

INSIGHT REPORT FROM WAYKE

# The customer journey in car buying.



Trygga bilköp från Sveriges bilhandlare

**Our most important promise** is that we are committed to developing the car retail industry. Wayke is a forerunner in assisting the car retail industry in making the digital transformation.

**Our promise to consumers** is to offer no-hassle, trustworthy and smart services that help people research, buy and sell a car. Wayke provides a broad range of inspected cars from trustworthy sellers, and offers a world-class digital customer experience.

**And that's not the end of it.** We have another promise: To supply our customers with data and insights.

We are very proud to share this report on the customer journey in car buying. **We hope you'll enjoy the reading!**



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## A FEW WORDS FROM OUR CEO

# Taking on the challenge was the start of Wayke's journey

**On June 1, 2017, I had just left a safe and secure job and stood with trembling legs on Kristianstad's City Hotel. I had longed after a new challenge, yet, I now got what I was looking for. The challenge was Wayke.**

The crowd in front of me was a collection of car dealers from Southern Sweden. My mission was to convince them to believe in Wayke's vision: the car retail industry needs its own marketplace and a digital partner that takes the lead in the digital transformation.

Six months earlier, the vision had been written down on a napkin, financing had been secured and the first code string had been written. Did everything work out according to our plan? Certainly not, some things became a lot better than we expected, some others were far tougher than we expected.

200 hotel nights, about 1,000 physical and digital meetings, and some hundred hours on the road later, one thing was for sure. The major departure from our plan written down on the napkin was the time aspect. We underestimated how long it would take and how much time would be required from each of us.

But, and more importantly, we have managed to keep our most important promise, that we are

always there with our commitment to develop the car retail business.

Wayke should be at the forefront and help the industry making the digital transformation. I'm very proud that Wayke has reached this position, when the industry and society overall are now going through one of the biggest challenges ever. We have the technology in place to do more business. We're obviously delivering on the challenge.

The biggest (and funniest!) challenge for Wayke is that we have two customer groups: car dealers and car buyers. I often feel that they are incredibly different, meanwhile, they are completely dependent upon each other. They co-create the customer journey in car buying. We have talked about the customer journey ever since we met at the City Hotel in Kristianstad almost three years ago.

We see how it is constantly changing and, more lately, with an incredible pace. Change is likely to become the new normal, whether we like it or not.

*Martin Fransson,  
CEO Wayke*



# **Wayke guides you through the customer journey**

More than half of consumers who plan to buy a car are unsure on which car to buy. Many consumers start by asking someone they know and trust, and who are knowledgeable about cars. They may contact a relative or use a blog or forum.

**Here comes our insights on the customer  
journey – please join us!**



## THE CUSTOMER JOURNEY

# Background

**The research phase for a car purchase is often taking up to three months. Studies show that a consumer during this phase makes about 900 digital interactions.**

The consumer conducts numerous searches, watches videos and pictures and is visiting marketplaces, dealers and car manufacturer websites.

A typical customer journey consists of five stages. To be relevant as a dealer, it is crucial to be able to adapt the communication depending on which stage the consumer is in.

At Wayke, we work continuously to increase our understanding of how consumers' journeys develop to help consumers by providing the needed information at the right point of time during the car buyer journey.





## THE CUSTOMER JOURNEY

# Which car should you buy?

The digital customer journey when looking for a car often starts very broadly.

Consumers often make broad searches on various search engines such as Google to define one's needs and desires.

Prospective parents may be searching for "*best family car*" while students who just moved to a big city to start their careers may be looking for the "*best city car*".



## THE CUSTOMER JOURNEY

# Which is the best car?

The consumer has now made progress in the research phase and has most likely formed a better perception around what defines, for example, the best family car.

The consumer will now begin to weigh functional purchase criteria against each other and create a list of requirements. In this stage, the consumer often has questions such as:

- How many seats do I need in the car?
- How much luggage space is there in a specific car model?
- Is there enough space for a child stroller?

Consumers' search behavior online reveals a lot about in which stage of the customer journey they are.



## THE CUSTOMER JOURNEY

# Can I afford it?

In this stage, the consumer starts to think about alternatives A and B, what they can afford and how the purchase should be financed.

Through this stage, consumers typically search for: *what's the price of car model X, or what is the best offer for car model Y.* The consumer may also be thinking about financing the car, including questions such as how private leasing works, or what to think about before taking out a car loan?

Many consumers already have a car you and want to get rid of it, accordingly the consumer typically visits a number of websites to find out the value of the car. Again, the consumers' searches reveal a lot about in which stage of the journey they are.

Car dealers who succeed with online sales use such knowledge to tailor their offers to the individual car buyer.



