

COX AUTOMOTIVE

# Automotive Shopping and a National Election: A Season of Uncertainty

June 2024



# Key Learnings

**2024 Elections Research** conducted among **529 auto shoppers** and **1,026 U.S. auto dealers**

Fielding occurred February 2024 for shoppers and April/May 2024 for dealers

1



Nearly 3 in 4 consumers expect the economy to be impacted in some way by the upcoming U.S. presidential election.

2



66% of consumer and 82% of dealers feel the outcome of the U.S. presidential election will impact interest rates in some way.

(Fact: The U.S. president does not control interest rates.)

3



Inflation is the #1 concern among shoppers. 74% of consumers – and 80% of dealers – believe the next election will impact inflation in some way.

4



60% of consumers agree their next vehicle purchase will be influenced by the November election.

5

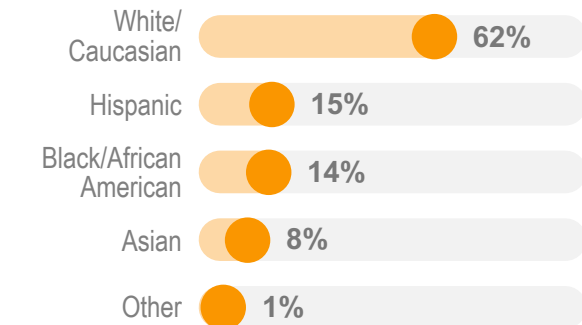
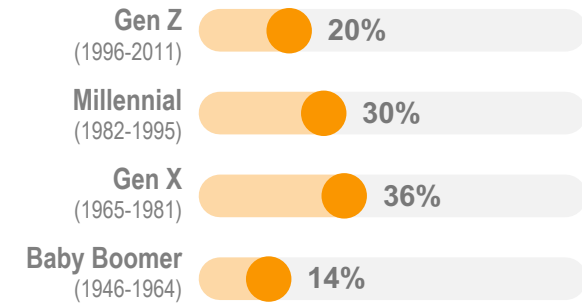
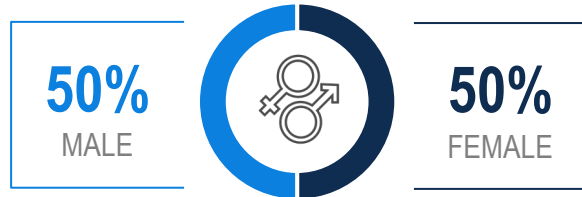


Most consumers feel the election will not impact their decision on powertrains; the majority are against government EV mandates.

***“Consumers seem to believe the next U.S. election will impact the economy, interest rates and even inflation. With this level of uncertainty swirling about, many have adopted a wait-and-see mentality.”***

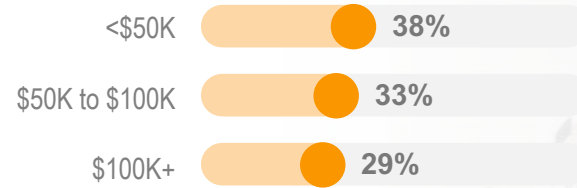
***Vanessa Ton, senior manager, Research and Market Intelligence, Cox Automotive***

# Shopper Respondent Profile

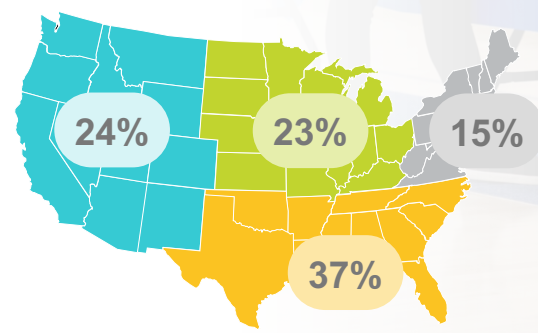
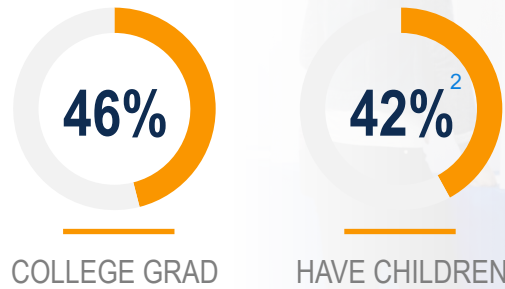


