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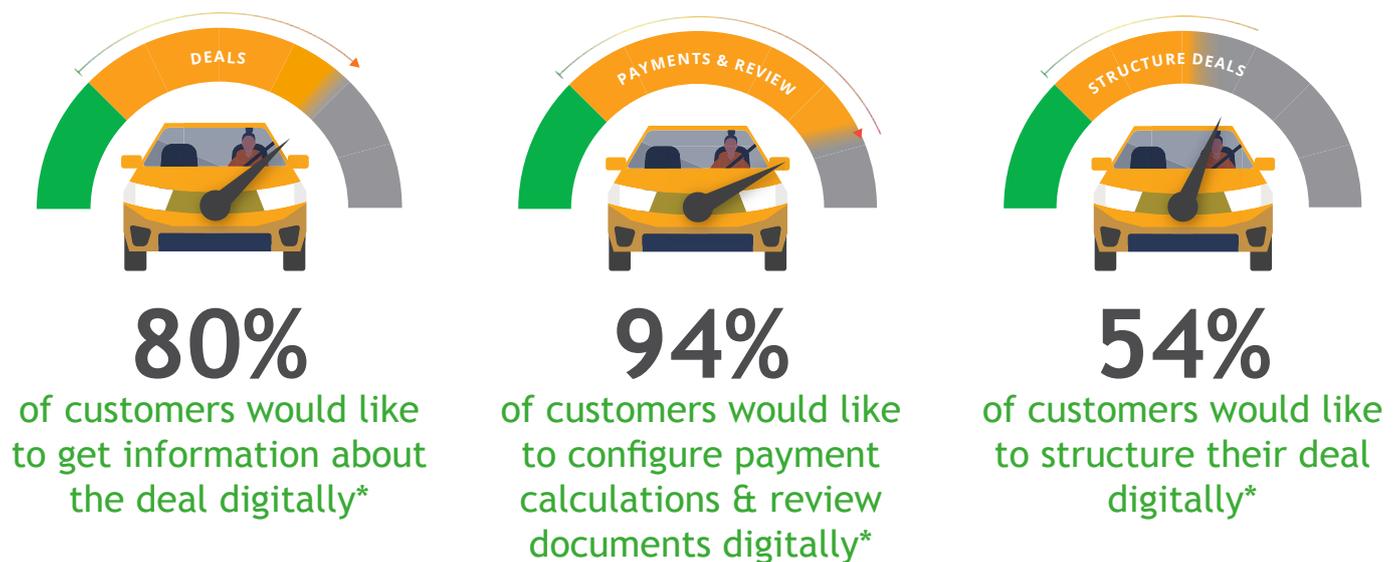
The role of
OMNICHANNEL
DIGITAL RETAILING
for Value-add Products
After COVID-19



In March 2020, the onset of the COVID-19 pandemic rapidly accelerated the need for dealerships to adopt a digital retail approach. Amidst nationwide lockdowns or social distancing measures, dealers quickly pivoted to expand digital experiences and adapted their operations to continue selling and meeting customer needs in an online setting. Some of the changes that were implemented have become permanent while others were always intended to be more temporary, leaving many dealers with the challenge of having to decide which digital retailing tactics will be most impactful for their businesses moving forward.

Consumer Mindsets Around Digital Retailing

While the immediate pressure that was applied by the onset of COVID-19 has abated, customer expectations around digital retailing have not. Car shoppers still want, and in many cases expect, to be able to complete some or all of the car buying process online including purchasing value-add products such as Warranty, Guaranteed Asset Protection (GAP) Insurance, Cosmetic Insurance or Service Plans.



With this in mind, the next section gives short overviews of different communication channels and digital collateral that can aid you to promote these value-add products within a digital retailing strategy.

Potential Components of a Dealership's Digital Retailing Strategy

Your website - With the majority of online research for a new vehicle beginning with the OEM (original equipment manufacturer) website, your own site will need to act as space to reiterate the important aspects of the purchasing journey. Therefore, it's important that your site serves the following purposes:

- Showcase vehicle inventory online
- Provide financing options and outline payment structures
- Assess the trade-in value of used vehicles
- Collect customer data to make the sale easier when a buyer enters the dealership
- Provide product education and enable online research
- Offer the full e-commerce experience, including enabling shoppers to purchase a vehicle and Finance and Insurance products directly from the site
- Enable promotion to consumers through channels, such as online chat or email sign-up



Online chat functionality - 77% of car buyers are interested in communicating with your team through online chat*. This opens the door for your team to begin establishing a relationship where you provide valuable insight and expertise to the customer online. The trust you establish here will carry over into future interactions both online and in person.



