

Top 5 trends redefining online car sales in 2024



A collage of screenshots from the findcar4me website. The top screenshot shows a search interface with filters for Make, Model, Model Year, and Version, and a 'View 32,000+ listings' button. Below it, three car cards are displayed for '2024 Brand 1', '2024 Brand 2', and '2024 Brand 3', each with a 'Change Vehicle' and 'Build & Price' button. Another screenshot shows a detailed vehicle listing for a '2022 Brand Vehicle Name' with a price of €12,000 and a summary of specifications like transmission, kilometers, and engine. A final screenshot shows a search filter panel with options for keywords, price, location, and engine type.



Our Knowledge is Your **Power**
www.JATO.com

Contents

Foreword	3
Trend one: Electrification	7
Trend two: New brands launching into Europe	11
Trend three: The connected car	15
Trend four: Autonomous and shared mobility	18
Trend five: Evolving car purchase journey	22
Selling cars online in 2024	26



Foreword

Amid a digital revolution and evolving consumer preferences, the automotive industry stands at the forefront of transformative change.

In 2023 online car selling platforms and retail solutions partners, have had a profound influence on the automotive landscape and the car buyer experience. As technology intertwines with our daily lives, these platforms emerge as pivotal players, not only facilitating online transactions but revolutionising the entire purchase journey.

Today's buyers no longer face limited choices and opaque pricing. Empowered by online marketplaces, they navigate a vast offering, compare models, access detailed specifications, and make informed decisions at their own pace. The transparency fostered by online platforms signifies a paradigm shift in how buyers approach the significant investment of purchasing a vehicle. Online car selling platforms have become dynamic hubs of information, offering potential buyers a wealth of data, real-world user reviews, and a community of fellow purchasers. This interconnected digital ecosystem democratises the decision-making process, going beyond traditional dealership models.

By bridging the gap between buyers and sellers, organisations that play a role in the online car buying journey challenge existing norms, urging the automotive industry to adopt a more streamlined, efficient, and customer-focused business model. In this era of digital transformation, understanding the importance of providing a seamless and efficient online experience is crucial for stakeholders across the automotive spectrum from OEMs to NSCs to Dealerships.

2024 will build upon the developments in 2023 where the customer journey from consideration to ownership is as dynamic as the vehicles themselves, and where the car buying experience during the transition from offline to online will continue to be a key factor in sales conversion.



Peadar Walsh

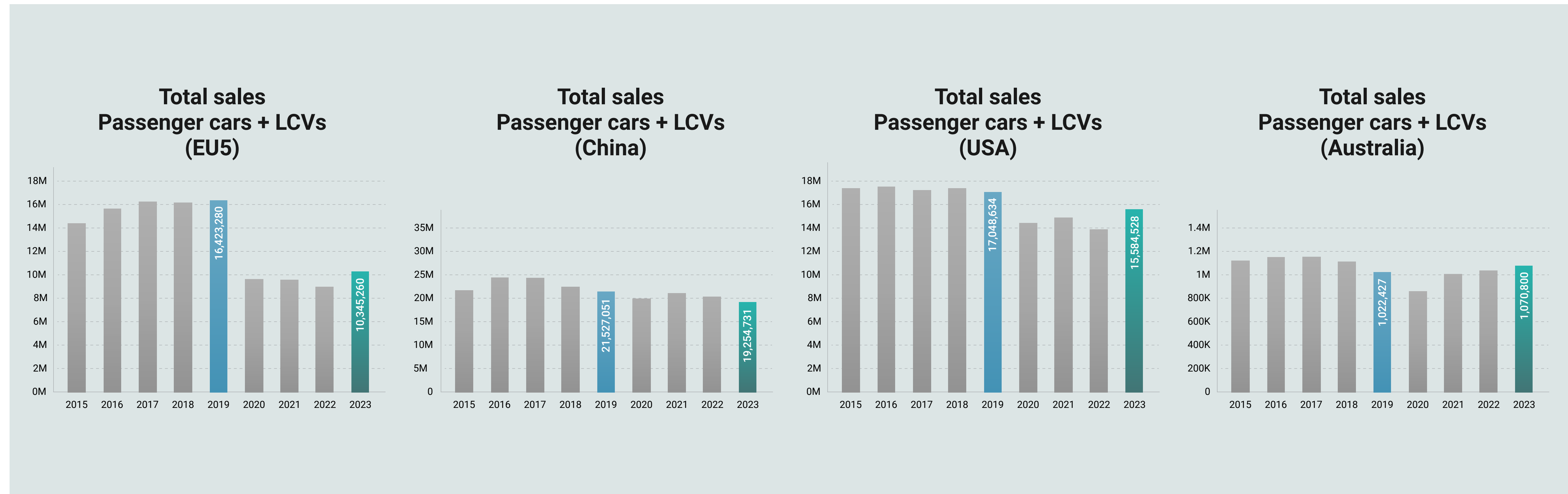
Global Head of
Digital Marketplaces at JATO



Top 5 trends redefining online car sales in 2024

In 2023, the automotive industry remained stable despite the turbulent global economy.

