

Car Model Preferences - China - March 2015

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“Today’s car buyers are shifting from using their car to reflect their personal success toward demonstrating their personality, indicating that consumers are likely to have different needs when they choose car models. Automakers and marketers need to use targeted marketing instead of a one-size-fit-all approach to target subdivided consumer segments.”

– Yujing Li, Senior Research Analyst

This report looks at the following areas:

- Why SUV models are popular in China?
- How to target different types of car buyers?
- Raising awareness of the importance of active safety functions

New passenger car sales continued to grow in 2014. Despite the car purchase restriction policy in high tier cities, sales of passenger cars are still expected to grow as rising spending power in lower tier cities is enabling more people to afford a car.

The SUV segment continued with a strong performance in 2014 and it is forecast to grow. By contrast, growth in the basic passenger car segment is slowing down, implying that Chinese consumers are changing their car model preferences.

The fact that consumers rarely are aware of the importance of having active safety functions is another crucial problem for brands as it could deprive automakers of the possibility of trading up. Car advertising should be used to educate consumers.

Chinese consumers are in the process of using the products they buy to reflect their personalities instead of showing social status; hence it is imperative to target different individuals with different car models and advertising messages.

This report looks into understanding consumers’ preferences of as well as their attitudes towards different car models, and revealing opportunities for automakers and car marketers to further drive brand growth and gain share in the future.

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