



Auto Remarketing Canada
CONFERENCE

THE USED CAR PURCHASE JOURNEY:

Make Be-Backs a Thing of the Past

CARPROOF 

Why did that customer leave **without buying?**



Customers say:

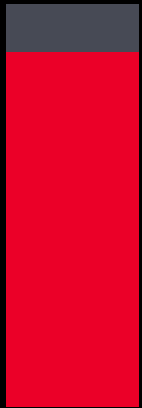
“

I need some time to think,
and I have to talk to my spouse.

”

But, customers **know** a lot before they visit:

88%



The price
range they are
looking for

85%



What type
of vehicle
they want

60%



The make of
vehicle they
will buy

53%



The model of
vehicle they
will buy

37%



The dealer they
will buy from

Customers *really* mean:



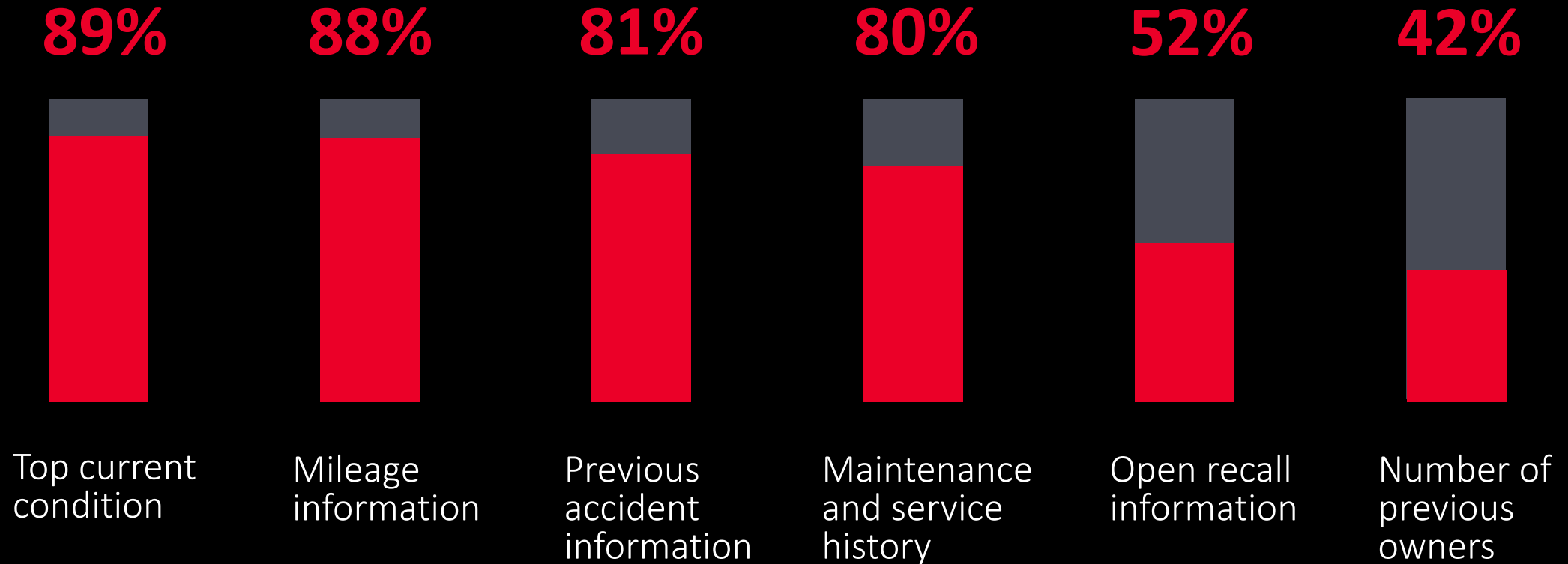
Customers *really* mean:

1. This isn't the right car
2. I want to cross-shop
3. I have an issue with the salesperson

This isn't the right car

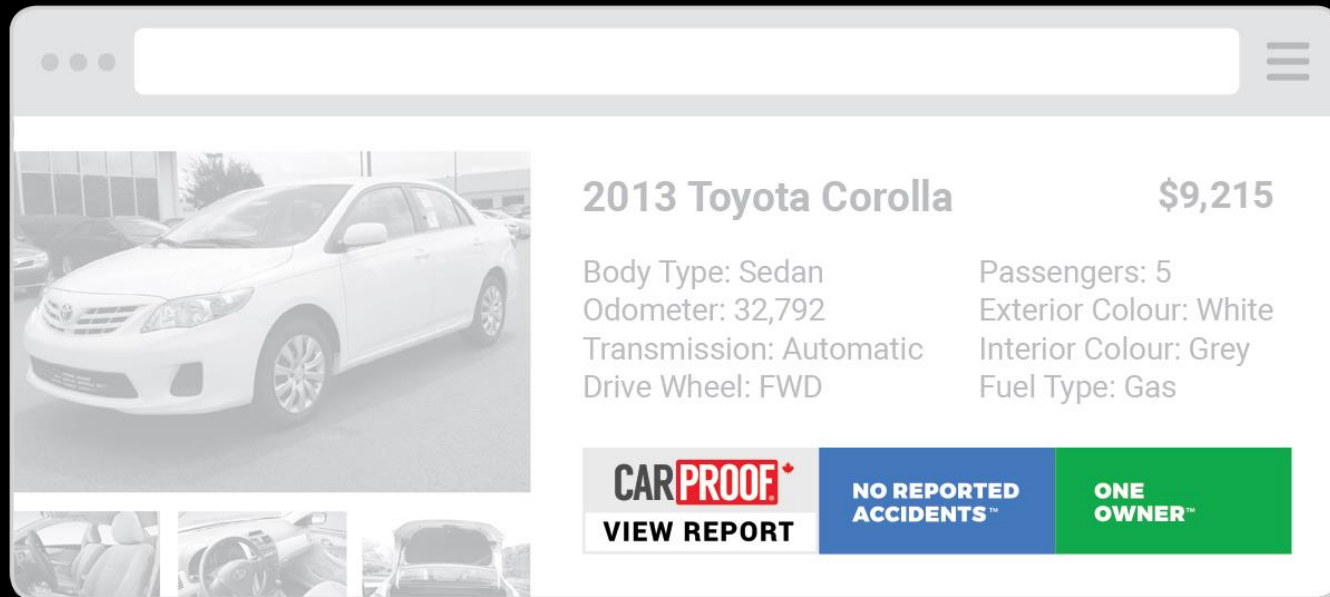
- 1) Inventory merchandising
- 2) Customer motives

INVENTORY MERCHANDISING: What customers want to know



INVENTORY MERCHANDISING: How CARPROOF Can Help

CARPROOF Badges help customers identify the right vehicle at a glance:



A screenshot of a car listing interface. On the left is a large image of a white 2013 Toyota Corolla. Below it are three smaller thumbnail images showing the interior and rear of the car. To the right of the main image, the text reads: **2013 Toyota Corolla** followed by the price **\$9,215**. Below this, vehicle details are listed in two columns: Body Type: Sedan, Odometer: 32,792, Transmission: Automatic, Drive Wheel: FWD, Passengers: 5, Exterior Colour: White, Interior Colour: Grey, and Fuel Type: Gas. At the bottom left is a 'CARPROOF' logo with a red star and a 'VIEW REPORT' button. To its right are two green badges: 'NO REPORTED ACCIDENTS™' and 'ONE OWNER™'.

2013 Toyota Corolla **\$9,215**

Body Type: Sedan Passengers: 5
Odometer: 32,792 Exterior Colour: White
Transmission: Automatic Interior Colour: Grey
Drive Wheel: FWD Fuel Type: Gas

CARPROOF
VIEW REPORT

NO REPORTED ACCIDENTS™

ONE OWNER™



A vertical stack of four colored rectangular badges. From top to bottom: a blue badge with 'NO REPORTED ACCIDENTS™', a green badge with 'ONE OWNER™', a purple badge with 'LOW KILOMETRES™', and an orange badge with 'TOP CONDITION™'.

NO REPORTED ACCIDENTS™

ONE OWNER™

LOW KILOMETRES™

TOP CONDITION™

INVENTORY MERCHANDISING: How CARPROOF Can Help

CARPROOF Vehicle History Reports include:

55 Million+

service records

INVENTORY MERCHANDISING: How CARPROOF Can Help

Be **transparent** when merchandising – provide the vehicle's condition and history upfront.

