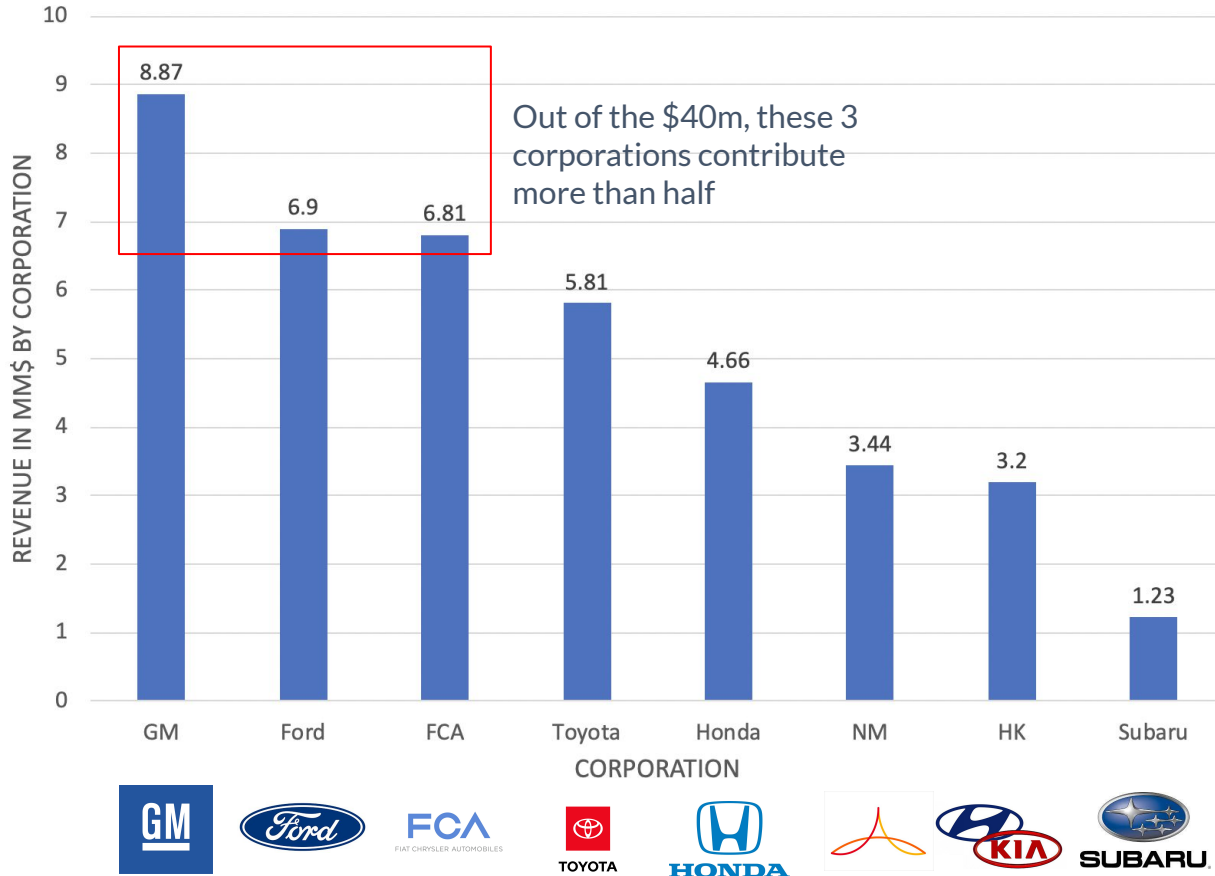# Monro Automobile and Consumer Analysis

Team Monroon 5 : Yueqing(Amiee) Yang, Sanket Gomase, Xueqing Hou, Ziting Liao, Meng Guo

# Top Performing Vehicle Companies Analysis

8 major vehicle corporations make up 80% of Monro's revenues

Out of the $40m, these 3 corporations contribute more than half

❏ Owners of cars from these 8 corporations have brought in **$40m** revenues for Monro in past 6 years

Each corporation has a similar market share nationally and across Monro

Monro 8 major corporations market share comparison with US overall market share
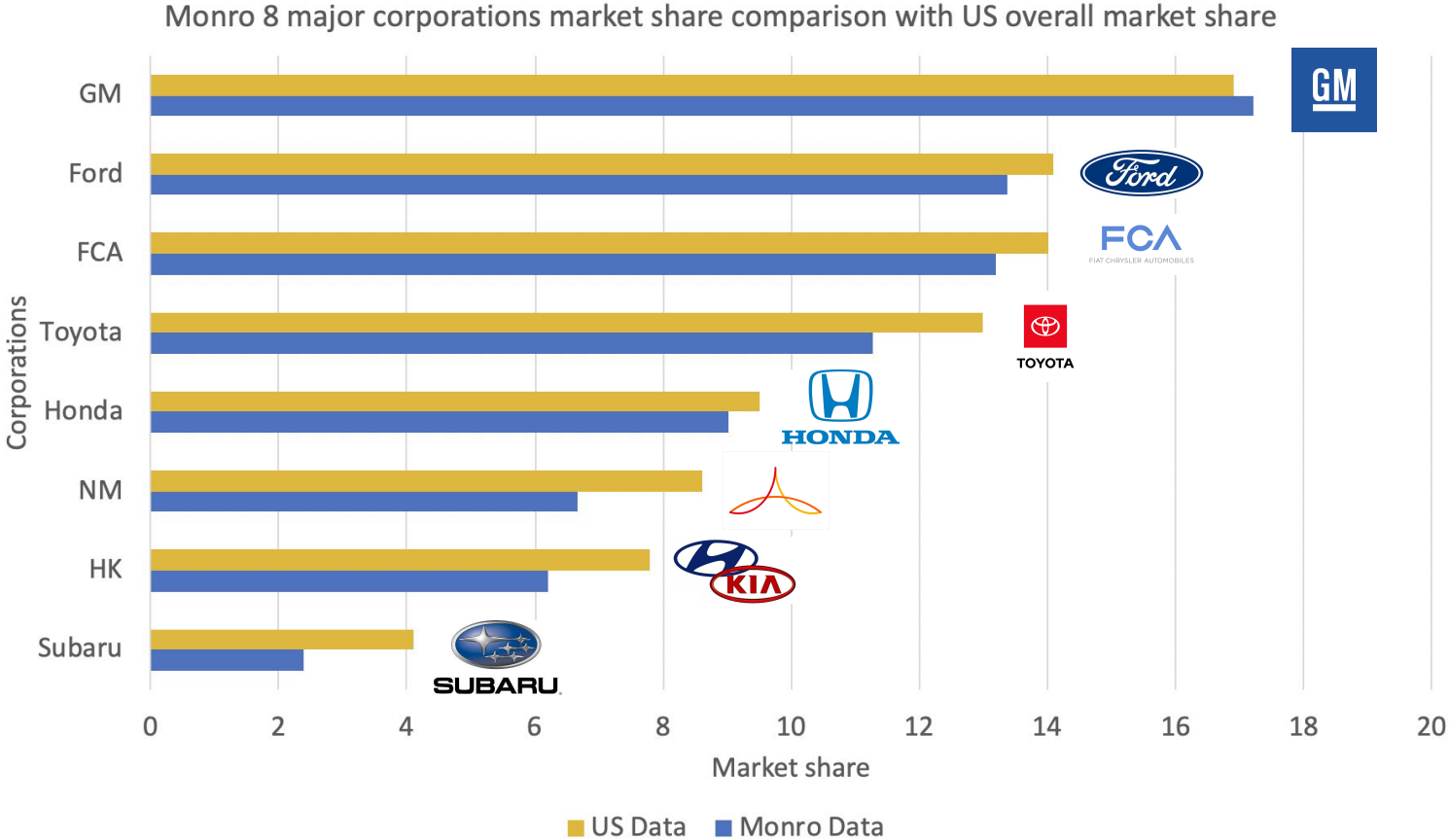
Car Type Analysis

