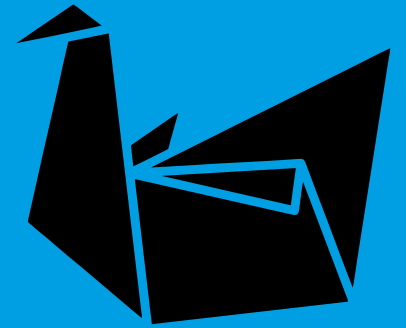


# The Digital Car Buyer in Numbers 2021



# Introduction: 2020, a year like no other

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In March of last year, as the Covid-19 pandemic unfolded, we described it as a once in a generation 'black swan' event: one that was unforeseen yet would be of huge consequence. A year on this has proven to be the case. The virus has turned the world upside down, shutting down, then continuing to disrupt social and commercial interaction as we knew it.

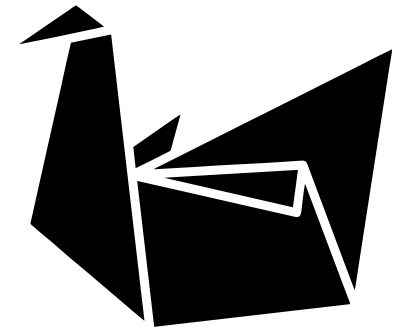
All of this pain has been visited on the automotive industry in microcosm. The pandemic revealed two weaknesses, initially the dependence of car manufacture on complex and extended supply chains, but as lockdowns spread, it showed also the industry's even greater dependence on a vulnerable retail and fulfilment chain.

For much of 2020 car showrooms were shuttered. Car brands were forced to pivot to greater use of digital channels and technologies to retain contact with customers and to enable transaction with them.

Our annual review of the digital automotive year looks at the impact of the virus on the industry, at what changed, but also at what, perhaps remarkably, stayed the same.

We also look ahead to the further challenges that face the industry in 2021 and the tentative signs of hope as the impact of the virus recedes.

**Sophus3, London, April 2021**



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# Executive summary

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## 2020: The year in numbers

- The Covid-19 pandemic impacted automotive sector activity in every market in unprecedented ways.
- Traffic to car brand websites in the 'Big 5' plummeted 56% in April (p. 5) but recovered in the summer. (p. 6)
- Compared to other sectors automotive was more adversely affected during the early days of the pandemic. (p. 6)
- Over the year as whole, the fall was less dramatic with a 11% y-o-y fall in the 'Big 5' markets (p. 7), and 13% globally. (p. 8).
- Bounce rates, visit duration and page view numbers continued their long term decline (although this may not be a 'negative'). (p. 9)
- Device use, perhaps surprisingly given many people's confinement to home, continued to move towards a preference for mobile. 58% of site access was from small form factor devices during 2020 - up 8%. (p. 10)
- SUVs continued to be the most visited vehicle segment online (p.11) but there were some Covid related anomalies including heightened interest in 'camper vans'. (p.12)

- Electric Vehicles (EVs) recorded greatly increased interest, heightened by the announcement of government subsidies for these models. (p.12)
- Visits to car brand YouTube channels recovered and grew; interactions through facebook fell. (p.13)
- Automotive print and TV advertising spend fell dramatically in April, and only recovered to 66% of its 2019 level by year end. (p.14)
- Audi was the only brand to sustain spend during the year. Ford ran the largest pan-European campaign for its Puma model. (p.15)
- 'Big 5' registrations were the worst on record, falling 25% during the year. (p.17) No segment was exempt from this carnage (p. 18) but EV powertrains supplied a rare bright spot in the market. (p.20)
- Registrations of pure Battery Electric Vehicles (BEVs) more than doubled in Europe. (p. 20)
- There were 129 car brand web visits for every car sold in 2020 - effectively a 20% increase in conversion difficulty. (p. 21).

## 2021: The year ahead

- It cannot be assumed that constraints imposed by the virus will disappear quickly. (p. 22)
- Only when government subsidies and intervention programmes are removed will the economic impact of the pandemic be clear. (p. 22)
- Car market recovery will depend on economic recovery and hopes of even 7-9% car market growth may be optimistic. (p. 23)
- EVs and Hybrids look set to win larger market share. (p. 23)
- New models of car usership may mean that the vehicle market is not as susceptible to economic downturn as post-2008. (p. 23)
- Car brands must continue to strengthen their digital competency and grow their operational capabilities to meet consumer expectations of rapid, personalised responsiveness and fulfilment. (p. 24)

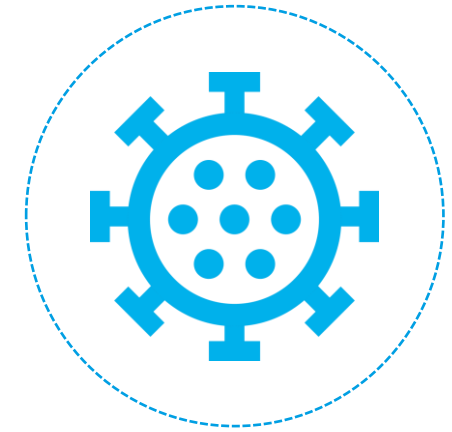
# Digital

Digital traffic to car brands' platforms fell instantly and dramatically as COVID-19 took hold.

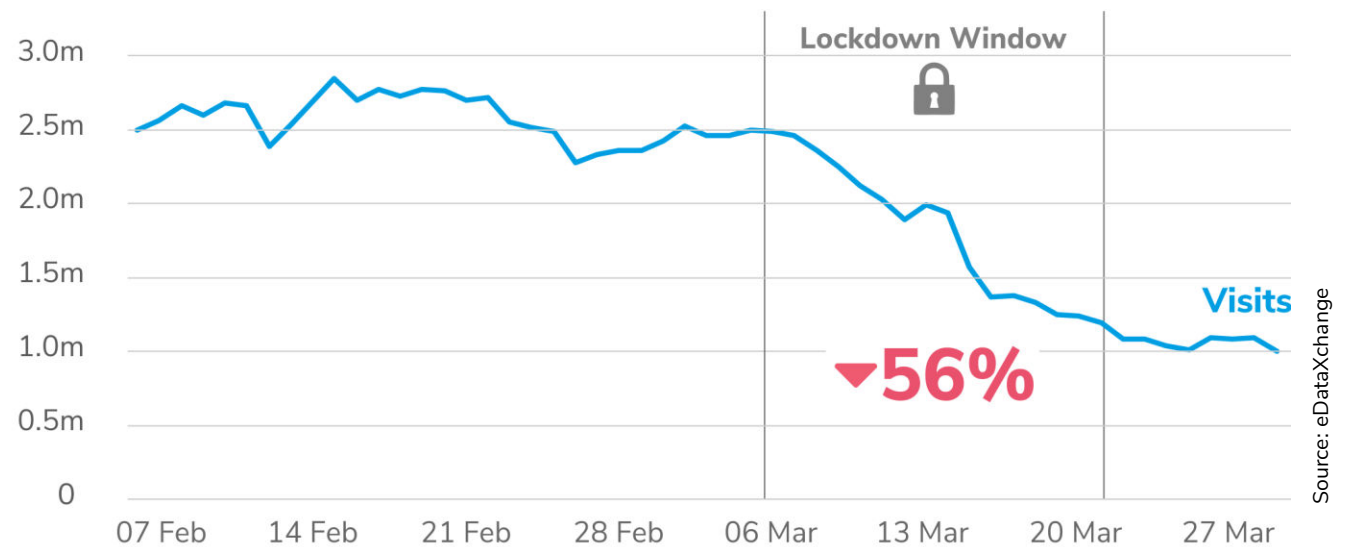


The World Health Organisation declared the Coronavirus outbreak to be a pandemic on the 11<sup>th</sup> March 2020. By that time some regions of Italy were already in lockdown, and in the space of a few weeks, most countries in Europe were to follow.

Across the 'Big 5' markets, visits to car brand websites plummeted during March. At Sophus3 we saw the audience for car brands in the 'Big 5' European markets more than half in the space of a fortnight.



