



**INTERNATIONAL
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INTERNATIONAL CARWASH ASSOCIATION®
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Dear Reader,

Welcome to the 2018 Australian Car Wash Consumer Study, produced by the International Carwash Association (ICA) in partnership with the Australian Car Wash Association (ACWA).

Since 1996, the ICA has been conducting consumer research to better understand car washing perceptions. In 2017, the ICA completed the first-ever study of the European market. Now, the ICA debuts its inaugural study for Australia.

With the rich context of studies across three continents, we are now able to evaluate consumer learning in a comparative fashion, unlocking deeper insight and even more meaningful applications.

Our findings from the 2018 Australian study led to an important discovery; although people in different parts of the world wash very differently, our underlying values are inherently the same. We exhibit behaviors, express emotions, and evaluate the wash experience similarly.

As the car wash industry continues to mature in global reach and sophistication, it is our hope that car wash owner-operators will leverage learnings from this report to better understand their customers, identify business-building strategies, and achieve even greater future success. Follow along as we explore this new world of opportunity for industry professionals to learn, share, and unite with one another across the globe.

Sincerely,
Eric Wulf, Chief Executive Officer
International Carwash Association, Inc.



QUANTITATIVE STUDY

Online survey fielded May 4-8, 2018

1,000 Australian respondents:

- 18 years or older
- Had to own, lease, or have a company-provided vehicle
- Total sample weighted to be representative of the Australian census

Key Areas of Learning

Incidence:

How has the mix of home versus professional car washing changed?

Value:

What do consumers most value in car wash services?

Barriers:

Why do consumers not wash (or wash more often) at a professional car wash?

Differentiation:

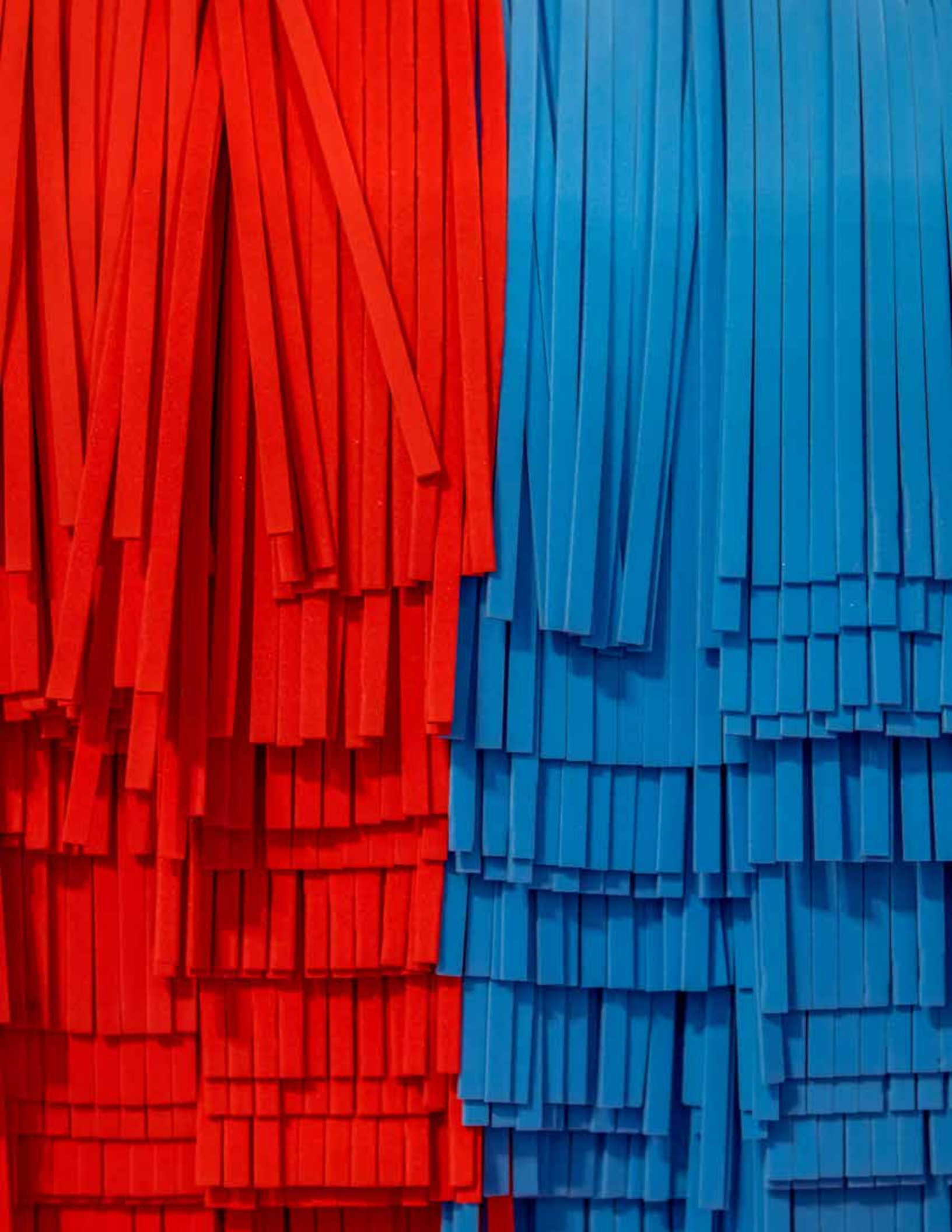
What factors influence consumer preference for one professional car wash over another?

