



## Automakers' big opportunity: Drive the human experience

Many auto manufacturers and dealerships fall short when it comes to providing meaningful interactions throughout the customer journey. How can they connect with consumers on a more human level?

The auto industry has come a long way in the past 100 years—and particularly in the last 10 years. Technology is fueling dramatic changes in how vehicles are manufactured, marketed, purchased, and driven (or, in the case of autonomous vehicles, not driven). However, in a world of same-day delivery and instant gratification, customer expectations have increased across industries—and many automakers aren't keeping pace.

While cars have become ever more advanced, styled, and technology rich,

purchase and service environments have stayed largely the same. Many automotive manufacturers have handed off the customer experience (CX) to dealers, disconnecting themselves from it entirely.

According to Deloitte's 2018 Global Automotive Consumer Study, 78 percent of surveyed consumers rate the customer experience as a somewhat important or very important factor in choosing where to buy a vehicle. Yet there are still many long-standing issues that detract from the experience. Among the aspects of the dealership

experience that US survey respondents do not like are: "too much paperwork" (57 percent), "overall experience took too long" (42 percent), "price issues/haggling" (40 percent), and "lack of stock" (30 percent).

The survey results indicate that manufacturers also may be missing an opportunity to deliver on the promise of CX after a vehicle purchase. Nearly half of survey respondents (48 percent) were never contacted by the manufacturer after acquiring their vehicle, and 22 percent were never contacted by the dealer.

For automakers, dealerships, and financiers, the time has come to rethink the experience they provide to consumers throughout the entire customer journey—and to make it more human. While automakers have a history of creating evocative brands, the advantages once derived from branding efforts or manufacturing efficiencies can no longer deliver a competitive edge on their own. Thriving in a technology-fueled world requires automakers to connect with their customers on a more personal, emotional, experiential level throughout the buying and ownership experience. Why? Because how we feel is what sticks with us. Great experiences build connections. Strong connections create loyalty. Loyalty drives business results.

Getting the human experience right requires automotive companies first to understand human values both inside and outside of the category transaction—something technology and data analytics can help achieve. (Deloitte Consulting LLP's Value Compass, for example, is an algorithm that analyzes an audience's observed and reported attitudes and behaviors to identify what motivates people and what they trust.) Values can shift based on a customer's mind-set and moment on the journey, making it critical for companies to understand which experiences can help drive loyalty and business results in every moment.

Next, automakers and dealers can assess their organizational readiness to react to and deliver on these values and develop a plan to respond. It is critical that the human experience be more than just a marketing initiative. Achieving this goal may require auto industry leaders to design and execute

programs that embed and link the CX with the workforce experience. Moments that matter in the shopping, financing, and servicing experience are critical to conversion and to any meaningful sustained relationship with the customer. Creating a human experience—designed with human values in mind and enabled by programs, technologies, and interactions that deliver on the natural desires of the customer and the workforce—is the new focal point for many organizations.

Companies that have identified human values and organizational readiness can then focus their leaders and people on five important principles that effective programs follow:

**Be obsessed with the individual.**

Organizations can foster a more human and intimate approach by connecting with peoples' values and continually finding ways to know them, delight them, empower them, hear them, and engage them. Every interaction is critical and provides automakers the opportunity not just to meet expectations but to exceed them.

**Proactively deliver on human needs.**

Automakers can seek to anticipate and understand an individual's needs before he or she can even state them, and find ways to empathize and to personalize based on those needs. This approach means thinking about how values—and customers' engagement with their vehicles—may shift over time. If automakers can increase satisfaction and make the individual's life better in some way throughout the ownership journey—whether with an owner's fan group, roadside assistance, or traffic updates—they can drive lasting loyalty.

**Execute with humanity.** A vehicle is one of a consumer's most expensive purchases. With this thought in mind, automakers can consider how to slow down or speed up the process according to consumers' desires—for example, allowing more time during test drives but cutting down on paperwork. In determining how to deliver exceptional experiences at scale, organizations also would do well to explore how evolving technologies—such as advanced analytics and artificial intelligence (AI)—can help.

**Instill an authentic human focus across the organization and beyond.**

Automakers can build an organizational culture where human needs and desires are at the center of everything the workforce and partners do—where everyone “shows up” to deliver on the human promise. According to one study, companies that build a seamless and innovative workforce experience show double the customer satisfaction reflected in their net promoter score. It's critical that all stakeholders—including the manufacturer, dealers, and aftermarket vendors—embrace the approach and work together to advance it. This will require a keen focus on attracting, incenting, and developing a workforce that is committed and empowered to deliver on this promise.

**Extend human-centricity.**

Organizations can influence all connected ecosystems to adopt human-centric practices aligned to a shared purpose. This approach requires automakers to consider how they can improve lives more broadly—for example, by committing to reduce emissions or improve traffic—and effect change around the issues that are most important to their customers.

**80%**

of the decisions we make each day are based on emotion or emotional connection<sup>1</sup>; however, the data used to design workforce and customer interactions often lack emotional consideration

**52%**

Customers who are 'fully connected' emotionally are 52% more valuable than “highly satisfied” customers<sup>2</sup>

**8x**

Purpose-focused companies found they outperformed their S&P 500 peers by a factor of 8<sup>3</sup>

# From “doing” to “being”

Embedding these principles effectively requires organizations to shift from merely “doing” customer-focused actions to “being” obsessed with human experiences. Moving beyond doing demands that the organization rapidly evolve to focus on delivering this experience as a team sport, ensuring that every aspect of the enterprise—including the way it imagines, builds, sells, and delivers its products or services—is part of the human experience focus.

Effectively creating a more human experience also requires that organizations change their definition of success to one that reflects the holistic customer life cycle and value from product or services relationships. Today, many companies

think “company-out” and not “human-in”—seeing needs and opportunities from the perspective of the company, not the customer. Automakers, for example, could focus not on the number of vehicles sold but instead on the number of miles driven.

Companies that evaluate service based on customer lifetime value leverage technology and insights infrastructure to predict patterns and uncover hidden customer preferences. These insights help enable the organization to know which levers to pull in order to enrich customers' lives. Notably, this approach requires the organization and its leaders to activate a winning team of employees and partners that will deliver the human experience in a seamless, consistent, global manner.





From connected cars to autonomous vehicles to the rise of ride-sharing, the auto industry faces many changes, challenges, and opportunities. Technology will continue to fuel shifts in how organizations manufacture, market, and sell vehicles, but it's increasingly clear that the ability to create human experiences will likely be a competitive differentiator in the coming years. While it may be daunting, organizations that engage on a human level can create loyal, lifelong customers. Great experiences build connections. Strong connections create loyalty. Loyalty drives business results.

Technology has had a significant impact on the way today's vehicles are manufactured, marketed, and serviced. Yet for all the advances the industry has made, the customer experience has remained

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largely unchanged and continues to fall short. For automakers, the answer may be to focus not just on applying technology but also on creating a more human experience to forge stronger connections.

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#### Endnotes

1. Alex Middel, “How to Use Emotional Marketing to Drive Website Conversions,” The AM Digital blog, October 5, 2016, <https://amdgtl.com/blog/emotional-marketing-multifamily-marketers>.
2. Scott Magids et al., “The New Science of Customer Emotions,” Harvard Business Review, November 2015, <https://hbr.org/2015/11/the-new-science-of-customer-emotions>.
3. Deloitte Insights, 2018 Global Human Capital Trends report, “Citizenship and social impact: Society holds the mirror,” March 28, 2018, <https://www2.deloitte.com/insights/us/en/focus/human-capital-trends/2018/corporate-citizenship-social-impact.html>.

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