Digital Retailing
Profit & Efficiency Gains
COVID-19 Impact Study

ROADSTER

Dealer Impact Study

236

**Total Dealers
Surveyed**

Study by:
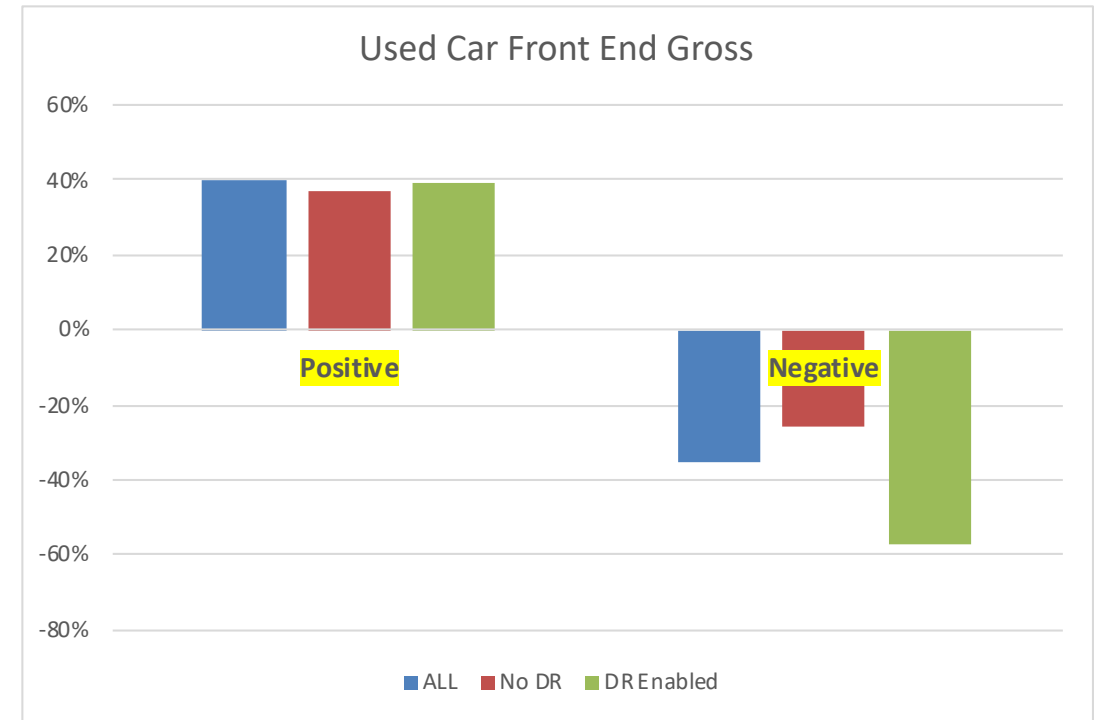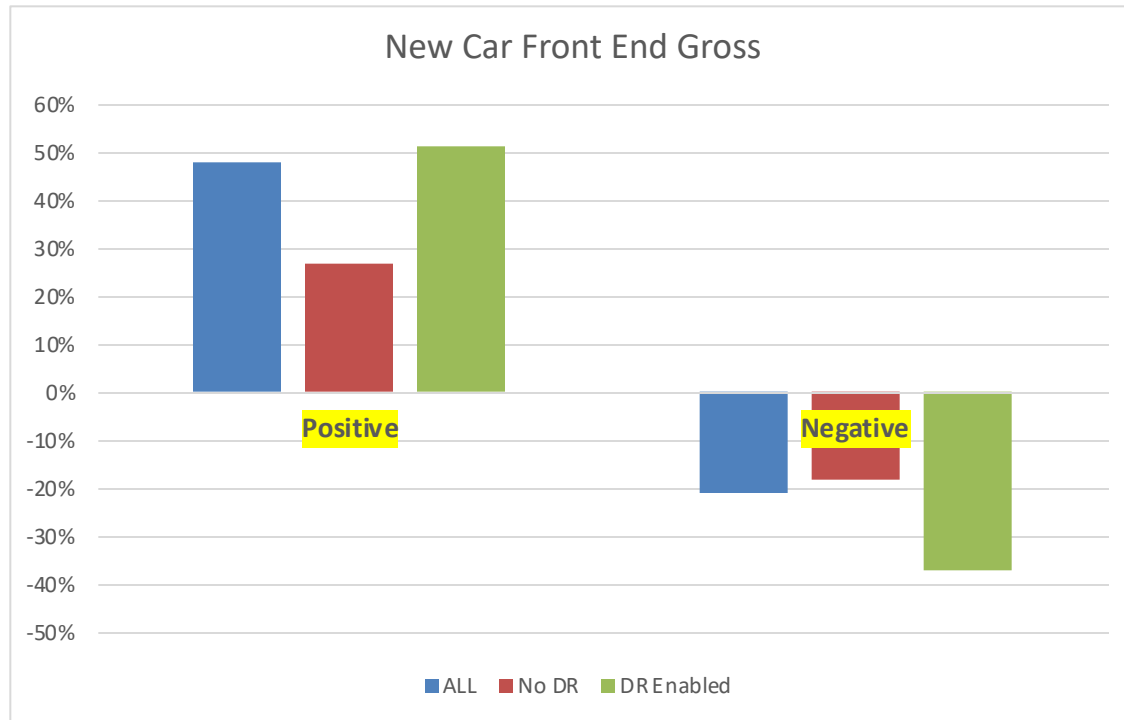
ROADSTER   +   **NADA**

