



FOR IMMEDIATE RELEASE

Online Merchandising Is More Important Than Ever To Capture Today's Car Buyers

Insights from Cox Automotive's vAuto inform a new merchandising framework that can help dealers win more shoppers' decisions.

ATLANTA – April 26, 2023 – Data from Cox Automotive shows today's car shoppers are formulating most of their decisions before stepping foot in a dealership, making online merchandising more important than ever before. With these dynamics limiting dealers' ability to influence decisions in person, they'll need to reexamine their merchandising strategies to capture more shoppers further upstream.

"The fact is that consumers aren't visiting as many dealerships as they did even a few years ago, so merchandising is *now* how they experience vehicles," explains Nathan Fox, assistant vice president, Operations for vAuto, a Cox Automotive Inventory Management Solutions brand. "Shoppers are no longer just weeding out their options. They are now selecting which vehicle they are interested in purchasing—all based on online merchandising—increasing the importance for dealers to capture their attention earlier than ever before."

The growing importance of online merchandising is driven by the following industry data and trends:

- 80% of shoppers are open to the idea of *buying completely online*.
- 74% of shoppers *compared cars only online* when searching for a vehicle.
- 41% of car buyers *visited only one dealership* before purchasing a vehicle.
- Shoppers are looking at *dealerships up to 100 miles* beyond their local geographies.

Consumers' online expectations have been elevated by the superior experiences of innovative companies like Amazon, digital auto retailers and national dealer groups who are leading the way in the automotive space. Winning online shoppers' decisions today requires dealerships to embrace merchandising in new ways so that they not only win the deselection (or browsing) battle, but also the selection decision. This places a new importance on the VDP, and dealers can utilize a framework that involves three elements to elevate their VDPs and meet the expectations of shoppers:

1. Providing the right information – A dealer's vehicle display page (VDP) matters now more than ever. During the selection process, 67% of online shoppers interact with the VDP photos four times more than written content such as technical specifications. This creates an opportunity to provide shoppers with more information and the details they need to make a confident decision. In fact, 80% of consumers prefer images with information included as overlays that provide more specific information than a photo alone. The most valuable information to highlight are details that are not easily visible in the photos and have high MSRP values, including features like 4-wheel/AWD, back-up camera, smartphone operating system integration, blind spot monitors, and entertainment display.
2. Building transparency – Market insights reveal only 1-in-4 consumers think the car buying process is transparent. The average car is owned for 6.1 years, so for most consumers, that is based on their last car buying experience, which was years ago. Dealers today must prove to shoppers that they will have a more transparent experience this time. Clear and straightforward information is crucial, especially when it comes to damage, pricing policies and financing. For instance, 91% of shoppers want to see damage details on a 360-degree spin, and 80% report that financing information in advertising makes them feel more confident about the dealer.
3. Enhancing trust to increase consumer confidence – For 91% of car buyers, trust in a dealership is the leading factor in determining where to buy. Online information that can help engender that trust includes customer testimonials, dealership awards, vehicle awards, warranty details and service department

information. Each of these pieces of information are signals to the shopper that they will be treated fairly both during and after the purchase.

“Successful dealerships embrace market shifts as opportunities to remain nimble and make adjustments,” Fox added. “That’s why, especially in a time when shoppers are facing numerous economic headwinds, dealers who focus more on providing shoppers the right information online can win more buyer decisions.”

About vAuto

Founded in 2005, vAuto revolutionized used vehicle operations by providing thousands of dealers with innovative technology, tools and business intelligence. Today, the company helps dealers compete more effectively and increase new and used vehicle sales volumes and profits through a range of data-based solutions. Fueled by the Variable Inventory Management philosophy, vAuto’s flagship offering, ProfitTime® GPS, gives dealers unmatched, dynamic used vehicle data that helps them maximize profit for each individual vehicle. The brand’s other solutions include Provision, a used vehicle management solution; Conquest, a new vehicle inventory management and pricing system; Stockwave, which enables dealers to efficiently find and purchase vehicles from leading wholesale sources via a single platform; Intelligent Promotion and Snaplot 360, which are merchandising solutions that can help dealers win online decisions; and iRecon to help dealers recondition vehicles and get them retail ready faster. vAuto is a Cox Automotive brand.

About Cox Automotive

Cox Automotive is the world’s largest automotive services and technology provider. Fueled by the largest breadth of first-party data fed by 2.3 billion online interactions a year, Cox Automotive tailors leading solutions for car shoppers, automakers, dealers, retailers, lenders and fleet owners. The company has 25,000+ employees on five continents and a family of trusted brands that includes Autotrader®, Dealertrack®, Kelley Blue Book®, Manheim®, NextGear Capital™ and vAuto®. Cox Automotive is a subsidiary of Cox Enterprises Inc., a privately-owned, Atlanta-based company with \$22 billion in annual revenue. Visit coxautoinc.com or connect via [@CoxAutomotive](https://twitter.com/CoxAutomotive) on Twitter, [CoxAutoInc](https://www.facebook.com/CoxAutoInc) on Facebook or [Cox-Automotive-Inc](https://www.linkedin.com/company/cox-automotive-inc) on LinkedIn.

Media Contacts:

Julie Zorn Shipp, Sr. Manager, Public Relations, Cox Automotive
404-558-7837 or julie.shipp@coxautoinc.com

Jennifer Bisbee, APR, 407-257-4667 or Jennifer@bisbeeandco.com