

EVOLVING CUSTOMER EXPECTATIONS: Capitalizing on Changes in Consumer Behavior



Today's consumer world looks very different than it did a short time ago. Customers expect a great deal from their investment in a brand. With the implementation of advanced technology and the elimination of localized consumerism, customers are now seeking a higher level of service and quality. Make no mistake, modern customers are positioned firmly in the driver's seat.

Advancements in technology have removed the traditional barriers when it comes to customer behavior. Ecommerce has opened the door for global consumerism. Customers are no longer limited to what they can find nearby. Products can now be shipped from halfway across the world and with the integration of automation and AI technology, customer service has reached a new height. This is the new world that businesses find themselves operating in. It is no longer enough to put up a sign and open your doors. Evolving customer expectations are now driving companies to reach ever higher to earn consumer business.

THE EVOLUTION OF CONSUMER BEHAVIOR

Technology offers us a great deal in the way of convenience. Google connects us to nearly any information or company we are seeking. Flights are now booked in minutes without the assistance of a travel agent. Brick-and-mortars are vying with online businesses and consumers are comparison shopping before giving their business to any company. Our access to brands, products, and services is greater than ever before.

Consider some of the world's most recognizable and successful brands:



Valued in excess of \$30 billion



Worth more than \$1 trillion



Value exceeding \$4 billion



Worth approximately \$7 billion



Valued at more than \$140 billion






Worth approximately \$72 billion

With so many brands to choose from, what makes these giants pull ahead of the competition? These companies don't offer never-before-seen products or services. It's not what they're selling, but how they are selling it. Why are consumers flocking to these businesses? One simple word—**convenience**.

These businesses make it easy to interact with their brand and convenient to access what they are offering, all of which sets them apart from their competitors. You could call for a taxi to get to your destination or try hailing one, but instead you open the app and grab an Uber as you prepare to walk out of the office and it's waiting for you on the curb as you exit. You could go grocery shopping, but who has the time? Simple solution—use Instacart and those groceries are delivered to your doorstep.



Who can forget the Ecommerce giant, Amazon? Amazon offers access to everything from personal hygiene to car parts to entertainment, but the real reason they succeed involves free shipping within two days. In major cities, Amazon operates Amazon Prime Now, delivering to consumers within the hour. The true secret to their unrivaled success is the unparalleled level of convenience they offer. Consumers want it and they are willing to pay.

-  **Amazon Prime membership:** \$119/per year
-  **Instacart membership:** Annual fee of \$149 with automatic tips added upon delivery
-  **Uber:** Ride fees based on various transportation options

Convenience isn't free, but customers would rather pay a premium to have it, rather than paying less to be subjected to additional hassle. The secret to consumer behavior revolves around the added value of convenience leading to a situation where the customer perceives an unmatched consumer experience. It is this experience that converts customers into loyalists.

CONSUMER BEHAVIOR AND THE AUTOMOTIVE INDUSTRY

VEHICLE OWNERS SEEK OUT NEARBY SERVICE SHOPS BECAUSE IT IS MORE CONVENIENT THAN DRIVING TO A DEALERSHIP.



Where does the automotive industry fit in with evolving customer expectations? Routine maintenance and service visits are a necessary part of vehicle ownership. In fact, many Americans rely on a trusted mechanic to service their vehicle, rather than undertaking the maintenance themselves.

72% of Americans say they rely on a technician they trust to maintain and give advice about their car.



Nearly three quarters of all Americans trust service providers to maintain their vehicles. Of this constituency, only about one in every four service visits take place at a dealership.

About 25% of all service visits occur at dealerships. That means dealerships are missing out on 75% of potential service visits.



With such a high demand for maintenance, why are dealerships not seeing higher revenue from service visits? The argument might be made that you pay a premium for service visits at a dealership. But, as Amazon, Instacart, and other brands illustrate, consumers are perfectly at ease paying a markup for a product or service as long as they are also receiving a convenient experience. The primary element missing from dealership's service departments is not customer service or qualified mechanics, but rather convenience.

Approximately 50% of all service visits occur within 10 miles of the owner's home.



Dealerships are also in the business of sales. Like vehicle service, sales also need to target customers and adopt new methods based on evolving consumer expectations. Did you know that nine out of ten consumers don't want to come to your dealership to buy a new car?

