

The CSC logo consists of the letters 'CSC' in white, bold, sans-serif font, set against a red, rounded rectangular background.

# The Connected Car – Changing Business Models for Automotive

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# Agenda

- Driving in the Cloud – CSC Strategy for Automotive
- The impact of HTML5 and standardised APIs on IVI systems
- New technologies, new business models
- Streamlining the sales process
- Delivering a customer for life
- A vision of the future

# DRIVING IN THE CLOUD

THE NEW LIFE CYCLE OF THE AUTOMOBILE

From the drawing board to cloud-enabled technology services, CSC's automotive solutions bring together deep industry expertise, technology, and best practices from around the globe to create an integrated value chain approach for your business:

- **Vehicle Technology:** Integrate electronics and consumer technology for a 21st century vehicle experience.
- **Supply Chain Optimization:** Collaborate efficiently with business partners, develop

accurate demand forecasts, and reduce stock and lower inventory costs.

- **Product Development:** Expertise in PDM/PLM solutions has cut Time-to-Market by 40%, for a leading manufacturer.
- **Manufacturing Throughput:** Our lean manufacturing tools and processes improve plant and line operations and deliver measurable benefits in WIP, floor space, and rework.

**It's All about the Results**

- 50% reduction in time-to-market through improved product development processes, for a leading component supplier.
- 40% reduction in time-to-market and 35% reduction in time-to-build through improvements in product design, factory operations, and supply chain, for a leading vehicle manufacturer.
- Order of magnitude reduction in fleet order time from days to minutes through rearchitecting of

- global order management and logistics processes, for a major OEM.
- Savings of \$60 million in the supply chain through improved global demand forecasting and capacity allocation, for a major OEM.
- Savings of more than 30% in yearly operating costs through offshoring, for a major OEM.
- 12% reduction in parts inventory and operating costs through optimized spare parts management, for a major European OEM.

## TO MARKET

Planning, designing, building, selling and supporting vehicles is one of the most complex tasks in today's world of manufacturing.

**DRAWING BOARD**

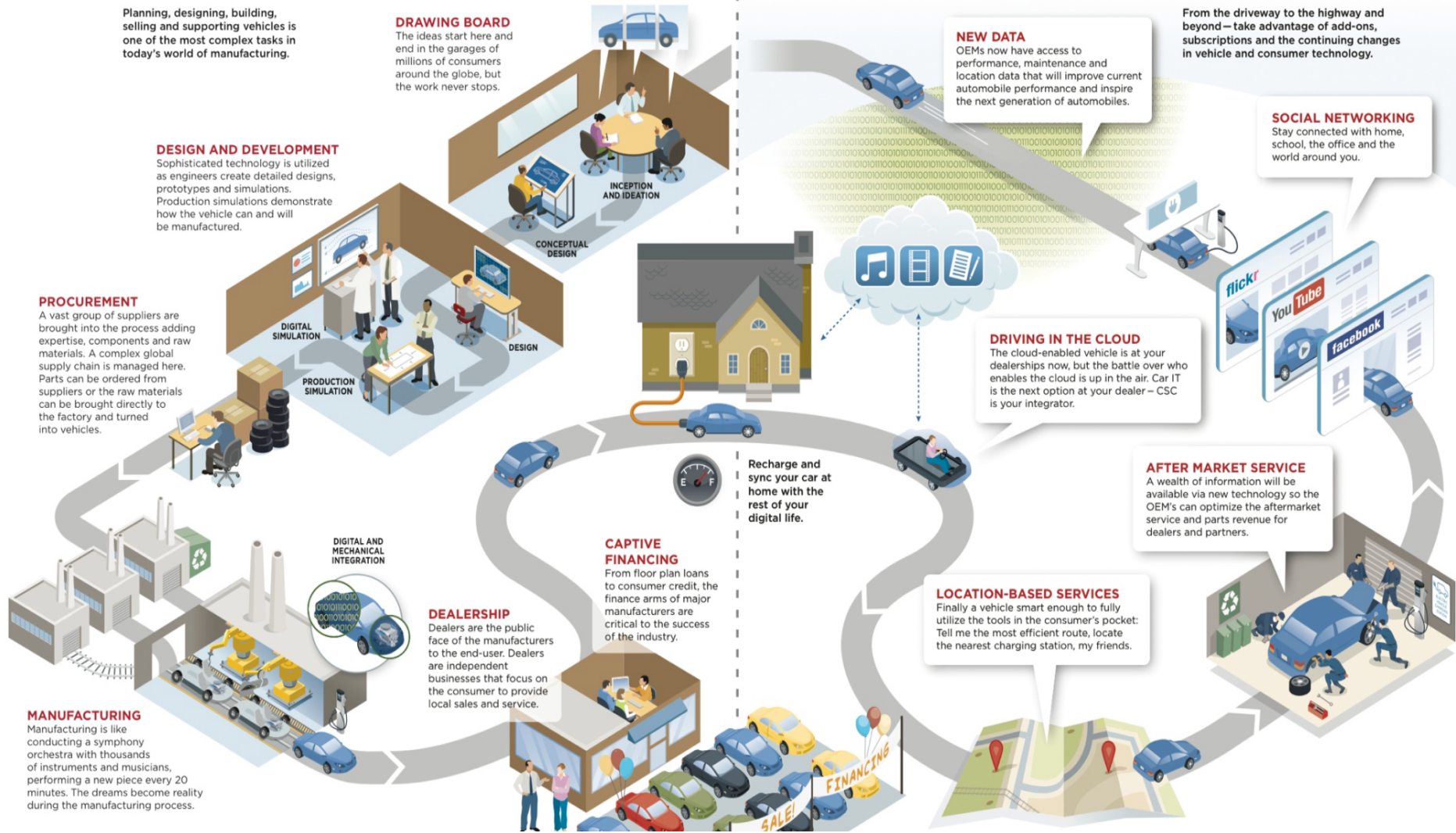
The ideas start here and end in the garages of millions of consumers around the globe, but the work never stops.

