



Motor  
**Vehicle Sales Authority**  
of British Columbia

# Motor Vehicle Sales Authority of British Columbia

## 2013 Private Sales Survey



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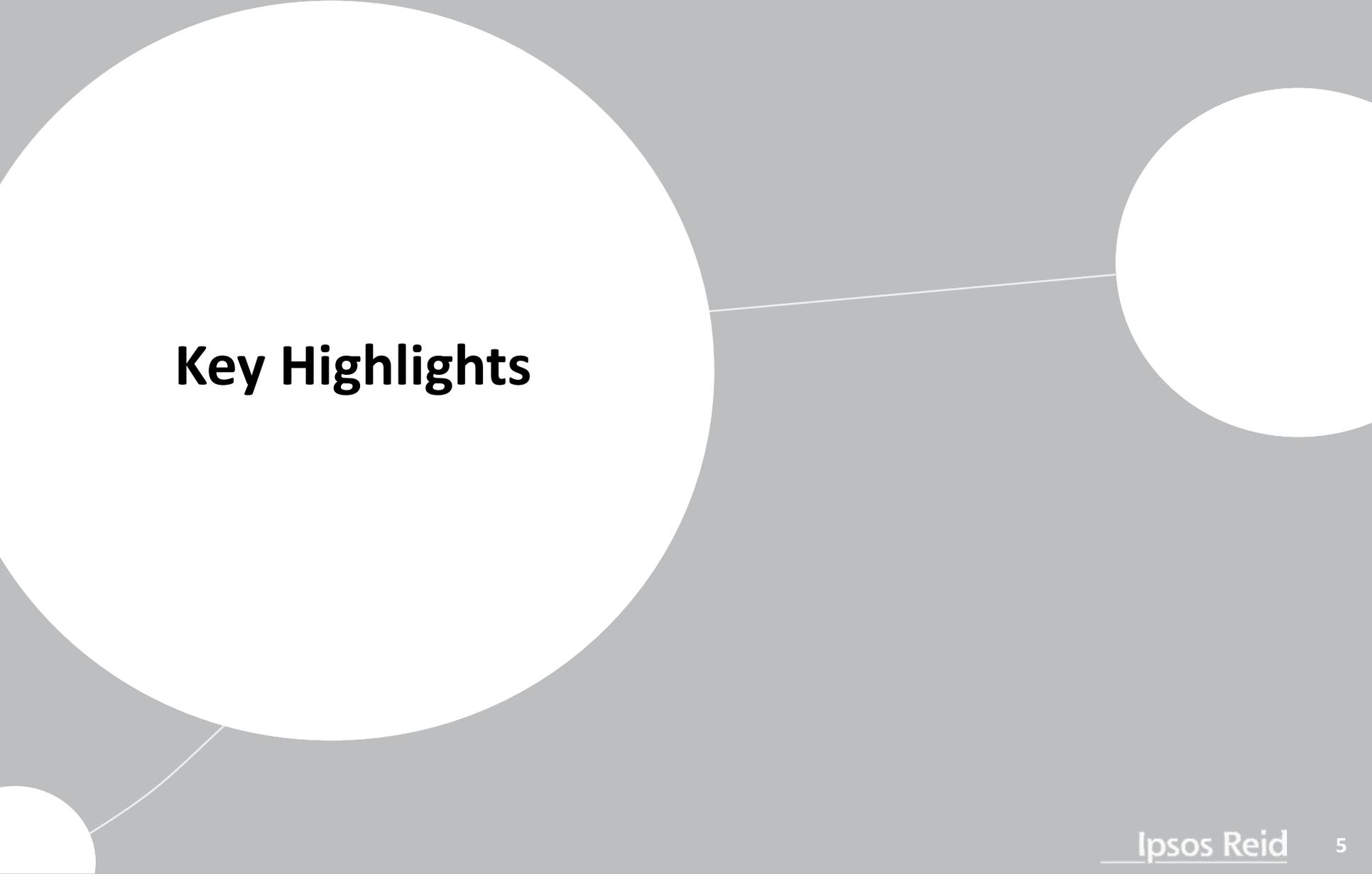
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# Introduction

Background and Objectives

## Background and Objectives

- The Motor Vehicle Sales Authority of British Columbia (VSA) is a not-for-profit delegated authority. Its primary role is to administer and enforce provincial acts including the *Motor Dealer Act* and the *Business Practices and Consumer Protection Act*. The VSA licenses approximately 1,450 motor dealers and the 6,750 dealership employees who are engaged in selling motor vehicles for personal use. The provincial government legislates the licensing of motor dealers and salespeople as well as providing consumer protection and business practices legislation.
- Through proactive efforts the VSA hopes to build an informed and confident motor vehicle consumer in British Columbia.
- The primary purpose of this research is to measure public confidence in the motor vehicle sales industry in British Columbia. This research will provide valuable information about attitudes and perceptions toward the industry, which will enable the VSA to make informed marketing decisions to more effectively accomplish its goal.
- The objectives of this research are to:
  - Measure public confidence in the motor vehicle sales industry in British Columbia among the general public as well as vehicle buyers/leases;
  - Assess perceptions of the motor vehicle sales industry overall and on relevant attributes;
  - Measure the progress the industry and the VSA has made in accomplishing their mission of improving industry professionalism and public perceptions over time; and,
  - Measure awareness of the VSA and its role within British Columbia.
- For detailed findings and methodology, please refer to the main report of the 2013 Public Confidence Survey. This supplementary report contains results for the private sales sector only.



