

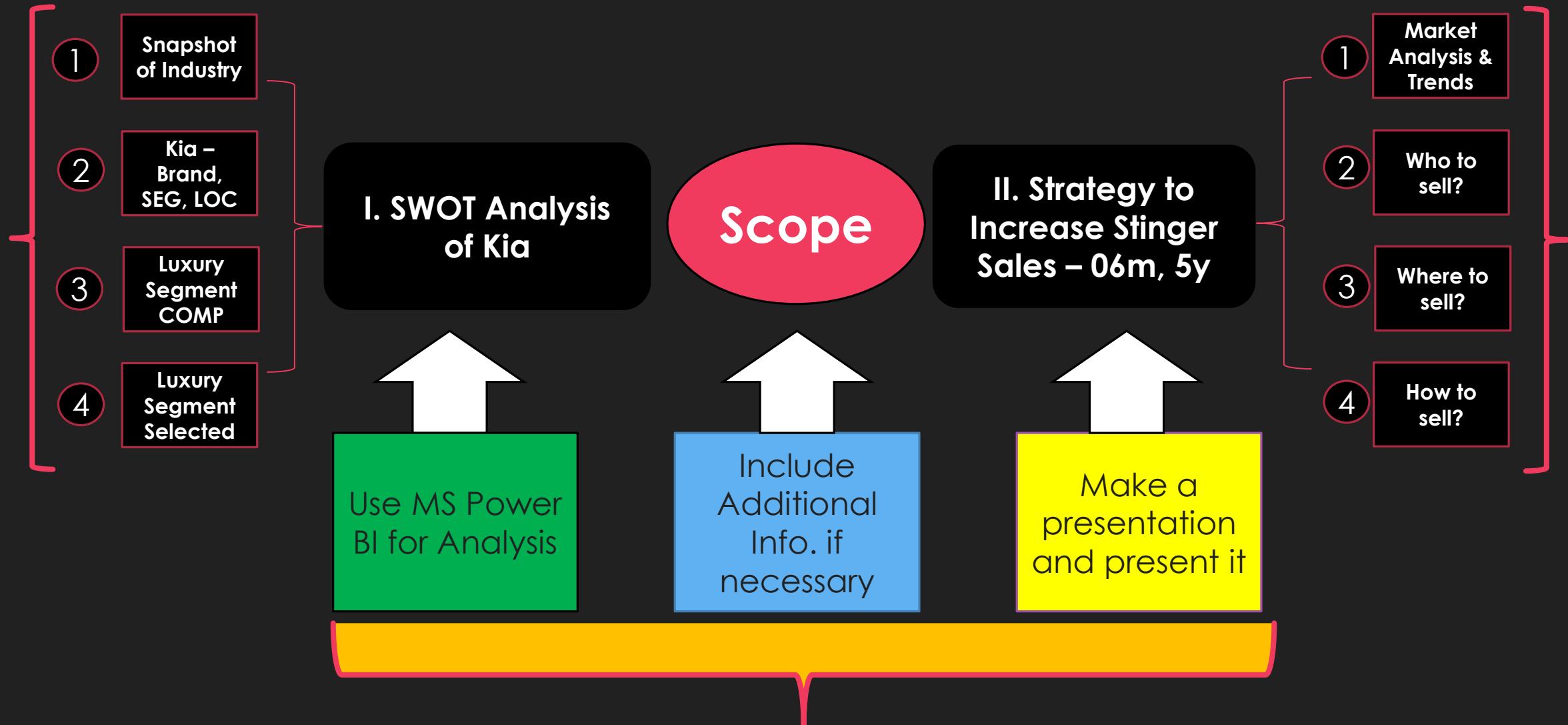


KIA MOTORS



- Usman Khan
- September 12, 2019

Kia Motors Analysis



Data Analysis

Canadian Automobile Industry

Metro - 59.88%
Non - 40.11%

CAR

28.26%

%GT Vehicle Count

18

Count of Segm...

TRUCK

71.74%

%GT Vehicle Count

69

Count of Make

18

Count of Month

3045K

Vehicle Count

11

Count of Detail

24

Count of Metro

FLEET

22.53%

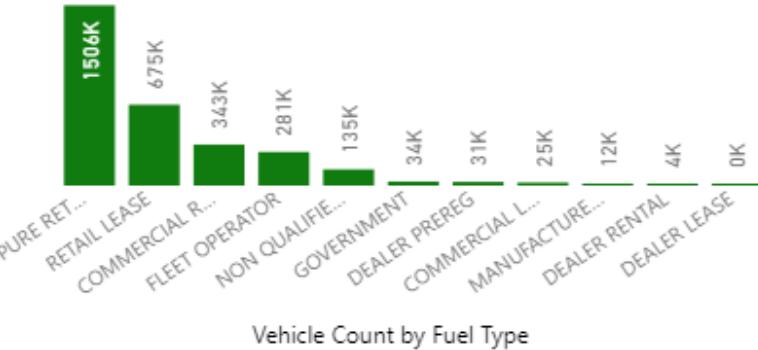
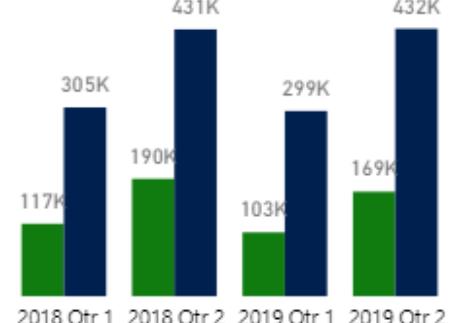
OTHER

1.39%

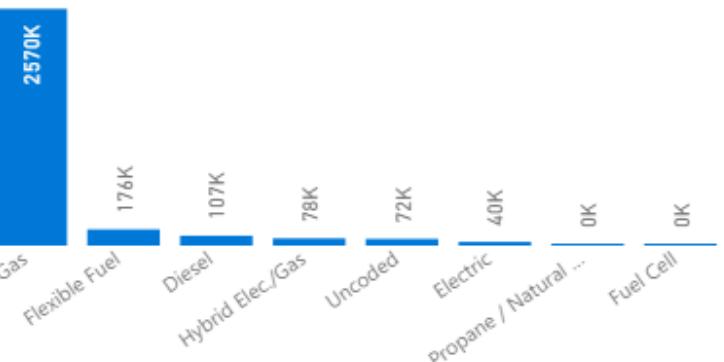
RETAIL

76.08%

Car-Truck ● CAR ● TRUCK



Vehicle Count by Detail



Vehicle Count by Fuel Type

Vehicle Count by Metro

TORONTO	601K
BALANCE OF ONTARIO	387K
BALANCE OF QUEBEC	313K
MONTREAL	302K
VANCOUVER	205K
CALGARY	157K
BALANCE OF BC	139K
BALANCE OF ALBERTA	120K
OTTAWA	99K
EDMONTON	98K
QUEBEC	89K
BALANCE OF SASK	76K
WINNIPEG	66K
BALANCE OF NB	64K

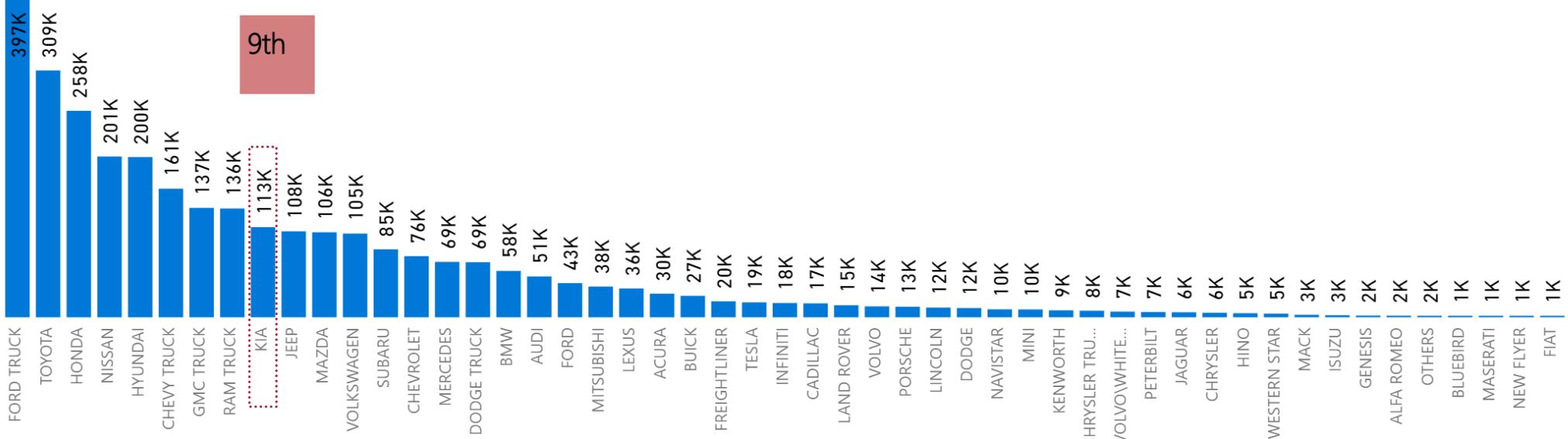
%GT Vehicle Count by Metro

TORONTO	19.75%
BALANCE OF ONTARIO	12.71%
BALANCE OF QUEBEC	10.27%
MONTREAL	9.92%
VANCOUVER	6.74%
CALGARY	5.15%
BALANCE OF BC	4.56%
BALANCE OF ALBERTA	3.93%
OTTAWA	3.25%
EDMONTON	3.21%
QUEBEC	2.92%
BALANCE OF SASK	2.50%
WINNIPEG	2.17%
BALANCE OF NB	2.11%
LONDON	1.90%
HAMILTON	1.80%

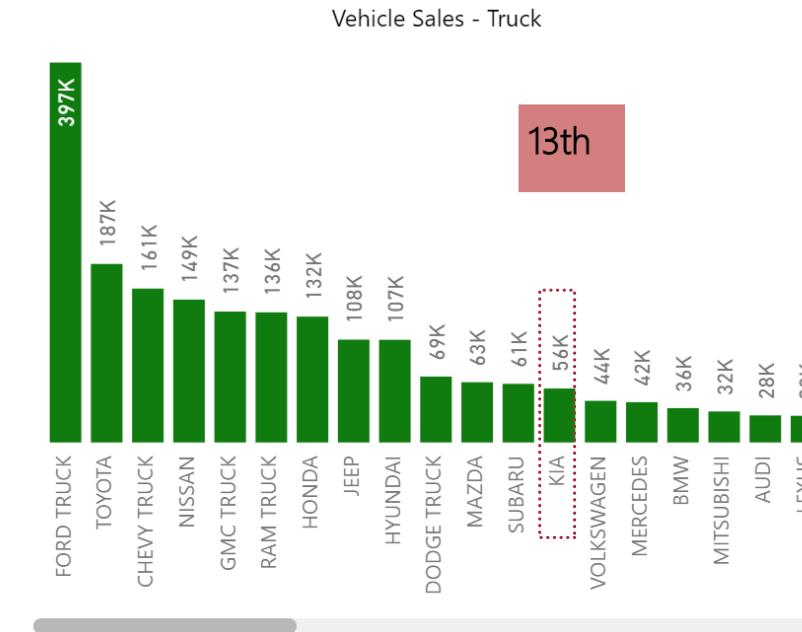
%GT Vehicle Count by Segment

COMPACT SUV	647K
FULL SIZE PICKUP	527K
COMPACT	451K
INTERMEDIATE SUV	252K
LUXURY SUV	227K
SUBCOMPACT SUV	171K
INTERMEDIATE	125K
SMALL VAN	115K
LUXURY	113K
MEDIUM HEAVY TRUCK	93K
SUBCOMPACT	83K
COMPACT PICKUP	57K
SPORT	56K
LARGE VAN	55K
COMPACT SUV	21.27%
FULL SIZE PICKUP	17.30%
COMPACT	14.81%
INTERMEDIATE SUV	8.27%
LUXURY SUV	7.47%
SUBCOMPACT SUV	5.62%
INTERMEDIATE	4.09%
SMALL VAN	3.77%
LUXURY	3.72%
MEDIUM HEAVY TRUCK	3.06%
SUBCOMPACT	2.72%
COMPACT PICKUP	1.89%
SPORT	1.83%
LARGE VAN	1.81%
LARGE SUV	1.28%
INTERMEDIATE LUXURY	0.47%

