Vehicle Sales Authority of British Columbia

2016 Public Confidence Study
Final Report

May 20, 2016

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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;
  - Measure changes in public confidence compared to baseline data collected in 2013;
  - 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.

Introduction

Methodology

Methodology

To fulfill the objectives of this research and to ensure results were comparable to previous waves, the same research approach established in 2013 was applied.

Omnibus Survey (Represents All Adult British Columbia Residents)

- In order to gauge overall public confidence in the motor vehicle sales industry in British Columbia, several questions were added to Ipsos ' BC Omnibus survey. The omnibus surveys a representative sample of British Columbian adults on a weekly basis. Questions were added to the omnibus for two reasons. Firstly, to measure the incidence of vehicle purchase/lease behaviour across specific regions within British Columbia. The second reason was to measure the British Columbia public's overall confidence in motor vehicle sales industry.
- 801 online surveys were completed between the dates of March 31 to April 5th, 2016.

Custom Survey of Recent Vehicle buyers

- This study was conducted online using Ipsos' i-Say panel.
  - Those who participated in the survey met the following criteria:
    - 18 years of age or older;
    - Does not personally, nor does any member of their household work in the automotive industry;
    - Mainly or jointly responsible for purchase or lease decisions for motor vehicles in their household; and,
    - Bought/leased a vehicle from a dealership or through a private sale within the past five years OR had not bought/leased in the past five years but are very likely to purchase/lease a vehicle in the next 12 months.

Methodology (cont.)

- Quota groups were established to ensure sufficient sample sizes for analysis by subgroups.
  - Region:
    - Lower Mainland (defined as Anmore, Belcarra, Bowen Island, Burnaby, Coquitlam, Delta, Langley, Lions Bay, Maple Ridge, New Westminster, North Vancouver, Pitt Meadows, Port Coquitlam, Port Moody, Richmond, Surrey, Vancouver, West Vancouver, White Rock, Abbotsford/Mission, Chilliwack, Hope).
    - Other Urban British Columbia (defined as Kelowna/West Kelowna/Westbank, Prince George, Victoria – including Sooke, Sidney, Schwartz Bay area, Kamloops, Nanaimo).
    - Rest of British Columbia (all other areas of British Columbia).
  - Most Recent Vehicle Purchase/Likelihood to Purchase
    - Past 12 month purchase/lease
    - 13 months to 2 years ago
    - Just over 2 years ago to 5 years ago
    - Bought/lease vehicle over 5 years ago or never, and very likely to buy/lease a vehicle in the next 12 months
- 803 online surveys were completed between the dates of March 31 and April 11, 2016.
- Data was weighted by region and the incidence of the British Columbia adult population who bought/leased a vehicle within the past 5 years (broken down by three time periods) and those who have not bought in the past 5 years but are very likely to buy/lease a vehicle within the next 12 months.
- Significant differences are noted at the 95% confidence level.

Glossary

Word/Phrase:	Definition:
Wave	When the same research questions are asked at different points in time, each time the research is conducted is defined as a “wave”. The last “wave” of research was conducted in 2013.
Top 5 Box	On questions including a scale of 1-10, the proportion of respondents providing a “positive” score (6, 7, 8, 9 or 10) is defined by the “Top 5 Box”.
Top 3 Box	On questions including a scale of 1-10, the proportion of respondents providing a “high” score of 8, 9 or 10 is defined by the “Top 3 Box”.
Significant Difference	When a change occurs from one wave to another and is attributed to something other than random chance. A significant difference depends on the number of respondents (base size) and the confidence interval applied (this report applies a 95% confidence interval).

Key Highlights

Key Highlights

Confidence in the Motor Vehicle Sales Industry in BC

- Overall, British Columbians confidence in the motor vehicle sales industry remains stable from three years ago (82% rating confidence a 6 or higher on a 10 point scale where 10 means excellent, compared to 80% in 2013). Confidence appears to be more positive with a recent experience with the industry.
- Consistent with 2013, 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.
- Positive confidence ratings by those who purchased their vehicle from a dealership can be attributed to the service received from staff and representatives as well as the overall experience of purchasing a vehicle.

Purchase Experience – Dealerships

- Over seven-in-ten of those who purchased/leased from a dealership rate both the overall experience (71%) and the salesperson (72%) positively (8, 9, or 10).
- Overall, there has been a significant decrease in those experiencing issues or problems when purchasing a vehicle from a dealership, and a subsequent decrease in the major issues/problems experienced. Overall customer service continues to be the most commonly mentioned issue; however, there has been a significant increase in perceptions of dishonestly/ untrustworthiness (4% in 2013 to 11% in 2016), and unknowledgeable sales staff since 2013(2% in 2013 to 8% in 2016).
- Among used car buyers at the dealership, approximately six-in-ten received a vehicle history report, a significant increase from 2013. There continues to be regional discrepancies in the delivery of documentation, specifically warranties and sale or purchase agreements, which are more commonly provided outside the Lower Mainland than within.

Key Highlights (cont.)

Purchase Experience – Private Sales

- Although overall confidence in the purchase process is lower among those who purchased from a private seller, those who bought their most recent vehicle through a private sale rate the overall experience and the person who sold them the vehicle very positively (74% giving a rating of 8, 9, or 10 for each). When evaluating the overall experience and salespeople between private sale and dealership the variance appears to be softening relative to 2013.
- The key reason for purchasing a vehicle through private sale is price. This is consistent with 2013 but directionally up (72% in 2016 versus 63% in 2013). Other reasons include knowing the previous owner or seller, and vehicle attributes such as condition.
- The majority (82%) 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. Vehicle buyers who purchased through the private sale channel are less likely to be offered and receive a mechanical inspection report or vehicle history than those who purchase through a dealership.

The VSA

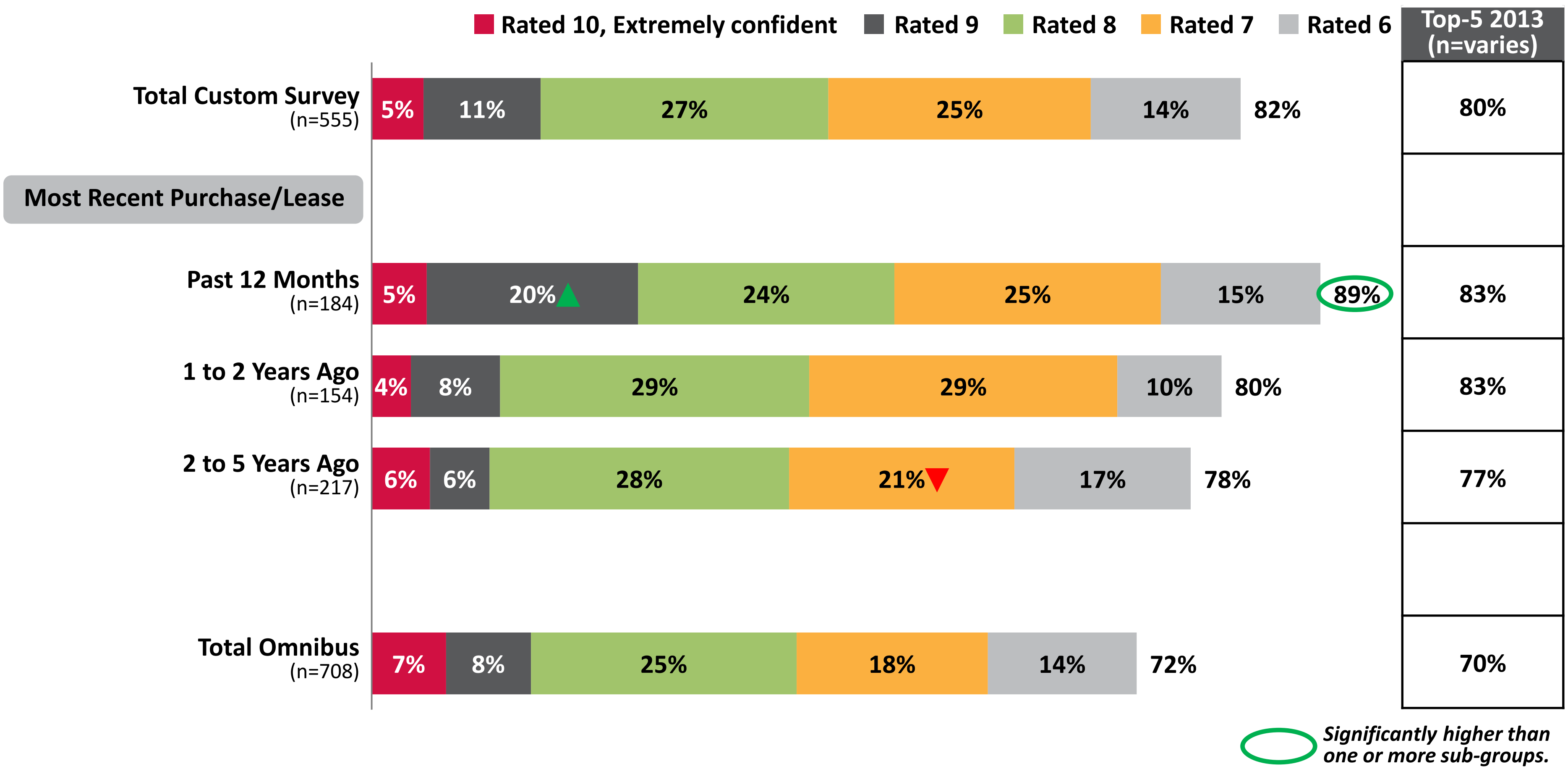
- Although still very low, unaided awareness of the VSA has increased from less than 1% in 2013 to 2% in 2016. Aided awareness remains consistent at 7% which is consistent with findings in 2013. Additionally, the extent to which salespeople and dealership staff spread the word about the VSA remains low at 3% and 2%, respectively.
- Approximately one-in-three are aware that the private vehicle market includes both private sales and Curbers. Awareness of Curbers is higher in the Lower Mainland relative to other regions in BC.

Detailed Findings:

Confidence in the Motor Vehicle Sales Industry

Confidence in the Motor Vehicle Sales Industry

- British Columbians' confidence in the motor vehicle sales industry is high (82% rating 6 or above) and relatively unchanged from 2013.
- Confidence is stronger among those who have interacted with the industry more recently specifically, those who have purchased/leased a vehicle through a dealership in the past 12 months gave higher positive ratings.



Base: All British Columbia Respondents & Among those who bought/leased a vehicle through a dealership, excluding don't know

C3. Overall, excluding private sales, how confident are you in the motor vehicle sales industry in BC? Where 1 = not at all confident and 10= extremely confident

Reasons for Positive Confidence Ratings

Among those who bought/leased through a dealership

- The customer experience, including customer service and staff interactions are key reasons for positive confidence ratings.
- The base size of those who gave low confidence ratings was too small to show.

Reasons Rated 8 to 10

	Reasons Rated 8 to 10	2013 (n=211)
Positive (Net)	55%	63%
Service (Subnet)	29%	30%
Staff (Subsubnet)	11%	7%
Good/friendly/helpful representatives	7%	5%
Good customer service	6%	4%
Good/helpful/honest	5%	6%
Knowledgeable representatives	4%	3%
Customer oriented	3%	4%
Trustworthy/reliable/dependable	3%	6%
Answered my questions/gave me information	3%	3%
Experience (Subnet)	18%	23%
No problem/satisfied/everything is good	12% ▲	6%
Good/great experience	7% ▼	18%
Price (Subnet)	5%	5%
Good/reasonable price	5%	4%
Auto Industry (Subnet)	7% ▼	15%
Well regulated/operated with in the law	3%	2%
Other positive mentions	9%	8%
Don't know	6%	6%

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

Base: Among those who bought/leased a vehicle in the past 5 years through a Dealership and is confident about the motor vehicle sales industry in BC (n=238)

▲▼ *Significantly higher/ lower than previous wave.*

C4. Why did you provide a rating of ...? Please remember to exclude any experiences you may have had with private sales.

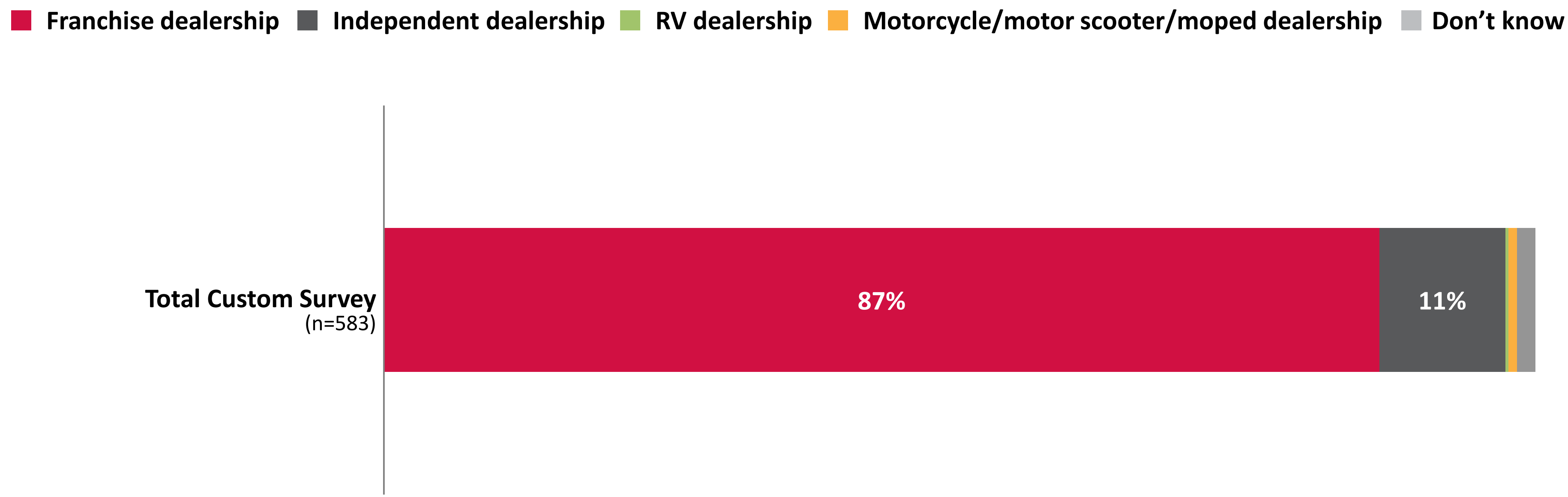
Detailed Findings:

Most Recent Vehicle Purchases: Dealership

Type of Dealership Bought/Leased Vehicle From

Among those who purchased through a dealership

- 87% of BC consumers' most recent vehicle purchases/leases were through a franchised dealership.
- These proportions are high for franchised dealers as we did not set quotas for independent dealers in the study design.
- There were no regional differences.



Significantly higher/ lower than previous wave.

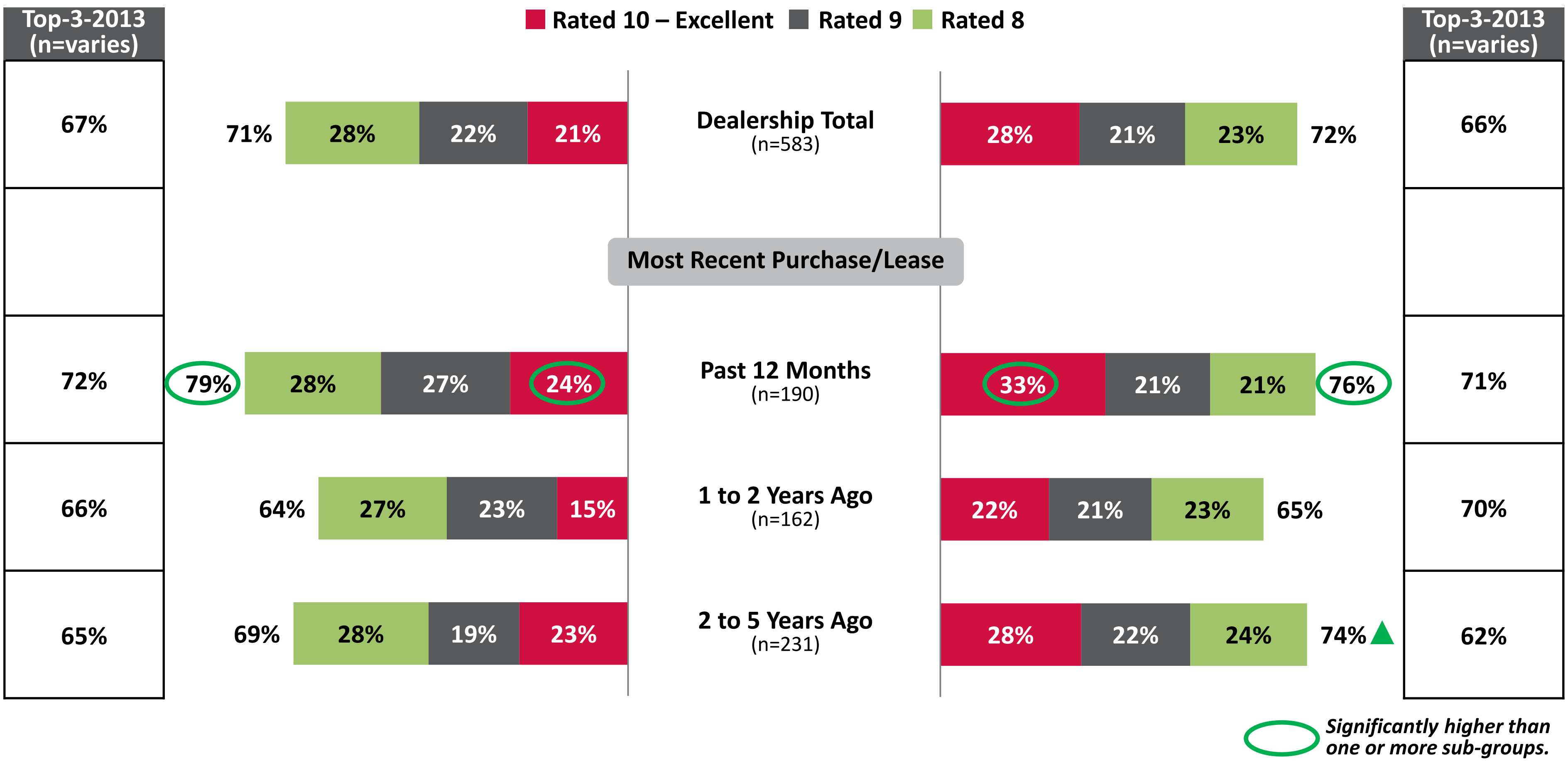
Base: Among those who bought/leased a vehicle through a dealership

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

Overall Rating of Purchase/Lease Experience & Salesperson

Among those who bought/leased through a dealership

- Overall experience with purchasing/leasing a vehicle from a dealership is positive, with over 70% of most recent buyers/leasers giving a positive rating of 8, 9, or 10 on a 10 point scale. Ratings for overall experience and the salesperson are significantly higher for those who bought their most recent vehicle in the past 12 months (79% and 76%, respectively) compared to those who bought 1 to 2 years ago (64% and 65%, respectively). Regionally, salesperson top 3 box ratings in the Lower Mainland are up significantly from 2013 (73% up from 65% in 2013)



Base: Among those who bought/leased a vehicle through a dealership

C1. Still thinking of the last time you bought/leased a vehicle from a dealership, please rate your vehicle purchasing/leasing experience overall.

C2. Please rate your experience overall with the salesperson who sold you the vehicle.

