

Research and Markets: Current Developments Helping to Reduce Customer Alienation in European Automotive Market

Dublin ([PRWEB](http://www.prweb.com)) July 13, 2005 -- Research and Markets (<http://www.researchandmarkets.com/reports/c20556>) has announced the addition of European Market Review of Automotive Retailing and Support Services – With Forecasted Trends to their offering.

Car retailing through traditional new-car dealerships remains an archaic process, which places the needs of the manufacturers and distributors before those of the customer. So, have the current developments in distribution and retailing helped to reduce customer alienation? It is believed they have to a degree, and this new report provides a commentary upon those recent developments, their effects, and ways in which the vehicle retailing industry might be expected to change in the not too distant future.

Changes are brought about by competition in the marketplace, the development of consumerism, prices to the consumer, e-enabled consumers, and the intervention of block exemption. These forces appear to suggest that a substantially modified retailing model is required to deal with all these pressures for change, in a positive and consumer-friendly way.

In the face of these changes, retailers are adopting a number of new approaches. These vary from attempting to create friendly environments where palm trees, coffee shops and Lego bricks meet customers; to offering multi franchises under one roof; or allowing access to virtual dealerships, where cars may be purchased at considerably lower prices.

It is suggested that when the full impact of block exemption revisions are felt, further developments will occur. New alternative fuels, political pressure and the continuing commoditisation of the car will also drive change in retailing.

The scenario just-auto is expecting to occur is an increased rate of attrition and evolution of current franchised networks, albeit with some operational merging with previously un-franchised specialists so that sales points may be less frequent, while service points may actually increase in numbers and locations. New market entrants will be rare due to the intense competition derived from the free market philosophy being forced into car retailing, or even with a total absence of outlets, new entrants would be discouraged by the basic inability to generate meaningful profit from most aspects of car retailing.

The conventional retailer as we have known it is likely to fade away over time due to attrition for very many reasons. In its place will be: wide-spectrum retailers offering similar services as the current conventional dealer, but in a lean way in multiple location facilities more appropriate to the product or service being offered; process specialists offering a particular consumer service, e.g. franchised fast-fit; process specialists offering a particular blend of business services to either of the above business types.

This report aims to help the reader discover more about the ways in which retailers are adapting their approaches, how effective they are, and what just-auto expects for the future.

For more information visit <http://www.researchandmarkets.com/reports/c20556>



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