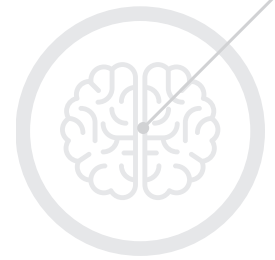


The Online Shopping Effect



On March 15, America launched "15 days to Stop the Spread of COVID-19." Since then, many businesses have been forced to close.

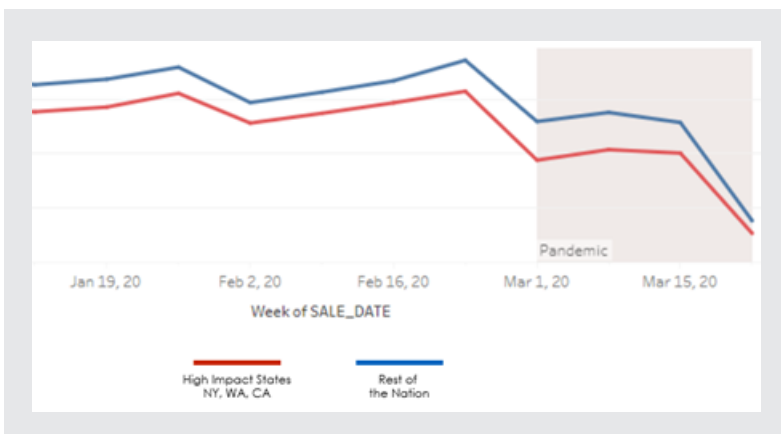
Most Americans are forced to work from home. Schools and colleges are closed so kids are home. Sales have slowed at nearly every business. It doesn't take Artificial Intelligence to see that vehicle sales and service has slowed dramatically at the dealerships that Outsell serves. One need only look at the shop, showroom floor or lacking incoming lead flow.

As an industry, however, we are in a different place than we were in the last recession in 2008 and 2009. Today we have technology to give us insights into the things we can't readily see from floor traffic or repair orders.

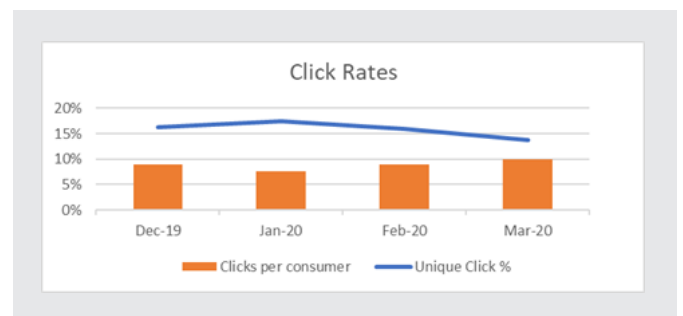
Through Outsell's delivery of millions of customer lifecycle engagement messages each week, our program has visibility into shopping activity across channels. Outsell's unique Buyer Detection driven by artificial intelligence judges shopping intensity and has proven to accurately predict near term sales.

HERE IS WHAT THE DATA SHOWS:

Like other sources, Outsell sees that sales and service transactions have declined.



Fewer consumers have engaged with dealership messages; however, the level of engagement of those who are engaged has only declined by about half the rate of sales and service declines. In addition, we also see a slight increase in total clicks for those consumers that are still engaging.



Outsell captures the dealership content that consumers engage with. This table shows that there is no decline in engagement with Shopping Content, which indicates that shoppers still have the same intensity to buy.

Outsell's proprietary Buyer Detection models predict when shoppers are ready to buy. It uses online engagement, social activity, along with other dimensions of artificial intelligence. The total number of shoppers with intensity of 8, 9 and 10 has declined but by less than half the rate of overall sales decline. Outsell Buyer Detection still sees a substantial number of shoppers actively intending to buy when the lockdowns are lifted.

	+ Jan	+ Feb	+ Mar
Row Labels			
Shopping	35.39%	34.76%	38.22%
Inventory SRP	20.75%	20.40%	19.00%
Service	15.70%	16.41%	14.07%
Internet Specials	9.59%	10.93%	10.14%



WHAT DOES ALL THIS MEAN TO DEALERSHIPS?

The data from a variety of sources says that shopping activity remains at reasonable levels. Shopping intensity or "seriousness" of those still shopping remains high. When the lockdowns are lifted and "normal" business activity returns, these active shoppers will return to dealerships to purchase. Dealerships must continue communicating to keep their stores on the shopping list.

Progressive dealers will take these actions:

- Communicate regularly with active shoppers as well as ALL consumers.
- Provide timely content, updated incentives, vehicle listings, and even special offers.
- Moderate calls to action and tone to respect current events.
- Provide options for remote sales and service.
- Highlight community responsibility, safety, and care for staff.

Prove to online shoppers and engaged customers that your dealership is the right place to go now AND when the market breaks. The data is clear that a surge is likely coming. Now is the time to prove character, prove value, and showcase unique capabilities to serve consumers.

[Contact Outsell to learn more or visit our Insights page.](#)