



# 2023 Cox Automotive Car Buyer Journey Study: Summary

Released: January 2024



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STUDY BACKGROUND

# About the 2023 Car Buyer Journey

**2,963** Total buyers surveyed that purchased or leased a vehicle from September 2022 to August 2023

Field Dates: August-September 2023

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**1,966** Total new-vehicle buyers

**997** Total used-vehicle buyers

**442** Total new electric vehicle (EV) buyers (227 Tesla buyers and 215 buyers of other EVs)





# ***Who Bought a Vehicle in 2023, and Why***

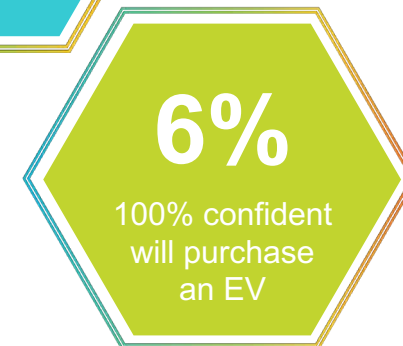


# Buyer Profiles: Who Bought a Vehicle in 2023

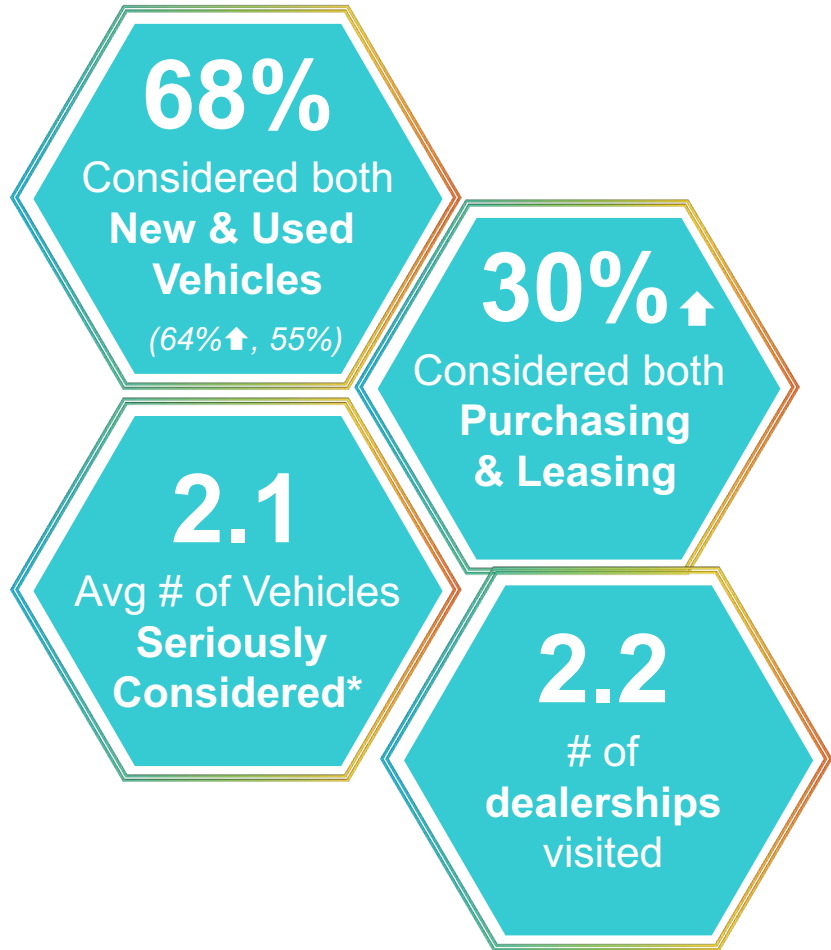
New-vehicle market – and EV market – depend on high-income households

	Total	New	Used	New EV
Average Age	50	52	50	41
Gen Z	4%	3%	5%	13% <sup>B</sup>
Millennial	28%	29%	27%	37% <sup>B</sup>
Gen X	39%	33%	40% <sup>A</sup>	38%
Baby Boomer	26%	29% <sup>B</sup>	25%	10% <sup>A</sup>
Female	51%	41%	55%	36%
Multicultural	29%	32%	26%	41%
Average Pre-tax Annual Household Income	\$100K	\$115K <sup>↑</sup>	\$96K	\$140K
Super Prime Credit (750+)	43%	58% <sup>B</sup>	38% <sup>↓</sup>	47%

EV consideration is climbing, but adoption faces challenges.



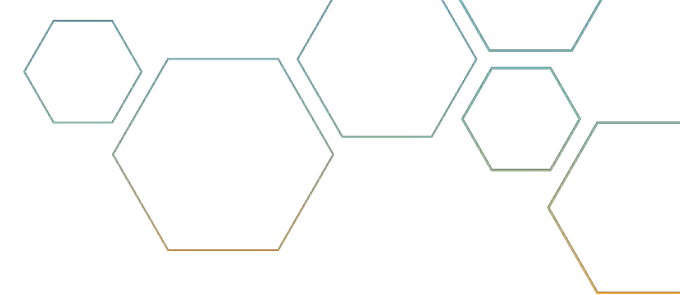
# Buyer Profile: Cross consideration increased further among buyers in 2023



	Bought New	Bought Used
Considered both New & Used	<b>37%</b> (37%↑, 27%)	<b>78%<sup>A</sup>↑</b> (73% <sup>A</sup> ↑, 65% <sup>A</sup> )
Considered both Purchasing & Leasing	<b>25%</b> (23%↑, 18% <sup>B</sup> )	<b>31%<sup>A</sup>↑</b> (20%↑, 14%↓)
Avg # of Vehicles Seriously Considered*	<b>2.0</b>	<b>2.2</b>
# of Dealerships Visited	<b>2.0</b> (2.1↑, 1.9)	<b>2.3</b> (2.2, 2.0)

