Five Keys to Effective Vehicle Remarketing

Vehicle remarketing can be a challenging proposition for lenders looking to cost-effectively and quickly move inventory. Developing and implementing an effective vehicle remarketing strategy is more than simply placing ads or sending inventory to auction. It is also about utilizing solid technology, refined processes, experienced staff and strong industry relationships based on years of experience to deliver results.

There are five key areas that lenders can focus on to boost vehicle remarketing results and increase their bottom line. Careful attention to each can make the remarketing process a far more profitable and successful enterprise for the organization.

1. Lower Your Turn Time

It may sound elementary but, right from the start, do everything you can to lower your turn time. The faster you can sell the vehicle, the less you will pay for storage fees. It is the little things that can make the difference. Have the vehicle transported to auction as quickly as possible and, throughout the remarketing process, leverage electronic delivery channels for payments, reports and sales lists.

2. Increase Your Returns

A few common sense strategies can help increase the sale price. To ensure that you get the most for your vehicle, do the needed repairs that add value. Use external resources to help you set the best floor price. When your vehicle reaches the auction, negotiate the best lane placement you can. And, do not hesitate to make use of multiple Internet sales channels.

3. Lower Your Operational Costs

There are useful strategies to help you reduce your operational costs throughout the remarketing process. Shop around for the best transport, storage, sale and repair options. Once the vehicle is sold, carefully review your post-sale report to make sure your record of expenses matches that of any third-party resource that you have used. To help in this process, you may want to implement an automated system to flag expenses that exceed a specified threshold.

4. Streamline Your Processing

The fourth key area where you can maximize your remarketing efforts involves streamlining your processing. Automate as much of the process as you can. If you do not feel you have that capability, consider outsourcing your remarketing process. A national provider often has the leverage to lower your fees and increase your sale price, while simultaneously managing the day-to-day issues. As an example, pricing and lane placement are often based on the volume of vehicles brought to auction. A national provider has the industry clout to positively affect lane placement and, ultimately, overall pricing and sale of your vehicles at auction.
5. Track Your Performance

Lastly, in order to calculate your net profit, it is critical that you know exactly how much you spend to sell each vehicle. It is vital that you establish tracking and reporting standards internally as well as with any of your service providers, and accurately measure internal and third-party results against these standards.

We hope you find these strategies to be valuable to your business as you develop your vehicle remarketing strategies.

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