

ISSUE Q3 2025

# Driveway Digest

Welcome to Driveway's quarterly internal newsletter, highlighting recent achievements and opportunities as we roll into the second half of the year and continue to help grow the Lithia & Driveway automotive business.

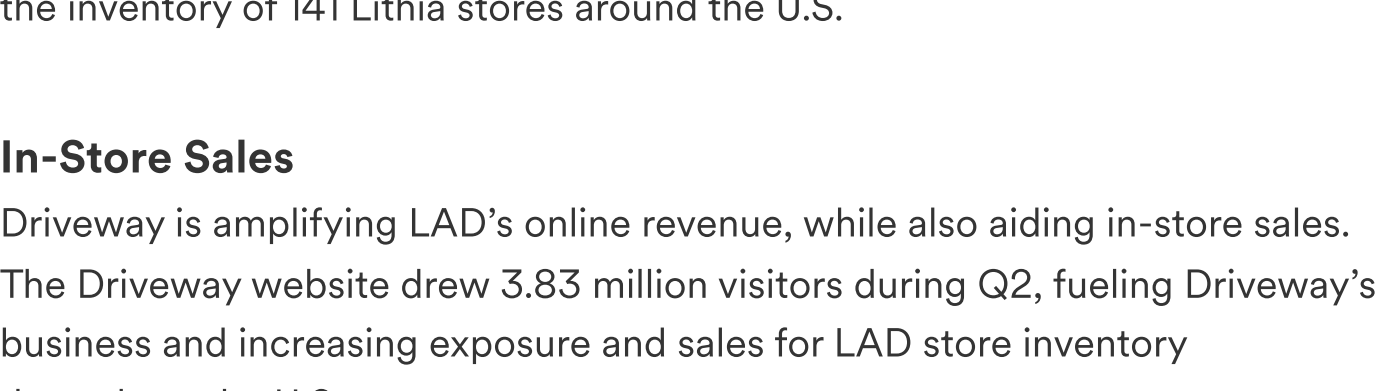
## In this issue:

- o Business updates
- o A new custom chat tool on Driveway.com
- o An inside look at Driveway hubs
- o And more...

## Building Our Business

### Shop Team

In the recent flat market for U.S. auto sales, the Driveway Shop team worked hard, but ended the quarter behind its Q2 sales goals. However, productivity and sales volume increased over 2024 results for the same period.

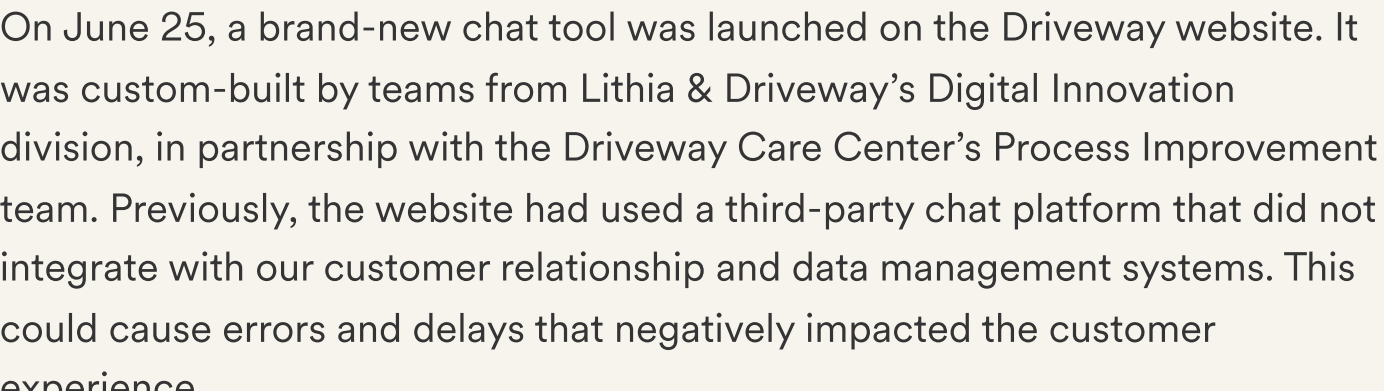


\* Unique website visitors vs. Shop deals

The Shop team had a solid start to Q3, with 905 vehicles sold in July and our agents averaging 21.4 commitments each. July's golden ratio was 0.107.

