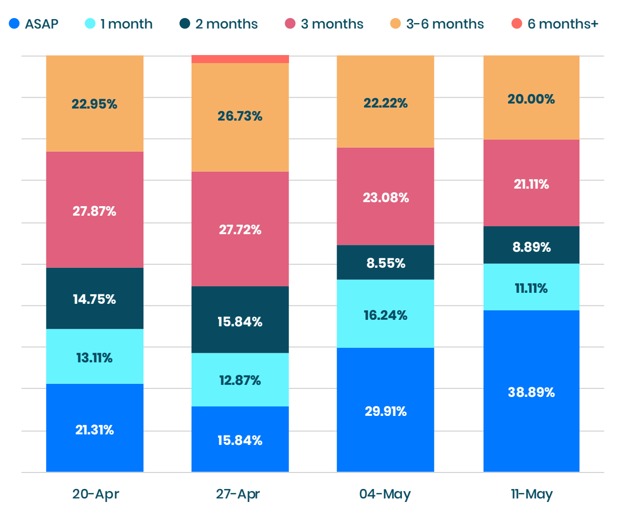
COVID-19 Consumer Survey Results and Implications

We have spoken with **1200 in-market vehicle buyers** since the beginning of lockdown, to gauge how the nature of consumer demand has changed in response to these unprecedented trading conditions.

All consumers provided answers directly to TLA contact centre operatives during the course of a verbal conversation about their vehicle preferences and buying intentions.

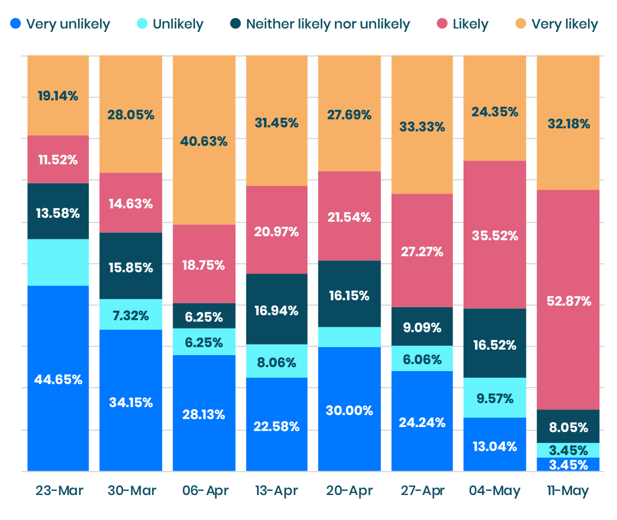
1. How soon are you planning to buy a vehicle?



80% of respondents suggested that they are planning to buy in the next 3 months.

The proportion of buyers planning to purchase as soon as possible increased significantly last week, suggesting consumers are preparing to buy when dealers reopen.

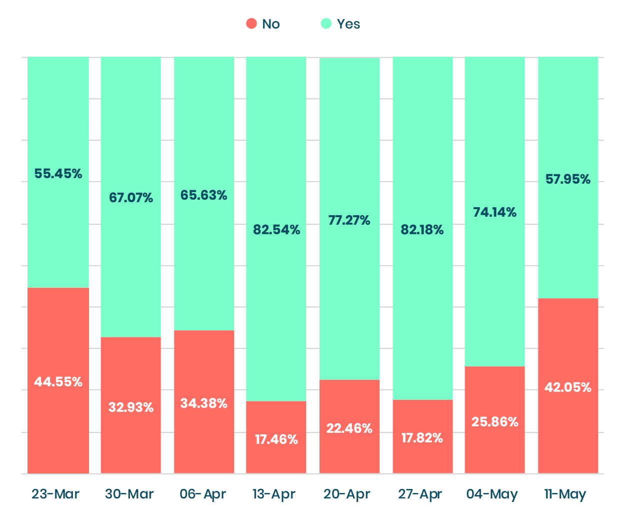
2. On a scale of 1-5, how likely would you be to purchase a vehicle without visiting a dealership?



