



Instant Cash Offer

Your Guide to Acquiring Profitable Inventory

In today's challenging market, maintaining robust inventory levels is crucial for your dealership's success and profitability. Implementing a strong acquisition strategy supported by digital tools and transparent processes can help you stay ahead of the competition.



When we look at channels in inventory acquisition our best channels are trade-ins and Kelley Blue Book Instant Cash Offer. We can look at the real true ROI and gross profit.

- **Ralph Fast**, General Manager, Team Nissan



To ensure you are acquiring the quality, in-demand inventory you need, it's time to **reevaluate your strategy, your processes, and your technology.**

In this guide, you'll learn what actions you can take to **create inventory opportunities and maximize profitability** as well as valuable acquisition best practices, including:

- Develop a diversified sourcing strategy
- Create a consistent and transparent appraisal process
- Use data and insights to maximize opportunities
- Align workflows and get more from your tools

Develop a Diversified Sourcing Strategy



While traditional sourcing methods can help supplement your inventory, you can also expect to compete with the deep pockets of big used-car retailers and lose gross to auction and transportation fees.

Beyond wholesale auctions, get creative with acquiring vehicles from every possible source out there, especially from consumers.

Proactively Acquire Vehicles Directly from Consumers

Connecting with transaction-ready shoppers about acquiring their vehicle has major untapped potential and can be done in many ways. Turn that potential into profit by:

- Optimizing your website for digital retailing
- Hosting buying events
- Sourcing from your service lanes

By acquiring inventory directly from consumers who are ready to sell or trade in their current vehicle, you can avoid fees, wholesale competition, and time-to-market delays. **And if they are looking to purchase a replacement vehicle, you have the opportunity to sell them one of yours.**

#1

Kelley Blue Book® Instant Cash Offer is the most used tool for consumers to dispose of their vehicle.*

Develop a Diversified Sourcing Strategy



Put It into Action:

- Start by connecting with consumers outside of your “normal” dealer channels.
- Align your workflows and leverage the tools you use every day to deliver the omni-channel experience your customers want while identifying the right cars to acquire for your market.
- Pursue opportunities everywhere your staff interacts with consumers. Engage with them on your website, in your showroom, and in your service lanes to make sure you never miss a chance to acquire inventory.
- Measure the success of each acquisition. Review your Look-to-Book ratios, then focus on how your dealership can be even more efficient when it comes to acquiring trade-ins so that you can maximize profit on each vehicle.

INCREASE YOUR LOOK TO BOOK BY 4% AND GET 8 ADDITIONAL CAR DEALS*



*percentage points, per 200 cars appraised

Create a Consistent & Transparent Appraisal Process



Given that one of the first activities consumers complete in their car shopping journey is finding out the value of their current vehicle, the appraisal process can make or break a deal. Transparency is key when it comes to creating trust in the appraisal process. Consumers now spend significant time researching trade-in values online, with the average consumer receiving 2.6 cash offers*, so it's important to provide the information they need to move forward confidently in the buying journey and sell or trade in their vehicle with you.



Kelley Blue Book has reduced friction through brand trust... Once the Instant Cash Offer pops up and says Kelley Blue Book® Instant Cash Offer, that immediately builds credibility.

- **Matt Smith**, Assistant Used Car Manager, BMW of Murrieta



Put It into Action:

- Establish a consistent appraisal process with the help of a digital trade-in tool that empowers any representative in your dealership to complete appraisals with customers.
- Offer appraisals online, in store, and in the service lane to find acquisition opportunities in every area of your dealership.
- The right solution should educate customers on how their vehicle valuation was determined to increase understanding and reduce friction.

Create a Consistent & Transparent Appraisal Process



Follow Up on Appraisals and Offers

Prevent leads from going cold. Once you see that a customer has started a vehicle valuation, meet them where they are in the process. Continued communications that focus on acquiring the customer's vehicle will help keep your dealership at the top of their mind and pay off when they are ready to make a transaction.

Put It into Action:

- Develop a consistent follow-up strategy.
- Set up a communication cadence, such as:

- **Day 1:** Send an initial response to the customer with a manual email and phone call

- **Day 3:** Break in follow-up communications with a manual email and phone call

- **Day 7:** Auto-send emails to schedule a call or text

- Your follow-up process shouldn't end there. Stick with the lead. Continuing the long-term follow-up strategy for 90 days has proven to be successful and helps dealers acquire inventory sooner.

Use Data and Insights to Maximize Opportunities



Ryan Smith



Ready to Buy

Interests:

Used, SUV/Crossover, 40k-50k
Updated 1 day ago

As consumers shop online, they leave behind a digital trail of insights into their purchasing timeline and vehicle preferences. Utilize this data to maximize your inventory opportunities.

Prioritize leads based on who may be ready to buy. Follow up with them quickly to make the most of every opportunity to acquire inventory and boost profits.

This view is possible with
Kelley Blue Book® Instant Cash Offer Buying Signals

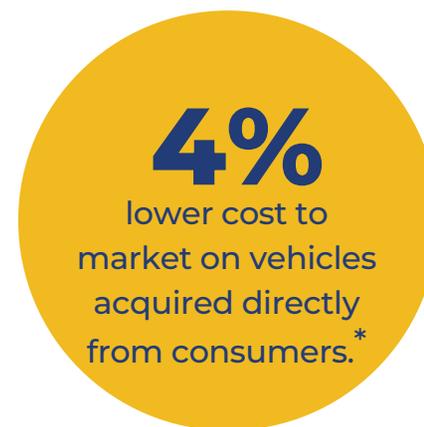
Put It into Action:

- Target the right shoppers at the right time with the right message. By doing so, you can provide a better end-to-end car shopping experience.
- Follow up with personalized messages or targeted offers and close the deal before your competition does.

Align Workflows and Get More from Your Digital Tools

Having the right tools and technology in place will help your dealership grow. Your solutions should work together, creating efficiencies that benefit both you and your customers.

Consider how you can align your workflows to connect with transaction-ready shoppers, identify quality inventory that's right for your market, and employ consistent appraisal processes.



Put It into Action:

- Integrate your acquisition tools with your inventory management software to identify which vehicles match your inventory needs.
- Align your digital retailing process with your inventory acquisition process to provide your customers a better end-to-end experience.
- Implement a consistent and connected appraisal process to make accurate appraisals and improve your cost-to-market.

Maximize Your Acquisition Opportunities



As we continue to face supply and demand challenges, the ability to acquire the right vehicle at the right price will remain a critical factor in achieving success.

Kelley Blue Book® Instant Cash Offer gives you the tools you need to provide trusted, redeemable offers for vehicles on your website, in your showroom, and in your service lanes, enabling you to make the most of every opportunity and acquire quality inventory directly from consumers who are ready to sell or trade in their current vehicle.

Win more of the inventory you need to be profitable with Instant Cash Offer from Kelley Blue Book – the #1 most trusted site among ready-to-purchase consumers.*



Instant Cash Offer

Ready to see how Instant Cash Offer can improve your inventory acquisition process?

Request a personalized review at

b2b.kbb.com/ico

