

Checking your cell... for a car

 By [John Harvey](#)

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South Africans are following global trends when it comes to buying cars online, including younger motorists increasingly using their cellphones to browse for the most suitable vehicle.

The proliferation of smartphones has meant that people are armed with all the information they need prior to visiting a dealer, ensuring that they are able to get a fair price for the intended vehicle, among other factors.



In the past, many young first-time car buyers were perhaps naïve to what exactly they were getting at the set price. But no more.

A recent study by EBay Motors Inc, a division of EBay Inc, found that more than a third of younger people turned to their smartphones when researching a vehicle prior to purchase.

And according to a recent global survey by consulting firm Capgemini, 94% of consumers research cars online before they buy, and a third would be willing to buy a car over the internet.

AutoJunction.co.za spokesperson Dave Asher says in South Africa, as much as 47% of the company's online search traffic comes from mobile devices used by people between the ages of 20 and 29.

Much research before purchase

"We've designed our mobile search platform specifically around searching and enquiring on vehicles with as much information as possible," he says.

"In most instances customers will spend three to six months online researching cars to buy before they actually make their purchase, so we ensure that our content [vehicles] is always kept updated with the latest models and pricing available as new cars come onto the market."

Wesbank spokesperson Rudolph Mahoney confirms that "the vast majority of clients buying cars today use the internet for research and to source used cars".

"[However], they still physically view the car before they actually commit to the purchase. About 95% of applications for finance are done at the car dealership with the finance and insurance," he says.

"These applications are capture and submitted electronically, from there on the entire finance process is electronic, from application to signing the contract on WesBank's iContract as well as managing your account online."

New service

In a firm acknowledgement of the growing online trend, General Motors in the United States last year also piloted a new online service through which people can buy cars from local dealers through the internet.

Known as the "Shop-Click-Drive" pilot project, which was rolled out to 100 dealers, potential buyers can browse new cars, obtain pricing quotes, apply for financing, and confirm a purchase. The dealers then deliver the new car to the client.

The motor giant has been quick to point out, however, that online sales are not intended to replace the traditional dealership, but rather enhance the customer experience.

In addition, there are still those drivers who want to take the vehicle out for a test drive, relishing the traditional experience of buying a new car.

The company says drivers still want take a car for a test drive before making a big purchase, and dealers must inspect trade-in vehicles if they are part of the transaction.

User reviews gaining influence

"If a brand as successful as GM are able promote their products in such a way as to be that well known to the potential buyer that they don't need to see the car then it's certainly possible for them to sell and finance cars online however in our opinion nothing replaces the smell and feel of a new car. We remain focused on generating leads for our retail dealership clients that bring actual "feet through the door," Asher says.

One of the biggest moves in terms of the online motor retail market concerns the customers themselves, which is not at all surprising considering the number of people using Facebook and Twitter.

An *eMarketer* report, entitled "Automotive Consumer Reviews: Social and Mobile Change the Car-Buying Game," states that user reviews are becoming the most influential type of review, rivalling once-dominant professional reviews.



Termed "post-purchase action", researchers found that many buyers online are in the habit of posting photos or commenting on their new vehicle as it has been bought, and others are inclined to take that into consideration when buying their own vehicles.

Peer reviews

Asher could not agree more on the importance of the "peer review".

"This is true more so for cars than anything else and to cater to this need AutoJunction.co.za has developed a social network within the news section of the website for registered users to ask others within the AutoJunction community questions about the cars they own and drive and therefore get first-hand opinion from people who actually own the cars, as opposed to those who are only trying to sell them," he says.

"AutoJunction also allows our users to create a profile of the vehicles they currently own, have owned in the past and what they want to own in future, their dream car, with the view of sharing this information on the website as reviews of their own cars or opinion on what they would like to own one day."

For more information, visit www.autojunction.co.za.

ABOUT JOHN HARVEY

John Harvey is Media Relations Consultant at Roger Wilco, an established, award-winning digital marketing agency based in Cape Town. He was weaned and came of age on a very unhealthy diet of newsprint and post-midnight deadlines - yet still comes back for more.

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