Two Questions

Are digital retailing deals profitable?

Are dealerships more efficient with digital retailing in place?

Profitability

New Car Front End Gross Profit Positive Growth vs. Pre COVID-19

% of dealers with Positive vs. Negative Gross Profit – April vs. Pre-COVID-19

New Car Front End Gross

Used Car Front End Gross

Digital Retailing Drives
Backend Gross Profit Growth

% of dealers with Positive vs. Negative Gross Profit – April vs. Pre-COVID-19

New Car Backend Gross

Used Car Backend Gross

Positive

Negative

ALL   No DR   DR Enabled
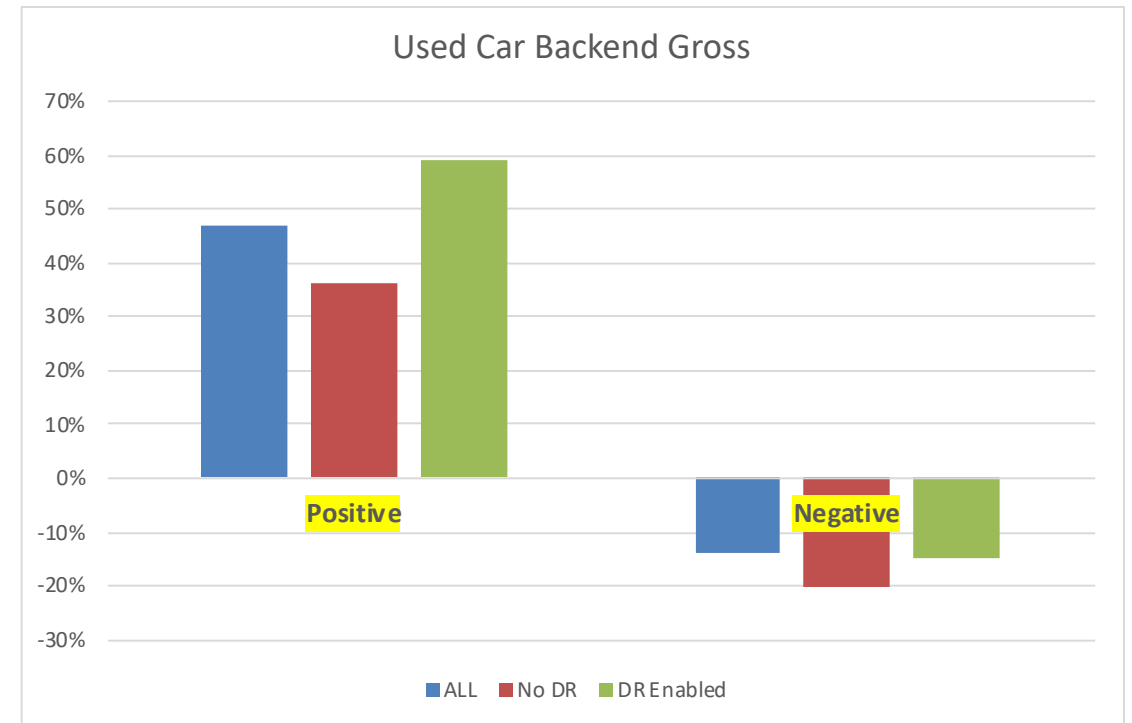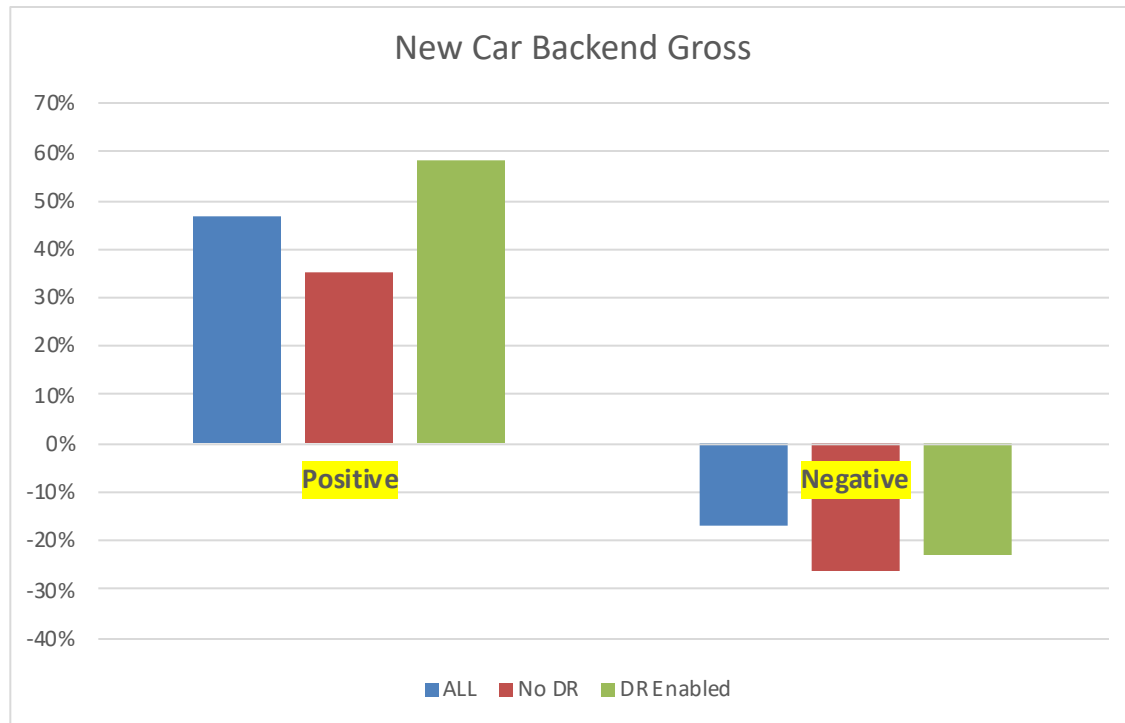
Employee Productivity