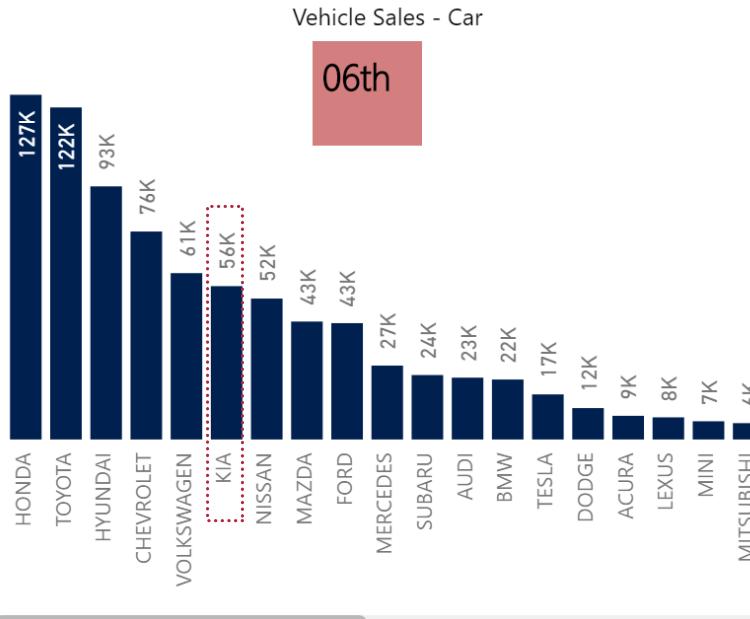
Vehicle Sales Combined - Truck & Car



- Metro**
- BALANCE OF ALBERTA
 - BALANCE OF BC
 - BALANCE OF MANITOBA
 - BALANCE OF N.W.T.
 - BALANCE OF NB
 - BALANCE OF NFLD
 - BALANCE OF NS
 - BALANCE OF ONTARIO
 - BALANCE OF P.E.I.
 - BALANCE OF QUEBEC
 - BALANCE OF SASK
 - BALANCE OF YUKON
 - CALGARY
 - EDMONTON
 - HALIFAX
 - HAMILTON
 - KW/CAMBRIDGE
 - LONDON
 - MONTREAL



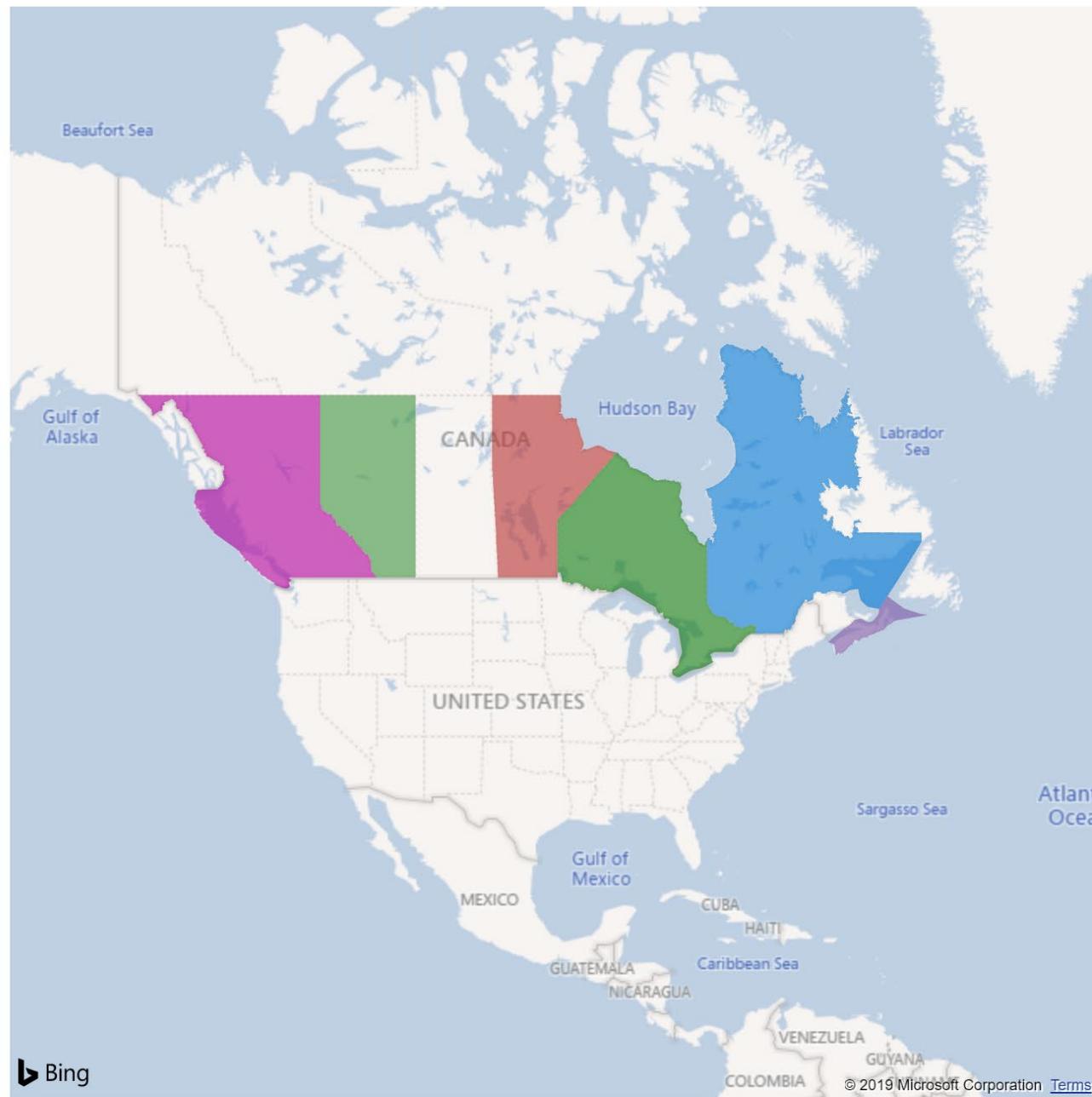
- Metro**
- BALANCE OF ALBERTA
 - BALANCE OF BC
 - BALANCE OF MANITOBA
 - BALANCE OF N.W.T.
 - BALANCE OF NB
 - BALANCE OF NFLD
 - BALANCE OF NS
 - BALANCE OF ONTARIO
 - BALANCE OF P.E.I.
 - BALANCE OF QUEBEC
 - BALANCE OF SASK
 - BALANCE OF YUKON
 - CALGARY
 - EDMONTON
 - HALIFAX
 - HAMILTON
 - KW/CAMBRIDGE
 - LONDON



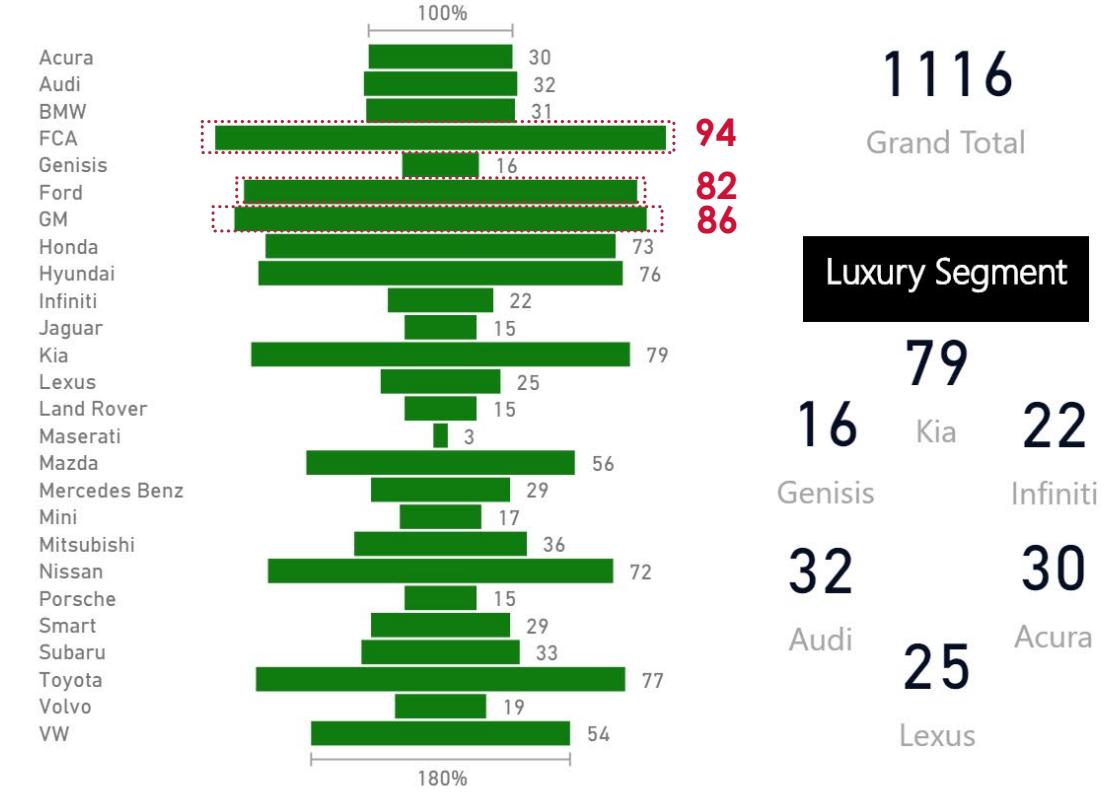
- Metro**
- BALANCE OF ALBERTA
 - BALANCE OF BC
 - BALANCE OF MANITOBA
 - BALANCE OF N.W.T.
 - BALANCE OF NB
 - BALANCE OF NFLD
 - BALANCE OF NS
 - BALANCE OF ONTARIO
 - BALANCE OF P.E.I.
 - BALANCE OF QUEBEC
 - BALANCE OF SASK
 - BALANCE OF YUKON
 - CALGARY
 - EDMONTON
 - HALIFAX
 - HAMILTON
 - KW/CAMBRIDGE
 - LONDON

Dealership Coverage by Make (Luxury)

