

Navigating Tariff Turbulence:

How Dealerships Can Stay On Top with Better Data Strategies



OVERVIEW

Global trade tensions, rising tariffs, and supply chain disruptions aren't just headlines—they're daily topics for today's automotive dealerships. Whether it's higher costs on new vehicles, imported parts, or delays in deliveries, these challenges can disrupt even the most well-run operations.

But while you can't control international trade policies, you can control how your dealership adapts. The key? Leveraging customer data to stabilize sales, service, and marketing, keeping your dealership agile, efficient, and profitable.

In a time when global market pressures—like tariffs and supply chain disruptions—threaten dealership profitability, reacting isn't enough. You need a proactive strategy rooted in what you can control: your customer relationships and data-driven marketing. This guide will show you how to leverage smarter data, automation, and personalized engagement to keep your dealership stable and thriving, no matter how unpredictable the market becomes. Whether you're facing rising costs, inventory challenges, or shifting consumer behavior, this guide offers practical, easy-to-implement strategies to turn uncertainty into opportunity.



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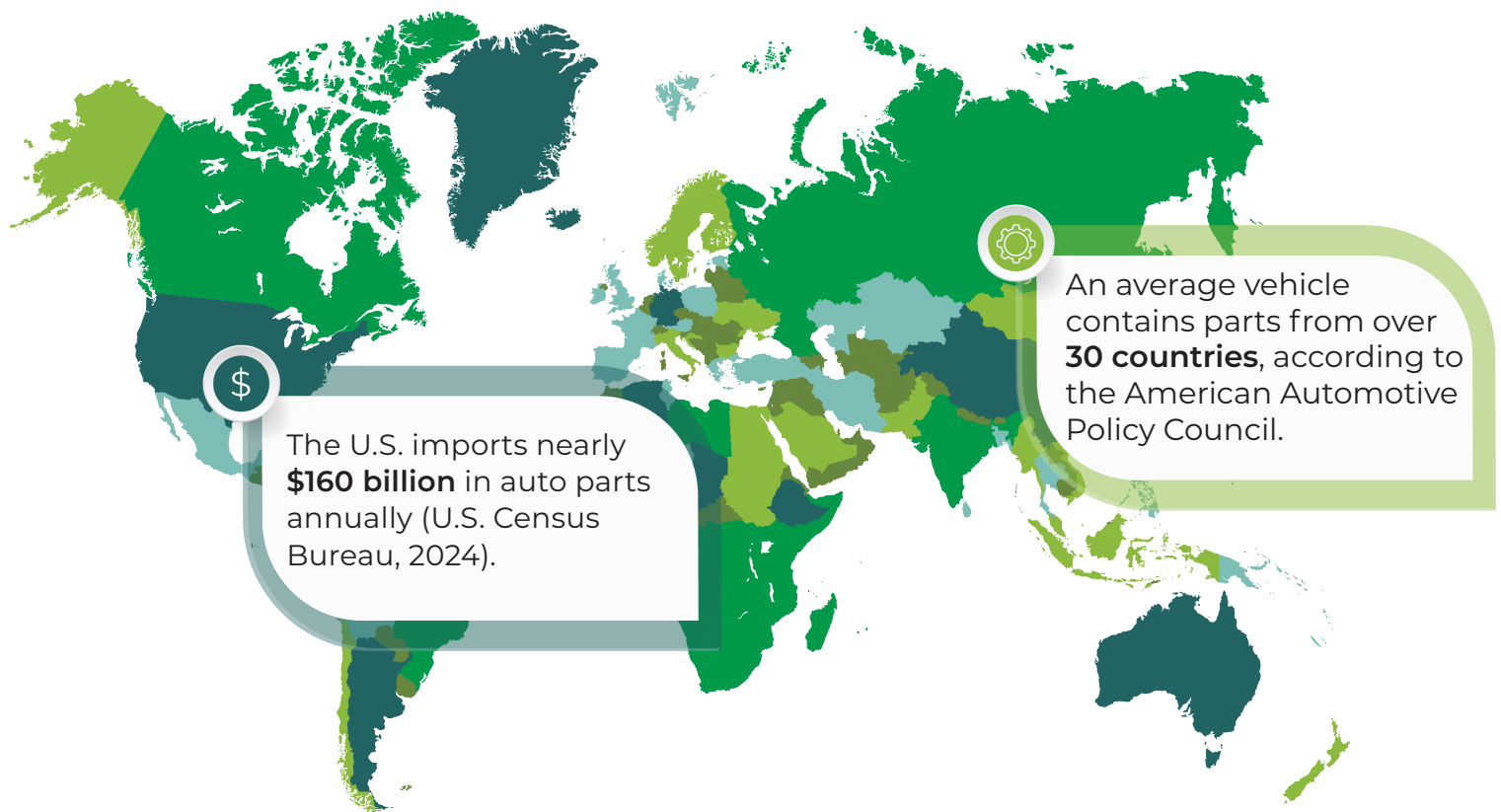
Tariffs and the Automotive Industry:

