

A long-exposure photograph of a multi-lane highway at night, showing blurred streaks of light from cars moving in both directions. The scene is illuminated by streetlights, creating a warm, golden glow. The image is overlaid with a dark blue geometric shape on the left side, which contains the text.

# COVID-19:

TRACKING U.S. CONSUMER AND  
AUTOMOTIVE DEALER SENTIMENT

## STUDY SUMMARY

*Issue #15*

July 28, 2020

# What We're Seeing This Week

# 1

It's clear that we have fewer active shoppers in the market right now. That means the total pie is smaller and dealers will need to fight hard for their piece. Unfortunately, they're also saddled with rising prices and low inventory leaving less options than normal. However, dealers can still differentiate from competitors and lure consumers by delivering the experience they're looking for. They just have to make the leap.

# 2

Fear of COVID-19 isn't the only thing keeping customers out of the service drive. Months of social distancing and a surge in those working at home have cut miles traveled and trimmed the demand for general maintenance and repair. Dealers have to make it easy for customers who are on the fence.

# 3

Every day the average consumer shops, compares, and transacts online across most of the areas in their life. For dealers, meeting customers where they are means getting comfortable in an online world. It's critical that consumers are allowed to chart their own path through the buying experience.



# The number of in-market shoppers has dropped by 1/4 since the start of COVID-19

% OF CONSUMERS IN-MARKET TO PURCHASE A VEHICLE  
WITHIN THE NEXT 6 MONTHS

20%

Early Outbreak  
(March)

20%

Shelter in Place  
(Late March - April)

17%↓

Reopening  
(May – Mid June)

15%

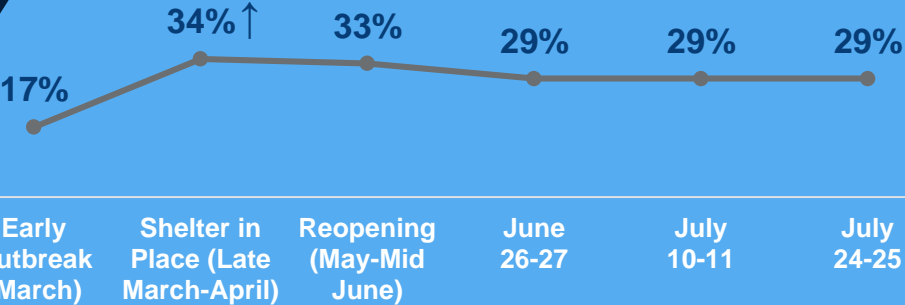
(July 24-25)



Q4. Now as of today, when do you think you will be in the market to purchase or lease a vehicle?

# Uncertainty plagues over half of those delaying their purchase

## Delaying Vehicle Purchase/Lease\*



**55%** of those delaying a vehicle purchase call this an “**uncertain**” time to buy a vehicle

**38%** of shoppers not delaying a vehicle purchase still call this a “**good**” time to buy a vehicle

### Factors At Work

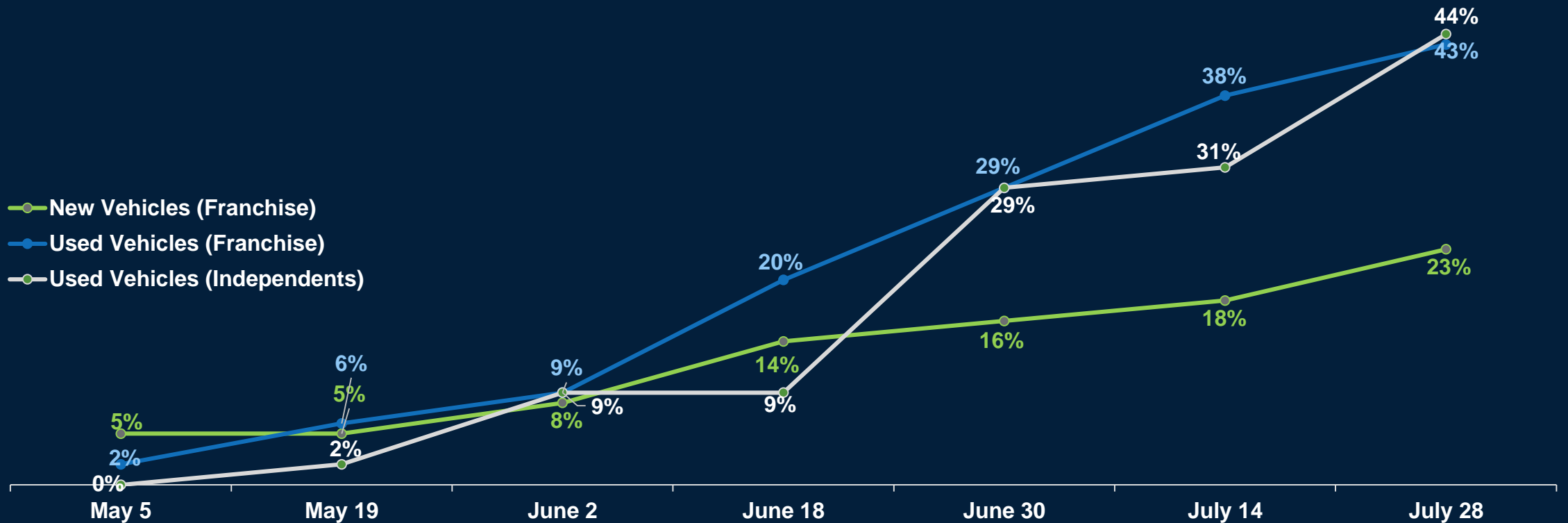
- General uncertainty in the market
- Spike in COVID-19 cases
- Uncertain financial stability
- Fewer miles traveled
- Civil unrest

