



happiest
minds

Futuristic Auto Solution



Happiest People Happiest Customers

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Executive Summary

There was a time when the Automotive Retail industry seemed like a straightforward business of selling cars but now the automotive purchase cycle has become immensely complex. With internet becoming such a crucial part of our day-to-day life, it certainly plays a very important role in customers' pre-buying decision making process starting from which car to buy to which dealers have been highly appreciated by their customers. More than 60% of auto buyers already regard the internet as the most important tool influencing their purchase decisions. It clearly suggests that car dealers are dealing with the customers of a new era who are much better informed, which indicates that gone are the days of bully sales representatives who would sell cars for better incentives, irrespective of customers' interests.

Another archaic belief that is prevalent among auto dealers is that as soon as the sale is over, the dealers believe that they have achieved their goal and their responsibility is over, but it is far from the truth. Reports suggest that the dealers never contacted 1 in 5 people after the purchase of their car. Some of them also pointed that calling right after to check if everything is ok will not be as beneficial as someone calling them after 12-36 months of the purchase to find out about the problems that customers may be facing because that is the time most of the issues begin to occur. Another finding from the report suggests that one year after the purchase of the vehicle, 40% of them are already thinking of their next vehicle.

Know your customers well and understand their core needs

- Background check helps in segmenting the customer better
- Helps in designing a personalised catalogue and better resource mapping

Effective communication

- Advertising products and features that resonates with the customer
- Lets the customer reach out through multiple channels and optimize the same for improved penetration

Building customer relationship

- Study customer's history and offer the best deals on products and warranties
- Personalise expert advice on financial assistance and auto insurance

Loyalty: long term relationships and brand advocacy

- Send constant reminders about services and offers to keep customers close to the brand
- Take constant feedback about the product, parts and service offerings for faster brand recall
- Communicate to your customer according to where they are in their ownership cycle



Increasing footfall by creating personalized experience and building customer relationship

All these data indicate the need for new strategies that can help the business build a strong and ever-lasting relationship with their customers. This kind of relationship is not only beneficial for the business, but also for the customers, as the purchase process seems more transparent - keeping the customer at ease.

In order to provide this kind of the service, businesses

really need to know the customer inside out and for that, huge amount of data about the customers are important. Before the sales associates start interacting with the customers, there are some very important pieces of information required in order to deal with them most efficiently. For example, financial background, demographics, preferences, lifestyle, income, previous purchases, complaints etc. Using these information car

dealers can also map their resources better with various customers for a better conversion rate.

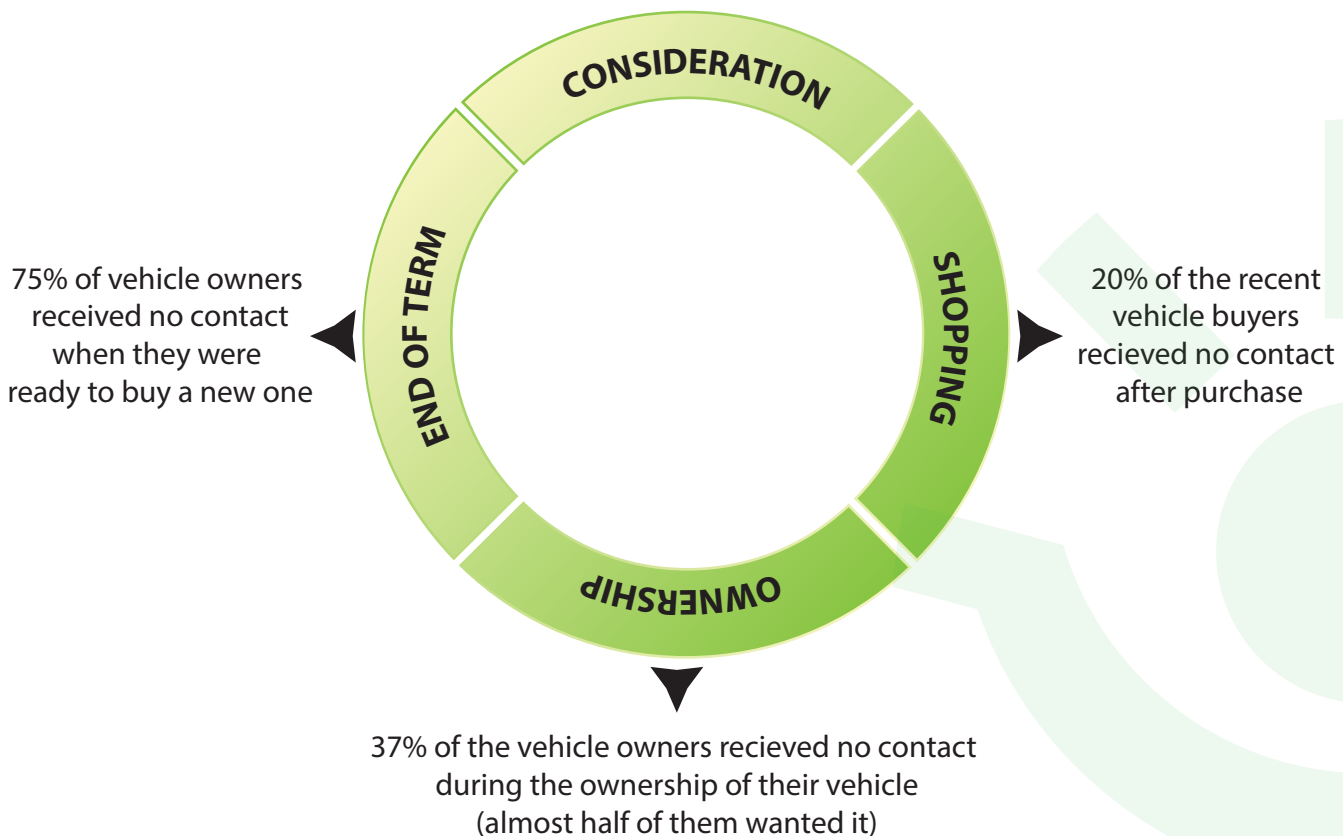
With all the information available at the disposal of the customer, it is imperative that the auto industry embraces the paradigm shift in these customers' behavior and their expectations from the industry. Customer expectations are still there to be met, even if they are more demanding than back in the pre-digital 'analogue' days and it all can be achieved only if businesses know their customers by making use of all the data available.