***Wayke provides detailed guides on how consumers may finance their cars in the best way possible.***





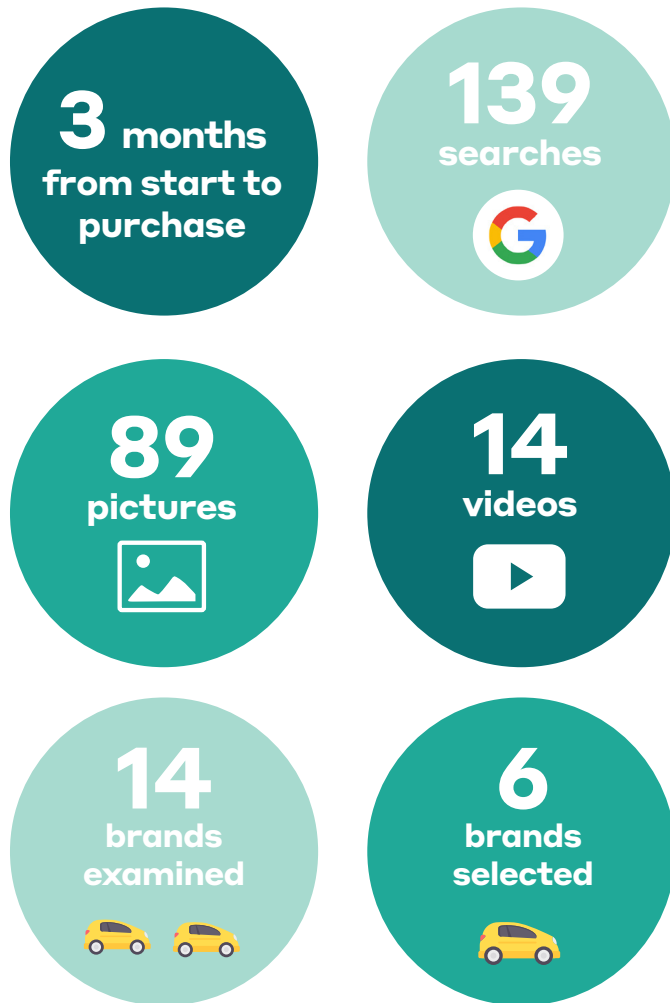
## THE CUSTOMER JOURNEY

# Where to buy the car?

The physical dealer visit is still incredibly important, although the major part of the consumer's research takes place online.

The trend in recent years is clear, the number of searches online to find a physical car dealer increases year by year.

Nonetheless, it's very important for dealers to be visible in this stage. The dealer's own website is a key channel.



## THE CUSTOMER JOURNEY

# Do I get a good deal?

Although price and offer are not discussed until the consumer is actually visiting the car dealer, consumers spend a great deal of time online to find the best price and offer.

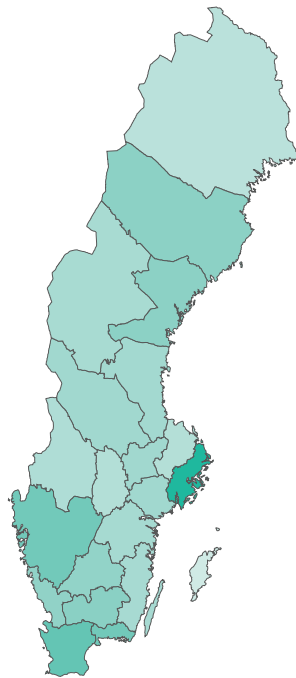
For instance, the consumer may visit different forums to create an idea of what to pay for a certain car model.

A typical customer journey lasts for about 3 months. During the journey, the consumer will make about 139 Google searches, watch 14 YouTube videos and watch, on average, 89 pictures. The consumer is typically in contact with 14 different brands and will evaluate 6 of these before making a final purchase decision.