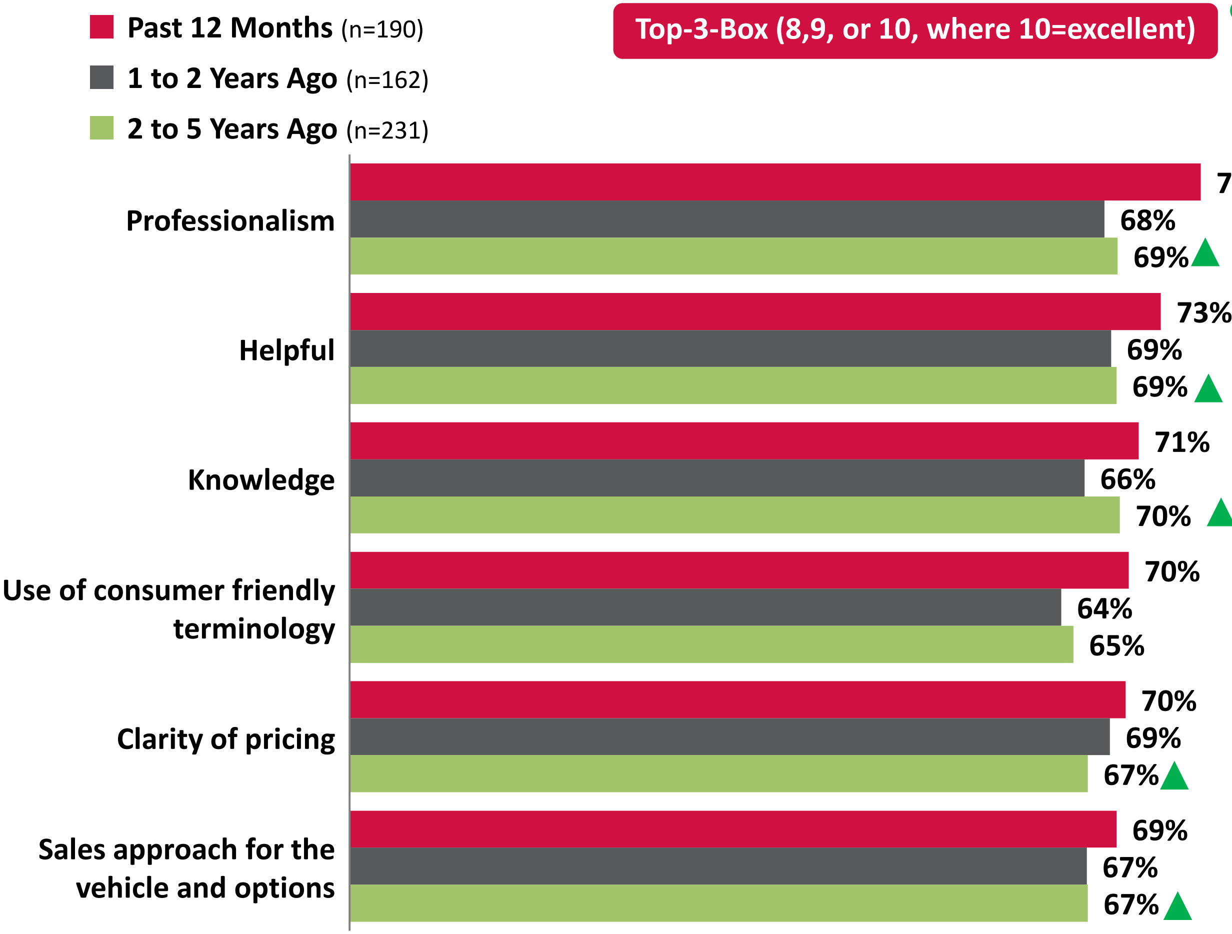
Ratings of Dealership or Salesperson on Attributes

Among those who purchased / leased through a dealership

- Considering respondents' most recent experience with a dealer or salesperson, professionalism, helpfulness, knowledgeable, and use of consumer friendly terminology are among the attributes rated highest.
- While the attributes do not show significant differences between those who bought/leased in the past 12 months compared to 5 years ago, they do appear to trend more positively based on a more recent visit.
- Those who bought/leased vehicles 2 to 5 years ago show significant increases across several attributes relative to the same segment in 2013.

Significantly higher than one or more sub-groups.

Significantly higher/lower than previous wave.



Top-5 2013 (n=varies)
70%
64%
56%
69%
66%
58%
66%
63%
59%
68%
61%
59%
68%
62%
56%
63%
63%
53%

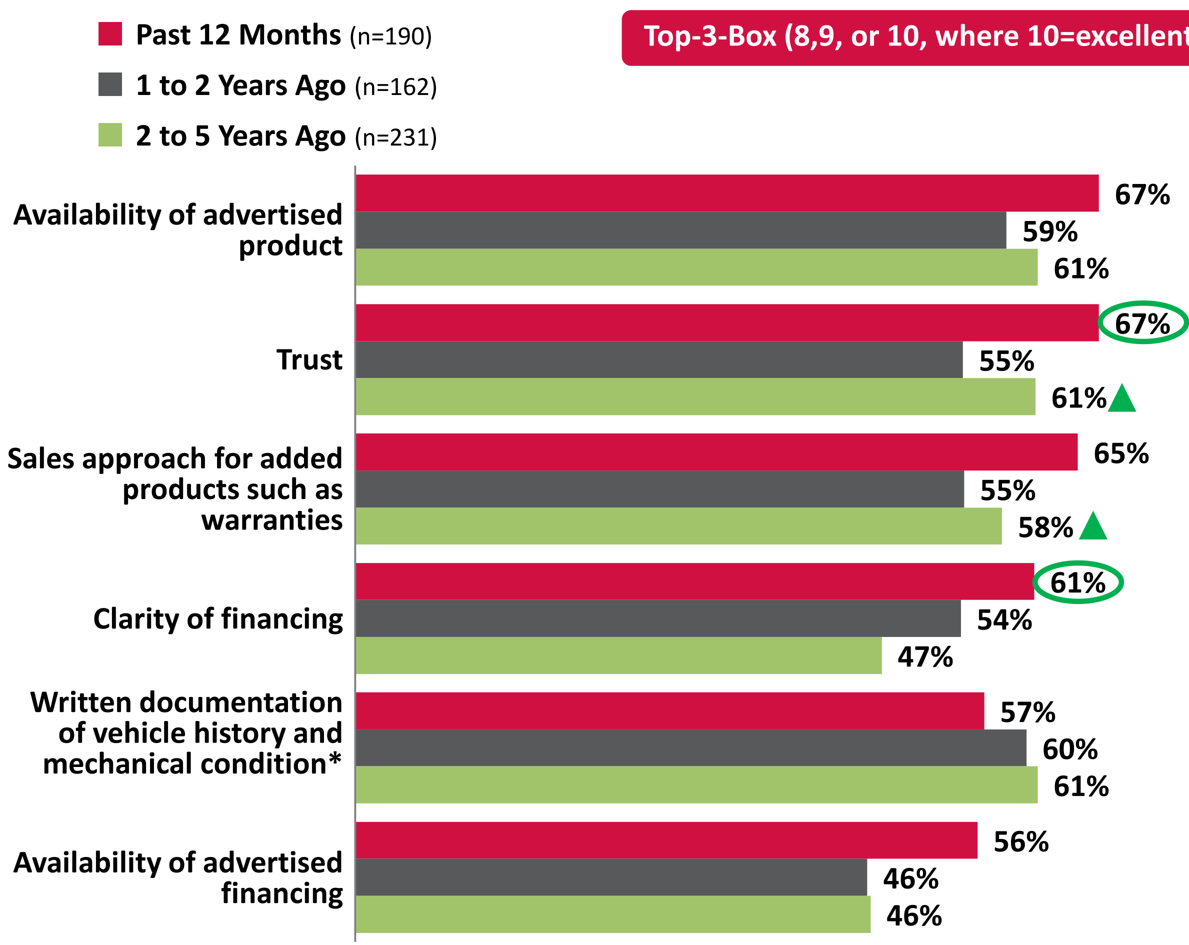
Base: Among those who bought/leased a vehicle through a dealership (n=583)

C5. Thinking of your most recent motor vehicle purchase, please rate the dealership or salesperson(s) you dealt with on the following statements. 1 = poor and 10 = excellent

Ratings of Dealership or Salesperson on Attributes

Among those who purchased / leased through a dealership

- **Those who bought/leased in the past 12 months rate trust and clarity of financing significantly higher than those who bought/leased longer ago.**
- **Attributes such as availability of advertised financing, clarity of financing, and written documentation of the vehicle history received fewer favourable ratings and are areas displaying opportunity for improvement.**



Significantly higher than one or more sub-groups.

Significantly higher/lower than previous wave.

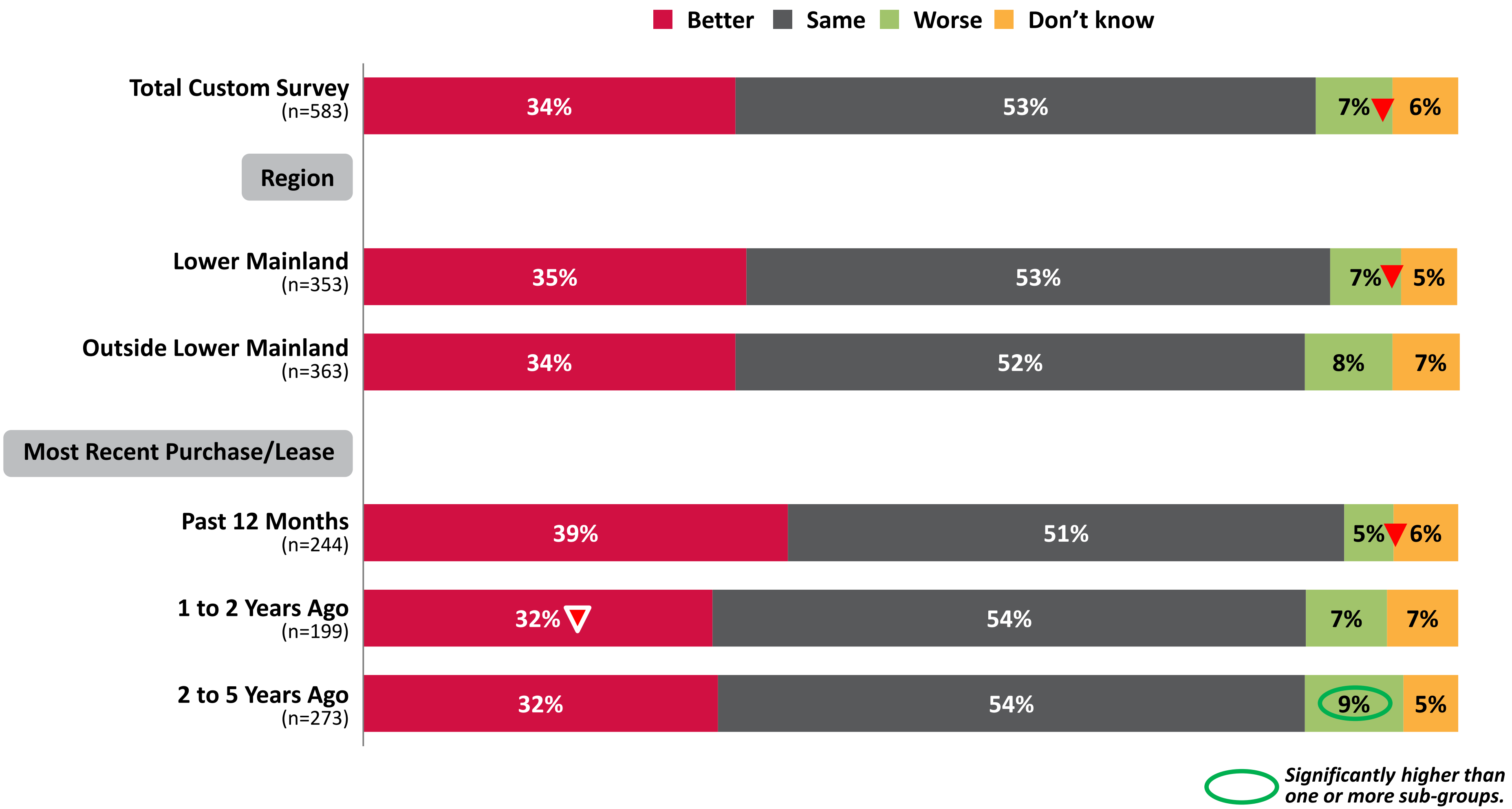
Top-5 2013 (n=varies)
64%
58%
53%
63%
55%
45%
57%
51%
48%
57%
50%
47%
66%
54%
51%
50%
42%
44%

Base: Among those who bought/leased a vehicle through a dealership (n=583); *Base: Among those who bought/leased a used vehicle through a dealership (n=192)

C5. Thinking of your most recent motor vehicle purchase, please rate the dealership or salesperson(s) you dealt with on the following statements. 1 = poor and 10 = excellent

Comparison to Last Purchase
Among those who purchased through a dealership

- The majority (87%) of vehicle buyers say their most recent experience was the same or better than previous experiences, with one-third saying their most recent experience was better than in the past.
- When compared to 2013, those who bought/leased a vehicle in the past 1 to 2 years are significantly less likely to rate their recent experience as better than a previous experience.

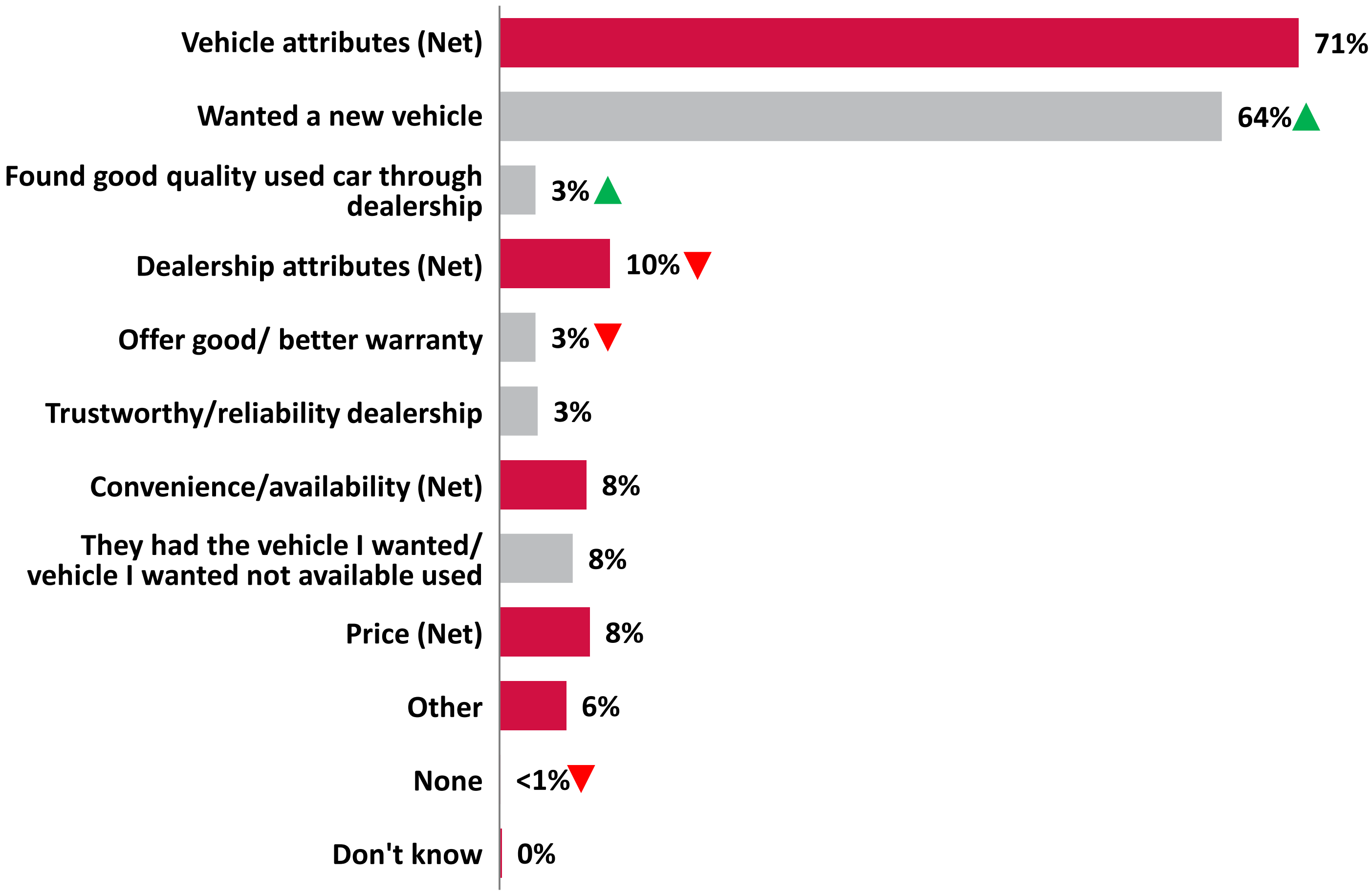


Base: Among those who bought/leased a vehicle in the past 5 years through a dealership

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

Reasons for Purchasing/Leasing Through Dealership

- Up significantly from 2013, the main reason for purchasing/leasing through a dealership remains the desire for a new vehicle.



2013 (n=597)
67%
56%
1%
17%
6%
5%
11%
8%
8%
4%
2%
1%

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

Base: Among those who bought/leased a vehicle through a dealership (n=583)

A6/A7. Why did you choose to purchase your most recent motor vehicle through a dealership rather than through a private sale?

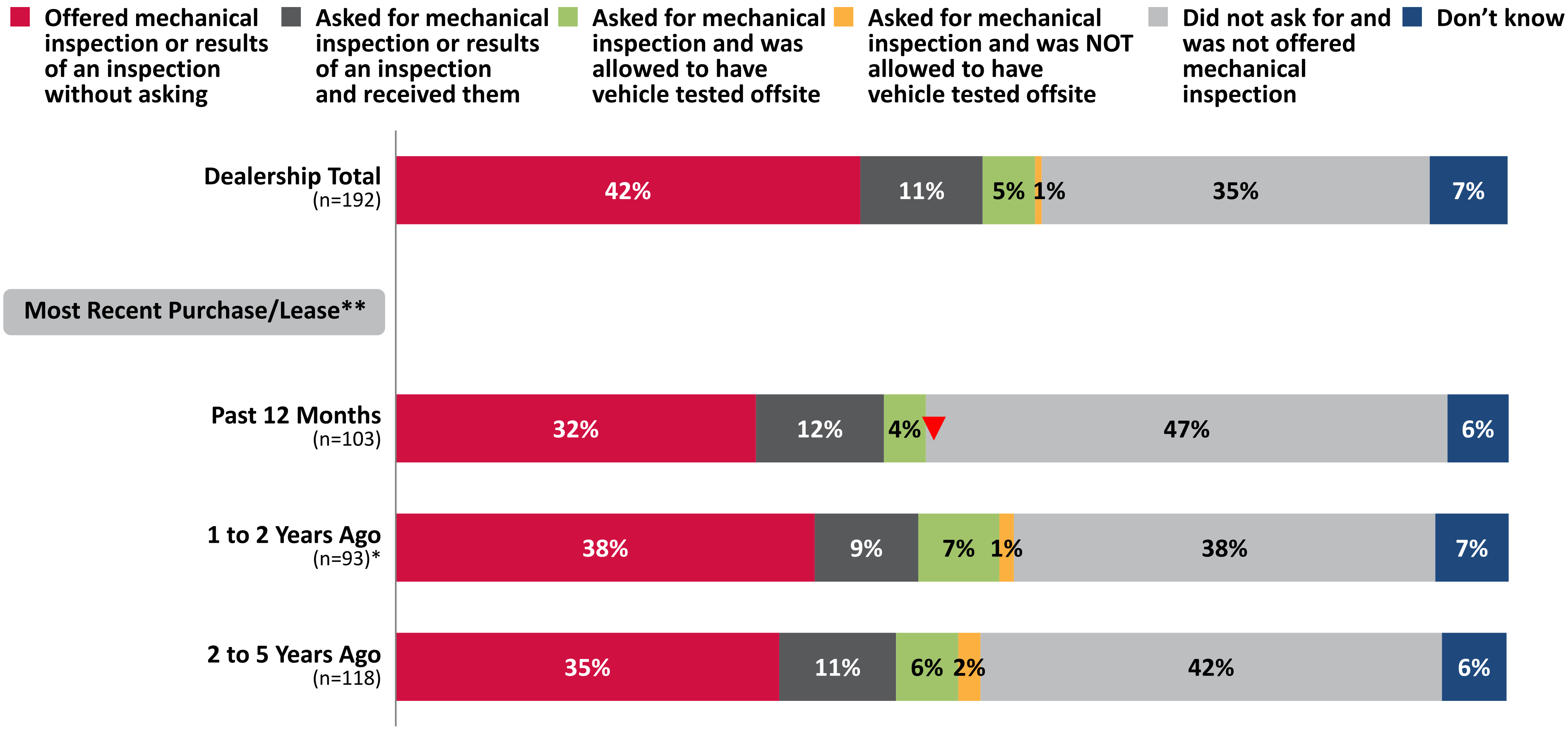
▲▼ *Significantly higher/ lower than previous wave.*

Ipsos Reid

Mechanical Inspection – Used Vehicle buyers

Among those who purchased through a dealership

- Generally, there have been no changes in the mechanical inspection offerings since 2013, with four-in-ten (42%) being offered an inspection without asking. There have been improvements over time in those who are offered a mechanical inspection or results of an inspection without asking.



Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

*Small base size, interpret with caution.

Base: Among those who bought/leased a used vehicle through a dealership ** Bases by recency among all used car purchasers

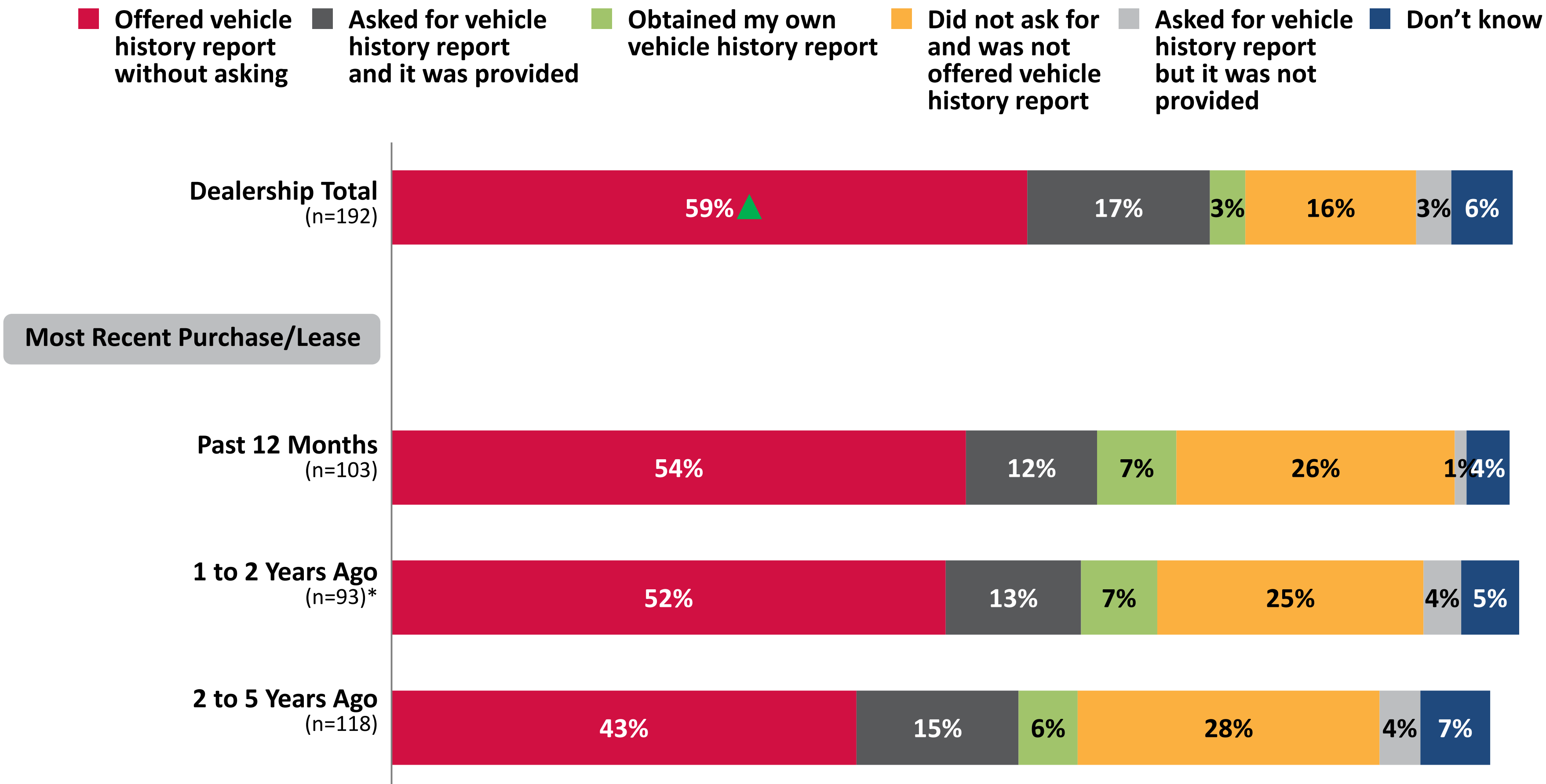
E9. When buying/leasing your most recent used vehicle, were you offered or did you ask for a mechanical inspection by a qualified, independent mechanic?

Ipsos Reid

Vehicle History Report – Used Vehicle buyers

Among those who purchased through a dealership

- Approximately 6-in-10 (59%), a significant increase from 2013, of used car buyers received a vehicle history report without asking for one. Although not significant, there is an upward trend of obtaining a vehicle history report in more recent years compared to 2-5 years ago.
- Regionally, those outside the Lower Mainland are significantly more likely to be offered a vehicle history report without asking compared to 2013 (47% vs 35% in 2013).



*Small base size, interpret with caution.

Base: Among those who bought/leased a used vehicle through a dealership ** Bases by recency among all used car purchasers

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 one or more sub-groups.

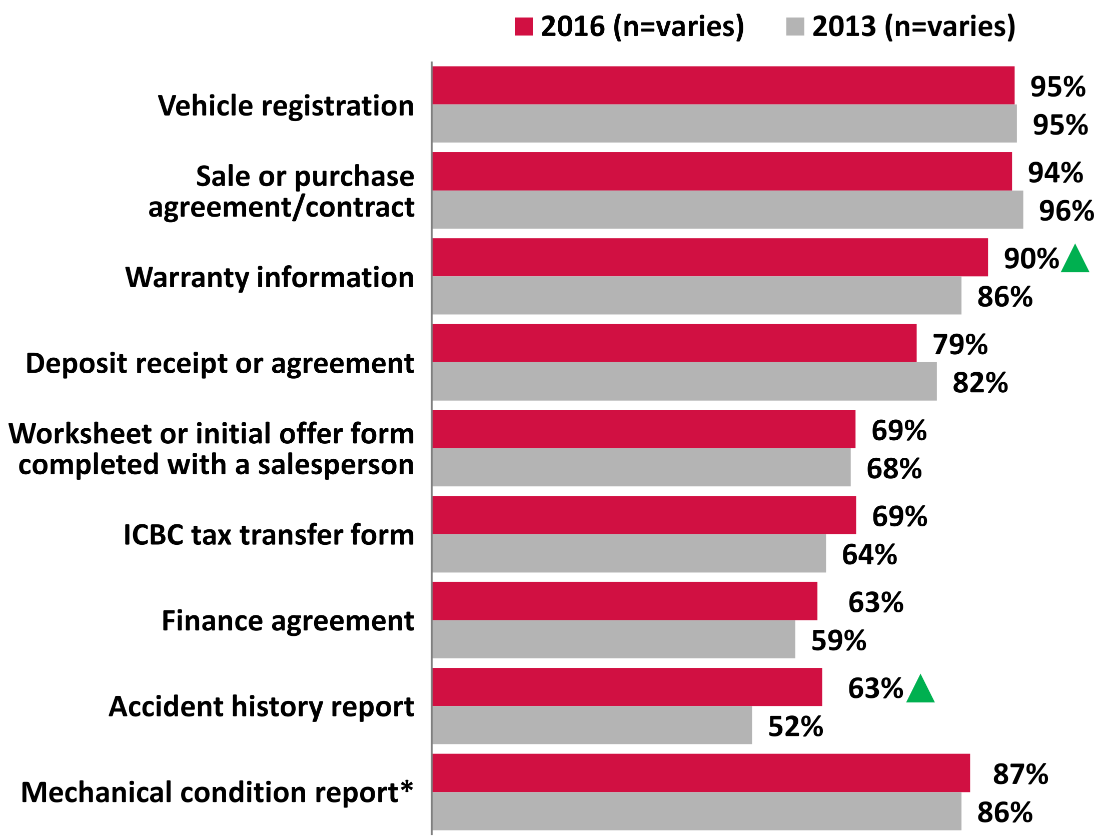
Significantly higher/ lower than previous wave.

Received Vehicle Documentation

Among those who purchased through a dealership

- Across the province vehicle buyers are more likely to report receiving warranty information and accident history reports than in the 2013 survey.
- There are regional differences in the delivery of warranty information and sale purchase agreements , which are both reported to be more commonly offered outside the Lower Mainland. There is an increase in reported receipt of the ICBC tax transfer form outside the Lower Mainland.

Dealership Total
% Yes



% Yes	
Region	
Lower Mainland (2016=varies) (2013=varies)	All other BC (2016=varies) (2013=varies)
93%	96%
95%	94%
93%	97%
96%	97%
88%	94% ▲
89%	81%
81%	75%
85%	76%
68%	70%
69%	65%
67%	72% ▲
65%	63%
64%	61%
58%	60%
63%	65% ▲
57%	45%
87%*	88%*
87%*	83%*

Significantly higher than one or more sub-groups.

▲▼ *Significantly higher/ lower than previous wave.*

*Small base size, interpret with caution

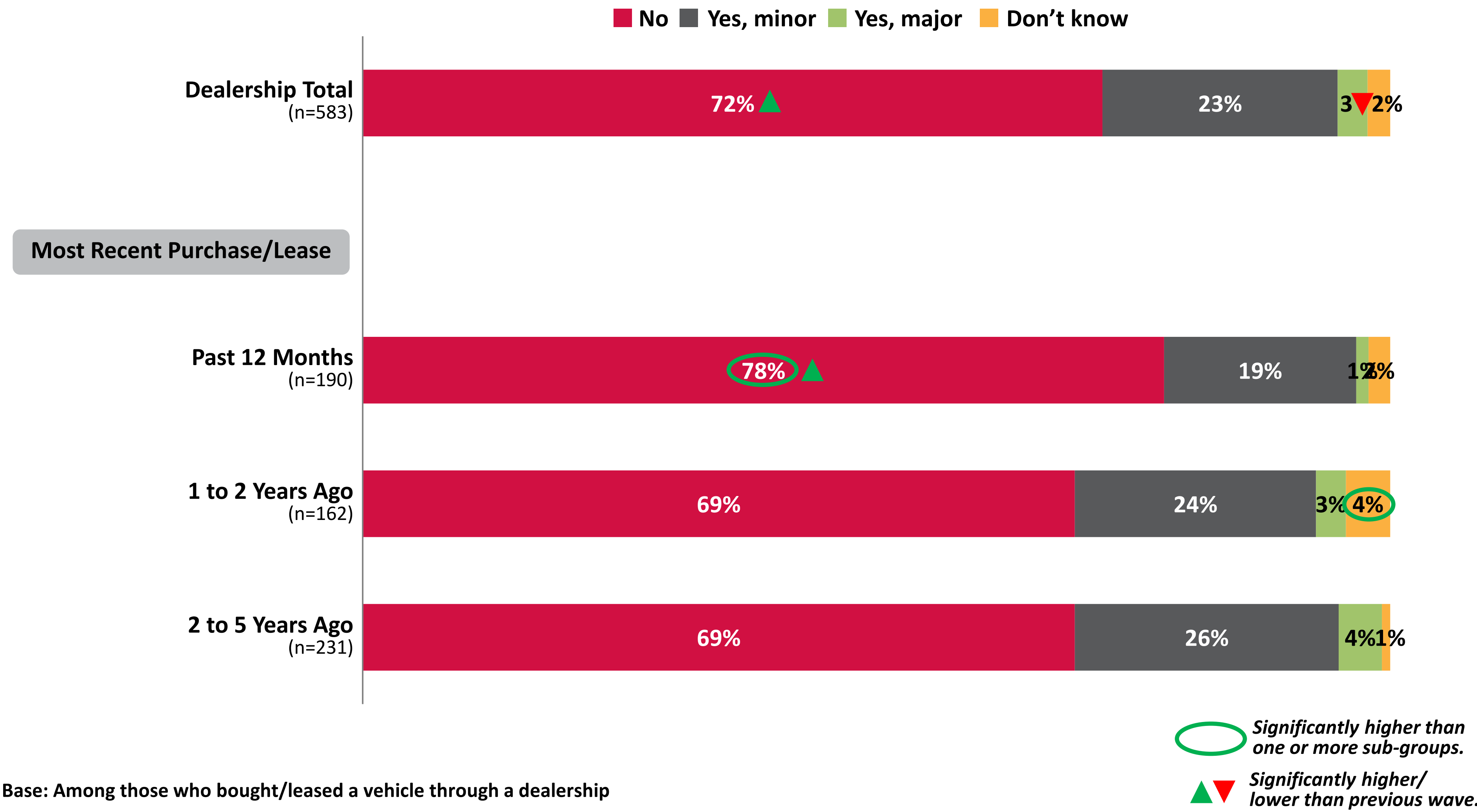
Base: Among those who bought/leased a used vehicle in the past 5 years through a dealer

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 a dealership

- Overall, there has been a significant increase in those who have ***not*** experienced any issues or problems, as well as, a decrease in those reporting major issues/problems. Consumers who have purchased/leased a vehicle in the past year are significantly more likely to have ***not*** experienced any issues with their dealership or vehicle compared to those who did the same in 2013.



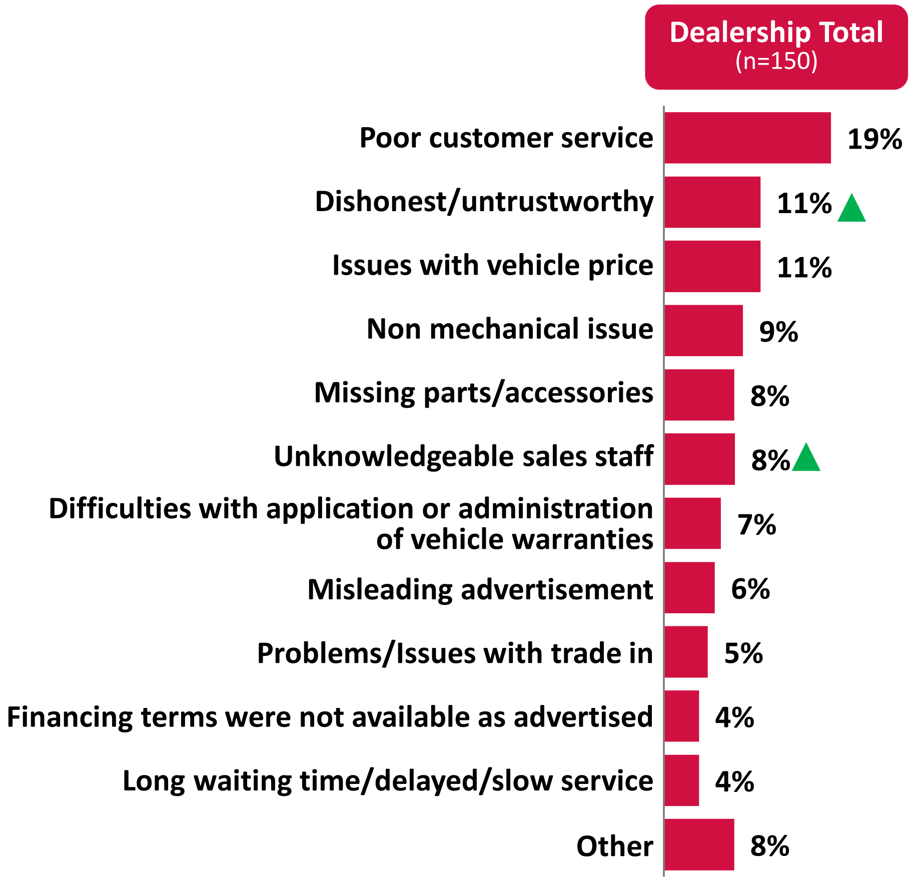
Base: Among those who bought/leased a vehicle through a dealership

E6a. When buying/leasing your most recent vehicle, did you experience any issues or problems or have any concerns with the dealership, salesperson, vehicle or purchasing/leasing process?

Unaided Issues/Problems/Concerns Experienced

Among those who experienced problem with dealership

- Consistent with 2013 findings, on an unaided basis, the most commonly cited issue experienced was poor customer service.
- Notably, there is a significant increase in perceptions of dishonestly/untrustworthiness (4% in 2013 to 11% in 2016), and unknowledgeable sales staff (2% in 2013 to 8% in 2016).



	2013 (n=228)
Poor customer service	20%
Dishonest/untrustworthy	4%
Issues with vehicle price	14%
Non mechanical issue	-
Missing parts/accessories	-
Unknowledgeable sales staff	2%
Difficulties with application or administration of vehicle warranties	4%
Misleading advertisement	9%
Problems/Issues with trade in	4%
Financing terms were not available as advertised	2%
Long waiting time/delayed/slow service	3%
Other	6%

*Small base size, interpret with caution. Note: Only Total responses of 4% or higher are shown.

Base: Among those who experienced issue/problem/concern when buying/leasing most recent vehicle

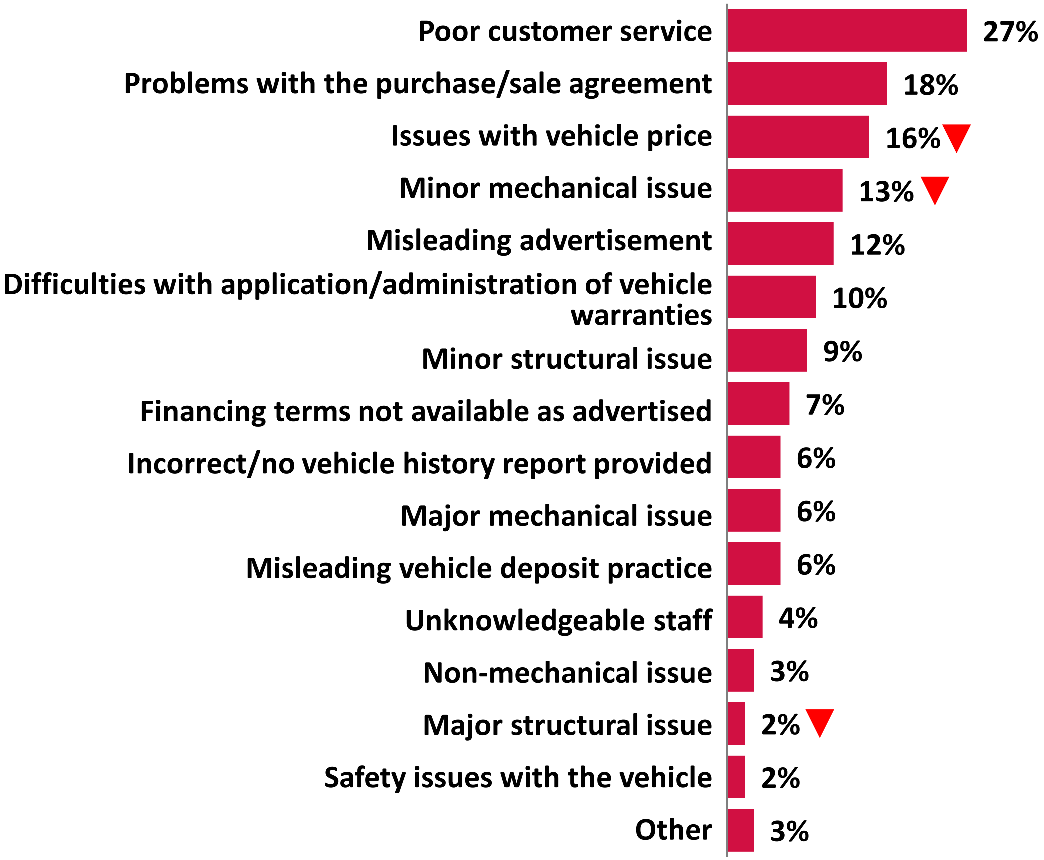
E7. Please describe the issue(s)/problem(s)/concern(s) you experienced when... your most recent vehicle.

