GM | WOMEN'S RETAIL NETWORK

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DRIVEN 3
CUSTOMERS FOR LIFE II

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CUSTOMERS FOR LIFE II

Buying Power by the Generations:

Car Shopping Preferences and Patterns of Boomers, Gen Xers, Millennials, and Gen Z

40,000+
DEALER CLIENTS

FACILITATING
$46B
IN TRANSACTIONS ANNUALLY

250+
YEARS OF EXPERIENCE
BETWEEN OUR SENIOR LEADERS

$7B
ANNUAL REVENUE

$4.7B+
IN LOANS TO
19,000+
INDEPENDENT DEALERS

MANAGING
46M+
FINANCED TITLES

121
WHOLESALE SITES
WORLDWIDE

$225M+
IN SOFTWARE R&D

45M+
UNIQUE VISITORS MONTHLY ON
13,000+
DEALER WEBSITES

TOUCHING
3 OF 4
CARS SOLD IN U.S. & CANADA

7 MILLION
VEHICLES TOUCHED ANNUALLY

PHYSICAL LOCATIONS IN
24 COUNTRIES
SERVING
90+
COUNTRIES

30,000+
TEAM MEMBERS

36M+
UNIQUE VISITORS
MONTHLY ON AUTOTRADER.COM AND KBB.COM

65%
OF ALL CAR BUYERS VISIT AT & KBB

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Cox Automotive™
Transforming the way the world buys, sells and owns cars.
AiM
Alliance Inspection Management
MOLICAR
RMS
AUTOMOTIVE
HomeNet
AUTOMOTIVE
MOTORS
Search Smart. Buy Right .co.uk
Dealer Solutions
Means Performance.
Mahindra First Choice
vAuto
LIVE MARKET VIEW
DEAL SHIELD™
Dealertrack
精真估
jingzhengu.com
Ready Logistics
NEXTGEAR
CAPITAL
xtime
CarsGuide™
DEALER.COM
Modix
VinSolutions
CentralDispatch
MOVEX
Kelley Blue Book
KBB.COM
The Trusted Resource
Dealer-Auction.com
Manheim
BitAuto 易车
incadea
AUTOST.
汽车街
autostreets.com
Autotrader


WHY DO THINGS DIFFERENTLY?
OUR INDUSTRY **DEMANDS** IT!

