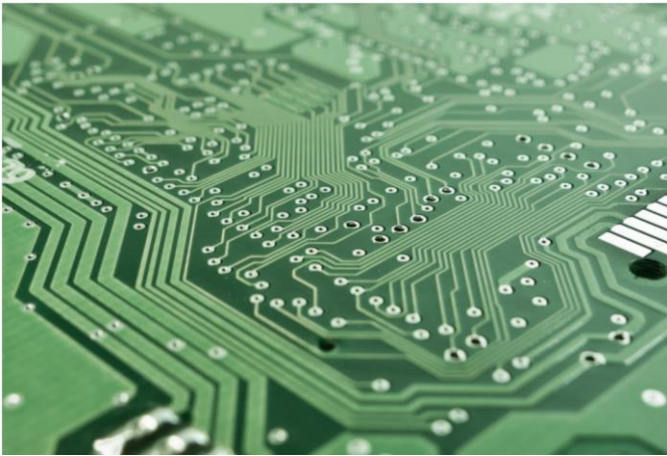




# Playing Up Tech

October 8, 2019 Tess Collins No Comments



Oct. 8, 2019—When it comes to technology, the automotive industry—both independent shops and dealerships—are relatively behind the times. However, today’s consumer is not and expects a certain level of convenience through technology. Whoever takes advantage of this—whether it be independents or dealerships—will have a competitive edge.

Sunil Marolia is vice president, product management for Spireon, a connected vehicle intelligence company. Prior to joining Spireon, Marolia led the product management functions at Smith Micro Software as well as product management and marketing functions at Hewlett-Packard in their mobility solutions group.

Marolia shares his thoughts on how to use technology as a differentiator and where dealerships and independents each have an edge.

## Where do you believe dealerships have a competitive advantage over independent shops?

Backed by the vehicle manufacturer brand, dealers have a higher level of credibility with consumers when compared to independent shops. If consumers don’t already have a trusted third party shop, the dealer is the natural default for servicing the car. There is a perception that the dealership has skin in the game and will offer better service since they are building brand equity for the next car purchase. Lastly, for new cars, the vehicle warranty coverage incentivizes consumers to use the dealer for service because it is likely the vehicle warranty will cover the cost of the repair.

## Where do independents shine?

Independents are perceived to have better pricing and more personalized service than the dealership. Additionally, independents tend to have more convenient locations for vehicle servicing and, in some cases, even provide mobile services.

## How can technology be used as a differentiator?

Convenience is a major concern for consumers when it comes to vehicle maintenance. While technology alone is not a differentiator, it can be to the degree that it can be used to improve convenience [for the customer]. There are several pain points in servicing vehicles, including booking appointments, finding alternative transportation, approving recommended service and payment. Given the relatively stagnant nature of the fixed ops industry, there is considerable opportunity for technology to positively impact outcomes for both service shops and consumers.

## How can technology be used to compete?

Connected car technologies can now share vital performance and vehicle information that can be used to assess what kind of service is needed and in what time frames. Mobile phones open the door to communicate more effectively with precise, relevant information and offers.

<https://www.noln.net/articles/3822-playing-up-tech>