

THE MARKET SHIFTS IMPACTING DEALERSHIPS LIKE YOURS





53% OF ALL CAR SALESWILL BE EVS BY 2030.1



DURING THE SAME PERIOD, ONLINE SALES WILL TRIPLE.²

In other words, EV manufacturers and OEMs are going to compete directly with you. And tech companies are trying to take car sales entirely online, bypassing you.

REVENUE AND PROFITABILITY ARE UNDER SIEGE

Gross sales have been extremely high, bringing in unprecedented revenue and profitability. So some dealerships are **staying the course**.

The rest are **doubling down** on things like vehicle volume, turn-and-earn, and easy upsells.

But the reality is, dealers who don't find other ways to add value for their customers and generate new sources of revenue **lose market share**, and their **margins will erode**, or they'll get **left behind**.

A HUGE OPPORTUNITY YOU CAN'T IGNORE

In the past, dealers have tended to shy away from **commercial sales and upfitting**. Your salespeople already have so much on their plates without having to deal with customizations, catalogues, and tricky pricing.

But commercial vehicles are actually a huge opportunity that can't be ignored anymore. In fact, **commercial vehicle sales will grow at a CAGR of 10.6% over the coming years**.³

Instead of avoiding the perceived complications of selling and upfitting vehicles, you need to **control the complexity and seize the opportunity**.

CONTROL COMPLEXITY AND SEIZE COMMERCIAL SALES AND UPFITTING OPPORTUNITIES

To blow open this new and critical revenue stream, you have to be able to:

1. Sell upfits as easily and as quickly as you sell F&I or warranties

Challenge: Salespeople don't want to leaf through a massive catalogue to figure out what the customer needs or worry about the back-and-forth of getting a quote when a red-hot buyer is ready to purchase.

Solution: With KargoQuick from Holman, you can sell upfits as easily and as quickly as you sell F&I or warranties. Salespeople can configure the vehicle in the moment that buyers need to do their jobs and quote a price right away from online.

Dealer impact: You'll increase sales volume, max out revenue per vehicle, and attract lifelong customers.

2. Source upfit parts in days, not weeks

Challenge: Turning around a work-ready vehicle fast can come down to whether or not the right part, rack, or bin is available. If you can't, the buyer will go down the street or online to someone who does.

Solution: With ready inventory, you can source upfit parts in days, not weeks from us, Holman, or a warehouse distributor.

Dealer impact: You'll build up a reputation of reliability.

3. Expose your inventory to the largest audience possible

Challenge: With EVs, OEMs, and online dealers swooping in with marketing and promotions budgets that dwarf most dealers', you can only hope buyers find you and that you get the sale.

Solution: With Holman's fleet buying network, which sees 125,000 orders every year and two billion dollars in maintenance, you can expose your inventory to the largest audience possible.

Dealer impact: You'll create opportunities to add variable and fixed revenue through maintenance and vehicle sales.

Visit <u>km.holman.com</u> to learn more about how you can **control the complexity** and seize the opportunity through our partnership with Holman.



<u>A Turning Point for US Auto Dealers: The Unstoppable Electric Car,</u> McKinsey & Company, September 23, 2021. ² <u>Online Car Buying Market Statistics 2021-2030</u>, Allied Market Research, June 2021.

Eleet Management Market Size by Vehicle Type, Component, Communication Technology, Industry, Regional Outlook, Growth Potential, Price Trends, Competitive Market Share & Forecast, 2021–2030, Valuates Reports, February 2022