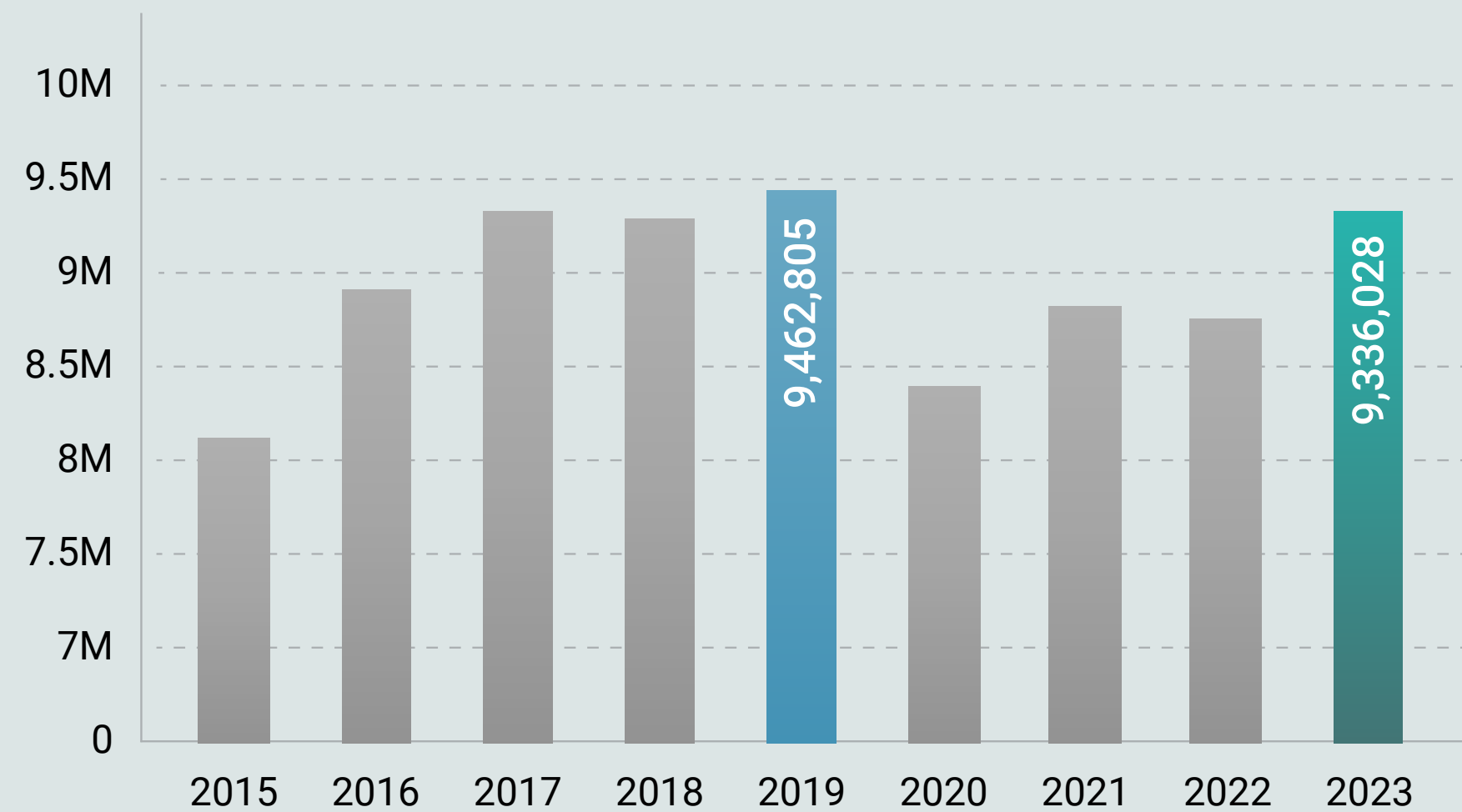
Key markets such as China, the US, and Europe are yet to return to pre-covid pandemic sales, however, sales in other markets like Australia have.



With rising inflation prices, caution among some consumers continued as many were reluctant to buy, or unable to afford, new cars.

As disposable incomes fell, there was a focus on value for money and vehicles which were more economical. Although, this wasn't the case with the premium car market (including brands such as Jaguar, Bentley, and Ferrari) which saw a considerable increase compared to the past 3 years and was hardly affected by the consumer price index increase and interest rates rising.