SUVs and sedans generate the highest revenues

Minivan
Toyota Sienna

Sports car
Ford Mustang

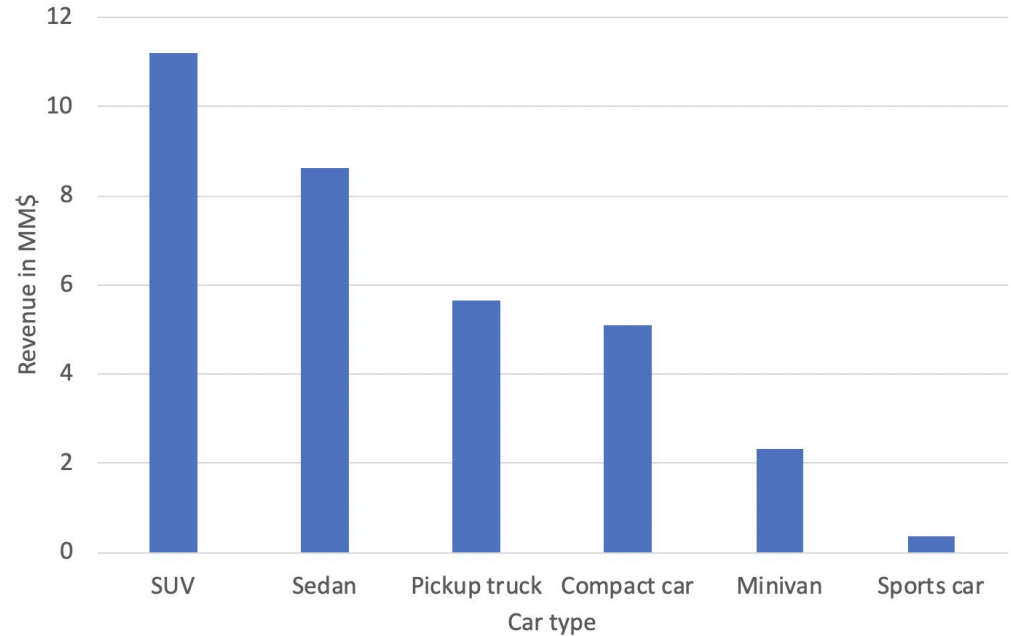**SUV**
Toyota Highlander

Sedan
Honda Accord

Compact car
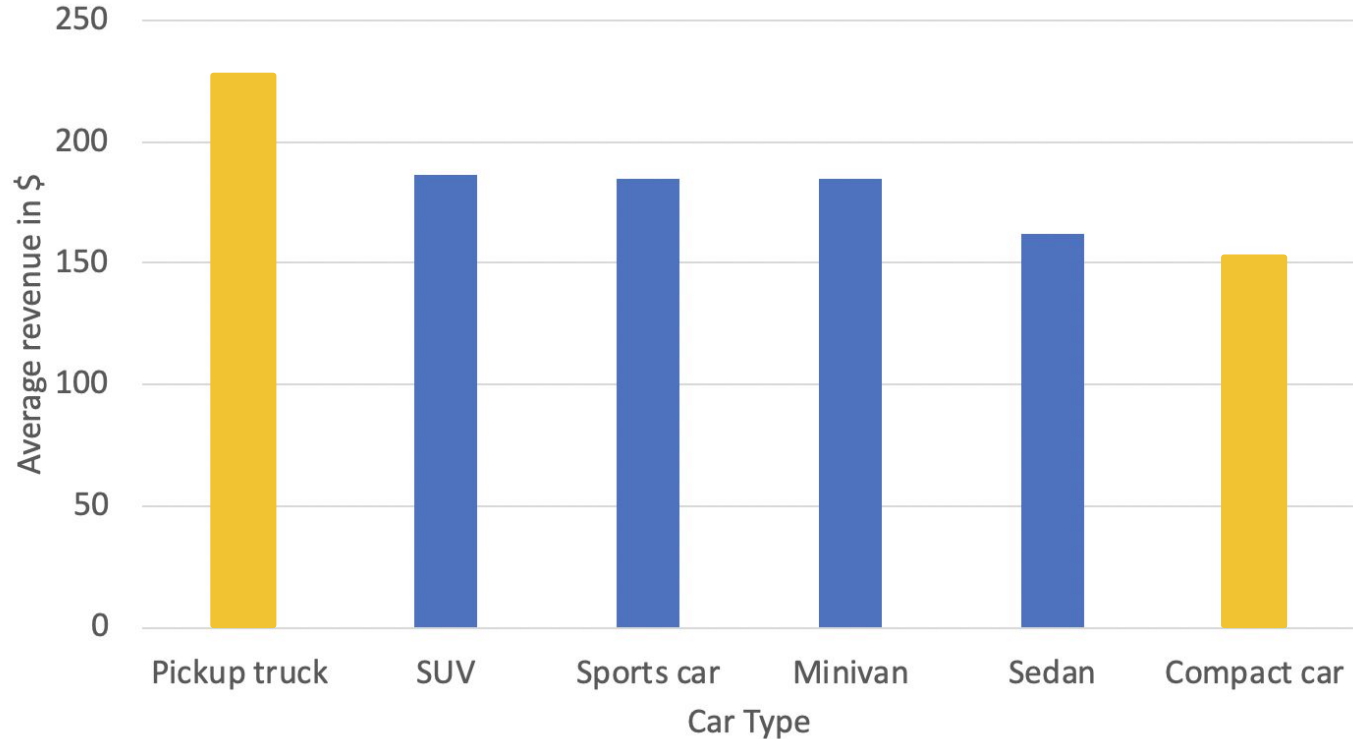Honda Civic

Pickup truck
Ford F-150

❏ SUVs and sedans alone constitute more than 60% of sales at Monro

Total revenue for 6 major car type in Monro

Pickup trucks owners contribute the highest average revenue while compact cars owners contribute the lowest

Average revenue for 6 car types in Monro

❑ **Pickup trucks** owners spend the most every time, but relatively less pickup trucks owners come to Monro

❑ Comparatively more **compact cars** owners come to Monro, but each of them contribute a small revenue

RFM Analysis (Loyal Car Type Analysis)

Characteristics of the most valuable car groups

❏ **RFM formula: 3*recency + 2*frequency + monetary**

❏ **Loyal customer is the person who comes to Monro recently, visits Monro frequently, and has a high willingness to spend**

Produced between 2010 and 2013

Produced By GM or Toyota

SUV or Sedan

Car Age

Car Company

Car Type

Appendix 1

GM and SUV have the highest number in loyal car group

- 16.28% of Monro's loyal consumers owned Toyotas
- Monro should focus on Toyota SUV owners
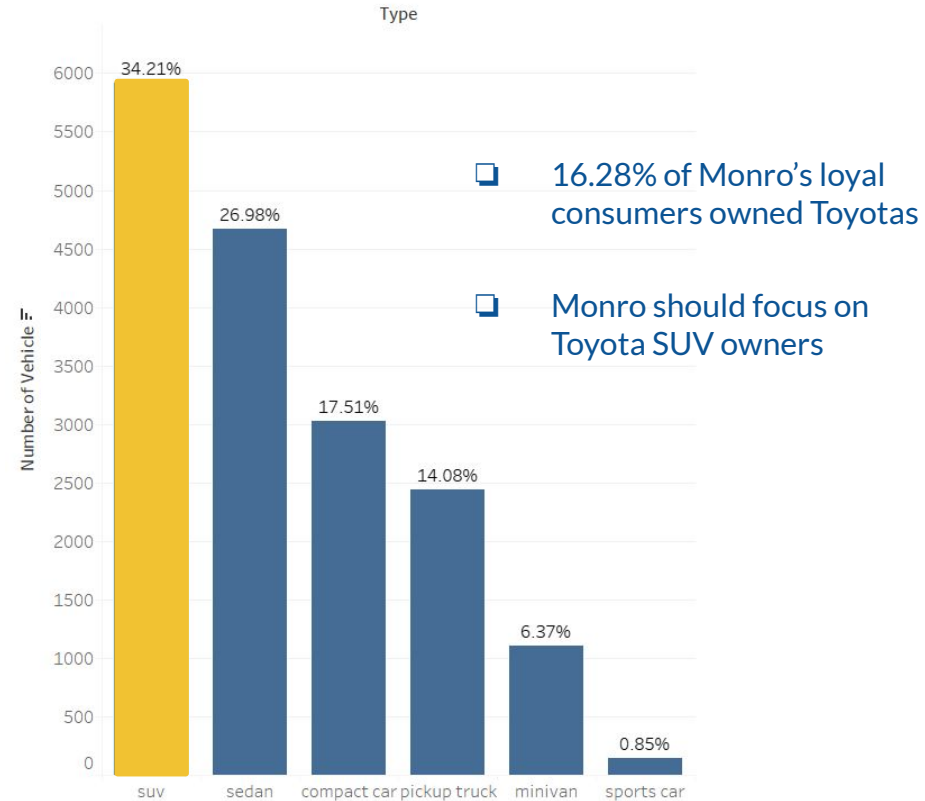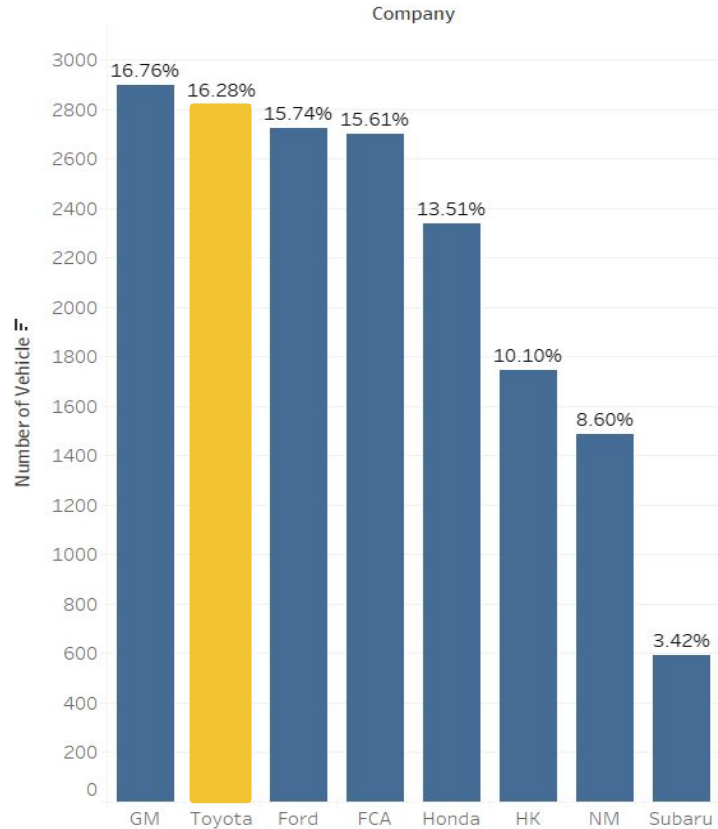
NY, PA and OH have more loyal customers

