

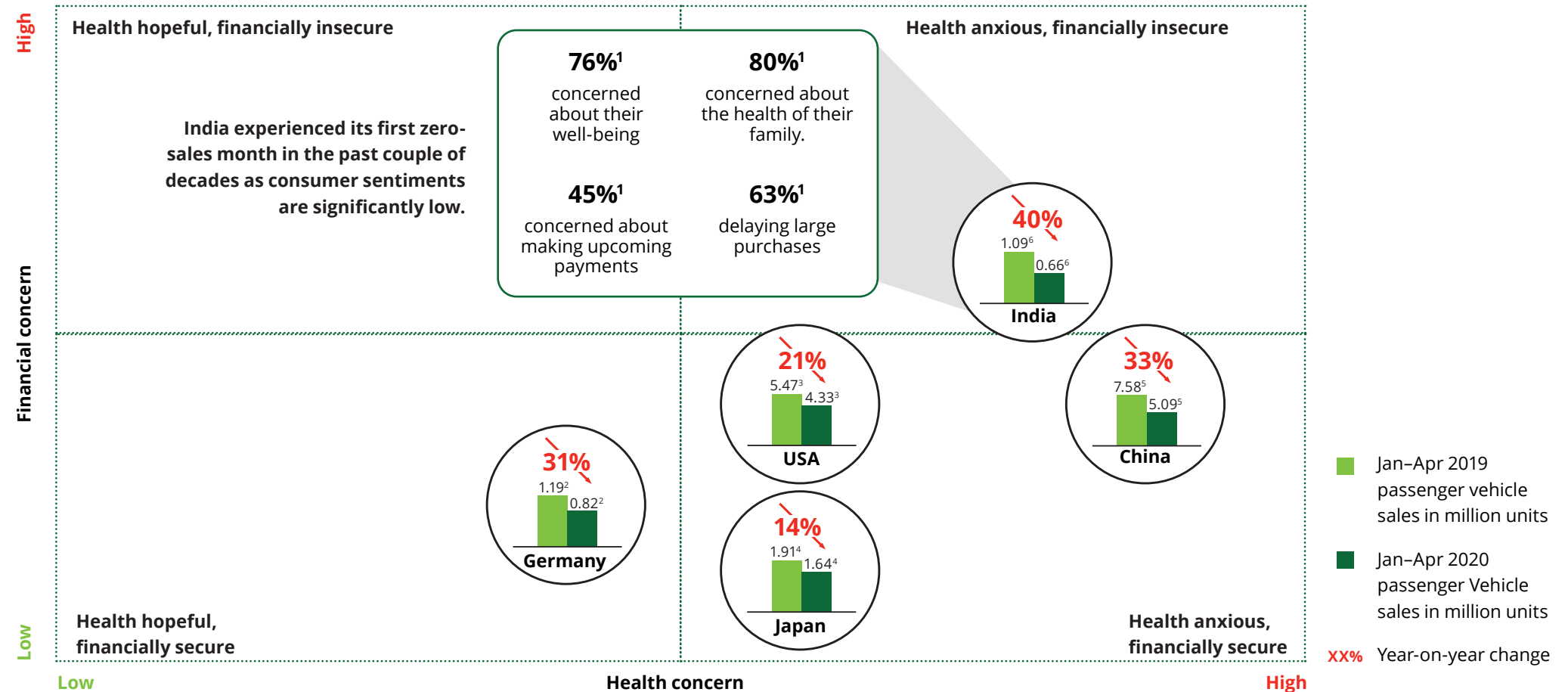


# Elevating human experience for automotive customers through digital transformation

# COVID-19: A global demand shock; recovery expected to be slow

Major automotive markets globally have been hit hard in 2020, with India amongst the worst hit; consumer concerns around health and finances are expected to significantly dampen recovery in India.

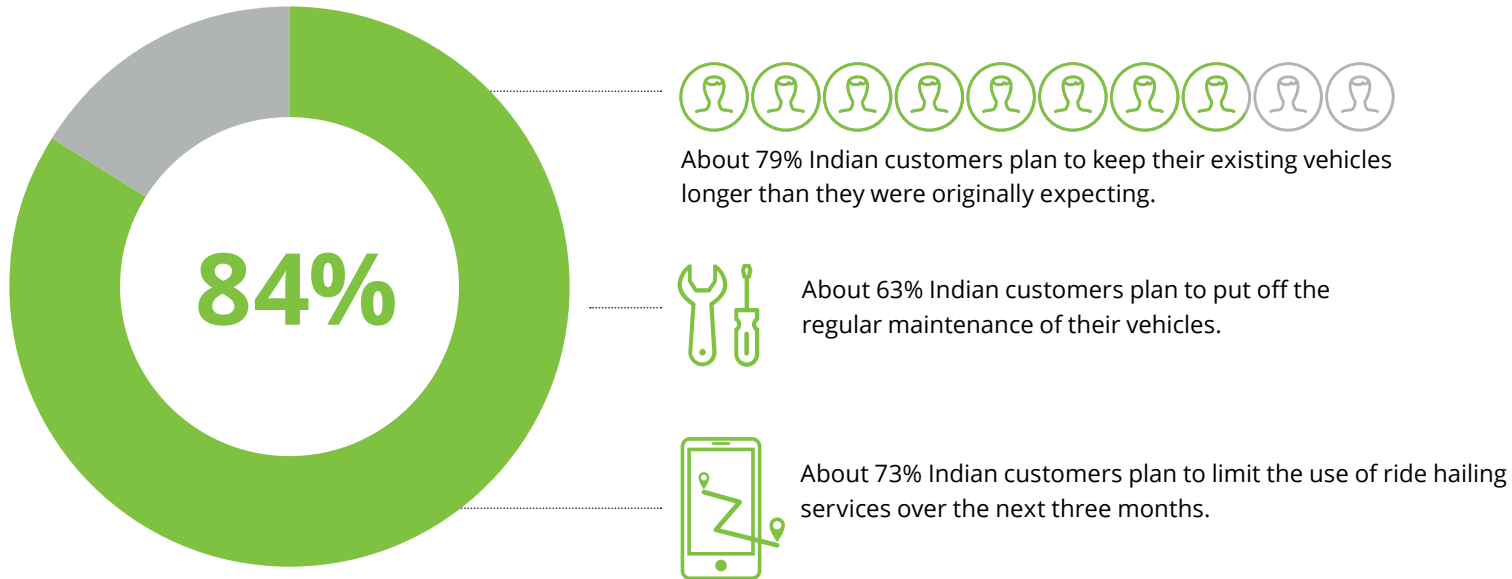
Exhibit 1: Health and financial concern matrix