Employee Productivity
Survey Feedback

"This allowed us to keep top producers only, ensure they are more productive, and achieve **greater sales with less people and less expenses**. Sales associates will be handling deals from start to finish"

"We initiated speeding up sales in November **with process and with digital retailing** we can do that post Covid-19 at an even quicker pace."

"**More staffing focus on BDC as a direct result of lessons learned** from shopping by appointment only mandate and the comfort/convenience/acceptance of consumers of shopping & transacting online with delivery & paperwork done door to door"
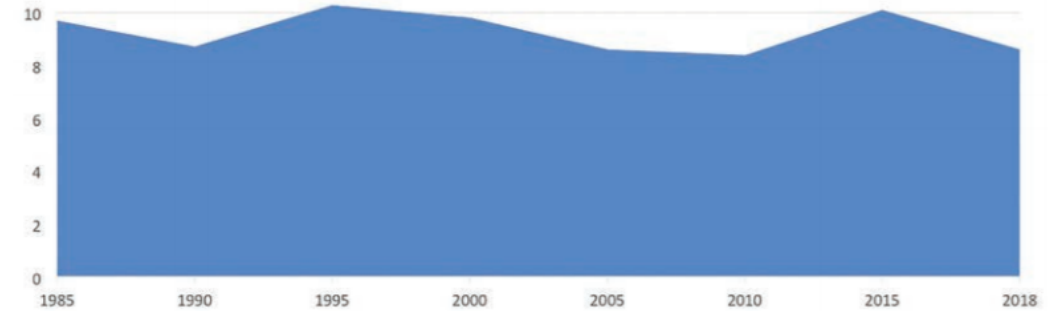
Employee Productivity

Units Sold Per Salesperson

| Source	Units/Salesperson
NADA Average	9
NADA Guide	13
Surveyed Dealers Pre COVID-19	13
Surveyed Dealers - April	**18**

U.S. Dealer Sales Force Productivity Over Time

New and Used Units per Month per Head

Notes: Headcounts are from BLS NAICS code 441100, categories 41-0000 and 11-2022 (sales and sales managers); in earlier years mapped to SIC 551. Includes independent as well as franchised dealers. Units are from various sources (e.g., Manheim) and include used sales as both kinds of dealers but excluded person-to-person used sales.