### Sell Team

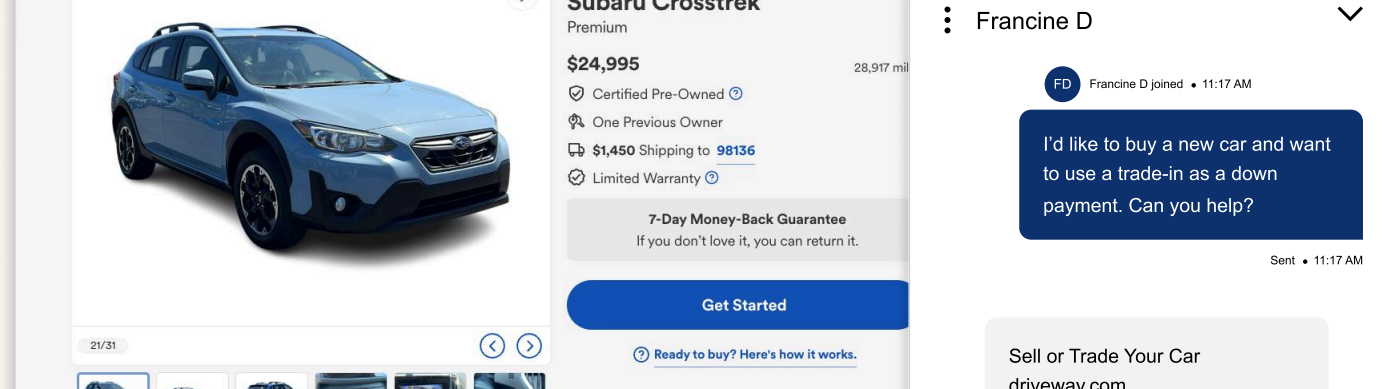
Driveway's Sell business continued to set new milestones while exceeding most goals during Q2.



In Q3, the Sell team is building on the successes of the previous quarter by starting with strong July results. Average commitments per agent increased to 55, with 1,576 vehicles purchased. 1,461 of those were remarketed, boosting the inventory of 141 Lithia stores around the U.S.

### In-Store Sales

Driveway is amplifying LAD's online revenue, while also aiding in-store sales. The Driveway website drew 3.83 million visitors during Q2, fueling Driveway's business and increasing exposure and sales for LAD store inventory throughout the U.S.



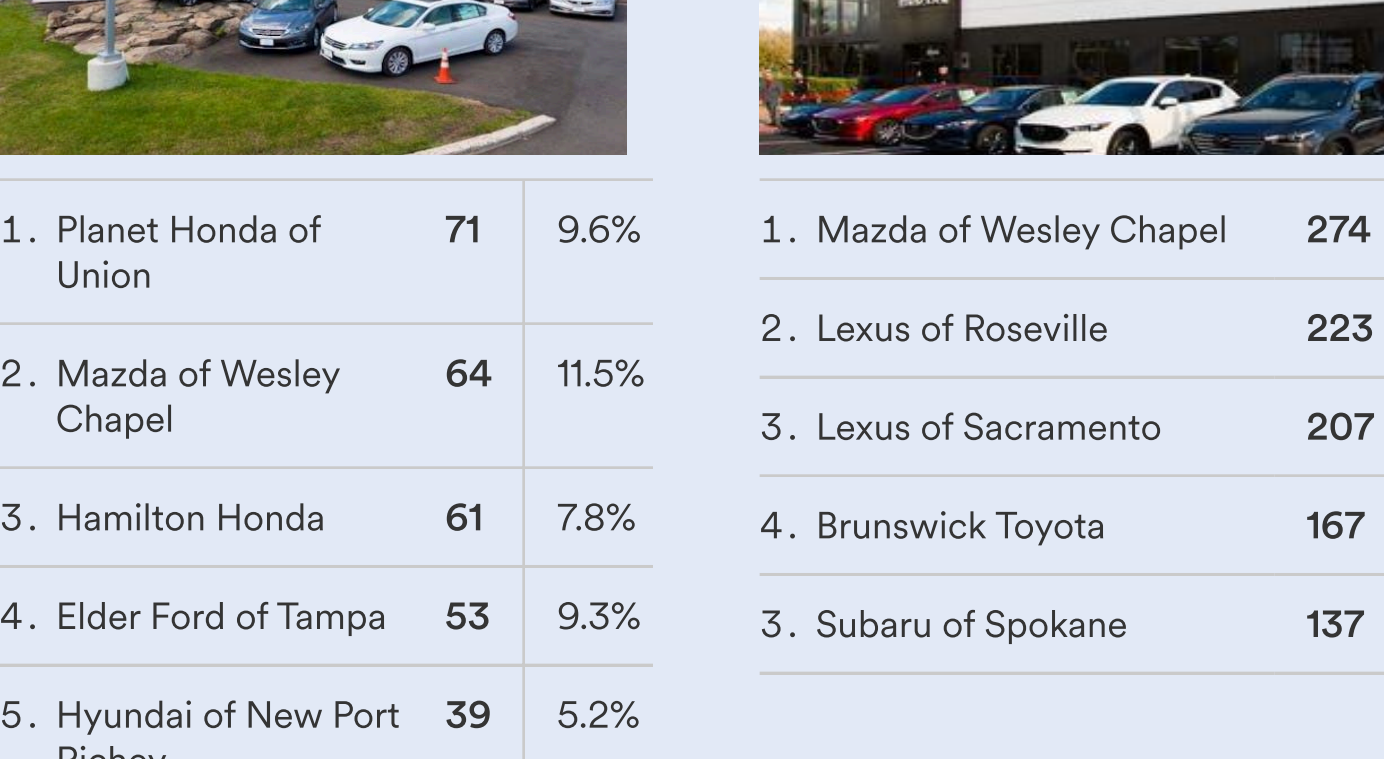
\* Customers who purchase a vehicle at a Lithia store after visiting Driveway during their buying journey

