

The use of digital marketing in the Swiss automotive retail industry

**How does the Swiss automotive retail industry use digital
marketing for dealerships to drive revenue and brand
awareness?**

**Bachelor Project submitted for the degree of
Bachelor of Science HES in International Business Management**

by

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Declaration

This Bachelor Project is submitted as part of the final examination requirements of the Haute École de Gestion de Genève, for the Bachelor of Science HES-SO in International Business Management.

The student accepts the terms of the confidentiality agreement if one has been signed. The use of any conclusions or recommendations made in the Bachelor Project, with no prejudice to their value, engages neither the responsibility of the author, nor the adviser to the Bachelor Project, nor the jury members nor the HEG.

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Geneva, June 4th 2018

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Executive Summary

Marketing is about “creating customer value and relationships” (Kotler, Armstrong 2014, p. 16). However, this reality has changed over the years especially since the shift towards digital. New tools and influences appeared, therefore impacting the consumers shopping habits. Moreover, consumers today have a much wider choice to pick from and many purchasing possibilities. What about the manufacturers? How has the shift to digital impacted them, and how have they adapted to the change in consumer habits? More importantly, how has the automotive industry in Switzerland managed to exploit digital marketing in their favour?

This bachelor study aims at understanding how the Swiss automotive retail industry and more specifically, how the dealerships in the Lake Geneva region use digital marketing to increase their performance. The research attempts to determine how the use of digital marketing drives revenue and brand awareness for dealerships.

With digitalization, the way consumers purchase cars has changed significantly. Consumers today go to the dealerships one and a half times compared to a decade ago when they used to go three to four times (Appendix 2: Interview Mrs. Roth). “People today come very informed” (Appendix 7: Interview Mr. Rattaz). They visit a dealership only after having collected as much information as possible from the internet, at which point they almost know more than the sales representatives themselves. This research focuses on understanding what tools the dealerships use, by analysing the use of digital marketing through eleven themes that potentially drive revenue and brand awareness. Today it is a must for any company to be digitally present at the risk of going unnoticed. Being present on social media and using search engines, can be exploited by the dealerships to their own advantage. The digital presence can enable them to better target their customers by understanding where and how they seek information during the different stages leading up to a potential purchase.

The outcomes of this study are based on primary and secondary data that were collected directly from the dealerships themselves, through interviews of professionals, such as marketing managers and sales representatives to get their perspectives on this the subject. It has shown that some of the themes discussed in this research drive either revenue or brand awareness, or that they have no impact at all. This research also shows that digital marketing is mainly used as a tool that complements the traditional means of marketing that are still extensively used to this day.

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1. Introduction

1.1 Motivation

It all started a few years ago in marketing classes. These marketing classes were part of the first and second semesters of the first year in International Business Management at the HEG. At the time, no particular profession or field of study had sparked any particular interest. Having in mind that the profession had to be something that involved a touch of creativity while being dynamic and not much else came to mind. However, during the first year of courses at the HEG, marketing became very appealing and all the aspects were interesting, as were the classes. Working on various company projects and discovering all the areas in which marketing is involved, it became intriguing and pushed for further learning. When the third year finally came along, it was obvious that marketing would be the basis for this research. Thousands of studies had already been conducted in the marketing field on pretty much any subject imaginable. Knowing that and seeing how the industry is evolving, simple traditional marketing would probably not be that relevant. Focus would need to be made on a more modern concept, such as digital marketing. Millennials today spend a lot of time on their phones or similar devices, browsing on the internet and social media. In 2017, they spent 223 minutes a day, hence over 3.5 hours a day browsing the internet versus 188 minutes in 2016 and 181 minutes in 2015 (Statista 2018a). This demographic does almost everything on their phones and online. With all of this new technology available, digital marketing would probably be more relevant to work on than traditional marketing.

Now that it was clear that digital marketing would be the main subject of this paper, the approach needed to be applied to an industry in order to better explore the subject. Different industries were explored, and it came to light thanks to an article that the automotive industry was one among five other industries that got the most ROI (Return on Investment) from marketing (Rosy Strategies 2017). This is how the choice was made to explore digital marketing in the automotive industry. Cars have always sparked a great deal of interest to the author of the research. Combining both digital marketing and the automotive industry would make for an interesting paper.

1.2 Theoretical framework

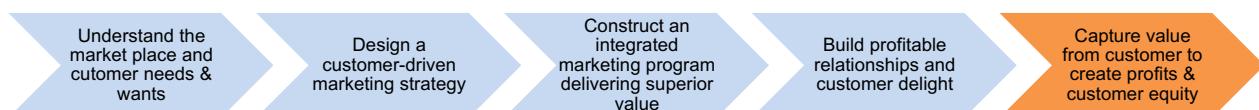
In this part, the theoretical framework of the research will be set. The following part will bring a deeper understanding of the subject of this study. The section will cover the marketing universe, its attributes, the emergence of digital marketing and understanding to what extent traditional marketing has changed and how it has blended with the digital world. Furthermore, this part will explore the automotive industry, by finally exploring the main area of this study, the Swiss automotive industry. The exploration will be done by digging into the many aspects the Swiss market offers to the automotive industry and its attractiveness.

For richness and variety of information, the following sections will not only be based on secondary data but constructed based on insights gathered through interviews conducted for the research.

1.2.1 Marketing

Simply put, marketing is the art and science of promoting and selling goods and services. But most of all, marketing is a “management process” (Business Dictionary 2018), that puts the customer at the heart of it. It is all about “creating customer value and relationships” (Kotler, Armstrong 2014, p. 16). The value creation functions in two ways: by being created in order to later be captured back. Hence, companies create value for their consumers in order to capture value back. The following figure shows how the marketing process functions:

Figure 1 – Marketing process



Source: adapted from Kotler, Armstrong 2014, p. 27.

Many individuals have questioned whether marketing is an art or a science. Gonen (2017), says for instance that marketing is both an art and a science. An art because it is an expression of one's creativity and imagination that simply does not have any limitations. Further it is a science as it involves the creation of goods and services that are controlled externally by a limited resource of inputs and outputs.

From a different perspective, marketing is seen as a science as it involves “measuring and analysing numbers” and because the most common questions come down to “how

much" and "how many" (Torok [no date]). The difficult part in all of this is finding a balance between the art and science of marketing. Moreover, what is most important about marketing as an art is "understanding human behaviour" (Faeth 2014)

"The science should lead and measure; the art should inspire and create."

– George Torok [no date]

Nonetheless, marketing is more than just debating whether it is an art or a science, it is about creating value for the consumers and later capturing value back. In order to be able to create value however, some of the most important concepts in marketing are the consumer's needs, wants and demands. Value creation leads to another very important concept that is customer satisfaction. The satisfaction is what will determine whether or not the customer is content with the product or service that company offers and will extend to a relationship, which defines the activity.

History of marketing

The term of marketing as we know it today was first used in the nineteenth century and only later in the twentieth century did it become a so-called academic field of study (Weitz, Wensley 2002, p. 50).

Marketing was for the very first time used in the form of mass printing in the eighteenth and nineteenth centuries. Communication and advertising were then done through magazines, posters and billboards. These means of print advertising were extensively used at the time. During the early to mid-twentieth century, new mediums of advertising started to appear. The first use of the radio after World War I marked the beginning of radio advertising, same for the television in the 1940s which was the start of recorded advertising. The decade also marked the beginning of telemarketing. As of the 1950s, the revenue from television advertisement started to take over magazines and radio rapidly. Impressively, spending for television advertisement grew from 5% to 15% in only one year. Later in the 1970s telemarketing started to become an extensively used tool.

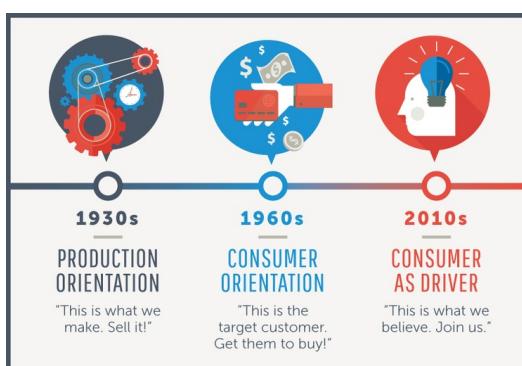
The end of the twentieth century saw the appearance of the digital era. During this time a lot of new technologies started to surface, allowing marketing to reach the public in many new ways and become stronger. April 4th 1973, marked the day of the first ever commercial mobile phone call made by a Motorola employee, Martin Cooper (Seward 2013). Following that, came the IBM Corporation, who along with Apple introduced their computers. These computers, along with the desktop printers allowed for a boom in print advertising in the mid 1980s. Towards the end of the twentieth century and the beginning of the twenty-first century, began the famous internet and email spamming era. New

technologies kept coming up and the internet was getting wider by the minute, giving way to the search engines, such as Yahoo! and Ask.com. In the last years of the 1990s surfaced Google and MSN, which quickly gave way to the blogging frenzy. All of this very quickly led to search engine optimization using keyword referencing as it is still known today.

The twenty-first century lead to a new era, the one of inbound marketing. The new era was the beginning of collaboration and information sharing that had the purpose of creating value for the customers. During the first decade of the 2000s, many social medias made their entrance such as LinkedIn, Facebook, Myspace and Twitter. The 2000s was also the time when smartphones grew popular by offering better performance with a faster network connection. As a consequence, younger people started to spend more time online and on social medias, rather than in front of the television or listening to the radio. An accumulation of all this technology soon led to e-commerce (More 2012). Finally, in 2017, the total e-commerce retail sales worldwide represented 2'304 billion US dollars and is estimated to reach up to 4'878 billion US dollars in 2021 (Statista 2018c).

As seen previously, along the years and with the myriad of influences, marketing has been led through different phases with each of them focused on another aspect. Essentially, marketing went through three main phases: the production orientation, the consumer orientation and the consumer as driver (Raindrop Marketing 2015).

Figure 2 – The three main phases of marketing



Source: Raindrop marketing 2015.

The first phase marketing went through was in the 1930s with the production orientation. These were the years following the Great Depression, unemployment rate was very high, and companies were trying to keep their heads above water, which didn't make the sales of goods and services any easier. As seen earlier, marketing at that time used fairly simple methods that resolved to print advertising. The aim of the marketing efforts at the

time came down to making as many people aware of the product as possible and hoping it would sell itself. At that time marketers started to use media to acquire more public awareness. During this period, in the United States, the government started to hire artists to make advertisements that would represent the local culture and have consumers relate to on an intimate level. These advertisements were in some ways dictating how society was to behave and attributed roles: mostly women and families would appear in these ads. Advertisement had an important influence in the 1930s (Scott 2015).

Figure 3 – Advertising in the 1930s



Source: Vintage Ad Browser [no date].

Source: Kinsey 2009.

The second phase started in the 1960's and consisted of the consumer orientation era. Using big personalities was the key (Steel 2015). This was a very important time and changed marketing greatly. At that time print, radio and television alone were not cutting it anymore, especially with the upcoming rise of the internet. Marketers now had the means to target certain consumers, which had a great impact. The companies started to create unique "brand messages" (Raindrop Marketing 2015). During this time many small agencies turned into large groups and a lot of mergers in the industry took place. Companies such as Pepsi Cola launched new campaigns: "Think young" and "Pepsi generation", as a reference to the baby boom generation (Ad Age 1998).

Figure 4 – Advertising in the 1960s

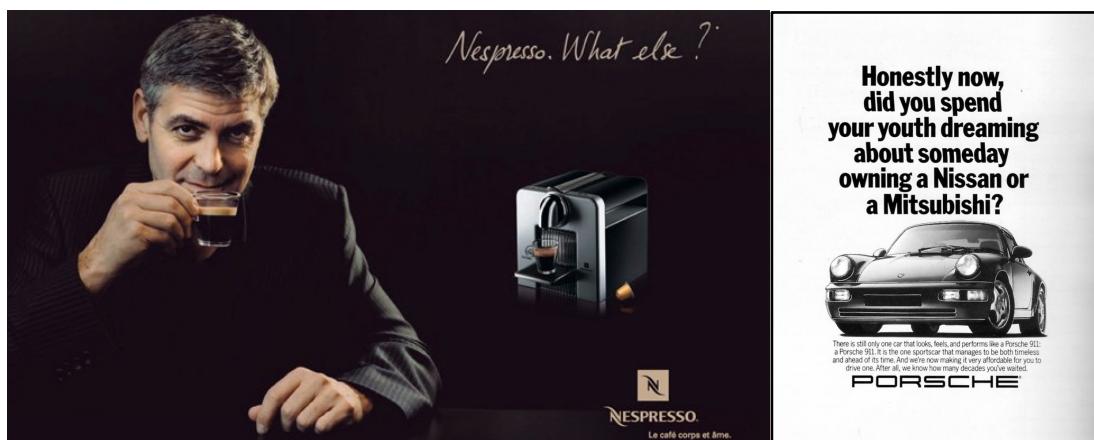


Source: PIXEL 77 [no date].

Source: Vintage Ad Browser [no date].

Finally, the era of consumer as a driver. Nowadays, marketing is less centred on the selling part, but more towards engaging with consumers and creating relationship based on trust and loyalty (Raindrop Marketing 2015). Brands now try to make the consumer part of something bigger rather than just being the owner of a product. By purchasing an Apple product for instance, the consumers become part of a community, this also creates a certain loyalty towards the brand and makes the customers feel like they belong to something bigger. These different eras bring us to today, where marketing is more about consumer centricity and experience.

Figure 5 – Consumer centric marketing



Source: La Réclame 2009.

Source: Auto Evolution 2014.

Today, as expressed by Kotler and Armstrong “marketing is more than sustaining customer relationship and creating value for the customer, is about telling a story, that which gets people to tick” (2014, p. 24).

1.2.2 Digital marketing

Since the emergence of the digital era, “digital technology has fundamentally changed the way we live — how we communicate, share information, learn, shop, and access entertainment” (Kotler, Armstrong 2014, p.45).

Digital marketing is basically the promotion of goods and services through the use of technologies, such as the internet, social media and various electronic devices (Financial Times Lexicon [no date]). In light of the modern era of social media and all the new technologies that have surfaced over the past decade and a half, marketing as it was known in the twentieth century has mostly gone digital. More importantly, consumers are better informed about products and services on the market, hence knowing better what they want and becoming more sceptical of advertising (Forbes Communications Council 2018).

With the different digital tools that have emerged thanks to this era, marketers are today able to reach many more people on many different platforms in a shorter time frame. This while spending less money and knowing how many people have seen the ad and followed up on it. Today the two most used instruments by companies in digital marketing are: search engines and social media. Search engines offer for instance the use of Search Engine Optimization (SEO), Pay Per Click (PPC), Google Analytics, AdWords and link building throughout their different platforms. On social media what is mostly used are organic posts or sponsored ads that appear for instance on Facebook, Instagram, YouTube, Pinterest, Twitter and more. This social media presence allows a lot of businesses to get more exposure on a daily basis.

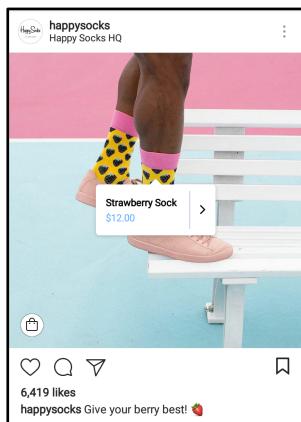
Figure 6 – Sponsored ad on Instagram



Source: Audi Schweiz 2018, Sponsored Ad Captured from Instagram.

Instagram for instance, has launched “shoppable organic posts” (Gesenhues 2018) at the beginning of this year, allowing businesses to add e-commerce links to their organic posts on their account. This is however only for businesses based in the United States for now but will shortly be coming to Europe.

Figure 10 – Shoppable organic posts



Source: Happy Socks 2018.

Over the years, the marketers have seen a lot of digital marketing trends come and go. To state a few, in 2012 for instance, in cross-channel engagement trend, the use of search engine optimization (organic and free process) creates traffic on major search engines such as Google, Yahoo and Bing. This through listing words and ranking them according to what seems the most relevant in a consumer's search (Search Engine Land, [no date]). Then came content marketing that aims at understanding the preferences of the customers and video marketing that started around the same time as the YouTube video ads (Chaffey 2012). Three years later, in 2015, arose the concept of “Digital channel sales optimization” (Chaffey 2015), where businesses would manage their different e-commerce platforms, which went along with omni channel and various online experiences (Hughes 2017). In addition to that, technologies appeared such as augmented and virtual reality (Chaffey 2015), that consumers discovered through Oculus Rift and the Google glasses.

As seen previously, digital marketing has been through many trends and keep evolving with the emergence of new technologies. A lot of the trends over the past years have been about using the digital tools available to attract the consumers, increase sales and create cross channel strategies. Today however digital marketing and marketing in general for that matter tend towards creating experiences for the consumers and to make them feel involved, not simply to sell them a product or a service. Today a lot is about creating experiences.

Trends in digital marketing today involve augmented reality tools, the so-called mobilification, customer-based marketing and community marketing.

“Mobilification”

This specific term is mentioned in a Forbes article which talks about the future trends of the upcoming year.

People today spend a great amount of time on smartphones. They are often glued to their phones, when commuting on train or bus, at restaurants, in toilet, at home, even at work. Consumers today do as much as possible directly on their phones and this is the medium that needs to be used to capture their attention and not just social media (Tasner 2018).

Customer-based marketing

The aim of customer-based marketing is to convey a personalized campaign that will add value for consumers, in the hope that it will push him towards a purchase. This “one to one campaign” functions by using customer data. In time these personalized campaigns will start to be like the pop-ups that target consumers today, but in an even more personalized manner (Young Entrepreneur Council 2018).

Community marketing

Today, an important term that is trending in digital marketing is the term of community. Brands are increasingly community-centric by creating communities around their products and services. Through these communities, customers feel that they are understood and that they belong to something. Community marketing is to “empower customers to become your loudest marketers”, this works especially well through the use of influencer and have as many people talk about a brand (Young Entrepreneur Council 2018).

1.2.3 How digital marketing has changed traditional marketing

Since the emergence of digital marketing and associated new tools that have been made available to marketers, use of many of the traditional marketing tools are at decline. The digital shift is mostly due to decreasing price of the digital publication, the increase in speed and the change in consumers habits, but mostly due to the general digitalization of communication.

Many companies today use social media, search engines and online newspapers to communicate messages instead of print media. The reason being, that many of the

digital means of communication allow to spread messages in a faster and cheaper manner, while being available over a longer period of time (Appendix 5 Interview 4).

Digital marketing means are more effective as they allow to target with precision and accuracy, and to publish instantaneously. Moreover, the cost of a digital publication is much lower than print advertising, which allows marketers to communicate more with the same budget. Digital also offers many more opportunities (Appendix 4 Interview 3) and is more measurable (Appendix 5 Interview 4).

Traditional marketing on the other hand still plays an important role today, which allows to reach all those customers that are not yet exposed to digital marketing efforts.

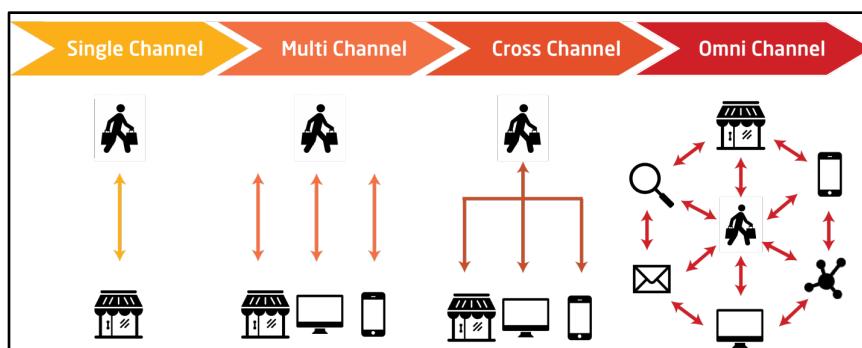
1.2.4 How traditional and digital marketing have blended together

Today marketers use both traditional and digital means to convey a message for it to be seen many times and stick in customers' minds. This however can vary according to the industry. The use of both means is very important today. One should keep in mind that not everyone is digital yet and that they are still a potential consumer.

Traditional and digital marketing help and complement each other in order to get a bigger coverage of the public.

Digital marketing and the various digital tools that come along with it have allowed companies to target the consumers through the means of different channels. Today we have moved even further to omni channel which allows to get the attention of the consumers whenever they jump from one media to another.

Figure 7 – Consumer channels evolution



Source: O'Keefe 2016.

Omni channel is a great example that demonstrates how the traditional means of marketing (ex. catalogues, call centres, emailing, in store displays) and digital means of marketing (ex. mobile apps, internet search, websites, and social media) have blended

together. Currently most companies are present on many different channels in order to effectively capture attention and communicate the brand to consumers, including traditional print media.

1.2.5 The automotive industry

The automotive industry represents different companies around the world through the sales of cars and various other motorized vehicles on a global scale. Moreover, the industry is also involved in many other activities, such as designing, manufacturing, repairing, sales of accessories and spare parts, which have an important role too (Khusgboo 2017).

The main products in this industry are comprised of passenger cars and light trucks that include pickup trucks, vans and SUVs (sport utility vehicle), on which the research will be focusing. The secondary products are commercial vehicles including delivery and large transport trucks (Encyclopaedia Britannica 2018).

All of the companies and services together make up the automotive industry on a larger scale. This global industry takes into account companies operation on a global scale. In 2017, the four most influential car manufacturers were the Volkswagen Group reaching sales in units of 10.74 million (Statista 2018e) comparing to 10.31 million the previous year. Followed closely by Renault-Nissan-Mitsubishi reaching 10.61million units. Right behind comes the Japanese manufacturer Toyota with 10.47 million sales and finally General Motors from the United States, which owns Chevrolet and Cadillac, with 9.6 million which showed a slight decrease over the previous year (Statista 2018f).

The automotive industry is a key sector not only in the global economy, but in many countries' economies around the globe that keep growing every year. This key sector is an important driver of employment (International Organization for Motor Vehicle Manufacturers [no date]) as the industry was projected to create over 80 million cars in 2018 (Statista 2018d), hence millions of jobs around the world.

Interestingly, when talking about digital advertising market revenue for 2018, the automotive industry is anticipated to account for 12% of it, in comparison to the FMCG (Fast Moving Consumer Goods) industry that is forecasted to represent only 6% of that (Statista 2018d).