**Total sales - Passenger cars + LCVs
(UK, France, Germany, Spain, Italy, China, USA, Norway, Australia)**



Graph shows these brands sales combined:

ALFA ROMEO	GENESIS	MAYBACH
ALPINE	INFINITI	MCLAREN
ASTON MARTIN	JAGUAR	MERCEDES
AUDI	LAMBORGHINI	MINI
BENTLEY	LANCIA	NIO
BMW	LAND ROVER	PAGANI
BUGATTI	LEAPMOTOR	PORSCHE
BUICK	LEXUS	RIVIAN
CADILLAC	LINCOLN	ROLLS-ROYCE
DS	LOTUS	TESLA
FERRARI	LUCID	ZEEKR
FISKER	MASERATI	



Orders delayed due to disruption during the COVID-19 pandemic and supply chain challenges helped to bolster growth. OEMs were able to clear the backlog of orders and increase production flow. Meanwhile, the used car market steadied following the high demand caused by long lead times for new cars.

OEMs and NSCs remained under pressure to be more competitively priced, particularly with electric powertrains. As new automakers from China entered the market in Europe, the US and in emerging regions, affordable alternatives continued to be introduced and the market became increasingly competitive. A new year promises both opportunities and challenges for the automotive industry. Technology will continue to play a significant role within the sector in 2024 and beyond.

This eBook explores the top five trends predicted for 2024 and, specifically, how they will impact the online car buying journey.





Trend one: **Electrification**

Trend one: Electrification

Electrification will still be a big focus for the industry in 2024.

Although there have been push backs in certain regions, for example the deadline for ceasing production of internal combustion engines (ICE) was extended in the UK to 2035 – bringing it in line with other European countries – however, the road to net zero remains a priority globally.

Electric vehicle (EV) adoption rates vary from country to country, and we expect this to continue in 2024.

The top five countries currently with the highest share of EV sales include **Norway (80%), Iceland (41%), Sweden (32%), the Netherlands (24%)** and **China (22%)**. This is reflected in JATO's data (figure 1) of new EV registrations from 2015 to 2023.

New EV registrations from 2015 to 2023									
Sales/Registrations in EV units									
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Australia	183	64	47	167	1,496	1,755	5,104	33,356	86,986
China	139,928	228,621	425,736	704,627	713,593	916,502	2,363,298	3,947,294	4,943,836
Germany	12,348	11,409	25,046	35,866	63,068	194,139	355,942	470,539	524,103
Spain	1,431	2,088	4,049	6,190	10,352	18,130	24,009	31,490	54,813
France	17,247	21,750	24,927	31,610	42,421	110,942	162,085	201,155	297,704
UK	9,933	10,264	13,596	15,473	37,782	108,148	190,707	267,168	314,582
Italy	1,475	1,393	1,959	4,959	10,670	32,534	67,364	49,239	66,204
Norway	25,700	24,162	33,010	46,092	60,312	76,784	113,714	138,263	104,589
USA	65,004	73,477	99,035	216,560	225,070	254,418	476,831	765,659	1,168,199

Market share									
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Australia	0.0%	0.0%	0.0%	0.0%	0.2%	0.3%	0.7%	4.3%	9.8%
China	0.6%	0.9%	1.7%	3.1%	3.3%	4.6%	11.2%	19.3%	22.7%
Germany	0.4%	0.3%	0.7%	1.0%	1.7%	6.7%	13.6%	17.7%	18.4%
Spain	0.1%	0.2%	0.3%	0.5%	0.8%	2.0%	2.7%	3.8%	5.7%
France	0.9%	1.1%	1.2%	1.5%	1.9%	6.7%	9.8%	13.3%	16.8%
UK	0.4%	0.4%	0.5%	0.7%	1.6%	6.6%	11.6%	16.6%	16.5%
Italy	0.1%	0.1%	0.1%	0.3%	0.6%	2.3%	4.6%	3.7%	4.2%
Norway	16.8%	15.4%	20.5%	30.6%	41.7%	53.6%	63.9%	78.8%	81.8%
USA	0.4%	0.4%	0.6%	1.2%	1.3%	1.8%	3.2%	5.5%	7.5%

Figure 1



Demand for battery electric vehicles (BEVs) is rising everywhere, but uptake is higher in some places.

In countries such as Norway, they are a popular choice because of taxation on combustion cars. In China, there are a lot of incentives to encourage the adoption of BEVs, and they are more affordable compared to other countries. However, the growth of electric powertrains is slower than expected in certain developed economies, such as Italy and Spain. The USA is also struggling, primarily due to the local culture.

Incentives play a significant role in helping adoption rates. There is a direct correlation between incentives and uptake in those countries that are switching to electric vehicles at impressive rates. This is exactly what Polestar, an electric-only vehicle manufacturer, has experienced when launching into various countries across Europe.

