Examining the Broken Sales-Cycle in the Saudi Arabia Automotive Market

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Abstract
This study examined the subject of the Saudi Arabian new vehicle market. The topic addressed involved the sales-cycle within the new vehicle purchase process in Saudi Arabia. The specific research problem identified a break-down in the sales-cycle or, alternatively, a dysfunctional approach to the final step in the sales-cycle which involves the post-purchase stage where the consumer typically makes referrals or recommendations to family, friends and colleagues regarding the product or service in question. In this case, the data collected for this study in the form of an informal, anonymous survey of people that have purchased a new vehicle in the Saudi market found that the satisfaction rates with dealers were an abysmal 50 to 60% depending on the specific aspect of service quality addressed. The secondary data found that there are more than 700 thousand new vehicles sold in Saudi Arabia on average annually and this figure is expected to surpass one million in several years. Additionally, with the after sales market in service, parts and warranties continuing to expand to more than $1 billion, this post-purchase process in the sales-cycle can no longer be ignored by new car dealerships in the market. The recommendation is that new car dealerships develop and integrate social media into a customer loyalty program in the new car sales-cycle in order to improve customer satisfaction and referral rates.

Keywords: Saudi Arabia, automotive industry, after-sales service, sales cycle

1. Introduction
1.1 Background and Overview
This study addresses and important issue within the automotive industry within Saudi Arabia. Specifically, it examines the character of the sales-cycle within the automotive market in the Saudi Arabian automotive industry. The automotive marketplace within Saudi Arabia is one of the Middle East region’s largest and most vibrant in terms of volume, size and aftermarket support. For instance, the data indicates that as recently as 2013 there were 773 thousand unique passenger vehicles and light commercial automobiles sold just within Saudi Arabia alone with passenger vehicles estimated to comprise about 570 thousand of these overall sales figures (Saudi, 2014). Considering the sheer volume of these sales figures, developing a better understanding of the sale-cycle within Saudi Arabia vis-a-vis new car sales and support would behoove the industry as well as industry analysts.

The specific subject of this study relates to the new vehicle sales-cycle in Saudi Arabia. The new vehicle sales-cycle consists of pre-purchase considerations, purchase transactions and agreements and the post-purchase relationship between the dealer and the new vehicle consumer. The data reveals that the significance of the new vehicle sales-cycle will only become more important since Saudi Arabia is currently the single largest importer of automobiles and automotive parts into the region and accounts for an estimated 40% of the region’s overall annual new vehicle sales (Saudi, 2013). Given this volume, growth and growth expectations in the market, it is clear that the post-purchase aspect of the sales-cycle is an integral part of the industry. That is, how the market’s dealers and dealer support networks handle post-purchase transactions will define the growth and the character of the industry in Saudi Arabia for many years to come.

1.2 Purpose of the Study
The purpose of this study is multidimensional in character. The automotive industry within Saudi Arabia is a sophisticated market in which all aspects of the sales-cycle are an integral aspect of how the industry itself is perceived in the marketplace. Thus, the purpose of this particular study is detailed in the points below:
1) Characterize the general nature of the new vehicle marketplace within Saudi Arabia.
2) Examine and assess the new vehicle sales-cycle within Saudi Arabia.
3) Isolate the post-purchase aspect of the new vehicle sales-cycle in Saudi Arabia.

Accomplishing these objectives serves to guide this project forward in a logical manner. The culmination is a better understanding of the post-purchase aspect of the new vehicle sales-cycle and how issues in the post-purchase part of the industry are perceived by the consumers themselves.

1.3 Rationale for the Study

The rationale for this study is based on the fundamental principle within the sales-cycle that a break-down in any single step of the sales-cycle is risky for a firm or an industry. The typical sales-cycle is a recurring process that takes place with each individual sale within a given industry. These steps are typically listed as seven in number which include some variation of the following: 1) prospecting for new consumers, 2) getting them in the door, 3) qualifying them as customers, 4) making the sales pitch, 5) overcoming consumer objections, 6) closing the deal or sale, and 7) generating consumer referrals or recommendations (Orr, 2012, pp. 23–25). In this case, the post-transaction step is of primary concern. The rationale is such that if step seven is ignored or simply done poorly then future growth within the Saudi automotive industry will be at risk.

