

REIMAGINING THE ROAD TO THE SALE

**A Dealership Playbook Series
for Moving Forward**

**5 WAYS TO SEE MORE DATA
AND SELL MORE DEALS**



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INTRO

New opportunities continue to pave the way forward in automotive sales. Consumers are changing the way they want to buy a car, and dealers are adapting. Now more than ever, car shopping and car service customers demand efficient, digital solutions. They have come to expect the convenience of shopping online, working deals remotely, and having their car delivered to their door—or at the very least have seen that this experience is possible.

All of this means that digital retailing is no longer optional. It no longer gives you an advantage over your competitors; it is now table stakes. With 74% of franchise dealers using a digital retailing solution, consumer adoption is only going to rise. In fact, consumers' interest in finalizing a deal online has risen 73% in recent months. Two out three car shoppers now want to do more of the purchase steps online, compared to the last time they purchased a vehicle, according to the Cox Automotive COVID-19 Impact Study.

The opportunity to get ahead of the competition by delivering the personalized, efficient car-shopping experience customers expect is bigger than ever before.

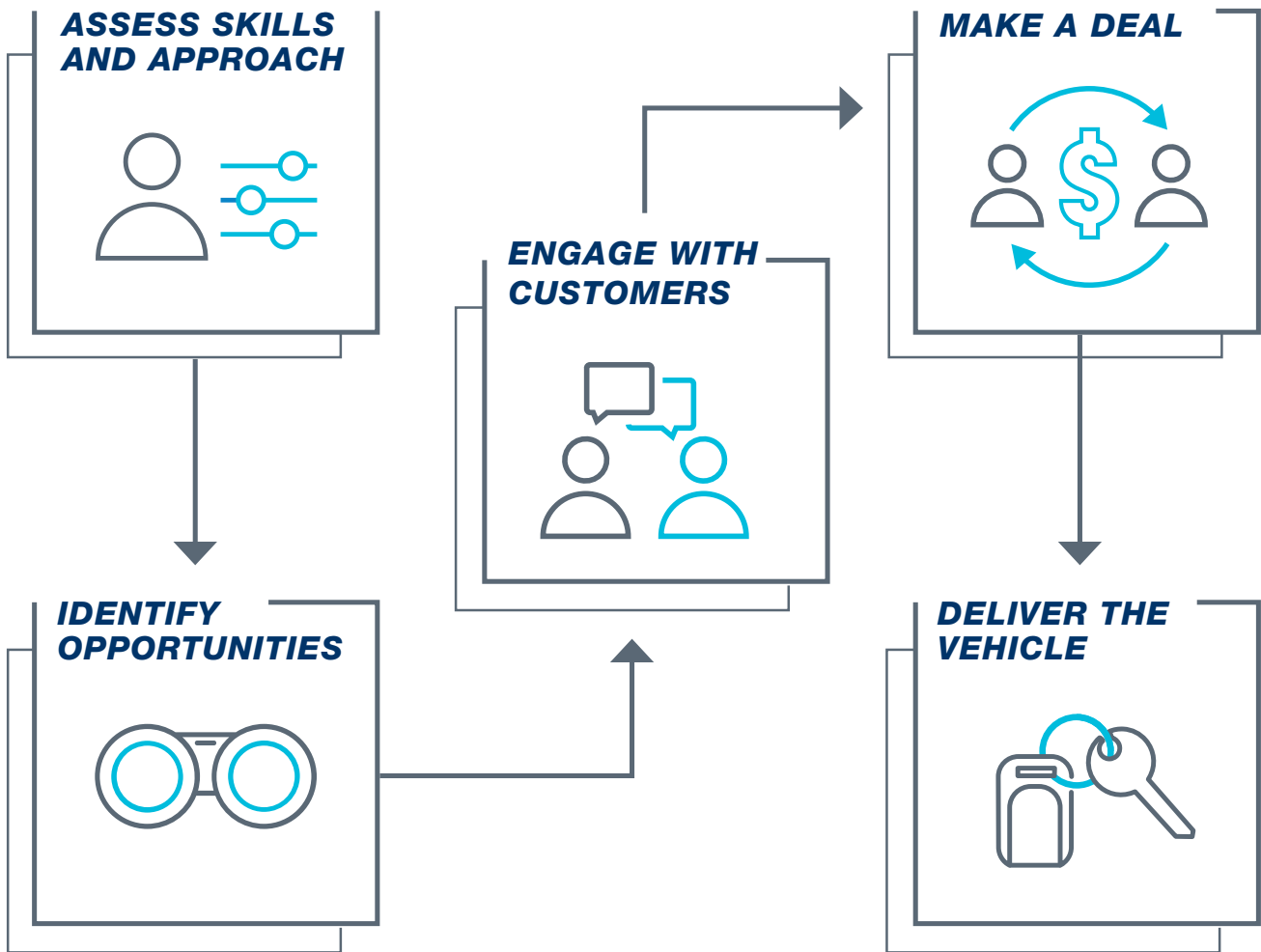
Dealerships that lean into new operating models will be the ones leading the pack in the months and years to come.

