



GUIDE TO PREDICTIVE MARKETING IN AUTOMOTIVE

BEYOND THE SALE

Using AI to drive automotive
aftersales success



PERSONALISED MARKETING AS KEY TO SUCCESS

Consumer expectations*

71%

of consumers expect companies to deliver personalised interactions*

PAIN POINTS IN TRADITIONAL MARKETING

In today's marketing landscape, a primary challenge is delivering relevant messages at the right time to achieve maximum conversion. The reality is that consumers are still mostly targeted by **mass communications**.

Most email marketing campaigns rely on a 'one-size-fits-all' strategy, with personalisation often limited to a few dynamic fields. This often leads to campaign failures, **for two main reasons:**

01.

Overload of messages

Consumers feel overwhelmed by the excessive number of messages received and start perceiving the brand as spam

02.

Lack of relevant content

The content fails to resonate with recipients resulting in poor engagement and limited response rates

*(source: McKinsey & Company, 2021)





FROM MASS COMMUNICATION TO PRECISION MARKETING

THE RISK OF MASS CAMPAIGNS

The risk behind them is that customers may lose trust in the brand and decide to unsubscribe from communications altogether, which means **lost lead generation opportunities**. And even if this is not the case, any campaign producing a return on investment (ROI) merely in the order of decimals is a waste of resources. Such principles apply to any sector—and automotive retail is no exception.

ENTERING PRECISION MARKETING WITH AI

As consumers seek hyper-personalisation, **artificial intelligence** enables marketers to shift from mass actions to **precision marketing**, addressing specific needs with on-point messages which are dropped in the customers' inbox right when they are ready to consider a specific product or service.

AI can help deliver targeted, relevant messages by collecting and analysing a wealth of data which can range from demographic, preferences expressed online over time and past interactions with the brand.

In the automotive aftersales industry, this represents a great opportunity to consolidate and grow the business.

○ PRECISION MARKETING

○ TARGETED CAMPAIGNS

○ BUSINESS GROWTH



A STEP-BY-STEP GUIDE TO IMPLEMENT PRECISION MARKETING

To implement a precision marketing strategy in your organisation, for example for your automotive dealership or workshop, you have to rely on **data-driven insights** to detect and anticipate customer needs and optimise your marketing efforts accordingly.

THE SIX STEPS YOU SHOULD TAKE INTO ACCOUNT TO SUCCESSFULLY DEPLOY IT



Define objectives and key metrics

Identify the main goals you want to achieve and translate them into measurable KPIs.



Collect and reconcile data

Map all the data sources within your organisation, from transactional data and customer interactions to third-party data, and make sure you can leverage them to support your decision-making.



Analyse your audience

Segment customers based on demographics, behavioural patterns, and lifecycle stage; this will help you laser-target your initiatives for the best chances of success.



Implement predictive marketing

Utilise artificial intelligence to forecast future demand for your products or services, based on historical sales data and trends.



Build targeted campaigns

Create personalised messages to push your products or services to your target audience. Plan distribution with the omnichannel customer journey in mind.



Monitor and iterate:

Track the performance of your campaigns against your KPIs. Evaluate the effectiveness and the return on investment: identify strengths and weaknesses to be able to continuously refine your strategy and improve.



EMBRACING AUTOMATION AS A SUPERPOWER TO ELEVATE YOUR STRATEGY

01.

Planning

Automated tools can streamline tasks like customer segmentation and campaign delivery. While these tools effectively segment customers based on preferences and needs, marketers can focus on crafting content that resonates with each group's emotional triggers or purchasing motivations, fine-tuning core messages, tone of voice, and creative elements.

02.

Distribution

Automation can enable hyper-personalised messaging at scale. Not only can automation tools send campaigns at optimal times across multiple channels, but they also facilitate continuous A/B testing and real-time selection of the best-performing variations. This data-driven approach feeds valuable insights into the CRM, informing future campaign iterations.

03.

Performance

A/B testing and real-time adjustments can improve campaign effectiveness. Automated analytics provide post-campaign insights, highlighting areas of excellence and improvement. This data-driven approach allows for continuous strategy refinement, ultimately maximising results.

Precision marketing is most effective when automation and human strategic thinking are combined.



PREDICTING AUTOMOTIVE AFTERSALES NEEDS WITH ARTIFICIAL INTELLIGENCE

Predictive marketing can be successfully applied to the automotive industry, where the customer journey extends beyond the vehicle sale to its entire lifecycle as well as the extended lifetime value of a client.

