

# Car Owners in Lower Tier Cities - China - 2021

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## This report looks at the following areas:

- **Car purchase preference: value appearance and sales volume**
- **Information sources: shortcuts and pan-entertainment trend**
- **Car-related products: leisure, travelling and DIY products**
- **Aftersales channels: trust and mutual communication**
- **Mindset changes: with the development of infrastructure and technology, recognition of NEVs is enhanced**

There has been a subtle evolution in lower tier city consumers' mindsets towards car purchase. With limited budgets, they have more demands for personalisation, such as car appearance. With the development of vertical automotive media, this consumer group pays more attention to reputation among the wider public, including sales volume. They hope that their car choices are recognised by the majority of consumers.

Furthermore, lower tier city consumers rely more on automotive KOLs. Humorous KOLs are more appealing to them. They are also willing to buy practical car-related small items recommended by KOLs. With these products, drivers and riders can be more comfortable in cars and feel more engaged when watching KOLs' live streaming or short videos.

Consumers' attitudes towards NEVs have become more rational. They recognise the trendiness of NEVs and do not blindly pursue foreign brands. Instead, they appreciate domestic brands' performance. To reach more lower tier city consumers, besides enhancing their product power, brands may also offer marketing campaigns with interactive experience, providing lower tier city consumers opportunities to experience product performance and brand cultures.



"With ever more automotive KOLs tapping into Douyin and Bilibili, lower tier city consumers can access more automotive information on these video platforms. They prefer professional and humorous automotive influencers, who can help consumers learn more knowledge about cars and offer a new form of entertainment or leisure."

**- Austin Yuan, Research analyst**

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