driveway

ISSUE Q1 2024

# Road Trippin’ With Driveway

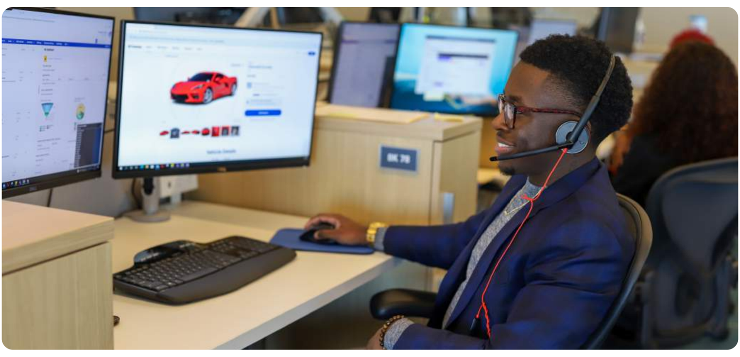
Welcome to our latest recap of what’s been happening in all lanes at Driveway. We’ll review some of our 2023 accomplishments and also take a look ahead. Together in 2023, we completed almost 20,000 transactions and earned a 5-star rating on 80% of our Google customer reviews. Let’s make this another great year as we continue to operate efficiently, grow our business, and work closely with Store partners to ensure a seamless transaction experience.

**Highlights in this issue:**

- Driveway’s 2024 focus
- Tweaking our tagline
- New year, new car for Pfaff Motorsports
- Store Driveway Process Feedback Form
- A new option for Store feedback

## Shifting Into High Gear for 2024

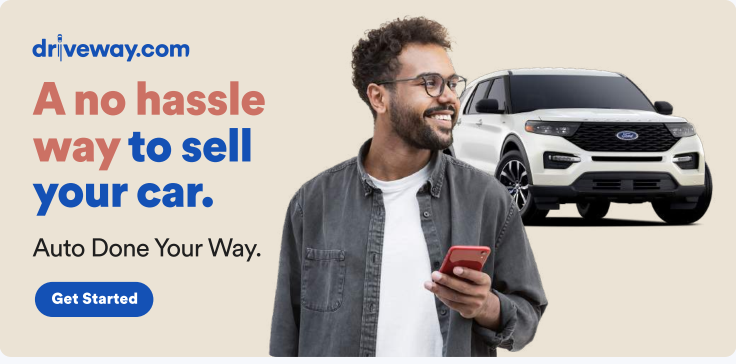
To help achieve our goals of 10,000 Shop units and 13,000 Sell and Trade units this year, we’ll remain laser-focused on the following priorities:



1. Embracing our customers to create an excellent customer experience
2. Building a trusted brand through our marketing campaigns and the customer experience we provide
3. Optimizing transaction volumes and managing costs
4. Creating a seamless and transparent process for the Stores during all Driveway transactions
5. Having well-trained and engaged team members, because #WeRDriveway

## A Tagline Tweak

Driveway launched in 2020 with the tagline “Auto Done Easy” and the promise of an exceptional experience when buying, selling, or financing a car online. In 2024, we’re still all about making those processes more efficient and effective, but as you may have noticed in December, we changed our tagline slightly to **“Auto Done Your Way.”**


driveway.com
A no hassle way to sell your car.
Auto Done Your Way.
Get Started

This evolution in Driveway’s messaging emphasizes one of our key advantages over other online auto retailers: the flexibility for customers to tailor their car shopping experience to their individual needs and preferences. Our customers truly can shop whenever and wherever they like, whether that’s 100% online, or some combination of an online and in-person transaction. Do they want to pick up their new car in person or take a test drive before they click “buy” on our website? They can come on in to one of the hundreds of Lithia stores nationwide and get a whiff of that new car smell!

## 🏆 Top 5 Stores for Driveway Deals

Congratulations and thank you to all the stores featured in our Top 5 lists for Q4. They completed the most Driveway transactions for the combined months of October–December and helped us finish 2023 on a high note.

