



AI IMAGE

 **CommsDeclare**
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Rammed

The advertising that's killing our climate goals

(2024 UPDATE)

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Stopping the promotion of climate pollution..

commsdeclare.org

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This paper was first published in July 2023.

This update was prepared in May 2024.

See the original report at commsdeclare.org/resources/rammed/

Australia's SUV and 4X4 obsession is a carbon time bomb. Our vehicle emissions are on the increase because we are buying more and more carbon-belching road hogs.

The IPCC's 2023 warning is clear: Act now or pay dearly. Yet, Australia lacks laws restricting the advertising of these gas-guzzling beasts.

Vehicle importers spent \$651 million on ads in 2023 and those ads rarely, if ever, carry information about emissions or running costs.

While [new vehicle efficiency standards](#) (NVES) and a reduction in the instant asset write-off for utes (light commercial vehicles) are a positive step - they are being countered by aggressive advertising for the most polluting vehicles.

Provisions made to the NVES reclassifying "ute-based SUVs" - such as the Isuzu MU-X, the Toyota Landcruiser and the Ford Everest - which are built on ladder-frame chassis' like utes into the light commercial vehicle (LCV) category also mean some of Australia's most popular vehicles will now be subject to less strict emissions limits... [and sales are soaring](#).

Restricting advertising for the most oversized vehicles and making fuel efficiency information readily available are now required to save consumers money and save the climate.

Australia must end its obsession with ever-larger gas guzzlers.

The Problem: Advertising dollars continue to drive sales of high emissions vehicles

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A big rise in advertising since 2010 has seen sports utility vehicles (SUVs) and light commercial vehicles (LCVs), predominantly 4X4 utes, become the most popular vehicles in Australia.

- Money spent on advertising SUVs increased 59% since 2010, coinciding with a 188% increase in sales (22.7% of the market in 2010 compared to 56% in 2023).**
- Money spent on LCV advertising jumped a whopping 342% over the same period.**
- Passenger car advertising was decimated (down 92%), with sales also plunging 64% (57% to 17% of the market).**

The sales of larger, heavier vehicles has flatlined any reductions in pollution from more efficient combustion engines and the introduction of electric and hybrid vehicles.

