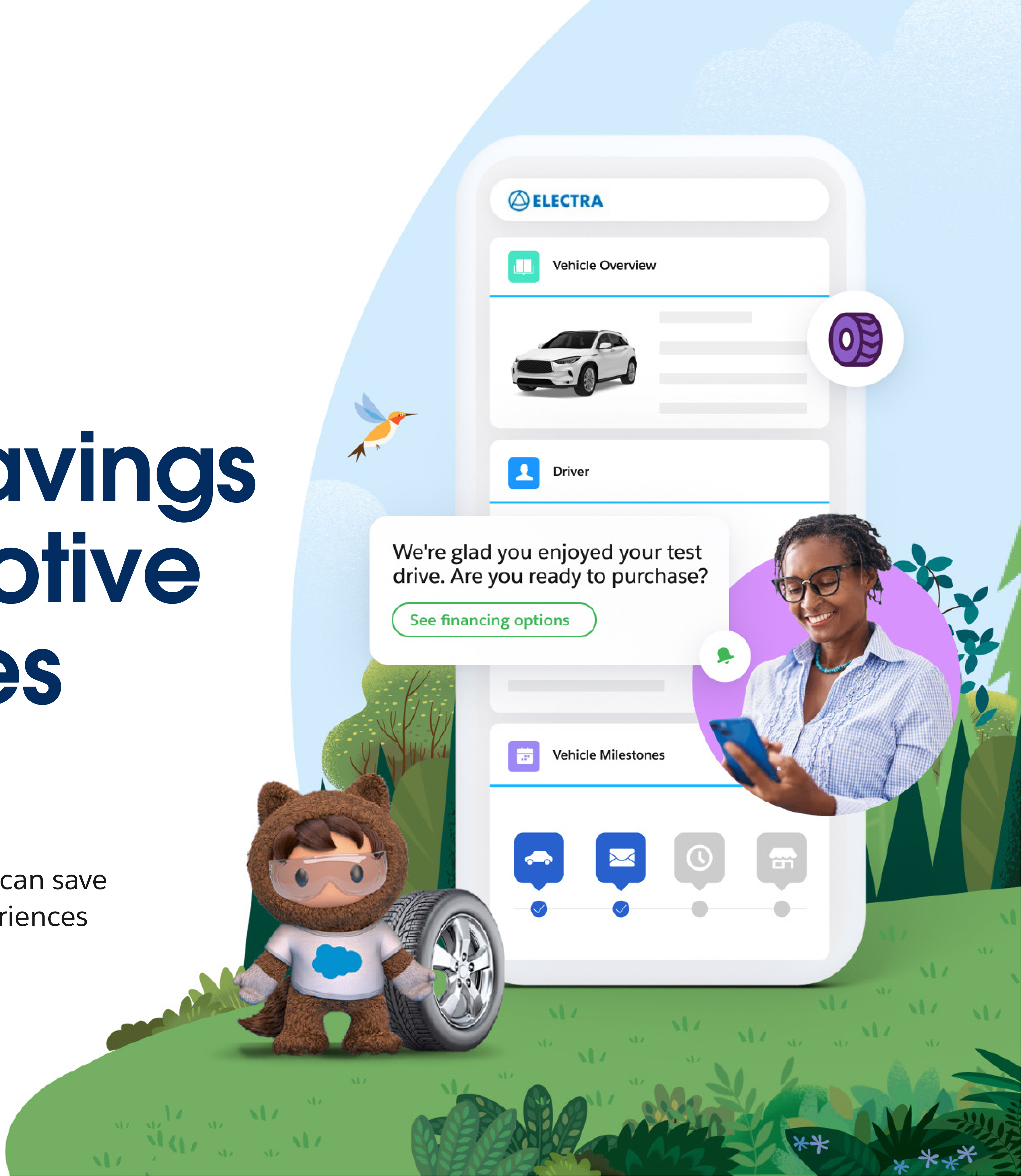
GUIDE

Smarter Savings for Automotive Companies

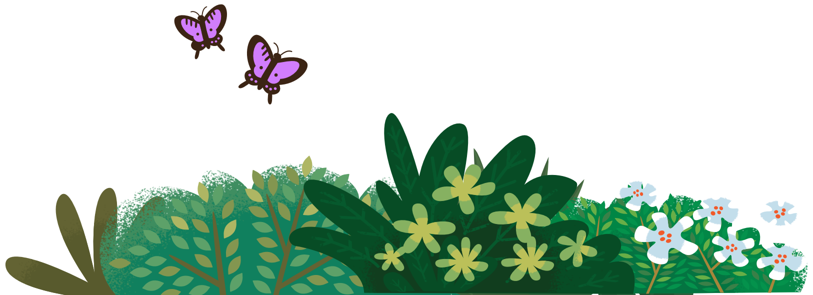
Learn how the automotive industry can save money and streamline vehicle experiences with Salesforce.



