

For Immediate Release

Cox Automotive Study Finds Car Buying Process Improved During COVID-19 Pandemic

- *Dealership visits drop as car buyers in 2020 were more decisive, spent less time shopping.*
- *New digital retailing tools drove process efficiencies, higher buyer satisfaction.*
- *Used car consideration continued to grow; nearly 60% of buyers considered both new and used.*

ATLANTA, Feb. 23, 2021 – Cox Automotive today released its 11th annual Car Buyer Journey Study. The extensive study is based on a survey of consumers who bought or leased a new or used vehicle and is designed to offer a detailed look at the vehicle buying process in America, from start to finish.

While the global COVID-19 pandemic has negatively impacted nearly every measure of life, the Car Buyer Journey (CBJ) Study suggests the automobile buying process improved during the prolonged downturn. Both new- and used-vehicle buyers in 2020 report the process took less time and was more efficient than before. Overall, buyer satisfaction reached an all-time high in 2020.

The Cox Automotive Car Buyer Journey Study: Pandemic Edition involved a survey of 3,016 shoppers who bought a vehicle between mid-March and September 2020 and used the internet during the buying process.

Identifying the consumers who were buying cars in 2020 is key to understanding the latest Car Buyer Journey Study findings. The average vehicle buyer last year was 50 years old and had a reported income above \$75,000. The above-average income was particularly true with new-vehicle buyers: 70% of new-car buyers in 2020 had incomes above \$75,000. Conversely, the number of new-vehicle buyers with reported incomes below \$75,000, at 30% in 2020, was down 3% from 2019, indicating that many lower-income buyers stayed out of the new-car market last year.

In 2020, 30% of vehicle buyers were identified by the Cox Automotive research team to be “Straight Shooters,” a cohort of buyers more likely to be Gen X or Baby Boomer suburbanites who are experienced at car buying and careful with finances. For comparison, in 2018, only 15% of vehicle buyers were in the Straight Shooter cohort. Less experienced, budget-conscious buyers tended to stay out of the market in 2020.

In 2020, Purchase Motivation Shifted

Vehicle buyers in 2020 were more likely to be motivated by “want,” as opposed to “need,” according to the CBJ Study. Many buyers in 2020 were motivated by attractive deals – whether they searched for them on their own or a dealer reached out with special offers. Importantly, 35% of buyers knew exactly what vehicle they wanted at the start of the car buying process, up from 29% in 2018. Nearly 60% of buyers considered both new and used vehicles in 2020, up from 53% in 2019.

With a high level of buyer certainty, the amount of time spent actively shopping and buying dropped significantly in 2020, according to the study. Buyers reported spending an average of just over 13 hours in the entire process, from start to finish, down from nearly 15 hours in 2019. New-car buyers spent just over 11 hours on the necessary steps, everything from shopping and negotiating the deal to taking delivery of the new vehicle. The biggest time savings in 2020 was in the online shopping phase.

The Pandemic Revolutionized the Purchase Process

As dealers adapted their business due to COVID-19, consumers took advantage of a new digital experience. The overall vehicle-buying process was streamlined by proactive dealer outreach to in-market consumers and new digital retailing tools designed to drive efficiency. As a result, the number of dealerships visited and the amount of time spent in dealerships dropped in 2020. One of the top steps added due to COVID-19 was test drive home delivery. Notably, an estimated 22% of vehicle buyers said they did not test drive a vehicle at the dealership; however, of the buyers who took a test drive, approximately 81% were satisfied with the process, the highest satisfaction rating for any step.

According to the CBJ Study, as the vehicle buying process becomes more efficient, satisfaction levels increase. “Heavy Digital” buyers in the survey – those buyers who performed more than half the steps online – were more satisfied with the process than “Light Digital” buyers, who performed less than 20% of the vehicle-buying steps online. The Heavy Digital buyers reduced their time at the dealership by more than 40 minutes compared to Light Digital buyers, with the biggest time savings delivered in negotiating price and signing paperwork, the two steps that have historically had the lowest satisfaction ratings. The study shows that Heavy Digital buyers were also more likely than Light Digital buyers to trust the deal they received.

2020 saw a sharp rise in the usage of what Cox Automotive researchers call “New Form Online Retailers,” used-vehicle-only sales sites that include Carvana and Vroom. According to the study, approximately 17% of car buyers visited a New Form Online Retailer during their buying process, a significant increase from 11% in 2019 and only 7% in 2018.

The CBJ Study demonstrates that online shopping continues to be a central activity in the car buyer’s journey, although decisive shoppers spent less time in this phase in 2020. Third-party websites are still the No. 1 destination for vehicle shoppers as they enter the process, with up to 79% of buyers noting they used a third-party site in 2020, generally unchanged from recent years. Autotrader and Kelley Blue Book are among the most popular third-party sites, with 61% of new-vehicle buyers and 68% of used-vehicle buyers using one of these Cox Automotive sites.

Visits to automakers’ websites and traditional dealership-run websites declined slightly in 2020 but remained important, with 24% and 52% of vehicle buyers visiting at some point, respectively.

For More Information

Cox Automotive released last month the [Digitization of End-to-End Retailing \(DoEER\)](#) study, which clearly illustrated that satisfaction with the purchase process increases as the steps necessary move online. The Car Buyer Journey Study echoes that research and shows how satisfaction with the overall process, from shopping to delivery, improved in 2020 as well.

“The Cox Automotive Car Buyer Journey: Pandemic Edition shows that vehicle buyers in 2020 were more decisive about their purchase, spent less time on the process, and were more satisfied than ever,” adds Vanessa Ton, senior manager of Industry Intelligence at Cox Automotive.

[Download a summary of the Cox Automotive Car Buyer Journey: Pandemic Edition](#) from the Cox Automotive Newsroom.

About Cox Automotive

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