incadea

How to sell more cars in today's half-digitized car buyer's ecosystem

Contents

Today's Car Buyers

Today's Car Buyers, the internet and emerging generations of consumers have changed the way cars are sold. It is common knowledge that more than 95 percent of customers' car shopping journeys begin online on OEM, importer and dealership websites. In addition to these, there are a series of marketplaces and aggregators offering a vast variety of on-line car offers.

So, what are the top questions to answer to define sales success in this still 'half-digitized' world?

1. How many journeys come to an abrupt stop, where the customer moves to a different site, and for what reason?

2. How many journeys end up leading to an off-line engagement with the dealership, and how is this tracked?

3. How many journeys are completed online?

4. When does the online journey transfer into the offline space of a showroom?

5. When does a lead convert to a visit?

6. And, of course, how does that tie back into the online experience should the customer decide they want to go further down the road?

7. How does the dealership's branding is supported by the above processes?

Today, a potential car buyer has many channels through which they can start, continue, or conclude their car buying journey. The Omni-channel systems seeks to manage the customer journey across a variety of channels. Digital transformation starts with professional sites featuring all sorts of tools for real-time customer interaction and extends to self-service systems that enable the customer to complete the automotive buying journey in one place. **From online leads all the way to online deals.**

The sheer quantity of digital "gadgets" and "toys" designed to make car buying fun (online chat, chatbots, virtual showrooms, virtual test drives, 3D configurators...) is truly amazing. The focus of the industry is on the "marketing to lead" process.
More leads = more deals.

The sheer quantity of digital "gadgets" and "toys" designed to make car buying fun (online chat, chatbots, virtual showrooms, virtual test drives, 3D configurators...) is truly amazing. The focus of the industry is on the **"marketing to lead" process**.
More leads = more deals.

Getting emails or push notifications from the car seller and having a microsite/account/app for the car buyer is now expected to be a standard part of the car buying experience. Yet, when and how these tools are deployed is crucial to how you drive sales.

Channel preferences, media choices and social media behaviors of potential car buyers are intensively studied and considered key factors for business success. But how and when they're used is critical to generating sales. Still, if more than 95% start on-line and less than 1% conclude off-line, it is time – while waiting for the online sales to get to 25% or more – to focus on the most important factor for selling more cars: **successful car sales professionals and showroom processes in the era of digital transformation.**

Digital transformation of car buying will need to embrace the car sales professional and focus on his/her complete enablement and precise guidance, while also focusing on the showroom experience and maximizing its efficiency. **The process "lead to order"** needs attention, monitoring and fine-tuning.

How to Sell More Cars? Through a sales team that's digitally aware, well informed and well supported in order to convert online leads into deals! Only then can we provide the customers with the care they deserve when moving from online channels to the showroom. We are able to bridge this gap by having the right tools in place, enabling the entire team to be more effective.

Channels Lead Sources & Lead Gates

Creating Demand and Fulfillment is Marketing's specialty. When someone decides to act, the customer journey enters the Sales Phase. Customer Interaction Channels are operated by a variety of owners/ sources. Channels can be digital for example websites, social media platforms or physical sources like retail showrooms and tradeshows. They are used to inform customers, interact with them and ultimately drive leads which reach the sales team.

At some point in time, the visitor is presented with a pop-up ("lead gate") to enter identification data. At this point a lead is generated and the car sales process is initiated.

Channel operators control how leads are distributed across channels. Examples include the OEM, the importer, and the dealers, which are both present in on-line and off-line channels. Social Media Companies, Search Engine Companies, Marketplaces, Aggregators operate just through online channels.

Being aware of source and channel drives a successful sales process as it influences:

- the interaction tools/gadgets
- the reaction time
- the style,
- and the optimal first step

which are key to successful car sales practice. It all comes down to the utilized interaction tools, the point to display the lead gate. along with the information passed on to the salesperson handling the case. This affects both the quantity and quality of leads that are generated as well as the conversion rate.

Hence, servicing all channels and touch points is not enough for an omnichannel sales support system. Responses and messages must be according to channel importance / weight! It is also required to use the fitting best practice for each channel (response timeframe, approach, first action step and workflow). Recent research shows that the dealership remains the most popular destination for car buyers ranging from 56% for the age groups under 35 to 78% for the age group above 65. The OEM comes second with 13% for the age groups under 44 and below 7% on higher age groups. Channels, source preferences and behaviors should be recorded and measured regularly in each market. This is a benchmark for the effective setup of the omnichannel systems. Additionally, sales managers can determine their priorities and focus on the lead population that is generated.

Bridging Online and Off-line

Nowadays, the on-line customer experience is widely acknowledged as being the single most important factor in car shopping, alongside the product itself. Because online sales without human support account for only a very small percentage (<2%), the customer experience impacts both online lead generation and online sales transactions.

Leads have to be nurtured and deals have to be closed offline. The customer may eventually choose to continue his journey online. The purchase might even be finalized after resolving any issues, special circumstances or exceptions with the help of sales staff and integration with digital engagement tools.

So, allowing customers to move seamlessly between online and offline channels is an integral part of almost every customer journey. Neither the system nor the salesperson is allowed to lose track throughout the lifecycle.

Linking the online and offline experience for an uninterrupted customer journey and maintaining a vivid relationship between the customer and dealer is critical to efficient sales execution and success.

The switchbacks between the two could happen on an average of four times until the journey is completed.

