



Multi-Brand Dealership

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Abstract

A multi-brand automobile dealership is a type of dealership that sells vehicles from multiple brands under one roof. This research paper aims to explore the advantages and challenges of the multi-brand automobile dealership model. It investigates factors influencing consumer preferences, dealership profitability, brand management, and the competitive landscape of the local automotive market. Through a mixed-methods approach, this research aims to provide insights for stakeholders in the automotive industry, including manufacturers, dealers, and consumers.

This type of dealership provides customers with a diverse selection of vehicles to choose from, which can attract a broader customer base. Multi-brand dealerships can benefit from economies of scale, established customer bases, and increased brand recognition. However, managing multiple brands can be challenging, and there may be potential for conflicts between manufacturers. Opportunities for multi-brand dealerships include expansion into new markets, diversification of products, and increased revenue. Threats include competitive pressure, market volatility, and manufacturer requirements.



Introduction

The multi-brand automobile dealership model has become increasingly popular in recent years. It offers consumers a wider selection of vehicles and brands to choose from, making it more convenient to find the perfect car for their needs. For dealerships, selling multiple brands can provide diversification and reduce the risk of over-reliance on one brand. However, managing multiple brands can also pose challenges such as competing interests and potential

conflicts. This research paper aims to investigate the multi-brand automobile dealership model from various perspectives.

Literature Review

Previous research has explored the factors influencing consumer preferences for multi-brand automobile dealerships. Studies have found that consumers value convenience, selection, and price when choosing a dealership. Brand loyalty and dealership reputation also play a role in consumer decision-making. However, there is a lack of research on how consumer preferences vary across different segments.

Dealership profitability is another important aspect of the multi-brand automobile dealership model. Research has shown that the profitability of individual brands sold at the dealership can be impacted by the presence of competing brands. The size and location of the dealership can also influence profitability. However, there is a lack of research on the overhead costs, inventory management, and marketing expenses associated with the multi-brand automobile dealership model.

Managing multiple brands can pose challenges for dealerships. Studies have identified potential conflicts and competing interests between different brands. Strategies such as allocating separate showrooms or assigning dedicated salespeople for each brand have been suggested to address these challenges. However, there is a lack of research on the effectiveness of these strategies.

The competitive landscape of the local automotive market can also be impacted by the presence of multi-brand automobile dealerships. Studies have found that other dealerships may respond to this competition by offering better deals, expanding their product lines, or improving their customer service. However, there is a lack of research on how the multi-brand automobile dealership model affects the competitive dynamics of the local automotive market.