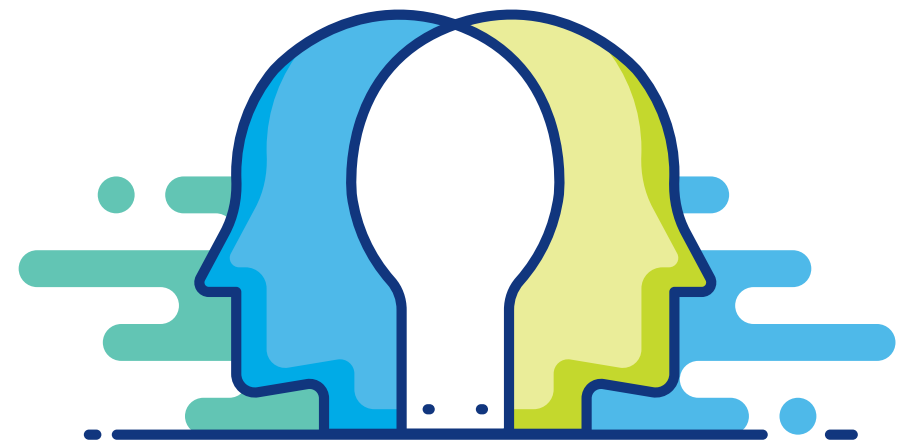
Source: Exhibit 1 - Deloitte State of the Consumer Tracker (Wave 4) May 30 2020, 2. KBA Press Bulletin (Germany, May 6 2020); 3. Federal Bank of St. Louis Economic Research (June 5 2020) 4. News Articles ("Japan sales continue to drop sharply in January", Just Auto, February 11 2020; "Japanese Auto Sales slide 10% in February", Economic Times, March 2 2020; "Japan sales decline continues in March", Just Auto, April 7 2020; "April new car sales sag 28.6% in Japan as coronavirus saps demand", Japan Times, May 2 2020); 5. Includes Mini-bus and small trucks, News Articles ("China car sales plunge to fresh depths as coronavirus spreads", Bloomberg, February 13 2020; "China's February auto sales plunge 79% in biggest monthly drop ever", CNBC, March 12 2020; "China auto sales sink 48.4% in March as virus hurts demand", Economic Times, April 11 2020; "China's auto sales snap a long falling streak, but growth may be short-lived", Wall Street Journal, May 11 2020); 6. News Articles ("Auto sales in January 2020, Mahindra sold only 100 passenger cars last month", Times Now News, February 10 2020; "Car sales Feb 2020- Maruti, Hyundai Top 2, Kia beats Tata for No.3", Rush Lane, March 3 2020; "Car sales slashed to half in March 2020: Vehicle sales down by 18% in FY 19-20", Financial Express, April 13 2020, "Car sales April 2019 - All companies post decline, except Honda", Rushlane, May 4 2019

# Expected consumer behaviour after the lockdown is lifted

**Exhibit 2: Indian consumers are expected to be uncertain spenders, especially on discretionary items, such as automotive.**