Number of loyal cars in each state
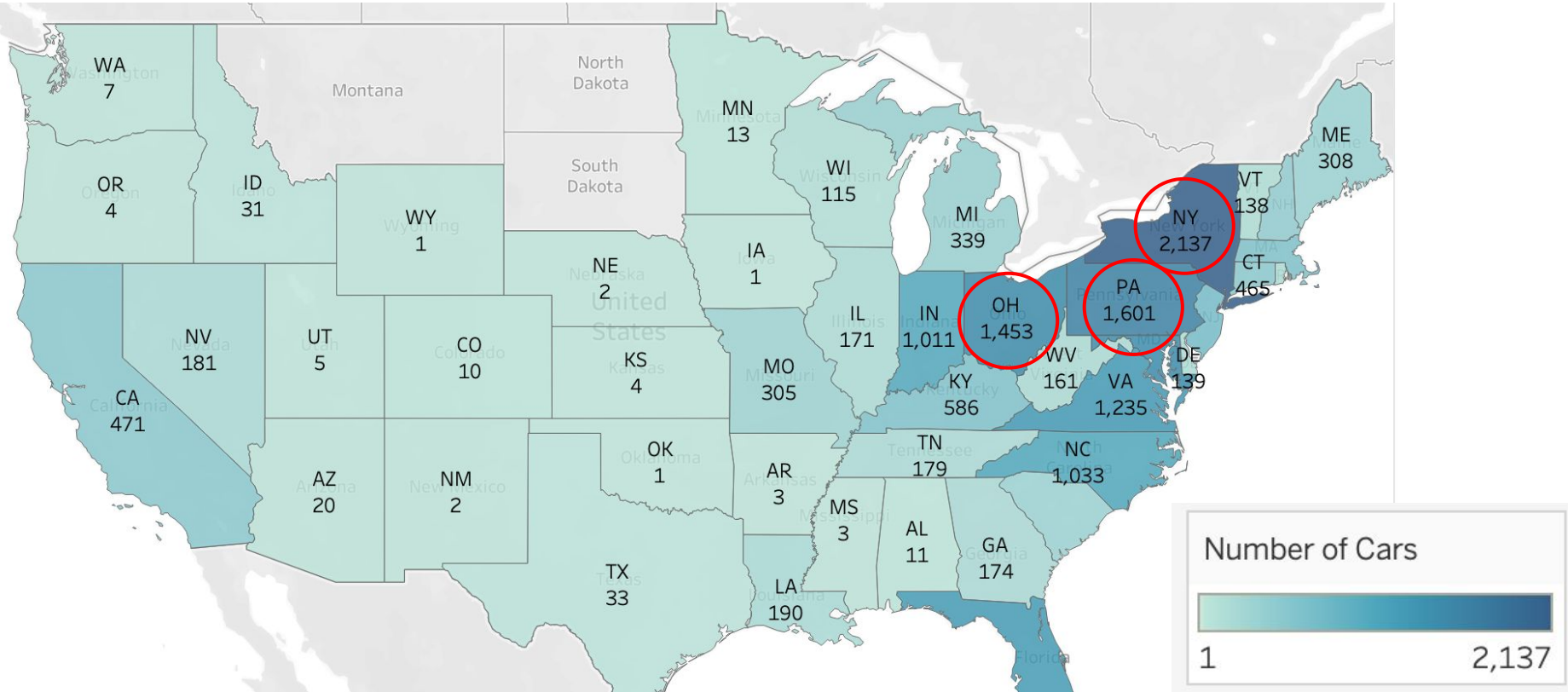
Loyal SUV and pickup owners increased most in 2018

Number of loyalty cars come to Monro each year

❏ **Monro should focus on SUV and pickup truck owners**
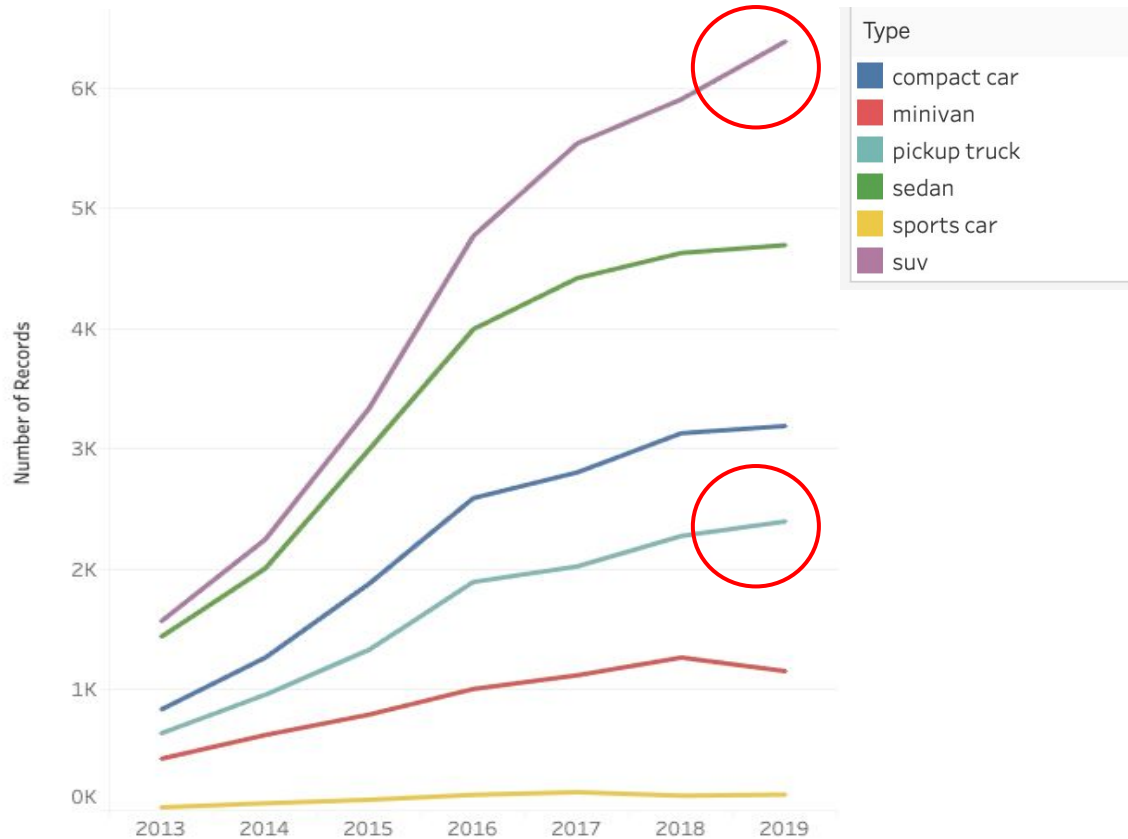
Loyal/Valuable Car Type Customer Persona

