



*THE ART OF THE DIGITAL DEAL WITH
COX AUTOMOTIVE DIGITAL RETAILING.*

CASE STUDY: **DRIVER'S VILLAGE**

OPENING VIRTUAL DOORS

Driver's Village has always prioritized its customers wants and needs. Faced with the harsh winter climate of upstate New York, the group converted an obsolete 90-acre regional mall into the country's only auto mall with 20 franchises under one roof. This unique business model made shopping easier and more pleasant for customers.

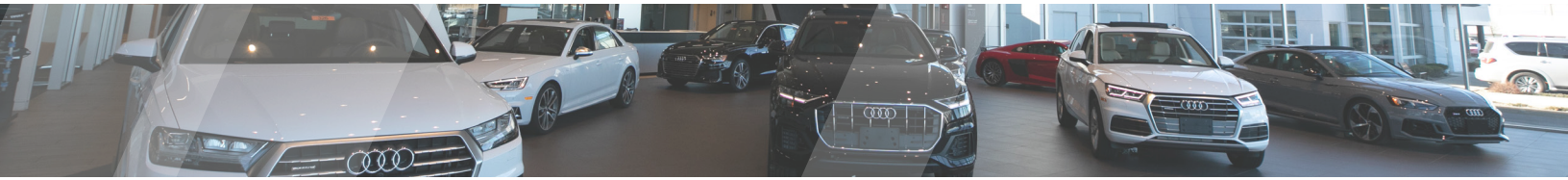
So, when digital retailing took off and a segment of customers began demanding a faster, easier, and more transparent vehicle buying experience, Driver's Village listened. The dealer group was one of the first to adopt digital retailing in 2012, and gradually implemented the Cox Automotive solution in all its stores. The modern online sales channel augmented traditional retailing so customers could choose how they wanted to purchase a vehicle. Investing in technology and opening its virtual doors kept the group ahead of the curve and selling approximately 10,000 vehicles a year in a rapidly changing market.



"We practice multi-channel marketing. We have conventional customers that still like walking into the dealership and we have people that use email. But there's a growing number that use technology and want to use technology all the way through."

LOU BREGOU
DIRECTOR OF OPERATIONS

PARTNERING WITH THE RIGHT PROVIDER FOR TODAY'S MODERN SHOPPERS



Driver's Village realized that digital retailing would only work if the tools were easy for consumers to use, delivered reliable information, and streamlined the vehicle buying process from research to deal completion. Only Cox Automotive Digital Retailing offered a well-connected online to in-store process with real personalized monthly payments, reliable trade-in values, F&I add-on information and pricing, finance applications and approvals, and the ability for customers to accept deal terms online.

Complete integration with the group's other technology solutions, including its web site, DMS, CRM, and F&I solution, ensured work done online flowed in-store so customers never had to re-hash details and staff never had to re-enter information. Direct connections to financial institutions allowed the customer to pencil a real payment, complete with zip code-based taxes, to practically finish a deal online.

"There are a lot of digital retailing products out there. We chose the Cox Automotive Digital Retailing product because of the ease of use for the consumer and the connectivity to the banks. All the others just give you a nice lead. But when we joined Cox Automotive Digital Retailing, it was actually a true deal that was coming in and not just a lead."

FIRAS MAKHLOUF
CHIEF INFORMATION OFFICER



PAIRING TECHNOLOGY WITH CUSTOMER-FOCUSED PROCESSES

Driver's Village embraced the online channel while simultaneously changing the traditional F&I process to deliver a fast, convenient, and transparent experience.

Instead of an F&I office, the group implemented a single-point-of-contact sales model. Sales representatives were the closers, helping customers work a deal from start to finish.

Online consumers were able to work through the F&I presentation at their own pace. They browsed aftermarket products, watched embedded product videos, and accessed pricing.

When online customers were ready to finalize a deal, a dedicated digital retailing professional accessed the work they had done online and helped complete the deal using the same digital retailing tools that were used by the customer, instead of the typical desking tool. If customers had worked out a payment, selected F&I products, or filled-out a credit application, that information was readily available when the customer walked in the door.

The dealer group found that customers had more confidence and trust in the experience when a dedicated salesperson used the same platform in-store as the customers used at home. They also found that allowing customers to browse and select F&I products at their own pace led to more sales.

"We've done a lot of focus groups and customers tell us they don't want to sit around the dealership waiting on F&I. So, we started to give the customer what they wanted. We're seeing higher engagement with the F&I products. Last month, 50% of the deals had F&I products on them."