▲▼ *Significantly higher/ lower than previous wave.*

Aided Issues/Problems/Concerns Experienced

Among those who experienced problem with dealership

- When prompted, approximately one-quarter of buyers say their issue was related to customer service, followed by problems with the purchase/sales agreement.
- Relative to 2013, there is a decline in those experiencing issues with vehicle price and minor mechanical issues.
- The base size is too small to report data for those who experienced an issue or problem with a private sale.



2013 (n=188)
25%
15%
25%
23%
13%
7%
11%
5%
9%
5%
6%
-
-
6%
3%
2%

Note: Only other specifies of 2% or higher are shown.

Base: Among those who experienced issue/problem/concern when buying/leasing most recent vehicle through dealership (n=150)

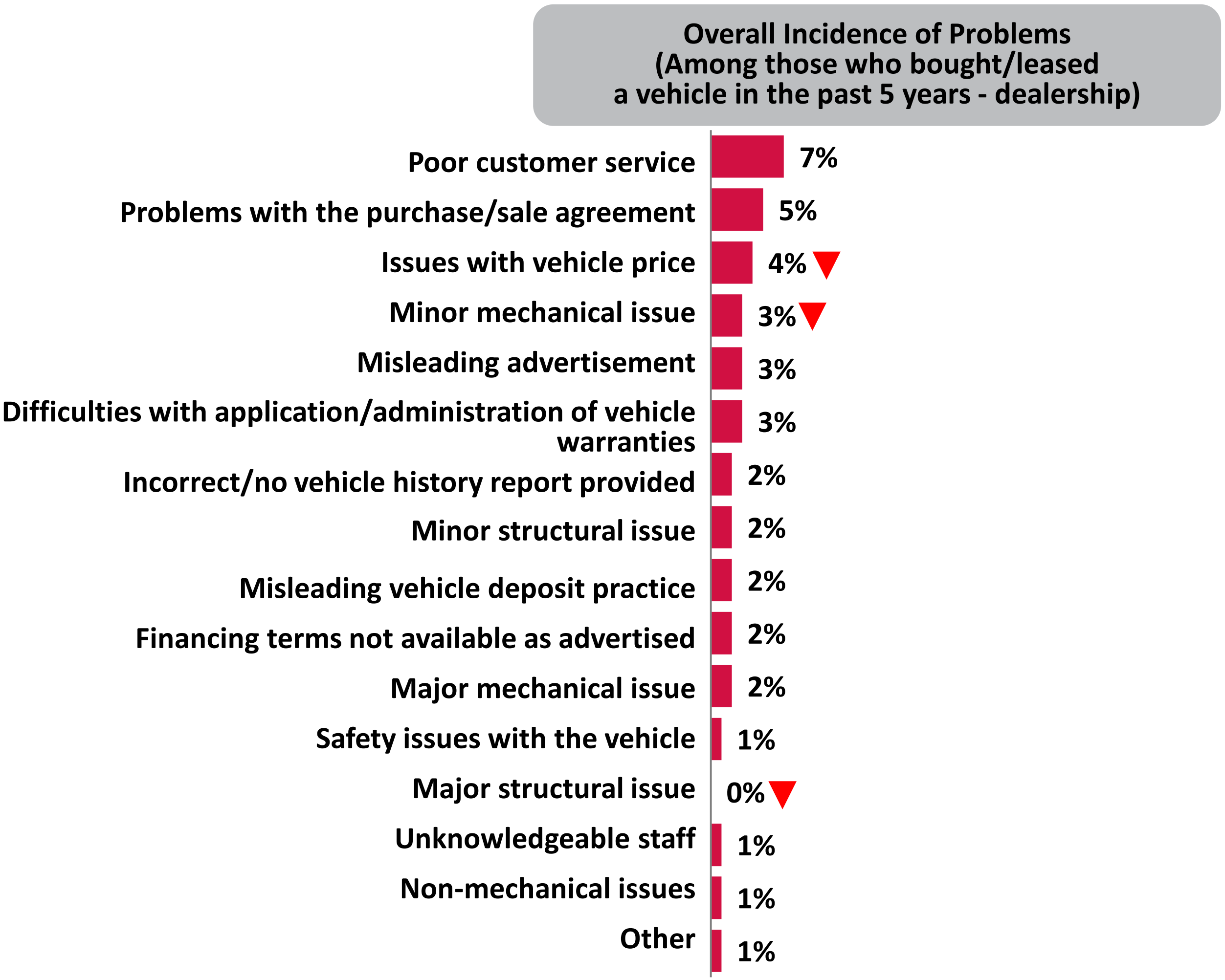
E8a. Which of following issues/problems/concerns, if any, did you personally experience?

Significantly higher/ lower than previous wave.

Overall Incidence of Issues/Problems/Concerns Experienced

Among those who purchased through a dealership

- The overall incidence of issues/problems is generally consistent with 2013 findings, however, there has been a decrease in the number of respondents with concerns surrounding vehicle price, major structural issues and minor mechanical issues



2013 (n=643)
8%
5%
8%
7%
4%
2%
3%
3%
2%
2%
2%
1%
2%
0%
0%
1%

▲▼ *Significantly higher/ lower than previous wave.*

Base: Among those who experienced issue/problem/concern when buying/leasing most recent vehicle through dealership (n=582)

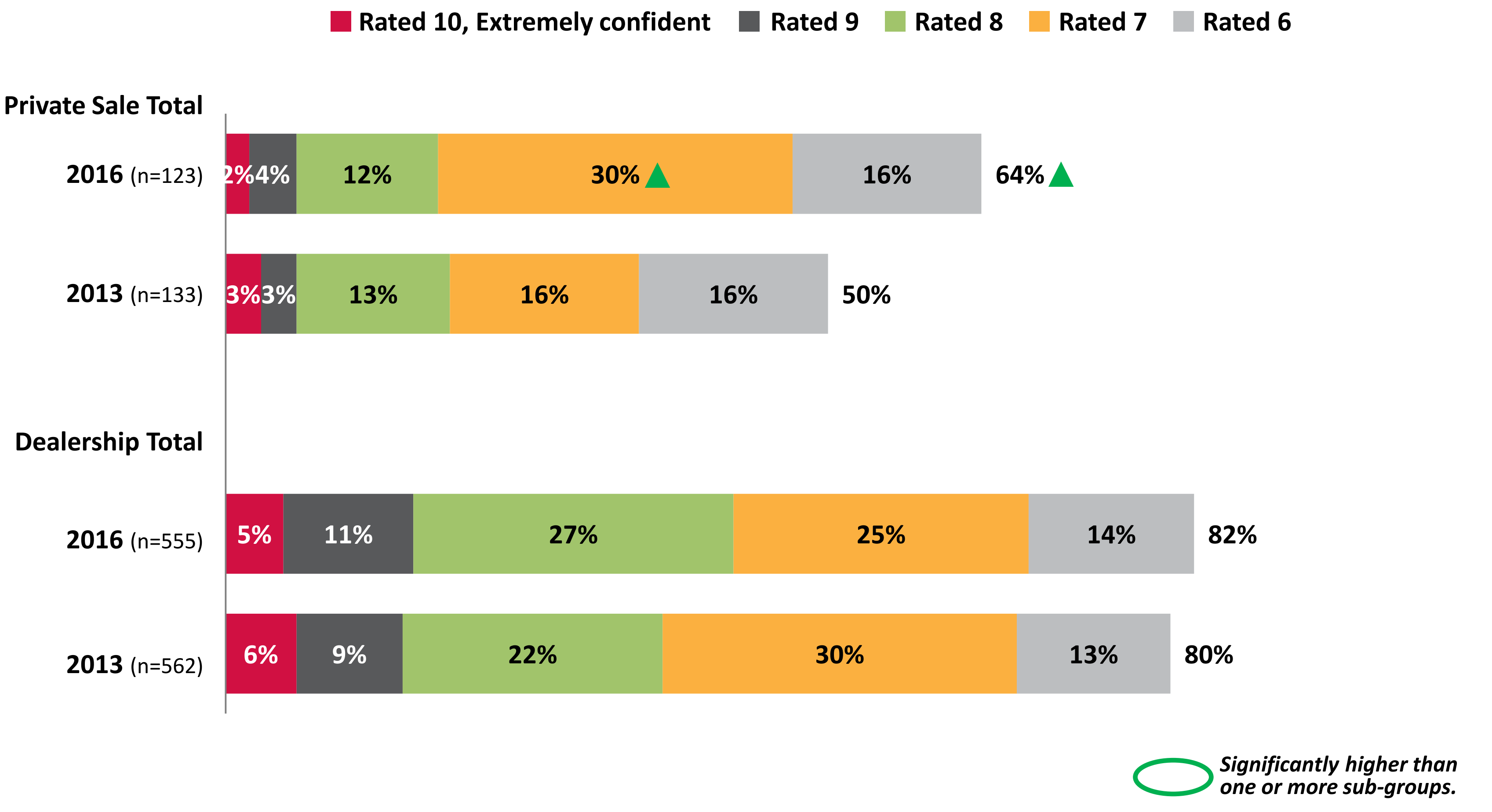
E8a. Which of following issues/problems/concerns, if any, did you personally experience?

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

- **Consistent with 2013 findings, buyers whose most recent vehicle purchase was through a private sale were less likely to be confident in the motor vehicle sales industry than those whose most recent purchase was through a dealership (18% gave top3box rating compared to 43% of those who bought/leased through a dealership), however positive scores (ratings of 6 or higher) for private sales have increased significantly since 2013.**
- **Although the base size is too small to report the data, reasons mentioned for negative ratings include: too expensive, pushy/use pressure sales techniques, not trustworthy and poor quality cars.**



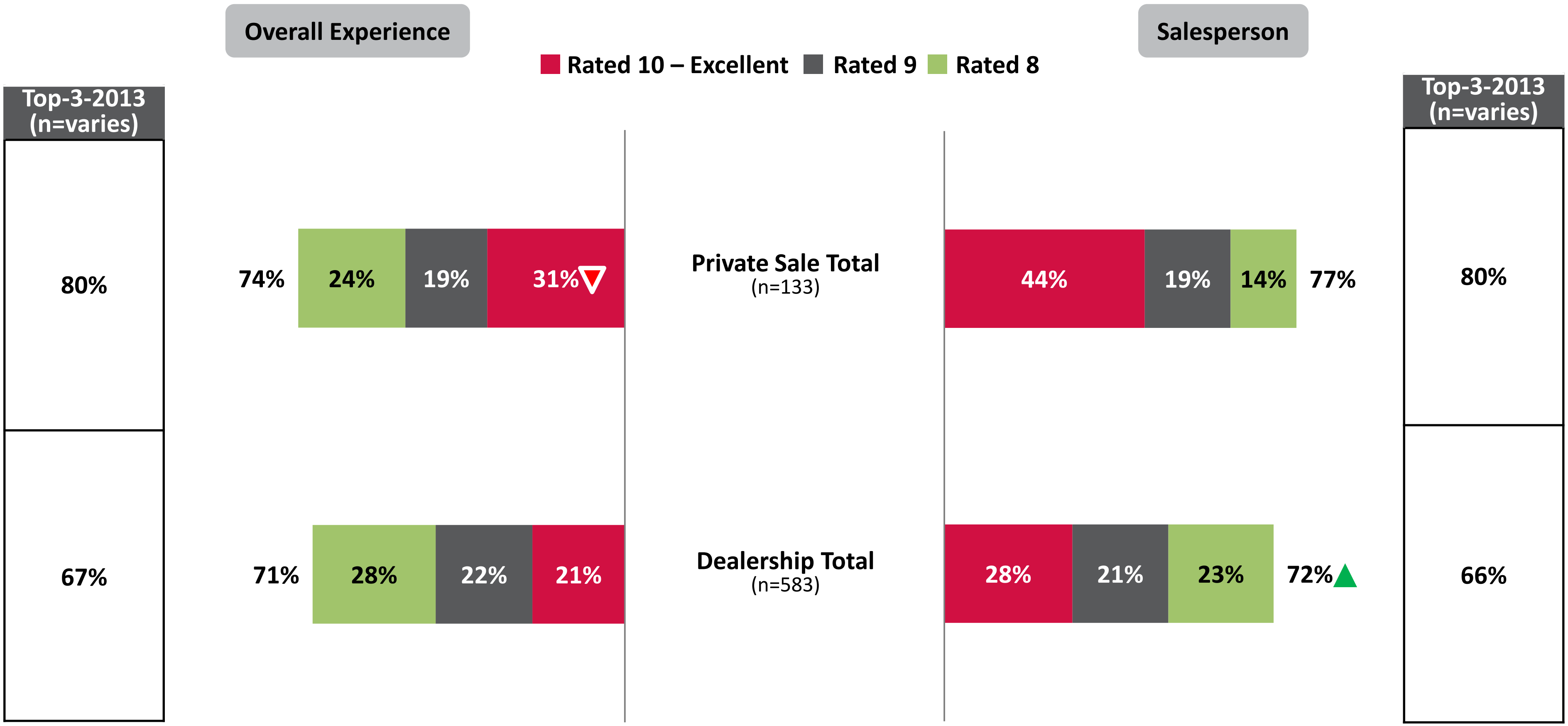
Base: Among those who bought/leased a vehicle through private sale or dealership excluding don't knows

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

- **Approximately three-quarters rated the experience overall (74%) and the person who sold the vehicle (77%) an 8, 9, or 10. Among private buyers, there is a decline in topbox (10) ratings for overall experience relative to 2013.**



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.

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

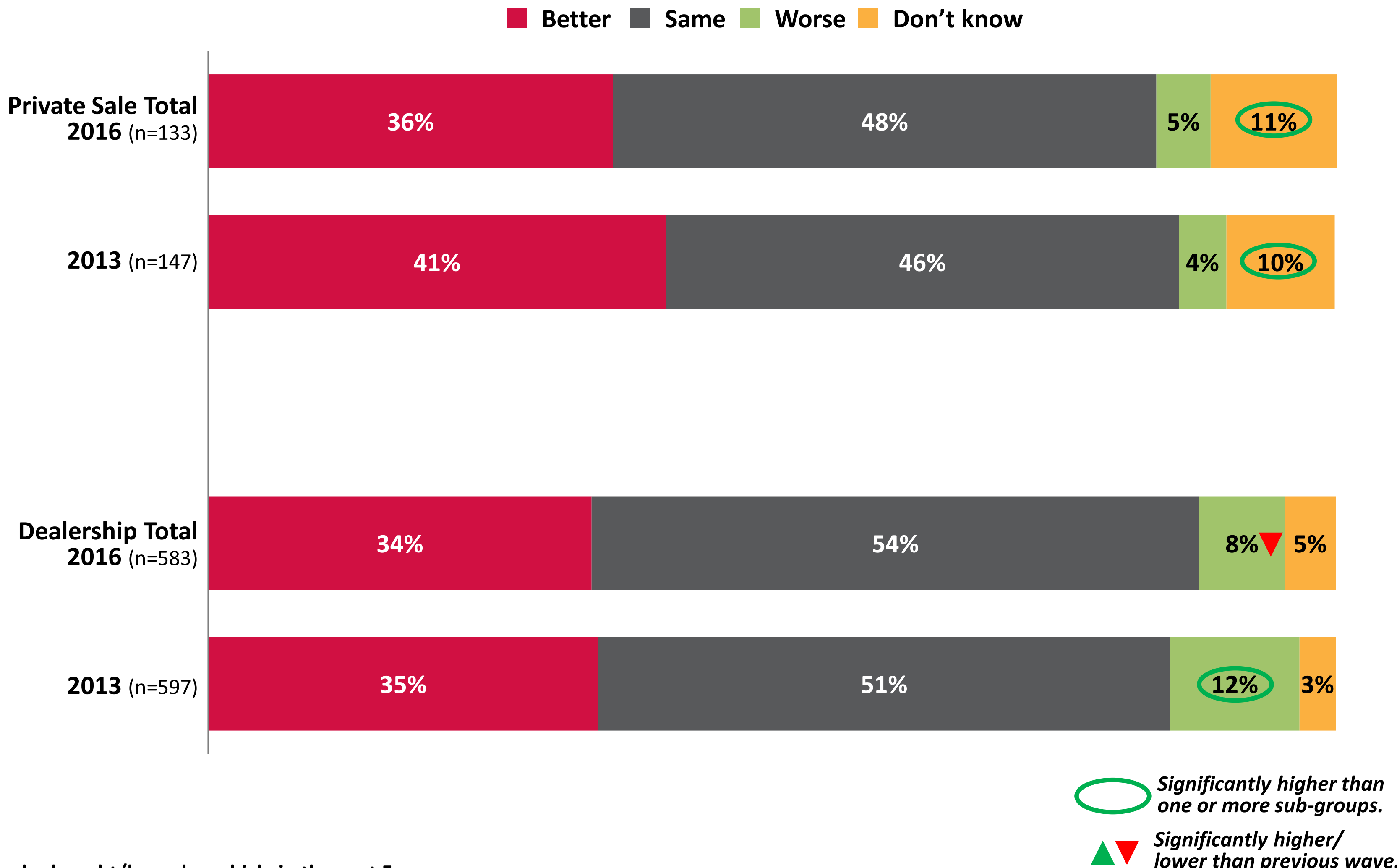
Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

Comparison to Last Purchase

Among those who purchased through a private sale

- Consistent with 2013, almost half (48%) of vehicle buyers say their most recent experience through a private sale was the same as previous experiences and just over one-third (36%) rate the experience as better.

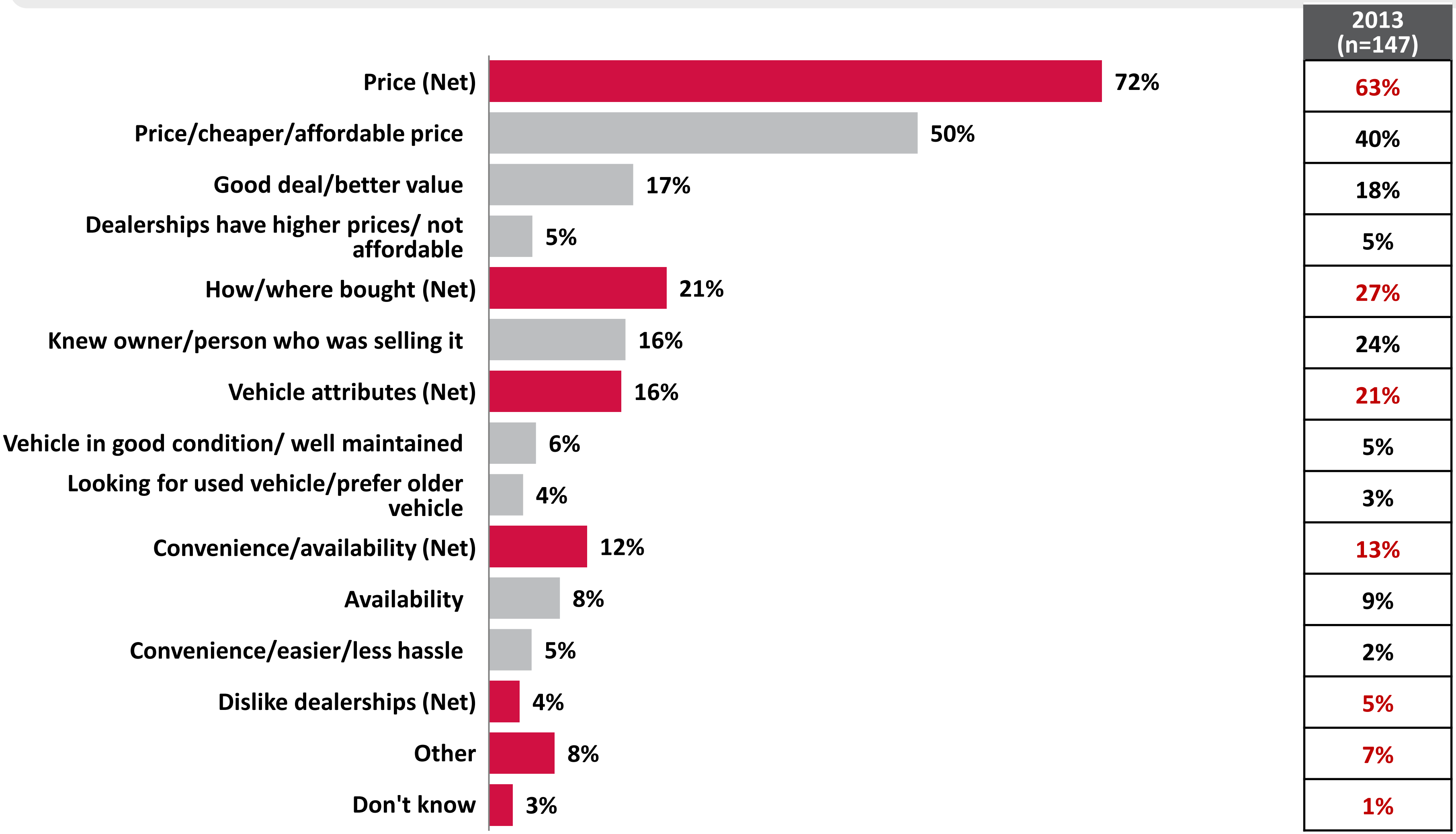


Base: Among those who bought/leased a vehicle in the past 5 years

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

Reasons for Purchasing Through Private Sale

- Lower prices is the main reason British Columbians choose to purchase vehicles privately and directionally up since 2013. Other reasons are the purchase process, including knowing the previous owner or the person selling the vehicle and the vehicle attributes such as it's condition.