Appendix 2-11

Our main customers are males for all six car types

Gender distribution of Monro customers

Distinct count of Invoice Id

Distinct count of Invoice Id

Gender
- Corporation
- Female
- Male
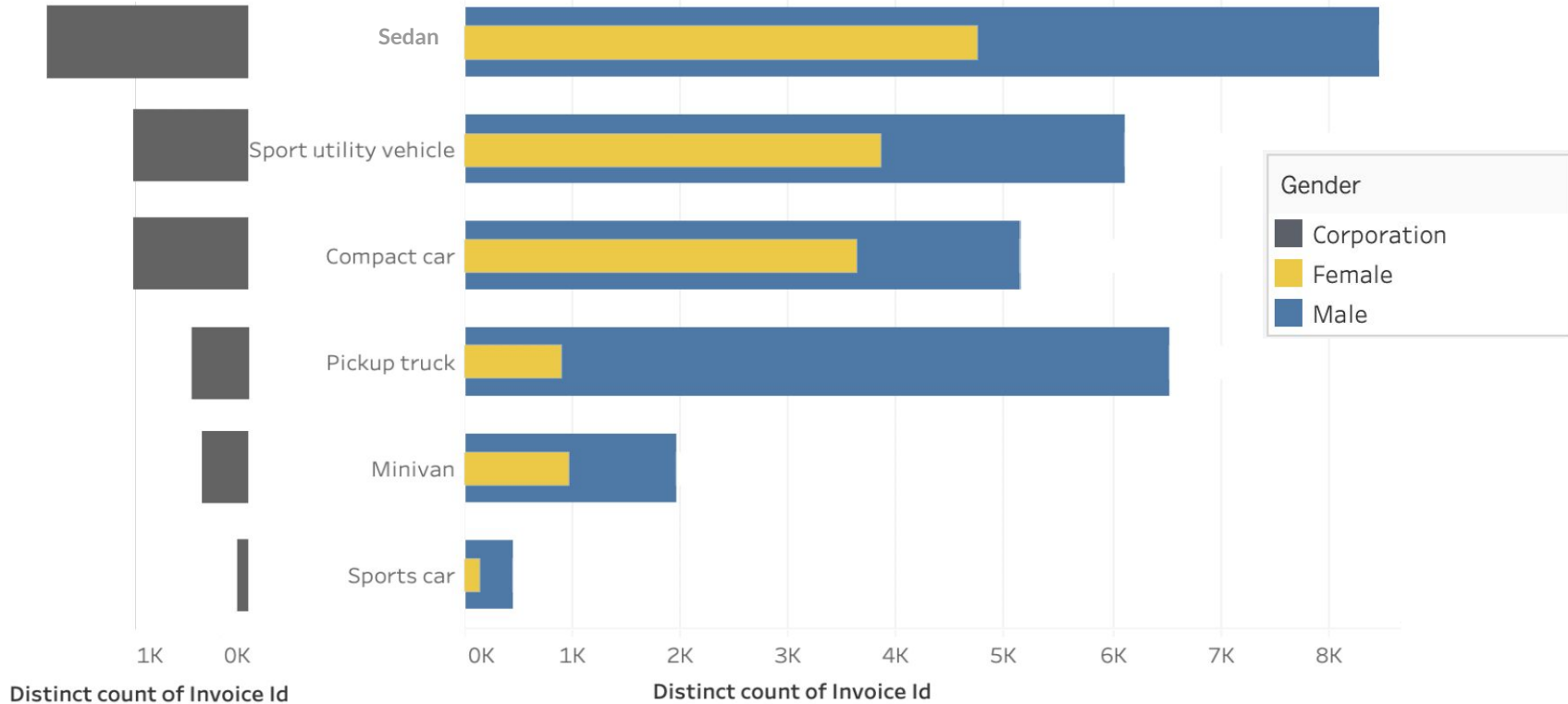
Valuable car type: SUV target consumer profile

60%   40%

Gender

Age

25-44   45-64

SUV

Education

College degree
or higher

**Household
Income**

**Household
Size**

$75,000-$249,999

1-3

Source: Mintel
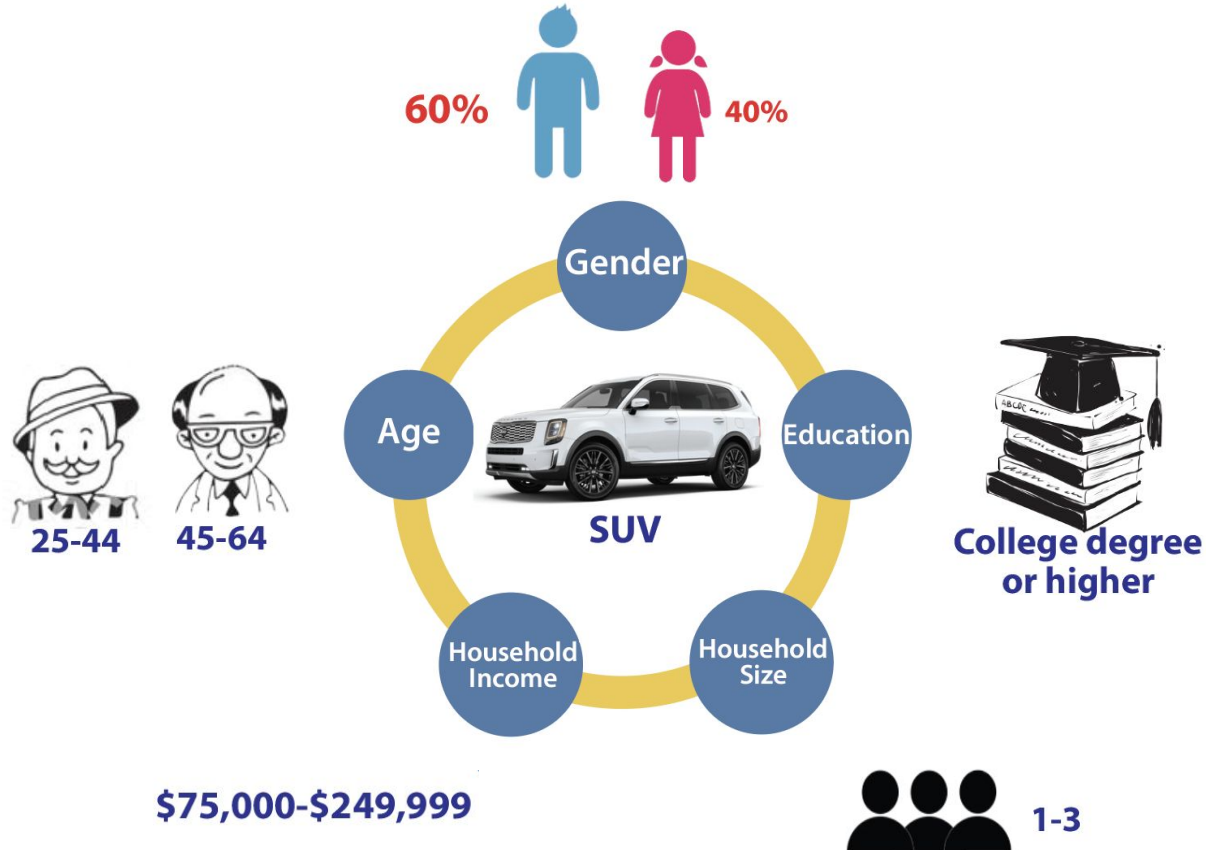
Valuable car type: sedan target consumer profile

65% 35%

Gender

Age

18-34

35-54   55+

Education

College degree
or higher

Sedan car

Household
Income

Household
Size

$25,000-$249,999

1-3

Source: Mintel
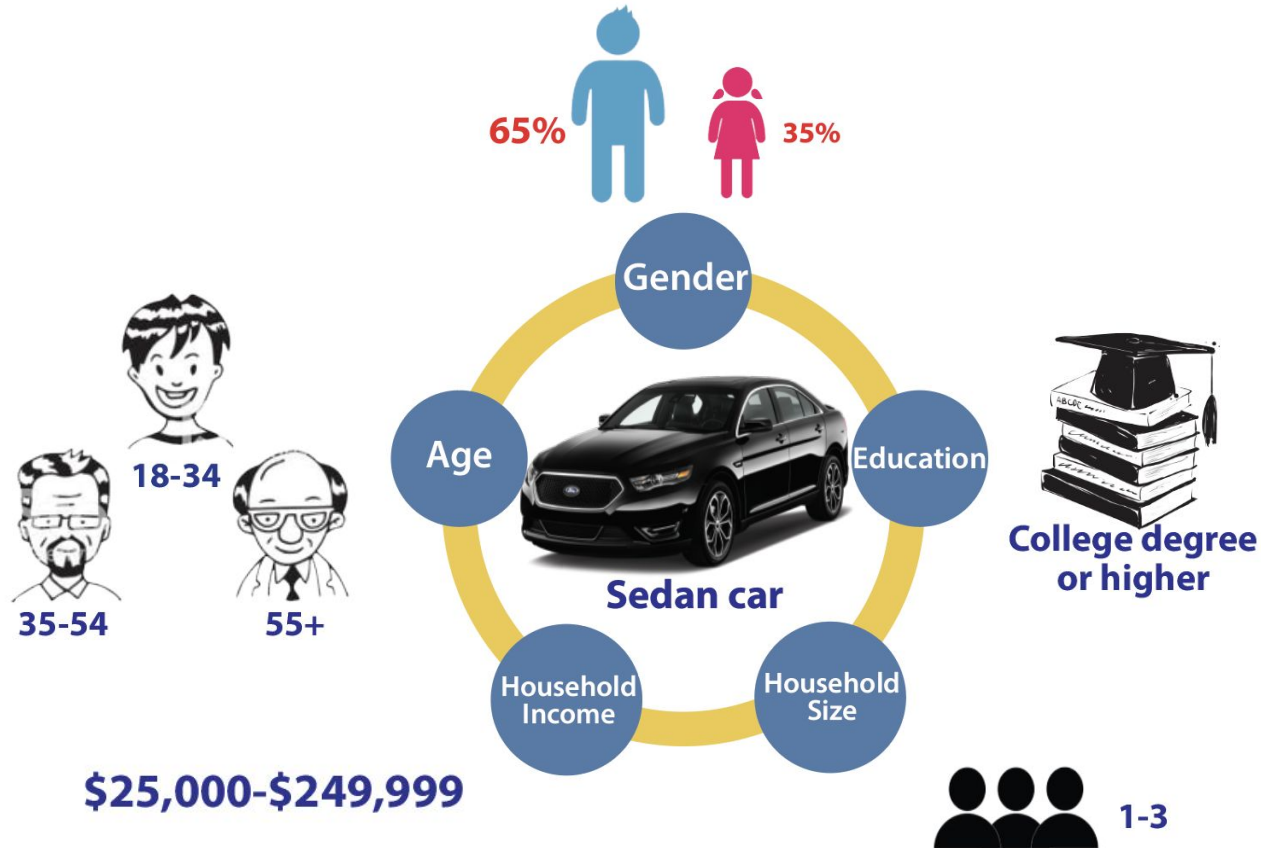
Valuable car type: pickup truck target consumer profile