## Getting Chatty on Driveway.com

On June 25, a brand-new chat tool was launched on the Driveway website. It was custom-built by teams from Lithia & Driveway's Digital Innovation division, in partnership with the Driveway Care Center's Process Improvement team. Previously, the website had used a third-party chat platform that did not integrate with our customer relationship and data management systems. This could cause errors and delays that negatively impacted the customer experience.

*“Replatforming chat on Driveway.com was a massive undertaking, requiring a comprehensive approach to tightly integrate both the customer-facing front end and the employee-facing back end and unlock efficiencies across the board. The effort was a true reflection of our core value of Continuous Improvement—delivering a smarter, more seamless experience for customers and employees alike.”*

Matt Murray, LAD's Director of Product



The new chat tool feeds customer chat messages from Driveway.com directly into Freeway CRM, automatically creating cases for new customers and routing messages to the appropriate team, based on the case status. This has already improved productivity and accuracy for Driveway team members when responding to customer queries, enabling them to deliver better support to a larger volume of customers.

In July, **more than 1,000** combined Shop and Sell commitments and **almost 30%** of customers who ultimately purchased a vehicle from Driveway utilized the new chat platform during their journey.


## Top 5 Stores for Q2

Congratulations to all the stores featured in our top five lists for Q2. They completed the most Driveway transactions for the combined months of April–June. Great job!


### Shop Stores

New and used cars purchased by customers via Driveway in Q2, and % of total used sales

local dealers. Although the bid was to proceed with Driveway as I never had customer service I went ahead, and

 **Sriram** ★★★★★

*What truly set Driveway apart was I was able to find my ideal used car. Importantly, I had authentic, back—who clearly cared about helping me. The touch made all the difference.*

 **Jenny** ★★★★★

## We Are Driveway

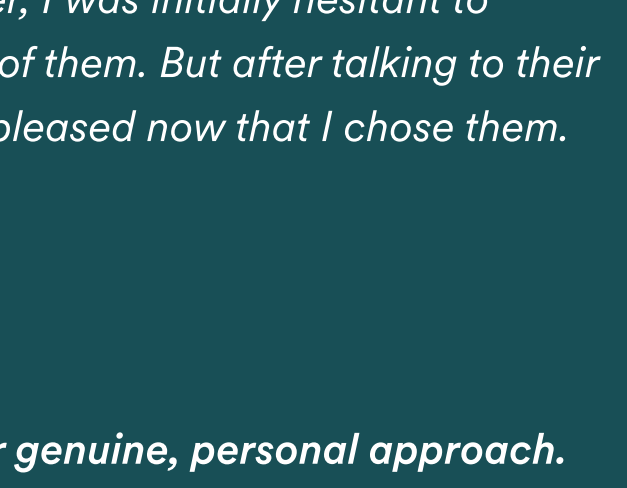
When we say Driveway's growth is p making small talk. Let's learn more ab organization who are making a differ

