

Managing The Digital Customer Journey In Automotive Industry

Examining the Influence of Digitalization on the Evolution of the New Car Sales Process and Organizational Framework within the Realm of Information Systems & Management

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Abstract

Digitalization is fundamentally reshaping the automotive industry by transforming customer behavior, distribution systems, and the structure of new car sales. This review synthesizes academic literature and industry research to examine how digital technologies influence the automotive customer journey. The analysis focuses on omnichannel retailing, digital touchpoints, platform economies, and organizational adaptation. The review identifies major trends, empirical findings, managerial implications, and open research gaps. Results indicate that competitive advantage increasingly depends on seamless integration of online and offline channels, advanced customer data analytics, and hybrid dealership formats that combine experiential value with digital efficiency.

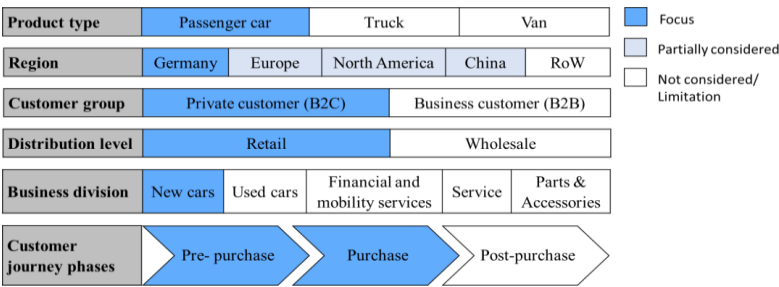
Index Terms

Automotive industry, customer journey, digitalization, omnichannel retailing, online sales, customer experience management.

I. INTRODUCTION

The automotive industry is experiencing a structural transformation driven by digital technologies. While electrification and autonomous driving redefine vehicle engineering, digitalization reshapes the commercial interface between manufacturers and customers [1], [2]. Traditionally, vehicle sales relied on dealership-centered models characterized by personal consultation and physical showrooms. However, increased internet penetration, mobile device usage, and digital platforms have altered consumer expectations. Customers now expect transparency, speed, personalization, and seamless interaction across digital and physical channels.

High-involvement purchases such as automobiles involve extensive information search and evaluation. Research demonstrates that consumers engage with numerous digital touchpoints before visiting a dealership [2], [5]. This development challenges linear sales funnel models and requires firms to adopt customer-centric omnichannel strategies.



II. DIGITALIZATION AND RETAIL TRANSFORMATION

Digitalization refers to socio-technical transformation enabled by data analytics, cloud computing, artificial intelligence, and platform ecosystems [3], [4]. In retail industries, these technologies have led to the emergence of e-commerce, digital marketplaces, and direct-to-consumer models. The automotive sector, historically slower in adopting online sales, is now increasingly influenced by similar dynamics.

Platform-based intermediaries reduce information asymmetries and transaction costs, thereby empowering customers [12], [13]. Manufacturers gain access to real-time behavioral data, enabling targeted marketing and predictive analytics. However, this transformation also intensifies competition and may disrupt traditional dealer networks.



III. EVOLUTION OF THE CUSTOMER JOURNEY CONCEPT

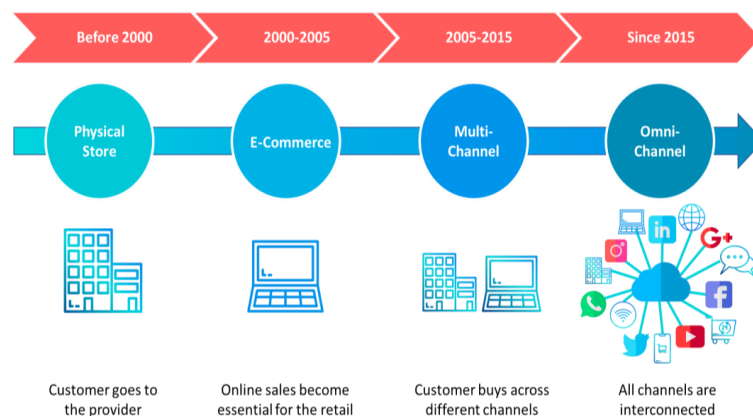
Early marketing models such as AIDA conceptualized purchasing as a linear process. Contemporary research reframes the customer journey as iterative and multi-directional [5], [6]. The consumer decision journey highlights stages of consideration, evaluation, purchase, and post-purchase loyalty loops.