87% 13%

Gender

Age

25-44   45-64

Education

High school, associate's and college degree

Pickup Truck

Household Income

Household Size

$25,000-$149,999

>=3

Source: Mintel
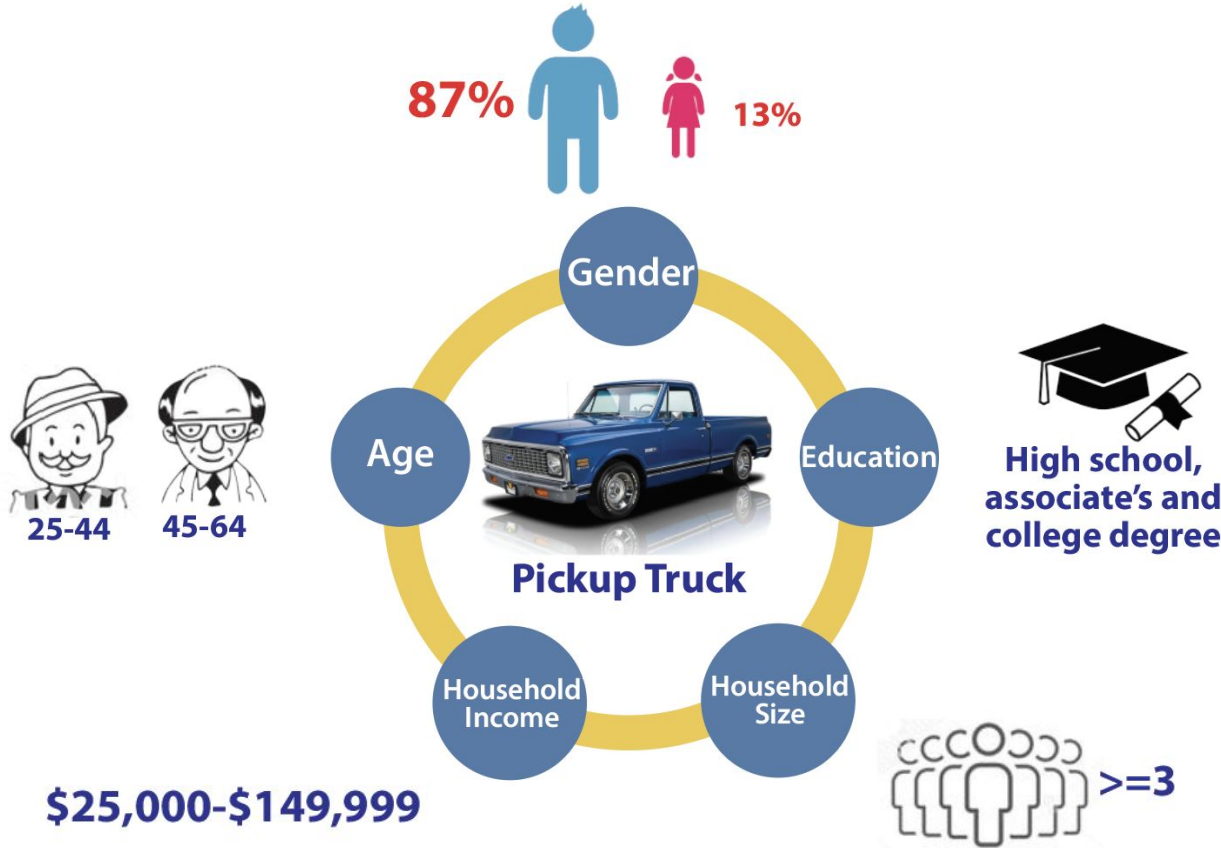
Marketing and Promotion Strategy Recommendations

Appendix 10-11

Monro Customer Journey Map

	Awareness	Research	Compare	Decision
Activities	• Student: email campaign, friend refer • Business man: email, mail, organic search	Compare and evaluate different auto services	Services comparison, review comparison, store facility comparison	Automobile maintenance
Touchpoints	Social media campaign, word-of-mouth, online search, advertising	Website, social media, online review, friends recommendation	Physical store, website, social media	Physical store

❏ Focus on touchpoints to improve brand awareness among target consumers
❏ Focus on touchpoints to reach out to target consumers

Appendix 10

Recommendations on improving customer acquisition and retention

Brand Awareness	Customer engagement	Customer experience improvement
1. **Email campaign**: collaborating with high school and colleges 2. **Direct mail**: SUV, Sedan - 1-3 household size Pickup truck - >3 household size 3. **Google search improvement**: Search Engine Optimisation (SEO) 4. **TV shows collaboration**: Amazon originals such as The Grand Tour	1. **Car advice blog**: - Inform target consumers about special offers - Educate consumers about vehicles, and remind them about car needs 2. **Social media marketing**: creating Instagram account and Youtube channel - Coupon and special offers - Influencer and car club cooperation - Link to car advice blog - Recommendation for maintenance	1. **Launching customer loyalty programs:** free oil change or other repair service for loyal consumers 2. **Service reminder:** sending email and texts to loyal consumers

Summary and takeaways

Add this part in MS PowerPoint

MONRO INC.

Monro Automobile and Consumer Analysis

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Appendix

Appendix 1: RFM model result

❖ Score sheet of RFM

Days since last visit	Score
< 446 days	5
< 931 days and > 446 days	4
< 1467 days and > 931 days	3
< 2041 days and >1467 days	2
>2041 days	1

Visit times in the past	Score
1 time	1
2 times	2
3 times	3
>3 times	4

Total money spend	Score
<$29.33	1
<$84.196 and >$29.33	2
<$258.07 and >$84.196	3
<$676.58 and >$258.07	4
>$676.58	5

