

Case Study: Independent Dealership Uses Trade-In Marketplace to Increase Profits

ATLANTA – September 10, 2014 – AutoTrader.com® has released a new case study, which details how Carson Cars uses the Trade-In Marketplace™ to enhance its trade-in process and increase the dealership's profit. An independent dealership based in suburban Seattle, Washington, Carson Cars targets primarily local shoppers in their 30s and 40s who are looking for vehicles under \$15,000. While the employees at Carson Cars initially questioned the value of the Trade-In Marketplace when they started using the tool in 2012, they soon realized that when implemented with the right process, Trade-In Marketplace can help improve consumers' in-store experiences and help the dealership increase profits.

Today, the Trade-In Marketplace is completely integrated into the dealership's trade-in process, which owner Mike Carson stresses is essential for success with the tool. "If you don't integrate Trade-In Marketplace from the top down, it's not going to work," he said, adding that they use the tool on every trade, every time. After implementing that process, Carson started seeing the results. "It took a little bit of number crunching to see the difference, but once we started looking at the numbers in an honest way over the course of 90 days, it became pretty obvious that if we stick to the process, we realize better profits. That's pretty huge."

Trade-In Marketplace is an vehicle valuation tool accessible via links on AutoTrader.com, KBB.com, and participating dealer websites. Some participating dealerships, including Carson Cars, elect to use Trade-In Marketplace in the store to offer consumers visibility into the trade-in valuation process. Consumers can populate the Trade-In Marketplace form with detailed vehicle information, and the tool generates an instant cash offer, valid for 72 hours, redeemable at the dealership.

While Carson Cars features the Trade-In Marketplace on its website and in its advertising, the majority of Trade-In Marketplace activity happens in the dealership with the sales person. The people at Carson Cars like this process as it enables them to establish rapport with consumers by involving them in the valuation stage and talking with them about what influences the value of their vehicles.

"It's easier for the customer because they know that they're getting an acceptable trade-in offer since they are included in the process and have a better understanding of the factors driving the valuation," Carson said while highlighting additional benefits the store has experienced. "It's easier for the salesperson because he can be the good guy and give a little bit more for the trade when possible. It's easier for the sales manager because all the information is already in Trade-In Marketplace, so there's no redundancy."

Juan Flores, director of operations for the Trade-In Marketplace, commented, "Sometimes tools like Trade-In Marketplace are viewed as only being beneficial for large, franchise operations, but Carson Cars is a great example of how a tool like Trade-In Marketplace can help dealerships of any size. All it takes is building the right processes and getting the employees to buy into the process."

[Click here](#) to read the full case study. For more information about Trade-In Marketplace and to access a comprehensive [white paper](#) released earlier this year that details how dealers can align a tool like the Trade-In Marketplace with their in-store processes, visit TIMforDealers.AutoTrader.com.

About Trade-In Marketplace

AutoTrader.com's Trade-In Marketplace is the only tool available in the market today that gives consumers an instant offer on their used cars while setting expectations on the trade-in value of their vehicle. For consumers, Trade-In Marketplace is a free resource that offers a no-haggle way to get an instant offer on their car, sight unseen, which they can take to a participating dealership to turn the offer into cash or use it toward the down payment on another car. To be a participating dealer in the Trade-In Marketplace program, dealers pay a monthly subscription that gives them access to consumers who generate a trade-in valuation through the tool. Instant Cash Offers provided through Trade-In Marketplace are calculated and generated by an AutoTrader.com third-party vendor using an algorithm that takes into account local market data, including what other dealers in the market would be willing to pay for the vehicle on trade. Participating Trade-In Marketplace dealers do not have any input or influence on the trade-in value generated by the tool. The third-party vendor assumes the risk on behalf of participating dealers that the vehicle will be worth at least the amount of the Instant Cash Offer, and in return, receives a share of the overall subscription revenues generated by the program.

Initially launched in a few select markets in June 2009, Trade-In Marketplace became available nationwide in October 2010. One year later, AutoTrader.com partnered with Kelley Blue Book, a subsidiary of AutoTrader Group™, to bring Trade-In Marketplace to the KBB.com website. For more information on the Trade-In Marketplace program, dealers can visit TIMforDealers.AutoTrader.com or speak with their AutoTrader.com representative.

About AutoTrader.com (www.autotrader.com)

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