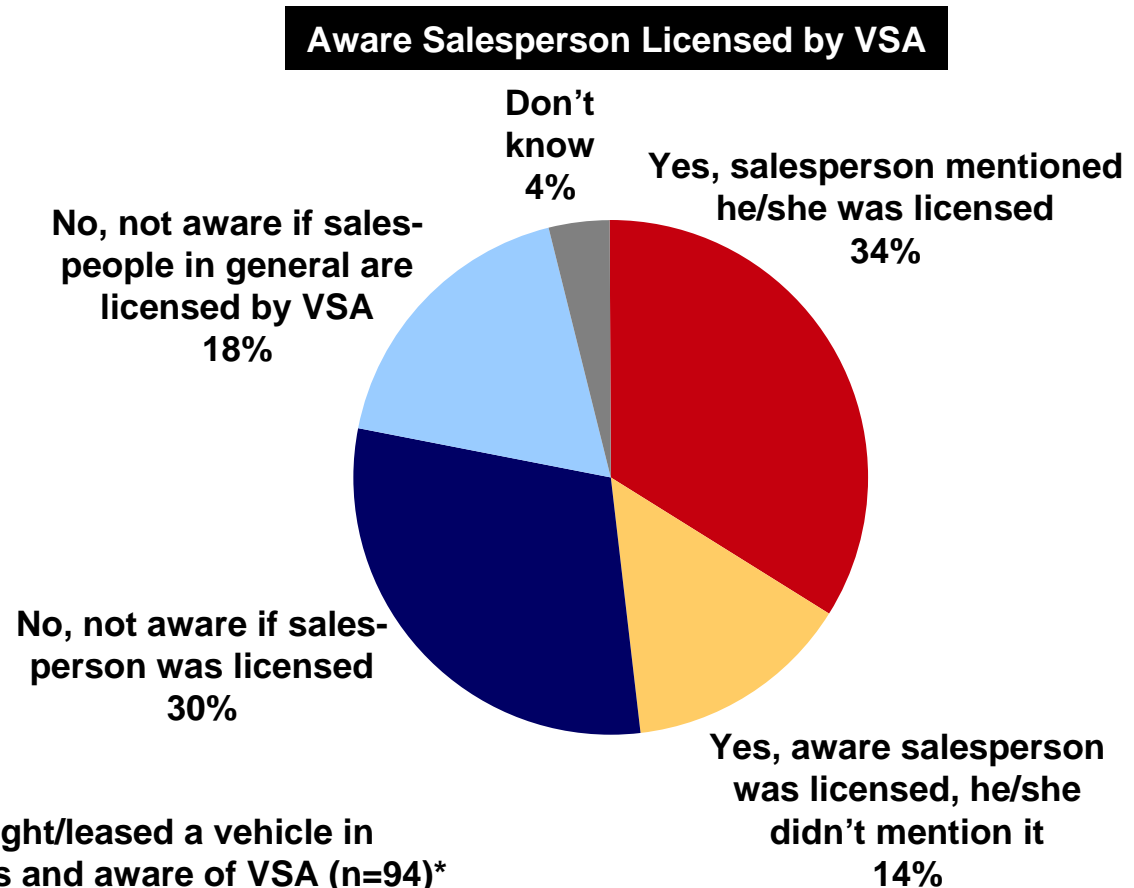
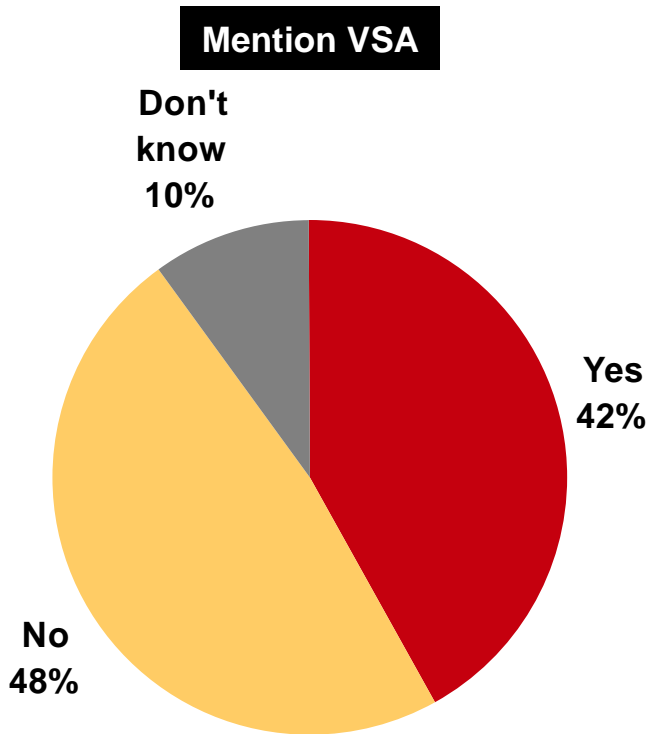


Base: Aware of VSA (n=138)

D4. Before now, were you aware that the VSA is responsible for each of the following?

