

COVID-19:

TRACKING U.S. CONSUMER
SENTIMENT

STUDY SUMMARY & HIGHLIGHTS

Issue #16

Published: August 11, 2020

What We're Seeing This Week

1

Things have settled a bit this week as level of concern remains steady and purchase delays tick lower. Still, there's a long list of issues up in the air for the average consumer. We also see that a vaccine might not immediately transform everything back to normal based on how quickly people are willing to get it.

2

We also see positive movement in service, with the potential for more. Consumers were excited about the concept of service pick-up and delivery before COVID-19 hit, but the outbreak has given many their first actual experience. Spoiler alert: they really like it. It's clear this can have a major impact on the service experience.

3

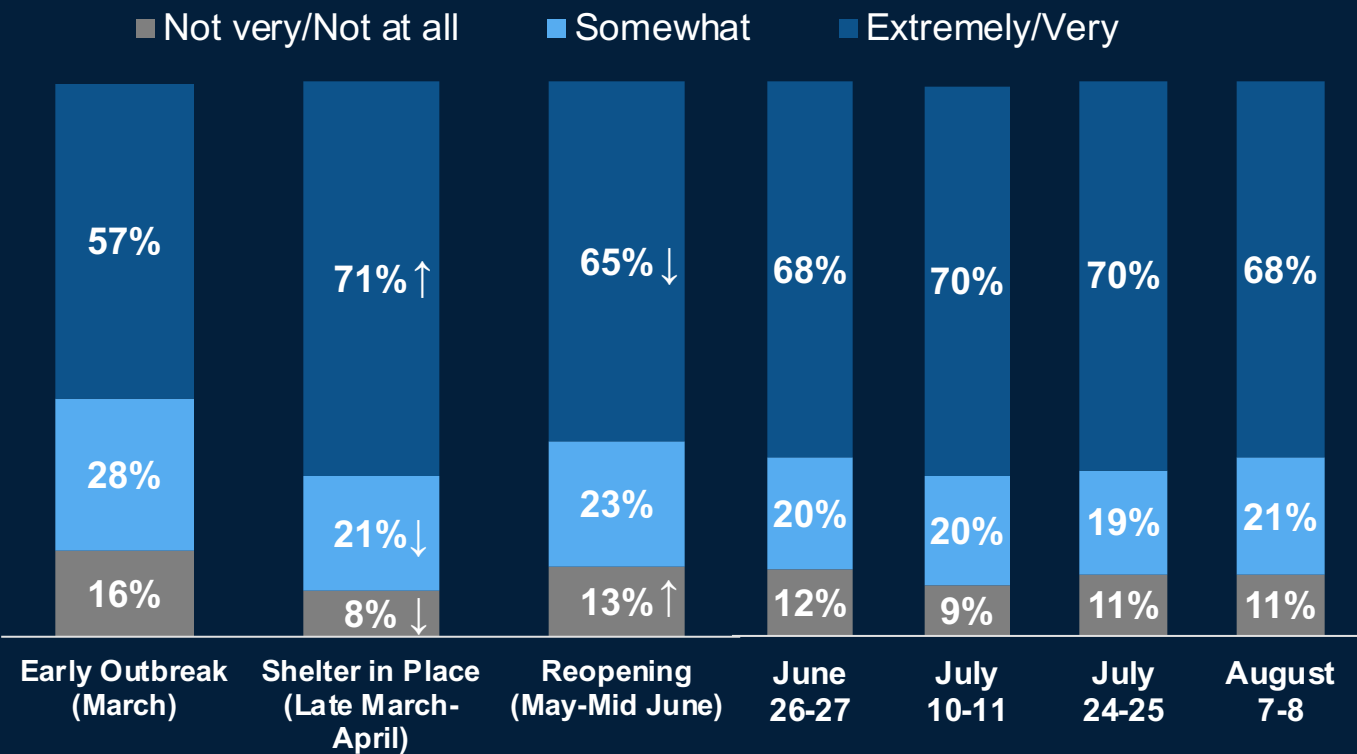
Besides the obvious health concerns, COVID-19 has been a financial hit for many. Affordability issues are paramount for shoppers who have been financially impacted, with Gen Z and Millennials the hardest hit. That makes the potential for a second round of stimulus payments and the extension of additional unemployment benefits something to keep an eye on.