Consumer expectations are shifting

Fast delivery

Groceries, Home Products, and Food

Consistency from online to in-store

Local store delivery and try before you buy

Big ticket purchases initiated online

Purchases from match sticks to mortgages


WW2


COLD WAR


FALL OF BERLIN WALL


9/11


MARKET CRASH


TV


CREDIT CARDS


INTERNET


SMARTPHONES


SNAPCHAT


CONSERVATIVE


LIVING AMERICAN DREAM


INDEPENDENT


OPTIMISTS

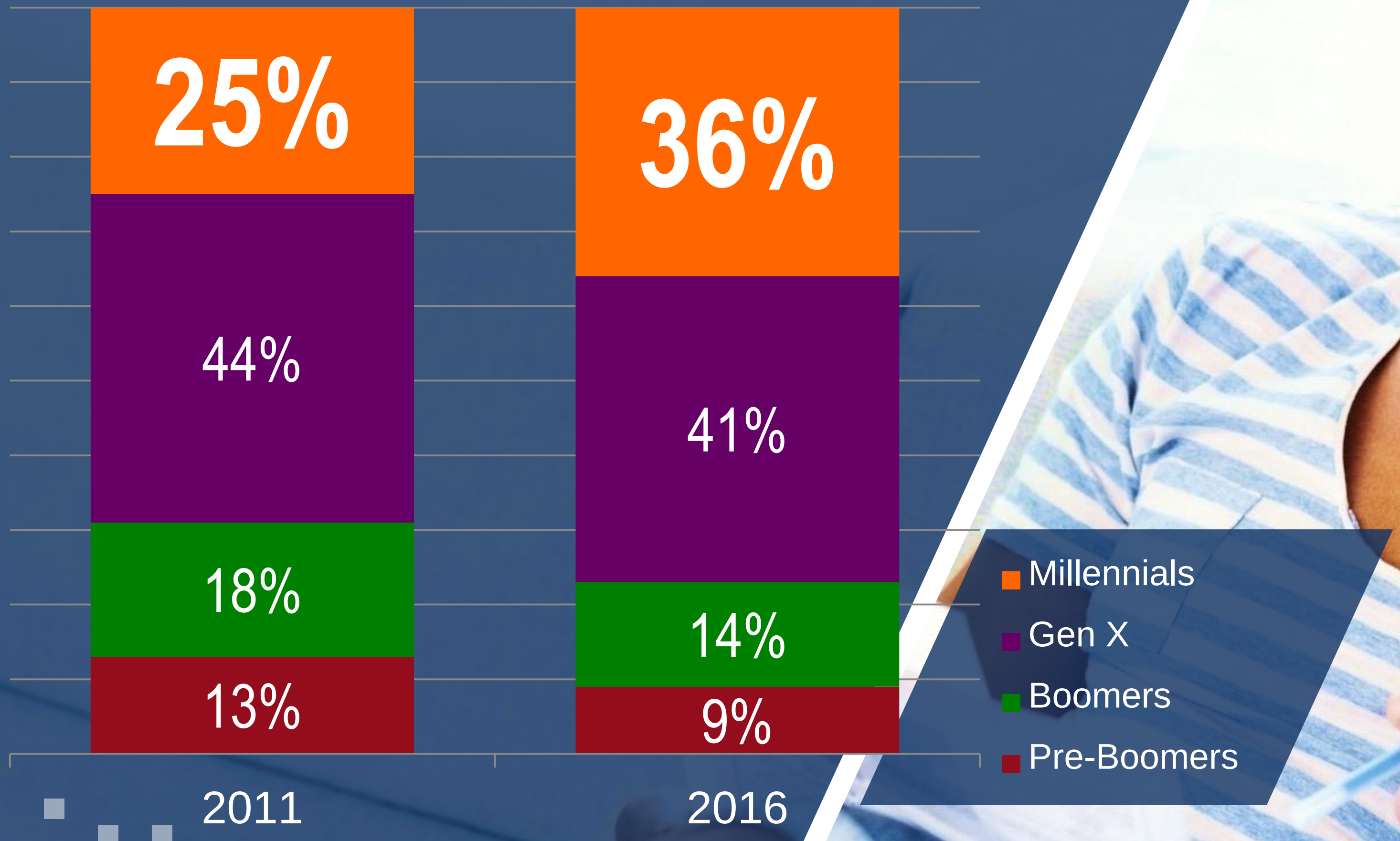

REALISTS

SILENT | BABY BOOMER | GEN X | MILLENNIAL | GEN Z

MILLENNIALS NOW ACCOUNT FOR A LARGE SHARE OF NEW VEHICLE SALES

