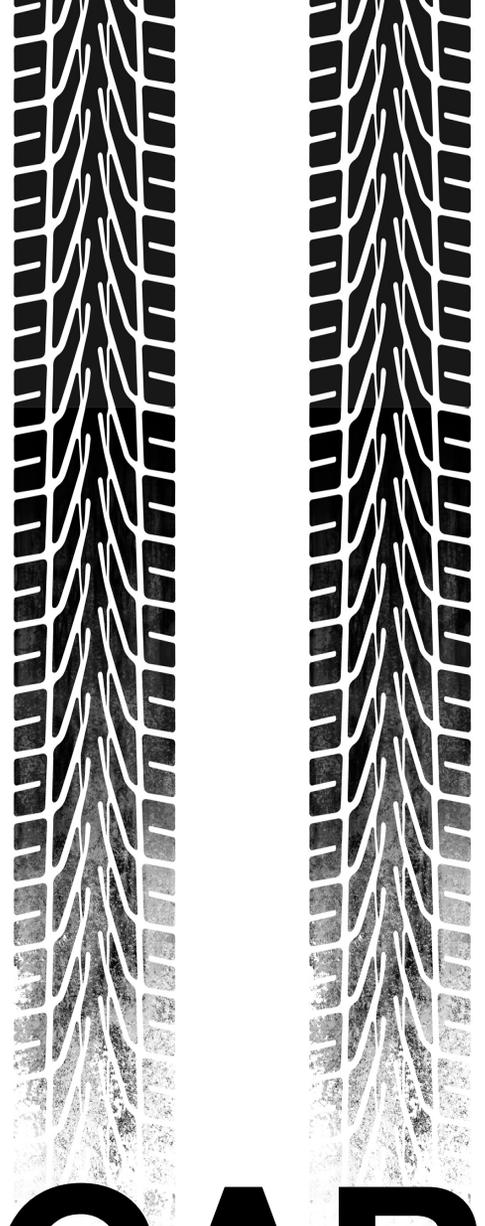


2010  
2011  
2012  
2013  
2014



# CAR SHOPPING TRENDS REPORT



Time is money. Money is time. Some might write off those two simple ideas as tired clichés. But when it comes to buying a car, time and money clearly have a big influence on shoppers.

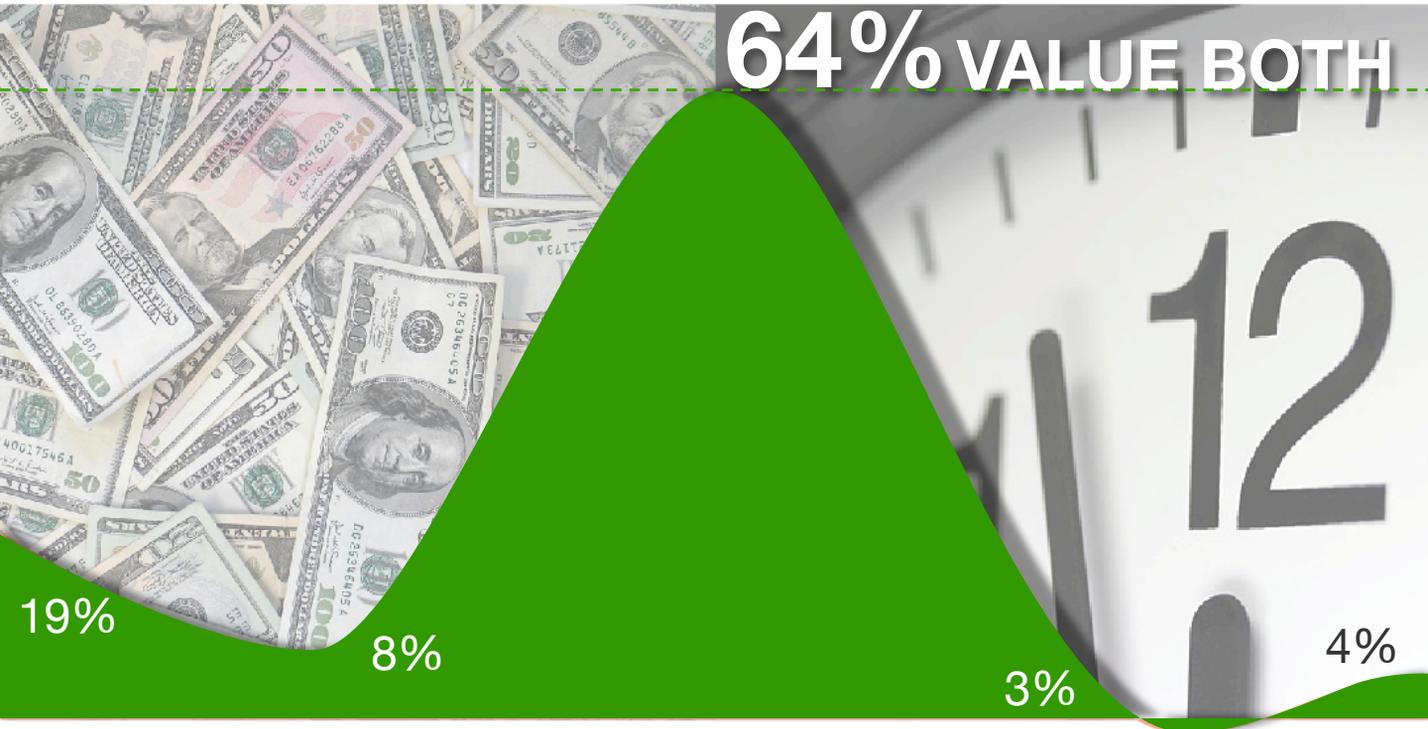
There's a stereotype in the auto industry that says that shoppers will always try to lock in the lowest possible price. And, in fact, according to a recent Edmunds.com survey, 96 percent of car shoppers say they put some effort toward getting a good price.

