

Point and Click Your Way to Profit



Demetrios Lahiri

The modern consumer can simply point and click on any mobile device to purchase essentially anything online – light bulbs, batteries, a round-trip, first-class vacation for a family of four, a new Rolex watch, or furnish their entire house! Today's society is becoming more accustomed to completing all of their purchases, big or small, via their smartphones or tablets; including purchasing their next vehicle.

In the automotive industry, a few dealers have been leading the marketplace in this trend by providing full information mobily. These dealers are including forty or more pictures of the automobile in order to provide a virtual walk around experience for the consumer. They also provide the option of money-back guarantees, warranties, full disclosure Vehicle Service Contracts (VSC), GAP options, and other Ancillary product options all online. Furthermore, these dealers provide a way to remotely sign the contract, and have the vehicle shipped to the consumer, or the consumer may pick the vehicle up at the dealership, without having to ever interact with a salesperson, sales manager, or business manager in person.

How Do I Embrace the Mobile Movement?

The dealers who are moving towards a mobile direction are able to sell more vehicles, and make more per vehicle on both the front and back end, than those who are wary to embrace this change. The starting point is to create a user-friendly website that is also responsive to the various mobile devices out there. A responsive website design means that the entire site's layout adapts to the smartphone, tablet, or laptop screen that it is being viewed on, so the consumer can still easily see all of the content and functionality. If a website is not optimized for a smartphone or tablet, the consumer will most likely leave it shortly after entering as it is too cumbersome for them to navigate through mobily.

Building a Mobile Culture

The second step is to build a culture that supports selling a vehicle online. The purpose of the website is not to just advertise a product or entice the consumer to visit the brick and mortar dealership, but to also allow the consumer to make and complete a purchase remotely. The steps to a sale are still in place, but they must be experienced virtually. If the dealer expects to sell a vehicle through their website, the proper greeting, interview process, dealership tour, and walk-around of the vehicle must all still be accomplished.

Building Value for the Mobile Customer

If the consumer was in your dealership, you would review a Feature – Advantage – Benefit presentation of the vehicle they are interested in. This is even more important to portray to a consumer on a mobile device. To do this, you need to build value in the vehicle and the dealership through your website or application. Building value will also lead to higher online closing rates and gross profits.

The easiest way to build value and confidence in the vehicle is through a high quality virtual walk-around. This starts with clear, high-definition photographs of both the exterior and interior of the vehicle. Take detailed pictures of all the big or small features a consumer would look at if they were at the dealership. Proper lighting is also very important to keep in mind when taking photographs.

Take a clear picture of each tire and wheel, and label each picture accordingly. Another great recommendation is to include a picture of the vehicle's navigation system, with the dealership as the destination on the screen. Also, make sure that the view is large enough to see the surrounding streets. Also, take a picture of the DVD player in the back seat, with a popular children's cartoon playing and the headphones plugged in to appeal to those looking for a family vehicle. Lastly, have a picture of the rear camera with the parking assistance shown. This is an important feature for the majority of consumers and should be highlighted with photographs and not just listed under all of the options. If selling a pre-owned vehicle online, take photographs of the owner's manual, both sets of keys, and service records. Please keep in mind to block out any of the previous owner's private information that may be listed on the records.

Creating Trade-in Confidence

Helping the consumer feel confident in selling their trade-in to you, as opposed to selling it to an individual or another dealership, is another part of increasing your online sales. Have a separate link that allows the consumer to put down detailed information about their vehicle to easily obtain a purchase figure from the dealership. If enough detailed information is collected online, most trade-in appraisals will be at fair value for both the buyer and seller. An important note, is to include a disclaimer on your website that the trade-in value given online may increase or decrease after the dealership appraisal if the vehicle is not as represented. With that, it is also critical for this step of the online sale to utilize the various available web-based tools for evaluating vehicle worth.

Electronic Credit Application

Providing an electronic credit application for the consumer to fill out is another important step for the online sales process. This will also allow the dealer to compete for the consumers' financing. The best way to proceed with this is to have a secure site with a digital signature option. Please note that not all lenders allow electronic credit application submissions, so be sure to get prior approval from your lender(s) before implementing.

The Mobile F&I Process

The last step, which is often missed, is to have a full presentation of 100% of the F&I products for 100% of the consumers, 100% of the time. Create an electronic Feature-Advantage-Benefit presentation of the various products that the consumer can click through. Then, once they have gone through the presentation, an electronic menu will generate where the consumer can click which products they would like to purchase. Once the consumer has selected all of the products, if any, an accept/deny form will be generated, and the consumer may complete their purchase, depending on the banking options available.

By adapting to a more mobile landscape for purchasing vehicles, dealers will be able to sell more and make more profit. The above game plan will help simplify how you can cater to the wants and needs of this new consumer, while keeping the purchasing process enjoyable and rewarding for all involved.

Demetrios Lahiri, Vice President of Sales
DLahiri@AFASinc.com