01 Business economics are evolving.

The automotive industry is entering a new era and companies are navigating disruption on multiple fronts. Supply chain problems, emission reduction goals, and the need for research and development investments for electric vehicles (EVs) are all in conflict with profit margins. And the market itself has changed as customers react to rising inflation costs and interest rates that make it harder to purchase a vehicle.[1]

Although most supply issues plateaued by 2022, the industry is experiencing less demand. In the automotive industry, businesses experience more volatility than real gross domestic product (GDP) during an economic downturn. The average fall is 12 times worse for auto companies.[2] But, it's possible to turn disruptions into opportunities and save costs by focusing on the customer experience and using technology to increase efficiency.



01 Salesforce helps drive cost savings.

Automotive companies that adapt to new technologies and share information with partners will be able to offer customers the best experience and reap the benefits of a data ecosystem.[3]

For example, when a customer orders a car, you can coordinate with dealers (and other partners) and use this information to your advantage. Original equipment manufacturers (OEMs) are realizing that a "build-to-order" environment[4] is more profitable because there will be fewer cars left sitting in dealer parking lots that require incentives to sell.[5] By leveraging data from customers and partners, companies can offer a better customer experience while also saving costs and making selling more efficient.

While there is high consumer interest in connected vehicles and their many benefits, customers still prefer to have features included in the upfront cost of the vehicle.[4] With these insights in mind, automotive companies can continue to adapt and innovate in ways that meet the changing needs of their customers and remain competitive in the industry.

01 Current Challenges

- Rising customer expectations
- Changing economic conditions and supply/demand volatility
- Financial disruption caused by EVs
- Implementing new subscriptions and services for connected vehicles
- Increasing agility and innovation with minimal risk
- Improving visibility for stakeholders with more centralized data

85%

85% of automotive companies agreed that the research and development cost of transitioning to EVs will be a substantial risk to the industry's profits for the next five years.[6]

1%

Only 1% of buyers are fully satisfied with the vehicle purchase experience.[7]

02 Three business objectives that guide the future of automotive.

1 Deliver differentiated digital experiences.

A consistently elevated driving experience keeps customers excited and loyal to the brand, generating business retention and lifetime value.

2 Grow revenue and customer lifetime value.

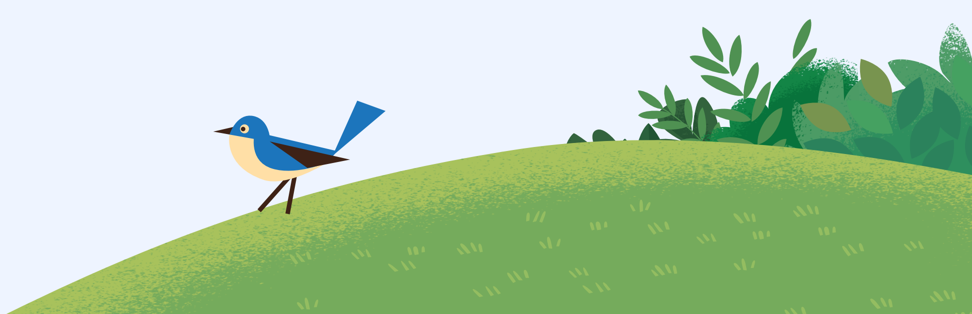
Go beyond acquiring customers – manage the relationship throughout the life of the vehicle and the eventual next purchase (or lease.)

Automotive Cloud allows you to look beyond the individual driver to understand the full household and capture a greater share of the driveway.

3 Improve profitability through operational efficiencies.

Supporting the end-to end customer journey, from consideration to ownership and beyond.

Automate communications and create real-time experiences based on intelligent insights.