**DESIGN AND DEVELOPMENT**

Sophisticated technology is utilized as engineers create detailed designs, prototypes and simulations. Production simulations demonstrate how the vehicle can and will be manufactured.

**PROCUREMENT**

A vast group of suppliers are brought into the process adding expertise, components and raw materials. A complex global supply chain is managed here. Parts can be ordered from suppliers or the raw materials can be brought directly to the factory and turned into vehicles.



## AFTER MARKET

From the driveway to the highway and beyond – take advantage of add-ons, subscriptions and the continuing changes in vehicle and consumer technology.

**NEW DATA**  
OEMs now have access to performance, maintenance and location data that will improve current automobile performance and inspire the next generation of automobiles.

**SOCIAL NETWORKING**  
Stay connected with home, school, the office and the world around you.

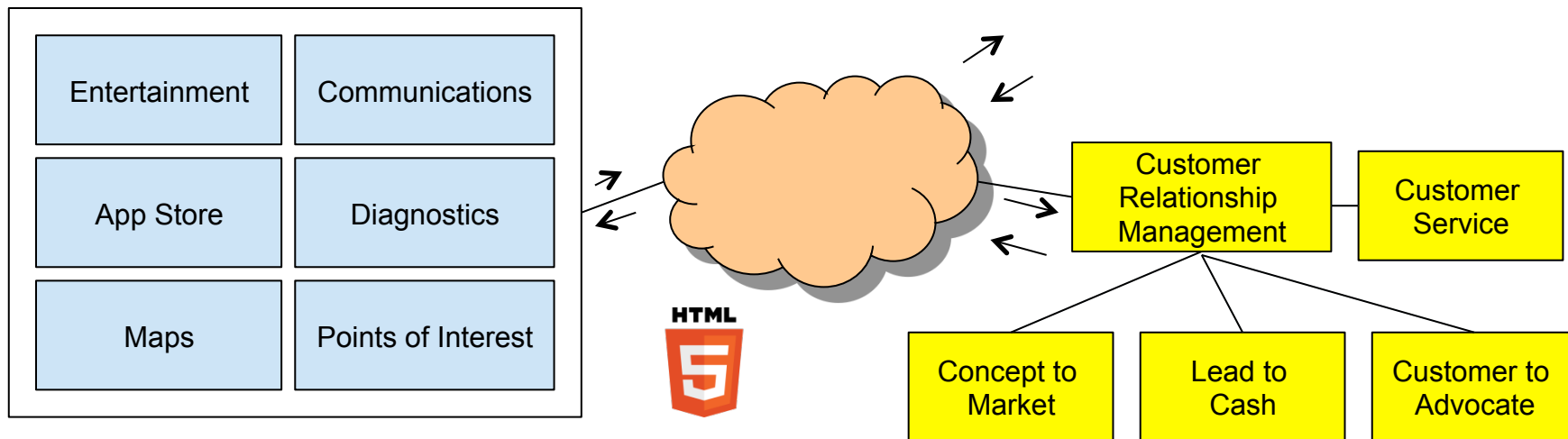
**DRIVING IN THE CLOUD**  
The cloud-enabled vehicle is at your dealership now, but the battle over who enables the cloud is up in the air. Car IT is the next option at your dealer – CSC is your integrator.

**AFTER MARKET SERVICE**  
A wealth of information will be available via new technology so the OEM's can optimize the aftermarket service and parts revenue for dealers and partners.

**LOCATION-BASED SERVICES**  
Finally a vehicle smart enough to fully utilize the tools in the consumer's pocket: Tell me the most efficient route, locate the nearest charging station, my friends.

# The Impact of HTML5 and standardized APIs on In Vehicle Entertainment and Information systems

- HTML5 facilitates the integration of IVI apps with web-based systems and mobile devices
  - Customer Relationship Management System
  - Customer Service Center
- This brings new opportunities for car manufacturers to streamline the sales process and engage with customers



# New technologies, new business models

## Streamline the sales process

### Accelerating Sales

- Remove friction
- Enable easy customisation
- Customer time
- Real time visibility of stock

## Engage with customers

### Customer for Life

- In-life experience
- Intimacy
- Advocacy



“Most companies have conducted major programs to boost productivity and improve operations, but haven't put sales under the same microscope. Yet there's a much bigger gap between best and worst companies when it comes to selling than to areas like supply chain management, finance or purchasing.”

Thomas Baumgartner and Maria Valdivieso de Uster - McKinsey Automotive Report 2012