Issues & Opportunities:

How might differences between countries help to unearth new opportunities for growth?

Notes to the Reader: Interpretation of Data

- *Percentages* are derived by dividing the number of responses per category by the total number of responses to the survey.
- *Top-Two Box Net*, or the percentage of respondents rating the aspect of a survey question a 4 or 5 (the top two options) is shown for questions where respondents were asked to use a rating scale of 1 to 5, with 5 being the highest score and 1 being the lowest score.
- *Statistically significant differences* between columns are noted in **RED CAPITAL LETTERS**, calculated at the 95% confidence level. *Statistically directional differences* are noted in **red lowercase letters**, calculated at the 90% confidence level.
- Due to rounding, not all columns add up to 100%.
- Please note that some data tables have smaller sample sizes, which means the data is relatively unstable compared to data with larger sample sizes. Please use with caution.
- Finally, some questions allowed respondents to choose more than one answer. Therefore, these percentages will not equal 100%.



STATE OF THE CAR WASH INDUSTRY

The vast majority of Australians, Americans, and Europeans wash their vehicles, with over 95% of respondents reporting that they washed their vehicle at least once in the past year.

However, where they wash is different across the board. Australians are the least likely to exclusively wash at a car wash (24%) and most likely to only wash at home (35%) among the three continents.

Customers who wash at a car wash (PRO) and also wash their car at home (DIY) are defined as “switchers”. Switching is evident in both Australia (41%) and the United States (40%), unlike Europe (16%), in which respondents were much more likely to wash exclusively at a car wash.

These facts underscore an important opportunity to drive overall car wash usage, reduce switching among current PRO washers, and foster greater PRO loyalty in Australia.

Which of the following have you done in the past year to wash your vehicle?	Australia A	United States B	Europe (6-country total)* C
Total	N=965	N=1534*	N=1709
PRO Only (only washed at a car wash)	24%	44% A	74%
PRO + DIY (washed both at a car wash and at home)	41% C	40% C	16%
DIY Only (only washed at a car wash)	35% BC	16% C	10%

*In this report, “Europe” and “6-country total” both refer to the summation of data collected for the six countries surveyed: France, Germany, Italy, the Netherlands, Poland, and Sweden.

Australians are significantly more likely to wash at home most often (54%) compared to those in the United States (30%) and Europe (14%).

Conversely, American and European washers are much more likely than those in Australia to wash at a car wash most often.

Which of the following have you done in the past year to wash your vehicle?	Australia A	United States B	Europe (6-country total) C
Total	N=965	N=1534	N=1709
PRO Most Often (washed at a car wash most often)	46%	70% A	81% AB
DIY Most Often (washed at home most often)	54% BC	30% C	14%

Washers from all three continents largely agree that washing at a car wash is less work, faster, and more convenient than washing a car at home. However, Australians are less convinced by the benefits of washing at a car wash instead of washing at home when compared to Americans and Europeans.