4

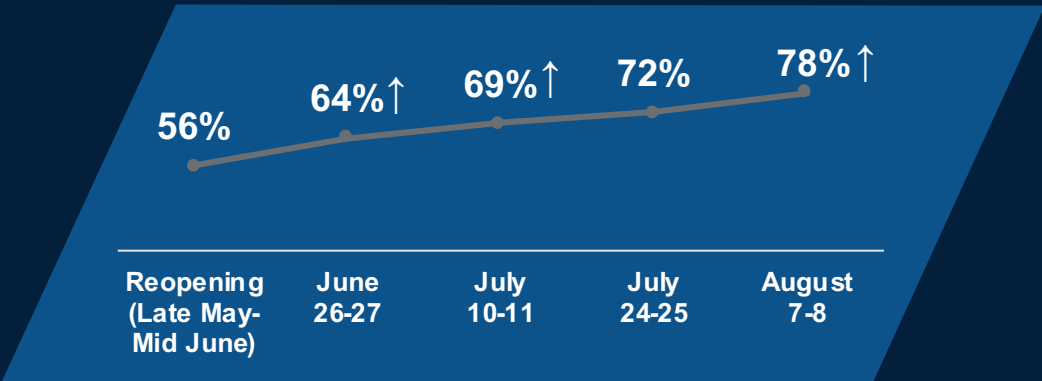
Consumers have spent roughly 4 months dealing with COVID-19 and are trying to find their way into a new normal. It's clear that everything isn't going to immediately snap back to the way it was, and in some instances, consumers have found a better way they don't want to lose.

Level of concern edges down slightly as consumer continue to adapt

Consumer Level of Concern



% of consumers consistently wearing a face mask in public



Q9. How concerned are you about the coronavirus overall?
Q1a3. Do you typically wear a face mask when you are in public or around people outside your home? (Question added May 29)

The number of in-market shoppers remains lower than what we saw at the start of COVID-19

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

20%

Early Outbreak
(March)