# Pending Business Model Transformation

Product Economy

Subscription Economy

Ship Units, One-Time

Service Customers for Life

Focus



Metrics

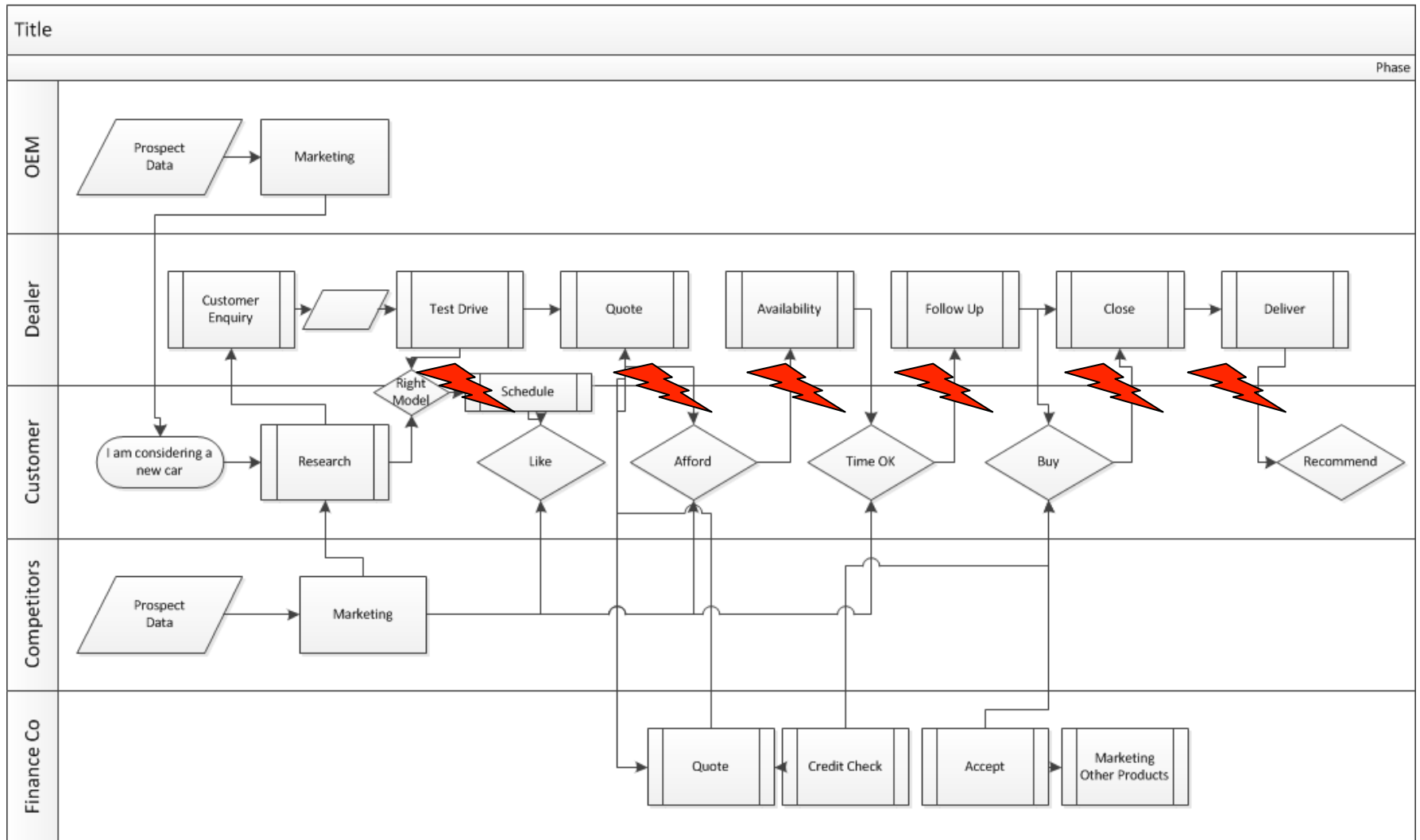
# Units Sold  
Cost of Goods Sold  
Revenue / Unit

# Customers  
New Customers  
MRR / ARR  
ACV / TCV  
Renewals  
Churn  
(S)NPS

# Streamline the sales process

- Challenges
  - Current supply chain
  - Lifecycle of automobiles
- Opportunities
  - Streamline sales processes
  - Provide stock visibility
  - Integrate with social media