Texting - When it comes to texting, 70% of car shoppers want to use this channel to communicate with dealer staff*. This may seem like the channel with the lowest barrier to entry since your team is likely to be mobile-savvy, but texting in business creates a need for a mobile marketing strategy. It could be worth considering how to optimise marketing materials for mobile if this is a high-performance channel for you.



Emails - Direct communication with the appropriate dealership staff via email or chat was ranked as one of the top 5 online options customers want according to a recent Assurant study. Like texting, email may sound less complicated than it is from the dealer perspective. When done correctly, a strong email program factors in a variety of customer-centric insights, such as: the best time of day to send an email to ensure that it's opened, easy-to-skim templates that your team can distribute quickly, the right design to render correctly on desktop or mobile devices, and more.

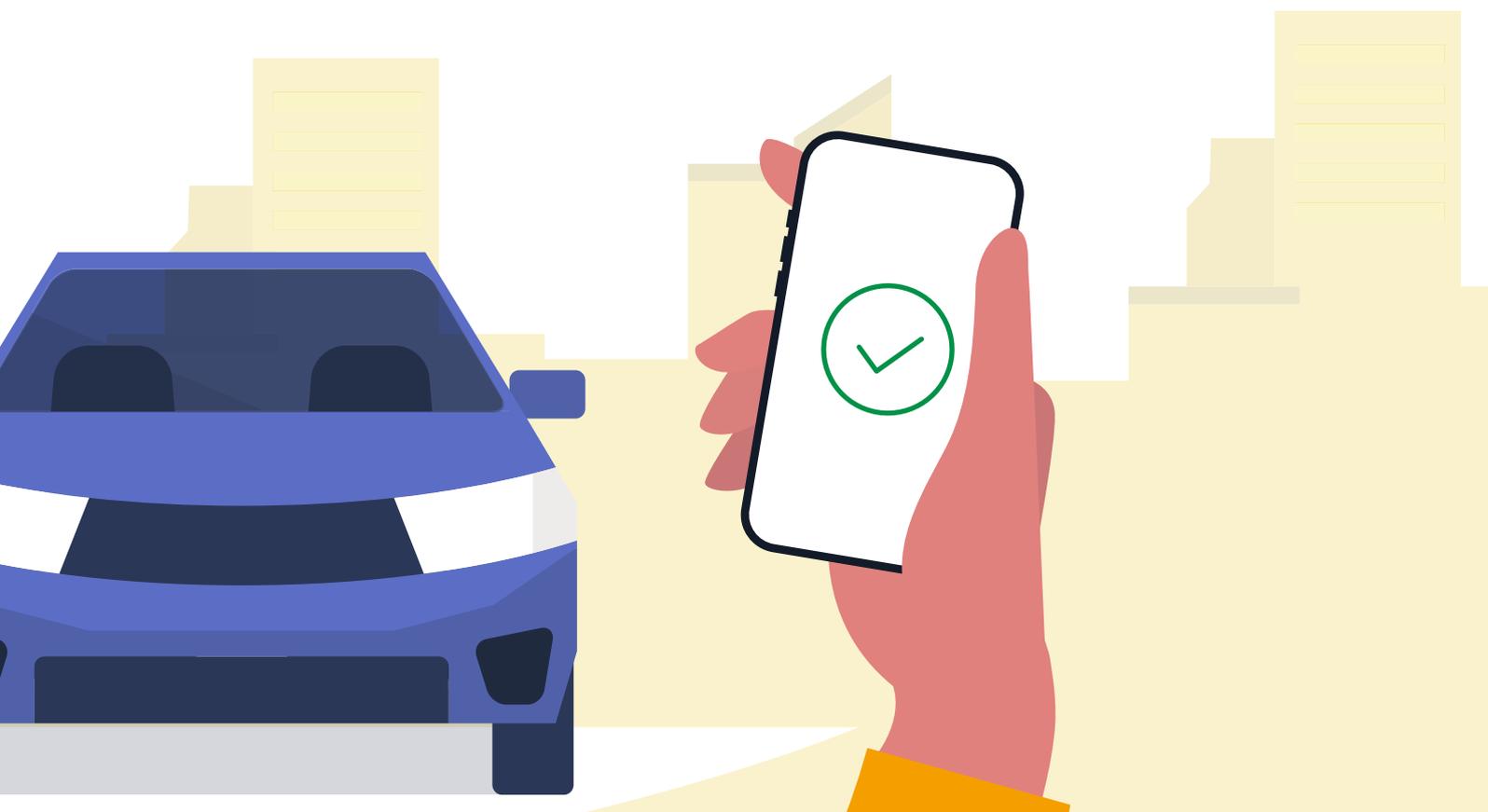


Video conferencing - Video conferencing, especially post-COVID, is becoming more important. 67% of consumers said they'd be open to talking to your dealership team using this channel. This provides a big opportunity for your team to continue face-to-face conversations in a new format, should a customer not feel comfortable visiting your dealership. Like other digital channels, it creates a need to empower your staff with the right digital presentations, marketing collateral and technology training to provide a strong customer experience that successfully closes deals.