Dealership Salesperson Mention VSA / Licensed by VSA

- ◆ Albeit on the small base size of buyers/lesors who are aware of the VSA, less than half recall that their dealership salesperson mentioned VSA when buying/leasing their most recent vehicle.
- ◆ As such, there is likely an ongoing challenge for VSA to encourage salespeople to mention they are properly licensed by VSA, which may reflect a general lack of perceived “value” of the licensing from a consumer perspective. Perhaps as consumers come to recognize and appreciate the role of the VSA, this may change.



Base: Bought/leased a vehicle in past 12 months and aware of VSA (n=94)*

* Small base size, interpret with caution.

D5. When buying/leasing your most recent vehicle from a dealer, did the salesperson mention VSA in any way (for example, mention that he/she is licensed by the VSA)?

D6. As you may know, the VSA licenses dealers and salespeople in the motor vehicle sales industry. When buying/leasing your most recent vehicle, were you aware (not assumed, but were actually aware) if the salesperson was licensed by the VSA?



Ipsos Reid

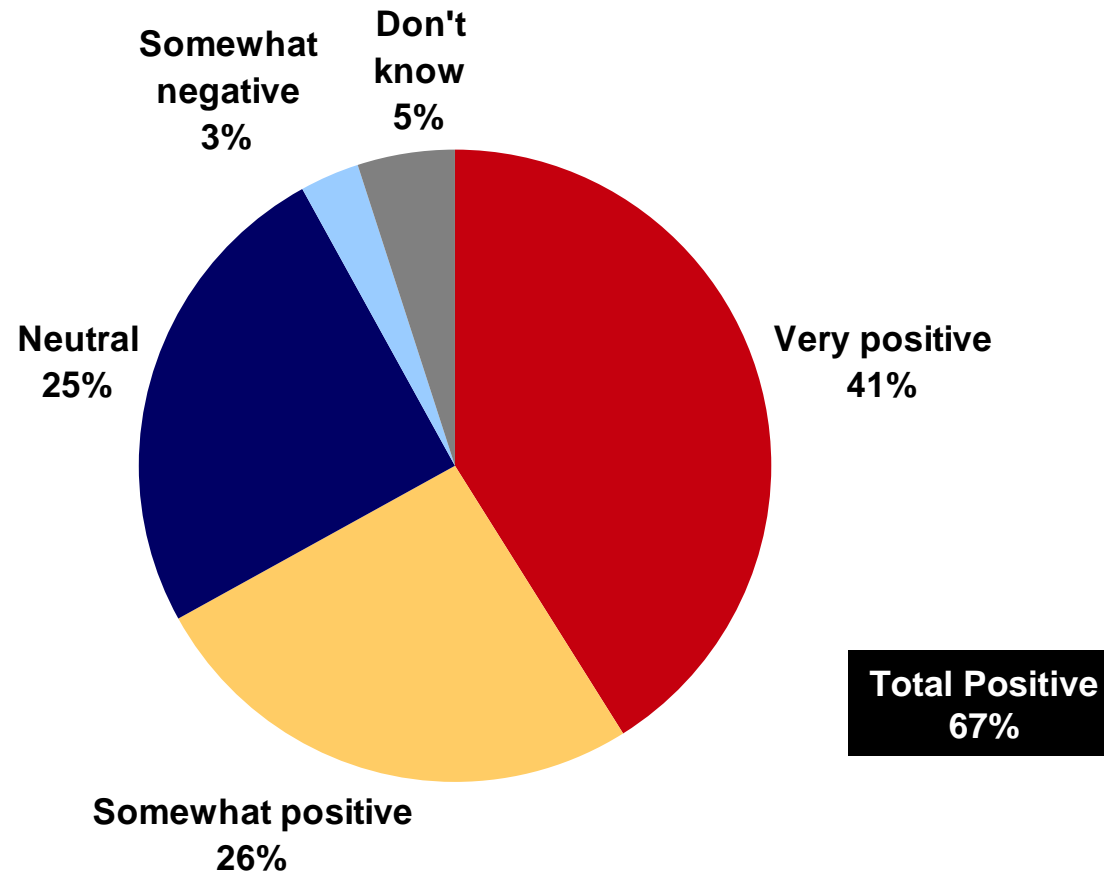


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VSA Perceptions and Contact

Overall Impression of VSA

- ◆ Overall, past 12 month vehicle buyers/lesors who are aware of VSA have a positive impression of the not-for-profit, with very few indeed having a negative impression.
- ◆ This indicates that the key challenge of VSA is in educating vehicle consumers of the organization's existence rather than changing impressions of those aware.



