

ANCAP Stars on Cars dealership program: Increase sales of 4 and 5 star rated cars

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Abstract

Safer vehicles reduce the likelihood of a crash, and of death or serious injury in the event of a crash. The safety of new vehicles varies considerably and if consumers or fleet buyers are to choose safer cars they need reliable, understandable and accessible information. ANCAP assesses the crashworthiness and safety features of new vehicles and assigns stars based on safety performance. Occupants have twice the chance of being killed or seriously injured in an ANCAP 1 star rated vehicle compared to an ANCAP 5 star rated vehicle. The aim was to increase the sales of 4 and 5 star rated cars in South Australia. The Department for Planning, Transport, and Infrastructure introduced the ANCAP 'Stars on Cars' campaign. Consumers are educated through new car dealerships in South Australia, and provided with the information necessary to make the best safety decision. Internet and print advertising is also used to elevate the importance of vehicle safety in purchasing decisions and encourage consumers to purchase 4 and 5 star rated vehicles. In 2010, 40.9% of new cars sold in South Australia were 5 Star, while in 2011 this figure had risen to 49.4%, and in 2012 this had jumped to 60.9% well ahead of the national average. This program is a great example of government and community working together in partnership to avoid death or serious injury in the event of a crash.

Introduction

If people bought the safest car available in their desired class, overall safety across Australia could be improved by up to 26%. If each new car had the safety features of the safest car available, it estimated that death and serious injury could be reduced by as much as 40% in Australia (Newstead, Watson & Cameron, 2004).

The South Australian Road Safety Strategy 2020, Towards Zero Together aims to accelerate the take up of proven safety technologies in the South Australian fleet. The purchase of safer vehicles is a key target of the current road safety strategy. The severity of road trauma could be prevented or minimised by ensuring that drivers are in the safest car possible (Newstead, Watson & Cameron, 2004).

The safety of new vehicles varies considerably and if buyers are to choose safer cars they need reliable, understandable and accessible information (Towards Zero Together, 2011).

Stars on Cars

The ANCAP Safety Rating System

The Australasian New Car Assessment Program (ANCAP) conduct crash tests on most top selling cars under controlled laboratory conditions in order to determine how well they protect occupants in a crash. Based on the performance in these tests each car is awarded a rating out of five stars, with each five stars indicating the highest level of safety based on current ANCAP criteria. Each additional star safety rating provides around 12% more protection against a serious injury in a crash (Department of Transport, 2013).

Research

Initial quantitative research was conducted by Colmar Brunton for the South Australian Motor Accident Commission (MAC) in January 2009. It revealed that of respondents that had purchased a new car:

- 26% did not consider safety features at all.
- 31% did consider safety features, bought the safest car and will do so again next time.
- 32% did consider safety features but did not buy the safest car.

The top two most credible and important benefits of purchasing the safest car were:

- Making yourself and your passengers safer if there is a crash; and
- Feeling that you were doing the right thing by yourself and your passengers.

Of lesser importance:

- Getting higher resale if safety features become more important; and
- Being better able to safely avoid a crash.

There was a higher level of agreement that all newer cars have more safety features than older cars and that all newer cars have equivalent safety features. This perception however, encourages people to purchase newer cars thinking they are safer without investigating it further. Some new cars are not necessarily safer than older models and many used cars rate well in terms of safety. If you are looking for a used car, look out for cars that are fitted with key safety technologies such as curtain airbags and electronic stability control. If you are looking for a new car, consider cars with these features as standard or option up if possible (Transport Accident Commission, 2013).

Registered Vehicles

With more than a million vehicles out on South Australian roads (Australian Motor vehicle Census, 2013), the more that are highly rated under the ANCAP safety rating system, the safer it will be for all South Australian road users (Newstead, Watson & Cameron, 2004).

If all vehicles were replaced instantaneously with new vehicles, there would be a significant benefit, but the reality is that this benefit takes many years to realise. Road safety research shows that positively influencing the level of safety in vehicles entering the registered fleet will have road safety benefits many years into the future (Newstead, Watson & Cameron, 2004).