Why It Matters Now More Than Ever

Before we dive into how smarter data strategies can shield your business, let's briefly explore why tariffs are hitting the automotive industry so hard.

A tariff is a tax imposed by a government on imported goods. In theory, tariffs are designed to protect domestic industries by making foreign products more expensive. However, in practice, they often result in increased production costs, supply chain delays, and higher prices for consumers.

For the automotive sector, heavily reliant on global supply chains, tariffs can send shockwaves through every part of the business.



Tariffs on steel and aluminum alone raised vehicle production costs by \$240 per car during the previous trade measures (Center for Automotive Research, 2019).

With new tariffs announced in 2025 targeting automotive materials and components, dealerships are bracing for:

- Higher vehicle prices are due to increased production costs.
- Parts shortages and longer lead times.
- Pressure on profit margins, as passing costs entirely to consumers, risks slowing sales.

These ripple effects make it harder to maintain a steady sales flow and customer engagement. So, how can dealerships respond without resorting to blanket discounts or slashing margins?

By turning inward, focusing on what they can control: their customer data and marketing precision.

The Overlooked Impact: Customer Experience Takes a Hit

While these operational challenges directly affect dealership profitability, they also quietly erode the customer experience. Shoppers encountering unexpected price hikes, delayed vehicle deliveries, or extended service times aren't just facing inconvenience—they're forming negative perceptions about your dealership. Even though these issues stem from global economic factors beyond your control, customers may still **associate the frustration with your dealership**.

Customer expectations for transparency, speed, and personalization are higher than ever; these friction points can quickly lead to lost trust, decreased loyalty, and missed future sales. A smooth, positive experience is no longer a luxury—it's a competitive necessity. Dealerships that proactively manage communication, set clear expectations, and deliver personalized solutions will stand out, even in a tariff-driven environment.

Bringing It to Life:

Using Multichannel Audience Marketing and Custom Campaigns to Navigate Market Shifts

When external factors like tariffs disrupt your usual sales rhythm, proactive, personalized marketing becomes your dealership's best friend. This is where automated multichannel audience marketing and Custom Campaigns shine, allowing you to stay connected with customers in meaningful ways, even when buying behaviors shift.

Example 1: Shift Focus to Service When Vehicle Sales Slow

If rising costs push new car prices beyond customer budgets, lean into your service lane. Launch a custom campaign promoting service bundles or loyalty rewards to customers due for maintenance, delivered via email, SMS, and social media.



Stat to Consider: Service departments account for **49% of dealership gross profits** on average (NADA, 2024). Keeping this channel strong offsets potential sales dips.

Example 2: Leverage Equity to Offer Affordable Upgrades

Tariff-driven price hikes can make customers hesitant, unless you show them how they can upgrade without spending more or incurring additional costs.

With automated Equity Marketing, identify customers in positive equity positions and send tailored offers highlighting trade-in opportunities that keep payments stable.



Insight: Over **60% of trade-ins** in 2024 had positive equity (Edmunds, 2024). This is a goldmine when approached strategically.

Example 3: Engage Website Visitors Before Competitors Do

As shoppers research more online to navigate higher prices, your website becomes a critical touchpoint. Use Website Visitor Data to spot returning visitors and trigger follow-up campaigns offering financing options, Certified Pre-Owned (CPO) alternatives, or price protection incentives.



Fact: 95% of vehicle buyers use digital sources for research (Think with Google, 2023). If you're not following up, someone else is.

Example 4: Nurture Long-Term Customers Through Personalized Journeys

Not every customer is ready to buy today—and that's okay. The real win comes from building relationships that keep your dealership top-of-mind when they are ready. With journey-based automation, you can nurture customers over months (or even years) by reacting to their engagement and continuously refining outreach based on their preferences.