City ● Calgary ● Edmonton ● Halifax ● Hamilton ● Kitchener ● London ● Montreal ● Ottawa ● Quebec City ● Toronto

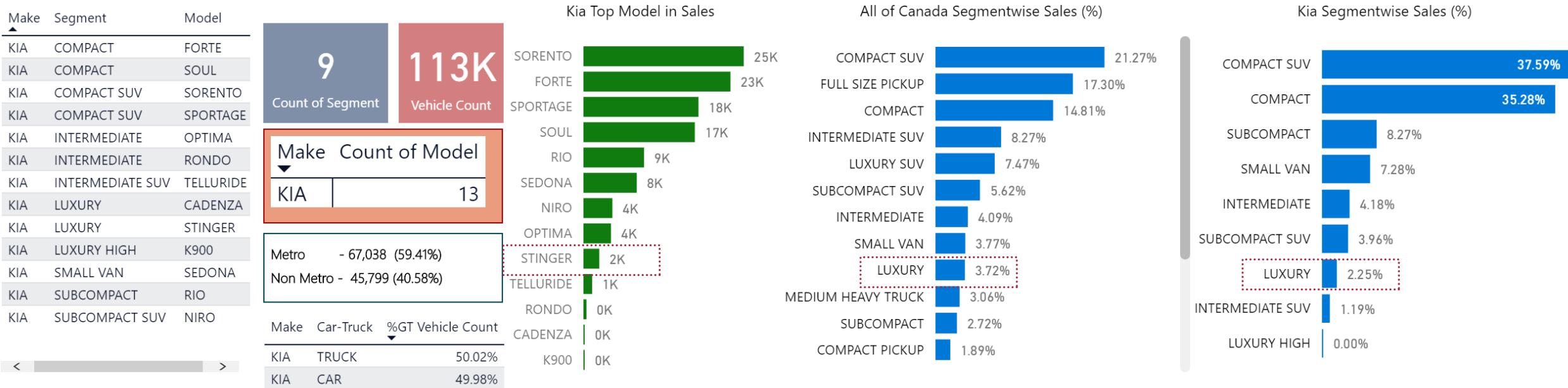


Acura, Audi, BMW, FCA, Genesis, Ford, GM, Honda, Hyundai...

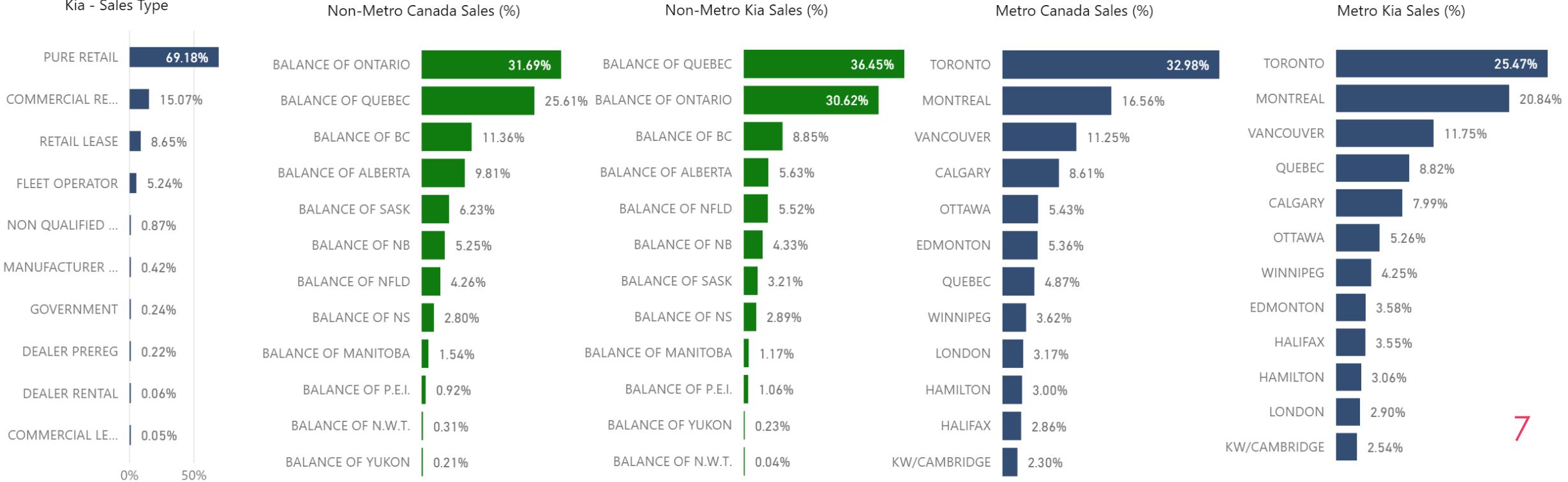


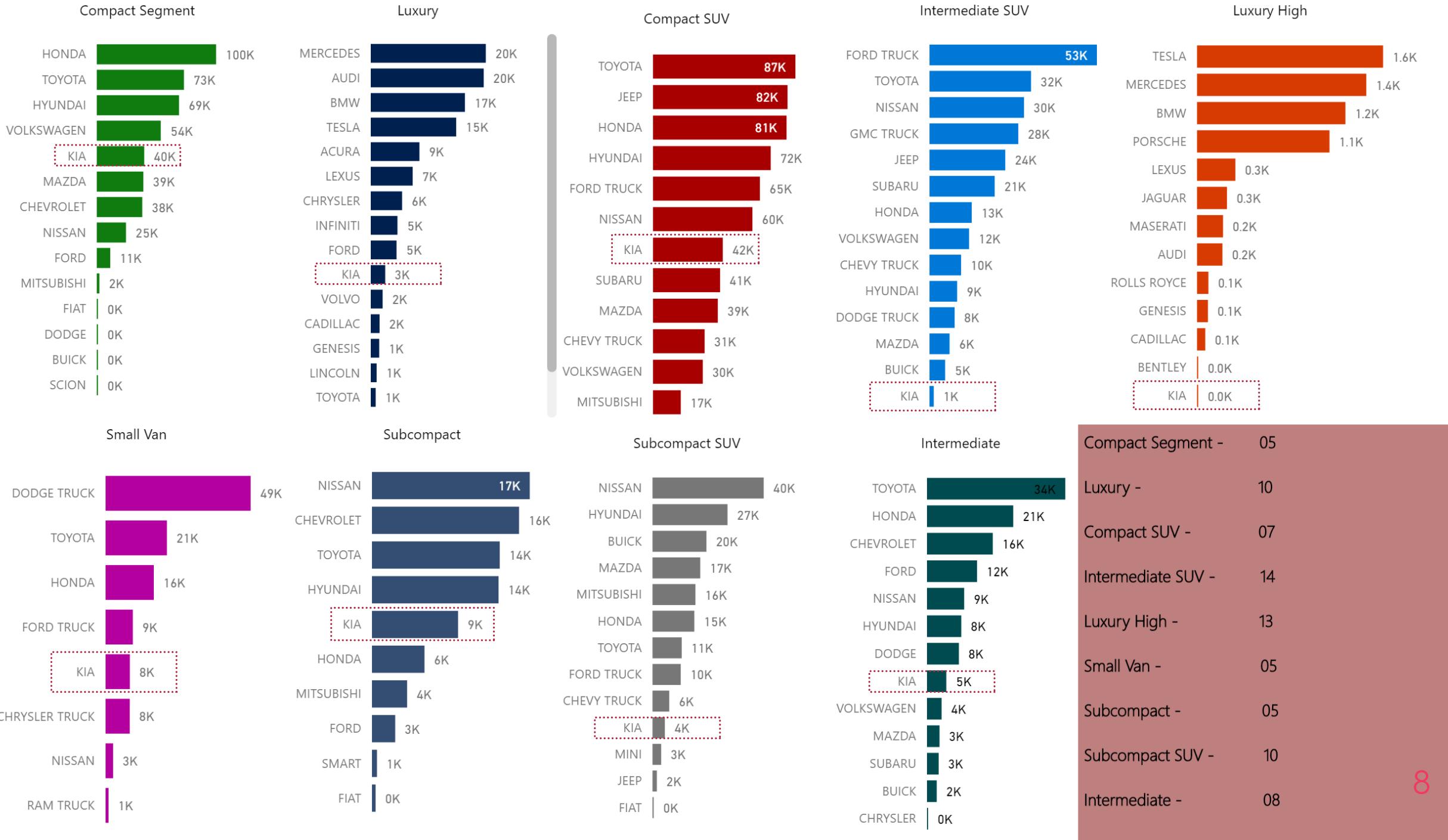
Province: All

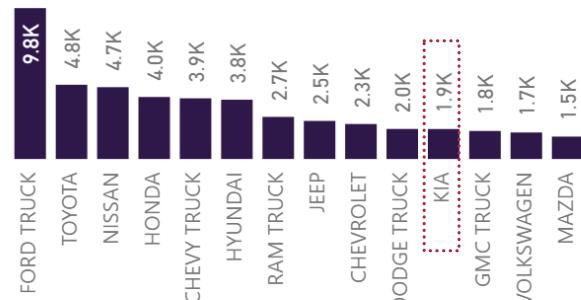
Alberta	Ontario	Calgary	Kitchener	Quebec City
British Columbia	Quebec	Edmonton	London	Toronto
Manitoba		Halifax	Montreal	Vancouver
Nova Scotia		Hamilton	Ottawa	Winnipeg