1.2.5.1 Current trends

The automotive industry along with all the other industries is subject to many regulations, one of them being the emission levels produced by the vehicles. The industry is

increasingly “trending towards efficiency and sustainability”. Many car manufacturers nowadays are shifting towards cleaner vehicles such as those powered by hybrid and electric technologies. This move has mainly come from the many regulations and from a consumer base that is increasingly environmentally conscious (Khusgboo 2017).

Of course, technology and digitalization come into play when talking about the trends in the automotive industry. Many areas of the automotive industry have been impacted by digitalization. Major areas that have been touched are: the buying process, the driving, the maintenance and the supply chain (Newman 2017).

Interestingly, it has been argued that many manufacturers are shifting towards the creation of electric car models, however not for the right reasons. There is here no honest change in the mind set of these companies, by realizing that the current situation is leading to the destruction of the planet. But this shift is merely a response and a reaction to the many restrictions that are today implemented around the world. Manufacturers are scared of not making the same profits as they used to. (Dans 2018).

1.2.6 Swiss automotive industry

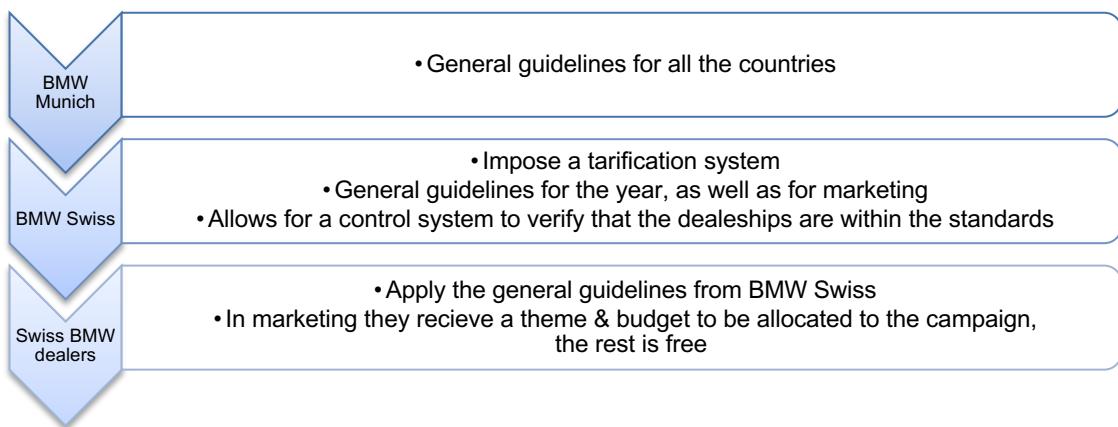
The Swiss automotive industry in Switzerland is rather unique as the country does not have its own and locally manufactured brand. Indeed, the automotive industry is a very important part of the Swiss economy which represents 13% of the Swiss GDP and employs 220'000 workers.

The Swiss market is very attractive as it is known for its so-called Swissness, but more importantly, the Swiss people have a rather high purchasing power. The Swiss citizens are second on the list of countries with the highest purchasing power, right after Lichtenstein and ahead of Luxembourg, Norway, Iceland and Denmark. (Hoffstetter 2016). Indeed, in 2016, half of the people living in Switzerland had less than CHF 49'660 per year as disposable income and the highest 10% of the population disposed of CHF 90'671.- (Federal Statistical Office 2017).

1.2.6.1 The functioning and key players

When looking a little more into the details of the functioning of the Swiss automotive industry, we will find that there are many more actors that come into play on the path from the car manufacturer to the end-use consumer. Here is an example of the BWM manufacturer and the flow of guidelines to the dealership in Switzerland.

Figure 8 – Guidelines Flow



Source: Appendix 2: Interview 1 – Mrs. Roth

As explained in the figure above, the Swiss dealerships have certain guidelines they need to follow in terms of marketing and are not allowed to do as they please. An important point is that a certain portion of the dealerships marketing budget must be allocated to promoting the brand they sell. This already can be a barrier for the dealerships.

In terms of corporate images, the dealerships are required by the importers to arrange the showrooms according to the requirements of the brand image, by furnishing it in a specific manner. This is for the dealerships very costly as these costs are not covered by the importers (Appendix 3: Interview 2 – Mr. Stöckli)

2. Research question

A lot of research in the marketing field has been directed towards the consumer, especially when talking about the changes in traditional marketing following the evolution to digital. A great deal has been done on consumer behaviour concerning the change in habits and the new trends that have since emerged in many different industries, such as in FMCG (Fast moving consumer goods) also known as CPG (Consumer packaged goods) and food goods. Marius Badenhorst for instance talks about how the digital era has changed the social trends, by further affecting “consumer behaviour and demands” (Badenhorst 2015). Following the shift to digital, consumers have become more adventurous in their e-commerce purchases, they now even buy groceries online. This also explains why Amazon has recently acquired Whole Foods for instance.

Consumption habits in these industries have changed a lot and this subject has been thoroughly covered, along with the advantages and the benefits for consumers. The other end of the supply chain however has not been much looked at for the moment.

With this boom also comes an increase in the number of manufacturers and with the advancement in technology, the shift toward electric cars. In the Swiss market alone, there are over thirty brands that are present, this creating a lot of competition. As shown by one of the Auto Suisse reports (Auto Suisse 2017) more than half of the car sales in Switzerland in 2017 were represented by ten car brands.

The automotive industry is an interesting one in Switzerland, unlike the other countries it does not have its own national car brand, such as Germany does with Volkswagen and BMW or the United States with Ford and Chevrolet or even Japan with Toyota. Switzerland is therefore a large importer of cars and sells over 40 different car brands within its borders. This industry is currently part of the largest industries in the world that keeps changing. In 2017, 79.02 million cars were sold worldwide, with Switzerland representing 3.97% (314'028 2017 sales) of the global industry (Auto Suisse 2017) and forecasted to reach 81.6 million at the end of 2018. This makes the automotive industry an important part of the Swiss economy.

Nowadays, the automotive industry offers a very vast choice of car brands and it is often very difficult to know which one to choose from as most of the car models from different brands look the same and offers similar kinds of features. These brands need to distinctively differentiate themselves from the other brands and attract attention from the consumers. In Switzerland the cars are sold through the dealership. The dealers also need to differentiate themselves in terms of offering and put their brands forward, on top

of what the car manufacturers do around their brands. Many dealerships in the same region or even city offer the same car brands, but why choose one over the other? The digital tools that are today available on the market allows dealerships to differentiate themselves. These tools can help the dealerships better target the consumers, to better attract and retain them, leading to potential revenue. But are digital tools more profitable than traditional marketing ones and do they truly meet their goals?

The question has not yet been directed at how the companies and more specifically their retailers use and take advantage of digital marketing and how it may drive their business performance. As stated by Lehmann in the Journal of Marketing (2004, p. 73), "The link to financial outcomes [...] is rarely considered" Therefore, this study will aim at understanding if digital marketing is crucial for the survival of the Swiss automotive industry, while putting an emphasis on car dealerships by looking at how and whether it drives revenue and brand awareness. Also, it will explore if dealerships must rethink most of their marketing strategies to tackle efficiently the rapid expansion and the consumer expectation of digital marketing and develop their competitive advantages. This is why this research will focus on the drivers and objectives of dealerships themselves, so the impact of digital marketing on the customer will not be the only focus.

Therefore, this research will attempt to answer the following question: ***How does the Swiss automotive retail industry use digital marketing for dealerships to drive revenue and brand awareness?***

2.1 Expected outcomes

This research intends to show that the use of digital marketing is crucial for the dealerships in the automotive industry today and more particularly in the Swiss automotive industry. This research expects to show that the Swiss dealerships need to implement digital marketing strategies in order to reach their consumer base, who spends increasingly more time on social medias and electronic devices. The time spent each day on social media has increased to 135 minutes a day in 2017, compared to 126 minutes in 2016 and 90 minutes in 2012 (Statista 2018a).

This study aims at showing that the use of digital marketing has an impact on the revenue, by firstly attracting more customers through digital means and lowering the marketing costs. Also, the research will show that the use of digital marketing by dealerships has an impact on brand awareness of the cars brand and dealerships. This by influencing the consumers on their choice of dealership, as many dealerships often sell the same car brands. By showing that through the use of digital tools, the dealerships

are able to build more awareness towards their target market and maybe even reaching out to potentially new customers. Also, that the use of digital tools will help the consumer better associate their product to their brand. The research will also show that by using digital tools, the customer is also able to better understand the difference between various car brands that increasingly look more and more alike. Therefore, brand awareness needs to be strengthened. Nowadays people do most of their research on their mobile phones and on the internet, so it is increasingly important to grasp as much of their attention as possible.

Finally, this research aims at understanding how the Swiss automotive retail industry uses digital marketing to drive revenue and brand awareness. More importantly, how the dealerships themselves use digital marketing to drive revenue, and to put their respective brand identity forward. Additionally, this research aims to show that the use of digital marketing for these players does matter and that they can exploit digital means to their own benefit. Consequently, what digital factors come into play that have significant impact on the performance of Swiss dealership?

3. Literature Review & Gap

3.1 The literature review

3.1.1 Automotive industry

According to an article by Rosy Strategies (2017), the automotive industry along with five other industries, are the ones that are “getting the most ROI from digital marketing”. The automotive industry is not at its peak yet but is booming in digital marketing. The automotive industry is still behind in this department and has so much to exploit from market growth and digital tools.

As mentioned in the Journal of Interactive Marketing (Kulkarni, Ratchford 2012), “The internet has become a major source for information on automobile brands, attributes and dealers”. This shows that the consumers do much more pre-purchase searching before considering to buy a product and talking to dealerships. This is why it is important for companies to be where the customers are searching. As more and more players enter the market, competition is getting fiercer and the dealers need to exploit every tool and advantage they can.

An interesting research talks about the link between the financial situation and the marketing communication of a company. This study looks at different aspect of marketing such as advertisement, public relations, personal sales, direct marketing and event marketing. Indeed, this study believes that marketing effort can have an impact on the performance of companies in the automotive industry (Lukas, Martin 2017, p.148).

Through a Forbes article, Daniel Newman (2017) explores the “digital transformation trends” of the automotive industry. He states that there have been many technological advancements in the automotive industry, along with industry becoming increasingly digital. Digital trends in this industry touch six different areas of the automotive supply chain. Among them, is the digitalization of the consumer’s buying process in this industry. Newman argues that consumers today do a lot of online research before entering dealership. Finally, he talks about “virtual showrooms” where virtual reality will soon take over.

3.1.2 Marketing trends

The trend in marketing has been consumer centricity and this is basically where everything starts. One has to start from the consumer in order to deliver to them exactly what they want, but consumers need to be educated. The social media and the internet

in general are where the people currently spend most of their time. Many consumers also use the internet as a pre-purchase information hub. In fact, as stated by Klein and Ford in the Journal of Interactive Marketing (2012), “more than half of the current automobile buyers use the Internet in their research process”. Today, with the so called “Big Data”, marketers have the possibility to know everything about the consumers. These also have access to how, why and where they like to buy their products and services, but most importantly, how they behave.

An article by Dave Chaffey (2015) talks about future trends in digital marketing and mentions which ones are most important on a commercial level. Interestingly, three of the five important ones are: marketing automation, mobile marketing and social media marketing. Marketing automation plays an important role, as it offers personalisation for customers directly on company websites. Additionally, automated marketing will also create targeted recommendation for customers. Moreover, mobile marketing is getting increasingly important. Mobile applications now allow consumers to act directly on the application, permitting them to look for information, personalize and purchase on the same platform. Also, social media marketing, plays an important role and enables companies to grasp a larger part of the market.

3.1.3 About the metrics

Thanks to augmented reality, which is becoming a “new information-delivery paradigm” according to Harvard Business Review (2017), the automotive industry can give potential customers a feel of what they will be buying directly in their advertisements. Dealerships need to exploit the fact that, as mentioned on the website (V12 data [no date].), “consumers research and shop across digital channels”, hence, educating the consumers in new and different ways. The so called “Digital sources in the car buying process”, by Forbes (Newman 2017), is one of many new major trends in the automotive industry today.

Yaoyuneyong and Foster (2016) talk about how today, marketing choices are very closely related to technology and that thanks to its development, marketers in many different industries have been given the tools to interact with consumers on a whole different level. Through augmented reality, marketers are today capable of “leveraging the full capabilities of mobile smart devices” (Yaoyuneyong, Foster 2016, p.16.) on which consumers spend increasingly more time. Through this, consumers are able to explore the brand and product in a creative new way, by seeing “the world with extra content” (Yaoyuneyong, Foster 2016, p. 16).

As explained in a McKinsey Quarterly (Court, Elzinga, Mulder and Vetvik 2009) article, that the metaphor of the funnel has been extensively used to describe the consumer journey. The metaphor highlights certain so-called touch points at which consumers are most open to influence. However, this funnel today has taken the shape of a loop, resulting from the digitalization of channel and product variety. As consumers are increasingly well informed and make better educated decisions, therefore, marketers need to adapt to the new digital touch points. Additionally, the article shows that automobile shoppers have since added brands to their consideration in the different stages.

3.2 The Gap

While going through the literature research and discovering the different studies that have been done on various subject in the field of digital marketing in several industries, most of the research has been aimed at understanding how the influence of digital tools on traditional marketing has influenced the consumer, his journey, his behaviour and what new trends have since emerged. It became clear that very little research had been done into understanding how the opposite side of the supply chain reacts to these shifts. As this research will focus on the Swiss automotive retail industry, it is interesting to explore how dealerships use digital marketing in a financial aspect. Also, to understand how the relationships with the customer has changed and whether digital marketing is crucial for the Swiss dealerships' survival.

4. Methodology

A fair amount of research in the marketing domain has already been directed towards the consumer, aiming at understanding how digital marketing has influenced them and how it has changed their consumption habits and journey. The question has, however, not yet been directed to the shift from traditional marketing to digital marketing and how it has impacted an industry and more particularly the automotive industry. Therefore, the purpose of this study is to understand if digital marketing is crucial for the survival of the Swiss automotive industry. More specifically, this research will look at how dealerships use digital marketing to drive revenue and brand awareness. This research will therefore, through the use of the hereafter explained tools, attempt to answer the following question: *How does the Swiss automotive retail industry use digital marketing for dealerships to drive revenue and brand awareness?*

This section aims at understanding how the study will be designed, the sample selection for the primary data and how the data will then be collected and finally, how it will be used and analysed (Merriam 2009, p. 265).

Firstly, in order to conduct an appropriate investigation for this research paper, raw data will be collected in the form of interviews, which will create the data set on which the analysis will be based. The interview questions will have been written in a semi-structured manner to allow a certain consistency through the different interviewees. This primary data will be collected for the data analysis and insights. Also, secondary data will be used to cover the theoretical framework of the subject and to get a deeper understanding of the different elements. Lastly, a short experiential study will be carried out, aiming at understanding how consumers are targeted by pop-up ads in the rise of the digitalization in the automotive industry.

4.1 Paradigms & perspectives

According to Merriam's (2009) epistemological framework, this research will apply an interpretive and constructivist perspective (p.22). Through this perspective, the study assumes that the reality in which the research will be conducted is socially constructed. The main instrument that will be used for this research is going to be data collection through interviews and data analysis in an "emergent and flexible" (p.16) manner. This will allow to respond to any changes and to include any new thoughts along the data collection process. Furthermore, through the use of primary data and its findings, the knowledge will then be constructed. This qualitative research will be conducted in an

inductive manner, meaning that the primary data collected will be used in order to identify common themes and patterns across the interviews.

The sample for this research will be selected carefully and non-randomly. The sample will also be chosen for a certain purpose, while remaining small in order to adequately represent the research. Additionally, the data collection will take place in the natural setting of the subject (Merriam 2009).

Furthermore, according to Merriam's (2009) six approaches to conducting a qualitative research, this study will follow the basic qualitative research approach (p. 22).

4.2 Validity & reliability

Validity and reliability are very important when conducting research. These terms are imbedded in the study's conceptualization and throughout the entire process from data collection to data analysis and finally to the interpretation of it (Merriam 2009, p. 210). These two terms, validity and reliability, can also be understood as trustworthiness and rigor in qualitative research. In order for the research to be recognized in its field of study, it needs to be "rigorously constructed" (p. 210) and show a certain insight to the data that has been collected. Trustworthiness as substitution to validity, can however be challenging in qualitative research. Some questions could be raised in this study such as: how does this study know what it is looking for without setting a hypothesis first? Or, if someone else conducted this study would they find the same results? (p. 215) To answer this and as mentioned previously, this research is conducted in an inductive manner aiming at building concepts based on the data collection and analysis, hence not being deductive. The aim is to discover and understand.

Once data has been collected and analysed, the interpretation of it comes into play as data alone does not speak for itself. These interpretations made from the data collection will be created directly from the various observations and interviews conducted in the field. This is when internal validity comes into play, by understanding how the findings actually match the reality.

There are four different strategies that one can use in order to increase the validity of the finding, which are the use of multiple: methods, data, investigators and theories to confirm emerging findings (p. 215). This research, following an interpretive and constructivist perspective uses triangulation among three others in order to increase the validity of its findings. In order to do so, this study uses interviews, documents and observations. If this research was following a postmodern perspective, one of the strategies used would have been crystallization. Such a strategy allows an approach

through many different angles, creating many patterns while reflecting externalities (p. 216).

Reliability as a counterpart of validity is “the extent to which findings can be replicated” (Merriam 2009, p. 220). The issue, when conducting a social study, is often that the researcher’s behaviour will be different from that of another and may influence the procedure and responses that are generated, but only to a certain extent.

The connection between validity and reliability come from the assumption that in order to establish the truth, a research needs repetition. This research will therefore consider as valid, observations that are repeatedly made during interviews. This research, therefore, poses the same set of questions to every interviewee.

4.3 Interviews

Primary data will be gathered through the means of interviews with different dealerships in Switzerland. This will allow for direct interaction with the main actors in the Swiss automotive retail industry, giving way to a better understanding of the dealerships and their use of digital marketing.

Pilot interviews will be conducted in order to see if the questions are adequately formulated and whether they are clear enough and on point while giving the interviewee enough room for his answer. This will also allow to judge if the way the data is collected is suitable to be analysed or if certain questions need to be asked in a different manner to get a response that can be more easily categorized.

Sampling

The dealerships with which the interviews will be conducted for the primary data collection, will be chosen according to two criteria, the first being their location and the second, the car brands that they sell. This will allow for that sample to remain small but purposeful (Merriam 2009, p. 16). The dealerships will be located in the Lake Geneva region of Switzerland, which include the cantons of Vaud and Geneva. The car brands will be chosen according to the top ten brands sold in Switzerland in 2017, according to the table below (Auto Suisse 2017):

Figure 9 – Interview sample selection

Top 10 car brand sales in Switzerland 2017					
Brands	Sales in 2017	Sales in 2016	Sales variation	Market share 2017	Market share 2016
Volkswagen	35'975	42'142	-14.6	11.5	13.3
Mercedes	26'081	23'842	9.4	8.3	7.5
BMW	24'865	24'708	0.6	7.9	7.8
Audi	20'618	19'582	5.3	6.6	6.2
Skoda	20'582	21'060	-2.3	6.6	6.6
Opel	14'042	13'186	6.5	4.5	4.2
Ford	13'884	13'083	6.1	4.4	4.1
Renault	13'873	14'301	-3	4.4	4.5
Seat	12'053	10'136	18.9	3.8	3.2
Fiat	12'352	8'757	18.2	3.3	2.8
Total	194'325	190'797	45.1	61.3	60.2
Grand Total (including 30 other brands)	314'028	317'318	-1	100	100

Source: adapted from Auto Suisse 2017.

The number of interviews conducted will be decided by following the rule of thumb. Interviews will be conducted in order to acquire a big enough database to identify concepts and trends. The interviews will be conducted directly at the dealerships with one of the in-house sales representatives, directors or marketing managers. These dealerships will be contacted by email or directly by phone to convene a meeting. Interviews will be constructed in a semi-structured manner (S. B. Merriam 2009, p. 89) to have a certain guidance and consistency among the interviews yet allowing a certain flexibility in the discussions and to changing conditions.

The interviews will be conducted at the dealerships and will be recorded for completeness which allows more room for discussion. A transcription will then be made from the recordings, summarizing the discussion and outlining ideas and quotes. After the transcription from the interview recordings, the analysis will be done.

4.4 Secondary data

For this research, secondary data will be used in the form of articles, journals, reviews and books that will be used as a support for primary data, by creating the foundation of the interviews. More than that, the secondary data will help to set the theoretical

framework of the research. This will help us understand the important topics. The topic that will profit from secondary data, will be understanding traditional and digital marketing and its various attributes. As well as the automotive industry, its functioning, key players, trends and especially the Swiss automotive retail industry as this is the focus of the study.

4.5 Experiential research

Additionally, to gather primary data and secondary data, an experiential research will be conducted. This research will observe how consumers are targeted by online pop-up advertisement while browsing or doing online research, which has for ultimate purpose to create more traffic. For this research, two or three brands will be chosen. This experiment will be done from the customer's perspective by analysing how the consumer is targeted based on the three following parameters:

- content the consumer looks at
- the time that is spent on a certain site
- how the consumer gets targeted by specific adds

In a nut shell, observations will be made in the consumer's shoes to see how he gets targeted. This data will give additional insight in understanding how the dealerships have been impacted by the change in the consumer behaviour and journey.

4.6 The five metrics

In order to explore the use of digital marketing in the Swiss automotive industry, this research will focus on five digital marketing metrics. Some metrics will be confirmed, in order to verify if they do improve these metrics for dealerships. The other metrics will be explored, to understand if these digital marketing metrics do impact the dealerships and distributors in the Swiss automotive industry.

4.6.1 Augmented Reality (AR)

Augmented reality is basically an enhancement of reality. Through the use of technology, people are now able to overlap digital information over an image or a live feed (Merriam-Webster 2018). Meaning that computer-generated images are superposed on what the consumer is really seeing (Reality Technologies [no date]). Augmented reality however, is a little different from virtual reality for which one needs to be part of a virtual environment (ex. roller coaster simulations). There are different types of augmented reality that are based on different variables, such as QR code recognition, position-based

with GPS, three dimensional holograms and superimposition, where the digital images are added to what one sees. The aim of this technology is “to bring computer generated objects into the real world” (Reality Technologies [no date]). This expertise is more and more used nowadays to allows consumers to experiment their future purchases. Here are a few examples of how consumers make use of augmented reality: IKEA Place app, Pokémon Go App and other video games.

Figure 10 – Augmented reality in the automotive industry



Source: Bevond 2015.

