



Whitepaper:

**The Showroom Redemption:
Delivering customer experiences
that drive up profitability**

This paper is prepared by  **saturn**

Contents

About this white paper	3
Executive Summary	4
Our research findings	5
What people like about car shopping	5
What people dislike about car shopping	5
Demographics differences	6
Solutions	8
Digital forecourt assistant	8
SaturnSelect	9
Definitions	10

About this white paper

This white paper aims to help car dealerships/used car showrooms to be more efficient and serve their customers better. It has been compiled using data collected by a market research agency and is based on the feedback from 2000 full and part-time adult workers from across the UK.

It is an in-depth guide to understanding what customers like and dislike about the dealership/showroom car shopping experience, the subtle differences between different types of customers' perceptions, and gives guidance on how to personalise the experience to make it more positive and profitable.

Key takeaways

In this white paper you will learn:

- A quarter of people think that going to a car dealership or showroom is the most 'boring' type of shopping they've experienced
- Only around one in ten say that the salespeople make them feel welcome
- Most people think dealerships/showrooms all look/act alike and are indifferent about which they go to
- There are wide variations in customers' perceptions about the car shopping experience, especially those in different age groups and of different genders
- How to use digital signage to deliver a better customer experience and make your dealership more profitable using digital signage

Who created this white paper

Saturn Visual Solutions is a digital signage consultancy that works with a variety of car brands, car dealerships and user car supermarkets, helping them to improve their customers' experience and to be more profitable.

Why we did this research

As a company focussed on improving car buyers' experiences and increasing dealerships' profitability, we were keen to find out how customers felt about it from start to finish and how that compared with other types of shopping experience. We wanted to know what they liked and disliked about car shopping and to what extent, and whether we could create a win-win situation whereby customers had a better experience and dealerships/showrooms were more profitable.

Executive Summary

Research commissioned by Saturn Visual Solutions has highlighted a number of negative perceptions about the car shopping experience.

- Significant numbers of people said that they find it 'boring', overwhelming, and/or uncomfortable.
- The majority of people have no loyalty to any one dealership or used car supermarket brand.

The research also found that there are large differences in perceptions between the different demographic groups.

- Younger people are the most likely to be enthusiastic about learning about cars, but also the most likely to feel overwhelmed by information, and to feel ignored by salespeople. They are the most likely to want information on-demand, delivered via digital displays.
- Older people (65+ yrs) are statistically the most likely to enjoy car shopping and engaging with salespeople.
- Middle-aged people (35-64 yrs) are the most likely to think car shopping is 'boring'.

At present, car buyers feel the forecourt experience is pretty standard across dealers and that there is little to differentiate them. As such, there is so little brand loyalty across all dealerships/used car showrooms in the UK that any brand that is able to iron out the negatives and dial up the positives and make those changes synonymous with their brand, could have a massive competitive advantage.

From a customer's perspective, the on-site sales process for most dealerships/showrooms hasn't drastically changed in 50 years. This must be considered in context of other areas of retail where changes are constantly being adopted – especially using digital technology - to improve the customer's experience and increase profitability. As a result, car buying can feel somewhat outdated and unhelpful.

However, dealerships and showrooms are often having to do more with less, as sales staff numbers are often reduced to maximise profitability. This results in staff being put under greater pressure, and customers (especially 'walk-ins') feeling ignored.

Interactive digital signage can be used to create a win-win situation that improves the customer experience, and makes it easier for salespeople to deliver a better, personalised service.

Dealerships/showrooms that adopt this approach first are the most likely to see a significant increase in customer loyalty to their brand.

Our research findings

What people like about car shopping

Among the research's sample group of full or part-time workers who've experienced car shopping, the things people enjoyed about the experience were :

- On average, 27% of people like looking at/checking out different types of cars – 24% of females and 32% of males.
- 13% enjoy learning about and playing with different features in different types of car.
- 12% like learning about different types of car technology.
- 10% like using interactive displays to learn more about different technologies/vehicles (20% males, 7% females).

