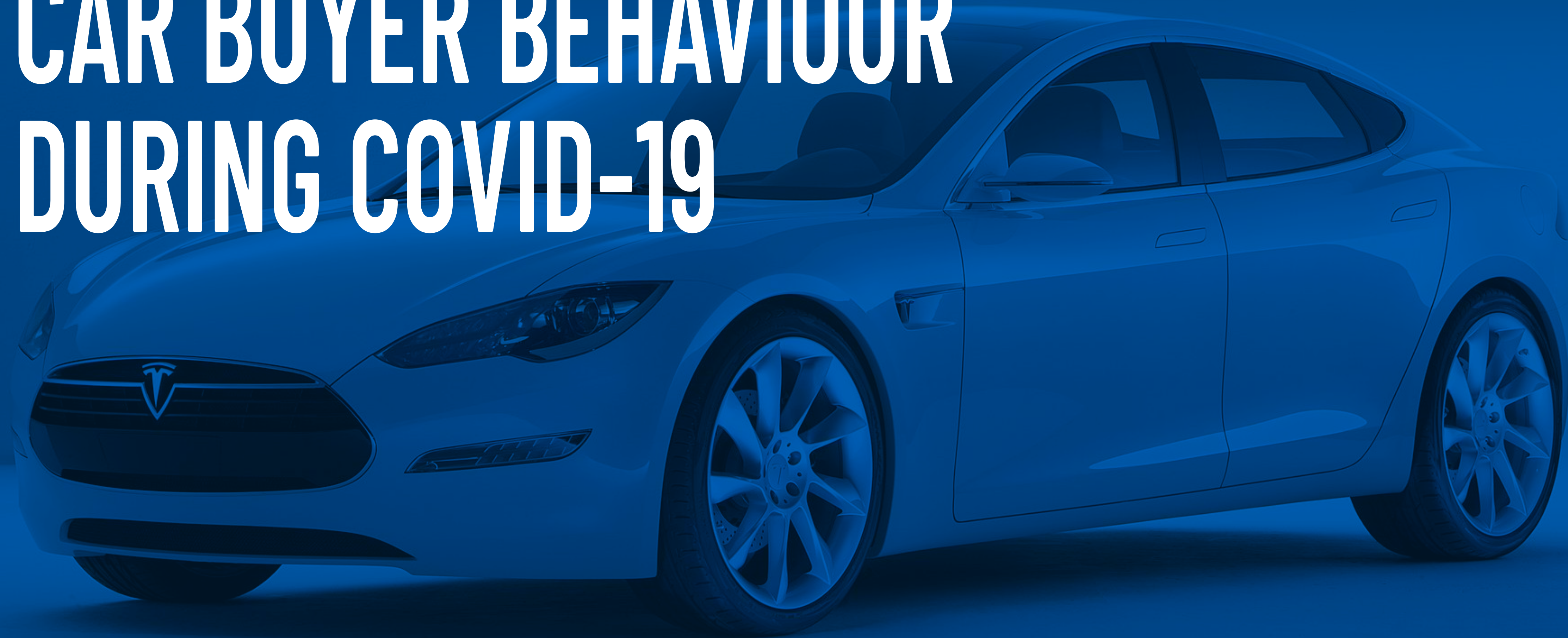


CAR BUYER BEHAVIOUR DURING COVID-19



INTRODUCTION

Welcome to Carzone's latest research on changing trends in the Irish motoring industry. The impact of the COVID-19 pandemic has fundamentally changed how consumers and businesses interact. Considering this, we surveyed over 1,400 Irish motorists to better understand what these changing trends mean for car buyers who are researching their next vehicle purchase. We assessed the view of our respondents on a wide range of topics, including how they will

now approach the process of buying or selling a car, and their view on online transactions, car cleanliness and social interactions. This research has been examined to develop a comprehensive overview of how consumers now view the process of buying a car in these changing times. With car dealerships reopened and the Irish motoring industry activity resuming, the results of this research gives us a glimpse into the new normal of car buying, selling and searching.

1,432
IRISH MOTORISTS
SURVEYED



BUYING AND SELLING A CAR DURING COVID-19

The survey data demonstrates a significant shift in the number of consumers that are considering buying or selling a car in the current environment. Most notably, over half of

those surveyed who do not currently own a car are now considering buying one due to the COVID-19 pandemic. A further 28% of those surveyed said they are still looking to change car as

soon as possible, while 35% said they are holding off until later in the year. Encouragingly, just 11% said they have cancelled their search for a newer car.

