# How data analytics is transforming automotive dealership sales



In the rapidly evolving landscape of automotive retail, dealerships are increasingly turning to advanced data analytics to enhance their sales processes and stay competitive. S&P Global Mobility highlights the importance of a seamless, data-informed sales cycle for dealerships seeking to attract and retain customers amidst fierce competition.

According to S&P Global Mobility, three crucial actions can empower dealerships to harness data-fuelled insights effectively: identifying new market opportunities, targeting the right buyers, and closing more profitable deals. Each of these elements plays a vital role in optimising the sales cycle, paving the way for increased profitability in both new and used vehicle sales.

The first step, identifying new sales opportunities, involves understanding market dynamics to translate trends into sales potential. By analysing demand, market share, and customer loyalty, dealerships can tailor their strategies to detect which vehicle segments and models are currently thriving in their specific markets. Tools such as S&P Global Mobility’s Market Impact offer weekly reports that track demand and market share, enabling dealers to make informed choices that enhance their sales performance.

After recognising potential market opportunities, dealerships must align their sales strategies with their inventory. This requires a focused approach, leveraging first-party data to develop audience profiles that consider factors like brand loyalty and purchasing intent. With research indicating that nearly half of new car buyers switch brands, minimising wasteful advertising efforts is essential. Solutions like Polk Auto Direct allow dealerships to create targeted marketing campaigns based on detailed audience profiles, covering a range of consumer segments from in-market shoppers to electric vehicle buyers.

The final stage of the sales cycle is dedicated to closing more lucrative deals. Streamlining payment processes is critical for enhancing the customer experience and accelerating sales. By offering prompt, accurate, and transparent financing options, dealerships can mitigate time spent at the dealership and reduce the risk of revenue loss due to common errors in deal finalisation. The mDesking tool from Market Scan reportedly provides dealers with instant payment options across nearly all lenders, minimising costly mistakes that lead to customer dissatisfaction.

S&P Global Mobility asserts that a successful sales cycle relies on a comprehensive approach that utilises actionable, data-driven insights throughout the customer journey. By embracing these advanced methods, automotive dealerships can not only optimise their sales cycles but also position themselves for sustained success in a competitive market landscape.

The upcoming National Automobile Dealers Association (NADA) Show, scheduled for January 24-26, aims to showcase innovative solutions such as Market Impact, demonstrating how data-driven strategies can bolster profitability in the automotive retail sector.

Source: [Noah Wire Services](https://www.noahwire.com)

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