



# Owner Engagement

*The Foundation to Customer Connections*



## Overview

# Evolving Owner Relationships

High expectations from consumers, coupled with the rapid expansion of car connectivity and technology, are forcing automakers to quickly reassess their owner experience. Automakers no longer rely solely on their dealer networks to sell their products. Many automakers are providing subscription services directly to vehicle owners.

To stay better engaged with their vehicle owners, automakers must have more accurate and up-to-date vehicle ownership data to establish and maintain owner relationships. This is often easier said than done. It is quite common for automakers to lose track of their vehicles' owners, especially because two-thirds of used vehicles are sold outside of dealer networks in the United States.<sup>1</sup> These types of transactions create blind spots, making it difficult to trace the subsequent vehicle owners. Without an enhanced data strategy, automakers may miss out on the opportunity to establish relationships with their new vehicle owners and in turn, can miss out on nurturing those owner relationships.

### This whitepaper may help automakers to better:

- Understand used vehicle owners' expectations and preferences.
- Develop strategies to meet and exceed used vehicle owners' expectations.
- Identify data challenges when trying to connect to subsequent vehicle owners.
- Design a roadmap to engage used vehicle owners and further realize the investment of vehicle connectivity.
- Identify a more streamlined way to manage vehicle ownership changes and better maintain a master customer record file.

## Research Summary

In July 2023, LexisNexis® Risk Solutions surveyed U.S. vehicle owners who purchased or leased a used car, model year 2013 or newer, from a private party or independent dealership in the last three years. The objective was to uncover and map potential opportunities to enhance the vehicle ownership experience by better understanding used vehicle owners' expectations.

Three stages were uncovered to extend better customer relationships across the vehicle ownership lifecycle:



### OWNER ENGAGEMENT

Vehicle ownership is a common automotive industry blind spot. Automakers must know and be able to engage the current owners of their vehicles to better establish the foundation for ongoing owner relationships.



### OWNER EXPERIENCE

Improved visibility of vehicle ownership information helps automakers to focus on creating and delivering a digital ownership experience—within and outside of the dealership. Balancing ease of use with reliability in owner interactions is crucial to meet owner expectations and help drive subscription business models.



### OWNER ENRICHMENT

Through an ongoing enhanced data strategy, automakers can provide additional value beyond owners' expectations, helping to foster loyalty.

***This report will focus on the first stage, Owner Engagement.***

*Subsequent reports will cover the remaining two stages.*

## Section 1

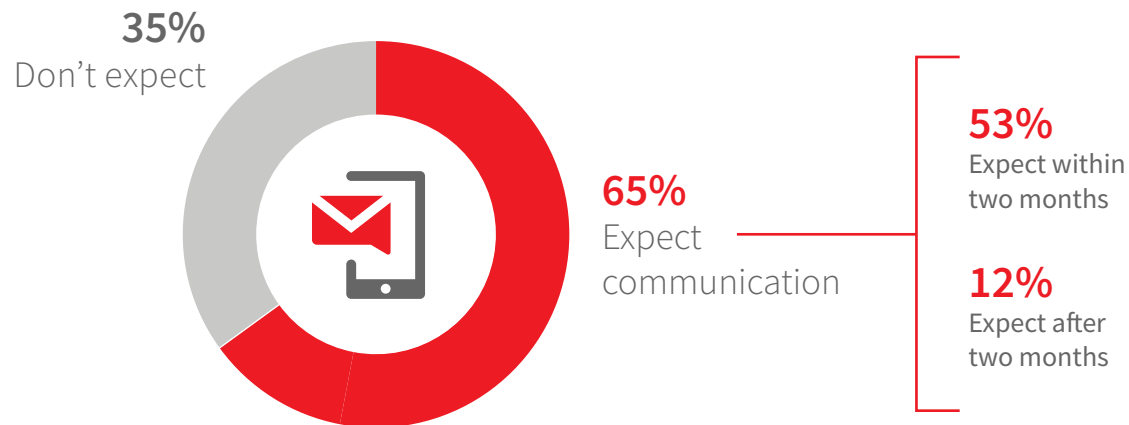
# Communication Expectations

Used vehicle owners commonly expect to be contacted by their automaker after purchasing their vehicle, even when purchased from an independent dealer or private party.

