

# Entertainment and commerce will take off in connected cars

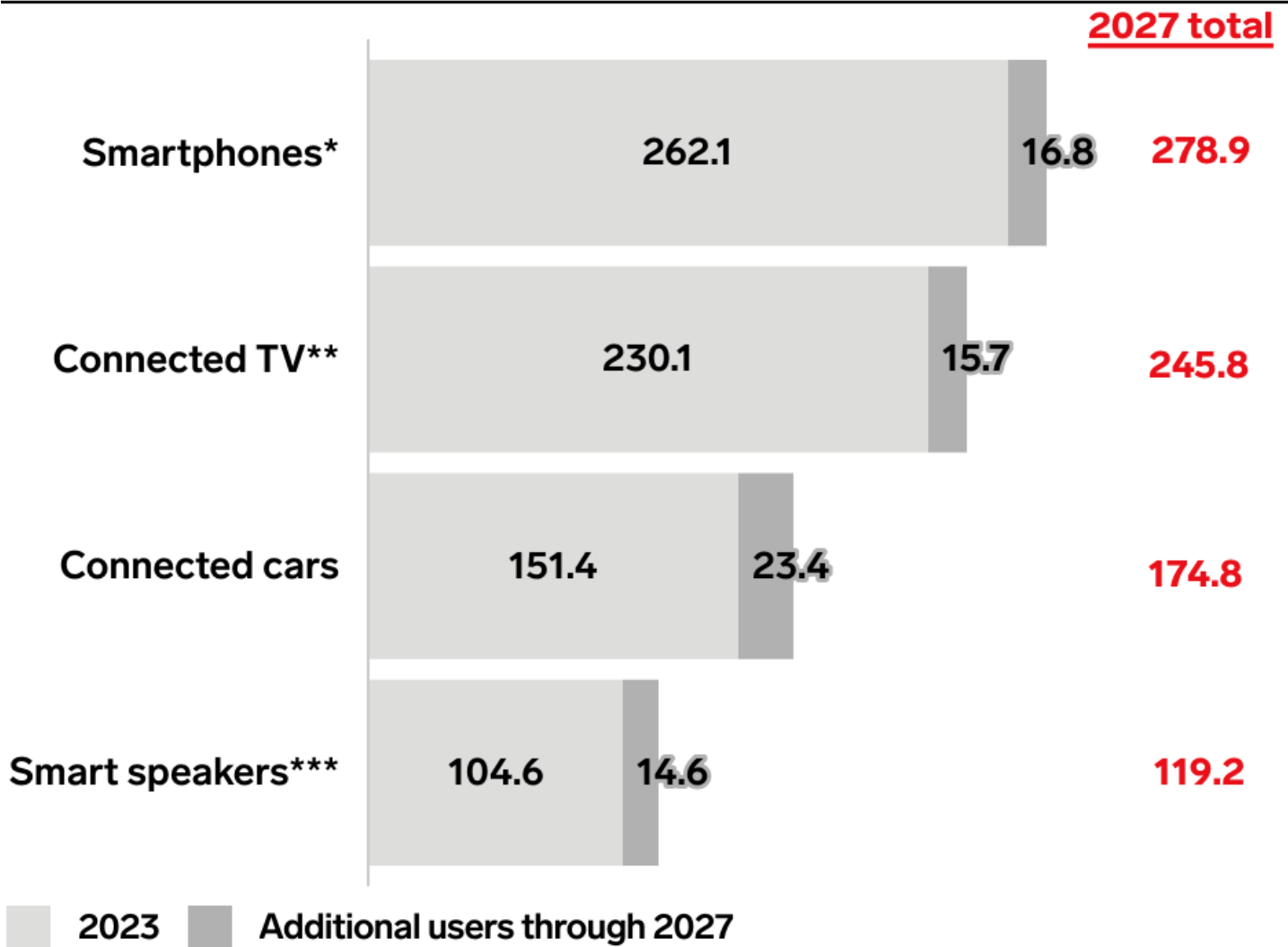
Article



**KEY STAT:** The number of connected car drivers will increase by 15.5% from this year's 151.4 million to 174.8 million in 2027.

# Connected Cars Will Add More Users Than Other Major Connected Devices

millions of US users, 2023 & 2027



Note: ages 14+; licensed drivers who drive a connected car and have accessed its internet-enabled features at least once in the past year; \*individuals of any age who own at least one smartphone and use the phone(s) at least once per month; \*\*individuals of any age who use the internet through a connected TV at least once per month; \*\*\*individuals of any age who use a smart speaker at least once per month  
 Source: Insider Intelligence | eMarketer, Aug 2023

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Insider Intelligence | eMarketer

- **Audio and navigation are here today, but video and gaming are coming.** Multiscreen cars and limited autonomous driving remain uncommon, so video is still less important than streaming audio services and navigation services—but this will change rapidly. Google, for instance, recently added a YouTube app in Android Automotive, and Amazon Fire TV and Prime Video are available in some passenger seat screens. Car companies such as Tesla, BMW, and Lexus have also introduced games accessible in stationary cars. More sophisticated entertainment systems will allow individual control over content on screens.
- **Car commerce starts to appear.** A variety of carmakers have partnered with financial companies to introduce in-car payment systems. At the same time, Apple is readying CarPlay apps for commerce. For instance, Domino's now lets people order pizza through the CarPlay app, and Chevron's CarPlay app helps drivers find Chevron and Texaco stations and pay for gas.

### What are the implications for marketers?

- **Expect Google and Apple to add search products geared for car systems.** Google Maps already lets users pay for parking through the app, but wider search advertising options through navigation apps are likely. And they may face additional competition if carmakers provide an opening for the Overture Maps Foundation, a rival map system founded by Meta, Microsoft, Amazon Web Services (AWS), and TomTom.
- **Voice assistants may play an increasing role in search.** Generative AI already promises to make search via voice assistants better, but the increased capabilities of connected cars will make voice search more important.
- **Native car advertising will open new advertising platforms.** As media proliferates in cars, the combination of location, direction, and demographic data with media consumption is a recipe for creating new media formats and platforms. Google already faces some regulatory scrutiny in Europe for its efforts to control the automotive ecosystem, but who will ultimately control those platforms remains up in the air.
- **It's still early days.** There are signs that point to cars becoming a major new media and advertising venue. But both commerce and media are still developing in cars—and at the moment, neither is completely ready for native ad formats.

Report by Yoram Wurmser Oct 04, 2023

# US Connected Cars 2023