OVER 50% OF THOSE THAT DO NOT OWN A CAR ARE NOW CONSIDERING BUYING ONE:



55%

18-24 year olds



74%

35-44 year olds

WHEN ASKED IF THE COVID-19 PANDEMIC HAD IMPACTED THEIR CAR BUYING JOURNEY, RESPONDENTS SAID:



28%

are still actively looking to change their car as soon as possible



35%

are postponing their purchase of a newer car until later in the year



26%

are in the research phase of the buying journey for their next car



11%

have cancelled the planned purchase of their next car

ONLINE TRANSACTIONS

Regardless of the industry, the COVID-19 pandemic has fundamentally changed how consumers view the process of buying online. This is especially evident in the motoring industry, where 53% of our survey respondents said they would

pay a deposit for a car online, while almost a quarter of respondents said they would pay in full for a car online. That is a significant change in behaviour when we compare to previous Carzone consumer research, and it demonstrates

that car buyers are becoming increasingly comfortable with completing transactions online. Elsewhere, 57% of those surveyed said they would consider having a car delivered directly to their home following an online purchase.

CONSUMER ATTITUDES TOWARDS BUYING A CAR ONLINE ARE EVOLVING:



53%

say they would pay a deposit for a car online

an increase of 5% from the last Carzone motoring report*



24%

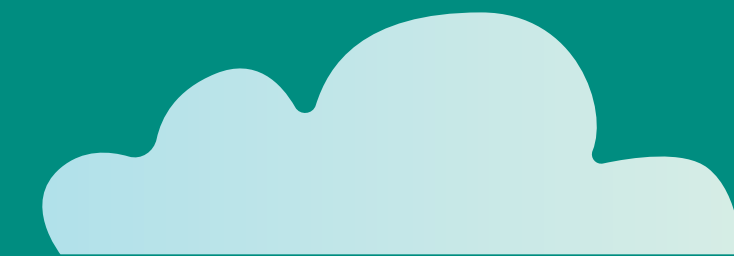
would pay in full for a car online

an increase of 7% from the last Carzone motoring report*

*October 2019

57%

would consider buying a car online and having it delivered to their home

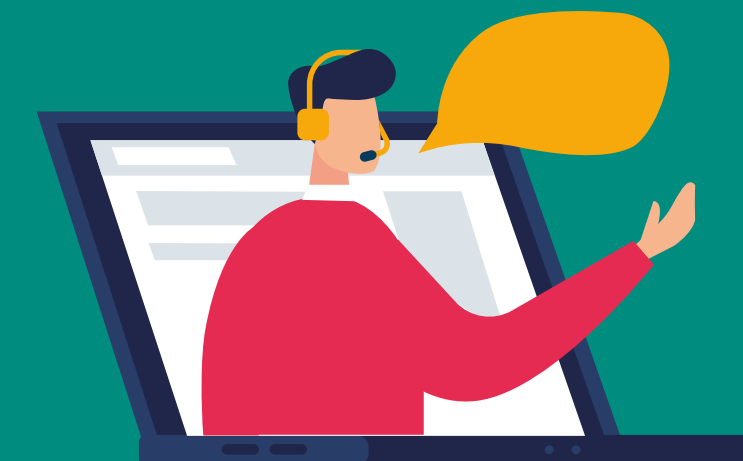


THE ONLINE TOOLS CONSUMERS WOULD CONSIDER USING WHEN PURCHASING THEIR NEXT CAR ARE:



Virtual car tour

61%



Live chat with dealer

53%



Online car finance applications

28%

CAR BUYERS FINANCIAL CONCERNS

To better understand the financial implications of the COVID-19 pandemic, and what it means to Irish motorists, we asked a series of questions on car buying budgets and financial concerns. When asked "has COVID-19 impacted your car buying budget", 55%

of those surveyed said their budget hasn't changed, while 40% said they have now decreased their budget. Interestingly, 5% of respondents have increased their budget. In terms of the top financial concerns; 46% are uncertain about how the current

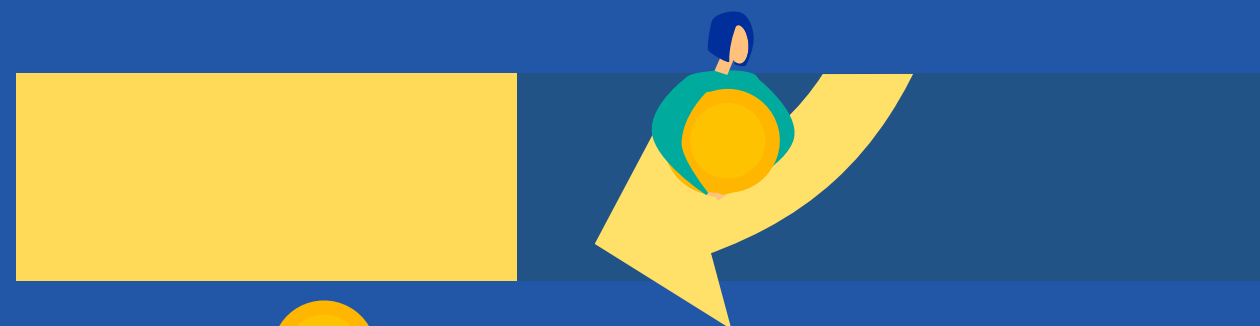
climate will impact car values and 27% cited uncertainty around employment security as a concern, while 18% listed the rising cost of car insurance as a current financial concern.