2. Review of the Relevant Literatures

2.1 Approach to the Literature

This review of the relevant literature adopts a critical perspective of the current research. The literature is first examined in manner that characterizes the overall size and features of the new vehicle market and industry within Saudi Arabia. This is followed by a discussion of the new vehicle sales-cycle within Saudi Arabia and some analysis of the research as it relates to the post-sales stage in the sales-cycle of the automotive industry in the market. This approach acts to frame the examination of the consumers’ perspective in the Saudi market undertaken by this study within the context of how the sales-cycle is currently dysfunctional, how it can be improved and its effect on the consumer.

The Saudi marketplace for new vehicles is a vibrant one. The targeted consumer within Saudi’s automotive industry runs the gamut from entry-level passenger vehicles to high-end luxury and sports cars. The marketplace itself is characterized by a relatively young market. There are about 27 million residents in Saudi Arabia where about 19 million of these residents are actually nationals of the country and the median age of these nationals is an estimated 26 years of age while about 64% of the entire population is below 60 years in age (Murad, 2013). In essence, new vehicle ownership is relatively low while average median incomes for the population are on the increase. These are the socio-economic features that make Saudi Arabia so attractive to international vehicle manufacturers in addition to its central geographic position as a regional hub.

2.2 The Saudi Car Market

The Saudi new vehicle production, sales and after-service market has grown almost exponentially over the past decade or so. As early as the mid to late 2000s the country was actively pursuing greater imports and in-market production facilities. In 2008 the new vehicle sales projections were estimated to keep growing by 4% per annum over the following five-year period while car loans in the market increased in 2008 by some 9.05% alone while companies such as GAMC, Proton, Lotus and Al-Qabba Group were considering manufacturing facilities (Autos, 2008). These data are indicative of just how attractive the Saudi market was becoming at that time for new vehicle manufacturers and it is even more attractive in the current marketplace. For 2013, current estimates indicate that more than 773 thousand individual units were sold during this period with passenger vehicles accounting for about 570 thousand of these unit sales with some growth projections targeting 20% growth by 2018 in the industry (Saudi, 2014; Saudi, 2013). With this kind of growth projected over the next few years at least, developing a better relationship with consumers would seem to be a critical strategic consideration for automotive dealers in the market.

Additional international vehicle manufacturers have expressed tangible interest in not only selling in Saudi Arabia but in producing within the market as well. In fact, the production of new vehicles within Saudi Arabia as a means to supply not only the Saudi marketplace but the entire region as well is somewhat of a holy grail for automotive manufacturers because of the cost efficiencies involved. Recent news reveals that Isuzu Motors has established a production facility in Saudi Arabia that will produce an estimated 25 thousand units annually after an investment of US$133 million while overall passenger vehicle sales in Saudi Arabia alone are expected to surpass one million units by 2016 (Chapter, 2012, pp. 35–36; Automotive, 2009). Consequently, new vehicle
sales are an enormous stimulant for the entire economy in addition to fulfilling a critical segment in the consumer big ticket items marketplace.

In terms of actual performance in the marketplace in Saudi Arabia, the largest international firms remain the most successful. These are major firms that have had some sort of foothold in the marketplace for many decades. For example, Toyota remains the single largest new vehicle distributor in the Saudi market with about 40% market share for new vehicle sales in which its Corolla and Hilux truck platforms are the most popular with total unit sales surpassing 291 thousand during 2012 alone (Saudi, 2014, pp. 6). Therefore, it is clear that with this significant market share lead, competing international manufacturers can find it difficult to capture market share themselves. Toyota’s established reputation for quality and service is an advantage in Saudi Arabia to be sure. However, companies such as Hyundai, the Korean automotive manufacturer, transports all of its own vehicles into Saudi Arabia on its own Ro-Ro (roll-on/roll-off) transport vessels and during 2012 the company sold about 123 thousand units of which the Elantra passenger platform sold an estimated 25 thousand units which was a 53% growth year-on-year (Saudi, 2014, pp. 6). These are impressive performance figures for a major Asian manufacturer that competes directly with Toyota in almost every major global marketplace.

Of course, Saudi Arabia is a major luxury vehicle consumer market as well. Because of the country’s great wealth resources and its trickle-down economics approach, there are a great many consumers within Saudi Arabia that can afford luxury vehicle brands. This is why major luxury vehicle manufacturers are now looking to establish not just dealerships within Saudi Arabia but also shared production facilities such as Jaguar Land Rover which is owned by Tata Motors in India which is negotiating plant and production facilities with the government (JLR, 2013, pp. 8; Tata, 2012, pp. 7). All of these figures typify the growth and rapid development of the automotive industry in Saudi Arabia. In addition to these types of investments, the government is entering into a slew of investment agreements that will result, if fully approved, in a native new vehicle production capacity of some 500 thousand new units annually produced within Saudi Arabia by various new car manufacturers (Ballantyne, 2013; Saudi, 2010). Of course the consumer figures highly within this industry since new vehicle sales depend upon a steady and growing consumer traffic stream.