## 'Big 5' Car brand website visits March 2020

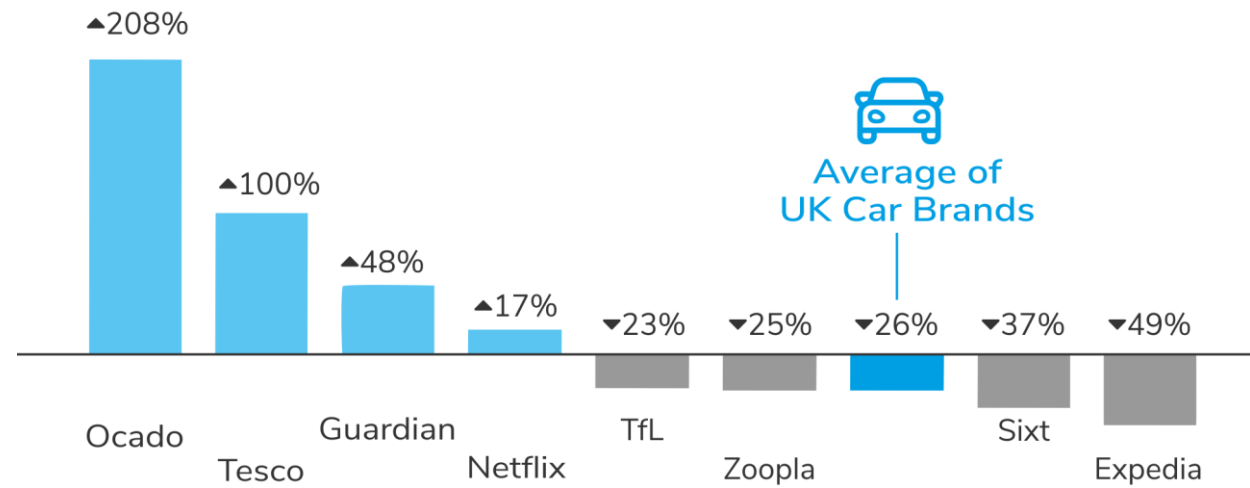


A cross sector comparison of website traffic shows clearly where peoples' priorities lay at that time. Online grocery retailers and news channels were overwhelmed with traffic as consumers sought essential supplies and information about a frightening and volatile situation. By contrast, travel, car rental and property websites saw interest evaporate. Clearly in this situation car purchase was not an urgent consideration for most of us.

However, as the year unfolded, and people adapted to an unprecedented situation, we saw a distinct change in behaviour. With many working from home and with digital channels also key to maintaining social contact, we saw a bounce back in audience numbers over a few short weeks. Indeed, over the summer months visits to car brand sites were higher year-on-year.

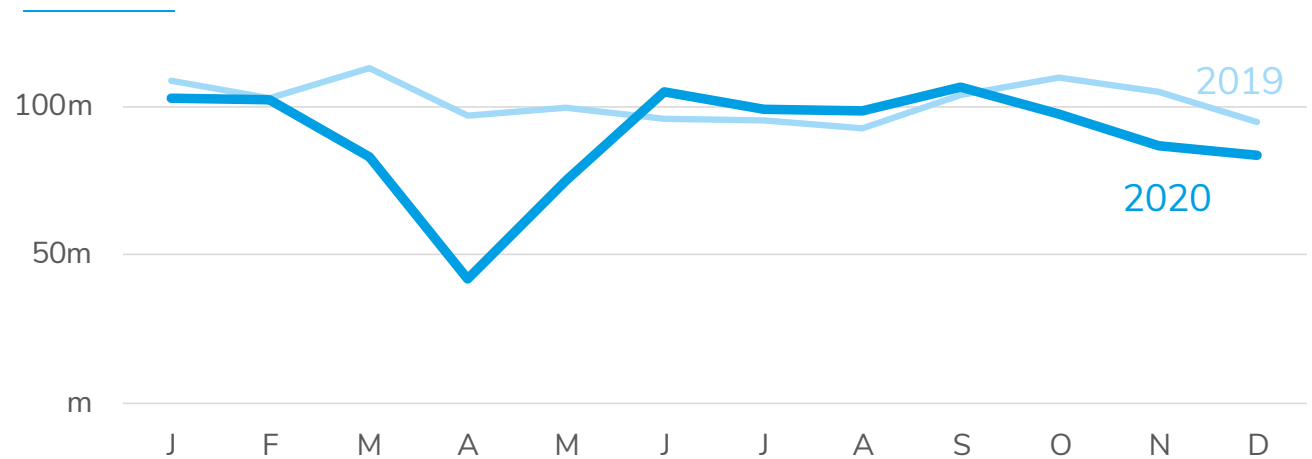
The imposition of further lockdowns during the autumn – with car retailers again shuttered in many markets – saw those gains reversed.

## Impact on other sectors March–April 2020 (UK)



Source: eDataXchange/SimilarWeb

## Monthly visits to 'Big 5' car brand sites 2020 v. 2019



Source: eDataXchange

**1.08bn**

visits to car brand  
websites 'Big 5' 2020

▼ **11.1%**

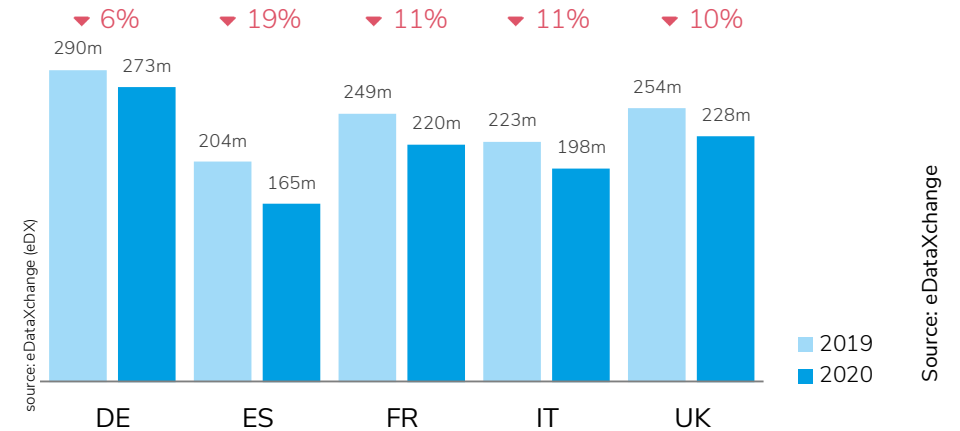
Taking stock at the end of the year we could see that car brands in Europe as a whole had suffered an average loss in traffic of 12%. Germany and the UK proved to be slightly more resilient, whilst Spain suffered the largest percentage fall.

Looking at the longer term evolution of the online audience – where year-on-year growth had been taken for granted over most of the last decade – we can see the disruptive effects of the pandemic in more perspective.

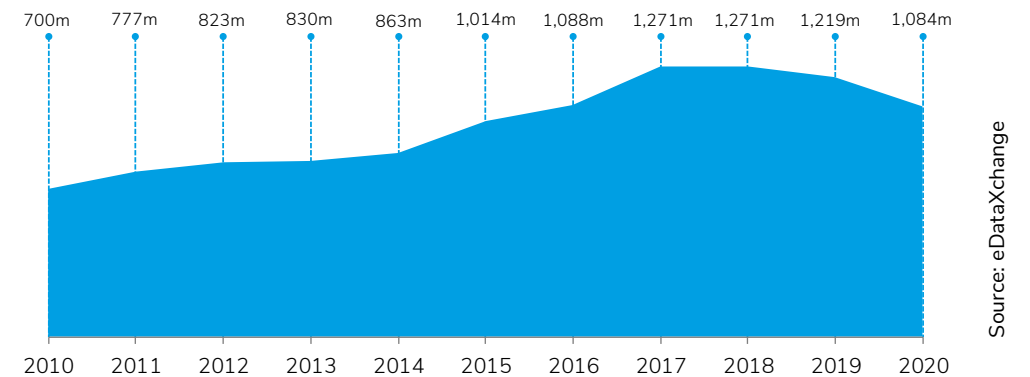
Whilst the interruption in traffic was sizable, it was not of the seismic proportions that many of us feared as we watched audience numbers collapse during the early months of last spring.

Globally (see over), the data shows that our experience in Europe was unexceptional, with other regions seeing similar declines in audience numbers. Where those regions contain countries more severely impacted by the virus – most obviously China and Brazil – the fall in traffic is visibly more marked.