Access to more accurate and up-to-date vehicle and owner information is critical for automakers to engage vehicle owners quickly. Failing to reach out to these vehicle owners promptly may result in lost opportunities to establish a foundational owner relationship.

FIGURE 1

Expectations for auto manufacturer contact after used vehicle purchase



**Not only do a majority (65%) of used vehicle owners who purchased from a private party or independent dealer expect their automaker to contact them; half expect to be contacted within two months.**



## Section 2

### Communication Topics

Most used vehicle owners expect or would appreciate automakers reach out to them to help monitor the health of their vehicle and to inform them of enhanced services available.

Automakers continue to learn how to harness vehicle-generated data to deliver more personalized experiences to their vehicle owners—experiences and services consumers have grown to expect and want from their automakers.

Each service offering (listed in Figure 2) provides an opportunity for automakers to engage and build a relationship with used vehicle owners.

With advancements in over-the-air (OTA) technology, automakers can better monitor the health of the vehicle, including detecting and proactively addressing problems before they become critical issues. This technological advancement helps automakers to proactively notify owners of necessary maintenance and repairs.

Alternatively, when updates are software-related, automakers can support the deployment of remote updates and bug fixes, thereby helping enhance safety and extend the lifespan of the vehicle.

FIGURE 2

The majority of used vehicle owners expect or would appreciate hearing from their automaker, especially when it comes to:



94% Safety recall notices



89% Service and diagnostics notifications



86% Warranty coverage



82% Roadside assistance



75% Connected services free trial

■ Expect or would appreciate

## Section 3

# Communication Channels

Email and direct mail are the most expected communication channels for automakers to utilize when contacting used vehicle owners.

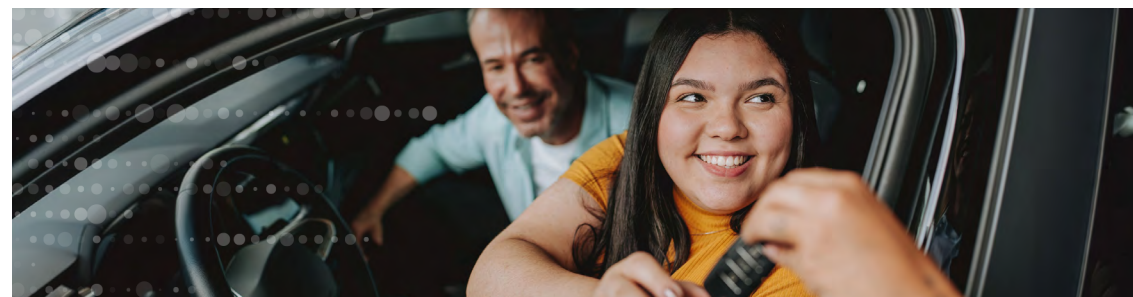
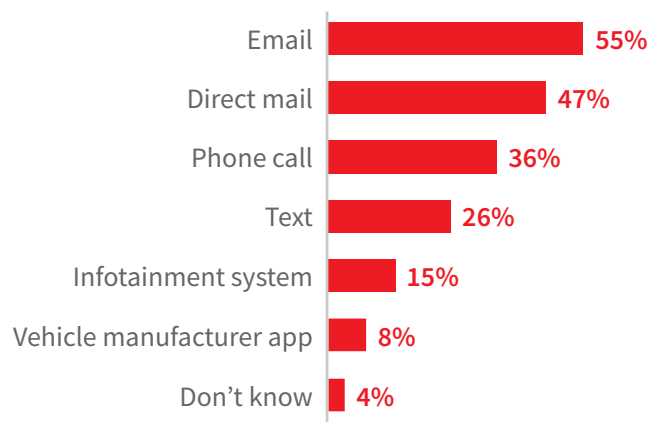
Used car owners who acquire their vehicle from an independent dealership or private party anticipate robust communication from their car manufacturer. Of those vehicle owners who expect to hear from their automaker, email and direct mail are the most commonly preferred channels.

To meet those expectations, automakers need to have better and more accurate owner contact information. Traditional data sources or ways of accessing this type of information can be outdated and inaccurate, potentially jeopardizing the formation of a relationship with vehicle owners. If automakers can strive to maintain consistently updated master customer records, keeping owner information current, it will help ensure higher customer engagement.