Government incentives may not be controlled by OEMs, but the price range of vehicles are. In many European markets, EVs are currently more expensive to buy than ICE equivalents. However, during 2024, more affordable EV brands are expected to launch in Europe and new automakers have the potential to disrupt market share. This may spark pricing changes to ensure established marks stay competitive and encourage sales growth to continue.



In an interview with JATO, Alexander Lutz, Managing Director of Polestar Italy, spoke about the encouragement of EV uptake and how it differs by country:

“The German government decided quite clearly these are the incentives, and that’s what we provide. In Italy, it’s much more confusing for the customer, plus the incentives are much lower. And [...], I think it’s not necessarily about the €1000, €2000 or €3000 as an incentive, it’s more of a sign that the government says, “you know what? [EVs are] the future. We believe it also, and we support it. We support the transition of the country into the new world of electric.””



How will electrification impact the online car buying journey in 2024?

Electrification is a key part of OEMs' product strategies with new models and specifications continually entering the market. As a result, online car marketplaces are becoming more complex.

Automotive retailers need to be prepared for new vehicles launching and have the latest information readily available on their digital platforms. Inaccurate or missing information could result in lost sales.

Many customers begin their car buying journey online. Enhancing the customer experience by helping potential buyers to understand the differences between drivetrains (EV, BEV, HEV, PHEV), and the impact their choices have on key purchasing criteria is essential to informing decisions. Effective online sales platforms make it as easy as possible to compare and differentiate between vehicles.

With the introduction of EVs, consumers are faced with a new language relating to performance and electrification. Offering a standardised data approach ensuring any side-by-side vehicle comparison provides a clear and accurate picture of similarities and differences will be important for businesses selling online.

Also important will be in-dealership tools, which support the upskilling of sales professionals by providing detailed product knowledge of one brand against key competitors, ensuring optimum customer experience and satisfaction.



Trend two: New brands launching into Europe

Trend two: New brands launching into Europe

China has become a serious contender in the EV uptake race over the last few years.

Its approach of incentivising consumers and investing in infrastructure, combined with an extensive range of affordable EVs, has led to the country being one of the top five adopters globally.

Chinese automakers have now also turned their attention to Europe as a key export market.

EVs made in China are typically a fifth cheaper than EU-made models, so the region presents big opportunities for Chinese OEMs looking to penetrate new markets.

Average retail price of electric cars available H1 2023

€48,600



€67,721





Vehicles being imported from China isn't a new phenomenon in Europe. Chinese-owned MG has been dominating the value end of the EV market for several years, and Great Wall's Ora launched in the UK at the end of 2022.

However, 2024 will see an influx of new brands such as **BYD Seal U** (who sold more battery-only vehicles in the last quarter of 2023 than Tesla), **Lynk and Co, Omoda, Zeekr**, and **Nio**, which are all expected to launch EVs to European customers this year.

Chinese automakers' strategy presents big challenges for established European OEMs. The European Commission announced in 2023 that it will be taking steps against the growing influence of cheaper Chinese EVs in Europe. Exact findings and actions from its investigation are still to be defined.

For Chinese OEMs, offering more affordable alternatives will be a competitive advantage, but these prices may also encourage European OEMs to evaluate their current product portfolios, leading to a new generation of cheaper EVs.

To achieve widespread EV adoption, there needs to be a wider choice of EVs to suit all tastes and budgets.

This perceived 'challenge' from China, could be the shake-up the western market needs to reach net zero.