91% Likely to Vote in 2024 Elections

43% Democrats 36% Republicans 21% Other



\$88,482 Average Income



# US Automobiles Dealers Increasingly View the Political Climate as a Factor Holding Back Business

Top Factors Holding Back Business / Q2 Cox Automotive Dealer Sentiment Index

	Overall Rank (all dealers)	Q2 '24	Q1 '24	Q2 '23	Q2 '22
1	Interest Rates	59%	62%	53%	17%
2	Economy	57%	55%	55%	46%
3	Market Conditions	41%	40%	42%	44%
4	Political Climate	36%	33%	29%	28%
5	Expenses	31%	32%	30%	28%

“

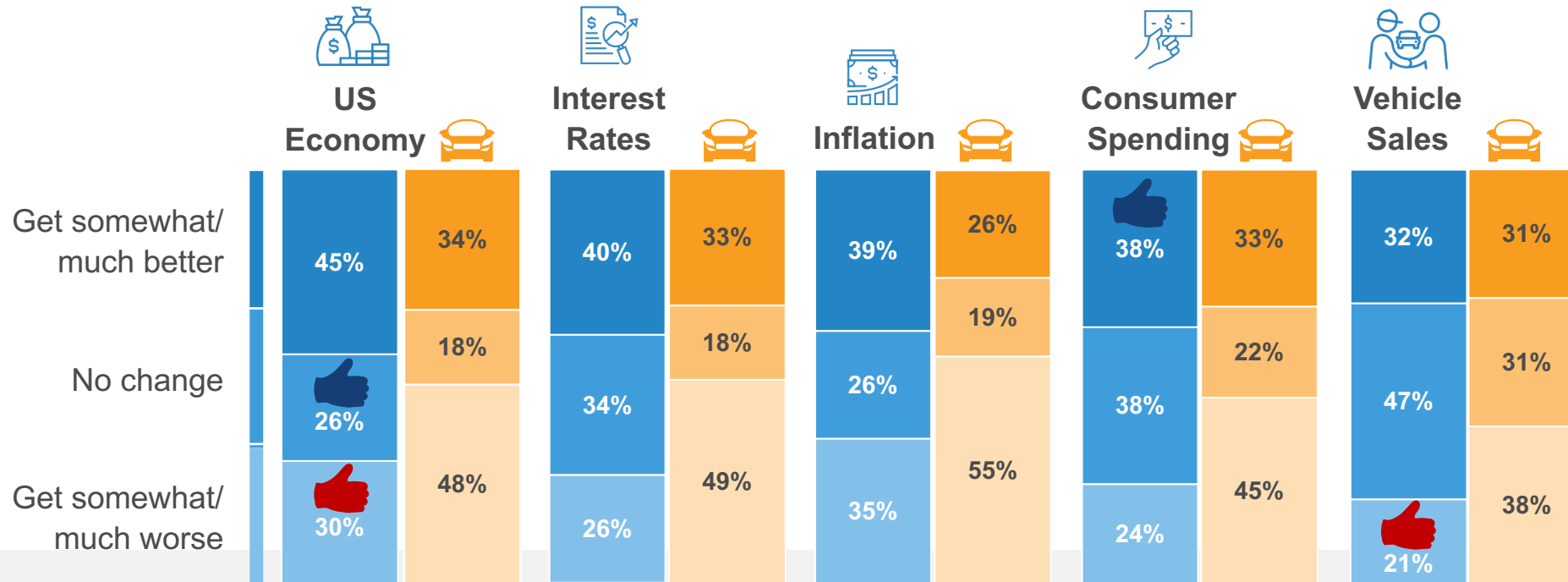
*Anecdotal, we hear it from customers and see it for ourselves: people are worried about the November elections.” – Subaru Dealer, West*



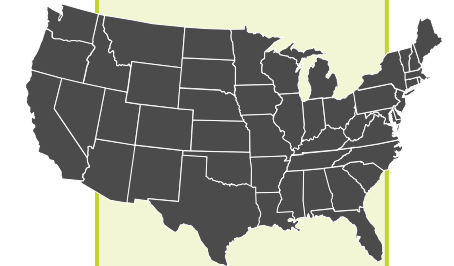
Among **franchised automobile dealers**, Political Climate ranked 3<sup>rd</sup>, with **41%** of respondents noting the political climate was holding back business, up from **26%** one year ago.