Stars on Cars campaign

The Stars on Cars program was created as an education program, developed to encourage consumers to buy a safer car. It was based on similar programs that had been introduced in Western Australia and Victoria in 2008 and 2009. New car dealerships were invited to participate in the program and promote their 4 and 5 star rated vehicles in their showrooms.

Objectives

General community:

- Elevate the importance of safety features when considering a new car purchase.
- Increase awareness and understanding of the ANCAP 5 star safety rating system to assist in the purchase of their next car.

Dealerships:

- Increase awareness and understanding of the ANCAP 5 star safety rating system.
- Increase understanding of the importance of safety features in new vehicles and the personal benefits of these to potential buyers of their cars.
- Encourage dealers to promote safety features of a vehicle and see these as a key selling point over other appealing and powerful selling attributes such as aesthetic features.

The pilot program

The Stars on Cars pilot program commenced in March 2011, 26 new car dealerships participated in the pilot program.

This was largely based on the Stars on Cars program that was operating in other states. In particular, in Western Australia by targeting a number of dealerships from various vehicle manufacturers.

New car dealerships received education and promotional materials to encourage consumers to buy safer vehicles.

Lessons were learned with the pilot program which led to improvements in phase 2.

Phase 2 – Stars on Cars

The Stars on Cars program was expanded in October 2011 due to the positive feedback received from dealerships within the pilot program and encouraging results received from the consumer research undertaken. The success of the program was evident with the increase of sales of 5 star cars over the period when the program was introduced, and the feedback received from new car sales staff and customers.

Phase 2 of the program covered 46 significant new car dealerships, representing 75% of the new vehicles sold in South Australia and represented the majority of large manufacturers.

Phase 3 – Stars on Cars

Due to the success of the program during the Pilot and Phase 2 stages over a period greater than 12 months the Stars on Cars program was increased to full saturation of 156 new car dealerships in September 2012. The program is continued to be supported through ongoing contact with dealerships, additional training, updates and the support of an ongoing supply of merchandise.

Timing

It was recommended that the program would run in conjunction with peak buying patterns. Therefore DPTI analysed the volumes of new vehicle registrations in South Australia.

New vehicle registrations in 2009 peaked in March to June and August to December.

Therefore, it was recommended that the pilot program run between February and June 2011. Phase 2 program occurred from October until November 2011.

Media

The media plan involved internet and print (newspaper) advertisements.

Advertising was focussed at targeting consumers interested in buying a new vehicle. Therefore we recommended The Advertiser and online new car websites. Internet and newspapers achieve the greatest reach, with internet being the leading media that people find most useful when purchasing a new car.

Online advertising was recommended to reach new car buyers with placements of premium automotive websites. Eyecatching advertisements with animation were used to capture attention.

Advertising was targeted at South Australian's and included advertising in the following media:

- MediaMotive network, which includes new car listings on websites such as Carsales, CarPoint, Redbook and Discount New Cars.
- Car Advice.com.au: a highly targeted Australian site for new car buyers actively deciding on which model to purchase.
- NineMSN or web-browsing behavioural targeting to reach users who have been categorised according to their previous online behaviour using keywords such as auto, car buy.
- Google user interest categories was also used to target new car buyers.

The schedule provided a slightly higher frequency of advertisements; with smaller size to keep within the allocated budget.

Car Dealerships

The program involved new car dealerships from both metropolitan and regional South Australia. Each dealerships were provided with training on the program and ANCAP safety ratings so they can explain the difference between ratings and promote the safety features of their cars, with the aim to encourage consumers to buy a safer vehicle.

The dealers are provided with education: what does safety mean and how the safety rating scores are calculated. At the end of the training session, sales staff were able to explain the difference in the ANCAP safety ratings, and how they can best use this information for their consumers.

