



VERSION 4 | APRIL 22, 2020

PureCars

COVID-19 REPORT

Arming dealers with the data-driven insights they
need for their business in the wake of the outbreak



Message from PureCars Founder & CEO Jeremy Anspach

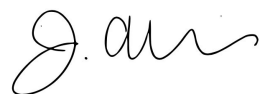
It's been just over a week since the last report, but I'm seeing a palpable shift in the industry. There are positive signs coming from across the country.

On Monday, Pennsylvania Governor, Tom Wolf, reversed his position on auto sales as 'non-life-sustaining business', allowing dealers to retail online. This change was a direct result of efforts by dealers and their employees contacting elected officials to convince the Governor that auto sales are 'life-sustaining'. As one of the top 10 states for auto sales, this is an important development that will bring those dealers and their customers some relief. It's just one example of the strength and resilience of our industry, especially when we come together.

In the last week, we're also seeing shopper activity increase in West Coast states, those that have been in lockdown for the longest period. These are signs of hope and the beginning of recovery. No doubt we have a long way to go, but to see some light at the end of the tunnel is a welcome reassurance.

The changes that agile dealers have worked tirelessly to implement over the past 6 weeks are likely here to stay for the foreseeable future. We've all been learning and adapting at an unprecedented rate and we're starting to see the positive results from our collective efforts. There is still a lot of work to be done, but I'm inspired and confident as we all continue to keep moving forward together.

Be well,



Jeremy Anspach
Founder & CEO, PureCars



GETTING OUR SEA LEGS

WHERE DO YOU FALL ON THE CONTINUUM?

Dealers who have moved through this continuum quickly are better positioned to capture demand, stay afloat, and plan for the future.



WHERE WE'VE BEEN

Over the past 6 weeks, we've closely monitored shopper behavior and dug deep into our data to provide dealers with actionable insights to help them make swift, data-driven decisions to positively impact their business.

At a high level, those recommendations included:

1. **Dial it back up on advertising** (early April)
2. **Shift dollars from search to social**
3. **Increase digital advertising for service**
4. **Aggressively promote incentives**

WHAT WE'RE SEEING & WHERE WE'RE HEADED

For dealers who have made many of those strategic changes, we're seeing those efforts pay off.

Since our last report on 4/10, we're starting to see a national shift in the right direction.

1. **Increased sales WoW**
2. **Overall website activity on an upward trend** (since 4/5)
3. **Social continues to be 'where it's at'**
4. **Now is the time to ask tough questions** and shore up critical business operations for recovery and beyond

THE FACTS

Overall Sales Up - Engagement Suggests This Will Continue

APRIL 14 - 20 | UNIT SALES NATIONWIDE

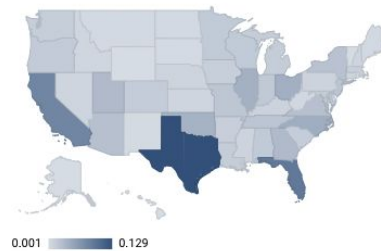
Apr 14, 2020 - Apr 20, 2020 ▾

Country: United States (1) ▾

Region / State ▾

Metro ▾

Condition ▾



APRIL 10 - 20 | SHOPPER ENGAGEMENT NATIONWIDE

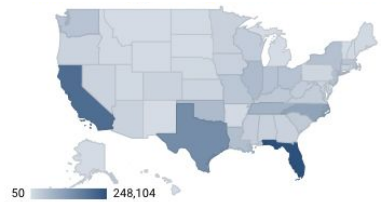
Apr 10, 2020 - Apr 20, 2020 ▾

Country: United States (1) ▾

State / Region ▾

Metro ▾

Condition ▾



THE INSIGHTS

OBSERVATIONS

Increase in unit sales, has been predicated by increases in shopper engagement around the country. Trend defined by specific low-funnel actions on dealer websites.

TAKEAWAYS & RECOMMENDATIONS

Understanding that the market still remains volatile day-to-day, we are suggesting that dealers continue to strategically increase advertising budgets on a market-by-market and model-by-model basis, as long as shopper engagement continues to trend favorably for their make, models, and market.

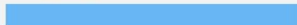



















Our data clearly indicates that new car shoppers are not only (re)engaging with dealership websites, but performing actions indicative of buyer stage and not just researchers and browsers.