2.3 The Sales Cycle in Saudi Arabia

There is a clear understanding of the typical sales cycle within the Saudi Arabian marketplace. All the major international vehicle manufacturers have an established dealership network that is designed to both handle the pre-sales processes and also the post-sales transactions associated with vehicle sales. For instance, one of General Motors dealerships in Saudi Arabia, Al-Jomaih Automotive, has adopted a technology platform that specifically targets communication, service scheduling and warranty information for customers after they have purchased a general motors vehicle from the dealership (Klie, 2012). Yet, on the surface, this type of solution and proactive customer relationship management effort may seem like Saudi dealerships have a firm grasp of the sales-cycle but it can be misleading.

The typical sales-cycle consists of a series of critical steps that each must be met in some way in order to result in a self-perpetuating cycle. This is, after all, the objective of any consumer oriented industry and industry participant. The steps in the sales-cycle can be further clarified in the following way (Orr, 2012, pp. 23–25):

1) Prospecting: dealerships must constantly strive to reach new customers as well as reach out to prior customers
2) Contacting: a reliable way to communicate with these new customers must be developed
3) Qualifying: there must be a mechanism to identify those customers who have the ability to pay for or finance a vehicle
4) Making the Pitch: the dealership must have a formulaic sales pitch that presents the offer
5) Overcoming Objections: customer objections should be met with specific responses
6) Making the Sale: once overcome, the dealership should processes in place that speed the transaction up
7) Referrals: customers do not stop being customers once the sale is made and therefore they should be happy to refer their family, friends and colleagues

Thus, it would appear that Saudi new vehicle dealership have an understanding that all seven of these steps must be addressed in order to sustain sales over time.

However, there are indications that despite the apparent efforts of Saudi new car dealerships, consumers in Saudi Arabia are not satisfied with the post-purchase process of the dealers. Saudi new car dealerships seem to maintain a sales-cycle that stops at step six or otherwise addresses step seven in an insincere fashion. Research has demonstrated that Saudi new car consumers predicate some of their purchase decisions on country-of-origin
of their new vehicles and therefore transfer some of these quality expectations to the dealership in-market (Sohail & Sahin, 2010, pp. 247). Thus, these consumers have an inherent expectation that they will be treated with a quality level associated with the country-of-origin and not with a quality level associated with typical Saudi retail characteristics which are relatively poor. The fact is that new car purchasers almost universally come to prefer independent shops for their service and maintenance work rather than dealership because of service quality issues, pricing and convenience factors (Owners, 2011). New car dealerships and dealers within Saudi Arabia have done little if anything to truly address this issue and what it means for their future sales performance.

Furthermore, another aspect of the dysfunction associated with the new car purchase process in Saudi Arabia relates to the market’s unique characteristics. For one thing, virtually all of the new car sales and marketing collateral target males and thus a certain machismo exists within the industry. Yet, Saudi Arabia bans all women from driving vehicles and thus their involvement in the new car purchase transaction is limited but they can hire drivers to drive female family members (Baker, 2011). This feature of the market combined with the fact that much of the new car market in Saudi Arabia is comprised on the luxury and high-end vehicle segment works to make the post-purchase process for new vehicles somewhat problematic as well. Luxury high-end vehicle sales have increased as much as 30% with companies such as Mercedes-Benz establishing their own finance divisions within the market to aid in vehicle sales (Wells, 2010). Since this luxury segments tends to define the overall market relative to best practices, a great deal of effort is made to secure new customers and to please them when they are at the dealership.

However, all dealerships within the Saudi market tend to adopt a short-term outlook on their new vehicle consumers. For many of these dealerships that means that the sales-cycle ends when the customer leaves the dealership with the keys to their new car. Yet, unless one purchases a vehicle from a specific dealership, dealers tend to ignore consumers that are not theirs. This is an extremely short-sighted business strategy because as the research illustrates, many dealerships in all leading markets are coming to rely on after-purchase services, parts sales and maintenance revenues to improve profits due to narrowing profit margins on the sale of vehicles alone (Senter & Flynn, 2010, pp. 43). While profit margins might be somewhat easier to maintain within the Saudi market due to the substantial disposable income for many of the market’s consumers, the market is still susceptible to macroeconomic factors. This susceptibility to macroeconomic factors such as the unemployment rate and so forth has led to competitive factors such as a 13% market share for used vehicles in the overall sales percentage of all cars new and used while the after-market parts and equipment market is valued at more than $11 billion (Saudi, 2010, pp. 28; Saudi, 2013). These and other factors continue to shape the new car market in Saudi Arabia in which the consumer relationships that dealers establish post-purchase are ever more critical.