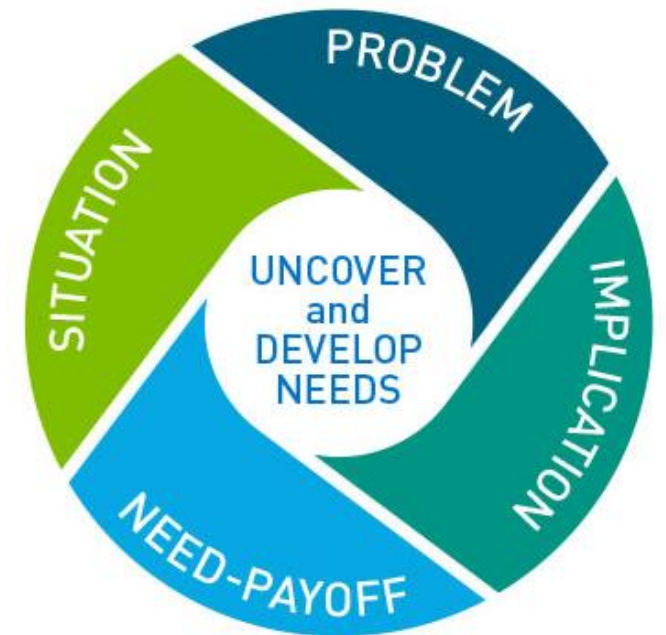
This isn't the right car

- 1) Inventory merchandising
- 2) Customer motives
 - ▶ What makes them want a specific vehicle?
 - ▶ Is their expectation meeting reality?
 - ▶ Is there something better for them?

CUSTOMER MOTIVES: Needs Identification

Identify customers' needs with **SPIN Selling**

> Average outcome: 17% improvement in sales results



CUSTOMER MOTIVES: Needs Identification

SPIN Selling: Focus on explicit needs

Implied needs: Statements of problems, difficulties and dissatisfactions

- > “My current vehicle is not large enough for me”
- > What does this customer need? More seating? More storage? Compared to what?

Explicit needs: Specific customer statements of wants or desires

- > “I need a vehicle that can accommodate my family of 5, with room for drywall and other renovation materials at the same time”
- > At the same time? Let me show you a pickup with a crew cab and a long box.

Customers *really* mean:

1. This isn't the right car
2. I want to cross-shop
3. I have an issue with the salesperson

I want to cross-shop

- 1) Create confidence and trust
 - ▶ Trade-in value
 - ▶ Price-value equation

CONFIDENCE AND TRUST: Trade-in Value

When customers are considering trading in their vehicle, their main point of reference is **used vehicle listings**.

CONFIDENCE AND TRUST: Trade-in Value

CARPROOF Vehicle Valuation Report

- ▶ Market-driven value
- ▶ Trusted third-party source
- ▶ Justified price walkdown
 - Highly detailed trade offers are 2x more likely to be accepted

CARPROOF Vehicle Valuation Report March 2, 2018 Print Share Close

KMHD35LH3GU290160
2016 Hyundai Elantra GT
Hatchback, 2.0L I4, FWD

CARPROOF - Staff Account
1101-130 Dufferin Ave,
London ON N6A 5R2

Sara Johnson sjohnson@gmail.com 226-578-0931

Sales Rep : Larry Donald Manager Ronald Darby

| | | |
|---|---|--------------------------|
| Average Sold Price | What similar vehicles have sold for retail. | \$ 16,665 |
| Odometer Adjustment: | Based on this vehicle's mileage | \$ <input type="text"/> |
| Damage Adjustment | Based on reported damage of: No Damage | -\$ 0 |
| Reconditioning Costs | Getting your vehicle market-ready. | -\$ 1,300 |
| Mechanical (safety, e-test, brakes, etc.) | | \$ <input type="text"/> |
| Tires: | | \$ <input type="text"/> |
| Paint/Scratch/Dent/Glass: | | \$ <input type="text"/> |
| Detailing: | | \$ <input type="text"/> |
| + Add Item | | |
| Cost To Sell | Advertising, fuel, commission, etc. | -\$ 2,000 |
| Additional Deductions: | <input type="text"/> | -\$ <input type="text"/> |
| Additional Value Add: | <input type="text"/> | +\$ <input type="text"/> |

Cash Offer **\$13,365**

Tax savings on your purchase

\$13,365 * % = **\$1,737**
Cash Offer Sales Tax Tax Savings

Total applied to your new vehicle: **\$15,102**









Offer valid for days and/or km

CONFIDENCE AND TRUST: Price-value Equation

Two things that can **differentiate**
your car from a competing car...

