

“TrueCar Seeks the “Truth” about Real Reason for Its Existence”

WHY TRUECAR IN THE FIRST PLACE?

TrueCar was founded on the premise that dealers were exploiting car shoppers on price.

TrueCar was to tell the “truth” about the “price” car shoppers would/should pay.

TrueCar was the great “White Knight” of car pricing for beleaguered car buyers.

TrueCar TV ads were about how to get a “fair price” from bad guy dealers.

TrueCar was for the consumer all along while seeking to deliver “sold” leads to dealers.

TrueCar was the car shopping consumer’s friend, advocate, & fair pricing source”.

HOW NOW IS TRUECAR THE DEALER’S NEW BEST FRIEND?

All that has changed as TrueCar is now seeking to be the dealer’s friend.

TrueCar has a new pledge to automotive dealers-“We are with you.”

TrueCar now says “Dealers are our customers, not the consumer”.

TrueCar is toning down consumer advertising about dealer sales practices.

TrueCar’s new strategy is to be more than just a price driven tool for consumers.

TrueCar is going to clarify what & how it uses dealer data and sale reporting.

TrueCar is turning the financing of referred car buyers over to dealer F & I.

WHY THE NEW TRUECAR?

TrueCar lost \$ 64.7M last year & has continuing losses with no visible cost cuts.

TrueCar realizes it must provide a WIN-WIN situation for both consumers & dealers.

TrueCar has managed to offend major dealer chains & confuse disillusioned consumers.

TrueCar seems top heavy with too many highly paid executives & home office staff.

TrueCar is now going to add G & A expense by hiring 100 more sales people in the field.

TrueCar hired Brian Skutta, former AutoAlert CEO, to take on dealer relations.

TrueCar’s business model has not made money from day one with heavy losses.

TrueCar’s major revenue volume is coming from affiliates like AAA, USAA, & AARP.

TrueCar has one last “cut at the strategic ball” to make its business model work.

WHAT SHOULD TRUECAR “DO” NOW?

- Expand strategy & services to look more like an Autobytel or an AutoTrader.
- Migrate services to be an “AutoTrader” alternative without the vehicle inventory.
- Get profitable by year end by cutting G &A overhead & adding dealer volume.
- Merge with Autobytel & its new AutoWeb Algorithm to dominate LeadGen.
- Expand services to become the premier LeadGen provider for dealers.
- Reduce home office staff & executive management by 50%.
- Position the company for sale to or merger with larger channel provider in next year.
- Purchase any number of automotive startups who are disrupting the channel.
- Acquire startups that are selling cars online like Roadster, Carvana, & Beepi.
- Adopt & lead a One-Price strategy for dealer clients & help market to consumers.
- Help dealers migrate to new business model with vehicle management services.

Automotive Digestibles Blog by:

Chuck Parker, Publisher

Automotive Digest

www.automotivedigest.com

cparker@automotivedigest.com

310 265-2225

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