*\*New question added in 2023.  
 Letters indicate significant difference between groups at the 95% confidence interval  
 Arrows indicate significant difference between years at the 95% confidence interval  
 Data in parenthesis represents 2022 and 2021.  
 Source: Cox Automotive Car Buyer Journey – 2023 // © 2023 by Cox Automotive, Inc. All rights reserved.*

# Buyer Profile: Condition of the previous vehicle (older/high mileage) remained the top purchase trigger



## Top Purchase Triggers for New Buyers



Transportation is necessary, but *ownership* is not (% agree)



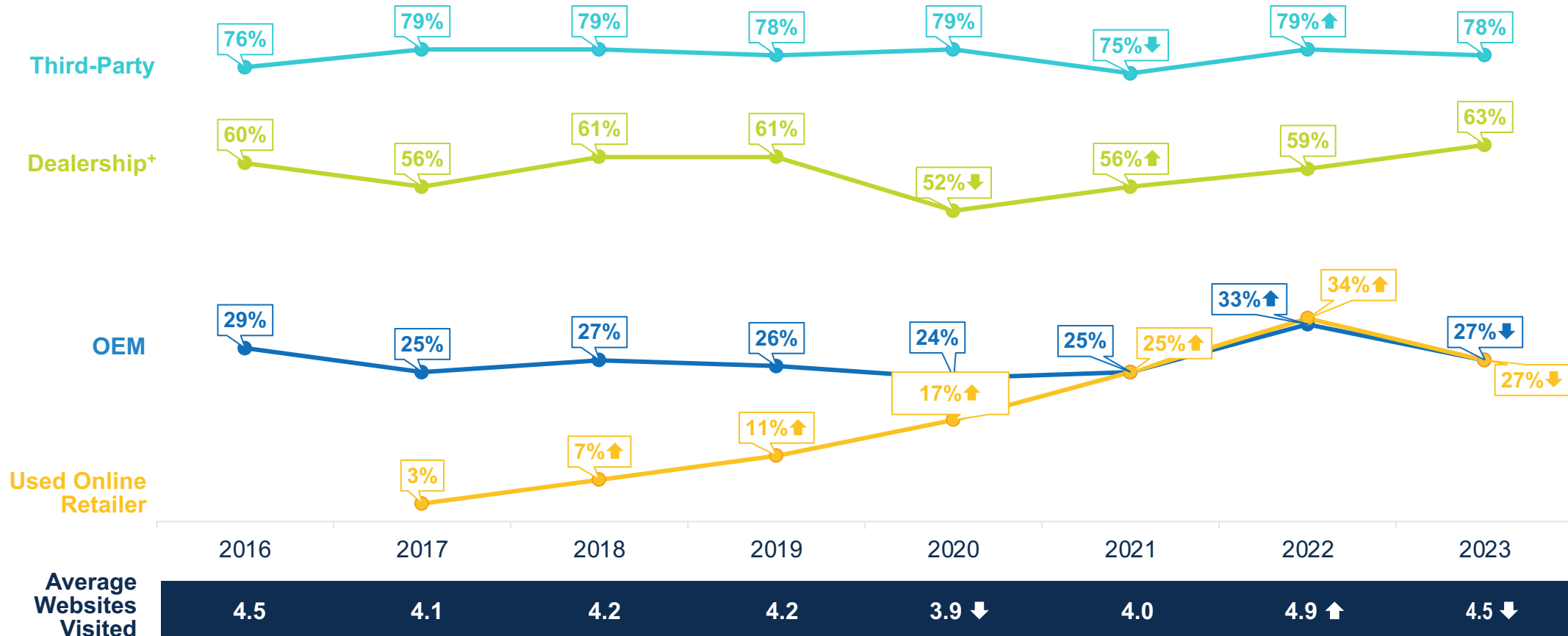
## Top Purchase Triggers for Used Buyers



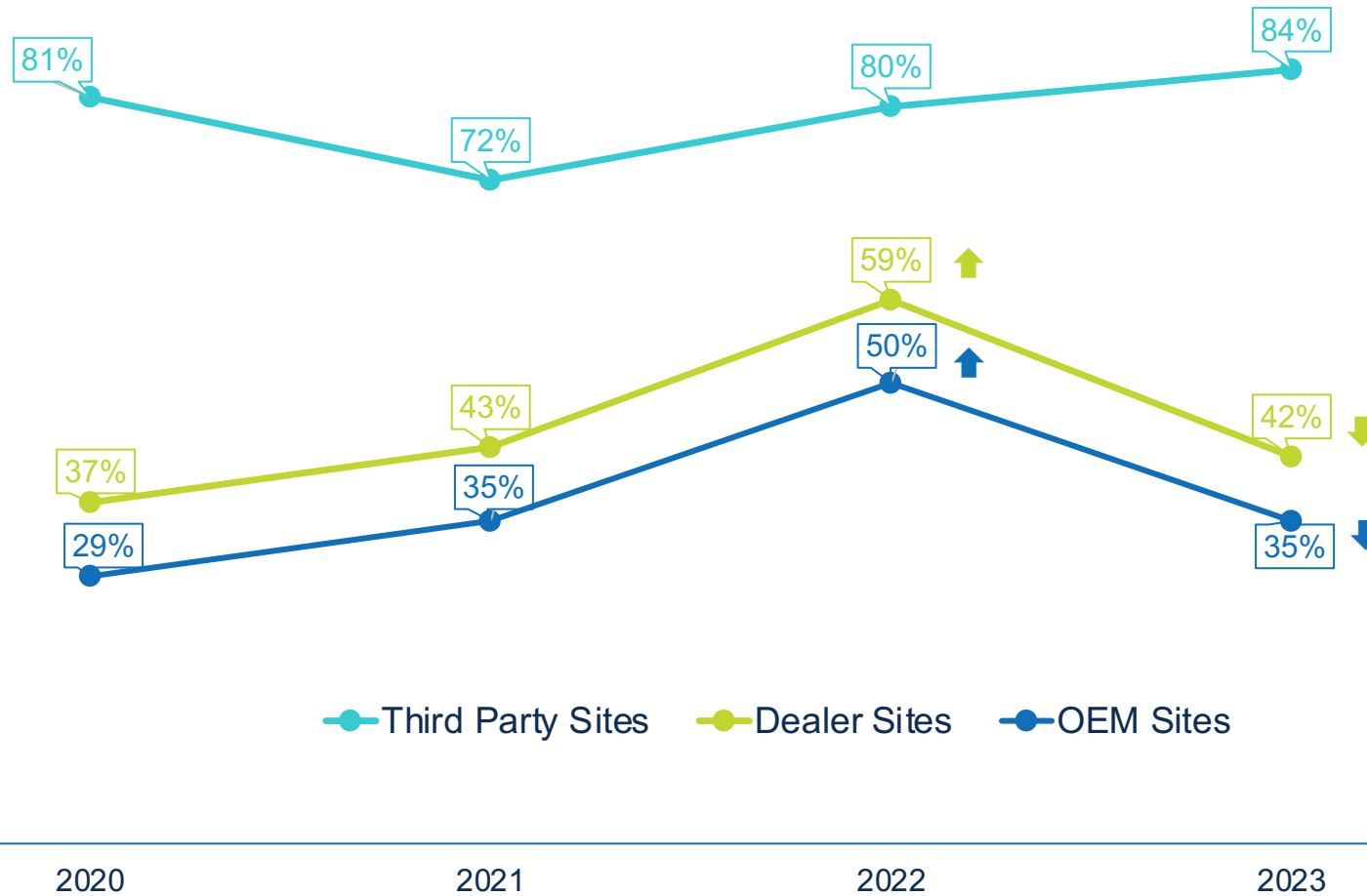
Purchase Trigger – Needed Additional Vehicle in Household (Among Total Buyers)