PRICE PRICE PRICE PRICE PRICE  
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**But only about 20 percent of shoppers surveyed by Edmunds consider themselves**

**extreme “price grinders”** who will take as much time as they can to make sure they get the lowest possible price on a new or used car. And some auto insiders might be surprised to learn that a clear majority of shoppers (64%) value the importance of both price and time throughout the shopping process.





# INSIGHTS

Edmunds.com developed this report to share some of our exclusive insights into shopping behaviors so that you can understand how buyers are applying their very valuable time. The statistics included in these pages are based on an Edmunds.com survey conducted in late 2013 of hundreds of in-market car shoppers across the U.S.\* By understanding their habits – and by fostering solutions to meet these habits – we believe that the dealership community can develop powerful ideas to create a better car shopping experience.

The **balance** between time and money applies to the dealership community, too.

Investing the time to understand shoppers and to meet their needs right now can pay off handsomely down road for both your business's reputation and its bottom line.



\*Survey of 500 in-market car shoppers/recent purchasers conducted for Edmunds.com by Added Value in September 2013.

# SHOPPING AT HOME



# SURVEY

**89% of shoppers like to be fully prepared with as much research as possible before walking in to dealer**

**TAKEAWAY**

# SURVEY

**40% of shoppers visited a dealer website during their last purchase; 38% visited a manufacturer website.**

**TAKEAWAY**

## SHOPPERS CRAVE OPENNESS AND TRANSPARENCY

and both dealers and 3<sup>rd</sup> party shopping sites can build more trust by making that information as accessible as possible and by training their staffs to anticipate shopper questions.

## THE DEALER WEBSITE IS EQUALLY - IF NOT MORE - IMPORTANT THAN THE MANUFACTURER WEBSITE.

Dealers benefit when they consistently update their sites with relevant information. Edmunds.com offers multiple APIs that offer relevant pricing and reviews content to help keep shoppers engaged on the dealer's website.



# SURVEY

# TAKEAWAY

## TOP INFLUENCERS TO PURCHASE:



**76%** of shoppers say the vehicle itself



**62%** say price financing



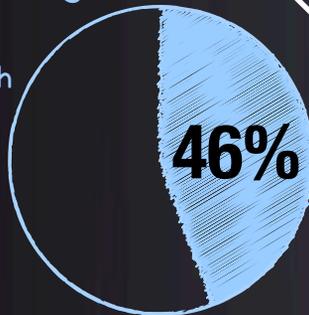
**62%** say the manufacturer reputation

Your OEM brand's reputation is just as important as the price of the car. **BUT NOTHING IS AS IMPORTANT AS THE VEHICLE ITSELF.**

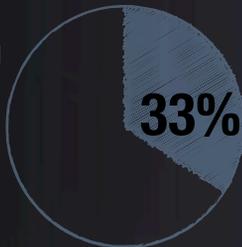
- ☑ Find ways to differentiate the product from your competitors, especially if they have identical cars on their lots.
- ☑ Take the pain of negotiation out of the equation with upfront pricing and focus on the experience of the purchase itself.
- ☑ Find ways to fully market your vehicles with custom photos, detailed options and colors, and descriptions.