Note: Only Total responses of 4% or greater are shown.

Base: Among those who bought a vehicle through private sale (n=133)

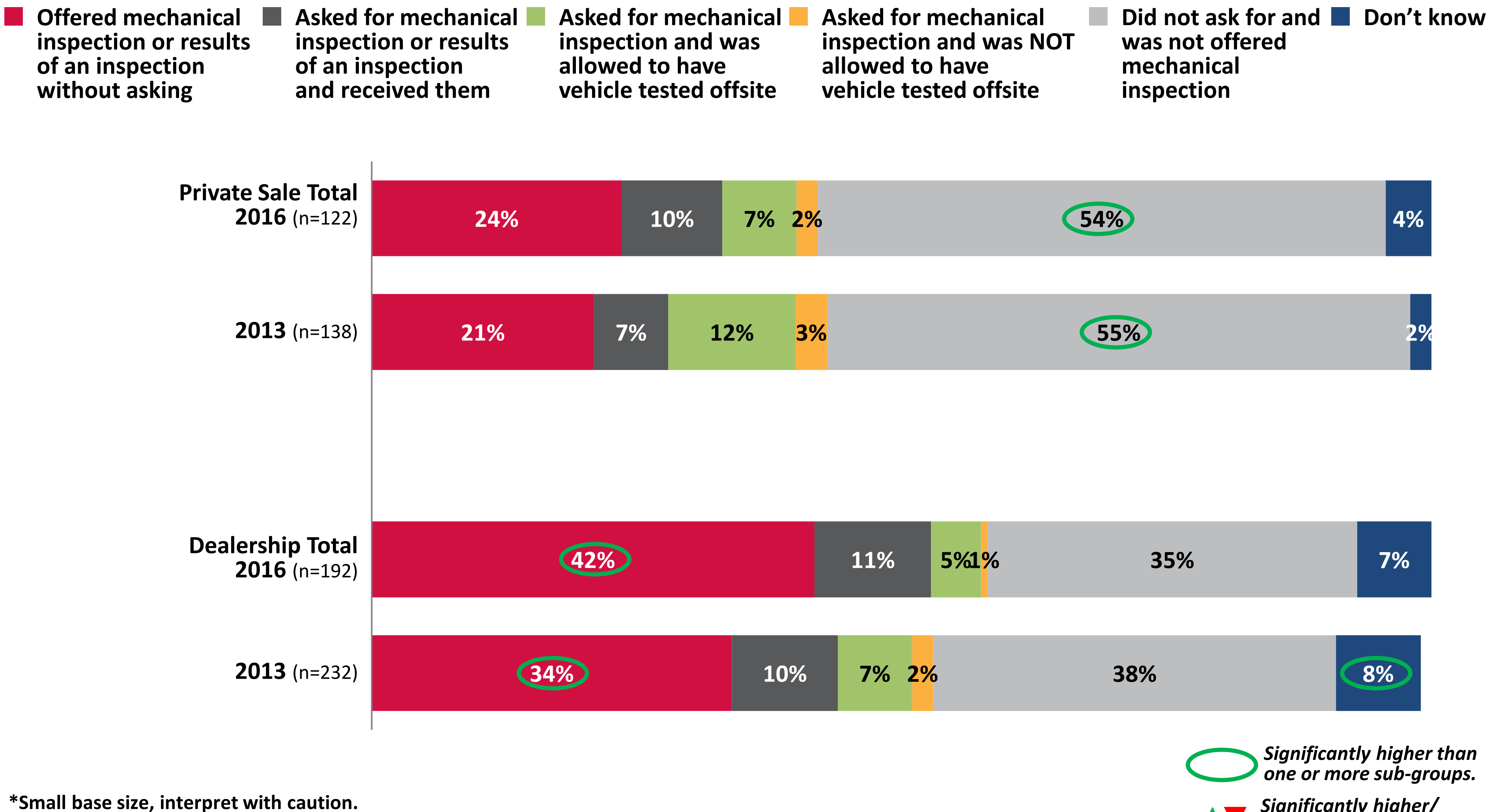
A5. Why did you choose to purchase your most recent motor vehicle through a private sale rather than through a dealership?

Significantly higher/ lower than previous wave.

Mechanical Inspection – Used Vehicle buyers

Among those who purchased through a private sale

- Consistent with 2013, vehicle buyers who purchased through a private sale were less likely to be offered or ask for a mechanical inspection report.



*Small base size, interpret with caution.

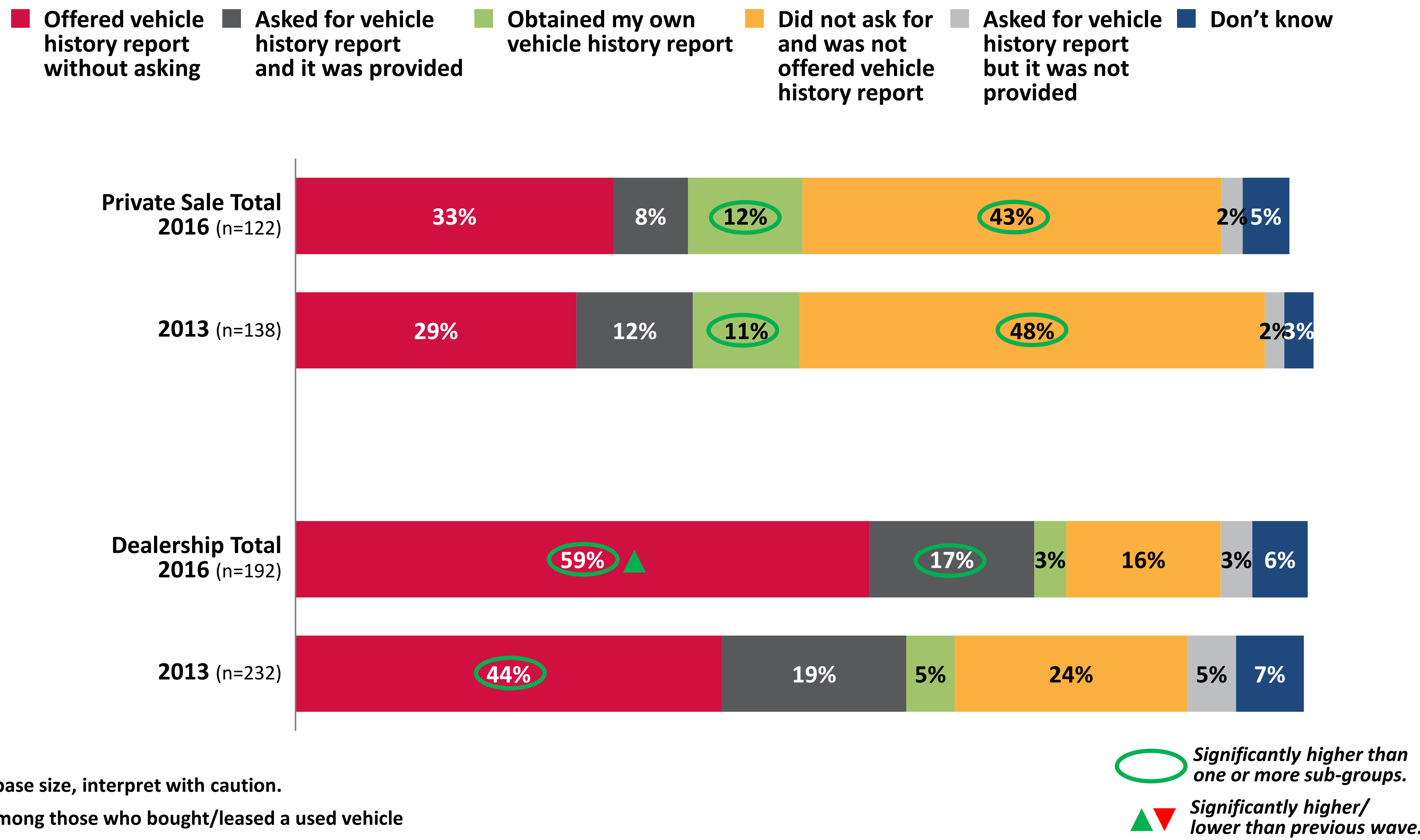
Base: Among those who bought/leased a used vehicle either through a dealership or private sale

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

- **Used car buyers are more likely to receive a vehicle history report if they purchase their used car at a dealership, whether they asked for it or it was provided. Additionally, among those who purchased their used car at a dealership, there is a notable increase in those who were offered a vehicle history report without asking compared to 2013.**



*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.

Received Vehicle Documentation

Among those who purchased through a private sale

- There is a significant increase in those receiving purchase agreements/contracts through a private sale relative to 2013.
- With the exception of vehicle registration, mechanical condition report, and ICBC tax transfer form, those receiving vehicle documentation is considerably lower through private sale versus sales via a dealership.

Dealer Total 2013	Dealer Total 2016		Private Sale Total (n=varies) % Yes	2013 (n=varies)
95%	95%	Vehicle registration	92%	95%
86%	87%	Mechanical condition report	81%	80%
64%	69%	ICBC tax transfer form	80%	78%
96%	94%	Sale or purchase agreement/contract	67% ▲	54%
82%	79%	Deposit receipt or agreement	37%	37%
52%	63% ▲	Accident history report	32%	30%
86%	90% ▲	Warranty information	30%	32%
68%	69%	Worksheet or initial offer form completed with a salesperson	13%	12%
59%	63%	Finance agreement	10%	8%
**	**	Lease agreement**		**

Significantly higher than one or more sub-groups.

▲▼ *Significantly higher/ lower than previous wave.*

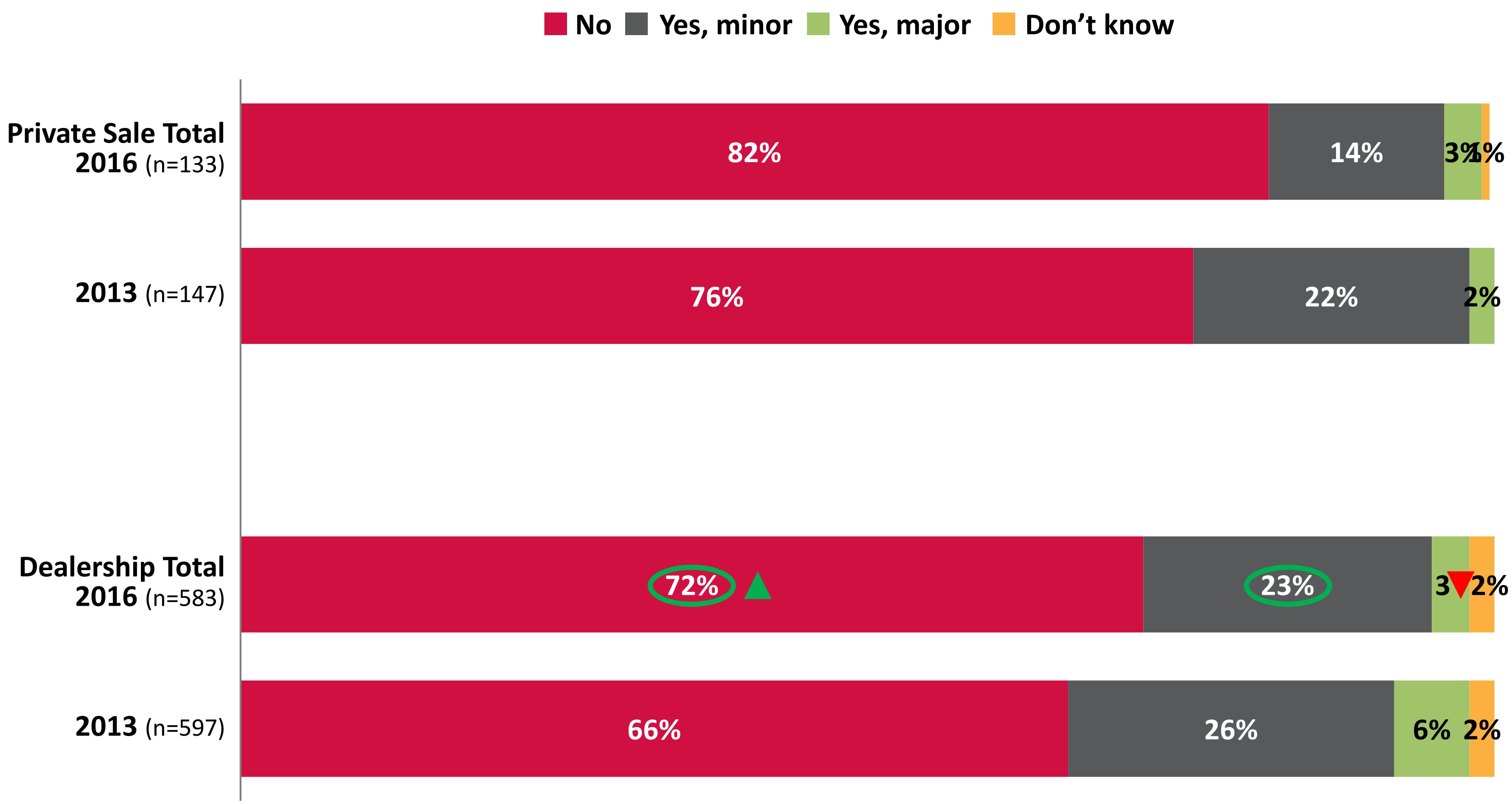
*Small base size, interpret with caution; **Base size too small to be shown.

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

- **Approximately 8-in-10 (82%) 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. This is slightly higher than those who purchased through a dealership (82% versus 72%, respectively).**



***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?

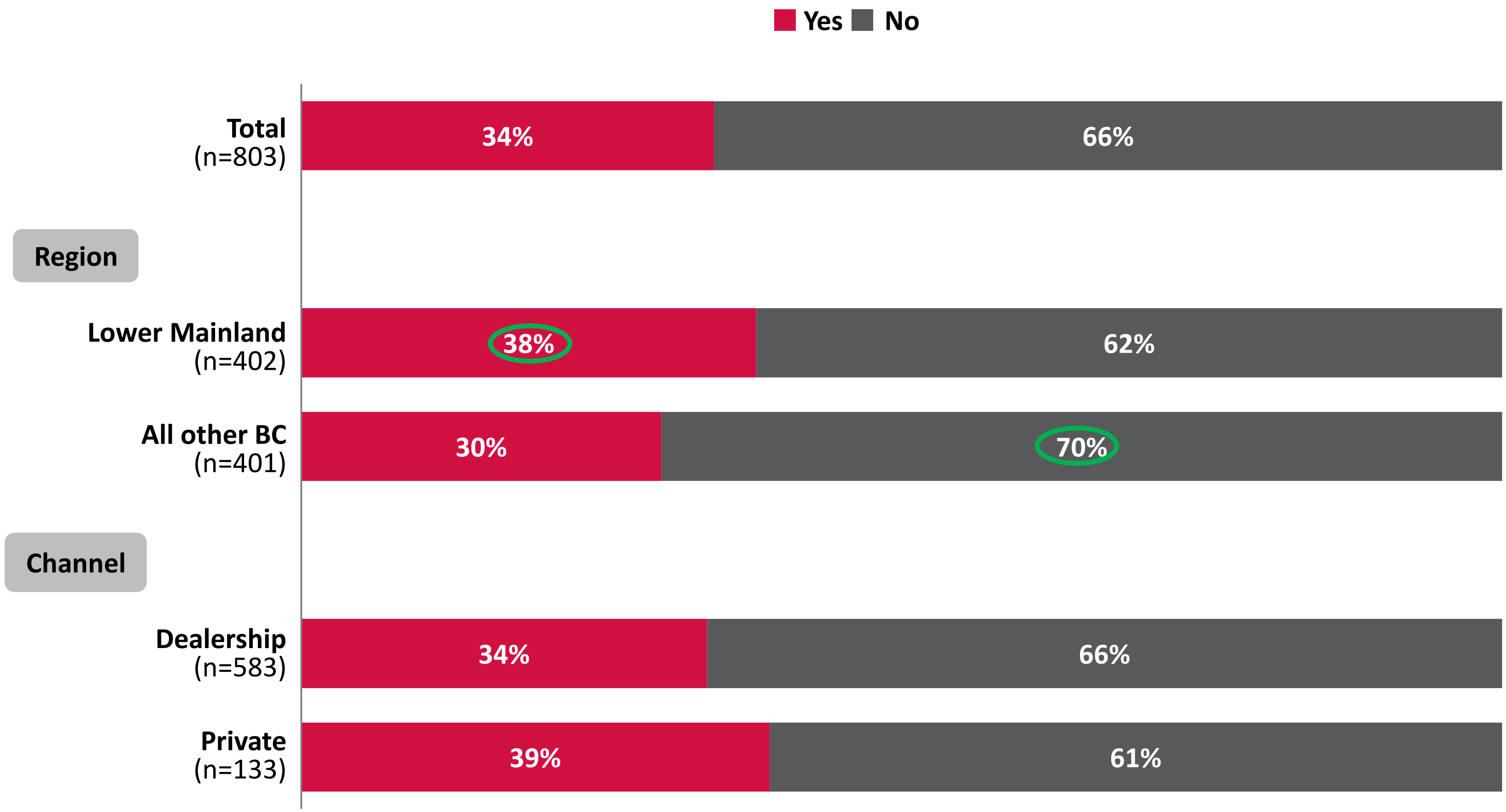
E6a. When buying/leasing your most recent vehicle, did you experience any issues or problems or have any concerns with the dealership, salesperson, vehicle or purchasing/leasing process?

Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

Awareness of Curbers

- Approximately 1-in-3 consumers say they are aware that the private vehicle market includes both private sellers and curbers.
- Awareness of curbers is higher in the Lower Mainland relative to other regions in BC.



Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

Base: All respondents (n=803)

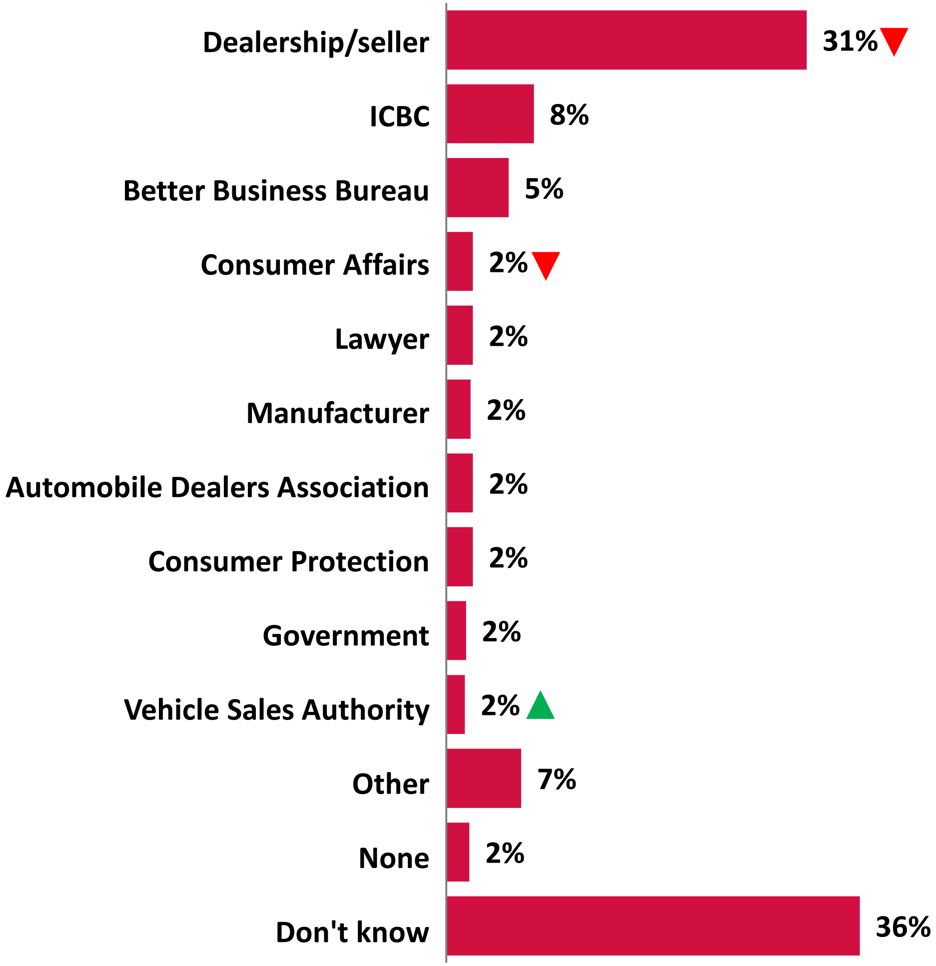
D5. Prior to doing this survey, were you aware that the private vehicle market includes both private sales and curbers? Curbers are businesses who sell vehicles but are not licensed as required in BC.

Detailed Findings

VSA Awareness and Contact

If you have a problem with the purchase of a vehicle in BC, where do you go?
Unaided Awareness of VSA

- **Although still very low, unaided awareness of the VSA as an organization to reach out to if a problem is experienced with the purchase/lease of a motor vehicle has increased from less than 1% in 2013 to 2% in 2016.**



In 2013
7 respondents mentioned the VSA
(<1%)

	2013 (n=822)
Dealership/seller	37%
ICBC	7%
Better Business Bureau	8%
Consumer Affairs	8%
Lawyer	3%
Manufacturer	2%
Automobile Dealers Association	-
Consumer Protection	-
Government	-
Vehicle Sales Authority	<1%
Other	9%
None	2%
Don't know	35%

▲▼ *Significantly higher/ lower than previous wave.*

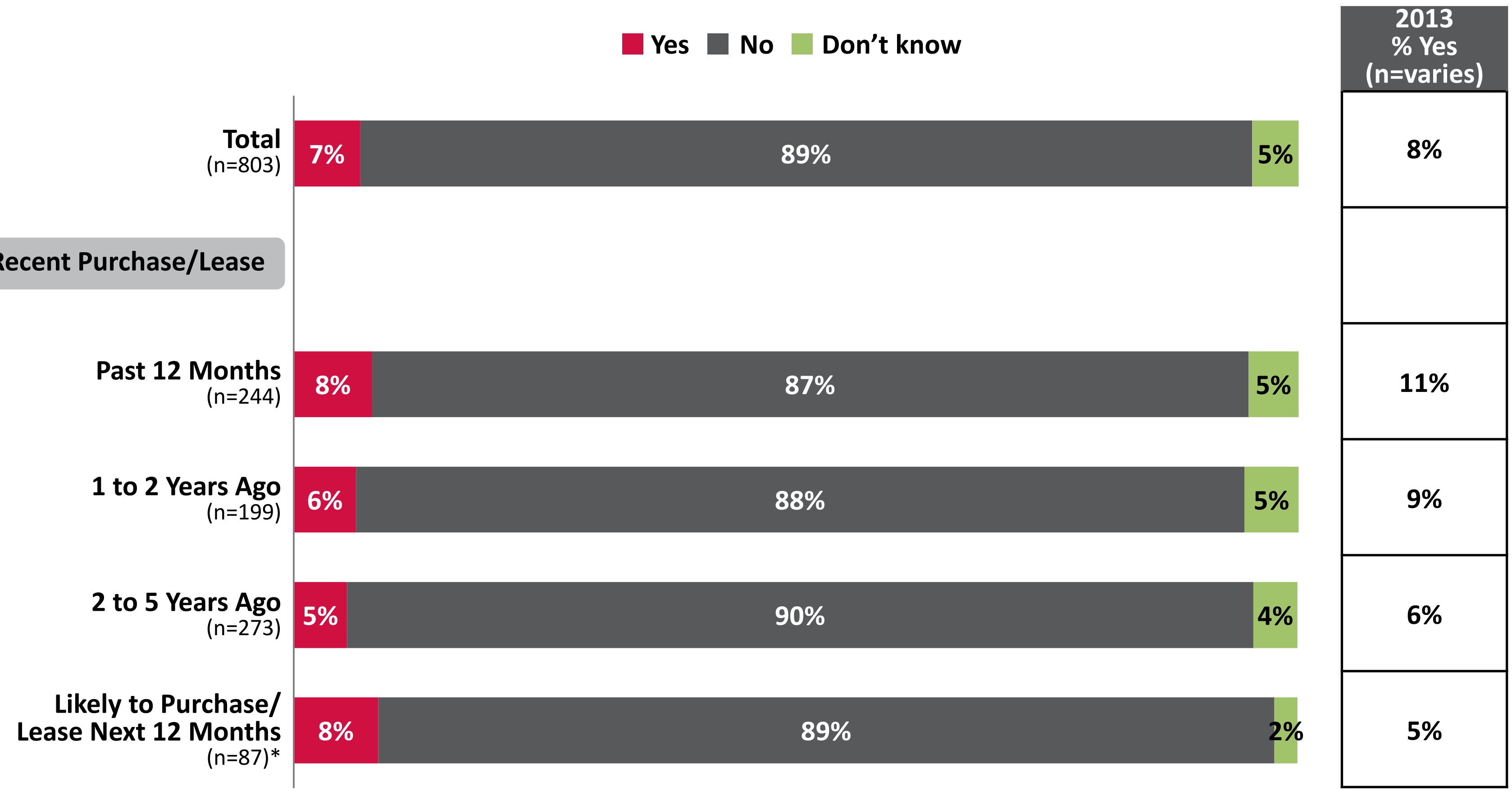
Note: Only Total responses of 2% or greater are shown.

Base: All respondents (n=803)

F1. Changing the topic slightly, if you have a problem with the purchase or lease of a motor vehicle in BC where do you go?

Aided Awareness of VSA

- Aided awareness of the VSA is 7% nationally, consistent with 2013.



*Small base size, interpret with caution.

Base: All respondents

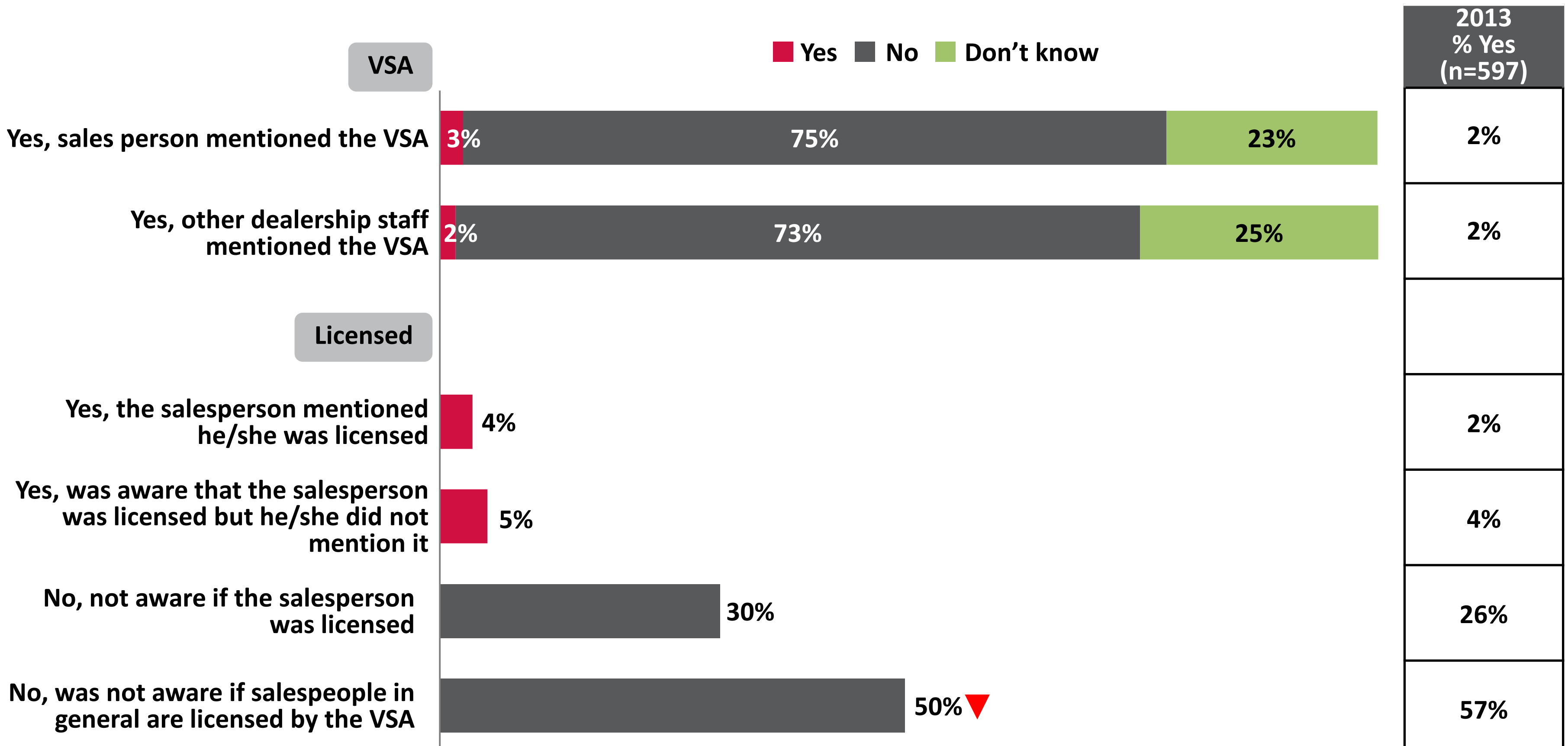
F2. As you may know, the Motor Vehicle Sales Authority of British Columbia (VSA) is a not-for-profit organization and an administrative authority delegated by the provincial government of BC. The VSA is responsible for the administration and enforcement of various acts relating to the sale of motor vehicles (e.g. the Motor Dealer Act). Before now, were you aware of the VSA?

Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

Dealership Salesperson Mention VSA/Licensed by VSA

- 2016 shows no change in the extent salespeople and dealership staff mention the VSA. Only 3% say that one of these groups mentioned the VSA during their most recent vehicle purchase.
- Most vehicle buyers are not aware if the salespeople they dealt with was licensed by the VSA, with half of all consumers unaware that salespeople in general are licensed.



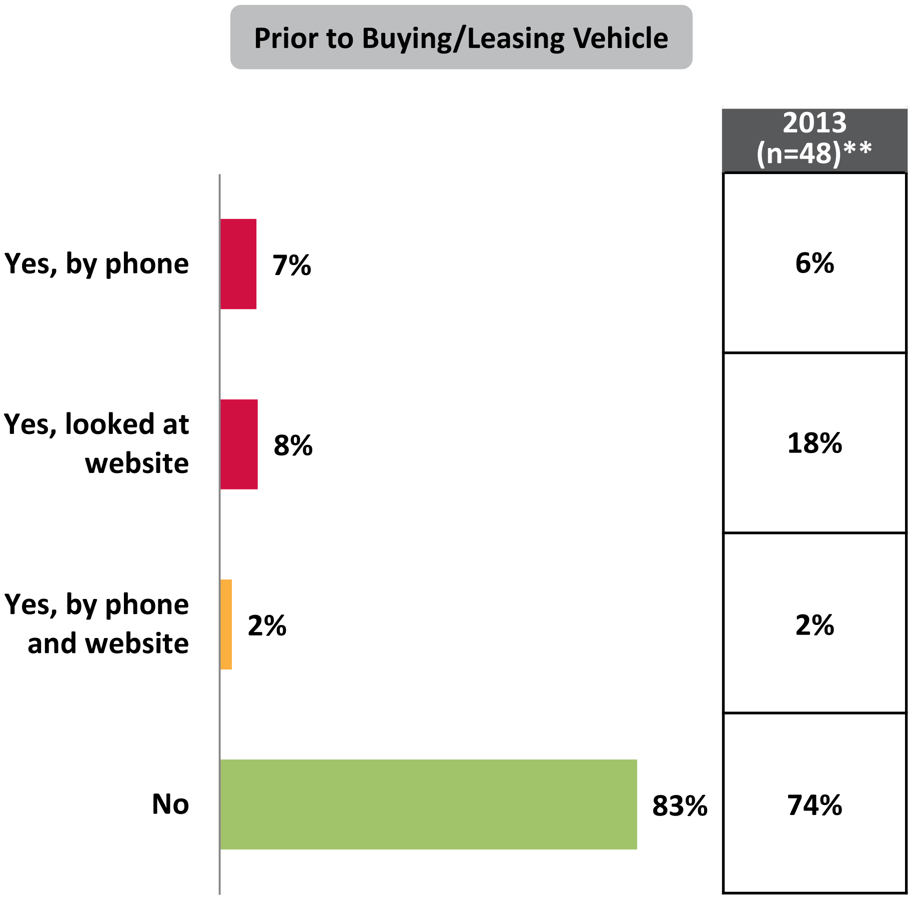
Base: Among those who bought/leased a new vehicle in the past 5 years at a dealership (n=583)

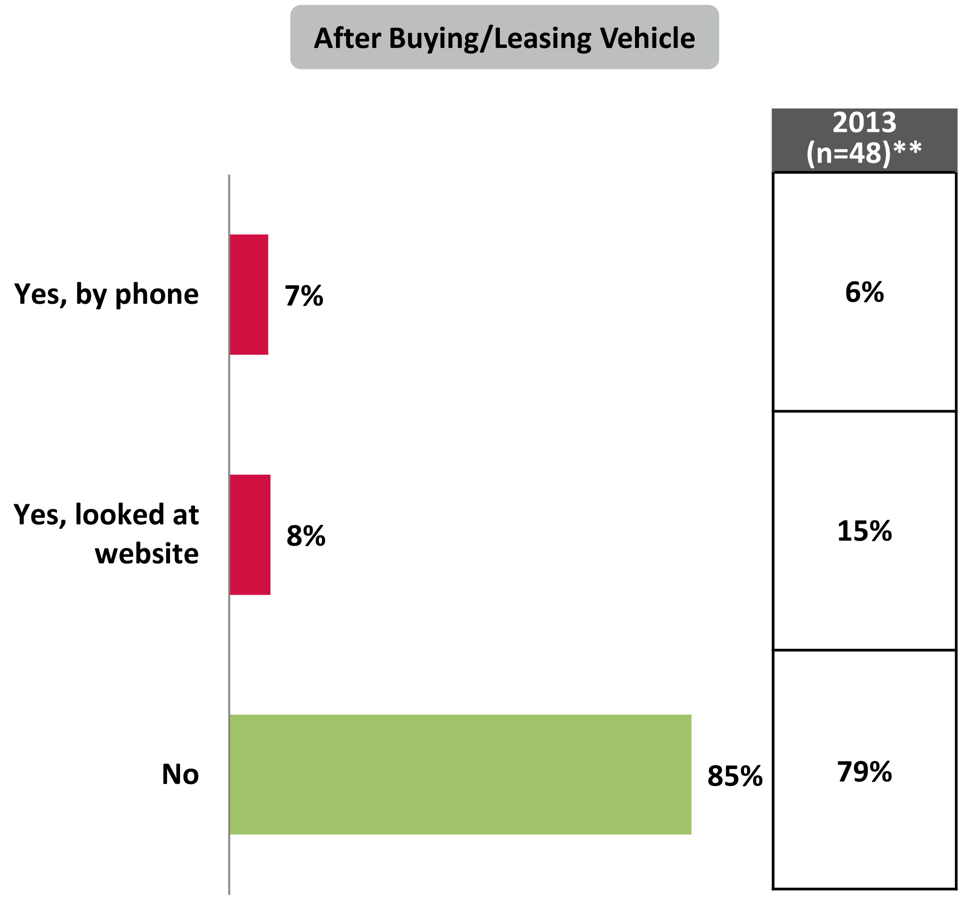
F3. When buying/leasing your most recent vehicle from a dealer, did the salesperson mention the VSA in any way (for example, mention that he/she is licensed by the VSA)?
F4. Apart from the salesperson, did any other dealership staff mention the VSA (for example, did anyone mention or was there display information indicating that the dealership is licensed by the VSA)?
F5. 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?

▲▼ *Significantly higher/ lower than previous wave.*

Contact with VSA

- **Among those aware of the VSA, less than 20% contacted the organization in some manner prior to of after their vehicle purchase. Please note the base size for this analysis is very small and results should be interpreted with caution.**





**Very small base size, interpret with extreme caution.

Base: Among those who bought/leased a new vehicle in the past 5 years and are aware of the VSA (n=43)**

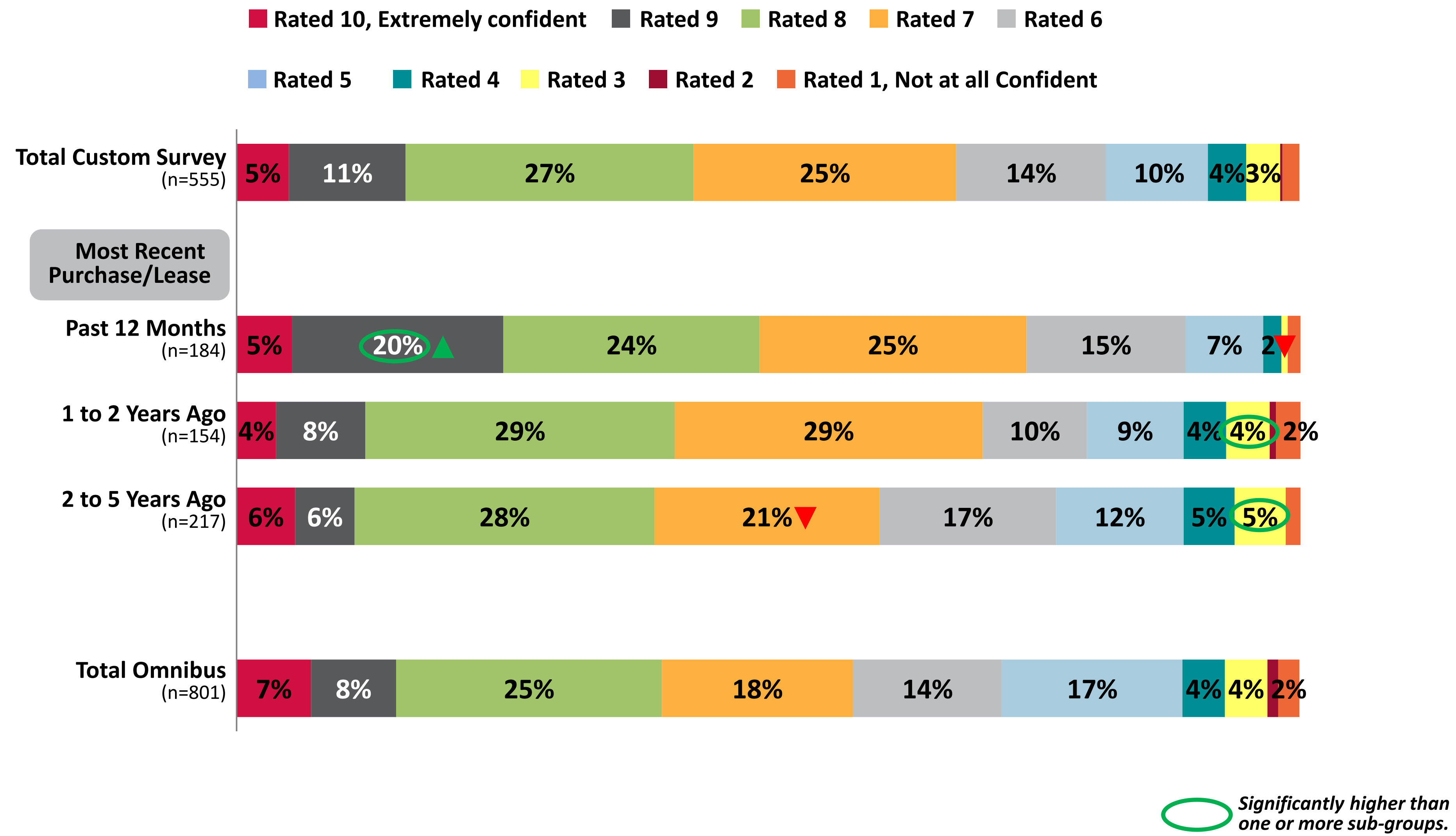
G1. Did you contact the VSA prior to buying/leasing your most recent vehicle?
G2. Did you contact the VSA after buying/leasing your most recent vehicle?

