For Dealers, Online Presence Key to Influencing Car Shoppers

Study finds 88 percent of car shoppers use the Internet for vehicle shopping

ATLANTA, March 21, 2016 /PRNewswire/ -- Of the time spent in the car buying process, 60 percent – 5 hours and 12 minutes – is allocated to using third-party sites or apps to research and shop online, according to the inaugural Car Buyer Journey study commissioned by Autotrader and conducted by IHS Automotive. The study found that of the 88 percent of shoppers using the Internet for vehicle shopping, 78 percent use third-party sites or apps during the car buying process. Consumers that research or shop on the Internet use Autotrader or Kelley Blue Book 73 percent of the time.

"The study findings reinforce why it is so important for dealers to communicate on experience in addition to product and price," said Jared Rowe, president, Cox Automotive Media. "Dealers have less than a 30 percent chance of changing a purchase decision once a customer is on the lot. Today, car shopping is all about matchmaking – uniting sellers and buyers online. To create a perfect match, dealers should communicate a differentiator that represents their unique value so that consumers can easily identify dealers that offer the specific car shopping experience they desire."

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In fact, 71 percent of consumers say that they purchased the vehicle they initially intended to purchase once they visited a dealership. However, when starting the shopping process, 6 in 10 consumers say they are open to considering vehicles across makes and models.

Room for improvement in car buying journey

The Autotrader Car Buyer Journey study uncovered some areas that can be improved to benefit consumers throughout the car shopping and buying experience.

- **Dealership experience** – When asking consumers that research or shop on the Internet about their dealership experience, 46 percent say they visited a single dealership, and 52 percent drove only one vehicle. On average, consumers visit 2.7 dealerships. The main frustrations for consumers at the dealership are filling out paperwork and contracts followed by negotiating the purchase or lease. Combined, these two steps accounted for 55 percent of the time spent at the dealership. Additionally, dealership satisfaction suffers as more people get involved with satisfaction dropping near 20 points if the consumer has to interact with four or more people at the dealership.
- **Mobile device usage** – Prior to purchasing a vehicle, 46 percent of respondents that are Internet users access automotive information using their smartphones. Of all buyers, 23 percent used a smartphone to do research or shop while at a dealership. The top five uses of a mobile device at a dealership are: comparing prices for vehicles at other dealerships (59 percent); finding prices for vehicles at the dealership where the consumer was (41 percent); comparing inventory at other dealerships (38 percent); check inventory at the dealership where the consumer was (36 percent); and research trade-in pricing (33 percent).

For more highlights from the Car Buyer Journey study, visit:

http://www.dealerlearningcenter.com/insights/view/2016-car-buyer-journey-study.

About the Study

The 2016 Car Buyer Journey, commissioned by Cox Automotive through IHS Automotive, was conducted to gain an understanding of consumer car-shopping behavior and perception of the dealer experience. A total of 2,131 car buyers (1,283 New and 848 Used) who purchased a vehicle within the 3 months between March and May of 2015 completed a survey. Oversampling was done among 18- to 24-year-olds, Hispanics and Luxury buyers for analyses of these groups with greater confidence.

About Autotrader

Autotrader is the most visited third-party car shopping site with the most engaged audience of in-market shoppers. As the foremost authority on automotive consumer insights and expert in online and mobile marketing, Autotrader makes the car shopping experience easy and fun for today's empowered consumer looking to find or sell the perfect new, used or Certified Pre-Owned car. Using technology, shopper insights and local market guidance, Autotrader's comprehensive marketing solutions guide dealers to personalized digital marketing strategies that grow brand, drive traffic and connect the online and in-store shopping experience. Autotrader is a Cox Automotive brand. Cox Automotive is a subsidiary of Cox Enterprises Inc. For more information, please visit www.autotrader.com.

About Cox Automotive

Cox Automotive Inc. is transforming the way the world buys, sells and owns cars with industry-leading digital marketing, software, financial, wholesale and e-commerce solutions for consumers, dealers, manufacturers and the overall automotive ecosystem worldwide. Committed to open choice and dedicated to strong partnerships, the Cox Automotive family includes Autotrader®, Dealertrack®, Kelley Blue Book®, Manheim®, NextGear Capital®, vAuto®, Xtime® and a host of other brands. The global company has nearly 30,000 team members in more than 200 locations and is partner to more than 40,000 auto dealers, as well as most major automobile manufacturers, while engaging U.S. consumer car buyers with the most recognized media brands in the industry. Cox Automotive is a subsidiary of Cox Enterprises, Inc., an Atlanta-based company with revenues of $18 billion and approximately 55,000 employees. Cox Enterprises' other major operating subsidiaries include Cox Communications and Cox Media Group. For more information about Cox Automotive, visit www.coxautoinc.com.

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