

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 partially obscured by a dark blue geometric overlay on the left side.

COVID-19:

TRACKING U.S. CONSUMER
AND DEALER SENTIMENT

STUDY SUMMARY

Issue #21

November 10, 2021

What we're seeing now

1

Consumer concern over COVID-19 continues to decline significantly due, in part, to the vaccine and recent booster approval. Those feelings are reflected in a projected rebound for holiday travel and consumers plan to drive their vehicles more in 2022.

2

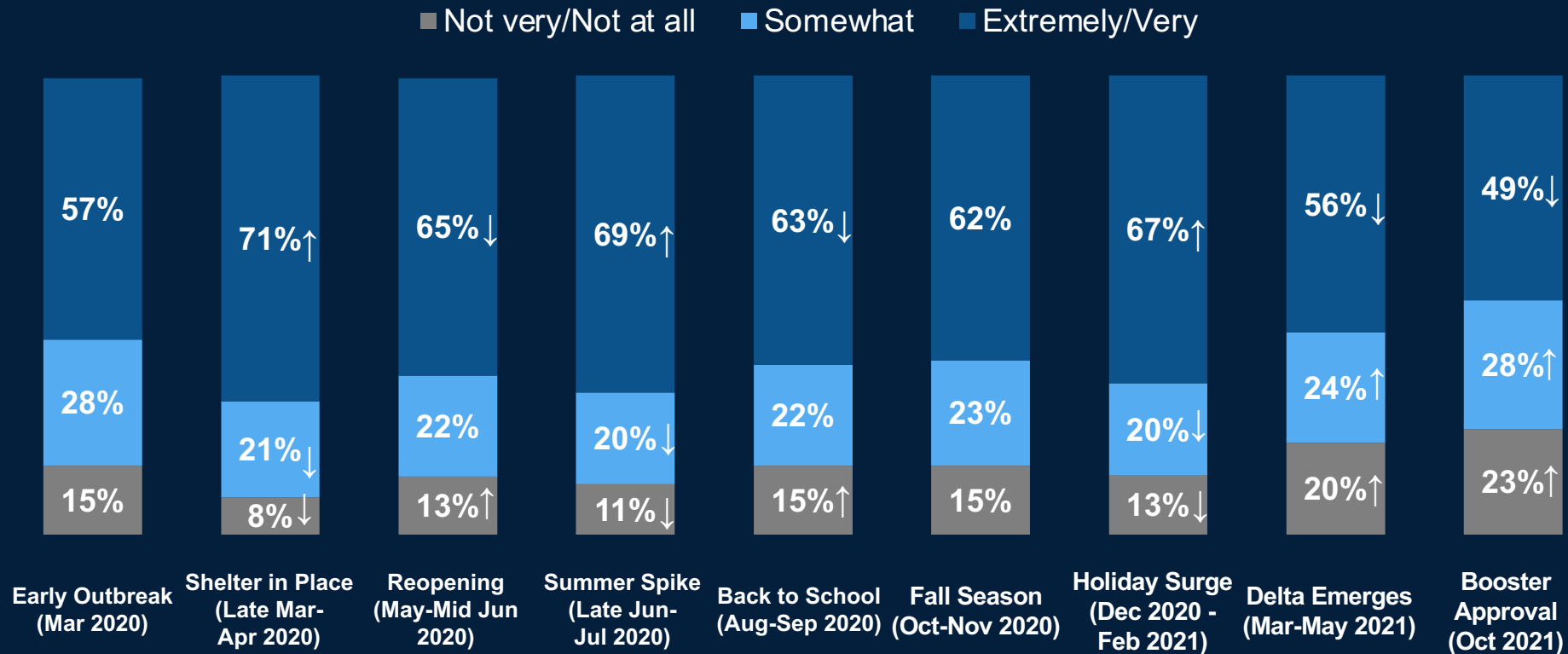
The number of in-market consumers remains steady, but inventory continues to be the big story for the industry. Despite record profitability, dealers are not positioned to fully capitalize on consumer demand due to a lack of available inventory. Neither dealers or consumers expect the situation to be solved any time soon.

