

Navigating Change In Retail Integration



Overview

- Changing consumer expectations require more sophisticated buyer experiences, (single person sales contact, virtual test drives, faster purchase cycle).
- Connected car means vehicle functionality is being extended to non-traditional systems (tablets, phones, Internet of Things, traffic systems).
- Automakers are no longer competing against just each other, must consider impact of technology companies moving into automotive space.
- Since the advent of the DMS in the 1970' s, majority of U.S. dealers have been using systems from a limited amount of vendors.
- DMS is no longer the “central” hub and cannot meet the needs of rapidly evolving retail ecosystems.
- Open integration via OEMs and DSP's systems allow for rapid adoption of new technology.

Integration Strategies



PROs



CONs

- ✓ **Global Solution**
- ✓ **Allows for full market penetration**
- ✓ **Promotes greater dealer choice and satisfaction**
- ✓ **Adapts to rapidly evolving software requirements**
- ✓ **Other vendors bring unique solutions**

- ⊘ **Requires implementation of integration program**
- ⊘ **Multiple vendors to manage**

Integration Strategies



PROs

- ✓ Established model
- ✓ Fast penetration of market
- ✓ Limited vendors to manage
- ✓ Maybe be easier in some emerging markets



CONs

- ⊘ At odds with current technology trends
- ⊘ Limits dealer choices
- ⊘ Has never achieved greater than 60-70% market penetration
- ⊘ May not be compliant with legal requirements

Resources

[Why Automotive Must Embrace Connectivity](#)

[How Daimler Is Transforming Retail Integration](#)

[Is The DMS Losing Its Meaning?](#)