

The rise of the 24-hour digital showroom

 By [Lauren Hartzenberg](#)

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From a 24-page magazine in 1992 to a trusted digital showroom with a loyal online community, [AutoTrader](#) has come a long way in 23 years. We interviewed George Mienie, AutoTrader's CEO, to find out about this transition and what they've discovered about the buying habits of today's digital consumer.



George Mienie

■ *How has AutoTrader South Africa grown since its inception?*

George Mienie: A lot can change in 23 years! The magazine in 1992 cost 50c and comprised 24 pages. Now 23 years later, we have transitioned to a digital giant with thousands of sellers, 70,000 vehicles and 3m visits a month. The migration to digital was slow at first in 2008, but by 2013 gained momentum. The fact that we have recently stopped publishing our free regional magazines and launched a world class fully mobile responsive website last year, shows how the game has changed since we started.

■ *What sets AutoTrader apart from competition?*

Mienie: Trust and quality content. Trust has been built through transparency with car buyers. Our business model puts the buyer and seller in direct contact with each other with no transactional barriers, making the buying process easy. The seller's full contact details including telephone numbers and address are listed. Our research shows that due to the transparency and giving online car shoppers the ability to compare cars online, has aided in car buyers shortening their 'short-list' and going directly to the dealership without phoning or emailing.

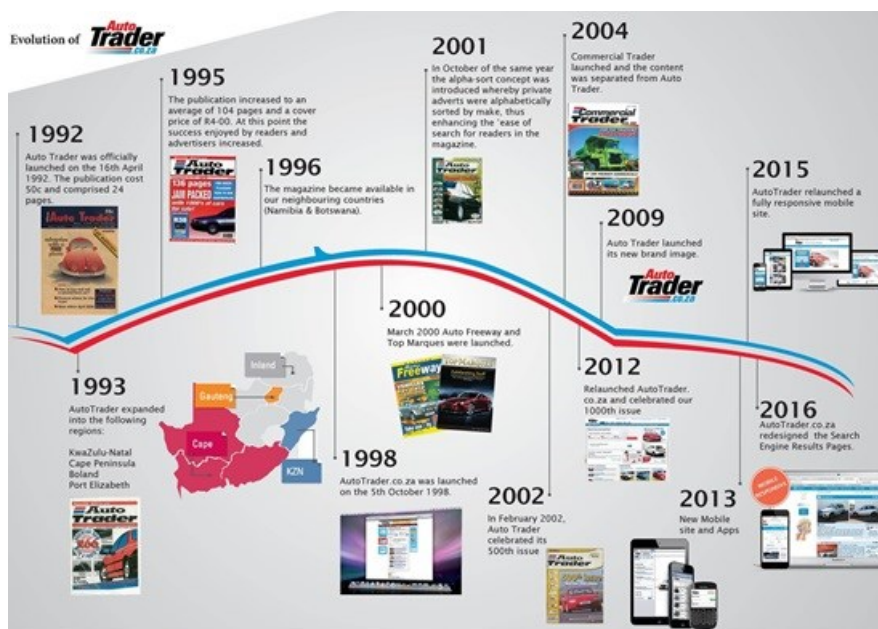
Effectively, the purchasing decision is moving more and more online. Our millions of potential buyers have remained loyal as we continue to evolve our consumer offering and this relationship has given us access to deep insights into understanding car buying behaviour. Producing world class quality content sets us apart and is difficult to copy.

■ *Based on observations at AutoTrader, how has the digital consumer's buying habits changed in SA in recent years?*

Mienie: Today's car buyers are smart and want instant access to information about a car to ensure they are not missing out on a good deal. This means that the trend online has shifted. A few years ago, car buyers would email the seller and in recent years call the seller to ask questions about the car. In 2016, independent research has proven that 62% of

consumers are doing their car research online, shortlisting and then simply walking into a dealership without prior contact.

Consumers are also visiting fewer dealerships than before as they can do their research and comparison shopping online. People are also mobile and want to be able to shop for a car while at work, in their car, in a dealership or at home anytime, anywhere. The increase in smartphone penetration in South Africa means a business needs to be accessible 24/7. Our site acts as a 24-hour showroom for our advertisers and can be accessed on a mobile phone, tablet or desktop. Being fully mobile responsive also means that no matter which device, the car buyer gets the same experience.



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■ **Last year you introduced a ‘new car’ section to your site. What has feedback been like, especially considering the decline in new car sales?**

Mienie: Despite the swing to used cars a percentage of car buyers on our site are in the market to buy a new car and we have met that demand and have over 3,500 new cars listed on our site currently. Buying a car is the second biggest investment in many people's lives, so part of the car shopping journey is research. Along with new cars we also launched our research and comparison tools and content hub which gives car buyers all the information, expert video reviews and tools to comparison shop and find the car that's right for their lifestyle and their pocket.

These sections of the site have seen a considerable amount of traffic since the launch. Despite the recent recession in new car sales in South Africa, we have seen new car revenues double over the last year, proving that the car-buying consumer comes to AutoTrader for both new and used cars.

■ **What are the biggest challenges associated with running an online motoring marketplace in SA?**

Mienie: Being number one means always blazing the trail to the future and that's just the way we like it. It's easy to follow but much more difficult to lead. We find competitors copying AutoTrader but not really innovating. The market is always changing and to be successful you have to identify key trends, invest in research to understand your customers and have measurable outcomes to ensure you always stay in the lead.

■ **What are your expansion plans, if any?**

Mienie: Expansion for AutoTrader means constant innovation. We will continue to offer world-class market leading solutions for buyers and sellers of vehicles and as always we have exciting product diversification, launches and marketing campaigns ahead of us.

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