BRIAN PASCH

Remote Retailing Blueprint









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Introduction

Welcome to the second edition of this book which was updated in September 2021. The COVID crisis accelerated change in automotive retail merchandising, marketing, and sales process. In 2019, some dealers may have been considered early adopters with their implementation of digital retailing technology. Today, any auto dealer without remote retailing tools on their websites has fallen behind their competition and would be considered behind the times.

This book is designed to continue conversations within dealerships, dealer groups, and manufacturers on the future of automotive retail. While the pace of change has been accelerated in the past two years (2020 and 2021), dealers who craft successful experiences with remote retailing will fuel the second wave of change in automotive retail.

Here is performance feedback from some dealers who felt they had no choice but to adapt to remote selling strategies:

- They sold the same number of units per month with significantly less staff and lowered operating costs.
- They found an increasing number of consumers were willing to buy cars online.
- Consumers using remote retailing tools negotiated less and where even willing to accept the first pencil provided by the dealer or their digital retailing platform.
- Conversational commerce via chat and video conferencing allowed dealers to assist online shoppers *immediately* instead of chasing them later because they depended on a lead form submission.
- Many dealers found that online reviews for sales and service have never been higher. Consumers appreciated retail transactions that were faster, easier, and mostly online.
- Third-party marketplaces delivered consistent, cost-effective shopper traffic and dealership exposure even when dealers reduced their local ad spending.

Much was learned during the unprecedented lockdown of normal commerce in the United States, low inventory levels fueled by computer chip shortages, and the dramatic rise in used car prices. I will share as many of the best stories that I can, and I hope to keep this book updated in the coming year as we continue to see accelerated change in the automotive industry.

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I. Remote Retailing Basics

What is your vision for the retail experience at your dealership?

If you had an immediate answer to this question, you either have recently completed a branding exercise, or if you could not answer, you didn't take this process seriously. Don't skip over this question.

Can you and your managers recite the business objectives (vision) that created your current retail sales process? Does your current sales process produce a positive customer experience for most everyone?

Let's do a test right now.

List five	reasons why a local consumer would come to your dealership and buy a car from you.
1	
2.	
3	
_	
4	
5.	
_	

Now, look back at your list. Circle any of your answers that another dealer in your local market could also use to make that same claim for their dealership. How many of your answers are unique to your dealership?

For some dealers, their retail sales process has not been updated in years. Even some dealers who went through the COVID crisis are reverting to their previous sales processes that are likely built around the phrase "just get them in!"

Why should consumers buy a car from your dealership? When pressed with this question, sales managers immediately will take pen to paper and list statements like this:

- We have the best prices / deals.
- We have the largest inventory.
- We are family-owned and operated.
- We have been in business 45 years and are active in the local community.
- We are generous to local charities.
- We treat everyone like family.
- We have certified technicians.
- We have won the top OEM awards year after year

The list can go on and on but rarely do managers ask whether these answers have a clear benefit to the consumer. Put each statement through the WIFM filter (What's In It For Me?) and you will see that these statements fail to provide benefits to a buyer in terms of things they value.

The vision statements I listed above could be made by multiple dealers in a local market. Consumers have no way of validating claims about price, inventory levels, or what an OEM award was based upon.

All of the reasons listed above also fail to describe the <u>car buying experience at the dealership</u>. In the next chapter, I will outline how to build a modern Brand Promise that lists benefits which are connected to the buying process at the dealership as well as the overall customer experience.

What do consumers value? You are a consumer and so am I. I value time and convenience, don't you? Your vision for a modern retail experience must develop from the lens of your customer, setting all ego aside. A consumer could care less about how many cars you have in inventory especially if they are looking specifically for a 2022 Honda Pilot Touring, black with black leather. If you have it, then tell them how easy it will be to purchase the vehicle.

We will explore the reasons why dealers need to develop a vision that contains a list of promises which support and accelerate remote retailing. A modern vision for retailing can also build a foundation to lower the labor costs to sell cars over the next decade.

Create a Brand Promise to communicate your retail vision.

In this book, I will use two terms repeatedly. **Brand Promise** is the list of your deliverables (promises) to shoppers who are considering doing business with your dealership. Your **Brand Message** is the hook that you will use in marketing to get the attention of car shoppers.

I will develop both concepts in the following chapter, but let's take a minute to review why both the Brand Promise and Brand Message are important foundational elements in your retailing strategy.

When a dealership pivots their sales strategy to allow consumers to do more of the purchase process online, this process improvement must be communicated to consumers in the local market. Consumers must also understand the benefits of remote retailing, so you need to create a list of benefits that pass the WIFM test.

The list of benefits is the **Brand Promise** and the revised retail experience is given a name, which is the **Brand Message**.

Here is an example framework for a modern Brand Promise:

- All our cars are clearly priced online, and in the dealership, to make it easy to find the car that falls within your budget range.
- Visit our dealership showroom or you can shop from home or your office. Ask questions of our virtual sales team via phone, chat, text, or using our online video conferencing technology.
- Complete as much of the buying process online as you want, including valuing your trade, and we will pick up where you left off when you visit or when we come to you!
- Once you decide on a vehicle, we can get the paperwork completed, review the features of your vehicle, and get you on the road within an hour!
- Buy with confidence with our 7-day vehicle exchange program.

As you review the elements in the list above, all pass the WIFM test. They tell a story that respects the consumers' time, financial concerns, and desire to find the best vehicle for their budget.

Now this list is a great start, but it has many elements to absorb which is why this experience needs to be described in more simple terms. That is the role of the Brand Message. The Brand Message is a short phrase that reminds consumers about a benefit to their retail experience. The New Jersey roadways allow consumers to buy **EZ-Pass** (Brand Message) to make driving faster, easier, and safer when needing to pay a toll. Disney offers you the ability to purchase a **Fastpass** (Brand Message) ticket to make the park experience faster, easier, and more productive. There may be other benefits to purchasing a Fastpass, which would be considered the Brand Promise of Disney Fastpass.