### On the Move

**Alejandro Rojas, Senior DMV M**

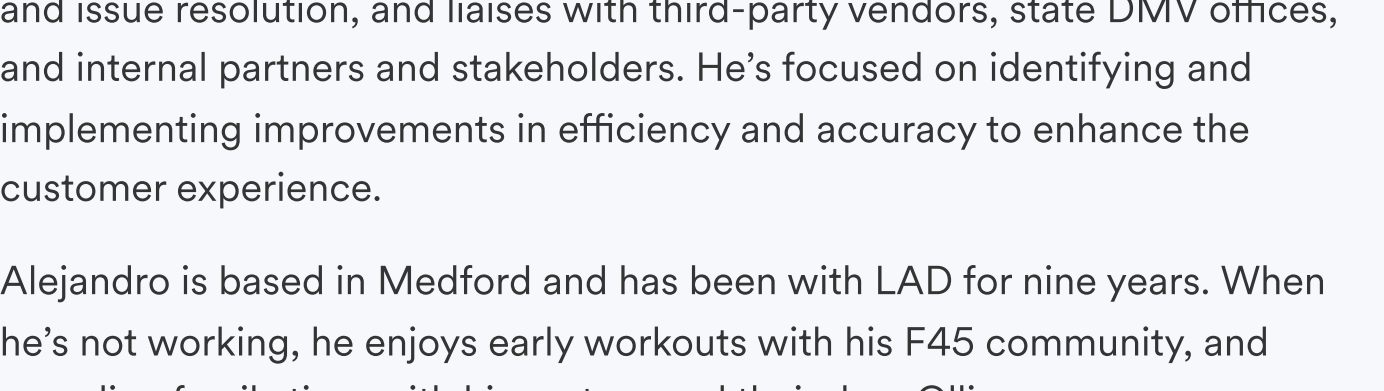
### Sell Stores

Used cars purchased by stores from Driveway to replenish their inventory

	
1. Mazda of Wesley Chapel	274
2. Lexus of Roseville	223
3. Lexus of Sacramento	207
4. Brunswick Toyota	167
3. Subaru of Spokane	137

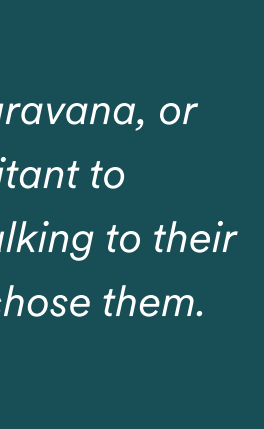
## Q2 Movers and Shakers

More LAD stores are expanding their Driveway business to help boost their bottom lines. The stores with the largest increases in Driveway deals for the second quarter of 2025 were:




## Customer Reviews

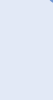
We received **980 reviews** on Google, DealerRater, and Trustpilot from April–June, and earned an overall Q2 rating of **4.64 stars** (up from 4.42 in Q1). Customer comments indicate that, despite initial skepticism from many first-time buyers and sellers who are unfamiliar with Driveway, we're building trust and creating positive impressions.



*I sold my car to Driveway. They gave the best bid in my case—better than CarMax, Caravana, or local dealers. Although the bid was better, I was initially hesitant to proceed with Driveway as I never heard of them. But after talking to their customer service I went ahead, and I'm pleased now that I chose them.*

 **Sriram** ★★★★★

*What truly set Driveway apart was their genuine, personal approach. I was able to find my ideal used car through their platform, but more importantly, I had authentic, back-to-back conversations with real people who clearly cared about helping me find the right vehicle. This personal touch made all the difference.*

