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THE MOTOR DEALER REPORT FROM AUSWILD & CO
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WHAT IT TAKES TO SELL A CAR TO A MILLENNIAL

Millennials (also known as Generation Y) are the generational demographic cohort following Generation X. Although there are no precise dates for when this cohort starts or ends, demographers and researchers typically use the early 1980s as starting birth years and the mid-1990s to early 2000s as ending birth years.

Millennials are likely the most studied and talked about generation to date. They are the first generation in history that have grown up totally immersed in a world of communication, media and digital technology, which have shaped their identities and created lasting political, social and cultural attitudes. Millennials are also the largest generation to date and like every other generation, they display generalised and unique traits that make them different from their predecessors.

And as the Millennial generation begins to “flood” car dealerships, how are you going to sell to them? *Conor Bergman* is a marketing analyst at **uShare.to**, a provider of video, audio and chat sales-engagement software for auto dealerships. He is also a Millennial interested in the changing buying behaviour of the new demographic of his peers entering the market.

In a recent article written for **WardsAuto**, *Bergman* writes that as a Millennial, he has a lot of options when looking to purchase a car, arguably too many options for any generally uninformed customer to make a reasonable purchase on their own.

He also writes that Millennials are likely to spend more than 10 hours researching more brands than any previous generation before even setting foot in a dealership. They will also have considered more cars from more dealers than any other age group of customers, but ultimately, will only visit one dealership in person – and they will know exactly what that car they have come in to buy really costs. And, no, they don't want to spend an extra thousand to spice it up.

You Have 10 Hours to Catch My Interest

When window shopping from my Windows machine I will come across your dealer site through a Google search, either indirectly via some aggregate or by perusing local dealers.

The first thing I consider won't be your fancy new lobby, meticulously designed after the latest European trends. It won't be the crisp, pressed suit of your lead salesman.

The first thing I will look at will be five little stars next to your dealership listing. Over 70% of Millennials indicate reviews on independent websites significantly influence their purchase decisions, the leading indicator, followed closely by input from family and friends. These reviews aren't limited to individual cars. Dealership ratings make or break online first impressions.

You Have 28 Minutes to Get Me a Test Drive

As a dealer, you are there to stop me from buying the wrong car, because despite what I may believe, I really don't know what I want.

When I come in looking for a cherry red coupe, it's your job to help me realise I might need a sedan. Get in front of my face ASAP, even before I decide to drop in. When I'm Googling online and land on your site, have an option to ask questions, or to go on a face-to-face video call with a salesperson.

People trust the expertise of dealers. You want me to go to your dealership for information, not to continue to shop around. According to J.D. Power, the primary source of satisfaction in consumer responses is advice from dealers.

Once I'm in the dealership, I want to grab my car and get out as soon as possible. Maintain a personal connection throughout the process. When I walk in, have records of our previous online contact readily accessible. The technology to implement all of this exists already.

You Have 39 Minutes to Process the Paperwork

Thirty-nine minutes? Certainly that's not possible, is it? But who said all the paperwork has to be done in person. This is the 21st century. I may not be willing to spend 39 minutes sitting in your office as you get all the papers together, and I'm certainly not going to wait more than another 39 minutes to figure out all the financing.

But if you give me the option to do the essentials from the comfort of my computer screen, only dropping by the dealership to clean up any physical necessities and pick up my new ride, well then now we're in business.

Modern customers know the invoice prices. They have access to the inventory listings at the nearest 100 dealers at the tip of their fingers. But according to a study by Accenture, modern consumers also are willing to sacrifice price for ease of experience.

Over 60% of consumers reported they would rather shop without ever negotiating with a sales person. The advantage no longer lies in squeezing out the bottom dollar. A dealership gets its edge by how customers are guided throughout the whole process.

You Have 45 Minutes to Perform Simple Maintenance

Customer engagement extends beyond the sale. I don't want to be dropped and discarded as soon as I leave the dealership. Nor do you want to do that.

After sales, service is where positive dealership ratings are made, and where technology takes the centre role.

Integration of modern technology with support services directly impacts customer retention. According to JD Power, customers who are contacted by text message are much more likely to report being loyal to a dealership, where 67% say they "definitely will" return for future services, compared with 55% when contacted by telephone.

Here's where dealerships are falling short: only 3% of customers report contact via text message.

Getting Off My High Horse

Selling in any discipline has changed drastically over the past few decades with the introduction, indoctrination and interdependence of the online marketplace.

New technology seems to pop up and fizzle out every other week. So how are you supposed to keep me satiated? First of all, fully embrace social media: the Millennial consumer is turning to social media unlike any other generation.

Establishing a presence on social media is essential to brand perception.

Know when to contact me in person, and when to keep your distance. Millennials reported a preference for text message rather than audio contact when scheduling, but also reflected more trust and higher loyalty when there's an option for video/face to face interaction.

Bergman says that as a Millennial, he is not all that different from customers of previous generations. Millennials want to feel they are heard and avoid superfluous speed bumps.

That said, modern customer experiences are more digital, while previous generations' experiences were strictly in-store. Dealers who cater to Millennial preferences will have an advantage as more members of that tech-oriented generation enter the market.

Source URL: <http://wardsauto.com/dealer/what-it-takes-sell-me-cherry-red-coupe-or-sensible-sedan>

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