Interestingly, the augmented reality market is expected to grow massively and is projected to reach a value of \$90 billion (revenue) by 2020 (Medal 2017). Today, augmented reality is an important trend, not only in digital marketing, but also in the automotive industry in two major steps in the supply chain. Firstly, in improving the design process for car manufacturers, allowing them to picture the body of a vehicle and improve it. Secondly, by revolutionizing and transforming the consumer's shopping experience (Singh 2017). This allows consumers to sit in their car before even buying it. More importantly, the number of times the consumer visits showrooms have decreased (Appendix 2: Interview 1) and consumers are not needing any interaction with the dealer anymore (Bevond 2015). This is why this research will use augmented reality as a metric of digital marketing.

4.6.2 Reach

Reach shows the grasp the marketer can have over the market, its public, as well as on the potential and existing consumers. It represents the touch and influence that marketing efforts have. Today, the time spent by consumers on the internet and social medias is increasing. In 2017, the time spent on social media reached 135 minutes a day, nine more than during the previous year (Statista 2018a). A Nielsen report also mentions that because consumers spend more of their daily lives on screens and devices, today's consumers have “more media touchpoints than ever before.” (Nielsen

[no date]). Marketers in the automotive industry increasingly use social media through sponsored advertising of their brands. Reach is therefore an interesting metric and advantage of digital marketing. This research will thereby confirm that reach as a digital marketing metric is significant and it increases brand awareness and revenue for dealerships in Switzerland.

4.6.3 Trial – Consumer journey

The consumer journey represents the stages through which the consumer goes from the moment he realized he has a need until the moment he fulfils it. During those stages, the consumer searches for information about a potential solution.

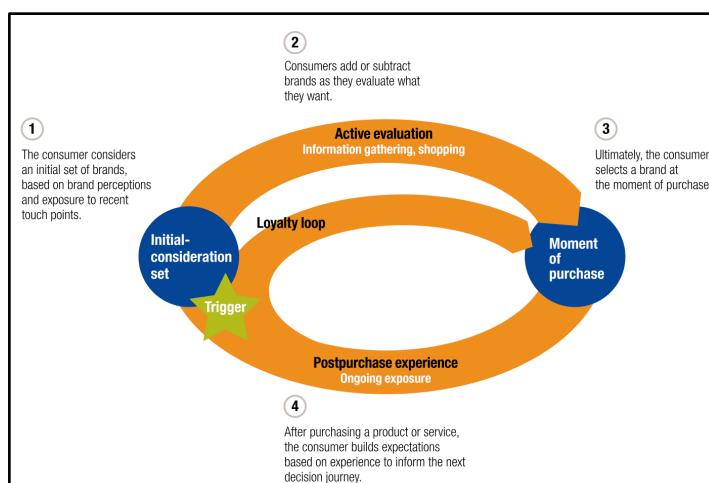
Figure 11 – Consumer journey



Source: adapted from Kotler, Armstrong 2014, p. 176.

Along these stages, there are many so-called ‘touch points’ that represent moments during which the consumer is vulnerable to different influences. Today, with better educated consumers, a myriad of products and new digital channels, the journey has changed towards a more circular version and the touch points have changed and are going digital. More than that, consumers like exchanging information within communities (McKinsey Quarterly 2009).

Figure 12 – Circular consumer journey



Source: McKinsey Quarterly 2009.

As these touch points are now more digital, for this research, the consumer journey will be used as a metric to confirm whether digital marketing is important for dealerships in Switzerland.

These two following metrics will be explored and discovered during the interviews. These metrics are going to be explored, as there are no statements that connect the uniqueness factor and the cost effectiveness directly to the use of digital marketing.

4.6.4 Uniqueness Factor

It is interesting to see how many dealerships the consumers can choose from today when they wish to buy a car. How do the consumers make their choice? More importantly, how do the dealerships communicate their brand to the consumers at the beginning of the journey?

In this research the uniqueness factor will be looked at from the perspective of the dealerships. The aim is to discover whether through the use of digital marketing, dealerships are able to better differentiate themselves and convey the unique factor of their offering in a more precise manner, rather than with traditional marketing methods. By ultimately creating revenue and increasing brand awareness. The perspective here is not set on the uniqueness factor of the car brands that the dealership is selling, but the dealership as a brand. Meaning, that the consumers better recognize the dealership's offering and brand than the car they are interested in. This is why this research will explore how dealerships use the digital marketing and if increasing the uniqueness and brand awareness is one of them.

4.6.5 Cost Effectiveness

It is often claimed that digital marketing is more cost effective when compared to traditional marketing methods, this however is still not proven. Marketing through digital means is less costly than through traditional ones, that is a fact. But does the use of digital marketing truly reduce the marketing and communication costs for a dealership? Through this metric, the research will explore the cost effectiveness factor of digital marketing versus traditional means of communications for dealerships.

4.7 Data evaluation

The data analysis will be done at the same time as the interviews will be conducted. Conducting both the interviews and the analysis in parallel, will allow the research to be

more thorough, by following up on certain questions and notions that have arisen along the interview.

The primary data analysis that will have been collected through the interviews, will be carried out by looking for meaningful patterns and commonalities that will have emerged when talking to the dealerships and their respective managers. These patterns and commonalities will then be classified into themes that are recurrent during the interviews. In some cases, sub-themes will also be created for broader understanding and precision. In order to better visualize the entire data set, the themes and sub-themes, will be classified into an excel sheet, where columns will represent interviews and lines will represent the different themes and their corresponding sub-themes. Classifying the themes and sub-themes across the interviews, will allow to cross reference the information throughout the interviews. This table also includes the comments made by the different managers and the way they utilise certain tools. So as to establish whether these particular themes can be linked to the performance of the dealership by driving revenue and brand awareness.

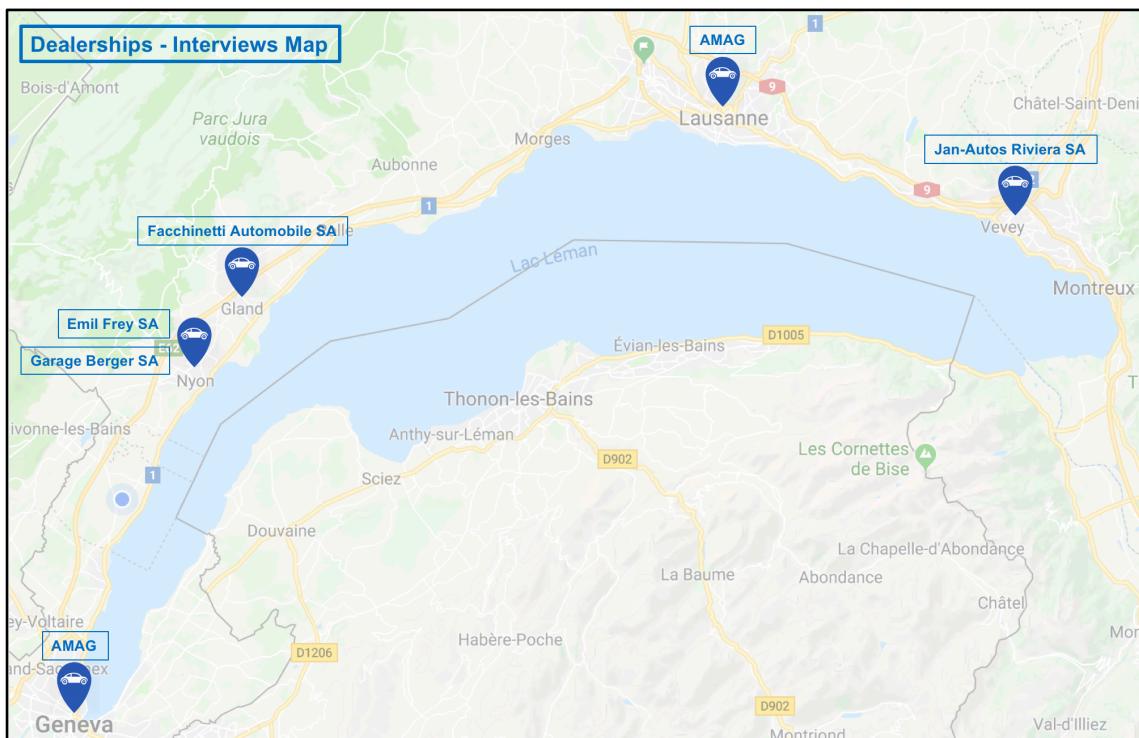
The appendix 8: themes analysis table, lays out the data analysis, as mentioned above, by cross-referencing the themes throughout all of the interviews.

5. Data analysis & insights

5.1 Interviews overview

To gather the primary data necessary for this research, six interviews were conducted directly with different dealerships in the Lake Geneva region of Switzerland. The dealerships that were interviewed were representing car brands that were part of the Swiss top ten car brands sold in 2017.

Figure 13 – Map of interviewed dealerships



Source: Adapted from Google Maps, 2018.

The interviews were conducted directly with the marketing managers when the dealerships were big enough or with the manager of the dealership, who was in charge of the marketing efforts. However, in one case, the interview took place with one of the sales representatives of the brand. It was very interesting to discover his perspective as he is in direct contact with the customers and witnesses first hand the changes due to digital marketing. Interviews were conducted directly at the dealerships for the interviewees to speak freely in a setting where they are at ease. They were in general very open to discussion and willing to share their expertise and knowledge in the area. With some more talkative than others, the discussions typically lasted between forty minutes to slightly over an hour. Certain interviewees needed to be pulled back into the

scope of the interview, as they sometimes got carried away and steered away from the questions. This however provided more insights.

The marketing managers and dealership managers that were interviewed mostly came from very different educational backgrounds which led to very differing opinions and very different perspectives on the use and impact that digital marketing had. Interestingly, the age of the interviewee also had an important influence not only on the vision the managers had about digital marketing and its different tools, but also on their use of it. These are aspects that are certainly observable just by reading through the interview summaries. It is noticeable that the younger managers are more comfortable and are aware of the different possibilities that internet, search engines and social media has to offer. Slightly older managers might be more inclined to use more traditional means of advertising, as they are perhaps less at ease with digital media. These two criteria also affect their vision about what marketing and the automotive industry might be like in a few years. The insights led to many very different views from various perspectives.

Figure 14 – Dealerships interviewed overview

	Dealerships	Contact & Position	Brands	Location	Appendix Reference
1	Jan-Autos (Riviera) SA	Suzanne Roth – Marketing manager	BMW & MINI	St-Légier (VD)	Appendix 2
2	Garage Berger SA	Ivo Stöckli - Manager	Opel & Nissan	Nyon (VD)	Appendix 3
3	Facchinetti Automobiles SA	Sabina Rehmann – Marketing manager	BMW & MINI	Gland-Vich (VD)	Appendix 4
4	Emil Frey SA	Suzy Ict – Marketing manager	Toyota, Land Rover	Nyon (VD)	Appendix 5
5	AMAG Châtelaine	Petri-Nicolas Claude – Commercial manager	Audi & Seat	Châtelaine (GE)	Appendix 6
6	AMAG Lausanne	Philippe Rattaz – Sales Representative	VW	Lausanne (VD)	Appendix 7

This first interview was conducted with Mrs. Suzanne Roth, a young marketing manager in St. Légier who learnt about marketing and its various functions on the job. She was responsible for the entire Jan-Auto Group that have four branches, three in Vaud and one in Valais. The group is an official reseller of the BMW and MINI brands and is part of the three biggest BMW dealerships in Switzerland, along with Emil Frey SA and Facchinetti Automobiles SA. The interview was conducted in the showroom, where she then began to talk about the functioning of the industry and the guideline flows between the dealer and the BMW Switzerland entity. She also explained the basic requirements

a dealership needs to fulfil in order to sustain the brand. After that the interview went on with the prepared questions. Being in her early thirties, Mrs. Roth was aware of the importance digital marketing has today and had rather a positive attitude about the subject.

The second interview took place at the Garage Berger SA in Nyon with the dealership manager, Mr. Ivo Stöckli. The garage represents the Mazda and Opel brands. The manager already had previous experiences with different brands such as Volkswagen, Honda and Mazda. The interview started with a short introduction about the research and continued with the interview questions. Mr. Stöckli was very open to conversation, but one could easily notice that he was more at ease with traditional means of marketing.

Interview number three, took place in Facchinetti Automobiles SA in Vich (Gland). Originally from Neuchatel, the group is an official reseller of BMW and MINI in the Romandie region of Switzerland and is a main competitor to Emil Frey SA and Jan-Auto SA. The interview was conducted with the marketing manager Mrs. Sabina Rehmann, who is responsible of the marketing efforts for the entire group. During the interview she mentioned that her job is both a challenge and an opportunity as she gets to work with three different major brands: BMW, MINI and Facchinetti. She was very enthusiastic about the subject, which allowed for a very interesting conversation.

The fourth interview was conducted on Tuesday May 8th 2018 with the marketing manager, Mrs. Suzy Ict from Emil Frey SA in Nyon. The interview was held over the phone as per availability of the Mrs. Ict. She was very friendly and open to questions. The Nyon branch is an official reseller of Toyota, Land Rover, Kia, Suzuki, Subaru and Piaggio. The marketing manager mentioned that the group has been moving towards digital marketing for a year and a half now.

For the fifth interview, the first contact was made with Mrs. Héloïse Gori, marketing manager at Amag Châtelaine. She kindly transferred the interview questions to Mr. Petri-Nicolas Claude, commercial manager, as she believed that he would be more qualified to answer the questions. The answers to the interview were received by mail on the Wednesday May 16th 2018.

The final and sixth interview as opposed to the previous ones, was conducted with a sales representative for Volkswagen at Amag Lausanne. It was interesting to discover Mr. Rattaz's view about the subject as he is in direct contact with the customers. He also has had previous experiences with different brands such as Audi and Porsche.

These interviews with professionals in the automotive industry led to very captivating and nurturing findings. Getting to know the different views and approaches these managers have was very fascinating to discover. This also depends a lot on the brand and the brands that the dealerships sell. A lot was discovered during the primary data collection and much more than this research had expected.

5.2 The themes

The methodology had been set at the beginning of this research, to lay out the different information sources that would be used. The study used secondary data in the form of articles, books and reviews to create the theoretical framework, the literature review and the methodology. In terms of primary data, the research used experiential research and conducted interviews directly with dealership in the Lake Geneva region of Switzerland.

At the very start of this research some important themes started appearing that seemed relevant in terms of their digital marketing impact. Through many sources, this research identified five different metrics that seemed relevant when talking about the use of digital marketing and its impacts on revenue and brand awareness for dealerships. The three first metrics (augmented reality, reach and trial) seemed to have an important impact. The interviews were used to confirm and verify that they indeed affected the dealership's performance. The great evolution in technology also gave marketers access to even more tools for the creation of even more immersive consumer experiences. The increasingly popular tool in marketing today is augmented reality. This brings the customer purchasing experience to another level. An article also talked about the impact of digital marketing in the different stages of the trial – consumer journey (Kulkarni, Ratchford 2012) and how today the first place the consumers goes for information is the internet. Increasingly consumers today spend a great deal of their daily time on the internet and on various social media, creating additional digital touchpoints than ever before. Marketers can today reach many more customers through the internet.

The two last themes: uniqueness factor & cost effectiveness, where however more exploratory metrics, in the sense that there was no actual written proof of them being an important factor in digital marketing. The uniqueness factor of a brand is very difficult to measure. Cost effectiveness on the other hand has been talked about a lot in digital marketing as the costs themselves of publishing on the internet are much lower than by traditional means. But is that really the case?

The first interview was conducted with the prepared questions based on the five metrics that were chosen to represent digital marketing. However, a lot of new themes started to

come up during the interview as discussions started to move away from just the five chosen metrics. Before transcription the first interview, the belief was that the summary would be divided into five parts, each corresponding to one of the five metrics. Interestingly along the transcription, many other themes appeared. Some general questions that were asked at the beginning and at the end that which were dedicated to further developing the subject seem important and led to a recurring theme along the interviews. The answers were very interesting and allowed to identify new themes that were important to take into consideration. The different themes that came up were:

- use of digital marketing
- better understanding of the customers
- change in the relationship with the customer due to the influence of digital marketing and eased access to information
- important aspect about the Geneva International Motor Show
- the negative impact digital marketing and its tools has according to the interviewees.

These additional themes became very clear after conducting the third interview.

When starting to analyse each theme separately across each interview, it came to light that not only were there more themes, but that some of them had sub-themes and various other influences.

5.2.1 Use of Digital Marketing

This theme analyses the usage that the different marketing managers and dealership mangers make of digital marketing. Analysis was made by looking at the different aspects that come into play in digital marketing. The use was analysed through percentage of use, the average age of the managers and their educational background and experience, the tools that they use and the purpose that digital marketing has for their dealership. The tools used were then separated into three further categories:

- *social media* (Facebook, Instagram, LinkedIn, Twitter, GooglePlus and YouTube)
- *digital* (proper and corporate websites, the websites for advertisement publishing, Google AdWords and banner campaigns)
- *traditional* (direct phone calls to customers along with text message alerts, newsletters and print advertising)

According to the interviews conducted, the two first important aspects that can be observed as influencers on the use of digital marketing are: the age of the managers and their *educational background and experience*. The first interview shows that the usage of digital marketing represents 25% (Appendix 2) of the overall marketing efforts. This is partly explained by the fact that the dealerships are required to allocate a certain amount of their marketing budget to traditional marketing means as per the manufacturer's guidelines. However, the rest can be allocated by the manager as they please. Mrs. Suzanne Roth, who is in her early thirties and does not have any prior education in the marketing field, did however learn about marketing and its different functions on the job. She uses social media through four platforms: Facebook, Instagram, LinkedIn and YouTube, to keep customers updated. She also uses a proper and corporate website and a monthly newsletter to keep customers informed about news, event and offers. The sales people are also required to contact their clients twice a year by means of a direct phone call, this she mentions is the primary tools used to sustain customer loyalty. She is also required to create two annual campaigns that are today pushed more towards digital by request from the manufacturer. These campaigns she says are often created in collaboration with advertising agencies. The main purpose of Susanne's use of digital is to keep the Jan-Auto customers informed about the dealership, the manufacturer's brand and the events.

When comparing Mrs. Roth's use to the one Mrs. Sabina Rehmann make of digital marketing, it is noticeable that there is a more mature use of the different tools. Mrs. Rehmann, being in her forties and already having a certain experience about the digital use in the hotel industry, uses more tools that offer better returns in terms of information and visibility. Mrs. Rehmann uses Facebook, Instagram, Twitter and LinkedIn, with a focus on Facebook and Instagram, due to a lack of human resources. In terms of purely digital tools, she uses Google AdWords and banner campaigns on various websites. She also mentions publishing ads on AutoScout24, which is one of the first car websites consumers visit when they want to buy a new car. The use of a monthly newsletter also comes into play as it is an important tool to inform customers. Mrs. Rehmann states, that depending on the customer segment, she publishes in specialized magazines. This is the case for BMW motorbikes. One can observe already by looking at the tools that are used, that she has more experience about the use of digital marketing in comparison to Mrs. Roth. However, being a millennial, Mrs. Roth is probably more digital friendly, hence more at ease with certain media platforms. She uses YouTube for instance, which Sabina Rehmann does not. This platform is used by Mrs. Roth to post tutorials for the customers about the usage of certain vehicle options that the customers might not fully

understand. Mrs. Rehmann, thanks to her higher experience and probably her educational background, better understands the power digital marketing has to offer. Mrs. Rehmann mentions that it is very difficult to promote the dealership's brand through traditional means. She essentially uses digital marketing to highlight the Facchinetti brand, by promoting the service that is offered to the customer around the car. She says that in terms of brand awareness this has a great impact. Through her expertise and use of these digital means, Mrs. Rehmann uses 50% (Appendix 4) of digital means in her overall marketing effort for the group, which is double the use that Mrs. Roth makes of digital marketing at Jan-Autos.

Figure 15 – Use of digital marketing

	Mrs. Roth	Mr. Stöckli	Mrs. Rehmann	Mrs. Icet	Mr. Claude	Mr. Rattaz
Age	Mid-thirties (30)	Late fifties (50)	Mid-forties (40)	Mid-forties (40)	-	Early fifties (50)
Educational background in marketing & experience	No educational background	Experience in previous dealership	Previous experience& Educational background	-	-	Experience as a sales representative
Use of digital marketing %	25%	NA	50%	70%	10%	-
Size	Group - 4 dealerships	1 garage	Group - 5 dealerships	Group - many countries	Group	Group

Interestingly, when comparing the use of digital marketing of Mrs. Roth and Mrs. Rehmann to Mr. Ivo Stöckli, manager of Garage Berger in Nyon, and in charge of the marketing effort, there is an important gap. Mr. Stöckli is in his late fifties and has had a lot of prior experience in managing dealerships. However, in terms of social media he only used Facebook and Google+. The dealership has a proper website on which customers can find information about the cars, offers and the teams. Along with this comes a corporate website that is required by the manufacturers of the two brands his garage represents. He also posts offers and cars on AutoScout24, which he says is a hub for customers seeking to buy a vehicle. Mr. Stöckli still uses a lot of print advertising in the newspaper and banners on company cars to create physical visibility. His main use of digital marketing comes down to Facebook, newsletters and posts on AutoScout24. The main purpose for his use of digital marketing is to inform the customers about new offers and updates about cars and essentially to inform customers about events occurring at the dealership. Even though he might have more experience in managing a dealership, his age might have a significant influence on the use he makes of digital marketing.

The fourth interview with Mrs. Suzy Icet from Emil Frey whose usage of the digital tools came very close to Mrs. Rehmann's. She mentioned that through the use of digital marketing she was able to receive very accurate feedback. Indeed, Mrs. Icet says that apart from Facebook, she uses digital tools such as AdWords and Banner ads. Through these tools, she is able to know the number of clicks that are generated and allows her to target the public in a faster and more efficient manner. She also mentioned that when an offer is pressing, she will use text messages to notify her customers directly. It is noticeable here as well, that Mrs. Icet is at ease with the various complex tools that can be used. The main purpose of her use of digital marking, is to advertise the manufacturer's brand, as the print advertising is taken care of by the manufacturer. An interesting point that she talks about, is that Emil Frey is already a well-established group not only in Switzerland, but also in France and Germany. She believes that in terms of brand awareness digital marketing might not have a great impact for them. The Emil Frey group has been pushing towards digital over the past year and a half, which makes them use up to 70% (Appendix 5) of digital marketing in their overall marketing efforts today. Mr. Claude in the fifth interview mentions that their digital effort only covers 10% (Appendix 6) of their overall marketing efforts. The commercial manager is the only one to talk about the direct effectiveness that digital marketing has on the revenue that is generated. Indeed, Mr. Claude mentions that on average, the digital effort that the dealership undertake generates 20% (Appendix 6) of the overall sales they make. It is very refreshing to see that digital effort can lead to sales.