3

Due to limited inventory, more consumers are opting to repair their vehicles vs. replace. This provides dealers with opportunities to grow service/maintenance revenue while, at the same time, building relationships with customers which could lead to future vehicle purchases and trade-in volume.

Consumer concern has trended down from the heights of the pandemic in 2020

Consumer Level of Concern Over COVID

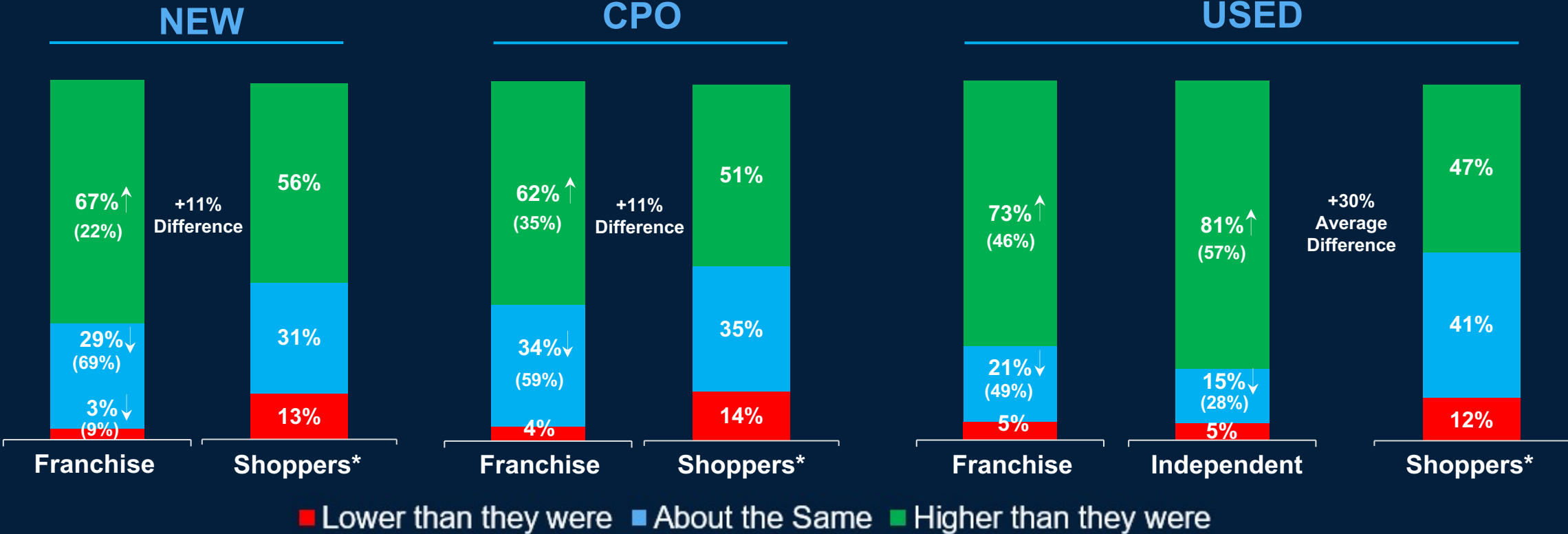


↑↓ Indicates significant difference since last wave

Q9. How concerned are you about the coronavirus overall?

Dealer vehicle prices have increased much more than shoppers realize

Dealer Vehicle Price Changes and Shopper Perceptions of Vehicle Prices Compared to Pre-COVID



↑↓ Indicates significant difference since last wave, (##) indicates score from last wave when change is significant

Q8. How do your dealership's vehicle prices compare to what they were in 2019 pre-COVID conditions?
 Q17a15. Overall, how do you think vehicle prices today compare to what they were in 2019 pre-COVID?

