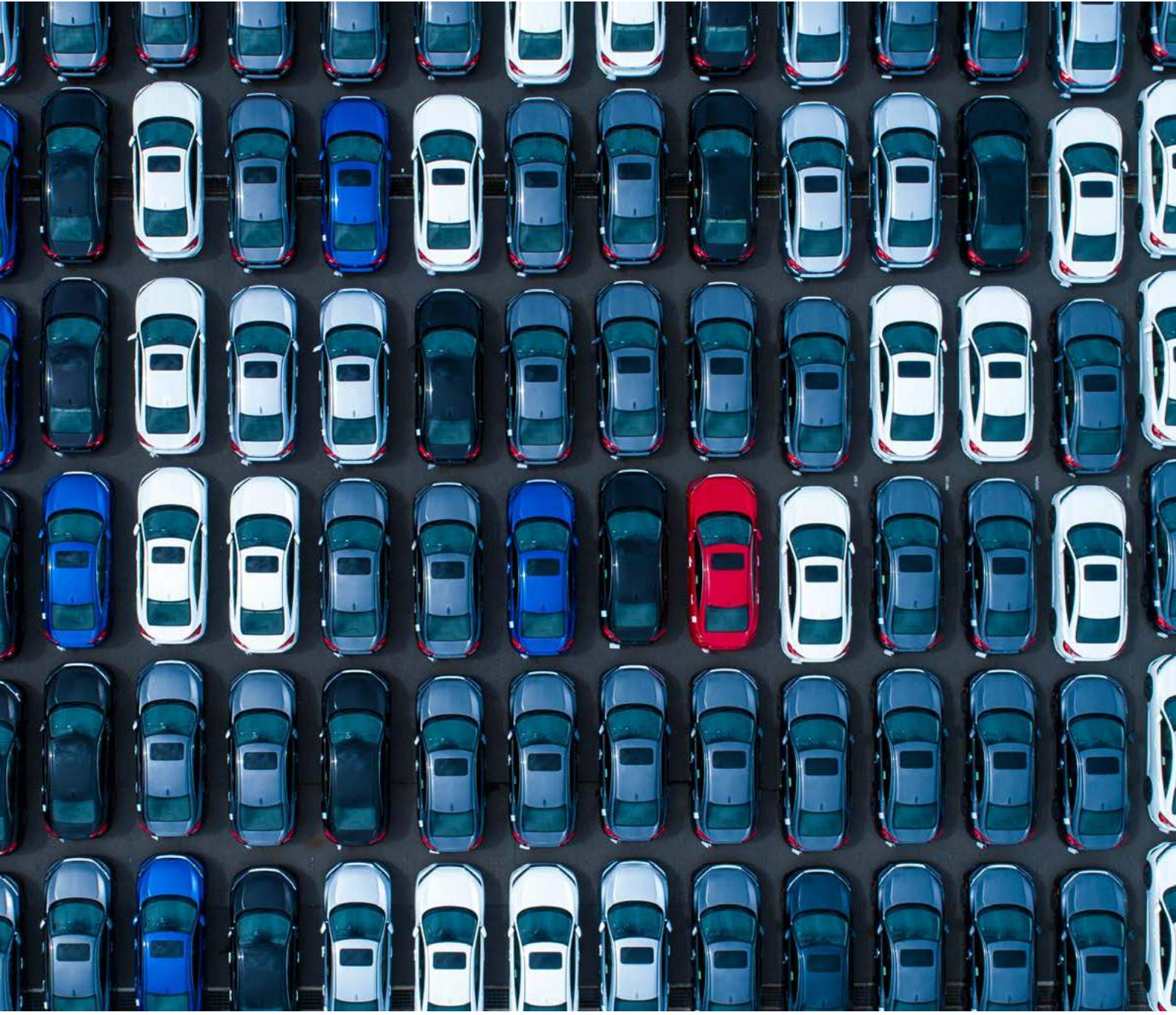


SUCCEEDING IN TODAY'S AUTOMOTIVE INDUSTRY

HOW CAN TECHNOLOGY DRIVE SUCCESS IN AUTOMOTIVE DEALERS?