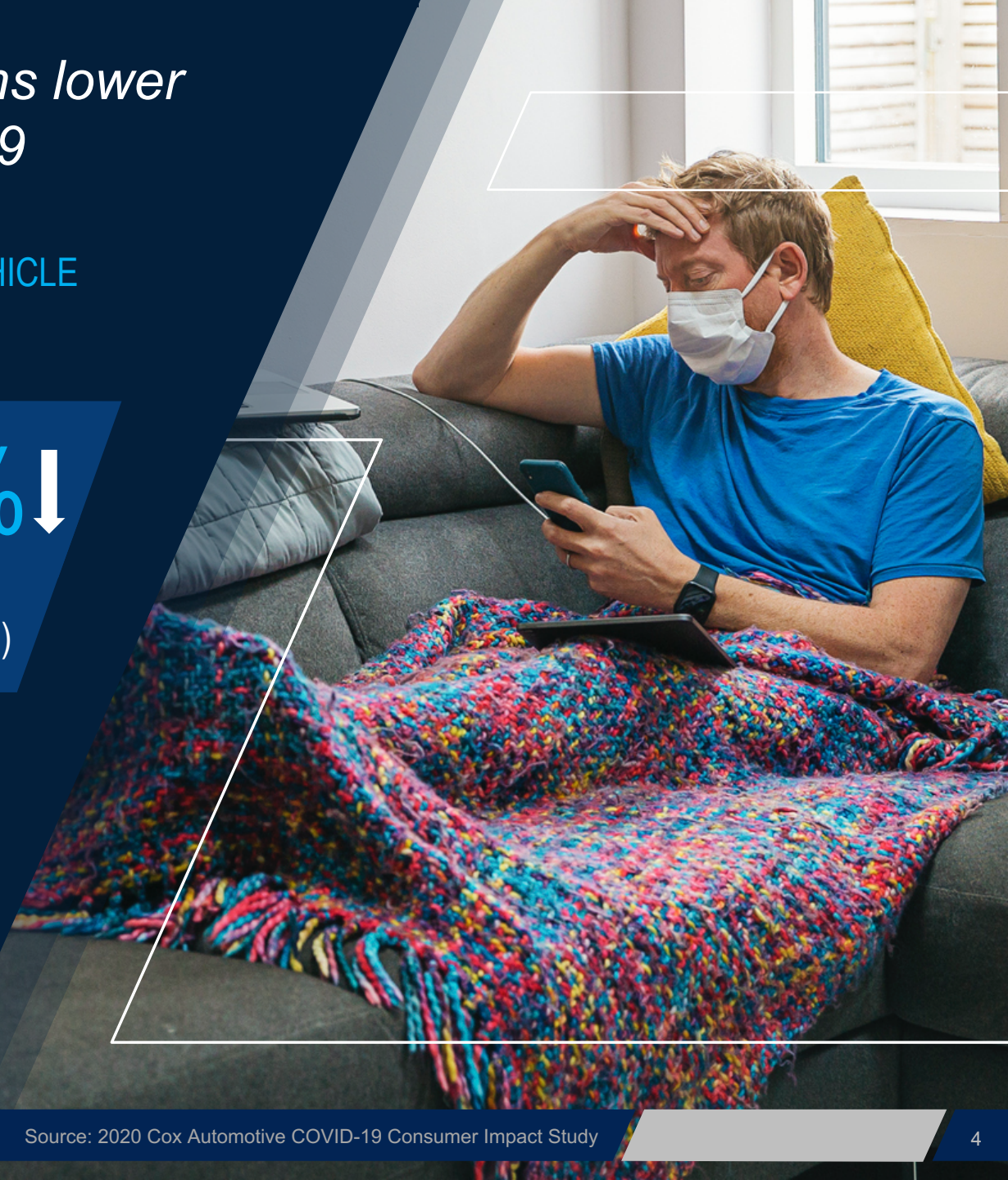
20%

Shelter in Place
(Late March - April)

17%↓

Reopening
(May – Mid June)

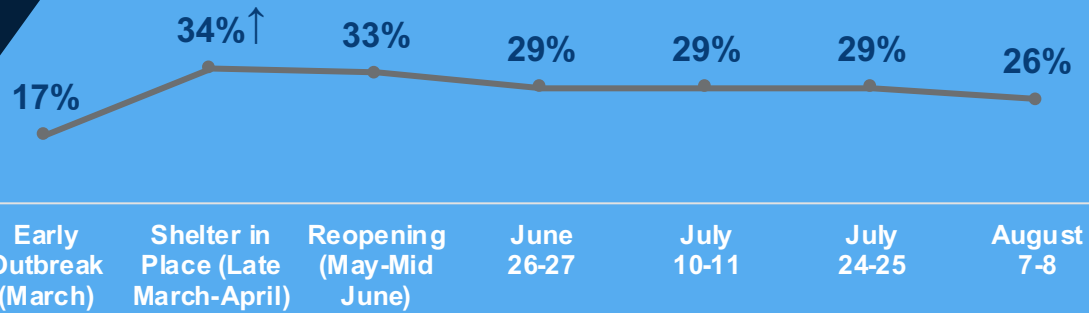
15%
(August 7-8)