*Source: Think with Google*

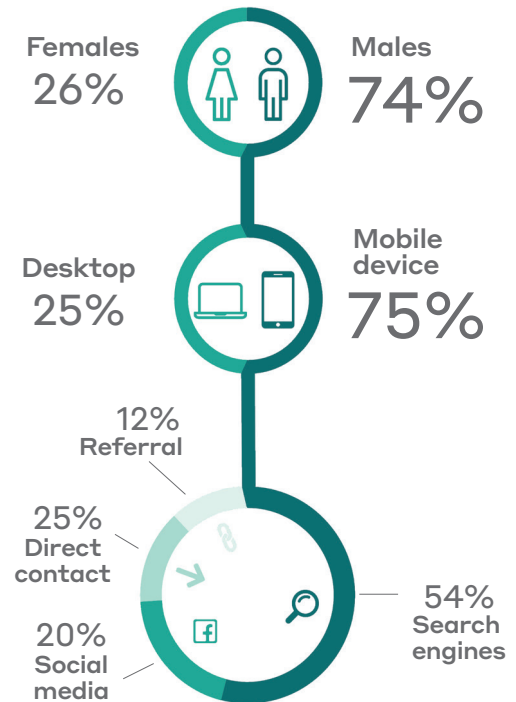
# Wayke website statistics

## Geographical distribution



County	Web Traffic	Web Traffic (Weighted population by County)
Stockholm County	35.25%	9.54 %
Skåne County	15.07%	7.03 %
Västra Götaland County	17.20%	6.40 %
Blekinge County	1.60%	6.38 %
Kronoberg County	1.68%	5.35 %
Västernorrland County	2.00%	5.21 %
Västerbotten County	2.20%	5.19 %
Halland County	2.59%	4.99 %
Jönköping County	2.78%	4.90 %
Västmanland County	1.84%	4.26 %
Dalarna County	1.91%	4.25 %
Södermanland County	1.97%	4.24 %
Gävleborg County	1.87%	4.16 %
Östergötland County	2.94%	4.05 %
Kalmar County	1.54%	4.02 %
Jämtland County	0.81%	3.97 %
Värmland County	1.61%	3.64 %
Örebro County	1.65%	3.47 %
Uppsala County	2.03%	3.42 %
Norrbottn County	1.25%	3.20 %
Gotland County	0.22%	2.33 %

## Distribution by categories



## WAYKE VISITORS' BEHAVIOR BEFORE CONTACTING THE DEALER



**3** visits at different occasions



**4** searches



**6** ad visits interactions



**7** interactions

# Most common searches by category

## Category/Share (%)

Manufacturer	28%
Model/Series	23%
Model Year	11%
Geographic Location	7%
Transmission	5%
Mileage	5%
Fuel	4%
Price, max	4%
Warranty package	4%
Body style	2%
Horse power	2%
Drivetrain	2%
Colour	1%
Dealer	1%
Price, min	1%

## Model/series Share (%)

V60	20%
XC60	19%
V90	15%
Golf	10%
XC90	8%
V40	7%
Passat	6%
XC40	5%
A6	5%
V90 Cross Country	5%

## Transmission Share (%)

Automatic	91%
Manual	9%

## Drivetrain Share (%)

AWD	91%
FWD	8%
RWD	1%

## Manufacturer Share (%)

Volvo	41%
Volkswagen	14%
Audi	13%
BMW	11%
Mercedes-Benz	8%
Skoda	3%
Toyota	3%
Ford	3%
Porsche	3%
Kia	2%

## Colour Share (%)

Black	22%
Grey	17%
Blue	15%
White	15%
Silver	13%
Red	6%
Brown	4%
Green	3%
Orange	3%
Beige	2%

## Model Year Share (%)

2018	23%
2017	22%
2019	17%
2016	13%
2015	8%
2014	5%
2020	4%
2013	3%
2012	2%
2010	2%

## Body style Share (%)

Estate	36%
SUV	23%
Sedan	14%
Hatchback	9%
Coupé	6%
Convertible	3%
CUV	2%
Cargo Van	2%
MPV	2%
Pickup	2%

## Fuel Share (%)

Diesel	43%
Petrol	31%
PHEV	14%
HEV	5%
Electric	3%
Petrol/CNG	2%
Petrol/E85	1%

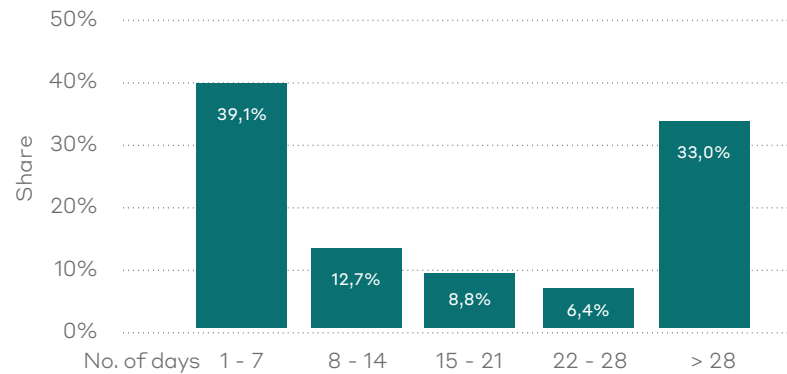
## Price, max (SEK) Share (%)

200 000	18%
300 000	17%
250 000	11%
150 000	10%
350 000	10%
100 000	8%
251 000	6%
400 000	6%
50 000	6%
230 000	6%

