

COVID-19 IMPACT ANALYSIS

HOW HAS THE NATIONAL PANDEMIC, SOCIAL DISTANCING, AND SHELTER-IN-PLACE ORDERS AFFECTED AUTOMOTIVE DEALERS?

INSIGHTS

- YoY comparisons of 147 dealer clients yield similar overall trends in actualized sale volume across all OEMs; Data is highly reliant on enrolled clients which skews proportionally towards Illinois, California, Florida, and Texas state regions.
- Strong sale increases throughout mid-late February performed similarly YoY (+53% 2020 vs +52% 2019) albeit at much higher volume driving net sales up 21% overall for 2020 YTD in the weeks leading up to the outbreak.
- Despite decreases in net sales mid-March of this year following closely to observed trends in 2019, sharper YoY decreases are potentially signaling increased volatility as a result of the U.S. COVID-19 outbreak in early March.
- Sales fell -33% week ending 3/2/19 to week ending 3/16/19 presumably due to dips in consumer interest ahead of tax deadlines. However similar timeframes in 2020 yield a 57% decrease to actualized sales through week ending 3/14/20.

TAKEAWAYS & NEXT STEPS

As data continues to actualize through March, it is expected that COVID-19 will continue to influence sale activity into Q2 2020. Increased travel restrictions could lead to higher search traffic opportunity. However given the downward trend in actualized sales to date, DEP recommends the following:

1 Maintain or decrease current sales budget, and reallocate digital advertising budget to parts and service throughout March and into early April.

2 Sales campaigns with focused messaging on model research and vehicle comparisons.

3 Fixed ops campaigns with focused messaging such as, "We're Here for Our Customers" or "Open for Business".