# Buyer Profile: Dealership websites continue to gain as other fall from peak in 2022 during inventory shortage



# Buyer Profile: EV buyers most focused on third-party sites



**First time new EV buyers are less likely to visit OEM sites than returning EV buyers**





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***In 2023, Satisfaction With  
the Car Buying Journey  
Improved; More Efficient  
Process Helps Make  
Experience Seamless***

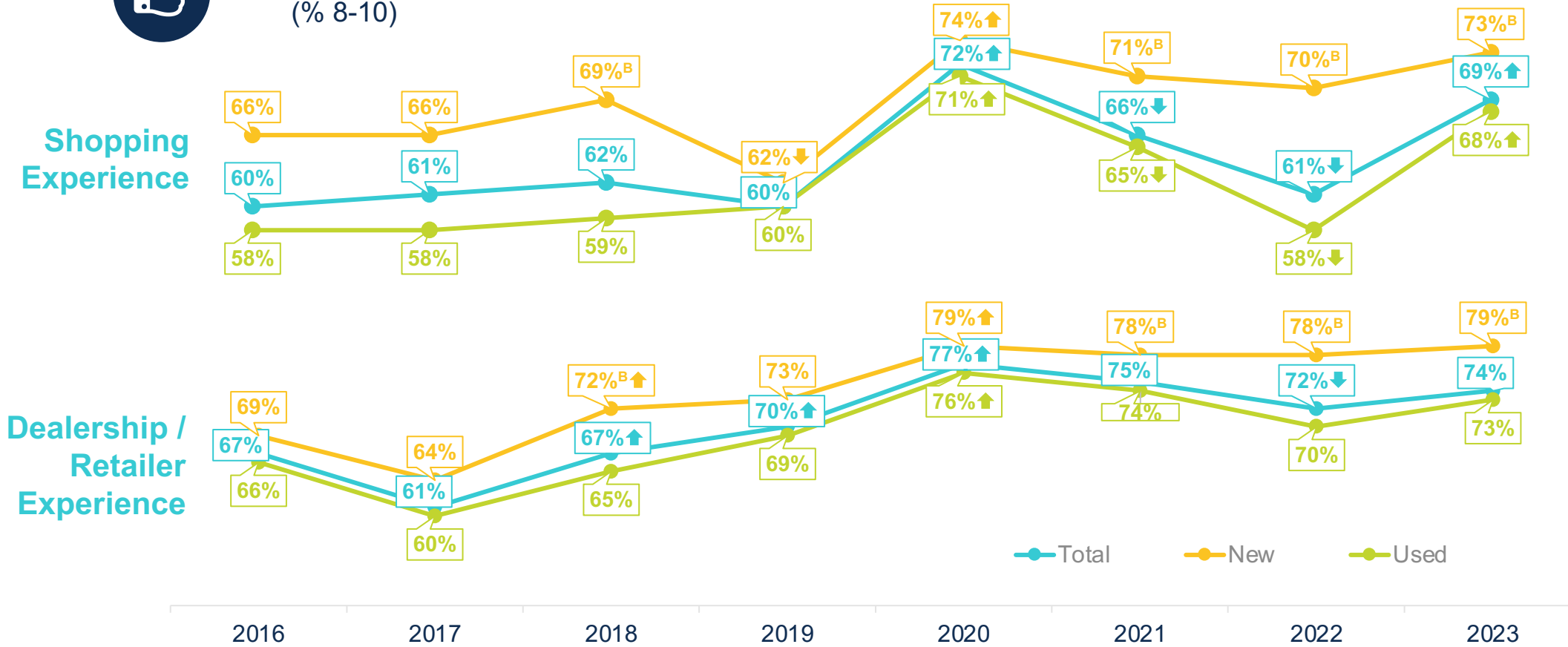
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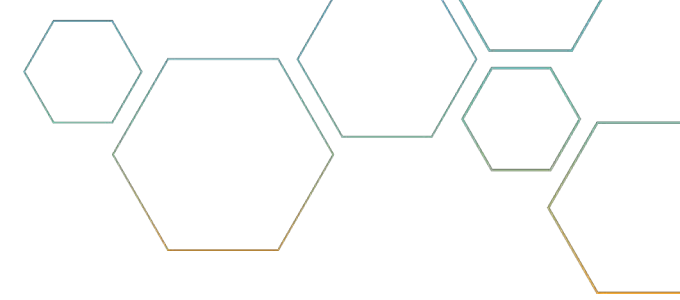
# Satisfaction with shopping journey surged, primarily driven by used-vehicle buyers



