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CAR

BUYING JOURNEY

Top Insights From Major Industry Surveys





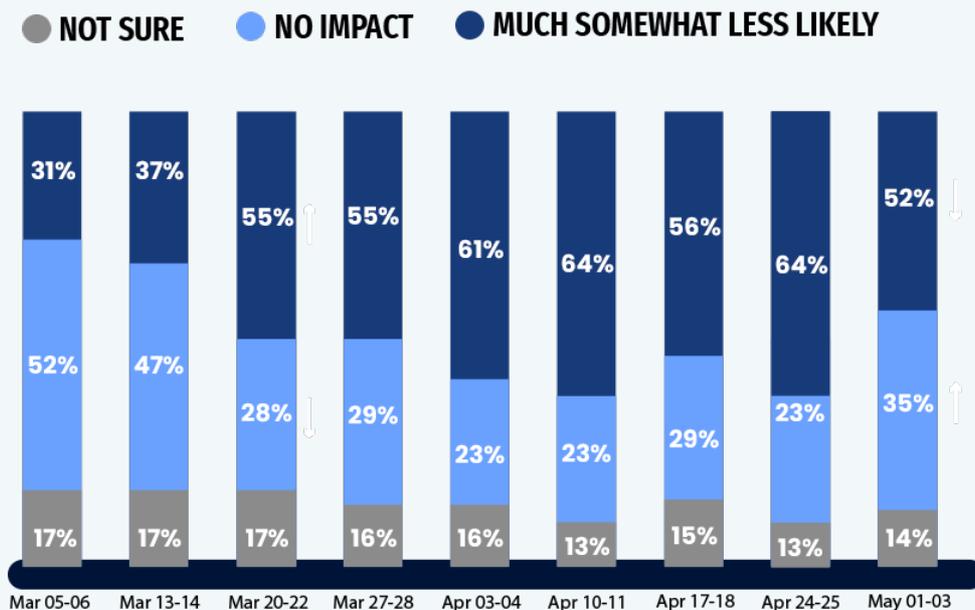
Powered by innovation and technology, the automotive industry is evolving. With the advent of autonomous vehicles, ride-hailing platforms, and electric vehicles, the auto industry has reached a point where consumers are looking for more than just a vehicle purchase. As the innovation matures, car buyers seek a unique experience during the purchase journey.

88%

of dealers are going beyond just conducting business in their physical location

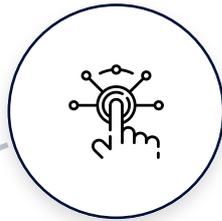
Now (after the pandemic), fewer consumers are comfortable visiting a physical dealership to buy a vehicle. But car dealers are adopting digital and touchless experiences to provide “buying alternatives” to potential buyers.

Impact on Likelihood To Visit The Dealership



The Beginning (The initial interactions)

According to a study, car buyers spend around 60% of their time online. This means it is high time for dealers to leverage the online platform to make the most of the car buyer journey. From a simple Google search to finalizing car insurance papers, these statistics will help you consider every touchpoint contemplatively.



95%

of car shoppers use digital as a source of information



60%

of all automotive searches come from a mobile device and some of the top mobile searches are related to dealerships.



1 in 3

Car buyers know the exact vehicle they want to purchase when they begin their shopping journey.



Car buyers (both new and used) spend about 61% of their time online when shopping/buying a vehicle. (2)



8 out of 10 shoppers need to see a vehicle & 7 out of 10 want to test-drive a car before purchasing. (4)



Car shoppers spend about 108 days in-market before actually making a purchase. (2)

The Power of visuals (Importance of photos)

High-quality photos and videos motivate buyers to seek more information about a vehicle and encourage them to make an informed buying decision.

For new car buyers, cockpit and dashboard images are most important, while used car buyers rank images of odometer and car condition as most essential points.

To give your online customers a store-like experience, dealers need to provide immersive car visuals that enable them to discover the cars with ease.