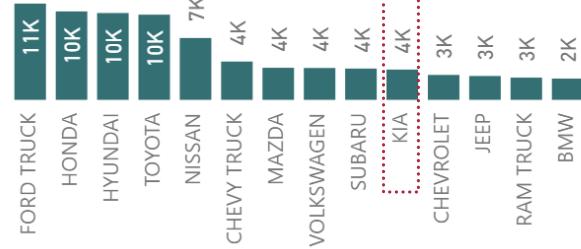
Kia - Sales Type



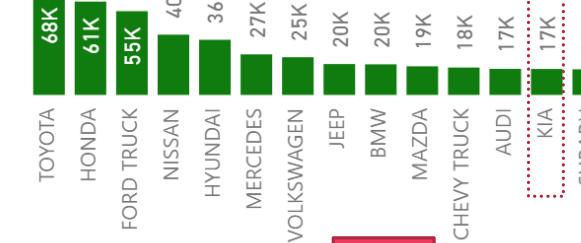




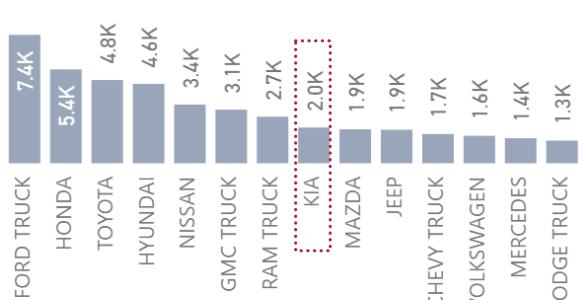
11



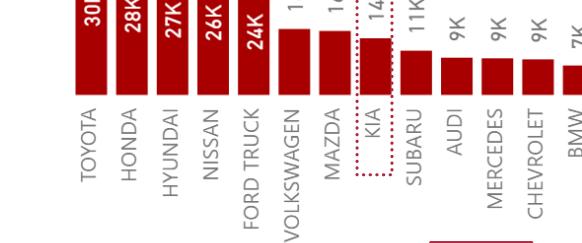
10



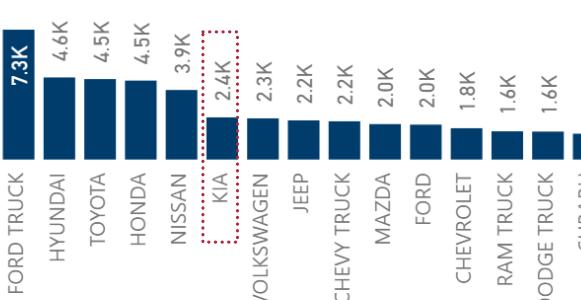
13



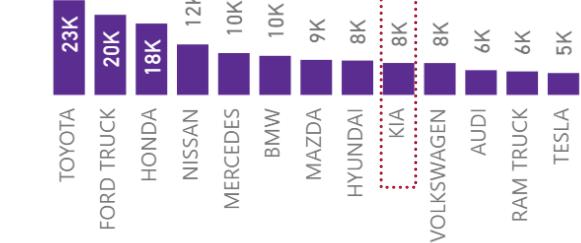
08



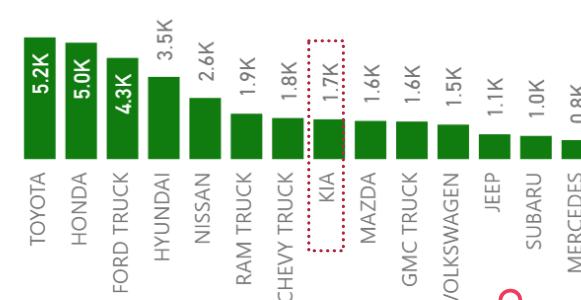
08



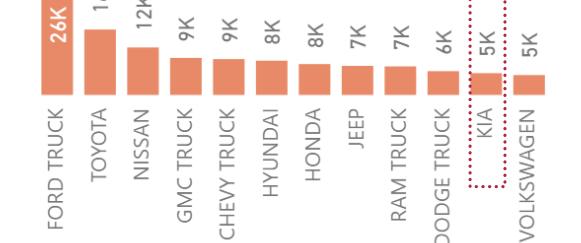
12



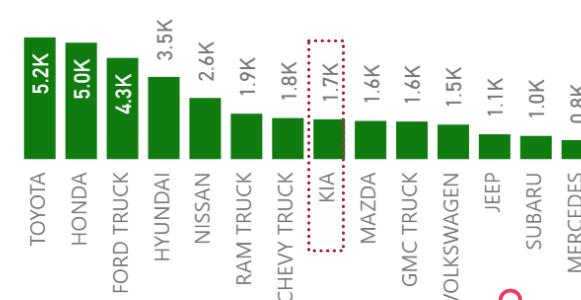
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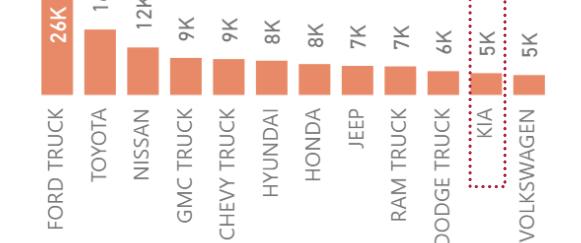
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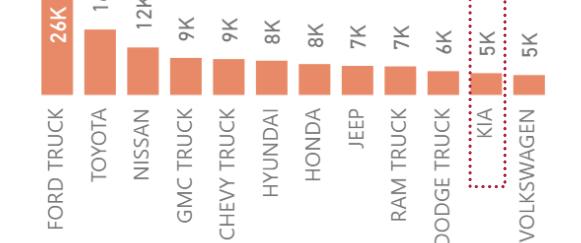
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08

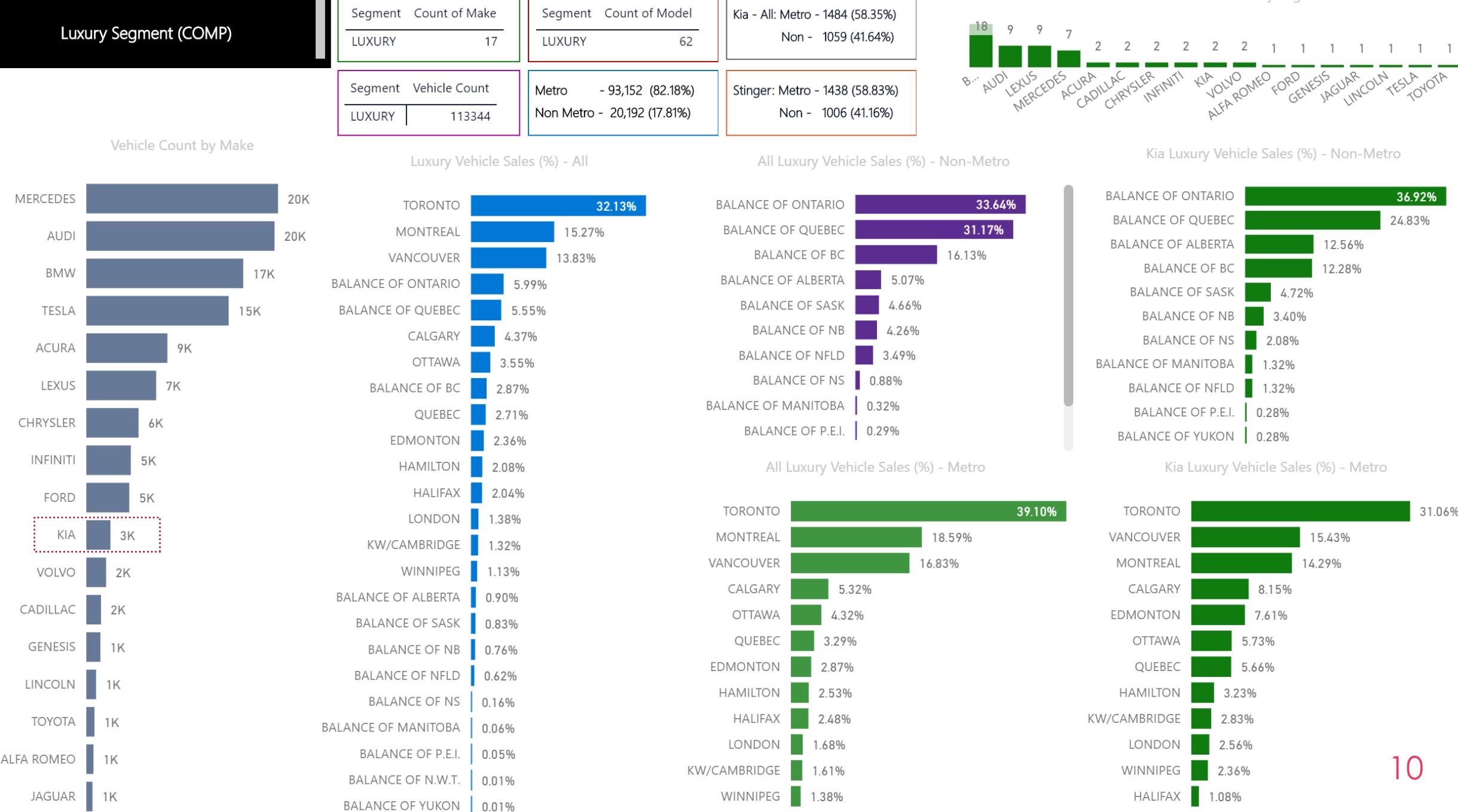


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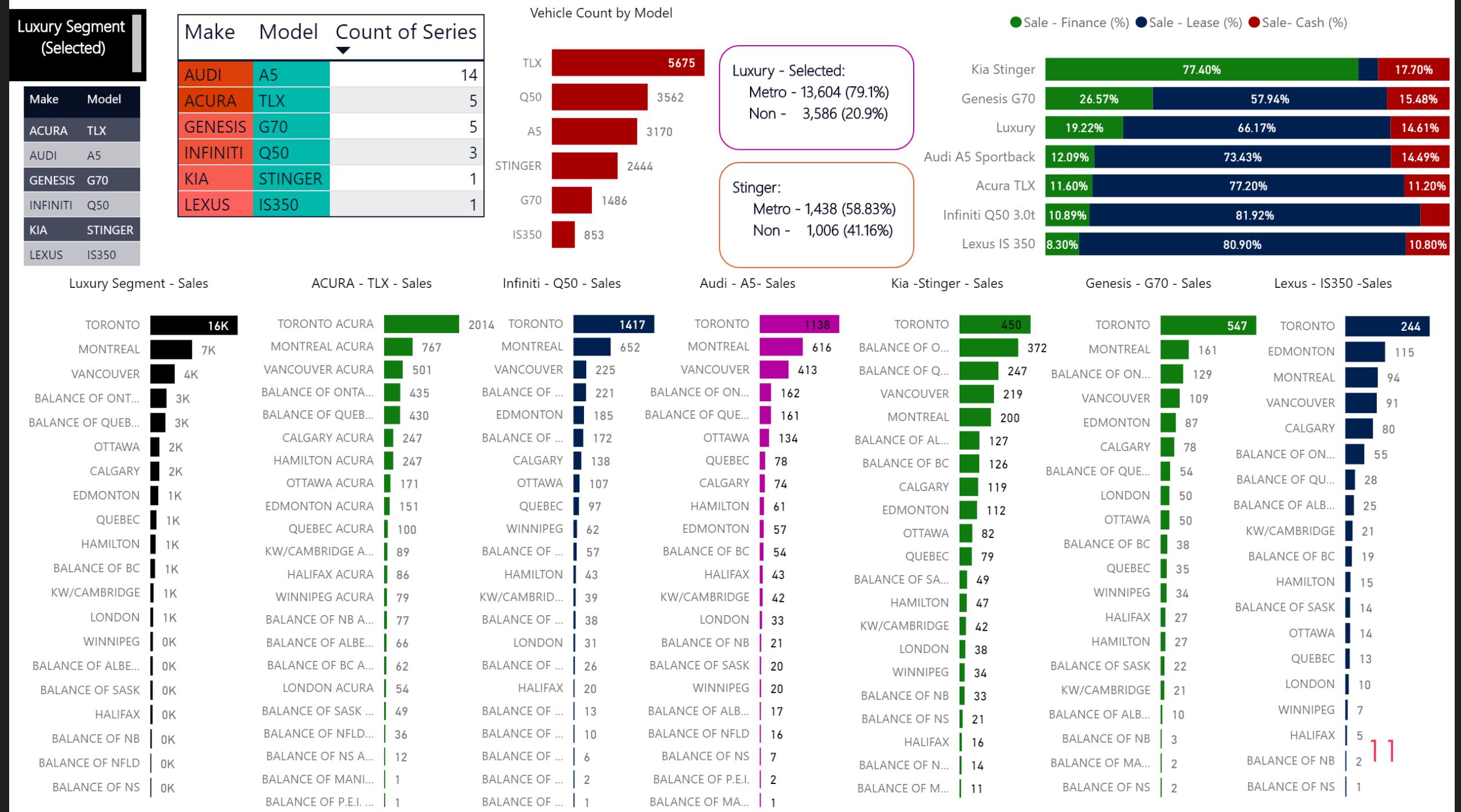


08

Luxury Segment (COMP)

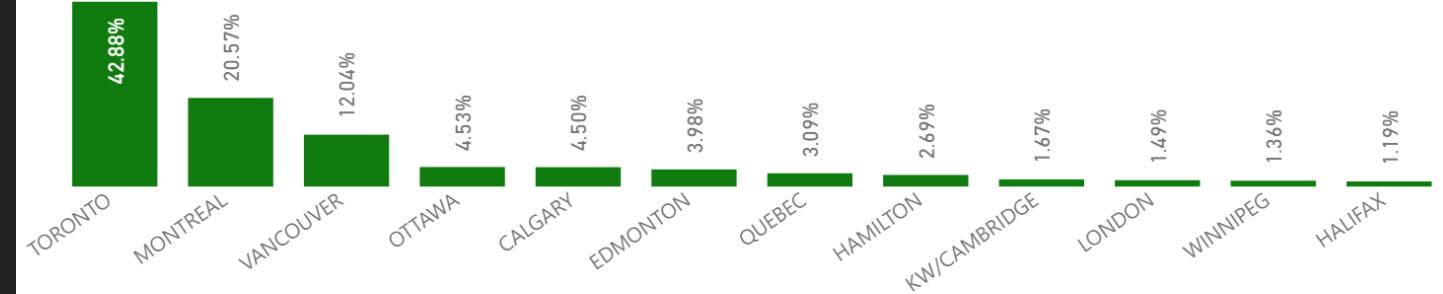


*Autotrader.ca: Ontario represents an “outlier”. Ontarians are interested in classics, performance and style.