Respondents stated: Word of mouth is a bigger consideration in the research process than traditional advertising.

Word Of Mouth



Traditional Advertising



Marketing budgets are important, but they are less effective if you aren't leveraging ratings and reviews properly.

Take proper steps to maximize the volume and quality of your reviews, especially on sites where you advertise or on sites that are popular destinations for reviews.

# SURVEY

66% of shoppers say that they are likely to request a certificate with a guaranteed price on a new car. →

82% of shoppers prefer to have a price guarantee on a VIN-specific car available on the dealers lot, as opposed to a vehicle with similar configuration that may not be currently sitting on the dealer's lot\* →

# TAKEAWAY

CUSTOMERS SEE AND UNDERSTAND THE VALUE OF UPFRONT PRICING.

It saves them valuable time and generally leads to a smoother transaction process at the dealership.

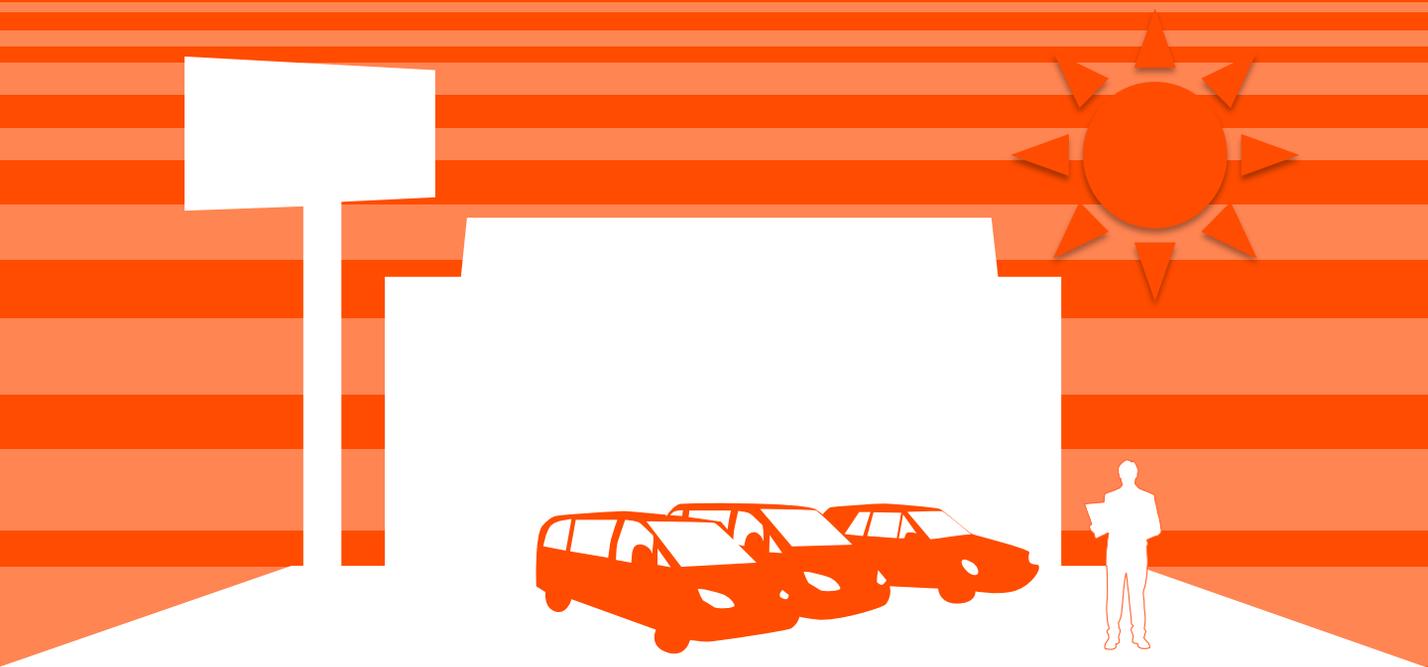
SHOPPERS ARE TURNED OFF BY OFFERS ON VEHICLES THAT ARE NOT ON YOUR LOT.