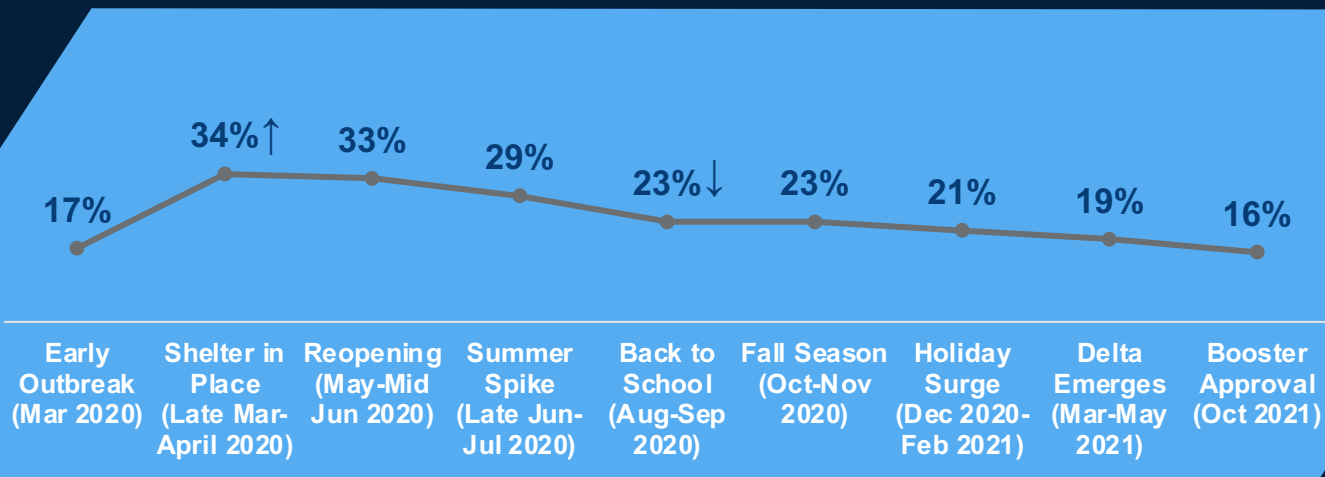
(Oct 2020 Scores)

*Among 6-month auto intenders

Note: Excludes Service/Parts titles

Purchase delays continue to trend down, driven more by supply issues than concern for the pandemic

Delaying Vehicle Purchase/Lease*



Reasons for Delaying Purchase (Top 2)*

Reason	Fall Season (Oct-Nov 2020)	Booster Approval (Oct 2021)
The vehicle I want isn't currently available	8%	20%↑

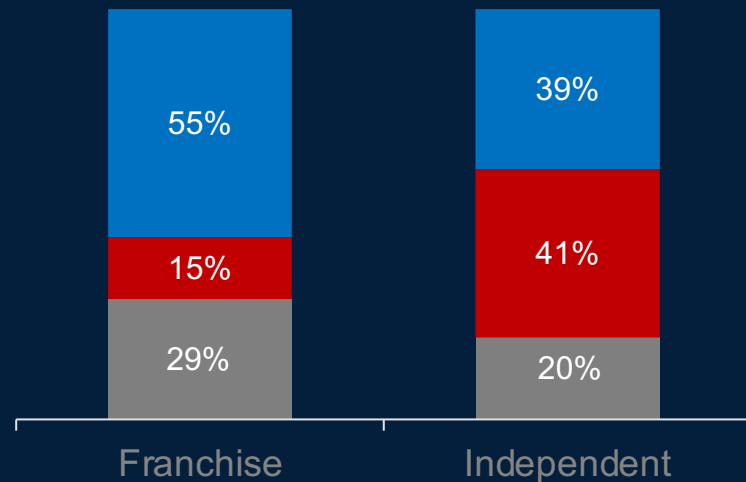
66% of intenders believe they will have to wait up to 12 months for the best deal on a vehicle

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.
 Q17a16. When do you think you will be able to get the best deal on the vehicle you want to purchase?

