Buying a car on the Internet is a question of price

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The Internet as a potential sales channel for car sales

Nuremberg, 28 May 2001: When it comes to buying a new car on the web, the majority of German car owners are still sceptical. However, their willingness to buy on the Internet rises in direct proportion to the discount on offer. According to a recent survey by GfK Marktforschung, in principle, there is potential for the web as a sales channel.

In the light of the escalating importance of e-commerce, the motor industry is making an increased effort to establish new car sales on the Internet. The most recent example is Opel, the first motor manufacturer to do so in Germany, who has launched a new car sales service on the Internet for a limited trial period.

The results of the GfK Marktforschung representative survey of German drivers in February clearly show that the Internet is particularly important as a source of information for sales of new cars. It is mainly used for price comparisons; however, when it comes to actual Internet purchases, it seems that potential buyers are less willing.

Most people just cannot imagine buying a car on the web, although some 20 percent of drivers have an open mind on the subject. What would be acceptable, it seems, is to order a car on the Internet and then to complete the other formalities, like payment and delivery, through the dealer. Conversely, there is a great deal of scepticism concerning use of the Internet for the complete purchasing operation, from enquiry through to delivery.

The attraction behind use of the Internet when buying a new car is, quite simply, the price. The higher the available discounts, the more drivers are willing to buy a car on the web. In addition, there are three other major factors: data security and payment, the availability of part exchange for the previous car and test drives.

Those surveyed currently expect a discount for purchasing on the Internet, but at the same time, they are not willing to give up any of the service which they have been used to. In principle, what emerges quite clearly, is that interest in Internet purchasing increases significantly with a price difference of five to ten percent.

So, if the price is right and other factors relevant to purchasing are taken into account, there is potential for the Internet as a sales channel for new cars. However, opinions are divided on this and based on these differences, GfK has developed a typology of the various purchasers.

The above information is the result of a GfK market research survey of 1,570 German car drivers carried out in February of this year. The main focus of the survey was to ascertain the acceptance of the Internet for new car purchases and the assessment of a number of different factors relating to Internet sales of new cars. The complete survey is available from GfK Automobilmarktforschung, Michael Schmid, tel.: ++49 911/395-2258, at a cost of Euro 1,900 excl. VAT.

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