I am working with several dealers to update their Brand Promise and to create a new Brand Message. In the next chapter, we will look at a few dealership examples in detail, but the framework for a Brand Message is important to discuss here.

I prefer Brand Messages to be a phrase that can be used for sales *and* service. For example, Newton Nissan in Tennessee selected *Newton Fastpass* for their Brand Message. The word implies speed and convenience. It can be used for sales and service, as shown below:

- Newton Fastpass The fastest and easier way to purchase your vehicle
- *Newton Fastpass The fastest and easier way to service your vehicle.*

When a consumer asks what Fastpass means, the dealer's Brand Promise for sales or service would be reviewed with the consumer. The phrase "Newton Fastpass" is something that can be used in video, radio, or on their website. The more marketing and advertising that is done with that "hook," the faster the dealership will start using the words themselves!

I've also worked with dealers who picked a Brand Message that was focused only on the vehicle sales experience. For example, the phrases "iBuy," "Buy from Home," or "Shop from Home" are all focused on vehicle sales. A second Brand Message would have to be created for service. While I prefer to see one direct message that consumers can connect with and remember, it is possible to have two Brand Messages for one dealership.

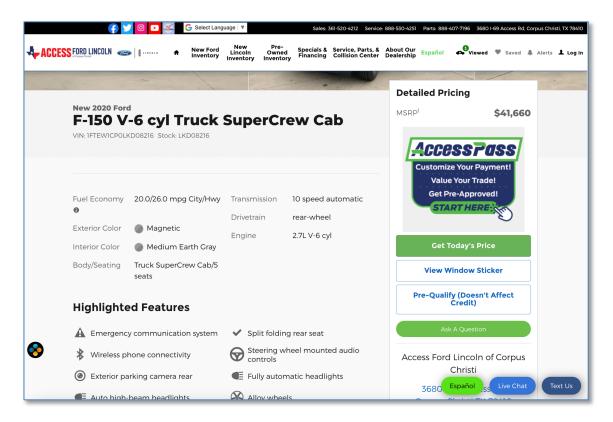
Here are a few dealers that have implemented a modern Brand Message and Brand Promise and have merchandised their websites with both:

Access Ford, Corpus Christi, Texas – Brand Message "Access Ford AccessPass"



The dealer created an immersive brand message on their website starting with banners on the Home Page to reminders on Search Results Pages (SRP) and on the Vehicle Detail Page (VDP). You can't escape the clear branding that by using Access Pass, consumers will save time and have a pleasant buying experience.

On their store's VDP below, you can see that as the consumer scrolls down past the photo gallery, the page has an AccessPass banner to the left of the math box and a clear CTA button that is labeled to start AccessPass.

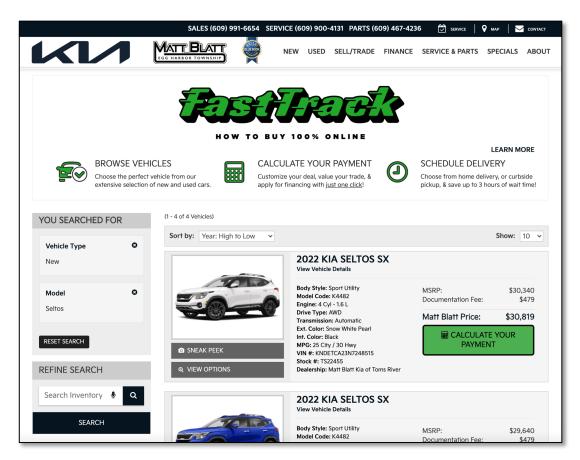




Matt Blatt Kia, Toms River, New Jersey - Brand Message "Matt Blatt Fasttrack"



The dealership has their logo front and center on their homepage so there is no missing their brand message. The dealership also has carried the message on their inventory pages, like the Search Results Page (SRP) shown below. Consistent messaging is very critical to accelerate the education of local consumers that there is a better way to purchase their next vehicle.



How are you marketing your Brand Promise?

In Chapter III, I will go into detail on marketing strategies that work well to amplify your remote retailing strategy using your new Brand Promise and Brand Message. For now, I want you to consider what specific efforts you have in place to educate the local community on the <u>experience</u> you provide for consumers who transact with you in sales and service. If you have installed digital retailing technology to allow consumers to do more of the transaction from home, are they aware of this offering? Don't assume they know!

If your local advertising primarily showcases offers of low payments (i.e., \$299 Ford F150 Lease), you already know these messages have very short-term benefits. Consumers know that these offers are meant to entice and capture intent and rarely will they be paying the indicated monthly payment.

Standardized OEM lease/finance ads don't typically talk about the experience at a specific dealership and can't talk about remote retailing because it has yet to become mandated. Price/payment ads can be more useful when they are enhanced with a customized modern Brand Message.

If five Ford dealers in the Dallas market all use the same price/payment ad on local cable TV, how can anyone grow market share using remote retailing strategies? Is price important? Yes. Is it the most important reason why a consumer selects one local Ford dealer over another? I would argue No.

Do you use local advertising generic promises like "a dealer you can trust," "family-owned since 1975," or "the largest selection in Florida?" If so, you must come to grips that these messages have low appeal compared to offers from the dealership which would guarantee to save the consumers' time by making the deal faster, easier, and mostly online. All consumers value their time. Most will frequent retailers who make it convenient and easy to transact and who recognize their loyalty.

Educating local consumers about the retail experience you offer, especially remote retail offerings, requires intentional actions. An omni-channel marketing strategy will require collaboration with local media partners, website support teams, marketing agencies, and your entire management team.

The best marketing campaigns are not rushed or changed every month. When you review the checklist on the following page, ask yourself how intentional are your efforts to educate consumers on your Brand Message? Even if you have a generic Brand Message like "The lowest prices in Texas," use the checklist to see how consistent you are with marketing that message.

Marketing Location Checklist

Respond **Yes** or **No** for each question below to identify areas of opportunity to amplify your Brand Promise and Brand Message.