Interestingly, this research shows that many factors come into play when simply talking about the use a dealership or its manager makes of digital marketing.

The age and the educational background of the interviewees do come into play. When it comes to using digital marketing as part of the overall marketing effort does increase as the managers are younger (as they are more at ease with digital tools), but here also comes the matter of experience and educational background.

Nonetheless, another important aspect to consider is the size of the dealership that might impact the effort that needs to be placed into digital marketing. Mr. Stöckli does not use much digital marketing, but he only manages one garage, compared to the four others who are part of large groups. This might mean that the larger the dealership the more investment in digital marketing is needed. Besides, it is important to understand the purpose that is made of digital marketing. Mrs. Rehmann says that digital marketing is the best way to promote the dealership's brand, Mr. Stöckli says it is to keep his customers informed. Finally, Mrs. Roth and Mrs. Icet mention that it is to advertise the

brands that they are selling. Therefore, this purpose is also essential to understand. Moreover, as mentioned by Mrs. Icet, when a brand (dealership) is already well established, there is a lesser need for advertisement as the dealership's brand is already present in people's mind. Ultimately, there are a few commonalities among the dealerships. They are all bound by the manufacturers they are representing and need to follow certain guidelines and be in line with certain brand requirements. Such as allocating a certain amount of their budget to traditional marketing for some brands. Although as mentioned by most marketing managers, today brands such as Emil Frey and BMW are pushing their marketing efforts to digital ones.

Mrs. Roth argues however that the use of digital marketing depends a lot on the strategy of the dealerships and to her, it is mainly a tool that she uses as a complement to other marketing means.

5.2.2 Augmented Reality

Augmented reality is one of the original five metrics that were to be confirmed throughout the interviews as being an important metric used by dealerships to generate revenue and brand awareness. This theme was divided into the three following sub-themes in order to better understand all the facets:

- the potential uses the dealerships would make of such a tool
- the advantages
- the concerns the managers have

However, opinions regarding this matter differ across the interviews. None of the dealerships interviewed use augmented reality technology at the moment, but a marketing manager along with a commercial manager did mention that they are currently working on creating and introducing such a technology into the dealerships' showroom. During the interview, Mr. Stöckli went ahead and said: "*It is very tactile, very easy to use and I believe that the future lies in there*", even though as seen previously, he was the most reluctant in using digital marketing tools and that his age might have an influence on the use of digital marketing. He adds that in the future, which may be in five years already, sales people will not have a desk anymore, they will merely be equipped with a tablet. However, he continues by saying that introducing augmented reality into showrooms would threaten the sales of the cars that are already available in his garage. He believes that augmented reality will give customers an infinite choice regarding customization. Mrs. Rehmann follows Mrs. Stöckli, by saying that the sales people at

Facchinetti are rather reluctant to the technology at the moment. Not knowing whether the reason is because it is a new technology or because customers can already touch the cars physically in the showrooms. She does mention that the use of augmented reality in their showrooms entirely depends on the car manufacturer as he would be the one providing it. Mrs. Rehmann herself is still rather reluctant to the idea. She argues that new technologies often break down for no apparent reason and that promising such an experience to the customer would then result in an important disappointment on their side. Refreshingly, Mrs. Roth had a totally different vision about the use of augmented reality in showrooms. She says that “*today people need experiences*”. This technology would attract customers into the dealership and convince them to explore the car in an immersive way. Mrs. Roth adds, that this would be a great tool, as the showrooms are not big enough to hold all the models of the brand exposed. This would allow the customers to get a feel for every model. She mentions that this technology would represent an important investment for the dealership.

Ultimately, we have Mr. Rattaz, sales representative, who brings a very different perspective to this matter. He talks about augmented reality from a sales perspective and says that this tool would have a very positive impact on the sales relation with the customer. He adds that the sales method as it is today needs change. Mr. Rattaz argues that customers need a certain follow-up and continuation from what they get outside the dealership and online. He goes on by saying that “*it lacks liveliness*” today and this in every step of the sales process. Philippe Rattaz mentions, that the car is in the showroom physically during the presentation of the product, but once he sits at his desk with the customer, it quickly gets very bland. He believes that augmented reality would improve the sales process and involve the customer much more and ultimately attracting customers.

Overall, it is evident that augmented reality does not yet play an important role for the dealerships nor does it directly impact the revenue or the brand awareness of dealerships. It is, however, a tool that is very much considered, and which will with no doubt soon be an important part of a showroom. Today might still be too early for this kind of technology, but it might change in the coming years, as some manufacturer are working on creating and introducing augmented reality. More than that many car manufacturers already use it to improve production and prototyping of the cars designs (Manufacturing Tomorrow 2018). Coming back to Mr. Stöckli’s quote: “*It is very tactile, very easy to use and I believe that the future lies in there*”. This strongly shows that even though certain dealerships are still reluctant to the idea, it will someday be an important tool for them.

5.2.3 Cost Effectiveness

Cost is always an important part of business. This theme is not directly related to finding out whether the usage of digital marketing will drive revenue or brand awareness. Its aim is to discover if digital marketing is really cost effective when compared to traditional means of marketing such as radio, television, print, etc. Inevitably, businesses in general and dealerships try to minimize cost. The aim through this metric was to understand if the use of digital marketing allows dealerships to reduce their marketing costs.

As stated by Mrs. Rehmann, the cost effectiveness of digital marketing is still not proven. She however mentions that digital marketing does allow marketers to reach a much wider audience in a relatively cheap manner. Digital marketing is also much more effective to her, when looking at cost versus impact. This means that she is able to reach more customers at a lower cost than through print advertising for example. The cost itself of spreading a message on digital platforms is significantly lower than through print media. Mrs. Icet also argues that there are two very strong point about cost effectiveness in digital marketing. They are: reactivity and cost. She mentions that average print advertising would cost her CH 4'000.- compared to CHF 100.- on a website which generates high traffic. Besides, an ad in a print media will stay one day versus two weeks on a digital platform, which make a significant difference too. Mrs. Icet adds to this by saying that digital means can be up to ten time cheaper than print. She also insist on the term *reactivity*, by mentioning that an ad often needs to be visible very quickly. The reactivity she says is made possible on Facebook within an hour compared to a print ad or a newsletter that would take on average between twenty-four hours and fifteen days. Of course, time is money!

Likewise, Mrs. Roth says that she is able to get a higher return on a small budget using digital means. Suzanne Roth does however debate about the fact that the cost effectiveness of digital marketing does depend on what the ultimate goal is. Additionally, it depends on who the target is. She discusses that BMW targets different segments through their wide range of models. Some older segments might not respond favourably to a digital campaign and might be more reactive to a simple email. This is an important point to pay attention to as the digital efforts might be a waste of resources, hence not being cost effective.

To some point, Mrs. Rehmann herself challenges the cost effectiveness to some point by stating that there is a tricky part to cheaper online publications. Sabina Rehmann says that the publishing itself is quick and cheap, but that the tricky part lies in the content creation which takes a lot of time and resources. Especially with all the media content

that consumers look at every day, it is important for the message to be striking and meaningful or it will be overlooked.

Similarly, Mr. Stöckli mentions that digital marketing is clearly cheaper and much faster than traditional means. His use of digital means being less important than at other dealerships, he does not counter the cost effectiveness of digital marketing.

On a final note, these marketing managers all have common opinions. Firstly, they all mention that digital is a complement to any other means they use. Secondly, that a message should be visible many times in different places. And finally, that cost effectiveness does not necessarily impact the revenue of dealerships but allows them to allocate these resources to event creation which might in an indirect way lead to revenue or brand awareness.

On a separate note, one of the interviewees, Mr. Claude mentioned that pricing on the different digital platforms used, does not keep customers from going further with their purchase. He argues that customers know that the price of a car can always be negotiated.

5.2.4 Reach

Marketers always try to get as much grasp of the market as they can. Therefore, this metric analyses whether reach is made easier and more measurable for dealerships through digital marketing. This theme is also part of the original five metrics this research decided to confirm through interviews. This research decided to look at this theme from three different angles:

- the strong points of digital marketing for the reach
- its effectiveness
- the drawbacks the use of digital marketing might have

Five out of the six of the interviewees have rather strong opinions about digital marketing as being a valuable tool in terms of reach. Mrs. Roth from Jan-Auto argues that digital marketing allows her to reach a wider public very quickly and in a much easier way. Mrs. Rehmann goes in the same direction by saying that she is able to reach more and adds that: *"Thanks to social media and online tools, I believe that we are offered more opportunities to talk about the brand and make them [customers] want to come to us when they [the customer] decide to buy a car"*. According to this statement, she believes that digital marketing offers more opportunities. Using social media is key to creating an

impact on the customer's end. Mrs. Rehmann adds that it is important to use all media and to combine them, as consumers need to see the same content appear many times in different places for a message to be impactful and retained. Giving a positive opinion, but from a sales perspective, comes Mr. Rattaz, who believes digital is a useful tool to reach customers. He does however not have a marketing background, but still believes that it is impactful. On a different note, comes Mr. Stöckli who claims that reach strongly depends on the product that is highlighted and not so much on the means that are used. The manager argues that one should be careful about the views that are generated on a Facebook post for instance. What do they really mean? How many views actually result in sales? He compares Opel to Ferrari, by explaining that a Ferrari posts will generate a lot of views, because the brand represents a dream. In this case many views will not necessarily result in many sales. An Opel post on the other hand will generate fewer views but will potentially result in more sales. He concludes that digital marketing in terms of reach can be misleading in certain cases. Mr. Stöckli's view is somewhat shared by Mr. Claude, commercial manager at Amag, who claims that he is not really sure whether digital marketing has an impact on the reach. These two opinions are in some way met by Mr. Icet's. She says that for her it is impossible to say whether reach has a bigger impact through digital tools.

A question was asked to the interviewees if the use of digital marketing allows them to measure the effectiveness of their digital action in terms of reach. The opinions about the effectiveness of digital tools, somewhat differ among the professionals. On one hand Mrs. Roth says that measurements are made easier through digital marketing in the sense that targeting is facilitated and also more precise. She does however counterbalance this by saying that the use of digital marketing strongly depends on the customers she is aiming to target. She argues that BMW, that is sold at Jan-Auto, has a wide range of models and that not all models fit every consumer segment. Some models target slightly older customers. She argues that digital marketing cannot be used for every age category as they might be less present on the internet and on social media. According to Mrs. Rehmann at Facchinetti, it is very difficult to measure the return from different actions that are taken on the internet and on social media. She adds that quantity is not necessarily equal to quality. This in some way goes along with Mr. Stöckli's opinion, who says that many views do not necessarily result in many sales. Sabina Rehmann continues by saying that it is very difficult to attract new customers and that they mostly have returning ones. She also highlights the fact that all media should be combined with other forms. One should use social media along with other digital and traditional means in order for the customers to see the content appear many times in

different places. Finally, Mrs. Icet who is the marketing manager at Emil Frey in Nyon, says that it is near impossible to say whether she can have a wider reach through the use of digital marketing.

5.2.5 Better Understanding of the Customers

This theme aims to comprehend whether the dealership and respective marketing managers are able to better understand their customers through digital marketing and its various tools. Digital marketing and its tools has greatly changed the way consumers shop, it is therefore crucial for marketers to understand them better.

For both Mrs. Icet from Emil Frey Nyon and Mr. Claude from Amag Geneva, digital marketing is an advantage in understanding the customers' reactions to certain publications. Mr. Claude says that he adapts the publications according to the customers reactions. Mrs. Icet also says the she can better understand what the customers are interested in and adapt accordingly. She explains that by posting banner ads on AutoScout24, the website gives her feedback about the number of clicks the post generates and compares her post directly to the average number of clicks an ad usually generates. When the marketing manager realizes the click rate on her advertisement is low, she will change or improve her offering. Mrs. Rehmann, mentions that digital marketing allows her to understand what the customer does in the different stages of the buying process and where he seeks information. She explains that the first places the customer will go when he decides to buy a new car, are the official brand websites. The customer will for instance go on different brand websites such as BMW, Mercedes and Audi, as these are three rather similar and competitive cars. Secondly, once he has chosen one of the brands, he will start looking at the different models the brand offers. Finally, when the customer has chosen a model, he will seek for more precise information, which is when he will turn to the dealership for professional advice. Mrs. Rehmann says that understanding this is very important and it allows her to know when and where to target the customers. Furthermore, the marketing manager at Jan-Auto mentions that through the use of click rates she can understand what interest the customers have on the different online publications. She mentions that after the Auto Show for instance the number of visits on the website increases. Facebook for instance allows her to see the customer's reaction to posts and pictures. Through that she can see what is most impactful in terms of content and the way the customers like to be spoken to. Additionally, Suzan Roth argues that by better understanding the customers, she can create targeted offers on a lower leasing for instance to push the customers towards a purchase. This in turn creates more traffic and awakens interest from the

customers. Overall, she says that overall it allows her to personalise the offering even further for a future purchase.

From a different perspective, Mr. Rattaz at Amag, says that from a sales perspective it is difficult to say whether digital marketing allows to better understand the customers. He does however mention that it does in some way simplify his job, here again from a sales perspective. Philippe Rattaz argues that "*People come very informed*" and this avoids him having to go into too many details with the customers as they are already well informed about the car. This in the end saves time for both the customer and for the sales representative himself. This also meets what Mrs. Rehmann mentioned earlier when she talks about the different stages of information research done by the customer. Mr. Rattaz goes on by saying that it is difficult to understand what the customer is feeling during the meeting. He can however notice, depending on the question asked, that the customer has already searched for precise information.

Overall it is observable that the opinions are rather convergent about the matter and that the marketing managers along with the commercial manager believe that digital marketing does indeed allow them to better understand when and what the customers are looking for and where they are looking for it. This can in some manner be linked to the revenue of the dealerships. Through the use of digital marketing, the dealerships are able to attract the customers in a more efficient manner by concentrating their effort more precisely on the kind of content they create and where they publish it.

5.2.6 Trial – Consumer Journey

The consumer journey is very important when making a purchase, even more so when buying a car as it represents a certain investment. This journey represents the different stages the consumer goes through and therefore understanding where it is more impactful for them to see the message. Moreover, it is imperative for marketers to understand where the different touchpoints are in order to properly target the consumer and push him towards a purchase.

Out of the three interviewees talking about digital tools being impactful during the consumer journey, Mrs. Roth and Mr. Rattaz mention the importance of online configuration and Mrs. Rehmann talks about social media. Suzan Roth from Jan-Auto and Philippe Rattaz from VW discuss about the importance of online configurators that are available to customers on different brand websites. Mrs. Roth agrees that if the online configurator of a brand is well done (meaning that the images are clear and smooth, and has no lag), then it will increase the chances that a customer who has configured his car

online will lead to a visit to the dealership. On the other hand, if the configurator is slow and not fluid enough, chances are that the customers will visit a different configurator, hence choosing a different brand. The online configuration plays an important role as it replaces the first encounter which customers have with the brand in a dealership. Mr. Rattaz also stresses the importance of the online configurator from a sales perspective again, by saying that these configurators often lead to a follow-up from the customers, which pushes them into the dealership. The reason according to him is, that the configurators are sometimes confusing, and that the customer cannot always have access to all the options or see the true product that he has chosen. The sales representative argues that there might be a positive aspect to these configurators not working at their best. He says that this might actually bring more people in. But as discussed earlier, Mr. Rattaz mentioned that there was a certain lack of digitalization in the showrooms. He says that the configurator should be a tool that the sales representatives can use for sales in the dealership and should therefore be very precise. Nevertheless, Mr. Rattaz says that online configurators are good as they allow him to follow up on his customer's creation using a generated QR code. He does however mention that through the different marketing actions taken in the process, that in the end, the customers should not be overwhelmed with information.

Mrs. Rehmann, highlights the importance of a brand to be present in the customer's mind at all times. She adds that this has been made much easier with digital marketing. Mrs. Sabina Rehmann says that today "*Communication does not happen face-to-face anymore*" and stresses the importance of social media and being present throughout the entire consumer journey. The more the will to buy a car becomes tangible, the more the customer will seek professional advice. Mrs. Rehmann argues that it is very important to be in consumer's minds in a digital way during the early stages, but that the post purchase phase is even more important. Online Q&As on social media are very important for customers who have just purchased a vehicle and can at the same time be the starting point for a potential new customer. The Facchinetti marketing manager states that this is where the loop closes. Meaning that the Q&A creates a fusion between the last and the first stage of the consumer journey. It is very interesting to see that these professionals in the industry believe that digital marketing does have an impact on the journey a consumer goes through. They believe that digital tools help them touch the consumers in their different stages.

The consumer journey does not stop once the product has been sold, and the ultimate aim of any manufacturer is to retain the customer by creating customer loyalty. On this note, Mr. Stöckli mentions that for him it is very difficult to measure customers loyalty as

it is a very demanding task and that it strongly depends on the size of the dealership. He adds to this that there are different types of customers and that some are very sensitive to contact and will feel valued when receiving emails, messages and various types of updates. Some customers on the other hand might not like this very much and will be annoyed by it. Mrs. Rehmann argues that customers are today in general less loyal as there is a much wider range of offerings on the market. She says that price is often an incentive for customers to change. Some might eventually come back because of poorer service. To her, digital marketing is not very impactful on customer loyalty. On the other hand, Mr. Claude, commercial manager believes that digital marketing clearly increases customers loyalty. In a neutral opinion, Mr. Rattaz mentions that for him, customer loyalty has not been much affected and that it will probably not increase it. Here again it is very interesting to see the very divergent opinions about the potential impact of digital marketing on the customer loyalty.

5.2.7 Change in Relationship with the Customers

As seen in a previous theme, *Better understanding of the customers*, dealerships know that customers are much better informed than they used to be and know where to seek information. Therefore, this theme focuses on understanding whether the relationship with the customer has changed, what has changed and the impact the change has had.

When talking to the dealerships, it came out that four out of the six interviewees clearly stated that digital marketing had changed their relationship with the customers. One did not answer this question and the last one claimed that it depends on the type of customers.

Figure 16 – Change in relationship with customers

	Mrs. Roth	Mr. Stöckli	Mrs. Rehmann	Mrs. Icet	Mr. Claude	Mr. Rattaz
Change in relationship with the customers	Yes	Yes & No	Yes	-	Yes	Yes

In the first interview, Mrs. Roth claims that the relationship with the customers has changed with the shift towards digital, by claiming that what has most changed is the moment at which the customers go to the dealership. She argues that the customers come less often and later to the dealerships as they do a lot of research beforehand. Suzan Roth says that the relationship has changed in a positive manner, as it has facilitated it. She talks about a Jan-Auto YouTube channel that has been put into place, where customers can get information about car features through short videos explained

by the sales representatives. This saves time for both, as the customers do not need to go all the way to the dealer and for the sales people who do not need to as many explanations. She adds that the videos are created by the sales representatives in the dealership, as customers like to see the people they are dealing with.

On the same wavelength, Mrs. Rehmann, claims that digital marketing has changed the relationship with customers. She argues that human needs have not and that customers still like to feel valued. The basics of the relationship has not changed. Mrs. Rehmann mentions that what has fundamentally changed, and which has impacted the relationship today is that, marketers have more means at their disposal to create a better experience for the customer and to make them feel valued. She continues by saying that what is great about these digital tools is that the service today is not only given to the customers at the dealership, but at any given moment when he steps out of the showroom. This however does require a lot of human resources. This statement is also shared by Mr. Claude, commercial manager at Amag Châtelaine, who says that this change requires a higher productivity and regularity in terms of communication. It has become very demanding, as the customers get used to it and requires it. This has impacted their everyday job and has not necessarily made it any easier.

From a sales perspective, Mr. Rattaz says that the customers are already rather more informed when they step into the dealership than they used to be ten years ago. This does affect the relationship and the exchange with the customers. He argues however that this is for him an advantage as its allows him to save time on details which were time consuming.

Lastly, Mr. Stöckli is a little torn about this question. On one hand he claims that the relationship with his loyal customers has not changed, and on the other hand, he mentions that digital marketing has greatly impacted the relationship with younger customers. He believes that this is due to the fact that the younger generation of buyers are more digital friendly, hence more sensitive to digital marketing and better aware of the information availability.

It is very interesting to see that overall the opinion of these professionals goes in the same direction, and still recognises the need for human contact.

5.2.8 Uniqueness Factor

Uniqueness is a very important asset to any brand and it is very important to be able to communicate it to the public. After all, this factor is essential to attracting consumers, hence selling the product in question. With the many dealerships in the market today, it

is important to be able to stand out of the crowd. Additionally, with the great influence of digital tools, how do the dealerships communicate their brand through these digital means?

One major understanding that has come from this research is that in terms of car brands advertising, the dealerships have many restriction and it is mostly the manufacturer who takes care of conveying the brand image. However, when it comes to the image that the dealership conveys, is entirely free to them.

Mrs. Roth mentions that she cannot do much about the uniqueness factor of the manufacturer brands they sell (BMW and MINI). However, the marketing manager does put forward the service that Jan-Auto offers around the cars they sell. Mr. Stöckli adds to this that digital marketing is not more or less important than traditional marketing in terms of uniqueness factor. He claims that uniqueness is conveyed on an emotional level and that digital is not necessarily the way. Yet, he is more traditional in his means of communication.

Mrs. Rehmann, states that the communication of the uniqueness factor strongly depends on the reputation of the brand. She claims that Facchinetti is already a well-established brand in the French speaking part of Switzerland and that the customers already fully understand the uniqueness of the brand and what it stands for. She argues that digital marketing does not necessarily help well-established brands, but that it can be very useful to small and independent garages that do not benefit from a group dynamic such as Facchinetti. Following this, Mrs. Icet at Emil Frey Nyon, says that being part of a group has its advantages. She says that they use their uniqueness factor as a differentiation from their competitors. The marketing manager mentions that the use of digital marketing here makes a big difference. Mrs. Icet argues that being part of a large group allows her to get a volume discount on advertisement displays. She explains that the group has annual contracts with AutoScout24 (online) and 20Minutes (online), which makes a significant difference in terms of visibility and particularly on the budget. These volume discounts also allow the group to obtain strategic locations on the websites or on their respective mobile applications. Mrs. Icet believes that the communication of the uniqueness factor through digital means allows her to be more cost effective than through the use of traditional means.