40% of buyers are likely to purchase a vehicle based on images they view online without seeing the vehicle in person. (2)

40%



60%



90%

90% of car buyers consider photos extremely important in making the purchase decision. (2)

60% of vehicle buyers reported visiting a dealership or dealer website after watching a video of a vehicle they were considering. (5)

Popular Digital Touchpoints



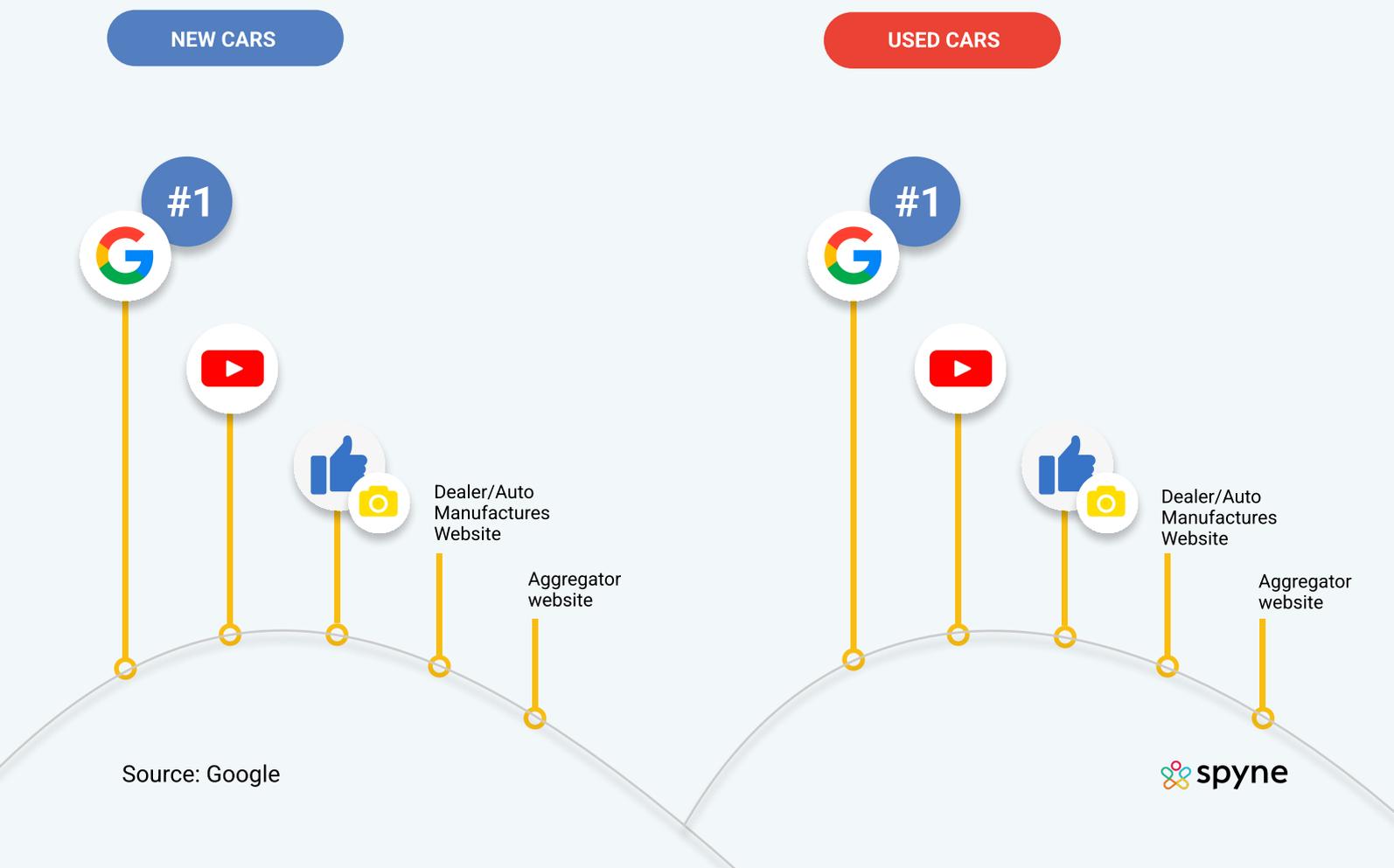
Popular digital touchpoints

According to Google, a consumer can have as many as 900+ digital touchpoints in the car buying journey. To ensure that the consumer find the right information, make sure you provide detailed answers to their queries that solve their intent to run perform those searches. What are their online moments like?

