AutoTrader.com Study Reveals How Consumers Use Mobile Devices To Shop For Cars; Number Of Multi-Device Car Shoppers Predicted To More Than Double By 2018

AutoTrader.com's Multi-Device Car Shopping Study shows how the usage of smartphones and tablets is changing car shopping and provides insights into what OEMs and dealers need to do to influence shoppers across devices.

ATLANTA, Oct. 11, 2013 /PRNewswire/ -- Today, AutoTrader.com® released the findings of its new "Multi-Device Car Shopping Study," which provides deep insights into how consumers use a combination of their personal computer, smartphone and/or tablet to shop for vehicles. Currently, only 23 percent of car shoppers are utilizing two or more devices[1], and the Multi-Device study showed that the PC/laptop is still the primary device used for car shopping. However, the rapid adoption of mobile devices in general will likely lead to a significant increase in multi-device car shopping in the coming years: AutoTrader.com predicts that the number will more than double to over 50 percent by the year 2018.

(Logo: http://photos.prnewswire.com/prnh/20110425/CL88097LOGO)

"With slightly less than a quarter of car shoppers using multiple devices, we are clearly still in the early stages of multi-device car shopping, but the 77 percent who are left will be hopping on the bandwagon soon enough," said Isabelle Helms, senior director of research and marketing analytics at AutoTrader.com. "As dealers and OEMs look to innovate in the mobile space, it's important that they study these early adopters intently, as they are the ones who are going to be defining the road for all those who follow."

The fact that consumers are adding more devices, rather than replacing one with another, is having far reaching implications for how those multi-device users feel about the car shopping process. According to the study, 80 percent think that multi-device usage enhances the vehicle shopping process, 78 percent think multi-device usage increased their knowledge about automobiles, 77 percent think that multi-device usage empowered them when shopping for a vehicle and 57 percent think that multi-device usage shortened the purchase process.

"We have seen in some of our other research that the Internet has created significant efficiencies in the car shopping process, reducing the total amount of time consumers spend shopping by several hours," Helms continued. "The increased efficiencies multi-device users are reporting point to an even faster journey as they move toward the purchase, so dealers and OEMs will need to be diligent about creating impactful and informative experiences on each and every device shoppers may turn to."

One key to these efficiencies is that multi-device users can shop for vehicles on demand —whenever and wherever they want. In fact, three out of four car shopping activities were spontaneous, and 25 percent of multi-device users reported that "found time"[2] was a top motivator for shopping on a device. "Found time" includes those spontaneous moments throughout the day when consumers are bored and have an opportunity to access a device.

Street shopping and television were also motivating factors. "Seeing a car on the street" is the second leading motivator for smartphone users at 26 percent and for PC/laptop users at 22 percent. Television commercials ranked in the top three motivating factors across devices as well, at 18 percent for PC/laptops, 16 percent for smartphones and 23 percent for tablets. Automotive marketers should be particularly cognizant of the connection between offline events/advertising and device usage to ensure that they are reinforcing consistent messages everywhere shoppers encounter the brand.

And while there is a perception that car shoppers often use their smartphones at the dealership, the study showed that only a very small percentage of the total shopping

activities conducted by multi-device users—two percent—occur at the dealership in a typical week. That means almost all online car shopping occurs outside the dealership.

Nevertheless, more than half of multi-device users *start* their research on a smartphone or tablet in a typical week, making it critical that the experience creates a first impression that will encourage consumers to continue engaging with the brand across devices. Of those surveyed, 38 percent said that not offering a mobile optimized site would negatively impact brand opinion, while an even greater percentage—68 percent—said that offering a poor mobile site experience would negatively impact brand opinion.

"First impressions are essential, and just having a mobile site isn't enough," said Rick Wainschel, vice president of automotive insights at AutoTrader.com. "The findings clearly showed that the experience can make or break perception of a dealer or brand—that is, having a bad mobile experience is a greater risk to brands than having no mobile site at all—so if automotive advertisers take away one thing from this study, it should be this: do it right, or don't do it at all."

Strategic Implications for Dealers and OEMs:

Focus on the experience. Because a poor mobile experience is more damaging to brands than having no mobile site, the experience should be a top priority when dealers and OEMs develop their presences across devices. "Ease of use" and "quality images" are the most important criteria regardless of device, but there are a few key differences of which dealers and OEMs should be aware:

- While "comprehensive vehicle information" is important on PCs, "speed" is important for smartphones and "quality visual content" is important for tablets.
- Mobile apps can be beneficial to brands, but they are not as critical. Only 19 percent said that not offering a mobile app would negatively impact brand opinion, while 42 percent said that offering a mobile app would positively impact brand opinion.

Create a streamlined experience between devices. Multi-device usage is primarily spontaneous, regardless of device, with three out of four device interactions being unplanned. And since 68 percent of multi-device car shoppers use their devices sequentially, a streamlined experience is a must. In particular, shoppers want access to a "hub" or "cloud" that allows for easy movement across devices. Dealers and OEMs who can deliver on that desire will likely see an increase in positive opinion of the brand, with 51 percent of shoppers indicating that offering a single sign-on option would positively impact their opinion of a brand.

Innovate beyond current functionality. Activities across devices are driven by current functionality, leading to many similarities in the top activities shoppers reported conducting on each device. Looking up pricing and reviews, as well as browsing photos, are all among the most cited activities across all three devices. However, there is significant opportunity for advertisers to innovate both the content and the experience beyond what is offered today by focusing on the role of each device in the shopping process and the key activities car shoppers prefer to conduct on each device. According to the study, laptops/PCs are preferred for conducting detail-oriented searches and activities, smartphones are more communication driven (emailing, calling or texting) and tablets are preferred for browsing.

About the AutoTrader.com Multi-Device Car Shopping Study
The primary piece of research driving this study is the AutoTrader.com Multi-Device Car Shopping Study, in which 2,500 multi-device users (people using two or more devices to shop for a vehicle) kept a mobile diary, logging entries any time they performed an automobile shopping activity over the period of a week. AutoTrader.com then conducted follow-up surveys with 1,000 participants and in-depth interviews with select participants.

About AutoTrader.com

Created in 1997, Atlanta-based AutoTrader.com is the Internet's ultimate automotive marketplace. As a leading resource for car shoppers and sellers, AutoTrader.com aggregates millions of new, used and certified pre-owned cars from thousands of dealers and private sellers and provides expert articles and reviews. AutoTrader.com, which also operates the AutoTraderClassics.com® auto marketing brand, is wholly owned by AutoTrader Group™. Additionally, AutoTrader Group owns Kelley Blue Book® (KBB.com) as well as three other companies that provide a full suite of software tools that help dealers and manufacturers manage their inventory and advertising online: vAuto®, HomeNet Automotive® and VinSolutions®. AutoTrader Group is a majority-owned subsidiary of Cox Enterprises. Providence Equity Partners is a 25 percent owner of the company. For more information, please visit http://press.autotrader.com.

[1] 2013 Polk Automotive Buyer Influence Study
[2] Q. What compelled you to conduct these activities on your PC/laptop/smartphone/tablet? A: Boredom

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