What people dislike about car shopping

Lukewarm welcomes:

Only 11% say the salespeople make them feel welcome when they go to a dealership/showroom. This suggests that nearly nine out of ten people don't feel they're put at ease or made to feel comfortable shopping and therefore are likely to want to leave as quickly as possible.

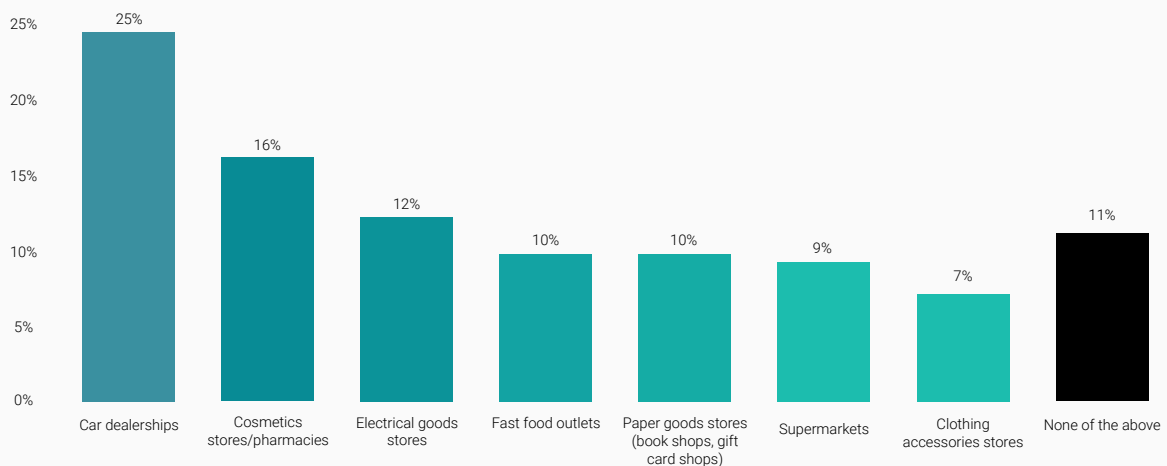
The hard sell:

Of those who'd visited a car showroom or used car dealership (1500 out of the total 2000 in the sample group) 48% said they'd experienced pushy salespeople.

Boring:

Of the total sample group, 25% voted car dealerships as the most boring type of shopping experience they'd experienced.

Which, if any, of the following type of shop do you think is the most boring?



However, 20% of the total sample group said they had never been to a car dealership/showroom, and six per cent said they didn't remember having ever been to one. They are therefore unlikely to have voted for this option.

Taking this into consideration, we could assume that as many as a third (33%) of people that have been to a car dealership/showroom voted it as being the most boring type of shopping experience (41% of females, 21% of males).

Jargon:

A fifth feel self-conscious about not understanding technical terms salespeople use (19%).

Information overload:

11% say they're given too much information at once in car showrooms/showrooms. This information overload means they struggle to absorb, process, and make sense of it – hampering their ability to make decisions.

Lack of information/help:

8% say they find it hard to find their way around large car showrooms. 7% say they're not given enough info to make informed decisions about the vehicles they're interested in. 6% say the salespeople in car showrooms and used car supermarkets tend to ignore them and don't give them any help.

Demographics differences

Gender:

Men

- Men are more likely to enjoy learning about individual cars and sitting in them (32%) rather than learning about the technology embedded within them (20%).
- One in ten men is likely to feel like they're not given enough information as part of the sales process (11%).
- More than a third have experienced and do not like pressure selling/pushy sales tactics (39%).

Women

- Around 40% of females that have visited a car showroom/dealership said they considered it to be most boring type of shopping experience and are subsequently more likely to perceive it as a 'necessary evil'.
- Women are unlikely to be interested in learning about car technology - just 7% said they found it interesting.
- 5% said they felt that they weren't given enough information to make an informed car buying decision. This suggests that 95% of female customers do have enough information and want salespeople to prioritise and be selective about the information they give to them.
- Women are the least likely to respond well to pressure from dealership/showroom salespeople, with over half (54%) having had negative experience with 'pushy salespeople'.
- Females are the most likely to dislike jargon and to feel self-conscious about not understanding technical terms (22%).