**Highly Satisfied**  
(% 8-10)

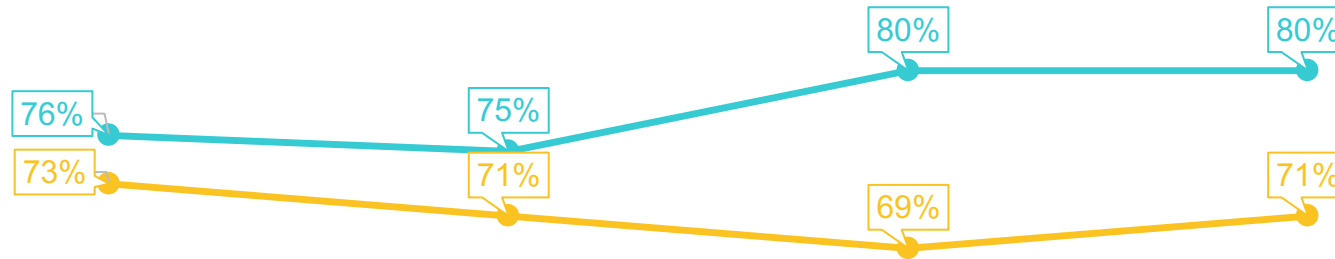


# EV buyers are more engaged online, embrace an omnichannel experience, and are the most satisfied



**Highly Satisfied**  
(% 8-10)

**Shopping Experience**



**Dealership / Retailer Experience**



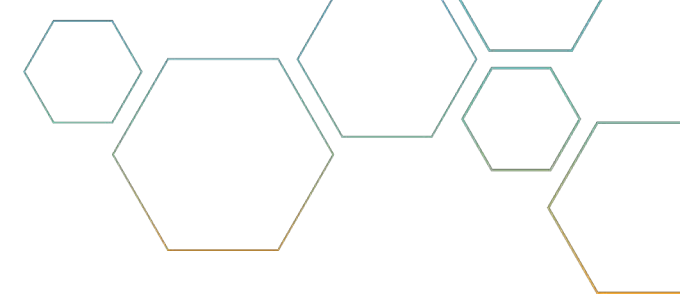
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*“There was better and more integration with digital and online services.”*  
(New EV Buyer)

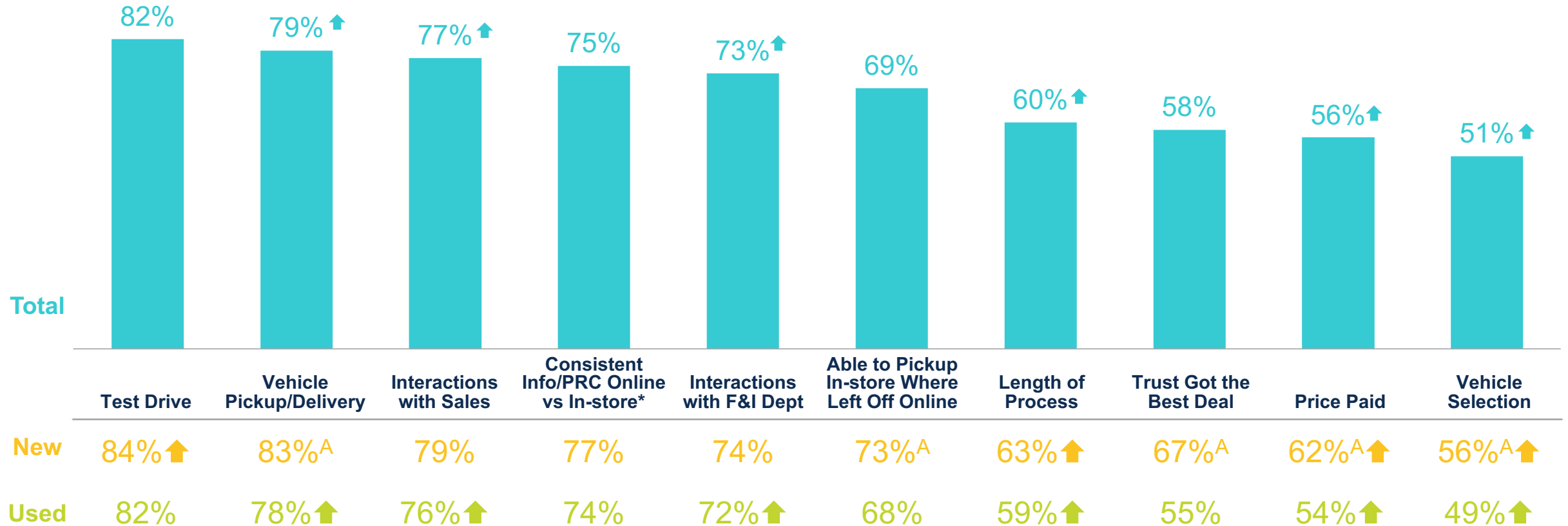
*“It was easy and so many things were done at home.”*  
(New EV Buyer)

”