# Key Highlights

## Purchase Experience – Private Sales

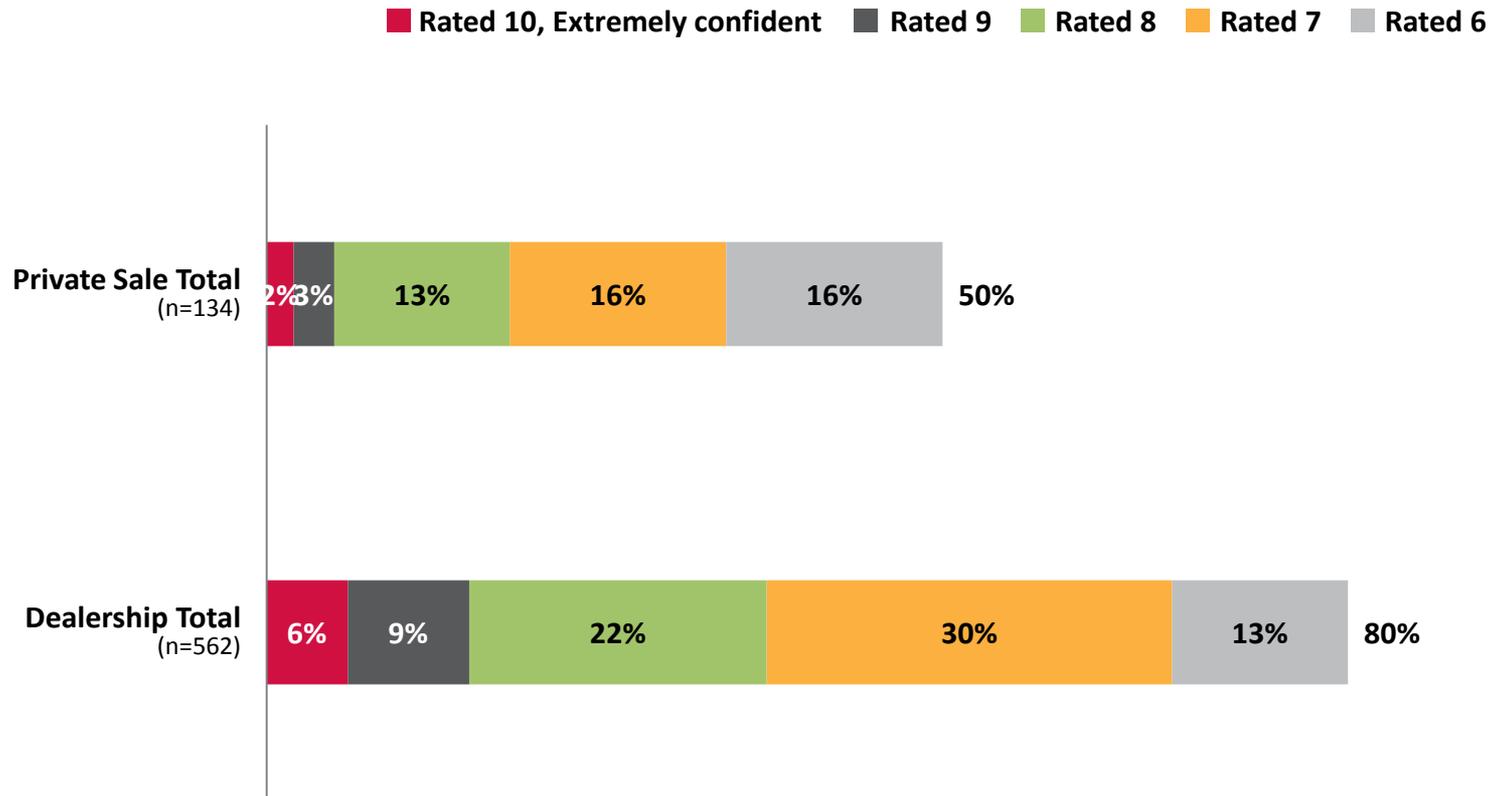
- Vehicle buyers who bought through the private sales channel are more likely than those who bought through a dealer to provide positive purchase experience ratings. This may not be surprising given that the majority (63%) purchased through a private sale for price.
- The primary reasons for buying a vehicle through the private sale channel were price, knowing the seller, and vehicle attributes.
- Those who bought through a private sale were less likely than those who bought through a dealership to get a mechanical inspection, vehicle history report, or other documents such as a sale or purchase agreement, deposit receipt or agreement, warranty information, or accident history report.
- Slightly fewer (24%) private sale buyers than dealership buyers (32%) report having any problems or issues with their most recent purchase.

# Detailed Findings:

Most Recent Vehicle Purchases:  
Private Sale

# Confidence in the Motor Vehicle Sales Industry – Among those whose most recent purchase was through a private sale

- Buyers whose most recent vehicle purchase was through a private sale were less likely to be confident in the licensed motor vehicle sales industry than those whose most recent purchase was through a dealership (18% gave top3box rating where 10 is extremely confident compared to 37% of those who bought/leased through a dealership).
- Although the base size is too small to report the data, several reasons mentioned for low ratings include: too expensive, difficult to get a good deal, dishonest/shady business practices, pushy/use pressure sales techniques, not trustworthy.