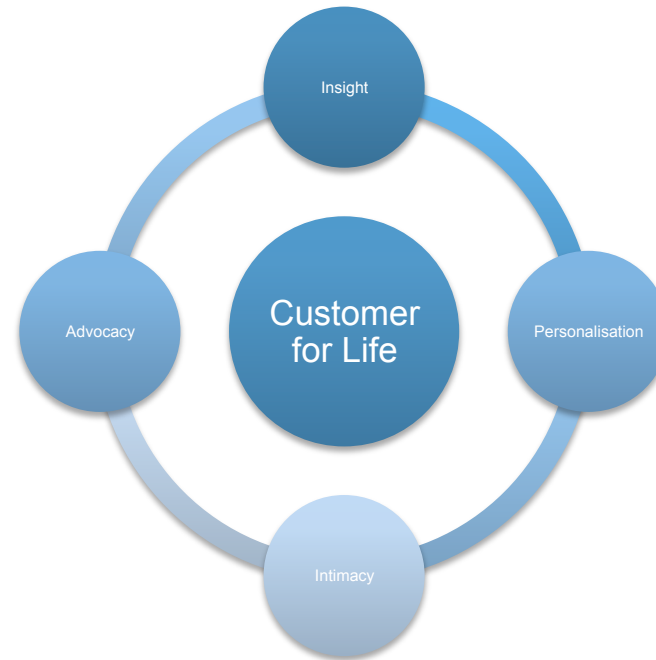
# Current sales process





# Engage with customers: Seamless customer for life Communication

- Special Offers
- Service Reminders
- Coupons
- Test Drives
- Updates

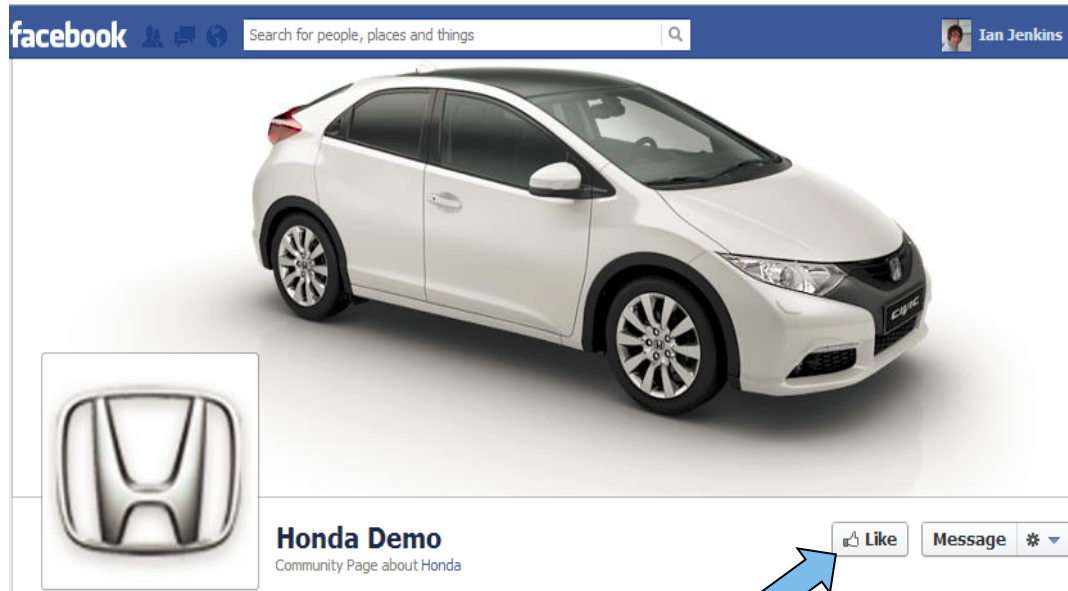


*Building a one to one relationship with customers*

# Demo Scenarios

- Scenario 1 – The Purchase Process
- Scenario 2 – In Life Management

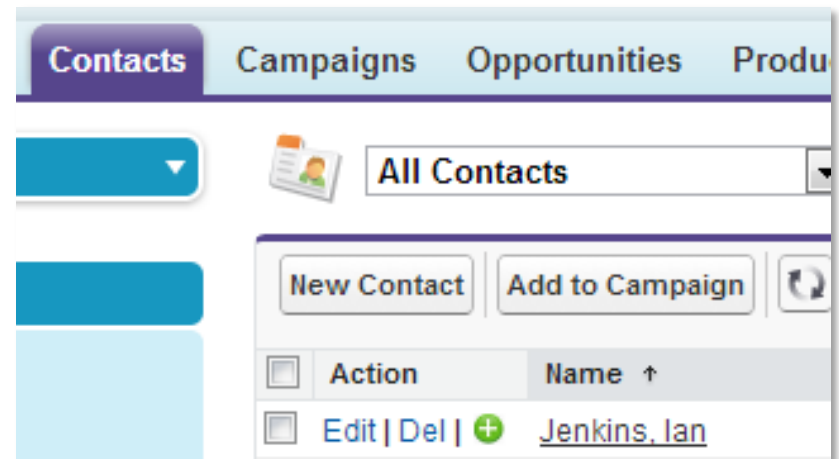
# Potential Customer Interested in Honda – Likes Honda Facebook Page



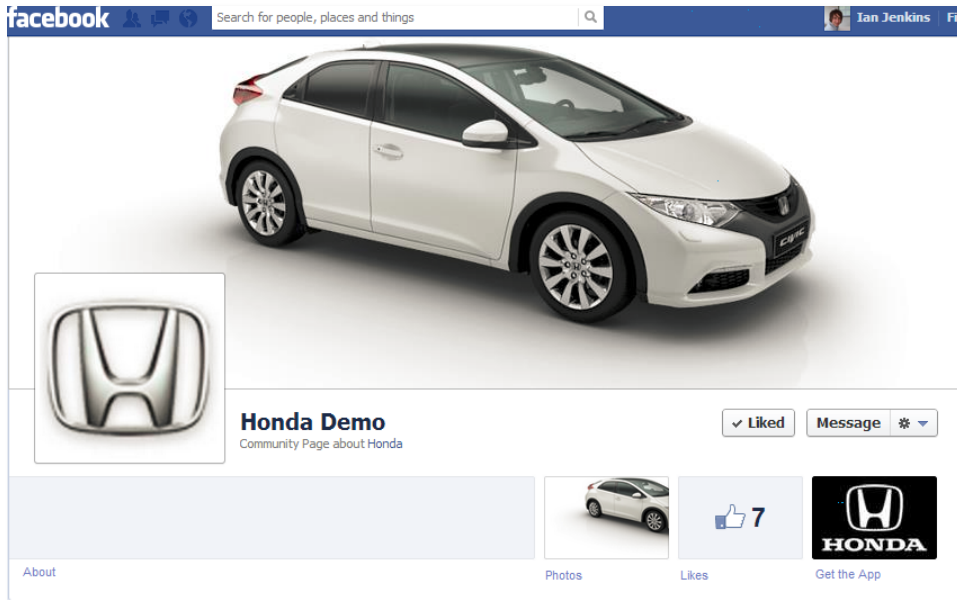
Led to this from a marketing campaign...

Ian 'Likes' Honda Facebook page.