# Satisfaction with dealer experience improved in key areas, among both new and used buyers

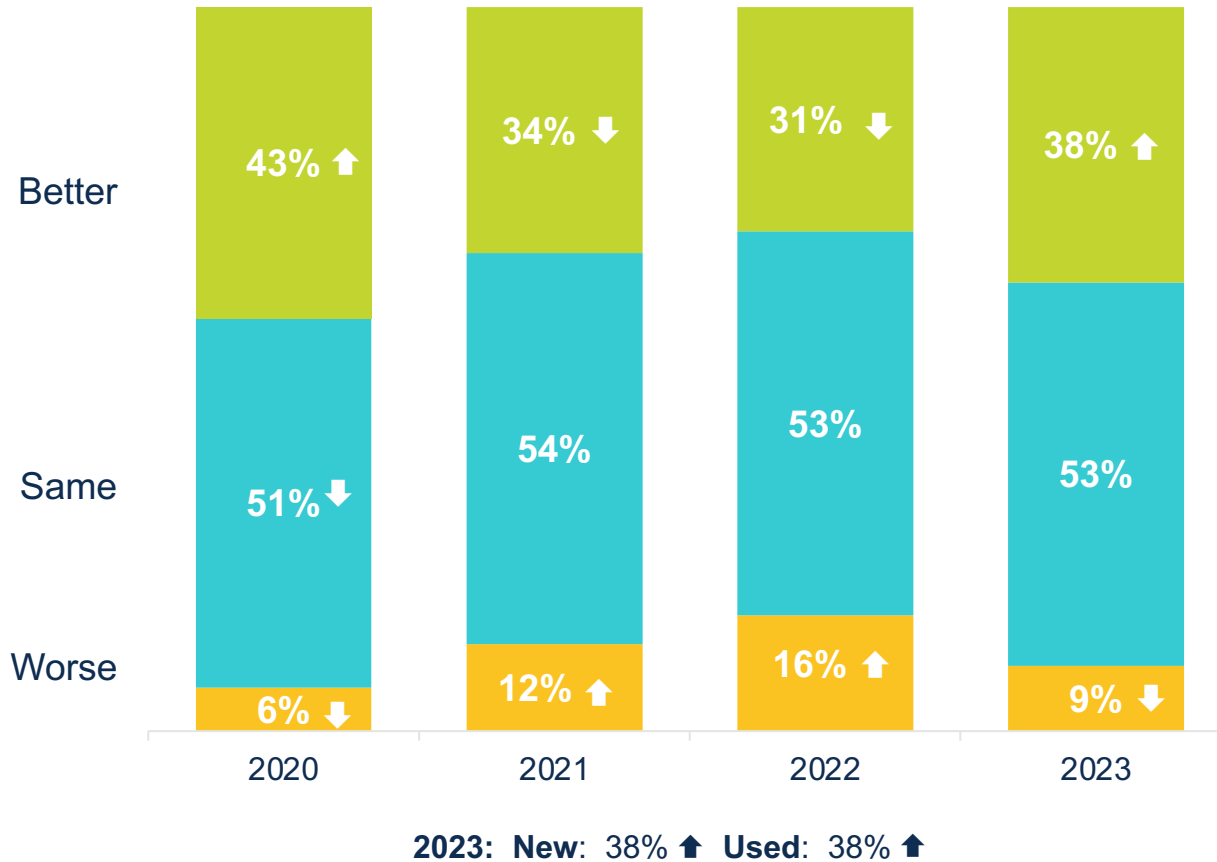


## Overall Satisfaction with Dealership Experience



# After declining, more buyers enjoyed an improved experience in 2023

## Experience Was Better/Worse Than Last Purchase



“

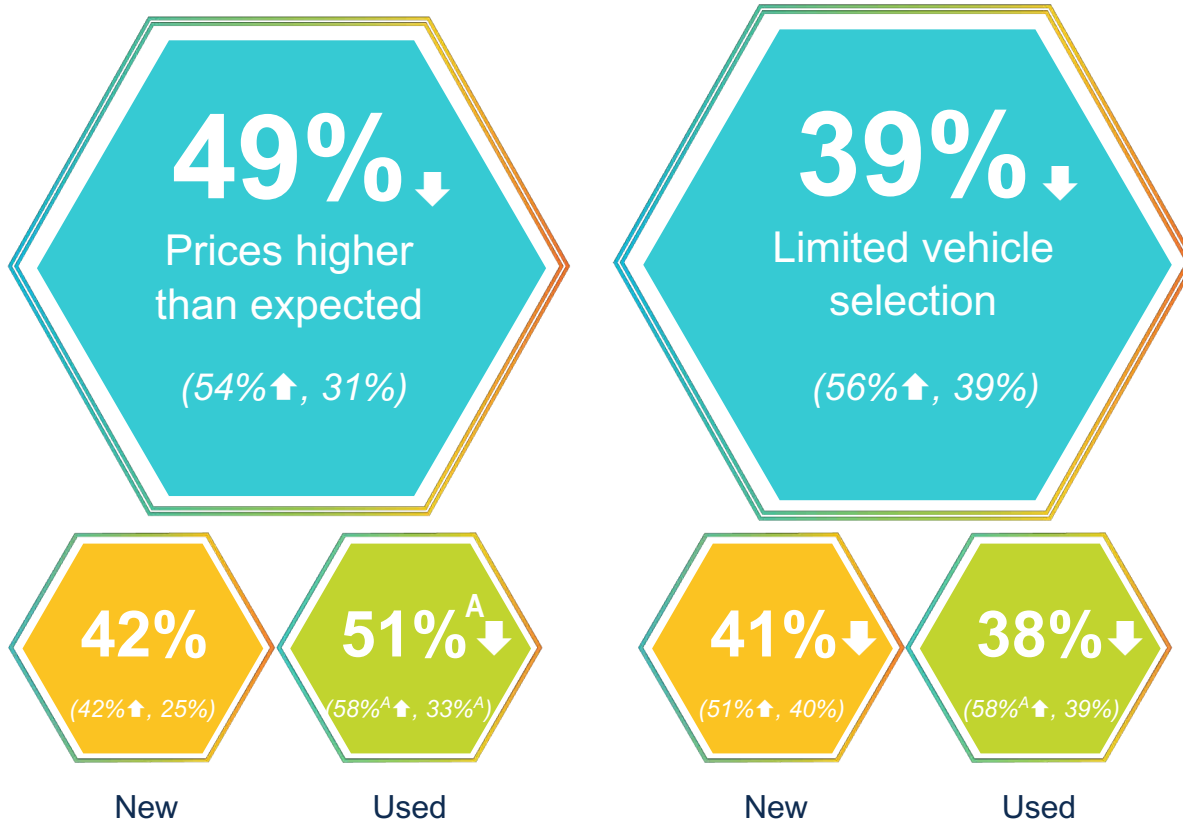
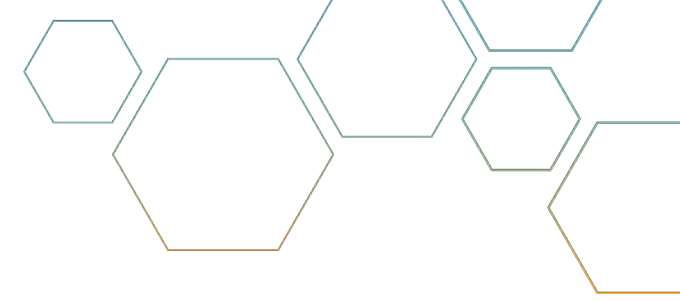
“Because now **technology is really helpful** towards the buyer and the process is **a lot easier than before.**” (New Buyer)