Problem Description

Traditionally, automotive sales consultants would sell deals to the customers, where majority of whom had very limited knowledge or absolutely no clue about what they were buying. As a result, they heavily relied on the information provided by the sales consultants but this is not the case in today's world. Customers are extremely aware, sophisticated, and at times very demanding with their requirements about the products, OEMs, financial assistance and other services.

According to the Automotive Customer Journey Study and McKinsey & Company eport called – Innovating Automotive Retail, below are some of the key findings:

- About 80 percent of first time car buyers and almost 100 percent of used-car customers surveyed online to begin their vehicle-buying process
- The average number of customer visits to dealerships prior to buying a car has dropped to just one, typically (from up to five not so long ago)
- One out of four customers feel that they are not satisfied with the dealership experience
- Customers want more frequent contact
- Customers look for more meaningful relationships
- Dealers fail to think about the post-sale situation
- A large number of current customers are actually in the market for a new car or look to upgrade, which represents enormous opportunity for sales
- Shoppers prefer 'new formats' such as test-drive centers, city showrooms, exurban superstores, temporary stores, online stores, and also home visits



Gradual decrease in contact between the customer and car dealers

- Most shoppers expect to yield more information on things not easily found online during their visit to the dealer
- Automotive customers begin their journey with “an initial-consideration set” of 3.8 brands; they choose these brands for a number of reasons, but long-term awareness campaigns play a crucial role
- A well-connected dealership is prone to be more successful

Dissecting all the data points above, we have shortlisted the following major problem areas:

- The number of opportunities for auto dealers are sharply decreasing with dropping visits of the customers, and dealers often get just one chance to strike lucky. This makes it clear that when a customer walks in, they leave with an amazing experience or else they will never come back
- Every customer is highly educated about the purchase they want to make and their visit must expose them to a set of possibilities that they could not explore on the internet

- Majority of the customers expect much more meaningful and a long lasting relationship with their dealers so that they can constantly be communicated appropriately depending on the cycle of their ownership
- With the advent of internet and social media, it is extremely important to manage every customer's expectation and track their engagement through multiple social and web channels to improve the brand recall

In order to plug the holes explained above, it is very crucial to know the customers well and stay with them at all times during their product ownership lifecycle. The key here would be the data pertaining to these customers and using it to offer products, features, assistance and services that are more precise.