Please indicate whether you agree or disagree with each of the following statements: 5 point scale; Agree strongly/Agree somewhat	Australia A	United States B	Europe (6-country total) C
Total	N=1000	N=1606	N=1806
Washing a car at a car wash is less work than washing a car at home	86%	89% ^A	86%
Washing a car at a car wash is faster than washing a car at home	79%	86% ^A	85% ^A
Washing a car at a car wash is more convenient than washing a car at home	66%	78% ^A	83% ^{AB}
Washing a car at a car wash is more enjoyable than washing a car at home	57%	55%	66% ^{AB}
Washing a car at a car wash provides a better overall quality of wash than washing a car at home	52%	69% ^{Ac}	66% ^A
Washing a car at a car wash uses less water than washing a car at home	50%	60% ^A	62% ^A
Washing a car at a car wash is safer for the environment than washing a car at home	46%	59% ^A	70% ^{AB}
Washing a car at a car wash is a better overall value than washing a car at home	33%	51% ^A	58% ^{AB}
Washing a car at a car wash is safer for the car than washing a car at home	25%	37% ^A	51% ^{AB}
Washing a car at a car wash costs less than washing a car at home	17%	34% ^A	41% ^{AB}



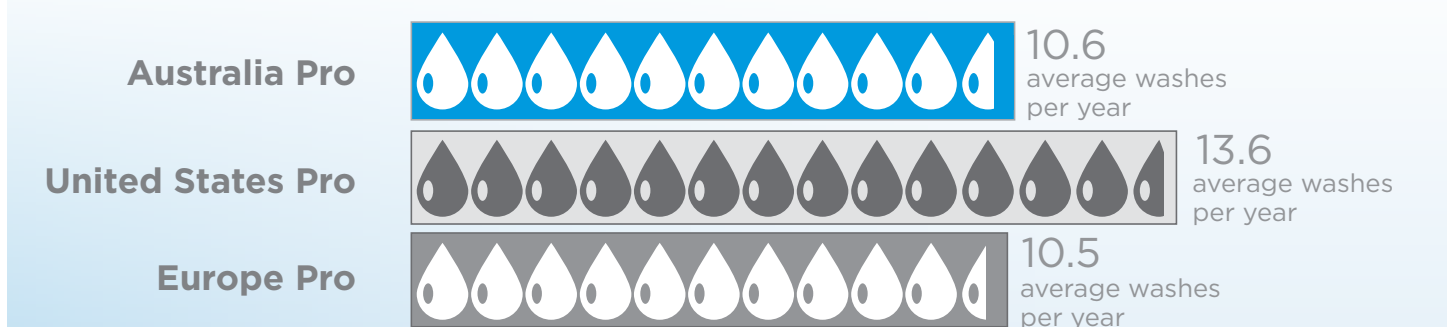
EMERGING OPPORTUNITIES

Not only do fewer people use a PRO wash in Australia, those who do also wash less frequently. Only 43% of Australians wash once a month or more often, compared to 53% in the United States.

On average, how often do you wash your vehicle at a car wash?	Australia PRO A	United States PRO B	Europe PRO (6-country total) C
Total	N=630	N=1281	N=1539
Only once a year	5%	4%	5%
Every six months or so	19% B	12%	17% B
Every couple of months	33%	32%	33%
Once a month	24%	26%	30% AB
A few times a month	16%	21% AC	13%
Once a week or more often	3%	6% AC	3%

On average, Australian PRO consumers wash only 10.6 times per year, compared to 13.6 in the United States. If all current Australian PRO washers washed just one more time in a year, it would increase wash count by 9.4%*. This is a well-defined business goal for car wash owner-operators to reach, and it will effectively lead to increased revenue, profitability, and loyalty.

Average number of washes per year among PRO washers



Totals: Australia N=630, United States N=1281, Europe N=1539

*SUM (Number of respondents each washed one more time) / SUM (total wash count) x 100.

Currently, Australians undervalue the benefits of PRO washing in comparison to washing at home. In order to drive increased penetration, usage, and profitability, owner-operators can further improve the value of PRO washing by increasing awareness and communicating the benefits of value-added services.

There is a clear divide in the importance placed on additional services among the three regions. Fewer than 52% of PRO washers in Australia consider any of the additional services extremely or very important. In fact, every additional service in Australia (and Europe) is considered far less important than in the United States.

In order to increase usage of value-added services in Australia, owner-operators must increase awareness and communicate the benefits of such services. This can be done by offering bundled packages or trial offers with complementary purchases, and tapping into the emotional benefits of having a superior exterior and interior look.