Yes/No	Will I find your Brand Message in these places?
	Homepage banner and two paragraphs about the program that is indexable by Google
	Banner at the top of Search Results Page (SRP)
	Banner at the top of Vehicle Details Page (VDP)
	In the text on the About Us page
	Lead form Thank You page - text or video (if applicable)
	Banner on the Hours and Directions page
	Email signatures from all employees
	Video on your YouTube channel
	In video on local cable TV ads
	In video on OTT content network ads
	In video on your website on a custom landing page
	In video on your waiting lounge TV
	On signage / banners in your showroom
	On vehicle interior mirror hang tags
	On a carpet leading to the showroom receptionist
	In brochures in your waiting lounge / reception desk
	On your Facebook page and advertising
	In your Google retargeting ads (banners and video)
	On your vehicle photo overlay banner (website & 3 rd party sites)

Based on your responses, how well do you rate the marketing strategy for your Brand Message? Are there some immediate opportunities? For many of the dealers I consult with, the answer is Yes. If you do not have a robust marketing strategy in place, is it because the Brand Message you have is not strong enough to share at all consumer touchpoints?

Does your website support your Brand Promise?

Based on your responses to the checklist on the previous page, you may already be aware that your website has not been supporting your Brand Message and Brand Promise to its full potential. You will need to develop a plan to fill these gaps; but why do these gaps exist in the first place?

While this statement may not apply in all situations, here is my observation:

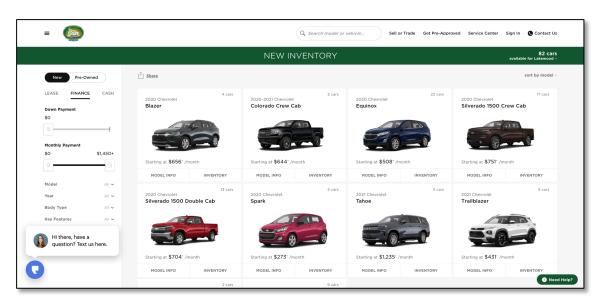
The majority of dealership websites are not supporting a modern Brand Message (one that involves remote retailing offerings) because the dealer's website company and digital retailing provider do not have the staff or expertise to implement an omni-channel marketing plan.

This realization is one of the reasons I wrote this book! My observation is not to grandstand about my consulting services or stand in judgment on any one company. Dealers don't fully comprehend all the changes which need to be made on their website to <u>educate and direct</u> consumers through their digital retailing software.

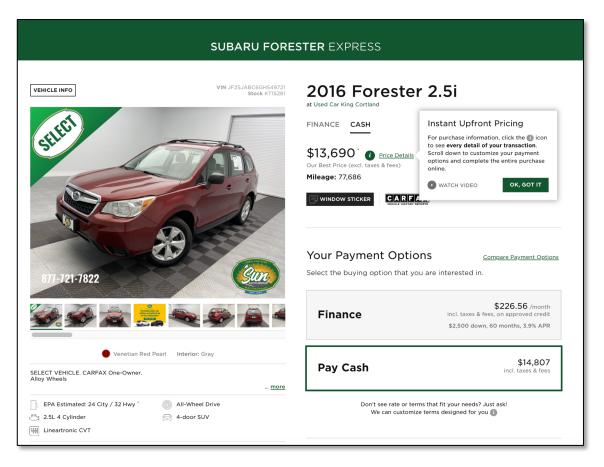
It may also be controversial, but I believe that most website and digital retailing companies don't want to tell a dealer that their website design choices are "ugly" or that they have too many tools on their website. They are afraid to tell the dealer that less is more, or they have too many popups which distract the consumer from getting want they want.

WHICH IS THE HARDER GAME? Coupon pasch Dealer website

Roadster is one digital retailing company that avoided this conversation by wisely creating their own SRP and VDP designs to avoid such conflicts of taste in website design. In the example below, Used Car King in upstate New York has a Dealer Inspire website, but all vehicle search menus take consumers to the Roadster Express storefront:

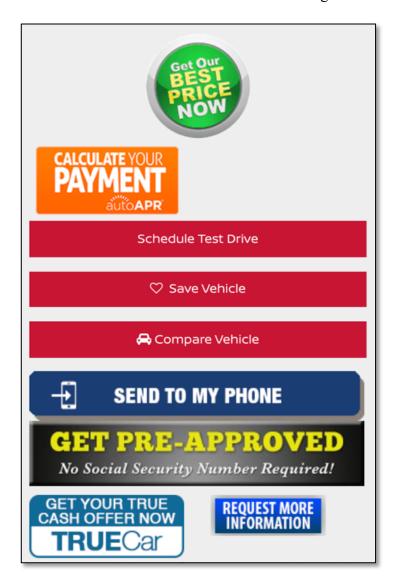


When consumers click on a vehicle, the Vehicle Detail Page, shown below, is very clean and free from common distractions. There are two primary CTAs for this used Subaru Forester.



If you want remote retailing to work, you will need to simplify your website. Don't advertise that you offer a fast and easy way to purchase a vehicle if your website is a complicated mess!

Below is an example of a dealer's Vehicle Detail Page (VDP) that is the perfect representation of having too many call-to-action buttons with conflicting messages. The digital retailing tool was the orange button which should have been the first in the stack and green.



The buttons labeled "Get Our Best Price," "Schedule Test Drive," or "Request More Information" popped up forms for the consumer to fill out. These forms send a message to consumers that the dealership does not have anyone to answer questions in real time when they are shopping.

This VDP design fails on many levels, including the use of colors and multiple options performing similar actions. The goal is to have the VDP easy to navigate which simplifies the consumer interaction.

There is no need to have a pre-approval button if the digital retailing tool provides that functionality. There is no reason to add a third-party trade valuation tool if the digital retailing tool provides a valuation. These valuations may be coming from completely different providers which could provide different valuations and create confusion for the consumer.

NOTE: Dealers need to test their website call-to-action buttons on a regular basis to make sure the tools work. This dealer's large lettered "Get Pre-Approved" button took consumers to a broken page link.