40% I received a raise, bonus or other new work related income

21% I received a promotion

15% It's necessary for my line of work

14% Changed jobs and I need it for my new commute

10% My employment changed in another way

Customer Insights from social data

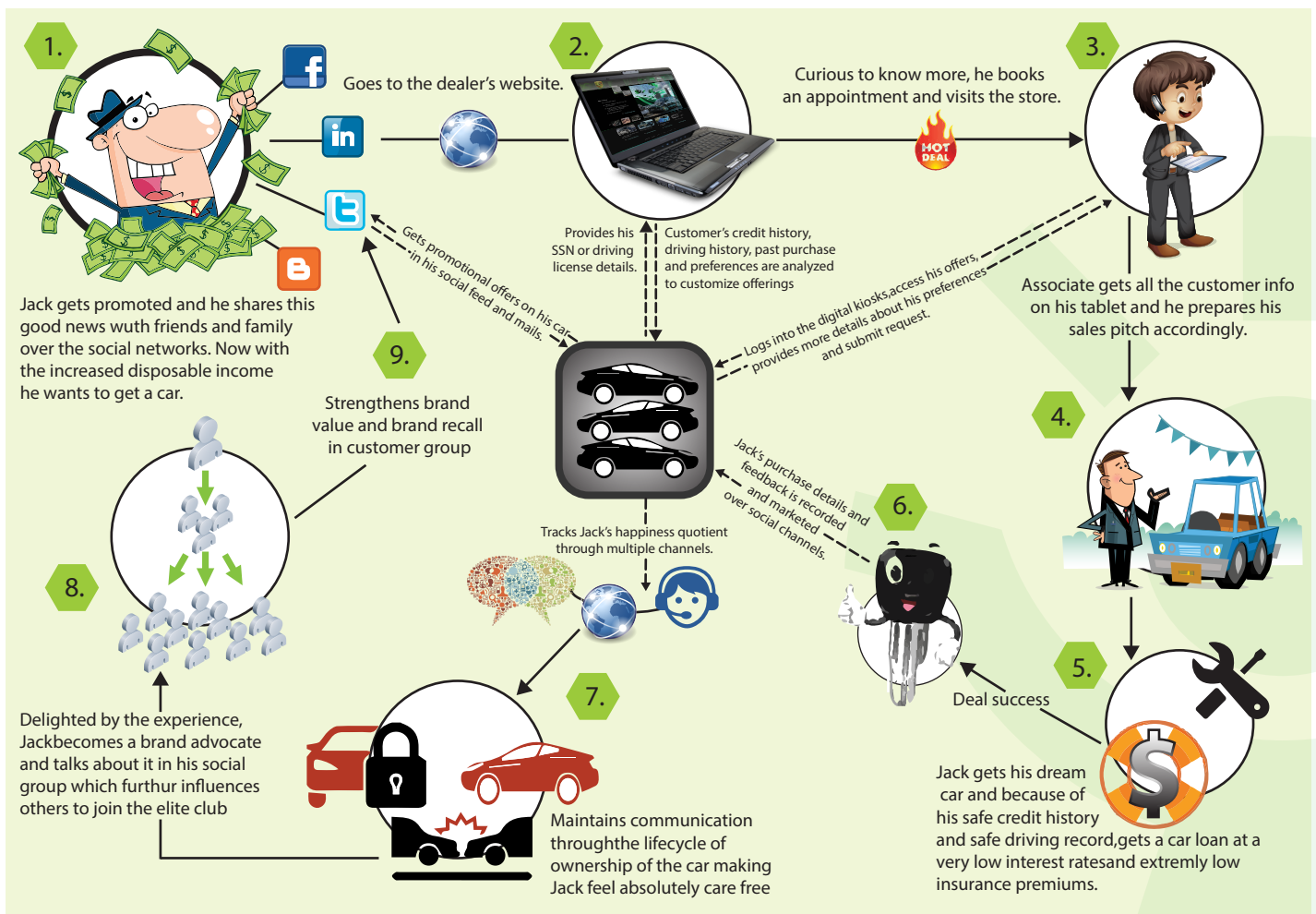
Use Cases

The use case below will show how information about the customers/prospects always helps, and how auto dealers can always be one step ahead in the game by using the data to make their customers' life simpler and convenient.

In the use case below, we talk about Jack who recently got a job promotion, and suddenly he realizes that he may have some extra disposable income, but he is not sure where does he really want to invest it in.

