



Samsung Connected Spaces

Competing with Online Car Buying: Bringing Digital Experiences into the Showroom

Objective

Long gone are the days of customers visiting a showroom five or six times to get all the details about a vehicle from the salesperson before purchase. Today's car buying experience starts with extensive online research, followed by some discussion, and a purchase. To accommodate this shift, car dealerships are turning to immersive digital experiences to maintain a consistent flow of customers through the doors.

About Samsung Connected Spaces

Samsung's Connected Spaces is a pop-up shop outfitted with cutting-edge retail technology and is designed to generate meaningful business analytics. These connected pop-up shops include digital displays and Internet of Things data gathering, like foot traffic mapping, user attention span, and more. The interactive nature of the shop delivers a memorable customer experience, while supporting increased brand loyalty. You'll sell faster than you ever thought possible by realizing smart, data-driven business decisions.

Consumer Trends in the Auto Industry

Technology is revolutionizing the car purchasing process. Customers are completing research and transactions online, and simply coming into the showroom for a test drive or to pick up their vehicle. Competing with the convenience of online car research and shopping is a challenge that car dealerships today face.

However, just as technology seems to have pulled customers out of showrooms, its power can be harnessed to bring them back.

The Car Purchase Process Today

Motorists looking to purchase new vehicles today can get on their computers, browse several websites, and come to a decision before setting foot in their local showroom. According to a Statista survey¹, 38% of U.S. consumers' primary reason for an online vehicle purchase is the expected discount which is unavailable at the dealership. That same survey also states 28% of consumers prefer the ease and speed of an online transaction.

The time and cost savings coupled with the convenience of an online purchase make it an attractive option for consumers, but one that severely limits how much time is spent in a car dealership building relationships with sales representatives and testing potential vehicle purchases.

Until recently, consumers often only purchased cars from dealers whom they had prior relationships. These were relationships built over time through repeated trips to the dealership. Today, the impact of these relationships is lessening as buyers come into showrooms presuming to know exactly what they want. This, in turn, leads to less time spent in showrooms alongside a dealer, making upsells and long-term rapport building much more challenging.

¹ <https://www.statista.com/statistics/276247/main-reasons-for-us-consumers-to-make-an-online-vehicle-purchase/>

Building an Immersive, Targeted Showroom Experience

Immersive digital experiences can help dealerships differentiate themselves from online options. A car dealership with modern digital technologies can generate traffic in its store by offering an unparalleled customer experience.

Dealership marketing managers are tasked with increasing dealership visibility through a variety of targeted campaigns to increase the customer base. Interactive electronic technologies can transform your showroom into a lively place customers want to be. As car buyers do more research online and visit fewer dealerships, digital displays, virtual reality tours, and in-person features comparisons combat this trend by helping dealerships increase showroom traffic with high-tech showroom upgrades.

Another major appeal of a high-tech showroom is the customization to a customer's preferences and profile. Online, car buyers have any number of customization options at their fingertips. But once in a traditional showroom, that tailored experience vanishes. With a digitized showroom experience, you can show customers a display based entirely on their digital preferences — car make, model, features, and more. With Samsung SDS's dealership displays, this customer profile can "save" to the customer's mobile phone, so they can take it home with them and show friends and family as they evaluate a buying decision.

Buyer's Experience at a Car Dealership



Upon entering the dealership, customers will create a profile or link to an existing one

Profile will highlight cars of interest, specific colors, trims, and anything else that projects the buyer's preferences. In turn, the dealership display boards will then show customized screens that are tailored to that specific buyer.



Moving through the dealership, customers can use NFC-enabled mobile devices to capture their preferences

Save interesting products and messaging for a continued experience at home. While the NFC card is valuable for the customer, it is even more valuable for the dealership. Marketers can measure what content is capturing the audience's attention, and where improvements can be made for increased content and product visibility.



Virtual reality experience

Showrooms that do not have the space to show every model and trim of vehicles can use virtual reality to give visitors a customized interactive activity that gives them an idea of what their car will be like.

According to a Statista survey², 32% of participants stated that marketing content personalization was the driving force behind their purchase. This aligns with the new approach of car dealerships in building a more immersive customer-focused marketing experience.

With this data, dealership marketing managers can build analytical insights based on each car buyer's in-person behaviors and digital profiles, and can nurture a targeted buying experience even after customers have left the showroom.

