

# Loyalty in Automotive

## STRATEGIC OVERVIEW

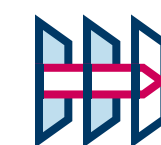
### This overview at a glance

**Who:** Automotive loyalty professionals

**What:** Automotive loyalty - now and next

**Read:** 5 minutes

## Market dynamics and major trends



Sector in transformation: from product-centric to service-driven and with new entrants (e.g. Tesla, BYD, SAIC, Geely et al) re-defining relationship standards and pricing



Rise of omnichannel digital experiences – full online journeys, virtual showrooms and connected services



Shift from ownership to usage – subscriptions, rentals, lease-to-own, car pooling and long-term leasing



Acceleration of electromobility driven by environmental and regulatory pressure (e.g. European Parliament's ban on combustion engine production by 2035)



Other trends: experience-based loyalty, integrated service ecosystems (e.g. charging, insurance, maintenance), personalisation through vehicle data and AI-powered updates



Examples: Renault's Mobilize platform offers on-demand EVs with integrated services; Tesla deploys software updates based on usage patterns

## The customer landscape

Today's automotive customers are demanding and experience-driven. They expect seamless digital-to-dealer journeys, continuous engagement post purchase and lifecycle-relevant services.

Common automotive personas include:

### Traditional Owners

Sensitive to price, reliability and resale value

### Digital Users

Favouring subscriptions, rentals or flexible leasing, expecting always-connected, on-demand services

### Lifestyle Users

Motivated by brand image, environmental values and innovation

Example: Toyota after-sales satisfaction drives a 4× higher renewal propensity; loyalty drivers include clear pricing, service transparency and integrated care

Understanding evolving consumption habits and aligning loyalty strategies accordingly is critical. Ageing fleets and rising living costs are also shaping behaviour.



# Ten business goals addressed by automotive loyalty programmes

## What good looks like

- Success = building “relationship loyalty” beyond transactions — delivering personalised, service-centric and emotionally resonant experiences
- Strong loyalty programmes offer exclusive experiences: VIP test drives, early access to models, private events, concierge services and more
- Plus integrated services such as charging, insurance and predictive maintenance as well as expanded ecosystems which combine equipment, services, hospitality, sports and culture
  - MyDS (DS Automobiles) is an example which integrates events, service and cultural access in a unified loyalty journey
- AI and connected data drive ongoing engagement through dynamic updates (e.g. Tesla software upgrades) and behaviour-based service nudges
- Trust, transparency and post-sale support (e.g. fixed pricing maintenance bundles from Toyota) are core loyalty levers

### Business goal

### How loyalty contributes

|    |  |  |
|----|--|--|
| 1  | <b>Increase Customer Lifetime Value (CLV)</b>  | Drives repeat purchase, service revenue and usage upgrades over time   |
| 2  | <b>Improve Retention and Reduce Churn</b>      | Keeps customers connected through digital touchpoints with, for example, predictive maintenance offers (in network) and exclusive benefits (in and out of network) |
| 3  | <b>Grow After-Sales Revenue</b>                | Loyalty-focused offers on parts, accessories and service plans enhance lifetime margin (e.g. Audi +25% from loyal customers)                                       |
| 4  | <b>Acquire and Enrich Customer Data</b>        | Connected vehicle services and apps capture valuable first-party data to personalise offers  |
| 5  | <b>Enable Personalisation at Scale</b>         | Usage data, AI and CRM integration enable content, alerts and offers tailored to driving patterns or lifecycle stage   |
| 6  | <b>Enhance Brand Differentiation and Trust</b> | Loyalty reflects not just car quality, but consistent service, transparency and social alignment (e.g. sustainability)   |
| 7  | <b>Drive Operational Efficiency</b>            | Automation in service reminders, referrals and upgrade offers reduces marketing and support costs  |
| 8  | <b>Foster Advocacy and Referrals</b>           | Loyal customers can unlock referral rewards, family benefits, and community privileges   |
| 9  | <b>Support Resilient Revenue Models</b>        | Loyalty smooths income through subscriptions, bundled services and long-term leasing offers  |
| 10 | <b>Drive Business-Wide Insight</b>             | Loyalty data informs vehicle design, pricing, product bundles and customer service strategy  |

## Profitability and measuring success

Successful programmes must link emotional engagement to hard metrics.

### A Commercial Metrics Dashboard may include:

- After-sales revenue uplift (maintenance, accessories, updates)
- Customer Lifetime Value (CLV) growth
- Service retention rates and renewal ratios
- Referral and upgrade conversions
- Marketing ROI and cost-to-serve savings

### Customer Metrics Dashboard might track:

- Usage of connected apps or loyalty portals
- Activation and adoption of digital services
- Engagement with VIP experiences and test drives
- Net Promoter Score (NPS) and Customer Satisfaction (CSAT)
- Emotional Loyalty Index (e.g. Hyundai Loyalty Score = visits + NPS + conversions)

Example: Loyal Audi customers generate 25% additional revenue (maintenance, extensions, connected services, etc.), and Toyota achieves a 68% three-year workshop return rate thanks to loyalty-building maintenance packages and transparent pricing policies.



## The digital workforce – transforming loyalty delivery

- AI is transforming loyalty via predictive alerts (e.g. service needs), driving-behaviour nudges, and real-time offers
- Campaign automation enables always-on loyalty journeys – tailored to vehicle lifecycle events (e.g. delivery, anniversaries, mileage milestones)
- Connected vehicle data ensures continuous personalisation across web, app and dealership
  - Example: Tesla's OTA software updates reflect real usage, not static models
- By 2029, AI-led support is expected to handle >80% of service queries, lowering costs and improving response times (Gartner forecast)

Loyalty in this sector is evolving into a strategic pillar based on lasting customer relationships and technology which enables smooth, personalised and connected end-to-end experiences.





## Partners driving profitability

Start your journey with Collinson advisory to design optimal programmes, with Salesforce Loyalty - the leading LMS software solution. Augment your platform with other pre-integrated products or connect to third party applications with Salesforce.

| Salesforce Solution   | Enables loyalty for   |
|-----------------------|---|
| Salesforce Data Cloud | Data Unification of Customer, Member data across the Enterprise               |
| Marketing Cloud       | Personalised Member Engagement across the lifecycle                           |
| Agentforce            | Autonomous member engagement for Sales, Service & Marketing                   |
| Commerce Cloud        | Seamless purchase online with embedded Loyalty Offers and Rewards             |
| Service Cloud         | Easily service your loyalty members with queries and issue resolution         |
| Mulesoft              | Easily integrate your Loyalty Solution with Upstream and Downstream solutions |

## Probing questions for automakers

- Is your loyalty programme aligned to the shift from ownership to usage?
- Are you building trust and engagement across the entire lifecycle — not just during purchase?
- Do your digital tools anticipate customer needs with personalised, connected experiences?
- Are loyalty success metrics tied to both after-sales profitability and emotional connection?
- Can you unify your data to deliver next-gen loyalty across product, service, and mobility ecosystems?