A segment of the automotive journey which is still very much underrated but offers extensive **growth opportunities** is that of **after-sales services**: scheduled maintenance, warranty check-ups and any other forms of assistance aimed to preserve the vehicle's safety and prolong its longevity.

FORECASTING NEEDS WITH AI

By leveraging AI to identify common behavioural patterns in the aftersales and combining them with a specific vehicle's and user's track record, marketers can forecast when a customer may need service, and design targeted marketing campaigns that can be crafted to meet these predictive needs, engaging users with specific, timely offers.

AI algorithms refine predictions over time, and thanks to these elaboration capabilities, we can not only assess the probability of a future event but also continuously refine such predictions through ongoing learning.





TURNING AFTERSALES CAMPAIGNS INTO REVENUES

To effectively keep customers engaged, sending reminders for seasonal servicing or mandatory check-ups is not enough anymore. True **value** is only created when maintenance services are suggested **at a relevant time**, for needs that are either in the back of the customer's mind or still totally unexpressed.

By understanding how your business goals align with customer expectations, predictive AI can supercharge your automotive aftersales strategy, transforming it into a **revenue-generating powerhouse** for your dealership.

To achieve this, you need a technology solution specifically designed to meet the unique needs of automotive retail, no matter the size or reach. This allows you not only to maximise the potential of your workshop activity but also to forecast revenue streams and plan your marketing actions accordingly. By harnessing advanced data collection, insights generation and machine learning capabilities, you can deliver precision marketing at scale for your automotive business.

This AI-powered approach ensures that your customers receive relevant recommendations at the right time, driving both satisfaction and sales.



HOW CAN AUTOMOTIVE CUSTOMERS BENEFIT FROM A PREDICTIVE APPROACH?

01.

A customer who drives long distances would take advantage of a premium service package that includes regular oil changes, brake inspections, and tire rotations, customised to their driving habits.

02.

Based on demographics (e.g. driver's age) or the area of residence, a customer may have different assistance needs to ensure ongoing performance and safety of the vehicle; for example, a vehicle used in harsh winters has specific aftersales requirements.

03.

A customer particularly responsive to special offers may be targeted with 'early-bird options' to build up their trust and loyalty, instead of discovering a promotion only after being serviced.

04.

A customer who has a history of repeat repairs might be triggered to consider an offer for a trade-in and financing deal on a newer model that matches their preferences and purchase history.



PREDICTSPARK: A POWERFUL PREDICTIVE MARKETING SOLUTION

PredictSparK, part of the **SparK Platform**, is MotorK's AI-driven solution for automotive predictive marketing. It empowers OEMs and dealers to create highly targeted marketing campaigns for after-sales services, which combine precision and effectiveness, while optimising the use of resources.

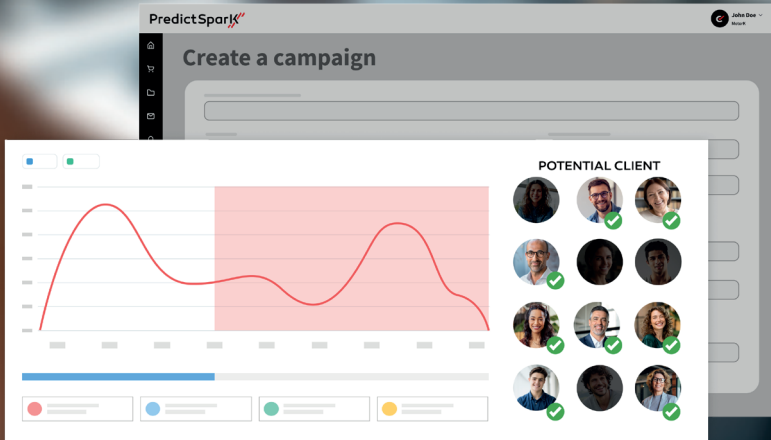
WHY PREDICTSPARK STANDS OUT

In today's automotive distribution, traditional customer engagement and relationship management are no longer working. To build trust, dealers must know what customers are looking for throughout their entire automotive journey and even anticipate such needs: this is possible by properly collecting and organising data, and generating actionable insights.

