

# TODAY'S BIGGEST AUCTION BUYING PROBLEMS

*AND HOW TO AVOID THEM*

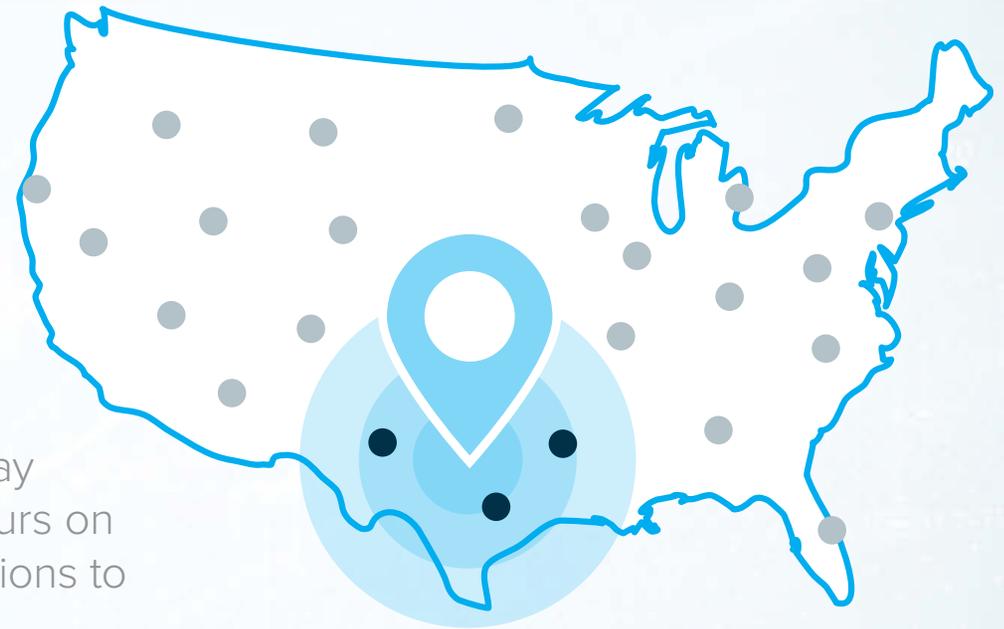


# WHOLESALE BUYING IS BEHIND THE CURVE.

People do everyday tasks more efficiently today than they did 20 years ago, especially shopping. Instead of driving from store to store, they just go online and buy everything they need with a couple clicks. Practically everyone is using technology to save tons of time purchasing what they need. *Everyone except wholesale vehicle buyers.*

Wholesale buyers still purchase vehicles the way they always have — spending way too many hours on research, and then going to local, physical auctions to make their purchases.

***40 hours/week spent sourcing wholesale inventory***



*Local, physical auctions often preferred*

# BUYING INEFFICIENCY CUTS PROFIT POTENTIAL.

As you'd expect, these old, inefficient buying habits come with a price. Wholesale buyers often come home from auction with vehicles that aren't right for their market or their inventory. In fact, 70% of the aged inventory sitting on dealers' lots consists of vehicles that came from auction.

***70% of aged inventory comes from auction***

As a result, dealerships experience lower sales and a lower return on their investment in these vehicles.



*Lower sales and ROI*

# YOU CAN'T AFFORD UNNECESSARY PROFIT LOSSES IN TODAY'S MARKET.

NADA reports that the average dealer saw a net loss of \$2 per used vehicle retailed last year — a telling sign of today's margin-compressed market. With margins so tight, you can't afford to lose any profit potential due to inefficient sourcing.

## ***-\$2 net profit for used vehicles***

Dealers have to find a way to make money on auction-sourced vehicles, which includes more off-lease cars, SUVs and trucks. This mix means more opportunity for dealers, but also more risk of bringing home the wrong vehicles for the wrong money.



*Off-lease vehicles  
hitting auctions in 2018*

# EFFICIENT WHOLESALE SOURCING IS **THE KEY TO PROFITABILITY.**

With today's market volatility and increased competition in the lanes, wholesale buyers have to be more efficient. You still have to source from auction, but you have to do it efficiently and prevent mistakes that kill profit potential. Those old buying habits simply won't work anymore.

# TECHNOLOGY MAKES IT POSSIBLE.

It's time to start using the technology that's available today to shop at auction the way you shop online.