Age:

18-34 years

- On average, young people (18-34yrs) are the most likely to enjoy learning about different cars (29%) but they're also the most likely to feel overloaded with information (16%).
- They are the age group most likely to feel self-conscious if they don't understand terminology (23%).
- Whilst they're the group least likely to be upset by pushy sales tactics, over a third (36%) still complained about it being part of the car-buying experience.
- They are the age group most likely to struggle to find their way around a large site (16%).

35-64 years

- Middle-aged people (35-64 yrs) are the least likely to enjoy learning about different features/car technology (11%).
- This group is the most likely to actively dislike pushy salespeople with around half of the people in it (51%) identifying it as something they dislike about car shopping.
- They are the most likely to be dealership neutral (75% did not have a favourite).
- They are the least likely to feel overwhelmed by being given too much information at once (10%), and the least likely to use interactive displays to get information (7%).

65+ years

- Older people (65+ yrs) are statistically the most likely to enjoy car shopping.
- This group is the most likely to enjoy looking at and sitting in different cars (34%), and to welcome assistance from salespeople (19% say they make them feel welcome).
- More than one in ten are likely to struggle to find their way around large sites (12%)

In summary, some customers want more information, some want less, some customers want lots of salesperson assistance, some want as little as possible. Many feel lost on large sites.



Solutions

So, how do we help everyone equally and create an experience that they're likely to want to repeat, whilst also being as profitable as possible? There are digital solutions available to deliver on each front.

Digital forecourt assistant

There are a number of simple tasks that can be delegated to an interactive digital display that will streamline/improve the customer's experience.

Based at the entry point/s of a site, a single interactive digital display can be used for a number of tasks. These include:

- Allowing customers to search for cars they might be interested in and show the cars' location on the site (this could be done via an integration with the dealership/showroom's website).
- Advising customers wanting to test drive a car or get an appointment with a salesperson what the process is, so they don't have to wait around for a salesperson (who may take a few minutes to arrive) to explain it to them.
- Advising customers with an appointment where to register their arrival
- Highlighting the used car deals of the week, giving more visibility to cars that have been on the forecourt over 90 days and are depreciating in value
- Showing the site's opening hours
- Highlighting any customer perks – e.g. free coffee – that they are entitled to, to make them feel welcome and 'looked after'.

A digital forecourt assistant can immediately highlight that appointments are required to test drive cars which can help to manage customers' expectations. It also means that when sales staff speak to 'walk-ins' they aren't appearing to be unhelpful/difficult, which can make it harder for sales staff to form a good relationship with customers.

Enabling customers to search for appropriate cars on site gives 'walk-in' customers something to do whilst waiting for sales staff to be become available. This reduces the potential for them to feel ignored by salespeople and leave without viewing any cars they might want to buy.

Allowing customers to view and shortlist the cars that they may want to test-drive before speaking to a salesperson can reduce the likelihood of sales staff making unwelcome suggestions and coming across as being 'pushy'.



By providing customers with the location of the cars they're interested in viewing, this avoids people feeling lost on large sites.

Whilst it may appear an expensive option, a digital customer assistant can be very cost-effective. It/they can be created using standard hardware, and use existing data feeds (e.g. the dealership's existing website) to create a user-friendly touchscreen user interface.

It can reduce the pressure on sales staff, increase the number of 'walk-ins' that result in a sale, and result in cars that are depreciating in value being sold faster.

SaturnSelect

As our research indicates, many customers find it uncomfortable when sales staff use jargon or talk at length about technology that they don't understand.