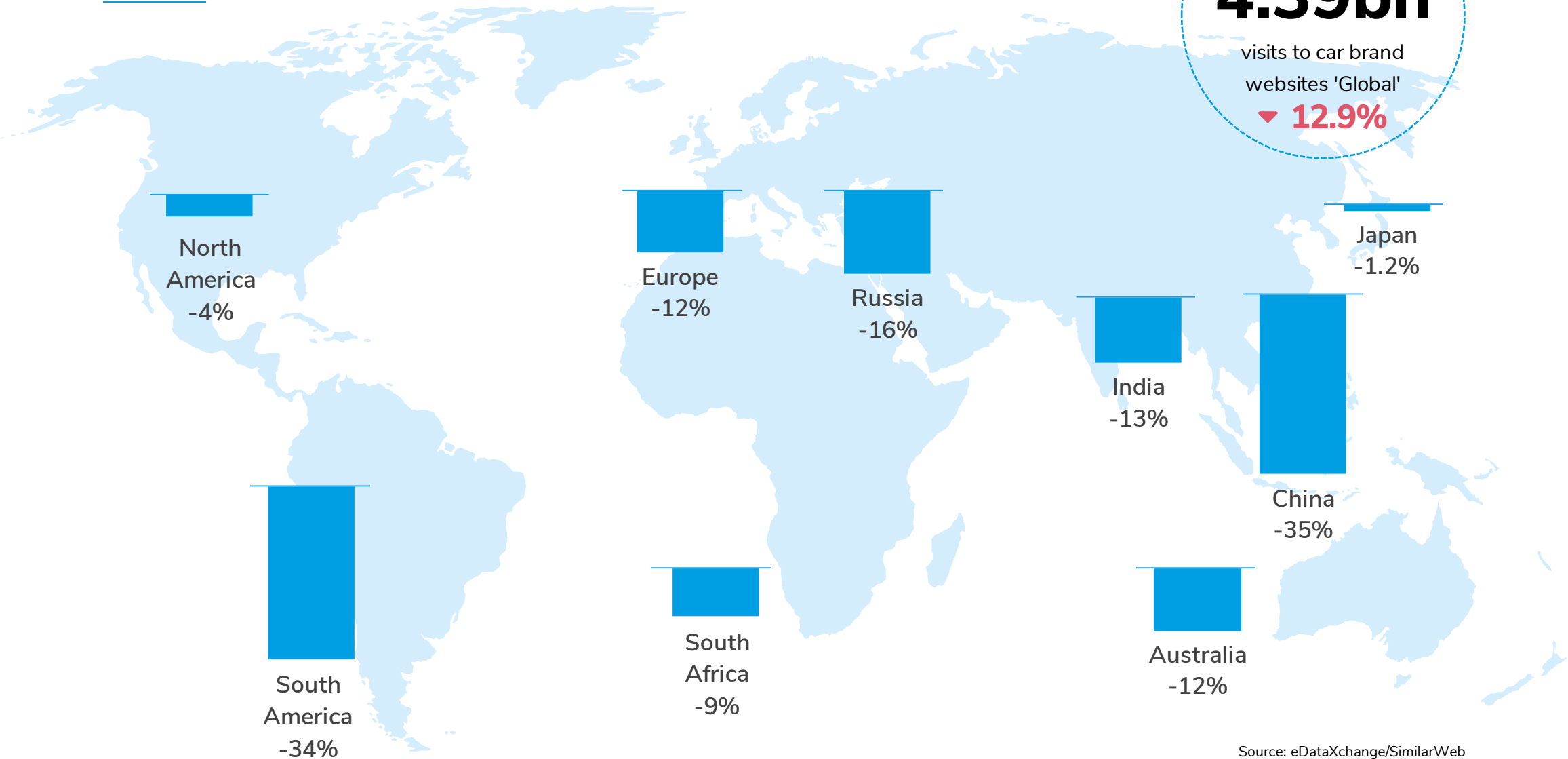
## Visits to car brand sites, 'Big 5' 2020 v. 2019



## Evolution of visits, 'Big 5' 2010–2020



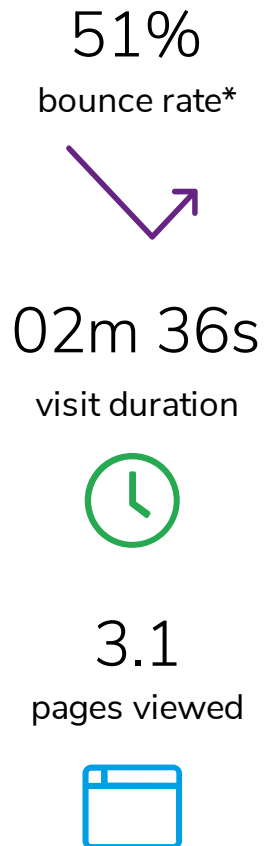
## Global website traffic 2020 v. 2019



Source: eDataXchange/SimilarWeb



## Visit metrics, 'Big 5' 2020



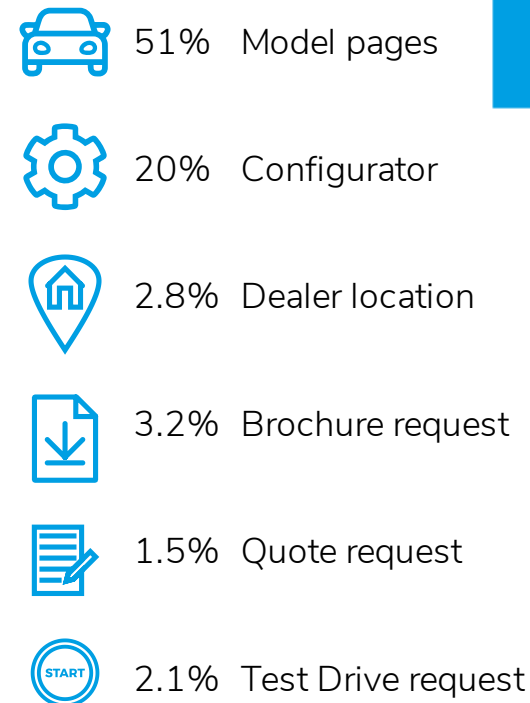
\* % of visitors leaving a site after viewing one page.

Even when visitor numbers were severely reduced at the beginning of the pandemic, the simple metrics of engagement – how many visitors left a site after viewing a single page, how long they stayed, and how much content they viewed – suffered relatively minor dents.

Those who did continue to visit OEM sites appeared to behave in nearly identical ways as under 'normal' conditions. The change over the previous year – with a slight worsening of all three metrics – was in line with the longer term trends Sophus3 has observed over a decade or more. The increasing speed and apparent shallowness of that engagement can be attributed to increasing consumer impatience, but also to their greater facility in finding the information they require, and the vast improvement in site usability during that time.

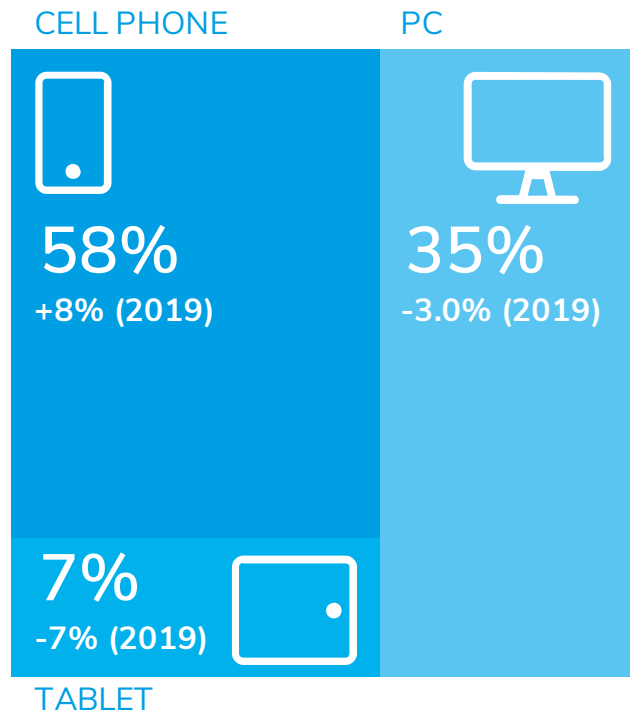
Similarly, the ratios of site visitors who went on to visit key destinations – indicating more 'purchase intent' activity – was near identical to what was observed prior to the impact of the virus.

## Visit destinations as % of traffic, 'Big 5' 2020



Source: all data eDataXchange/Sophus3

## Visitor device use, 'Big 5' 2020

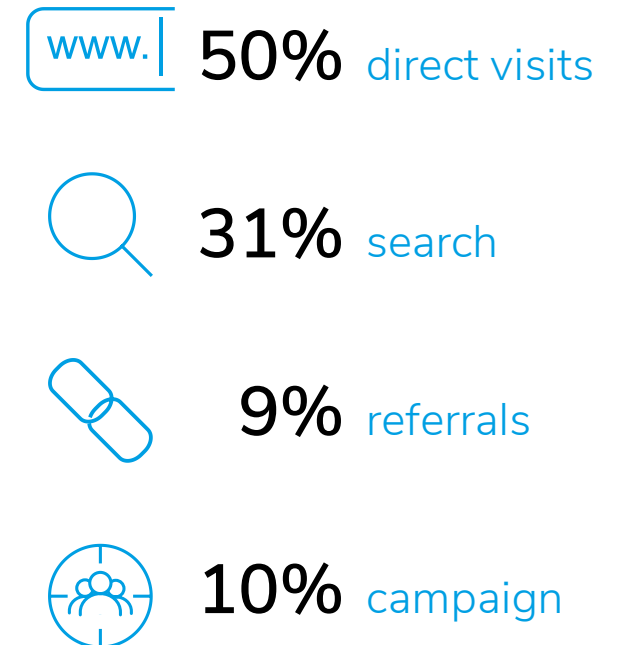


Large numbers of people were confined indoors for much of the time during 2020 with workplaces closed and normal leisure activities heavily restricted. Even so, during this year of lockdowns mobile device use only increased – with the share of visits on such devices growing by a significant 8%.