FIGURE 3

### Communication channels expected from auto manufacturer following used vehicle purchase

Base: Expect OEM contact; multiple choices could be selected



## Engage used vehicle owners to unlock new relationships and opportunities

Automakers need a clear understanding of ownership throughout the vehicle lifecycle. Accurate and recent vehicle ownership information can be a challenge and automakers need to ensure they have a data strategy to identify and engage their used vehicle owners.

The research indicates that used vehicle owners expect and/or would appreciate automakers to quickly engage with them from the onset of the relationship. For used owners, having their automaker quickly engage with them can bring a myriad of benefits, including access to connected services or transferable aftersales offerings, such as warranty coverage or roadside assistance. With the ability to quickly communicate with vehicle owners, automakers can emphasize the features and services available to help all owners experience the full potential of their vehicles.

LexisNexis Risk Solutions continues to successfully assist automakers in establishing a more accurate view of vehicle ownership changes. [LexisNexis® Owner Check](#) can help identify vehicle ownership changes within a matter of days instead of months, across all 50 U.S. states, with 96% of coverage.<sup>1</sup>

Our solution offers a single, consolidated view with more accurate, complete, and comprehensive data associated with the vehicle owner. We can deliver weekly, monthly, or quarterly owner updates to help you keep your ownership information more current and accurate. This not only assists in maintaining up-to-date records but also aligns with consumers' expectations and appreciation for prompt contact after their purchase. This proactive approach has helped automakers unlock new customer engagement and retention opportunities with used vehicle owners.

## Section 4

# Owner Safety

**Keeping owner safety top of mind by reaching more used vehicle owners regarding recalls.**

According to the [National Highway Traffic Safety Administration \(NHTSA\) 2023 Annual Safety Recalls Report](#), there were nearly 35 million vehicles recalled in 2023. Unrepaired recalls can make vehicles less safe for owners and others on the road.

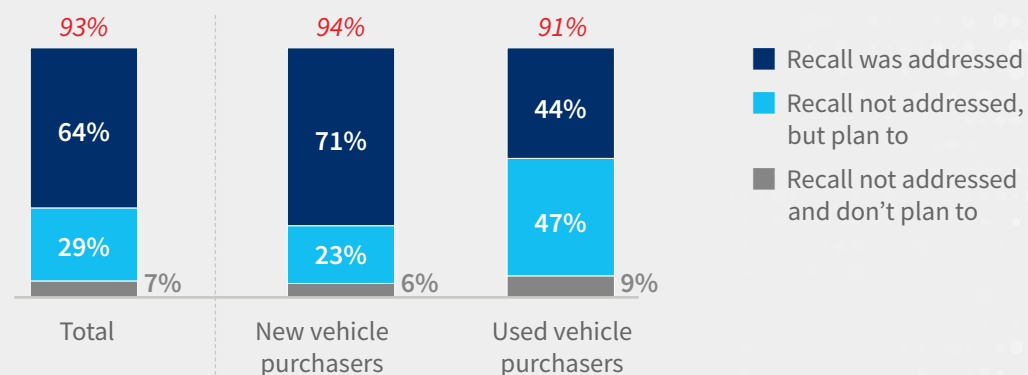
Getting unsafe vehicles off the roads is integral to improving owner safety, but finding and contacting owners of recalled vehicles can be a big challenge for automakers. Automakers send recall notices to the owners of record. Relying only on information from traditional data sources, however, could make it more difficult to locate and contact current owners of recalled vehicles.

To help find these seemingly unreachable vehicles, [NHTSA recommends](#) that automakers use additional data sources to supplement original vehicle registration information, especially for older vehicles that could have changed owners.

**FIGURE 4**

### Action taken by vehicle owners after a recall was issued

Base: Vehicle owners that had a recall issued



**After becoming aware of a recall, most vehicle owners took action to address it or at least planned to. However, new vehicle owners are slightly more likely to have taken action to address it than used owners (Figure 4).**

The notable difference is that more new vehicle owners had already taken care of the recall by the time they responded to the survey. This is likely due to their existing relationship with the automaker or a dealer, which facilitates the recall process. This underscores the importance of promptly reaching out to used car owners, as it typically takes them longer to address the recall. This delay can be particularly concerning when the recall pertains to safety-related issues.

Being able to quickly and efficiently reach vehicle owners who have a vehicle with a safety-related recall can help foster customer trust, an important building block of owner loyalty. Are you able and prepared to reach your vehicle owners if the need arises?