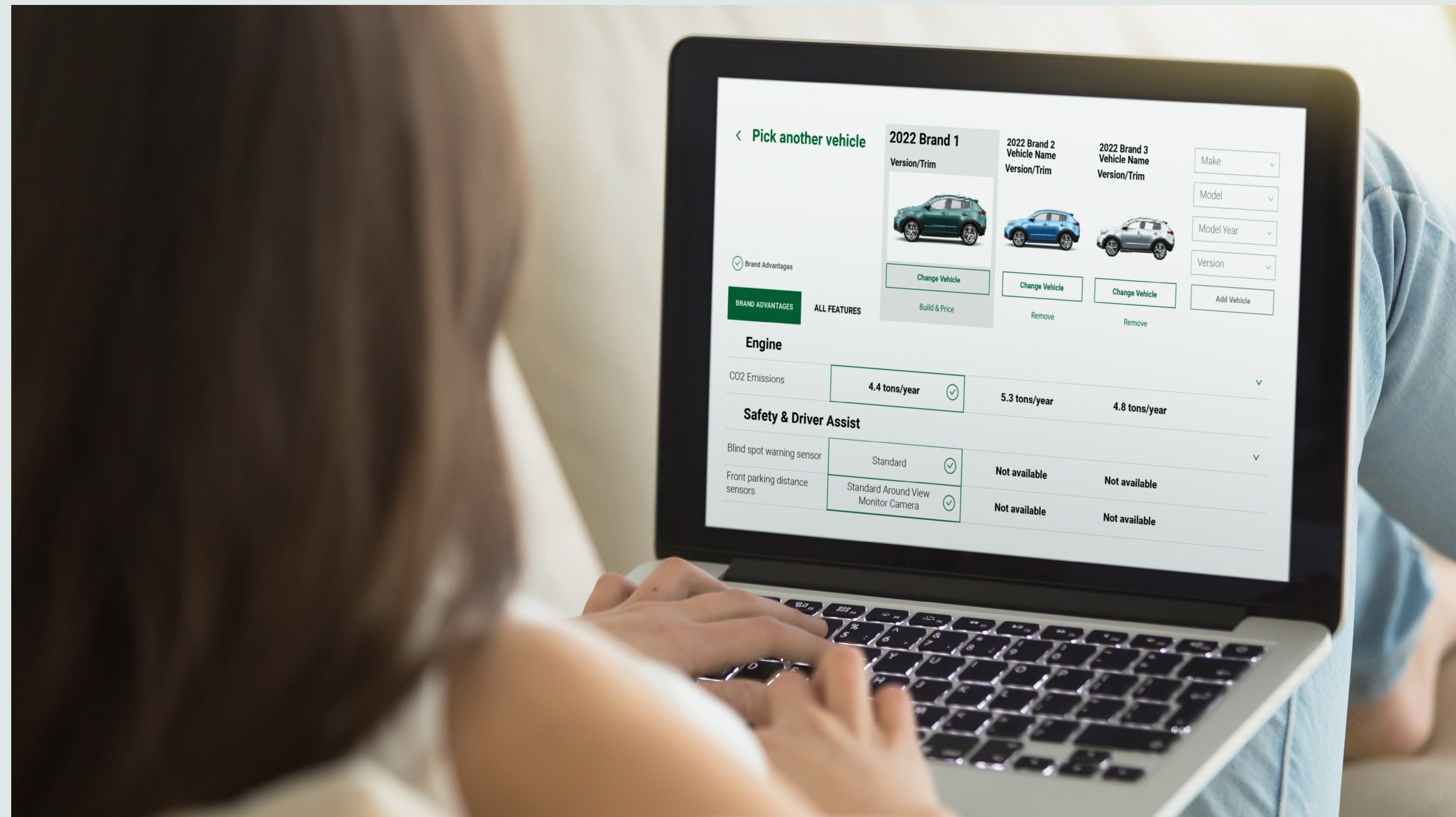
How will new brands impact the online car marketplace?

Automotive retailers and dealerships with online marketplaces that sell several brands have an opportunity to reach more customers by offering a wider selection of vehicles to meet all budgets.

Notably, there is likely to be growth in the number of EVs available in western markets.

OEMs with online marketplaces must understand the competition and product positioning to realign strategies if they are to stay competitive and keep/increase market share.

Across all businesses selling cars online, it will be essential to update platforms with the latest specification, product, and pricing data as soon as the cars are launched to meet consumer demand.



Trend three: The connected car



Trend three: **The connected car**

As vehicles become more connected than ever, a new era of car usership is being established. Subscription-based payment models are common for other products and services, and the automotive industry is keen to follow this trend. The 'vehicle as a service' trend will continue to gain traction in 2024.

Many OEMs have already started to test in-car subscription-based services to determine consumer reaction and uptake. Drivers can now subscribe to various services and features to enhance their driving experience, from infotainment packages and navigation to connected services and luxury features, such as heated seats. However, there is some way to go until this is fully accepted as standard. Consumer research shows that most would still rather pay for these features upfront as part of the vehicle purchase price, or on a per use basis.

Changing consumer behaviour may be difficult, but an in-car subscription-based services model could provide attractive benefits to both OEMs and consumers. OEMs can increase revenue opportunities throughout the lifetime of the car and better understand what consumers desire. And consumers can turn the services they need on and off to fit their lifestyle and budget. The used car market will also significantly benefit from this model as enabling and disabling features will increase residual values and provide consumers more choice when buying a used vehicle.



This approach to car features will not happen overnight, but the wheels are in motion for this trend to become the standard in the future.

How will connected cars impact the online car buying journey?

Increasing connectivity will result in a more reactive marketplace. Specifications information will grow, and businesses need to ensure they have access to the latest information as it happens.

Long term, connected cars will impact both the new and used car market – there may be less features added as standard, which will affect list prices.

Having an in-depth understanding of the market and competition will help online players benchmark and position solutions more effectively.