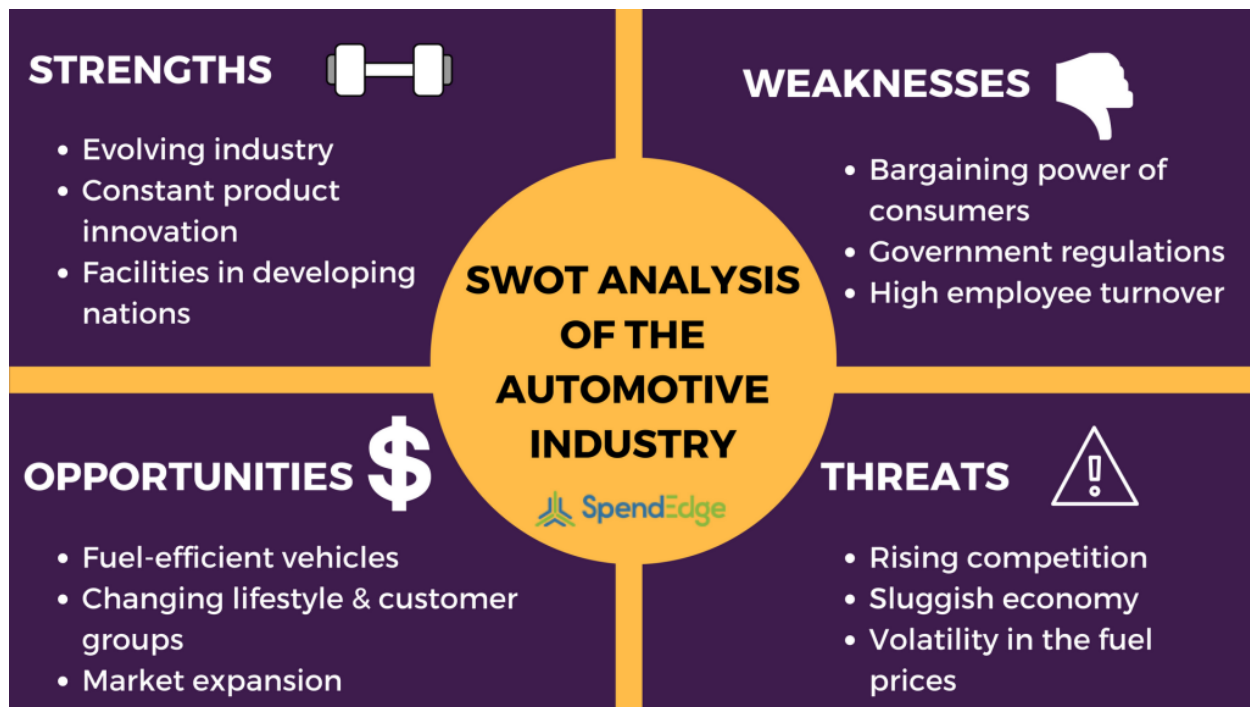
Methodology

This research paper will use a mixed-methods approach to investigate the multi-brand automobile dealership model. Qualitative data will be collected through in-depth interviews with dealership managers, salespeople, and consumers. Quantitative data will be collected through surveys of consumers and financial analysis of dealership performance. Data will be analyzed using thematic analysis and regression analysis.

Expected Results

This research is expected to provide insights into the advantages and challenges of the multi-brand automobile dealership model. It will identify factors influencing consumer preferences, dealership profitability, brand management, and the competitive landscape of the local automotive market. The results of this research will be useful for stakeholders in the automotive industry, including manufacturers, dealers, and consumers.

SWOT analysis is a useful tool for evaluating the strengths, weaknesses, opportunities, and threats of a business. Here's a SWOT analysis of a multi-brand automobile dealership:



Strengths:

1. **Diversified product offerings:** A multi-brand dealership can offer a wide range of vehicles from various manufacturers, which can attract a broad customer base.
2. **Economies of scale:** By selling multiple brands, the dealership can benefit from economies of scale, reducing costs and increasing profitability.
3. **Established customer base:** A multi-brand dealership can leverage an existing customer base from one brand to promote another brand, leading to more sales and revenue.
4. **Brand recognition:** With multiple brands, a dealership can increase its brand recognition, which can help it to stand out in a crowded market.

Weaknesses:

1. **Increased complexity:** Managing multiple brands can be more challenging, requiring more staff, resources, and training.
2. **Customer confusion:** With multiple brands, customers may be confused about which brand to choose or may perceive the dealership as less specialized.
3. **Potential for brand conflict:** Selling multiple brands can lead to conflicts between manufacturers, which can negatively impact the dealership's relationships with those brands.

Opportunities:

1. **Expansion:** A multi-brand dealership can expand into new markets and territories by offering a wider range of products.
2. **Diversification:** Selling multiple brands can reduce the dealership's dependence on one brand or product line, which can protect it from market fluctuations.

3. Increased revenue: Offering more products can lead to increased revenue, especially if the dealership can cross-sell or upsell to existing customers.

Threats:

1. Competitive pressure: A multi-brand dealership faces increased competition from other dealerships that offer the same brands.
2. Market volatility: Changes in the market, including economic downturns or changes in consumer preferences, can negatively impact sales.
3. Manufacturer requirements: Manufacturers may have strict requirements for dealerships selling their products, which can be difficult to meet for a multi-brand dealership.

Conclusion

The multi-brand automobile dealership model offers both advantages and challenges. This research paper aims to investigate these aspects from various perspectives. By providing insights into consumer preferences, dealership profitability, brand management, and competitive landscape, this research can help stakeholders in the automotive industry make informed decisions about the multi-brand automobile dealership model.

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