

Prepare to Ride the Big Data Wave

November 14, 2018 • by Carla Fitzgerald



Photo by Petershort via Getty Images

Staying connected to friends and family used to be figurative. Today, it's literal. We keep tabs through texting, Facebook, and location-sharing apps. We follow each other — and our favorite celebrities — on Twitter and Instagram. Can you imagine trying to pick up someone from the airport without receiving flight status notifications, real-time traffic alerts, and, most importantly, texting the person to find their exact location? Some of us lived through that era, and we're still traumatized.

Connectivity is permeating our lives with connected watches, connected homes, and connected cars. For automotive dealers, connected cars have provided a means to attract tech-savvy consumers. In the future, connected cars will provide a much greater opportunity for the dealership, enabled by rich data and automation capabilities that were never before possible.

Creating Customer Loyalty

In automotive sales, customer lifecycle is king. A great buying experience can lead to a long service relationship, which leads to the customer's next car purchase, and so on. A trusted relationship may well result in a lifelong customer who is faithful to you and your brand. This customer will turn down sales and service offers from your competitors because they trust you. This loyalty drives recurring revenue for your dealership.

In the past, loyalty was driven by personal relationships. In the connected era, loyalty requires personalized relationships. Consumers now expect their preferences to be known, their communications efficient, and their time respected. That's why they typically spend 10 hours shopping online for a vehicle.

In short, your ability to leverage vehicle connectivity is vital to implementing a personalization strategy that cultivates loyal customers.

More Connection, More Automation, Less Perspiration

Connected cars were designed by OEMs for the benefit of consumers and themselves, not for dealerships, so their utilization by auto dealers to improve the customer lifecycle is new. Connected car technology leads to invaluable data that can be analyzed to uncover dealer and consumer blind spots across the customer lifecycle.

Test drive analytics can identify factors at the dealership that affect what consumers intend to buy and what they ultimately purchase. Inventory analytics can help direct how to quickly identify, promote and move aged inventory to best impact sales.

But beware! Analytics can become complex and overwhelming quickly — there's a reason why they call it "Big Data!" That's where automation must help. The dealership of the future will use connected vehicle data to automate tedious, labor-intensive tasks, like knowing which cars have low batteries or where (or whether) they are on the lot.

Data is powerful, and combined with automation, it's a game-changer.

Step Into the Future

Connected vehicle technology has the potential to deliver the most accurate customer data we've ever seen, such as actual mileage collected directly from customer vehicles, to feed your DMS. Automation then triggers your CRM to send service reminders, offer lease trade-ins, or suggest package upgrades. Imagine vehicle and consumer data that lets you predict future service revenue, optimize service bay usage and staffing, and even adjust inventory mix by vehicle trim, age, and condition.

Technology isn't a replacement for relationship building; it actually enables more personal relationships with car buyers at every point in the customer lifecycle. Connectivity and automation, when properly implemented, remove the impersonal "batch and blast" marketing approach most dealers have with their customers. Connected vehicle data helps you develop personal connections that improve customer satisfaction and increase revenue to your business.

We hear a lot about the Big Data revolution. It's a concept that one might think of as a data tsunami about to drown you. But the right solutions and providers can tame the wave and give you the skills to ride it into the future, with critical insights to make sales more effective, operations more efficient, and consumers better engaged. And that is really the end game: turning every buyer into a lifelong customer.

Carla Fitzgerald is the CMO at Spireon and a 25-year veteran of the business development and product marketing segments. Email her at carla.fitzgerald@bobit.com.