- He shares this news with his friends over the social media with a #promoted. This information is tracked by our Auto solution and depending on the customer's profile, he receives advertisements of excellent deals on various cars
- Jack gets interested and follows the ad, which takes him to the car dealer's website where he can login through any one of his social profile. As he logs in, his social profile is scanned to understand Jack's personality. This personality scan would provide personal insights indicating if he is a spendthrift, maintains a high living standard, owns flashy things, has many friends, very social and so on

- Our system analyzes his profile and does a customer profiling and accordingly he gets offers. He assess his options and decides to book an appointment to visit the shop
- The system tracks all the options and their features that he was assessing and mapped to his profile
- As he walks in to the store, he is asked to fill in his details on the kiosk for a salesman to attend to him. He logs in and he is asked to provide his SSN/Driving license details for more personalized offers. As he enters any of the two details, complete history of Jack is fetched from the heap of data stored and managed. The data has all the information about Jack varying from his credit score, to his driving skills, to his income range, the company he works for, his past purchases, etc. and this data is assimilated with social media data to design a more relevant product catalogue pronounced with cars and services that would matter to Jack



Using customer data for better experience & expectation management

- ♦ Products competitively priced to suit his need
- ♦ Hassle free loans with low interest rates
- ♦ Recommendations on which all insurances he may want to renew or buy new ones with easy insurance premiums
- ♦ Annual free-of-cost premium servicing and opportunity to become a lifetime member after that period
- As Jack reviews the product catalogue, he reads the product description, their reviews, financial assistance details, and terms & conditions and he becomes almost certain that he cannot get a better deal anywhere. He selects the products and the services that he is more keen on and submits his request
- Sales consultants are mapped with his request who have a great deal of knowledge on his interest areas. These consultants will get the details of the products and services that interest him - at the same time some background of the customer that will help them prepare their sales pitch better and communicate things that resonate with Jack
- Finally, Jack purchases his dream car and the dealers help him avail the loans at very competitive interest rates and insurances with comparatively lower premium
- The auto dealer now have access to all the details that there is to know about Jack, the dealer can keep track of the complete ownership cycle of the car and maintain contact throughout by providing:
 - ♦ Accident assistance
 - ♦ Service/oil change reminders
 - ♦ Premium payment reminders
 - ♦ New launch of products that may interest him
- Jack is so elated about the buy and the services that come along with it he continues to talk about it on social forums, helping other customers looking to buy a new car make a decision resulting in increased footfall and exponential growth of brand value

Benefits

With the changing needs of the customer, our customer based solution provides a long list of benefits and is indispensable for the retail automotive sector.

1. Improved understanding of Customers and their needs

- Data captured about customers can extremely be useful in more precise customer profiling and understand the

upcoming trends that can be used to ideate new offerings, improve services that will appeal to the majority

- Better targeted promotions of cars, OEMs that will appeal more to the customers knowing their preferences
- Offer better personalized deals depending on their credit score, driving history, previous purchases and other demographic details and reduce the decision making cycle
- Cross-selling and up-selling becomes much easier and is more effective knowing what the customer wants
- Data captured through these sources can be monetized, which can create opportunities for the companies untapped information to create new sources of revenue