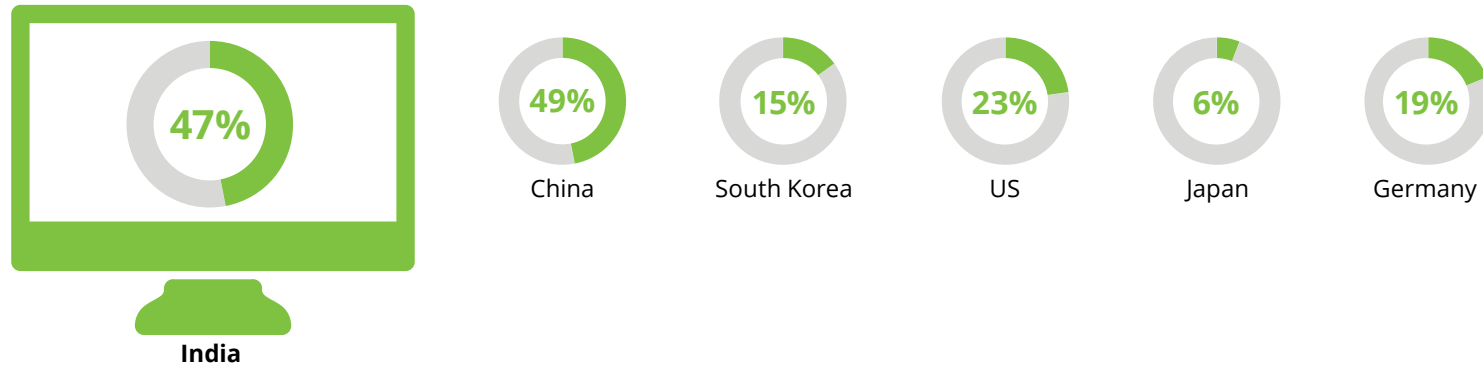
of the customers intend to spend less on non-discretionary items in the next four weeks compared with the past four weeks.



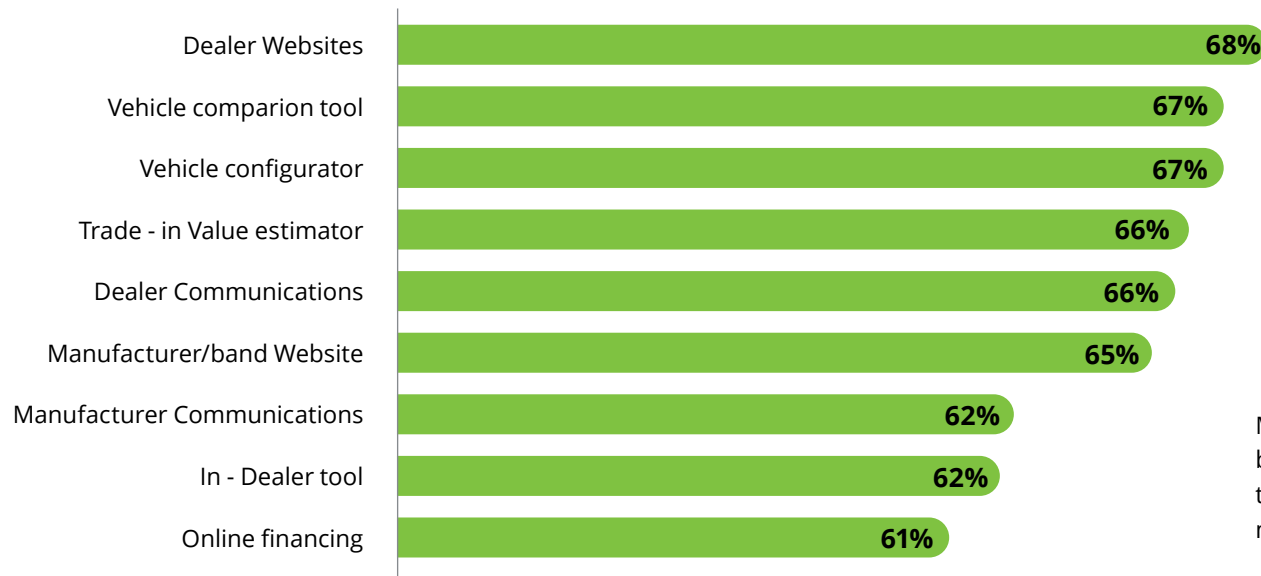
# Need for tectonic shifts in journeys of automotive customers

Customers who are likely to purchase automotive products have shown a significant interest in exploring digital solutions.