3. Research Methodology

3.1 Methodology Overview

This study relies on a qualitative paradigm since the topic addresses a phenomenological aspect of consumer opinion and behavior. Phenomenology is typically associated with consumer preferences and desires as well as consumer opinions relative to certain factors such as retailer strategies and so forth (Slevitch, 2011). The qualitative paradigm is extremely effective at integrating different types or forms of data such as commonalities found within the existing research and data collected from individuals. This study’s rationale is one that derived from the recognition that the sales-cycle is or should be self-perpetuating. Consequently, should any step within the sales-cycle become dysfunctional or broken, in essence, then this self-perpetuating aspect of the sales-cycle is no longer achievable.

3.2 Study Design

This study is designed to establish a baseline of consumer opinion regarding their post-purchase experience with new car dealerships in Saudi Arabia. In order to accomplish this effectively this study also utilizes a review of the relevant literature in order to frame the findings within context of the new car sales marketplace. In this regard, this approach is an inductive one in which the shift is from the general to the more specific in a manner that improves the study’s overall reliability or, in this case, credibility since this is a qualitative study (Slevitch, 2011, pp. 74–78). This particular study design effectively integrates secondary data from the literature review and primary data collected from new car consumers. This overall design of the study is displayed in the figure below:
As the figure above indicates, this study’s design is a concentrically layered process. The outcome is the result of the study’s ability to respond effectively to the study’s objectives:

1) Characterize the general nature of the new vehicle marketplace within Saudi Arabia
2) Examine and assess the new vehicle sales-cycle within Saudi Arabia
3) Isolate the post-purchase aspect of the new vehicle sales-cycle in Saudi Arabia

As the objectives reveal, a full exploration of the dysfunctional nature of the sales-cycle in the new car marketplace can only be arrived at after the prior objective has been met.

3.3 Data Gathering Method

The data for this study was collected through two main strategies. The secondary data found within the context of the literature review was collected primarily from recognized academic research databases. Thus, these academic research databases such as Emerald, EBSCO, Sage Publications, Elsevier, and LexisNexis Academic were queried utilizing specific search terms, topical labels and keywords. These search terms, topical labels and keywords are displayed below:

<table>
<thead>
<tr>
<th>Search Terms</th>
<th>Topical Labels</th>
<th>Keywords</th>
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<tbody>
<tr>
<td>“new vehicle sales”</td>
<td>automotive industry</td>
<td>warranty</td>
</tr>
<tr>
<td>“customer service”</td>
<td>Saudi Arabia</td>
<td>maintenance</td>
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<tr>
<td>“sales cycle”</td>
<td>vehicle sales and service</td>
<td>financing</td>
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<tr>
<td>“post purchase experience”</td>
<td>Referral network</td>
<td>after-sales</td>
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</table>

These and similar search terms, topical labels and keywords focused the analysis of the literature on industry specific material. The outcome is such that the literature review is much more relevant to the post-purchase transaction process.

In contrast to the secondary data, this study’s primary data was collected directly from the study’s respondents. However, these respondents provided their feedback through an informal questionnaire which promoted greater completion rates. Informal types of surveys are academically beneficial because: 1) they do not demand that the study’s respondents actually provide personal data which removes certain inhibitions that some individuals would have, 2) there is a reduced research requirement, 3) the time required to undertake and complete the study is reduced, and 4) producing a working hypothesis and testing this hypothesis is not necessary at all (Hamilton, 2011). Essentially, the use of an informal survey tends to relieve a great deal of pressure that potential respondents may have regarding who may see their results.
3.4 Research Instrumentation

This study relied on the use of an informal survey. The informal survey referred to can be seen in Appendix 1 of this report. The survey is based upon the use of a Likert-style format in which the study’s respondents are allowed to rate their levels of agreement with a given statement. Likert-style surveys which utilize a seven-level rating system are not as useful because they are less accurate and also scales that rely on numerical rating by respondents can be somewhat confusing to the respondents (Hamilton, 2011). This type of informal survey encourages new car consumers to be more subjective in offering their opinions vis-a-vis the statements they are presented with.