  Significantly higher than others within sub-group.  
  Significantly lower than others within sub-group.

Base: Among those who bought/leased a vehicle through private sale or dealership excluding don't knows C3 /D3. Overall, excluding private sales, how confident are you in the motor vehicle sales industry in BC?

# Rating of Purchase Experience & Person Who Sold Vehicle

Among those who bought vehicle through a private sale

- Those who bought their most recent vehicle through a private sale rate the experience and the person who sold them the vehicle very positively.
- Eight-in-ten gave top3box ratings for the experience overall and for the person who sold the vehicle. Half of these buyers gave the person who sold them the vehicle a perfect 10 rating.



Base: Among those who bought/leased a vehicle through private sale

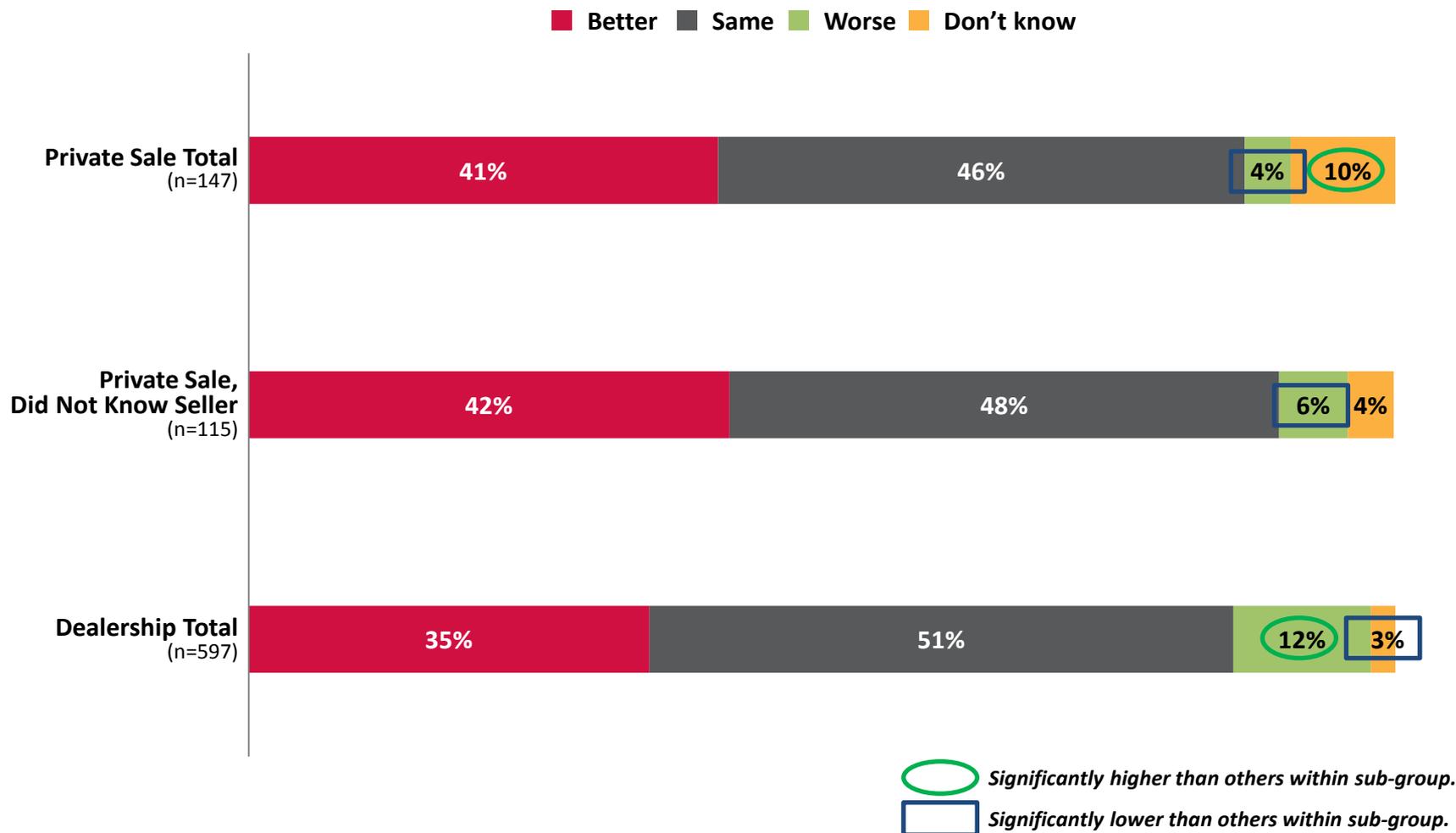
D1. Still thinking of the last time you bought a vehicle through a private sale, please rate your vehicle buying experience overall.

D2. Please rate your experience overall with the person who sold you the vehicle.

# Comparison to Last Purchase

## Among those who purchased through a private sale

Just over one-third of vehicle buyers say their most recent experience through a private sale was better than previous experiences.