**Exhibit 3: Customers who are interested in purchasing their next vehicle online without stepping inside a dealership**



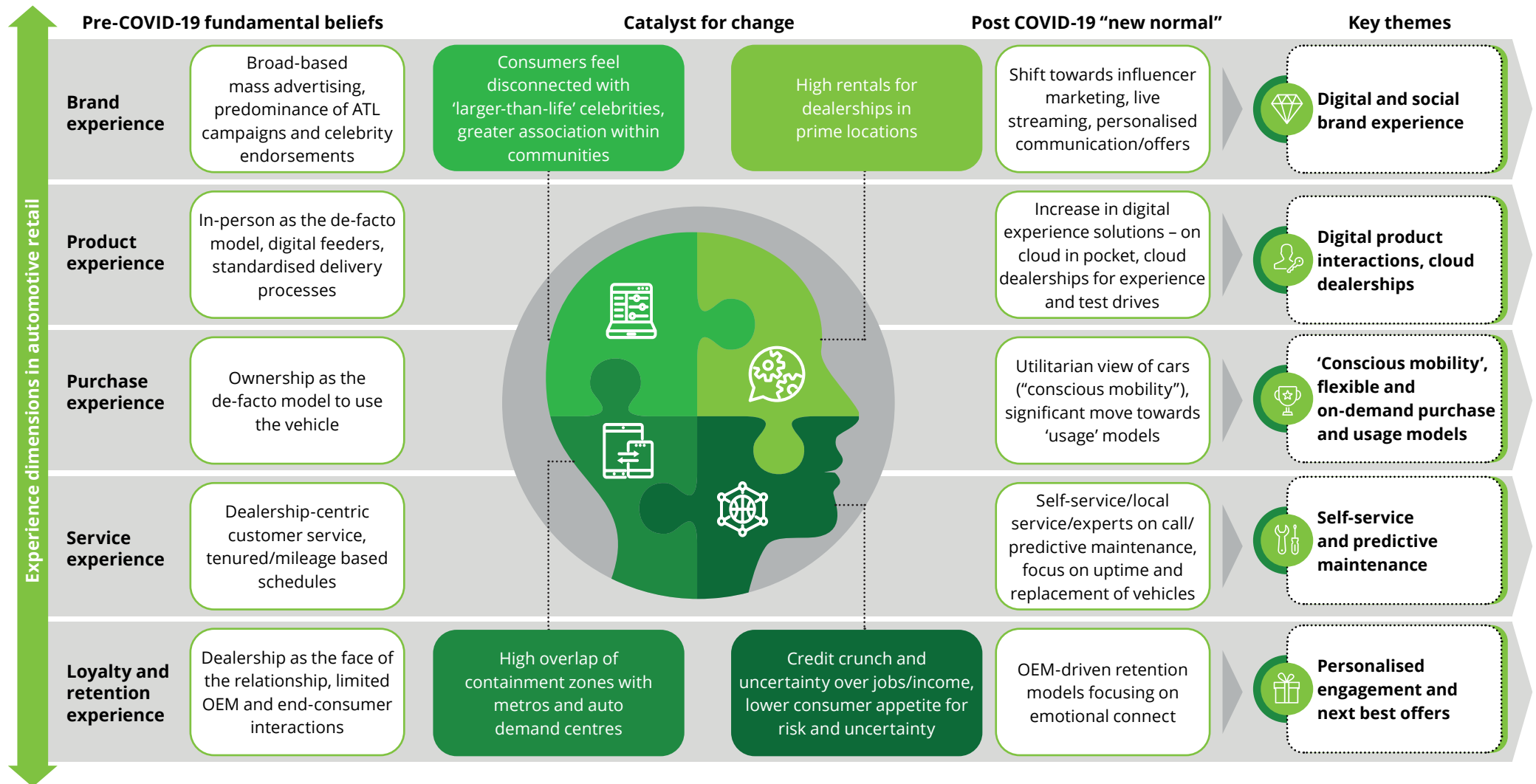
**Exhibit 4: % of respondents who think current digital interventions are below expectations/just meeting expectations**



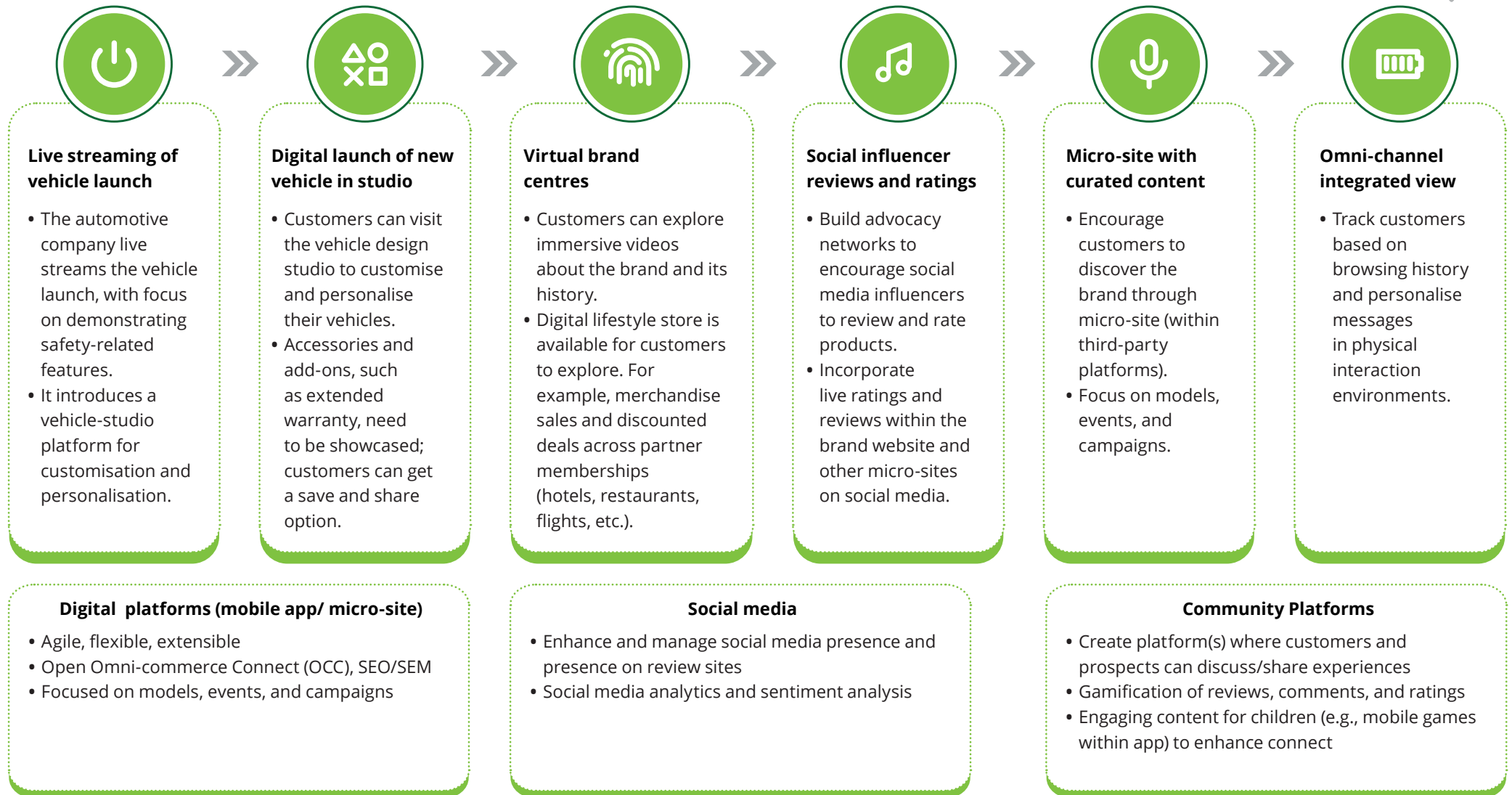
More than 60% customers believe that current digital touchpoints are merely meeting expectations.