When consumers ask dealership sales staff safety related questions, it is intended that the sales staff provide an explanation that is both accurate and informative.

When sales managers were questioned they reported that the program had also resulted in improved knowledge among dealership staff of new vehicle safety features.

Consumers

Consumers are educated through car dealership staff, where they are provided with the information necessary to make an informed safety decision at time of purchase. Sales staff are now confident to communicate the safety ratings with their customers. Including the ability to explain the distinction between a 4 and 5 star safety rated vehicle and level of mandatory safety features required.

An overarching communication campaign, with both print and internet advertising, supports the program to raise public awareness of the ANCAP star safety rating system, the importance of vehicle safety and to encourage the purchase of 4 and 5 star vehicles.

Support Materials

Educational and promotional materials are provided to the participating dealerships free of charge to display on 4 and 5 star ANCAP safety rated vehicles. These consist of ANCAP star safety rating stickers, rear vision mirror hangers, consumer brochures, and pull up banners.

ANCAP star safety rating stickers and rear vision mirror hangers show consumers a snapshot of the safety rating of that vehicle. The star safety rating stickers are displayed on the windscreens of vehicles in showroom dealerships. These stickers are similar to those displayed on whitegoods that reflect the energy rating of the appliance.

Discussions with participating dealerships in the pilot program led to modifications, enhancements and invention of new merchandise for the phase 2 and phase 3 of the program. While the star safety rating stickers and the rear vision mirror hangers remained the same, the consumer brochures and the pull up banners were changed based on the recommendations from dealership advice. Based on the feedback received from the pilot dealerships, “make it easy for the sales staff” was the overwhelming message.

Double sided pull up banners were created, so that the message could be displayed anywhere in the showroom and be seen from both sides. The brochure was updated with a greater visual focus.

The new merchandise developed for phase 2 was:

- A desk feature
- dealership door entry window stickers: “ask us about safety”
- windscreen banners: “ANCAP recommends 4 or 5 star cars”

A triangular desk feature was developed for display on the sales staff desk in participating dealerships. This was a prompt and visual aid for the sales staff. The visual information on the desk feature was then replicated on the updated consumer brochure. This gave accurate and informative information in a clear and easy to read and communicate manner.

The dealership window stickers “ask us about safety” were well received by the dealerships in phase 2 as well as those in the pilot program. When designed, the doubled sided sticker’s intention was to be displayed with the message “ask us about safety” on the entrance door to the showroom.

The windscreen banners were developed to reflect the advertising that is often seen in dealerships on the vehicles in the showrooms. This was developed in a static cling plastic style.

In addition to the formal merchandise, a copy of the list of manufacturer’s vehicles was provided to each dealership. This was to prevent the incorrect stickers being displayed on the vehicles.

Next steps

The South Australian Stars on Cars program success has influenced further programs recently released or under final stages of development; such as a program to assist young drivers in choosing a safe vehicle (January 2013), the promotion of safety ratings for used cars (July 2013) and the

development of a partnership with new and near new car auction houses in South Australia (currently under development).

Results

Dealerships and consumers were surveyed and their responses were used to gauge the absorption of the message from the program.

A selection of the key results that were gathered in the pre-pilot, pilot and phase 2 of the Stars on Cars program have been summarised below.

Dealerships

Dealership staff were asked for their perceptions, prior to the introduction of the program into their dealership and then after they had participated. A clear pattern could be seen in their responses. The safety training that was received increased their level of knowledge and it was clear that all staff wanted to see ANCAP ratings displayed on all vehicles in their showrooms. Staff conveyed that customers were taking notice of the star safety rating stickers and swing tags displayed on new vehicles, and some consumers had communicated that dealerships “must be confident” to display the safety ratings. As a side benefit, some dealerships believed the program may have helped them sell more vehicles.

The dealership survey indicates:

- An increase in the proportion of dealership staff who now feel capable of discussing vehicle safety features and the ANCAP star rating system.
- Improved likelihood of dealership staff explaining the difference between a ANCAP 4 and 5 star safety rated vehicle.