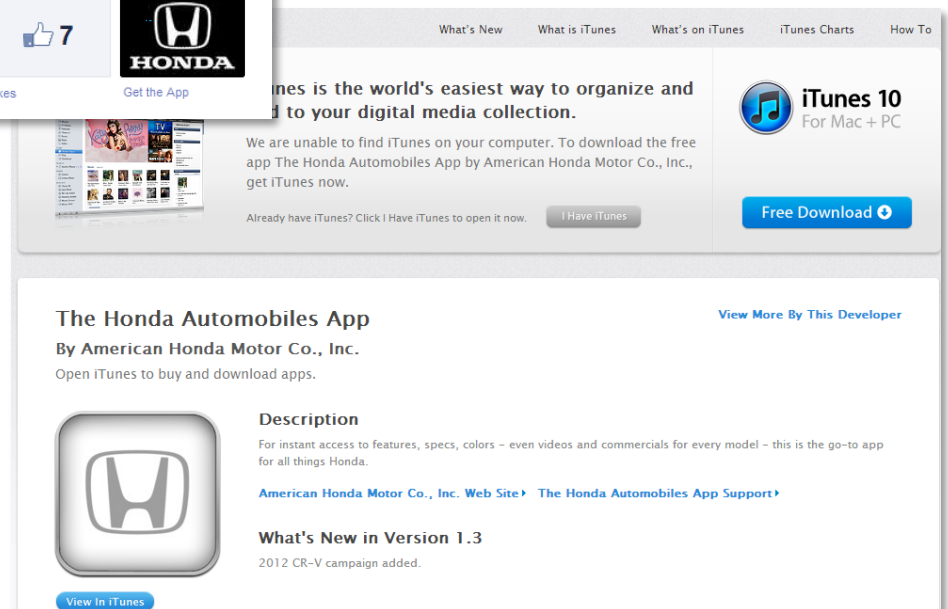
Once dialogue has begun, Ian is created as a contact in CRM



# Customer Downloads Honda App



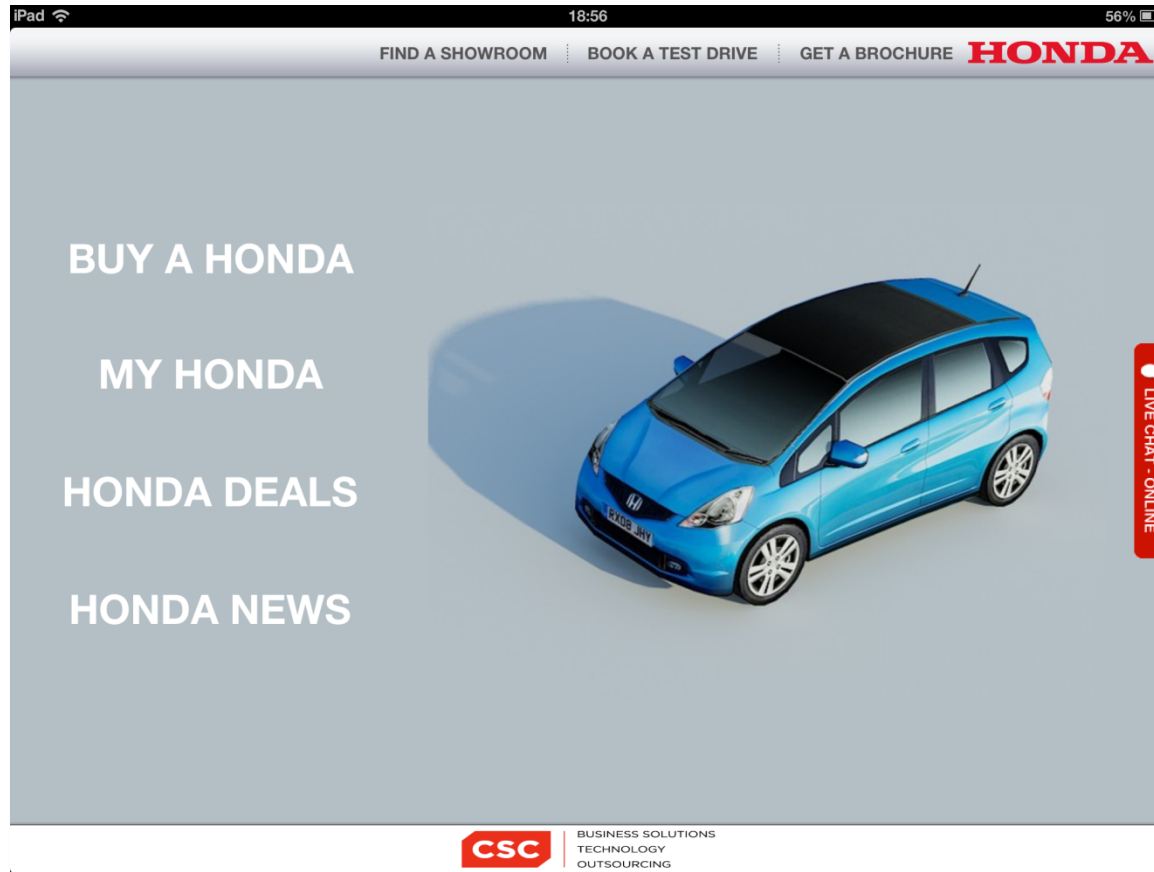
Ian uses the Facebook widget to connect the Apple iTunes store and agrees to Terms & Conditions.



## App integrated with Facebook

- There will be various integration points throughout the app;
  - Log into the app using Facebook login
  - Publishing at various milestones during the customer experience (booking a test drive, buying the car etc.)

# App start-up



Ian is shown a range of options once he loads the app.

# Customer Books Test Drive at Local Dealer Using App

## Pick Model

Back FIND A SHOWROOM BOOK A TEST DRIVE GET A BROCHURE **HONDA**

Select the car you would like to drive

ACCORD NEW CIVIC CR-V CR-Z INSIGHT JAZZ

Disclaimer - Dealer will confirm model grade before test drive.