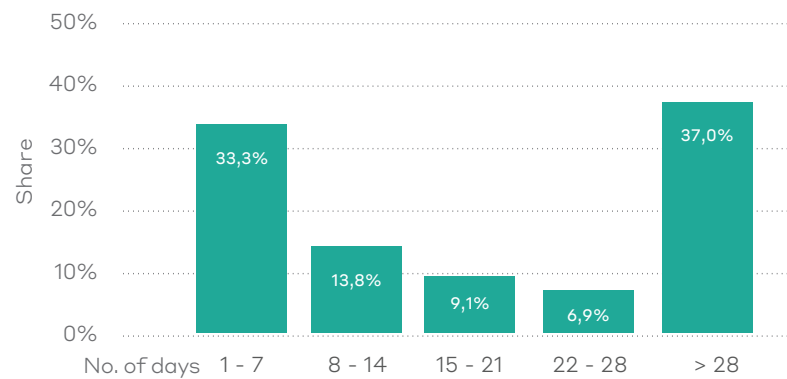


# Statistics - Contact routes and lead times

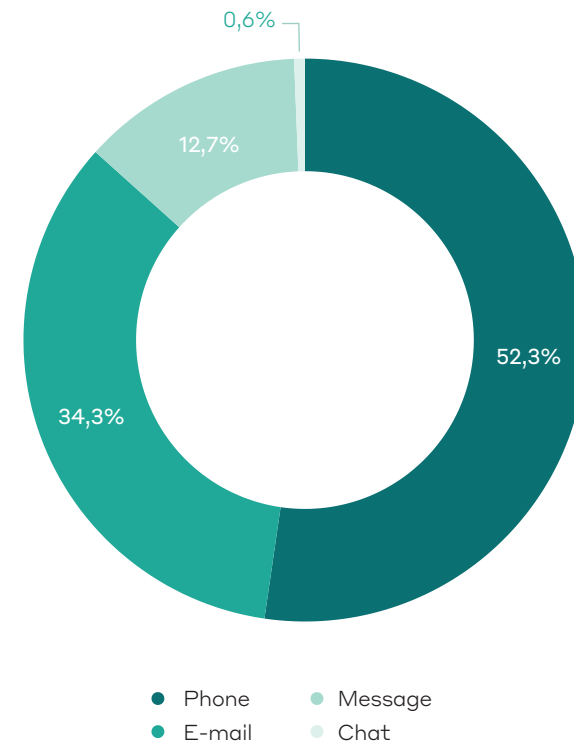
## Number of days from publication to conversion