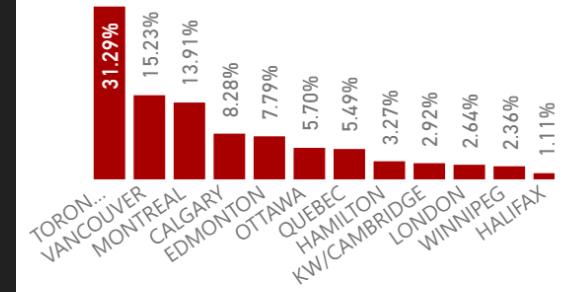


Luxury Segment (Selected)

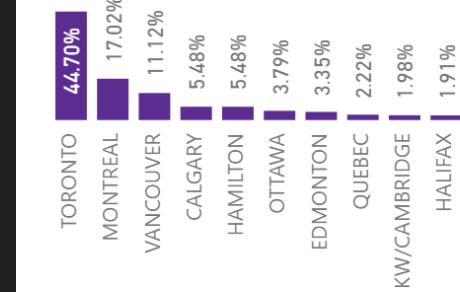
Luxury Segment (Selected) - Locationwise Sales (%)



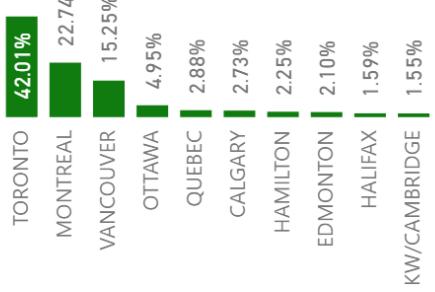
Kia - Stinger - Locationwise Sales (%)



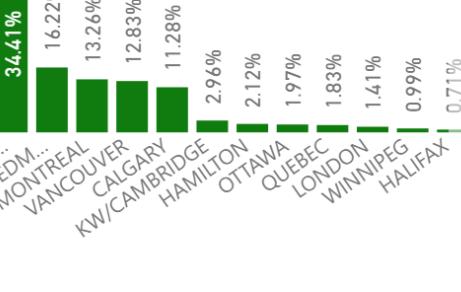
Acura - TLX - Locationwise Sales (%)



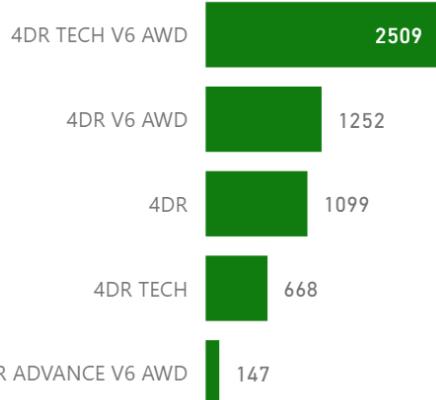
Audi - A5 - Locationwise Sales (%)



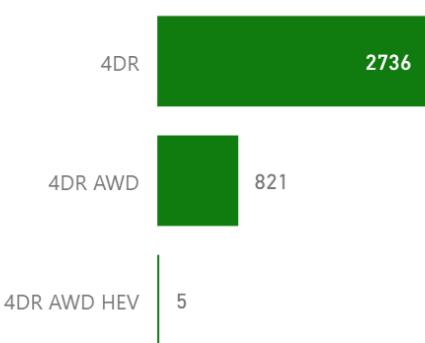
Lexus - IS350 - Locationwise Sales (%)



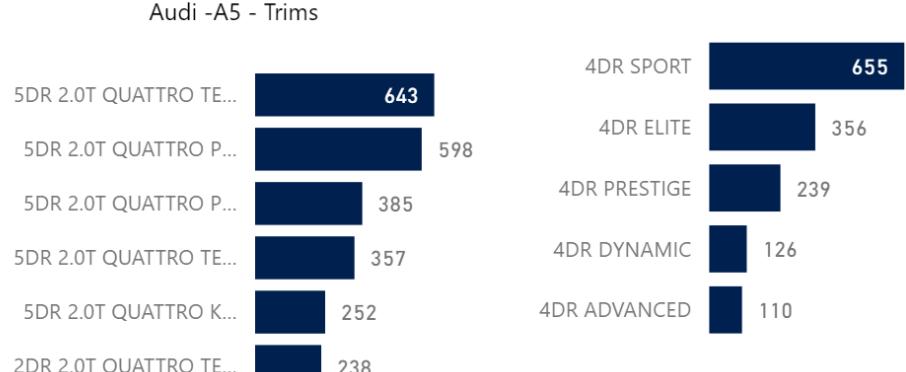
Acura - TLX - Trims



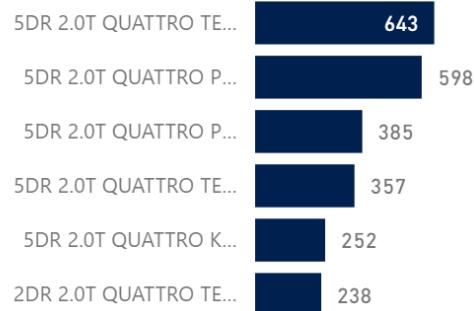
Infiniti - Q50 - Trims



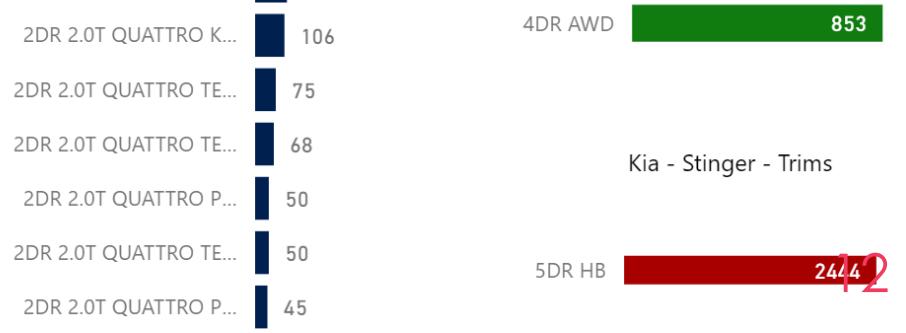
Genesis - G70 - Trims



Audi - A5 - Trims



Lexus - IS350 - Trims



Kia - Stinger - Trims





SWOT Analysis

Internal

External

Helpful

Product Portfolio – wide product portfolio, offering 18 models in multiple segments
Positioning – value for money, kudos from experts & reviewers
Product Innovation – Successful record of developing new products
Quality - J D power and other awards for quality and less number of problems
Constant Sales - No. 09 in Canada overall, 13th in Truck category and 6th in Car category - Sold more than 112K vehicles in 18 months (Jan 2018 – June 2019).

Strengths

Dealership Network – A strong dealership network in Canada – 79 in Canada
Market Potential – Kia can create markets for new products
Green Cars – Kia can usher a new era of electric cars to capture the buzz and customer needs – Soul EV, Niro EV
Good Offers and Reliable Warranty – Customer-friendly offers, nice warranty, less residual value (lease)
Popular Models – Kia has sold equal number of vehicles in Car and SUV categories which shows the popularity of its models

Opportunities

Harmful

Brand Recognition – Kia struggles in brand recognition when it competes against German & Japanese – Audi , Acura, Infiniti
Recalls – Past recalls of critical parts
Limited Customer Market – Kia has not been able to increase their potential market and is unable to appeal to a broader audience specially the customer in metros
Limited Sales In Luxury Segments – Kia has not been able to attain required sales numbers in the Luxury, Luxury High segments and intermediate segments despite offering some great products

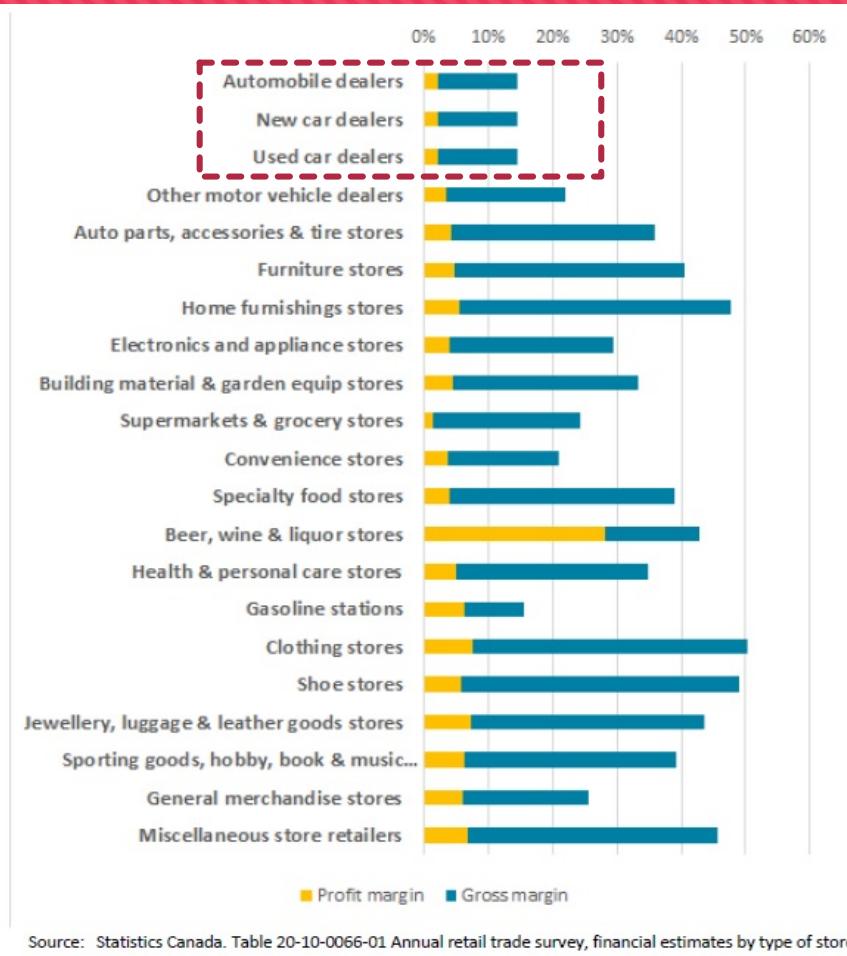
Weakness

Competition - The competition is getting stiffer in all over the world and in Canada
Profit Margins – With increased competition, players are unable to earn decent profit margins
Customer Preferences – Changing customer preferences and regulatory framework
Limited Sales in Many Segments – Apart from the Compact and Compact SUV segments, Kia has not achieved decent sales figures in rest of the segments. Kia brand is not synonymous with luxury vehicles.

