



## DEALERS

# Auto Dealer Extravaganza Shows Customer Is King

Drive sales, streamline operations and increase service retention.

Sunil Marolia | Jul 03, 2018

By simply opening up a VR app and pinching into the surroundings, it's easy to see that the digital age is fully upon us. Whether balancing a budget online, financing a home from a smartphone, or favoriting food selfies on Instagram, digital, online and mobile are very much In Real Live (IRL).

The significance of this digital reality to auto dealers has never been more prevalent than it was this year on the floor of the National Automobile Dealers Assn. convention and expo in Las Vegas this year.

In all corners of the show, smart devices were heralded, information latency was minimized and mobility was ubiquitous. This all occurs under the banner that digital

convenience is tantamount to customer experience. If dealers ignore it, they run the risk of losing consumers and business. Heavy stuff.

## **Digital**

While big data and blockchain sound like buzzwords more apropos to a Silicon Valley startup, the truth is concepts like these not only have merit in auto sales but are fast becoming prerequisites for dealerships to carve out their stake in plateauing auto sales. (Wards Intelligence is predicting 16.8 million deliveries this year).

As anyone in attendance at the NADA event could see, using technology to sell more cars and service customers is not the stuff of "The Jetsons" anymore; it is reality right now.

A dealership no longer can afford to think of a technology such as connected cars as pie-in-the-sky. It is an indispensable solution that brings value far beyond F&I sell-through: faster sales transactions, more agile lot management and greater service revenue. The speed and accuracy of an Amazon-like model isn't an unrelated way of doing business but the expectation today's customer brings to the purchase.

## **Online**

Just two years ago, Google examined one car buyer's journey. It included more than 900 digital interactions, culminating in a lease. Of those interactions, 71% occurred on mobile: 139 Google searches, 14 YouTube videos, 89 images, 69 dealer interactions and 186 manufacturer interactions.

This is the world we live in: smartphones are everywhere, and people use them to research, contemplate and buy – even for a transaction as big as a car. If dealers are not creating a rich experience on these channels with accurate, real-time information, then they are simply not speaking the language of today's consumer.

Amazon Prime is a consumer sensation for a reason: People want what they want, and they want to have received it yesterday. The dealer that can get them their car the fastest with the least amount of resistance has a real chance at beating out even the “best price in town.” The industry has taken notice.

## **Mobile**

Technology now knocks significant time off car purchases, mitigates risk and minimizes time-suck for both customers and dealers. Who wouldn't want those hours back to hone in on the business of serving customers and selling more metal?

Connected-car technologies create an easy way to simplify and expedite these internal operations. Automated alerts can ping relevant staff members of unauthorized vehicle movement after hours, when inventory needs a battery change or when loaners and other vehicles in need of service are approaching mileage thresholds.

Creating a more efficient business can go a long way toward both saving operational costs and stimulating sales and service revenue.

Year in and year out, the NADA convention puts a magnifying glass on the industry. In 2018, the message was clear: the customer is king. Advancements in digital technology help dealers meet consumer expectations for a great buying experience while freeing them from the burden of mundane lot management. Dealers who embrace these advances will give themselves the greatest opportunity to succeed in the years to come.

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