

Why you might just buy your next car in a shopping centre



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Don't be surprised to see a vehicle dealership popping up in your neighbourhood shopping centre, right next to your favourite fashion store in the near future.

This is already happening overseas: Subaru has opened a dealership in a shopping centre in Melbourne, Australia; Hyundai has opened a dealership in a shopping centre in Kent in the United Kingdom; Tesla has a dealership at the Westfield Shopping Centre in London, to name but a few examples.



Mercedes-Benz pop-up shop. Image source: Mercedes-Benz press

More recently, Mercedes-Benz last year experimented with pop-up stores in shopping centres in Atlanta and Miami in the US. Now it is set to open a store in a mall in Chicago.

The relocation of dealerships to shopping centres has been driven by a reduced number of customer walk-ins at conventional dealerships. This is an international trend that is also being seen in South Africa.

In 2015, consumers in South Africa visited three to four dealerships before purchasing a car. Now, in 2018, they only visit one or two before signing on the dotted line.

One of the solutions to this dilemma is moving the dealership to a shopping centre. As Neil Smith, from Imperial Cars in the United Kingdom, noted at a recent AutoTrader Dealer Master Class: "Dealerships located in shopping centres get more walk-ins than anywhere else."



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The move to shopping centres is being accompanied by more innovative ways of selling cars. For instance, the Alibaba Group and Ford recently lifted the lid on a massive car vending machine. Unstaffed and located in Guangzhou, it facilitates the purchase of a car in under 10 minutes - without any human intervention.

Only a matter of time

It is only a matter	of time	before '	we see	dealerships	in shop	ping	centres	and fa	cilities	such	as the	car	vending	machir	າe in
South Africa.															

We are a nation of car lovers and, thanks to our limited public transport infrastructure, the demand for a car is predicted to remain high.

Coupled with this, we also appreciate convenience - like consumers the world over. So, watch this space... We will soon be seeing developments like these in South Africa.

ABOUT GEORGE MIENIE

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