Digital retailing platforms - The market for auto-specific digital retailing platforms is advancing, with the customisable online platform quickly becoming a central focus of digital retailing conversations for many dealerships. Today, there are a variety of platform providers on the market, each with different configurations, functionality, and integration components. We're able to help dealers understand how our value-add products are integrated into these platforms to achieve the best result in line with the dealer's needs.

While the technology landscape around digital retailing can be complex, an omnichannel experience that enables self-guided and dealership-guided research is becoming more and more critical to success. With the support of Assurant's online dealership academy, digital marketing assets and suite of automotive value-add products, you can ultimately build a successful experience specifically tailored to your strategy.



Fuelling 'Value-Add' Product Sales with Digital Marketing Collateral

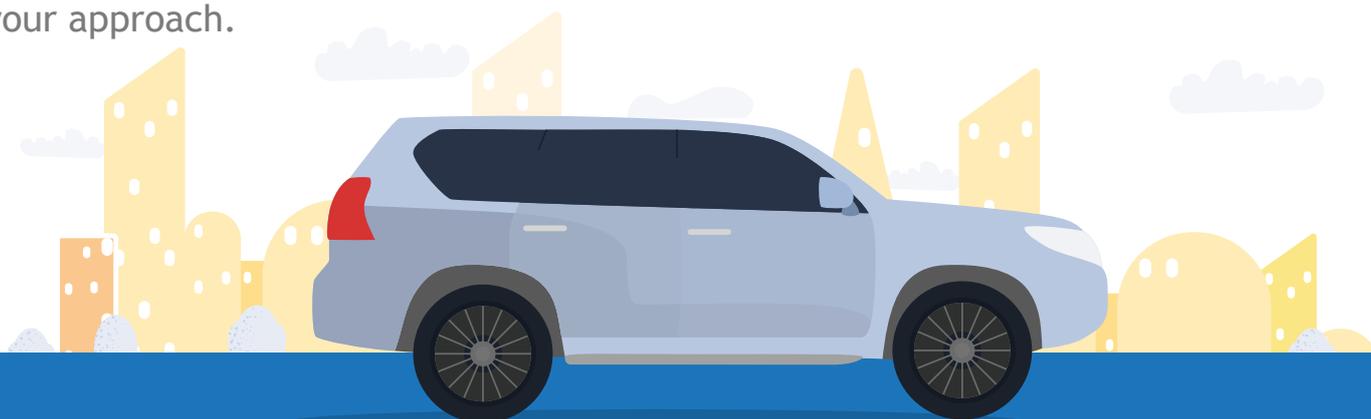
Because of the nature of online interactions, it's crucial that the right content and engagement techniques be used at each step of the buying process. If consumers are confused, overwhelmed with choices, or aren't being fed the information they want, it's easy for them to put off completing transactions or simply abandon them.

The best way to prevent this is to provide digital content that addresses the different needs and pain points associated with each consumer mindset. The top pain points consumers want automotive protection products to solve, according to a recent Assurant study, are as follows:

1. Cover repair costs
[Check out our Warranties](#)
2. Provide nationwide coverage
Repairs can be completed at any VAT registered garage
3. Offer roadside assistance when needed
[Become a part of the RAC Dealer Network](#)
4. Reimburse for rental car costs
Check out our Warranties
5. Offer transferable coverage
[Most Assurant automotive products are transferable](#)

Assurant provides multi-media marketing content, such as digital brochures and standardised copy for websites, that can be used by dealers to share helpful value-add product information with consumers. Our marketing collateral is tailored to engage your customers and generate awareness of product needs.

Depending on the technology your dealership leverages to engage consumers, our team can help you fuel those interactions with marketing content that's digitally optimised. This includes everything from providing the actual marketing assets themselves, to sharing customer research and best practices that guide your approach.