Mr. Rattaz, the commercial manager, somewhat goes in the same direction as Mrs. Icet by saying that digital marketing is a very useful tool in communicating the uniqueness factor of a brand. He argues that this can be used as a differentiation tool, as not all dealerships use digital marketing efficiently. Mr. Claude adds that the identity of the

brand is therefore made more distinct, hence creating more brand awareness for the dealership. On a final note, Mr. Rattaz also mentions that digital marketing is a useful tool here which helps personalize a brand.

The following three themes are dedicated to further understanding the impact that the use of digital marketing has had in the dealerships and to get the marketing manager's personal opinions about digital marketing. The first theme however briefly explores the impact of digital marketing on the Geneva International Motor Show as it is a very important annual event.

5.2.9 Geneva International Motor Show

The motor show is an important international event in the automotive industry which takes place every year in Geneva. This show a big showcase for many car manufacturers in the world and brings them all together in one place, regardless of their status. This theme will look more precisely at how the funds are allocated by brands for this show, the influence that it has, whether the show allows to attract new customers and finally the role it plays in terms of their loyalty.

Firstly, in terms of funding, it is important to understand that the stalls at the motor show are entirely organized and funded by the importers themselves and not by the dealerships. The importers are the ones who decide how big the stall will be and what models will be exposed. The dealerships merely participate at the show to shake hands, and have on their part no direct investment. The dealerships however can participate at the show by registering their sales representatives for free at the stall of the brands they represent. Opinions about the costs that the show generates for the dealership are rather divergent. Mr. Rattaz for example says the cost for the dealership is quite low especially for a big garage such as Amag in Lausanne, but that the investment is very high for the manufacturer. He says, that the only costs the show generates for him, is the parking space, the petrol and obviously the time spent at the show that is time not spent in the showroom. Mrs. Icet mentions that the show is a very costly event for the dealership, as they need to pay for the parking space and the time of the sales representatives. Her opinion is followed by Mrs. Rehmann who mentions that the show is indeed costly for one specific reason which is the tickets the dealership offers to their customers. Indeed, customers take for granted that they will receive tickets to the show from their dealer. This is very costly for them, as they do not obtain any discount and need to pay the full price for them to the show organisers. She adds that if customers do not receive tickets to the show they quickly tend to badmouth the dealer, by claiming they are becoming stingy.

The tricky part of the motor show starts when talking about the influence that the show has on the manufacturer's brand and on the dealerships. The professionals interviewed are rather unanimous in regard to the influence the show has on the brands. Mrs. Roth says that for a brand, not being present at the show can be very impactful, but then again it depends on the brand. She mentions that MINI for instance hasn't been present at the show for the past two years and has absolutely not suffered from it. BWM can however easily be replaced by one of its competitors, such as Mercedes or Audi. She is positive that the motor show is an opportunity for the customers to see all the models of the brand exposed, which is not the case in the showroom, due to a lack of space. Mrs. Rehmann goes in the same direction by saying that the show does not benefit the dealership in terms of sales or by attracting new customers. The marketing manager argues that there are no particular benefits of being present, however not having a stall can negatively impact the brand's reputation. But again, as mentioned by Mrs. Roth earlier, this strongly depends on the brand. Mrs. Rehmann also mentions MINI and says that the brand is less easily replaced as it is small, premium and fun, leaving its only potential competitors to be the Fiat 500. BMW however would greatly suffer. Mr. Stöckli continues with a slightly different perspective by saying that if the manufacturer's brand is not present at the show, it will not necessarily harm the sales for the dealership. Still, being present will not generate higher sales. Mrs. Icet, on an opposite note says that the first weekend after the show generates a lot of sales for Emil Frey. She explains that it is partly due to the fact that customers are afraid that if they buy their car before the show, they will be buying an old model. Therefore, they wait until after the show to be sure no new models are announced. Finally, Mr. Claude and Mr. Rattaz both believe that it is fundamental and crucial for a brand to be present at the motor show. Mr. Rattaz argues that for a brand it shows a certain stability and solidarity, which is very important for the brand image.

In terms of bringing new customers, views are convergent, implying that the show does not generate new customers. Mr. Rattaz, sales representative, adds that inviting potential customers to the show can be a good initiative. Mr. Stöckli says that the motor show is "*More for customers loyalty than for pure sales*". Like the other interviewees, he argues that the motor show does not generate sales like it used to ten years ago, but that it can be very powerful in terms of customer loyalty. He adds that the show used to be the place and time of the year where the customers could see all the models and brands in one place. Today however, the dynamics of the show have changed, as the customers can get any kind of information on the internet. Nevertheless, it still allows for direct contact with the customers in a different atmosphere and they are always happy to see their sales representative. Mr. Rattaz stresses that today it is crucial to create a bond

with the customer, as he is constantly battling with other brands. He argues that the customer should get attached to the sales person more than to the brand. Mrs. Icet also mentions that it is important in terms of customer loyalty for Emil Frey to send their sales representatives to the show. She adds that if Emil Frey were to reduce its participation at the show, the funds would directly be allocated to the open doors events that take place every year after the motor show.

5.2.10 New Trends

This following theme is very insightful as it highlights the trends which the different managers see coming or would like to see coming in the next couple of years.

Mrs. Roth from Jan-Auto foresees an interesting concept of *city commerce*. She states that fewer customers come to dealerships and that they ask much more questions directly on the internet. In her concept of city commerce, she explains that customers would be informed by product geniuses and not sales people directly. Dealerships would merely have the role of showrooms and would be representing car brands in cities, by use of digital tools such as augmented reality. Customers would then be well informed and would proceed to purchase directly online from their homes. This would at the same time allow manufacturers to gather a lot of data on customers as mostly everything would be done online. Mrs. Roth further questions whether this would save money for the dealerships and manufacturers, and maybe allowing them to do more impactful things in terms of marketing.

Mr. Stöckli from Garage Berger argues that the standards of the importers keep changing and that lately they have taken a step back from digitalization. More than that he argues that Swiss people still need personalized direct contact compared to other countries. He questions whether these huge showrooms really attract more customers or whether it is the brand which does all the work. Mrs Stöckli says "*The customer will be fed up with an overload of information, it will become difficult to communicate with the customer*". He believes that today in general the consumers receive too much information and will grow tired of assimilating so much information.

Mrs. Rehmann from Facchinetti mentions that marketers still underestimate the creation of relevant content for the different digital platforms. She mentions that people are still stuck in the stage of '*which media are we going to publish on*', rather than what the message should communicate. She believes that marketers should create content that touches customers in an emotional way. She says that this should even be done through a collaboration between marketers and psychologists.

Mr. Claude mentions that he has a target for 2019, which is to reduce traditional communication to zero and to greatly invest into digital communication especially for the young brands and models. He argues that if they dare to do so, many will follow.

Mr. Rattaz says that the industry today is moving very quickly. There are increasingly more norms to follow. He does however believe that the service to the client is key and would therefore like to create a ‘palace like’ experience for the customer.

5.2.11 Digital marketing – Negative impacts

The final question was asked to the interviewees which concerned the potential negative sides that they saw in digital marketing, that might not have been an issue prior to digitalization. The answers were here interesting, yet rather foreseeable.

Mrs. Roth mentions that everything that is digital ultimately leaves a trace whether positive or negative and that potential negative comments cannot be controlled.

Mrs. Stöckli argues that not everyone is digital today and that there is this increasing need to be digitally present everywhere and to stand out. According to him there is too much daily information.

Mrs. Rehmann says there is this need for 24/7 transparency and immediacy, especially on social media. She adds that today customers have very easy access to information, which can quickly lead to the creation of false opinions. It is then very difficult to change people’s minds.

Mrs. Ict states that today, 80% of customers first seek information on the internet, yet not everyone is digital and believes that some customers will be neglected.

On a final note, Mrs. Rehmann implies that if digital marketing were to disappear, the first thing that would be impacted would be the so-called ‘Top of Mind’ in which social media has an important role to play. She argues that consumers might still come to the dealership, but by lack of choice or proximity. Sabine Rehmann mentions that digital marketing is a very important tool in terms of brand awareness and that dealerships need to invest in such tools. Through this they can communicate the service and the added value the dealership offers around its vehicles. Mrs. Rehmann finally says that brand awareness is very important and has a great impact on the customers the day they decide to buy a car. The dealerships must stay in the ‘Top of Mind’ of the consumers at all times.

5.3 Experiential research

The aim of experiential research in this study was to discover from a consumer's perspective, how he is targeted by pop-up ads during the information search stage of the consumer journey. As seen during the interviews, the first place customers search for information is the internet (Appendix 3 & 4). This additional research aims at understanding how pop-up ads are targeted according to the customer's car research history on the internet.

During the month of April, every two or three days, research was conducted from a consumer's perspective in researching information about three different car brands and models:

- Volkswagen (VW) Golf
- Skoda Fabia
- Mercedes A-Class

These three models were chosen in order to better comprehend which ads could potentially be explained by the internet research history. The brands were chosen to be in line with sample selection matching the interviews.

This research explored the different company websites of the three models (Volkswagen Skoda and Mercedes) and used the car configurators that are offered to customers and tested them. Additionally, this research also visited the brand and dealership websites, by looking at the different models that brands offer and the options that go along with the vehicles. Lastly, other websites such as AutoScout24 and Comparis were also consulted.

Additionally, this research tried to understand through the interviews how the marketers target the customers with pop-up advertisements from the car brands directly. The outcome showed that the importers and car manufacturers are themselves directly in charge of such advertising. As seen already, the dealerships have some marketing requirements from the manufactures or importers but are not responsible for all the marketing actions related to the manufacturer's brand.

Through this experiential research, there has however not been any conclusive proof that the consumer gets targeted by pop-up ads after looking for information about a certain brand on the internet. No pop-up advertisements have been received following the different searches previously mentioned. Some pop-up ads have been received, but none relative to this experiential research. It leads this research to believe that pop-up

ads might not have a major influence on the consumer as he seeks for information in the aim of a future purchase and that pop-up ads that are received are probably linked to a website and not to a search history. The outcome of this experiential research has not shown any conclusive results that can be used.

6. Discussion

Following the analysis and discovering the different data-based insights the professionals in the Swiss automotive retail industry have, this research will now draw a conclusion on whether the use of digital marketing throughout the different themes actually drives revenue and brand awareness for the dealerships. Each theme will hereunder be discussed. The professionals' insights' will hereunder be referenced to their corresponding interviews as follows:

Figure 17 - Interviews referencing

Mrs. Roth	Mr. Stöckli	Mrs. Rehmann	Mrs. Icet	Mr. Claude	Mr. Rattaz
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
Appendix 2	Appendix 3	Appendix 4	Appendix 5	Appendix 6	Appendix 7

Firstly, it is noticeable that the use of digital marketing in the different dealerships interviewed is strongly related to:

- the age of marketing managers (digitally friendly or not so much)
- the educational background and experience
- the size of the dealership or group

The use of digital marketing overall has an impact on the different themes that have been the subject of the analysis. The use of digital marketing is strongly impacted by the qualifications of the manager and marketing managers which determines their awareness and willingness to use the different digital tools that exist (Appendix 2 to 7).

Following the use of digital marketing, this research has also noticed through the different interviews that the relationship with the customers has also changed with the shift to digital. This theme does not have a direct impact on the performance of the dealership by driving revenue or brand awareness. It does however change the way in which today the consumers purchase a car, especially the moment they choose to go to the dealership (Appendix 2). It is however argued that the change in relationship due to digital marketing only affects the young buyers (Appendix 3).

It is said that digital marketing is an advantage in understanding the customers' reaction to certain publications, which allows the marketers to adapt their communication and

understanding what the customers are interested in (Appendix 5 & 6). Digital tools also allow to understand the behaviour of customers in the different stages of the consumer journey and more importantly where to target them (Appendix 4). Also allowing to create targeted offers (ex. Lower leasing) to push the customers towards a purchase. Even for sales representatives in the showrooms, the job is made easier. This research therefore confirms that by better understanding the customers' behaviour, digital marketing allows the dealerships to drive revenue and brand awareness. Dealerships know exactly where, when and how to target customers which puts them in a very strong position. More than that it allows them to show the customers exactly what they want them to see.

It is noticeable today that there is a gap between Swiss dealerships and importers. The dealerships are given the information that is chosen and disclosed by importer, but are not let in on strategies, nor are they given access to data about their own customers.

Understanding customers through the use of digital marketing can be a very powerful tool. Dealerships need to understand the tools that can be used to properly gather meaningful insights and how to leverage them. In time, this will allow dealerships to get a better and deeper understanding of the uniqueness of each segment and what their specific and individual needs are. Understanding the customers is key today and dealerships can get meaningful insight directly from them. For instance, in the way they behave, where and when they seek information and when it is crucial for customers to be exposed to a message. By using data that comes from better understanding customers, dealers can target customers more precisely, in a more relevant manner and have a better conversation with them. Dealerships need to be more knowledgeable in the digital field, at least as much as the importers are. Swiss dealerships also need to be made aware of the action that are taken on an international level by importers. More importantly they need to be given access to consumer data and be able to take more educated initiatives based on insights about customers. Knowing exactly which segments of the market have which needs, will allow dealerships to firstly target the right segment, in order not to waste valuable resources and secondly to position themselves in the right place against their competitors. In order for dealerships and importers to reach an integrated strategy, importers need to train the dealerships on their doings and share gathered data with them. Reaching an integrated strategy, could for dealerships and importers lead to e-commerce and strengthen the omni channel opportunities for the brands on an international level. This in time, could also lead to a harmonized communication and offering.

The use of digital marketing through the use of augmented reality technology does at the moment in no way drive revenue or brand awareness for the dealership. Currently, none of dealerships visited use this technology in their showrooms. This research could nevertheless make assumptions about the possible effect augmented reality might have on the revenue and the brand awareness. Opinions do however somewhat differ across the interviews. On one hand, it is argued that augmented reality might threaten the sales (Appendix 3). Also, that this technology often breaks down for no reason and that if it were to happen the disappointment of the customer would be great (Appendix 4). On the other hand, it is argued that this experience would attract customers into the dealership and convince them to explore a car in an immersive way (Appendix 2). More than that it is mentioned that the sales method needs a change and that augmented reality would greatly improve the sales process. This could offer the customers a follow-up experience from what they already get online (Appendix 7). It is difficult even by making assumptions to link this tool to revenue and brand awareness of a dealership. Augmented reality would in some way attract customers into the dealership (Appendix 2), which could lead to more sales, hence generating revenue, but there is still an opposition to that (Appendix 3 & 4). This theme would then probably need further explored in a few years in order to determine such a hypothesis.

There are some opinions that could lead this research to believing that the use of digital marketing in terms of reach could drive brand awareness. Digital marketing in terms of reach is seen as being valuable tool, which allows to reach a wider public very quickly (Appendix 2) and offers many opportunities to talk about the brand (Appendix 5). Also, it allows customers to see the same content appear many times in different places (Appendix 5). This however is countered by some interviewees who claim that as digital tools allow a greater reach, that quantity is not equal to quality. More than that attracting new customers is very difficult (Appendix 4). To conclude, this research believes that digital marketing does indeed allow dealerships to reach a wider public in a cheaper and faster manner, but it is not conclusive that the use of digital marketing in reach will drive revenue.

This research believes that the use of digital marketing during the consumer journey can make a significant difference. These different digital marketing tools have been stressed by the interviewees, such as online configurators (Appendix 2 & 7) and social media (Appendix 4). Configurators are the first step the consumers take towards a purchase and this often leads to a follow-up by going to the dealership (Appendix 7). Until that moment, social media is very important as it allows a brand to stay at the top of customer's mind throughout the journey until the moment they go to the dealership

(Appendix 4). It is observable here that the use of digital marketing plays an important role in the customer experience and that the combination of social media and online configuration can lead to sales, hence driving revenue. In the end when talking about the consumer journey there is another important aspect that comes into play at the end, which is customer loyalty. This however is not linked to brand awareness, nor to revenue directly. Nonetheless, if a customer is content with the service that he has received at the dealership, he will come back for a further purchase. It was mentioned that most of their customers are returning ones (Appendix 4). Yet, it is difficult to measure customer loyalty (Appendix 3). Moreover, customers are today much less loyal (Appendix 4). It is therefore increasingly important to convey the added value that the dealership offers, by doing so on many different platforms.

The communication of the uniqueness factor is very much dependent on the size of the dealership along with the size of its group (Appendix 4) and the reputation, meaning how well established a brand already is (Appendix 5), depends strongly on whether digital marketing will have an influence on the brand awareness. It is argued that larger groups have advantages that allow for more visibility (Appendix 5) and that the identity of the brand is made more distinct (Appendix 6). An efficient use of digital marketing allows dealerships to stand out much more (Appendix 6) and that the service that is offered to customers around the car is put forward (Appendix 2).

The dealerships that already have well established groups and have an important usage of digital marketing, claim that digital marketing in terms of uniqueness factor allows:

- the brand to stand out more
- gives the more visibility
- makes them more distinct

These point to the fact that digital marketing does drive brand awareness. However, the tricky part is, the ones who claim that digital marketing indirectly drives awareness, already have well-established brands. One interviewee even claims that digital marketing does not necessarily help well-established brands (Appendix 4). On the other hand, another interviewee whose dealership is independent, small and uses very little digital marketing tools, claims that digital marketing is not necessarily the appropriate means (Appendix 3). This is here a dilemma, that shows that digital marketing could have a significant impact on the uniqueness factor of a small dealership's brand, as it is claimed to make a significant difference for big groups.

One manager with significant experience mentioned, that digital marketing can be very useful for small and independent garages (Appendix 4). However, the manager of this small dealership uses very little digital marketing. This is explained by the fact that he is not very digitally savvy and has very little experience with digital tools. (Appendix 3). Therefore, this research shows that the use of digital marketing in the uniqueness factor can drive brand awareness. However, this will strongly depend on the marketing manager's awareness and use of digital marketing, his experience and the size of the dealership.

The point that is very important here to take into consideration here is that cost effectiveness does not directly have an impact on revenue or brand awareness of dealerships.

It is however argued that digital marketing has two strong points which are: reactivity and cost (Appendix 5). More importantly it shows that online advertising is less costly and creates higher traffic. This could potentially be a driver of brand awareness, but evidence is not clear enough.

It is argued that digital marketing allows to:

- reach a wider audience in a relatively cost-effective manner (Appendix 4)
- generate a higher return on a small budget (Appendix 2)
- publish cheaper and much faster (Appendix 3)

Through this research it has however become quite clear that digital marketing is cost effective, even though some tricky parts still remain, such as content creation (Appendix 4) and the ultimate goal, meaning what the message intends to convey (Appendix 2)

The Geneva International Motor Show, as seen in the analysis, requires a very big investment from the car manufacturer. This is for the manufacturer an investment that could potentially be placed into other expenses such as digital campaigns as being present at the show does not make any difference in term of sales for the dealerships (Appendix 2, 3 & 4). It is also explained that MINI has not been present at the show for two years and its sales have not been affected in any manner (Appendix 4). This is probably explained by the fact that the funds dedicated to the show have been reinvested in advertising the brand in different ways.

It can however be argued that the presence at the motor show is critical in terms of brand image and shows a certain stability and solidarity (Appendix 6 & 7). This research believes that being present at the show today is not as crucial as it used to be a decade ago. Additionally, the impact that the brand will or will not suffer greatly depends the positioning of the brand and its competitors. MINI for instance does not have any very close competitors, by which MINI could be substituted. The same cannot be said about BMW, which is positioned as a premium affordable car and situated next to Mercedes and Audi. BMW can therefore easily be replaced by these other two premium affordable cars. Being at the show is for certain brands a statement more than a means to an end.

It was finally argued that if one stopped using digital marketing, what would be most affected is the so-called 'Top of mind' (Appendix 4), in which social media have a very important role to play. This in turn would strongly affect the brand awareness of dealerships.

6.1 Key findings

Revenue is very closely linked to brand awareness. While, the use of digital marketing in various themes has a big impact on brand awareness of the dealerships, rather than directly on the revenue. This is explained by the fact that customers are first made aware of a brand, which then leads to a potential purchase, finally generating revenue.

One of the most significant findings that came from this research is that the primary aim of the dealerships' use of digital marketing is not to drive revenue and brand awareness. It can however be a consequence of it but is not the primary use that is made of it. Dealerships today use digital marketing, because they know that it is essential in reaching customers and the public in a larger manner.

What has been understood thanks to this research is that the first most important step is to be aware of different digital possibilities that are available for the marketers.

Secondly, digital marketing is a tool. The dealerships use digital marketing mainly as an instrument to complement traditional means of marketing. Most of the dealerships interviewed talk about digital marketing as being a tool that is to be used in a complementary way.

Additionally, a part of the marketing effort that are undertaken by the dealerships are to some level given by guidelines from the importers of the brands they sell. Therefore, impacting liberty of the choices that dealerships can make.

6.2 Recommendations

Recommendation 1

It is crucial for marketers, independently from age, experience to be aware of the different opportunities that digital marketing offers. Marketing managers should be aware of the tools that are at their disposal, the benefits of each and how they can use the information they get from them. Some marketers only use few tools as they might not be at ease with them. Additionally, marketing managers should understand what instruments might fit better to each customers segment. This would be interesting for the dealers, as they offer different brands and models that target different segments that cannot all be addressed in the same way.

Recommendation 2

A communication and coordination should be put in dealerships between the marketing managers and the sales representatives. Meaning that they should work on blending the showroom experience with the online experience that is already offered to the customers. It has been said by many managers that customers today visit dealerships less often and by the sales representative that the sales method today needs some improving. There should be a certain follow-up from the marketing experience when customers walk into the showroom.

This coordination could be mutually beneficial for both parties. On one hand for the sales representatives, by informing them what efforts have been undertaken in terms of marketing. In this way the sales representative will be aware of what information the customer has received. On the other hand, the marketers could get feedback from the sales representative concerning where the customer has received information and what drove him to the dealership.

Recommendation 3

The experiential research has shown that pop-up ads are at the moment unexploited by Swiss dealership. The digital marketing tool could have great potential for dealerships to reach a wider public. Furthermore, they could link these pop-up advertisements directly to the consumer's online configuration. Such a car configuration could trigger a pop-up ad to the consumer which would function as a reminder. This could push the customer further towards a visit to the dealership.

Recommendation 4

A link in terms of communication should be established between the importers and the dealerships in order to close the existing gap that is faced. There is an absence of training from the importers to the dealers and an important lack of accessibility to data on the dealership's end. Importers need to train the dealerships on the usage of digital tools, as well as granting them accessibility to data that is gathered on the importer's level.

Further research could be conducted by using the influencing themes from his research that impact revenue and brand awareness. Through a quantitative research, the influencing themes could be linked to consumer behaviour, through the use of metrics to be defined.