3.5 Validity and Reliability

Qualitative studies do not develop validity in the same manner as quantitative studies do. Validity is an element that indicates how well the data actually represents the issue that it is intended to represent and in qualitative studies this quality is referred to as the data’s credibility (Haley, Taylor, Sheehan & Morrison, 2011, pp. 148-151). Therefore, credibility and reliability as well which is indicative of stability of the data are both achieved through the mechanism of triangulation. Triangulation occurs when a study integrates an examination of existing research, analysis of primary data and the objective assessment of these elements. The result is that this study’s data, analytical procedures and findings can be considered to be trustworthy in character.

4. Presentation of the Findings

4.1 Findings of the Study

This study collected a series of 200 informal surveys from new vehicle consumers within the Saudi Arabian market. This data has been tabulated in the following section. After this outlay of the primary data a summary of the findings related to the secondary data contained within the literature review is detailed in tabular form. The primary data is arranged according to the character of the responses on the informal Likert-based survey:

<table>
<thead>
<tr>
<th>Statement</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
<th>NA</th>
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</thead>
<tbody>
<tr>
<td>Statement One</td>
<td>119</td>
<td>42</td>
<td>21</td>
<td>16</td>
<td>2</td>
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<tr>
<td>Statement Two</td>
<td>139</td>
<td>23</td>
<td>6</td>
<td>10</td>
<td>22</td>
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<tr>
<td>Statement Three</td>
<td>117</td>
<td>58</td>
<td>14</td>
<td>9</td>
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<td>Statement Four</td>
<td>70</td>
<td>36</td>
<td>50</td>
<td>31</td>
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<tr>
<td>Statement Five</td>
<td>60</td>
<td>34</td>
<td>29</td>
<td>38</td>
<td>11</td>
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<tr>
<td>Statement Six</td>
<td>129</td>
<td>44</td>
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The majority of the responses tended to weigh more toward agreement or strong agreement which is highly important for new car dealerships in Saudi Arabia. Each individual statement and response profile is discussed in following sections of this study.

The secondary data and information revealed that Saudi Arabia is a growing new car market. The country serves as both a regional hub for the new car industry as well as a vibrant sales market in itself. The secondary findings indicated that in addition to long-established brands in the marketplace such as Mercedes-Benz, other emerging new vehicle brands such as Tata Motors in India are now investing in the market through newly acquired brands like its Jaguar Land Rover subsidiary. The findings and assumptions within the secondary data are detailed as various themes and shared commonalities in the literature:
Table 3. Commonalities in the findings and major themes

<table>
<thead>
<tr>
<th>Themes</th>
<th>Commonalities</th>
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<tbody>
<tr>
<td>New vehicle consumers largely in 2 segments: middle income &amp; upper income/luxury</td>
<td>Most if not all new vehicle dealerships are focused purely on sales performance data</td>
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<tr>
<td>Over 700 thousand new vehicle units sold annually w/more than 1 million expected in a few years</td>
<td>New vehicle dealerships do not have integrated social media campaigns that tie the sales-cycle together</td>
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<td>Toyota is the highest selling brand in Saudi Arabia because of its reputation for quality</td>
<td>The luxury new car segment does not build lasting relationships with consumers</td>
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<tr>
<td>New vehicle dealerships regularly ignore consumers during the post-purchase stage of the sales-cycle</td>
<td>Used car sales are a considerable percentage of the overall vehicle marketplace</td>
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These various themes found within the literature and the commonalities in what their outcome is reveal an industry that seems to ignore or not recognize the final stage of the sales-cycle.

4.2 Analysis and Discussion

The feedback gained from the anonymous, informal surveys collected for this study were not very promising for new car dealers in Saudi Arabia. A complete 59% of the respondents indicate strong agreement with statement one regarding not being pleased with their post-purchase experience at the dealership. Another 64% indicated that they have had some sort of difficulty in getting new vehicle services completed and another 11% generally agreed with this statement. Likewise, statement three indicated that 58% of the study’s respondents said that they have not referred anyone to the dealership and an additional 29% agreed in general with this statement. These sentiments regarding poor or non-existent post-sales service and treatment was confirmed by a validating statement in statement four which found that 35% agreed strongly that post-sales service was difficult and an additional 18% agreed in general.

Thus, almost 50% of the respondents said that they did not feel appreciated by their new car dealer’s service and 64% used social media to both research their car and to rate their service experiences while another 22% agreed with this statement generally. The overall consensus is such that the new car dealers that were referred to by these respondents are achieving somewhere in the range of 50-60% satisfaction rates which are abysmal. The inverse of these figures is that half of the customers that purchase new cars in Saudi Arabia are displeased with their new car purchase experience and essentially feel mistreated.