You must develop a keen eye to spot confusing call-to-action messages and take action to simplify the website designs to promote the utilization of your remote retailing tools. Your entire website must *educate*, *direct*, and *assist* consumers through your remote retail process. Does your website accomplish these objectives? Let's do a quick inspection of your website using the table below. You can download the spreadsheet using this link.

List all consumer call-to-action (CTA) events or buttons on your Vehicle Detail Page (VDP). I define a CTA event to be a clickable link to get information, and it may not be a button. Popular CTA events include mobile click-to-call phone numbers, downloading a CARFAX report or window sticker, etc.

# CTAs	CTA Event or Button Name	Form, Conversation, Download
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

For example, if you had a button labeled "Get ePrice" that popped up a standard website form, you would list the CTA button name in the second column as "Get ePrice" and in the third column you would write the word "Form." If the "Get ePrice" started a chat session, the answer in the third column would be "Conversation."

Keep in mind that if the VDP has a phone number listed at the top of the page, that is a CTA event and should be listed in the table. If you also have persistent chat/text on each VDP, those should be listed as CTA buttons/events in the table as well.

Before you conclude that your table is correct, ask someone else from the dealership to review your work. Many times, CTA events or buttons are missed because we scan pages too quickly due to familiarity!

The table below was completed by a Toyota dealer who took part in my manager mentoring program. The table was created in June 2020 and was based on a new vehicle detail page (VDP).

# CTAs	CTA Event or Button Name	Form, Conversation, Download
1	Pop Up over the VDP	Form
2	Click to Call	Conversation
3	Send to Phone, Email & Print	Form
4	Price Drop	Form
5	Get Pre-approved	Form
6	Value Your Trade	Form
7	We Want Your Car	Form
8	Loyalty Incentive	Form
9	Get Your Discount	Form
10	Chat	Conversation

Looking at this completed table, does this website give the consumer the impression that their virtual showroom is staffed? The fact that so many of the CTA buttons pop up forms to be filled out is virtually screaming that no one will help the shopper **NOW**.

Which CTA buttons on your website are functions of your digital retailing tool? They could be eliminated. If you want to move MORE consumers through your digital retailing technology, you must reduce CTA buttons and make a clear path to those tools for consumers who visit your website.

In Chapter IV, we will be reviewing in greater detail website design strategies and how to measure the Form Completion Rate (FCR) for each of the buttons on your SRP and VDP pages.

Have you staffed your website showroom with sales professionals?

Are you addicted to leads? Before you get defensive, most dealers use leads as their barometer to predict how their sales will end up for the month. More website leads generate more appointments, shows, and sales. Dealers love to tell me that leads from their websites are the highest converting leads, and, of course, that is no surprise!

But why do we have website leads coming into the CRM during normal business hours?

When a consumer arrives in the showroom, we don't call them a lead, we call them a customer. We believe that if they drive over to the showroom, the consumer must be serious. We staff our showroom to accommodate people who walk in with questions because we value their visit.

We do not tell a consumer who walks into our **physical** showroom: "Sit down in that chair. Fill out a visitor form and someone will get over to you within an hour" like the cartoon suggests we do on our virtual showrooms.



However, despite the fact that a dealer's website is their virtual showroom, it seems that most dealers have forgotten to staff the online showroom. This can be confirmed on thousands of dealership websites around the world.

When a consumer has a simple question, a form pops up and tells them that <u>no one can help them now...</u> and that they must be patient. Most lead forms do not say when the dealer will respond via email or phone, so the very first emotion that consumers feel is one of **frustration**. This is not what consumers experience in other online retail shopping destinations.

Dealers should also know that less than 40% of consumers who click "Get ePrice" or "Confirm Availability" will complete the form.

What would happen if you staffed your virtual showroom with people that could answer questions **properly**? Imagine what would happen when a consumer clicked one of your call-to-action buttons and, instead of a form, they started an online conversation via chat, with an option to change to phone or video conferencing?

Their first emotion would be "WOW," this dealer really is serious about remote selling and helping me online.

A lead is basically the name and contact information from a frustrated consumer who could not get basic information from you when they were online. You had people available that could help, you just didn't reimagine how to reallocate these resources.

Dealers can DOUBLE their monthly conversations with online shoppers by moving from lead form pop-ups to real-time conversations via chat, SMS, video conferencing, or phone <u>during</u> normal business hours.

The solution **is not** to outsource the dealership's chat conversations during normal business hours. The solution is to use technology to direct website questions to any sales associate or manager who is on staff and available to chat. After hours, the dealership can leverage outsourced chat services.

When I tested a number of the popular outsourced chat providers on dealership websites <u>during</u> <u>normal business hours</u>, the experiences were very poor. Some remote agents could not even confirm a vehicle price that was clearly posted on the dealer's website.

Instead of chasing consumers with BDC agents after the receipt of a lead form, dealers must innovate their staffing models to meet and greet customers who have questions, whether online or in the showroom. It's time to staff your virtual showrooms with your trained employees and doing that lowers costs and increases profits. A better customer experience has been provided because you assisted them NOW instead of chasing down a disappointed customer later.

Reduce costs with "Assist Now" vs "Chase Later."

Every business owner is aware of the rising costs of labor, insurance, lending rates, and healthcare. Any solution that could increase customer satisfaction and profits while lowering labor costs should be carefully considered. As dealers consider utilizing conversational commerce tools on their websites instead of using 25-year-old lead forms, they will find that the costs to start a conversation with an interested consumer are cut in half.

Conversational commerce refers to technology that allows consumers to get answers to their questions in a way that is natural to them. For some consumers, they may prefer to get notifications and answers to questions via SMS while others may prefer chat or video conferencing. When a consumer cannot get an answer to a simple question, business owners risk losing that customer.