Use Multichannel Marketing Journeys to guide customers through tailored experiences—whether they're in early research mode, due for service, or simply showing light engagement. By tracking behaviors like email opens, website visits, or service bookings, your system can adjust messaging in real-time, delivering value without overwhelming them.

Example in Action: A customer who purchased a vehicle last year might start receiving helpful service reminders, loyalty rewards, and educational content about new models or features they've shown interest in online. If they begin engaging more frequently, like clicking on trade-in offers, the journey shifts to present upgrade opportunities.



CX Insight: 74% of customers feel frustrated when communications aren't personalized (Salesforce, 2023). Consistent, relevant engagement keeps them loyal and more likely to return when purchase timing aligns.

By nurturing relationships instead of constantly pushing sales messages, you build **trust**, enhance the **customer experience**, and lay the groundwork for future sales, service appointments, and referrals.

How Smarter Data Supports Sales, Website Monitoring, CRM, and Reporting

Now that we've seen how campaigns can adjust to market turbulence, let's look at how a strong **Customer Data Platform (CDP)** and integrated Marketing Automation keep these efforts running smoothly across your dealership's core operations.



Sales

Your team knows exactly who to call—and why. With dynamic **Customer Profiles**, they're not chasing cold leads. Instead, they're reaching out to high-probability buyers, informed by service history, equity status, and online behavior.



Website Tracking + Monitoring

Identify anonymous shoppers and re-engage them before they drift away. Track browsing behavior and trigger timely outreach, ensuring your digital presence converts interest into appointments.



CRM Audience Marketing

Stop letting unsold leads rot in your CRM. Automated CRM Audience Marketing keeps those leads warm with personalized, relevant content, turning yesterday's showroom visitor into tomorrow's sale.



Reporting

With integrated reporting tools with Salesforce, you get clear visibility into what's working. Which campaigns drive service appointments? Who's opening equity offers? Where are sales opportunities hiding? Data answers these questions in real-time.

Why This Matters in a Tariff-Impacted Market

When costs rise and consumer confidence wavers, dealerships can't afford scattershot marketing or inefficient sales processes. Precision is everything.

- ✓ Sharper Targeting reduces wasted spend.
- ✓ Personalized Messaging increases engagement.
- ✓ Automation ensures speed and consistency without overloading your team.

With a clean, connected data foundation, your dealership can adapt offers, shift focus between sales and service, and keep customers engaged, despite external pressures like tariffs.





The Backbone

Activator's Data Management Layer and Customer Profiles

Here's where many dealers fall short: data quality.

Poor data = poorly made decisions. Duplicate records, outdated emails, and incomplete customer histories lead to wasted marketing dollars and missed sales.

At its core, Activator's Data Management Layer is a smart system designed to organize and unify your dealership's customer data. But it's more than just a management tool—it's the foundation that ensures every marketing campaign, sales interaction, and customer transaction is backed by accurate, complete, and actionable information.

Here's how it works:

1

Consolidates Data Across Systems — Your dealership uses a lot of platforms, DMS, CRM, website analytics, service scheduling, equity tools, and more. The CDP pulls customer information from all these sources into one centralized hub.

2

Identifies and Groups Duplicates — Instead of forcing you to pick a single "Golden Record" (and risking valuable data loss), Activator uses advanced machine learning to group related records under a Unified Customer Group ID. This means every piece of useful information, whether it's a phone number from your CRM, a service visit from your DMS, or a website inquiry, gets connected to the right customer profile.