## Number of days from publication to sales transaction

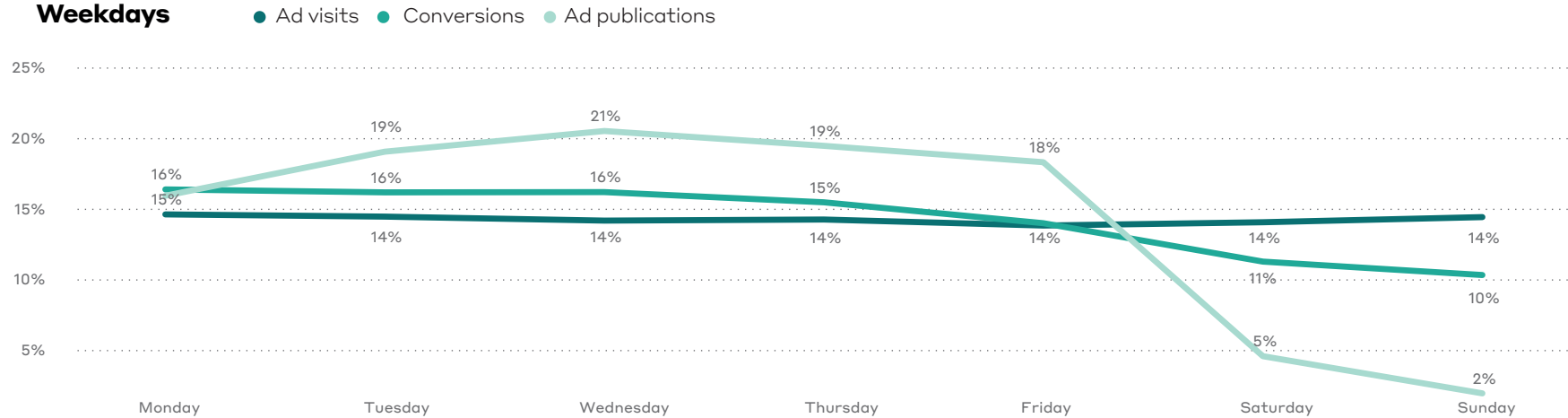


## Conversion by contact route

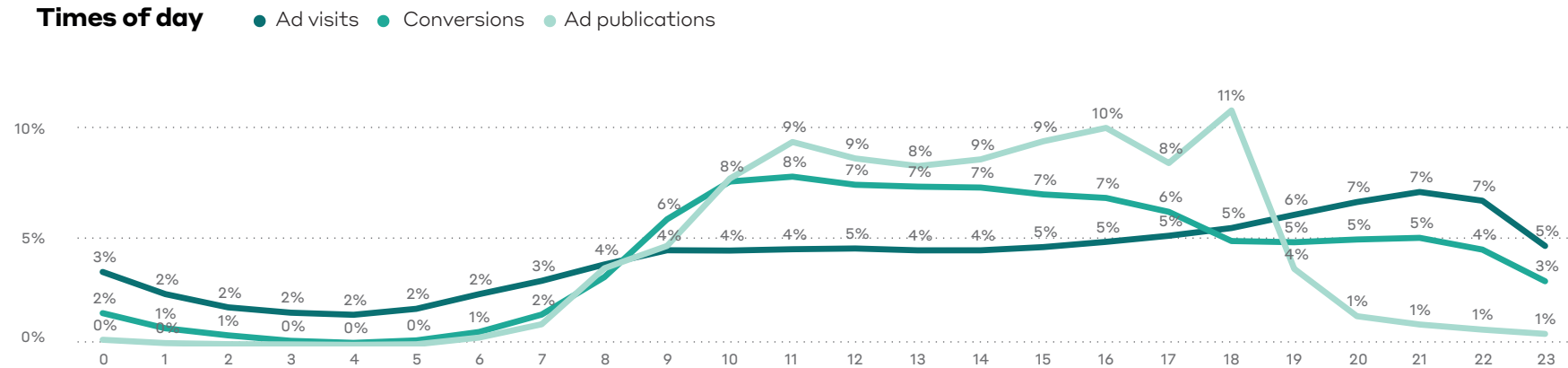


# Statistics - Days and times of day

## Weekdays

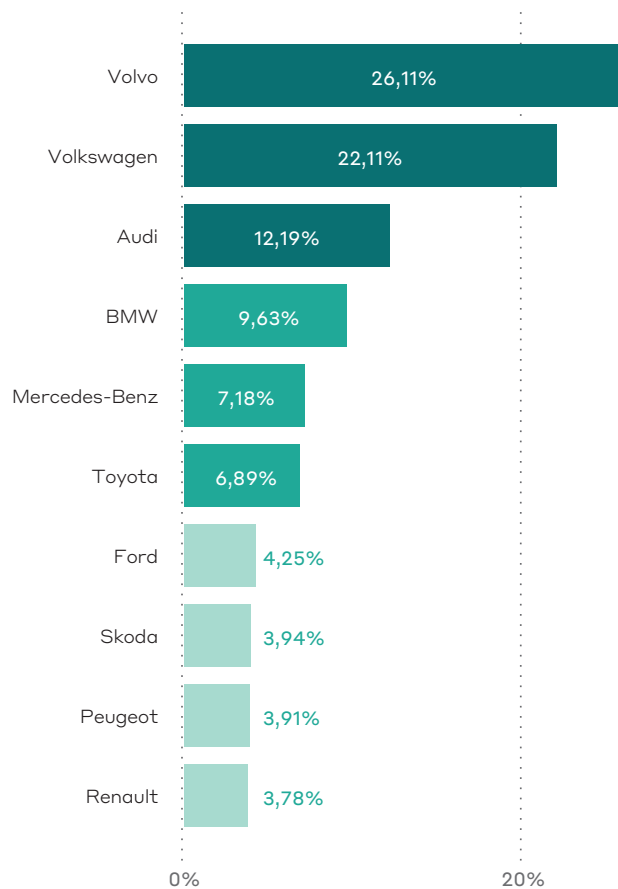


## Times of day

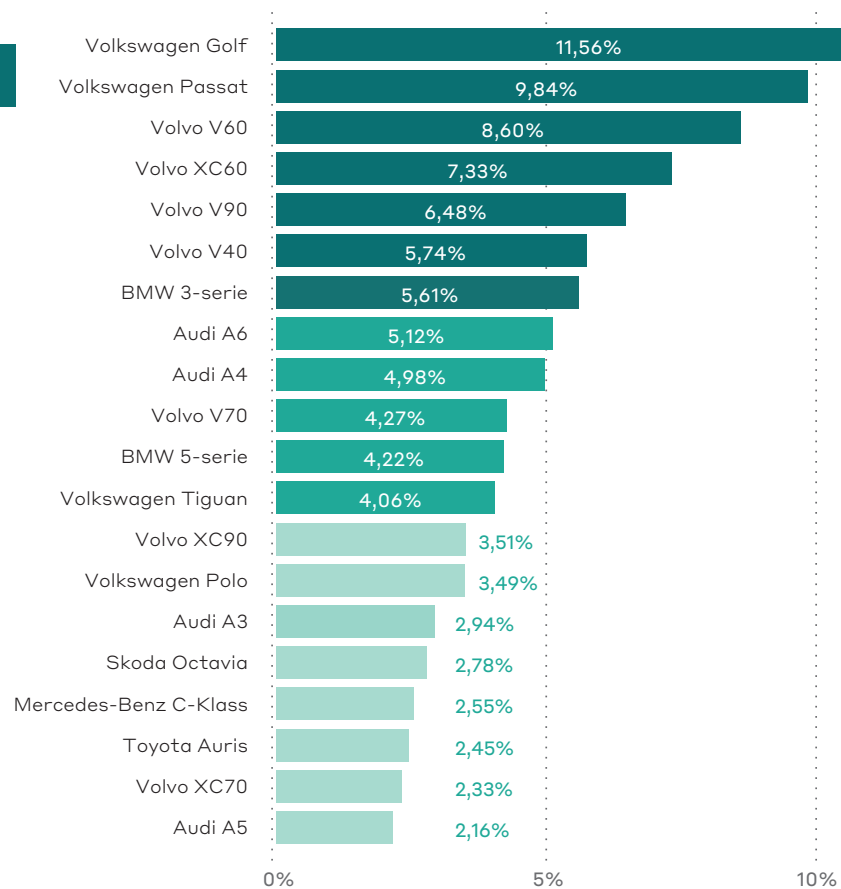


# Statistics - Conversions

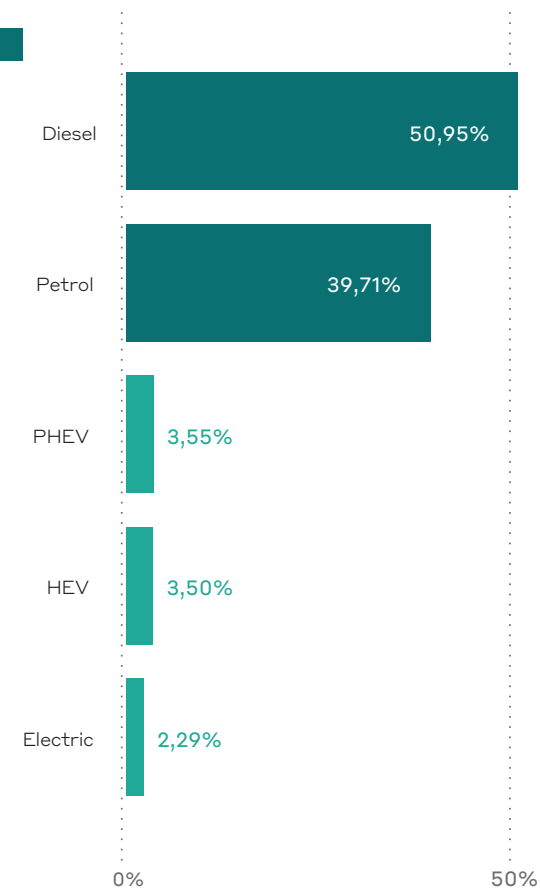
## By brand (Top 10)



## By model/series (Top 20)



## By fuel type (Top 5)



# How important are used car warranties?

**When Wayke asks visitors what makes them feel safe when buying a car, warranties are essential. As the car retail industry is now making significant digital progress and offering online purchases and home delivery, trustworthiness becomes even more important.**

In countries far ahead of Sweden when it comes to online car buying, there is much talk about unique warranties such as "Life Time Warranties", and certified car dealers. We also see that there has been much progress in the way cars are presented and transparency requirements have been taken very seriously.

In Sweden, a number of warranty packages are available in the marketplace and in the following, we'll dig deeper into warranties and buyers feeling safe by listening to a real expert in the field, who is also a Wayke partner:  
Johan Carlsson, Head of Used Car Operations at Volvo Cars Sweden.

**As car retailing is now going through digital transformation, what will be the deciding factors to make sure customers feel as safe and relaxed as they demand?**

I think it's very important to be transparent towards the customer. That means being clear with what is included in the used car warranty,

providing a product declaration and condition report, and account for minor damages that may exist. I also believe in being clear on the fact that a used car is not a new car so some minor damages may be accepted in relation to the age and mileage of the car.

**How important is the warranty package for used car sales?**

It is extremely important as it creates security for the customer. When used car sales becomes even more digital, warranty is almost a requirement to succeed. You can of course discuss content and scope of the warranty, but I think the customer expectations of clear and good warranties will increase. Our customers are getting used to worry-free car ownership with their new cars, why would they not expect that from a used car?

**How does Volvo Cars work to strengthen the dealer eco system?**

We have a great advantage through our strong eco system, all discussions we have more or less takes the dealer as the starting point, and we always attempt to adapt to the prevailing situation.

An example is a campaign that is running right now where insurance provider Volvia, Volvofinans Bank and Volvo Cars co-operate to launch online

purchase through Wayke. We do this to increase sales of cars that our dealers have in stock, something that makes it possible for the customer to trade-in a used car, purchase finance and insurance online, and also get the car delivered at home.

Our strong eco system is also a great advantage in for example Volvo Selekt, where the customer can turn to any dealer for assistance, not only the dealer where the purchase took place.

