

International research project wants to make car and motorcycle dealers fit for the future

New key qualifications require rethinking and training of retailers

A project, supported by the European Union, identified the future challenges and related key qualifications for the automotive trade in Europe (cars and motorcycles), which were compared to the point of view of automotive retailers. Here a big mismatch regarding the perception between experts and retailers was determined. While retailers still adhere to the traditional approach of selling of products, experts believe that customer and service oriented sales (e.g. mobility as service) in connection with professional management will be the successful approach for the future. This requires new abilities and skills for retailers and their sales people. Based on these findings training methods for the education of future retailers and sales people as well as suitable teaching concepts and materials for universities are to be developed.

Researchers of the University of Applied Sciences Upper Austria in Steyr work in conjunction with partner universities from Ancona (Italy), Gdansk (Poland) and Mladá Boleslav (Czech Republic), KTM-Sportmotorcycle AG, Škoda Auto and the training company Snap-On Business Solution to prepare automotive dealers for the future. At first 21 experts, 152 car retailers and 63 motorcycle dealers from Austria, Czech Republic, Germany, Italy and Poland, mainly small and medium enterprises, were interviewed about future challenges and key qualifications for success in the automotive sector.

New challenges for manufacturers and retailers

The automotive market faces vast challenges: both manufacturer and retailer are confronted with multi-brand management, online sales, limited financing possibilities as well as the issue of understanding and handling mobility as a service. The point is to advance from the classical selling of product to a solutions and service provider. Therefore, the retailers play a key role in successful automotive sales. However, they often aren't aware of the rapid changes in their market and fight severe deficiencies in the management and sales of their brands and products. The findings of the recent survey among experts and retailers reflect this.

Retailer lack customer and future orientation

The retailer survey in Austria, Czech Republic, Germany, Italy and Poland revealed the areas in which the retailers need training for their sales staff. Car and motorcycle dealers named product knowledge as the most important qualification of their sales staff, followed by know-how, abilities to sell new and pre-owned cars and so on. (see graph). Only far behind these rather product-oriented factors, knowledge about financial management, marketing skills or the usage of new / social media are mentioned. Although there are slight differences among the countries, for example, Italian retailers have a stronger focus on e-commerce, automotive retailers generally hold on to factors which have proved successful in the past. In the future and for the rapidly changing markets this strategy fail them.

Experts: customers and employees decide in competition

Experts in the automotive industry, training institutions, universities and media spotted significant deficiencies especially regarding management skills like planning, acquisition of new customers, customer relationship management, the ability to understand and fulfill customer needs, the use of new media and a high service orientation. A key role in sales will be played by skilled and motivated employees who will be capable of emitting enthusiasm for the brand. This requires, apart from specialized product knowledge, excellent communication skills, great motivation and an understanding of customer's needs.

New skills require new training and educational concepts

Based on these insights an online self-assessment instrument for retailers has been developed to estimate their own skills, compare those with industry norms and identify potential areas for improvement. This can be the start for developing new training concepts and educational materials. Among these educational materials rank best practices, case studies, videos and literature. Besides the goal of optimally qualifying dealers, educational material and concepts for

universities and other educational institutions will be developed in order to secure the success of the automotive industry by educating sales people. All materials as well as the self-assessment test will be available. The self-assessment test from the project will be available presumably from April 2013 on.

This is the website of the project: <http://www.new-distribution-skills.eu/>

About the project:

The project, which has a planned duration of three years, is co-financed by the EU – the EACEA (Education, Audiovisual & Culture Executive Agency) – and all educational materials as well as all other instruments are publically available. In the long term this should support the competitiveness and preserve jobs.

Crucial project steps:

- Intensive analysis, during which also differences across Europe have been elaborated. The most important future fields of competence of retailers and university graduates, who would like to work in the automotive sector, have been assessed.
- Development of a wide range of practical educational material for the identified future fields of competence by using new media.
- Working out training concepts and design of a university focus.
- Development of the instrument for self-assessment – for retailers and students in order to identify own improvement possibilities. On this basis retailers and students can qualify in missing fields of competence.
- The closure of the project will be an international conference in Ancona, where the findings are presented and other research and training institutions are invited to present contributions (like case studies) related to the topic

Project partners are:

University of Applied Sciences Upper Austria, School of Management (Steyr, Austria)

Università Politecnica delle Marche (Ancona, Italy)

Škoda Auto University (Mladá Boleslav, Czech Republic)

University of Gdańsk (Danzig, Poland)

KTM-Sportmotorcycle AG (Mattighofen, Austria)

Snap-On Business Solutions (Reading, United Kingdom)

For further information please contact: christian.stadlmann@fh-steyr.at

What kind of training do you find crucial for sales personnel?

importance as index (0=not important at all, 100 = very important)

—▲— motorcycle retailers (n=63) —▲— car retailers (n=152)