The concept of the 'home computer' as some kind of centrally located digital fireplace around which households gather for warmth and succour needs finally to be laid to rest. Small form factor devices are the *de facto* way people view content and choose to interact with the world.

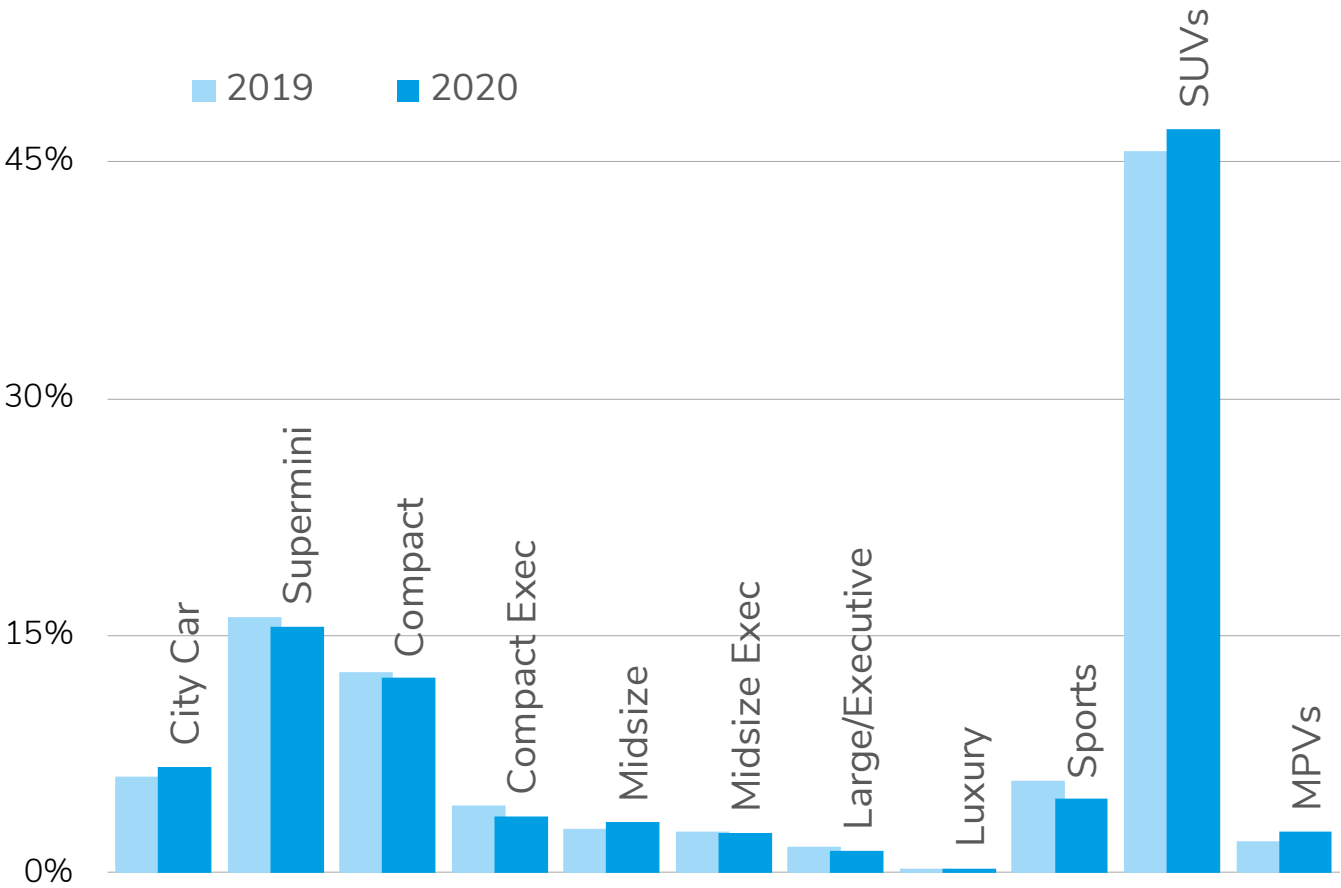
Yet many car brand websites still dwell within an arcane comfort zone in which the use of large format images remains the guiding principle to communicate brand and product messages, and in which interaction via a keyboard is the assumed default.

## Traffic sources, 'Big 5' 2020



Source: all data eDataXchange/Sophus3

# Online visits by vehicle segment, 2020



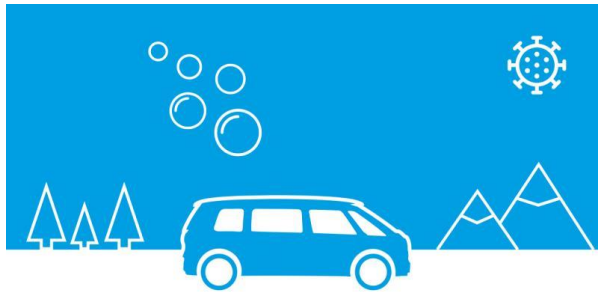
Source: eDataXchange/Sophus3

A breakdown of website visits by vehicle type shows that consumers across Europe continued their love affair with SUVs of all shapes and sizes. The segment continued to dominate with the share of visits made to these models increasing over the previous year to account for 45% of all vehicle model pages viewed.

An uptick in interest in City Cars during 2020 supports the theory that many commuters began looking at cars that would act as a safe 'bubble' and offer a practical and reassuring alternative to public transport. (A strengthening of the price of these cars in the second hand market from the middle of the year supports the same conclusion).



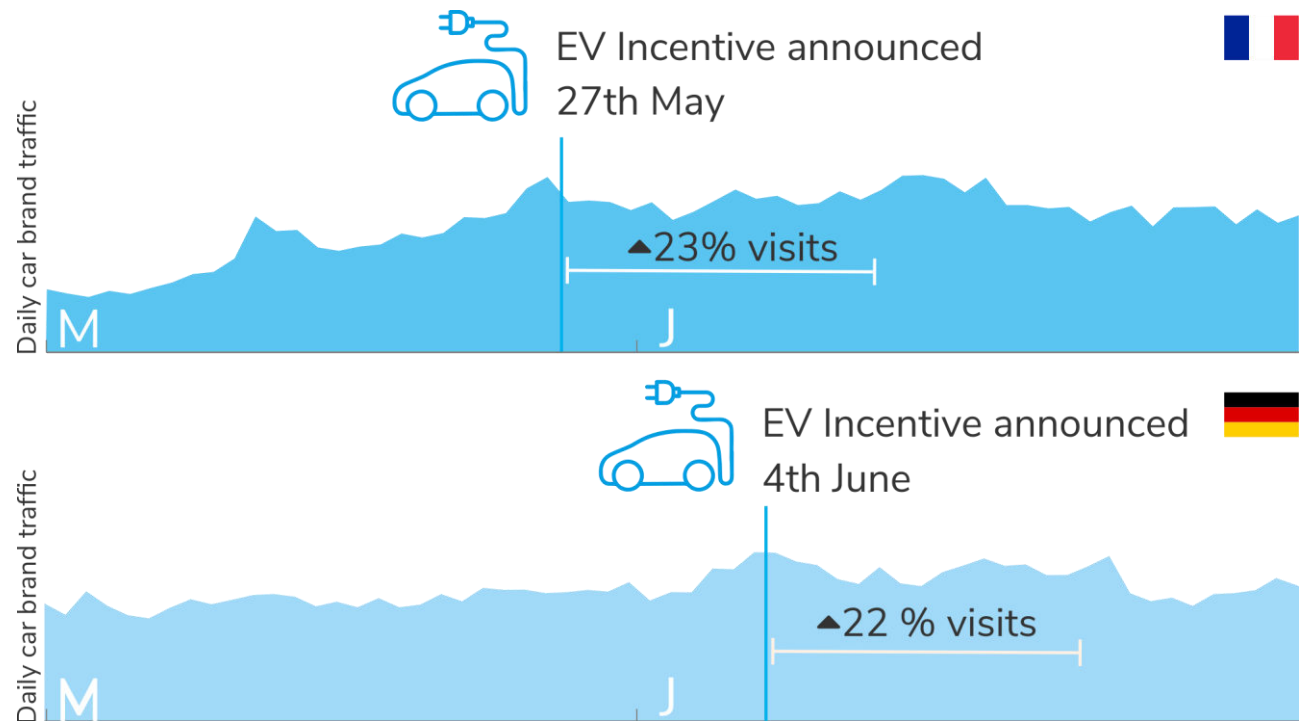
## The car as a bigger bubble



The pandemic did produce some other anomalies in the cars that consumers chose to view online.

In July we tracked a dramatic increase of interest in camper vans. One manufacturer saw their offering in this segment – a vehicle that has traditionally sold in small numbers to a niche of enthusiasts – suddenly became the second most viewed model on their website. Cars it seems were being considered not only as an alternative to mass transit systems but also – as Europeans contemplated the diminishing likelihood of being able to take a summer vacation – as a substitute for hotel rooms.