Choose your location

Enter your postcode   Or

**LIVE CHAT - ONLINE**

Meet Asimo. Developed by Honda over 30 years to help us study and create solutions that meet the demands of everyday living. **Another Honda solution**

More cars  
Used cars  
Corporate sales  
Honda Finance  
Honda Owners  
Mobility  
New Civic 2012

Try more Honda  
Cars  
Motorcycles  
Lawn & garden  
All Terrain Vehicles (ATV)  
Energy  
eNews

Visit our other sites  
Honda racing  
Honda World  
Honda on Twitter  
Honda on Facebook

Honda UK  
Visit Honda UK  
Contact Us  
Careers  
Officers  
Environment  
Awards  
Motor Industry

## Pick Date and Time

Back FIND A SHOWROOM BOOK A TEST DRIVE GET A BROCHURE **HONDA**

NEW USED CORPORATE SALES FRANCE OWNERS

Book your test drive online  
Follow the quick steps below to choose the Honda you'd like to drive.

Want to book by phone?  
Just tell us your details and we'll be happy to call you back.

Choose a dealer then choose a time and date for your test drive

1 Winbladen Park Honda  
60-62 Wat Hill Road,  
Wandsworth,  
London,  
SW18 5HT  
Distance: 0.09 Miles

2 Chiswick Honda  
& Power Road,  
Chiswick,  
London,  
W6 8XT  
Distance: 4.51 Miles

3 Ewell Honda  
Ewell By-Pass,  
Ewell,  
Surrey,  
KT17 2PU  
Distance: 6.31 Miles

	Wed 17	Thu 18	Fri 19	Sat 20	Sun 21	Mon 22	Tue 23	Wed 24	Thu 25	Fri 26
08:00	X	X	X	X	X	X	X	X	X	X
10:00			✓	✓	✓	✓	✓	✓	✓	✓
12:00			✓	✓	✓	✓	✓	✓	✓	✓
14:00			✓	✓	✓	✓	✓	✓	✓	✓
16:00			✓	✓	✓	✓	✓	✓	✓	✓
18:00	X	X	X	X	X	X	X	X	X	X

CONTACT US

Key Available ✓ Selected  Unavailable X

You have selected **Fri 26th October at 10:00**

**LIVE CHAT - ONLINE**

## Confirms Details

Back FIND A SHOWROOM BOOK A TEST DRIVE GET A BROCHURE **HONDA**

Kenley  
KT17 2PU  
Distance: 6.31 Miles

MORE DEALERS

Please enter your details to complete your booking

Fields marked with a \* are mandatory

Your details:

Title\*

Forename\*

Surname\*

House number\*

Postcode\*

Address\*

Town\*

My contact preferences:

What is your preferred method of contact\*

Preferred telephone number\*

Is this number\*  day  evening  mobile

Email address\*

Are you happy to receive email communications from Honda?\*  Yes  No

If so, would you like to (continue to) receive the Honda e-newsletter?\*  Yes  No

Honda's privacy commitment to you. Thank you for taking the time to fill out this form. This helps us to serve you better and provide you with information that we believe is relevant to you. We value the trust you place in us by giving us details about yourself and feel strongly about protecting your privacy. From time to time Honda, its associated companies, authorised dealers or third parties working on behalf of Honda may wish to contact you regarding our products, services, offers, technical developments or your opinions which may be used for marketing, research or analysis purposes.

If you DO NOT wish to be contacted by either of the following methods, please tick the relevant box:  
 Post  Telephone

If you wish to update your details or see our privacy policy in full, please visit [www.honda.co.uk](http://www.honda.co.uk) or call our Contact Centre on 0845 200 8000

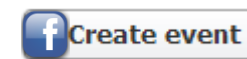
**LIVE CHAT - ONLINE**

## Confirmation

Congratulations, Ian!

You have booked your test drive for a Honda Civic on **Friday 26<sup>th</sup> November at 10:00**

Why not set a reminder and share with your friends?



## Customer Checks Availability of Model of Interest

- Ian is shown alternative, ready built cars that either match his specification or are close to it. This uses the common stock feed from SAP.
- If Ian wants to continue to purchase a new special order car he will be given an estimated production and delivery date.



# Customer Configuring New Car

## Select Model

## Select Engine

2012 EX GT 1.8 i VETEC Manual	£25235.00
2012 ES-T 2.2 i DTEC Manual	£22990.00
2012 SE 1.8 i-VTEC (Petrol) Manual	£18170.00

## Further Options

**2012 EX GT 1.8 i VETEC Manual**  
Options Selected:  
Manual  
Polished Metal Metallic  
Black Fabric  
**BUY NOW**    **FINANCE**

**SELECT OPTIONS**  
Manual  Automatic

Exterior Colour


Interior Colour  
 Black Fabric  
 Black Leather  
 Grey Fabric

# Stock data

Recent Products New Recently Modified ▾

Product Name	Product Code	Product Description	Product Engine Type	Product Transmission
<a href="#">2012 ES-T 2.2 i DTEC Manual</a>	<a href="#">2012EST22DTECM</a>		Diesel	Manual
<a href="#">2012 EX GT 1.8 i VTEC Manual</a>	<a href="#">2012EXGT18VETECM</a>		Petrol	Manual
<a href="#">2012 SE 2.2 i-DTEC (Diesel) Manual</a>	<a href="#">2012SE22DTECDM</a>		Diesel	Manual
<a href="#">2012 SE 1.4 i-VTEC (Petrol) Manual</a>	<a href="#">2012SE14VTECPM</a>		Petrol	Manual
<a href="#">2012 SE 1.8 i-VTEC (Petrol) Automatic</a>	<a href="#">2012SE18VTECPA</a>		Petrol	Automatic
<a href="#">2012 SE 1.8 i-VTEC (Petrol) Manual</a>	<a href="#">2012SE18VTECPM</a>		Petrol	Manual

Select My Honda > Select Model > Select Options > Purchase



PETROL

Select a model below.