### Shop Stores

*New and used cars purchased by customers via Driveway in Q4, and percentage of total used sales*

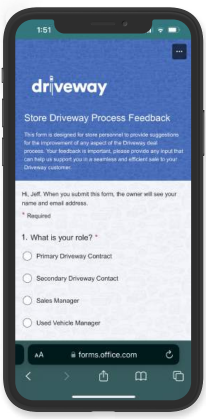
### Sell Stores

*Used cars purchased by stores from Driveway to replenish their inventory*

|  |  |  |
|---|---|---|
| 1. BMW of San Francisco | 60 | 10.2% |
| 2. Hyundai of Fresno | 46 | 9.9% |
| 3. Union Honda | 46 | 6.6% |
| 4. Hamilton Honda | 41 | 5.1% |
| 5. DCH Toyota of Oxnard | 40 | 11.6% |

|  |  |
|---|---|
| 1. Lexus of Sacramento | 116 |
| 2. Mazda of Wesley Chapel | 52 |
| 3. Lexus of Roseville | 51 |
| 4. Howdy Honda–Austin | 42 |
| 5. Curry Honda–Chamblee | 38 |

## A New Option for Store Feedback



Store Driveway Process Feedback

This form is designed for store personnel to provide suggestions for the improvement of any aspect of the Driveway deal process. Your feedback is important, please provide any input that can help us support you in a seamless and efficient sale to your Driveway customer.

Hi, Jeff. When you submit this form, the owner will see your name and email address.

* Required

1. What is your role? *

○ Primary Driveway Contract

○ Secondary Driveway Contact

○ Sales Manager

○ Used Vehicle Manager

There's a new feedback form in town! **The Store Driveway Process Feedback Form** provides a central location for our Store partners to share their ideas and suggestions about Driveway deals. This is an easy way to help streamline the related processes, identify areas for improvement, and contribute to Driveway's continued development. Sharing your ideas could positively impact you, other Stores selling inventory through Driveway, and our customers.

**The Store Driveway Process Feedback Form is accessible from several locations including:**

- The Spark landing page on the Driveway tile
- The Driveway tab in Performance Dashboard
- The Freeway landing page for Salesforce users

DRIVEWAY SPOTLIGHT

## Mark Rudell Joins Driveway as Director of Sales Operations for the Sell Business

In Q4, Mark Rudell was named Driveway's Director of Sales Operations – Sell, where he will lead the Instant Cash Offer (ICO) and Appraisal, Driveway Customer Care Sell, and Remarketing teams. Mark brings extensive automotive industry knowledge and leadership to Driveway, ranging from mobility and technology implementation to sales.

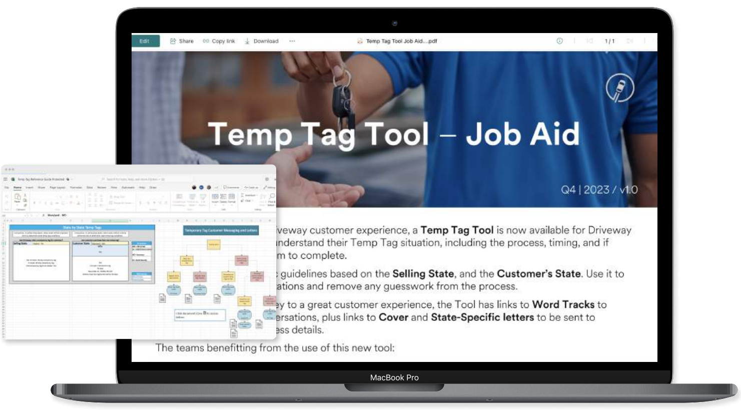
Mark is based in Atlanta, Georgia, and previously led the Business Intelligence team at Mercedes-Benz USA, managing its sales strategy and data efforts in the U.S. Prior to that, he worked in automotive tech, building and deploying technologies that aided dealers and OEMs in the mobility space.