In automotive retail, the pre-purchase phase has expanded significantly due to online configurators, comparison portals, social media reviews, and virtual showrooms [7], [14]. Customers often arrive at dealerships with predefined preferences, shifting the salesperson's role from persuader to consultant.

IV. OMNICHANNEL STRATEGIES IN AUTOMOTIVE RETAIL

Omnichannel retailing integrates online and offline channels into a unified ecosystem [5], [9]. Key components include centralized CRM systems, synchronized pricing, digital lead management, and consistent brand communication. Studies indicate that omnichannel customers demonstrate higher spending and loyalty compared to single-channel customers.

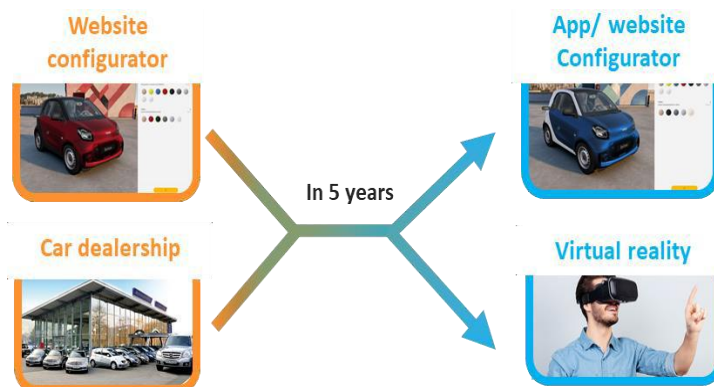
In automotive contexts, omnichannel strategies may include online vehicle configuration, digital financing applications, remote consultation, click-and-collect services, and online contract conclusion. Nevertheless, physical experiences such as test drives remain critical for trust and emotional engagement.



V. DIGITAL TOUCHPOINTS AND CUSTOMER EXPERIENCE MANAGEMENT

Customer experience management emphasizes the orchestration of all brand interactions [10], [18]. Digital touchpoints increasingly dominate early decision phases. Effective touchpoint management requires identification of high-impact moments of truth and alignment of digital and human interactions.

Artificial intelligence and analytics enable personalized recommendations and dynamic pricing [17], [29]. However, privacy concerns and regulatory requirements introduce governance challenges. Firms must balance personalization benefits with transparency and ethical data practices.



VI. ORGANIZATIONAL IMPLICATIONS AND DEALER TRANSFORMATION

The shift toward digital sales requires significant organizational change. Manufacturers must integrate IT systems, redesign incentive schemes, and redefine dealer roles [15], [16]. Dealerships increasingly evolve into experience centers focusing on advisory services, brand representation, and after-sales support.

Channel conflict remains a central challenge. Direct online sales may reduce dealer margins, while hybrid agency models attempt to balance manufacturer control with dealer participation. Successful transformation depends on collaborative governance and aligned performance metrics.

VII. FUTURE RESEARCH DIRECTIONS

Future studies should investigate cross-national differences in online vehicle adoption, long-term profitability of hybrid retail formats, and the role of artificial intelligence in shaping trust and loyalty [17], [18]. Longitudinal empirical studies are particularly needed to quantify digital transformation outcomes.

VIII. CONCLUSION

Digitalization is redefining the automotive customer journey by expanding digital touchpoints, enabling online transactions, and transforming distribution structures. Competitive advantage increasingly depends on seamless omnichannel integration, data-driven personalization, and redefined dealership functions. Firms capable of harmonizing experiential value with digital efficiency will be best positioned in the evolving automotive marketplace.

The automotive industry is experiencing structural transformation driven by digital technologies. Research emphasizes changing consumer decision journeys in high-involvement purchases [1], [2].

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