2012 EX GT 1.8 i VTEC Manual	£25235.00
2012 ES-T 2.2 i DTEC Manual	£22990.00
2012 SE 1.8 i-VTEC (Petrol) Manual	£18170.00
2012 SE 2.2 i-DTEC (Diesel) Manual	£20300.00

Data is pulled from  
SAP via  
Salesforce.com

# Payment Options – Buy Now (Cash) or Finance

## Payment Option

2012 EX GT 1.8 i VETEC Manual

Options Selected:


- Manual
- Crystal Black Pearl
- Black Fabric

**BUY NOW**      **FINANCE**

## Buy Now

Back    FIND A SHOWROOM    BOOK A TEST DRIVE    GET A BROCHURE    **HONDA**




Select My Honda > Select Model > Select Options > Purchase



2012 EX GT 1.8 i VETEC Manual  
Options Selected:  
Manual  
Crystal Black Pearl  
Black Fabric  
**£25235.00**

Name:  Full Name  
Email:  Email Address  
Telephone:  Telephone Number  
Address:  House No. & Street  
 Locality  
 Town / City  
 County  
Postcode:  Postcode

Card Type:  Payment Card Type  
Card No.:  Long Card Number  
Expiry:  Month  Year  
CVN No.:  3 Digit Security Number

Post your deal and receive a £50 gift voucher   

**BUY NOW**

LIVE CHAT - ONLINE

## Finance

Back    FIND A SHOWROOM    BOOK A TEST DRIVE    GET A BROCHURE    **HONDA**

Select My Honda > Select Model > Select Options > Purchase

Finance Options

POP




Please select term, mileage and deposit below to recalculate the finance example

Term:  37

Mileage Per Annum:  10,000

Customer Deposit - Use the slider below to change your deposit amount:  £0.00 to £3562.00

On The Road Price: £25235.00  
Customer Deposit: £0.00  
Honda Deposit Contribution: £500.00  
Total Deposit: £500.00  
Total Amount of Credit: £24735.00  
47 Monthly Payments (duration of agreement 48 months): £419.89  
Final Payment: £5000.00  
Option To Purchase Fee: £85.00  
Credit Acceptance Fee: £125.00  
**Total amount payable: £24734.83**  
Interest rate p.a (fixed): 4.10%  
Representative: 4.9% APR  
Excess Mileage: 2.00p

Post your deal and receive a £50 gift voucher   

**BUY NOW**

LIVE CHAT - ONLINE


## Feedback

Home    FIND A SHOWROOM    BOOK A TEST DRIVE    GET A BROCHURE    **HONDA**

Select My Honda > Select Model > Select Options > Purchase

Please share your recent purchasing experience

Please describe your experience...



Efficiency: ★★★★★

Aesthetics: ★★★★★

Simplicity: ★★★★★

Accessibility: ★★★★★

Submit to claim your M&S voucher

LIVE CHAT - ONLINE

# A New Honda Advocate



**Ian Jenkins**

8 seconds ago 

I've just bought a new car! Visit <http://www.facebook.com/HondaDemo> and check out what I've got!



## **Honda Demo**

Honda was the first Japanese automobile manufacturer to release a dedicated luxury brand, Acura, in 1986. Aside from their core automobile and motorcycle businesses, Honda also manufactures garden equipment, marine engines, personal watercraft and power generators, amongst others. Since 1986, Honda...

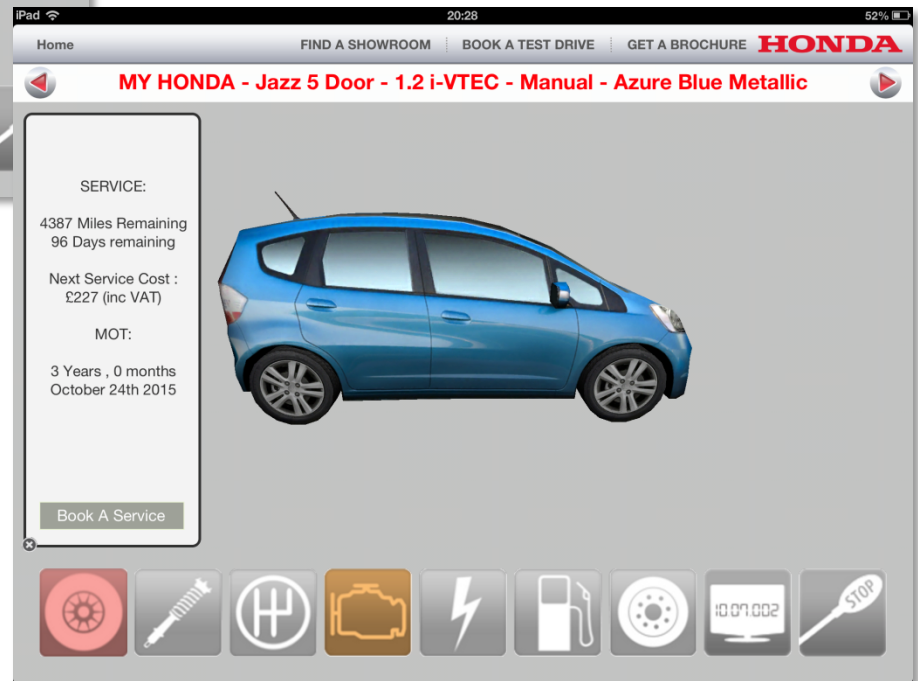
Page: 7 like this.