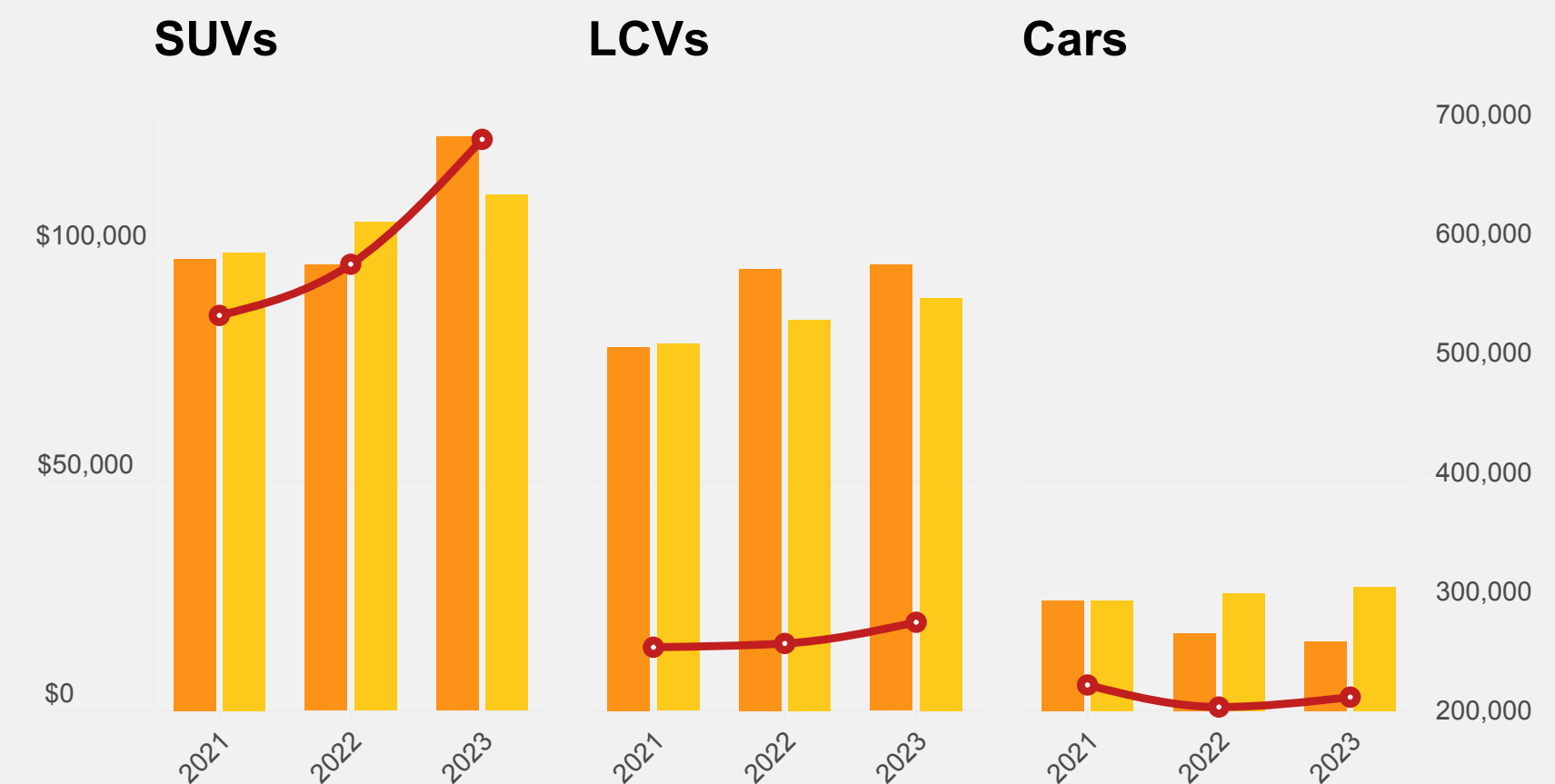
Data from the Standard Media Index (SMI) for the calendar years of 2022-2023 shows advertising spending on SUVs rose by 29% in 2023, up \$28 million to \$125 million, well ahead of the 5.6% increase in the Consumer Price Index (CPI). Magazine advertising for the segment tripled, while radio and outdoor advertising more than doubled.

In contrast, spending on advertising small and medium-sized hatchback and sedans (grouped under the cars segment) continued on a downward trend, while sales remained steady.

Automotive Ad Spend vs Segment Sales

2011, 2021-23

■ Vehicles Sold ■ Advertising Spend (\$000s) ■ CPI



Source: SMI • Compiled by Bridie Schmidt for Comms Declare

F-150. Go Big

Ford



JCDecaux

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**Big buck advertising
fuels demand**

