

AUTOMOTIVE

Willingness to purchase vehicles online remains high: J.D. Power

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Land Rover earns top spot on J.D. Power Luxury Manufacturer Websites ranking. Image credit: Land Rover

By NORA HOWE

Automotive consumers are expressing a greater interest in online luxury car purchasing as the ongoing COVID-19 pandemic has accelerated affluent's acceptance of ecommerce, according to a new report from [J.D. Power](#).

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Manufacturer websites must continue to evolve and meet consumer expectations as 45 percent of car shoppers are willing to purchase online and as confidence in online car purchasing increases, according to the report. Despite the effects of COVID-19, only 35 percent of car shoppers are delaying new-vehicle purchases a five percent decrease since mid-2020.

"COVID-19 has pushed a path to sell vehicles outside of the 'normal' sales process," said Jon Sundberg, senior manager of digital solutions at J.D. Power, Los Angeles. "The more that auto shoppers use actual online buying, the more comfortable they become with it.

"We've seen shoppers starting to prefer this method of shopping/purchasing in the comfort of their own homes over needing to go to a showroom and find inventory, negotiate, etc.," he said. "Additionally, when buyers engage with online buying activities, such as agreeing on purchase price and receiving credit approval, buyer satisfaction is higher."

The [U.S. Manufacturer Website Evaluation Study](#) is based on responses from 11,209 new vehicle shoppers who indicate they will be in the market for a new vehicle within the next 24 months. The study was fielded from October to November 2020.

Study rankings

Overall satisfaction averages 832 on a 1,000-point scale for the luxury segment and 827 for the mass market segment. The study measures the usefulness of automotive manufacturer websites during the process of shopping for a new vehicle by examining four key measures: information/content; navigation; appearance; and speed.

For automotive manufacturers, an effective website is critical and serves as a major portal of information, assisting shoppers by narrowing their consideration set and helps them identify key vehicle features and benefits.



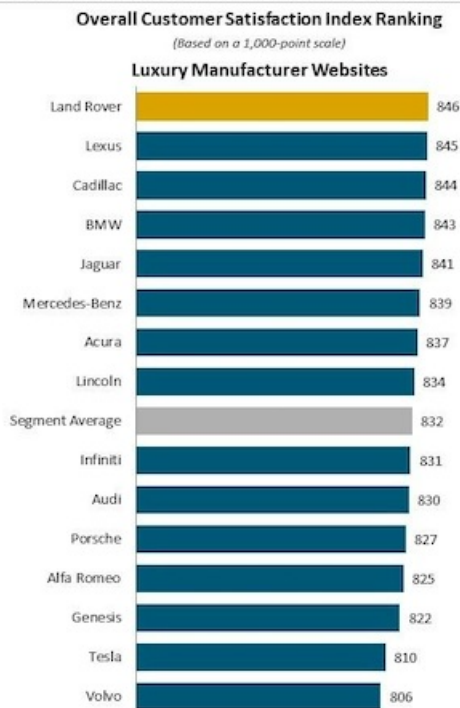
Lexus earns second spot on J.D. Power Luxury Manufacturer Websites ranking. Image credit: Lexus

Well-designed aspects of website appearance, navigation and speed enhance consumers' ability to locate specific content, helping to drive traffic to show rooms. Each of these aspects continue to be an important part of the overall design strategy as manufacturers execute site designs across multiple device types, including tablets and smartphones, according to the U.S. Manufacturer Website Evaluation Study.

"Luxury sites have consistently outperformed their mass market counterparts in website appearance with designs that are visual and clutter free and contain high quality imagery," Mr. Sundberg said. "However, many mass markets sites have been actively simplifying navigation to allow for a better customer experience and discoverability of key content helping thin the gap."

In this specific evaluation, Land Rover ranked highest in the luxury manufacturer website segment for the second year in a row (see story) with a score of 846, while Lexus ranked second with 845 and Cadillac third with 844. Following these three, BMW, Jaguar, Mercedes-Benz, Acura, Lincoln, Infiniti and Audi rounded out the top ten.

J.D. Power 2021 U.S. Manufacturer Website Evaluation StudySM—Winter



Source: J.D. Power 2021 U.S. Manufacturer Website Evaluation StudySM—Winter
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J.D. Power 2021 U.S. Manufacturer Website Evaluation Study (Winter) Luxury Manufacturer Websites ranking. Image credit: JD Power

Jeep ranked highest in the mass market manufacturer website segment with a score of 850, while Dodge and Toyota followed with scores of 839. Following these three, Ford, Mitsubishi, GMC, Subaru, Fiat, Honda and Hyundai

rounded out the top ten for the category.

"Many of the research tools that Tier 1 websites utilize have been around since at least the early 2000s," Mr. Sundberg said. "The usability and design of these tools have been greatly improved since then and continue to play a crucial role in the shopping experience.

"However, with COVID and the current digital acceleration we are seeing, nearly 75 percent of original equipment manufacturers (OEM) have launched or announced their own digital retail platforms that allow shoppers to purchase vehicles online," he said. "This new world of online vehicle purchasing is constantly evolving and the implementations vary greatly."

Digital drive

Luxury automakers are leveraging digital methods to improve the production, marketing and sale of new vehicles as a way to navigate the ongoing disruptions of COVID-19.

Jaguar Land Rover, Rolls-Royce, Mercedes-Benz, Audi and other automakers have navigated COVID-19 complications by using technology to digitize showrooms and expand car buying services online. This allows car retailers to remain open for business even if their doors are shut ([see story](#)).

According to a separate JD Power study 2020 U.S. Sales Satisfaction Index, online car shopping became so popular amid the pandemic that nearly one in four buyers said his or her experience with it makes them less likely to shop in person in the future. This trend suggests digital retail in the car industry will remain in vogue for the long haul ([see story](#)).

"We aren't going back to the old way of doing things," J.D. Power's Mr. Sundberg said. "Because of that, it's more important now than ever to be thinking about how you are going to position in the new normal we are in.

"OEMs must acknowledge that websites are moving beyond the traditional research tools such as images and videos into a new world of allowing customers to go through the full purchase process online."