 **PREDICTING NEEDS**

 **CRAFTING CAMPAIGNS**

 **GENERATING INSIGHTS**

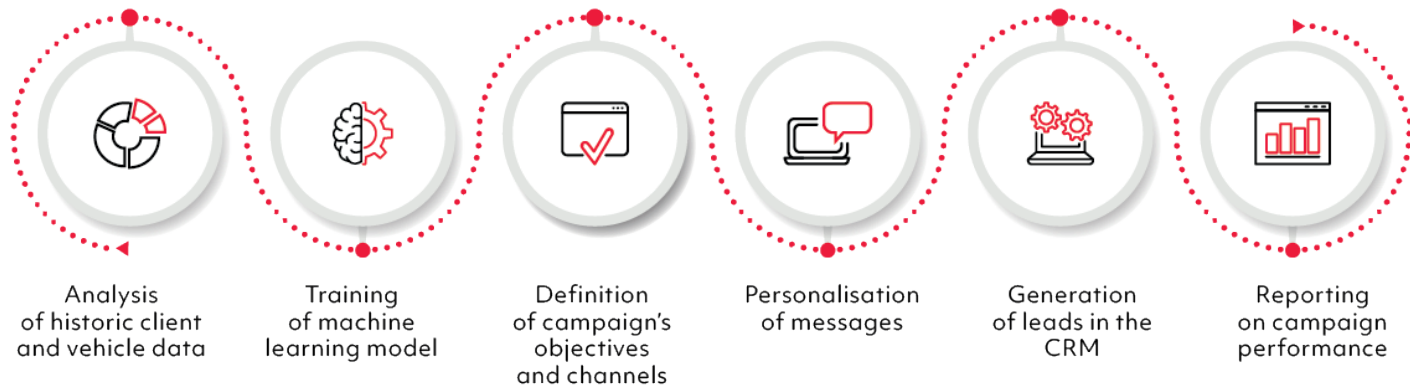


HOW PREDICTSPARK WORKS

PredictSpark integrates with DMS and CRM systems, accessing a vast amount of automotive data, and elaborates such information with the most comprehensive approach. It analyses **vehicle information, service records and customer insights**, and can identify prospective clients that are likely to purchase a specific after-sales service within the following 30

days.

This tool guides users through the step-by-step creation of a **conversion-oriented marketing campaign**, which can be distributed across various channels, including email, SMS or telephone. Control groups may also be used to assess and quantify the increased effectiveness of each AI-powered marketing campaign. After the campaign ends, users receive advanced reporting within the tool that provides valuable insights on the performance of the campaigns and the ROI.



In our business we have access to a vast amount of data that often goes unused because we lack the technology solutions or expertise to effectively leverage it.

Imagine having a tool that automatically transforms data into actionable marketing plans, delivering precise messages when your customer is most ready to engage.



COMBINING CUSTOMER SATISFACTION AND ROI: PREDICTIVE MARKETING IN NUMBERS

Conversion rate

8%

ROI

2.5

PredictSpark analyses over 3.8 million customer profiles and generates around 66 million predictions daily, enabling automotive retailers to craft highly targeted marketing campaigns. These highly relevant messages drive the interest as well as ongoing satisfaction and loyalty in the audience of prospective and current customers.

IMPRESSIVE METRICS

When it comes to measuring impact, PredictSpark generates on average:

01.

Conversion rate

An average CR to invoice of 8%: tracking and measuring campaign effectiveness are among PredictSpark's strengths

By offering **location-specific insights**, PredictSpark is particularly beneficial for businesses with multiple locations or brands, making it a powerful tool for scaling marketing efforts across diverse regions.

02.

ROI

Larger dealerships can achieve a nearly two-fold profits to cost ratio, which goes up to 2.5 for medium businesses.



WHY PredictSpark

Rev up your aftersales activities with AI precision: unleash personalised, relevant 1-to-1 marketing campaigns at scale to ensure your clients are effectively engaged and keep coming back.

- **Grow:** Increase **aftersales revenues** by anticipating service needs thanks to **artificial intelligence**
- **Connect:** Keep the **communication** open with customers, avoiding spam with **highly targeted outreach**
- **Control:** Monitor the exact **Return on Investment** for each campaign as well as for each location or brand

customer profiles analysed

3.8M

predictions elaborated daily

66M

average campaign conversion rate to invoice

8%

revenues generated by dealers with predictive campaigns

20+M€

“PredictSpark is artificial intelligence at its best: while customers can benefit from the highest level of personalisation and relevance, automotive retailers can benefit from an easy-to-use, cost-effective solution that delivers detailed performance insights. This is especially beneficial in the aftermarket, where revenue opportunities are still largely untapped and technology can make the difference in shaping a truly satisfying customer experience.”

Marco Marlia
CEO

Are you ready to grow your business thanks to predictive marketing?



CONTACT US