# Post COVID-19, a “new normal” expected to emerge for automotive OEMs

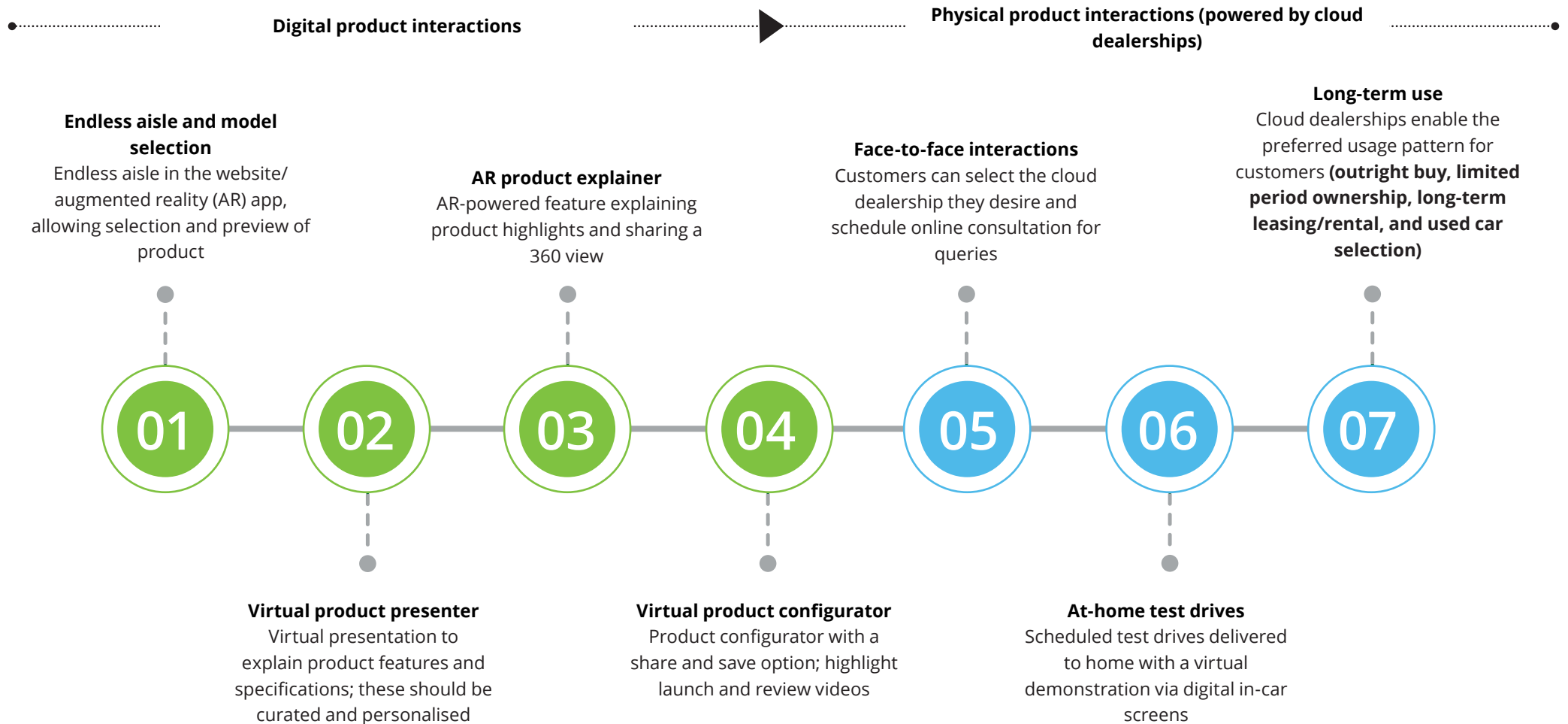
Fundamental beliefs of the automotive industry are likely to be questioned as a “new normal” emerges; auto companies will need to consider focusing on five key themes to deliver superior human experience.