## Incentives boost online interest in EVs, May-June 2020



Electric Vehicles represented a rare bright spot in the global vehicle market during an otherwise dire year for sales. Online interest in the Big 5 markets in EV models grew strongly throughout 2020, outstripping the growth in interest around SUVs.

Daily traffic numbers in the summer showed the immediate and positive reaction by consumers

to government announcements in France and Germany of improved subsidies for electric cars.

The [EV Index from Sophus3](#) shows that whilst consumer interest has grown strongly, the choice available and the price of these cars remain, currently, the key barriers to widespread adoption.

## Car brand social media interactions, 'Big 5' 2020



# 1.36bn

total views

▲ 20% (2019)



# 63m

total interactions

▼ 28% (2019)

Most of us spent far too much time during 2020 sat on the couch watching video content from a number of streaming services. Unsurprisingly YouTube saw its audience strengthen further during the year. The website is the second most visited globally after Google with 2 billion users logging in each month.

Many car brands have yet to grasp the reach and potential of this audience. A cursory examination of their YouTube channels shows often tired and out-of-date content, assembled chaotically with little apparent understanding of the difference between the expectations of a YouTube user and the consumer of broadcast TV.

Similarly, only a small number of brands seem to have mastered the use of Facebook, to interact with consumers and customers.

'Doing Social Media' remains a chore for most car brands that they approach with hesitancy and suspicion, an attitude which in itself almost dooms from the start any hope of them using these channels productively.

Source: Facebook, YouTube. Facebook interactions are the sum of 'like', 'shares' and 'comments' on car brands' posts during the year.



Volkswagen T-Cross – 'Pour tous ceux que vous êtes'

Most viewed car brand YouTube video in 2020.

<https://youtu.be/9EMx92LUI4o>

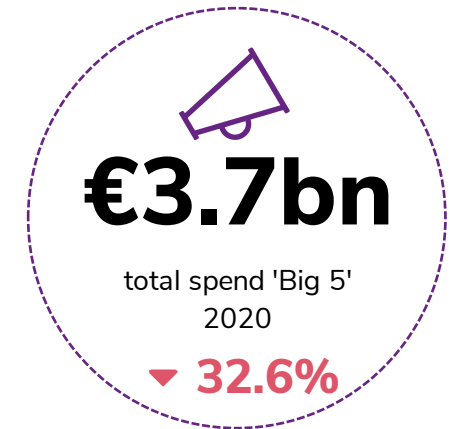
# Campaigns

Most brands chose to shut up shop during the height of the pandemic, pulling a huge amount of advertising spend.

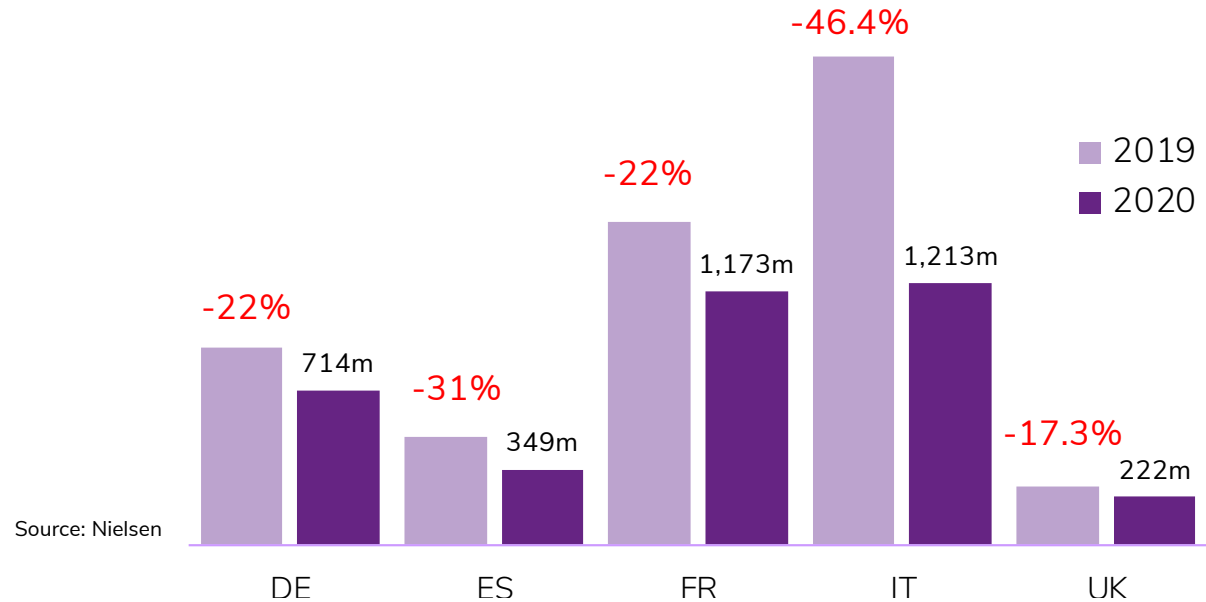


Car brands' spend on Print and TV advertising follows a fairly predictable cycle in Europe with familiar peaks of activity in the Spring and Autumn, mirroring the times when consumers are most likely to be in market for a new car.

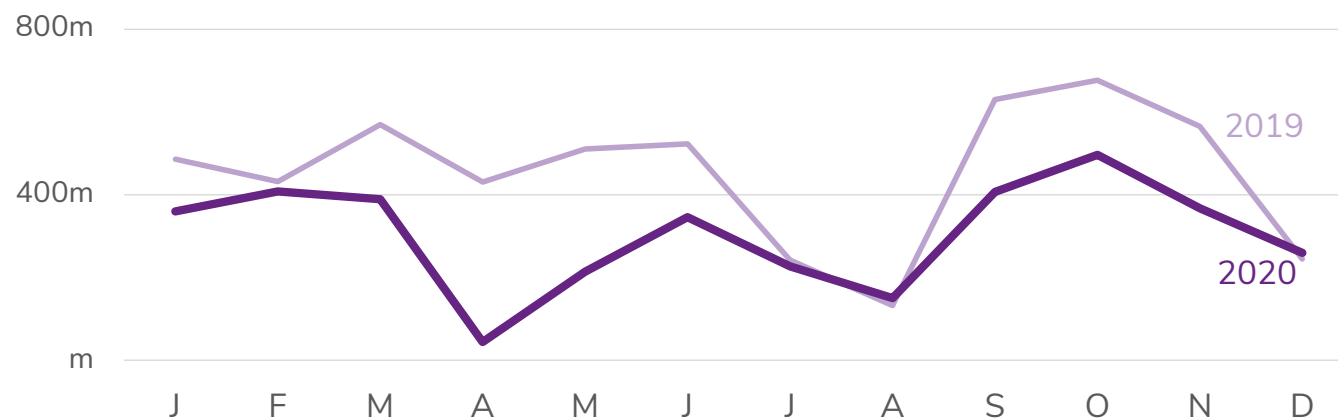
2020 however saw this normalcy, as with so many other things, turned upside down by the pandemic. In April, spend across the Big 5 markets collapsed by 90% as car brands ceased campaigns as the world shut down.



## Car brand TV & Print campaign spend, 'Big 5' 2020



## Monthly ad. spend, 'Big 5' 2020 v. 2019



Brands did restart campaign activity over the summer. In August, normally the quietest month due to holidays, spend was even slightly up over the previous year. The emerging 'second wave' of the pandemic in the autumn, combined with greatly reduced sales revenues, again stifled spending during the last quarter.

The brand league table of spend shows the full story. Audi was the only car brand to keep its nerve and continue to spend at previous levels, weighing in behind the A3 and new e-tron GT.

Renault and Volkswagen continued as the highest spending brands within the European market.

Whilst spend by premium brands can be seen to have held up much better than for volume brands.

Ford Puma was the largest campaign over the course of the year; Renault Zoe was the second placed. Renault not only committed to a large outlay within its home market but also spent aggressively in Germany to counter the introduction of VW's first pure EV, the ID.3.

**Health warning:** The spend data we show is calculated from rate card prices and does not take into account the discounts advertisers will commonly receive. These vary between markets and are known to high in Italy. Digital display, social media and search expenditure are not included.