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

Purchase delays are at their lowest point since late May

Delaying Vehicle Purchase/Lease*



Factors At Work

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

Top Reasons to Delay Vehicle Purchase**

Gen Z

Concerned about the cost/financial situation

Millennials

Prefer to stay home/social distancing

Gen X

Concerned about the cost/financial situation

Boomers

Concerned about the cost/financial situation

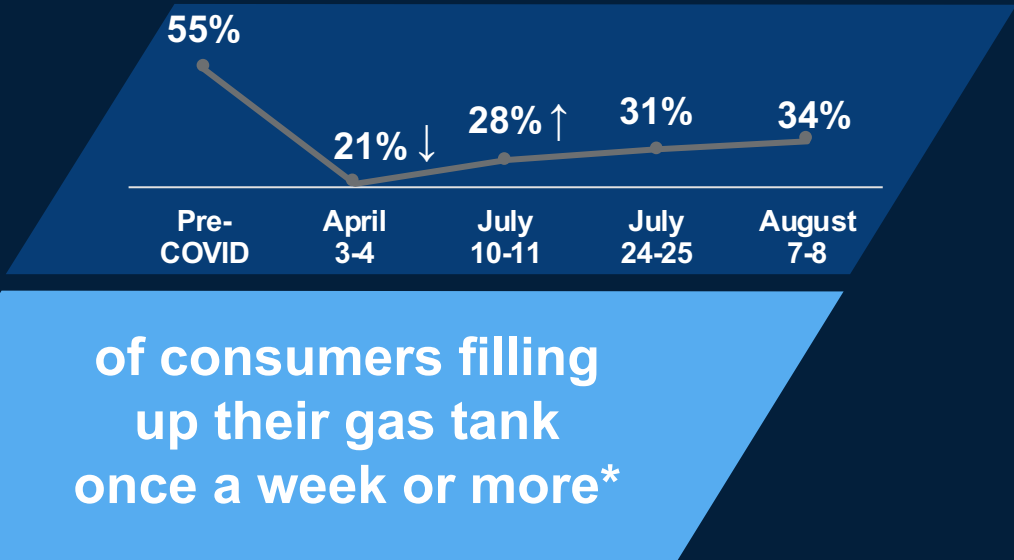
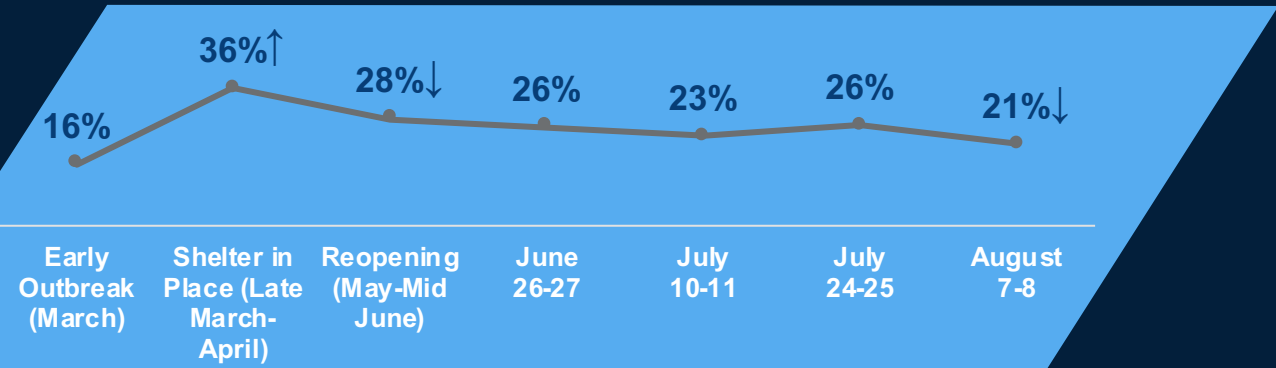
*Among 6-month auto intenders

** Top reasons for Summer Spike (late June-July)

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
Q17a3. You said you may delay purchasing/leasing a vehicle due to coronavirus. What are the main reasons? Please select up to 2 of the main reasons.