## Enhance owner intelligence to better improve vehicle safety

When automakers need to contact affected owners to repair recalled vehicles, it can be challenging to accurately identify, locate and contact vehicle owners. This can happen for many reasons, but the most common are because the original owner may have sold the vehicle, or the vehicle owner may have moved. Transportation safety agencies recommend automakers leverage alternative vehicle ownership data sources regularly, updating their customer owner data frequently and sharing it with the dealer network.

***Time is of the essence and quickly contacting customers is critical to help automakers improve their recall repair completion rates.***

LexisNexis Risk Solutions can help automakers identify owners of hard-to-find vehicles for safety recalls faster and more efficiently through LexisNexis® Recall Clarity. LexisNexis Recall Clarity delivers quality data and insights that represent a complementary and unique alternative dataset that can help automakers increase their recall repair rates.

Recall Clarity blends our proprietary LexID® feature with linking technology that leverages billions of records from thousands of data sources to deliver updated vehicle owner contact information. With Recall Clarity, we have helped automakers locate 96% of hard-to-find vehicles and append customer contact information on 99% of those vehicles.<sup>1</sup>



## Section 5

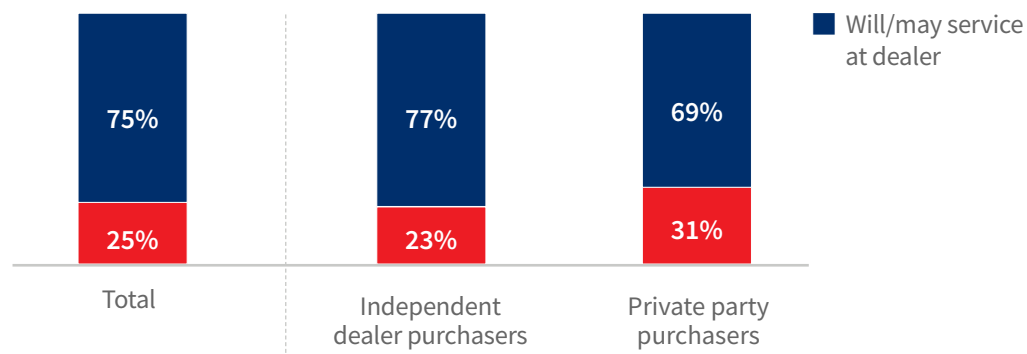
# Servicing Intentions

Servicing and repairs represent a potential additional ongoing touchpoint for automakers with their vehicle owners. Three in four used vehicle purchasers' who did not buy from a franchised dealership are open to having service and/or repairs done at a dealership.

Only one in four used car owners who purchased from an independent dealer or private party do not have a plan to service their vehicle at a dealership. Used vehicle owners who purchased from an independent dealer are significantly more likely to get their vehicle serviced or repaired at a dealership than those who purchased from a private party. Superior performance in servicing and repairs can help bolster customer service and differentiate an automaker's brand.

FIGURE 5

Independent or private party purchasers who expect to service/repair their used vehicle at a dealership