02 Automotive Cloud can help create fast time to value.

- ✓ Save money by eliminating the need for multiple systems.
- ✓ Reach your goals faster without having to customize or undertake a massive integration project.
- ✓ Drive better business outcomes with standardized data that is accessible to everyone.

How it works

When a customer shows interest in a car on a website, tying this prospect to a preferred dealership ensures that the lead gets noticed, improving conversion rates and the customer experience. Repeat customers can even be flagged for preferred treatment to thank them for their loyalty.

> **“With Automotive Cloud, we will be able to increase the competitive advantage for our entire mobility ecosystem by connecting customer data and vehicle management together within the same platform.**
>
> **This will allow us to deliver the best customer experience and to increase our customers’ lifetime value.”**

Antonio Rodríguez López
Chief Strategy and Transformation Officer, Astara

03 What makes Automotive Cloud unique?

Holistic view

- ✓ The only platform that provides a holistic view of the automotive customer with vehicle, retail, and financial data in one place.
- ✓ Give customer-facing teams one source of truth and empower them to improve customer experience.

Designed for the industry

- ✓ A trust-first, ecosystem approach that caters specifically to automotive customer, partner, and employee needs and pain points.
- ✓ Out-of-the-box solutions built with industry-specific data models and processes to accelerate time to value.

Drives customer-centricity

- ✓ Supporting the end-to-end customer journey, from consideration to ownership and beyond.
- ✓ Automate communications and create real-time experiences based on intelligent insights.

03 Saleforce's innovative tools drive productivity and cost savings.

Driver 360 was built for this industry, using automotive data models and processes to keep your business running smoothly. Here are some of the components:

Driver Console

Personalize messages based on customer purchase history, service, interactions, and other data points.

Household Management

Understand a household's vehicle preferences and previous interactions.

Vehicle Console

Share vehicle information with any team member, including odometer readings and real-time service and repair information.

Automotive Industry Cost Savings

- **30%** decrease in IT costs (e.g., support/admin, development, integration, infrastructure management, user training, upgrades)
- **29%** decrease in development of one-off projects
- **28%** decrease in service/support costs
- **46%** of cases resolved due to self-service

Productivity Gains

- **32%** increase in developer productivity
- **31%** increase in faster app deployment
- **30%** increased agility and flexibility of IT systems & platforms

Source: Salesforce FY22 Industry Customer Success Metrics

04 How Salesforce Increases Business Value

OEM	
Business Impact	
Strategic Metrics	
Customer Lifetime Value	↑
Innovation & Agility	↑
Time to Market	↓
Financial Metrics	
CSAT/NPS Score	↑
Subscription Revenues	↑
Vehicle Sales	↑
Operational Efficiencies	↑
Legacy Tech Debt/TCO	↓

Dealers	
Business Impact	
Strategic Metrics	
Customer Lifetime Value	↑
Dealer Experience	↑
Talent Retention	↑
Financial Metrics	
CSAT/NPS Score	↑
Cross-sell/Up-Sell	↑
New Hire Ramp-up Time	↓
Service Agent Productivity	↑
Legacy Tech Debt/TCO	↓

Captive Finance	
Business Impact	
Strategic Metrics	
Customer Lifetime Value	↑
Innovation & Agility	↑
Time to Market	↓
Financial Metrics	
CSAT/NPS Score	↑
Financing Penetration Rate	↑
Self-service/Call Deflection	↑
Service Rep Productivity	↑
Legacy Tech Debt/TCO	↓

> **“Automotive Cloud will make processes more efficient. It’s exciting to see how much impact those small changes will have on user satisfaction.”**

Peter Martin-Jones
Head of Marketing, Vindis Group

04 Maximize customer and vehicle lifetime value with Automotive Cloud.

Complete 360 View

Comprehensive view of customer, vehicle, and financial relationships, all in one place.

- ↑ 1:1 Engagement
- ↑ User Adoption
- ↑ Operational Efficiencies

Elevated Experiences

Deep personalization around moments that matter throughout ownership lifecycle to drive loyalty.

- ↑ New Business Models
- ↑ Customer Loyalty
- ↑ Top Line Growth

Agile & Scalable

Out-of-the-box technology that seamlessly integrates data from multiple sources.