This playbook will help you drive digital transformation at your dealership, with key action items for restarting your sales operations and reimagining your road to the sale.

For more resources on reimagining the road to the sale, contact your team of Cox Automotive Performance Managers and visit vinsolutions.com/dealer-resources

INTRO

5 STRATEGIES TO SEE MORE DATA AND SELL MORE DEALS.



1 ASSESS SKILLS AND APPROACH

Sales staff are the top driver of buyer satisfaction, according to the Cox Automotive 2019 Dealership Staffing Study. Ensuring your sales team is well trained on new digital retailing processes and holding them accountable to sticking with those processes will ensure a great experience for your customers.

“As we started to evolve, we developed an in-house digital sales team (to handle) digital retailing leads from beginning to end.”

Scott Risley, Digital Marketing Manager
Mohawk Chevrolet Honda

RECOMMENDATION



TRAIN, TRAIN AND RETRAIN.

Your sales process shouldn't be set it and forget it, and neither should your training program. As you update your processes to meet customer needs with tools like digital retailing, update your training program—for new and current employees—to match.

Take advantage of resources from your vendors to ensure your team is using tools correctly and efficiently.

OPPORTUNITY:

Review your sales process and proficiency.

Use key CRM metrics to highlight processes that might be underperforming or salespeople who might need additional training.

- Overdue CRM tasks
- Customer data collection rates

STRATEGY:

Put customer experience first.

- Audit customer sentiment reports for steps in your current sales process that aren't meeting customer expectations.
- Train staff on customer service best practices. Make it clear in your training that a mediocre sales experience is not acceptable anymore.

ACTION:

Add new tools and processes.

- Add new digital retailing components for remote shopping as needed.
- Evaluate where to incorporate at-home services, such as at-home test drives and delivery.

61% of dealerships whose staff have successfully embraced working in a digital environment are not seeing a sales decline. Compare this to the **60%** of dealerships whose staff have NOT successfully adapted to a more digital environment who ARE seeing a sales decline.

2 IDENTIFY OPPORTUNITIES

If you're working with a reduced staff, the sheer volume of leads and opportunities waiting for you can feel overwhelming. But not all leads are created equally. Use the data already available to you in your software systems to identify which opportunities are most likely to lead to sales, and then focus your efforts there.

RECOMMENDATION



USE DATA TO PRIORITIZE YOUR LEADS.

Your customers are leaving you a trail of digital breadcrumbs that tell you where they are in their buying journey. When working with a reduced staff, making time to review these insights and prioritize which leads to pursue accordingly is especially important.

OPPORTUNITY:

Prioritize the most impactful opportunities.

Review key CRM reports to identify the hottest leads.

- Unanswered texts and emails
- Active leads without follow up
- Lease prospects
- Artificial intelligence-generated buying signals and customer sentiment summaries

STRATEGY:

Review the work shoppers do online.