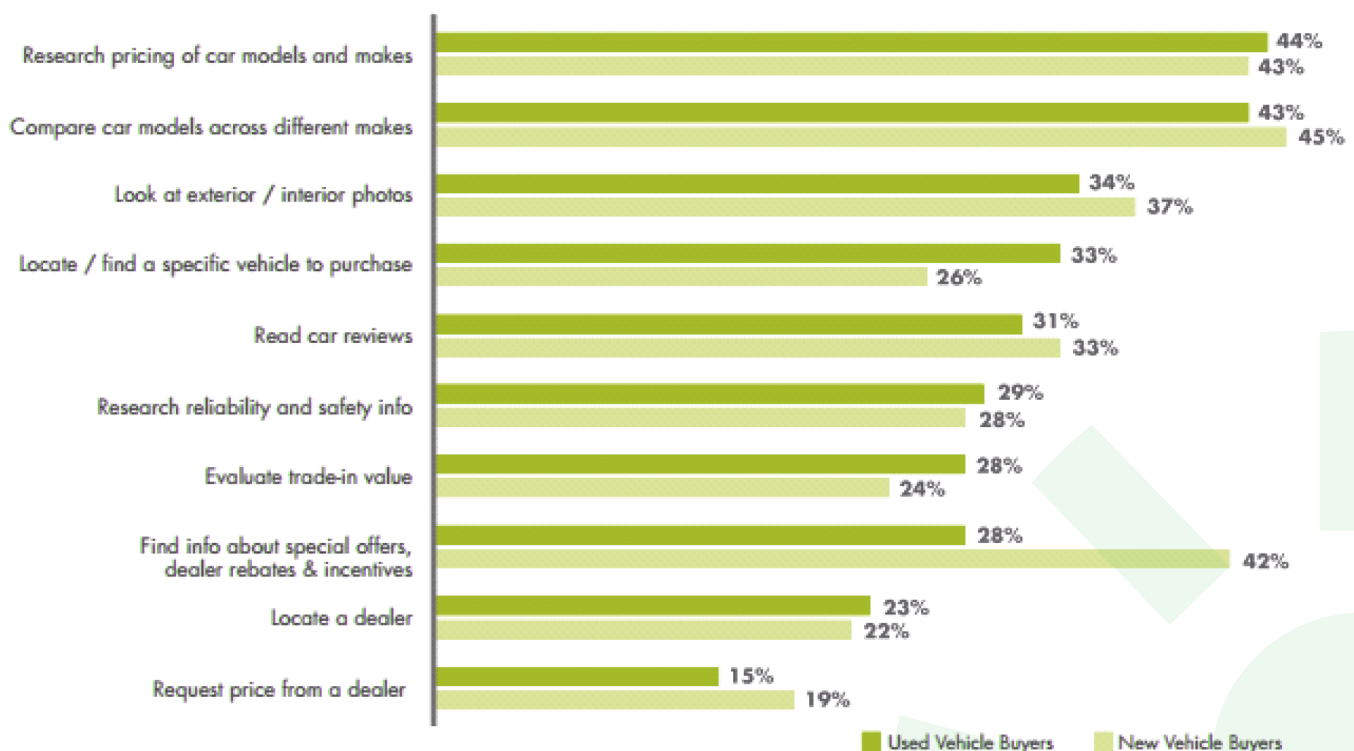
2. Better Customer Engagement through Digital Kiosks

- Command customers' attention through digital displays, which make use of images, videos and animations
- Customize content based on store location, customer demographics, time of day, and other attributes
- It can be a form of entertainment/education for customers waiting to be attended
 - ♦ Tips on better performance of the car
 - ♦ Factors on which interest rates, EMIs, insurance premiums depend
 - ♦ Trivia questions, quizzes, brain teasers, fun facts, videos, photo slideshows
- Provides the flexibility to change the content any number of times during the day without impacting the cost and has no lead time
- Reinforce existing marketing channels such as television, radio, print or events and promote new products, product lines, or product categories, services, up-sell, cross-sell, and drive traffic to particular areas in the store
- Provides a Cross-Channel Experience
 - ♦ Customers have the flexibility to choose the way they want to interact with the business
 - ♦ Saves customer's time and effort to start the same process all over again
- Enhances shop ambiance

3. Customer Tracking and Engagement through Web and Social channels

- Customers leave multiple traces of information on the internet that can act as a catalyst to start a campaign or a promotion to the targeted audience
- Helps in understanding various triggers in customers' life and promote relevant deals for better customer response
- Customers leave multiple traces of information on the internet that can act as a catalyst to start a campaign or a promotion to the targeted audience
 - ♦ Helps in understanding various triggers in customers' life and promote relevant deals for better customer response
- Scale word of mouth recommendations
 - ♦ Customers ask friends and family for advice at every stage in their automotive purchase journey and hence it is really important that business tracks the engagement and feedback provided the customers or potential buyers and act quickly on the same
 - ♦ Customer communities on the web and social channels are powerful incubators of brand loyalty and can help improve the foot fall drastically
- Customers can be encouraged to check-in on social forums through these devices or share products/services with their friends/family resulting in word-of-mouth marketing

