



Get Set for Online Vehicle and F&I Sales

Online vehicle and F&I sales, no longer just visionary prophecy, is an exciting emerging opportunity for auto dealers to serve new markets, sell more products in novel ways, and satisfy both online and brick-and-mortar customers as never before.

Delivering these promises are next-generation dealer portals, which bundle dealer management system (DMS) and other technologies to offer a rich menu of self-serve solutions that make the online sales experience pleasant, intuitive, and feature rich.

Persistence Market Research identifies Autosoft among three DMS companies that are key players in this portal market, according to a news announcement regarding its report, "Next-Generation Dealer Portals Market Trends and Competitive Landscape Look by 2026."¹

Few doubt this move to online retail is the next big marketing opportunity for auto retailers.

"One of the largest generations in history is about to move into its prime spending years. Millennials are poised to reshape the economy; their unique experiences will change the ways we buy and sell, forcing companies to examine how they do business for decades to come," notes Goldman Sachs.²

A 2015 Accenture study³ found that 75 percent of global respondents "said that, if given the opportunity, they would consider making their entire car-buying process online, including financing, price negotiation, back office paperwork, and home delivery."

Industry experts expect up to 10 percent of vehicle transactions will be online by 2019.⁴ That prediction includes the sale of finance and insurance products using electronic document signatures, which will effectively eliminate the need to make a trip to the showroom to close the deal.

Meanwhile, Ford Motor Credit Company's new online vehicle purchase and finance platform via Ford dealers' websites has buyers visiting their dealer to simply "sign and drive."

F&I As a Service

Jim Maxim, Jr., president of MaximTrak Technologies, a RouteOne Company, and one of Autosoft's technology partners, points out that F&I technologies have been poised to deliver much of the F&I experience online for some time, but are now moving even farther upstream in the customer's car-buying journey.

"The online vision is F&I as a service—a consumer-focused, end-to-end workflow for buying a vehicle online. We're very close," Maxim says. "This is no longer selling service contracts or other aftermarket products as 'products,' but rather 'solutions' that fit a consumer's risk profile as described by F&I predictive intelligence built into the system."

"While the consumer shops for their next vehicle, F&I as a service is predicting those solutions offered by their dealer that best fit their risk and lifestyle profile. It then presents those solutions only for the consumer's purchase consideration. We know that when solutions are matched to needs, sales increase," Maxim says.



For the showroom, he adds, this technology is about enhancing consumer interaction that creates transparency and equips dealership personnel with cutting-edge tools to communicate more efficiently with Millennial and other tech-savvy buyers.

A 2017 report⁵ from UPS sheds more light on consumers' drive to engage businesses digitally and retailers' responses to it.

Dealers who want to market successfully in online vehicle and F&I sales will catch consumers' attention at multiple points along their shopping journey.

"Along the consumer's path to purchase a new car, he or she likely will engage with the dealership through multiple channels. The dealer who can nurture this experience seamlessly across both digital and traditional channels will be the most likely to create a superior customer experience," says Darryl Barber, a corporate automotive segment marketing manager for UPS, in Wards Dealer Business. "This can translate into a successful sale and a higher probability of increased customer loyalty resulting in referrals and repeat business."

A Vision for You

What does online vehicle and F&I sales look like in your dealership? Autosoft's vision is to provide dealers with next-generation technologies that give your consumers:

- A feature-rich online shopping and buying experience that puts them in control of how they wish to engage your dealership, whether online or in-person.
- Fast, seamless online transaction times, whether they request product information or use digital apps to evaluate and purchase aftermarket products.
- Mobile-ready tools, so wherever your consumers shop, in whatever stage of their shopping and buying process, your door is open and welcoming.
- Online review access to your sales and service personnel, enabling social-conscious customers to check out staff photos, backgrounds, and personal interests, as well as read other customers' reviews of their experiences with those individuals and the dealership.

Additionally, we want these technologies to provide you and your dealership:

- Connectivity and collaboration tools that interact with shoppers and customers, as well as with their friends, families, vehicles, and other vehicles in the service department.
- Engagement techniques that pull valuable data about consumers from their social networks to help you establish and build rapport at a more personal level.
- Reporting tools that provide clarity into consumers' online and brick-and-mortar touchpoint interactions, in real time, to identify opportunities and profit leaks.
- Intuitive F&I tools that streamline this online process, give consumers more control over their options and choices, and speed financing and aftermarket sales to boost per-vehicle retail and product penetration.
- Seamless access to service e-menu tools, service scheduling calendars, service pricing and special offers, loaner car reservation and registration, and email, text, and mobile access to service writers.

But Don't Abandon Your In-Store Mojo

Dealers need only recall e-commerce's ability to, rather quickly, choke Borders Books and Blockbuster Video to realize where dealership technology and processes must head to survive. However, while online processes will continue to increase in importance, you certainly don't want to lose focus on your in-store performance.

Give renewed focus to sharpening your in-store mojo. Nurture and reinforce best practices, one-on-one engagement, asking good questions (and practicing even better listening), and guiding consumers to the right vehicle with the right insurance products for their lifestyle and budget.

Invest in sales engagement skills training. Leverage your technology providers' expertise and support services to ensure top performance of their tools by your staff. Put a few product specialists on the show floor and in the BDC to help less-adept customers understand and use today's high-tech vehicles and their various driver interface technologies.

Brainstorm online transition options and sketch what "going online" means for your business. Get reacquainted with the local and regional market and consumer trends and demographics. Read the literature on changing consumer buying behaviors. Learn how your 20 Group peers are responding and talk to your technology providers. Prepare now to seize success in a full online vehicle and F&I sales environment.

1 Digital Journal, <http://www.digitaljournal.com/pr/3168106>

2 Goldman Sachs, <http://www.goldmansachs.com/our-thinking/pages/millennials/index.html>

3 Accenture, <https://newsroom.accenture.com/industries/automotive/car-buyers-want-better-digital-experience-most-ready-to-complete-entire-process-online-accenture-study-finds.htm>

4 Automotive News, https://www.autonews.com/article/20170313000100/FINANCE_AND_INSURANCE/303139989?template=print

5 Wards Auto, <http://wardsauto.com/digital-marketing/selling-cars-information-age>



Autosoft provides and supports a complete dealer management system (DMS) that has received the Highest Rated DMS award from DrivingSales three years in a row. With affordable month-to-month contracts, Autosoft's DMS improves processes and reduces operating costs in over 2,000 franchised automotive dealerships. Easy-to-use, affordable, and innovative software helps dealers focus on their customers' needs.