When prioritizing opportunities, don't ignore what your customers have done online before reaching out to you.

- Incorporate data insights into your regular sales processes.
- Prioritize every digital retailing lead submission, even if the details of the submission look off. Consumers aren't experts on structuring deals, but they deserve your attention if they took the time to provide all their information.

ACTION:

Proactively identify in-market shoppers.

Once you've worked through the backlog, you may find that leads are coming in less frequently. Increase your volume by using cross-departmental data to spot new opportunities.

- Use data insights generated by artificial intelligence capabilities in your dealership software to identify in-market shoppers before they reach out to you.
- Integrate sales and service departments to proactively reach out to customers in a strong position to buy.

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ENGAGE WITH CUSTOMERS

The rules of customer engagement have evolved—and quickly. While the old practice of going straight to asking your customers when they can come in may have worked pre-social distancing, their remote shopping experiences have shown customers to expect more. No longer can selling be a black and white list of to-dos to check off. Selling today requires individualizing your approach based on customer needs and preferences.

According to the Cox Automotive study “Reimagining the Automotive Consumer Experience,” two in three consumers say that experience is more important than price in the purchase decision. In fact, they would pay more for a great experience or even switch brands because of experience. Use every interaction as an opportunity to provide your customers with the outstanding experience they expect.

“(It’s important to give) the customer the option to transact how they want to. We can do it all online, we can do it on the phone, or (the customer) can come for the traditional buying experience.”

Scott Risley, Digital Marketing Manager
Mohawk Chevrolet Honda



RECOMMENDATION

CUSTOMIZE EVERY COMMUNICATION.

Don’t assume every person who uses your digital retailing tools would prefer to pass on the traditional experience, or that anyone who calls you will refuse to communicate via text. Instead, implement a policy of flexibility and customization for every time you engage your customers.

OPPORTUNITY:

Evaluate how well you’re listening to customers.

Use data in your dealership tools to determine if your responses to customers have been effective.

- Review customer sentiment using an artificial intelligence tool that analyzes emails and text messages, and use your findings to coach salespeople as needed.
- Audit messaging by lead source, making sure that dollars spent on third-party lead generation aren’t being wasted by responses that fail to acknowledge work already done (like form fills) or prompts provided.

STRATEGY:

Take an individualized approach.

One-size-fits-all messaging will no longer cut it. Your sales approach should be personalized in the following ways.

- Tailor responses based on the lead source, communication channel, and most importantly, the customer’s message.

- Implement flexible sales processes that empower salespeople to choose whether to call, text or email based on individual customer preference.
- Meet customers where they are with digital retailing, acknowledging their work if they submitted a lead and offer to get them started if they are new to the process.

ACTION:

Make engagement convenient for customers.

Shift your thinking from the traditional road to the sale to the experience that is most convenient for your customers.

- Incorporate video, including video walkarounds, chats and test drives, to give customers the showroom experience wherever it is convenient for them.
- Most customers are new to buying cars online, so rather than forcing them into a fully digital process, offer a hybrid experience that combines digital retailing with the traditional sales experience.

“We have picnic tables that we ordered and put outside. We’ll do service paperwork outside. We’ll do sales paperwork outside. That allows us to stay connected with the customer.”

Jeff Ramsey, eCommerce & Marketing Director
Jones Junction

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MAKE A DEAL

According to the Cox Automotive report, “The Rise of the Digital Experience in the COVID-19 Era,” nearly three in four franchise dealerships (74%) have a digital retailing solution in place, and 58% of franchise dealers report consumers completing more steps online since COVID-19 started emerging. And this new way of working deals is here to stay; 79% of dealerships plan to continue using digital retailing after things return to normal. So now is the time to implement and optimize your tools and processes.

Consumer adoption of digital retailing has been fast-tracked. 65% of consumers are more likely to complete steps of the purchase process online due to COVID-19, and 2 out of 3 shoppers are more likely to buy a vehicle 100% online, according to Cox Automotive report The Rise of the Digital Experience in the COVID-19 Era.