Trend four: Autonomous and shared mobility

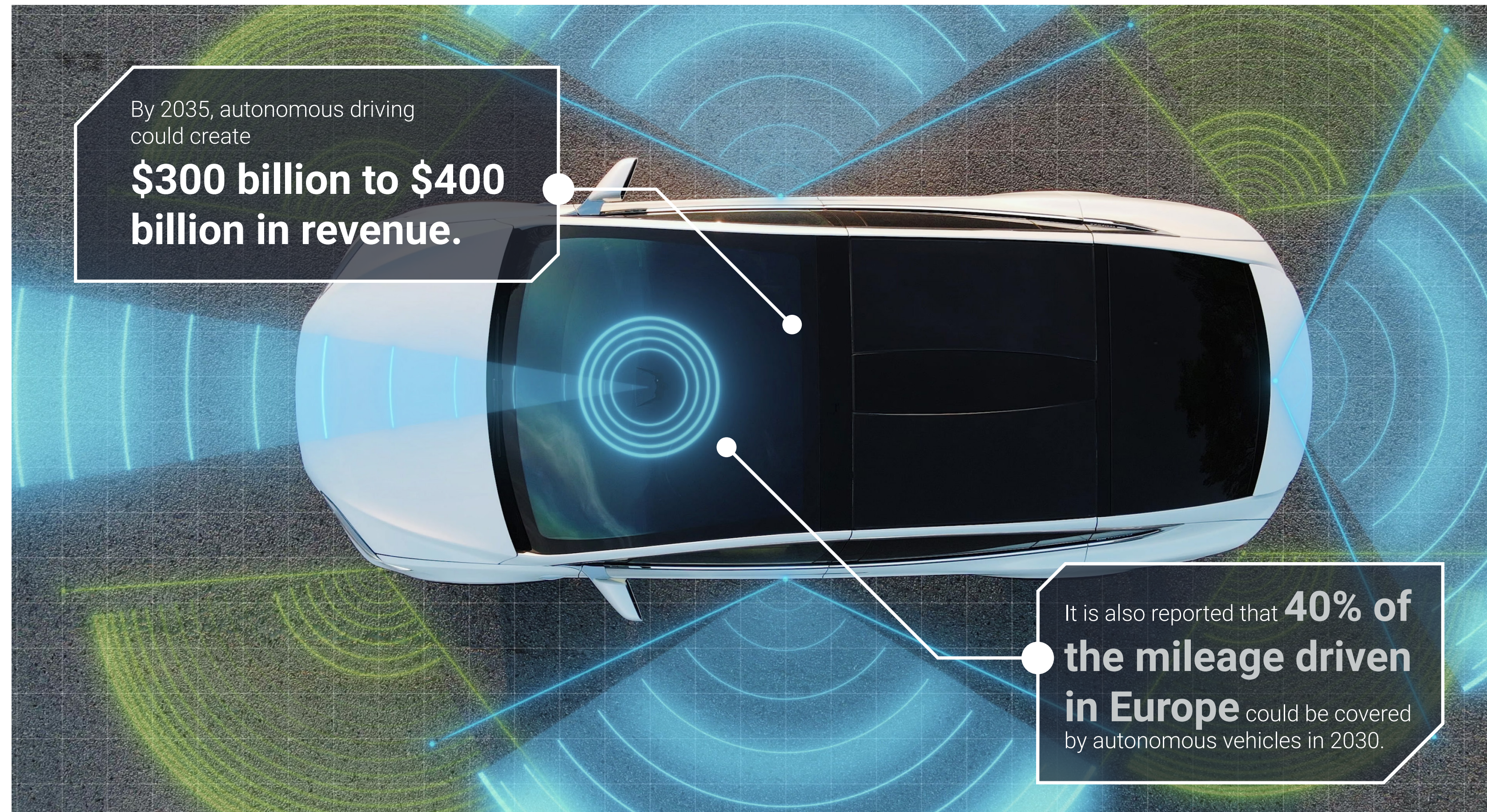


Trend four: **Autonomous and shared mobility**

The future of mobility is focused on using, not owning. Attitudes are changing, and innovation within the industry will transform the vehicles of tomorrow.

Autonomous vehicles have been discussed within the sector for a number of years. These once impossible ideas are now starting to become a reality. In the UAE autonomous vehicles have been in testing for some time, in China businesses like Rox Motor, which makes off-road electric and self-driving cars, have been receiving considerable investments, and in the UK, Nissan backed an autonomous driving project to begin trialling autonomous vehicles on residential and rural roads. There are indications that big steps are being made forwards in the industry globally.

Progress will continue over 2024 as OEMs develop technology further. Autonomous vehicles have the potential to transform transportation, consumer behaviour, and society.