# Digital and social brand experience



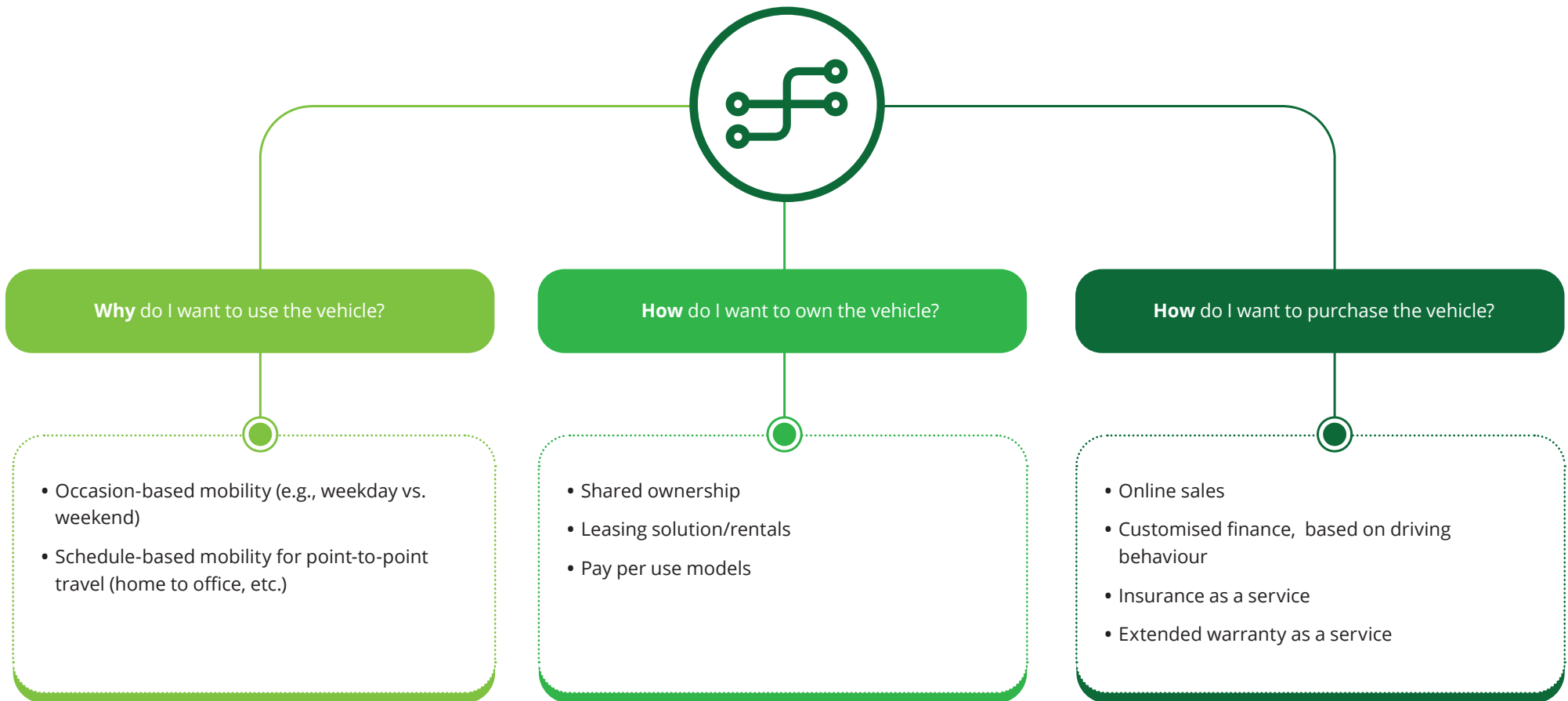
# Digital product interactions and cloud dealerships



