



How Many of 36 M Used Cars Sold by Dealers & Auctions in 2016 were Accurately Appraised?

Why does it Matter? -- Particularly in the Last Quarter of 2017?

The general consensus among dealers, wholesalers, used vehicle buyers-sellers and used vehicle market experts is that the number of inaccurately appraised was “Too Many” and the money and time were lost as industry management searched for better and more precise process of evaluating a trade or inventory vehicle in short order

With a complex variety of factors rapidly affecting valuations, dealers face pressure now more than ever to correctly appraise cars.

Industry factors, like recent recalls and the Volkswagen diesel situation, only complicate an already volatile used car market. Larger economic factors and changes in consumer buying behavior also play their part in driving rapid market changes. Dealers are now employing new technology-driven solutions are primed to stay ahead of the used car market.

Why Traditional Market Guides Help Gain Better Appraisals, But Variances with Data, Analytics, and Processes Persist

The traditional staple of a used car manager’s arsenal consists of a stack of the latest market valuation guidebooks. These market guides, like Black Book, NADA, and KBB, now also compliment their valuation metrics with increasingly in-depth analysis – utilizing data from a growing list of sources to include auction reports, dealer statistics, and robust market forecasting solutions. But real time data is hard to derive, and wide variances persist across the major market guides.

Each UC Guide Book presents differing metrics based on region, vehicle type, and the immediate needs of the dealership. Apart from the tactical battle to close a deal on the sales floor or source more inventory, the process of gauging broader emerging trends faces its own obstacles in variance.

The variance issue across the major guides produces differing assessments and approaches by each guide book. One book will indicate a “drop” and another will report “no adjustment in a given valuation.”

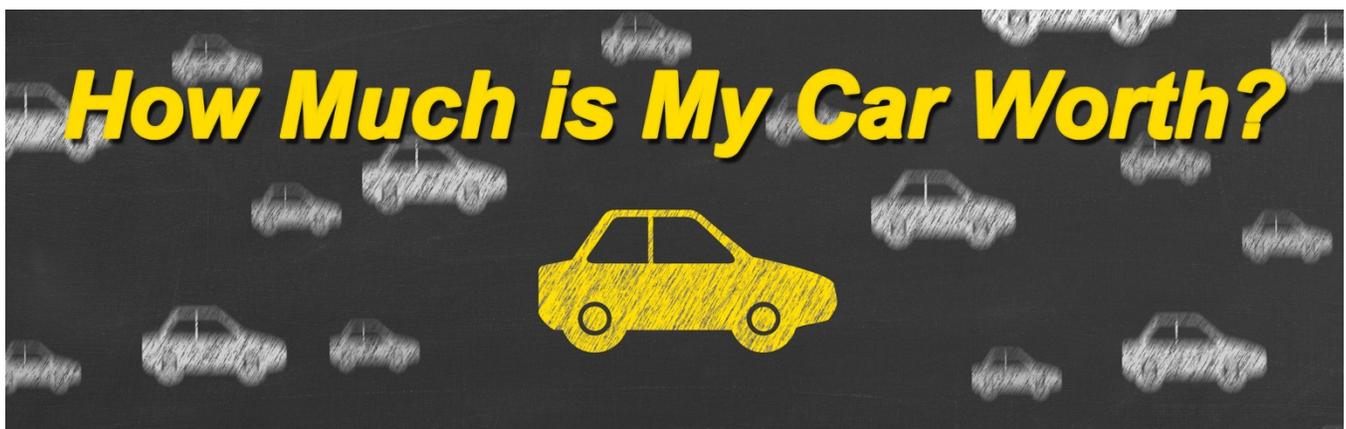
For Inventory Management, Dealers Want Precise & Timely Valuations

Each of the studies above provided important insight, but this type of variance leaves many dealers wanting a more precise and timely evaluation. After all, time is money.

These rapid market changes highlight the need to stay ahead of used car prices for both inventory acquisition and disposition. From the vehicle purchase on the auction floor to frontline-ready, speed to market and low acquisition costs dictate a dealer’s ability to profit. The same rule applies for wholesale bound trade-ins. Dealers don’t want to appraise a trade-in based on what they think the market might look like a week, two weeks, or later – when that car is offloaded into a wholesale channel by being sold at auction or to another dealer.

Dealers Keep Searching for More Precise Inventory Appraisals

A large number of process-driven dealers now utilize a variety of other market valuation tools, in addition to the traditional market guides, to speed up the inventory acquisition-disposition cycle and more precisely appraise their trades. vAuto and FirstLook provide robust platforms to enhance and improve inventory management and deliver more precise vehicle appraisals.



Technology & New Apps Now Meeting the Actual Cash Value Demand

But some dealers are now taking it a step further – by using technology to get rapid, real-time appraisals backed with firm offers to purchase those vehicles.

A mobile-based app solution, for example, now delivers quick, easy, and transparent valuations performed right on the sales floor. On a live trade-in, dealers get a cash-backed appraisal in only 10 to 15 minutes. Expert appraisers evaluate submissions via the technology and are able to place cash offers on each vehicle, leveraging both their expertise and a nationwide network of dealerships who might want to purchase that particular car, in an effort to get the most aggressive offer possible.

Put People and Machines Together: Technology like this can be extremely helpful to dealers when coupled with the expertise of experienced appraisers. Appraisers, with market intuition and an understanding of how importantly timely offers are, allow dealers to stay ahead of market swings by offering precise cash-backed appraisals and providing dealers with real-time ACV on each car. When it comes to accurate used car appraisals, no technology-based algorithm can make immediate cash offers – or understand current market conditions better.

The Solution: An App that accurately appraises in 15 minutes or less

The Appraisal Lane is a mobile app connecting dealers with a larger community of appraisers and buyers to receive real time cash offers on inventory. Fully optimized for mobile, the platform manages appraisal submissions, purchase offers, and dealer, appraiser, and buyer communications, as well as sales and fulfillment channel information. Visit www.TheAppraisalLane.com or download The Appraisal Lane app from the App Store (iPhone/iPad) or Google Play (Android). Call (888) 737-9909. Email marketing@theappraisallane.com.

