

Cox Automotive's Power of Data Study Reveals While Data Insights Provide Value to Heavy Users, Most Dealers Still Experience Data Challenges

- 70% of dealers surveyed agree lags in real-time customer/lead and vehicle data make data-driven insights less useful.
- 54% of dealers have experienced conflicting data across multiple sources.
- Only 26% of dealers are confident in third-party insights.

ATLANTA, July 30, 2024 /[PRNewswire](#)/ -- Today's automotive dealers know there is power in data, but they struggle to extract actionable insights from it, according to [Cox Automotive's 2024 Power of Data study](#). Capturing feedback and perspective from franchise dealers and their management, the study reveals dealers are facing challenges putting data to use. However, the study also reveals that the dealers using their data most heavily see a higher positive impact on business results.



"We wanted to better understand how dealers use and value data to identify areas it can be optimized," stated Chase Abbott, VP of Sales at Cox Automotive. "We found that seven out of 10 dealers say lags in data make their insights less useful, and more than half experience conflicting data across multiple sources.

"That diminishes dealers' confidence and often means they are less likely to use data effectively and may miss opportunities to improve efficiency and the overall customer experience. However, with challenge comes opportunity, and an omnichannel approach proves to be the best strategy dealers can take to truly capitalize on the power of data," Abbott said.

Key takeaways from the study include:

1. While 83% of dealerships have access to data insights from a dashboard or reporting tool, less than one-third are satisfied with the insights they get from vendors.
2. 54% of dealers have experienced conflicting data across multiple sources, making it difficult to determine which data is accurate.
3. 69% of dealers are likely to stop using a vendor if they cannot provide reliable access to customer or lead data.
4. 66% of dealerships are concerned about ensuring data privacy and compliance when adopting new tools, and 44% have held off adopting new data solutions or tools due to fears about data privacy issues or non-compliance.

Qualitative feedback during the study surfaced best practices among heavy data users. Dealers can combat data lag by implementing tools that update in real time and keep every department—marketing, sales, fixed ops and the back office—in sync with shoppers at every step.

Dealers can also eliminate the guess work and restore confidence with AI-powered

automation to determine the data that should drive action. Predictive insights can help dealers overcome third-party data quality concerns. An audit of their vendors can help dealer staff prioritize which shoppers to follow up with next. This audit should include how many shoppers are covered by their data set, how frequently data is updated, and how quickly it gets translated into insights in dealership systems.

"As dealers explore using data for their current and future needs, AI has proven to and will continue to have a profound impact on dealer and buyer connections. AI can pull data and insights together to provide a new level of intelligence and analytics the industry hasn't seen before. Data is worth doing right. With high quality, accurate, and secure data delivered in real time, dealers can unlock powerful insights that improve customer satisfaction, employee satisfaction, and profits," Abbott concluded.

To learn more, download Cox Automotive's new eBook, The Three Biggest Data Challenges in Automotive Retail, at <https://www.coxautoinc.com/retail/power-of-data/>.

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