Autos consumer sentiment – ‘new’ & ‘used’ searches (U.S.)

Jan. 1, 2020 to May 29, 2020
Recent 2020 trends

- **April 30, 2020 to May 29, 2020** (compared to prior 30-day period of March 31, 2020 to April 29, 2020)
  
  - Overall searches for new vehicles are down by -3% for the current 30-day period (compared to prior 30-day period), with used vehicles outperforming with +12% growth
    
    - ‘new + economy’ brand is up by +10%, while ‘used + economy’ brand is flat for the most recent 30-day period.
    
    - ‘new + non-luxury’ non-brand is down by -29% for the most recent 30-day period, while ‘used + non-luxury’ non-brand is significantly outperforming with +47% growth
    
    - ‘new + luxury’ brand searches are down by -8% for the most recent 30-day period, with ‘used + luxury’ brand searches also down by -14%
    
    - ‘new + luxury’ non-brand searches are down by -34% for the most recent 30-day period, while ‘used + luxury’ non-brand is significantly outperforming with +44% growth
Recent post-COVID-19 2020 trends

- **New cars**
  - Although current 30-day new vehicle searches are down by -3%, this is an improvement over the prior 30-day trend of -29%, likely driven by improved vehicle sales in May over April, combined with discounts and promotions to keep consumer demand up during the pandemic.1

- **Used cars**
  - Used vehicle searches are up by 12% for the current 30-day period, after used wholesale vehicle prices dropped by nearly 16% at the lowest point during April (compared to pre-COVID-19). Used car prices have nearly made a complete rebound, as used sales have outpaced new sales.2

- **Inventory trends**
  - Due to the purchase incentives and factory shut-downs, “many dealerships are running low on some of their most popular vehicles,1” and this may impact pricing in the future

Source: Microsoft Internal Data Jan. 1, 2020 – May 29, 2020
*Current 30-day period is Apr. 30, 2020 to May 29, 2020 and is compared to Mar. 31, 2020 to Apr. 29, 2020
**Prior 30-day period is Mar. 31, 2020 to Apr. 29, 2020 and is compared to Mar. 1, 2020 to Mar. 30, 2020
2020 trend analysis: ‘new’
Searches for ‘new’ vehicles for the current 30-day trend are down –3% compared to the prior 30-day period. This improvement over the previous trend is likely due to purchase incentives and improved sales in May¹

Although overall new search trends are down, several queries are emerging with significant improvement in the current 30-day period, with nearly 75% of those queries being UVs

Source: Microsoft Internal Data Jan. 1, 2020 – May 29, 2020,
¹Current 30-day period is Apr. 30, 2020 to May 29, 2020 and is compared to Mar. 31, 2020 to Apr. 29, 2020
²Prior 30-day period is Mar. 31, 2020 to Apr. 29, 2020 and is compared to Mar. 1, 2020 to Mar. 30, 2020
Inclusive of all devices and all network data in the U.S.
Searches for ‘new + economy brand’ vehicles for the current 30-day period are up +10% compared to the prior 30-day period.

Many queries with the most significant gains for the 30-day period contained a year modifier; whereas many queries with most significant declines for the current 30-day period included the search term ‘new’.

*Current 30-day period is Apr. 30, 2020 to May 29, 2020 and is compared to Mar. 31, 2020 to Apr. 29, 2020.
**Prior 30-day period is Mar. 31, 2020 to Apr. 29, 2020 and is compared to Mar. 1, 2020 to Mar. 30, 2020.
Inclusive of all devices and all network data in the U.S.
Economy and luxury searches based on inclusion of either new or used search terms.
Searches for ‘new + non-luxury non-brand’ vehicles for the current 30-day period are down \(-29\%\) compared to the prior 30-day period.

Many queries with most significant declines for the current 30-day period included the search term ‘new’; whereas many of the top query gainers were UVs.


Economy and luxury searches based on inclusion of either new or used search terms
Searches for ‘new + luxury brand’ vehicles for the current 30-day period are down -8% compared to the prior 30-day period.

Many queries with most significant declines for the current 30-day period were cars; whereas most of the top query gainers were UVs.
Albeit low volume, searches for ‘new + luxury non-brand’ vehicles for the current 30-day period are down -34% compared to the prior 30-day period.

Many queries with most significant declines for the current 30-day period were UVs; whereas most of the top query gainers were cars.

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Economy and luxury searches based on inclusion of either new or used search terms

30-day performance has improved since prior update through 5.15
2020 trend analysis: ‘used’
Searches for ‘used’ vehicles for the current 30-day trend are up +12% compared to the prior 30-day period, as used vehicle prices have seen lower prices during the last two months. Top areas of used vehicle search momentum include 3rd parties, dealerships, incentives and pricing.