Appendix 2: Compact Car Target Consumer Profile

Gender: 58% male, 42% female

Age: 50% 25-44

Education: High school or Associate's degree 45%; College degree or higher 55%

Household Income: $25,000-$149,999

Household Size: 1-3 55%; >3 45%

Compact car
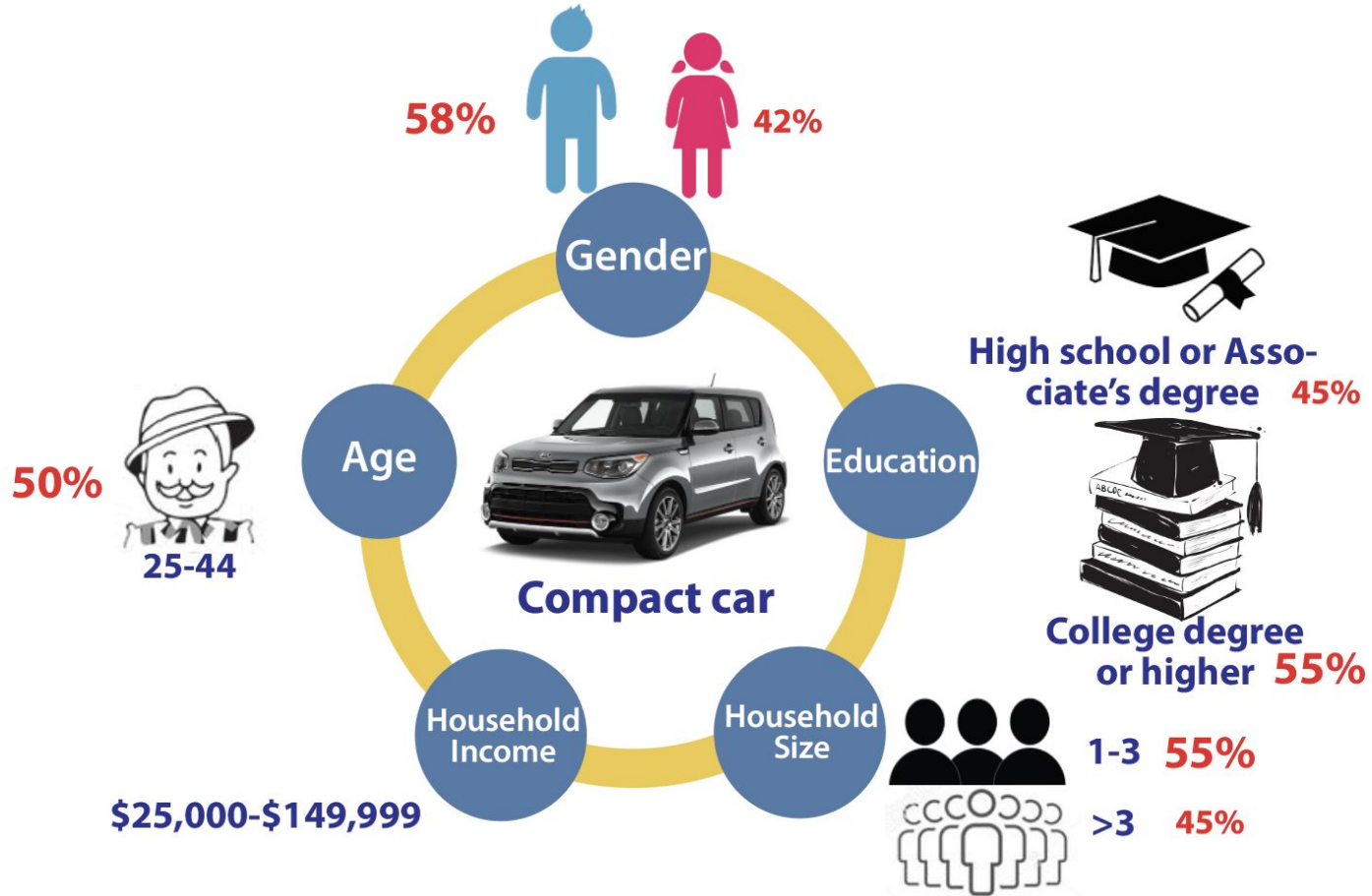
Appendix 3: Pickup Truck Target Consumer Profile

Gender: 87% male, 13% female

Age: 25-44, 45-64 — 60%

Education: High school, associate's and college degree 80%

Household Size: >=3 70%

Household Income: $25,000-$149,999

Pickup Truck
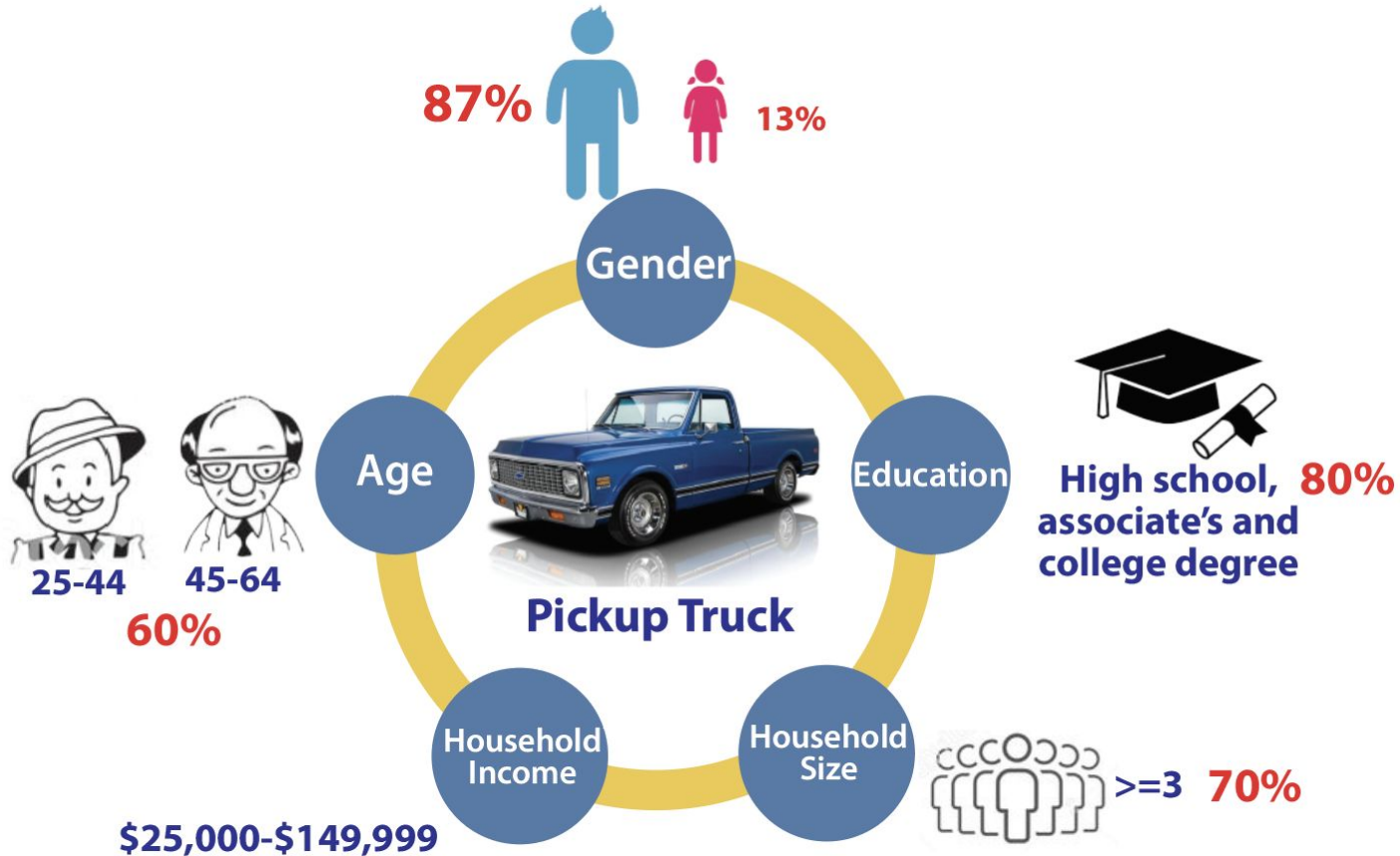
Appendix 4: Minivan Target Consumer Profile

Gender 50% 50%

Age 25-44 45-54 60%

Education High school or Associate's degree 55% — College degree or higher 45%

Household Income $25,000-$149,999

Household Size >3 80%

Minivan
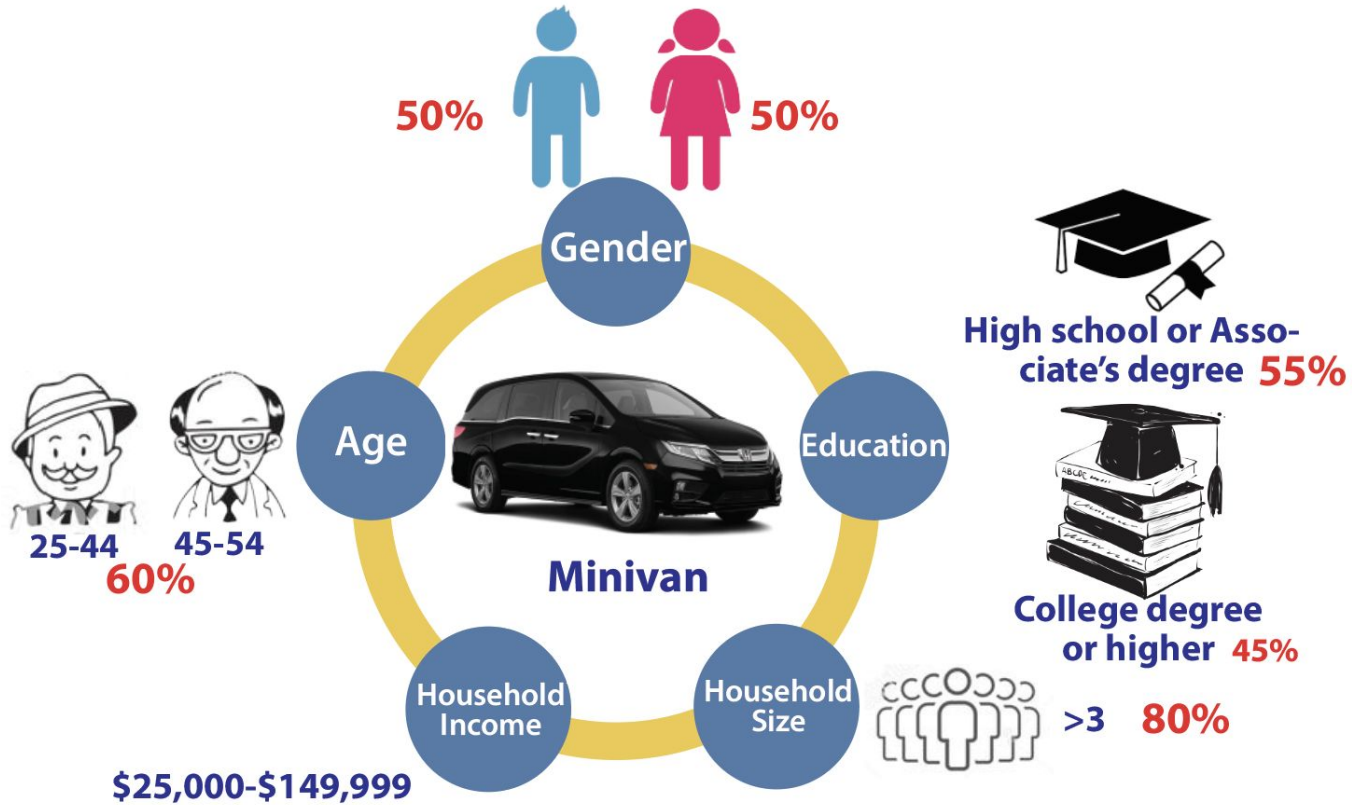
Appendix 5: Sports Car Target Consumer Profile