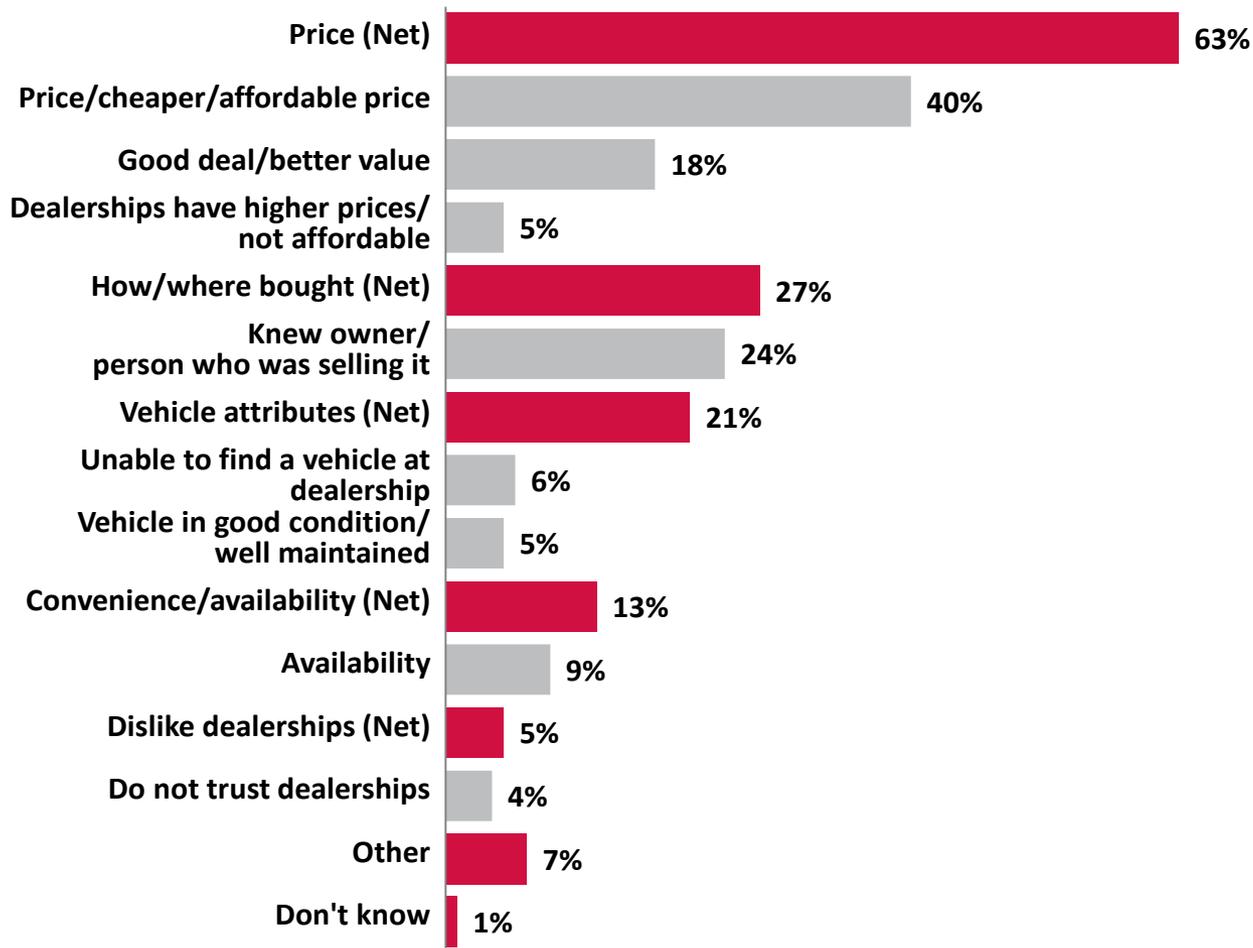


Base: Among those who bought/leased a vehicle in the past 5 years

E5. Compared to any prior experience buying/leasing a vehicle was your most recent purchase experience...

# Reasons for Purchasing Through Private Sale

- Lower prices are the main reason British Columbians choose to purchase vehicles privately.
- One-quarter of those using this channel knew the previous owner or the person selling the vehicle.



Note: Only Total responses of 3% or greater are shown.

Base: Among those who bought a vehicle through private sale (n=147)

A5. Why did you choose to purchase your most recent motor vehicle through a private sale rather than through a dealership?