Increased shopper engagement followed by increased sales, both trending upward

THE FACTS

Import Brands Starting to See WoW Increases

APRIL 10 - 20 | SHOPPER ENGAGEMENT BY BRAND

	Brand	% Δ	Sum_of_TimePerView	% Δ
1.	Chevrolet	16.1% ↑		10.1% ↑
2.	Ford	6.9% ↑		5.3% ↑
3.	GMC	21.6% ↑		10.0% ↑
4.	Toyota	12.7% ↑		7.7% ↑
5.	Ram	9.7% ↑		12.7% ↑
6.	Nissan	36.7% ↑		18.8% ↑
7.	Jeep	14.6% ↑		14.2% ↑
8.	Dodge	25.5% ↑		13.1% ↑
9.	Honda	32.7% ↑		23.0% ↑
10.	Lexus	17.1% ↑		-4.8% ↓
11.	Cadillac	11.6% ↑		14.2% ↑
12.	BMW	4.1% ↑		-14.3% ↓
13.	Mercedes-Benz	5.4% ↑		10.3% ↑
14.	Subaru	20.0% ↑		22.1% ↑
15.	Kia	18.4% ↑		11.7% ↑
16.	Hyundai	13.2% ↑		9.4% ↑
17.	Audi	24.1% ↑		19.8% ↑
18.	Volkswagen	18.2% ↑		15.5% ↑
19.	Porsche	126.2% ↑		12.5% ↑
20.	Mazda	16.9% ↑		18.4% ↑

THE INSIGHTS

OBSERVATIONS

Week-over-week shopper engagement for imports and brands not currently offering aggressive incentives, is going up for the first time since mid-March.

TAKEAWAYS & RECOMMENDATIONS

Shopper engagement is used to determine how soon a shopper will be making a purchase decision.

The fact that engagement is up for a broader category of brands (ie. more than Detroit Three) is a sign of things turning around, or at a minimum, an indication that previously sidelined shoppers have returned to their individual purchase journeys.

While not showing specific import and luxury sales data, sales figures are up and these brands are beginning to rebound.

THE FACTS

Early Stay-at-Home States Show Significant WoW Increases in Sales

APRIL 10 - 20 | BRAND SALES (CA, WA, IL, NY, NJ)



	Brand	Share of Unit Sales (Est.) ▾	% Δ
1.	Honda	17%	84.1% ↑
2.	Toyota	10%	34.0% ↑
3.	Ford	10%	0.0% ↓
4.	Chevrolet	10%	5.5% ↑
5.	Jeep	6%	28.0% ↑

THE INSIGHTS

OBSERVATIONS

The states that entered into stay-at-home first are beginning to show unit sales increases that outpace states with fewer stay-at-home status days.

TAKEAWAYS & RECOMMENDATIONS

While we are clearly not out of the woods, shoppers are returning to dealer websites and performing actions resulting in sold units.

States that have been under lockdown for 30+ days are foreshadowing the pent up demand for sales that other states are likely to see in coming weeks.

Consider this another positive indicator and a green light for growth in online engagement. We recommend aligning your business practices with shoppers that will want a streamlined virtual shopping experience.

Signs of dealers and shoppers adjusting to the 'new normal' and resuming some activity

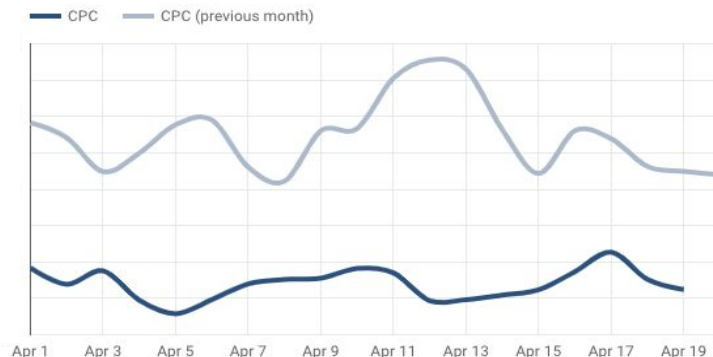
THE FACTS

Social Has Provided Tremendous Value

APRIL 1 - 20 | SOCIAL PERFORMANCE



Engagement showing a steady upward trend month to date



And as costs remain historically low, Social is still a relative bargain

THE INSIGHTS

OBSERVATIONS

Consistent with previous weeks, we are now looking at month-over-month data relative to our social media channels performance, and it's really solid. Higher Click Volumes, Increased engagement, and Lower CPC's all reinforce spending on these channels.