How important are each of the following additional services? (5 point scale; Extremely/Very important)	Australia PRO A	United States PRO B	Europe PRO (6-country total) C
Total	N=630	N=1281	N=1539
Wheel/rim cleaning	52% C	66% AC	44%
Wax or paint protectant	51%	59% AC	53%
Exterior polishing	48%	56% AC	47%
Interior cleaning	44%	60% AC	43%
Interior vacuuming (self-service)	42%	49% AC	39%
Interior vacuuming (done by someone else for me)	40% C	49% AC	31%
Underbody cleaning (of vehicle)	37%	62% AC	49% A
Tyre shining	30%	51% AC	33%
Vehicle hand/towel drying	28%	50% AC	33% A
Interior fragrances/air freshener	27%	35% AC	30%

Digital marketing represents an underutilized, highly targeted, and efficient outlet for driving top-of-mind awareness of PRO washing, the macro benefits, and the value of additional services. Digital marketing enables car wash businesses to reach target audiences at key moments of aperture, reminding customers of the emotional rewards that come from washing at a car wash.

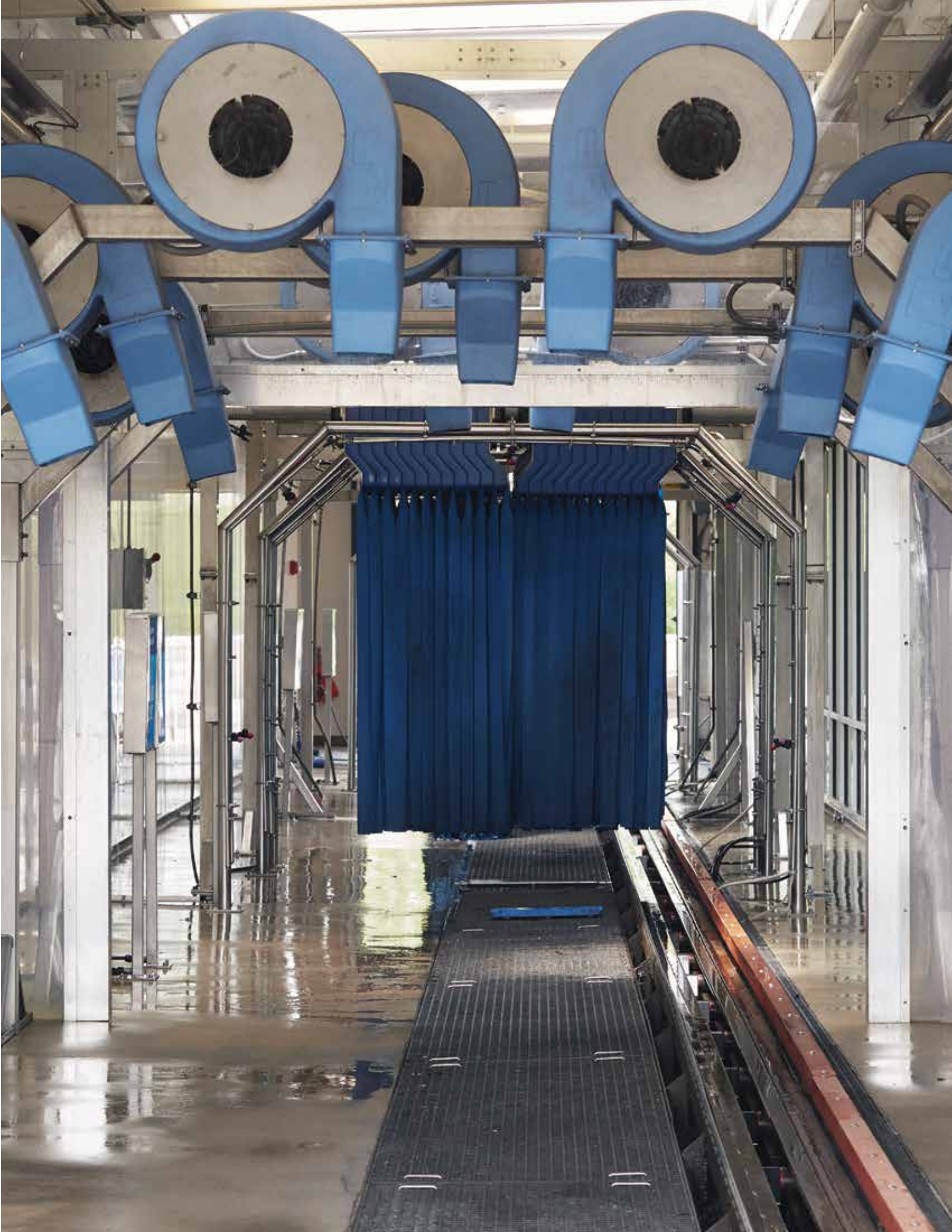
Across the three studies, the vast majority of all respondents do not receive any online communications or offers from car washes. Only 4% of Australians received online communications or offers from car washes in the past year, which pales in comparison to Americans (11%) and Europeans (15%).