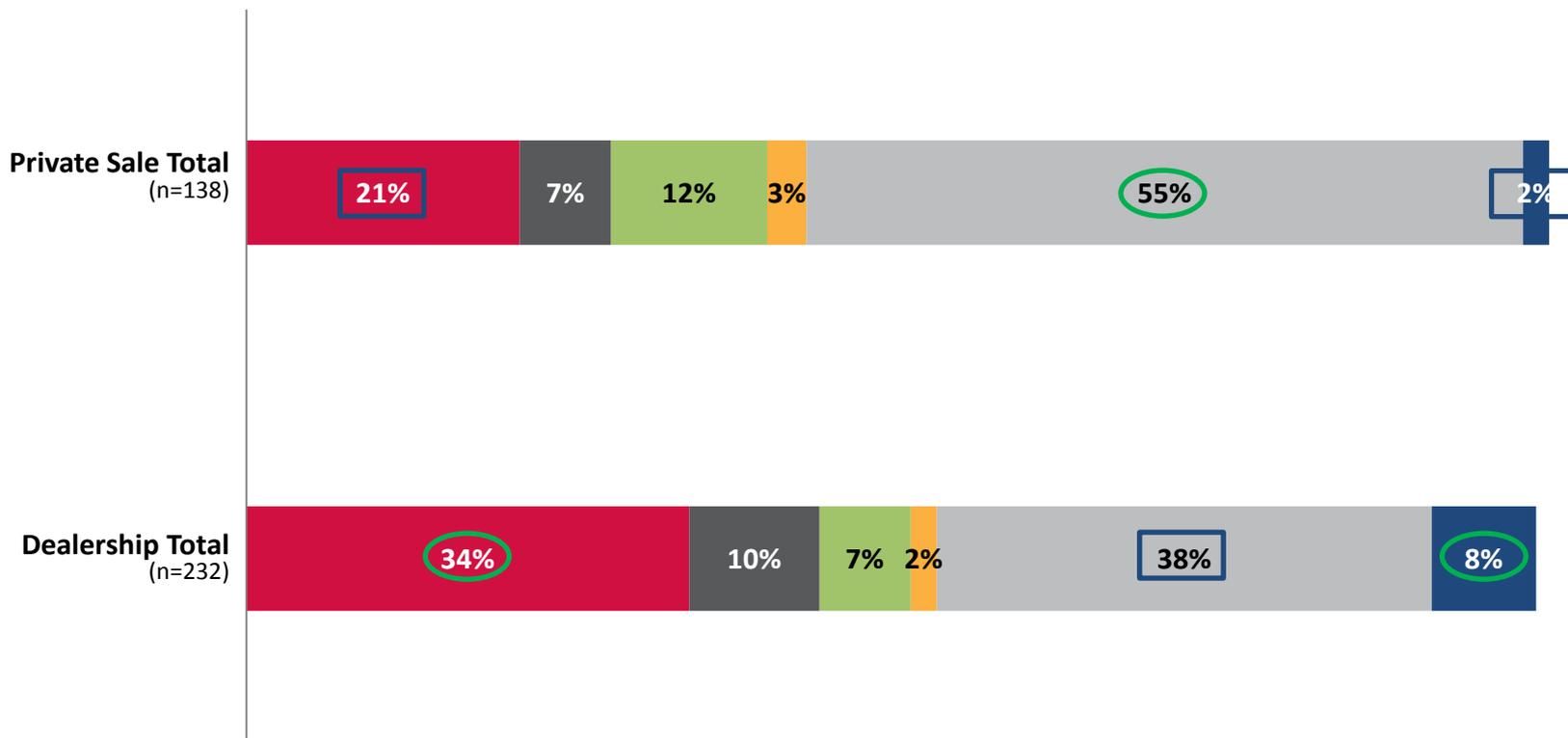


# Mechanical Inspection – Used Vehicle buyers

## Among those who purchased through a private sale

- Vehicle buyers who purchased through the private sale channel were less likely to receive a mechanical inspection report – four-in-ten received a mechanical inspection report compared to half (51%) of those who purchased their used car through a dealership.

■ Offered mechanical inspection or results of an inspection without asking  
 ■ Asked for mechanical inspection or results of an inspection and received them  
 ■ Asked for mechanical inspection and was allowed to have vehicle tested offsite  
 ■ Asked for mechanical inspection and was NOT allowed to have vehicle tested offsite  
 ■ Did not ask for and was not offered mechanical inspection  
 ■ Don't know



  Significantly higher than others within sub-group.  
  Significantly lower than others within sub-group.

\*Small base size, interpret with caution.

Base: Among those who bought/leased a used vehicle either through a dealership or private sale