Cars Sold Per Person Increase
With Leaner Teams

>75%   **50-75%**   **25-50%**   **0-25%**

(2)   0   6   20 +
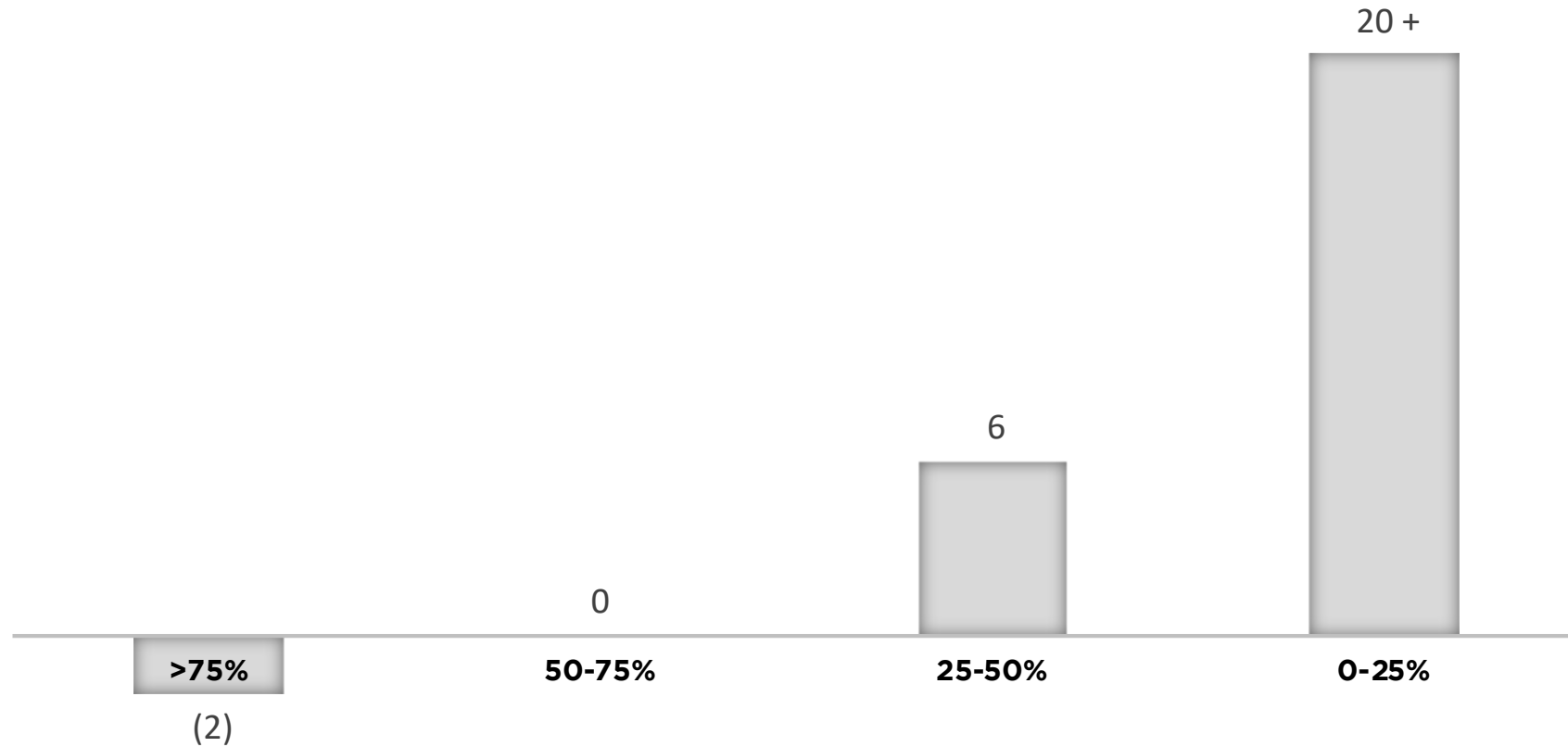
Benefits of Digital Retailing During COVID-19

Benefit	% agree
My customers were able to do more of the buying process online	88%
It enabled me to engage more with my online customers	76%
Customers could build their own dealers after hours	61%
It made my sales process more efficient (saved time)	**61%**
It allowed my team to sell more cars per person	**24%**