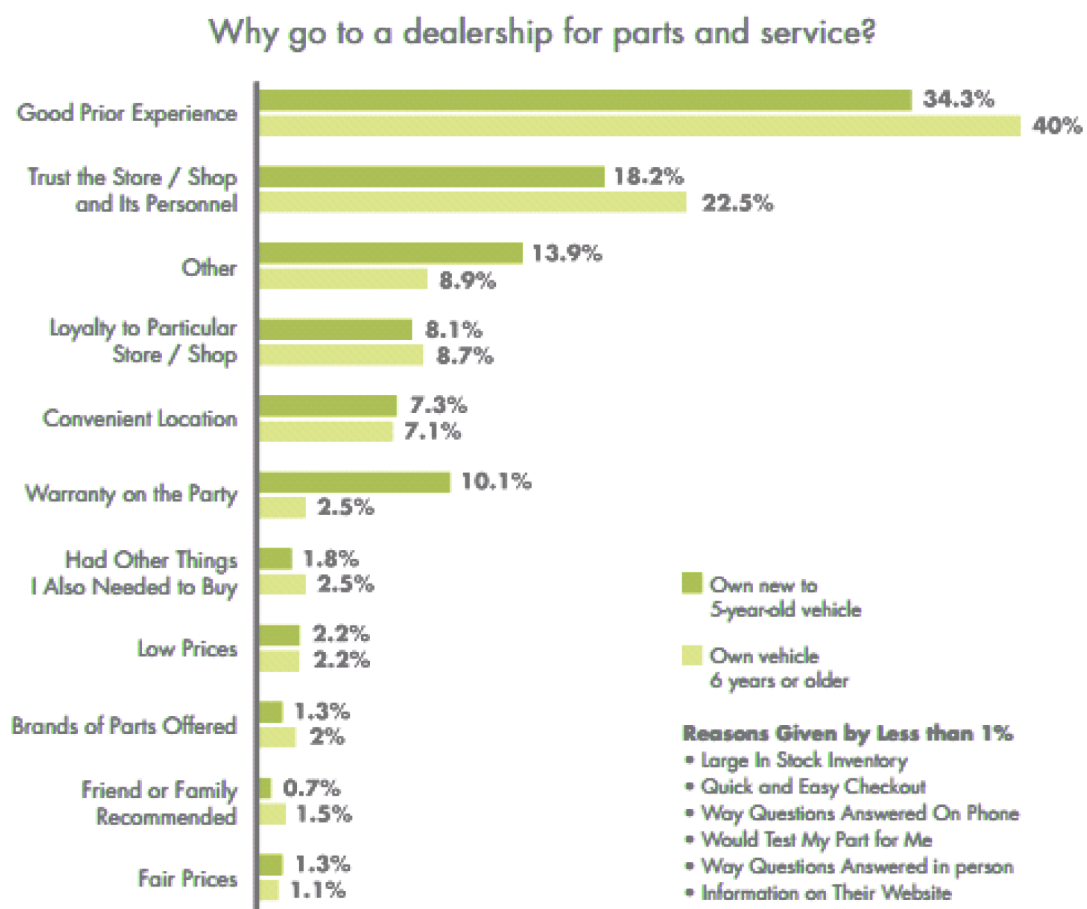
Why New and Used Vehicle Shoppers Use the Internet



Reasons for Car users to use internet

4. Maintain Loyalty and Improve Brand Advocacy

- Communicate to customers depending on the stage of their ownership cycle
 - ♦ Remind customers about things important to customers like - Service due, Insurance expiration, EMI payments to earn a good friend reputation
 - ♦ Analyze customer's data and offer promising financial assistance or better service delivery options knowing the pain points of the customers
- Collect feedback from the customers through various channels and use them as the metrics for improvement
- Track sales consultants performances through feedbacks and suggestions and customize trainings on the same to serve customers better and score high on customer confidence index



Factors that help customers choose their car dealers

Conclusion

Leveraging mobile data offers an attractive opportunity for new revenue stream and customer experience enhancement. Data from different sources - online transaction, loyalty programs, call center records when treated as an input to the proposed solution will identify patterns which would generate more precise customer segmentation and so forth. Such out of the box capabilities of the solution will drive growth and revenues in organizations. Over the next few years, companies with significant data will increasingly look to monetize their data intelligence to restore lost revenue and as well create new opportunities for their institutions and customers.

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Business Analysis/Consulting professional with 7+ years of experience in the Retail and E-Commerce industry spanning across Mobile and Web. He has strong interests in making use of technology to constantly simplify and improve customers' experiences, especially around the Omni-channel and digital signage area. In his spare time, Vivek is passionate about music and football.

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Happiest Minds

Happiest Minds is focused on helping customers build Smart Secure and Connected experience by leveraging disruptive technologies like mobility, analytics, security, cloud computing, social computing and unified communications. Enterprises are embracing these technologies to implement Omni-channel strategies, manage structured & unstructured data and make real time decisions based on actionable insights, while ensuring security for data and infrastructure. Happiest Minds also offers high degree of skills, IPs and domain expertise across a set of focused areas that include IT Services, Product Engineering Services, Infrastructure Management, Security, Testing and Consulting.

Headquartered in Bangalore, India, Happiest Minds has operations in the US, UK, Singapore and Australia. It secured a \$45 million Series-A funding led by Canaan Partners, Intel Capital and Ashok Soota.

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