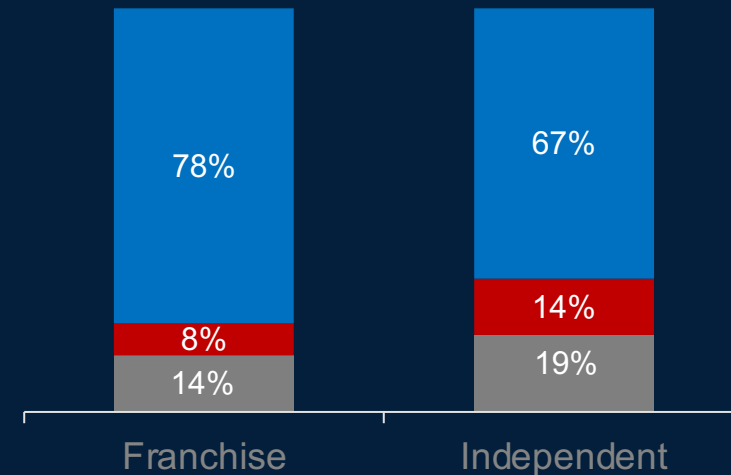
*Among 6-month auto intenders

Dealers recognize that the future will include more online sales

Current Customers Completing More Steps Online



More Consumers Buy Vehicles Online in the Future



■ Not Sure ■ No ■ Yes

(Oct 2020 Scores)

Q15_1. Do you expect to see more consumers buy vehicles online in the future?
Q98. Have your current customers been completing more steps online?

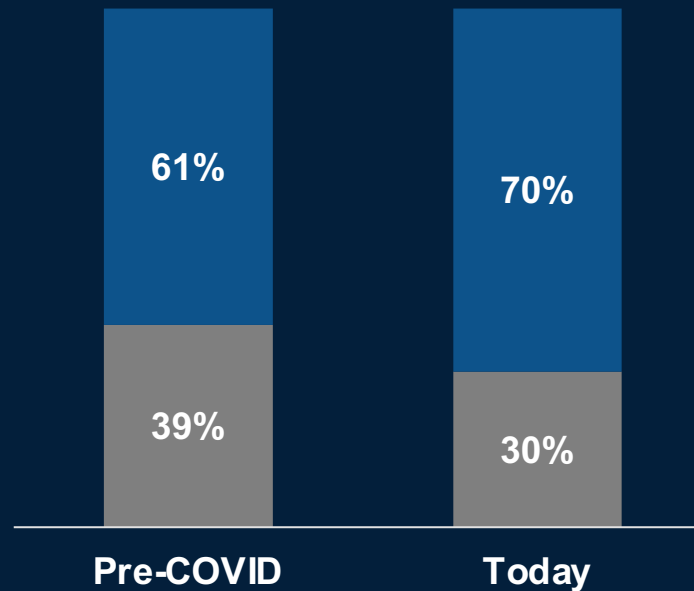
Note: Excludes Service/Parts, Auction, and Admin/Back Office Support titles

Intenders will pay more for vehicles but view repair as a viable option vs. overpaying

Decision to Repair vs. Replace

(among vehicle owners)

■ Definitely/probably replace ■ Definitely/probably repair



Q18a3. Now imagine that your vehicle needed to be repaired, and the total repair cost was high enough that you'd have to decide whether it's worth the cost to repair vs. buy a replacement vehicle. Thinking about each timeframe below, what would you do?

*Among 6-month auto intenders

2021 Cox Automotive COVID-19 Consumer & Dealer Impact Studies

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

- Wave 28 (Booster Approval): October 12-15, 2021 (n=2,000)
- Waves 25-27 (Delta Emerges): March 5-May 1, 2021 (n=3,000)
- Waves 22-24 (Holiday Surge): December 11, 2020-February 6, 2021 (n=3,000)
- Waves 20-21 (Fall Season): October 15-November 17, 2020 (n=3,000)
- Waves 16-19 (Back to School): August 7-September 19 (n=4,000)
- Waves 13-15 (Summer Spike): June 26-July 25, 2020 (n=3,000)
- 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 17: October 7-17, 2021 (n=1,171)
- Wave 16: October 12-16, 2020 (n=764)
- Wave 15: September 14-18, 2020 (n=812)
- Wave 14: August 17-21, 2020 (n=740)
- 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 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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