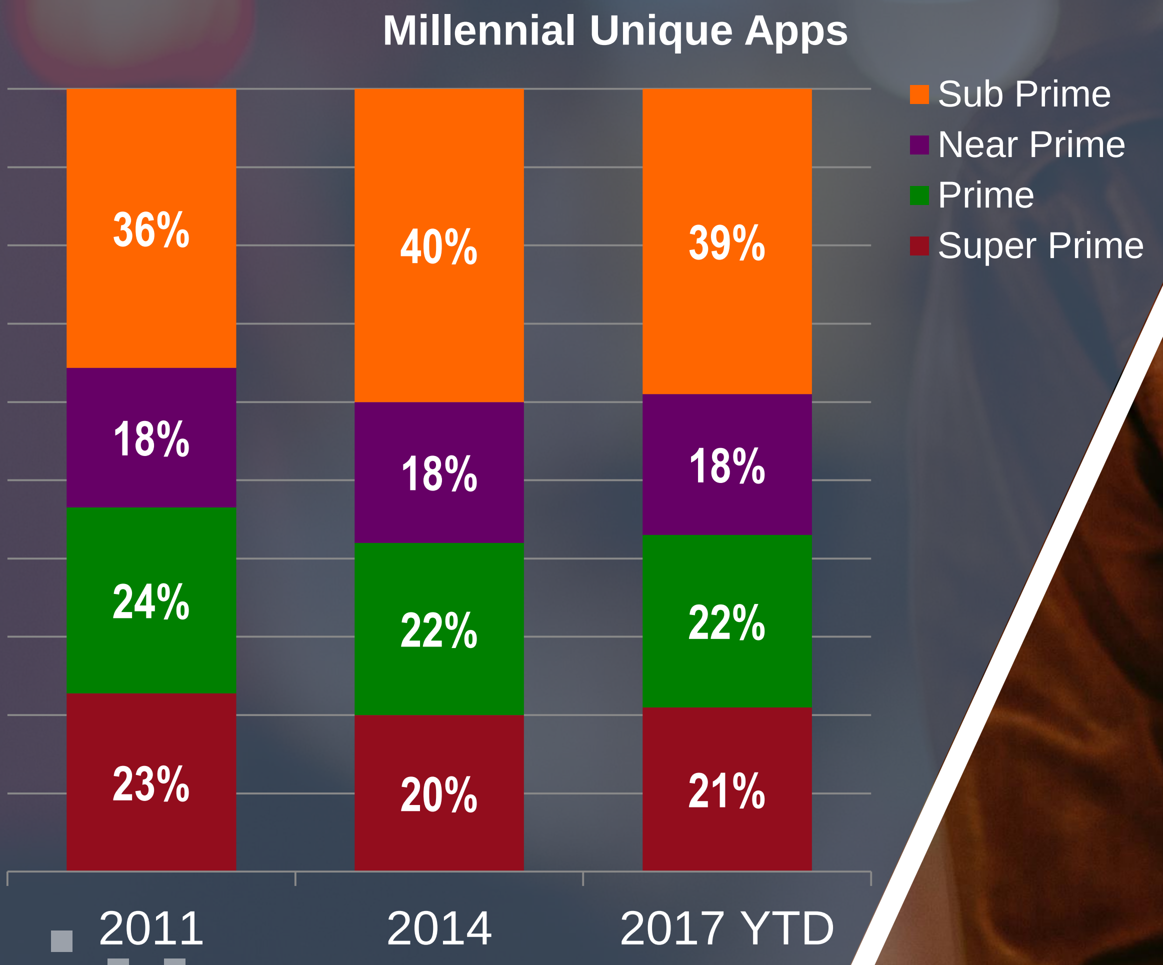
Source: Automotive News "The Millennials Are Coming"

...AND ARE A LARGE, GROWING SEGMENT OF THE AUTOMOTIVE LENDING MARKET



Source: Dealertrack Credit Application Network, January 2017

MILLENNIAL UNIQUE APPS BY CREDIT SPECTRUM



Source: Dealertrack Credit Application Network, January 2017

THEY ARE MORE DRIVEN BY A BUDGET

% who set budget before looking at vehicles

Millennials	Gen X	Boomers
57%	46%	40%

Source: 2017 Cox Automotive Lending Survey

THEY FOCUS ON MONTHLY PAYMENTS

% who say an affordable monthly payment is **very important** when selecting a lender

