ACQUIRE RIGHT
TO STREAMLINE YOUR SALES PROCESS AND BOOST PROFITS

The first step to remaining competitive in today's changing auto retail environment is to acquire the right vehicles at the right price. Unfortunately, we all know it's not as easy as it sounds: the auto retail industry is currently characterized by shrinking margins, growing competition from digital players, transparent pricing information, and increasingly frustrated consumers. Oh, and don't forget, highly volatile consumer demand.

These unfortunate circumstances create vulnerabilities and challenges for dealerships from the beginning of the sales process. It is essential for auto dealers to understand not only market demand and their store's performance with specific vehicles, but also how to appraise vehicles in order to turn a profit while maintaining trust with car buyers. Without the proper technology and tools, this complex task can (and has) become overwhelming and undercut margins.

So, how do dealers evolve their sales process to acquire the right cars at the right price?

Acquire Right

At the heart of it, the vehicle acquisition process can be broken down into two steps: 1) cost-to-market appraisal, and 2) stocking. Dealers need to optimize both of these steps to ensure they are competitive and thrive in today's cut-throat environment.
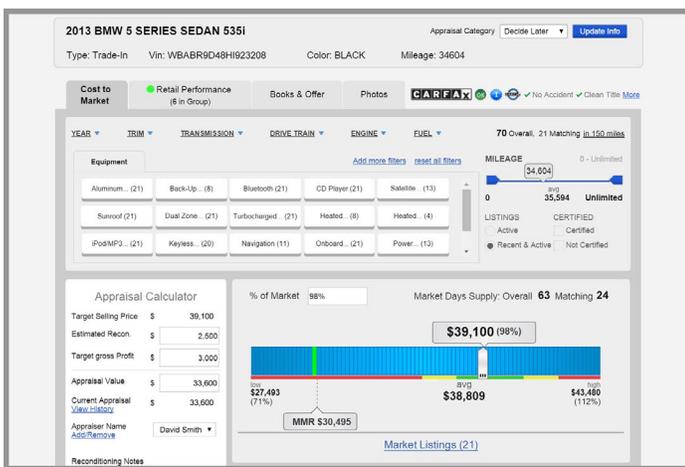
Cost-to-Market Appraisal

Appraising vehicles before you acquire them is one of the most important processes in auto retail because it can make or break dealers' potential margins. Whether it's a trade-in or at an auction, vehicle appraisals are critical, and they can be challenging and time-consuming without real-time market information.

We know that the myth of the perfect appraiser is just that: a myth. Three experienced car managers could yield three appraisals that vary by thousands of dollars. Yes, thousands.

There is more at stake than ever for dealerships to have the right data to be enabled to make accurate appraisals. Having access to detailed, real-time market data that includes make, model, trim, mileage, and equipment will be what it takes for dealers to appraise their vehicles consistently, transparently and profitably. The old way of manually utilizing valuation guides like NADA, Galves, and Black Book is no longer enough.

Stocking

Another aspect to getting acquiring right is on the demand side of stocking. Dealers simply must stock the inventory that car buyers in their market are looking to buy. When this goes wrong, we have all been there – dealerships can be haunted by deep disappointment when looking at that one vehicle on their lot that just won't sell. Market volatility is a constant challenge for dealerships and a killer to margins. "It's like the stock market. It can turn –what's selling and what's not – on a dime."

To stock the right mix of vehicles, dealers should develop smart vehicle shopping lists that will suggest inventory to ensure a dealership's core inventoryand include market-suggested inventory to optimize profits and growth. This way, dealers can retain a strong brand and inventory base that keeps customers coming in the door and that also builds market share by stocking top-selling vehicles.

Dealers must again empower their employees with real-time, detailed information to analyze store and market performance and identify which models, trims, packages, and colors they should be stocking more of.

To protect gross and ensure strong financial process, dealers need to get acquisition right. In today's digital ecosystem, there is a distinct opportunity to improve auto retail sales process to better utilize technology. This means having capabilities to leverage dealership sales history as well real-time market data to improve vehicle acquisitions, appraisals and stocking.

What if you don't know how?

Don't worry, it's not just you. Check out *maxdigital.com/takethechallenge* to see how you stack up.

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