



How to Give Each Generation the Best Dealership Experience

Times have changed. In the past, families would load up the kids and head over to their favorite local dealership, stroll around, and check out the latest models. They made a day of it. When they found their new car, paperwork was time consuming, phone calls to banks were long, and technology did the bare minimum if it was available at all. Those were the good 'ol days of the baby boomers.

For Generation X, technology played a more significant role. Their working and shopping habits were redefined by the faster and easier ways of conducting business with computers. Technology made leaps and bounds during this generation and the next, from flip phones to smartphones and iPods to Amazon's Alexa.

Millennials were born into this world of fast-paced technology and now prefer hopping onto their devices to shop over going to any brick-and-mortar stores.

Retailers, including dealerships, are trying to keep up with their customers' latest shopping habits and preferences. Today, vehicle shopping starts online. If you're considered the best option, the customers will then head over to your store, armed with an enormous amount of information. However, each generation has different vehicle preferences, shopping habits, and expectations for their experience.

To gain your customers' trust and, ultimately, their purchases, you've got to dive in deeper and see how you can give each generation their ideal customer experience.

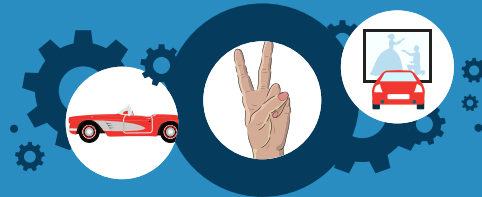


Baby Boomers



Born: 1946–1964

Self Reliant
Work Centric
Nonconformist



Baby boomers, the largest generation, have always held fond memories of vehicles in their youth and still today. Be ready to help them reminisce, since **one in three boomers will buy a vehicle in the next three years.**¹

Who Are Baby Boomers?

Baby boomers have the most time and financial freedom of the three generations. They're empty nesters who can finally trade in their wood-grained station wagons and mini vans for dream cars.

Self-reliant, work-centric, and nonconformist might be a few words you'd use to describe the boomers. They're also financially secure and consumer-oriented—a generation that is ready to make big purchases.

Boomers grew up in a time when family came first and cars came second. They have fond memories of their first cars taking them to drive-in movies and on summer drives. Now, boomers have the spending power to re-live some of those special moments.

How to Reach Baby Boomers

While boomers enjoy reading their daily newspaper, don't be fooled—they also like technology. 89% of boomers own a smartphone, one-third use social media, and, as a group, they spend a minimum of 4.4 hours per week on their smartphones.² Your marketing and media strategies, then, should include a mix of newspaper ads, digital ads, and social media posts and ads to reach this generation. Boomers are more apt to actually read your ads as well, so include more descriptions of your vehicles and services.

To appeal to them in your advertisements, focus on safety and quality features. Show images that convey freedom and comfort, like a vehicle driving on an open road or a close-up of a vehicle's luxury features.

What Baby Boomers Want in a Vehicle

Convenience and comfort are key for boomers, whether that's found in heated seats or a foot-activated hatch. They also look for a design suitable for their aging needs both now and in the future. Boomers want safety features, but also something fun since they no longer need a spacious interior.

