



Vehicle Shopping Now Higher than Pre COVID-19 Levels with Consumers Seeking Custom and Remote Purchasing Solutions

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According to TrueCar Marketplace Data and 3-Wave COVID-19 Car Buying Research

SANTA MONICA, Calif., May 19, 2020 (GLOBE NEWSWIRE) -- [TrueCar](#), Inc., the most efficient and transparent online destination to find a car, today published COVID-19 car buying insights based on TrueCar's own marketplace data prior to and after COVID-19 social distancing mandates began to take effect as well as consumer sentiment from a 3-wave study of car shoppers during the Coronavirus pandemic.

"Website traffic and purchase intent returned to pre COVID-19 levels on the TrueCar marketplace in the last two weeks of April," said Nick Woolard, Director of OEM and Affinity Partner Analytics at TrueCar. "We're now seeing those numbers increasing going into Memorial Day weekend to levels closer to what we typically see toward the end of the year."

"Automakers quickly turning on 0% financing offers in response to COVID-19 actually spurred an increase in pickups and utilities in the period after COVID-19 took effect," added Woolard. "This was clearly a winning strategy to shore up demand and we see incentives as a driver of purchase intent in our consumer research as well."

Key TrueCar marketplace insights include:

Pre-COVID-19 period defined as 3/01– 3/12

Post-COVID-19 period defined as 3/13 –5/05

Purchase intent: Connection made when a consumer submits their contact information to a dealer for a price offer on a specific vehicle indicating heightened demand and purchase intent for a vehicle.

- TrueCar marketplace traffic and purchase intent returned to pre-COVID-19 impact levels in the last two weeks of April and have continued to increase going into Memorial Day weekend.
- Purchase intent for new vehicles compared with used vehicles rose 9% in the post-COVID-19 period.
- For new vehicles, large and sporty vehicles saw an increase in purchase intent in the post COVID-19 period, fullsize pickup was up 38%, premium performance (Corvette, Porsche 911 etc.) was up 26%, midsize pickup was up 15%, and fullsize utility was up 11%.
- Domestic brands showed an increase in share of purchase intent on new vehicles in the post-COVID-19 period, with Ram up 38%, GMC up 17% and Ford up 5%.
- In the period after COVID-19 impact, purchase intent shifted toward more expensive vehicles, up by an average of \$800 on new vehicles and up \$850 on average on used vehicles.
- Across U.S. states, there was an average decline of 26% in combined new and used purchase intent in the post COVID-19 period, with Montana the only state up, at 2%. Recovery varied widely by state based on timing and details around stay-at-home mandates.

"The pace of change we've seen recently is unprecedented, so we wanted to capture consumers needs and concerns around car buying as they rapidly evolved," said Wendy McMullin, Head of Research at TrueCar.

"Wave one respondents were feeling less of an impact, which is not surprising given that stay-at-home mandates had just begun and the number of cases was still relatively low. Concerns over safety and economic security peaked in wave 2. Two months into the pandemic in wave 3, we're seeing the proportion of respondents delaying their vehicle purchase has recovered a bit to wave 1 levels, which is promising."

Key Insights from TrueCar's 3-wave research during COVID-19 include:

Each wave surveyed 1,200 consumers, screened for those planning to purchase a vehicle within the next 12 months.

Wave 1 fielded 3/17/20 (6,421 cases / 108 deaths U.S.*)

Wave 2 fielded 4/9/20 (461,437 cases / 16,478 deaths U.S.)

Wave 3 fielded 5/4/20 (1,180,375 cases / 68,922 deaths U.S.)

- Concern over being exposed to COVID-19 peaked in wave 2, yet remains a heightened concern in wave 3 (57% very or extremely concerned, versus 62% in wave 2).
- In wave 3, significantly fewer respondents stated they were delaying their purchase compared to wave 2, however 32% still stated they are delaying their purchase.
- Half of shoppers surveyed said that lower interest rates and increased discounts and incentives may encourage them to purchase a vehicle now.
- 8% of shoppers stated their primary reason for purchasing/leasing a vehicle is to avoid public transportation; this proportion is 10% for lower income consumers.
- Across all 3 waves, consumers selected aspects of remote retailing – such as configuring a deal online, at home test drives, completing the entire purchase online, and video conferencing) as the top reasons they would shop with a particular dealership now. At home test drive showed the most significant uptick between the three waves, increasing in interest 44% between wave 1 and wave 3.

- Two-thirds (65%) of shoppers surveyed said they would be more likely to shop with a dealership that offers the components of [TrueCar's Buy from Home](#) experience which offers remote paperwork, vehicle sanitization and vehicle delivery).

"With continuing concerns around being exposed to COVID-19 or exposing others, remote retailing capabilities and safety measures around test driving vehicles and home delivery are critical components dealers can offer to get consumers to engage now," added McMullin.

"In particular, the third wave of the study highlights that consumers are looking for a more customized way to shop that meets their personal safety expectations. It's encouraging to see how quickly dealerships have responded and how flexible they have been in making these offerings available."

*Johns Hopkins University data.

About TrueCar

TrueCar is a leading automotive digital marketplace that enables car buyers to connect to our nationwide network of Certified Dealers. We are building the industry's most personalized and efficient car buying experience as we seek to bring more of the purchasing process online. Consumers who visit our marketplace will find a suite of vehicle discovery tools, price ratings and market context on new and used cars – all with a clear view of what's a great deal. When they are ready, TrueCar will enable them to connect with a local Certified Dealer who shares in our belief that truth, transparency and fairness are the foundation of a great car buying experience. As part of our marketplace, TrueCar powers car-buying programs for over 250 leading brands, including AARP, Sam's Club, and American Express. Nearly half of all new-car buyers engage with TrueCar powered sites, where they buy smarter and drive happier. TrueCar is headquartered in Santa Monica, California, with offices in Austin, Texas and Boston, Massachusetts.

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