▲▼ *Significantly higher/ lower than previous wave.*

Appendix 1:

Confidence in the Motor Vehicle Sales Industry

Confidence in the Motor Vehicle Sales Industry



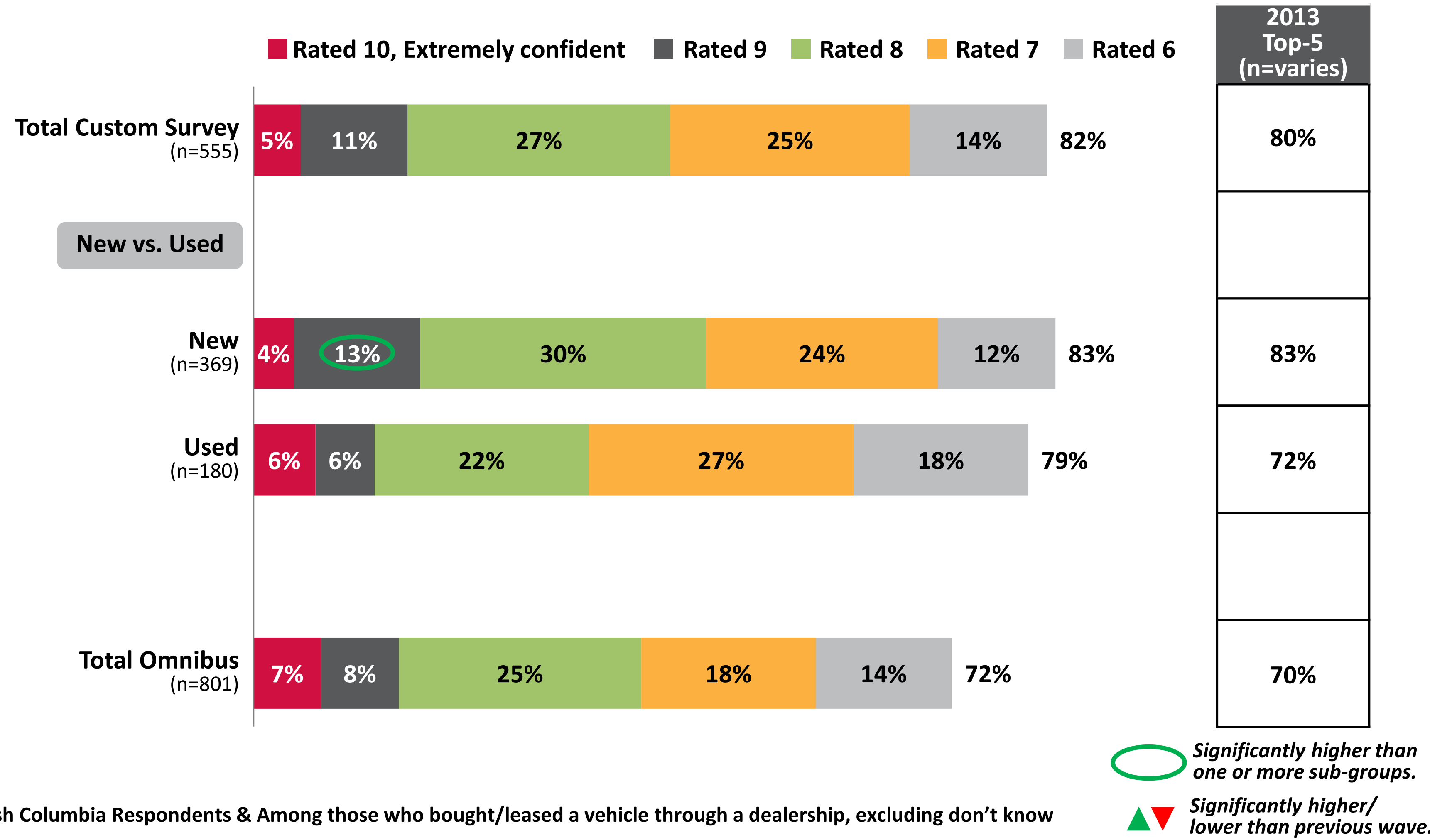
Base: All British Columbia Respondents & Among those who bought/leased a vehicle through a dealership, excluding don't know

C3. Overall, excluding private sales, how confident are you in the motor vehicle sales industry in BC? Where 1 = not at all confident and 10= extremely confident

Confidence in the Motor Vehicle Sales Industry

New vs. Used Vehicle Purchasers at Dealerships

- **As noted earlier, British Columbians who have purchased a vehicle in the past 5 years are confident in the motor vehicle sales industry (82% rating 6 or above). Although not significant, confidence in the motor vehicle sales industry is directionally increasing among those who purchased a used vehicle through a dealership.**



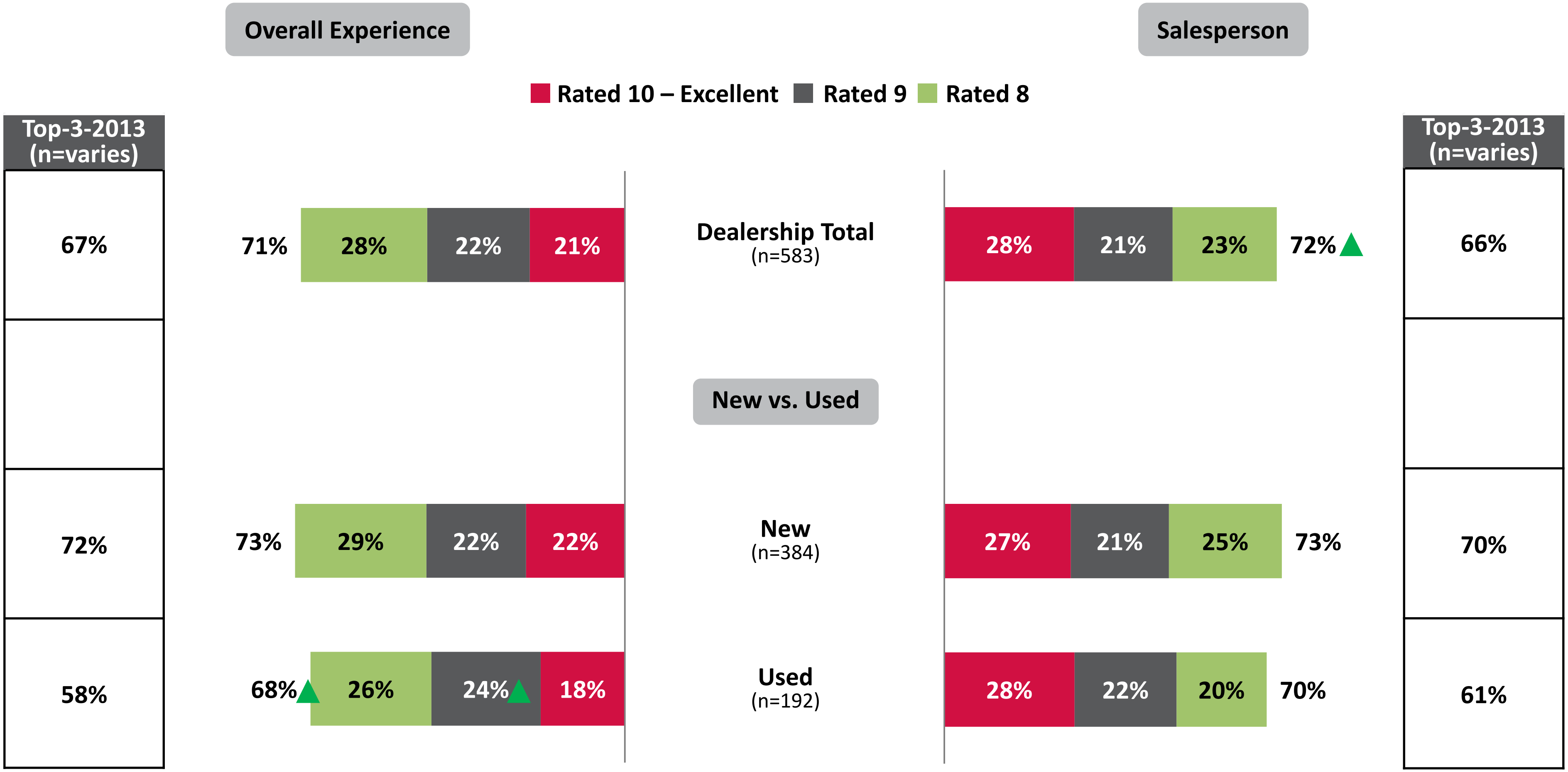
Base: All British Columbia Respondents & Among those who bought/leased a vehicle through a dealership, excluding don't know

C3. Overall, excluding private sales, how confident are you in the motor vehicle sales industry in BC? Where 1 = not at all confident and 10= extremely confident

Overall Rating of Purchase/Lease Experience & Salesperson

Among those who bought/leased through a dealership

- Overall vehicle purchase/lease experiences in BC are positive, with 71% of most recent buyers/leasers giving a positive rating of 8,9, or 10. Those who purchased a used vehicle are now more likely to give ratings of 9 and 10 compared to 2013.
- Those who purchased/leased a vehicle from a dealership rate their interactions with salespeople more positively (72% in 2016) than in 2013 (66%).



Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

Base: Among those who bought/leased a vehicle through a dealership

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

Appendix 2:

Dealership Experience

Received Vehicle Documentation
Among those who purchased through a dealership

	2016			2013		
	% Yes			% Yes		
	Most Recent Purchase/Lease			Most Recent Purchase/Lease		
	Past 12 Months (n=varies)	1 to 2 Years Ago (n=varies)	2 to 5 Years Ago (n=varies)	Past 12 Months (n=varies)	1 to 2 Years Ago (n=varies)	2 to 5 Years Ago (n=varies)
Vehicle registration	94%	92%	96%	94%	95%	96%
Sale or purchase agreement/contract	89%	85%	93%	94%	96%	97%
Warranty information	78%	74%	85%	85%	84%	87%
Deposit receipt or agreement	75%	71%	67%▼	79%	85%	82%
Worksheet or initial offer form completed with a salesperson	62%	57%	68%	64%	74%	66%
ICBC tax transfer form	74%	71%	68%	66%	64%	63%
Finance agreement	56%	56%	50%	64%	60%	56%
Accident history report	51%	48%*	55%▲	69%*	52%*	44%*
Mechanical condition report*	84%*	83%*	89%	79% *	87% *	**
Lease agreement**	**	**	**	**	**	**

Significantly higher than one or more sub-groups.

▲▼ *Significantly higher/ lower than previous wave.*

*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 through a dealer

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

Unaided Issues/Problems/Concerns Experienced
Among those who purchased through a dealership

	2016			2013		
	Most Recent Purchase/Lease			Most Recent Purchase/Lease		
	Past 12 Months (n=38)**	1 to 2 Years Ago (n=43)**	2 to 5 Years Ago (n=69)*	Past 12 Months (n=61)*	1 to 2 Years Ago (n=61)*	2 to 5 Years Ago (n=66)*
Poor customer service	**	**	17%	22%	13%	21%
Dishonest /untrustworthy	**	**	12%	3%	4%	4%
Issues with vehicle price	**	**	13%	8%	21%	13%
Misleading advertisement	**	**	11%	13%	9%	7%
Non mechanical issues	**	**	8%	–	–	–
Unknowledgeable sales staff	**	**	4%	–	–	–
Long waiting time/delayed/slow service	**	**	4%	5%	2%	5%
Difficulties with application or administration of vehicle warranties	**	**	3%	7%	4%	3%
Minor structural issue	**	**	3%	5%	10%	7%
Incorrect or no vehicle history report was provided	**	**	2%	7%	5%	5%
Problems/issues with trade in	**	**	–	–	–	–
Other	**	**	11%	6%	7%	5%

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

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

Base: Among those who experienced issue/problem/concern when buying/leasing most recent vehicle

E7. Please describe the issue(s)/problem(s)/concern(s) you experienced when... your most recent vehicle.

Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

Unaided Issues/Problems/Concerns Experienced
Among those who purchased through a dealership

	2016		2013	
	Region		Region	
	Lower Mainland (n=79)*	All other BC (n=71)*	Lower Mainland (n=104)	All other BC (n=84)*
Poor customer service	19%	20%	20%	14%
Issues with vehicle price	6%	17%	11%	19%
Dishonest /untrustworthy	9%	16%	2%	6%
Non mechanical issue	6%	12%	–	–
Unknowledgeable sales staff	9% ▲	7% ▼	3%	1%
Misleading advertisement	5%	8%	7%	11%
Minor structural issue	1%	4%	5%	11%
Incorrect or no vehicle history report was provided	1% ▼	–	8%	1%
Major mechanical issue	3%	–	6%	4%
Long waiting time/delayed/slow service	3%	5%	4%	3%
Difficulties with application or administration of vehicle warranties	9%	3%	3%	5%
Other	7%	10%	3%	11%

Significantly higher than one or more sub-groups.

▲▼ *Significantly higher/ lower than previous wave.*

*Small base size, interpret with caution. Note: Only Total responses of 3% or higher are shown.

Base: Among those who experienced issue/problem/concern when buying/leasing most recent vehicle

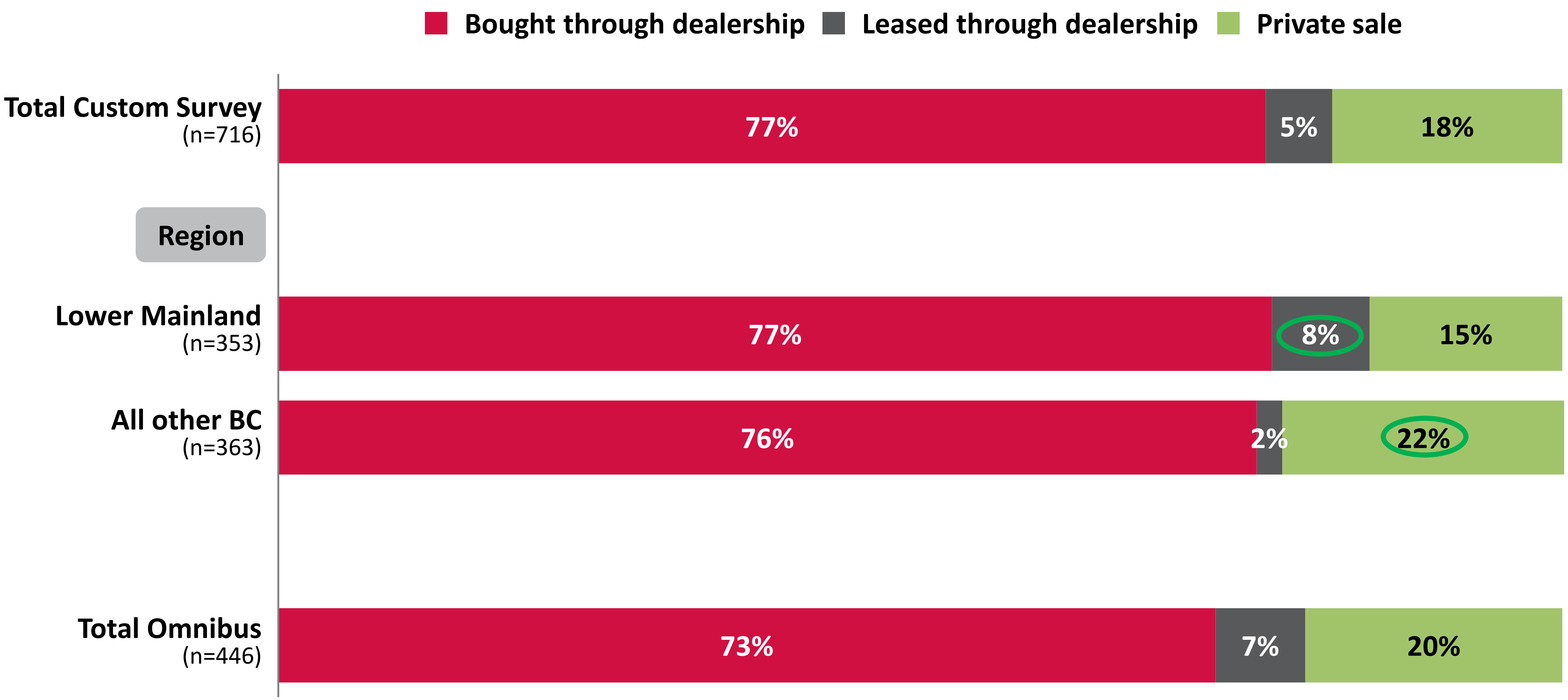
E7. Please describe the issue(s)/problem(s)/concern(s) you experienced when... your most recent vehicle.

Appendix 3:

Most Recent Purchase Profile

Type of Sale – Dealership vs. Private Sale

- Similar to 2013, just over 8-in-10 (82%) of all purchases/leases in the past five years have been through a dealership. This proportion is slightly higher in the lower mainland (85%) compared to the Rest of BC (78%) where private sales account for a larger share of total sales.



Motor Vehicle Sales (Provided by VSA)	2013
Bought through dealership	77%
Leased through dealership	5%
Private sale	18%

Motor Vehicle Sales (Provided by VSA)	2012	2011	2010	2009
Regulated sales as a % of all personal use sales	73.1%	72.0%	72.1%	74.7%
Private sales as a % of all personal use sales	26.9%	28.0%	27.9%	25.3%

Significantly higher than one or more sub-groups.