**Do you think that Sweden will follow the trend with long warranties and certified dealers?**

Absolutely! We are already there with Volvo Selekt and Volvo will continue to increase its investment in the used-car business. Almost all Swedish Volvo dealers are currently Selekt certified and the longest Selekt warranty we offer on a used car may, at the right conditions, last as long as 36 months and until a total mileage of 130,000 kms.

Through private leasing, we teach our customers that it's easy to own a car. The customer will bring these expectations to the next used car purchase and we'll then have to deliver.



Johan Carlsson,  
Volvo Cars Sverige



INTERVIEW – JOAKIM WIK, SÖDERBERGS BIL

# Cutting edge online sales at Söderbergs Bil

**The car industry is gradually approaching a completely digital customer journey. Research conducted by Wayke shows that more and more customers get ready to purchase a car online, provided it is presented in a transparent way and it preferably should come with warranties.**

During Fall 2019, Wayke launched an online purchase service. Trade-ins, financing and insurance with monthly rates were provided from the beginning. One of the dealers that took the opportunity to use the services was Söderbergs Bil, an authorized dealer of Volkswagen Group brands, so we were curious to know what they think about online car purchase.

**What was it like to be part of Wayke's pilot group for online purchase services?**

It has been very exciting and educational. We always strive for having a high rate of development and it was a great experience to be involved in designing the services at such an early stage.

**You also provide cars online on your own dealer website. What do you think about working with online sales in multiple channels?**

For us it has been very important to be able to offer an online purchase opportunity during

several stages of the customer journey, both when you still search broadly for a new car, and when you actually have decided on a specific brand. Our dealer website gets more and more important, as the number of physical visits go down. The website must always be updated with new features and the right content.

**How has it been working with Wayke's different digital components?**

Already when Wayke launched the services we chose to build our webpage on Wayke's APIs. Accordingly, when we decided to implement the online purchase function, a lot of the work was already done. It took us just a few hours of development to be up and running with online sales on our own website, with a complete functionality in place.

**What many people wonder about is whether you are selling cars online yet?**

Yes, we do! We've closed about 20 deals online, both on our own website and through Wayke. It is exciting to see that many customers are prepared to complete the purchase online, but also how well it has been received by our salespeople.

Customers we talked to have been incredibly satisfied with the experience, especially those

who got the car delivered to their home. Then online purchase is for real!

**What do you think about the future of online purchasing for dealers?**

I think it will soon become a hygiene factor to offer online purchasing in channels that customers use. It will also put a great deal of pressure on the industry to become transparent and come up with different types of packaging that make customers feel safe and relaxed.

When we've come so far, I think we'll see a big change!



Joakim Wik, Söderbergs Bil

## HERE'S WHAT WAYKE IS DOING

# Multi-channel online sales

Wayke has since the start built functionality that can be used in multiple channels, for example on your own dealer website, at the importer website or through a partner. Your own dealer website is the digital display window and a very important point of contact in the customer journey, through which the customer forms the perception of the dealer.

Waykes Buy Online function offers, as the only product in the market, a flow that includes valuation and administration of trade-in cars, financing, insurance, and home delivery.

The function has been created to meet the car buyer during the different stages of the customer journey. The purchase can take a number of variations and take place in different locations, hence it's crucial to be available when the customer is ready and wants the interaction.

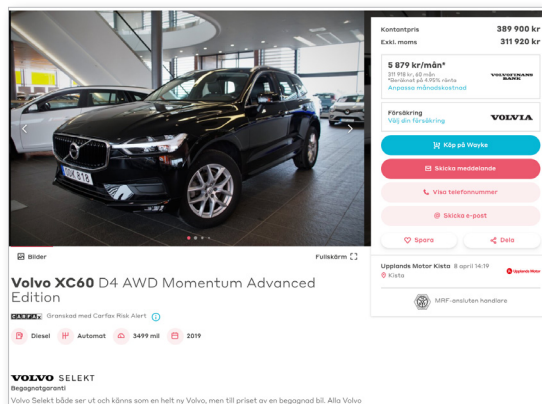
Today, you will find Wayke's solutions at wayke.se, on dealer websites and at importers' websites, where dealer cars in stock can be collected in a shop. The same car may hence be purchased from three different sources, depending on where the customer prefers to complete the purchase transaction.

The unique feature of Wayke's solution is that dealers can offer their own eco system of offerings and choose which partners to expose. In addition, the customer can trade in the old car and get home delivery of the new car.