**In his new role, Mark is focused on:**

- Promoting the sustainable growth of Driveway's Sell business including ICO, appraisal, customer experience, and remarketing
- Continuing the Sell team's growth and delivery of Driveway's customer experience
- Optimizing and realizing the added value opportunity of Driveway's Sell business for Lithia

## No More Playing Tag with Temp Tags

On Nov. 20, the Driveway Back Office team launched the new Temp Tag Tool and, as a result, Shop transactions got a little easier, not only for our customers, but also for Driveway Shop Agents, Contract Analysts, Customer Satisfaction Agents, Dispatchers, and Valet Supervisors. This tool is a quick and comprehensive reference guide. It allows associates to communicate the availability of temporary tags more easily and accurately throughout each customer's buying journey, so they can drive their vehicle while they wait for a license plate and registration.



Temp Tag Tool – Job Aid

Q4 | 2023 / v1.0

veway customer experience, a **Temp Tag Tool** is now available for Driveway nderstand their Temp Tag situation, including the process, timing, and if m to complete.

guidelines based on the **Selling State**, and the **Customer's State**. Use it to ations and remove any guesswork from the process.

y to a great customer experience, the Tool has links to **Word Tracks** to ersations, plus links to **Cover** and **State-Specific letters** to be sent to ess details.

The teams benefitting from the use of this new tool:

This has been a challenging aspect of many transactions since each state has different regulations, timeframes, and processes impacting our customers' abilities to receive or purchase a temp tag. With the Temp Tag Tool, we're now able to keep customers better informed and improve their Driveway experience.

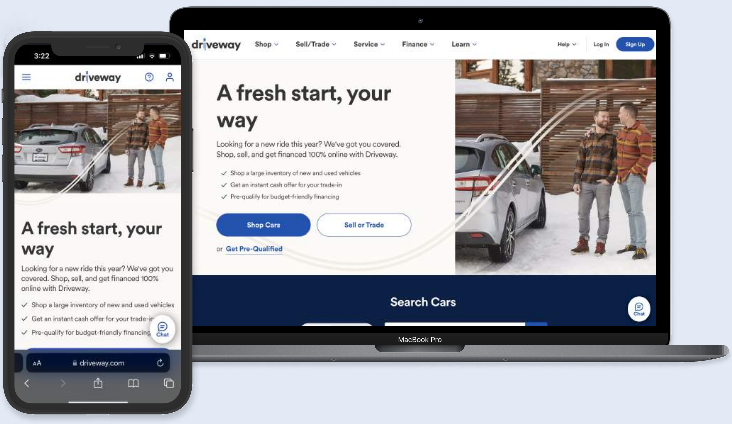
Don't forget, the title team in Medford and the DMV Center of Excellence team in Dallas are also available to provide support for any title issues.

- For ARAP and trade title questions, email **dwapc@lithia.com**
- For retail titles requested at the COE, email **dwdmv@lithia.com**

## Site-Seeing

There's always something new happening on Driveway.com and the Driveway Digital team has shipped dozens of website enhancements. Below is a list of some key updates:

- In the spirit of our core value of transparency, we've improved vehicle merchandising by linking original window stickers to nearly all vehicle detail pages (VDPs) on driveway.com. With near 60,000 window stickers now available to our customers, we anticipate both improved order throughput as well as a reduction in our overall return rate.
- Tagging was added for our marketing partner, Merkle, which will provide stronger analytics for attribution and customer behavior on the website.
- A link to electric vehicle (EV) incentives was added for all used EVs under $25,000, increasing chances of conversion and aligning Driveway as a resource to customers.
- The wording and placement of our Password Tool Tip was improved on the Reset Password page, making it easier for customers to resolve account access issues.
- The homepage hero image was updated to align with the digital marketing team's "Your Way" campaign, delivering a consistent look and feel to customers.