As car buyers spend most of their time online during their journey. They run Google searches such as “**which car is best, where should I buy the car,**” etc.

To influence the customers journey, you need to make sure that you have good online presence. **Offer relevant information in the form of blogs and videos to shape the buyers decision.** In fact, having presence on third party websites is also crucial as more than half of car shoppers use third-party websites to research and decide.

Popular digital touchpoints that influence consumer purchase decision



Decision Making & Experience

How long does the car buying journey last? Over 90% of car buyers spend less than 3 months deciding and making the final purchase.

Post-purchase, about 86% of car shoppers anticipate some kind of engagement from their car brand. This is the time when car brands can leverage the opportunity to build more trust and also take feedback from their customers to improve their journey.

Making customer journey seamless



92% of those purchasing have previously purchased a vehicle (2)

72% want to complete credit application & financing paperwork online (8)

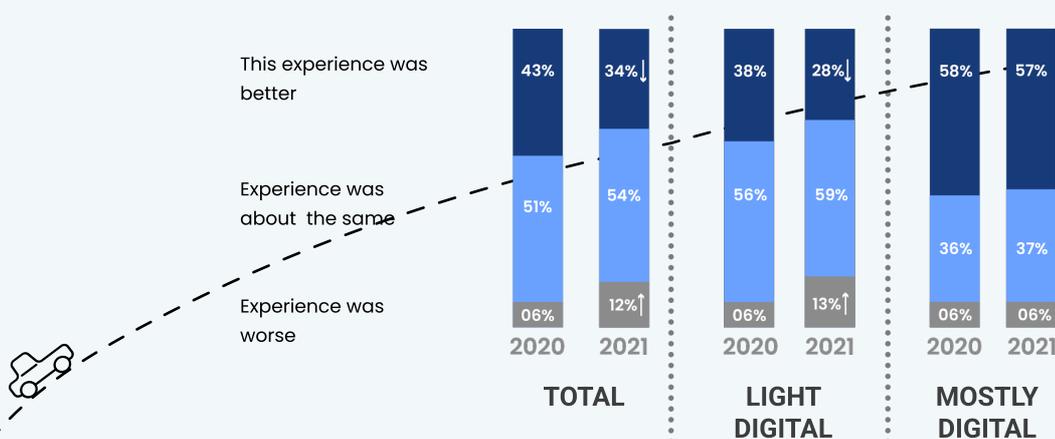
54% of buyers would buy from a dealership that offers their preferred experience, even if the prices are higher. (7)

79% of consumers buy or plan to buy in-dealership, compared to just 20% who buy or plan to buy online. (9)

56% of car shoppers want the ability to start the negotiation on their own terms, preferably online (8)

86% of people said that they'd like some type of engagement with their car brand after purchasing a car. (9)

Shopping Experience Compared To Previous Experiences



Buyers Completed 20% or less of the steps in their buying journey entirely online

Buyers Completed more than 50% of the steps in their buying journey entirely online

Source: Cox Automotive

Conclusion

The innovation and the recent disruptions in the auto industry have enabled car dealerships globally to shift to digital business models. This allows them to target a large set of customers who intend to research/buy online.

We are moving to an era where customers prefer making all kinds of purchases online, even if they are big-ticket purchases like buying a car.

The above insights have been compiled from the top industry surveys to help dealers navigate across the car buying journey.

Source:

1. Think With Google: [Automotive Shopper Study](#)
2. Cox Automotive: [2018 Car Buyer Journey Study](#)
3. Google Internal Data: [Auto Trends](#)
4. Deloitte: [Shift Auto CX Into High Gear](#)
5. Ipsos/Google: [Digital's Influence on In-Market Auto Consideration](#)
6. Cox Automotive: [2019 Car Buyer Journey Study](#)
7. Autotrader Study: [Consumers Want Big Changes to the Car Buying Process](#)
8. Autotrader: [Car Buying Process](#)
9. Facebook IQ: [Understanding the vehicle-buying journey of the connected consumer](#)

Disclaimer: This information has been collected through secondary research and Spyne is not responsible for any errors in the same.