

The radically transforming car buying experience

With the number of online shoppers expected to approach 25 million by 2021 (up from 18 million in 2017), e-commerce is experiencing a boom time in South Africa.

The average online spend is anticipated to be approximately R2,700 in two years time, so clearly it is a good segment to be involved in. But will this hot streak extend to larger purchases such as vehicle sales?

For William Miller and Renaldo de Jager, co-founders of auction.co.za, the answer is clear. They believe the 'brick & click' concept will radically transform the automotive approach in the country.



Source: pixabay.com

But just what is the driving force behind this?

The answer for some may be simple - it's the increasingly growing millennial customer base that is entering the car market.

Statistics from the US show that millennials make up the fastest growing segment of vehicle buyers and will likely represent

40% of new vehicle sales by 2020 in that country. So, put that in your Uber, Bolt (formerly known as Taxify), and Hailer pipe and smoke it.

And while each country has its own nuances when it comes to vehicle sales, many of the trends tend to originate from countries like the US. This is especially the case when it comes to embracing digital solutions (think social networking, online auction sites, and the websites of car dealers) to help guide a purchasing decision.

But even though many people happily do their research for car purchases online, they baulk at the idea of making the actual purchase from an e-commerce perspective. As South Africans, we are naturally sceptical about safety and security, especially around high-value items. But this does not have to be the case.

The buying force of millennials cannot be ignored. This connected market, reliant on mobile devices, apps, social networking, and streaming services, want to be entertained and engaged in different ways than their parents.

A seamless experience is expected

For them, 'car-buying' is an experience that needs to be seamless from online to a real-world perspective. It is pointless having a dealership invest in creating a stunning website but with very little integration with the showroom floor.

While most of the online platforms are working predominantly with dealer networks and car manufacturers to provide a hassle-free car-buying experience, the power of auction sites cannot be discounted. Not only do these sites provide a one-stop environment, but they are also a much more cost-effective alternative than going the traditional route.



An online auction site not only provides an extensive catalogue of vehicles across manufacturers, but can help potential buyers search for value-added features such as Bluetooth, GPS, whether the car is a hybrid, and so on.

By going online to make a purchase, you are saving on all the associated 'middle-man' fees. It is also convenient as everything can happen from a mobile device in the comfort of your home.

Millennials spend hours researching products and services to purchase - and car sales are no different. Just like the car-buying habits of our parents were different from ours, so too will those of the younger generation coming through be unique to the technology available.

Now is the time to strap in and enjoy the ride. Who knows, your next car might just come from an online purchase.

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