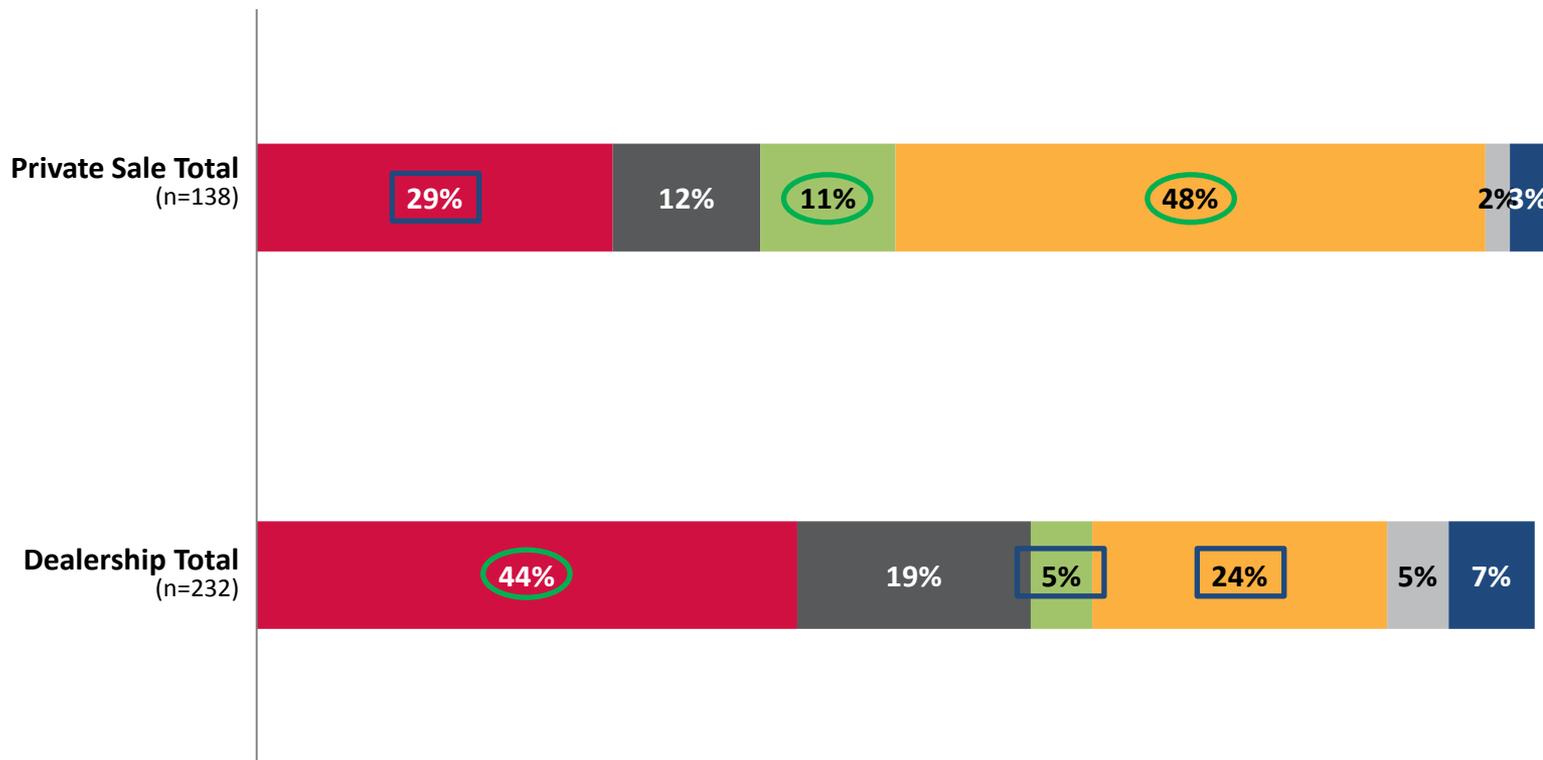
E9. When buying/leasing your most recent used vehicle, were you offered or did you ask for a mechanical inspection by a qualified, independent mechanic?

# Vehicle History Report – Used Vehicle buyers

Among those who purchased through a private sale

- The majority of used car buyers received a vehicle history report whether they asked for it or it was provided.
- Those who purchased their used car at a dealership were more likely to have been offered a vehicle history report without asking compared to those who bought privately.

■ Offered vehicle history report without asking  
 ■ Asked for vehicle history report and it was provided  
 ■ Obtained my own vehicle history report  
 ■ Did not ask for and was not offered vehicle history report  
 ■ Asked for vehicle history report but it was not provided  
 ■ Don't know



\*Small base size, interpret with caution.

Base: Among those who bought/leased a used vehicle

E10. When buying/leasing your most recent used vehicle, were you offered or did you ask for a vehicle history report (eg. from ICBC or CarProof)? Please choose as many as apply.

  Significantly higher than others within sub-group.

  Significantly lower than others within sub-group.

# Received Vehicle Documentation

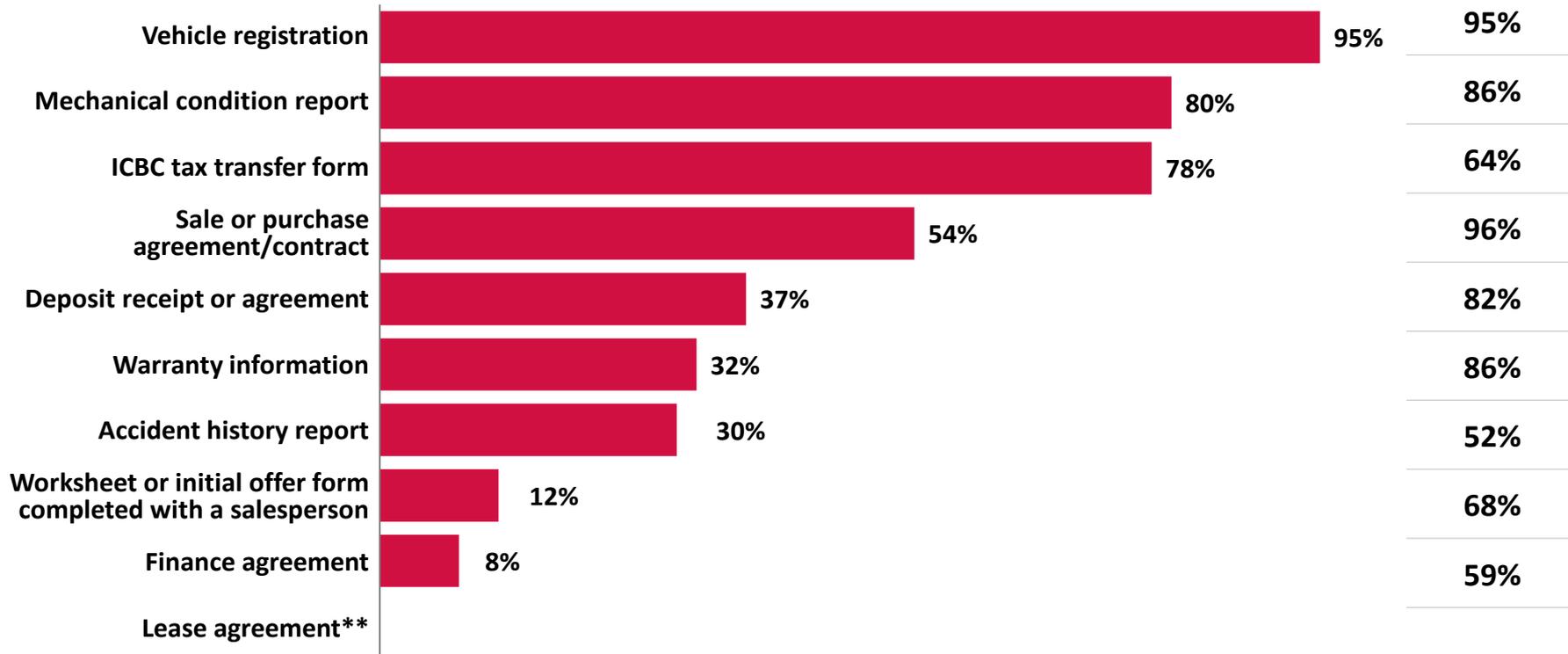
Among those who purchased through a private sale