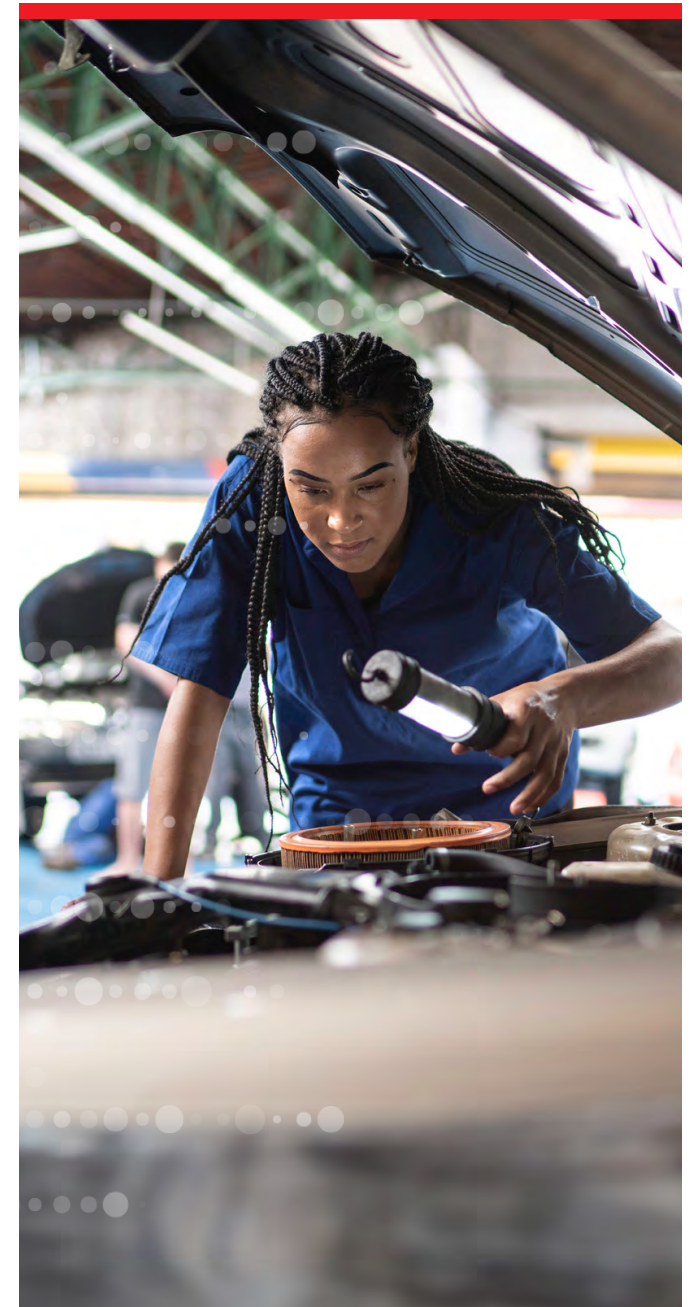
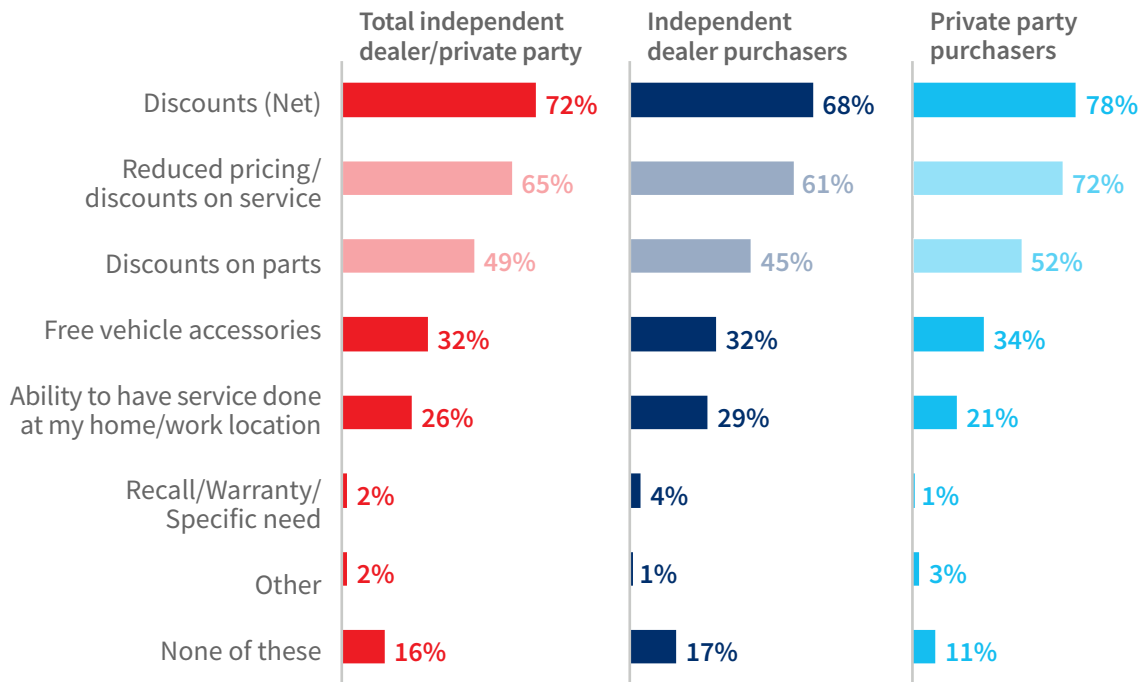
Most independent dealers and private party purchasers who have not yet had service or repair work done at a dealer state that they could be persuaded to do so, generally via discounts.