Have you received any online communications or offers from a car wash in the past year?	Australia A	United States B	Europe C
Total	N=1000	N=1606	N=1806
Yes	4%	11% A	15% AB
No	96% BC	89% C	85%

However, among those who received email offers from car washes, Australians are significantly more likely to redeem them (51%) in comparison to Americans (31%) and Europeans (29%). This indicates unexplored potential in leveraging email as a way of communicating the higher-order benefits of washing at a car wash and delivering selective offers to drive trial and more frequent usage.

Have you used any coupons or offers from any of the following in the past year?	Australia Used A	United States Used B	Europe Used C
Total	N=37*	N=181	N=269
Email	51% BC	31%	29%
Facebook	24%	28%	34%
Car wash website	24%	25%	20%
Search engine (Google/Yahoo/Bing)	14%	15%	16%
Twitter	8%	17% a	19% A
Banner ad on a website	5%	7%	9%

*Caution: Extremely small sample size.



COUNTRY-SPECIFIC DIFFERENCES

PRICE SATISFACTION

There are significant distinctions between professional car wash users across the three continents when it comes to their level of satisfaction with the price they pay per wash. 63% of PRO washers in the United States are somewhat or very satisfied with the price they pay per wash, compared to just 50% in Australia and Europe.

Additionally, 23% of Australians are somewhat or very dissatisfied with the price they pay per wash, compared to just 17% in the United States and 16% in Europe. A reassessment of car wash pricing structures in Australia may be warranted.

How satisfied are you with the price you pay per wash?	Australia PRO A	United States PRO B	Europe PRO C
Total	N=630	N=1281	N=1539
Bottom 2	23% BC	17%	16%
Very dissatisfied	3%	3%	3%
Somewhat dissatisfied	20% BC	14%	14%
Neither satisfied nor dissatisfied	27% B	21%	34% AB
Somewhat satisfied	37%	40%	40%
Very satisfied	12% C	23% AC	10%
Top 2	50%	63% AC	50%



AGE OF VEHICLE

Australians are less likely to drive newer cars, as only 27% drive vehicles that are 3 years old or newer compared to 36% in the United States and 33% in Europe.

However, projected growth in Australian employment, disposable income, and car sales promises to usher in an era of new car ownership and evolving maintenance needs in Australia. Newer cars on the road will offer car wash businesses a chance to emphasize the role of professional car washing in keeping a new car looking new while preserving resale value.

How old is the vehicle (car, van, ute, or SUV/4x4) you drive most often?	Australia A	United States B	Europe C
Total	N=1000	N=1606	N=1806
Less than 1 year old	6%	9% A	8% A
1-3 years old	21%	25% A	25% A
4-5 years old	20% b	17%	22% B
6-9 years old	18%	17%	19%
10 years or older	35% C	32% C	26%

The chart below provides a summary of the major differences in car washing behavior between Australia, the United States, and Europe.

Area of Learning	Australia	United States	Europe
Incidence of washing in the past year	96%	96%	95%
Average annual PRO wash frequency	10.6x/ year	13.6x/ year	10.5x/ year
% of PRO only washers	24%	44%	74%
% of DIY only washers	35%	16%	10%
% who received online car wash communications in the past year	4%	11%	15%
Awareness of unlimited washing programs	6%	22%	21%
Ranking of overall experience among other retail service businesses	8 out of 10	5 out of 10	3 out of 6
Satisfaction with price per wash (extremely/ very satisfied)	50%	63%	50%

CAR WASH TYPE MOST OFTEN USED SEGMENTATION IN AUSTRALIA



Full-Service Most Often: Used a full-service car wash that pulls the vehicle on a conveyor while the equipment cleans the vehicle on the outside and the interior is cleaned manually