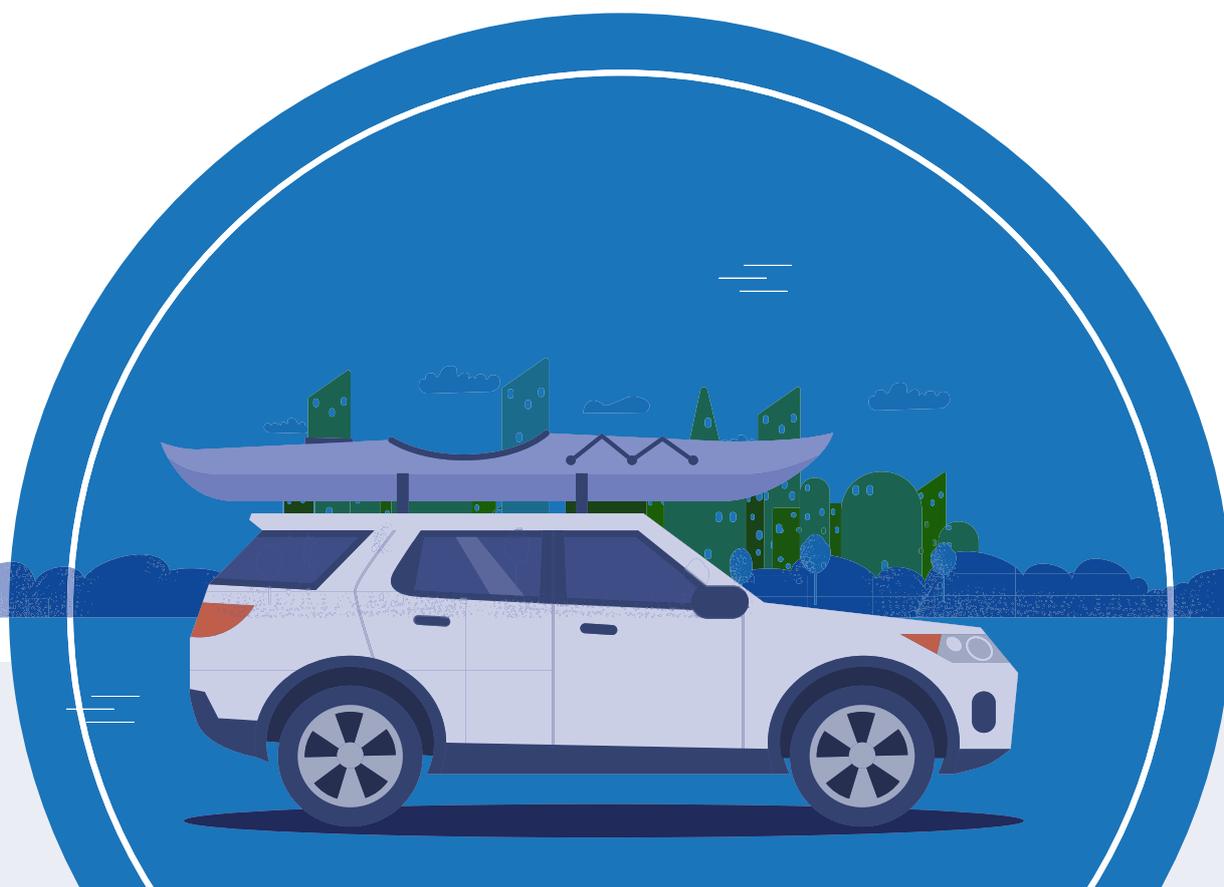


Assurant Research Excerpt: Digital Collateral

In a recent study, we set out to determine what type of content is most impactful when it comes to helping consumers understand the value of value-add products. To start, we asked different consumers to watch a short product video and evaluate the components of the video. Then, we asked them to provide feedback on a corresponding digital brochure. Here is some of the feedback we got:

- **75%** of consumers said they'd consider purchasing and/or recommending a protection plan after seeing the video.*
- **92%** of consumers said the graphics used in our product videos made the products easier to understand.*
- **94%** wanted more detailed information on the protection plan highlighted in the video.*
- When more information was shared in the form of a digital brochure, **85%** of consumers thought the brochure was a valuable source of information.

As you think through how to market value-add products in a virtual setting, we will continue to monitor consumer interactions with our digital collateral, to help you make research-backed decisions about the most valuable information to use in each consumer interaction.



Next Steps for Your Team

As you continue evaluating the most impactful ways to drive value-add products across your digital retailing approach, here are three things to consider next:

Expertise: Schedule time to discuss your digital retailing approach with an Assurant expert. Our history stems back to the legendary [Pat Ryan](#), and we have led the industry ever since – and we’re doing the research to make sure we continue leading throughout this process. We’re working with dealers across the country to help them build a digital retail approach that drives product attachment.

Training: Evaluate and, if needed, adjust your approach to training your team. Whether it’s training on how to present value-add products or closing the sale virtually, make sure your team has all the tools and information needed to execute successfully.

Information: If you would like to find out more about how our team can help you, send us a message [here](#).

**Please note:* All research in this document is based on the US marketplace. Assurant research conducted in 2020.