- With the exception of an accident history report, several types of documentation namely, a sale or purchase agreement, warranty information and a deposit receipt seem to be provided less often to those who purchased a used car in the past 12 months than those who bought 2-5 years ago.

**Private Sale Total**  
(n=varies)

■ % Yes

**Dealer Total**



\*Small base size, interpret with caution; \*\*Base size too small to be shown.

Base: Among those who bought/leased a used vehicle in the past 5 years

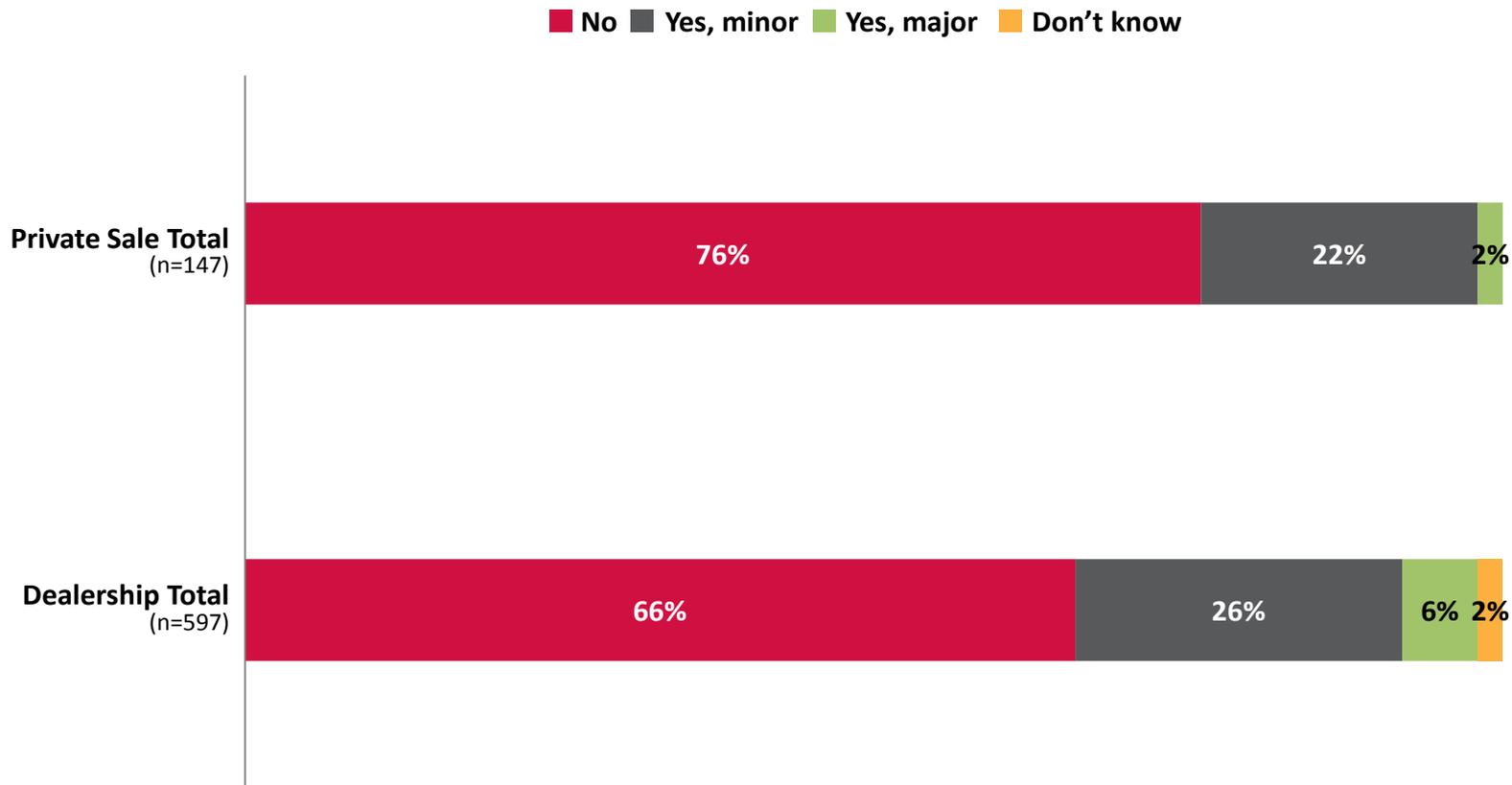
E11. When buying/leasing your most recent vehicle, did you receive a copy of the following documents?