The future of mobility is so much more than just self-driving vehicles. The way in which we use and access transportation will change. Consumers are already open to the prospect of shared mobility. In fact, JATO's latest consumer research highlighted **38% would consider not owning a car in favour of accessing cars, scooters, or bikes via a multi-mode subscription.**

One of the fastest-growing segments of the consumer automotive market is car subscription services. Significant investments are being made in this area, with multiple car subscription providers entering the market in anticipation of the considerable growth expected over the next few years. These range from online car sharing agencies, which are building driving communities, online platforms acting as brokers for drivers offering journeys in private cars, and taxi companies providing services via an app.

As consumers look to cut costs and want value for money from their mobility, attitudes and behaviours will grow this trend further. This, combined with ongoing innovation from the industry, will see further growth in 2024.

How will autonomous and shared mobility affect the online car buying journey?

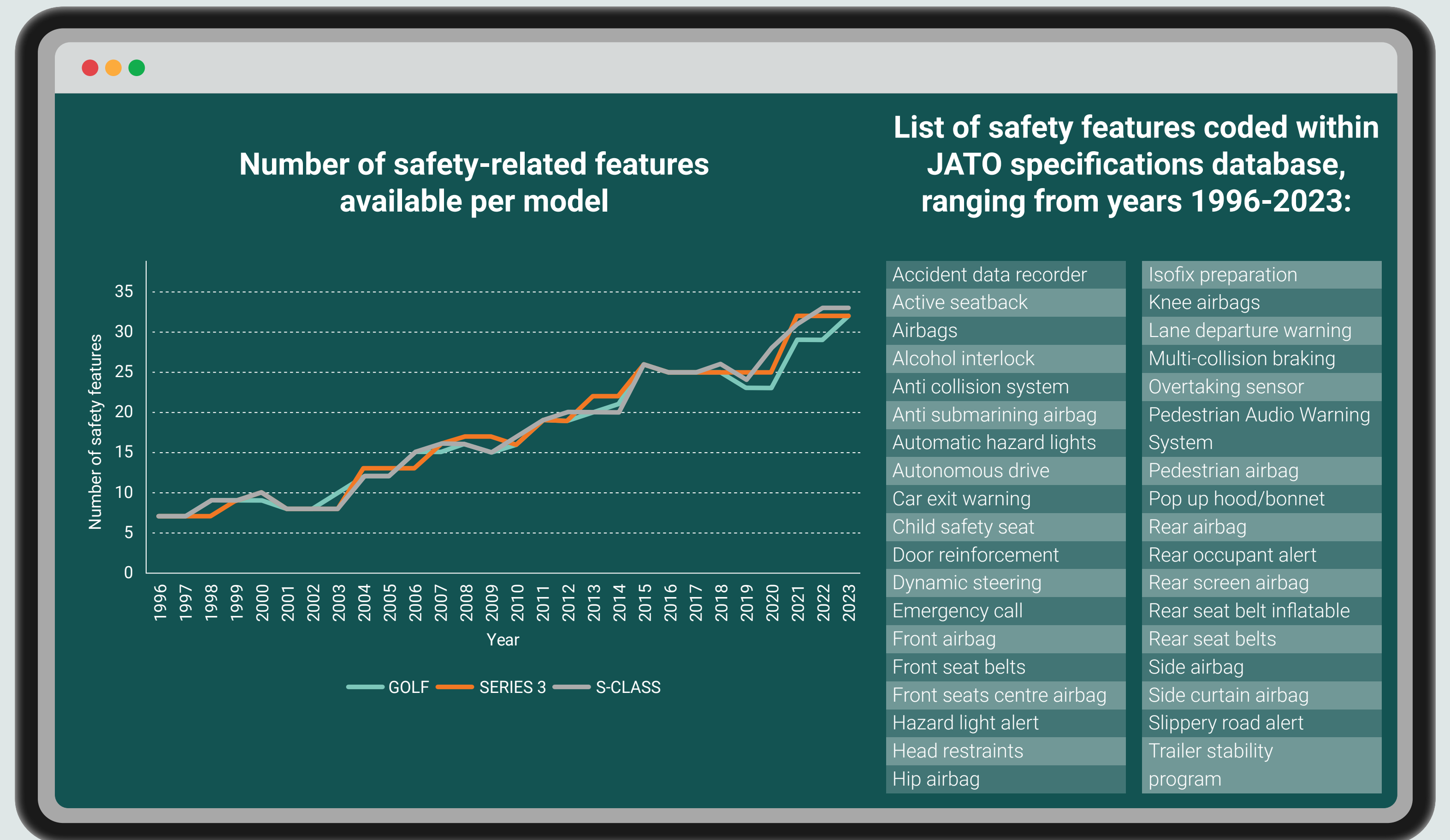
While progress in this area will continue in 2024, there is considerable work to do on the technology, infrastructure, and legislation before the autonomous vehicles of tomorrow are ready for everyday use.

Autonomous and shared mobility will create a new generation of solution providers. Innovative start-ups are already fighting for market share with established automotive, transport and logistics companies.