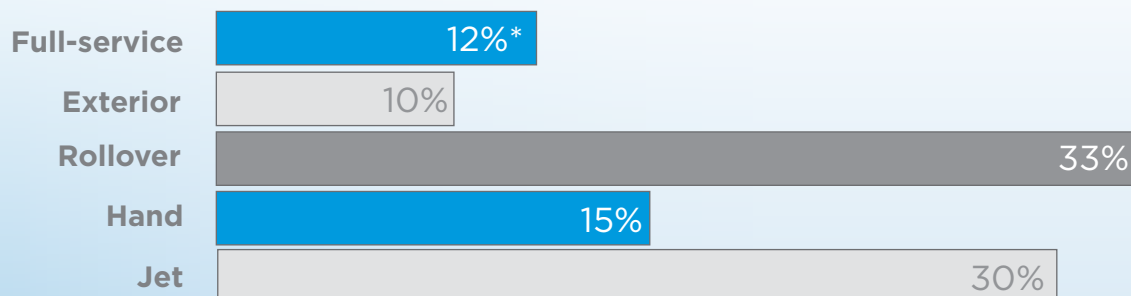
Exterior Most Often: Used a car wash that pulls the vehicle on a conveyor while the equipment cleans the vehicle on the outside and the interior is not manually cleaned

Rollover Most Often: Used a rollover car wash in which the vehicle is stationary as the machine moves around the vehicle

Hand Wash Most Often: Used a car wash where employees clean the vehicle by hand

Jet (Self-Service) Most Often: Used a jet wash (self-service) car wash (do-it-yourself with a spray wand)

Which ONE of the following do you use most often to wash your vehicle?



*All respondents in Australia who washed their vehicle in the past year but did not wash at home most often (n=444).



FREQUENCY OF WASHING AT A CAR WASH

Across users from all wash types, under 60% wash once a month or more often. Full-service wash users are the most likely to wash once a month or more often (59%), whereas rollover wash users are the least likely to wash once a month or more often (43%).

	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers	N=52	N=44	N=148	N=66	N=134
Once a year	0%	0%	3%	2%	2%
Every six months or so	15%	16%	13%	17%	12%
Every couple of months	27%	32%	40% ^a	29%	31%
Once a month	38% ^E	32%	30%	26%	23%
A few times a month	19%	18%	12%	23% ^C	25% ^C
Once a week or more often	2%	2%	1%	2%	6% ^C

WASHING ATTITUDES

Over 55% of users from all wash types view washing as an important and necessary part of routine maintenance. This finding is most evident with full-service washers.

	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers	N=52	N=44	N=148	N=66	N=134
Washing a vehicle is an important and necessary part of routine maintenance	69% ^c	59%	55%	61%	57%
Washing a vehicle is a discretionary purchase, but something that I like to do or have done for me	25%	18%	25%	29%	27%
Washing a vehicle is not that important and something I do only if I have the extra money and/or time	6%	23% ^{Ad}	20% ^A	11% ^{ac}	16% ^a

WASHING AT A CAR WASH VERSUS WASHING AT HOME

Among all wash types, car wash users in Australia strongly agree that washing at a car wash is less work, faster, and more convenient than washing at home.

	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers (5 point scale; Agree strongly/ Agree somewhat)	N=52	N=44	N=148	N=66	N=134
Washing at a car wash is safer for the environment than washing at home	71%	68%	69%	73%	70%
Washing at a car wash uses less water than washing at home	85% BC	57%	70% b	74% b	77% B
Washing at a car wash is less work than washing at home	90%	91%	99% ABde	95% e	88%
Washing at a car wash is more enjoyable than washing at home	79%	80%	77%	83% b	75%
Washing at a car wash is safer for the car than washing at home	50% E	36%	39%	55% bCE	34%
Washing at a car wash provides a better overall quality of wash than washing at home	88% BCE	66%	66%	88% BCE	68%
Washing at a car wash is a better overall value than washing at home	65% Ce	59%	47%	56%	51%
Washing at a car wash costs less than washing a car at home	52% BCDE	18%	26%	18%	29% d
Washing at a car wash is faster than washing a car at home	94%	91%	97% De	85%	69%
Washing at a car wash is more convenient than washing a car at home	94% be	82%	93% BdE	85%	85%

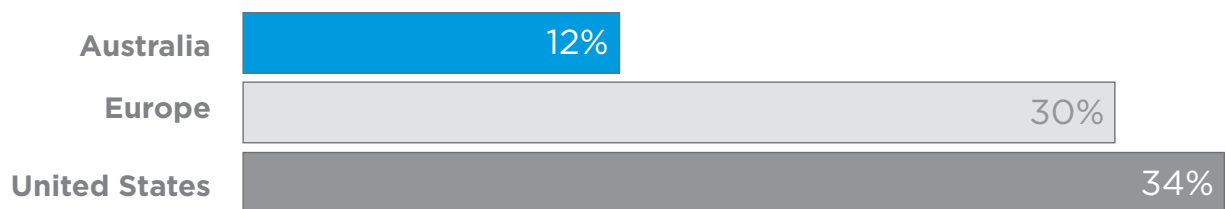
FULL-SERVICE MOST OFTEN (12%)

Full-service car wash users are most compelled by the rational benefits that washing at a car wash offers them. Among all other wash types, they are most likely to agree that washing at a car wash uses less water, provides a better overall quality of wash, and is more convenient than washing at home.

