



Demand analysis of DMS

Asha Umap¹, Nisarg Salve²

¹ Principal, Department of Education Administration, Abhinav Baal Vikas Mandir, Sinner, Nashik, Maharashtra, India

² Department of Management Science, Savitribai Phule Pune University Sub Centre, Nashik, Maharashtra, India

Abstract

This research assesses Dealership Management System (DMS) market demand, awareness and future potential. The goal of the research is to understand the demand of DMS at quickly growing automobile dealership industry. The study examines current usage, satisfaction levels and willingness for accepting new DMS solutions using primary data gathered from 103 respondents who completed structured questionnaires and secondary data from industry sources. Chi-square tests and other statistical analysis are used to determine how dealership types and DMS adoption characteristics relate to one another. The results show that there is significant and growing demand for DMS solution in automobile industry. Dealerships, however, are ready to explore new systems, particularly ones that include features like trial versions, customization and enhanced dashboards.

Keywords: Dealership management systems (DMS), market demand, automobile industry, current usage, dealerships

Introduction

Technology is the most important factor to enhance dealership operations in the rapidly growing automobile industry. Dealership Management Systems (DMS) are now essential resource for streamlining procedures, managing inventory, monitoring sales and improving customer satisfaction.

The rapid digital transformation in the automobile industry has increased the reliance on software-based tools to streamline dealership operations. Dealership Management Systems (DMS) play a vital role in managing inventory, sales processes, invoicing and customer relationships. According to TechSci Research (2023)^[4], "The Indian DMS market has been witnessing significant growth due to increasing competition, customer expectations and the need for operational efficiency." (TechSci Research, 2023)^[4].

As the technology is rapidly growing it becomes vital to manage the dealership activities. Therefore, the DMS aims to give automobile dealerships a competitive and effective platform to improve their performance and efficiency. Customizable solutions that are best suited to dealerships "The demand for digitization in automobile dealerships has significantly accelerated due to customer expectations for speed, transparency and integrated services. Traditional systems often fall short in delivering real-time insights, pushing dealerships to adopt modern DMS platforms. The acceptance of technology in Indian dealerships is directly influenced by perceived ease of use and usefulness, making it critical for software providers to focus on intuitive design and measurable business value." (Bhatia & Wadhwa, 2019)^[10].

This study aims to fill the gap by identifying the demand for DMS, identifying its market position and forecasting future demand patterns. These insights will help the business to take informed decisions about market expansion, product enhancement and strategic positioning.

Objectives

1. To identify the current market demand for DMS.
2. To find out the market presence of DMS.

3. To forecast future demand trends for DMS.

Problem Statement

In the rapidly growing automobile sector, dealership management systems (DMS) play an important role to simplify operations and increase productivity. DMS is a system for automobile dealerships. The aim is to find out market position and estimate demand potential. However, there is a lack of detailed research on its existing market demand, position in the market and future development options. This study attempts to fill the gap by assessing current demand for DMS, studying its market presence and estimating future demand patterns. Understanding these elements can allow businesses to make better decisions about market expansion, product improvements and strategic positioning.

Scope of the Research

This study focuses on assessing the demand for DMS by analyzing its current market demand, presence and future growth potential. This research will cover the following essential areas:

1. Market Presence

These researches was to evaluate the market presence and awareness of Dealership Management System. It will look at how well the DMS is known among dealerships owners and managers.

2. Current Market Demand

This research will find how many dealerships are currently using DMS. It will also identify the key factors influencing demand such as business needs, pricing and features.

3. Future Demand Trends

This research will identify the growth opportunities for DMS based on the data and market insights. It will also give recommendations for strengthening DMS market presence.

Research Design

This research had used a descriptive research approach to assess the demand for DMS through studying its present market demand, presence and future growth opportunities to get an in depth understanding of the market. The research had included primary data collection method.

Primary Data: Surveys will be done with automobile dealerships, industry experts and potential customers to collect firsthand information about their awareness, perception and demand for DMS.

Type of Research

1. Descriptive Research

Descriptive research is used to analyze the current market demand for DMS, including adoption and customer preferences. It is also helpful in understanding the market presence of DMS.

2. Exploratory Research

Exploratory research is used to examine future demand trends by analyzing industry developments, technological advancements and dealership preferences. Exploratory Research will help to identifying the potential customers of DMS.

Sample Design

Non-probability sampling technique was used in this research. Based on the availability, desire to participate and research relevance we have choose the respondents. Dealership owners, General Manager, HR Manager, executives and staff members with expertise in Dealership Management Systems were among the members who completed the questionnaire.