Sales support systems are required to achieve this by:

- Informing customers of their completed and uncompleted offline actions via a set of customized automated notifications and attached documents/pictures/ videos (test-drive reminder, quotation attachment in an email "thank you for your interest", link to visit virtual showroom, etc.)

- Informing salespersons of channel, source, use of lead gate, behavior and activities that the customer is performing online

Usually, systems tend to neglect tailoring of the off-line experience, which involves pairing the visitor to their dedicated salesperson and creating a personal relationship throughout the entire journey (avoid "no-reply" addresses).

The key to creating trustful relationships between dealerships, customers, and brands lies in bridging the gap between online and offline successfully.

Limits of generic CRMs in car selling

A car is a very special sales item: configuration, features, accompanying services like financing and insurance, ownership status and identity are some of the special characteristics of this item that need to be handled by the CRM.

These special steps throughout the car sales process include, among others, test drives, detailed offer, templates with every feature included, pre-sales, delivery and after-sales support. Car sales processes may vary according to brand, model, geography and season.

Generic CRMs need to go far beyond the limits of their usual functionality to efficiently accommodate car sales specifics, to become **automotive CRMs.**

Limits of traditional CRMs in a digital world

Traditional CRMs have been shown to be reliable data containers capturing a dealership's relationship with its consumers over long periods of time. Customers' vehicles and ownership history, as well as other critical usage data, are required for automotive CRMs.

When it comes to salesperson activity management and reporting, they are primarily reliant on ad hoc follow-up planning and manual data entry of activity reports.

"Traditional CRM applications lack the tool-set to support today's fast-paced, digitally changed lead-to-order processes at dealerships. "

A multitude of leads arrive in high speed and many of them are new and unknown people. This is the result of an active yet smooth digital presence and the transparency of the digital world. Today's digital leads come with a bulk of information and need immediate attendance.

A salesperson must make quick decisions based on reliable information: on the one hand, the customer's demands and online history, and on the other, the current condition of resource availability (demo cars, show-room devices) as well as her/his calendar. There isn't enough time to perform some internal calls, search several systems, update calendars, prepare activity reports, and, of course, evaluate important follow-ups and future steps in accordance with best practices.

Traditional CRM applications lack the toolset to support today's fast-paced, digitally changed lead-to-order processes at dealerships. The digital leads generated by an effective digital presence of a dealership end up sleeping in lead dormitories or even dying in expensive lead cemeteries!

The digital evolution of the salesperson

Since over 95% of leads are generated online and must be handled offline, there can be no successful digital transformation of vehicle sales without a digital evolution of the salesperson and the tools which they are using.

"Like an ideal sales assistant, a digital sales workplace communicates, guides, schedules, reminds, creates offers, test-drives and all other activities and documents,"

The salesperson needs a system available 24/7 on any device, with active notifications and easy collaboration, allowing him/her to meet with the customers on all channels at any time, proposing activities according to a best practice, scheduling and recording them automatically in real-time.

Of course, it incorporates all automotive functions in an easy-to-use interface that speaks the vehicle's and salesperson's language and puts dealership resources at her or his fingertips. A system like this is built based on **configurable best practice sales workflows which are standards in the industries and tailored to the markets.**

Like an ideal sales assistant, **a digital sales workplace** communicates, guides, schedules, reminds, creates offers, test-drives and all other activities and documents, **allowing the salesperson to effectively use his skills along with all the digital power towards a successful car sale.**

Auto-Monitoring, Event-based Analytics and AI

Workflows that follow best practices should be at the heart of the digital sales environment. The salesperson is assisted by the best practice, which provides a set of next steps, and the customer is guided through a unified journey.

Automotive sales workflows offer yet more added value:

- All online and offline steps of the customer journey are automatically recorded and self-documented.
- An automated monitoring system that can alert salespeople and managers when things are running late or are about to get out of hand
- **Event-based goals,** which focus the sales force on market best practices and activities that bring leads to maturity and deals to closing.
- Event based analytics, deliver the ultimate regulation mechanism for best practices in each market as they **combine event sequences with sales results and deliver innovative ways to predict and evaluate sales funnels.**

The automatically generated event database serves as a solid foundation for machine learning algorithms and artificial intelligence (AI), which can recommend these next steps in the best practice workflow which have the best likelihood of success based on the buyer and brand / model profile.

Successful sales teams require focused and direct communication. This can be achieved through an accurate and efficient collaboration system using all communication capabilities, like seamless MS-office integration and "sticky-notes" messaging on leads and opportunities. Activity-based approvals and flexible reassignment of activities and leads inside the sales team are of great significance. These features add to the transparency and information sharing created by the digital sales workplace ecosystem and its reporting mechanisms. All necessary collaboration is managed in real time and human contact and strategy are left to be the main content of sales team meetings.

Digital Sales Workplace

A **Digital Sales Workplace** is the heart of today's car sales ecosystem securing that today's business are accommodating a successful digital transformation strategy and enabling on-line car sales today and in the future.

incadea

About Us

We are a global provider of automotive retail systems that help dealerships run more effectively. We help our clients improve their market positions through the use of state-of-the-art technology powered by Microsoft Dynamics 365 Business Central. incadea supports more than 4,000 dealerships across 60 leading OEMs to transform their businesses and become high performers.

White paper DSW for incadea was created by OneDealer International Gmbh

Discover more

incadea GmbH
St.-Martin-Straße 61

Munich 81669, Germany

email. info@incadea.com
tel. +49 89 6933 80

www.incadea.com