Key Washing Attitudes	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers (5 point scale; Agree strongly/ Agree somewhat)	N=52	N=44	N=148	N=66	N=134
Washing at a car wash uses less water than washing at home	85% BC	57%	70% b	74% b	77% B
Washing at a car wash provides a better overall quality of wash than washing at home	88% BCE	66%	66%	88% BCE	68%
Washing at a car wash costs less than washing a car at home	52% BCDE	18%	26%	18%	29% d
Washing at a car wash is more convenient than washing a car at home	94% be	82%	93% BdE	85%	85%

Full-service car washes are most popular in the United States, followed closely by Europe.

CAR WASH MOST OFTEN USED: FULL-SERVICE*



*All respondents who washed their vehicle in the past year but did not wash at home most often
(n=444-1462)

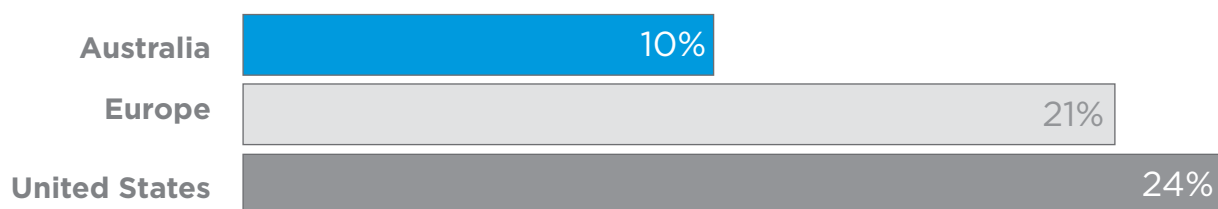
EXTERIOR MOST OFTEN (10%)

Exterior car wash users agree that washing at a car wash is less work, more enjoyable, and faster than washing at home. However, they are the least likely to believe that washing at a car wash uses less water than washing at home among all other wash types.

Key Washing Attitudes	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers (5 point scale; Agree strongly/ Agree somewhat)	N=52	N=44	N=148	N=66	N=134
Washing at a car wash uses less water than washing at home	85% BC	57%	70% b	74% b	77% B
Washing at a car wash is less work than washing at home	90%	91%	99% ABdE	95% e	88%
Washing at a car wash is more enjoyable than washing at home	79%	80%	77%	83%	75%
Washing at a car wash is faster than washing a car at home	94%	91%	97% De	85%	69%

Exterior car washes are most popular in the United States, followed closely by Europe.

CAR WASH MOST OFTEN USED: EXTERIOR*



*All respondents who washed their vehicle in the past year but did not wash at home most often
(n=444-1462)

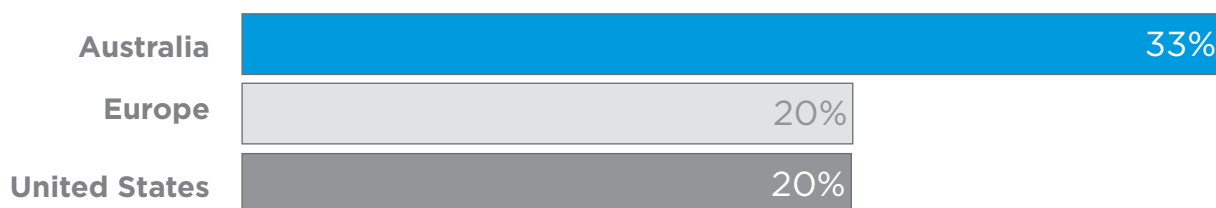
ROLLOVER MOST OFTEN (33%)

Rollover car wash users feel even more strongly about the commonly accepted aspects of washing a vehicle at a car wash than other wash types. They are the most likely to believe that washing at a car wash is less work (99%) and faster (97%) than washing a car at home. At the same time, they are the least likely to agree that washing at a car wash is a better overall value than washing at home among other wash types.