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**Prior 30-day period is Mar. 31, 2020 to Apr. 29, 2020 and is compared to Mar. 1, 2020 to Mar. 30, 2020


Inclusive of all devices and all network data in the U.S.
Searches for ‘used + economy brand’ vehicles for the current 30-day period is flat compared to the prior 30-day period.

Many of the top query gainers for the current 30-day period over the prior period were truck models; whereas most of the top declining queries contained ‘used’ and were UVs.

Source: Microsoft Internal Data Jan. 1, 2020 – May 29, 2020,
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**Prior 30-day period is Mar. 31, 2020 to Apr. 29, 2020 and is compared to Mar. 1, 2020 to Mar. 30, 2020
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Economy and luxury searches based on inclusion of either new or used search terms

30-day performance has declined since prior update through 5.15
Searches for ‘used + non-luxury non-brand’ vehicles for the current 30-day period are up +47% compared to the prior 30-day period.

Many of the top query gainers for the current 30-day period over the prior period contained the word ‘used’; while many of the query decliners contained a year modifier.

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**Prior 30-day period is Mar. 31, 2020 to Apr. 29, 2020 and is compared to Mar. 1, 2020 to Mar. 30, 2020

Inclusive of all devices and all network data in the U.S.

Economy and luxury searches based on inclusion of either new or used search terms.

Source: Microsoft Internal Data Jan. 1, 2020 – May 29, 2020

30-day performance has improved since prior update through 5.15
Searches for ‘used + luxury brand’ vehicles for the current 30-day period are down -14% compared to the prior 30-day period.

Queries with most significant declines for the current 30-day period over the prior period were UVs; whereas many of the top query gainers were for cars and included a year modifier.
Albeit low volume, searches for ‘used + luxury non-brand’ vehicles for the current 30-day period are up +44% compared to the prior 30-day period.

Nearly all of the top query gainers for the current 30-day period over the prior period included a year modifier; while seven of the top ten query declines were for cars.
Emerging and top performing queries
Emerging query analysis – new vehicles

- Listed are queries showing the greatest positive momentum and statistical significance for the current 30-day period over the prior 30-day period (italics indicate the query term was on previous analysis)
- Nearly 75% of emerging new vehicle queries are at the model level
- Three-fourths of searches are UVs

- **Brands**
  - Buick: ‘new 2020 buick envision suv’
  - Cadillac: ‘new 2021 escalade’
  - Ford: ‘new ford f-150 trucks’
  - Honda: ‘all new 2020 honda crv’
  - Volkswagen: ‘all new 2020 passat sedan,’ ‘all new 2020 volkswagen atlas,’ ‘new volkswagen atlas sale’ and ‘new volkswagen atlas’
  - Volvo: ‘all new volvo xc90,’ ‘new volvo xc40 suv,’ ‘new volvo xc90’ and ‘2020 new volvo xc90’

- **Non-brand**
  - New cars: ‘luxury new cars 2020,’ ‘new cars’ and ‘new sedan models’
Emerging query analysis – used branded vehicles

3rd parties and rental cars are growing significantly during May
(italics indicate the query term was on previous analysis)

• Brand
  • Jeep: ‘used jeeps sale,’ ‘used jeep wrangler sale’
  • Mercedes: ‘certified used mercedes e class sedan’
  • Toyota: ‘used toyota tacoma sale’

• Third Parties
  • AutoNation: ‘auto nations used cars’
  • Autotrader: ‘auto trader used cars,’ ‘auto trader used cars,’
    ‘autotrader.com used cars’ and ‘autotrader used cars’
  • Carfax: ‘carfax.com used cars sale’
  • CarGurus: ‘cargurus.com used cars,’ ‘cargurus.com used
    trucks,’ ‘cargurus used cars’ and ‘cargurus used trucks’
  • CarMax: ‘carmax.com used cars’ and ‘carmax used cars’
  • Cars.com: ‘cars.com used cars’
  • Carvana: ‘carvana used cars’ and ‘carvana used cars inventory’
  • TrueCar: ‘truecar.com used cars’

• Rental
  • Hertz: ‘hertz used cars sale’

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Emerging query analysis – used non-brand vehicles

Searches related to dealers, incentives and price are growing significantly during May (italics indicate the query term was on previous analysis)