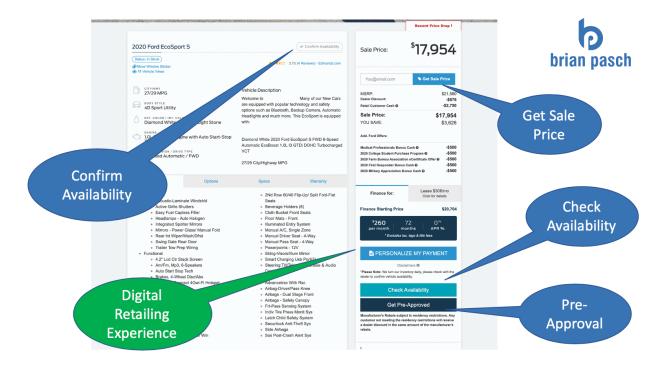
Have you experienced a time when you wanted to buy something but could not get assistance from the store during normal business hours? Did the retailer lose your business? I can recall many times where the delay caused me to shop elsewhere, and the first retailer lost my business. The sales that were lost occurred for many reasons, but a few were lost because:

- I needed something shipped overnight, and the website couldn't confirm that it would be shipped in time.
- I needed a larger size or quantity, and the website did not offer pricing for variations from what was listed.
- I had a question about the features or compatibility of the item and could not get a straight answer from the website Q&A or automated assistant.

Your ability to answer consumer questions during normal business hours by phone, online, or in the showroom will be one of the key profit drivers in the years ahead. Staffing your virtual showroom will be the third leg of the retail stool that gets your attention.

Chasing consumers in the BDC from a lead form is costly. Let's do the math so you can see that assisting consumers while they are online is significantly more cost effective than chasing them after they leave. The data has been pulled from years of research through my consulting practice, and I have also included some data from other trusted third parties.

Most dealership websites have 4 or more call-to-action (CTA) buttons on their Vehicle Detail Pages, as shown below. Three buttons pop up short lead forms requiring a valid email address: Confirm Availability, Get Sale Price, and Check Availability.



Since many dealers believe that "price" is the primary lever they should use to influence car shoppers, it should come as no surprise that many CTA buttons are focused on price. For this dealer, they have one redundant CTA that tells consumers that they can get the sale price - however the sale price is already disclosed! Go figure?

Less than 40% of consumers who click on "Confirm Availability" or "Get Sale Price" complete the form. Those that complete the form are hard to reach; less than 50% respond to dealers via email. That means that less than 20% of consumers who had a question and clicked a CTA button converse with dealers using the required method of email.

If 1,000 consumers a month click the "Get ePrice" button, the dealer would have no more than 200 consumers talking with them via email.

If the dealer switches the CTA actions from lead forms to conversations, they would be able to get contact information from at least 40% of consumers, yielding 400 leads per month. Some dealers are getting higher conversion rates, so the range is 2X-3X more sales opportunities per month with no additional advertising costs. The scripts and staffing levels to handle this increase will be discussed in Chapter V.

Remote Retailing Success at Larry H. Miller Toyota

While there are hundreds of success stories that I could share, in this book I will highlight a handful of dealerships that I have either directly worked with, have shared the stage with at the Digital Marketing Strategies Conference, or who have provided stories for the book directly. By sharing these stories, I encourage dealers to stick to the hard steps that are required to create a new retail experience for consumers.

I had the pleasure of hosting Jarred Black, General Manager of Larry H. Miller Toyota in Boulder Colorado, at DMSC 2020 Virtual Livestream Conference in July 2020. Jarred was one of the fortunate dealers who started implementing remote retailing technology using Roadster Express Storefront and revising the store's sales processes before the COVID crisis. His forward thinking was rewarded and worth noting. He shares the change management steps he took so that he now sells more vehicles at a lower cost with a higher customer satisfaction level.

In 2018, the Larry H. Miller Group embarked on a journey to bring digital retailing capabilities to all 60+ rooftops within the group. They were particularly interested in having the Toyota Boulder store try Roadster, given General Manager, Jarred Black's, process-oriented approach. Jarred had tried other tools in the past but found them to be glorified payment calculators.

Jarred was looking for something that could empower his sales staff to work with customers, not just in the showroom but also online, with little management oversight. He knew there were a lot of inefficiencies happening and that if he could significantly reduce the time his sales team spent waiting in line at the sales manager's desk for information, it would accomplish three goals: increase their productivity, lead to more sales per person, and result in higher customer satisfaction scores.

Larry H. Miller Toyota Boulder partnered with Roadster in December of 2018 to utilize both the Express Storefront and Express Trade products. After getting comfortable with the online transaction platform, Jarred quickly moved to mastering the in-store component. It didn't take long for him to realize the power of having his team use it to engage customers regardless of their location.

By September of 2019, he knew he was on to something. He took a portion of his staff and dedicated them to using Roadster with every customer, both online and in the showroom. Not only did customer satisfaction skyrocket, but this Roadster team was so much more efficient than everyone else, pulling the average number of cars sold per person up from the typical 8-9 units to 15+.

By January, he was ready to roll this out to the rest of his staff. He centered his entire sales process around the capabilities of his Express Store. Things had just begun to hum when the COVID-19 pandemic hit. Much like other stores around the country, his physical showroom was shut down and sales transitioned to 'by appointment only.' While Jarred had to reduce his headcount due to lower demand at first, he didn't skip a beat process-wise. After all, they had been perfecting it for the previous 12+ months. With remote selling already in their blood, Jarred and Toyota Boulder went on to sell the same number of cars in May vs. pre COVID, but with half the staff. Staff members that were not 100% on board previously, quickly got on board.

In fact, one of his most successful sales professionals went from selling an average 25 cars a month to 44+ in April.

Every dealer would like to sell more vehicles at a lower cost and hear that their employees and customers are having an amazing experience. The good news is that Jarred's story can be replicated and, in fact, you will see similar stories from dealers interviewed in the book. Automotive retailers have an unique opportunity today to implement changes that have been sorely needed for 20+ years. The bigger question is whether you are ready to lead that change in your dealership.

One note, home delivery is still a work in progress with many dealers. The time and costs associated with home delivery, when done internally, are a point of friction for dealers we spoke with. There are third-party services that will work to deliver vehicles, but it is too early to see a proven blueprint for cost effective solutions that check all the boxes with state compliance laws.

II. Creating a Modern Brand Promise

Refreshing your local Brand Message.