RECOMMENDATION

MAKE DEALS DIGITALLY.

The ability to make deals digitally is no longer a competitive advantage, nor is it optional. To compete in the new normal, it is critical that your dealership offers digital retailing capabilities that enable customers to make a deal entirely online.

OPPORTUNITY:

Optimize your operating model.

Experiment with new roles and operating models that enable your reduced staff to make deals quickly and efficiently.

- Take an A–Z approach to sales, keeping customers with the same salesperson through the entirety of their buying journey.
- Transform BDC agents into your online sales team, working the deal from lead submission to pricing negotiations.
- Test out hybrid models based on your staffing situation and lead volumes.

STRATEGY:

Streamline the deal process.

Efficiency and speed are key to keeping customers engaged in the deal-making process.

- Acknowledge the work your customers have done online. Your digital retailing process won't be effective if you ignore the information a customer submits in their digital retailing lead and force them to start over when it comes time to make a deal.

- Use integrated dealership software solutions to cut down on time needed to enter in customer info and avoid having to ask them for information multiple times.

ACTION:

Enable fully remote deals.

Ensure your dealership has all the tools your staff and customers need to work deals entirely online.

- Incorporate digital document management, which stores documents in the cloud and leverages digital forms, to enable your customers to complete deals remotely more easily.
- Be prepared to take your appointments on the road. Use tools like video chatting, video walkarounds, and texting to bring the showroom experience to the customer.

5 DELIVER THE VEHICLE

Your business can no longer exist only in your physical showroom. 86% of dealers are going beyond just conducting business in their physical location, and 58% of dealers have noted an increase in consumer demand for at-home delivery of purchased vehicles, according to a 2020 Cox Automotive report, “The Rise of the Digital Experience in the COVID-19 Era.” Reimagine what delivery looks like with a new process focused on customer convenience.

RECOMMENDATION



INCORPORATE AT-HOME DELIVERY OPTIONS.

Even as social distancing guidelines loosen, consumers will expect the convenience of having their new vehicle delivered to their home. Continue to optimize your at-home delivery processes.

“I feel the customer has become more engaged because there are more ways for them to do business the way they want to and at the pace they want to.”

Scott Risley, Digital Marketing Manager
Mohawk Chevrolet Honda

OPPORTUNITY:

Make next steps clear for customers.

While customers are accustomed to having their dinner delivered to their door, having their car delivered to their home or work is likely a new experience. Ensure they understand their delivery options.

- Explain any new delivery options available to your customers, highlighting how new delivery processes are different from the traditional delivery process they likely experienced in the past.
- Meet the expectations you set. If you tell a customer you will arrive at a certain time and you don't, you're putting yourself at risk for losing their loyalty. It is better to provide a wider delivery window, for example, than to fail to live up to your promises.

STRATEGY:

Think beyond your showroom.

No longer can you confine your dealership to operating within the four walls of your store. Extend your operations to be convenient for your customers.

- Train staff to maintain the quality, professionalism and excitement of the showroom delivery experience when delivering a vehicle to the customer's home.
- Adjust key success metrics to reflect that the customer may never enter your dealership doors.

ACTION:

Optimize your alternative delivery options.

Continuously evaluate and evolve your at-home delivery process, which is likely new to both your staff and your customers.

- Explore tools and services that can streamline the at-home delivery process for your staff and your customers.
- Continuously ask for customer feedback on the at-home delivery process as it evolves to ensure it is providing value.

CONTINUE THE TRANSFORMATION:

This playbook is meant to guide you as you continue to transform your dealership to meet the demands of today's customers, but your dealership's evolution won't happen overnight. Return to this playbook regularly as you continue to evolve your sales approach and processes.

This is a new world for everyone, including your customers. Keep your focus on providing them with an experience that meets their expectations, and continue to communicate all the new ways you're creating convenience.

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