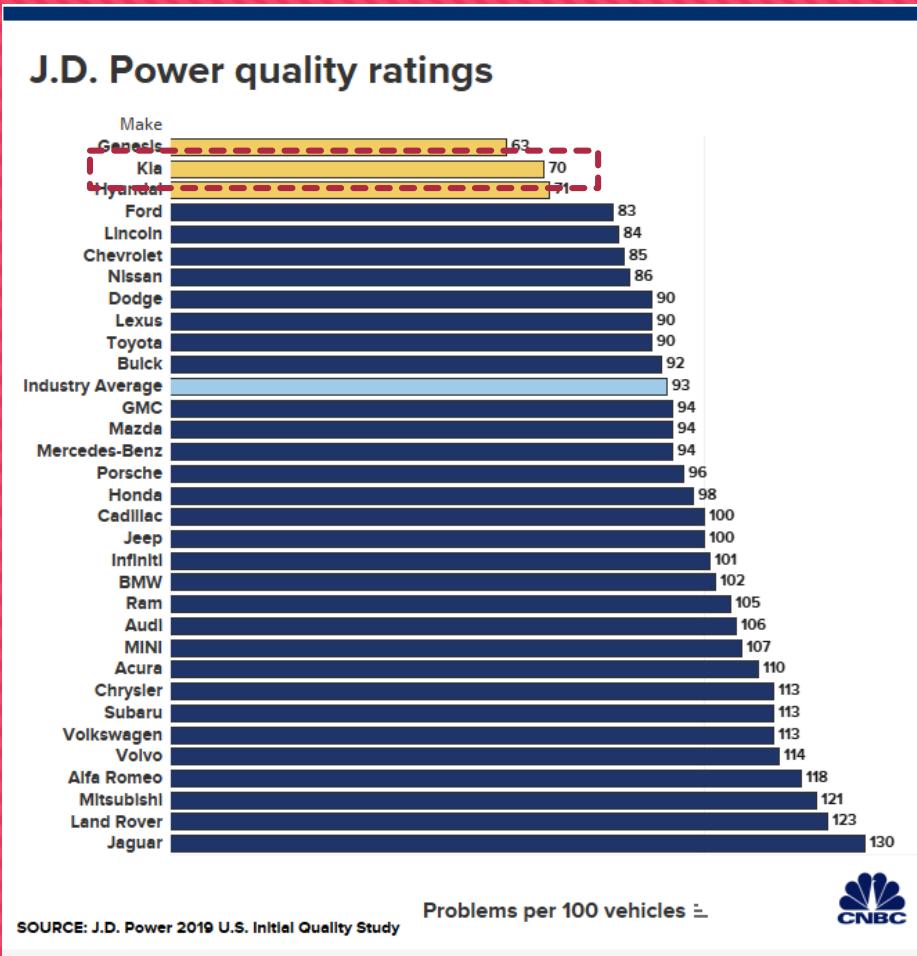
Threats



Market Analysis & Trends

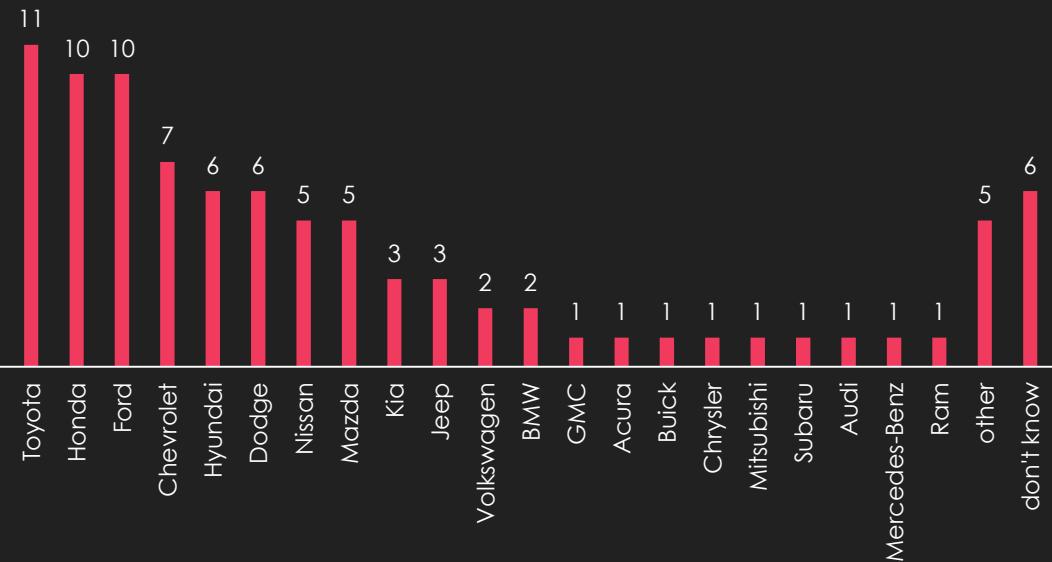


Tough Market



Good Products

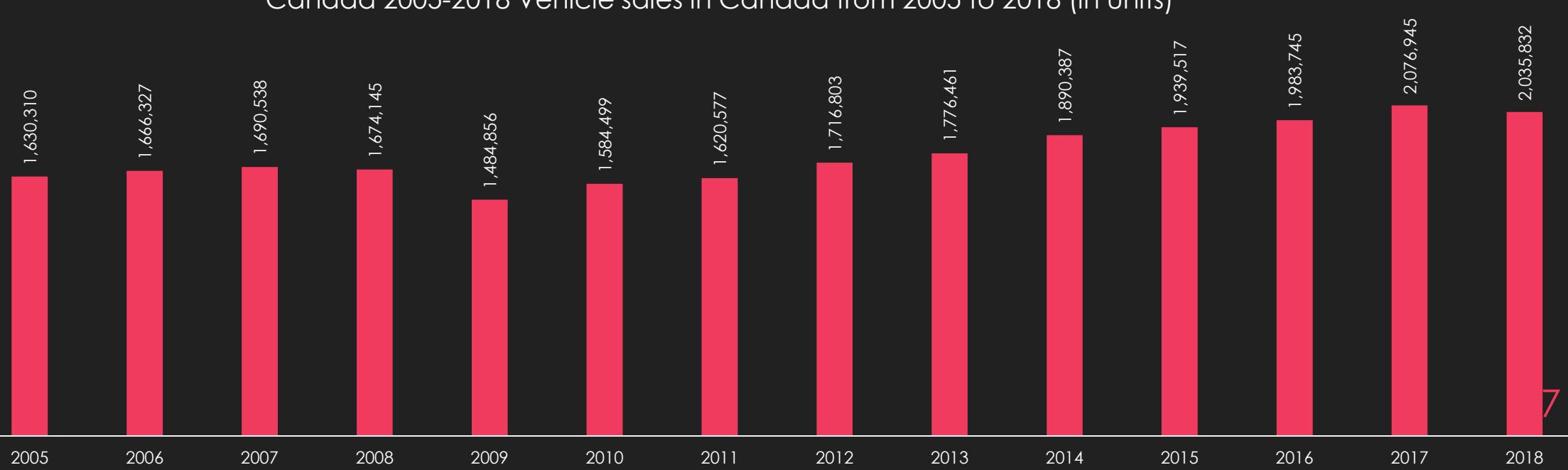
Car usage by make in Canada 2019



Retail sales of new car dealers in Canada (in billion Canadian dollars)*



Canada 2005-2018 Vehicle sales in Canada from 2005 to 2018 (in units)





Stinger – Marketing Strategy



Kia Stinger - Reviews

█ "This car is fast and handles really well – comfortable and composed" – TheStraightPipes (Canada)



█ "It does not look good only on paper, this is a car you buy because you want to" – Doug DeMuro (USA)



2. "The car looks fantastic and has a great presence in front of other premium cars" – Redline Reviews (USA)



█ 1. "This car has been designed to go against BMWs and Audis and it feels sporty" – Carwow (UK)



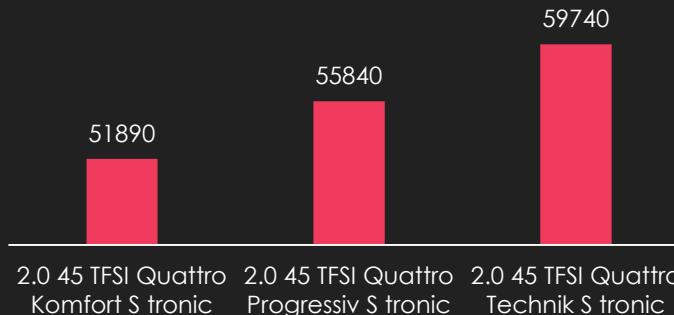
2. "Credible attempt, Interesting to look at, and huge value for money" – BBC TopGear (UK)



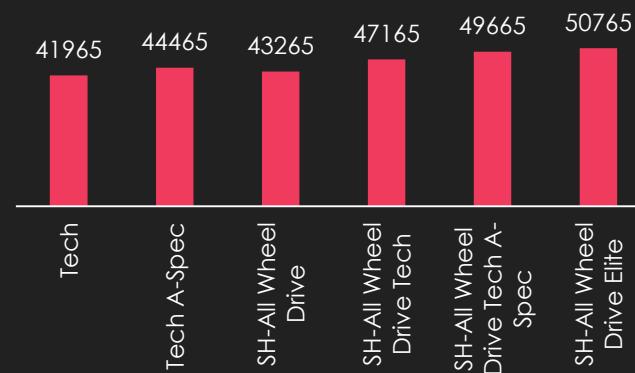
█ "There is nothing cheap in the car, if you remove the badge you would feel like you are sitting in a upmarket, premium, german classic car",



