

Fullpath's Auto Intelligence Index Reveals Dealership Digital Ad Conversions Surged 37% Year-Over-Year in Early Q2 with Cost Per Lead Reaching its Lowest Point in 12 Months — May, 2026

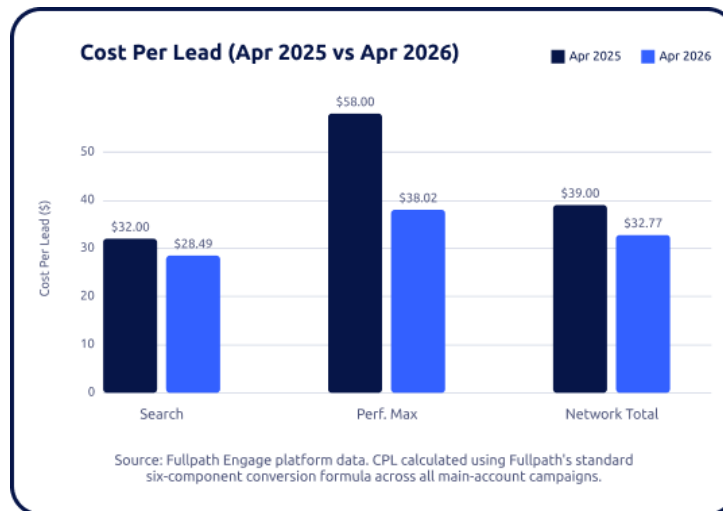
Tel Aviv, Israel, May 20, 2026 — Fullpath, the automotive industry's leading AI and Customer Data Platform, has released its April 2026 Auto Intelligence Index, an analysis of retail trends across its nationwide network of franchised dealerships.

The Index reveals a significant breakthrough in digital marketing ROI where dealership conversions surged 37.3% year-over-year in April, while Cost Per Lead (CPL) dropped 14.8%, marking its lowest point in a year. This inverse relationship highlights a new era of ad spend efficiency, as dealerships increasingly lean on AI-powered automation to optimize budgets in real-time and pivot spend toward the most high-velocity inventory and service channels.

Key Highlights:

Digital Advertising Efficiency

Google's Search ad campaigns remain the primary backbone of dealership investment, accounting for 64% of total digital ad investment. Search also continues to be the most cost-efficient high-volume channel with a cost per lead of about \$28.50. However, Google's Performance Max (PMAx) saw ad spend climb approx. 47% year-over-year from April 2025 to April 2026. Dealers also saw PMAx conversions more than double in April 2026, increasing 119% YoY while Cost Per Lead (CPL) went down by over 33% YoY.



Ad Spend Diversification

While new-vehicle inventory advertising still commands the largest share of dealership ad spending, investment is rapidly growing in other areas. Certified pre-owned advertising investment skyrocketed by 69% year-over-year, while investment in fixed ops jumped 57.4%. Used-inventory spend climbed 27.8%, and "Dealer Near Me" campaigns rose 23.4%.

Conversely, spend on trade-in campaigns saw a sharp decline of 17% to \$207K, suggesting that dealers are shifting their acquisition focus toward inventory marketing rather than active trade solicitation.

AI as a Conversion Multiplier

Fullpath's Auto Intelligence Index identifies a "six-message threshold," where the moment a car shopper sends their sixth message to an AI-powered chatbot, their conversion likelihood increases by 6x. This sustained engagement results in a 45.6% conversion probability, proving that modern shoppers prioritize information depth over a quick hand-off.

While LLMs experienced a slight cooling period in early Q1, dealerships saw a 34.5% surge in traffic originating from AI-chat sources in March 2026. ChatGPT still holds the market majority but Google Gemini is gradually expanding its footprint, moving from a 1.5% share of traffic in Q4 2025 to 8.5% of all LLM-driven visits as of April 2026.

Website Traffic & Brand Engagement

The Fullpath Auto Intelligence Index shows brand engagement varied significantly across the market. Overall, dealerships saw a steady 10% rise in website traffic, indicating shopper behavior continues to focus on digital research ahead of making a significant purchasing decision.

Day Supply Data

Average days supply has decreased by almost 14%, dropping from 95 days in late 2025 to just 82 days in early 2026. This contraction is most evident among brands like Acura, which saw a sharp 31.4% decline in inventory levels, and Stellantis who reduced supply by 25%. While domestic brands continue to carry higher reserves than their import counterparts, the overarching trend points toward a high-velocity sales environment where vehicles are moving off lots at an accelerated pace.

Looking Ahead

"The April Fullpath Auto Intelligence Index results confirm that we are entering a new era of 'high-velocity' automotive retail," said Aharon Horwitz, CEO and Co-Founder of Fullpath. "As average days supply tightens the margin for error in digital spend has disappeared. Dealers are winning not by simply spending more, but by spending smarter and launching intelligent campaigns with the power of AI."

Methodology

The Fullpath Auto Intelligence Index Numbers for 2026 are derived from Fullpath's Customer Data Platform and AI analytics, which aggregate anonymized website traffic signals, advertising spend trends and day supply metrics across automotive OEMs and thousands of dealerships nationwide for the 2025-2026 period. Explore more data and insights from Fullpath here: <https://www.fullpath.com/data-insights/>.

About Fullpath

Fullpath is the automotive industry's AI-first Customer Data Platform (CDP). Fullpath unifies first-party dealership data and activates it by layering powerful AI and marketing automation on top. Dealerships that invest in the platform create exceptional, hyper-personalized customer experiences that drive loyalty and build resilient, lasting business.

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