

4 TRUTHS OF DIGITAL & "CONNECTED" RETAIL

FUTURE OF DIGITAL RETAIL STUDY

2,550
shopper interviews



TRUTH #1

Your customers want to start their buying process online *now*

83%

want to do one or more steps of
the purchase process online



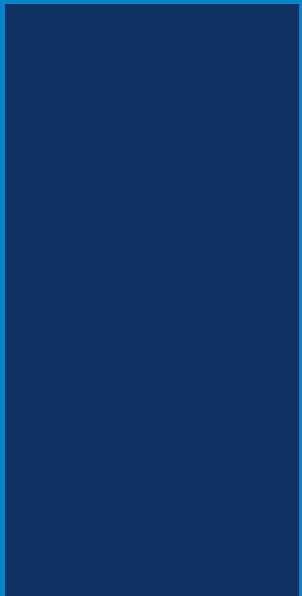
2 YEARS AGO...

17 : 4,002

CONSUMERS LIKED THE EXISTING RETAIL PROCESS
...that's less than 1%

TIME RANKS LOWEST IN CUSTOMER SATISFACTION

55%



2016

46%



2018



WORKING THE DEAL TAKES TOO LONG



\$1200.00

DATE: 12/20/2

SOURCE: location

NAME: _____ SALESPERSON: _____ MGR _____

ADDRESS: _____ PHONE H _____ W _____

ADDRESS: _____ VIN: _____ LIC NO _____

STOCK NO	NEW USED DEMO	YEAR	MAKE	BODY STYLE	TAB NO
22262		2010	NISSAN	Quest	

TRADE-IN INFORMATION					
YEAR	MAKE	CYL	BODY STYLE	SALE PRICE	
92	Acura	6	Legend	28,318	
				FEES	

MILEAGE 169K LIC NO _____ ADDITIONAL ACCESSORIES _____

NUMBER _____ PAYMENTS OF \$ _____

\$ _____

NO TRADE

clear Trade

2600 mos

Running Boards
Mud Guards
Flood Lights
Wheel locks
Alarm
Rear bumper guards

27,000 lease

1900.00

1/3 CASH DOWN

\$ _____

\$ 27,000 + fees
4000 for trade
+ 5000 cash
60 months

27,000
3500

MONTHLY PAYMENTS

\$ _____

1992
down payment 1900

ZERO

Salesmen cannot accept this offer or obligate seller in any manner what so ever. OFFER IS NOT BINDING UNTIL ACCEPTED IN WRITING BY OFFICER OR SALES MANAGER OF SELLER

Please enter my offer, subject to your acceptance

X _____ BUYER'S SIGNATURE X _____



**Average time saved on the deal*
by completing steps online**

30 MINUTES

*while at the dealership

WHAT SHOPPERS PREFER TO DO “ONLINE AWAY FROM DEALERSHIP”



71%

**GET INFORMATION
ABOUT THE DEAL**

(prices, warranties, add-ons, trades)

51%

**STRUCTURE
THE DEAL**

43%

**UNDERSTAND & SECURE
FINANCING**

FLEXIBILITY IS KEY

65%

OF CONSUMERS

think it is important
that dealers don't
force them down
a set sales process



TRUTH #2

**Your dealership is essential
to *completing the sale***

REVIEW & SIGN ONLINE

ONLY

11%

want to review & sign completely online away from the dealership

AND

89%

Sign in-person

25%

want to review online & sign in-person

64%

want to review & sign in-person



"I like the idea of signing the papers at the actual dealership. I like the face to face contact in a very technology advanced world. I feel it is nice to have someone there if I have any further comments, questions, or concerns."

TRUTH #3

Dealership staff are
valuable *consultants*



62%

still want help from
dealership staff
even if online purchase
options are available



STAFF NEEDS TO BE PRODUCT SPECIALISTS AS WELL AS CONSULTANTS

TOP SKILLS NEEDED IN A PRODUCT SPECIALIST

Product Specialist Skills

Detailed knowledge of vehicle specs	45%
Explain features/technology	36%
Explain different trims/models	35%
Knowledge of competitive vehicles	32%
Teach how to use technology	23%

Consultant Skills

Low sales pressure	36%
Listen to my needs	31%



80%

would never purchase
without a test drive





60%

**Use the time they save to get
to know the vehicle better**

TRUTH #4

Dealers gain a competitive edge by offering *online steps to the sale*



85%

more likely to buy from a particular dealership that allows them to start or complete nearly all of the vehicle purchase online



71%

would consider buying a car more often if they could start or complete nearly all of the purchase online



ONLINE TOOLS ALSO INCREASE LIKELIHOOD OF SERVICE AND REPAIR BUSINESS



56%

of car owners are more likely to service vehicle at a dealership that offers online service appointment scheduling

55%

of car owners are more likely to service vehicle at a dealership that provides online estimates of service costs



THE NEW AGE OF AUTO RETAIL

SELF-DIRECTED

Personalized shopping experience

FAST

Process is measured in minutes not hours

TRANSPARENT

Profitable and predictable

ENJOYABLE

Building and strengthening relationships

WHAT YOU SHOULD REMEMBER

- One set process does not meet the needs of all buyers
- Consumers want to start the process online and finish it at the dealership
- The in-store experience will become more focused on the vehicle and the relationship with dealership staff as more purchase steps move online

WHAT YOU SHOULD DO

- Differentiate by providing a digital buying experience
- Enable consumers to take as many steps online as they like and plan ahead for the transaction moving online in the future
- Seamlessly connect your online to offline experiences
- Create digital sales specialists to facilitate deals online
- Train staff as “product specialists” and “consultants”