

AUTOMOTIVE

Auto shows have potential to drive significant purchase decisions: Foresight

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This year's New York Auto Show likely drove many new purchases. Image credit: The New York Auto Show

By BRIELLE JAEKEL

While digital is proving to have the widest reach in terms of marketing for auto brands, auto shows are much more influential on consumers' buying decisions.

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A new study from Foresight Research is showing that digital holds the spot as the biggest driver in purchasing decisions out of all other marketing tactics. However, that is due to the channel's massive reach rather than its direct ability to influence consumers.

"In recent years there has been an increase of media coverage suggesting that auto shows are on the decline, yet from the consumers' standpoint the opposite is true," said Christopher A. Stommel, president of **Foresight Research**, Detroit.

"Attendance numbers at auto shows continue to increase overall, and last year more than one out of five new car and truck buyers attended an auto show before making their purchase decision," he said. "For luxury brand buyers nearly one in three."

Foresight looked at 5,500 new car and truck buyers in the United States over the past year.

Purchasing drivers

Auto shows have the largest emotional impact on consumers when it comes to purchasing a vehicle. But due to the events' relatively small reach, digital remains the most influential channel.

Foresight's "2017 Auto Show Immersion Report" showed that three times the number of auto buyers had interacted with digital content versus those who attended an auto show. However, show attendees were influenced by their experience just as much as those reading online content.

Visitors who attend auto shows and test drive a vehicle while there are more likely to be influenced by the event at a rate of 30 percent.

Another major factor in purchasing decisions is the automotive dealership.

Dealerships that provide their customers with more digital, and specifically mobile, tools for scheduling and receiving service do far better with younger consumers than those that do not, according to another study.



Dealerships are important when it comes to decision making

This information comes from J.D. Power's 2017 United Kingdom Customer Service Index Study, which compared the performance of various car dealerships with different age groups based on the level of digital integration. What the study found was that loyalty to a dealership correlates with customer satisfaction, which in turn overwhelmingly correlates with a dealer's ability to provide service through digital and mobile tools ([see more](#)).

Auto show insight

Foresight's research shows that the auto show attendees who are likely to purchase a new vehicle based on their experience at the event are younger and are luxury auto buyers. This group is also much more connected and are interacting with experiential marketing.

Another important factor to note is that those that attend the auto show are also much more likely to extend their marketing reach through word of mouth. These buyers are 75 percent more likely to blog or comment about their new purchase online.

Attendees are visiting these shows for entertainment as well as to see what is new or coming out to the marketplace. They are interested in staying in the know, but are also highly influential.

The automotive show is making a comeback in a big way now that millennials are increasing their participation, causing a 57 percent rise in attendance within four years, according to another report by Foresight Research.



LA Auto Show previews new models from top manufacturers. Image credit: LA Auto Show

While millennials are perceived to be preoccupied with digital devices and have shorter attention spans causing a low interest in events such as auto shows, new research is showing the opposite. The report shows that younger consumers are interested in events, and auto shows provide an activity while also being informative ([see more](#)).

"Over the past few years millennials have finally entered the new car and truck market and at increasing rates," Foresight Research's Mr. Stommel said.

"These younger buyers have limited prior car buying experience and seek out information and input from a wider variety of sources than their older counterparts," he said. "Case-in-point: millennial buyers attend auto shows at twice

the rate of baby boomers, and are influenced by auto shows at more than three times the rate as boomers."

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