6.3 Bias & Assumptions

From an external point of view, it is important to take into account that the sample that has been selected for this research is rather small as it represents the Swiss automotive industry with a focus on the Lake Geneva region of Switzerland. This sample is therefore maybe only partially representative of the way dealerships use digital marketing throughout the entire country. The research was focused on the top ten car brands purchased in Switzerland in 2017. The sample therefore does not take into account the luxury and low-cost brands that also come into play in the market.

7. Conclusion

On a final note, this research discovered many perspectives of digital marketing in the Swiss automotive retail industry that have led to many captivating insights.

This research had begun with five initial digital marketing metrics that were believed to have significant influence on revenue and brand awareness for Swiss car dealerships. Along the interviews however, new themes started to appear that seemed to be impactful as well. Nevertheless, the five initial metrics turned out not to be as relevant.

In order to better visualize the relevance of each theme discussed in this research, the following table will determine precisely whether the eleven themes are relevant in terms of revenue and brand awareness.

Figure 18 - Themes relevance

THEMES	Revenue	Brand awareness
Augmented reality	No	No
Reach	No	Yes
Trial - Consumer journey	Yes	No
Uniqueness factor	No	Yes
Cost effectiveness	No	No
Use of digital marketing	No	Yes
Better understanding the customers	Yes	Yes
Change in relationship with the customers	No	No
Geneva international Motor Show	No	Yes
New Trends	No	No
Digital marketing - negative impact	No	No

The above table show which digital marketing themes play a role in the performance of the Swiss dealerships. It is observable that certain themes have no impact or that they impact only one factor, revenue or brand awareness. Looking more closely at the original five metrics that had been chosen at the beginning of this research, only three of them are influential, which are:

- Reach
- Trial – Consumer journey
- Uniqueness factor

The above mentioned have an impact on the performance of the dealerships. When looking overall at the eleven themes, only six of them have a significant impact on either reach or brand awareness.

According to the table, the following two themes have been identified as being drivers of revenue:

- Trial – Customer journey
- Better understanding the customers

On the other hand, five themes have been identified as being drivers of brand awareness:

- Reach
- Uniqueness factor
- Use of digital marketing
- Better understanding the customers
- Geneva International Motor Show

Interestingly, only two of the original five metrics demonstrate having an impact on a dealership's brand awareness.

This study has revealed that digital marketing today allows dealerships to drive revenue and brand awareness. More importantly that it allows marketers to better understand their customers. Digital marketing allows them to target the customers more precisely by showing them what they need to see.

Remarkably, the different dealerships do not share the same vision about what the future holds. Some talk about how they would like to see the industry change and what future issues might arise. Others stress on the negative side and have very clear objectives they have. A lot of managers are however, still reluctant to go fully digital in their marketing efforts, for an understandable reason that not everyone is digitally exposed and educated.

There is an important shortage in the usage of digital tools and of data collection. This is explained by the fact that there is a gap between the dealerships and importers in terms of communication and consumer data sharing. Dealerships need to be trained by the importers or external agencies on the usage of the digital tools and be given access to meaningful consumer insights. This training and sharing could overall lead to the creating of an integrated approach to the brand from the importers down to the dealerships. At the moment, dealerships in Switzerland are not taking advantage of the information and insights they are able to gather from their online presence. Dealership often do not know what can be done with the information collected and mostly do not even gather the information they receive. This is why, dealerships need to understand which digital marketing tools allow them to gather what type of information and how to put this data to efficient use.

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Appendix 1: Interview questions

Interview - English

Introduction

This interview is used to collect primary data for my bachelor thesis. This primary data is collected from Swiss dealerships and distributors in the Leman region, in order to understand how the Swiss automotive retail industry uses digital marketing to drive revenue and brand awareness.

Subject: *The use of digital marketing in the Swiss automotive retail industry*

Research question: *How does the Swiss automotive retail industry use digital marketing for distributors and dealerships to drive revenue and brand awareness?*

Dealerships

General questions

1. How much of your revenue comes from Digital marketing?
2. What percentage of your marketing is digital?
3. Why do you use digital marketing? And how?

Pricing

4. In terms of digital marketing on your different digital platforms, is price a barrier that restrains your customers from going any further in the purchase or the discovery?

Trial

5. How do you keep your customers informed along their trial?
6. Are your customers better informed through digital means? How do you measure their level of education?
7. Does digital marketing allow to lock in your customers?

Augmented reality

8. Do you use Augmented Reality tools in sales/online?
If so, does the use of augmented reality attract customers more than simply the show rooms do?

Reach

9. Are you able to better reach your customers through digital marketing? If so, how do you measure it?

Uniqueness factor

Today a lot of car look alike (design, interior, options, engine, ...)

10. Is digital marketing a good support to communicate the uniqueness of your brand?
11. What is unique in the way you communicate your value?

12. Does digital marketing allow you to differentiate from other brands?
13. Through digital marketing are you able to influence a new car buyer to choose your brand over another?

Cost effectiveness

14. Is digital marketing advantageous for you?
 - a. If so, how?
 - b. If not, why?

Other questions

15. Do your digital effort help you understand your customers better?
 16. Has digital marketing changed the relationship with your customer? Has it made your job easier? How? In how far?
 17. Does the Geneva International Motor Show act as a feeding mechanism?
 18. Are you aware of what your competitors do in terms of digital marketing?
 19. What trends do you see coming?
 20. What other means/tools of digital marketing would you like to see?
-

Interview - Français

Introduction

Cet interview a pour but de collecter de données primaires pour mon travail de bachelor. Ces données primaires sont collectées chez les concessionnaires suisses dans la région lémanique, pour essayer de comprendre comment l'industrie automobile suisse utilise le marketing digital pour augmenter leurs revenus et la notoriété de la marque

Sujet : *L'utilisation du marketing digital dans l'industrie automobile suisse*

Question de recherche : *Comment est-ce que l'industrie automobile suisse utilise-t-elle le marketing digital pour augmenter leurs revenus et la notoriété de la marque ?*

Concessionnaires

Questions générales

1. Quel part votre revenue vient du marketing digital ?
2. Quel pourcentage de votre marketing est digital ?
3. Pourquoi utilisez-vous le marketing digital ? De quelle manière ?

Prix

4. En termes de marketing digital sur vos différentes plateformes digitales, le prix est-il une barrière qui restreint vos clients d'aller plus loin dans l'achat ou la découverte ?

Essais (Trial)

5. Comment gardez-vous vos clients informés ?
-

6. Vos clients sont clients sont-ils mieux informés grâce au moyen digitaux ?
Comment mesurez-vous leur niveau d'éducation ?
7. Le marketing digital permet-il de fidéliser vos clients ?

Réalité augmentée (RA)

8. Utilisez-vous la Réalité Augmenté comme outil pour les ventes/en ligne ?
Si oui, est ce que l'utilisation de la réalité augmentée attire-t-elle plus de clientèle ?

Portée (Reach)

9. Êtes-vous capables de mieux atteindre vos clients à travers le marketing digital ?
Si oui, comment le mesurez-vous ?

Unicité (Uniqueness factor)

Beaucoup de voitures aujourd'hui se ressemblent (design, intérieur, options, moteur, ...)

10. Est-ce que le marketing digital est un bon support pour communiquer le facteur unique de votre marque ?
11. Qu'est ce qui est unique dans la façon dont vous communiquez cette offre ?
12. Est-ce que le marketing digital vous permet de vous différencier d'autres marques ?
13. Êtes-vous capables, à travers le marketing digital d'influencer de nouveau acheteur de choisir votre marque ?

Rentabilité (Cost effectiveness)

14. Le marketing digital est-il avantageux ?
 - a. Si oui, comment ?
 - b. Si non, pourquoi ?

Autres questions

15. Vos efforts digitaux vous-aident-il à mieux comprendre vos clients ?
16. Le marketing digital a-t-il changé la relation avec le client ? Est-ce que ça a rendu votre tâche plus simple ? Expliquez-moi comment ?
17. Le salon de l'auto joue-t-il le rôle de mécanisme d'alimentation ?
18. Êtes-vous conscient de ce que font vos compétiteurs en termes de marketing digital ?
19. Quelles tendances voyez-vous apparaître ?
20. Quels autres moyens/outils dans le marketing digital aimeriez-vous voir dans le futur ?

Appendix 2: Interview 1 – Mrs. Roth

Dealership: Jan-Autos (Riviera) SA

Location: St-Légier (VD)

Address: Route Industrielle 2, 1806 St-Légier

Date & time: Tuesday April 10th 2018 – 9am

Contact's Position: Marketing Manager (of the group)

Contact's Name: Suzanne Roth

Contact's Info: Suzanne.roth@janautos.ch – O 021.943.00.87

Contact's age: Mid thirties

Duration: 01 :10 :23

Other contact: Dominique Roserens – M 079.378.19.04

Website: <http://www.janautos.ch/>

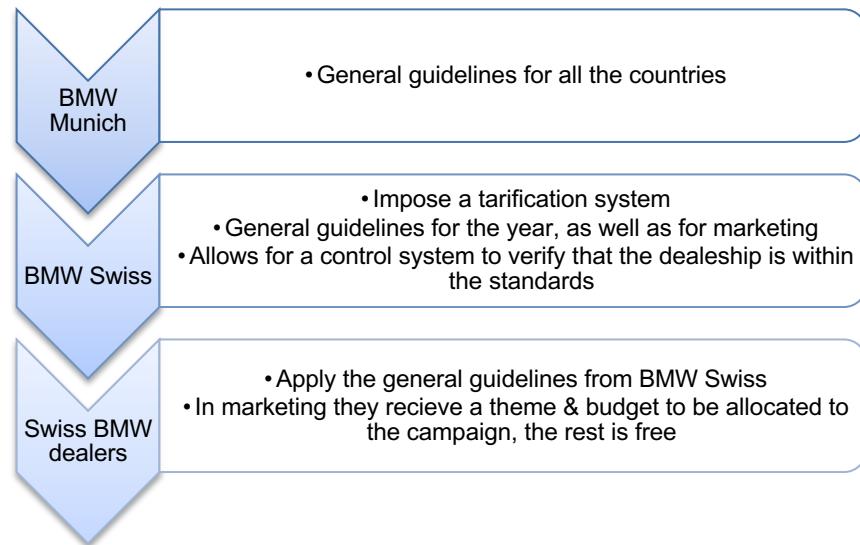
The setting

The meeting took place with the marketing manager, Mrs. Suzanne Roth on Tuesday April 10th 2018 at 9am at the Jan-Autos (Riviera) SA dealership, situated in the industrial area of St-Légier. The dealership is an official reseller of BMW, BMWi and MINI cars and is part of the Jan-Autos Group that has four agencies, in Morges, Lausanne, St-Légier and Vionnaz. The Jan-Autos (Riviera) SA in St-Légier's showroom is arranged in two parts, on the left side the BMW cars with according accessories and setting. On the right side, the MINI cars setting, with on both sides a cosy coffee space.

The interview was conducted with the marketing manager of the Jan-Autos Group, On the right side of the showroom, on the MINI side. The interview took place in a small and cosy coffee area and seated on couches. The place was well decorated and made one feel welcome and comfortable. The coffee area was in the corner of the MINI showroom, the couches were cubic and colourful, matching the atmosphere. The surroundings were quiet even though some employees were walking around. The area was surrounded by exposition MINI cars, tires piled up as decoration and a glass shelve with exposed MINI

merchandise that caught one's attention. The place was inviting, casual and fun, very well matching the car's values.

The interview began with a small introduction of the subject and the research. Mrs. Roth explained how the automotive industry functions in Switzerland and how the guidelines flow from BMW to the dealerships in Switzerland.



In terms of marketing campaigns, the dealership has to make three campaigns a year spending the totality of the budget being of CHF 25'000 per campaign. A theme is imposed by BMW themselves, however, the media and the rest of the campaign is left to the dealerships to decide. For one year now, BWM has been pushing towards digital campaigns, as a lot of competitors are starting to do the same. Mrs. Roth believes that they should have started digital campaigns a few years ago already.

The Swiss BMW dealerships all have a proper website that they create themselves and design the way they wish. The car images are given by BMW and are the only ones to be used, self-made pictures of the cars are not to go on the proper website, nor are they allowed to use the BMW logo. The dealerships also have a second Swiss BMW corporate website which is designed and formatted by BMW in each country, so that each BMW dealers' corporate websites look the same. The dealership has access to this corporate website and can regularly update it. If we take the example of Jan-Autos Group, their proper website is <http://www.janautos.ch/> and their corporate BMW website is <https://dealer.bmw.ch/janautos-lausanne/fr>. At the end of the year, Jan Autos Group will only have the Swiss BMW corporate website. This allows for all the Swiss BMW dealerships to all have the same layout and visuals, and for the Swiss BMW to have an easier control over them. More than that, it allows for an overall brand uniformity. Concerning the sales, BMW Swiss sets a goal for the dealerships, in which they have to

sell 1000 cars, BMW and MINI combined over the period of one year. If the dealerships manage to sell 1000 cars or more, they receive a bonus from BMW Swiss at the end of the year.

Use of digital marketing

At Jan-Autos SA, 25% of the dealership's marketing is digital (small portion?). The tools that are used the most are Facebook, Instagram, LinkedIn and YouTube in terms of social media. They also have two websites, the proper and the Swiss BMW corporate one. And finally, they use monthly newsletter to keep their customers informed about news, events and offers. Customer loyalty is mostly achieved through newsletters and personal phone calls to the customers, which the sales people are required to make twice a year to customer.

According to Mrs. Roth, the use of digital marketing is used more as a communication support and depends a lot on the goal, on the strategy of the dealership and the market. What is meant by strategy of the dealership is whether the dealership's strategy is based on quality or on quantity. As expressed by Mrs. Roth, Jan-Autos SA's strategy is based on quality and on the relationship with the customers. Each sales person takes care of his customers and takes the time with them. She expressed that the Jan Autos Group would rather sell fewer cars at a good price and satisfying the customers, rather than making a lot of sales by slashing prices and taking lesser care of the customers, such as Emil Frey SA for instance, who are more quantity driven, according to her.

Augmented Reality

Mrs. Roth definitely believes that augmented reality will attract more customers into the dealership. MINI has already spoken about it a few years ago but were not yet ready for it. The belief is that customers need to be entertained.

« Au jour d'aujourd'hui les gens ont besoin d'expériences » Suzanne Roth, April 10th 2018

« Today people need experiences » Suzanne Roth, April 10th 2018

She also believes that giving the customers the opportunity to explore their future car in an immersive way will then also be much easier for the sales people to convince the

customers. This also allows in case of personalization of the car by the customer to better see what the options and the details really look like. In a larger manner, the marketing manager explains that as BMW has a very large product line, it is difficult to have all the models exposed in the showroom. Through augmented reality, the sales people could offer the customers to get a feel of every model without the cars having to physically be in the showroom. This would also be a great tool for the sales people and not only the customers.

Reach

Mrs. Roth says that thanks to digital marketing she is able to reach more customers, quick and in an easier way. The targeting of customers is also facilitated and made more precise. But again, she states that depends a lot on who the target is. She cannot use digital marketing for every age range. Some of the product line are more popular with older customers, on who digital marketing would not have an impact and would therefore be a waste. Hence the support/tool used depends a lot on the target customers.

Trial – Consumer Journey

Online configuration of the vehicle is very important according to Mrs. Roth. The configuration option has to be very well done, the website should not lag, and the images should be fluid, if not, chances are that the customer will decide to go to another website. If well done however, this will increase the chances that the customer will walk into the store. This is a very important element for the dealerships.

« On voit nettement que les gens maintenant ont dit qu'ils viennent une fois et demi en concession, auparavant ils venaient trois à quatre fois avant d'acheter. Ça veut dire que les gens en amont, ils se renseignent sur internet » Suzanne Roth, April 10th 2018

« We can clearly see that today customers today come one and a half time to the dealership, before they used to come three to four times before buying. This means that the customers seek for information prior to their visit» Suzanne Roth, April 10th 2018

Uniqueness Factor

The dealerships can't do much about the uniqueness factor of the brand, that mostly come from the brand companies themselves. The dealers support the campaigns, but banners, images and visuals are given by the mother companies.

Cost Effectiveness

With digital marketing, Suzanne Roth says that it allows her to get more return with a small budget, but again it depends on what the goal is. Mrs. Suzanne Roth states that the cost effectiveness depends on what wants to be achieved and what the ultimate goal is. Maybe digital marketing will have less impact depending on who is targeted. This is something important to take into consideration.

Better understanding of the customers

The marketing director agrees that digital marketing allows the dealer to better understand their customers, hence offering them what they want and capturing more value from them. The click rates for example helps Mrs. Roth understand what interests the customers. After the Geneva International Motor Show for instance, the visit rate on the website increases. Also, in the months of March and April, people show more of an interest in cabriolet cars, as they want to have them ready for the summer. Knowing this allows the dealerships to make targeted offers on lower leasing rates for example at that particular time to push the customers even more toward a purchase.

For the use of Facebook for instance she expresses that she can see the reactions from customers to the different posts and pictures and how they want to be addressed to, in order to understand what has the most impact on them. This again creating more traffic and more interest from the customers. This helps the dealers understand what content their customers want to see, how they want to be talked to and their habits in order to then personalize even further the offering and have them walk into the store.

Change in the relationship with the customers

It has changed, yes, because the customers come to the dealership only once he has done a lot of research. Digital marketing has also improved the relationship, by facilitating it. At Jan Autos Group for instance, they are putting in place a YouTube channel where

features of the car will be explained by a sales person or car genius, for the customers to be able to get answers without having to call, to email or to go by the dealership.

Geneva International Motor Show

For this important event, BMW Swiss is in charge for the organization, the dealerships are merely there to shake hands. MINI hasn't been present for the past two years. BMW Swiss reallocated the budget from the Motor show into other activities, such as intensive digital campaigns. MINI has not suffered from the lack of presence at the show, in the contrary, its sales have increased. Is the presence at the Motor show critical for a brand? For BMW however, the sales have decreased. Would it be bad for BMW to leave, especially considering the large stand they have and their location right next to Mercedes? Plus, the Motor Show is the only place where all of the brands models are exposed.

New Trends?

Mrs. Suzanne Roth – Marketing Manager's vision:

City commerce → customers come less and less to dealerships, they ask more questions through the internet. Customers would be informed by product geniuses and not sales people. The dealerships would only have a role of showroom and representation in the cities with augmented reality options. This would allow customers to be well informed and they buy their car directly online and not through the sales person in the dealership. This would also allow for a lot of data on the customers as a large part would be done electronically.

Save money?

Allow to do more impacting things? Depends a lot on the evolution of the automotive industry in general

Digital marketing – Negative impact?

According to Mrs. Roth

Leave a trace, whether negative or positive. Cannot control negative comments

Outstanding words/ideas

- Quantification
- Depends on the goal
- Tool
- Communication

Quotes

« On voit nettement que les gens maintenant ont dit qu'ils viennent une fois et demi en concession, auparavant ils venaient trois à quatre fois avant d'achter. Ça veut dire que les gens en amont, ils se renseignent sur internet » Suzanne Roth, April 10th 2018 – *Trial – Consumer Journey*

« Au jour d'aujourd'hui les gens ont besoin d'expérience » Suzanne Roth, April 10th 2018 – *Augmented Reality*

Appendix 3: Interview 2 – Mr. Stöckli

Dealership: Garage Berger SA

Location: Nyon (VD)

Address: Route de Champ-Colin 9-11, 1260 Nyon

Date & time: Wednesday May 2nd 2018 – 10am

Contact's Position: Manager

Contact's Name: Ivo Stöckli

Contact's Info: ivo.stoeckli@garageberger.ch – O 022.994.01.81

Contact's age: Late fifties

Duration: 00:42:05

Website: <http://www.garageberger.ch/>

The setting

The meeting took place with the manager of the Garage Berger SA, Mr. Ivo Stöckli on Wednesday May 2nd 2018 at 10 am at the dealership located in the industrial zone in Nyon. The Garage Berger is an independent dealership and is an official reseller of two brands: Mazda and Opel. The driveway and the parking were occupied with exhibition models belonging to the two brands. The dealer's showroom was divided in two areas each representing Mazda and Opel and, separated by the reception where people were very welcoming. The offices were arranged in line behind the displayed models.

The interview was conducted with the manager of the dealership in his office. The office was modest with no decoration or furniture, with an old corner desk with three chairs around it. The office had two doors, one giving way to the showroom and another leading directly into the garage where cars were being fixed. One could hear some people going about their activities, but nothing very distracting. This overall made the place was casual and welcoming. At the Garage Berger, there is not a specific person that is responsible for the marketing, it is the manager himself who takes care of the necessary actions that need to be taken for that particular function.

The interview started with a brief introduction of the research subject and the use of the interview.

Use of digital marketing

In terms of digital marketing, the Garage Berger uses mainly their proper website: <http://www.garageberger.ch/>, Google + and they are relatively active on their Facebook page. Like all dealerships, the garage has two corporate websites for both of the brands they sell. The corporate Mazda and the corporate Opel websites, being part of the brand requirements. Mr. Stöckli mentioned that the existence of these corporate websites is very useful to the dealers. These have configurators that are available to the customers and are always kept up to date as they are operated by the car manufacturers themselves. The dealer has access to these corporate websites in order to regularly update news about the garage and the members but cannot edit any pictures. On their Facebook page however, the manager is rather free in terms of publications, such as publishing event news and pictures of cars that offer good deals.

Concerning print advertising, the mother brand sets certain guidelines, such as pictures and layouts that are given and that can only be slightly customized. This concerns both Opel and Mazda.

« *Le digital c'est une aide, c'est une obligation aujourd'hui* » - Ivo Stöckli, May 2nd 2018 – Digital marketing

« *Digital is a tool, it is today a must* » Ivo Stöckli, May 2nd 2018

Augmented Reality

Mr. Stöckli believes that in the future the sales people will no longer have a desk, but merely a tablet and that this future might already be in five years. The problem with this technology he mentions is that the digital files will have to be of very high precisions. He states that even the importers often have difficulties following this trends with the specificities that come along with it. Something that might be tough is the combination of the different options that a particular brand offers.

Nevertheless, the manager believes that the future of dealerships' showrooms lies in augmented reality. The manager mentioned that he has already had the opportunity to test this technology.