Used vehicle owners who indicate that they do not plan to bring their vehicle back to the dealership for servicing or repairs state that they could be persuaded to do so, generally via discounts (72%), followed by free vehicle accessories (32%) and the ability to have the services done at a location more convenient for the vehicle owner (26%).

FIGURE 6

### Reasons to consider servicing vehicle at a dealer

Base: May service at a dealer (depends), or do not plan to service at a dealer; Multiple choices could be selected





## Conclusion

### Enhancing Owner Engagement: Recommendations for Automakers

**01**

**Establish a workflow** to ensure ongoing access to current owner information, especially for used vehicle owners who purchase outside your dealer networks.

**02**

**Engage with your used vehicle owners** as early as possible in the vehicle lifecycle, preferably within two months after their vehicle purchase.

**03**

**Communicate your brand's vehicle benefits and features**, especially for inherent vehicle features that are of no charge to the vehicle owners.

**04**

**Establish a dedicated response channel** for used owners to engage. It is imperative to provide a direct and efficient means for used vehicle owners to engage with your brand beyond dealership interactions. Ensure easy selection of preferred service offerings, whether through a dedicated webpage or call center.

**05**

**Strive to maintain a consistently updated golden customer record** by cleansing and updating your vehicle owner data on a regular and recurring basis to improve overall data quality and your ownership experience.

## Research Methodology

Owner Engagement: The Foundation to Customer Connections was a web-based survey conducted among recent U.S. car buyers.

The sample was selected based on the following criteria:

- Age 25 to 70
- Household yearly income higher than \$30,000
- Purchased/financed or leased the vehicle within the past three years
  - From an independent dealer, model year 2017 or newer
  - From a private party, model year 2013 or newer
- Primary or joint decision-maker for vehicle purchase

A total of 2,227 surveys were completed between July 6-24, 2023. The online panel sample was managed to ensure a representative sample.



## About the Author

David is a veteran of the automotive industry with a variety of experience in automotive sales, business development, marketing, product and risk management. As the leader of Connected Car at LexisNexis Risk Solutions, he oversees product strategy, business development and automotive solution management for the OEM market. His team collaborates regularly with automotive OEM clients helping to solve industry challenges in the ownership experience.

Prior to joining LexisNexis Risk Solutions, David served for many years with Experian Automotive, helping to develop its automotive vertical. He held advancing roles in sales and product management, ultimately serving as senior vice-president of sales. Prior to that, David spent many years with Chrysler Corporation in various field and headquarters positions. David is a graduate of the University of Pittsburgh with a BA in Business Economics & Finance and holds an MS in Management from Central Michigan University.





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#### About LexisNexis® Risk Solutions

LexisNexis® Risk Solutions harnesses the power of data, sophisticated analytics platforms and technology solutions to provide insights that help businesses across multiple industries and governmental entities reduce risk and improve decisions to benefit people around the globe. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX (LSE: REL/NYSE: RELX), a global provider of information-based analytics and decision tools for professional and business customers. For more information, please visit [LexisNexis® Risk Solutions](#) and [RELX](#).

The Owner Check services and Recall Clarity services are not provided by “consumer reporting agencies,” as that term is defined in the Fair Credit Reporting Act (15 U.S.C. § 1681, et seq.) (“FCRA”) and do not constitute “consumer reports,” as that term is defined in the FCRA. Accordingly, these Non-FCRA services may not be used in whole or in part as a factor in determining eligibility for credit, insurance, employment or another purpose in connection with which a consumer report may be used under the FCRA. Due to the nature of the origin of public record information, the public records and commercially available data sources used in reports may contain errors. Source data is sometimes reported or entered inaccurately, processed poorly or incorrectly, and is generally not free from defect. This product or service aggregates and reports data, as provided by the public records and commercially available data sources, and is not the source of the data, nor is it a comprehensive compilation of the data. Before relying on any data, it should be independently verified. LexisNexis and the Knowledge Burst logo are registered trademarks of RELX Inc. Other products and services may be trademarks or registered trademarks of their respective companies. © 2024 LexisNexis® Risk Solutions. NXR16472-00-0524-EN-US

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