Base: Bought/leased a vehicle in past 12 months and aware of VSA (n=94)*

* Small base size, interpret with caution.

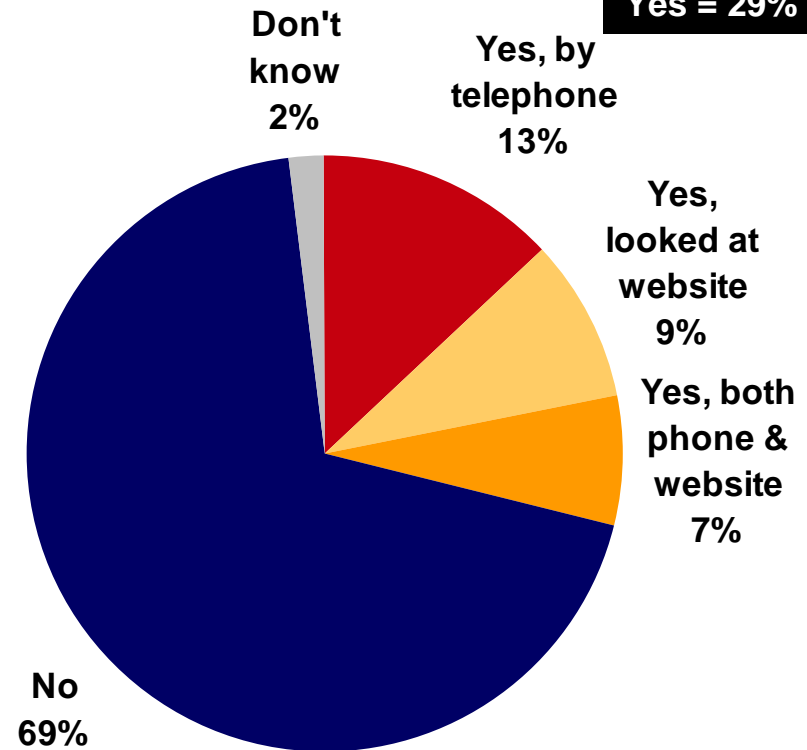
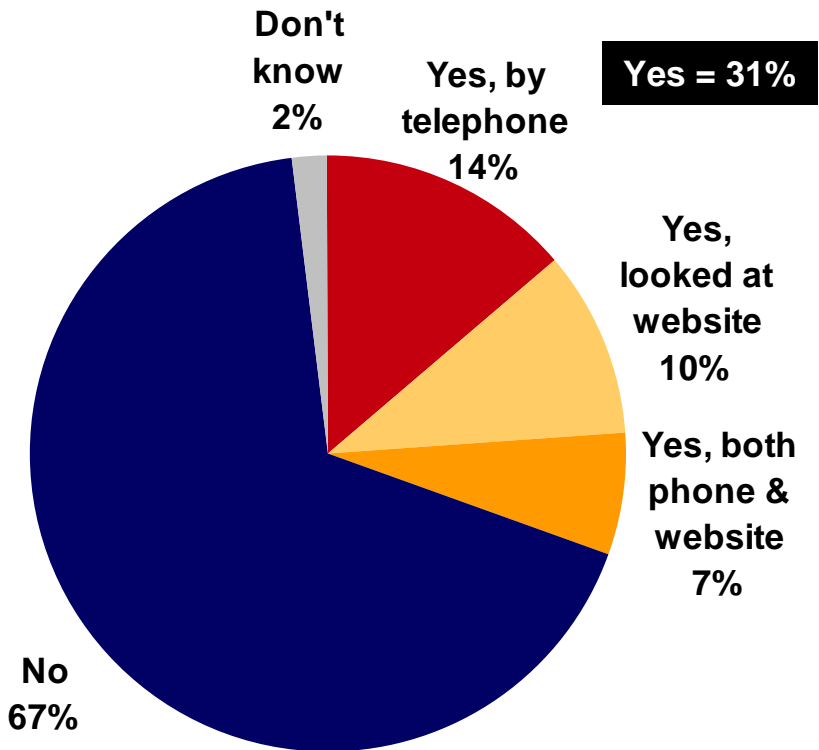
D7. Which of the following best describes your overall impression of VSA based on what you know about the organization?

- ◆ The majority, even among past 12 month vehicle buyers/lesers aware of VSA, did not contact the organization prior to or after buying/leasing their most recent vehicle.
- ◆ Those who did contact the organization used the telephone slightly more often than the website, which suggests a continued need to drive traffic online.