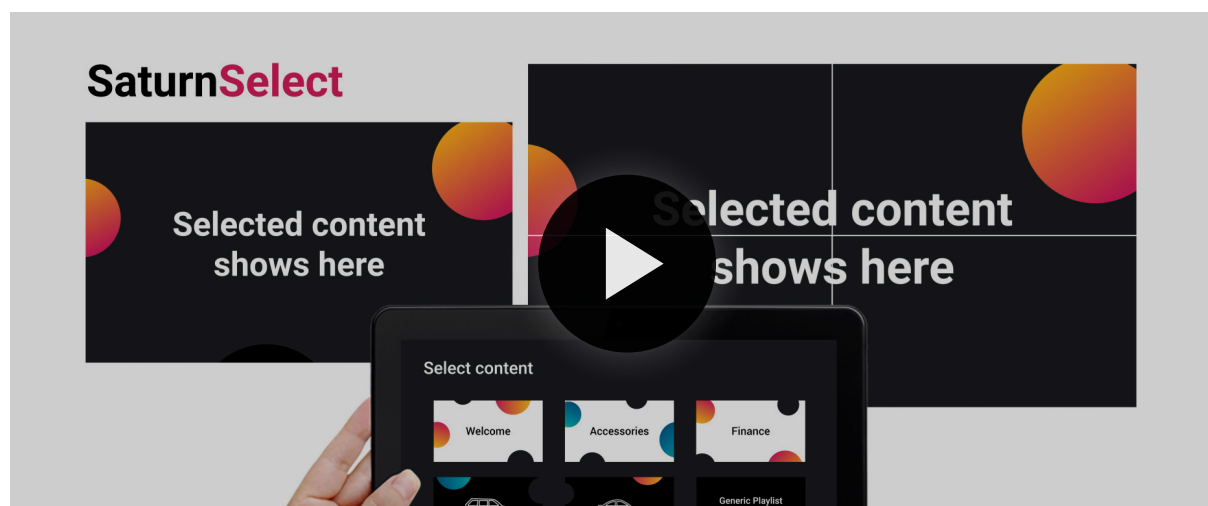
To assist customers and sales staff in this situation, we've developed our own instant control app called SaturnSelect for use with our SaturnVision digital signage content management software.

This allows sales staff to use small tablet computers to select and show customers different types of content on a large digital signage screen on demand, for example fuel efficiency models, finance packages, warranty models, car protection.

This can significantly aid sales conversations because staff are given much more material to help customers understand complex concepts, increasing the likelihood of them appreciating the value of them and subsequently purchasing them.

It avoids customers feeling stupid or uncomfortable, as sales staff can pre-emptively ask if the customer would like to see a diagram/chart/video that helps to explain the concept. It's also easier for customers who need prescription glasses to see the materials, as it's being shown on a large, easily visible screen.

SaturnSelect is also a cost-effective option, as it can potentially be used with existing digital signage displays (depending on age and type), and simply requires a software license, a tablet/tablets, and some minor customisation to add your company's branding and files containing the relevant educational materials. If your dealership/car supermarket doesn't own appropriate educational materials, Saturn's in-house digital signage content specialists can work with you to create these.



Definitions

25% of the sample group said they thought shopping at car dealerships was boring. 'Boring' and 'fun' are subjective concepts, so we asked the research sample group to define what they considered to be a 'boring' experience, and a 'fun' experience by voting for phrases they thought were most appropriate.

What do we mean by 'A boring experience'?

- 56% said 'when there is nothing to look at/watch'
- 51% say when there's 'no engaging activities' - younger people are more likely to expect engaging activity (average of 57%)
- 39% said 'an experience that makes you feel miserable/sad'
- 22% said 'something that makes you feel you have to be quiet/introverted'
- 15% said 'a situation where there's no educational materials'

What do we mean by 'A fun experience'?

- 66% said 'something that makes you laugh/smile'
 - 56% said 'something visually interesting'
 - 48% said 'collective enjoyment/shared experience'
 - 44% said 'something unexpected/unusual'
 - 39% said 'multi-sensory experiences'
 - 34% said 'an experience that makes you feel liberated'
 - 26% say 'something educational'
-

How quickly does boredom occur?

A quarter of the sample group (26%) said it takes them less than a minute to start feeling bored.

However, 47% of under 44 year olds expected to feel bored after less than a minute if they were in a 'boring space'.

What is the result of boredom?

53% of the sample group said they actively avoid spending time in places outside the home that they would consider to be boring spaces (57% female, 48% male)