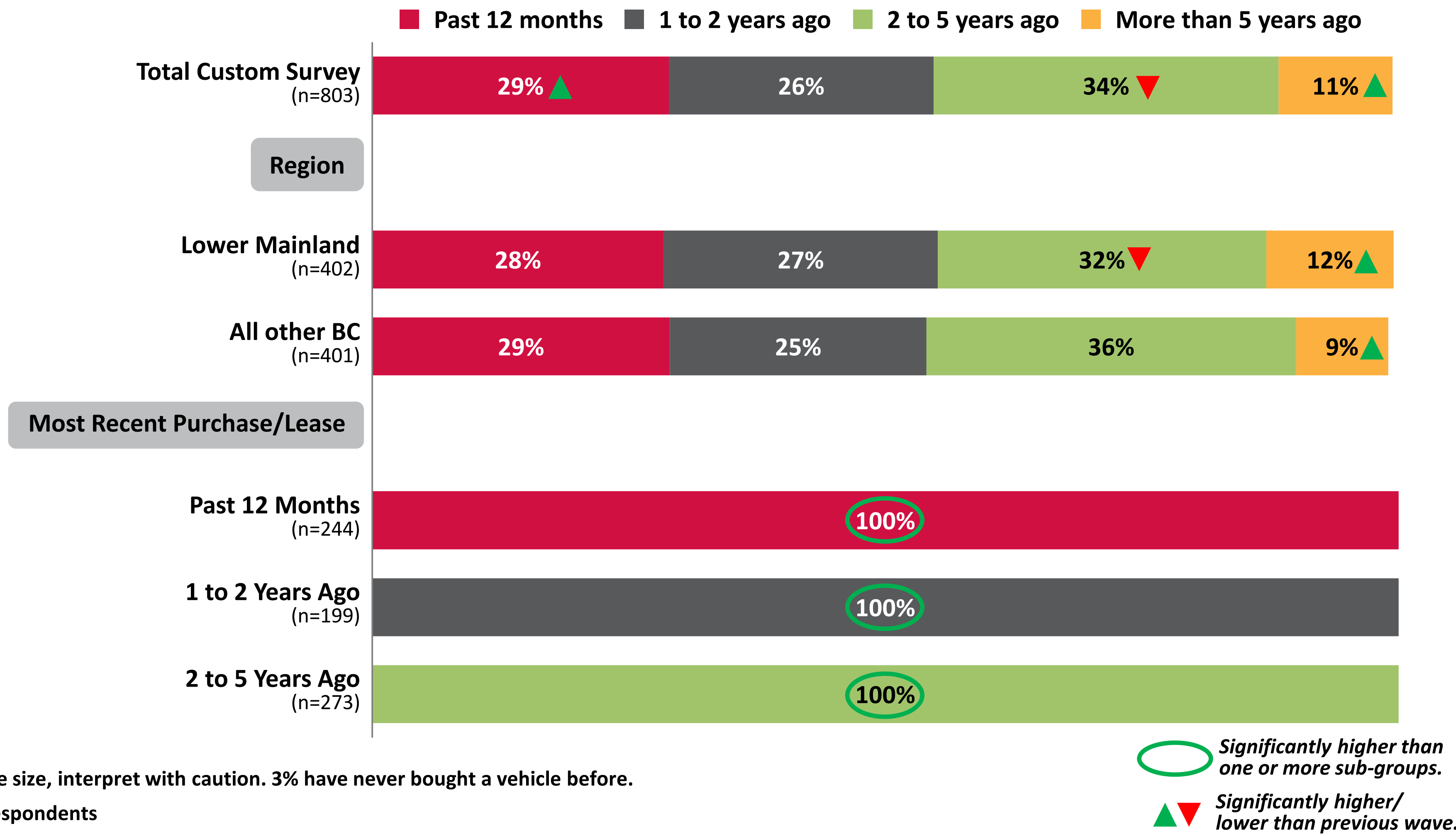
Significantly higher/ lower than previous wave.

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

A4. Did you buy or lease your most recent vehicle through a dealership or was it a private sale?

Most Recent Purchase Timeframe

- The subgroups by timeline of most recent vehicle buyers in the study were weighted to reflect the actual proportion of most recent vehicle purchases in the past 5 years based on the BC omnibus data.
- Relative to 2013, there is an increase in the proportion of respondents who purchased vehicles in the past 12 months. In turn, significantly fewer have been purchased between two and five years ago. There has also been an increase in the number of respondents who purchased a vehicle over 5 years ago, and are likely to purchase in the next year.



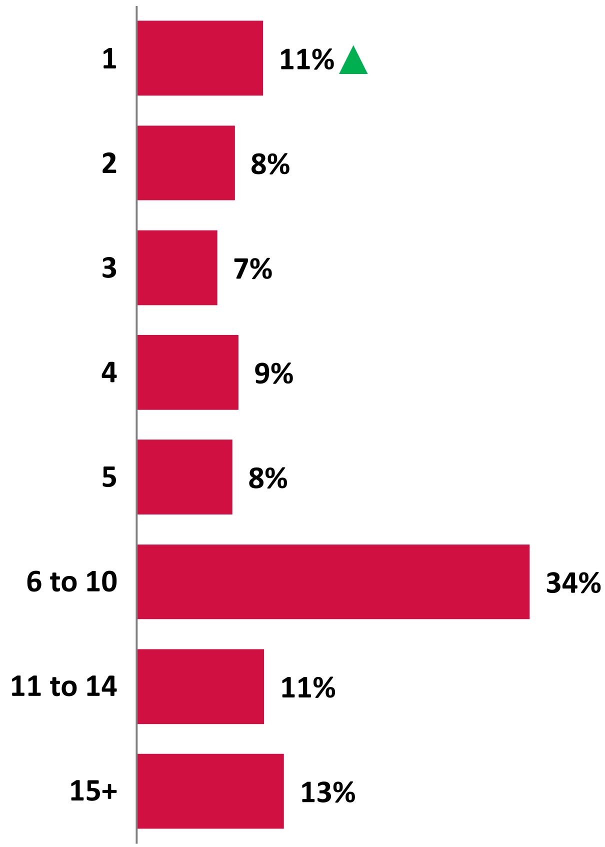
*Small base size, interpret with caution. 3% have never bought a vehicle before.

Base: All respondents

S3. When was the last time you bought or leased a new or used vehicle (including private sales)? Vehicles can refer to new and used automobiles, light trucks, recreation vehicles and motorcycles.

Number of Vehicles Ever Bought/Leased

- The average numbers of vehicles ever bought/leased in a lifetime remains approximately 8.
- The number of vehicles buyers who have purchased 1 vehicle in their lifetime increased from 5% to 11% since 2013.
- There are no differences by region or recency of having made a vehicle purchase.



2013
Mean: 8.0
Median: 6.0

2016
Mean: 7.8
Median: 6.0

2013 (n=776)
5%
11%
8%
9%
9%
34%
11%
13%

Significantly higher than one or more sub-groups.

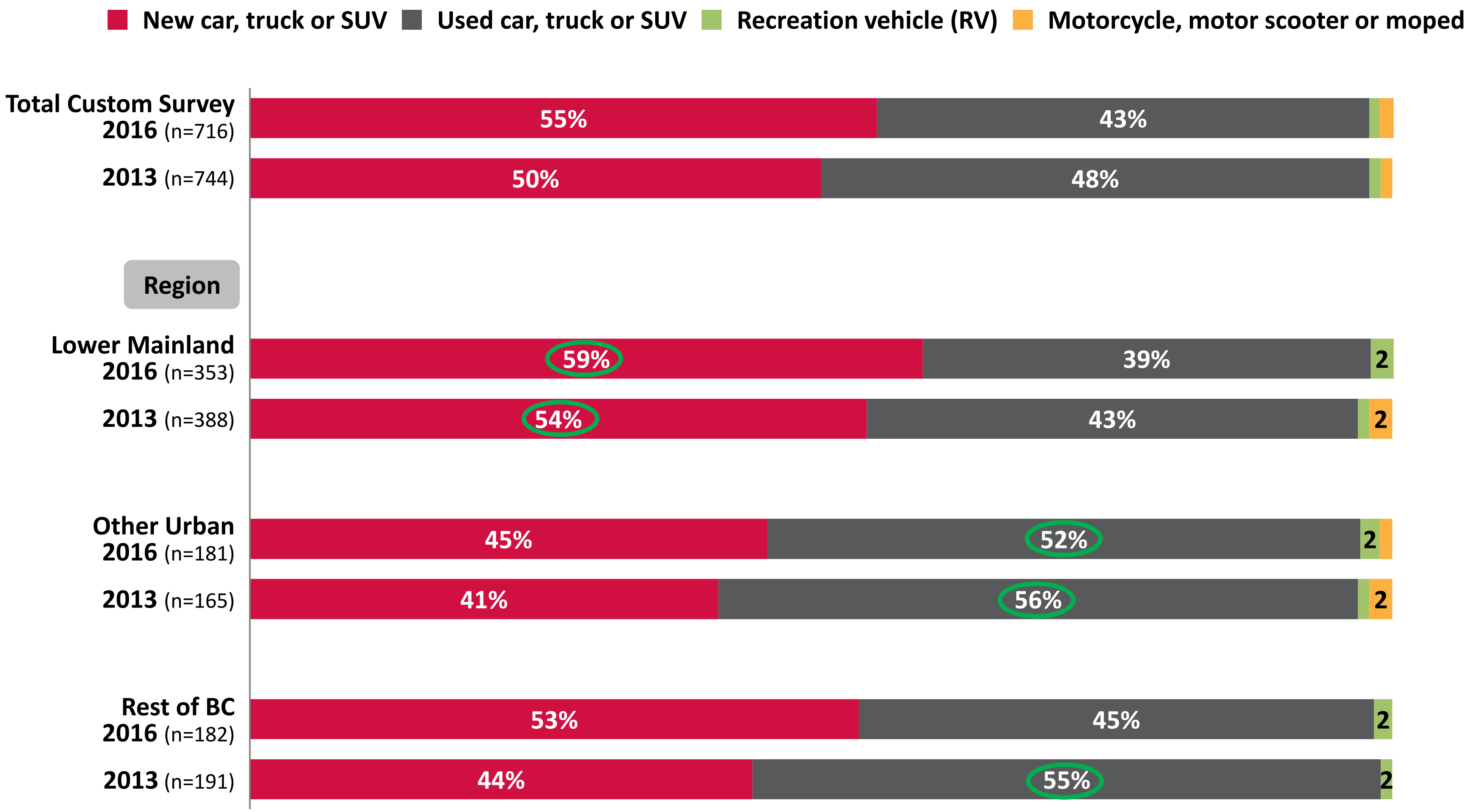
Significantly higher/ lower than previous wave.

Base: Among those who bought/leased a vehicle in the past 5 years, excluding don't know (n=705)

A2. How many vehicles have you ever bought or leased (including private sales)?

Type of Vehicle Bought/Leased Most Recently

- **Across all three BC regions, new vehicles purchases are directionally up over 2013.**



Significantly higher than one or more sub-groups.

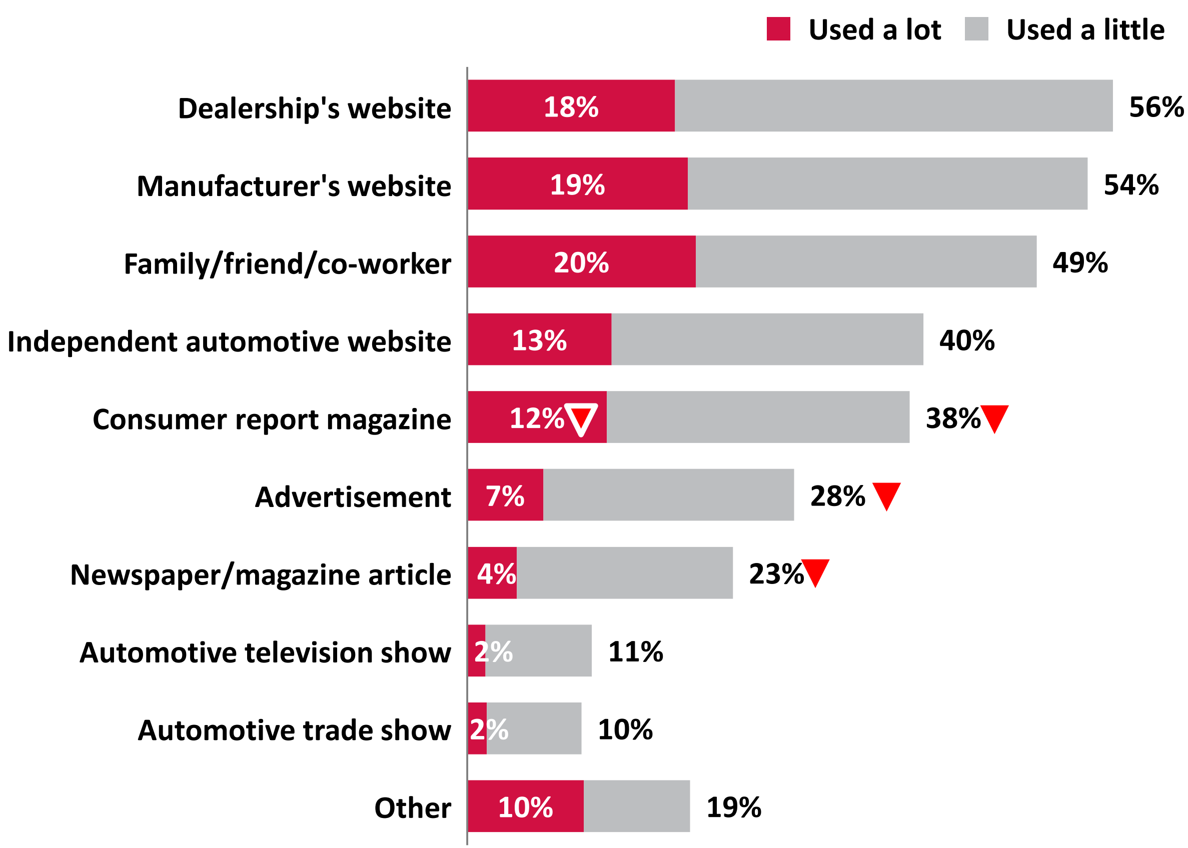
Significantly higher/ lower than previous wave.

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

A3. What type of vehicle did you buy/lease most recently?

Sources Used to Aid Buying/Leasing Decision

- The top sources for information remain unchanged from 2013, with websites, both the manufacturer's and the dealers, and personal connections being the most commonly used sources of information when choosing where to buy or lease a vehicle.
- Additionally, there is a decrease in the use of consumer report magazine, advertisements, and newspaper/magazine articles.



Top-2-2013 (n=744)
52%
54%
52%
37%
44%
38%
28%
11%
9%
19%

Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

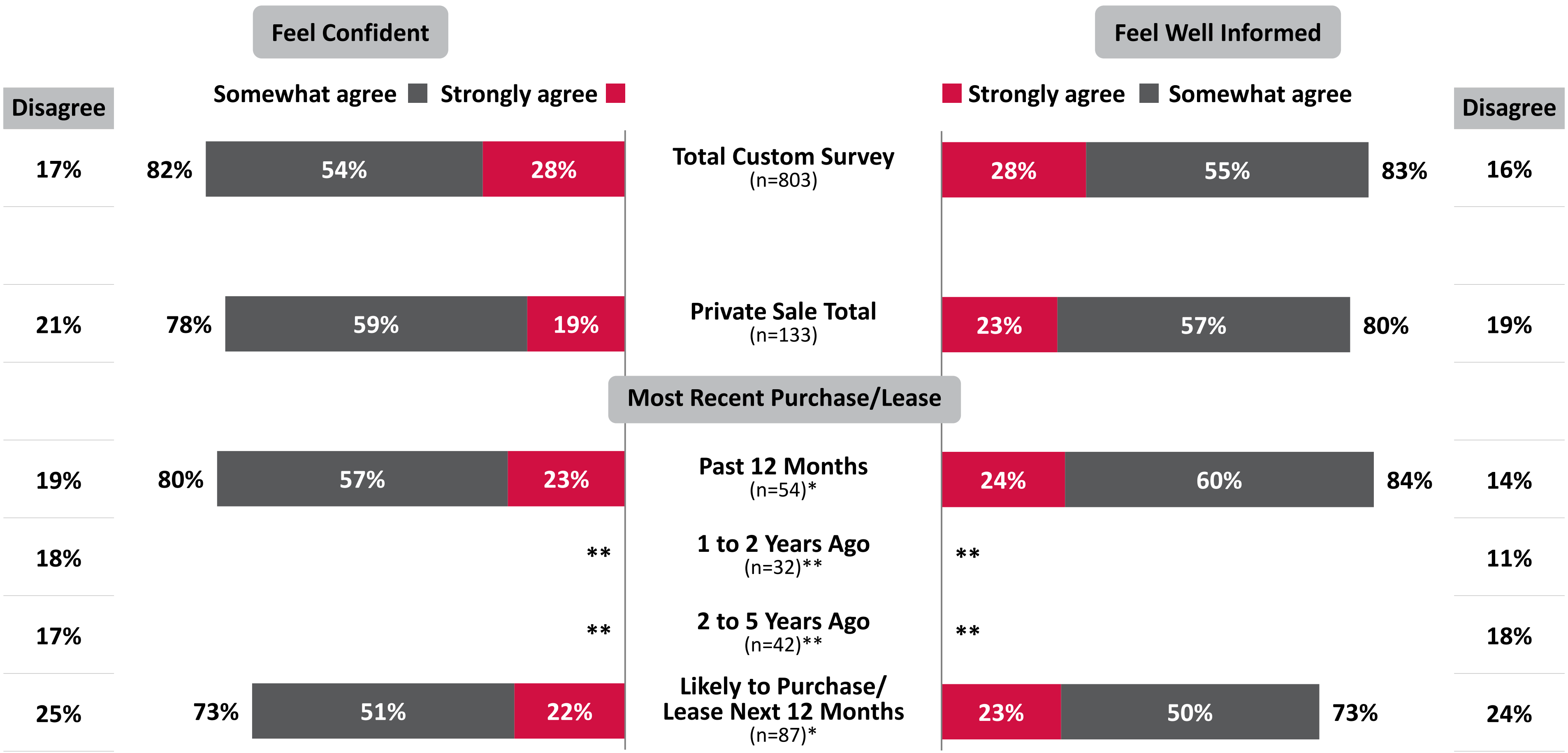
Base: Among those who bought/leased a vehicle in the past 5 years (n=716)

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

Attitudes to Vehicle Buying/Leasing Process

Among those who purchased through a private sale

- The majority of British Columbians who bought a vehicle in the past 5 years through private sale agree that they feel confident (82%) and well informed (83%) with the process.



Significantly higher than one or more sub-groups.

Significantly higher/ lower than previous wave.

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

Base: Among those who purchased a vehicle through private sale

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

Attitudes to Vehicle Buying/Leasing Process
Among those who purchased at a dealership

- Similarly, the majority of British Columbians who bought a vehicle in the past 5 years through a dealership agree that they feel confident (85%) and well informed (85%) with the process. There is a significant increase in confidence among those who purchased a vehicle through a dealership, specifically among those who have purchased in the past 12 months.

Feel Confident: Disagree	Feel Confident: Total agree	Feel Confident: Somewhat agree	Feel Confident: Strongly agree		Feel Well Informed: Strongly agree	Feel Well Informed: Somewhat agree	Feel Well Informed: Total agree	Feel Well Informed: Disagree
17%	82%	54%	28%	**Total Custom Survey** (n=803)	28%	55%	83%	16%
15%▼	85%▲	54%	31%	**Dealership Total** (n=583)	30%	55%	85%	14%
				Most Recent Purchase/Lease				
11%▼	89%▲	49%	40%	**Past 12 Months** (n=190)	37%	53%	90%	9%
17%	82%	57%	25%	**1 to 2 Years Ago** (n=162)	26%	55%	81%	18%
17%	83%	55%	28%	**2 to 5 Years Ago** (n=231)	28%	57%▲	85%	14%
25%	73%	51%	22%	**Likely to Purchase/ Lease Next 12 Months** (n=87)*	23%	50%	73%	24%

Significantly higher than one or more sub-groups.

▲▼ *Significantly higher/ lower than previous wave.*

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

Base: Among those who purchased a vehicle through a dealership

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

Appendix 4:

Demographic Profile

Demographic Profile

	B.C. Omnibus (n=801)	Total (n=803)
Gender		
Male	49%	53%
Female	51%	47%
Age		
18 to 34	29%	15%
35 to 54	39%	40%
55+	32%	45%
Marital Status		
Married/living with a partner	54%	69%
Single	31%	17%
Divorced/separated	11%	9%
Widowed	4%	2%
I am not comfortable answering	–	2%
Education		
Graduated high school or less	27%	14%
Some college/CEGEP/trade school but did not finish	15%	12%
Graduated from college/CEGEP/trade school	21%	25%
Some university, but did not finish	9%	9%
University undergraduate degree, such as a Bachelor's Degree	18%	27%
University graduate degree, such as a Master's or PhD	10%	13%

Please note: BC Omnibus data is representative of the BC population based on 2011 Census Data.

Base: All respondents

Demographic Profile (cont.)

	B.C. Omnibus (n=801)	Total (n=803)
Employment Status		
Employed full-time	40%	4%
Employed part-time	13%	10%
Self-employed	7%	10%
Homemaker	2%	4%
Student	5%	2%
Retired	24%	29%
Currently unemployed	7%	4%
Household Income		
Less than $40,000	–	14%
$40,000 to $79,999	–	25%
$80, 000 to $124,999	–	29%
$125,000 +	–	14%
Prefer not to answer	–	18%

Base: All respondents

Contact Information

Karen Beck
Associate Vice President

Karen.Beck@ipsos.com
778-373-5026

Adrienne Salter
Account Manager

Adrienne.Salter@ipsos.com
778-373-5013