

# DIGITIZATION OF END-TO-END RETAIL



January 2021

Cox  
AUTOMOTIVE™

Research & Market Intelligence

## Key Takeaways: Digitization of End-to-End Retailing

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1. Digital Reaches New Heights In Automotive Shopping
2. Saving Time Is The Universal Draw To Digital
3. Short-term Challenges Do Not Limit Long-term Adoption Commitments
4. Higher Commitment Drives Greater Rewards
5. The Future Of Automotive Sales Has Reached A Point Of No Return



## As Dealers Adapted How They Do Business...

**69%** of franchise dealers **added at least one digital step** due to COVID-19

### TOP STEPS ADDED DUE TO COVID-19

- Test drive home delivery
- Purchased vehicle home delivery
- Online credit application

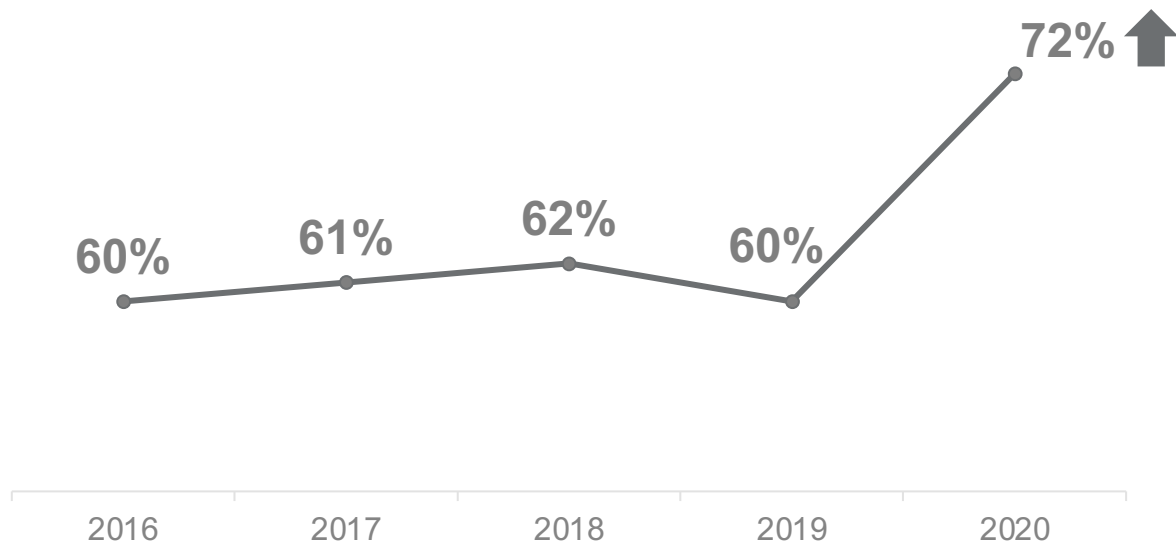
**74%** of franchise dealers say their **customers have used digital retailing tools more** since COVID-19



Source: 2020 Digitization of End-to-End Retail Study

...Buyers' Experiences Rose to New Heights.

### % OF BUYERS HIGHLY SATISFIED WITH OVERALL SHOPPING EXPERIENCE



Arrows indicate significant differences from 2019 or previous timeframe at the 95% confidence interval.  
Source: Car Buyer Journey





Consumers Believe Digital Retailing  
Will “Save Them Time”...