This chapter may be hard for you to read. Try to remain open-minded about your approach to local marketing and the message your advertising conveys to in-market shoppers. This is especially true for second and third-generation dealership managers who have utilized the same tagline or market message for years. How well does your current market message communicate the experience you want consumers to have when they visit and transact?

If your dealership has been using the Brand Message "An experience you will never forget" in all your commercials for the past 50 years, any thought of scrapping that tagline could be met with strong emotional resistance. Or you may have a brand message that includes your dealer group name like "Huffines has It!" that was used on TV and in radio commercials for years. Changing this tagline might be the farthest thing on your mind.

I hope you can approach this chapter with an open mind. Let's go back to the tagline "An experience you will never forget." What type of experience does it say the consumer will have? Was it faster, friendlier, and easier than another dealer in town? Couldn't the same open-ended phrase mean that the experience was so poor the consumer will never forget it?

Disney chose "Fastpass+" because the name implies what the experience will be. There is no way a consumer would see that name and ask if the FastPass+ experience was slower than a normal park ticket.

I want to challenge you to review your local marketing messages based on what consumers value in 2020 and beyond. Consumers' expectations have changed, and what was a great tagline 25 years ago before the internet is likely not effective today. Some of the most successful brands have evolved their brand message and identity to stay in the conversation of consumers.

Let's look more closely at some of the popular marketing messages that I shared in Chapter I. Again, don't get defensive especially if you are a profitable dealer who thinks that your marketing is working perfectly.

Claim #1: I Have the Largest Inventory.

Today, having the *largest inventory in the local market* may not have the impact that it once had. Why does the messaging have to change?

Before the Internet, being the *volume leader* had value to consumers because it implied that consumers would more likely get exactly what they wanted when they visited. Today, websites like Cars.com, CarGurus, Autotrader.com, Edmunds, and TrueCar give consumers access to the <u>largest inventory</u> to help them find exactly what they want from the comfort of their home. They shop online to save time and to narrow down their choices, as long as the information provided online is trustworthy.

Claim #2: We Are the Oldest Dealership in the Area.

Today, being the oldest dealer *in the local market* may not have the impact that it once had. Why does the messaging have to change?

Touting that your dealership has been operating for 30 years under the same leadership was valuable in the past. Consumers valued stability and knowing the family behind the store and its values of supporting the local community.

Today, that message could easily be interpreted to mean the dealership is old-fashioned and not up-to-speed with the latest trends and technology in retailing. I also don't think most customers care about who owns the dealership as long as the price is fair, and the transaction is simple.

Respectfully, any business owner that has been in business for 30+ years or has the largest inventory is a wonderful accomplishment. However, we need to evolve the conversation to educate consumers that your dealership is the easiest and smartest place to buy their next vehicle.

Claim #3: We Will Treat You Like Family.

That phrase gives your dealership a 50-50 chance that the consumer had a happy family life or that their family treated them well.

Let's do a quick test. Do you have any family members that owe you money? Do you have a family member that you don't speak with anymore? How about a family member that stole from you? How many families do you know that went through a bitter divorce?

With this greater understanding about our world, and that 50% of shoppers could have had a bad family experience, why would you tie your business to that jump ball message? The statement "We will treat you like family" to a cynical consumer could also mean that you will take advantage of them!

Claim #4: We Have the Lowest Prices.

This is a very popular claim and used in numerous commercials. For years, the Huffines Automotive Group had a tagline that said "Huffines Has It!" which is ambiguous to me. However, when they play their jingle and advertise their stores in video, the associated message is that they are the only place with the "Low Price Guarantee." You can see this in action on this YouTube video.

What is that Low Price Guarantee? The consumer would have to call and ask them about that, which was the hook to get a sales opportunity. This type of advertising helped to develop a general belief that car dealers will say anything to get someone in the showroom, and that promised low prices rarely ever materialize.

I could go on to debunk other recycled marketing messages, but I hope that you would see that while these four messages will appeal to a small segment of the population, everyone values saving time and having an easier experience.

If you feel that some of these messages are still critical for your local marketing, the compromise would be to include them in your Brand Promise but refresh your Brand Message. So instead of leading with "Home of the Low-Price Guarantee," you can add that statement as one of the elements in your Brand Promise.

What do most consumers appreciate?

Today, most consumers are not driven by price alone, and they know that any advertised price is just the lowest starting point for a purchase. Consumers have become educated about loss leader ads and bait-n-switch pricing. A group of consumers will always be driven by price, but most consumers are more concerned about the affordability of a vehicle. This concern translates into a desire to know the monthly payment and what they, individually, could qualify to buy or lease.

While price is important, saving time, having a better experience, and allowing the transaction to be more convenient can often trump price. Here is one of the lessons learned from digital retailing: when the car buying process is made easier and consumers are driving the experience with digital retailing tools, they tend to negotiate less and PVR is higher.

What do consumers want their next car buying experience to look like? I asked 100 consumers who were either shopping for a vehicle or had just purchased a vehicle to describe their ideal car buying experience in two words. Here is the word cloud that was generated from their responses:

STRESS FREE SIMPLER STRESS FREE SIMPLER OTHER IN MY FASTER ON TROL MOSTLY ONLINE LOOM ONLI

You will see a theme here that I summarize with this statement: Your Brand Promise should make the buying process faster, easier, and mostly available online to save the consumer time. By saving them time, you reduce aggravation and allow your customers to do more of the fun things like test drives and going over the features of the car they purchased.

If you gave customers a choice between taking 4-5 hours on a Saturday to purchase a vehicle or purchasing a vehicle in one hour with a payment of \$10 more per month, you might be surprised how many people would pay more for a better experience.

Disney didn't call their upgraded ticket DreamPass+ or MickeyPass+ because there were no implied benefits in the name. They chose FastPass+ because no one wants to wait in long lines at a theme park, and no one want to wait 2 hours in line for the F&I office to become available on a busy weekend.

It is time to put a name to your retail experience.

In Chapter I, we discussed the definition for Brand Promise and Brand Message. It's time for you to create your own Brand Message; something short that can be used for both sales and service. The word(s) you use should support your vision for how consumers will describe their experience at your dealership.