FIRAS MAKHLOUF
CHIEF INFORMATION OFFICER



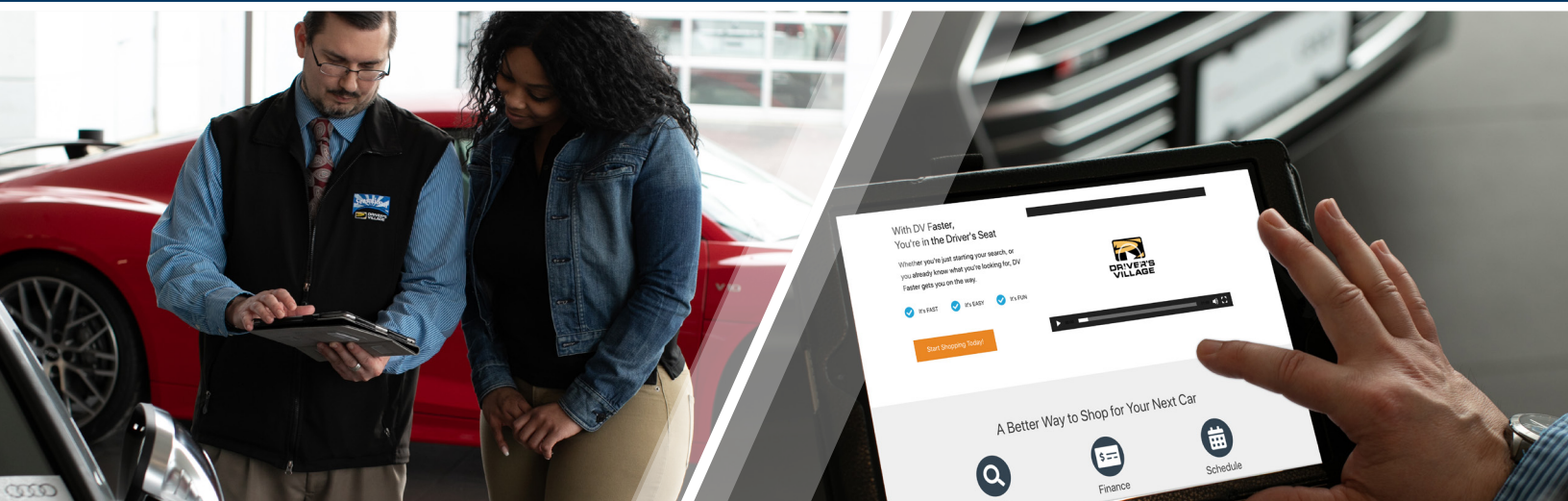
PROMOTING A DIGITAL SALES CHANNEL

With the technology and processes in place, Driver's Village embarked on a marketing campaign to promote its new digital sales channel. The group launched a dedicated digital retailing website with videos explaining the tools. Customers chose a DIY experience, or a concierge-type experience with staff assistance. The group promoted the website with videos and commercials, encouraging shoppers to engage online at their convenience.

A key marketing message was that the online and in-store process were exactly the same. A customer at home in pajamas using the digital retailing tools to build a deal was using the same tools a salesperson was using in-store. The customer knew when they entered the showroom the deal would be picked up exactly where they left off.

"Don't make it hard for the customer to find the digital retailing tools. You have to talk about it and promote it. Now we're seeing consumers engage with digital retailing in one form or another 50 to 60% of the time."

FIRAS MAKHLOUF
CHIEF INFORMATION OFFICER



A DIFFERENTIATED EXPERIENCE LEADING TO STRONG MARKET SHARE AND PROFITS

With the right digital retailing tools and a unique in-store sales process, Driver's Village took a giant leap ahead of its competition. The group created a differentiated and unparalleled customer experience and was able to deliver a vehicle in under an hour.

"The Cox Automotive digital retailing tools give us the opportunity today to deliver a vehicle in less than an hour," said Lou Bregou, Director of Operations, Driver's Village. "It was a dream years ago. Now it's a reality; a 55-minute delivery."

Engagement on the digital retailing website proved the group was delivering what customers wanted. Over a one-month period, more than **50%** of visitors engaged with the digital retailing tools. More than **70,000** payments were shown to consumers, and the pencil tool was used over **10,500** times to calculate payments. Digital retailing customers spent on average **15** minutes on the group's website, or six minutes more than conventional customers*.



"We told our customers, 'Come to Driver's Village, engage with our digital retailing tools, and do it at your own convenience.' And what we're seeing is higher growth. Our market share is strong and our profits are strong as well."

FIRAS MAKHLOUF
CHIEF INFORMATION OFFICER