



# DEALERSHIP

W E E K L Y I N F O R M A T I O N N E T W O R K

## April 16, 2020 Notes

- TRUST will play a huge roll in retention (and gaining new customers) for nearly 12-18 months post Covid-19.
- The top motivators of buying behavior used to be convenience and price. While these are still top factors, **safety** and **trust** will also play in a buyer's decision-making process.
- Prior to the virus, the biggest obstacles that dealerships had to combat centered around the "deal." *Can I trust that I am getting a good deal?* Now, the battle will lie in the deal AND safety. The advantage? Your Fixed Ops departments can attract and hire better individuals to uphold and ensure safety standards being established. Which then builds the trust!
- Many dealerships are taking advantage of this time to explore vendors and technology that help transition to an online focused storefront. As we are all seeing, there is a transition to digitally driven business that could be here to stay.
- How do we create a Carvana type experience that focuses on convenience and ease (like our shoppers are used to in other industry's?) We need to embrace the online experience and push our service department - something Carvana cannot offer!
- There is an advantage to operating online, as your business can now stay open 24/7, 7 days a week. This is a unique opportunity we did not have before!
- Once you find your digital retailing tool and define your online experience, figure out how it can carry over into your showroom. The goal is to allow customers to pick up where they left off online.
- Consumers like control. Assess how you can hand over control to your customer, so more success stories come through.
- Focus less on numbers and more on transaction, safety and experience... and you will begin to see gross!
- Offer multiple ways for customers to pay, rather than requiring credit card information to be relayed over the phone. Online shopping experiences can allow the integration of

PayPal, Venmo, Apple Wallet, Google Pay, etc. to receive payment. This is another touchpoint of convenience and ease for your customer.

- There is a huge number of used cars and inventory sitting on lots. Assess your inventory and figure out what each car is worth. Potentially push hot lists out to markets that are operational/functional at this time, to reduce inventory on your lot. Consider pricing with virtually no markup just to get your inventory as low as possible.
- Look at what others are doing in regard to safety measures. Especially the restaurant industry. Consider creating outdoor waiting areas or pop up tents so customers don't have to come inside. Some dealerships are even offering free sanitation and or a free 100-point inspection as a soft sell. When you are thoroughly cleaning your stores, consider getting rid of all print materials that cannot be sanitized and reused.
- For those that have applied and received funding from the PPP loan, be thinking on best practices for this loan in the weeks to come.
- With the shutdown of OEM plants, expect a delay in the new vehicle supply chain. It could be anywhere from 60-90 days before you begin to see new vehicles and inventory. Until that time, push your used vehicles as much as possible.