If your vision for remote retailing is to save consumers time, then pick words that convey or support that vision. Here are some words that consumers could associate with saving time: FastPass, Express Pass, FastTrack, FastLane, Express Store, RapidPass, and Express Lane.

When you select your Brand Message, I would suggest that you trademark the phrase. When Access Ford decided to use AccessPass, they trademarked it and submitted their logo and a link to their website that showed their use of the mark.

If you are working to create a Brand Message for a dealer group, you will want to stay away from phrases that are tied to one OEM brand. For example, the Wyler Automotive Family created Wyler Direct as their go-to-market Brand Message. Wyler Direct is used in their marketing messages, and their Brand Promise outlines what "direct" means to a consumer.

Here are the elements of their Brand Promise that support their Brand Message:

- Pick & Click Shop for the car that best meets your needs from our large inventory of new and used vehicles.
- Value Your Trade In only minutes, get an estimate of the value of the vehicle you want to trade in using our Kelley Blue Book tool.
- **Estimate your Payments** Whether you want to finance or lease your next car, get estimated payments based upon your trade-in, down payment, and length of financing.
- **Get Pre-Qualified -** Concerned about your credit? Get pre-approved with our tool.
- **Apply for Financing** Apply for financing now and save time at the dealership.
- **Vehicle Protection** Review the protection plans available with your purchase, to include the free Wyler Rewards Program that all Jeff Wyler customers are eligible for.
- Schedule Free Home Deliveries & Test Drives Inquire About Home Delivery & Test Drives we have more home deliveries than any other dealer in Ohio, Kentucky, or Indiana.

It would seem that they chose the word "Direct" to imply that the consumer was in control of the process and could do as much as they wanted online to save time. If you watch their video commercials for Wyler Direct, it becomes clear the overall message is that Wyler Direct makes it faster and easier to purchase a vehicle.

Take the time to think through your Brand Message concepts, and come up with a short list for your management team to discuss. Keep in mind that Wyler Direct is about their <u>sales process</u> and would not easily fit into a service message. The word "Fastlane," on the other hand, could be used to create a Brand Message for sales and service, as follows:

- Preston Fastlane: the fastest and easier way to purchase your next vehicle
- Preston Fastlane: the most convenient way to maintain your vehicle.

In this example, the Brand Promise for sales and service would be different. Each statement would have 5-7 foundational elements that support the Brand Message. In the next section, I will provide some tools to help you build your Brand Promise for sales and service.

Building out your Brand Promise

Gather business leaders to complete this worksheet to build out the elements of your Brand Promise.

1.	List 10 reasons someone should <u>buy a vehicle</u> from your dealership.
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_	
_	
2.	Lightly cross-through any of the elements listed above that your local competitors can also claim <u>for their sales process</u> . How many items are unique to your store now? List below your best five reasons that are unique to you or that you feel are something consumers value, despite being crossed out.

3.	List 10 reasons someone should <u>service</u> their vehicle at your dealership.
١.	Lightly cross-through any of the elements listed above that your local competitors can also <u>claim for their service department</u> . How many items are unique to your store now List below your best five reasons that are unique to you or that you feel are something consumers value, despite being crossed out.
_	

5.	What are some words you would want consumers to use when they describe their experience <u>purchasing a vehicle</u> from you?
_	
6.	What are some words you would want consumers to use when they describe their experience servicing their vehicle at your dealership?
_	
7.	What aspects of "faster" could you deliver on for sales and service?
8.	What aspects of "convenient" could you deliver on for sales and service?

9.	Considering the words that you want consumers to use to describe their experience at your dealership, craft five elements of your Brand Promise for sales:
10	Considering the words that you want consumers to use to describe their experience at your dealership, craft five elements of your Brand Promise for <u>service</u> :

Thought starters:

- Convenience: Consumers can shop and transact anywhere.
- Time: Finish the sale in a prescribed time period.
- **Price:** Offer transparent pricing or 'one price' on website.
- **Return:** Customers can return a car they don't like.
- **Satisfaction:** What is important to the consumer?

Check: Do all of these have a clear consumer benefit? Would the consumer value these benefits?

Connecting your Brand Message and Brand Promise.

Once you have your Brand Message and Brand Promise completed, you will need to start planning on how to connect them for marketing and merchandising. If you have over five elements in your Brand Promise, you will likely need to have a series of banners and videos (more than one) to communicate and educate local consumers.

I raise this point because there is only so much space on a mobile phone screen; banner text MUST be readable. It is impossible to have a thin banner at the top of a mobile SRP or VDP that could display all five, eight, or 10 elements of your Brand Promise.



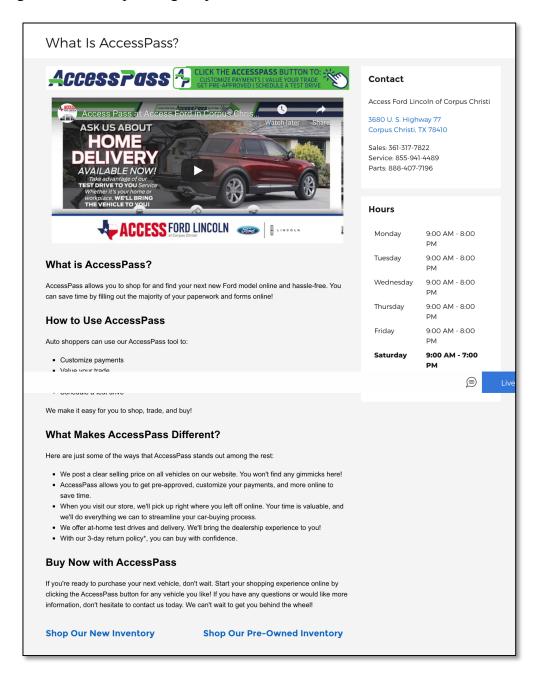
The banner above is large and was designed to be on the dealer's homepage. You can see that there is enough space to define what the AccessPass button will do when they click it. The text would be too small if the banner was designed to be placed on the top of a mobile VDP.