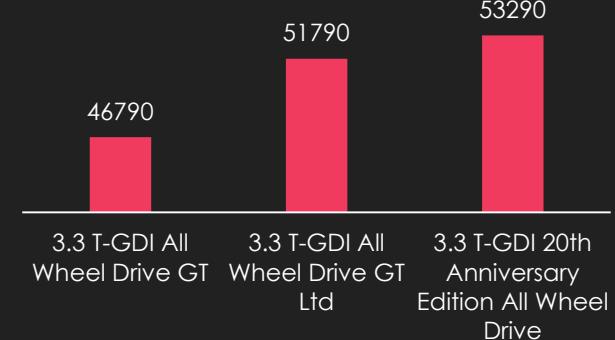
Audi - A5



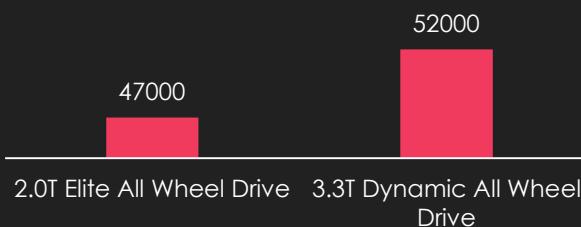
Acura - TLX



Kia - Stinger



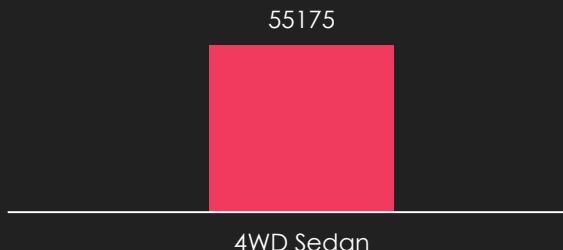
Genesis- G70



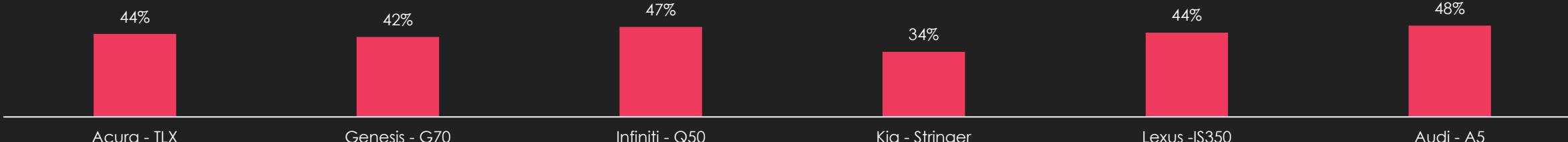
Infiniti – Q50



Lexus - IS350



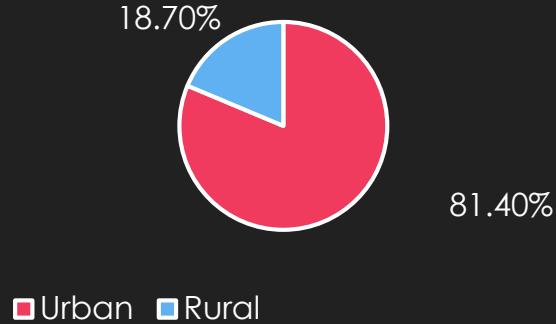
Residual (Average)