Key Washing Attitudes	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers (5 point scale; Agree strongly/ Agree somewhat)	N=52	N=44	N=148	N=66	N=134
Washing at a car wash is less work than washing at home	90%	91%	99% ABdE	95% e	88%
Washing at a car wash is a better overall value than washing at home	65% Ce	59%	47%	56%	51%
Washing at a car wash is faster than washing a car at home	94%	91%	97% De	85%	69%
Washing at a car wash is more convenient than washing a car at home	94% be	82%	93% BdE	85%	85%

Rollover car washes are most popular in Australia.

CAR WASH MOST OFTEN USED: ROLLOVER*



*All respondents who washed their vehicle in the past year but did not wash at home most often (n=444-1462)

HAND WASH MOST OFTEN (15%)

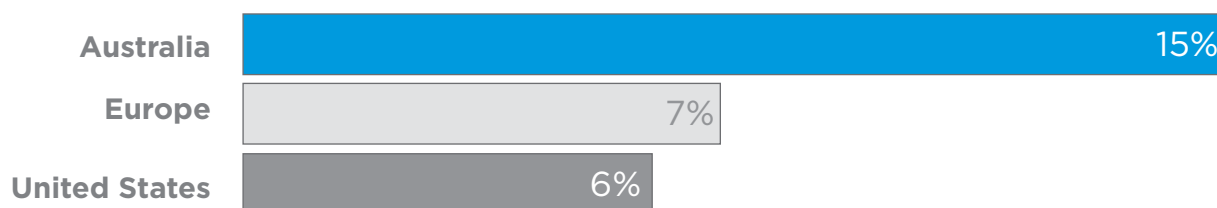
Hand wash users believe more strongly in the quality of a hand wash. They also believe that washing at a car wash is safer for the environment and more enjoyable than washing at home.

55% of hand wash users agree that washing at a car wash is safer for the car than washing at home, the highest among all other wash types.

Key Washing Attitudes	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers (5 point scale; Agree strongly/ Agree somewhat)	N=52	N=44	N=148	N=66	N=134
Washing at a car wash is safer for the environment than washing at home	71%	68%	69%	73%	70%
Washing at a car wash is more enjoyable than washing at home	79%	80%	77%	83%	75%
Washing at a car wash is safer for the car than washing at home	50% E	36%	39%	55% bCE	34%
Washing at a car wash provides a better overall quality of wash than washing at home	88% BCE	66%	66%	88% BCE	68%

Hand car washes are most popular in Australia.

CAR WASH MOST OFTEN USED: HAND*



*All respondents who washed their vehicle in the past year but did not wash at home most often
(n=444-1462)

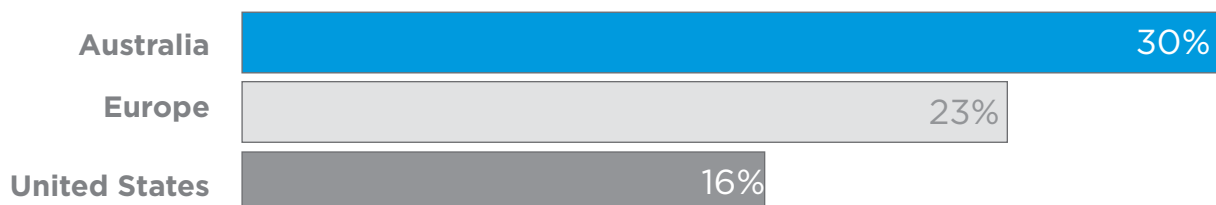
JET MOST OFTEN (30%)

Jet car wash users are least likely to believe in the benefits of using a car wash over washing a vehicle at home compared to other wash types. Compared to other wash types, they are the least likely to agree that washing at a car wash is more enjoyable, safer for the car, or faster than washing at home.

Key Washing Attitudes	Full-service A	Exterior B	Rollover C	Hand D	Jet E
Australian PRO Washers (5 point scale; Agree strongly/ Agree somewhat)	N=52	N=44	N=148	N=66	N=134
Washing at a car wash is more enjoyable than washing at home	79%	80%	77%	83%	75%
Washing at a car wash is safer for the car than washing at home	50% ^E	36%	39%	55% ^{bCE}	34%
Washing at a car wash is faster than washing a car at home	94%	91%	97% ^{De}	85%	69%

Jet car washes are most popular in Australia.

CAR WASH MOST OFTEN USED: JET*



*All respondents who washed their vehicle in the past year but did not wash at home most often
(n=444-1462)

THANK YOU.



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