As consumers start driving more, we hope to see a corresponding increase in service activity

Delaying Vehicle Service/Repair*
(% consumers that said "Yes")



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
Q19c. Thinking about life as normal/pre-coronavirus compared to life impacted by coronavirus, how often does your gas tank typically need to be filled?

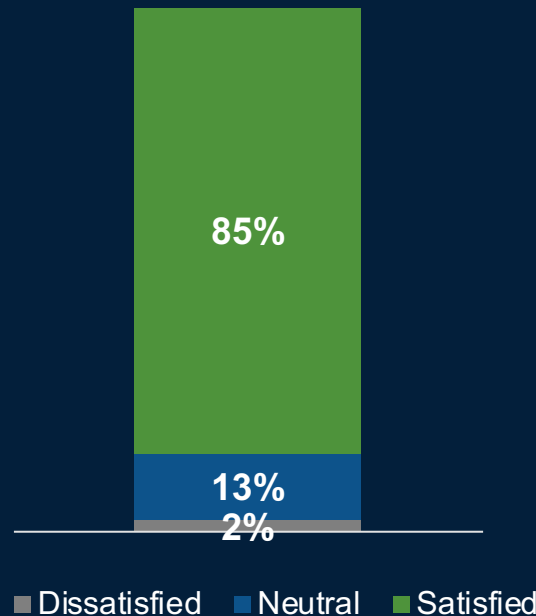
*Among vehicle owners

The consumers using service pick-up and delivery seem to enjoy it...

23%

of vehicle owners have
used service pick-up
and delivery since
COVID

Satisfaction with Service Pick-up and Delivery



"They made it top priority to deliver back my car to me in [a] short time with all problems fixed."

"It is very dependable and it's better than going yourself."

"It was very convenient."

"It reduced [the] stress of taking the [car] myself."

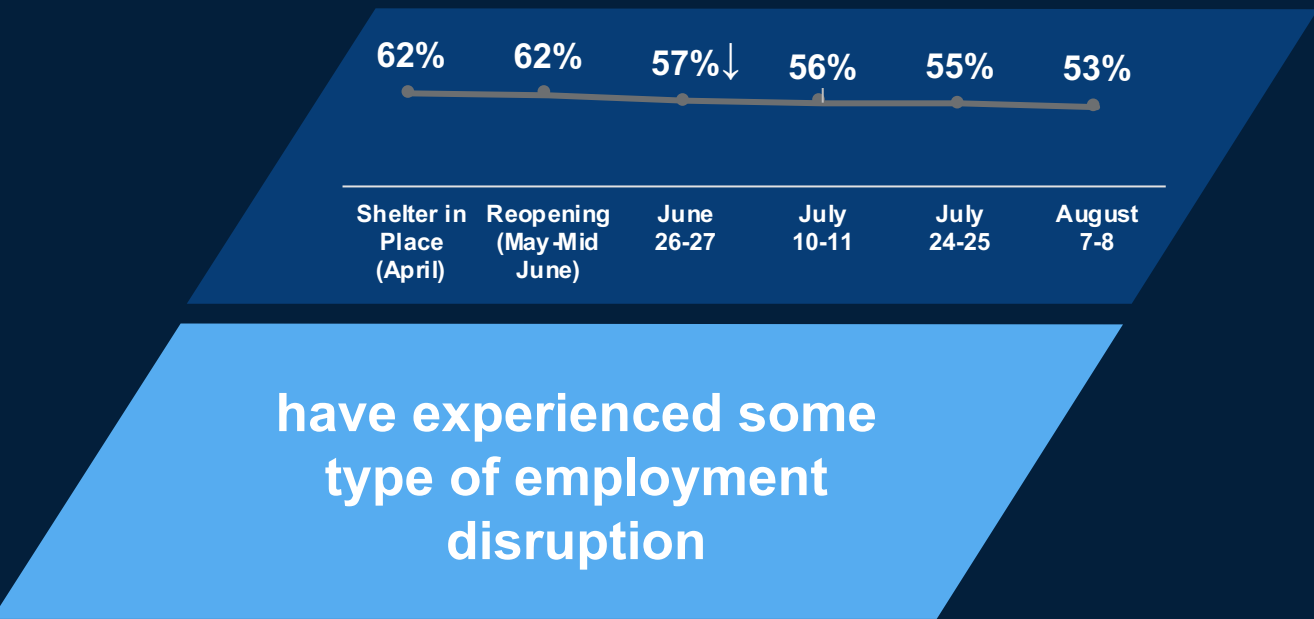
"Very good service they provided; I am really satisfied."