Millennials	Gen X	Boomers
83%	76%	71%

Source: 2017 Cox Automotive Lending Survey

THEY HAVE BROADER CONSIDERATION SETS

% primarily considering used, but also new

Millennials	Gen X	Boomers	Silents
46%	37%	31%	23%

Source: 2017 Cox Automotive Car Buyer Journey

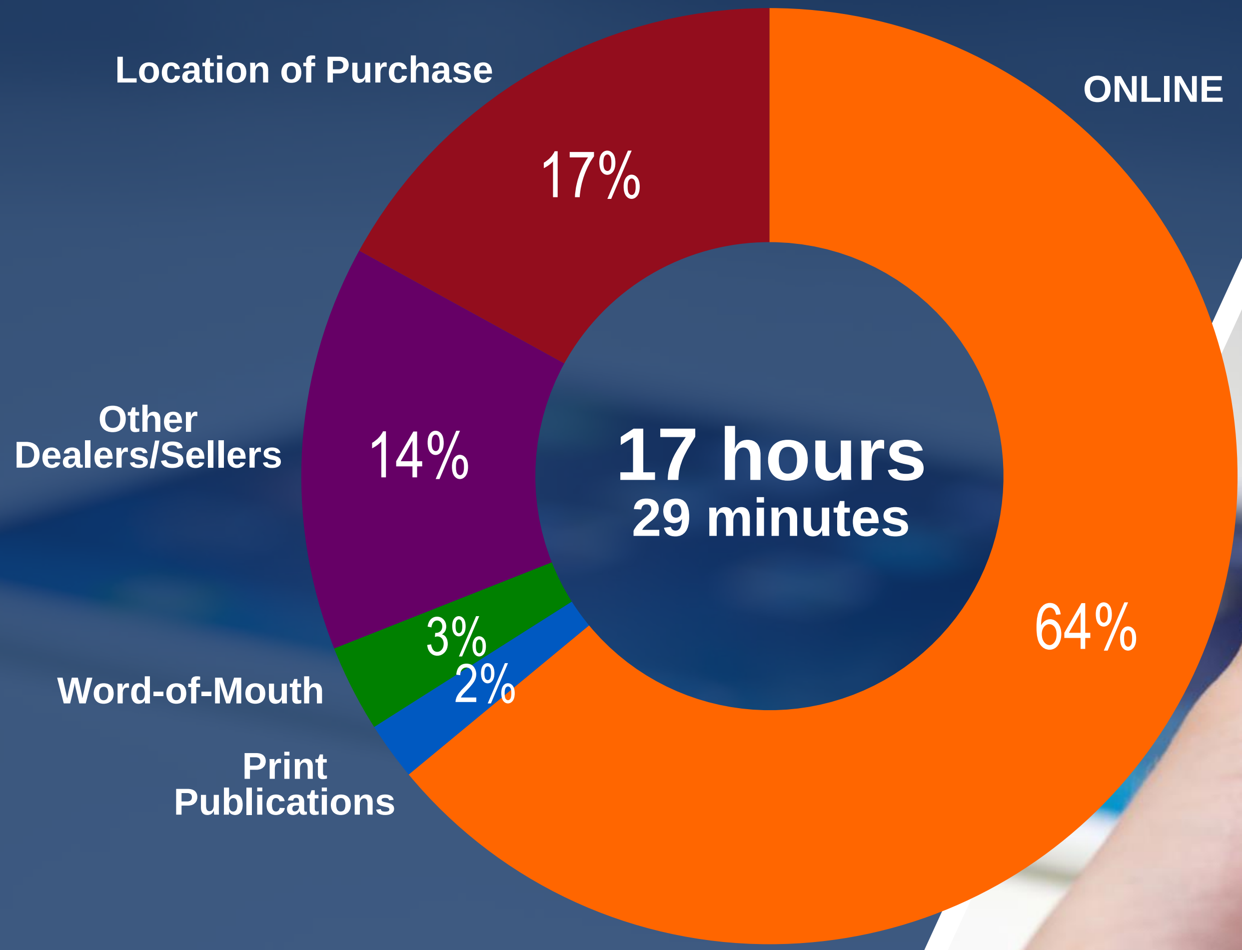
…SO, THEY SPEND MORE TIME IN MARKET

of days in market

Millennials	Gen X	Boomers	Silents
127	111	109	106

Source: 2017 Cox Automotive Car Buyer Journey

*MUCH OF THAT TIME BEING SPENT ONLINE**



**Among Millennials*

Source: 2017 Cox Automotive Car Buyer Journey


PREFER TO RESEARCH OPTIONS ONLINE
% who used Internet to research financing options
Millennials
54%
Gen X
46%
Boomers
41%
Source: 2017 Cox Automotive Lending Survey