There was a significant increase in the proportion of buyers that would be "likely "or "very likely" to purchase without visiting a dealer last week.

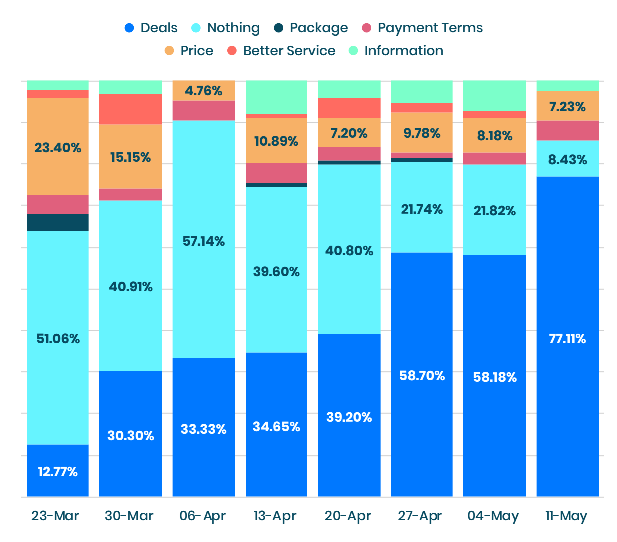
The proportion of "unlikely" and "very unlikely" responses, meanwhile, has fallen for four consecutive weeks.

3. If you were unable to purchase your preferred brand, would you then purchase a different brand?



While "yes" still makes up the majority of responses, last week represented the smallest proportion of "yes" responses since the first week of lockdown.

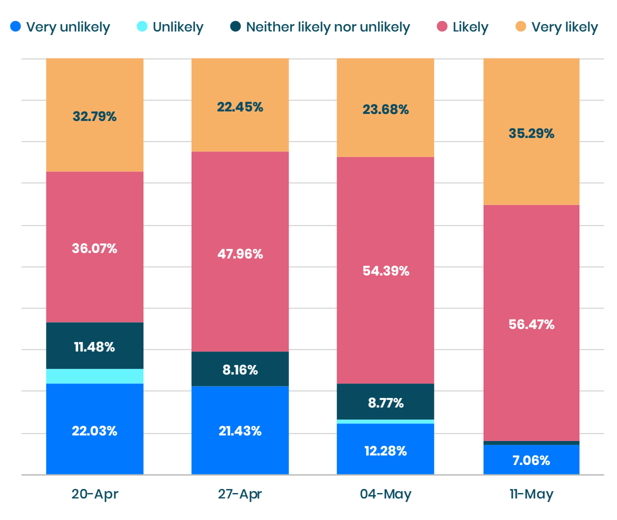
4. What can brands and dealers do to help you with your purchase during the forthcoming months?



The proportion of deal-related responses has increased significantly in the last 3 weeks. culminating at 77% last week.

Meanwhile, responses suggesting that there was "nothing" that brands and dealers could do made up only 8% of responses last week - a significant fall from the first week of lockdown, when the number was 51%.

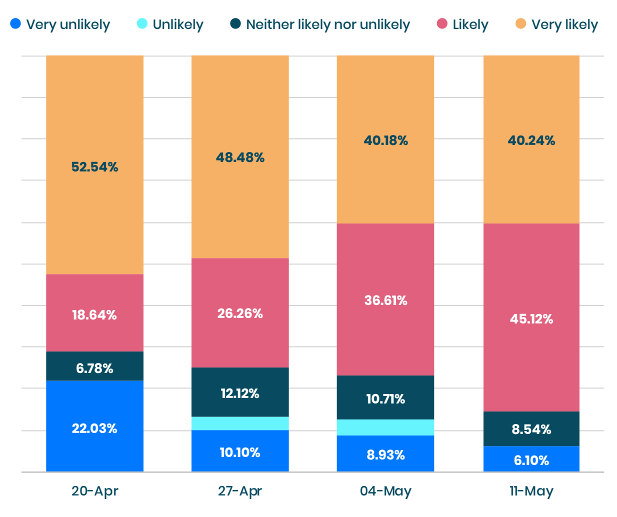
5. On a scale of 1-5, how likely would you be to buy a nearly new or used vehicle if the lead time for a new vehicle was unacceptable?



