



# INDUSTRY INSIGHTS FOR WHEN THE WORLD EMERGES FROM COVID-19



# AUTOMOTIVE

### AUTHOR



Matt Hofmeyer

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### ABOUT THIS REPORT

Creative transformation has never been as important as it is now. The scale and impact of COVID-19 has been unprecedented and while business, the government and society grapple with the current reality, we are also anticipating the impact and opportunities of a post-COVID world.

We have asked a selection of our own sector experts to provide their insights on the current situation and consider the opportunities that might emerge. This has formed the WPP'd Smart Series. These are not intended as academic "white papers"; rather, they offer some key insights and actionable opportunities in a concise, digestible form that might trigger some new thinking for your business or organisation. If you would like to discuss these further please contact the authors directly - you can find their details on the last page.

### INSIGHT FROM COVID-19

**The tipping point for ecommerce in the automotive industry.**

### OPPORTUNITY

COVID-19 has provided the industry with all the catalyst it needs to launch, fastrack or scale ecommerce. We've already seen the Chinese market demanding contactless processes from manufacturers and dealers in February and March. Adapting quickly to satisfy this need will help you increase market share now and put you in a strong position as we hit the recovery phase and enter the new normal.

**A diminished role for public transport.**

As life reverts to a more normal rhythm and workers return to office spaces, their commute habits will be affected. More people will opt to drive in isolation rather than pack onto crowded public transport. Be ready to promote a small, commute-friendly car at an attractive price that gives commuters an easy way to avoid buses, ferries and trains.

**Cars will play a leading role in the tourism economy.**

Families will spend more time in their cars for Saturday outings, short breaks and more traditional vacations. With domestic and local tourism leading the charge as aviation takes a while to recover, the car is perfectly placed to be the travel option of choice. How could your brand be more family friendly and make the most of this opportunity?

**It's not just about the car.**

This is a great time to focus on the services component of car sales to increase margins or revenues. Contactless servicing has been broadly adopted by the industry during the COVID-19 restrictions as a stop-gap measure to protect owners. Use this period to evolve and refine these services and you have a premium offer for future buyers. Apply the same thinking to other related areas like aftersales care, accessories, managed fleet offers and test drives.





**MATT HOFMEYER**  
Managing Director  
Wavemaker

I come to work to inspire our team and our clients grow businesses, achieve their goals and develop their careers. I've worked with Wavemaker for 15 years and developed a passion for the automotive and mobility sector through working with Mitsubishi and Bridgestone, as well as Government communications. Away from work I love to spend time with my family, particularly travelling to experience different cultures with my kids, and cooking experimental food on weekends, usually involving far too much meat.

[MATTHEW.HOFMEYER@WMGLOBAL.COM](mailto:MATTHEW.HOFMEYER@WMGLOBAL.COM)

### INSIGHT FROM COVID-19

#### Social Responsibility – What are you doing to help?

#### Be ready for the new normal.

### OPPORTUNITY

With no manufacturing in Australia these days, there's no opportunity to retool production lines and make personal protection equipment or build ventilators. But there's still a place to demonstrate your social conscience. Many brand logos have been modified to show 'distancing' or the 'stay at home' message. Find ways to promote activities that are supporting your communities.

Cost containment is currently very important but you also need a plan for the new normal as restrictions are lifted. By making an investment in planning now, you'll be ready to reap early rewards as the economy changes.

### THE STORY BY THE NUMBERS:

**33%**

of Ford cars in China now sold online<sup>1</sup>

**14%**

of Aussies had planned on purchasing an automobile and will now **delay** due to coronavirus<sup>2</sup>

**7%**

of Aussies had planned on purchasing an automobile and will **no longer do so** due to coronavirus<sup>2</sup>

**15%**

of Aussies had planned on a car maintenance purchase and will now delay due to coronavirus<sup>2</sup>

<sup>1</sup> GroupM COVID-19 Global Report, May 2020. <sup>2</sup> Kantar Barometer, April 2020