WHEN REVIEWING HOW THE COVID-19 PANDEMIC HAS IMPACTED CAR BUYERS ABILITY TO PURCHASE, RESPONDENTS SAID:

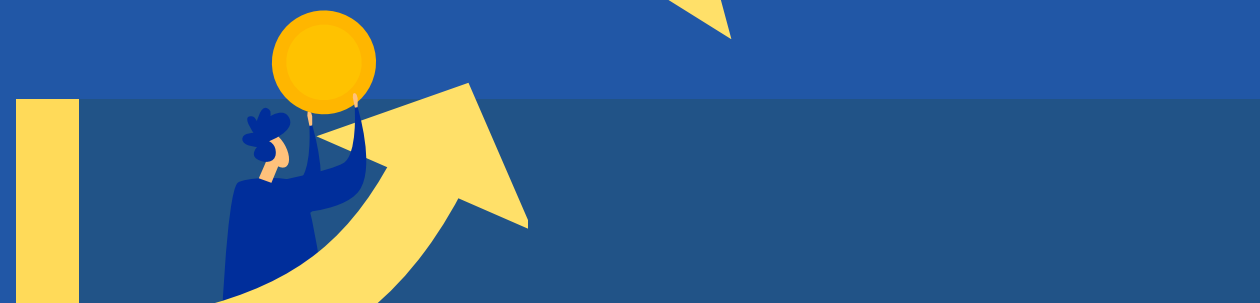
55% have a budget which has remained the same



40% have a decreased budget



5% have an increased budget



WHEN ASKED ABOUT THEIR TOP 3 FINANCIAL CONCERNS IN THE CURRENT CLIMATE, MOTORISTS SAID:

46% are uncertain about car values



27% are uncertain about employment security



18% worry about rising costs of insurance



CAR CLEANLINESS & SOCIAL INTERACTIONS



75%

of motorists are more likely to buy a car if the seller has carried out a thorough sanitisation

THE SANITISATION SERVICES THAT CONSUMERS ARE EXPECTING WHEN BUYING THEIR NEXT CAR INCLUDE:



80%

want a full interior disinfect and clean



59%

want an exterior cleanse of all contact points before handover



58%

want an interior upholstery steam clean

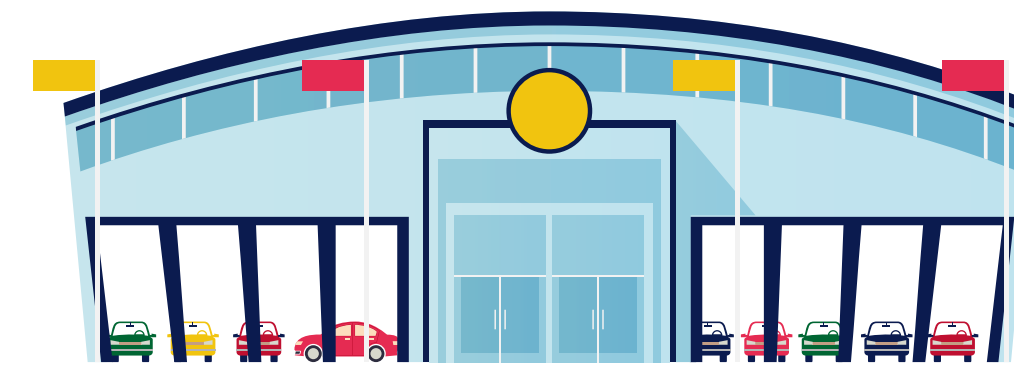
VISITING A SHOWROOM:

When we consider social distancing and occupancy limits within enclosed spaces like showrooms, the industry must be prepared to comply not only with government requirements, but also with consumer expectations.



44%

of potential buyers are happy to visit a car dealership in-person once they are ready to complete a purchase



35%

of potential buyers say they will only visit a showroom once they have completed all of their research online beforehand



TRAVEL TRENDS

THE COVID-19 PANDEMIC HAS SIGNIFICANTLY CHANGED OUR ATTITUDE TOWARDS PUBLIC TRANSPORT:

Our research found that consumers are less likely to use public transport once the current restrictions are lifted. This opens up opportunities to sell cars to those that would have previously prioritised public transport as their primary mode of transportation.