Stefan Issing
Global Automotive Industry Director



CONTENTS

Automotive Market Overview	3
Buyers are changing their buying habits	3
How can technology drive success in automotive dealers	5
A modern way to consumerize the experience	5
IFS applications, a tailored solution to tackle automotive challenges	7

AUTOMOTIVE MARKET OVERVIEW

Worldwide car sales and car production in 2018 recorded the first drop of the last nine years, and 2019 is expected to remain challenging for the automotive industry, which has a value of USD 5,800 billion. Sales of new light vehicles should drop in the US (-2 percent to 16.8 million units), due to less sustained financing and increased competition with the growing second-hand market. In China, the largest car market (accounting for more than 29 percent of global sales last year), sales began in a slow pace in 2019 and should only gradually benefit from a recovery in consumer confidence tax incentives and emission mandates – two issues that led to the first drop in sales after nearly three decades in 2018.

What dealerships need to understand is that they cannot get by on short-term strategies and trying to use discounts to clear stocks. After a while, it will stop yielding results...or come at a great cost.

BUYERS ARE CHANGING THEIR BUYING HABITS

More than 50% of customers start their research with a search engine query*. Today's digital savvy auto shoppers visit the dealership less, relying instead on online research, mobile and video to stay informed and make decisions. When they do walk into the dealership, the customer is armed with a staggering array of information. Delivering on research needs and inspiring the customer is critical – dealers that succeed in this are more likely to win the sale.

AMPLE OPPORTUNITY

THE BUYING BEHAVIOUR OF CUSTOMERS TODAY OFFERS CAR DEALERSHIPS AMPLE OPPORTUNITY TO IMPROVE AND BOOST CAR SALES.

Typically, customers decide which car to buy within 2 months of beginning their search, shifting between online and offline channels at 4 times*. They expect their preferences to carry across channel boundaries, so they don't have to repeat themselves. Those dealers that fall short of providing a seamless omnichannel experience risk losing the customer.

The buying behavior of customers today offers car dealerships ample opportunity to improve and boost car sales. To start with, they need to engage with prospects as soon as they begin their search online, using intelligent targeting and analytics to identify prospects and provide them with useful information such as educational videos on the car's looks, features, and benefits lists. Dealers should drive prospects to visit the dealership website for a more extensive experience with the relevant car brand and model.

Customers also rely heavily on personal recommendations and dealers need to focus on building "promoters" – customers who are so satisfied with their purchase that they will strongly recommend it to their friends, family and colleagues. Creating promoters pays off twice: Not only do they show higher rates of loyalty and repurchase, they also create referrals and positive word of mouth that can influence other buyers. A comprehensive strategy for creating promoters goes beyond selling great cars and offering good service.



Increasingly, dealers need to complement these achievements with an inspiring digital ecosystem of product information and compelling offers. Dealers must invest in Omnichannel CRM and Apps that keep track of customer and vehicle history are able to develop a customer relationship, build loyalty and present new offers.

NEW WAYS OF SELLING

42% OF BUYERS SAID THEY WOULD CONSIDER BUYING A CAR ONLINE IF GIVEN THE OPTION.

Customers still prefer to come to the showroom to complete complex tasks like the final configuration and purchase. They value a car-buying experience that is transparent, predictable, streamlined and efficient. Dealers must ensure that customers have a speedy and stress-free experience. Salespeople should be highly knowledgeable and able to educate customers about the benefits and competitive advantages. They should have pricing, vehicle history and availability on their fingertips being able to configure a car collaboratively with the customer. Dealers should aim to streamlining F&I process to speed up loan approval and car registration.

In a survey conducted recently, 42% of buyers said they would consider buying a car online if given the option. Dealers should give sales reps the opportunity to sell cars online by interacting with customers via your website. If a customer can complete the purchase online and show up at the dealership to pick up the vehicle, the dealer will sell more cars and have happier customers.

Because an omnichannel sales process crosses functional boundaries, dealers will need to restructure parts of the organization, breaking down silos in order to serve customer better. In some cases, new roles will need to be created and filled by skilled staff.

Finally, dealers will need an ERP system that handle the changing buying patters and expectations of todays customers. IFS dealer management system is uniquely designed to handle this new reality.

HOW CAN TECHNOLOGY DRIVE SUCCESS IN AUTOMOTIVE DEALERS

A modern way to consumerize the experience

To engage the customer in today's digital world means creating a single, unified experience that will simplify their journey across every channel they choose to connect through. With an ever-increasing number of channels, delivering seamless, consistent service has never been more complex.

The IFS Customer Engagement platform combines omni-channel contact center with CRM in a uniquely configurable, AI-powered agent desktop. Our software solves complex customer service by making it simple, so you can deliver customer engagement seamlessly across multiple channels, while simultaneously delivering productivity gains in your contact center.