## Brand spend, 'Big 5' 2020

|    | Brand      | 2020 spend | Change |
|----|------------|------------|--------|
| 1  | Renault    | €338m      | ▼ 23%  |
| 2  | Volkswagen | €273m      | ▼ 32%  |
| 3  | Audi       | €253m      | ▲ 8%   |
| 4  | Ford       | €236m      | ▼ 26%  |
| 5  | BMW        | €228m      | ▼ 11%  |
| 6  | Peugeot    | €189m      | ▼ 52%  |
| 7  | Seat       | €169m      | ▼ 38%  |
| 8  | Škoda      | €162m      | ▼ 18%  |
| 9  | Fiat       | €161m      | ▼ 43%  |
| 10 | Citroën    | €158m      | ▼ 45%  |
| 11 | Toyota     | €142m      | ▼ 25%  |
| 12 | Mercedes   | €140m      | ▼ 14%  |
| 13 | Opel       | €124m      | ▼ 57%  |
| 14 | Kia        | €109m      | ▼ 25%  |
| 15 | Suzuki     | €108m      | ▼ 29%  |
| 16 | Nissan     | €100m      | ▼ 44%  |
| 17 | Hyundai    | €97m       | ▼ 33%  |
| 18 | Jeep       | €94m       | ▼ 38%  |
| 19 | Dacia      | €88m       | ▼ 33%  |
| 20 | MINI       | €57m       | ▼ 30%  |



Volkswagen Range – Germany  
<https://youtu.be/5bKzM3ciOaU>



Seat Leon – Spain  
<https://youtu.be/0Y6Fqzl-09A>



Renault Zoe – France  
<https://youtu.be/91TaTxgKuqs>



BMW 1 Series – Italy  
<https://youtu.be/4DgRExxEd8s>



Ford Puma – UK  
[https://youtu.be/TP\\_u2uoewpU](https://youtu.be/TP_u2uoewpU)

## Print / TV campaigns, 'Big 5' 2020

|    | Brand            | 2020 spend | Change |
|----|------------------|------------|--------|
| 1  | Ford Puma        | €119m      | ▲ n/a  |
| 2  | Renault Zoe      | €96m       | ▲ 15%  |
| 3  | Seat Leon        | €87m       | ▲ 112% |
| 4  | Renault Captur   | €80m       | ▼ 10%  |
| 5  | Ford Kuga        | €71m       | ▲ 40%  |
| 6  | Volkswagen Range | €71m       | ▼ 11%  |
| 7  | Jeep Range       | €71m       | ▲ 46%  |
| 8  | BMW 1 Series     | €69m       | ▲ 29%  |
| 9  | Fiat 500         | €68m       | ▼ 38%  |
| 10 | Volkswagen Golf  | €68m       | ▲ 29%  |
| 11 | Peugeot Range    | €66m       | ▼ 38%  |
| 12 | Nissan Juke      | €65m       | ▲ n/a  |
| 13 | Renault Range    | €64m       | ▲ 205% |
| 14 | Audi E-Tron      | €61m       | ▲ 18%  |
| 15 | Audi A3          | €58m       | ▲ 232% |
| 16 | Audi Range       | €57m       | ▲ 299% |
| 17 | Renault Clio     | €56m       | ▼ 44%  |
| 18 | Škoda Range      | €55m       | ▲ 44%  |
| 19 | Suzuki Range     | €52m       | ▼ 29%  |
| 20 | Fiat Range       | €51m       | ▼ 20%  |

# Vehicle market

2020 saw the worst collapse of the European car market since records began.



2020 was quite simply the worst year experienced by the European car market in living memory.

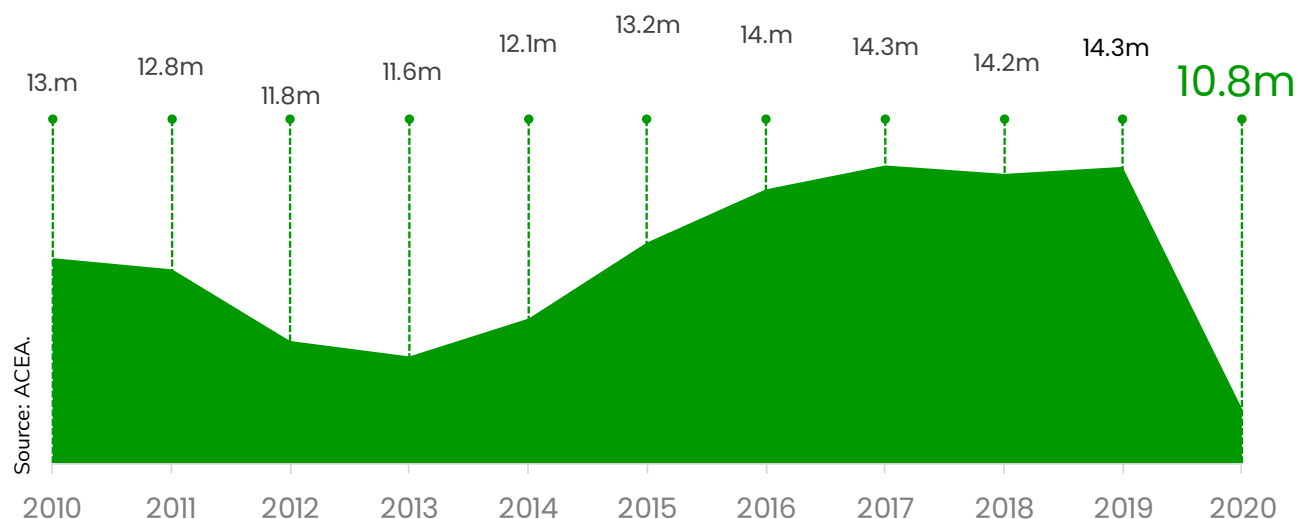
The EU14, EFTA and UK group – which gives a view of the long-term evolution of the car market – was down a staggering 24%. This was equivalent to 3.5 million lost sales. The 'Big 5' markets, which account for nearly 80% of the region's sales were down by a quarter.