TAKEAWAYS & RECOMMENDATIONS

If you aren't increasing your spend on social channels you should really get on that. Social media engagement remains high as stay-at-home orders continues to drive record-breaking usage.

If your dealership is new to social media, this is a key media mix shift to consider, even after this crisis subsides. It has proven to be a valuable platform to reach and engage shoppers for variable and fixed ops. It's also valuable for promoting how you are supporting your local community.

Florida Ford Dealer Employs Social With Great Results

RESULTS OVER TIME | SEARCH & SOCIAL

Time period: By Week

Time	Total Spend	Total Impressions	Total Clicks
Week of 4/12	256,063	6,663	
Week of 4/5	246,157	6,526	
Week of 3/29	214,766	6,389	
Week of 3/22	312,412	5,892	
Week of 3/15	222,640	3,056	
Week of 3/8	124,273	2,340	

**TOTAL SPEND
REMAINED
ESSENTIALLY
FLAT**

RESULTS OVER TIME | SOCIAL ONLY

Time period: By Week

Time	Impressions	Clicks	CTR	Cost
Week of 4/12	202,645	5,840	2.88%	
Week of 4/5	190,574	5,755	3.02%	
Week of 3/29	163,944	5,692	3.47%	
Week of 3/22	267,624	5,296	1.98%	
Week of 3/15	176,362	2,190	1.24%	
Week of 3/8	84,145	1,522	1.81%	

**SOCIAL SPEND
TRIPLED
BEGINNING WEEK
OF 3/22**

**CONSERVATIVE
BUDGET
(PRE CRISIS)**

THE INSIGHTS

LEADING WITH DATA PAYS OFF BIG

The top chart to the left shows the dealer kept digital spend flat, reducing traditional spend instead. The last week of March they shifted a high % of spend from search to social; impressions increased and clicks to their website skyrocketed.

The lower chart shows that their social spend increased by 3X during the last week of March. The data clearly shows that the spike in site traffic and reach were the result of their social strategy and additional tactics deployed through dynamic new and used ads, retargeting and prospecting.

COVID-19 Status: Florida issued stay-at-home orders on April 3rd.

Florida Ford Dealer Employs Social With Great Results



Inventory in Market [®]	Price to Market [®]	Days on Lot [®]	Turned Last 45 Days [®]	Days Supply [®]
8%	↓ 5%	↓ 43	9%	↓ 26 days
You: 489 Market: 6,323	You: \$39,087 Market: \$41,313	You: 116 days Market: 158 days	You: 185 Market: 1,964	You: 119 days Market: 145 days

Last 30 days Last updated 2 hours ago
Shoppers (12470)

● Broad Focus ● Model Focus ● VIN Focus

7914

RESEARCHERS
30d+ from sale



3190

BROWERS
14 - 28d from sale



1366

BUYERS
Less than 2 wks
from sale



30d+ from sale

14 - 28d from sale

Less than 2 wks from sale

SALES YEAR OVER YEAR (YoY)

NEW

2019

2020

43

35

↓ 20%

USED

2019

2020

28

20

↓ 28%

THE INSIGHTS

DATA + ACTION = REAL RESULTS

Here we can see that this dealer is priced competitively to the market without having to drop to the lowest price in town.

The engagement from their social strategy generated a massive pipeline of shoppers that this dealer is actively engaging via chat, phone and text. They have re-organized their homepage to clearly spell out how to do business with them. Even though YoY sales are off, as a result of all of these bold actions the dealer is significantly outperforming peers and competitors.

The real win in this example is going to be in the weeks to come as this dealer is very well positioned to capitalize on pent-up demand.

This dealer gave PureCars permission to share their results. Their position was 'if it helps colleagues, absolutely!'

KEEP MOVING FORWARD

There are many questions dealers need to be asking themselves at this pivotal moment across all aspects of their business, the first being “What have I learned from this experience?”