Upfront pricing works very well, but only if the price matches a specific piece of available inventory.

\*Based on a survey of car shoppers conducted by Widmeyer Communications in March 2014.

# SHOPPING

AT THE **DEALERSHIP**



# SURVEY

Only 1 in 3 shoppers submit dealer leads online as part of the buying process. Those that do report a positive experience more than 70% of the time.

# TAKEAWAY

Lead generation is obviously very helpful to your business, but most shoppers will arrive to the dealership unannounced with their research and data on hand. **So be sure not to overlook other factors to drive foot traffic, such as word of mouth, increased activity on your inventory listings, and more focus on online ratings and reviews.**

2014  
EDMUNDS.COM  
★★★★★  
FIVE STAR DEALER AWARD

edmunds.com

# THE RULE OF **2s** **SURVEY**

On average, shoppers will visit **TWO** dealers and will take **TWO** test drives throughout the process.

## **TAKEAWAY**

**Find out what other vehicles and brands the shoppers are considering and BE PREPARED TO EXPRESS WHAT SEPARATES YOUR BUSINESS AND PRODUCTS FROM THE COMPETITORS.**

Create brief and specific messages that highlight the positive attributes of your OEM, models and dealership. This is also where strong online reviews can really help your dealership shine. It also helps to keep a list of vehicle accolades from independent sites like Edmunds.com on hand.





## SURVEY

58% of respondents test drove a vehicle before purchase.

## TAKEAWAY

Nothing can sell a shopper on a car like the feel of the wheel. **Encourage a stress-free drive where the shopper can check out the car without any commitment.** This gesture can foster trust in your dealership and ultimately shift the shopper into buying mode. Be sure to have vehicles readily available for a drive. If the car is not available to drive or buried in the lot, opportunities may be lost.

edmunds  .com Ask the Car People.®

### **SURVEY:**

79% of shoppers buy within 7 days of a test drive; 55% within 2 days, 34% buy the same day.

### **TAKEAWAY:**

**One-third of test drivers will buy that same day.** For the rest, it's important to stay in touch for the next week because there's a strong chance they will buy during that time.

### **SURVEY:**

83% come away very/somewhat satisfied with the dealership process.

### **TAKEAWAY:**

**Dealers by and large are giving shoppers a good dealership experience. The next step is to turn those satisfied customers into positive reviews.** Edmunds.com's Review Accelerator is one product that makes it easier for satisfied shoppers to leave reviews on both Edmunds and your own dealer site in just one step.

### **SURVEY:**

34% of shoppers say they stress about the negotiating process

### **TAKEAWAY:**

**You can help put these customers at ease with upfront guaranteed pricing.** They (and you) will appreciate it when they can cut down on negotiation time.

# SHOPPING ON THE GO



# SURVEY

100% of smartphone owners use their phone to do some sort of car shopping activity.



Phones and tablets are primarily used for vehicle info and pricing info. About **HALF** of mobile car shoppers report these activities on mobile devices, compared to about a **QUARTER** of all mobile shoppers who check out other content – such as reviews and inventory listings – on mobile devices.

21% of mobile owners use a smartphone or tablet to perform shopping activities at the dealership.

# TAKEAWAY

Make sure your mobile sites and apps are accessible, relevant and – more importantly – easy to use. Text-to-chat solutions especially are becoming more and more important. There are also clear benefits to mobile marketing strategies.

Design your mobile platforms to put vehicle specs and pricing front and center.



Welcome this behavior and make it easier for them by inviting them to log on to the Wi-Fi at your dealership