Q18a9. When you recently had your vehicle serviced by a dealership, did you use any of the following options/services if the dealership offered them?

Q18a9a. How satisfied were you with using this service?

Q18a9b. How could your experience with having the dealership pick up the vehicle at your home, take it in for service/maintenance, then deliver back to your home have been improved, if at all?

Employment disruptions are contributing to consumer uncertainty



Employment Disruptions Experienced During COVID-19

- 28%** Reduced work hours
- 18%** Temporary shut down
- 17%** Being laid off
- 13%** Reduced salary/pay cut
- 13%** Being furloughed

Q27. Have you or any member of your household experienced any of the following at work due to the spread of the coronavirus? (Question added April 3)

Some younger shoppers have decreased their budgets and begun looking to spend less

IMPACT OF COVID-19 ON VEHICLE BUDGET

% OF SHOPPERS WHO ADJUSTED VEHICLE PRICE RANGE

58%_{CD}

Gen Z (A)

58%_{CD}

Millennials (B)

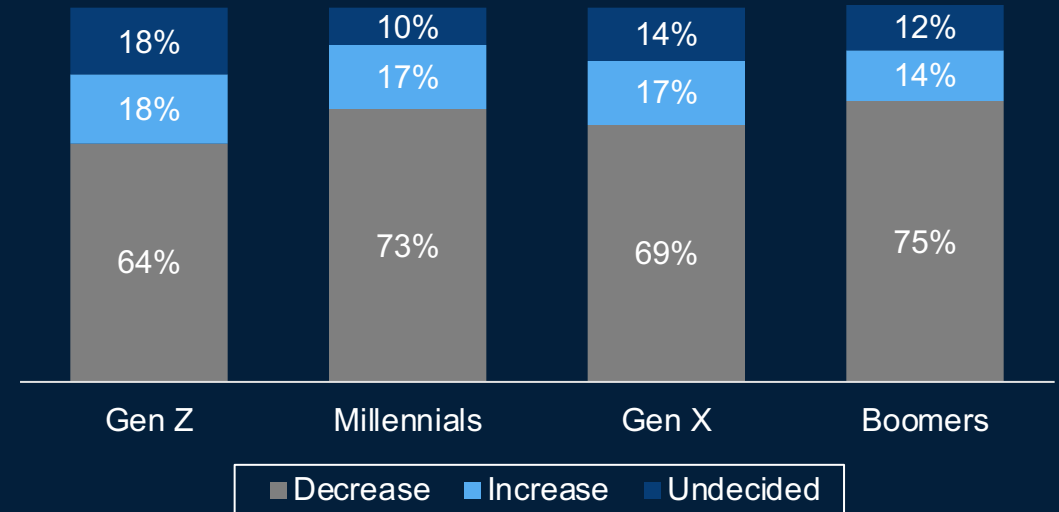
49%

Gen X (C)

36%

Boomers (D)

AMONG THOSE WHO ADJUSTED VEHICLE PRICE RANGE...



Letters indicate significant difference between subgroups

2020 Cox Automotive COVID-19 Consumer Impact Study

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 16: August 7-8, 2020 (n=1,000)
- 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)



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

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