50% / 50%

Gender

Age
18-34
60%

Education
High school or Associate's degree
60%

Sports Car

Household Income
<$99,999

Household Size
1-3
58%
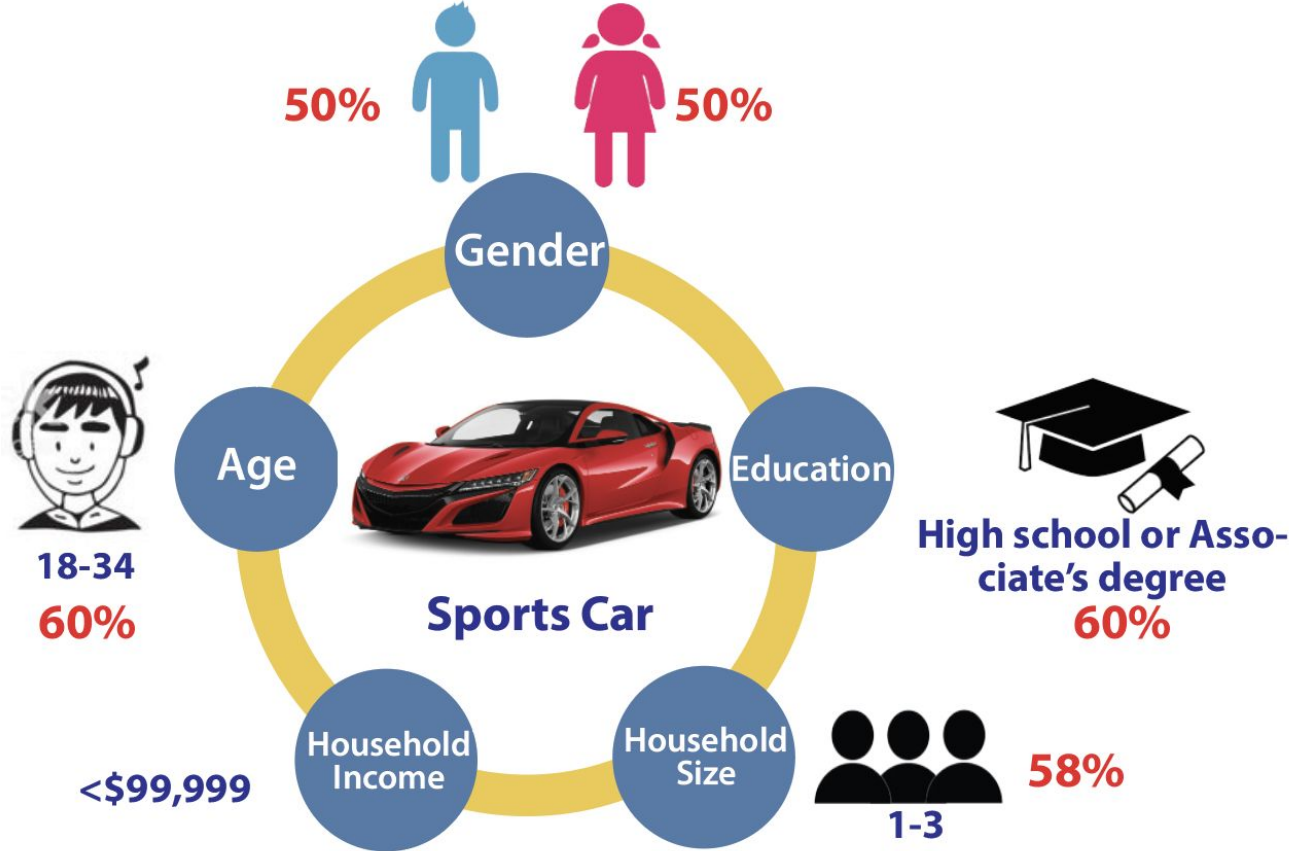
Consumer's education level break-down for six car types in the Automobile market
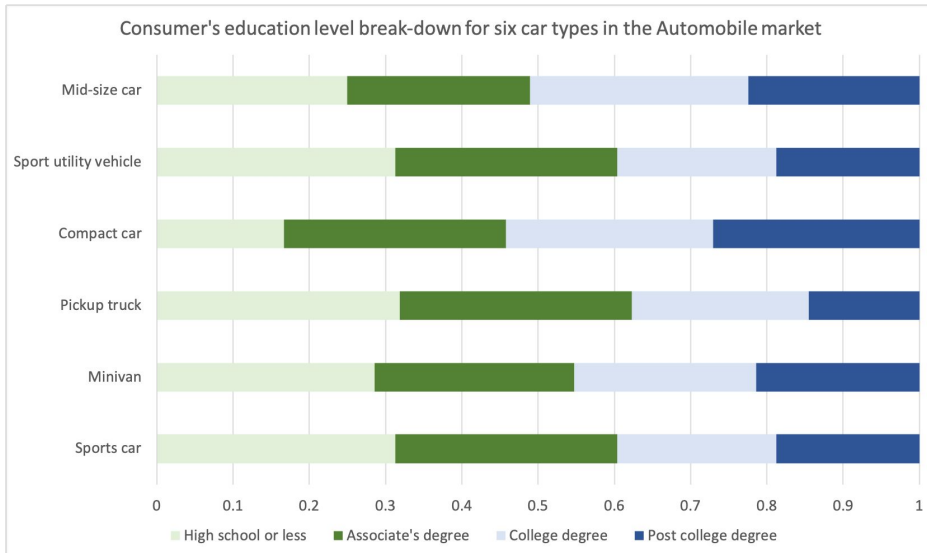
- ❏ One interesting fact is that more than 50% of the consumers for compact car are people who have college or post college degree. It might because people having a higher education level begin to earn money much later than people who have a lower education level, so they cannot afford a more pricey car yet.
- ❏ People with higher degree are businessmen or professors, they do not want to buy sports car to show off their money.
- ❏ People with higher degree are more likely to work in some big cities, SUV is not so useful in the big city because they are less fuel-efficient.

Source: Mintel

Appendix 7: Consumer's household size breakdown for six car types in the Automobile market

Consumer's household size break-down for six car types in the Automobile market
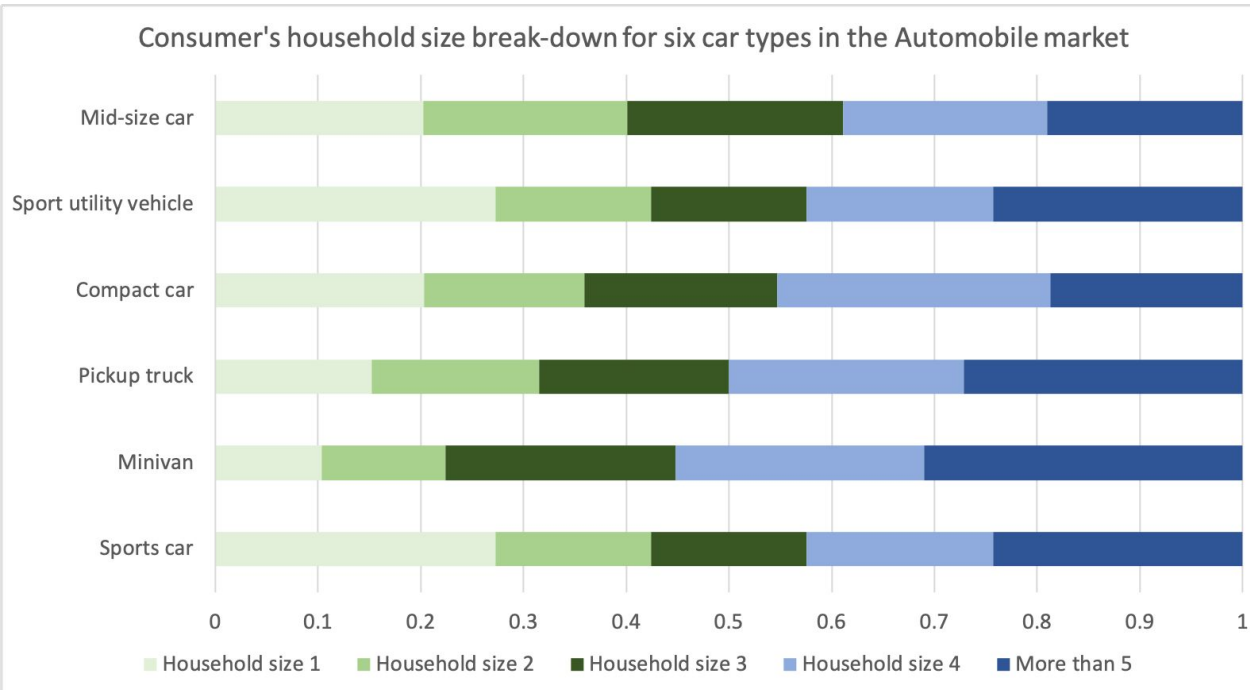
- ❏ Minivan is the most popular car type for household size larger than 5. Mainly because Minivan has higher capacity(commonly 8-passenger).
- ❏ Sports car is most popular for small household size(Household size 1), this is based on its capacity ability(commonly 2 seats, occasionally a 2+2 seat).