Universe: Automobile Dealers in Maharashtra

Population: Automobile Dealers in Nashik

Sampling Frame: Automobile Dealers in Urban locality of Nashik

Tools of Data Collection

Questionnaire was used in this experiment as the data gathering tool. It is a highly useful tool for gathering primary and trustworthy data while conducting surveys. The process of creating a questionnaire is important because it involves several elements. The most significant of which are a thorough comprehension of the topic, a precise description, the selection of research questions and a connection between them and particular constructions.

Sample Size

Researchers has collected the data from 103 respondents for this research. The sample included a mix of dealership representatives across Nashik. The job role of majority of respondents in automobile dealership was General Manager, HR Manager and Executive.

Interpretation

1. The current demand of DMS among dealerships was measured by analyzing the frequency of dealerships aware and using the system.

1.1 Based on the number of dealerships utilizing a Dealership Management System we can see the interpretation as follow:

1.2 The 'Yes' response was selected by the majority of dealerships which indicates that they currently use a DMS.

Dealership Management Systems (DMS) used by dealerships generally fall into two categories:

1.3 Company Provided DMS

These are systems created and delivered by automobiles manufacturers or their approved suppliers directly. They often have features customized to certain dealership requirements defined by the manufacturer and are made to smoothly carry out the operations.

1.4 Third Party DMS

Independent software companies create these solutions. They frequently provide more adaptability, possibilities for customization and compatibility with other brands or business strategies. In addition to offering advanced features like dashboards, trial versions and modules that can be customized, third-party DMS may accommodate a variety of dealership demands.

1.5 The 'No' response was selected by a smaller group which indicated that they are not currently using any form of DMS. This implies that even though they are not currently using DMS, this implies an opportunity to introduce DMS solutions.

2. The market presence was evaluated by checking the brand recognition and usage compared to competitors.

2.1 Based on how dealerships responded when asked why they are not considering a new DMS.

2.2 Strong competitor presence and brand awareness in the market can be seen in the majority of respondent's answers that they now use another DMS or have their own internal system. Some respondents gave unclear answer, while a smaller percentage identified additional factors such as high price or complex to use.

2.3 This indicates that although any DMS has a chance to join the market, it will be up against strong competition from DMS systems that are currently widely used at dealerships.

3. The future demand was forecasted by interpreting user satisfaction levels, willingness to recommend and likelihood of continued usage.

3.1 Although a small number of respondents expressed dissatisfaction but there was a large number of respondents who are either satisfied or very satisfied with their existing DMS. This shows the overall satisfaction with the possibilities for growth.

3.2 The majority of sample says no for switching while only a small percentage said yes. Although there is open potential if certain benefits are offered. However, this suggests brand loyalty or satisfaction with the systems that are in existence.

3.3 Due to the trust and satisfying experiences, a large number of respondents would suggest a good DMS to others. This suggests that there is a high potential for word of mouth advertising for an excellent product.

3.4 Forecast Insight: Although there is a high level of satisfaction at this moment, a significant percentage is open to recommend and explore a better system. Future DMS might satisfy the hidden demand and promote adoption by providing targeted enhancements like dashboards and performance. Clear patterns emerged showing how dealership type, experience and business size influence the adoption of DMS solutions like.

Limitations

This study has limitations even though it offers insightful information on the market demand and uptake of Dealership Management Systems (DMS) in the automobile dealership sector. Firstly, only 103 respondents from Nashik, Maharashtra, were included in the study sample, which would not accurately reflect the variety of the Indian automobile industry across various geographies and dealership kinds. Because of this, the results might not be totally applicable to the larger national market. Second, the study used self-reported information collected via structured questionnaires, which might include distortions pertaining to respondent's memory and perceptions.

Conclusion

The study on "Demand Analysis of DMS" aimed to identify the current usage, the market presence and future potential of DMS in the automotive dealership sector. Based on primary data collected from 103 respondents and supported by the secondary data, it is evident that dealership management systems are widely used and its play an important role in streamlining operations.

The results suggest that although a large number of dealerships now uses a DMS. The willingness of respondents to explore a new solution, especially through free trials and customizable features, indicates a strong market opportunity for new upcoming DMS. Dealerships are still looking over a better option even if they are satisfied with the present DMS systems.

Even though a new upcoming DMS will have a competition against already established competitors, it still has a lot of opportunities in the market, provided it is backed by smart marketing, cutting edge technology and customer focused service. The study helps to understand how important it is to match the requirement of dealers with product features.

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