**Read on for three tips for using technology to keep your wholesale buying process efficient — and profitable.**

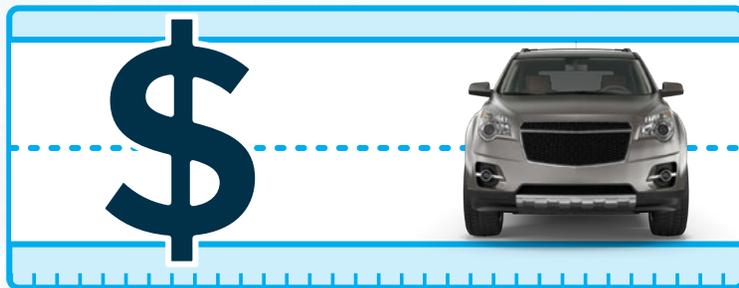


# 1

## ALIGN YOUR AUCTION-SOURCING EFFORTS TO YOUR RETAIL PROFIT OBJECTIVES.

When searching for a wholesale vehicle, put your profit objectives first. Today's technology makes this possible, allowing you to:

- See vehicles that will make you money.
- Limit your aged inventory potential.
- Know what you're getting out of a car before you get into it.
- Eliminate mistakes in the lanes.
- Avoid wasting time evaluating vehicles that aren't right for you.



**The technology keeps you focused on vehicles that will sell fast and make you money.**

# 2

## EXPAND YOUR AUCTION NETWORK.

The best vehicles for your market are not necessarily the ones appearing at your local auctions. It's important to consider vehicles at auctions nationwide. Today's technology makes this possible, allowing you to:



- Find the cars you're missing at your local auctions.
- Filter out locations you know you don't want to buy from.
- Get condition reports, vehicle images, guarantees and more to feel secure in your purchase.

**Trust the technology, and your location will no longer limit the vehicles available to you.**

# 3

## TURN YOUR ATTENTION TO IMPROVING PERFORMANCE.

Remember, you're spending about 40 hours a week researching and preparing for auction. And that time is costing you. Today's technology helps you reduce those time inefficiencies so you can:

- Spend more time managing your dealership.
- Close more deals.
- Boost morale by acquiring vehicles that increase profitability.

COSTS ↓

PROFITABILITY ↑

**Let the technology do the work for you, and you'll have more time to improve your dealership's performance.**

# LEARN FROM **SUCCESSFUL DEALERS.**

Today's top-performing dealers are the ones using today's technology to apply these three tips to their wholesale sourcing process.

**Read on for two examples.**

## **SUCCESS STORY #1**

# **Simon Fields**

**General Sales Manager**, Lexus of Louisville  
Louisville, Kentucky

### **THE OLD WAY**

Simon used to spend hours researching run lists for nearby auctions, and he relied on guesswork to choose the vehicles he thought he could make money on.

### **THE NEW WAY**

Now Simon uses today's technology to quickly find vehicles with real profit potential at auctions nationwide. His results:

- 90% faster process
- 100% increase in sales volume
- **40% increase in front-end gross**



## **SUCCESS STORY #2**

# **Tony Rammer**

**Dealer Principal**, Auto Kingdom  
Blaine, Minnesota

### **THE OLD WAY**

Tony's team was spending 30 hours a week on vehicle sourcing, but still struggled to find the right cars for the right price.

### **THE NEW WAY**

Now Tony uses today's technology to streamline his wholesale buying process and make more money. His results:

- 90% increase in time savings
- 8% improvement in cost to market
- **5% increase in profit margin**



# GET AHEAD OF THE CURVE.

People around you are already using today's technology to change the way they find cars. As a result, they're also finding new efficiencies in how to run their businesses. And it's working, so this technology isn't going away anytime soon.

In fact, if online shopping is any indication, things are only going to start moving faster. So now's the time to get on board and start taking advantage of this new source of profitability for your dealership.

Learn more at [vAuto.com/getahead](https://vAuto.com/getahead)

## ABOUT US

vAuto® provides innovative technology, tools and business intelligence to thousands of dealerships across the United States and Canada, helping them compete more effectively and increase new/used vehicle sales volumes and profits. Founded in 2005, vAuto revolutionized dealers' used vehicle operations with the groundbreaking Provision® Suite of tools. Leveraging the Velocity Method of Management®, pioneered by vAuto's visionary founder, Dale Pollak, the Provision Suite guides used vehicle acquisition, appraisals, pricing, merchandising and more based on real-time, local market supply-and-demand data. In 2016, vAuto launched Stockwave to serve as the foundation for a suite of wholesale inventory acquisition solutions.