A fresh start, your way

Looking for a new ride this year? We've got you covered. Shop, sell, and get financed 100% online with Driveway.

✓ Shop a large inventory of new and used vehicles
✓ Get an instant cash offer for your trade-in
✓ Pre-qualify for budget-friendly financing

## More To Learn

Check out some of the new and updated Guides & Tips articles under the Learn tab on the site and brush up on your knowledge about all things automotive.

- EVs Are Cheaper to Maintain Than Gas-Powered Cars
- The Best Cars for Winter Driving
- How to Finance a Car With Bad Credit

## Customer Reviews

Overall, we received **402 reviews** on Google, DealerRater, and Trustpilot from October–December; **306 were positive** (4 stars or higher) and 96 were negative (3 stars or lower).

**WINS**

- Taking accountability to resolve problems can turn a customer's experience around.
- The convenience of not haggling or visiting a dealership appeals to many customers.
- Patient and responsive customer service has turned skeptics into believers.

> ***An unbelievably great experience.***
> *Communication was excellent, and time to get my truck sold to pickup to payment was incredible!! So much better than selling privately … I cannot even think of one negative thing to say. Price we agreed to for truck was more than fair. Communication was off the charts. Time until agreement of price and pickup of truck was about 1 week. Payment after pickup of truck was less than 1 day. I will definitely be using Driveway.com for ALL of my future needs.*

***Todd Lamberson*** ★★★★★

**OPPORTUNITIES**

- Thorough inspections can prevent vehicles being delivered with undisclosed issues.
- Communicate up front that shipping fees are not refundable.
- Reduce DMV processing and wait times for out-of-state deals.

> ***An absolute nightmare.***
> *From paperwork being filled out incorrectly (multiple times), to the vehicle arriving with a "collision detected" (dated before delivery) warning on the display and being told to dismiss and they won't do anything, to sending repeated messages and communication without hearing a word back regarding registration. It's been a nightmare of a situation and I would not recommend it to anyone else.*

***Travis S.*** ★☆☆☆☆

## We Are Driveway

This is an organization powered by its people, and our teammates are diverse and come from all around the world. In Driveway's Plano office alone, the employees represent more than 20 different home states and over two dozen countries! Here are some of our Driveway colleagues in action during Q4.

*Plano, TX, employees dressing-up for a Halloween costume contest.*
*L-R: Dana Todd, Chasity Cone, Natalie Williams*

*Valet Dillon Hamilton handing off the keys to a customer in Detroit, MI.*

*Medford, OR, employees celebrating the season in an "Ugly" Sweater contest.*
*Back row L-R: Azerai Quenga, Jamie Galaviz, Seanasea Delugach, Salena Nelson, Samantha Rodis, Kelly Chermack. Front row L-R: Tara Mains, Rosa Lara, Allison Andrews, Elizabeth Perez.*

GREENCARS

## Winners of the 2023 GreenCars Sustainability Award Announced

Green is the new black and it looks good on everyone—especially in the form of prize money for the winners of the 2023 GreenCars Sustainability Award. With nominations submitted from employees throughout the Lithia & Driveway organization during the final months of the year, the winner of the 2023 award is Matthew Snipes, Service Manager at Lithia Toyota of Klamath Falls in Oregon. He wins a $500 prize for converting his Store's loaner fleet into sustainable transportation, with help from colleagues Juan Maldonado and Tim Boozer. Honorable mentions were also given to Nicholas Desroches from Bay Area Airstream Adventures in Fairfield, California, and Angela Sutton-McCartney from Wilde Toyota in West Allis, Wisconsin.

Reclamation Station

Thanks to everyone who participated in the 2023 awards and to all the LAD team members around the globe who are putting their passion for sustainability into action at work and in their communities.

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Have something you'd like to share or contribute to ***Road Trippin' With Driveway***? Email us at insights@driveway.com.