IFS Customer Engagement solutions enable businesses to deliver a faster, smarter service whatever the contact channel. By combining an omni-channel contact center with CRM in a single, configurable, AI-powered agent desktop, support staff are empowered to deliver rapid service however complex the request. Bringing together disparate sources of customer data from multiple systems, alongside all contact channels, your agents can deliver customer engagement seamlessly, while simultaneously banking productivity gains.

Benefits box:

- Call Handling, IVR and Recording
- Email, Chat & Social Media
- Natural Language Processing
- Mobile Customer Apps
- Simple "End User" Configuration
- Intelligent Multi Media Grouping
- Predictive Dialer
- "Build Your own" Live Dashboards

SIMPLIFYING THINGS

WITH AN EVER-INCREASING NUMBER OF CHANNELS, DELIVERING SEAMLESS, CONSISTENT SERVICE HAS NEVER BEEN MORE COMPLEX. OUR SOFTWARE SOLVES COMPLEX CUSTOMER SERVICE BY MAKING IT SIMPLE.

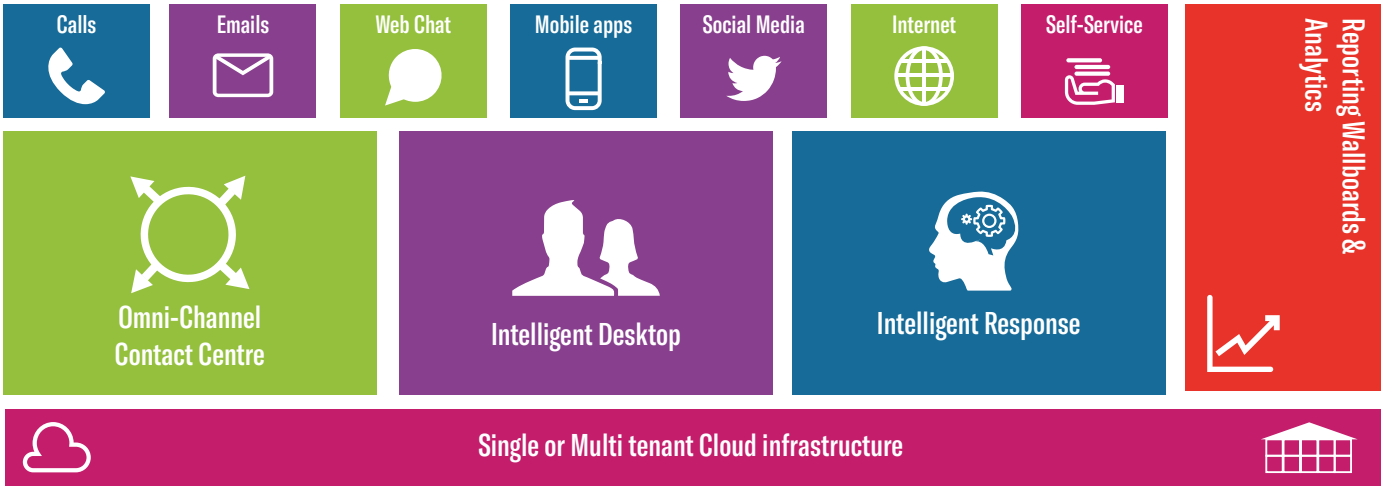


Figure 2: IFS Customer Engagement Platform



BECOME EMPOWERED

OUR IFS SOLUTIONS AND OFFERINGS ARE TAILORED TO EMPOWER DEALERS AND DISTRIBUTORS TO BECOME FASTER AND SMARTER IN PROVIDING A CONSUMERIZED EXPERIENCE

The key to overcoming the industry challenges is to become more transparent with future and current customer base. Today's customers do not have full transparency on their purchases throughout the sales and after sales cycle. The modern customer is demanding updates and detailed information related to those purchases.

Transparency is essential, from the moment the customer is engaged with the sales representative (in showroom, website, social media...etc.), to placing the order, to shipping and tracing the order and finally to vehicle delivery. The same applies to after sales, full visibility and access to vehicle service history and warranty tracking over the years is crucial for customers. Those emerging engagement trends are becoming a differentiator for customers when selecting a car dealer or a preferred service provider.

Our IFS solutions and offerings are tailored to empower dealers and distributors to become faster and smarter in providing a consumerized experience backed with a state-of-the-art back office operations platform.

IFS APPLICATIONS, A TAILORED SOLUTION TO TACKLE AUTOMOTIVE CHALLENGES

IFS applications support integrated planning across a supply network including multiple sites and legal entities. Forecasts and actual demands are captured at the end-point of the supply chain, turned into time-phased supply plans and transferred to external suppliers or internal sites. This improves the integration between sites resulting in reduced inventories and improved customer service.

