

Online and In-Store, Car Buyers Looking for Change, According to New Cox Automotive Study

ATLANTA, March 21, 2018 /PRNewswire/ -- Understanding the evolving nature of car buying behavior and how consumers complete their vehicle purchase process has never been more critical for dealers. Helping advise dealers where they should focus their attention to earn car shopper business and loyalty, the Cox Automotive [2018 Car Buyer Journey Study](#) uncovers the latest online shopping trends and customer satisfaction insights on the various aspects of the dealership experience.

The seventh annual study, commissioned by Cox Automotive through IHS Markit and based on a survey of more than 2,000 recent car buyers, revealed car buyers spend 60 percent of their time online¹, and more than three quarters (78 percent) of car buyers use third-party sites, like Autotrader and Kelley Blue Book. While it's clear the time to influence and convert car shoppers begins online, the in-store dealership experience continues to be a sore spot with buyers. According to the study, the typical car buyer in the U.S. spends more than three hours in the dealership from start to finish. For half of new-car buyers in America, that's entirely too long.

"While this study reaffirms the directive that dealers need to reach consumers online as early as possible in their car buying journey, they should not overlook the need to enhance their in-store experience, which ultimately impacts the final purchase decision," said Isabelle Helms, vice president of research and market intelligence at Cox Automotive. "With our new AccelerateSM connected retail solution across Autotrader, Dealer.com and Kelley Blue Book, dealers can optimize their online presence in ways that drive operational efficiencies while improving the overall customer experience."

A Dealer's Guide to a More Efficient and Appealing Retail Model

- Time In-Market – Shoppers are spending less time in-market for a car. The biggest decrease is among used car buyers, as 2-in-3 state they need, rather than want, a new vehicle.
- Experience at Dealership – More buyers are purchasing from dealerships where they have previous experience and the number of buyers visiting multiple dealerships has been declining, 59 percent in 2018, down from 66 percent in 2016. Buyers also report being less satisfied with the price they paid for their vehicle and less often trust that the dealership gave them the best deal. A simple, pressure-free shopping experience, transparent pricing, and a set price or non-negotiable price model can help build customer satisfaction in this area.
- Length of Car-buying Process – Buyers noted they spend nearly 40 minutes idle while at the dealership, which has the potential to lead to frustration in finalizing the sale as some buyers start to rethink the deal. Additionally, the majority of shoppers (64 percent) noted the financing and paperwork took longer than they expected. The test-driving process and interaction with sales people were the most satisfying parts of the journey at 77 percent and 73 percent respectively.
- Awareness of F&I Sales – Nearly 1 in 4 buyers (28 percent) are not aware of F&I products prior to going to the dealership. Searching for

vehicles (83 percent) and researching trade-in values (39 percent) and incentives (30 percent) are the leading digital retailing activities. Buyers performing these activities online spend less time at the dealership and have a more enjoyable experience.

For more information, read the full 2018 Car Buyer Journey Study at <https://www.coxautoinc.com/learning-center/2018-car-buyer-journey-study/>.

About Cox Automotive

Cox Automotive Inc. makes buying, selling and owning cars easier for everyone. The global company's 34,000-plus team members and family of brands, including Autotrader®, Dealer.com®, Dealertrack®, Kelley Blue Book®, Manheim®, NextGear Capital®, VinSolutions®, vAuto® and Xtime®, are passionate about helping millions of car shoppers, 40,000 auto dealer clients across 100+ countries and many others throughout the automotive industry thrive for generations to come. Cox Automotive is a subsidiary of Cox Enterprises Inc., a privately-owned, Atlanta-based company with revenues exceeding \$20 billion. www.coxautoinc.com

¹ Among those who shopped online.

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