- ↓ Total Cost of Ownership
- ↓ Time to Configure & Deploy
- ↑ Speed to Value

04 Unlock exponential value with Automotive Cloud.

The automotive industry is in the midst of a historical transformation as it rises to meet the demands of the digital age. Customers are overwhelmingly unsatisfied with the car buying experience, and just a quarter of automakers and dealers believe their companies have adapted well to selling online.[6]

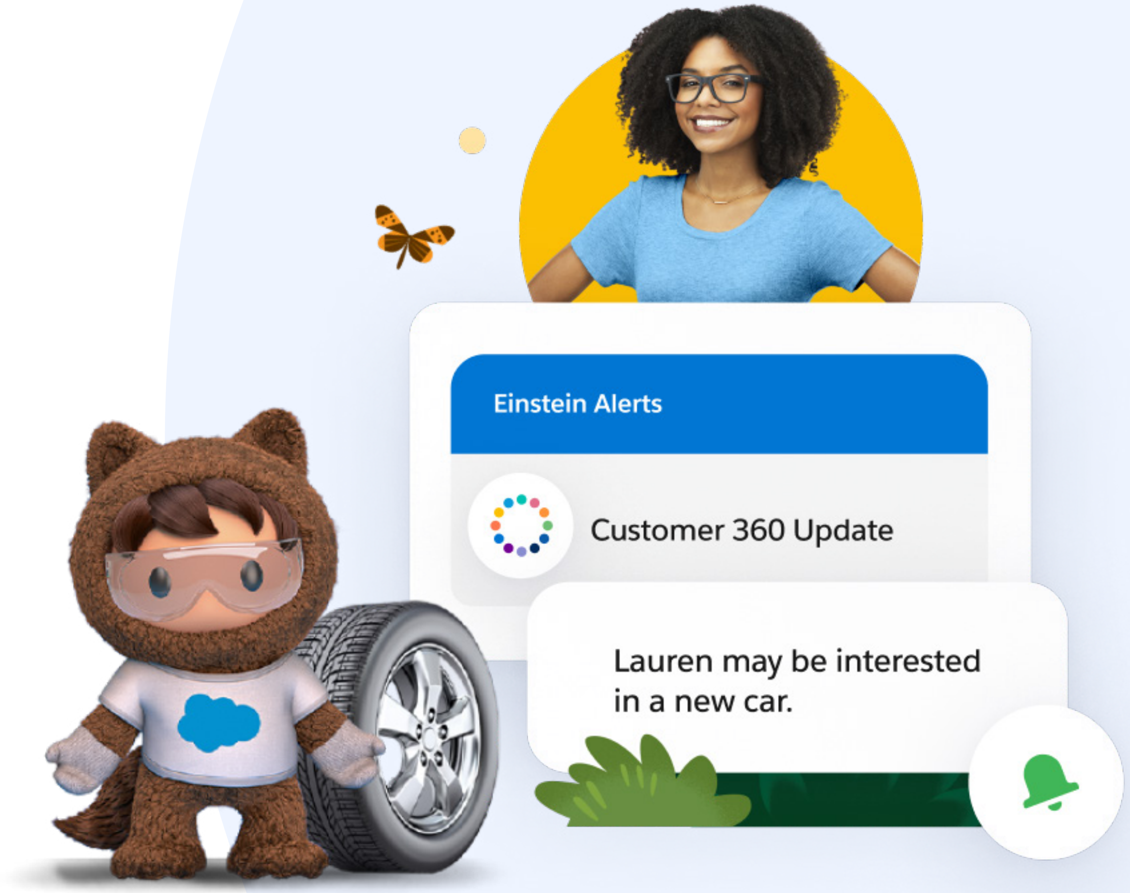
To build new revenue streams and fix the broken customer experience, the industry must tap into new opportunities created by new selling and servicing models, connected vehicles, subscriptions and partnerships, and the wealth of data these new offerings create. Automotive Cloud can help you take advantage of these opportunities by increasing your agility and flexibility and providing a way to act on intelligent insights. With industry-specific automation and processes, you can provide an exceptional customer experience and increase revenue through better lead conversion and collaboration.

Want to take us for a spin?

Start a 30-day free trial of our Automotive Cloud guided experience with preconfigured use cases and sample data.

Discover purpose-built capabilities such as Driver Console, Vehicle Console, Household Management, and more.

Start your free trial



Sources

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