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87% of global consumers prefer to use a personal vehicle to ensure safe travel, up from 57% in April 2020

Personal vehicle usage and the avoidance of shared mobility options have significantly increased in the last six months with 1 in 2 consumers considering a car purchase in the next 12 months

Paris, January 25, 2021 – Almost half of global consumers (46%) are considering purchasing a car in the next 12 months, an increase from 35% in April 2020. This reflects a continuous shift in consumer preference towards personal mobility, fueled by the COVID-19 pandemic, as car ownership today is seen as a safeguard against the risk and spread of infection. This is according to [Shifting gears: COVID-19 and the fast-changing automotive consumer](#) – an update on the Capgemini research note examining car buying behaviors in the pandemic era, which assesses 11,000 consumer attitudes to buying a car, across 11 countries, as recently as October and November in 2020.

The ongoing COVID-19 pandemic and fresh lockdown restrictions have dissuaded consumers to return to public or shared modes of transport. Without a clear end to the pandemic in sight, 87% of global consumers stated their safety and physical well-being, alongside that of their families, is best served through a personal vehicle. 81% of consumers said they will avoid using car-pool services owing to health and safety concerns, compared with just 42% in April 2020. Meanwhile, 78% of consumers will opt for using their personal vehicles over taking public transport. This shift is likely to translate into vehicle sales, with almost 72% of consumers stating that they value constant access to a private vehicle more than before the pandemic.

Younger consumers are most likely to buy

Purchase intent has grown globally in almost all markets and is being driven by a combination of low-cost auto loans, government incentive programs for electric vehicles, and a pent-up demand for cars following an economic recovery, overlaid by the desire to avoid public and shared transport. Younger consumers (aged 18-35) are leading the trend, with 59% considering purchasing a car in the next 12 months compared with 46% across all age groups. However, just over half (56%) of those considering buying a car have downgraded their desires from last year, with a preference for utility and functionality over the aspirational value of the car.

As a result, competition is likely to heat up in the smaller and entry-level vehicle segments as automakers push for refreshed variants of existing lines to cater to consumer interest. In contrast, Capgemini has identified a small but sizeable segment of buyers (21%) willing to pay more for premium features, such as extra space, connected services and voice-based controls. According to the research report, targeting this premium segment of consumers can be more profitable and help offset some margin pressure in entry-level segments.



The criteria for 'desirable' features has shifted in the last six months

The criteria of what makes a modern car desirable has shifted as hygiene and wellness features have assumed new importance in a span of six months. 85% of consumers today want a car that offers air filters, ambient air quality indicators, health monitoring of passengers, and the use of sterilizing UV LED lights, up from 49% in April 2020. The research note highlights that carmakers need to be receptive to emerging trends and include features and services that will attract the hygiene-conscious segment, while still remaining attractive to price-conscious buyers. To do so, automakers need to adapt to emerging micro markets and provide customers with personalized offers like leasing and subscription packages.

Digital interactions are becoming an integral part of car ownership

Necessitated by the pandemic, car manufacturers have continued to develop a direct sales channel powered by digital. Fortunately, consumers want to continue using these channels throughout their vehicle buying journey – from information search to aftersales. The survey found that almost half (49%) of consumers will only use online channels to find information on cars, compared with 39% before COVID-19. Meanwhile, interest in using AR/VR technologies has surged: 85% of respondents prefer to use AR/VR tools to compare models, colors and features when picking a car. However, dealerships will remain a critical component of the brand experience and physical interactions are likely to rebound to some extent:

- Over seven in ten consumers surveyed prefer to visit a dealership for answers to specific questions before they buy, and will continue doing so once it is safe
- 80% prefer in-person interaction with a sales representative at a dealership when closing a purchase

Automakers will need to digitalize each step of the customer journey to create an omni-channel experience that establishes a direct relationship with the customer.

"The pandemic has increased consumer expectations around hygiene and wellness-related mobility features, along with the digitization of the vehicle sales and aftersales process. The automotive industry has to adapt to these emerging needs. While the pandemic did affect short-term automotive demand, it has accelerated critical long-term trends: digitization, electrification, and connected cars. Companies that take the lead in these areas will emerge stronger when the crisis finally recedes," said Markus Winkler, Executive Vice President for Global Automotive, Capgemini. "Automakers will need to develop engaging in-car experiences like in-vehicle connectivity and driver assistance features and think of new ways to incentivize and stimulate purchase demand. By tapping into emerging micro markets with targeted offers, automotive brands will be able to reach whole new customer segments – much needed in their recovery."

For further information and the recommendations based on the research, access the full report [here](#).

Research methodology

In October and November 2020, the Capgemini Research Institute surveyed 11,000 consumers from 11 countries to build on its [April 2020 research findings](#), which analyzed the impact of COVID-19 on the automotive customers' purchasing behavior. The study explored the shifting consumer preferences since the onset of the pandemic, new emerging trends and how automotive organizations can respond to them effectively. The countries included in this survey together represented 62% of global annual passenger vehicle sales in 2019.



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