Prior to Buying/Leasing Vehicle

After Buying/Leasing Vehicle

Yes = 29%



Base: Bought/leased a vehicle in past 12 months and aware of VSA (n=94)*

* Small base size, interpret with caution.

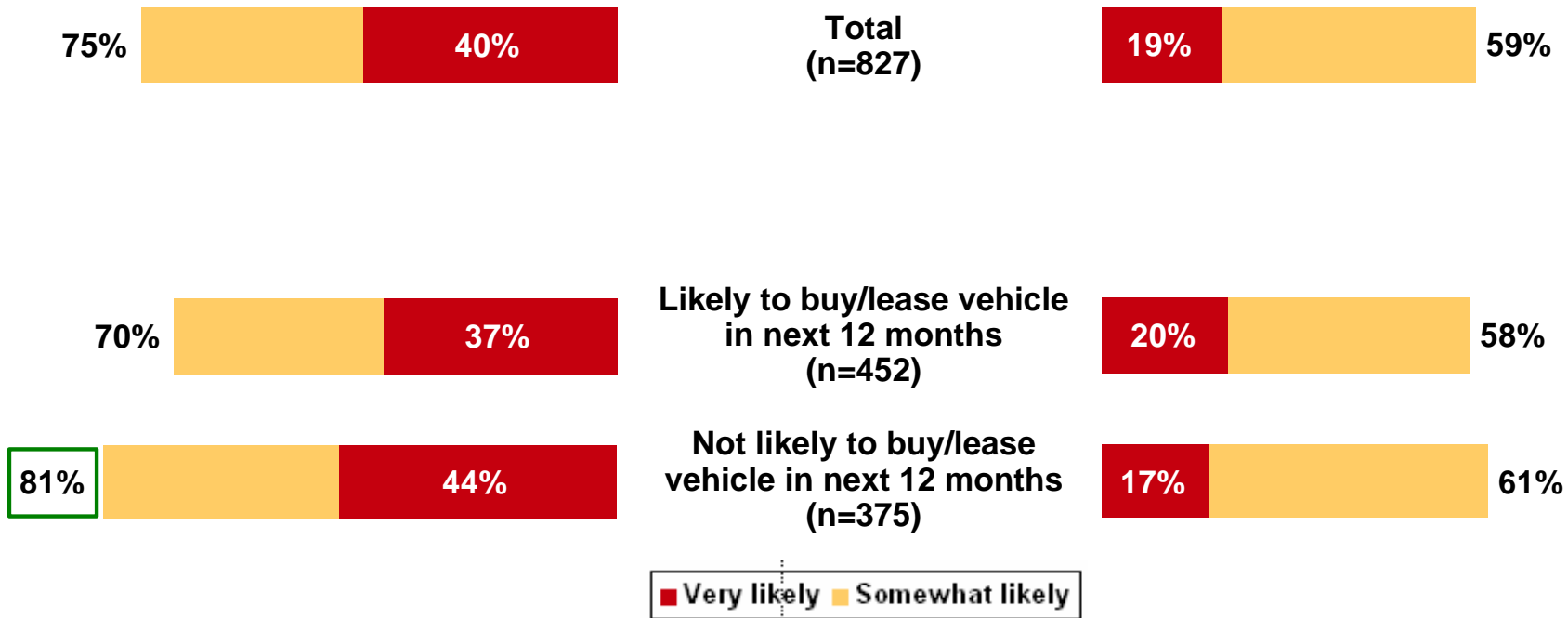
E1. Did you contact the VSA prior to buying/leasing your most recent vehicle?
 E3. Did you contact the VSA after buying/leasing your most recent vehicle?

Future Likelihood of Contacting VSA

- ◆ Encouragingly, when asked about hypothetical future likelihood of contacting VSA, more than half say they are likely to contact VSA prior to buying/leasing a vehicle and even more say they are likely to if they experience an issue, problem or concern after buying/leasing.
- ◆ This is a positive step forward, suggesting that greater awareness will then lead to more contact of VSA and ultimately result in a more informed and confident consumer – hence, allowing VSA to accomplish its mission.

If Issue/Problem/Concern After Buying/Leasing

Prior to Buying/Leasing



Base: Total respondents

□ Significantly higher.

E5. You indicated earlier that you are likely to buy/lease a vehicle in the next 12 months. Now that you know what the VSA does (as described in this survey), how likely are you to contact the VSA prior to buying/leasing?

E6. If you were to buy/lease your most recent vehicle all over again, and now that you know what the VSA does (as described in this survey), how likely would you be to contact the VSA prior to buying/leasing the vehicle?

E7. How likely are you to contact the VSA if you experience an issue/problem/concern after buying/leasing a vehicle in the future?