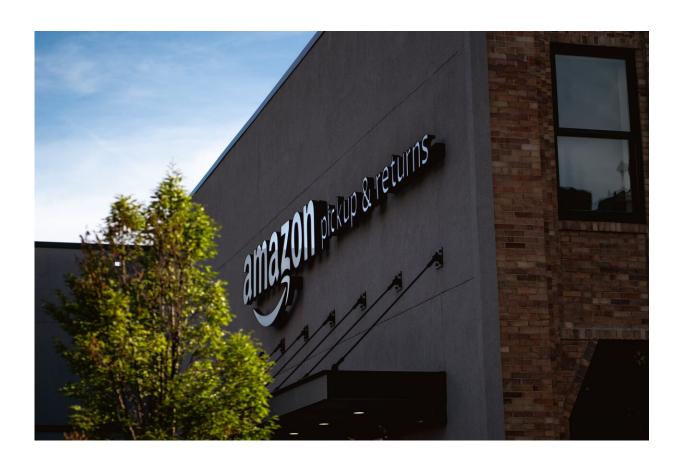


Amazon will allow US customers to buy cars on its site from local car dealers starting next year

November 16 2023, by Haleluya Hadero



Credit: Unsplash/CC0 Public Domain

Want to buy a car on Amazon? Well, now you might get your chance.



The e-commerce giant will launch <u>vehicle</u> sales in the U.S. next year and allow local car dealers to sell directly to customers on its site.

In a joint announcement with car manufacturer Hyundai on Thursday, the two companies said Amazon will begin by offering Hyundai vehicles. In turn, Hyundai will name Amazon's cloud computing unit AWS as its preferred cloud provider and integrate its next-generation vehicles with Alexa, Amazon's popular voice assistant.

The idea, according to Amazon, is to have customers purchase a new car online and pick it up—or have it delivered—from their local dealer.

Amazon did not say how many dealers would be participating in the program or if customers across the U.S. would be able to make <u>purchases</u>. An Amazon spokesperson said the company would release more details as it builds the program, which is expected to begin with Hyundai franchised dealers and launch during the later part of next year.

Currently, Amazon sells vehicle equipment online and offers a showroom for consumers who want to research different types of cars they may want to buy. But consumers can not directly purchase a vehicle on its platform.

The announcement on Thursday, though, shows Amazon's ambitions to grow its footprint through dealers in an industry that has strong lobbying forces and heavy state regulations. Nearly all states require manufacturers to sell their vehicles through dealerships to ensure the automakers don't undercut their own network of franchised dealers.

Despite its vision, Amazon might face challenges convincing consumers who might not feel comfortable making such a large purchase on its platform. In a statement, an Amazon spokesperson said customers are increasingly purchasing vehicles online and the company will provide a



"range of solutions that add transparency" to the car buying process to help them make an <u>informed decision</u>.

© 2023 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Amazon will allow US customers to buy cars on its site from local car dealers starting next year (2023, November 16) retrieved 28 April 2024 from https://techxplore.com/news/2023-11-amazon-customers-buy-cars-site.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.