Consumers will need to clearly understand the specifications of vehicles to determine the most suitable car that meet their requirements.

Key buying criteria such as safety features and vehicle range for EVs will need to be part of any online car subscription offering.

The industry is growing and changing. **Online car sellers must be prepared and understand how market changes could impact business.**





Trend five: Evolving car purchase journey

Trend five: **Evolving car purchase journey**

The car purchasing journey has transformed in recent years. A seamless, simple, and effective digital purchase journey has never been more important for automotive businesses that want to succeed.

Car buyers want a digital-first experience that offers online convenience with the reassurance of personal interaction with dealer staff. JATO's consumer research found **29% of people carry out internet research using online automotive marketplaces** as a first step in their purchase journey. Other research from Google revealed that **92% of car buyers would research online more broadly before making a purchase.**

The concept of an omnichannel car buying journey is rapidly gaining traction. Consumers are increasingly seeking to complete a significant portion of their car purchase online before visiting a dealership. The omnichannel model seeks to bridge the gap between the direct-to-consumer approach and the traditional dealer channel, providing a comprehensive and flexible experience.

Rising direct-to-consumer (DTC) sales channels are also shaping the industry, exemplified by Tesla's pioneering approach of delivering **500,000 vehicles directly to consumers in 2020**. While DTC is not yet used by the majority of car buyers, this trend is on an upward trajectory. A seamless purchase experience without dealership intermediaries is compelling for a growing segment of buyers.





findcar4me

What can we help you find? [Search](#)

Keywords -

- -

-

- -

Background Check [Fewer options ^](#) [View 32,000+ listings](#)

Consumers have varying preferences and requirements. Digital platforms now seek to offer a selection of vehicles that are based not only on the key buying criteria of consumers, but on their personal preferences, and how they wish to express themselves. For example, there is an increase in emerging technology, such as artificial intelligence (AI) chat bots, which deliver a personalised in-car communications channel. This is a trend that is progressing and will evolve further in the short-term.

In 2024, AI technology will continue to advance and develop. It will be used to expedite the customer experience online by using customers' language to instantly meet their vehicle needs.

How will the evolving purchase journey affect the businesses with online automotive marketplaces?

Digital platforms in 2024 will need to embrace the latest technology, putting the customer at the heart of the user experience.

Competition is high and continues to grow. The need for a seamless customer experience with no delays or inaccurate information should be standard practice. Information online needs to be true and reflective of that offline to ensure a quality and satisfactory purchase journey.



Selling cars online in 2024



Selling cars online in 2024

The automotive landscape is moving quickly, becoming more complex with changing consumer behaviour, evolving technology and new competition. There are both opportunities and challenges expected for dealers, OEMs and organisations offering solutions to consumers seeking to research or purchase a vehicle online in 2024.

An effective strategy will understand the challenges up ahead, identify the opportunities, and embrace market changes. Putting customer experience at the forefront of online sales strategies, and reacting quickly to market changes with reliable, timely and accurate data and insights, will help automotive businesses to succeed within a crowded and competitive marketplace.

JATO provides accurate market-leading specification, pricing, incentive, and photo information for **240+ vehicle makes** and **2,100+ models** in over **50 markets**. With our tailored solutions we enable businesses to achieve significant differentiation and efficiencies in their website or service. Helping to boost customer satisfaction, improve lead generation, and increase sales conversion rates. With standardised data coming from a single source, JATO support businesses now, and in the future should they grow and want to expand into multiple markets.

**For more information on how partnering
with JATO can help your business,**



Reference links

1. <https://www.jato.com/interview-polestar-challenges-opportunities-europe/>
2. <https://info.jato.com/consumer-finance-report-download>
3. <https://innovationorigins.com/en/eu-takes-action-against-cheap-chinese-evs-which-we-are-increasingly-considering/>
4. <https://www.fleetnews.co.uk/news/latest-fleet-news/electric-fleet-news/2023/03/27/new-wave-of-chinese-electric-vehicle-manufacturers-to-drive-prices-down>
5. <https://www.deloitte.com/global/en/Industries/automotive/perspectives/global-automotive-consumer-study.html>
6. <https://www.businesscar.co.uk/news/2023/september/new-nissan-backed-autonomous-driving-project-focuses-on-residential-and-rural-roads>
7. <https://www.mckinsey.com/industries/automotive-and-assembly/our-insights/autonomous-drivings-future-convenient-and-connected>
8. <https://www.pwc.com/gx/en/industries/automotive/assets/pwc-five-trends-transforming-the-automotive-industry.pdf>
9. <https://www.thecarexpert.co.uk/the-best-car-subscription-providers/>



JATO

T +44 20 8423 7100

F +44 20 8423 2233

enquiries@jato.com



Our Knowledge is Your **Power**
www.JATO.com