# Nearly 3-out-of-4 Consumers Expect November Election Results to Change the US Economy

2024 Presidential Election Impact – Among Total Shoppers and Dealers



#1 Concerning Issue for Americans:



INFLATION

» *Luxury shoppers are more likely to be optimistic across all measures*



Dealer Sentiments



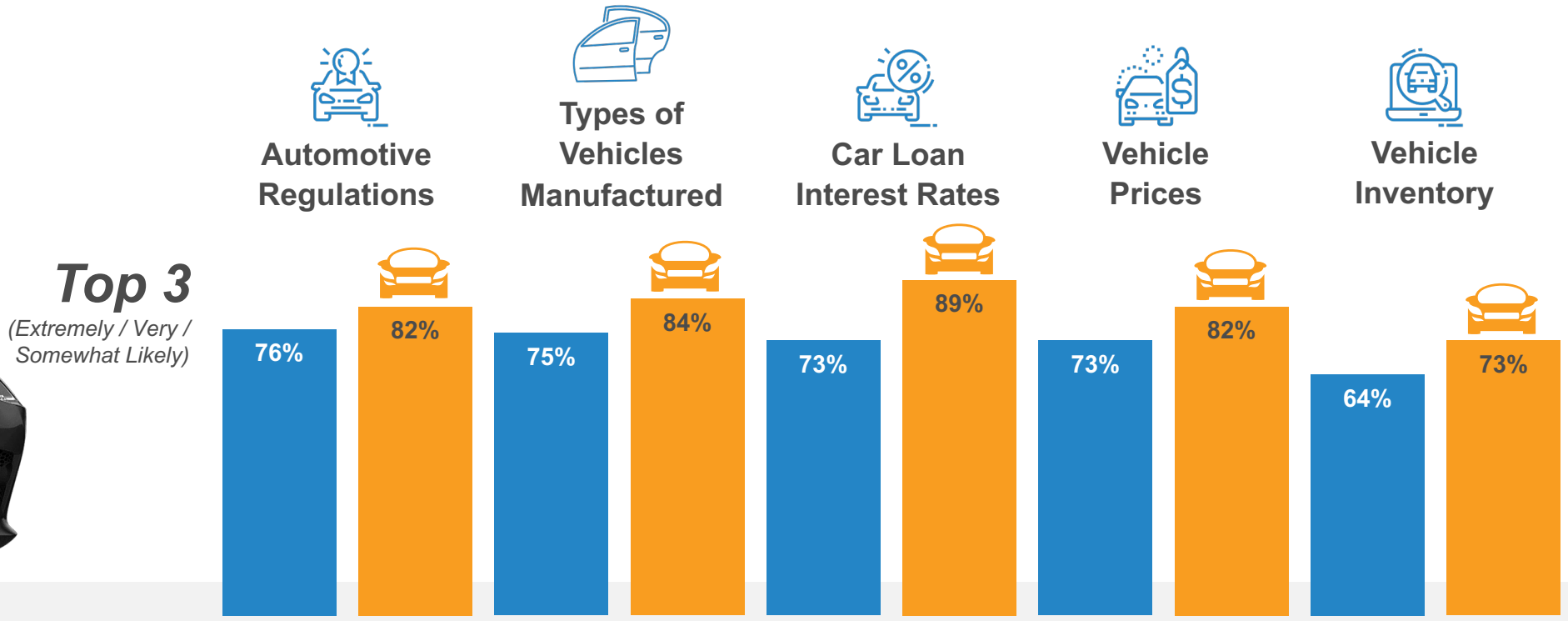
Republican Consumers over-index on this measure



Democrat Consumers over-index on this measure

# Dealers are More Likely Than Consumers to Believe the November Election Will Impact the Auto Industry

Likelihood of Election Impacting Auto Industry – Among Total Shoppers and Dealers