# 'Conscious mobility'; flexible and on-demand purchase and usage models



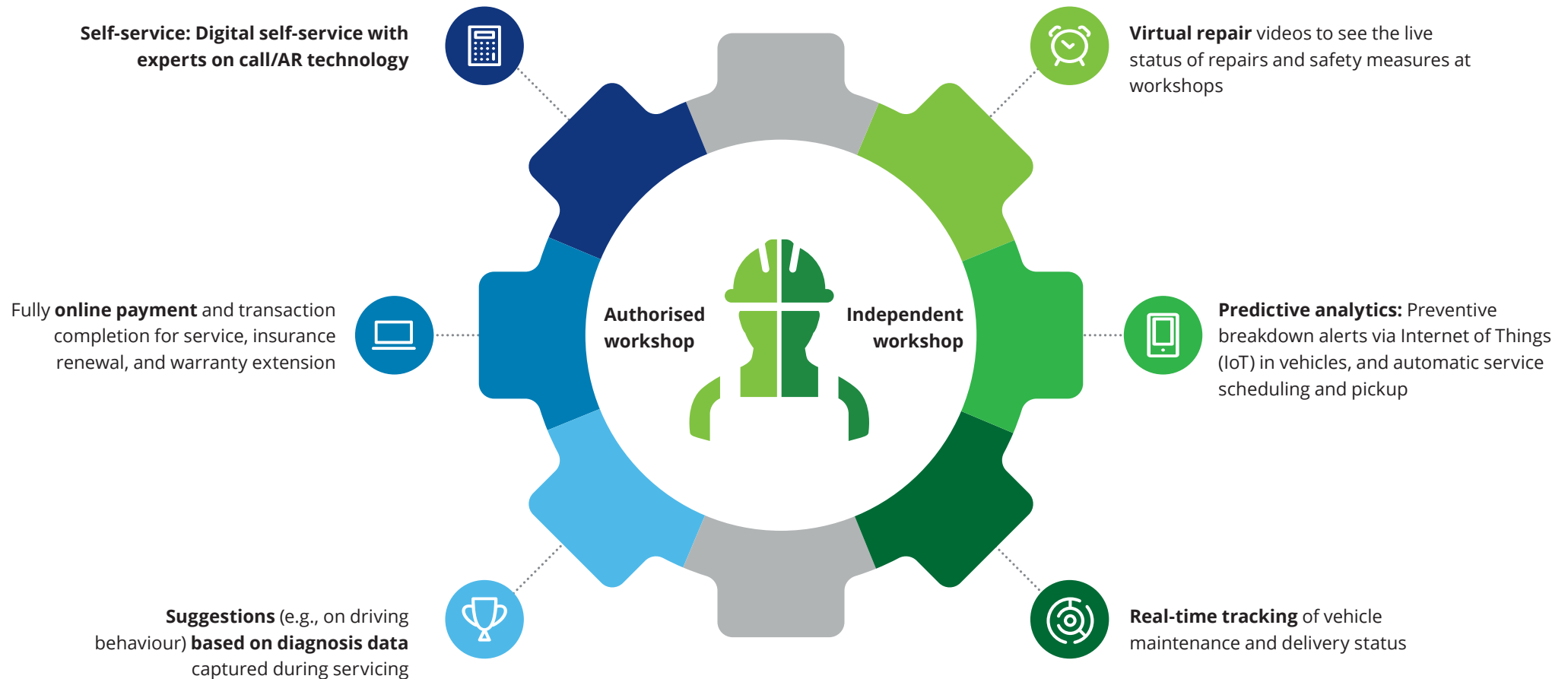
## Dimensions of "conscious mobility"







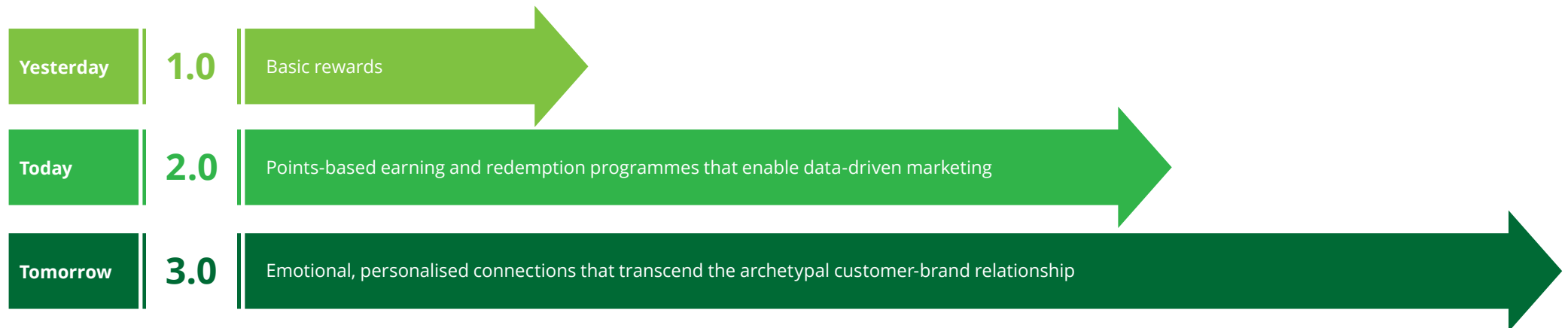
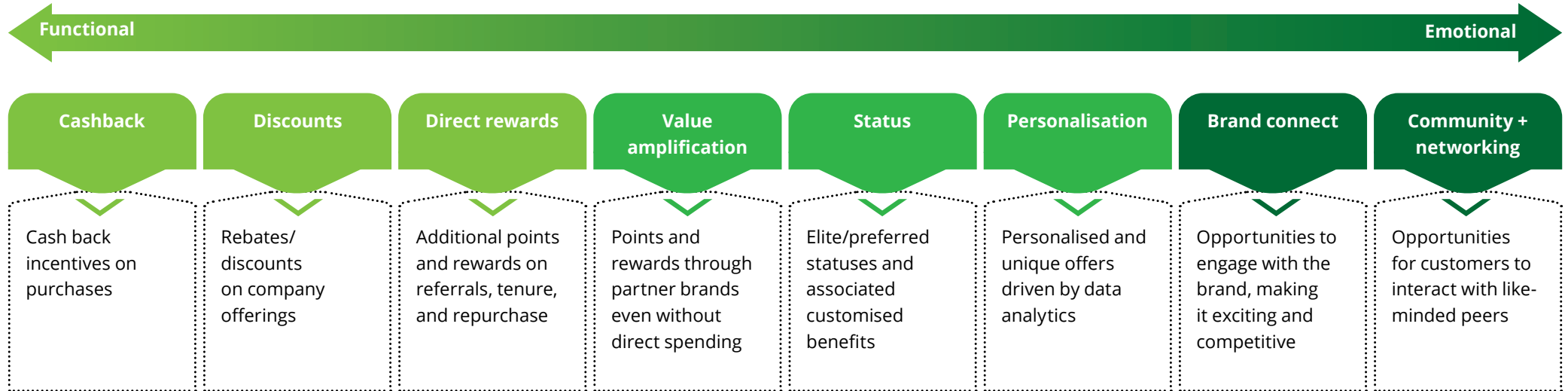
# Self-service and predictive maintenance