- **Non-brand cars**
  - **Used cars (dealer):** ‘best used car dealer,’ ‘used car best dealer,’ ‘used car dealer,’ ‘used car dealers,’ ‘used car dealers near me,’ ‘used car dealerships’ and ‘used car dealerships near me’
  - **Used cars (discount related):** ‘cheap used cars,’ ‘sales car used,’ ‘used car sale,’ ‘used car specials near me,’ ‘used car deals best,’ ‘used cars sale,’ ‘used cars sale near me’ and ‘used cars sale owner’
  - **Used cars (price-related):** ‘used cars near me under 5000,’ ‘used cars sale under $3000,’ ‘used cars under 1000 dollars,’ ‘used cars under $1000’ and ‘used cars under $5000’
  - **Used cars (general):** ‘best used cars near me,’ ‘buy used car,’ ‘certified used cars sale near me,’ ‘used car lots,’ ‘used car lots near me,’ ‘used cars’ and ‘used cars near me’

- **Non-brand used trucks:** ‘good used pickup trucks,’ ‘used pickup trucks sale near me,’ ‘used truck,’ ‘used truck sale,’ ‘used trucks,’ ‘used truck sale,’ ‘used trucks’ and ‘used trucks sale near me’

- **Non-brand used UV:** ‘best used suv deals near me,’ ‘used hybrid suv,’ ‘used suv,’ ‘used suv sale’ and ‘used suvs’

- **Non-brand van:** ‘used van’ and ‘used vans’

- **Non-brand vehicle:** ‘used autos’ and ‘used vehicles’
Top queries for new vehicles

New queries seeing the largest gains / declines by number of searches for the current 30-day period compared to the prior 30-day period (italics indicate the query term was on previous analysis)

- **Top five ‘new’ queries with largest gains**
  - **New + Economy Brand**: 2020 toyota tacoma, 2020 toyota tundra, 2020 honda pilot, 2020 chevrolet traverse, all new kia seltos
  - **New + Non-Luxury Non-Brand**: best new suv, new cars, 2020 suv, 2020 crossovers, 2020 suvs
  - **New + Luxury Brand**: 2021 cadillac escalade, new volvo xc90, 2020 volvo xc40, all new xc90, all new lincoln navigator
  - **New + Luxury Non-Brand**: best new luxury suvs, 2020 luxury cars, best new luxury sedan, best new luxury suv, 2020 luxury car

- **Top five ‘new’ queries with largest declines**
  - **New + Economy Brand**: ‘2020 rav4,’ ‘new honda hr v,’ ‘new volkswagen beetle,’ ‘new toyota highlander’ and ‘new chevy silverado’
  - **New + Luxury Brand**: ‘2020 audi rs6,’ ‘all new volvo xc40,’ ‘new audi a5,’ ‘2020 escalade’ and ‘new cadillac ct5’
  - **New + Luxury Non-Brand**: ‘new compact luxury suvs,’ ‘new luxury suvs,’ ‘2020 suv luxury,’ ‘2020 luxury suvs’ and ‘2020 luxury sedan’

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Economy and luxury searches based on inclusion of either new or used search term
Top queries for used vehicles
Used queries seeing the largest gains / declines by number of searches for the current 30-day period compared to the prior 30-day period (italics indicate the query term was on previous analysis)

Top five ‘used’ queries with largest gains

- **Used + Economy Brand:** ‘used toyota tacoma,’ ‘used accord,’ ‘used honda accord,’ ‘used ram 1500’ and ‘2019 dodge ram 1500’

- **Used + Non-Luxury Non-Brand:** ‘used cars,’ ‘used truck,’ ‘certified used cars,’ ‘pre owned cars’ and ‘used car’

- **Used + Luxury Brand:** ‘used mercedes benz gl class,’ ‘2014 infiniti q50,’ ‘2015 infiniti q50,’ ‘2019 cadillac cts’ and ‘used cadillac escalade’

- **Used + Luxury Non-Brand:** ‘2019 luxury suv,’ ‘2018 luxury cars,’ ‘2018 luxury suv,’ ‘2018 luxury car’ and ‘2018 luxury sedans’

Top five ‘used’ queries with largest declines

- **Used + Economy Brand:** ‘used ford f 150,’ ‘used honda cr v,’ ‘2018 subaru outback,’ ‘used chevrolet camaro,’ and ‘used jeep grand cherokee’

- **Used + Non-Luxury Non-Brand:** ‘2019 sedans,’ ‘2019 best suvs,’ ‘second hand cars,’ ‘2019 suv’ and ‘used cargo van’

- **Used + Luxury Brand:** ‘2019 acura mdx,’ ‘used audi a4,’ ‘certified volvo,’ ‘used bmw x3’ and ‘used volvo xc90’