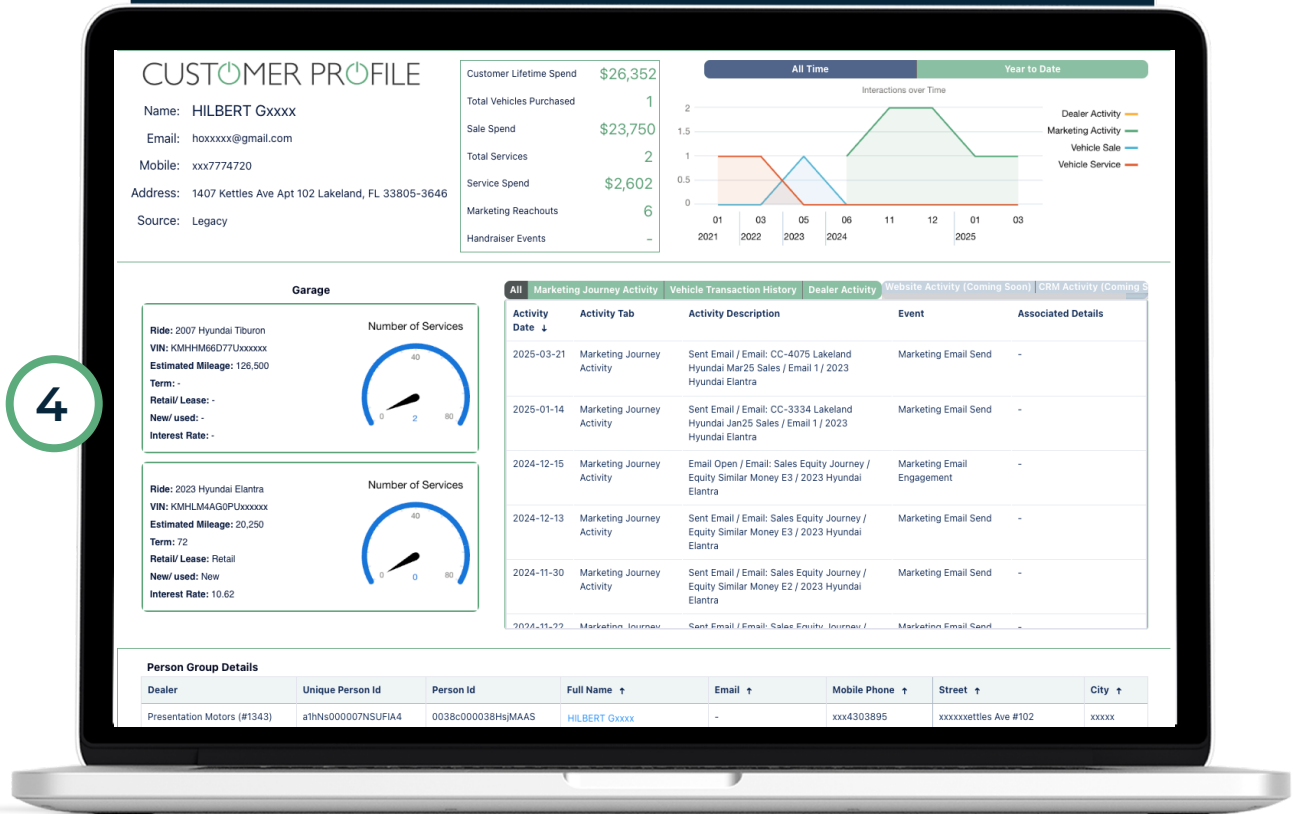
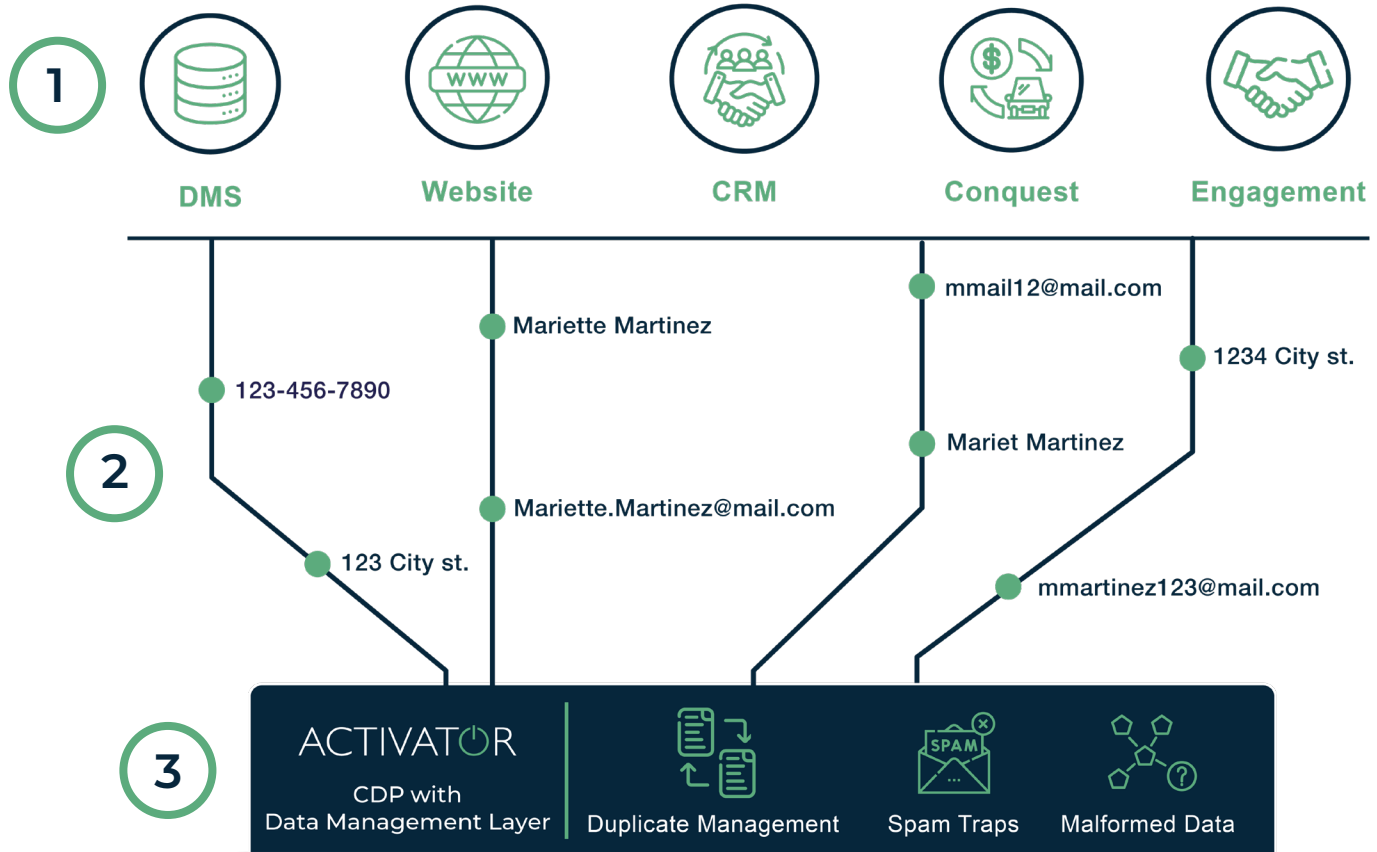
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Managing Data — The system identifies and flags invalid, duplicate, and/or outdated information and intelligently applies verified contact details across all records. It makes every record actionable.