« C'est très tactile, très facile et puis je pense que le future il est là-dedans » - Ivo Stöckli, May 2nd 2018

« It is very tactile, very easy to use and I believe that the future lies in there » – Ivo Stöckli, May 2nd 2018

Still, the interviewee believes that there would be a negative side to integrating augmented reality into showrooms. He mentions that the garage has a lot of cars in stock. By offering augmented reality as a service to customers would imply giving them an infinite choice regarding customization of their future vehicle. Consequently, what will he do with the cars that are ready for use? Something that is important to point out as well, is that customers today have a need for immediacy. Today, having a car come freshly out of the factory takes up to five months. So, this also is something to take into consideration says Mr. Stöckli.

Reach

The manager believes that the reach and the traffic strongly depend on the product that is highlighted. For instance, a post on Facebook might generate many views, but what does that really mean? How many of these views will actually result in sales? Mr. Stöckli compares Opel and Ferrari for example. Ferrari will generate a lot of views, but most people will look at the post because it might just be a dream of theirs, hence these many views will not necessarily result in many sales. Opel on the other hand will have fewer views, but more of these will result in potential sales. This means that reach in term of digital marketing can be misleading.

« C'est plus émotionnel que purement le côté design [...]. C'est plus au niveau émotionnel qu'on essaie de toucher les clients » - Ivo Stöckli, May 2nd 2018

« It is more emotional than purely the design side » Ivo Stöckli, May 2nd 2018

Customer Loyalty

This is according to Mr. Stöckli very difficult to measure as they do not have a system that is set up for that matter. More than that it is very demanding to have a customer database that is precise and up to date.

An important point to take into consideration says Mr. Stöckli, is that some customers will be very sensitive to contact and like attention, therefor they will like getting frequent emails, messages and see regular update on the website, this will make them feel valued. But one should be careful not to overdo it, as this might annoy certain customers.

Uniqueness Factor

In the eyes of the Mazda and Opel garage manager, digital marketing is not more or less important than traditional marketing in the area of uniqueness factor. For him, brands differentiate more on an emotional level rather than on their design. Today there are around 35 cars brands on the Swiss market, which make it really difficult if each brand wants to look different. Indeed, many cars have similar designs, but he believes that this comes down to dynamics and security norms. He mentions that in order to touch customers in an emotional way, digital is not necessarily the way.

Cost Effectiveness

The manager clearly believes that digital marketing is cost effective. Traditional means such as radio, television and newspaper are very costly when compared to email, text messages and Facebook that are clearly cheaper and reach the customers much faster. Additionally, advertising is today more and more difficult, as most people have switched to digital newspapers. He also mentions that often a combination between paper and digital works well.

Better informed customers

According to Mrs. Ivo Stöckli, the level of information that customers have depends a lot on the brand that they are searching for and on the average age bracket that they are in. He does however find that today consumers are much better informed than they used to be when they go to the dealership. Before walking into a dealership, consumers go browse the internet for as much information as possible on the brand that he or she is

interested in. It allows them to get informed about the variety of different models that are proposed by the brand and to configure themselves the car they desire. The manager claims that customers often know the product better than the sales people do. Additionally, Autoscout24 is a very important tool to take into consideration as it is often the first place that customers go to on their search.

Change in the relationship with the customers

The relationship with loyal customers has not changed much since the shift to digital. It has however greatly impacted the relationship with the younger and more digital savvy customers as they are much better informed about the product, the possible options, the different details and particularly the prices. Young customers sometimes try to negotiate prices by justifying that they can find the same car at a cheaper price two cities away.

Geneva International Motor Show

According to the garage Berger's manager, the dynamics of the Geneva International Motor Show is changing a little. The problem with the motor show is that not being present (the brand) at the show does not necessarily harm what one sells, however being present does not make you sell either. Still, it is better to have a presence during the motor show according to him.

Emphasis was made on the fact that most of the customers attend the annual motor show, mostly for the dream cars, but they will always stop by to see their brand. This allows for contact with the customers, who are often happy to see their sales guy. Now, the risk lies in the fact that if their brand is not present, they might go and have a look at another.

« Plus pour la fidélisation que la vente pur » - Ivo Stöckli, May 2nd 2018

«More for customers loyalty that for pure sales» Ivo Stöckli, May 2nd 2018

The motor sow used to have an important role, as it used to be the only place and time of the year where customers were able to see all of the brand's models. Today however the customers have all the necessary information available in the internet.

New Trends?

Mr. Ivo Stöckli – Dealership Manager's vision:

In time we will receive too much information and will grow tired of assimilating all of the junk information received daily.

« Le client en aura marre d'avoir un trop plein d'information, ça deviendra de plus en plus difficile de communiquer avec le client » - Ivo Stöckli, May 2nd 2018

« The customer will be fed up with an overload of information, it will become difficult to communicate with the customer» Ivo Stöckli, May 2nd 2018

Dealership of the future

Mr. Stöckli believes that Swiss people still need personalized direct contact compared to other countries the Swiss need it much more. He mentions that the standards of the importer keep changing and that lately they have taken a step back. Some brands spend millions on the huge showrooms which require a lot of maintenance. Does this really offer more? Or does the brand itself bring in the necessary customers? Creating these showrooms is very costly for the dealer as there are a lot of requirements from the brand that need to be met. In case of non-compliance to these brand requirements, the dealer may lose the brand.

It is relatively difficult for small garages to keep up with brand standards, it is very costly and bigger groups such as Chevalley and Emil Frey can better manage it. But then again if only the big groups survive we fall into a monopoly.

Digital marketing – Negative impact?

According to Mr. Stöckli

Today, not everyone is digital. This is why it is still difficult to touch the entire customer base through digital marketing. According to Mr. Stöckli, before these digital tools appeared, it used to be much easier to do something quickly. More than that, today there is this need of having to be everywhere. Plus, we get way too much daily information. It

is an increasing need to stand out. Still, one should not be too aggressive, while being present in the minds of the consumers.

Outstanding words/ideas

- Too much daily information
- Emotion
- Through digital difficult to touch everyone
- Swiss customers like human relationship
- Digital is a support

Quotes

« C'est très tactile, très facile et puis je pense que le future il est là-dedans » - Ivo Stöckli, May 2nd 2018 – *Augmented Reality*

« C'est plus émotionnel que purement le côté design [...]. C'est plus au niveau émotionnel qu'on essaie de toucher les clients » - Ivo Stöckli, May 2nd 2018 – *Uniqueness factor*

« Le client en aura marre d'avoir un trop plein d'information, ça deviendra de plus en plus difficile de communiquer avec le client » - Ivo Stöckli, May 2nd 2018 – *New trends*

« Plus pour la fidélisation que la vente pur » - Ivo Stöckli, May 2nd 2018 – *Geneva International Motor Show*

« Le digital c'est une aide, c'est une obligation aujourd'hui » - Ivo Stöckli, May 2nd 2018 – *Use of digital marketing*

Appendix 4: Interview 3 – Mrs. Rehmann

Dealership: Facchinetti Automobiles SA

Location: Gland-Vich (VD)

Address: Route de l'Etraz 2, 1267 Vich (Gland)

Date & time: Thursday May 3rd 2018 – 8am

Contact's Position: Marketing Manager (of the group)

Contact's Name: Sabina Rehmann

Contact's Info: sabina.rehmann@facchinetti.ch – O 022.354.03.52

Contact's age: Mid forties

Duration: 00:49:05

Website: www.facchinetti.ch

The setting

The interview took place in Vich (Gland) in a building across the road from the already very crowded Facchinetti BMW and MINI showroom. The interview was conducted with the marketing manager of the Facchinetti group and took place in her office. The office smelt like it had been renovated very recently. All the walls were very white with a desk and a table in the center of the room. Being her private office, the interview was conducted with very little distractions, except when the assistant walked in, but she was very discrete. Mrs. Rehmann was very welcoming.

The interview started off with a brief introduction of the research subject and the aim of the interview. After that Mrs. Rehmann started by introducing Facchinetti in order to have a better understanding of who they are and what they do. Where she explained the following:

Facchinetti is present in five different locations in the Romandie Region between the Chaux-de-Fonds (NE) and Meyrin (GE).

Meyrin (GE)	Vich (VD)	Lausanne (VD)	Neuchatel (NE)	Chaux-de-Fonds
<ul style="list-style-type: none"> • BMW • MINI • Second hand cars • BMW Motorbikes 	<ul style="list-style-type: none"> • BMW • MINI • Second hand cars 	<ul style="list-style-type: none"> • Motorbikes 	<ul style="list-style-type: none"> • BMW • MINI 	<ul style="list-style-type: none"> • BMW

The marketing manager tries to have an integrated communication and approach over all of the different locations, as she is responsible for all of their marketing. The challenge she mentions is that the Geneva and Neuchatel markets are very different. The Facchinetti brand is historically very famous in Neuchatel, as the name is very related to the Neuchatel Xamax, meaning that there are no brand recognition issues in that location. In Meyrin, however the showroom is located in the industrial zone. Additionally, they are not necessarily ‘top of mind’ in that region when consumers are looking to buy a BMW or a similar premium car. The marketing manager says that she tries to take global marketing measure for the entire group in terms of communication and events. This however, many times needs some adapting as Geneva is more oriented toward price, in contrary to Neuchatel where it is more customer relationship oriented.

Use of digital marketing

Both traditional and digital means are equally used for marketing at Facchinetti. In terms of traditional means, Mrs. Rehmann creates television advertisements twice a year that are broadcasted nationally. They regularly do some radio and have a monthly newsletter for both BMW vehicles and BMW motorbikes. Print advertising is also used, but mostly in specialized magazines especially when concerning ads about the BMW motorbikes as that is a lack of brand awareness for that product. The reason for this big use of traditional means comes along with the brand requirements that state that a certain percentage of the budget needs to be allocated to traditional advertising media. Indeed, there are a lot of standards that need to be followed such as respecting the corporate identity of the brands and the way in which showrooms are equipped. The use of the remaining part of the marketing budget however is free and is used to highlight the Facchinetti brand. The marketing manager mentions that it is both a challenge and an opportunity to work with different brands, that are BMW, MINI, BMW Motorbikes and Facchinetti. The most important part here she states, is to sell the Facchinetti Brand as there are many other important BMW dealerships in the region.

Mrs. Rehmann explains that it is very difficult to promote the dealership's brand through traditional means. She therefore uses a lot of social media and digital means to promote Facchinetti. According to one of her recent analysis, Google AdWords works very well and brings a lot of traffic on their website. The dealer also uses banner campaigns on websites, but the return is very difficult to measure. The BMW and MINI dealership is also present on different social media such as Instagram, Facebook, LinkedIn and Twitter. Yet because of a lack of human resources, they concentrate their effort on Facebook and Instagram on which they have two separate accounts. One for Facchinetti BMW & MINI and one for Facchinetti BMW motorbikes as these target two very different customer segments. The marketing manager explains that the dealership does not promote the brands that it sells, but the service around the car that they offer the customers. The dealer promotes what he will be able to offer the customer once he has decided to buy a car from Facchinetti, which he will not receive from any dealership or brand competitors.

Mrs. Rehmann says that there is an opportunity on social media to bring answers to the customers in the early stages of the customer's journey.

*« Il y a énormément d'opportunités dans le digital pour la voiture » -
Sabina Rehmann, May 3rd 2018*

« There are a lot of opportunities in terms of digital for cars» Sabina Rehmann, May 3rd 2018

Augmented Reality

This technology is taken care of by the brand itself and not by the dealerships. BMW is apparently developing such an experience. Dealership today are still very reluctant to using such a tool. She is not sure whether it might be because it is something new or because sales people think that the customer can already touch the car physically in the showrooms and that there are no additional needs of it. Facchinetti is not too sure about the use of augmented reality in the sense that it is new technology and that it often breaks down for no apparent reason. If that were to happen, the disappointment from the customers would be too important.

Reach

Through digital means the dealership is able to reach more, but quantity is not equal to quality. It is very difficult to attract new customers and even more costly. Most of Facchinetti's customers are returning customers.

It is also very difficult to measure the return of different action taken on the internet. Banner campaigns for instance, are dispatched via algorithms on websites that match the chosen customer segment, but there is no way of verification. However, digital tools in terms of reach offer more opportunities.

« Grâce aux réseaux sociaux et à l'online, je pense qu'on a plus d'opportunités de faire connaître la marque pour donner envie [aux clients] de venir la prochaine fois qu'ils décident d'acheter une voiture » - Sabina Rehmann, May 3rd 2018

« Thanks to social media and online tools, I believe that we are offered more opportunities to talk about the brand and make them want to come to us when they decides to buy a car» Sabina Rehmann, May 3rd 2018

According to the interviewee, event creation is an important media tool as well. This often is very costly but has a great impact on the customer even though they are very spoilt in this premium environment.

« Les clients sont très gâtés, surtout dans ce monde premium » - Sabina Rehmann, May 3rd 2018

« Customers are spoilt, especially in this very premium world» Sabina Rehmann, May 3rd 2018

It is very important to use media in order to create an impact on the other end, by using all the media and combining them. One should use social media as a complementary tool to other means. The customers need to see a content appear many times in different places.

Trial – Consumer Journey

As mentioned earlier, the customer will look for information in different places during the stages of ‘information search’ and ‘evaluation of alternatives’ in his journey. The dealership has understood that it is very important to be present and in the mind of the consumer at all times, which is made easier through digital means such as social media. Along the different stages in the buying process, the more the will to buy becomes tangible, the more the customer is going to look for human contact to specialist. According to the marketing manager, digital is very important during the early stages by being in people’s minds, but as much important after the purchase, especially on social media by answering customer questions. These Q&As on social media also allow customers that are seeking to buy a car to see the service that is offered by dealership. This is where the loop closes she says.

In terms of customers loyalty, Mrs. Rehmann believes that customers today in general are less loyal as there is a wider choice on the market. Often the price wars are an incentive for a customer to change dealers but might end up coming back if he realizes that the service is poor. This obliges the dealerships to adapt to the customer’s behaviour.

« La communication ne se passe plus face à face » - Sabina Rehmann, May 3rd 2018

«Communication does not happen face-to-face anymore» Sabina Rehmann, May 3rd 2018

Cost effectiveness

Through the use of digital means marketers can reach a wider audience relatively cheaply, even though it is still not proven. But Mrs. Rehmann says that when comparing cost versus impact for her digital marketing is more effective.

There is yet a tricky part in digital publications. The costs are much lower when spreading a message on digital platforms rather than through traditional means. But when it comes to the creation of content, that’s where the difficult part starts. The message that is published needs to be striking and meaningful or the post will be overlooked. It might be cheap to publish a message on social media, but the creation of the content takes a lot

of time and effort, which can become very costly, that is the tricky part of digital publication.

Better understanding the customers

Digital tools have allowed dealerships to understand what the buyer does at each stage in his buying process and where he searches for information in these stages.

During the early stages the consumers will search on the official brand websites and will look at different cars to decide if he wants to go with BMW, Mercedes or Audi. At that moment he will go to the brand website and look at different models. The moment the consumers decides to buy the car he will turn to the dealership as he is seeking precise information about the specifics of the car.

Change in relationship with the customers

Mrs. Rehmann believes that the relationship has changed, but the human needs have not. The customer still likes being valued and recognized as important. The basics of the relationship haven't changed, but she says that they now have more means at their disposal to show them and bring a better experience. This shows that the service is not only given when the customers walks into the showroom, but at any given moment though social media with instant messaging for instance. But then again this asks for a lot of human resources on the dealer's part.

No more digital marketing actions

If dealerships today stopped using digital marketing action is would have an important impact on the so-called 'top of mind', where social media have a very important role to play. Customers may still come to the dealership, but it might be by lack of choice or by proximity. According to Mrs. Rehmann, digital marketing is a very important tool in terms of brand awareness and one should invest much more into such means. Digital marketing is very important in order to promote the service and the added value that the dealership proposes. The interviewee says that brand awareness is very important and has a great impact on the customer the day he decides to buy a car, even though that decision may take years. In the meantime, it is the duty of the dealers to stay in customers' minds so they don't forget about the brand.

Geneva International Motor show

The motor show today is very important in terms of customers loyalty. The customers now take for granted that they will receive tickets to the show from their dealership, if not, they will start bad mouthing the dealer in claiming that he is becoming cheap. Truthfully, the dealerships presence at the show is very costly and does not have any benefits in terms of generating sales or in attracting new customers. For a brand, being present at the show does not have any particular benefit. Not going on the other hand can have an important impact on its reputation. This however greatly depends on the brand. MINI for instance hasn't been at the show for the past who years and hasn't been impacted. The reason for this according to the marketing manager is that MINI is a rather unique brand that is at the same time small, premium and fun, which does not have many similar products apart for the Fiat 500 perhaps. Nevertheless, BMW's presence is very important as it can easily be replaced by Mercedes or Audi.

New Trends?

Mrs. Rehmann believes that today marketers still underestimate the creation of relevant content. People are still stuck in the stage of 'which media are we going to publish on' rather than spending time on what message they are going to convey. Most people still use professional social media accounts in the same way they would a private account. She believes that the content creation should touch people in an emotional way and create stories, maybe even by bringing psychologist into the content creation.

Digital marketing – Negative impact?

According to Mrs. Rehmann

There is 24/7 transparency and people need immediate answers (ex. Facebook). There is today also a very easy accessibility to information, this can quickly lead to the creation of false opinion, which thereafter is very difficult to change in people's mind.

Outstanding words/ideas

- Content is key in digital
- Digital needs a lot of human resources

- Complementary tool
- Brand awareness

Quotes

« Il y a énormément d'opportunités dans le digital pour la voiture » - Sabina Rehmann, May 3rd 2018 – *Use of digital marketing*

« La communication ne se passe plus face à face » - Sabina Rehmann, May 3rd 2018 – Trial – *Customer Journey*

« Grace aux réseaux sociaux et l'online, je pense qu'on a plus d'opportunités de faire connaître la marque pour donner envie [au client] de venir la prochaines fois qu'il décide d'acheter une voiture » - Sabina Rehmann, May 3rd 2018 – *Reach*

« Les clients sont très gâtés, surtout dans ce mon premium » - Sabina Rehmann, May 3rd 2018 – *Reach*

Appendix 5: Interview 4 – Mrs. Icet

Dealership: Emil Frey SA

Location: Nyon (VD)

Address: Route de Champ-Colin 1, 1260 Nyon

Date & time: Tuesday May 8th 2018 – 4pm

Contact's Position: Marketing Manager

Contact's Name: Suzy Icet

Contact's Info: suzy.icet@emilfrey.ch – O 022-365.16.30

Contact's age: Mid forties

Duration: 00 :25 :00

Website: <https://www.emilfrey.ch/fr/nyon/>

The setting

The interview was conducted with Mrs. Suzy Icet on Tuesday May 8th 2018 at 4pm by phone as per availability of the interviewee. Mrs Suzy Icet is the marketing manager at the Emil Frey dealership in Nyon, which is located in the industrial area. The dealership is an official dealer for many different brands, but Nyon focuses essentially on Toyota, Land Rover, Kia, Suzuki, Subaru and Piaggio in the Nyon dealer.

The interview started directly with the answering of the questions, as she had received them before hand to get prepared.

Use of digital marketing

Since a year and half, the Emil Frey has been insistent that the different dealerships within the group to push their marketing efforts toward digital ones. The car importers and manufacturers take care of the print advertising of the brands themselves, however in terms of digital marketing, Mrs. Icet takes care of the brands advertising on a digital level. This of course, always in line with the car manufacturer's brand guidelines and the

Emil Frey brand guidelines, for which they do not have much room for manoeuvre. In regard to the use of digital marketing, Mrs Icet stated that today 70% of their overall marketing is digital. The tools that are mostly used, are their proper and corporate websites, along with Facebook. They also issue a monthly newsletter that keeps their customers informed and up to date about the new model, second hand car offers and various events. The marketing manager also mentions that she uses banner adds, through which she can measure the number of clicks that are generated. She adds that when communicating about deals on certain vehicles, the use of text messages and AdWords comes into play in order to target the customers and the public in a faster and more efficient manner.

Reach

It is impossible according to Suzy Icet to tell whether they have a bigger reach through digital marketing. Nevertheless, digital means allowing her to better understand what customers are interested in and change or adjust the offer and communication accordingly. Placing banner ads on AutoScout24 for instance, allows her to get feedback on the number of clicks that her ad generated. The website also gives her the number of clicks the average ad on AutoScout24 generates. According to that number she can adjust her publication.

Uniqueness Factor

Mrs. Icet, says that the marketing path the dealership decides to pursue depends on the choice the manager makes. The use of common graphics is mandatory, and they need to be controlled by the brand company itself. She mentions however that the Emil Frey brand is already very famous in Switzerland as being part of the three best dealers in the country. As well as in France and in Germany. This is why the marketing manager believes that digital will not necessarily bring them much in terms of uniqueness factors as they are part of a large and already well-established group. She does mention that in her mind it can ring a lot to smaller garages.

Emil Frey's marketing manager believes that in terms of differentiation towards their competitors, digital is important. In an increasingly digitalized world, the strategic (digital) location depends a lot on the support that is used, this make a significant difference. She also indicates that being part of a large group also has its advantages as it allows for

discounts related to volume. Taking the example of AutoScout24 (online) or 20Minutes (online), she says that they have annual contracts with these partners, which allows them to obtain volume discount hence making a significant difference in terms of visibility and on the budget.

Cost Effectiveness

The marketing manager raised two point that are significantly impacted by cost effectiveness, which are: reactivity and price. She argues that when needing to reduce the quantity of vehicles accumulated, the ads need to be visible very quickly. By doing so though print it would usually take between ten to fifteen days, which can get very costly. In comparison she talks about doing that via newsletter which takes less than twenty-four hours and finally through Facebook which is done in less than an hour.

Then in terms of price, Mrs. Icet mentions that the average print advertising costs CHF 4'000.- against CHF 100.- on a website already generating high traffic. Plus, she mentions that in print advertising, the ad stays one day in the newspaper versus two weeks on a digital platform. She adds to this that advertising through digital means can be up to ten times cheaper than through print.

Geneva International Motor Show

The motor show as stated many times before is a big investment for dealerships. The marketing manager explains that in order for the dealer's sales representatives to participate at the show, they must be registered and pay their own parking space (which is very expensive).

As this is a very important event in the region and worldwide, Emil Frey participates each year and also allowing them to retain their customers' loyalty.

If, however they decide not to participate at the show or to reduce their participation, the remaining budget would be allocated to the open doors event that take place every year right after the show in March.

The first weekend after the auto show generates a lot of sales for Emil Frey Nyon. Why after the show? Well she says it is because the customers are afraid that buying a car in January or February would result in having an older model. This is why they wait until the show in case a new model are released.

Digital marketing – Negative impact?