The proportion of "likely" and "very likely" responses has been consistent since mid-April, representing 70-90% of responses per week.

Last week saw a significant increase in "very likely" responses, suggesting buyers are increasingly willing to move to used and nearly-new vehicles if the lead time for a new car is unacceptable.

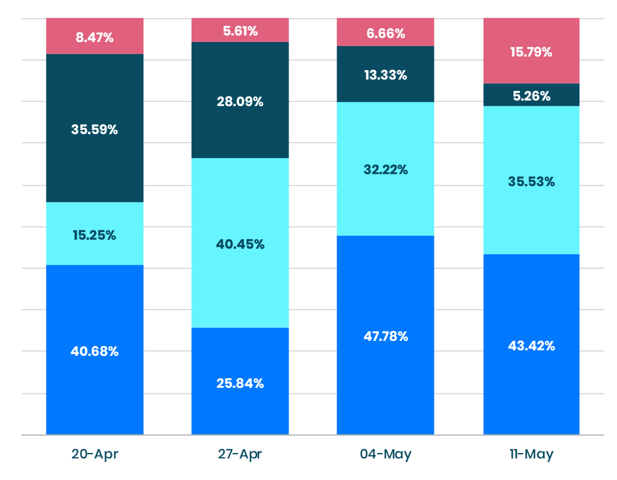
6. On a scale of 1-5, how likely would you be to engage in a click-and-collect scheme with a dealership?



The proportion of "likely" and "very likely" responses has been consistent since mid-April, representing 70-85% of responses per week.

Only 6% of buyers responded "very unlikely" last week.

7. How many months are you willing to wait for a new vehicle to be delivered from point of order?



While the proportion of buyers willing to wait 3 months or less has been consistently above 90% since mid-April, last week saw an increase in responses for a 3-6 month timescale.

Why should brands engage now?

There are still potential sales

39% of buyers in market to buy within 1 month.

85% of buyers willing to purchase without visiting a dealership.

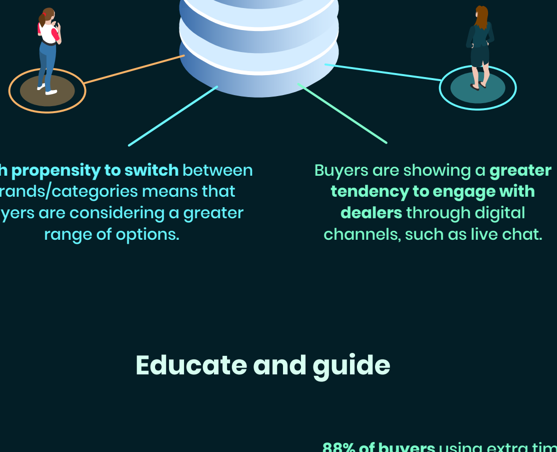
85% of buyers willing to use a click-and-collect scheme.

90% of buyers willing to switch to used/nearly-new if the lead time for a new vehicle was unacceptable.

Nurture and develop prospects

80% of buyers in market to buy within 3 months.

85% of buyers want delivery of their new vehicle in 3 months or less.



High propensity to switch between brands/categories means that buyers are considering a greater range of options.

Buyers are showing a **greater tendency to engage with dealers** through digital channels, such as live chat.

Educate and guide

88% of buyers using extra time to research, and increasingly using third-party sites and social channels.

Dealers will play a key role in helping to answer buyer questions about the post-lockdown market, including new deals and offers, how buyers can actually purchase a car, and reassurances around lead times.

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