4

Keeps Data Dynamic and Current — Customer data isn't static. People buy new cars, move addresses, change emails, or switch communication preferences. Activator's CDP with Data Management Layer continuously updates profiles as new interactions happen, ensuring you're always working with the most current snapshot of each customer.

Data Management Layer and Customer Profiles



Final Thoughts

Control What You Can Control

You can't rewrite trade policies or eliminate supply chain delays—but you can ensure your dealership is running smarter, leaner, and more connected to your customers than ever before.

By leveraging a robust CDP, powered by a true Data Management Layer and dynamic Customer Profiles, you future-proof your operations against market volatility.

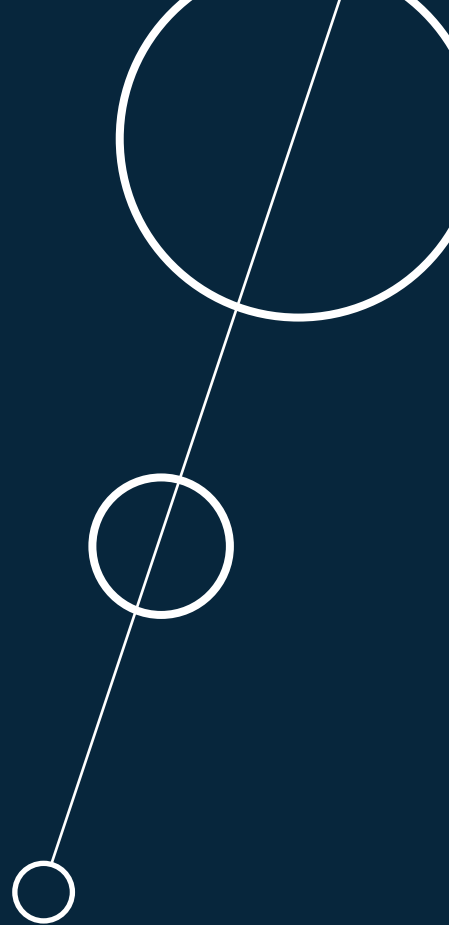
Want to See How It Works?



Discover how better data can turn uncertainty into opportunity. Get Early Access to Activator's Customer Data Platform: <https://activator.ai/cdp-early-access> Because when the market gets rough, dealerships with the best data strategies stay steady—and win.

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