

## Online car auction platform launched

The motor dealer retail market in South Africa has all but stalled during the national lockdown, putting thousands of jobs at risk. Motor dealers are an essential part of the automotive value chain, and longer a restrictive lockdown continues, the higher the number of dealers that will need to close shop.



Source: [pixabay.com](https://pixabay.com)

Digital solutions that enable car purchases while avoiding human contact is one area that will give this market a much-needed boost. The Lockdown Level 4 regulations allow for car sales to be phased in under directions to be announced.

[DealerSA](#) is a newly launched online auction platform that has been designed specifically for the South African dealer-network.

According to DealerSA founder, David Thomas, many dealerships are in dire straits and are going to battle to stay solvent in the coming months.

Thomas, a motor industry veteran and co-founder of two existing online auction platforms, believes that in these times,

technology-based companies must adjust its offering and provide solutions that help businesses survive the economic impact of Covid-19.

The National Automobile Dealers' Association (Nada) says there are about 1,600 franchise dealers in South Africa employing 60,000 people directly, and nearly one million in the automotive value chain with the multiplier effect. Franchise dealers' collective investment is worth more than R40bn, which accounts for 2.5% of the motor industry 6.9% contribution to GDP.

However, there are indications that pre-owned sales provide a glimmer of hope. While new-vehicle sales in SA plunged 29.7% last month versus March 2019 as a result of Covid-19, used-vehicle sales increased. Pre-owned vehicle sales on the AutoTrader website - one of the country's biggest motoring marketplaces - rose from about 30,000 units in March 2019 to more than 33,000 last month.

Developed for the motor industry, by motor industry enthusiasts, DealerSA is an independent, fully transparent online vehicle auction platform. The platform will dramatically reduce the costs incurred by both buyers and sellers. While ensuring stock levels meet demand through an innovative turnkey offering for corporate groups, pre-owned dealerships and fleet owners.

"Our dealers are critical to the sustainability of the motor industry, and this is why, in developing DealerSA, we focused on the buying process. Our platform delivers fresh quality stock daily so that dealers can meet the current demand. Our buying process is fully transparent, and our independence allows us to offer a simplified pricing model that makes the platform cost-effective," says Thomas.

To ensure it delivers on its promise of full transparency, DealerSA provides a detailed bid history to all winning bidders. The platform screens users before granting access, verifying they are registered dealers.

The pricing model is a simple one; there are no hidden auction costs, no buyers fees, and no auction commissions. The only cost is a once-off administration fee of R500 on all successful sales, which the seller pays.

Through its independence and turnkey solution for corporate groups, pre-owned dealerships and fleet owners, DealerSA can meet to demand and guarantee that fresh quality stock is loaded to the platform daily. In the last three months; VWWSA, Volkswagen South Africa, The Tavor Motor Group, The Omni Car Group and over 300 independent dealers have joined the DealerSA network.

"The motor industry is full of passion and a commitment to deliver quality vehicles to the consumer. It is also a vital part of the motor industry value chain. But dealers need all the help they can get, and technology-based solutions provide this much-needed assistance. We developed DealerSA to solve a problem and improve how the dealer network buys and sells vehicles online." concludes Thomas.

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