When dealerships staff were questioned after the stage 2 program:

- 91% believed their knowledge of ANCAP safety ratings had increased.
- 100% were interested in having ANCAP safety ratings displayed on new cars.

Upon discussions with new car dealership staff they were found to be receptive of the program and it opened discussions with consumers about safety ratings.

Consumers

The evaluation from consumers enabled us to gauge the changes in their responses when questioned both before the commencement of the Stars on Cars program and then after the pilot program. These were then compared to assess the success of the message to the consumers. “Check the safety rating before you buy”

It was discovered that:

- They had an increase in awareness of vehicle safety features.
- An increasing belief that it is important to research the safety of a car before making a purchase.

- Interest in having ANCAP ratings displayed on all new vehicles has remained high and consistent, at 85%.

When consumers were questioned after the phase 2 program:

- Almost nine in ten recalled information about both the car's safety rating and basic safety features.
- The campaign had a strong impact with half believing they would purchase a four or five star rated car after seeing the program.
- Interest in having ANCAP safety ratings displayed on all new vehicles had raised to 89%.

Online measurers

The Stars on Cars program effectiveness was measured on the increase in web visits over the inception of the program.

When questioned in the survey, it was observed that consumers found the internet useful as a source of information 57% when researching a new vehicle in the pre pilot program, but this increased to 65% after the pilot program. Therefore the internet is a strong tool in this program to educate consumers with our safety message. The visits to the ANCAP website and the Stars on Cars DPTI website, and also click through rates of the internet advertising were measured.

It was discovered:

- During the pilot program, February and May 2011, there was an increase of 48% in visits to the ANCAP website by South Australians compared to the same period last year.
- During phase 2, October and December 2011, visits to the ANCAP website by South Australians increased by 62% compared to the same period last year.
- The internet advertising component of the campaign delivered 313,316 impressions with a good industry standard click-through rate. A total of 220 users clicked on our Stars on Cars image, taking them through to the ANCAP website.

Sales Statistics

During this decade, the proportion of five-star ANCAP rated vehicles has more than quadrupled, while the proportion of cars achieving three stars or fewer has dropped by more than 33 per cent (Car Advice, 2010).

During the 2010/11 financial year, ANCAP released 47 vehicle crash test results; 72% were awarded a five-star safety rating, 17% a four-star safety rating and 11% a three-star safety rating. However, new vehicles continue to be available to the South Australian public with crash test ratings awarded in previous years, or are vehicles which are yet to be crash tested by ANCAP. For example, vehicles such as the Proton Jumbuck with a one-star ANCAP crash test result (awarded in 2010) are still available for the South Australian public to purchase in 2011. Therefore we need to educate consumers to make an informed choice when they decide to purchase a new vehicle.

4 and 5 star sales in SA

- South Australia was slightly ahead of the national average of proportion of 4 and 5 star vehicles sold during the first quarter of 2011 with 70% (10,381) of vehicles sold in SA

compared to 69.7% (241,644) sold nationally.

- Second quarter statistics were consistent, with SA recording 71% of vehicles sold with 4 and 5 star vehicles (10,615), slightly ahead of the national average of 69% (239,687).

5 star sales in SA

- In 2010, 40.9% of new cars sold in South Australia were 5 Star. In 2011 this figure for South Australians had jumped to 49.4%, ahead of the national average.
- The number of 5 star vehicles purchased in South Australia from October – December 2011 represents 79% of new vehicle sales in South Australia (compared to 70% in the previous quarter) and a higher percentage than 4 and 5 star cars sold nationally (76%).

Conclusion

It was found that the Stars on Cars program was successful in achieving its objectives, and that the methods of communication used were effective.

Evaluation showed that it was effective in raising awareness of new vehicle safety features and their importance, and raising awareness of the ANCAP star safety rating system, among dealership staff and consumers. The program also resulted in improved knowledge among dealership staff of new vehicle safety features.

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