\*Among 6-month auto intenders

Q10. Have you done, or do you think you will do any of the following because of the coronavirus? \*Note: Added “have done” in Wave 4  
 Q4aa. How would you complete the following sentence? “Right now is a \_\_\_\_\_ time to buy a vehicle?” (Options: perfect, smart, scary, stupid, pointless, good, uncertain, other)

# Low inventory and rising prices are making “good” deals harder to find

## % of Dealers reporting an increase in retail pricing compared to February

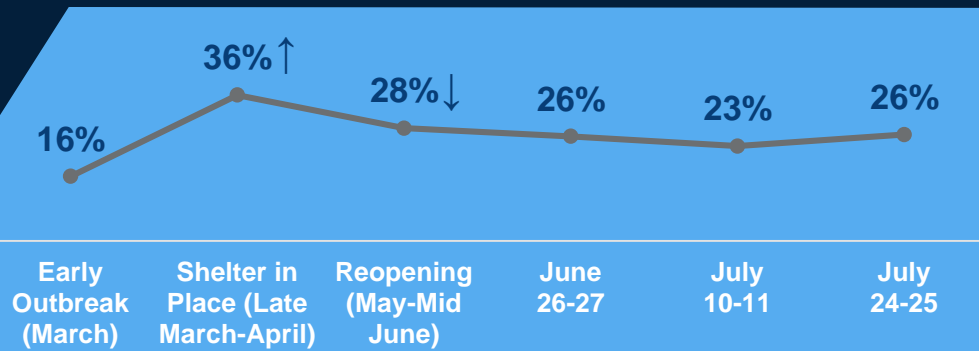


Dealer Q166. How do your dealership's current prices compare to what they were in February before the COVID-19 outbreak?  
Dealer Q88. How has your dealership changed your retail prices as a result of the coronavirus (COVID-19) outbreak?

People are driving less which means they're also servicing their vehicles less often

### Delaying Vehicle Service/Repair\*

(% consumers that said "Yes")



**39%**

of those delaying service are doing so because they aren't driving as much as they did before COVID-19\*\*

Q10. Have you done, or do you think you will do any of the following because of the coronavirus? \*Note: Added "have done" in Wave 4  
Q18a. You said you have delayed or may delay taking your vehicle in for service/maintenance. What makes you say that?

\*Among vehicle owners

\*\* Among vehicle owners who are delaying service



# Online activity has grown, but 2/3 of shoppers still want to do more of the process online



44% of COVID-19 buyers did more steps online than in the past, however....\*\*

**66%**

of shoppers want to do more of the purchase steps online compared to the last time they purchased a vehicle\*

*“It's easier to take my time in the decision-making process and make sure I understand everything thoroughly. Plus, during COVID, I want to stay home as much as possible.”*

Q19c3. The next time you purchase a vehicle, how many steps would you want to complete online (such as getting a trade-in value, applying for credit, etc.) compared to the last time you purchased a vehicle?  
Q11b. How many steps in your recent vehicle purchase did you complete online compared to the last time you purchased a vehicle (such as getting a trade-in value, applying for credit, etc.)?

\*Among 6-month auto intenders who have purchased a vehicle before  
\*\* Among those who have purchased a vehicle since mid-March

# 2020 Cox Automotive COVID-19 Consumer & Dealer Impact Studies

We will be releasing an updated version of this material every other week.

We surveyed a nationally representative sample of US consumers ages 18+ during the following timeframes:

- Wave 15: July 24-25, 2020 (n=1,000)
- Wave 14: July 10-11, 2020 (n=1,000)
- Wave 13: June 26-27, 2020 (n=1,000)
- Waves 9-12 (Reopening): May 1-June 13, 2020 (n=4,000)
- Waves 4-8 (Shelter in Place): March 27-April 25, 2020 (n=5,000)
- Waves 1-3 (Early Outbreak): March 5-22, 2020 (n=2,999)

We surveyed a sample of automotive dealers about their general level of concern:

- Wave 13: July 20-24, 2020 (n=794)
- Wave 12: July 6-10, 2020 (n=782)
- Wave 11: June 22-26, 2020 (n=725)
- Wave 10: June 8-12, 2020 (n=700)
- Wave 9: May 26-29, 2020 (n=470)
- Wave 8: May 11-15, 2020 (n=555)
- Wave 7: April 29-May 1, 2020 (n=648)
- Wave 7: April 29-May 1, 2020 (n=648)
- Wave 6: April 22-24, 2020 (n=642)
- Wave 5: April 15-17, 2020 (n=691)
- Wave 4: April 8-10, 2020 (n=763) (Note: methodology changed from wave 3 to wave 4)
- Wave 3: April 1-3, 2020 (n=331)
- Wave 2: March 25-27, 2020 (n=339)
- Wave 1: March 18-20, 2020 (n=348)

We also surveyed a sample of automotive dealers who use digital retailing asking how digital retailing is being impacted:

- Wave 2: April 8-10 (n=151), Wave 1: March 25-27, 2020 (n=124)


Prior to the full-scale survey among automotive dealers, we polled a sample of automotive dealers during the following timeframes to understand their level of concern on how the virus will impact their dealership:

- Wave 2: March 16-17, 2020 (n=322), Wave 1: March 5-11, 2020 (n=343)

The objective of this research was to understand the impact of Coronavirus (COVID-19) on US Consumers & Dealer attitudes and behaviors:

- Awareness & Familiarity of COVID-19
- Level of Concern over COVID-19
- Impact on Everyday Behaviors & Business Operations
- Impact on Current Auto Shoppers & Commuters
- Actions to Mitigate Any Negative Impact



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**For more information or if you are  
interested in obtaining the full study  
results, contact:**

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