Dealer Sentiment

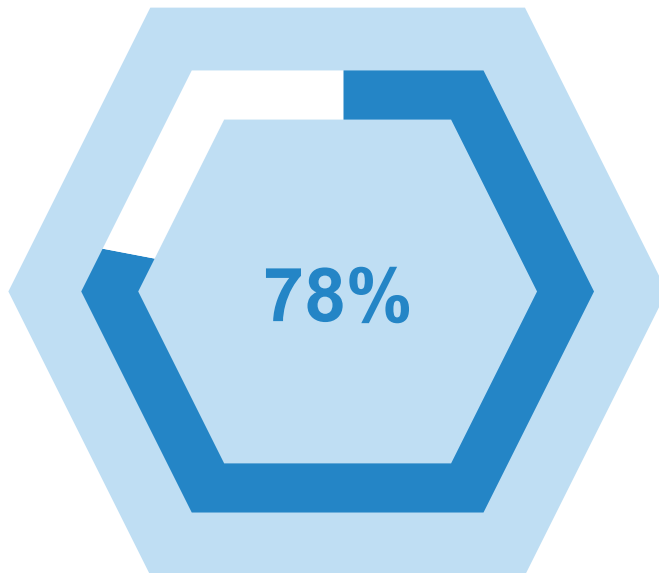
Shopper Sentiment

# While the November Election Will Likely Have No Impact on the Timing for Most Big-Ticket Items...

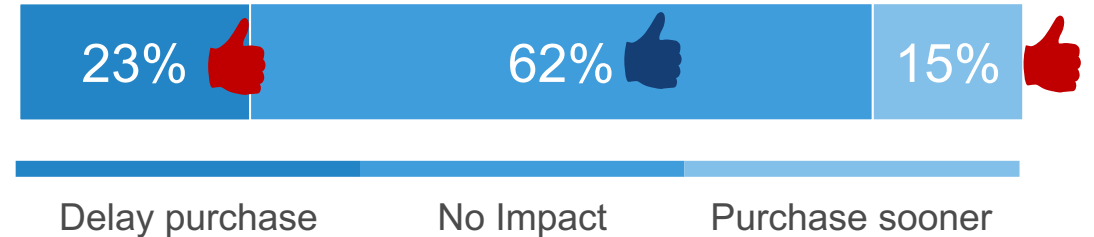
Likelihood of Election Impacting Big Ticket Item Purchases  
(Excluding Vehicles)

Election Impact on Big Ticket Purchase Timing  
(Among those considering a big-ticket item)

## Big Ticket Item Purchase Consideration within 1 year



- » Top 3 Big Ticket Items
- Vacations
  - Appliances
  - Houses

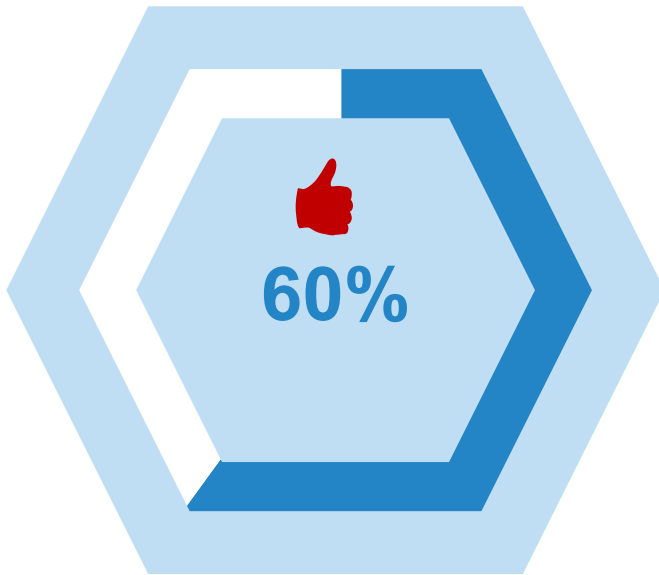


Republican Consumers over-index on this measure

Democrat Consumers over-index on this measure

# ...60% of Consumers Think November's Election Outcome Will Influence Their Next Vehicle Decision

Likelihood of Election Impacting Next Vehicle Purchase  
(%Highly/Somewhat Likely)



» *Luxury shoppers cited the election is more likely to have an impact on their next vehicle purchase*

“

*Prices and rates will go up, the cost of owning or leasing a car will be that much more difficult.”*

“

*If rates stay this high, I will wait for them to fall before I get a new car.”*

“

*If a conservative gets into office, I expect rates to drop and the economy to get better. I will be more likely to purchase my vehicle right away instead of waiting.”*