**8.5m**

total registrations  
'Big 5' 2020

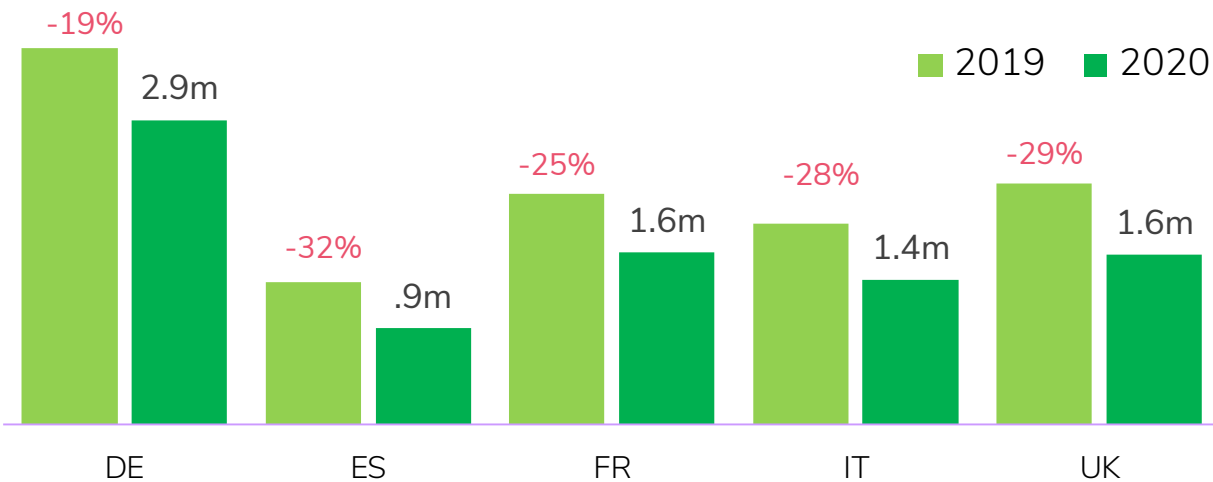
▼ 25.4%

## Passenger car registrations, EU14+EFTA+UK, 10 year view



### Passenger car registrations, 'Big 5' 2020

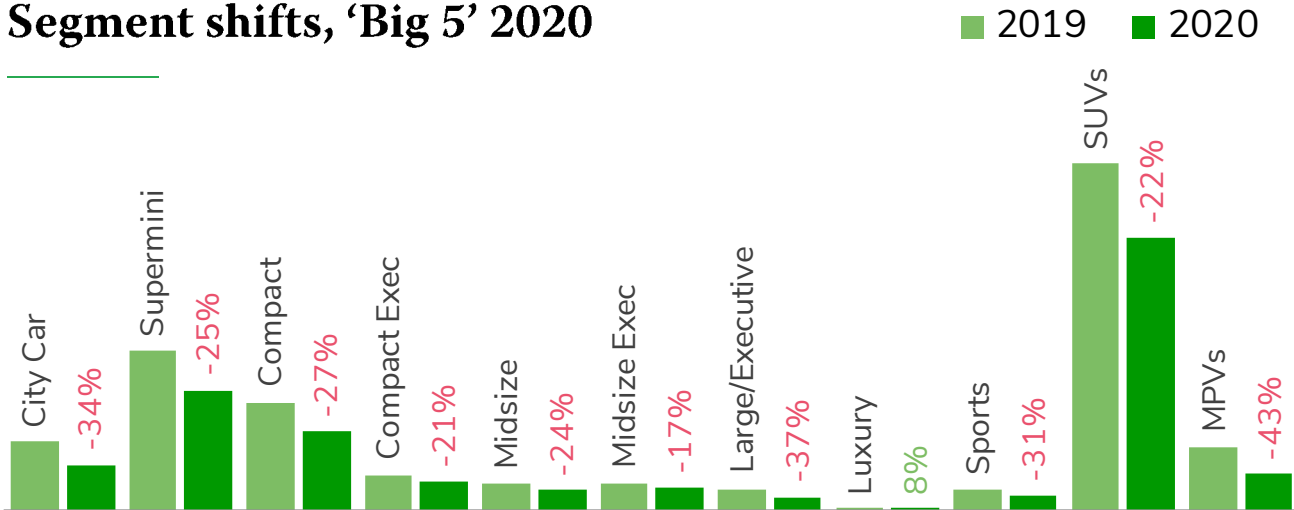
This was carnage, with Spain and the UK the two hardest hit markets. Enforced closure of showrooms by the pandemic exposed the vulnerability of the industry's traditional retail and fulfilment chain. Without governments' intervention in the form of furlough schemes and other subsidies, permanent closure of many retail outlets would have been inevitable. The underlying structural damage the crisis has caused will not be clear until that support is withdrawn and the viability of dealerships tested within a yet unknown set of 'post-Covid' economic conditions.



Source: ACEA.

### Segment shifts, 'Big 5' 2020

With such loss of sales, all segments of the market were down with the exception of Luxury cars ("We're all in the same boat, it's just that some of us don't have to do any rowing."). But the shape of this greatly reduced market was largely unchanged. SUVs continued to dominate, and the glimmers of online interest in City Cars and MPVs, noted earlier, did nothing to impact the longer term decline of those segments in terms of real world sales.



Source: IHS Automotive.



## Registrations by brand

The 'Big 5' markets 2020

Under these market conditions brands didn't divide into 'winners' and 'losers', but more into 'losers' and 'bigger losers'. Any percentage fall in sales of less than 15% counted in 2020 as a relative success.

The notable exception to the column of red numbers was Tesla, which recorded a 50% increase in Big 5 sales. But as others have pointed out, somewhat gleefully, the brand actually lost market share within its own EV niche.

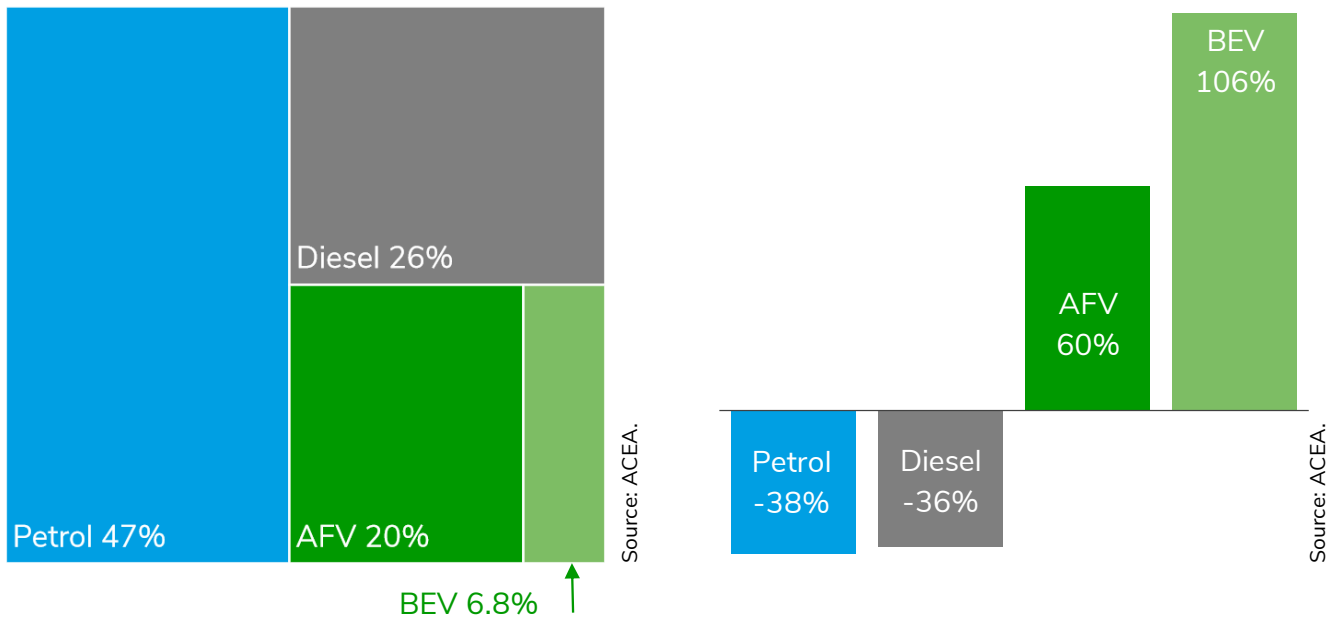
MG also had a good year on the back of its ZS SUV and its affordable EV variants.

Successes such as these were tied almost entirely to powertrains. The sale of Alternative Fuelled cars (AFVs) increased by 70% across the EU26 and UK, with those of 'pure' Battery Electric Vehicles (BEVs) more than doubling. Heightened consumer interest coupled with generous government subsidies in the major markets combined to push BEVs to the brink of mass market acceptance.

Source: IHS Automotive.

| 2020 ▼ ▲ |            |         |       | 2020 ▼ ▲ |            |         |       |
|----------|------------|---------|-------|----------|------------|---------|-------|
| 1        | Volkswagen | 974,676 | ▼ 25% | 21       | Suzuki     | 100,273 | ▼ 34% |
| 2        | Renault    | 630,162 | ▼ 21% | 22       | Jeep       | 97,255  | ▼ 28% |
| 3        | Peugeot    | 577,855 | ▼ 24% | 23       | Vauxhall   | 95,444  | ▼ 40% |
| 4        | Mercedes   | 559,850 | ▼ 20% | 24       | Land Rover | 93,858  | ▼ 25% |
| 5        | Ford       | 535,208 | ▼ 32% | 25       | Mitsubishi | 68,293  | ▼ 30% |
| 6        | BMW        | 484,792 | ▼ 21% | 26       | Honda      | 55,759  | ▼ 34% |
| 7        | Audi       | 454,246 | ▼ 22% | 27       | Tesla      | 54,101  | ▲ 51% |
| 8        | Fiat       | 404,108 | ▼ 25% | 28       | Porsche    | 53,338  | ▼ 13% |
| 9        | Toyota     | 390,251 | ▼ 14% | 29       | Lancia     | 43,031  | ▼ 27% |
| 10       | Citroën    | 365,659 | ▼ 30% | 30       | Jaguar     | 39,075  | ▼ 35% |
| 11       | Škoda      | 317,103 | ▼ 16% | 31       | DS         | 36,219  | ▼ 15% |
| 12       | SEAT       | 280,854 | ▼ 27% | 32       | Lexus      | 34,580  | ▼ 16% |
| 13       | Opel       | 278,642 | ▼ 39% | 33       | Alfa Romeo | 27,680  | ▼ 33% |
| 14       | Hyundai    | 265,966 | ▼ 27% | 34       | Smart      | 25,066  | ▼ 76% |
| 15       | Dacia      | 263,668 | ▼ 33% | 35       | MG         | 19,072  | ▲ 46% |
| 16       | Kia        | 257,069 | ▼ 19% | 36       | Subaru     | 10,145  | ▼ 31% |
| 17       | Nissan     | 203,380 | ▼ 25% | 37       | Ssangyong  | 6,320   | ▼ 39% |
| 18       | Volvo      | 141,386 | ▼ 16% | 38       | DR         | 3,585   | ▼ 8%  |
| 19       | Mini       | 137,717 | ▼ 22% | 39       | Ferrari    | 3,049   | ▲ 4%  |
| 20       | Mazda      | 100,327 | ▼ 38% | 40       | Maserati   | 2,864   | ▼ 38% |

Powertrain share and growth, EU14+EFTA+UK 2020 v 2019



However, this success needs to be tempered with the thought that conventionally fuelled vehicles still account for three quarters of the registrations of new cars, despite the fact that their complete disappearance from the market is timetabled for the end of this decade in markets such as the UK.

Indeed, the list of top selling cars consists of the ‘usual suspects’ with the two best selling EV models, the Renault Zoe and Tesla Model 3, placed in 28<sup>th</sup> and 56<sup>th</sup> place respectively.

AFV includes EVs, Hybrids, and LPG/LNG powered vehicles.