90% of your customers want to experience sales without coming to your location

**DEALERSHIPS HAVE AN OPPORTUNITY TO PULL AHEAD OF COMPETITORS.
THEY CAN DO THIS BY OFFERING A CONVENIENT EXPERIENCE.**

HOW TO CAPITALIZE ON CONSUMER BEHAVIOR IN THE AUTOMOTIVE INDUSTRY

Consumers want convenience. Although, most dealerships believe they are already offering a convenient experience, they traditionally rely on discount offers and overpriced advertising to draw in vehicle owners for service or sales. This requires a large investment from the dealer and a great deal of effort on the consumer's part, who are forced to seek out the "hidden deals" and reserve a day or more for dealership browsing and test drives. In addition to obsolete marketing methods, dealerships also need to contend with lost revenue resulting from loaner cars, no-shows, and used-car sales.

Consider the brands discussed previously, such as Amazon, Instacart, and Uber. What do these all have in common? Rather than bringing people to the store, these brands bring the store to the people.

In the automotive industry, offering a convenient experience results in the following gains for dealerships:

99% positive consumer response

36%+ reduced loaner car time

25%+ increased service spending

50%+ engagement rate

32% improvement in retention

1% no show rate

THE QUESTION THEN BECOMES: How do dealerships bring the store to the customer to offer a convenient experience?

Undertaking the logistics needed to put this kind of service in place seems intimidating—but it doesn't have to be. As other major brands have proven, anything is possible with the right technology.

AutoPoint is an all-inclusive software platform that provides you with the tools you need to transform your dealership into a convenient experience for vehicle service and sales. With our comprehensive platform, you can:



Target consumers using marketing methods that work.



Streamline communications to simplify auto appointments and push out deals and reminders to relevant customers.



Use our valet service to pick up and deliver cars for service appointments and test drives.



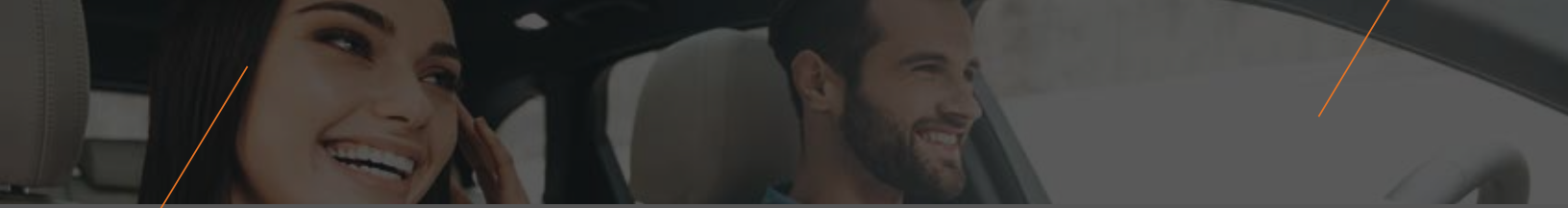
Offer a branded experience using sales methods that your consumers prefer.

We offer all these features and more. With AutoPoint, you get more for your investment and you can successfully bring the dealership to the customer. Did you know that offering this kind of convenience will only cost you approximately \$50/per year to retain each customer?

AutoPoint is the tool that makes a convenient experience possible in the automotive industry. AutoPoint automates:

- Driver scheduling
- Consumer notifications and reminders
- Vehicle photos
- Driver tracking
- Reporting
- Surveys

With the right software and an innovative approach, your dealership can capitalize on changing consumer behaviors and pull miles ahead of the competition.



PARTNERED FOR SOLUTIONS, NOT JUST SOFTWARE.

WHO WE ARE AND WHAT WE DO

AutoPoint transforms the vehicle ownership experience, bringing together every service necessary for providing unmatched automotive customer service. Our industry-leading tools empower dealerships and OEMs with a robust technology platform that demystifies sales and customer retention. Our powerful software suite contains every tool dealerships and OEMs need to promote sales, launch effective marketing campaigns, provide maintenance support, supply proper documentation, and increase customer retention. Our comprehensive platform supports you every step of the way so that you can ensure top-notch customer satisfaction.

AutoPoint is the leading solution for automotive customer management. Our software transforms the vehicle ownership experience, connecting every service necessary for dealerships, OEMs, and service departments to provide unmatched customer care. Our industry-leading tools empower you with a robust technology platform that demystifies sales and customer retention. Increases in shop efficiency allow for leveraging of fixed ops to boost your annual revenue.

Offering exceptional customer care is what we do—so you can do it too.