**#1 SHOPPER BENEFIT:**

**86%**

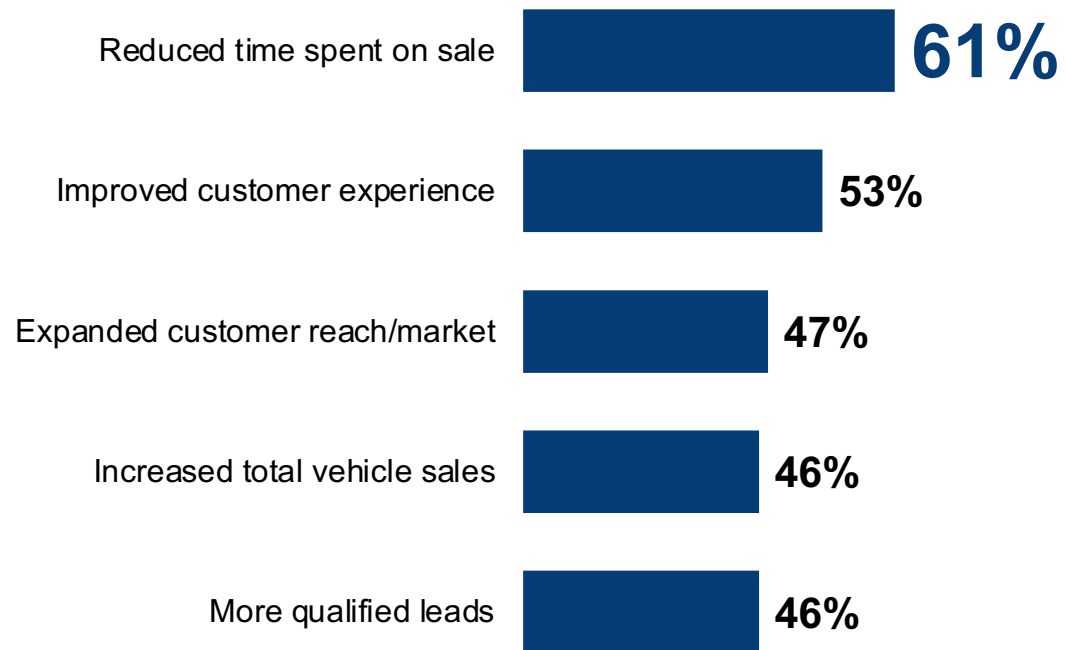
**Saving time in person  
at the dealership**



Source: 2020 Digitization of End-to-End Retail Study

...And The Same Expectations Hold True for Dealers.

## BENEFITS OF USING DIGITAL RETAILING AMONG FRANCHISE DEALERS



Source: 2020 Digitization of End-to-End Retail Study

While Shoppers Are Open to the Idea of Buying a Car Completely Online,  
the Industry is Not Ready.

**76%**  
of shoppers are  
open to the **idea**  
of buying  
**completely online**

Only...

**1 in 3**

Franchise dealers offer  
ALL the purchase  
process steps online

**MOST POPULAR STEPS TO  
OFFER ONLINE ARE AT THE  
BEGINNING OF THE  
SHOPPER'S JOURNEY**

- #1** Apply for credit/financing
- #2** Find info on incentives/rebates
- #3** Schedule a test drive online
- #4** Payment calculator
- #5** Receive a trade-in offer



Most Dealers are Ready to Make Changes Though...

**78%**

of franchise dealers are willing to  
change dealership processes to meet  
consumer expectations

**61%**

of franchise dealers have or will  
likely adjust sales incentives to  
encourage staff to adopt DR

**52%**

of franchise dealers will place  
greater emphasis on hiring  
digital skill sets in the future



Source: 2020 Cox Automotive COVID-19 Dealer Impact Study (Oct 12-16)  
Source: 2020 Digitization of End-to-End Retail Study



...and Are Committed to Delivering  
in This New Normal.

# 80%

of franchise dealers plan to offer  
more parts of the purchase process  
online in the next 1-2 years

## MOST POPULAR STEPS TO ADOPT NEXT...

- Payment calculator
- Select add-ons
- Review & sign paperwork



Dealers Have Seen The Future:  
Investing In Digital Retailing Is a Non-Negotiable.

# 3-in-4

**Franchise dealers agree that  
they won't be able to survive  
in the long run if they don't  
adopt digital retailing**



Source: 2020 Digitization of End-to-End Retail Study



Sign up to see Isabelle Helms, Vice President of Research & Market Intelligence present the full Digitization of End-to-End Retail study on February 1, 2021.

[REGISTER TO ATTEND](#)

For more information, or to obtain a copy of the full study, contact:

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# About the Digitization of End-to-End Retail Study...

## OBJECTIVES:

- Measure shifts in consumer preference towards a more online purchase experience
- Understand consumer and dealer barriers to adoption
- Quantify the impact of digital retailing on the consumer and dealer
- Identify digital retailing best practices for dealerships

## METHOD:

### We interviewed:

**1,859**

**Next 12 Month  
Vehicle Intenders**

#### QUALIFICATIONS

- Age 16-64
- Primary/shared decision maker
- Must be considering purchasing from a dealership (not just private seller)

### We interviewed:

**462**

**Franchise Dealers  
With Digital Retailing**

#### QUALIFICATIONS

- 5+ vehicle sales per month
- Decision maker/influencer over DR
- Job title in management, marketing, sales, or business manager/assistant manager