CONFIDENCE AND TRUST: Price-value Equation

1. Value of CPO

| Report Findings in Chronological Order | | | | | | CARPROOF |
|--|--|----------------------|------------------|---|----------|----------|
| Below are all records for the vehicle, listed in the order that they occurred. | | | | | | |
| Date | Location | Data Source | Type of Record | Detail | Odometer | |
| 09/18/2015 |  Richmond Hill, Ontario, Canada | Service Facility | Service Record | Vehicle serviced | | |
| 09/08/2016 |  Ontario, Canada | Motor Vehicle Dept. | Canadian Renewal | Registration Issued or Renewed | | |
| 09/08/2016 |  Ontario, Canada | Motor Vehicle Dept. | Canadian Renewal | First Owner Reported | | |
| 09/09/2016 |  Richmond Hill, Ontario, Canada | Richmond Hill Toyota | Service Record | Vehicle serviced | | |
| 09/29/2017 |  Toronto, Ontario, Canada | Independent Source | Odometer reading | | 3,011 KM | |
| 11/02/2017 |  Richmond Hill, Ontario, Canada | Richmond Hill Toyota | Service Record | Vehicle serviced | | |
| 11/02/2017 |  Ontario, Canada | Motor Vehicle Dept. | Canadian Renewal | Registration Issued or Renewed | | |
| 11/02/2017 |  Ontario, Canada | Motor Vehicle Dept. | Canadian Renewal | First Owner Reported | | |
| 11/30/2017 | | HYUNDAI | Sold Record | Vehicle Sold as Certified Pre-Owned (CPO) | | |

CONFIDENCE AND TRUST: Price-value Equation

2. Value of reconditioning

Invoice

TRAUMATIC AUTO & TIRE CTR
2400 S MAIN ST
LAS CRUCES, NM 88001
505-525-7792
505-525-9776

INVOICE #

DATE

TO: [Redacted]

FROM: [Redacted]

| QUANTITY | DESCRIPTION | UNIT PRICE | TOTAL PRICE |
|----------|------------------------------|------------|-------------|
| 1 | REAR BRAKE DRUM RESURFACED | 15.00 | 15.00 |
| 1 | REAR BRAKE CALIPER SERVICED | 15.00 | 15.00 |
| 1 | FRONT BRAKE PADS REPLACED | 15.00 | 15.00 |
| 1 | FRONT BRAKE CALIPER SERVICED | 15.00 | 15.00 |
| 1 | EXHAUST REPAIRED | 15.00 | 15.00 |
| 1 | SAFETY INSPECTION PERFORMED | 15.00 | 15.00 |
| 1 | TIRE(S) REPLACED | 15.00 | 15.00 |
| 1 | TIRE(S) CHANGED | 15.00 | 15.00 |

Subtotal 120.00
Sales Tax (7.421%) 8.90
Total 128.90



Service History

Service Record

Brake drum(s) resurfaced
Rear brakes serviced/adjusted
Brake calipers cleaned/serviced
Front brake pads replaced
Brakes serviced

Service Record

Exhaust repaired

Service Record

Safety inspection performed

Service Record

Tire(s) replaced
Tire(s) changed

Customers *really* mean:

1. This isn't the right car
2. I want to cross-shop
3. I have an issue with the salesperson

I have an issue with the salesperson

- 1) Missed appointment
- 2) Lack of vehicle knowledge
- 3) Rude
- 4) Ignoring spouse

SALESPERSON: Vehicle Knowledge

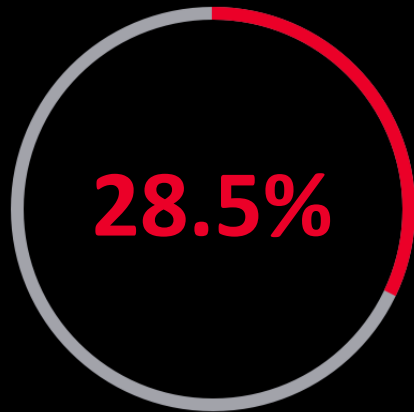
Create efficient training opportunities

- ▶ Video walk arounds build knowledge while promoting inventory
- ▶ Let sales reps take a car home, share experience with other staff

SALESPERSON: Building Relationships

Enable **trust-building** between
your sales team and customers

SALESPERSON: Building Relationships



of all Canadian used car buyers will pick your dealership because they, or a friend/family member has a **positive relationship with you**

Customers say:

“

I need some time to think,
and I have to talk to my spouse.


”

Customers *really* mean:

- ▶ “This vehicle hasn’t met my expectations, and I need you to understand what I need and find me something more appropriate.”
- ▶ “I’m not confident about the vehicle or deal you’re offering, and I need you to convince me that I should buy here.”
- ▶ “I need your sales team to live up to their commitments, know their stuff, and give me everything I need to know.”

The solution:

- ▶ Merchandising with accurate history and condition, understanding customer motives
- ▶ Create trusted offers on trade-ins and create value through your CPO programs and reconditioning
- ▶ Build trust through transparency, invest time in a training plan and in the execution of the plan



askdrew@carproof.com

Questions?

CAR **PROOF** 