

The logo for ShipCarsNow, featuring the text "ShipCarsNow" in a bold, blue, sans-serif font. The text is contained within a light green rectangular box with a thin blue border.

[www.shipcarsnow.com](http://www.shipcarsnow.com)

## **Internet Changes Buyer and Car Dealership Behavior**

Not too long ago, anyone shopping for a new or used car or truck would spend hours scouring the newspaper or waste precious time and money driving from dealership to dealership to compare models, trim levels and prices. Today's smart, Internet-savvy customers do it all with just a few clicks on their computer keyboard and from the comfort of their own home or office. The Internet has, in fact, now become the information and shopping source of choice for today's busy, time-crunched car and truck buyers.

Much of yesterday's traditional showroom traffic has moved into cyberspace. Over 80% of all U.S. households now have Internet access. Nearly 85% of all new and used car purchasers shop online first, before even visiting a dealership. They spend an average of four hours researching and comparing vehicles and prices on a wide variety of manufacturer, dealer and third-party sites such as Kelly Blue Book, Edmunds and Yahoo. More than 10 million used car searches are conducted on Yahoo! each month.

According to a poll conducted by Cars Online, 44% of people surveyed said they were likely or very likely to purchase a car or truck entirely over the Internet, if that capability were available. Last year, one major automotive manufacturer piloted a program in California to sell their cars, trucks and crossovers on e-Bay.

To better satisfy the growing number of customers who shop online, dealerships are creating dedicated Internet Sales Departments to manage customer e-mail inquiries. "It's grown so fast," says Donna Lawlis, Internet Sales Manager at Classic Chevrolet in Grapevine, Texas. "We started with just one person. Now we have ten full-time sales consultants in a separate building just to respond to all our customer leads."

Industry experts recommend dealers hire one dedicated Internet sales consultant for every 100 leads received per month. The industry closing ratio for Internet leads is 2.9%. "Being an Internet sales consultant isn't a car job, it's a sales job," says Eric Hall of Classic Chevrolet. "A normal day for me is to get here at about 8:00 a.m. in the morning, check our incoming leads, start answering customer e-mails, and take photos of our new and used inventory to post on the dealership website. The day kind of progresses from there."

The NADA reports that 96% of franchised dealerships have a website. Nearly 90% of all GM dealerships are enrolled in a factory-sponsored Certified Internet Dealer (CID) program which provides a dealership website, search marketing tools, links to the GM and brand sites, and automatic updates of national sales and service promotions.

"Our dealership website gives us an opportunity to get business we otherwise wouldn't get," according to Rick Smallman, Internet Sales Manager at Lupient Chevrolet in Bloomington, Minnesota. "It's as important to our dealership as the showroom, or as the Parts and Service Department."

Over 80% of all activity on a dealer's website is related to inventory. Most sites feature photos of new and used vehicles, including "Internet Specials," with detailed descriptions of vehicle features, specifications and pricing available at the click of a button.

"Keeping our inventory fresh or finding that one special car, truck or SUV for a customer is always a challenge," says Nate Cottrill, Inventory Manager at Al Serra Motor Plaza in Grand Blanc, Michigan.

"About 70% of our used inventory comes from auto auctions. To find the quality, late-model cars and trucks we need, we're now shopping auctions as far away as Texas and Florida."

As evidenced above, consumers are not the only ones shopping online. Many dealers now buy and sell a substantial volume of their vehicles on the wholesale market through online auctions. Dealers in the Midwest buy used rental cars over the Internet from as far away as Hawaii, California, Nevada and Arizona.

In the same way, online car haulers are helping used car dealers maintain their profitability when shipping vehicles from auto auctions outside their usual trading area. With a few clicks of their mouse, dealers can find online car haulers who offer both truck and rail service options.

Online car haulers are making auto transportation easy, safe and efficient for dealers who are using the Internet to find the best inventory. Dealers shopping online don't want to be constrained by a vehicle's location. After buying a car online from a wholesale auction, dealers simply go to the car hauler's website to get a price and estimated transit time for door-to-door pickup and delivery. Dealers can then place orders, track shipments and manage all their transportation needs in one place online.

Technology and the Internet have changed how consumers compare and shop for cars and dealers are responding. Dealers are finding new ways to use the Internet to manage their business and remain competitive when selling cars to consumers and sourcing inventory for their lots.

#### **About ShipCarsNow**

ShipCarsNow offers auto shipping nationwide providing used car shippers a robust and responsive vehicle delivery network to handle long distance and volume shipments. Our rail and truck resources enable you to receive lower prices, reach more markets and improve profits.