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# Create a Blueprint: Thrive in Today's Digital World



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## What You'll Learn

How changing consumer expectations drive digital change in dealerships

A future-focused, digitally driven vehicle purchase scenario

A six-step blueprint to build your digital dealership strategy

### Section 1: The Digital Future: A Data-Driven Perspective

e-Commerce is coming

Traditional channels matter less

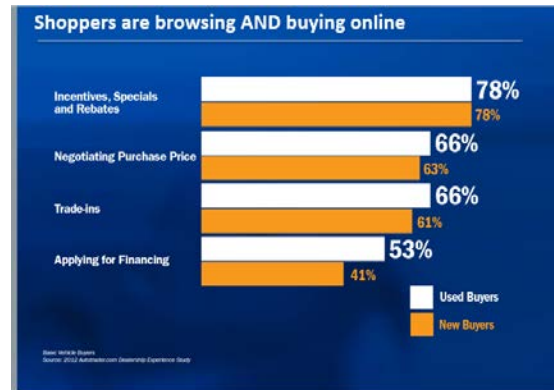
Third-party sites critical

Shoppers browse *and* buy online

Accuracy and honesty online (credit scores, trade-in values)

*BUT...shopping cart e-commerce unlikely in auto retail*

Notes:



### Section 1a: Dealership Experience Matters In Digital Marketplace

Buyers still look to salesperson for information

- 49% of Millennials, 41% of GenX, 38% of Boomers, *Autotrader Millennial Research, 2013*
- Positive ownership experiences drive future sales
- Technology helps deliver positive experience (72% gain in service satisfaction using tablets)

Notes:



## Section 2: A Digital Vehicle Purchase Scenario

- Sourcing right cars, using online tools for maximum efficiency
- Proper online merchandising, pricing, syndication to maximize inventory visibility
- Personalized, mobile engagements with interested customers
- Tracking customer preferences during shopping, initial purchase phases
- CRM notifies salesperson when buyer behavior indicates opportunity
- Customer begins first pencil online
- Salesperson engages interested customer, prepares vehicles of choice for test drives
- Salesperson, customer close deals using tablets
- Salesperson sets first service appointment
- Salesperson receives CRM alert when customer re-enters the market for vehicle purchase



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## Section 3: 6 Steps For Success: How To Stay Ahead In A Digital World

### Step 1: Find your Blue Ocean

- Define your dominate niche
- Ask, “What do we do better, different than anybody else?”
- Become a keen student of your local market
- Define your “best customer” and pursue them
- Know the customers that maximize your sales/service gross
- Recognize that close customer proximity drives profits
- Determine “loyalty to segment” for your best customers



**What niche CAN YOU DOMINATE?**

**Assortment** “The largest inventory in the Bay Area”

**Sales process** “One simple price, experience the difference”

**Customer segment** “Proud to serve you in 10 languages”

**Product specialty** “World’s largest Chrysler Ram Jeep Dealer”

Distance from Dealership	Best Customers	Average Customers
< 15 miles	65%	49%
15-35 miles	20%	24%
> 35 miles	15%	27%

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### Step 2: Source, stock and merchandise the “right” inventory at the “right” prices

- Internet makes market-based pricing necessary
- Improved gross profit comes through differentiators that drive advantage
- Technology, tools necessary to maximize each vehicle’s opportunity

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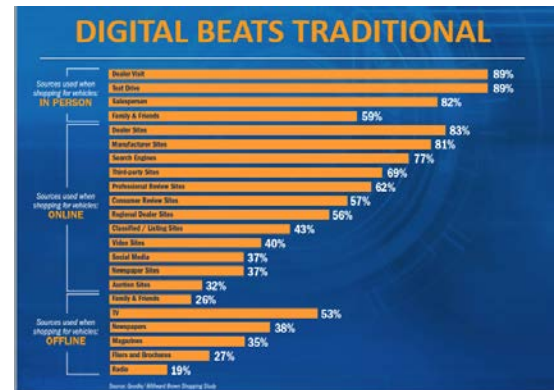
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## Section 3: 6 Steps For Success: How To Stay Ahead In A Digital World

### Step 3: Be the most effective digital marketer in your niche

- Distinguish low vs. high ROI digital efforts
- Make website, CRM and chat high priorities
- Maximize digital spend first, then go traditional
- Treat social media as supplementary to high ROI channels



Notes:

### Step 4: Build a disciplined, adaptable sales process

- Recognize less showroom time means more \$\$
- Strike balance between standard process, unique sales
- Tie showroom, digital presence together
- Integrate CRM into each step of the sale
- Use multiple communication channels
- Facilitate desking (first pencils) online

Have a disciplined, adaptable SALES PROCESS	Does your CRM:
The funnel is dead	Tightly integrate with your website?
Need flexibility, but also disciplined processes	Enable multichannel communication?
Multichannel communication is critical	Include desking?
Sales process must tightly integrate with your digital marketing presence	Have rich mobile functionality?
	Integrate with your inventory management?

Notes:

## Section 3: 6 Steps For Success: How To Stay Ahead In A Digital World

### Step 5: Focus on retention and repurchase

- Make service retention a higher priority
- Turn each service visit into positive, loyalty-driving experience
- Build your digital strategy on retention, repurchase foundation



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### Step 6: Embrace technology as source of competitive advantage

- Rethink process, purpose and strategy of technology investment
- Test each investment under "mission critical/core" framework
- Prioritize custom over commodity solutions
- Invest in proven vs. untested technologies



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