Top 20 car models 2020

|    | Model             | 2020    | ▲ ▼   |
|----|-------------------|---------|-------|
| 1  | Volkswagen Golf   | 212,954 | ▼ 30% |
| 2  | Renault Clio      | 180,814 | ▼ 24% |
| 3  | Peugeot 208       | 155,699 | ▼ 15% |
| 4  | Renault Captur    | 135,649 | ▼ 20% |
| 5  | Fiat Panda        | 135,415 | ▼ 20% |
| 6  | Dacia Sandero     | 131,105 | ▼ 26% |
| 7  | Ford Focus        | 128,860 | ▼ 20% |
| 8  | Volkswagen Tiguan | 128,279 | ▼ 33% |
| 9  | Ford Fiesta       | 127,102 | ▼ 31% |
| 10 | Volkswagen Polo   | 125,953 | ▼ 34% |
| 11 | Peugeot 2008      | 121,122 | ▼ 9%  |
| 12 | Volkswagen T-Roc  | 120,754 | ▼ 24% |
| 13 | Mercedes A-Class  | 118,554 | ▼ 22% |
| 14 | Toyota Yaris      | 116,327 | ▼ 19% |
| 15 | Citroën C3        | 115,133 | ▼ 31% |
| 16 | Opel Corsa        | 112,015 | ▼ 10% |
| 17 | Fiat 500          | 108,263 | ▼ 23% |
| 18 | Mini Mini         | 102,365 | ▼ 21% |
| 19 | Peugeot 3008      | 97,520  | ▼ 37% |
| 20 | Nissan Qashqai    | 96,978  | ▼ 36% |

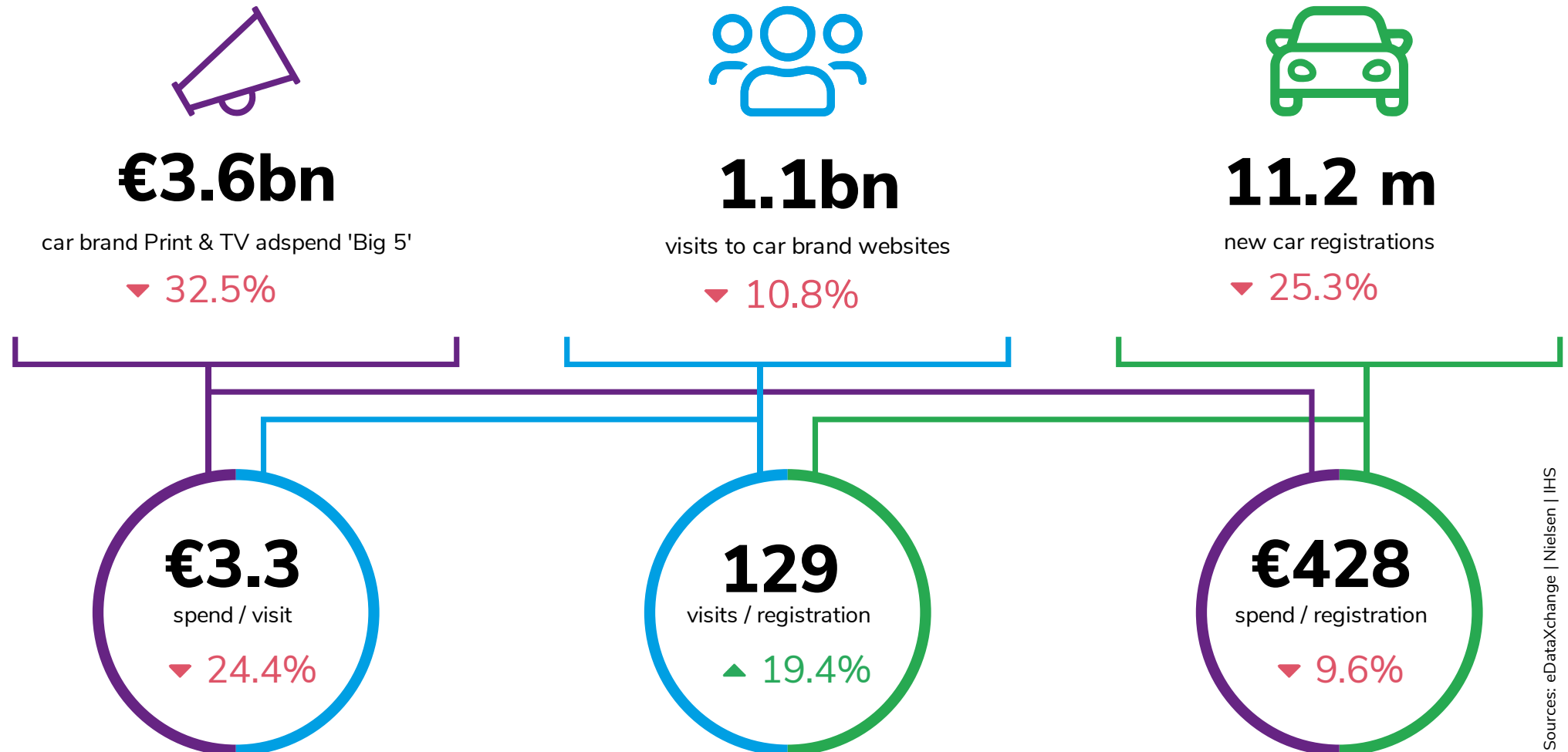
Source: IHS Automotive.



## Headline Key Performance Indicators

Car brands in the European 'Big 5' markets, 2020

The eDataXchange KPIs provide a broad measure of sector activity and outcomes. They allow brands to benchmark their ongoing performance.



Sources: eDataXchange | Nielsen | IHS

# The year ahead

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## The virus

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Far from 2021 being a new start, it is already clear that the impact of the pandemic is likely, even under the best case scenario, to continue throughout most of the year.

In 'advanced' economies the roll out of vaccines will take the first half of the year. Partial normalcy cannot be expected until Q3 at the earliest, longer in many countries. Until then we can expect more suppression of economic and social activity through stop-start lockdowns and other measures.

We also should not discount a 'worst case' intervention of vaccine failure/virus mutation that would cause a complete reset of all our expectations. Without the global suppression of the virus through an international vaccine campaign, the continuing existence of viral 'sumps' will likely see the reappearance of new strains of Covid in the future with similar disruptive effects.

## The economy

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The Economist succinctly summarised the many unknowns on the Economic front in 2021 that result from the pandemic:

“NEVER IN RECENT memory has so much uncertainty hung over global growth. [...] Its full impact has been obscured by massive emergency government intervention to bail out companies and support workers. Only when that support is withdrawn will the veil be lifted.”



# The Car Market

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The health of the new car market is subsidiary to the health of the economy. New car purchase depends on disposable household income and consumer confidence: when the economy tanks, then the car market does also.

Early forecasts for car market growth in 2021 were predicated on a return to economic growth. Moody's, IHS and S&P initially projected a car market expansion in the region of 7-9%. However, the duration of vaccination roll out may not have been fully accounted for within these projections.

That said, we see no reason as to why some trends that emerged during 2020 will not continue to play out in the car market during 2021:

- the attraction of the 'car as bubble' with some households acquiring additional vehicles
- growth in the market share of AFVs - favouring brands with a strong EV portfolio
- a possible further redistribution of household spend away from holidays and other leisure activities towards vehicle purchase.

It should be noted that this is not 2008: rental, leasing and new subscription models have come into play so that a large upfront sum is no longer required to 'own' a car. Economic downturn may therefore not be amplified in the car market in the way it was at that time (an experience which shapes many of the worries of senior people within the industry).

Knowing that sales volumes are unlikely to grow, all brands will, or should, be focused on margins over volume.



# Digital

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It is commonplace to say that the chief impact of the pandemic has been to accelerate the move of interaction and transaction online. Whilst that may be reversed in the future, we expect it will not be.

In 2020 we saw car brands that were better positioned to meet this shift in consumer behaviour also do better in terms of online engagement and final sales outcomes. In 2021 we expect more people to be online

more often – perhaps buying less overall, depending on economic conditions – but investigating and making more of their purchases online. Cookie restrictions and privacy legislation may mask that fact by making it more difficult for digital departments to count and interpret digital interactions.

Car brands competing in the digital space will need joined up back-office processes to fulfil customer expectations for the ever more

rapid delivery of information, service and, ultimately, products. Consumer impatience for rapid, responsive fulfilment in all of those areas can only be expected to increase, regardless of other externalities. ■



# Credits

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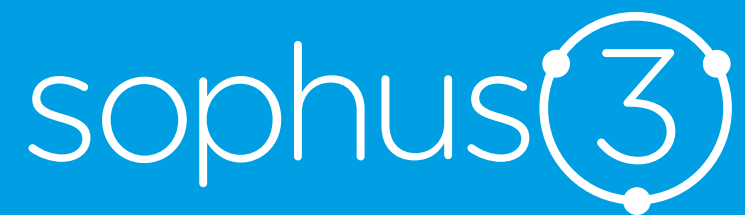
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