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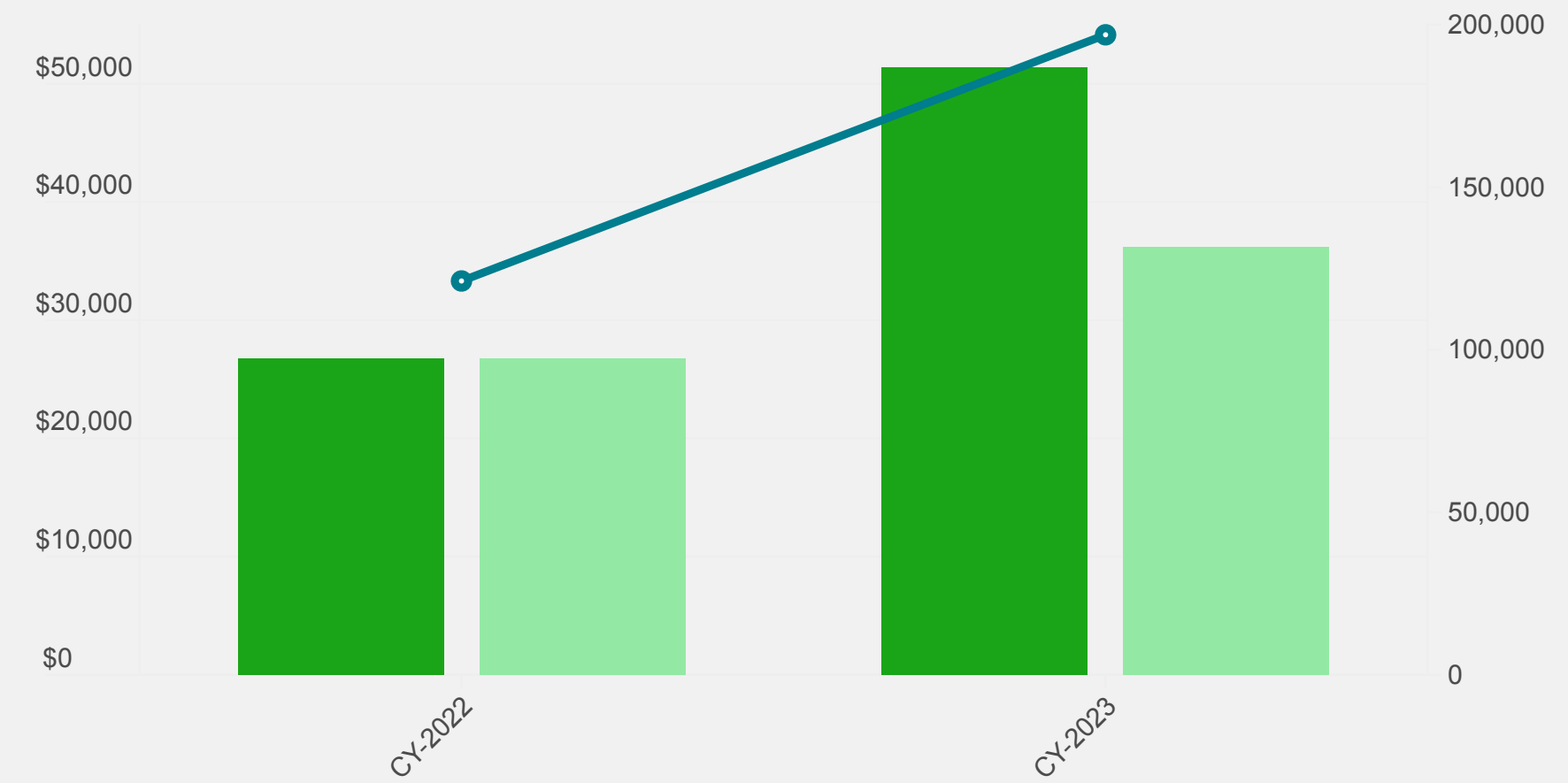
Electric and hybrid car advertising doubles

For the first time, we can show spending data for electric and hybrid vehicles. While electrified drivetrains were not separated, a doubling in spending was correlated with a 60% increase in sales of battery electric, hybrid and plug-in hybrid vehicles combined.

Automotive Ad Spend on EV and Hybrids

2022-2023

■ Vehicles Sold ■ Advertising Spend (\$000s) ■ CPI



However, when you take the 90% drop in advertising of micro cars since 2010 into consideration, the overall spend on low emissions vehicles has dropped 51%, even when you take the overall increased spend of the sector (27%) into account.