“The vehicle I wanted **was in stock**, coupled with the **dealership was willing to negotiate pricing.**” (Used CPO Buyer)

“I did a lot of research beforehand. I **knew exactly what I wanted** and what I was willing to pay for it. I also had a **better understanding of the financing options** available to me, which made the process a lot smoother. Overall, it was a much more positive experience than I've had in the past.” (Used CPO Buyer)

”

# More choice, better inventory, and proactive dealer outreach and better deals also helped lift satisfaction, especially for used buyers



*While down compared to 2022, **affordability is still a pain point** as nearly half of buyers found prices were higher than expected.*



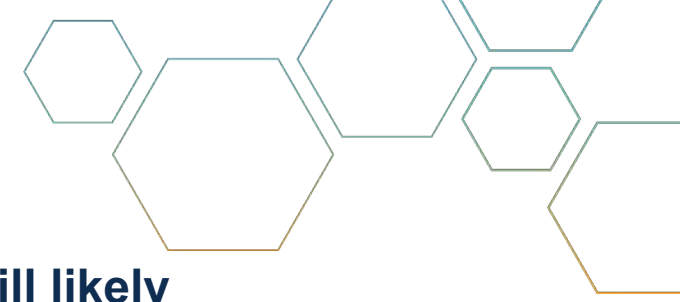
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***With Better Digital Tools Available, the Buying Process was Quicker, More Efficient in 2023***

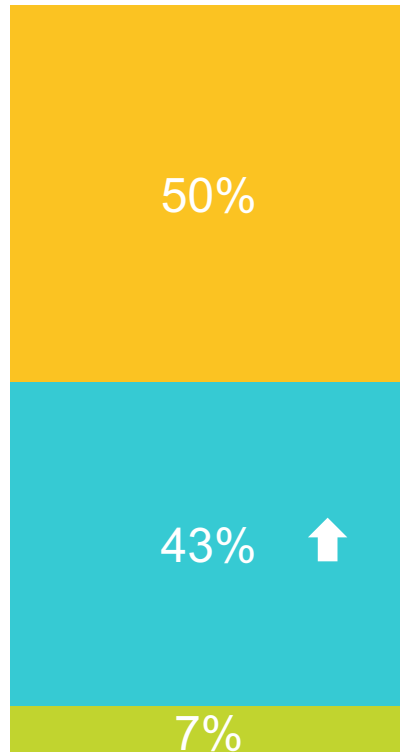
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# More buyers are moving toward omnichannel



## How buyers completed most recent purchase



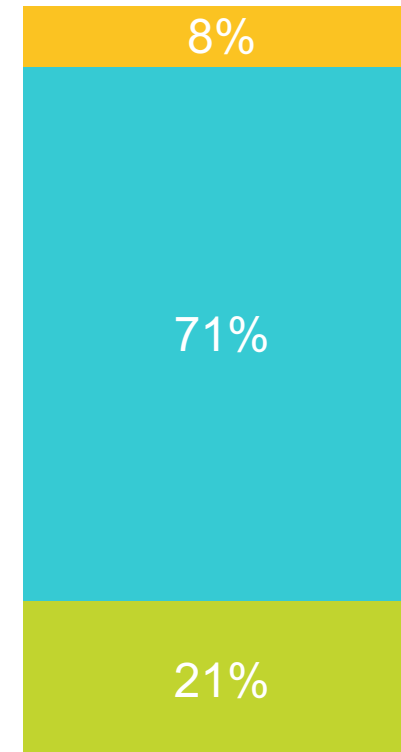
Used Buyers more likely to cite all in-person