And while the answers will vary, there are some key takeaways that will apply to most dealers looking to come out on the other side of this stronger and even more resilient than they were before.

- What is my plan for recovery? Do I even have a plan?
- What changes in shopper behavior can I expect to continue, post recovery?
- How will I continue to make customers feel safe during, and beyond, recovery?
- Is my BDC and/or front-end sales team staffed, trained, and equipped with the necessary tools to manage an inevitable increase in virtual traffic?
- How should my digital strategy shift during and after recovery?
- Have I reprioritized my reliance on data for decision making?
- Has my POV on the value of social media changed and will this influence my media mix strategy?

Nobody said this was going to be easy, but the longer Dealers wait to put a comprehensive recovery plan in place, the more difficult recovery will be. Now is the time to develop and execute your plan.

The Plan | Part 1 - Operations, Tools, Messaging

It's important to keep in mind that many shoppers won't be 'going back' to the way things used to be. They'll want to complete their purchases 100% online, will expect door-to-door delivery, pick-up & drop-off service, unseen trade appraisals and more -- *and* they'll want to continue to feel reassured that you are taking every precaution to keep them safe in the process. This crisis has fast-forwarded the timeline for 100% digital car buying experiences and to stay relevant in your market, it's time to embrace it as a must-have.

The Plan | Part 2 - Marketing & Advertising

This crisis triggered many dealers to hit the panic button and shut everything down, while others saw the value of not going totally dark. Regardless of which category you fell into, it's time to turn the lights on and up. Shoppers are online and engaging online. Social has remained a steady constant and its relevance has been spotlighted by this crisis. This was true before and will be true after. The lesson here is to not put all your eggs in the Search basket. Leverage data and attribution tools to understand how and where to best capture demand. Working with an experienced marketing and advertising partner to craft and execute this part of your plan *now* will best position you moving forward.

WHAT NEXT?

Stay Tuned For Updates

We will continue to publish updates regularly on these and other key data insights. One thing you can count on is that we are not afraid to take a stance and provide explicit direction to our dealers. After all, isn't that what you count on us for?

For our customers, please reach out to your strategist as they are on the front lines of this data. Your strategist has access to more local data beyond this report, along with additional data points to help guide your decisions.

To consult or partner with PureCars, [contact us](#) and we will respond quickly. We are happy to share specific data and recommendations for your local market, no strings attached.

Can't Make it or Missed it? No problem. [Watch it on demand](#) after April 24th!

Join The Conversation

REGISTER NOW

Recovery Roadmap: Bold Dealer Strategies that are Paying off Big



JOIN US **APRIL 23 @ 2 PM ET / 11 AM PT**

PURECARS
Jeremy Anspach
Founder & CEO

kain
David Kain
Owner & President

RICART
AUTOMOTIVE GROUP
Rick Ricart
President

Real Strategies, Real Results!

How else can we help? Just as you are trying to find the best ways to serve customers, we are also trying to find the best ways to serve dealers, leading with data. While some data points are clear cut, others are influenced by multiple factors. We are doing our best to tease out the most actionable insights we can find to pass along to dealers. Our goal is to help you with tactical recommendations you can implement quickly to maintain some level of profitability during these uncertain times. We can't offer guarantees, but we can offer support. Please send us your feedback and requests to COVIDsupport@purecars.com

RESOURCES

PURECARS RESOURCES

- [PureCars COVID-19 Response Hub](#)
Our one-stop resource for dealers, partners and OEM's
- [PureCars Blog Updates](#)

AUTOMOTIVE COMMUNITY RESOURCES

- [NADA Coronavirus Hub](#)
- [Canadian Auto Dealer COVID-19 Support for Dealers](#)

PARTNER RESOURCES

FACEBOOK

- [Free Tools for Dealers: Keep Your Community Informed](#) (PDF)
- [How Businesses can Respond to COVID-19](#) (PDF)

GOOGLE

- [Auto-Search and Consumer Behavior Update](#) (PDF)
- [COVID-19 Community Mobility Reports](#)
Track community compliance to social distancing in your area



THANK
YOU



Please continue to visit our
COVID-19 Response

Center for the latest reports
and up-to-date information

Email Us For a Video Consult
covidsupport@purecars.com