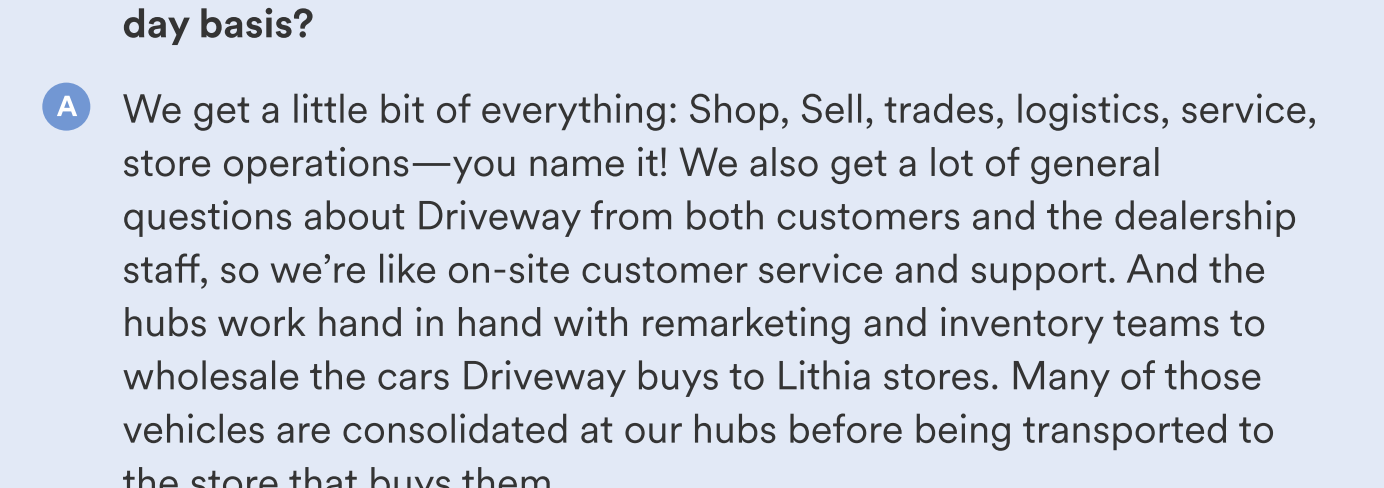
 **Jenny** ★★★★★

## We Are Driveway

When we say Driveway's growth is powered by its people, we're not just making small talk. Let's learn more about employees from various parts of the organization who are making a difference every day.

### On the Move

#### Alejandro Rojas, Senior DMV Manager



Alejandro Rojas was named Senior DMV Manager for Driveway on July 1, 2025, after previously serving as a Driveway Performance Manager. In his new role, he oversees staff in Medford and Dallas who handle all title, registration, tax, and fee transactions for the vehicles Driveway sells. In addition to guiding daily DMV operations and staff development, he assists with customer service and issue resolution, and liaises with third-party vendors, state DMV offices, and internal partners and stakeholders. He's focused on identifying and implementing improvements in efficiency and accuracy to enhance the customer experience.

Alejandro is based in Medford and has been with LAD for nine years. When he's not working, he enjoys early workouts with his F45 community, and spending family time with his partner and their dog, Ollie.

### GETTING TO KNOW...

#### Chad Whalen, Regional Field Operations Manager



As an online auto retailer serving customers throughout the U.S., Driveway faces the logistical challenge of moving thousands of vehicles around the country each month as they're bought and sold. At the heart of this assignment are Driveway's 13 hubs. Each hub is a base of operations that's usually located at a Lithia dealership and staffed with Driveway Valets and a supervisor.

At the hubs, the Driveway Valets pick up and deliver vehicles throughout the surrounding region. They complete DMV inspections, help arrange detailing and repairs if needed, and interact with the various transporters who pick up and deliver vehicles to the hub for fulfillment. Hubs also help support Driveway and LAD teams with documentation and inventory management. Most importantly though, they're the face of Driveway when they engage with our customers in person.

Chad Whalen is a Regional Field Operations Manager overseeing the Driveway hubs in Tampa, Atlanta, Dallas, Houston, and three locations in California: Temecula, Orange Coast, and Sherman Oaks. The other Driveway hubs are located in Detroit, Pittsburgh, Brunswick (New Jersey), Portland (Oregon), Phoenix, and Las Vegas. He's based in Tampa, has worked at LAD for nine years, and has been part of Driveway since its launch.

#### Q

**How many vehicles does a hub typically handle each month?**

#### A

Every hub is different. Some do hundreds a month while others are smaller and may only do one or two a day. As of mid-August this year, our hubs have completed a total of 4,500 vehicle pick-ups and drop-offs, accounting for about 30% of total Driveway volume.

#### Q

**Do hub Valets deliver each car with a giant bow on it?**

#### A

Unfortunately, no. But we do occasionally collaborate with customers who are purchasing a car as a surprise for a family member. We'll work with them on how and when they want to reveal the car, and sometimes they'll have a big bow that we put on it for them, like Dallas Valets Enrique Rico (L) and Corey Lyons (R), pictured here.



#### Q

**What else are you and the Driveway hubs handling on a day-to-day basis?**

#### A

We get a little bit of everything: Shop, Sell, trades, logistics, service, store operations—you name it! We also get a lot of general questions about Driveway from both customers and the dealership staff, so we're like on-site customer service and support. And the hubs work hand in hand with remarketing and inventory teams to wholesale the cars Driveway buys to Lithia stores. Many of those vehicles are consolidated at our hubs before being transported to the store that buys them.