“

*If it's a Republican, it'll probably be lower priced.”*

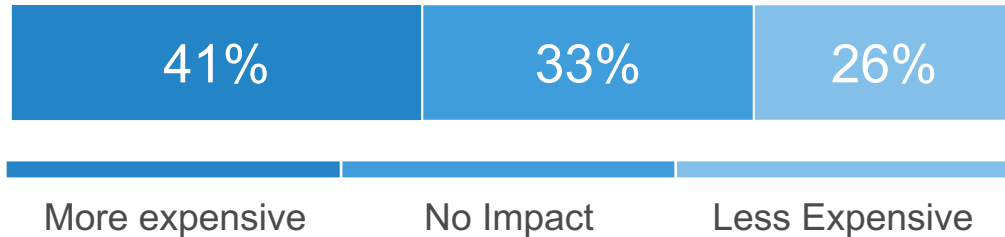


Republican Consumers over-index on this measure



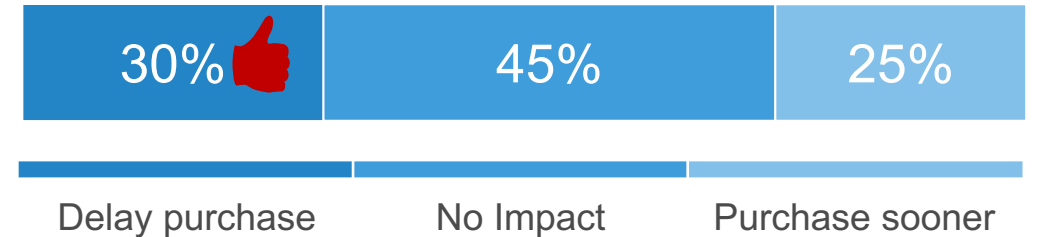
# Nearly 70% of Consumers Believe November Election Will Impact Vehicle Prices; Many See Prices Increasing

Election Impact on Vehicle Cost  
*(Among those who expect the election to impact their next vehicle purchase, n=316)*



» *Shoppers in the Northeast or Midwest are more likely to expect the vehicles to be more expensive*

Election Impact on Timing  
*(Among those who expect the election to impact their next vehicle purchase, n=316)*

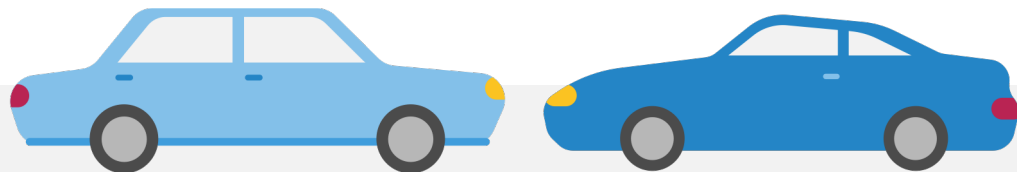
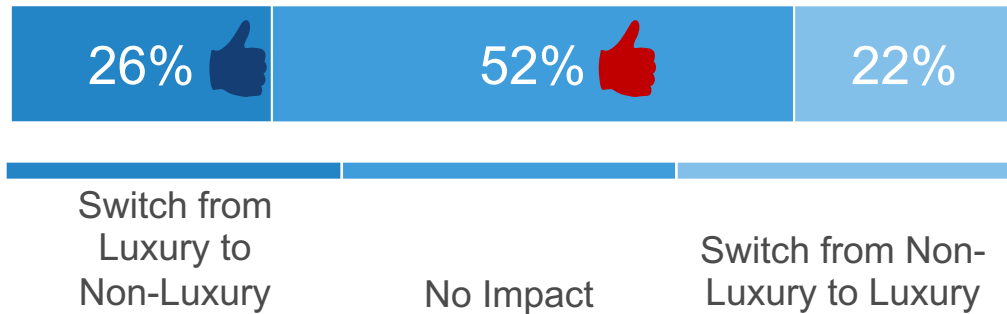