Electric is charging up

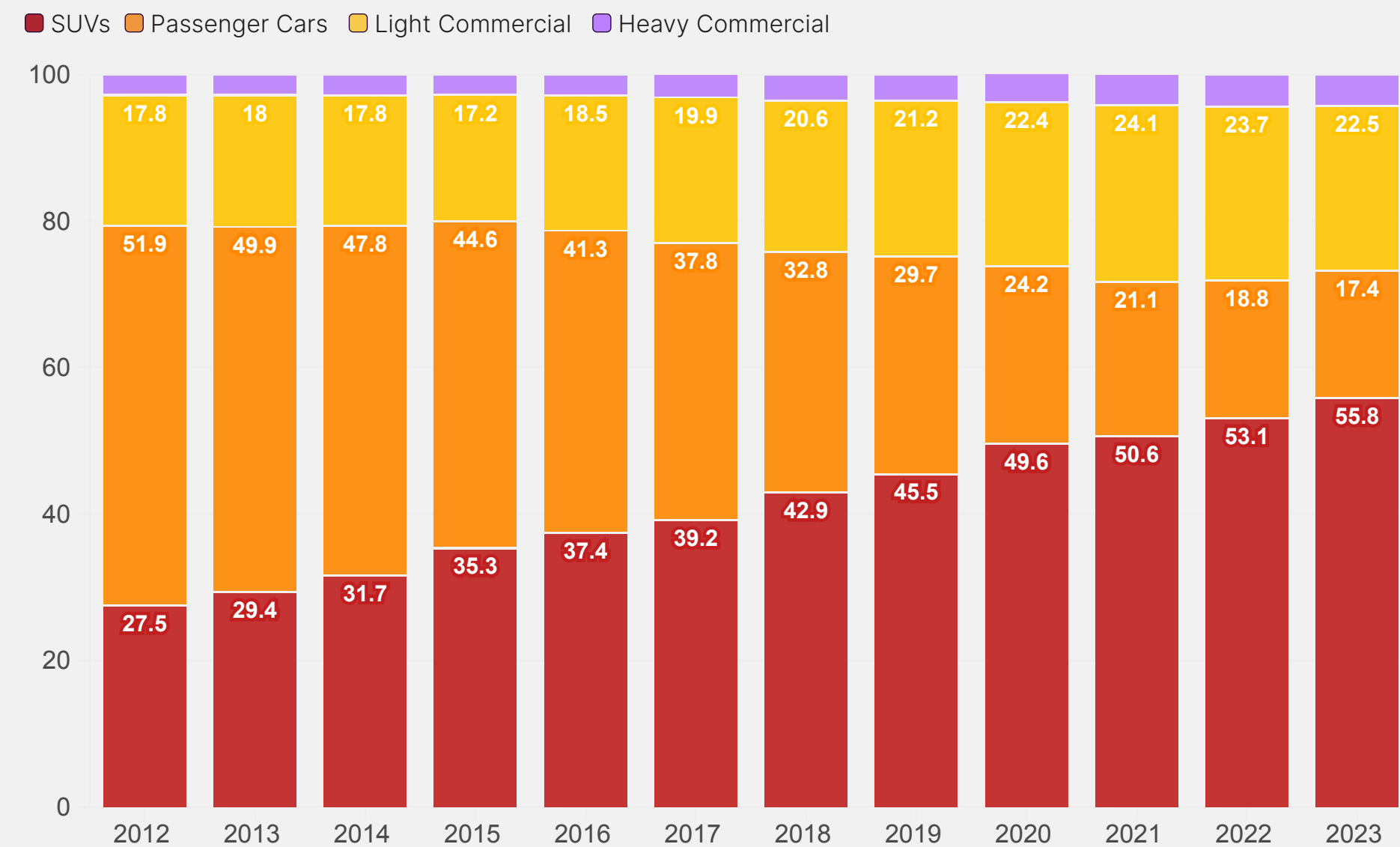
“The Australian fleet is unique due to its large portion of SUVs in the on-road fleet, often with four-wheel-drive capability.”

As noted by Smit and Surawski in September 2023, “the Australian fleet is unique due to its large portion of SUVs in the on-road fleet, often with four-wheel-drive capability.”

The \$52 million spent advertising electrics and hybrids in 2023 was dwarfed by the \$97 million spent on LCVs and \$125 million on SUVs.

And the trend towards SUVs as a percentage of new car sales continued in 2023.

New vehicle sales by segment, Australia 2012-2023 (%)



Source: Vfacts

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SUVs are eating the market

Digital advertising cements brand loyalty

Over the past decade, the automotive advertising landscape has undergone significant transformation, shifting from traditional media to digital platforms.

Online advertising is the most popular channel of choice for advertising dollars, with television following in second place.

In 2023, car brands spent \$193 million advertising themselves online, in addition to \$59 million for SUVs, \$37 million for light commercial and \$19 million for electrics and hybrids.

Little wonder, with a Google study finding 95% of consumers research online before they buy a vehicle.¹

Brand sponsorship remains the largest portion of digital advertising expenditure. Since 2010 it increased by 412%, underscoring the importance of brand loyalty and digital platforms to ongoing sales.

