

Automotive Finance CX

EXECUTIVE SUMMARY

Executive summary

In the dynamic landscape of automotive finance, rapid digitization, shifting competitive dynamics, electrification, and evolving business models are reshaping the industry paradigm. While auto finance companies have played a crucial role in enabling affordable vehicle ownership and fostering brand loyalty, customer perception has stagnated at a merely satisfactory level, falling short of the excitement and advocacy achieved by leading brands in other industries.

This comprehensive research study, conducted by Genpact and horyzn.io, aims to identify actionable customer experience (CX) insights for automotive finance companies to differentiate in a competitive and agile market environment. The study seeks to help companies deliver exceptional customer experiences, create stickiness with the customer ('wow' effects), and attract customers to engage in their ecosystem more frequently and with higher value-add.

Key findings of the study include:



Sub-optimal customer satisfaction

56% Of customers are not fully satisfied

56% of customers are not fully satisfied with their current experience with automotive finance providers, with notable pain points in customer service during contract lifecycle and end of term phases. This highlights the need for finance providers to prioritize addressing these fundamental issues and ensuring a solid foundation of customer satisfaction before focusing on additional excitement factors that go beyond basic expectations.



Missed end-of-term opportunities

44% Of customers have not received an end-of-term offer

An astonishing 44% of customers are not aware of having received an end-of-term offer.



Growing online preference/affinity

64% Of customers prefer digital channels

18% Actual total usage of apps and portals

64% of consumers prefer digital channels across the entire customer lifecycle. However, actual usage of apps and portals is low at less than 18%. This emphasizes the strong need to upgrade the user-friendliness and process flow integration of digital tools, as well as increase attractiveness for customers through self-service features, personalisation of dashboards, gamification, and integration into the automotive and/or financing ecosystem.



Appreciation for human interaction and emotional resonance

Despite growing online affinity, customers value the option for human interaction at critical junctures of the finance purchase and in-life journey. This sends a clear message to automotive finance business leaders that their customers want digital/online experiences without sacrificing the human and emotional touch.



Strong desire for personalization

61% of customers are willing to share their personal data in return for tailored products and services. 44% appreciate driving behavior affecting their insurance premiums, and 47% expect end-of-term offers customized to their brand relationship, future needs, and preferences.



Customers demand better rewards for their loyalty

48% Of customers interest in loyalty programs

80% motivated to engage more rewards for loyal customers

48% of customers express interest in loyalty programs, with 80% motivated to engage more with their autobank's digital channels by rewards for loyal customers. Incorporating gamification techniques and value-added features can significantly boost customer engagement, retention, and satisfaction.



Finance-first thinking gains traction

37% Of customers now start their journey by researching financing options to meet their budget

37% of customers now start their journey by researching financing options to meet their budget before deciding on a vehicle. This highlights the importance of transparent, competitive financing offerings and the potential for finance providers to engage customers earlier in their decision-making process.



To thrive in this rapidly evolving mobility era, this study recommends automotive finance companies:

Strengthen basic services

Build customer trust through clear, easy-to-understand communication, transparent pricing, and swift, efficient processes.

Empower customers

Develop a robust omnichannel strategy for a seamless CX, ensuring consistency across touchpoints.

Invest in digital tools, AI-powered solutions for personalization, while maintaining the option for human support, both offline and online,

Excite customers

Introduce engaging loyalty programs and value-added services to drive retention and differentiation. AI-powered tools can help create 'wow' effects through hyper-personalization and gamification.

In conclusion, by embracing digital tools, investing in personalized experiences, and introducing engaging loyalty programs, automotive finance businesses can exceed customer expectations, fostering loyalty, driving growth, and differentiation in an increasingly competitive landscape.

It's time for automotive finance companies to take action, transform customer experiences, and become pioneers shaping the future of the industry.

Get In Touch for More Details

If you would like to discuss this report in detail or request the full study, please get in touch with:



Alwin Bathija

Partner, Head of Consulting, Financial Services DACH, Genpact

alwin.bathija@genpact.com



Philipp Raasch

CEO, horyzn.io

philipp.raasch@horyzn.io

We look forward to exploring how our insights can help you enhance your customer experience strategy.