LESS LIKELY TO FINANCE THROUGH A DEALER

% who financed through the dealership directly

Millennials	Gen X	Boomers
61%	64%	73%

Source: 2017 Cox Automotive Lending Survey

THEY RELY MORE ON WORD-OF-MOUTH

% who say friend/family recommendation is very important when selecting a lender

Millennials	Gen X	Boomers
33%	19%	12%

Source: 2017 Cox Automotive Lending Survey

LESS SATISFIED WITH THE DEALERSHIP EXPERIENCE

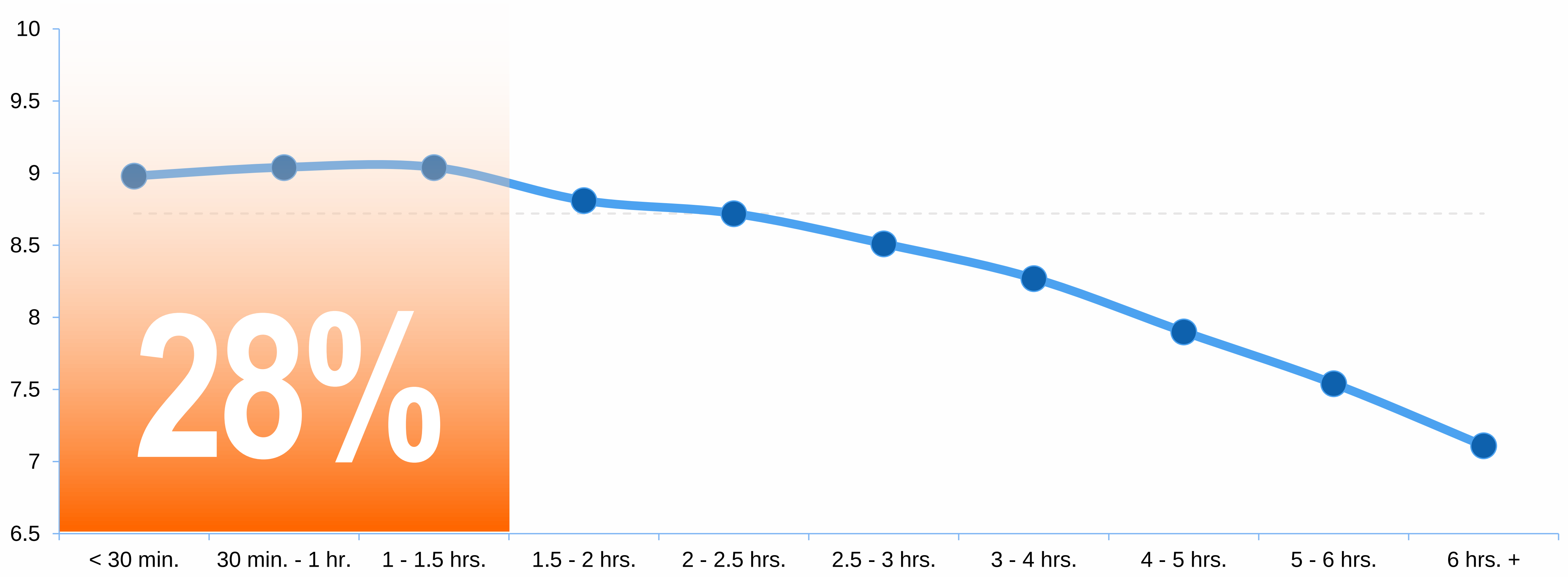
% Satisfied with Dealership Experience

Millennials	Gen X	Boomers	Silents
66%	67%	80%	80%

Source: 2017 Cox Automotive Car Buyer Journey

Satisfaction drops after first 90-minutes

BUYER'S AVERAGE SATISFACTION VS. TIME SPENT @ DEALERSHIP



Source: Dealer Sourcing Studies (Sept. 4, 2013 – March 26, 2014)

~3 HOURS SPENT AT THE DEALERSHIP OF PURCHASE

Millennials	Gen X	Boomers	Silents
2 HOURS 59 MINUTES	3 HOURS 14 MINUTES	3 HOURS 6 MINUTES	3 HOURS 20 MINUTES

Source: 2017 Cox Automotive Car Buyer Journey

WOMEN'S RETAIL NETWORK DRIVEN 3 CUSTOMERS FOR LIFE II

The lows are longer than the highs…

3hrs // 08 min

TIME AT DEALERSHIP WHERE PURCHASED*

Source: Cox Automotive

BENEFITS OF IMPROVING THE PROCESS…

Shoppers say they would buy a car more often

Millennials	Gen X	Boomers
61%	55%	49%

Source: Autotrader Car Buyer of the Future

SO, HOW DO WE CREATE THE EXPERIENCE CONSUMERS SEEK?