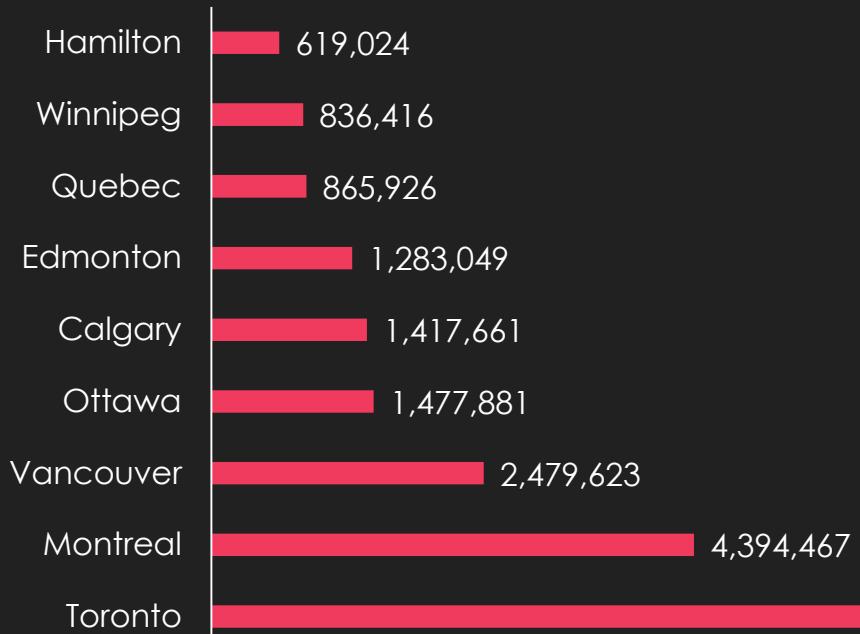
Market Landscape

Canadian Population
~ 37.39 million

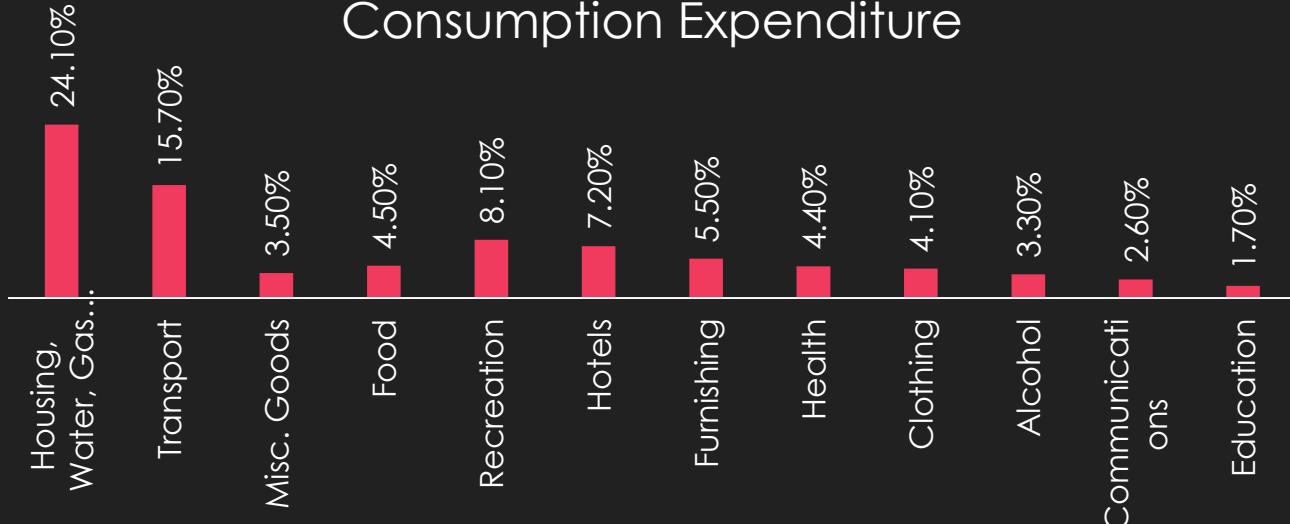
Urban Rural Division



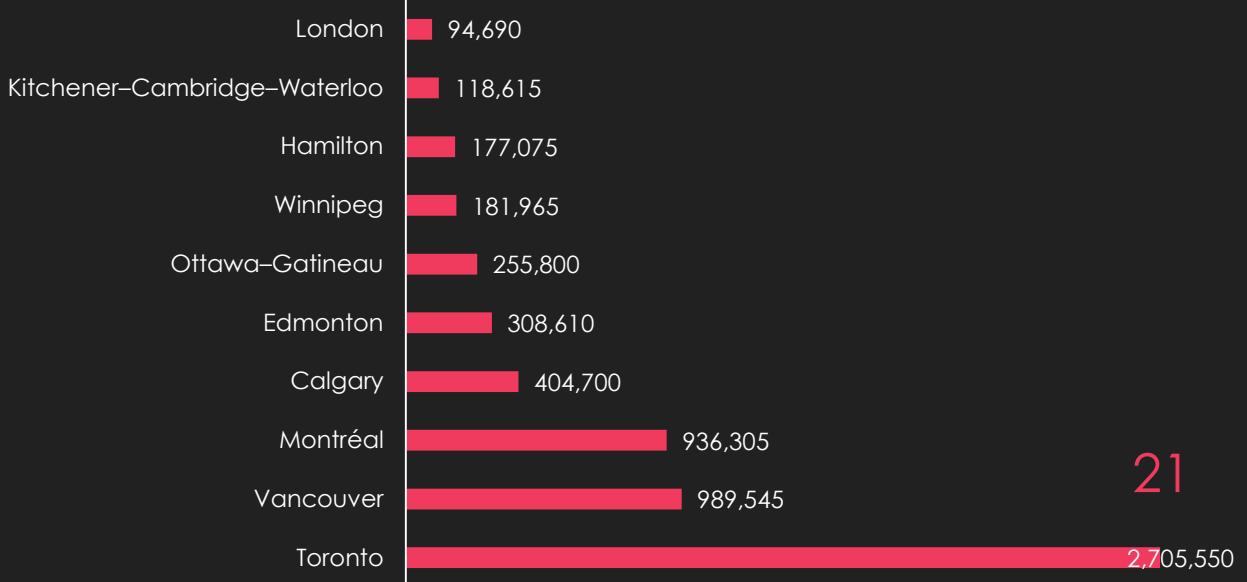
Population of Main Metros



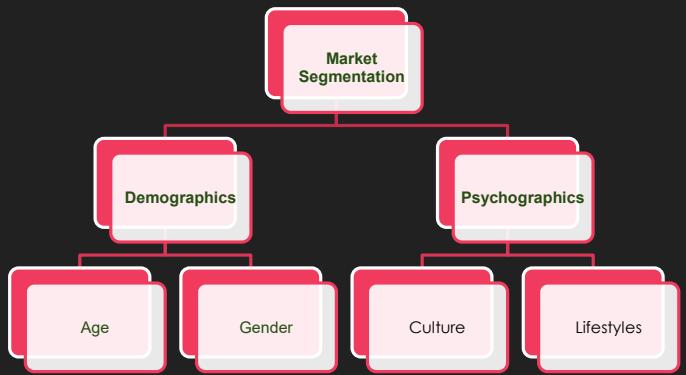
Consumption Expenditure



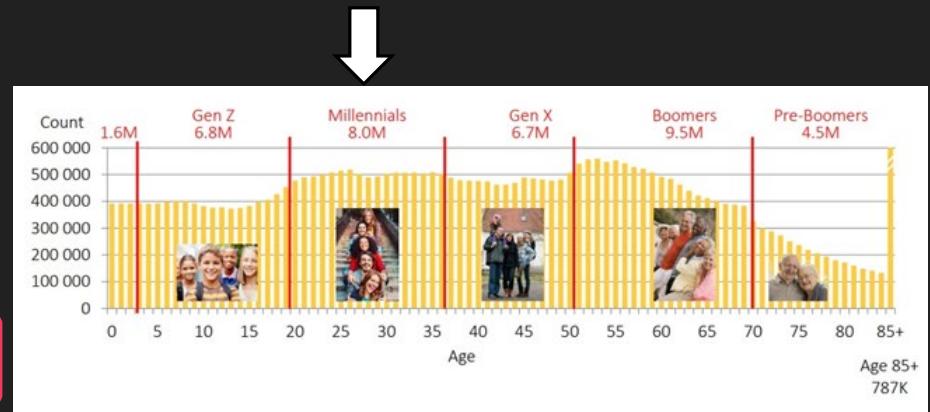
Population by Immigration



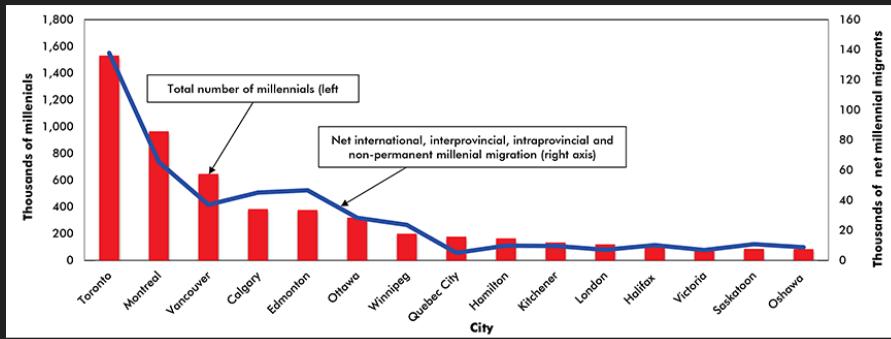
Segmentation



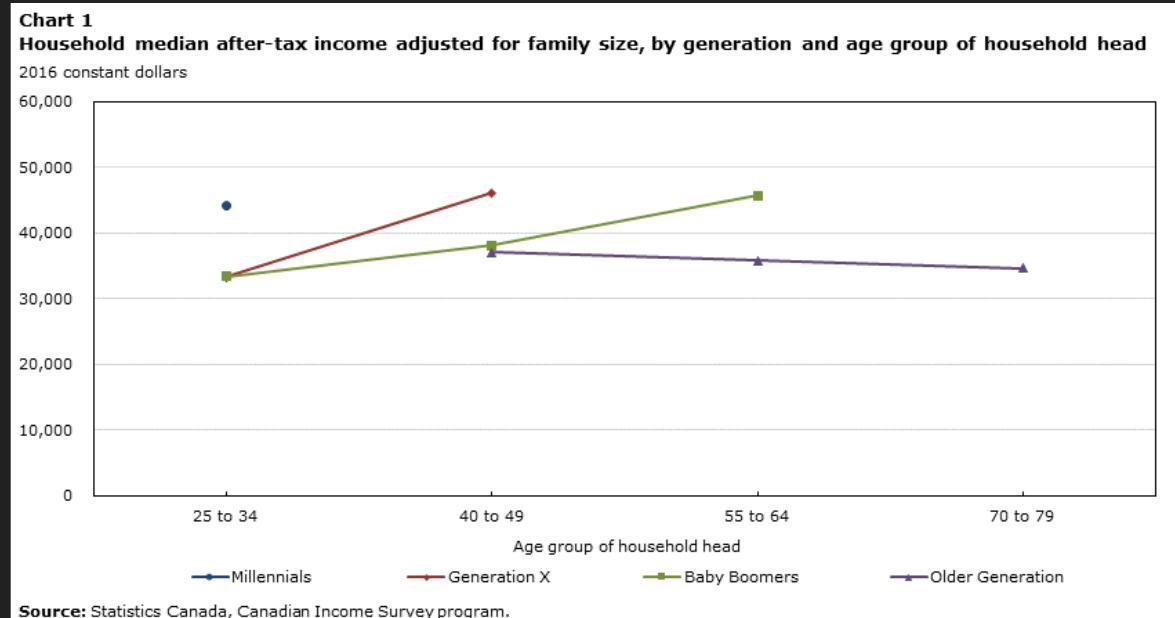
Size of Segment



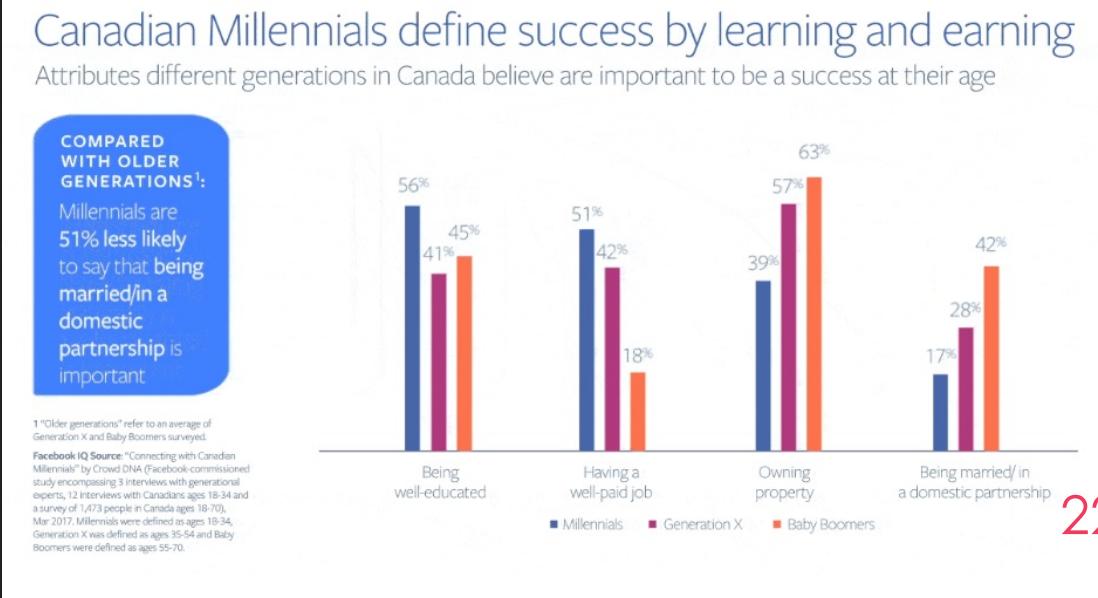
Where is the Segment



The Financial Muscle



The Difference



The millennial shopper



Highly Educated (50% have a Bachelor's or master's degree)

They live with an average of 03 people

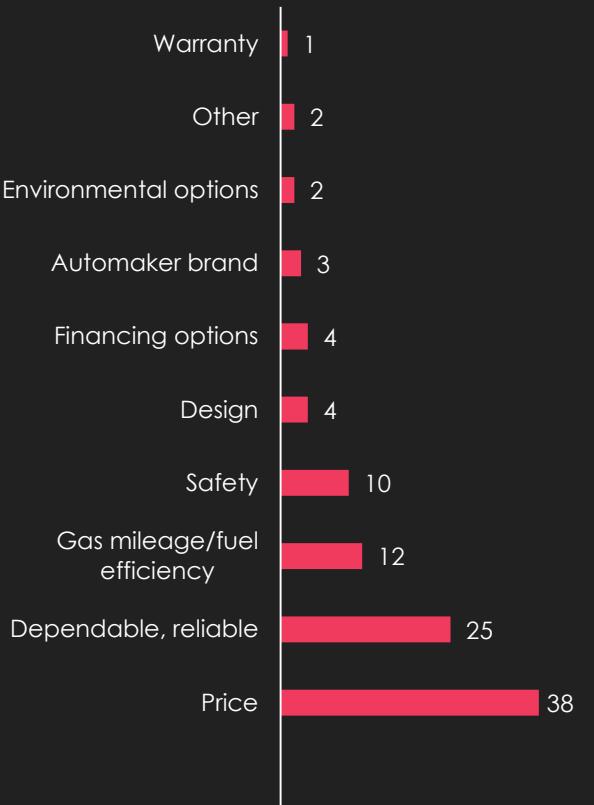


64% live with at least one other person that shops online



They surf the web via mobile (51%), desktop (38%), tablet (11%)

Main considerations when purchasing a car - Canadian Millennials 2016 (%)



What influences millennial shoppers?



20% compare all-in costs



31% trust customer ratings and reviews



19% check a company's policy before purchase



22% made a purchase after viewing social media

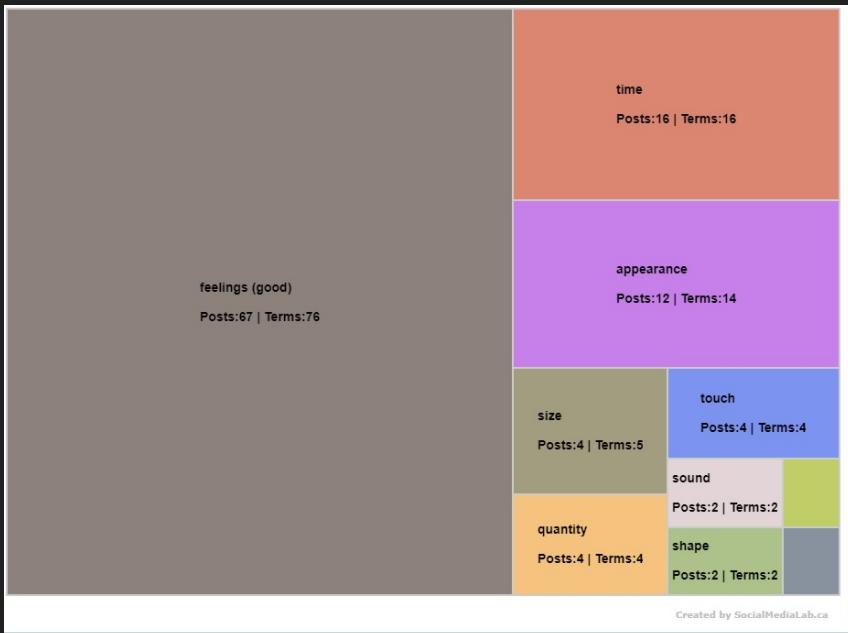
Knowing the Segment

Kia Canada – Facebook

Words cloud



Treemap



Kia Stinger – Forum - Facebook

Words cloud



Treemap

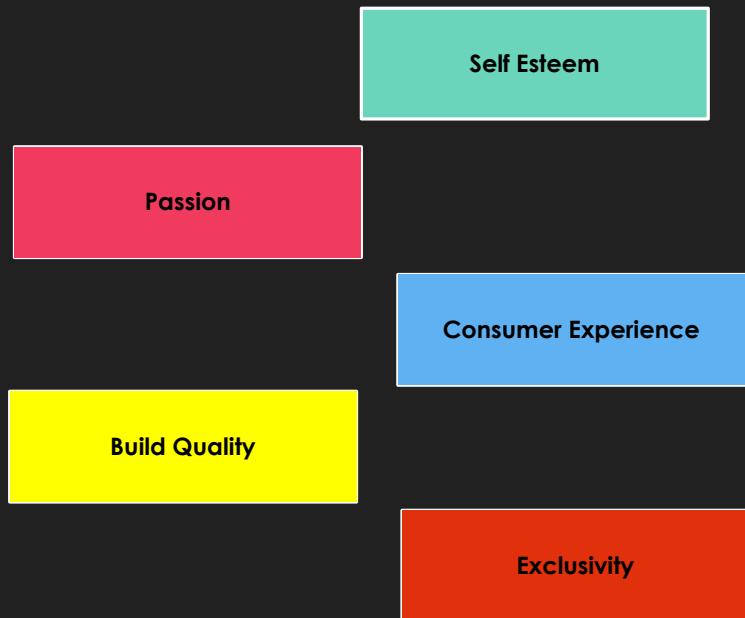


Social Media Analysis

Improving Stinger Sales



Factors important while purchasing a luxury vehicle



06 months

Use existing customer data to increase reach regarding promotions

Increase incentives for referring customers

Increase participation in events to improve brand activation

Increase test and trial by offering promotions

Highlight two factors – value for money and reliability in all ads

05 years

Improve brand position in blogs & other online touchpoints

Develop Kia Stinger Owners' Club and Kia Stinger App

Use social media campaigns and connect with online influencers

Support a worthy cause with your message

Create an experience to improve participation for sharing online

Q&A?