**All in-person**  
100% steps completed in-person

**Mix**  
Steps completed online and offline

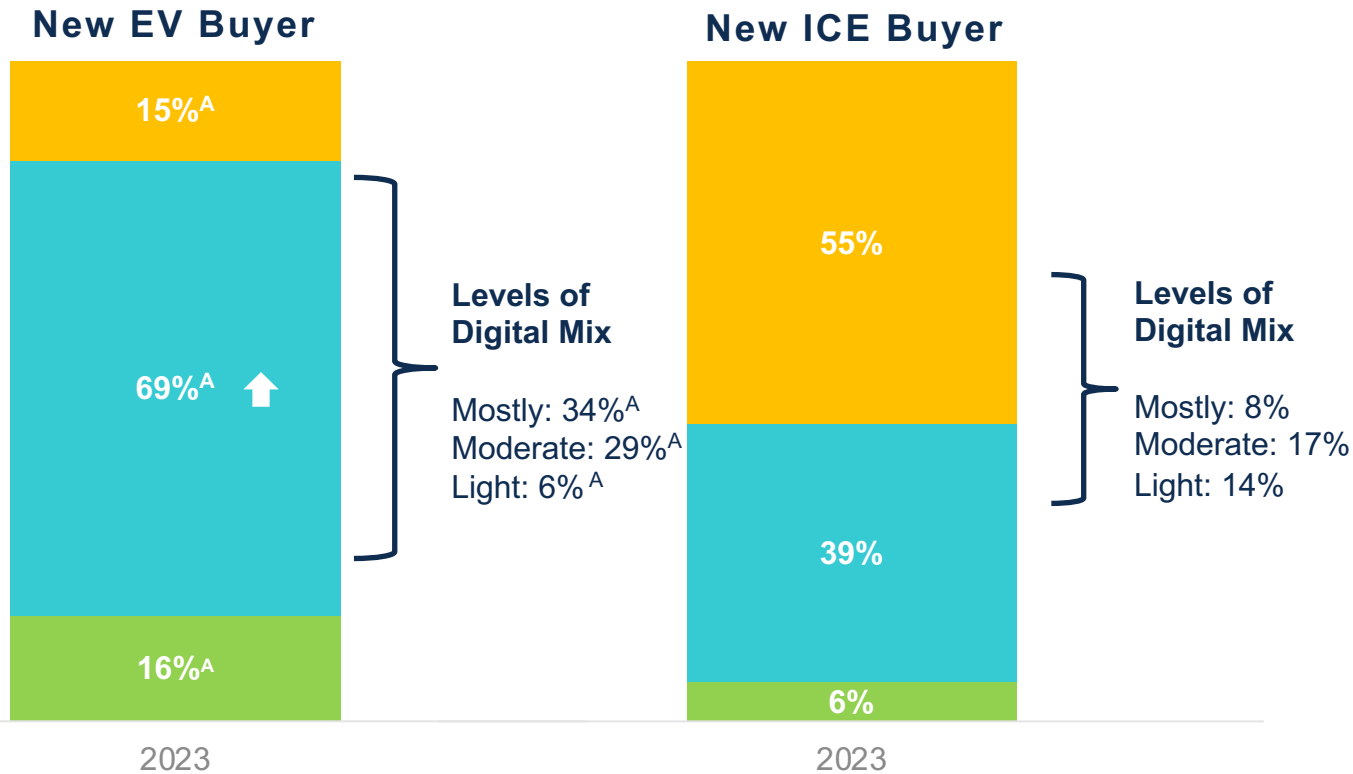
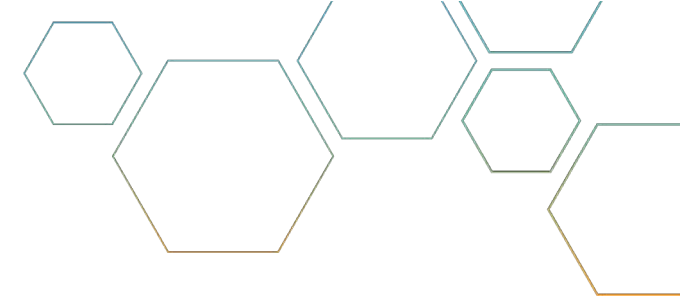
**All online**  
100% steps completed online

## How shoppers will likely complete their next purchase





# More EV buyers were 'mostly digital' and enjoyed an omnichannel experience



## Online Steps Completed – Biggest Gap Between EV vs. ICE (descending order)

- 1 Finalize price
- 2 Agree on out-the-door price
- 3 Finance qualification notice
- 4 Acquire the vehicle after the purchase or lease is complete
- 5 Schedule test drive

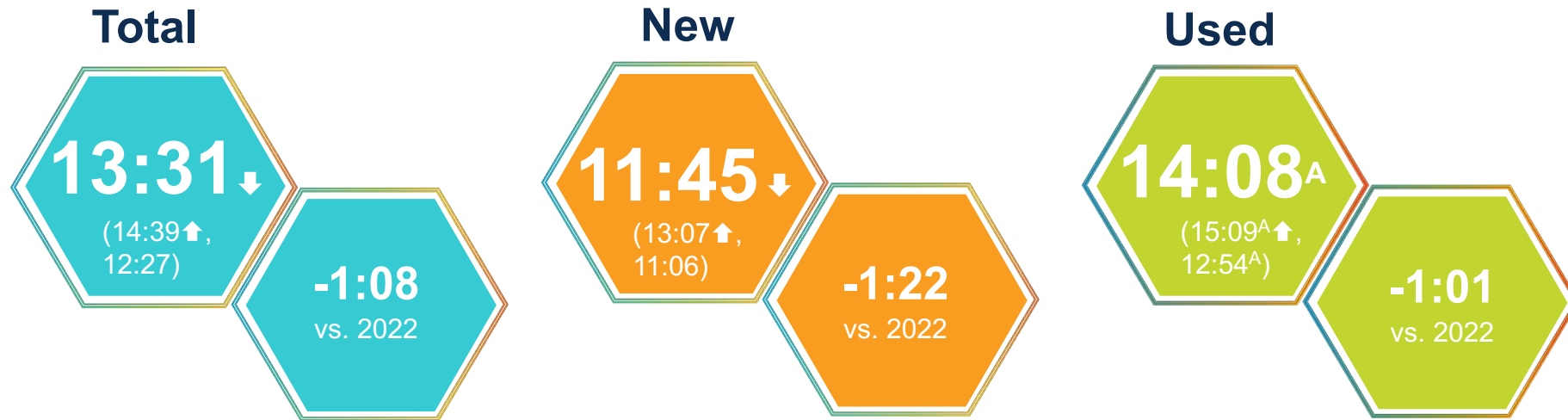
**All in-person**  
100% steps completed in-person