According to Mrs. Icet:

80% of customers look for information first on the internet. However, not everyone is digital yet, and this might mean that some customers are be neglected, such as the older customer base that only reads the newspaper.

Outstanding words/ideas

- *Cost effectiveness*
- *More targeted advertising*
- *Not everyone is digital*

Appendix 6: Interview 5 – Mr. Claude

Dealership: AMAG Châtelaine SA

Location: Châtelaine (GE)

Address: Ch. J.-Ph. De-Sauvage 44 - 46, 1219 Châtelaine

Date & time: Wednesday May 16th 2018

Contact's Position: Commercial Manager

Contact's Name: Petri-Nicolas Claude

Contact's Info: petri.claude@amag.ch – O 022.970.36.09

Contact's age: -

Duration: -

Website: <http://www.geneve.amag.ch/>

The setting

The interview was conducted with Mr. Petri-Nicolas Claude, commercial manager at Amag Châtelaine in Geneva. This Amag branch is responsible for the Seat brand. The interview was, unfortunately not conducted in person, because of a lack of availability from his part. The interview questions were therefore sent by email. The first contact was made with Mrs. Héloïse Gori who is the marketing manager at the branch. Mrs. Gori kindly put me in contact with Mr. Claude to whom she forwarded the interview questions, as she believes that he would be more qualified to answer the questions.

Use of digital marketing

According to Mr. Claude, commercial manager at Amag, their use of digital marketing represents today only 10% of the overall marketing efforts. They do however aim to reach more than 30% of digital marketing by 2019. The different tools that the branch uses are the website and the Facebook page, along with monthly newsletters.

He mentions that it is rather difficult to quantify the part of revenue that comes from the digital outcome. He does however mention that all the sales contracts are established physically and in-house. Following that the commercial manager mentions that the prospects usually come via Facebook, the official website and through AutoScout24. This overall, he assumes represents 20% of the revenue generated.

The branches motivation for using digital marketing, is that the publication of content is cheaper and allows for better targeting of the public. Moreover, he comments that the digital means are not yet too polluted yet.

Augmented reality

Mr. Claude states that the dealership does not yet use any augmented reality tools, but that they are currently working on such technology which will shortly be available.

Reach

The commercial manager is not sure that dealerships can reach customers better through digital marketing tools.

Trial – Consumer journey

Though the different digital tools the dealership uses, websites, Facebook page along with newsletters, the commercial manager believes that consumers are today much better informed, but it is still very difficult to measure their level of education. He briefly mentions that digital marketing clearly better retains customer loyalty.

Pricing

In terms of pricing as a barrier on different digital platforms, Mr. Claude does not believe that pricing can be a barrier in going further in the purchase, as customers know that a car price can always be negotiated.

Uniqueness factor

Mrs. Claude, believes that at Amag Châtelaine, that digital marketing is an impactful tool to communicate the uniqueness factor of the brand. He believes that through these tools, the identity of a brand can be more distinctive. He also argues that digital marketing can be used to differential a brand from others in the sense that not all dealerships use digital marketing efficiently.

Cost effectiveness

Digital marketing is without a doubt cost effective, according to Mr. Claude. He mentions that the average cost of each person that is reached by digital actions is easily measurable when compared to traditional means of marketing.

Better understanding the customers

The interviewee says that the digital marketing allows the dealership to better understand the consumers, as the different platforms allow to see their reactions to different publications and adapt to them.

Change in relationship with the customers

Indeed, Amag's commercial manager believes that the relationship with customers has changed, however not necessarily that it has made their job easier. He explains that it requires a higher productivity and regularity in terms of communication, as communication has become more demanding.

Geneva International Motor Show

He believes the presence at the motor show is absolutely fundamental.

Additionally, the commercial manager mentions that in terms of competitors, they only concentrate on themselves and on a dealership level. The manufacturer however takes care of looking at what the competition does and adapt the communication.

New trends

Mr. Claude says that by 2019, the dealership will reduce to null their print communication. He mentions that the group will greatly invest in digital communication, especially for young brands and models. He adds to this that if they dare to do it, many will follow.

Outstanding words/ideas

- Important move towards an entirely digitalized communication

Appendix 7: Interview 6 – Mr. Rattaz

Dealership: AMAG Lausanne SA

Location: Lausanne (VD)

Address: Avenue de Provence 2, 1007 Lausanne

Date & time: Thursday May 17th 2018 – 9am

Contact's Position: Sales representative for VW

Contact's Name: Philippe Rattaz

Contact's Info: philippe.rattaz@amag.ch – O 021.620.62.26

Contact's age: Early fifties

Duration: 00 :55 :46

Website: <http://www.lausanne.amag.ch/>

The setting

The interview was conducted directly at the AMAG dealership in Lausanne. The showroom was very big, with a very high ceiling and wide-open spaces that let the light in very nicely while lighting the exposed models. Along the right side of the showroom were aligned a few desks which belonged to the sales representatives. After that was a nice little AMAG café, where I waited for Mr. Rattaz whom I was meeting with. The interview was conducted in Mr. Philippe Rattaz' office, who is a sales representative for the Volkswagen brand. As opposed to the other interviews that were conducted with marketing managers, it was very rewarding to speak with someone who is in direct contact with customers and can witness the impact that digital marketing and the increasing information availability has on the relationship with customers. The discussion was however more focused around the sales perspective.

As usual the interview started with an introduction to the subject and went along with the questions.

Use of digital marketing

In terms of digital marketing, the dealership communicates through social media and use various digital tools.

When talking about the showroom, the sales representative mentions that there is a lack of digital tools. He believes that digitalizing the price lists, the entrance and the manner of greeting along with the advice, service and sales support would go into the direction of the customer, who is increasingly digital.

Augmented Reality

Mr. Rattaz believes the augmented reality tool can have a positive impact on sales relation.

« *Il faut qu'on change la méthode au niveau de la vente, pas qu'elle soit fade* » – Philippe Rattaz, May 17th 2018

“*We need to change the method on a sales level, for it not to be bland*” – Philippe Rattaz, May 17th 2018

He says that today the sales method needs to change. Today everything is connected and tactile. Customers need a follow up from what they get outside the showroom.

« *Il manque le côté vivant* » – Philippe Rattaz, May 17th 2018

« *It lacks the liveliness* » – Philippe Rattaz, May 17th 2018

Today when the sales representative sits down at his desk with customer in order to settle the final steps, they find themselves in front of a screen which offers no interactions for the customer to take part of. It is not modern enough anymore. The customer need to be able to participate. The configurators that are on the brand websites are a good tool, however they are not good enough yet.

Mr. Rattaz says that he need to motivate the customers, especially after everything they have seen in terms of digital marketing on the outside. There needs to be a sequel to what the marketers do when the customer walks into the dealership's showroom.

Nowadays, the sales representatives do not have enough digital tools they can use with the customers.

Reach

He believes that digital is a useful tool.

Trial – Consumer Journey

According to Mr. Rattaz, it is difficult to say whether customer loyalty has been affected by digital marketing. He does not believe that digital effort will make the customer more loyal, he still uses old school methods when it comes to customer follow-up. He says that through digital marketing we do not necessarily know who appreciates it and who does not. Customers should not be overwhelmed with information.

When talking about the different car configurators, Mr. Rattaz agrees that this tool leads to a follow up from the customers and pushes him to visit a dealership. He mentions however that the customers often come to the dealership because the configurator was not working properly. He adds that maybe this is good thing that they do not work perfectly, therefore the customers will come into the dealership. One positive element of the online configurator though, is that at the end of the customer's configuration come a QR code which they can bring to the sales representative for further personalization. The interviewee does mention that it might be a good thing that the online configurator is not fully functional, however it should be for the sales people. He concludes by saying that there is a great lack of interaction for the client in the dealerships. He adds to his that this issue is not improved when looking at more premium brands.

Pricing

Mr. Rattaz believes that pricing would be a small barrier. The print description that is usually next to the cars in dealerships could be replaced by digital tools such as tablets for instance. This would allow the customer to look at the colours and the performance of the car rather than seeing the price directly.

Different options are however available to the sales representative to reduce the price of a car he mentions.

Uniqueness Factor

The Amag sales representative believes that digital tools are very useful to communicate the uniqueness factor of a brand. The digital efforts can personalize a brand.

Better informed customers

According to Mr. Rattaz, customers today are much better informed. He says that when he talks to customers, he does not need to go into too many details anymore, which used to take a lot of time and was not very interesting for the customers either. All the research the customer does beforehand is good for the sales representative.

« Les gens viennent très informés » – Philippe Rattaz, May 17th 2018

«People come very informed » – Philippe Rattaz, May 17th 2018

What would however be great he says, is that there should be a certain follow up when they come into the showroom.

Better understanding of the customers

Mr. Rattaz says that from a sale's perspective it is difficult to say. He does however mention that it does in some way simplify his job, by avoiding him to have to do through all the small details of the car as the customers are already aware of them. This is for him a time saver. The customer however still need to touch the car physically before buying it. Even with all of the digital tools available today, there is still this part that is tangible, which is when the customer comes to the showroom. The good and bad sides of the car, along with the colours, the wheels, etc., will already have been looked at by the customers before he goes to the dealership.

It is however difficult, according to the sales representative to truly understand what the customer is feeling. Nonetheless, when the customer raises a question, he will be able to notice that the clients has already been digitally informed prior to his visit.

On a side note, Mr. Rattaz mentioned that dealerships are often located next to shopping centres. He mentioned that often when the wife goes shopping the husband will go have a look at the cars.

Change in the relationship with the customers

Mr. Rattaz does say that overall the relationship with the customers has changed in some ways. It has made some part of sales process easier as the customers come more informed. But there is still a huge lack between what the customer gets online versus what he receives when he walks into the dealership.

Geneva International Motor Show

It is today still crucial for a brand to attend the Auto show, according to Mr. Rattaz. He argues that a lot of brands are not present at the show any more, because it represents a big investment for the manufacturers. Some brands however, reduce their investment and the size of their stall, but still remain present and other brands that simply do not invest in the show, as they might not have any new model to present during that particular year. Mr. Rattaz says that it is okay to reduce the size of that stall, this shows that the manufacturer wants to reduce his cost but is still present.

« Tant qu'on est présent, on montre quand même une stabilité et une solidarité » – Philippe Rattaz, May 17th 2018

«As long as we are present, we show stability and solidarity» – Philippe Rattaz, May 17th 2018

He also adds to this that to welcome his customers there is a sign of respect and that the sales representative is always available for any questions. More than that it is an opportunity for the customers to communicate with their seller and car geniuses.

« Être au salon est primordial pour l'image » – Philippe Rattaz, May 17th 2018

«Being present at the show is fundamental for the brand image» – Philippe Rattaz, May 17th 2018

Philippe Rattaz however argues that the show does not generate any direct sales anymore. He says that during this event, he has to put on a show for the customer and take good care of him. More than that, what is crucial is to create a bond with the customer, so that when he walks around the show he will not want to buy a different

brand, but mainly so that he will not want to make a deal with any other sales representative.

New Trends?

Mr. Philippe Rattaz – Sales representative's vision:

The industry is moving quickly, there are more and more rules and norms to follow.

Mr. Rattaz believes that the interaction with the customers should be very digital while combining human interactions. He mentions that often when a customer come to the dealership for a service he does not really know where to go. What he would like to see coming in this area is a 'palace like' welcome, where the garage employees would know the name and the arrival time of the customer. In parallel, the customer would be greeted with a special welcome and he would be notified the day before about when to go and who will be taking care of him. This Mr. Rattaz mentions is very important.

Outstanding words/ideas

- Digital is a strong tool, but there is still a lack in the showroom
- Offer more digitalization and service to the customers

Quotes

« Il faut qu'on change la méthode au niveau de la vente, pas qu'elle soit fade » – Philippe Rattaz, May 17th 2018 – *Augmented Reality*

« Il manque le côté vivant » – Philippe Rattaz, May 17th 2018 – *Augmented Reality*

“Tant qu'on est présent, on montre quand même une stabilité et une solidarité” – Philippe Rattaz, May 17th 2018 – *Geneva International Motor Show*

« Être au salon est primordial pour l'image » – Philippe Rattaz, May 17th 2018 – *Geneva International Motor Show*

«Les gens viennent très informés» – Philippe Rattaz, May 17th 2018 – *Better informed customers*

Appendix 8: Themes analysis table

	THEMES	SUB-THEMES	INTERVIEW 1	INTERVIEW 2	INTERVIEW 3	INTERVIEW 4	INTERVIEW 5	INTERVIEW 6
	Size of the dealership	Group - 4 dealerships	1 garage	Group - 5 dealerships	Group - many countries (CH-FR-DE)	Group	Group	Group
	Use of digital marketing (%)	25%	-	50%	70%	10%	Digital marketing represents 20% of revenue generated	
	Effectiveness						Experience as a sales representative for different brands for 18 years	Early fifties (50)
	Age (as an influence)	Mid thirties (30)	Late fifties (50)	Mid forties (40)	Mid forties (40)	-		
	Educational background/experience (as an influence)	Learnt on the job no prior studies in the field	Experience in previous dealership for various car manufacturers - Practical experience	Previous experience in the hotel industry and teacher in bachelor program - Practical & theoretical experience	-	-		
	Tools	Social media: Facebook, Instagram, LinkedIn & YouTube // Digital: proper and corporate websites - news, events and offers (customers loyalty) // Traditional: phone calls, monthly newsletter	Social media: Google +, Facebook // Digital: proper and corporate websites, AutoScout24 // Traditional: newspaper, car banners	Social media: Instagram, Facebook, (Twitter, LinkedIn - lack of human resources) // Digital: Google AdWords, banner campaigns // Traditional: Specialized magazines (BMW motorikes), monthly newsletter	Social media: Facebook // Digital: proper and corporate websites, banner adds - measurement of the nbr of clicks, AdWords - target the customers and the public in a faster and more efficient manner // Traditional: sms, monthly newsletter	Social media: Facebook // Digital: proper and corporate websites // Traditional: monthly newsletter	Social media: Facebook // Digital: proper and corporate websites // Traditional: monthly newsletter	Social media: Facebook
1	Use of digital marketing	Purpose (how DM is used by the dealer)	Pushed especially by BMW Swiss to use more digital marketing // Information availability // Customer loyalty mainly through newsletter and personal phone calls (2x a year) to existing customers	Keep customers informed on about events - Facebook	Highlighting the Faccinetti brand // Difficult to promote the dealership's brand through traditional means !! // Social media & digital = to promote Faccinetti // Promotion of the service around the car they offer to the customer // Social media = opportunity to answer customer questions at the early stages of consumer journey	Brand advertising on a digital level (Print adv. of the manufacturer by the manufacturer	Not specified	Sales perspective: lack of digital tools, digitalization is necessary in the showrooms, customers are increasingly digital and we need to go in their direction in advice, service and sales support
	Comments			Still use a lot of print advertising // Not a very high use of digital // mentions that corporate website very useful for the var configurators - always up to date nad functioning // Does believe however believe that digital is very important QUOTE p.8 (1)	A determined part of the marketing budget is allocated to print advertising as per Brand company guidelines. The rest of the budget is allocated to digital		Push marketing effort to digital since 1.5 years // rand advertising on a digital level // Mentions that Emil Frey is already a well established group as well as brand awareness	

	Potential use	Entertainment for the customers QUOTE p.3	Very easy to use QUOTE p.8 (2)	Still reluctant - but would be to generate sales	Are currently working on such a tool	Sales perspective: Positive impact on sales relation - Sales method today needs to change - Customers need a follow up from what they get outside the showroom - today the showroom lacks liveliness QUOTE p.27
2	Augmented reality	Attract consumer into the dealership // Convince consumers by exploring cars in an immersive way // Great because difficult for dealerships to have all the models exposed + get a feel of every model	Comments (of integrating AR into showrooms)	What to do with the many cars that are already in stock? // AR = giving consumer infinite choice regarding customization	AR is a decision taken by the car manufacturers themselves and not the dealerships // Very reluctant to using it today - something new? Or because customers can already touch the cars physically in the showroom	New technologies often breaks down // The disappointment from the customers would be too important
	Strong points	Very big investment for the dealership = CHF 300000.-	Comments	Believes that the future of dealerships' showrooms lies in augmented reality → this shows that even though he is not digital savvy and that this age has an influence on the use of digital marketing, that he can still see that a change will be inevitable	Reach more // Digital tools in terms of reach offer more opportunities QUOTE p.15 // Very important to use media in order to create an impact on the other end (consumer)	Impossible to say
3	Reach	Reach more - quick - in an easier manner	Effectiveness (can be measured?)	Reach depends a lot on the product that is highlighted	Very difficult to measure the return of different action taken in the internet	Not sure that digital marketing really has an impact here
	Drawbacks	Targetting is facilitated and made more precise	Comments	Many views not necessarily result in many sales	Impossible to say whether reach is bigger through digital marketing	Sales perspective: Yes it is a useful tool
		Digital marketing depends a lot on the target customer - Can't use digital for every age range		Ex. a post on facebook might generate a lot of views, but what does it really mean	Quantity ≠ quality // Difficult to attract new customer & more costly	
		Depending on the brands, different models target different segments → can't use the same tools for every segment // For older consumer digital marketing would not have an impact and would be a waste			Most of the customers are returning customers // Use all the media and combine them // Event creation is also an important media // Social media as a complementary tool to other means // Consumers need to see the content appear many times in different places	

What is impactful?	Online configuration	<p>Very important to be present <i>in consumer's mind at all times</i> - Made easier through digital means such as social media // Presence on social media important throughout the entire journey - It is a loop - QUOTE p. 16</p>	Digital very important during the early stages = Being present in people's mind - AFTER purchase even more important	Customers should not be overwhelmed with information
Consequence	If very well done - increase the chances of the customer walking into the store (if not well done, consumer will go to another website or brand)	Very difficult to measure (very demanding task) -> relevant also to the size of the dealership - IMPORTANT: some customers are very sensitive to contact and like to get attention and feel valued (mail, message & updates,...) but some might get annoyed	Customers in general are less loyal - Price is often an incentive for customers to change, but often comes back if service is poor	Clearly better retains customer loyalty
Customer loyalty	This is very important for dealerships - QUOTE p.4 - Replaces the first encounter with the brand and the dealership!!!	Obliges dealerships to adapt to customer's behavior	Already well-established brand in CH, digital will not bring much //	Sales perspective: Impactful tool in to communicate the uniqueness of the brand
Comments		Digital marketing is not ± important than traditional marketing - Uniqueness factor on an emotional level, for that digital is not necessarily the way	Towards their competitors digital marketing can bring a lot, 'Strategic location on website or app' - Being part of a large group has advantages -> volume discount (ex. AutoScout24 and 20 minutes through annual contract) difference in terms of visibility and on the budget	Sales perspective: Very useful & can help personize the brand
Unique factor	Differentiation	Emotional level	Can be used as brand differentiation, as not all dealerships use digital marketing efficiently	Identity of the brand is more distinctive
	Comments	Digital marketing in terms of uniqueness factor can bring a lot to small garages		

6	Cost effectiveness	Ideas	More return with a small budget	Cheaper & reach much faster	Reach a wider audience relatively cheaply // Cost vs. Impact => digital marketing is more effective // Cost of spreading a message on digital platforms is much lower than through traditional means
	Caution	Depends on what wants to be achieved and what the ultimate goal is // Again depends on who the target is		Tricky part: it's cheap to publish a message on digital media, but the creation of content takes time and effort which can me costly. The message needs to be striking and meaningful or the post will be overlooked.	Reactivity & price Without a doubt digital marketing is cost effective
		Comments		Often the combination between paper and digital works well	The average cost of each person reached by digital actions is easily measurable when compared to traditional means
7	Better understanding the customers	Tools	Click rates - help understand what interests the customers - after the motor show visits on the website increases, this shows an interest in cabriolet cars // Facebook - can see customers' reactions on the different posts and pictures - understand what is more impactful and know how they like to be addressed to	Advertising through print can be up to ten times cheaper	Sales perspective: Difficult to say! It does in some way simplify his job - avoids going into small details - time saver // Difficult to understand what the customer is feeling - however he can notice depending on the questions asked that the customers has already looked for information
		Advantages		Allows her to better understand what the customers are interested in (in interview 4 - reach)	Different platforms allow to see the customer's reaction to publications and adapt them accordingly
		Comments		Understand what the buyer does at each stages in his buying process and where he searches for information in the stages - 1. Official brand websites - audi, mercedes, bmw 2. Brand website and look at the different models 3. When he decides to buy the car he will turn to the dealership for precise info	Digital means allows her to better understand what the customer is interested in and change or adjust the offer and communication accordingly - banner ads on AutoScout24
					AutoScout24: get feedback on the number of clicks that the ad generated and compare it to average number of clicks an ad generates - Change the ad accordingly

10	<p>New trends</p> <p>City commerce - less and less customers come to the dealerships, more questions on the internet - Customers would be informed by product genuses and not sales people - Dealership would only have a role of showroom and representation in cities with use of augmented reality tools - Customers would be well informed and buy directly online -> Allow for a lot of data on the customers 'Would save money' ? -> Allow to do more impacting things? - Depends on the evolution of the automotive industry in general</p> <p>Comments</p>	<p>.....Swiss people still need personalized direct contact compared to other countries // Standards of importers keep changing, lately they have taken a step back // Huge showrooms - does it really offer more or does the brand bring the customers?</p> <p>Receive to much information and the customer will grow tired of assimilating junk info daily</p> <p>QUOTE p. 11 (2) - Will become difficult to communicate with the customers</p>	<p>.....Marketers still underestimate the creation of relevant content on digital platforms // Stuck in the stage of which media are we going to publish on 'rather than what the message should be // Should touch customers in an emotional way --> psychologists</p>	<p>Sales perspective: The industry is moving very quickly - more and more norms to follow // Palace like 'welcome for the customers'</p> <p>For the dealership --> 2019 reduce traditional communication to 0 // Greatly invest in digital communication especially in young brands and models</p>
11	<p>Digital marketing - negative impact</p> <p>Comments</p>	<p>Leaves a trace whether positive or negative</p> <p>Cannot control the negative comments</p>	<p>Not everyone is digital</p> <p>Need for having to be everywhere & increasing need to stand out</p>	<p>24/7 transparency</p> <p>Need for an immediate answer</p>
12	<p>If no more digital marketing ?</p>			<p>Will have a great impact on the 'Top of Mind' // Social media has a very important role to play here // Customers might still come to the dealership, but might be by lack of choice or proximity --> Very important tool in terms of brand awareness --> Dealerships should invest into it --> promote the service and added value // Brand awareness is very important --> Stay in customers' mind !</p>