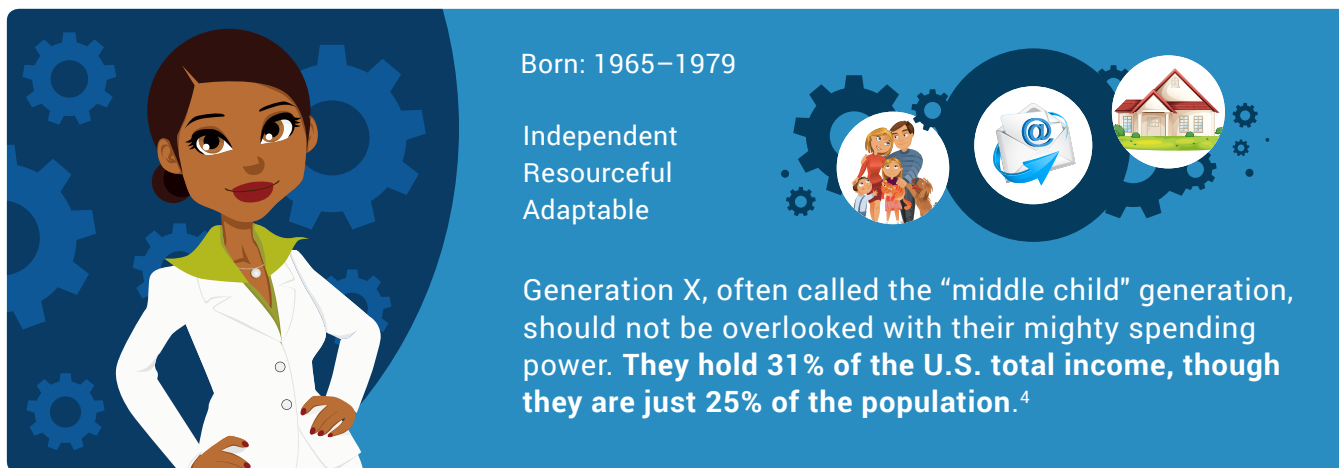
Their preferences range from luxury cars to SUVs, pickups, and compact sedans. Many dream cars are sold to boomers. In fact, Mercedes-Benz sells a whopping 56% of its vehicles to boomers.³

How to Give Baby Boomers the Best Shopping Experience

Boomers are known to make decisions based more on their emotions than logic. So, be sincere and listen to their needs. Trust overrides cost when boomers are deciding. Show them how technology, such as an entertainment system for their grandchildren and a backup camera for safety, can add value to their perfect vehicle.

When talking to boomers, ask them to re-live the memories of the cars they've owned. Listen to their stories, and they might help clue you into their likes and dislikes. When you find the right vehicle, be sure to let them test drive it. Boomers want to feel the comfort of the seat, smell the aromas of the new car, and see the stylish new features. Emotional satisfaction will, ultimately, win over baby boomers.

Generation X



Born: 1965–1979

Independent
Resourceful
Adaptable

Generation X, often called the “middle child” generation, should not be overlooked with their mighty spending power. **They hold 31% of the U.S. total income, though they are just 25% of the population.**⁴

Who Is Gen X?

Growing up before computers became an everyday part of life, Generation X had to learn quickly how to be tech savvy in the professional world. They’ve had to adjust to many changing conditions and, therefore, are often described as independent, resourceful, and adaptable.

And they *have* adapted. 81% of Gen Xers are on Facebook and 5.9 million have Snapchat accounts.⁴ They typically use social media to follow current events around the world and keep track of their millennial children.

Gen X is often called the “forgotten middle child” since they’re sandwiched between the retiring baby boomers and tech-savvy millennials, both more well-defined generations. However, Gen Xers are an important target for advertising. They can frequently be found running a household and making important financial decisions with their baby boomer parents, millennial children, or both. So, when they are influenced, they reach and influence both of the sandwiching generations as well.

How to Reach Gen X

Marketing to Gen X shoppers can be a challenge since they appeal to both digital and traditional advertising methods. 48% listen to the radio, 62% read newspapers, and 85% have favorite TV shows, while 75% are regularly on social media.⁵ To reach Gen Xers with marketing and media strategies, you should use a variety of marketing channels with a good mix of both new and traditional media.

Since it’s easier to market to baby boomers and millennials, they’re more often the targets of ads than Gen Xers. This lack of Gen-X-targeted advertising gives you a greater opportunity to reach this generation with your messages.

Choose one marketing channel at a time and show that you can relate to them. You don’t want to miss out on this generation—they hold enormous spending power.

What Gen Xers Want in a Vehicle

When shopping for vehicles, most Gen Xers are looking for practical, spacious, safe, and family-friendly vehicles. They’re more likely to need a dependable vehicle to haul their kids and gear around town and on family vacations.

Once they know what brand they’re after, Gen Xers won’t buy anything until they’ve thoroughly researched it online. They’ll read through third-party review websites, social media, and dealerships’ websites to learn all they can about the make and model.