Like · Comment · Promote · Share

# Scenario 2 – In Life Management – My Honda



Promotions as well as servicing/  
safety issues notified to consumer



# Promotions and Special Offers

**Campaign**  
**Civic Alloys**

Campaign Hierarchy [1] | Open Activities [0] | Activity History [0] | Opportunities [0] | Attachments

**Campaign Detail** Edit Delete Clone Manage Members Advanced Setup

Campaign Owner	<a href="#">Dean Lew</a> <a href="#">[Change]</a>	Stat
Campaign Name	Civic Alloys <a href="#">[View Hierarchy]</a>	
Active	<input checked="" type="checkbox"/>	
Type	Special Offer	
Parent Campaign		
Product	<a href="#">Civic Alloys</a>	
Target	<del>Cars older than 10mths</del>	
Description	Facelift your Honda! A new set of alloys – only £20/mnth on your existing lease.	



Home FIND A SHOWROOM BOOK A TEST DRIVE GET A BROCHURE **HONDA**

**MY HONDA - Civic 5 Door - Metallic Blue**

Facelift your Honda! A new set of alloys – only £20/mnth on your existing lease.



Passenger Side Rear Wheel –  
Reading **24 Psi**. Recommend **32 Psi**

Remember to check for car tyre wear regularly



# Customer Details Shown in SFDC

Opportunities [1] | Assets [1] | Campaign History [1] | Open Activities [0] | Activity History [0] | Cases [3] | Notes & Attachments [0]

**Contact Detail** Edit Delete Clone Request Update Work with Portal

Contact Owner [Dean Lew \[Change\]](#) Email [dlew@csc.com](mailto:dlew@csc.com)

Name	Ian Jenkins	Preferred Contact Method	Telephone
Account Name	<a href="#">Social Account</a>	Honda e-newsletter	<input checked="" type="checkbox"/>
Phone	07785622114758	Do not wish to be contacted	Post
Is this number	Mobile	Lead Source	Facebook
Credit Rating	147		

▼ **Address Information**

Mailing Address 123 Emmanuel Road  
London, SW12 0HN

▼ **Additional Information**

Facebook Image Url <http://profile.ak.fbcdn.net/hprofile-ak-snc7/36...> Facebook Username [ian.jenkins.75033](#)

Facebook Picture

Facebook Profile Url <http://www.facebook.com/ian.jenkins.75033>

Facebook User Id [FB\\_100004362120223](#)

▼ **System Information**

Created By [Dean Lew](#), 04/09/2012 10:23

Custom Links [Google Maps](#)

Edit Delete Clone

**Opportunities** New Opportunity [Opportunities Help](#)

Action	Opportunity Name	Stage	Amount	Close Date
<a href="#">Edit</a>   <a href="#">Del</a>	<a href="#">Civic Ian Jenkins</a>	Finance	£66,995.00	26/10/2012

**Assets** New Asset [Assets Help](#)

Action	Asset Name	Product Family	Serial Number	Status	Purchase Date	Price	Lease Amount Outstanding
<a href="#">Edit</a>   <a href="#">Del</a>	<a href="#">2012 SE 1.4 I-VTEC (Petrol) Manual</a>	Civic	<a href="#">1452896358</a>	Purchased	08/09/2011	£16,999	£14,568.00

**Campaign History** Add to Campaign [Campaign History Help](#)

Action	Campaign Name	Start Date	Type	Status	Responded	Member Status Updated
<a href="#">Edit</a>   <a href="#">Del</a>   <a href="#">View</a>	<a href="#">Civic Allows</a>	15/10/2012	Special Offer	Sent	<input type="checkbox"/>	15/10/2012 11:37

**Open Activities** New Task New Event New Meeting Request [Open Activities Help](#)

No records to display

**Activity History** Log A Call Mail Merge Send an Email Request Update [Activity History Help](#)

No records to display

**Cases** New Case [Cases Help](#)

Action	Case	Subject	Priority	Date/Time Opened	Status	Owner
<a href="#">Edit</a>   <a href="#">Cls</a>	<a href="#">00001024</a>	<a href="#">I've just downloaded your app. It looks great!</a>	Medium	17/10/2012 16:18	New	<a href="#">Dean Lew</a>
<a href="#">Edit</a>   <a href="#">Cls</a>	<a href="#">00001022</a>	<a href="#">Sounds fantastic. I'll be in Lancaster honda</a>	Medium	13/09/2012 12:03	New	<a href="#">Dean Lew</a>
<a href="#">Edit</a>   <a href="#">Cls</a>	<a href="#">00001021</a>	<a href="#">This offer sounds great!</a>	Medium	12/09/2012 18:03		

[Chat](#)

## A vision of the future

- Use HTML5 and standardised APIs to remove many of the traditional barriers to purchase that car buyers face
- Communication is done on the customer's terms and can be done through a range of channels such as mobile and PC
- The relationship with the customer is ongoing, driving additional revenue for the manufacturer via Servicing, Special Offers and New Product Launches
- Own customer data and journey for 1<sup>st</sup> time
- Drive sales with existing and new customer groups
- Not interfere with distribution channels (dealers)
- Develop new communication and engagement channels and interactions
- Enhance 1:n relationships – route to sell services
- Deliver this and earn a customer for life



# Questions

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Linked In: <http://www.linkedin.com/pub/chris-delaney/2/281/a85>