- **Used + Luxury Non-Brand:** ‘2019 best luxury suv lease deals,’ ‘2019 luxury suvs,’ ‘2018 luxury suvs,’ ‘best used luxury cars’ and ‘pre owned luxury sedans’

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Economy and luxury searches based on inclusion of either new or used search term
Key takeaways
Action items for new vehicles audiences

- For the overall new audience, UV queries showed the greatest improvement in the most recent 30-day period. Additionally, the majority of emerging queries were at the model level
  - Include ad copy relating to UVs
  - Focus on model-level branding

- For the new + economy brand audience, queries with a year modifier performed well in the most recent 30-day period
  - Prioritize keywords using a year modifier

- For the new + non-luxury non-brand audience, UV queries generated interest in the most recent 30-day period
  - Utilize ad copy that speaks to UVs

- For the new + luxury brand audience, UV queries performed well in the most recent 30-day period
  - Include ad copy relating to UVs

- For the new + luxury non-brand audience, queries about cars showed strength in the most recent 30-day period
  - Utilize ad copy relating to cars / sedans

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Action items for used vehicle audiences

- **For the overall used audience**, momentum is growing in several areas including dealerships, incentives and pricing
  - Prioritize dealership-related keywords
  - Promote incentives and sales
  - Ensure price points are referenced in the ad copy

- **For the used + economy brand audience**, queries regarding trucks generated interest in the most recent 30-day period
  - Utilize ad copy that speaks to trucks

- **For the used + non-luxury non-brand audience**, queries containing the used modifier showed strength in the most recent 30-day period
  - Consider keywords with the used modifier

- **For the used + luxury brand audience**, car level queries performed well in the most recent 30-day period
  - Include ad copy that speaks to cars
  - Use keywords with a year modifier

- **For the used + luxury non-brand audience**, queries containing a year modifier generated interest in the most recent 30-day period
  - Prioritize keywords with a year modifier

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Economy and luxury searches based on inclusion of either new or used search terms
Shoppers are modifying their searches for new and used vehicles to address the current COVID-19 crisis. 

Albeit low volume, this reflects shifts in search patterns.

Size of text in the word cloud indicates frequency of tokens in covid-related searches. 
Inclusive of all devices and all network data in the U.S. 
See Appendix for list of new and used keywords.
Appendix
Keywords analyzed reference table

Category of analysis, keyword (KW) modifier (if applicable), KW type, examples and the analysis for each respective category

How to read (example):
- In the first row, the ‘new’ category has the new modifier for segment (non-brand) / make / model analytics.
- An example of a ‘new’ modifier includes ‘new’, ‘2020’, ‘2021’ and an example keyword is ‘new car’; the ‘new’ category was used in the following analyses: new, luxury, and economy.
- Note: standalone keywords with undefined new / used intent (e.g. cars, ford, luxury suv) are not considered in the analysis.

<table>
<thead>
<tr>
<th>Category</th>
<th>KW modifier</th>
<th>KW type</th>
<th>Example modifiers</th>
<th>Example KWs</th>
<th>Analysis: new</th>
<th>Analysis: used</th>
<th>Analysis: economy brand</th>
<th>Analysis: non-luxury non-brand</th>
<th>Analysis: luxury non-brand</th>
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<td>Segment (non-brand)</td>
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<td>Make / Model</td>
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<td>used</td>
<td>Segment (non-brand)</td>
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<tr>
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<td>used</td>
<td>Make / Model</td>
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<tr>
<td>luxury*</td>
<td>luxury</td>
<td>Segment (non-brand)</td>
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<td>luxury car</td>
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<td>x</td>
</tr>
</tbody>
</table>

*Must include modifier to be eligible in the analysis.
Methodology

30-Day current trend analysis
• Current 30-day period is calculated by taking the:
  \[(\text{Sum of searches of April 30 to May 29}) \div (\text{Sum of searches of March 31 to April 29}) - 1\]
• Prior 30-day period is calculated by taking:
  \[(\text{Sum of searches of March 31 to April 29}) \div (\text{Sum of searches of March 1 to March 30}) - 1\]

Emerging query analysis:
• Keywords were identified by using statistically significant growth of at least one standard deviation in search volume for April 30 to May 29 over March 31 to April 29

Query performance analysis:
• Keywords were identified by looking at search volume growth for April 30 to May 29 over March 31 to April 29

Year-to-date analysis:
• In order to establish a benchmark due to COVID-19, year-over-year comparisons for searches are not recommended due to the situational volatility at this time
Strategies and recommendations

Learn immediate and recovery-phase strategies, and how to approach new opportunities and optimize account health in the Digital Advertiser’s Guide to COVID-19