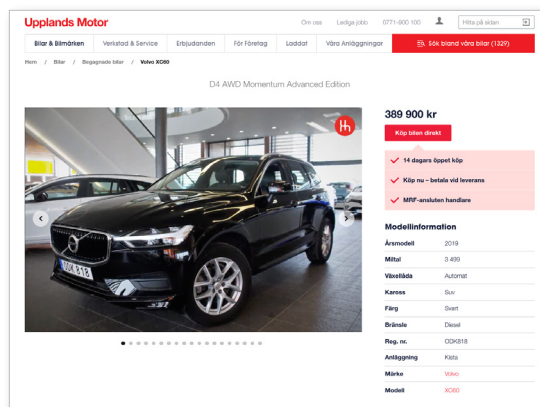
Wayke is developing and optimizing new solutions continuously, hence users can be sure to always have access to the latest functionality. And the best of all is that your entire stock can actually be available for online buyers within five minutes.

**Don't hesitate to contact us for more information!**

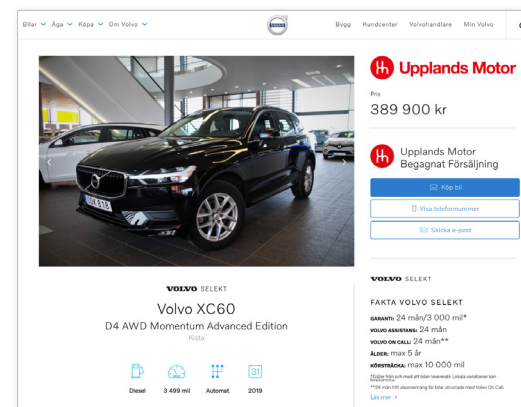
### → AT WAYKE

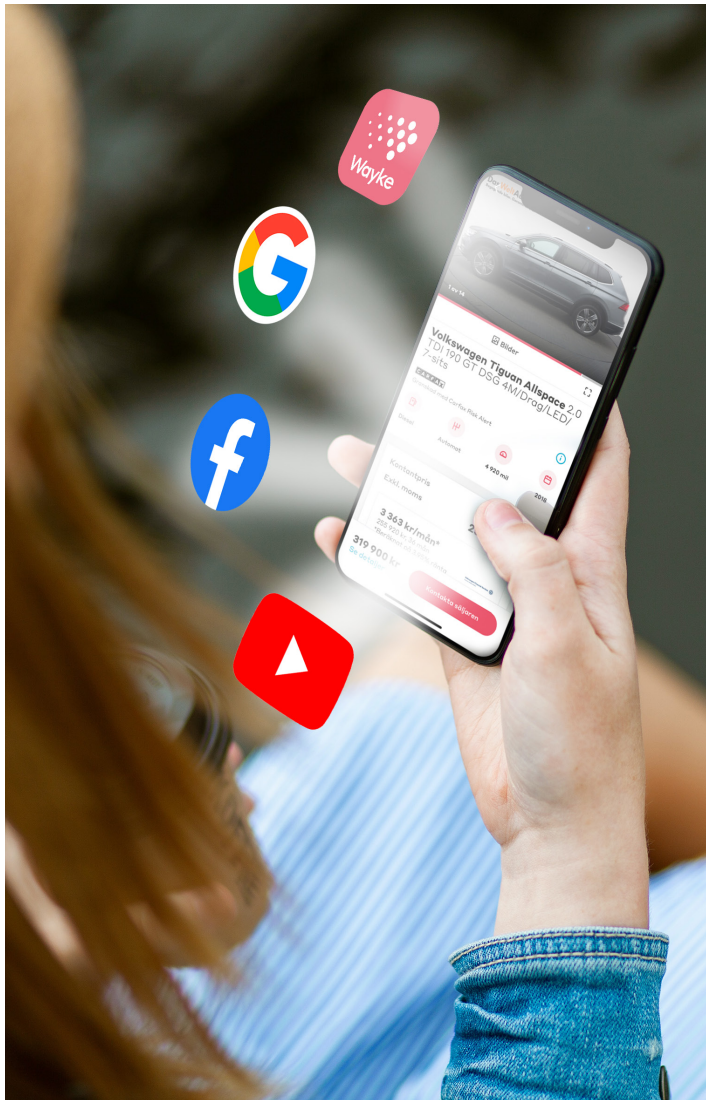


### → AT THE DEALER



### → AT THE IMPORTER





HERE'S WHAT WAYKE IS DOING

# We make you visible to customers throughout the buyer journey

We at Wayke are committed to making car dealers considered in all stages of the buyer journey.

Therefore, we developed the WXR service – *Wayke eXtended Reach*. It aims to increase your visibility in an accurate way throughout the entire customer journey.

Thanks to technical integrations with our partners *Facebook*, *Google* and *Bonnier*, dealers can reach out with their unique offerings and messages.

Last but not least, it's fully automated, Wayke takes care of everything.

# We want to help you sell more cars online!



Contact us at [info@wayke.se](mailto:info@wayke.se) so we  
can talk more opportunities for you.



Trygga bilköp från Sveriges bilhandlare