Complex Vehicle and new units ordering process can be easily captured by our applications. The order, supply and control for complex BOMs with details such as model, color, options etc...is handled through simple system configuration without the need for painful and expensive custom development.

The ability to trace down a certain unit requested by a customer from a different showroom location is a key differentiator in our offering and the reason we incorporate this features in our application built-in processes.

For after sales and maintenance service we track an accurate record of all services and maintenance performed for each vehicle even if the vehicle ownership changes. Similarly, vehicle warranty and warranty related repairs are managed and tracked.

Control labor utilization and understand maintenance costs. Automate maintenance and labor schedules with full visualization of maintenance team calendar.

With IFS you can analyze and monitor the links between spare parts ordering, stock maintenance and tracking of fast-moving items throughout the entire process.

COMPLETE VISIBILITY

WITH IFS YOU CAN ANALYZE AND MONITOR THE LINKS BETWEEN SPARE PARTS ORDERING, STOCK MAINTENANCE AND TRACKING OF FAST-MOVING ITEMS THROUGHOUT THE ENTIRE PROCESS.

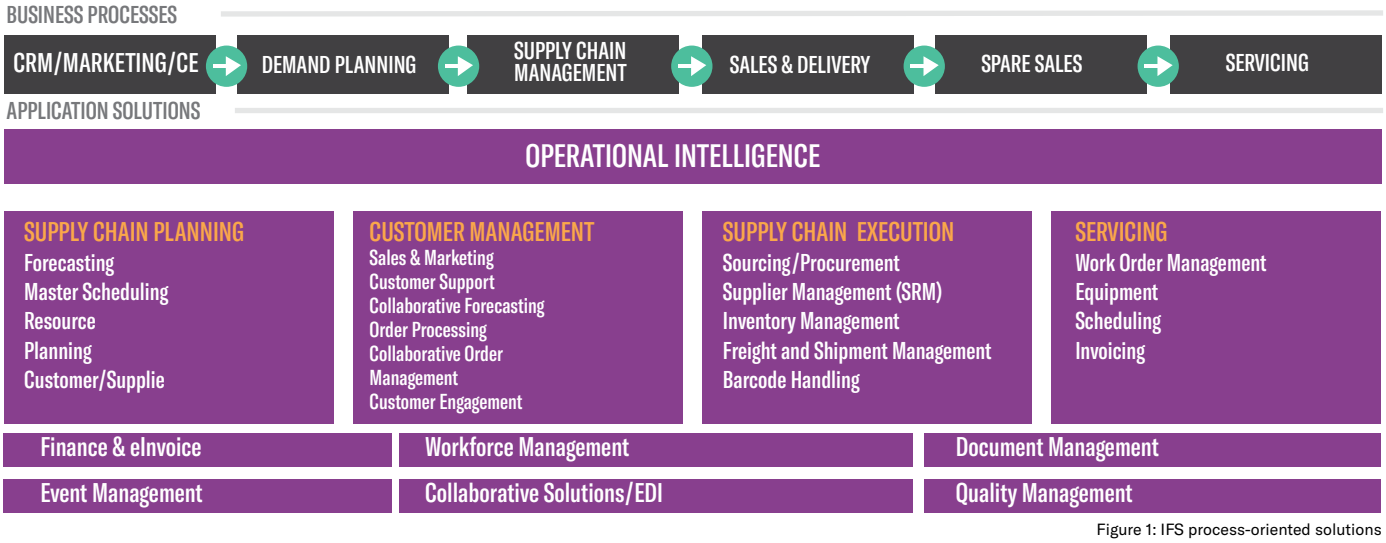


Figure 1: IFS process-oriented solutions

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ABOUT IFS

IFS develops and delivers enterprise software for customers around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. The industry expertise of our people and solutions, together with a commitment to delivering value to every one of our customers, has made IFS a recognized leader and the most recommended supplier in our sector. Our team of 3,700 employees and growing ecosystem of partners support more than 10,000 customers around the world to challenge the status quo and realize their competitive advantage. Learn more about how our enterprise software solutions can help your business today at ifs.com

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ifs.com

WHERE WE ARE

AMERICAS
+1 888 437 4968

ASIA PACIFIC
+65 63 33 33 00

EUROPE EAST
+48 22 577 45 00

EUROPE CENTRAL
+49 9131 77 340

UK & IRELAND
+44 (0)1784 278222

FRANCE, BENELUX AND IBERICA
+33 3 89 50 72 72

MIDDLE EAST AND AFRICA
+971 4390 0888

NORDICS
+46 13 460 4000

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