This report looks at the following areas:

- The impact of current economic influences and automotive market conditions on the car purchasing process
- Consumers’ research approach when shopping for a car
- Perceptions of vehicle retailers
- How consumers view the future of car buying and the dealership experience

The majority (86%) of consumers believe that purchasing a vehicle is a significant investment. This feeling has likely only been furthered by negative economic conditions and an unfavorable automotive market as it relates to the availability and affordability of vehicles. As a result, consumers are led to do a high degree of research – seeking information across a variety of in-person and online channels – in an effort to ensure themselves they are making a proper investment. As most consumers believe that buying a vehicle is a stressful process, they will continue to call upon auto retailers to adopt more consumer-friendly sales practices such as transparent pricing, minimal sales pressure, in-depth vehicle information and no-haggle pricing – aligning with the perceived comfortability and convenience-focused benefits of shopping for a car online. Moving forward, it will be critical for auto brands and retailers to evolve the dealership experience and sales process to appeal to consumers.

“Despite ongoing economic and automotive market challenges, consumers still indicate an interest in purchasing a car. Although this may be aspirational for some, it is essential for retailers to maintain a strong presence across all channels to capture the interest of potential buyers.”
– Gabe Sanchez, Automotive Analyst

Buy this report now
Visit store.mintel.com

<table>
<thead>
<tr>
<th>Region</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>+44 (0) 20 7606 4533</td>
</tr>
<tr>
<td>Brazil</td>
<td>0800 095 9094</td>
</tr>
<tr>
<td>Americas</td>
<td>+1 (312) 943 5250</td>
</tr>
<tr>
<td>China</td>
<td>+86 (21) 6032 7300</td>
</tr>
<tr>
<td>APAC</td>
<td>+61 (0) 2 8284 8100</td>
</tr>
</tbody>
</table>
Despite economic and automotive market conditions, consumers are still interested in purchasing cars.

Auto brands and retailers need to leverage omnichannel strategies to best reach consumers.

Information must be readily available across sources.

Vehicle retailers must continue efforts to improve perceptions.

Consumers call for various evolutions to the dealership experience.

Competitive strategies.

CarMax provides upfront financing, added personalization.

Mercedes-Benz rethinks its showrooms.

Local dealers highlight NIL deals.

Hyundai leverages TikTok trends.

Market predictions.

Opportunities.
• Consumers’ research approach highlights the need for an omnichannel presence
• Evolve the role of dealerships
• Align with the offerings of online car shopping
• Reach multicultural consumers through CPO programs, flexible subscriptions
• Appeal to parents’ need for convenience
• Drive comfortability, trust among female consumers

MARKET SIZE AND FORECAST
• Economic influences and supply chain disruptions threaten sales
  Figure 12: Total US unit sales and forecast of new and used vehicles, 2017–27
  Figure 13: Total US unit sales and forecast of new and used vehicles, 2017–27

MARKET DRIVERS
• Consumer confidence edges up but remains suppressed
  Figure 14: Consumer Sentiment Index and unemployment, 2000–23
• Prices of new and used vehicles present barriers, especially for emerging consumer segments
  Figure 15: Consumer Price Index, new vehicles and used vehicles – Seasonally adjusted, 2018–23
• Emerging consumer segments present opportunities for auto brands and retailers
  Figure 16: Population, by generation, 2017–27
  Figure 17: Population by race and Hispanic origin, 2017–27
• Current gas prices could push consumers away from purchasing a vehicle
  Figure 18: US gasoline and diesel retail prices, 2007–23
• Electric vehicle tax credits present opportunity

COMPETITIVE STRATEGIES AND MARKET OPPORTUNITIES
• CarMax showcases upfront financing info
• The opportunity: Transparency and personalization at the dread financing stage
  Figure 19: CarMax highlights pre-qualification feature
• Online shopping drives Mercedes-Benz to rethink its showrooms
• The opportunity: Explore omnichannel formats
  Figure 20: Mercedes-Benz explores showroom design
• Dealers leverage NIL deals
• The opportunity: Leverage NIL deals to drive appeal locally
  Figure 21: Will Levis partnered with local dealership Paul Miller Ford
  Figure 22: CJ Stroud featured on Sarchione Auto Gallery social media channels
• Hyundai leverages TikTok to reach emerging consumer segments
• The opportunity: Find creative ways to leverage social media
  Figure 23: Hyundai launches a choose-your-own adventure campaign titled “Choose Yours”