» *Younger consumers (18-44) are more likely to purchase sooner*

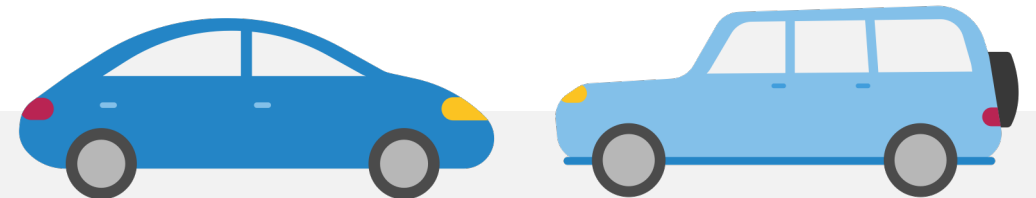
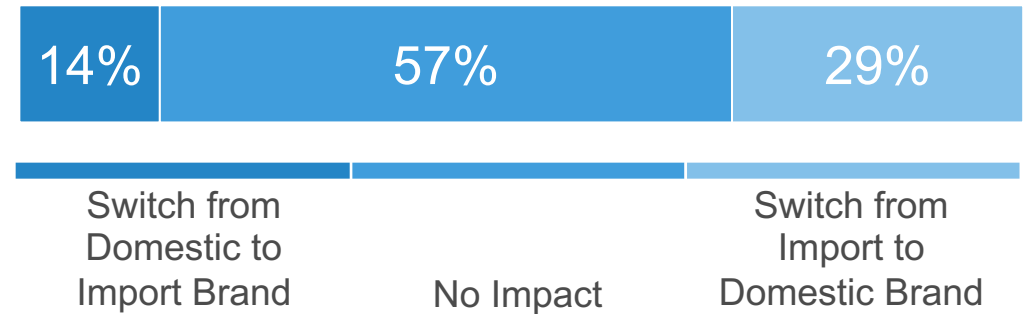
» *Republican Consumers over-index on this measure*



# Majority Do Not Believe November Election Outcome Will Impact Type or Brand of Vehicle Considered

Election Impact on Considering  
Luxury/Non-Luxury Brand  
*(Among those who expect the  
election to impact their next vehicle  
purchase brand, n=125)*



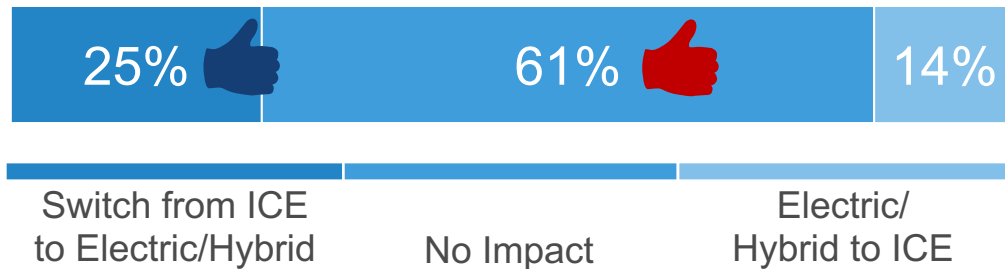
Election Impact on Considering  
Domestic/Import Brand  
*(Among those who expect the  
election to impact their next vehicle  
purchase brand, n=125)*



-  Republican Consumers over-index on this measure
-  Democrat Consumers over-index on this measure

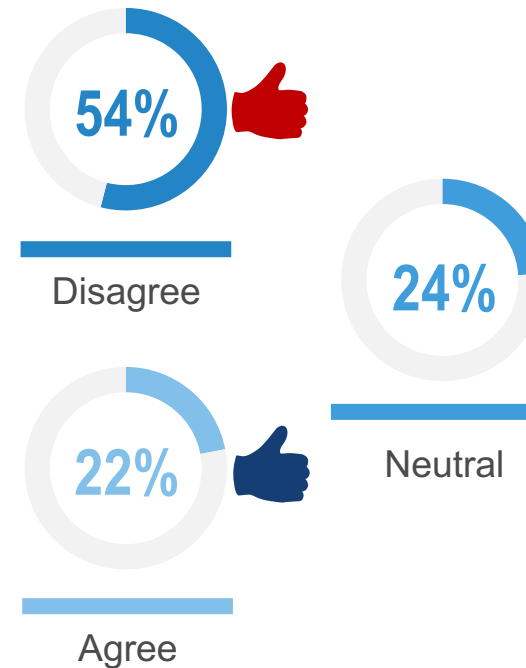
# Majority Feel the November Election Will Not Impact Powertrain Decision, Oppose Government EV Mandates

Election Impact on Powertrain Consideration  
 (Among those who expect the election to impact their next vehicle purchase, n=316)



» Female consumers are more likely to switch from ICE to electric/hybrid

The Government Should Mandate Consumers to Purchase EVs  
 (Among total auto shoppers)



- Republican Consumers over-index on this measure
- Democrat Consumers over-index on this measure