# Experienced Issues/Problems/Concerns

## Among those who purchased through private sale vs. dealership

- Three-quarters of those who bought their most recent vehicle through a private sale say they did not have any issues/problems or concerns with the vehicle, the seller or the purchase process.
- Roughly one-quarter of those who purchased their vehicle through a dealership have experienced a minor issue and six percent have experienced a major issue.



  Significantly higher than others within sub-group.  
  Significantly lower than others within sub-group.

\*Small base size, interpret with caution; \*\*Base size too small to show.

Base: Among those who bought/leased a vehicle through private sale

E6b. When buying your most recent vehicle, did you experience any issues or problems or have any concerns with the seller, the vehicle or purchasing process?

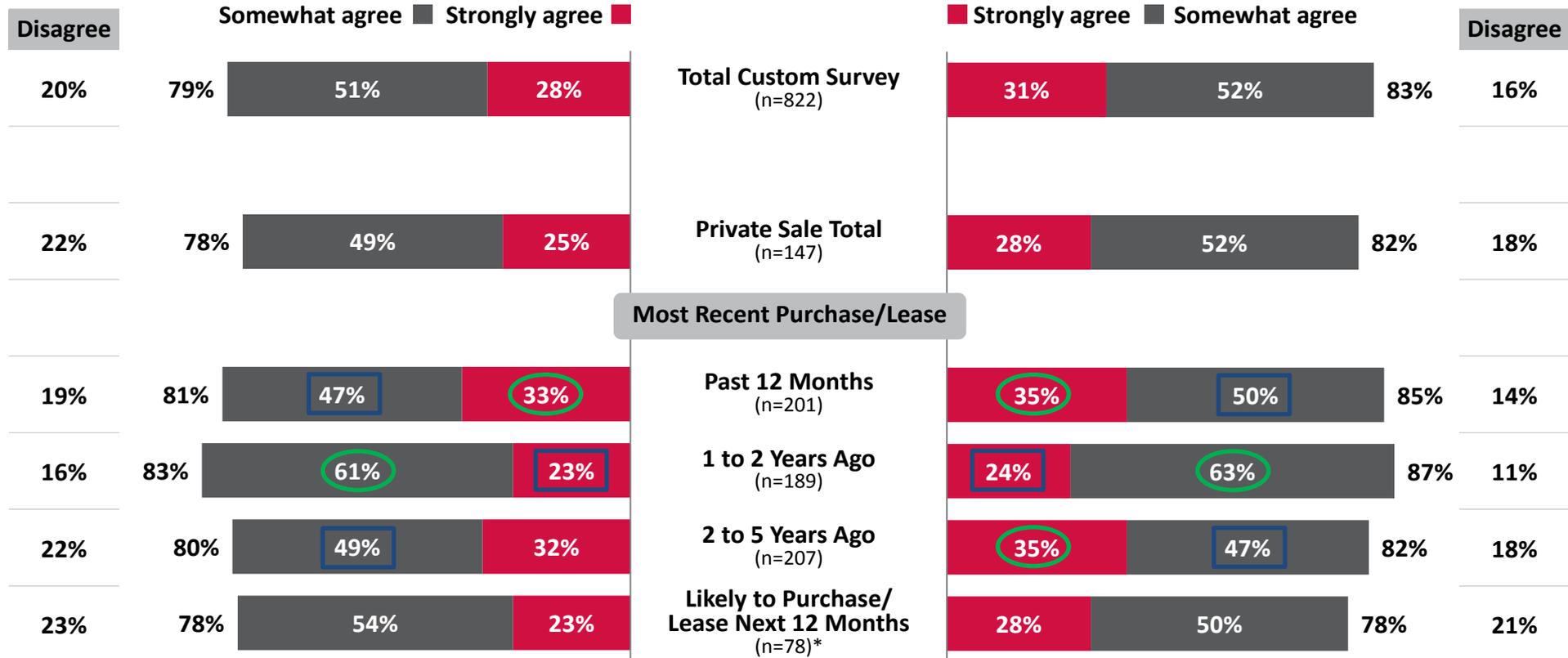
# Attitudes to Vehicle Buying/Leasing Process

Among those who purchased through a private sale

- Overall, British Columbians who bought a vehicle in the past 5 years agree that they feel confident and well informed when buying/leasing a vehicle.
- Those who bought/leased a vehicle in the past 12 months are more likely to agree strongly that they feel confident and well informed when it comes to buying/leasing a vehicle compared to those who bought a vehicle more than 12 months ago.

## Feel Confident

## Feel Well Informed



  Significantly higher than others within sub-group.  
  Significantly lower than others within sub-group.

\*Small base size, interpret with caution.

Base: All respondents

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



## Contact Information

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