Source: Mintel

Consumer's household income break-down for six car types in the Automobile market
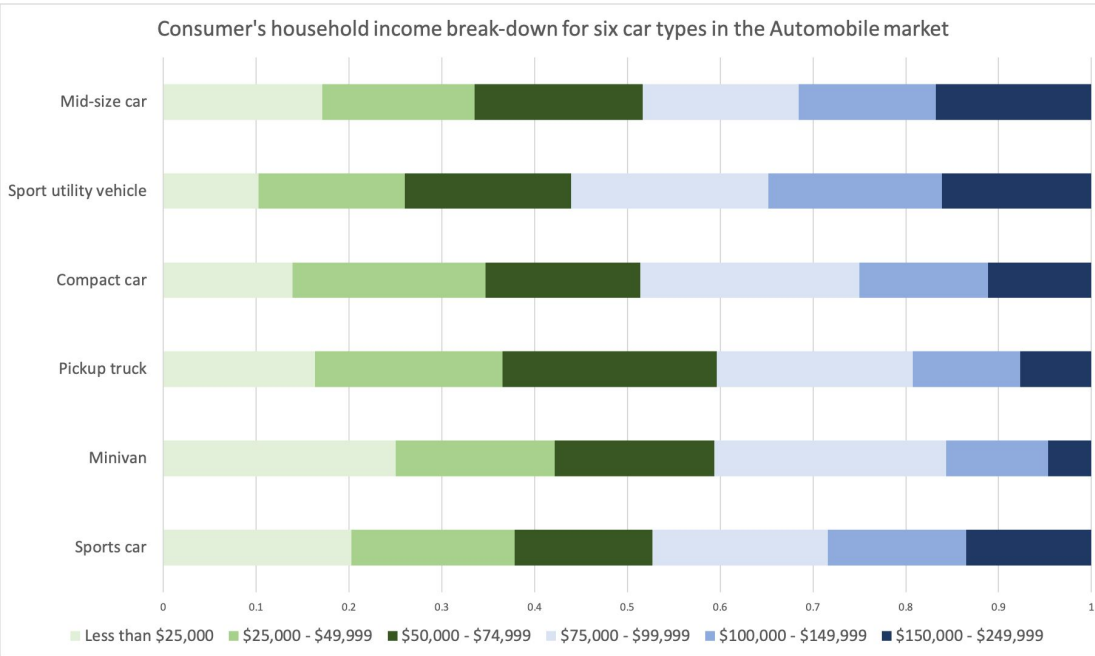
❏ Minivan is the most popular car type for low income household(Less than $25,000). Because Minivan is the cheapest car with large capacity, they are more popular among low-income family.

❏ Mid-size car, SUV, and Sports car are popular among high income household($100,000-249,999)

❏ Sports car is most popular among low income household. Because this people prefer to show off and some used sports car are not so expensive for them.

Source: Mintel

Appendix 9: Consumer's age breakdown for six car types in the Automobile market

Consumer's age break-down for six car types in the Automobile market

Legend: 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+
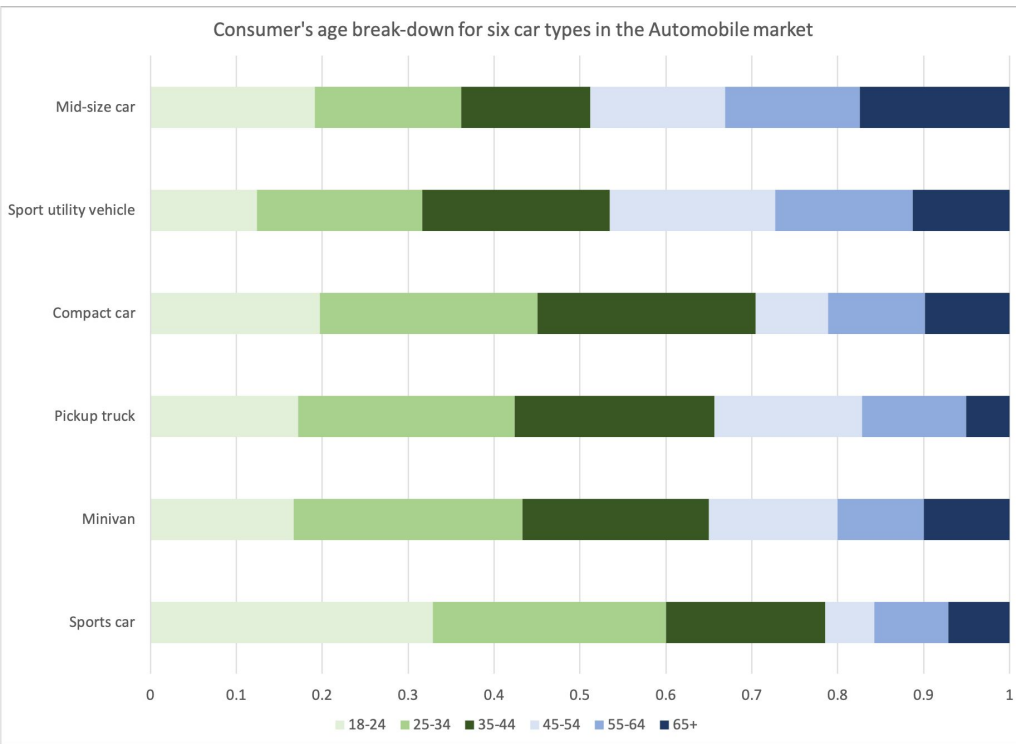
- ❏ 25-44 years old consumers are the main consumer group for all of the car types.
- ❏ Sports car is extremely popular among consumers aged 18-24.Because young people are like to show off, sports car are the smartest car and also the sports car can help the young people to attract other people's attention better.
- ❏ For people older than 65, they prefer Mid-size car. Because Mid-size car is the most common car among all car types and the Mid-size cars are at the different prices, the older men are more satisfied with mid-size car.

Source: Mintel

Appendix 10: Monro Customer Journey Map

	Awareness	Research	Compare	Decision	Delivery & Use	Impression	Loyalty
Activities	• Student: email campaign, friend refer • Business man: email, mail, organic search	Compare and evaluate different auto services	Services comparison, review comparison, store facility comparison	Automobile maintenance	Oil change, tire rotation, brake service, tune-up, alignment, tranmission work	Reviews, recommendatio(WOM), customer community(car advice blog)	Returned to Monro frequently, recommend to friends
Touchpoints	Social media campaign, word-of-mouth, online search, advertising	Website, social media, online review, friends recommendation	Physical store, website, social media	Physical store	Physical store, online appointment	Online review page, questionaire, Quora(Q&A platform)	
Emotions							
Goals	• Customer: find best auto maintenance service. • Business: Increase awareness& interests	• Customer: find best auto service. • Business: effective promotion strategies based on target consumers' persona	• Customer: find best fit to meet their needs. • Business: become the best choice for consumers	• Customer: find most convenient way to maintain their auto mobile • Business: choose Monro, provide satisfied services to consumers	• Customer: convenient • Business: increase brand loyalty	• Customer: service can meet their needs well • Business: positive review and satisfied service	• Customer: cash back(or other benifits) for providing recommendation • Business: increase customer acquistion and engage more customers

Appendix 11: TOP 3 Popular Social Media Platform: YouTube, Facebook, Instagram

	26-35 years	36-45 years	46-55 years	56+ years
YouTube	#2 71.2%	#2 66.5%	#2 65.5%	#2 57.5%
Facebook	#1 77.2%	#1 78.2%	#1 73.8%	#1 70.9%
Instagram	#3 54.4%	#3 49.1%	#3 41.7%	26.8%
LinkedIn	27%	33.5%	36.6%	29%
Snapchat	33.6%	18.3%	11.4%	4%
WhatsApp	18.4%	15.8%	12.9%	7.4%

Source: Statista