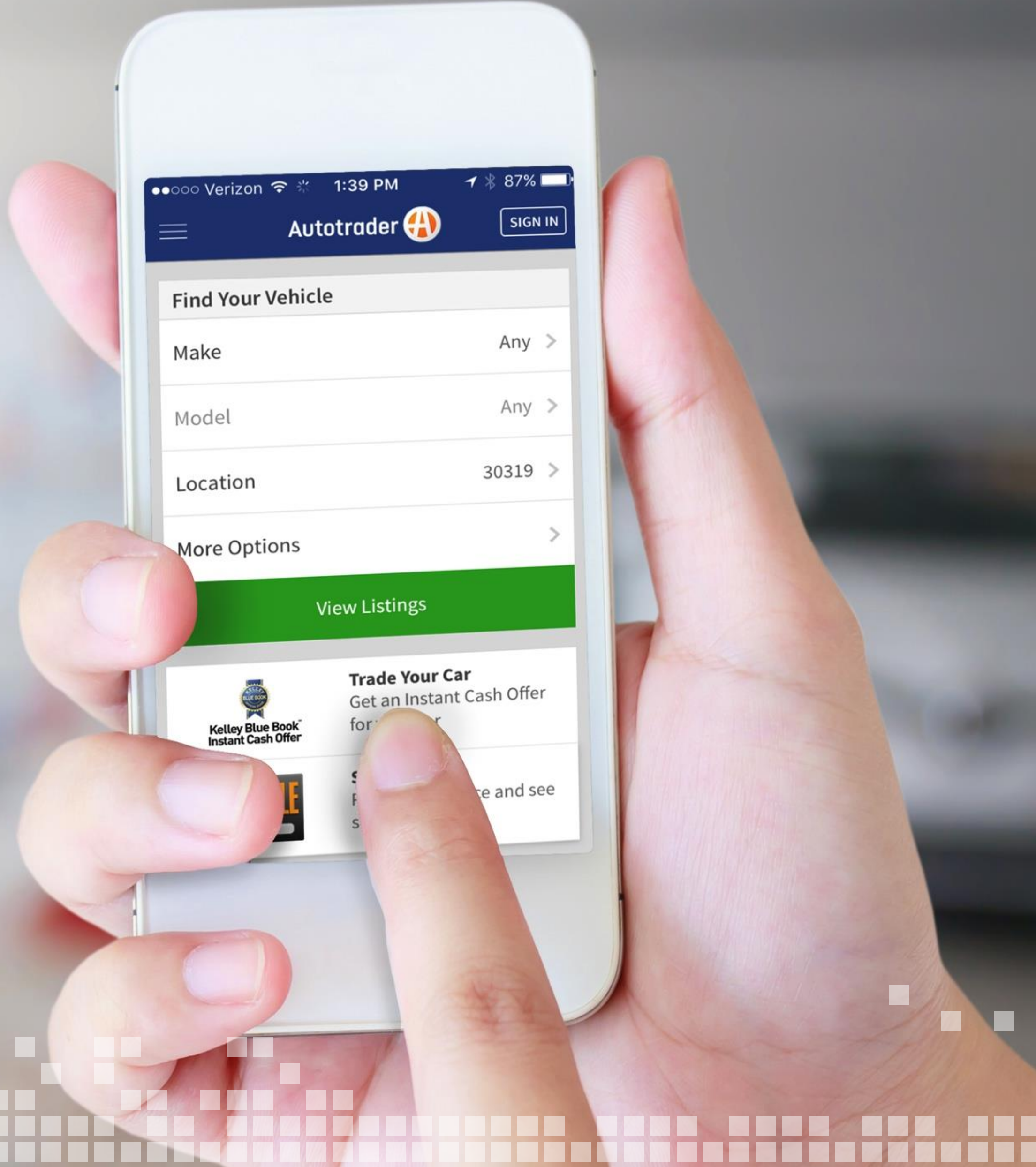
Source: MakeMyDeal F&I Research, 2015

TOP 3 ELEMENTS OF AN IDEAL SHOPPING PROCESS

1	2	3
Convenience	Customer Service	People Matter

Source: Gen Z Automotive Study, Autotrader & Kelley Blue Book

CONNECT THE ONLINE TO IN-STORE ***EXPERIENCE***




77%
FIND ONLINE PAPERWORK
Appealing
*Among Millennials
Source: 2017 Cox Automotive Lending Survey


76%
ARE COMFORTABLE
Submitting financial app online
before visiting dealership
*Among Millennials
Source: 2017 Cox Automotive Lending Survey

MORE *LIKELY*
TO BUY F&I PRODUCTS…

63%

*if I could learn more about them on my own time, **before** finalizing my vehicle purchase.*

58%

*if the Dealer's **website** could help me better understand the value of the products.*

Base: All Respondents (n=500) Q19. Please indicate if you would have been/would be more or less likely to purchase one of the products or services if…


FACE-TO-FACE INTERACTIONS
ARE IMPORTANT…
73%
of Millennials
think face-to-face
interactions
are important
68%
of Gen Z
think face-to-face interactions
are important
Source: Gen Z Automotive Study, Autotrader &
Kelley Blue Book

Consumers still want and need you

54%

Would buy from a dealer that offered their preferred experience over the lowest price

Source: Autotrader Car Buyer of the Future Study

KEY TAKEAWAYS

- Connect the Offline to the Online…both the research effort and the F&I process
- Education drives product interest in the profitable F&I arena
- Millennials are buying cars
- People and process still matter… regardless of generation… just different filters

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THANK YOU

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