How to Give Gen X the Best Shopping Experience

Gen Xers have the highest rate of brand loyalty of all three generations, sitting at 70%.⁶ They seek a valuable shopping experience, which includes clear explanations about the vehicle’s features and functionality. Be sure to listen to their needs and tell them how the vehicle will benefit them. Knowledge is key to a Gen X shopper.

Reliability and quality are also important to Gen X shoppers, especially since 60% of them plan to keep their vehicles for 10 years or longer.⁷ So, avoid selling them a vehicle that you know has a long service history.

You’ll also need to give them excellent customer service after the sale. If you can give Gen Xers consistently positive experiences, you will have a buyer for life.

Millennials



Born: 1980–2000

Diverse
Socially Conscious
Tech Savvy

Millennials are the fastest growing segment of vehicle buyers. **Since 50% of them plan on owning their car for 5 years or less, the dealership market could be ripe for years to come.**⁷



Who Are Millennials?

This generation grew up in a digital world and technology is engrained in their daily lives. Millennials are the most diverse, socially-conscious, and tech-savvy generation. They're known to snapchat every moment of their lives and, sometimes, text only in emojis.

Surrounded by technology and social media, millennials are less concerned about privacy than other generations. In fact, they're more than willing to have their personal information collected if it benefits them with personalized offers or services.⁸ Retailers have gained an enormous amount of information through loyalty cards, which collect buying information while benefiting shoppers with personalized coupons and offers related to past purchases.

Dealerships can also take advantage of this access to information through advanced DMS functionality. Ask your DMS provider if you can pull your customers' social media contacts directly into your DMS. If so, you can instantly gain many more prospects.

How to Reach Millennials

Millennials have changed the scope of shopping. Many have stopped purchasing from brick-and-mortar stores and prefer online shopping instead. Last year, more than half of total purchases by millennials were made online.⁹

Dealerships have, so far, been spared from the online shopping trend. However, millennials do typically start shopping for their next vehicle by researching online, and 82% of them will use third-party sites as their top source.¹⁰ To stand out, share your customers' positive experiences by posting photos on social media and asking your satisfied customers to add reviews on third-party sites like Yelp. Also, look for any negative online reviews and, if you find any, contact the customer to see if you can turn their

negative review into a positive one.

According to Pew Research, 47% of millennials rely on word-of-mouth marketing when making purchases.¹¹ Therefore, it's important to make a lasting impression on each customer, so they'll share their positive experiences with friends, family, and even on social media.

What Millennials Want in a Vehicle

A JD Power study has shown that the real secret to a millennial's satisfaction is value.⁸ Technology, such as navigation and satellite radio, are must haves for the millennial generation. They're also looking for customizable options, good fuel economy, and low monthly payments.

Millennials are not seeking status, image, or brand loyalty—they want value for their money. So, show them how your vehicles provide value, including convenience, safety, comfort, etcetera, in every product feature.

How to Give Millennials the Best Shopping Experience

When selling to millennials, consider using technology whenever possible. Engage them with mobile technology from the minute they step onto the lot. Utilize a tablet to search your DMS for vehicles. If you need to find additional information or work a deal, communicate with your co-workers and managers through mobile collaboration tools right inside your DMS, so you don't ever have to leave your millennials alone on the lot.

Customer service is critical to millennials. They want their experience to run smoothly and quickly. The more delays and errors while at the dealership, the more likely they'll leave and never return. However, if you give them quick and memorable experiences, they're the generation most likely to post about it on social media and share with their friends.



Know Your Customers



Each generation is unique. Knowing who they are and how to work a deal with them will give you a leg up against your competition.

Above all, every generation wants the best customer experience possible. Your technology plays a key role in creating that experience, and keeping customers satisfied and coming back for more. So, make sure you're using the best solutions and technology to make it happen.

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10. 2013 Polk Automotive Buyer Influence Study
11. Source: Pew Research, 2013



Autosoft provides and supports a complete dealer management system (DMS) that has received the Highest Rated DMS award from DrivingSales three years in a row. With affordable month-to-month contracts, Autosoft's DMS improves processes and reduces operating costs in over 2,000 franchised automotive dealerships. Easy-to-use, affordable, and innovative software helps dealers focus on their customers' needs.