¹<https://www.thinkwithgoogle.com/consumer-insights/consumer-trends/digital-car-research-statistics/>

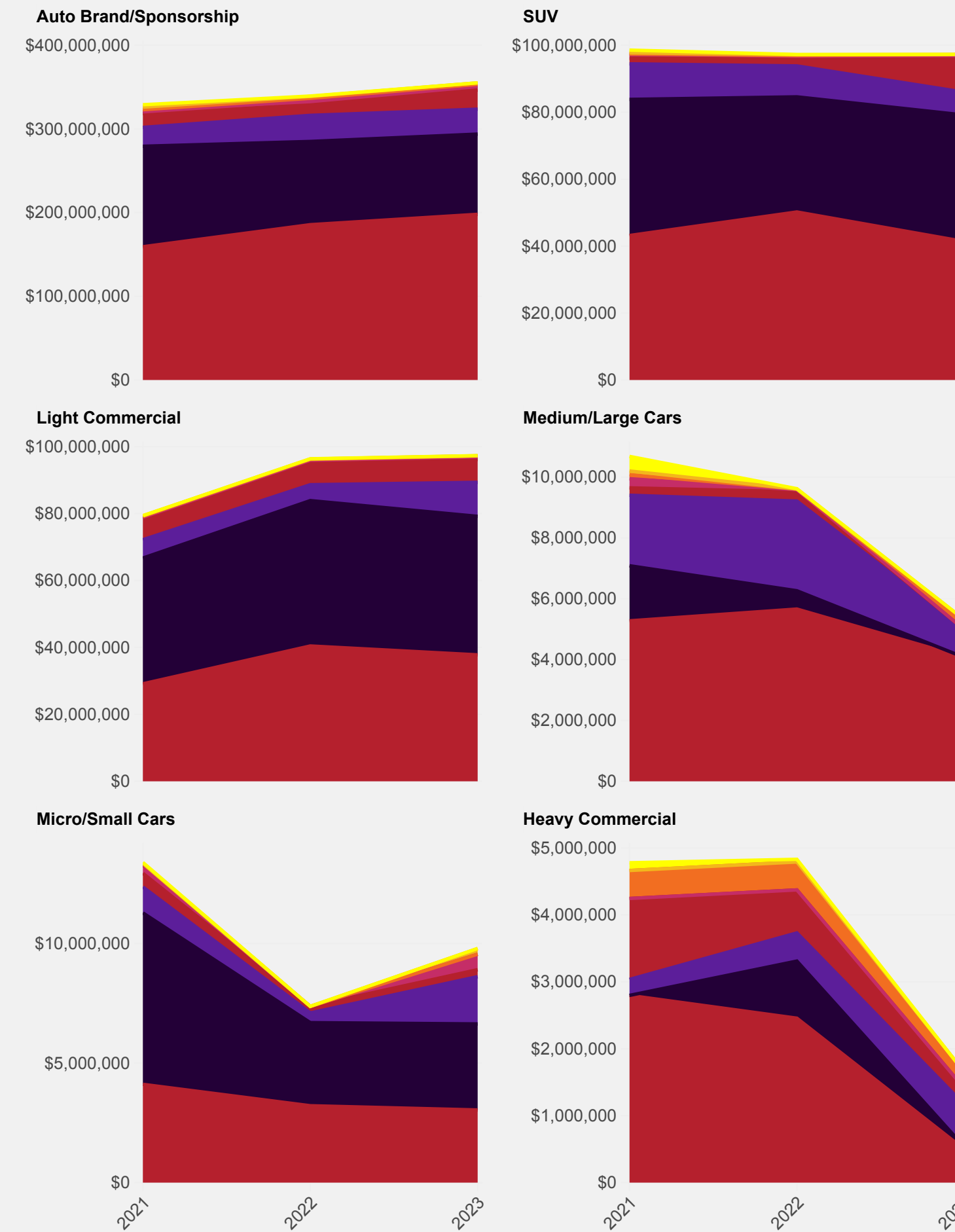
95% of buyers research cars online

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Automotive Advertising Spending

By Segment and Media Type; 2021 - 2023

■ Digital
 ■ Television
 ■ Outdoor
 ■ Radio
 ■ Cinema
 ■ Magazines
 ■ Newspapers
 ■ Other



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