THE CAR CONSUMER – FAST FACTS
PURCHASE TIME FRAME AND CONSIDERATION
• Multicultural and younger consumers are the most interested in short-term purchasing
  Figure 24: Vehicle purchase time frame, by generation, 2023
  Figure 25: Vehicle type consideration, by generation, 2023
  Figure 26: Vehicle purchase time frame, by race and Hispanic origin, 2023
  Figure 27: Vehicle type consideration, by race and Hispanic origin, 2023
• Parents pushed to purchase to accommodate their evolving needs
  Figure 28: Vehicle purchase intent, by parental status, 2023
  Figure 29: Vehicle type consideration, by parental status, 2023

RESEARCH APPROACH
• Multichannel approach provides the greatest reach
  Figure 30: Research approach for next vehicle, by generation, 2023
  Figure 31: TURF Analysis – Research Behaviors, 2023
• Female consumers emphasize in-person research, look to those they trust
  Figure 32: Outer highlights its neighborhood showroom program
  Figure 33: Research approach for next vehicle, by gender, 2023
• Parents leverage online research
  Figure 34: Research approach for next vehicle, by parental status, 2023
TYPES OF INFORMATION RESEARCHED

• Consumers show a high degree of effort in their research
  Figure 35: Types of information researched, by generation, 2023

• Female consumers seek value, safety
  Figure 36: Mercedes-Benz highlights a commitment to equality though safety
  Figure 37: Types of information researched, by gender, 2023

• Multicultural consumers indicate a more limited degree of research
  Figure 38: Types of information researched, by race and Hispanic origin, 2023

PERCEPTIONS OF VEHICLE RETAILERS

• Perceptions drive consumers’ choice in vehicle retailers
  Figure 39: Perceptions of vehicle retailers, 2023

• Traditional retailers must evolve to meet Millennial consumers
  Figure 40: Perceptions of vehicle retailers – Convenient, by generation, 2023
  Figure 41: Perceptions of vehicle retailers – Transparent, by generation, 2023

• Creating a trustworthy and comfortable purchasing experience is critical
  Figure 42: Perceptions of vehicle retailers – Intimidating, by gender, 2023
  Figure 43: Perceptions of vehicle retailers – Trustworthy, by gender, 2023

EVOLUTION OF DEALERSHIPS

• Consumers across generations hold varying wants
  Figure 44: Dealership experiences, by generation, 2023
  Figure 45: Future dealership expectations, by generation, 2023

• Negative past experiences contribute to females’ desire for change
  Figure 46: Dealership experiences, by gender, 2023
  Figure 47: Future dealership expectations, by gender, 2023

• Parents seek a convenient dealership, purchasing experience
  Figure 48: Dealership experiences, by parental status, 2023
  Figure 49: Future dealership expectations, by parental status, 2023

What’s included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533
Brazil 0800 095 9094
Americas +1 (312) 943 5250
China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100
FUTURE OF CAR BUYING

- Consumers expect the future of car buying to evolve
  Figure 50: Future of car buying – Convenience, by generation, 2023
- Multicultural consumers foresee convenient offerings
  Figure 51: Future of car buying – convenience, by gender, 2023
- Consumers expect automotive market shifts
  Figure 52: Future of car buying – Automotive outlook, by generation, 2023
- Female consumers are more critical of vehicle prices
  Figure 53: Future of car buying – Automotive outlook, by gender, 2023

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- Data sources
- Sales data
- Forecast
- Consumer survey data
- Abbreviations and terms
- Abbreviations

APPENDIX – THE CONSUMER

Figure 54: Time spent researching, by generation, 2023
About Mintel

Mintel is the **expert in what consumers want and why**. As the world’s leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster.

Our purpose is to help businesses and people grow. To find out how we do that, visit [mintel.com](http://mintel.com).