5. Conclusions, Recommendations and Future Research

5.1 Study’s Primary Conclusions

The data indicates that roughly 50% of all new vehicle sales transactions in Saudi Arabia are rated poorly by the consumers. Furthermore, with a full 88% of the consumers indicating that they used social media in part of the sales-cycle, purchase process or all of it, social media is a communication platform that cannot be ignored by new car dealerships in Saudi Arabia any longer. Additionally, the secondary data indicates that the post-sale service, maintenance and warranty work is a highly profitable set of transactions that are essentially lost to the dealership that does not build a positive post-purchase relationship with its customers.

Thus, by building a positive relationship with new car consumers in the post-purchase environment, dealerships could maintain new car sales revenues, build post-purchase transaction revenues and capture greater market share from their competitors. Finally, it is apparent that with more than 80% of the new vehicle consumers relying on social media at some stage within the sales-cycle, new car dealers in the market can no longer evade the integration of social media into their sales-cycle and especially into the post-purchase stage of the sales-cycle.

5.2 Recommendations of the Study

The findings and conclusions of this study reveal that the overall sales-cycle in the new car market in Saudi Arabia is broken or at best dysfunctional. The sales-cycle is largely deficient in the post-purchase stage of the sales-cycle. The post-purchase process is the point in which new automobile customers ideally recommend the dealer where they bought their vehicles to their family, friends, and colleagues or, conversely, denigrate their purchase experience to these people. Thus, the recommendation is that in order to Saudi’s new car dealers to close this gap in the sales-cycle at the post-purchase stage, they should develop a customer loyalty program.

The customer loyalty program should be centered on social media as a means to maintain contact, create an open dialogue and ensure faster service whether the car was actually purchased at that dealership or not. The
recommendation regarding the customer loyalty program integrating the use of social media should be based on four critical points (Parment, 2013):

1) The new vehicle purchase process now inherently includes the consumer use of social media

2) The purchase process should be a transparent experience and using social media to enhance this relationship builds loyalty in the consumer

3) The most critical moment occurs just after the consumer takes the car home and is in the process of bonding with it and having a social media connection with the consumer allows the consumer to tout this experience to others

4) The dealership’s off-line and on-line experience should be consistent where the post-purchase on-line environment can inform the consumer of service, warranty and savings deals

This type of engagement with the consumer in the new car market in Saudi Arabia would work to create a lasting relationship with consumers.

These are the new vehicle consumers who own the dealership’s brands but perhaps did not purchase the vehicle at a particular dealership. Furthermore, a social media driven customer loyalty program would work to supply the dealership with a potential future sales stream. It would also provide an avenue for new vehicle consumers to provide immediate feedback on the product and new vehicle service to the dealerships in the marketplace. This type of customer-centric approach to the post-purchase process in the new vehicle sales-cycle is a proactive one that ensures service quality remains high throughout the entire sales-cycle.

5.3 Future Research

There are several avenues in which future research could build on the findings, conclusions and recommendations of this study. One potential area of future research relates to how a social media platform could be specifically integrated into a dealership’s post-purchase program and how effective such a social media platform actually is. This would require the development of a longitudinal study utilizing a pilot survey to design the research instrumentation, a pre-study survey and a post-study survey in order to compare results as a means to identify the efficacy of the social media platform.

References


**Appendix A**

Research Instrumentation

SA=Strongly Agree, A=Agree, N=Neutral, D=Disagree, SD=Strongly Disagree, NA= Not Applicable

1) I have not been very satisfied with my after-purchase treatment by the new car dealership:

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| SA | A | N | D | SD | NA

2) I have had difficulty in arranging service for my new vehicle from the dealership from which it was purchased:

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| SA | A | N | D | SD | NA

3) I have not referred friends, acquaintances and co-workers to the dealership where I purchased my new vehicle in-person or on social media:

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4) My new vehicle service and/or warranty work has been extremely difficult to arrange from the dealer:

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</table>
| SA | A | N | D | SD | NA
5) I do not feel appreciated as a consumer by the dealer after I have purchased my new vehicle:
SA A N D SD NA
☐ ☐ ☐ ☐ ☐ ☐

6) I relied on social media to find a dealership and have used social media to describe my new vehicle purchase experience:
SA A N D SD NA
☐ ☐ ☐ ☐ ☐ ☐

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