

2014 Automotive Buyer Influence Study Demonstrates How Millennials Are Accelerating Change In Car Shopping

ATLANTA, Aug. 14, 2014 /[PRNewswire](#)/ -- Today, AutoTrader.com released the findings of the 2014 Automotive Buyer Influence Study, which provides insight into how consumers shop for vehicles online, offline and across multiple devices. Now in its third year, the study demonstrates how the consumer shopping process is rapidly evolving as the next generation of car buyers—Millennials—age into the largest car buying cohort. Overall, the 2014 study findings indicate that Millennials are blazing the way for near ubiquitous use of the Internet in car shopping and are showing significant increases in their use of mobile devices for car shopping, particularly smartphones.

Contrary to popular belief, Millennials are just as undecided as other generations when they begin the car shopping process, with 70 percent undecided on which make/model they are interested in purchasing. By the time Millennials reach the dealership, they are significantly less likely to switch the make/model they have decided on: 70 percent of Millennials end up purchasing the same make/model they had in mind when they first visited the dealership, compared to 66 percent of all car buyers.

"Since the majority of Millennials are decided on which vehicle they want to purchase by the time they get to the dealership, the opportunity for dealers and OEMs to influence their purchase decisions is online—where Millennials spend the majority of their shopping time," said Isabelle Helms, vice president of research and market intelligence at AutoTrader.com. "With that, it's incredibly important for automotive advertisers to understand how Millennials are shopping online and across mobile devices so they can effectively reach this generation of car buyers."

Key findings from the study include:

- **Millennials take longer to make their purchase decision.** While the overall time that a car buyer takes to shop for their next vehicle has decreased over the last three years, Millennials still take two hours longer than average car buyers to research their next vehicle. Millennials spend 17.6 hours shopping compared to 15.5 hours for all buyers.
- **Traditional media is aging out.** Since this study was first released in 2011, there has been a precipitous decline in the use of traditional media in car shopping, with significant increases in the use of the Internet. In 2011, 71 percent of all buyers used the Internet to shop for cars, compared to 79 percent in 2014. The increased use of the Internet is being led by the Millennial generation, of which 95 percent use the Internet to shop for cars. Millennials spend more than three quarters—82 percent—of their shopping time online (compared to 75 percent for all buyers), and Millennials spend 51 percent of their online time on third-party sites like AutoTrader.com. Furthermore, only seven percent of Millennials used newspapers to shop for cars, and just 12 percent used TV. Their low usage of these former strongholds in automotive advertising is illuminated by the fact that, for decision making in the car shopping process, 67 percent of Millennials said that newspapers were not helpful, and 49 percent of Millennials said that TV was not helpful.
- **Social media is rarely used and not impactful.** Despite a strong focus on social media by dealers and OEMs, the study indicates that social sites are rarely used for the purpose of car shopping. Only five percent of Millennials reported using social sites for car shopping, compared to one percent for all buyers. Additionally, Millennials are apathetic about whether auto websites or brands have a social presence, with 78 percent indicating that their feelings about a website/brand would not change based on whether the brand has a social networking presence.
- **Mobile rules with Millennials.** The use of multiple devices in the car shopping

process has increased dramatically since AutoTrader.com started tracking multi-device usage in 2013. At that time, only 23 percent of car buyers reported using two or more devices for car shopping, and that number increased to 32 percent in 2014. This increase is certainly influenced by the Millennial generation, with 44 percent currently using multiple devices to shop for cars. As Millennials age into the largest car buying cohort and Boomers age out, the percent of shoppers using multiple devices to shop for cars will increase significantly—to 80 percent by the year 2020.

- **Millennials are leading the decline in desktop/laptop usage for car shopping.** Along with the precipitous increases in multi-device usage, the study is showing an initial decline in the use of desktops/laptops for car shopping among all car buyers. In 2013, 91 percent of all car buyers were using desktops/laptops for car shopping; that number declined to 88 percent in 2014, a statistically significant decrease. This decline was driven by the Millennial generation, who reported a nine percentage point decrease in desktop/laptop usage year-over-year, from 87 percent in 2013 to 78 percent in 2014.
- **Half of Millennials used a smartphone to shop for a car.** The study findings revealed significant increases in smartphone usage for car shopping among all car buyers as well, jumping nine percentage points from 2013 to 2014. However, the most striking use of smartphones was seen amongst the Millennial generation: 50 percent reported using a smartphone to shop for their next vehicle in 2014. This has increased significantly since 2013, when 34 percent of Millennials used their smartphones to shop for cars.

"As dealers and OEMs look to capture the attention of Millennials in 2014 and beyond, the importance of mobile cannot be emphasized enough," Helms continued.

"Automotive advertisers who don't start putting mobile first could be at risk of coming in last."

About the Study

The 2014 Automotive Buyer Influence Study, commissioned by AutoTrader.com through IHS Automotive, was conducted among nearly 1,900 car buyers and ran from December 2013 through February 2014. To qualify for the study, participants must have purchased a light vehicle within the past 12 months and have been the primary decision maker in the vehicle purchase. The study used a combination of online and offline survey methods, resulting in a large, representative sample of online and offline car buyers who purchased new and used vehicles.

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