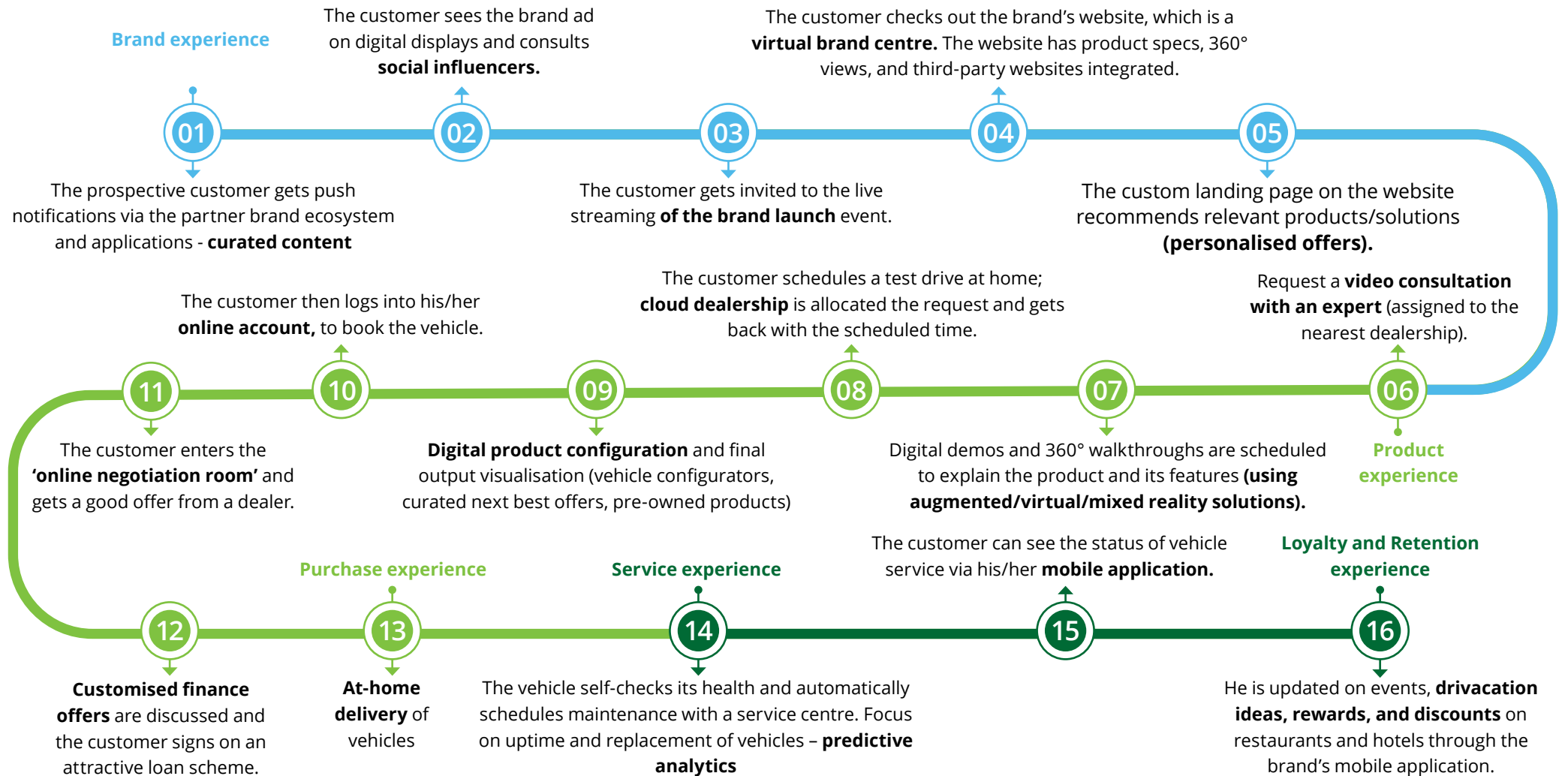
# Personalised engagement and next best offers



## Customer loyalty and engagement models



# The “new normal” is likely to significantly alter the traditional customer journey



OEMs' focus should be on ...

Reaching out to prospects early and keeping them engaged

Providing a seamless and safe dealership experience

Building a long-term customer experience by delivering value

# As OEMs prepare for the “new normal” customer journey, they need to focus on three key areas to get the human experience right



## Focus on humans, not on technology

Human behaviour is the fundamental economic gear of every business. If you can identify which behaviours to drive (internally and externally) to get the greatest return, and marshal your digital resources to achieve that behavioural change, you are more likely to win.



## Find opportunities at intersections

Do not try to come up with new ideas alone. To find the future of your business, look for unexpected intersections, such as those between disciplines and domains of expertise; across departments and organisational silos; among industries; and through partnerships that span markets and geographies.



## ‘Get it out’ beats ‘get it perfect’

In a world dominated by uncertainty, the only way to get effective market feedback is to give the market something to react to. Succeed faster through rapid prototyping and delivering Minimally Viable Offerings (MVOs) into the market. Seek quick feedback and improve subsequent iterations.

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