3G 19:21

# SURVEY

# 32%

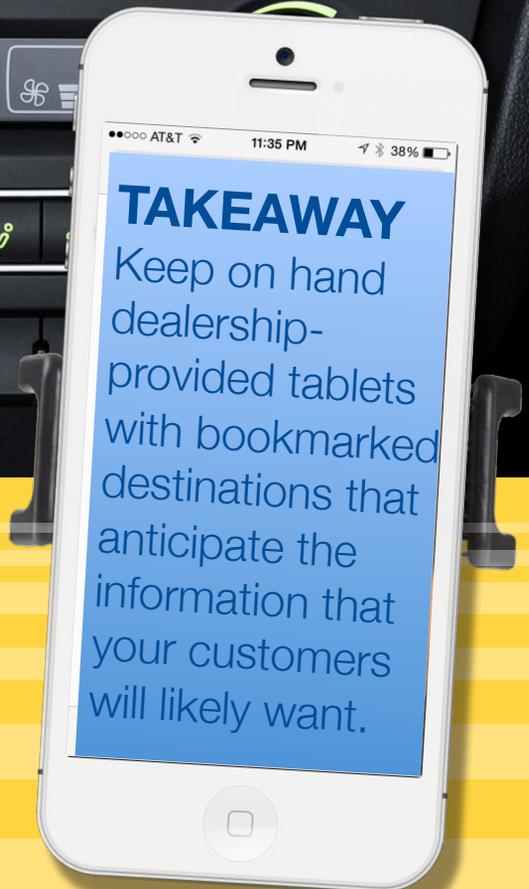
The largest percentage of smartphone users who perform shopping activities at the dealership use their devices to compare prices.

## TAKEAWAY

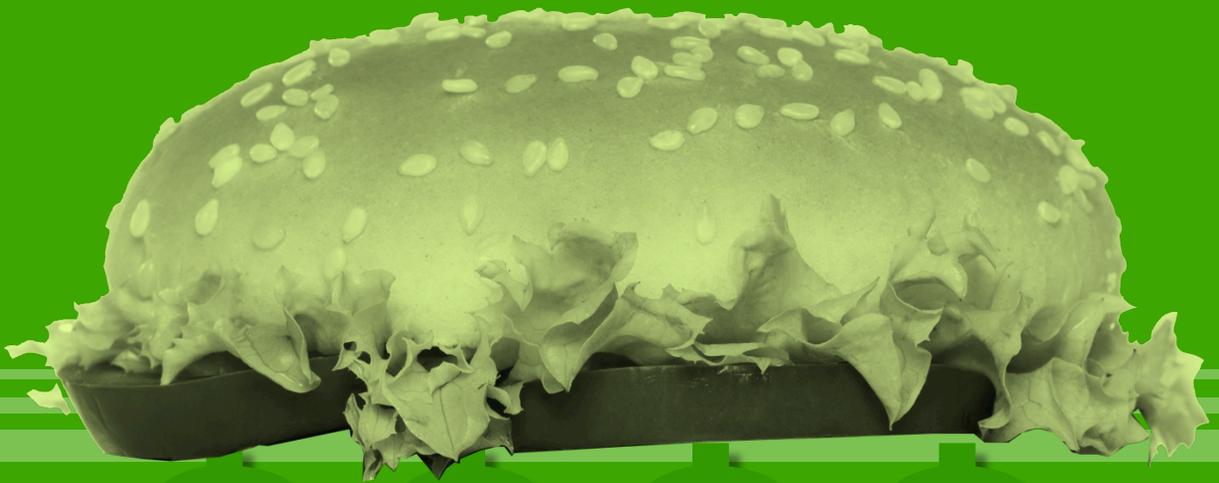
Know ahead of time what sort of prices are offered at local competitors and **BE PREPARED** to highlight clear differentiators between your products and theirs.

# SURVEY

64% SAY AUTOMOTIVE SITES NEED TO BE BETTER AT PROVIDING TOOLS TO USE WHILE AT DEALERSHIP; 50% WANT TOOLS TO LOOK UP VEHICLE INFORMATION AT THE DEALERSHIP.



AN APPETITE  
FOR SAVING



An appetite to save both **Time&Money** is one of the major reasons why Edmunds.com launched its successful Price Promise Program<sup>®</sup> last year.



Price Promise<sup>SM</sup> has already delivered the results that matter most:

**More cars sold in a shorter amount of time, with shoppers reporting a better experience at the dealership**

Over the past year, dealers enrolled in Price Promise<sup>SM</sup> have an average rating of 4.16 stars on Edmunds.com's Ratings + Reviews pages, compared to an average 3.82-star rating for non-Price Promise dealers.

**Meanwhile...**



**The percent of Price Promise<sup>SM</sup> partners with a rating of 3.5 stars or more is 14.7% higher than the same percent of non-Price Promise partner.**

# Contact Us For More Information

For Dealer Inquiries:  
855-EDMUNDS

For Press Inquiries:  
310-309-4900