**Mix**  
Steps completed online and offline

**All online**  
100% steps completed online

# Buyers in 2023 had a more expedited journey

## Total Time Spent



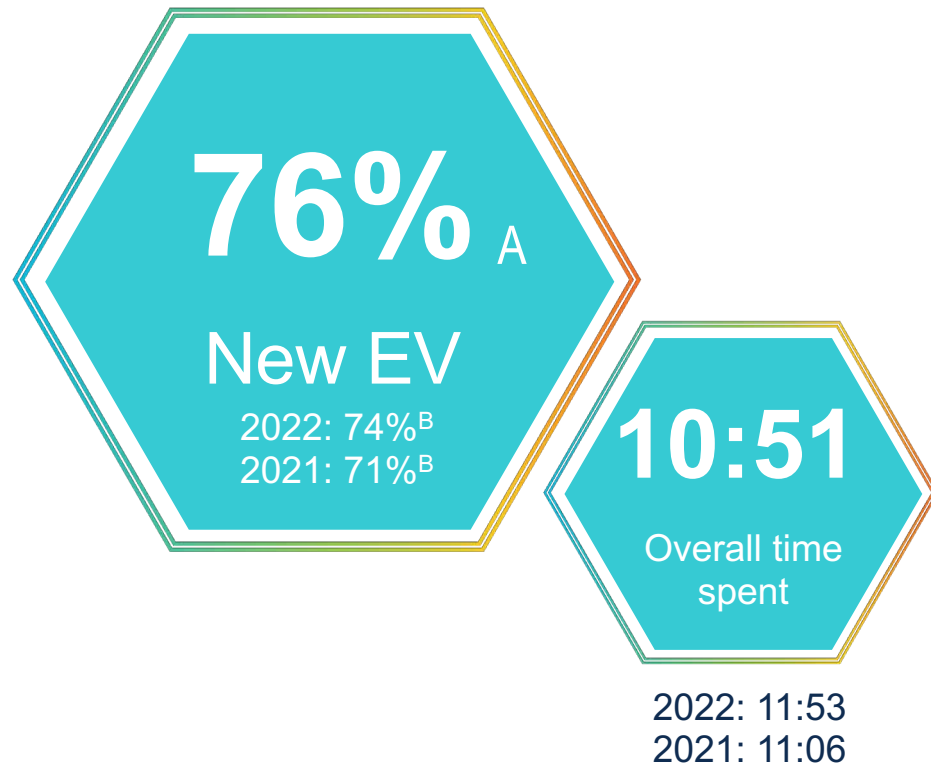
	Researching & Shopping Online	Talking with Others	Visiting Other Dealerships/Sellers	With the Dealership/Seller Where Purchased
Total	6:41↓	0:50	2:50	2:52
New	5:25↓	0:37	2:34	2:47
Used	7:08 <sup>A</sup> ↓	0:55 <sup>A</sup>	2:55 <sup>A</sup>	2:54

Letters indicate significant difference between groups at the 95% confidence interval  
 Arrows indicate significant difference between years at the 95% confidence interval  
 "Researching & shopping with print" data not shown  
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 Source: Cox Automotive Car Buyer Journey – 2023 // © 2023 by Cox Automotive, Inc. All rights reserved.

# Satisfaction with the duration of the process continues to improve among EV buyers

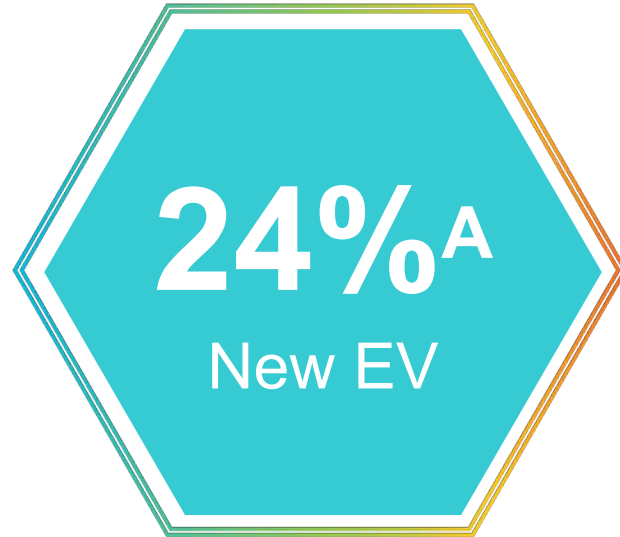


Highly Satisfied  
(% 8-10)



# Pre-ordering is more prevalent among EV buyers

% of New-vehicle Buyers Who Pre-ordered a Vehicle



## KEY TAKEAWAYS

# 2023 Car Buyer Journey



1

**Vehicle ownership is here to stay.** The pandemic shifted mindsets to more personal vehicle usage, resulting in more consumers adding vehicles to their household fleet.

2

**In 2023, satisfaction with the overall buying journey improved,** especially for used-vehicle buyers. Higher inventory levels, moderating prices, and better purchase tools combined to improve the vehicle buying experience last year after two years of declining scores.

3

**The dealership experience is consistently positive.** Buyers were most satisfied with the test drive experience, delivery process, and interaction with the sales teams. Seventy-four percent of all buyers, and 79% of new-vehicle buyers, were highly satisfied with their dealership experience.

4

**Buyers overwhelmingly prefer an omnichannel approach to car buying.** Most buyers prefer a process that combines and aligns the in-dealership and online activities. Only 7% of vehicle buyers purchased a vehicle entirely online in 2023.

5

**Electric vehicle (EV) buyers were the most satisfied with the buying journey in 2023.** EV buyers were far more digitally engaged than buyers of traditional vehicles, resulting in a more efficient, faster and more satisfying experience.



# THANK YOU

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