The Benefits of a Digital Showroom Experience

A digital experience gives car dealerships an edge over not only competing manufacturers but competing auto dealership groups. In addition, the forward-thinking approach gives reason for customers to come into the showroom. Customers are led through a one-of-a-kind immersive journey.

Online sales have been increasing in recent years due to convenience and lower costs. However, digital showrooms aim to draw the customer back in through a personalized experience, tailored to their unique profiles.

Customers want to feel welcomed and that's where the digital showroom delivers. Gone are the days of the pushy car salesman. Showroom hospitality and personalized experiences are required for successful selling.

Online car retailers, Edmunds and Cars.com, allow visitors to save cars of interest as bookmarks, but generally do not show a specific consumer's vehicle interests. These sites only show similar vehicles or vehicles based on generic search trends. This lack of personalization in online markets can lead to more chaos, confusion, and indecision on the buyer's part given the abundance of choice.

A digital showroom narrows choices down to cars that fit the buyer's exact specifications. Buyers are then able to browse the showroom for various models and trims that fit the desired description. In the event that a specific model or trim is unavailable, consumers are able to wear virtual reality goggles to get a feel for the car of their choice.

In addition, a digital showroom will have digital displays that guide the consumer and highlight their specific interests based on profile insights. The information gathered on buyer preferences is used to shape business decisions such as advertisements, promotions, inventory, purchasing, and even showroom layout optimization.

Data-driven decisions allow marketers to promote and advertise specific cars to specific audiences. Consumer data will also show which cars are getting more or less attention, and car dealerships can then determine whether to increase or decrease in-store promotion toward those vehicles.

Partnering with the Operations Team

Marketers are not the only ones who benefit from the data insights from digital displays. The operations team uses digital displays for heatmaps, foot traffic reports, dwell time, and zone counters. The two teams can collaborate to create a plan that optimizes the showroom to bring in the most traffic ultimately resulting in more satisfied customers and higher sales.

Over the last 10 years, nearly 22 million more United States adults went to a specific car dealership based on customer service.

Customer service starts as soon as a relationship is established between a customer and a car dealership. A marketing campaign may draw someone in, but they need a reason to stay.

The move to a digital showroom allows for sales representatives to meet with customers at the click of a button on the digital display. Sales associates can link their tablets to the interactive display for a differentiated, personalized consultation. A digital experience is one step closer to great customer service, and is sure to attract the attention of prospective car buyers.

Benefits of Pop-up Showrooms

Samsung SDS has created a one-of-a-kind digital experience that will reshape the automotive industry. Through the use of digital displays, consumer insights, and a more personalized experience, customers will be more inclined to return to showrooms for their next car purchases.

New technology arrives at a time when consumers opt for the convenience of online shopping as opposed to visiting local stores in the dealer group's region. Many auto retailers have turned to pop-up shops to promote their vehicles in smaller spaces beyond dealerships. Pop-up shops are temporary displays to promote a product, in this case cars.

Samsung SDS technology can be used in pop-up shops to gather data beyond the showroom. Pop-up showrooms are incredibly common at auto shows, where hundreds of car manufacturers build mini-showrooms to show off new models, and in some cases concept cars.

Pop-up showrooms at auto shows are the perfect way to reach new demographics. Because there are so many car manufacturers in proximity to each other, it is possible to attract consumers who might not otherwise be interested. Modern technology gives car manufacturers insights into these new contacts, to gauge their interest and look for ways to further engage them in an attempt for conversion to grow the brand.

Samsung SDS Automotive solution is an immersive customer experience that begins as soon as a customer walks into the dealership. Nexshop gives marketers the controls, to show customers what they want to see through data-driven insights. Customers with a profile are greeted with their vehicle interests on digital displays throughout the showroom, that aim to bring a personalized experience back to the car purchasing process.

A personalized data-driven experience leads to happier customers, more sales, and more marketing opportunities to pitch new vehicles and features.

Learn More

Learn more about how you can pull customers back into the showroom, away from their computer, and give them the personalized car-purchasing experience they crave.

LET'S TALK

Whether you are looking for a specific business solution or just need some questions answered, we are here to help!
Email: bd.sdsa@samsung.com Web: www.samsungds.com/us/en Blog: www.samsungds.com/us.insights/blog