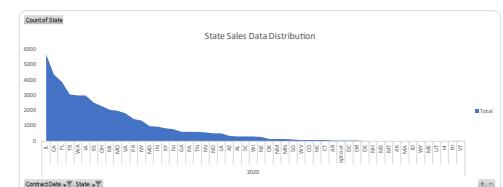
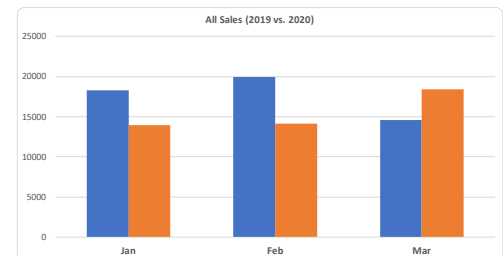
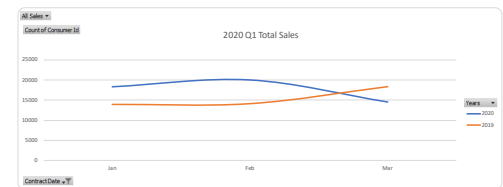
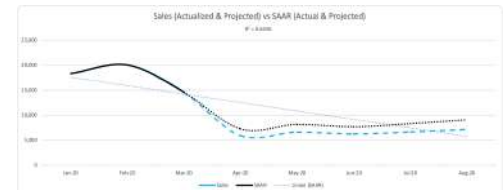


## COVID-19 IMPACT ANALYSIS

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.
- Downward sales trends continue through April following sharp declines in March as economic activity continues to struggle as a result of COVID social distancing.
- Assuming similar seasonality to 2018 and 2019, April is historically a slightly slower sales month at -10% below the typical monthly volume. However, current April pacing through week ending 4/11 is signaling a -20% difference in the seasonal rate with sales expected to fall 67% in April compared to the seasonal projection.
- Historical trends typically yield a 12% increase month-over-month moving into May. However given the effect on social distancing on the current actualized pacing for April so far, May is still expected to fall -67% compared to the seasonal projection ahead of the pandemic.



### TAKEAWAYS & NEXT STEPS

As data continues to actualize through Q2, it is expected that COVID-19 will continue to influence sale activity. 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 campaign budget, and reallocate digital advertising budget to parts and service throughout May.

**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".