The banner design below takes a simplified approach to focus on the experience and not to educate the consumer on the "features" of the button.



Your website should have a page that clearly explains your Brand Message and Brand Promise. It could be the hyperlinked destination for a banner like the one shown above.

Access Ford followed this advice and created a landing page that contained a video about their offerings, explained what the AccessPass system does, and then listed their Brand Promise in five bullet points. When you invest the time to build out your local branding strategy, you will find that the investment is well worth the time as long as you follow the merchandising and marketing advice in the upcoming chapters.



Dealer branding examples.

As you start working to update your local branding strategy with a modern Brand Message and Brand Promise, expect to run into problems! You may not be best person to look at your business from a consumer's perspective. If that describes where you are right now, consider organizing a focus group of your customers.

It does not have to be a formal process. Each day, you can ask a few people who are in your waiting lounge to complete a survey or join in an impromptu discussion about the reasons why they chose your dealership for sales or service. The more local feedback you can collect, the more effective your ultimate branding decisions will have.

To help you with your creative process, I have included some examples of branding strategies from dealers that I have worked with and also some dealerships that did a great job on their own.

Classic Chevrolet – Their dealership decided to use "easyPass" as the brand message.

Button Art:



Website: http://classicchevrolet.com/

Brand Message: easyPass

Brand Promise Elements: https://www.classicchevrolet.com/easyPass



Purchase your vehicle easier on your terms.

- 🥖 CUSTOMIZE PAYMENTS
- **MALUE YOUR TRADE**
- 🥖 GET APPROVED FOR FINANCING
- 🧷 SCHEDULE A TEST DRIVE

Home Page Banner:

BUYING MADE EASY

STEP BY STEP PROCESS

Life has been difficult over the past few months. To meet your needs and changing habits, we've developed a 3 step process to make buying a car easy and still fun.

Check Additional Incentives



STEP 1: WHAT CAR FITS YOUR LIFESTYLE

Finding the right car is easy! We have filtering options that help you narrow it down to exactly what fits you and your family's lifestyle.

Start Your Search Online



STEP 2: MAKE YOUR PURCHASE

Whether you are buying with a trade, require financing, or paying with cash, Classic Chevrolet – Grapevine has you covered. Negotiate what works for you from the comfort of your home.

View Our Financing Options



STEP 3: THE CAR IS YOURS

Classic Chevrolet - Grapevine will deliver your new or pre-owned vehicle to your door-step along with the guarantee of a clean and sanitized interior.

Start My Purchase

SRP / VDP Banners:

CLICK HERE FOR AN EASY, SAFE CAR BUYING EXPERIENCE



START YOUR EASY PURCHASE NOW

Measuring the impact of a modern Brand Promise.

Once a Brand Promise and Brand Message are created, and an omni-channel marketing campaign is created, you will start to see the impact on consumers and on your staff. If you simplify your website CTA buttons, move from forms to conversations, and make it easy for consumers to shop and discover the affordability of the vehicle you sell, everyone wins.

You will start to hear stories about consumers who claim that their car buying experience was like no other, in a positive way of course! You will hear consumers asking about AccessPass or FastLane on phone recordings. If you also do a good job of merchandising the showroom and waiting lounges, the signage will start natural conversations with visitors and customers.

More importantly, when the dealership fully embraces simplified remote retailing, your managers and sales associates will be happier. By assisting customers when they are on your website instead of chasing them through CRM emails, everyone feels more productive.

III. Marketing Your Brand Promise

Educate consumers on how to buy a car online.

It wasn't too long ago that vehicle prices would never be discussed on the phone. In fact, if a sales associate gave the price of a vehicle over the phone, they would likely be suspended or fired. Even if you look back over the past 10 years, consumers have been told that the only way to get their best deal was to come to the dealership.

Most sales coaching, BDC training, and phone scripts were built on the "just get them in" approach which led to many of the negative feelings that consumers have about visiting a car dealership. The good news is that the next generation of dealer principals and general managers will have new tools <u>and data</u> to show that conversational commerce and digital retailing do not have to erode profits.

We know that if a consumer had a less than desirable visit in the past, getting them back will be a challenge. With a fresh marketing strategy that includes a modern Brand Message, you will have a much better time getting them back to your brand.

Why? Because many of the negative feelings about car dealers have been solved with remote retailing technology, a simplified website design, and a new spirit of how retail should be done. Let's look at a few of them:

Dealer said the car was in stock and it wasn't. Today, most dealership websites have inventory feeds that get updated 1-3 times per day which reduces the likelihood that a car was sold. Some digital retailing tools also allow the consumer to place a temporary hold on a vehicle with a small deposit which builds confidence in the inventory shown on the dealership website.

Dealer changed the price of the car. Since most dealers are showing a market price for each vehicle as well as applicable rebates/incentives, price discovery can be more accurate and price changes substantiated (i.e., the consumer did not qualify for a listed conditional offer). One-price stores have a distinct advantage in overcoming any beliefs that a listed price will not be honored when the consumer arrives.

It took four hours to purchase my last vehicle. Digital retailing technology can allow a consumer to save time by completing much of the finance paperwork in advance. The key is to have your team leverage these tools in advance of a visit instead of using them as a solution of last resort.

I could continue discussing how technology has provided new opportunities for you to improve the retail experience, but it won't matter if you don't educate consumers in your local market through effective marketing channels. Not all dealers will want to adapt the strategies I provide in this book, but they will benefit you in the short and long-term.

There will always be someone advertising vehicles below cost just to ring the register with high pressured F&I products and inflated loan rates. Don't fear taking the high road and focusing on the customer experience. Dealers who are good operators and who have embraced remote retailing and simplified websites have already experienced an increase in PVR while increasing customer satisfaction and lowering labor costs.

Marketing asset checklist.

With your Brand Message in hand, you will now need to develop a strategy to get the word out to local shoppers. This book is not designed to be a tactical tutorial on digital marketing. If you want to run marketing campaigns in-house, I would suggest you purchase the updated <u>Digital Marketing Playbook</u>. You might also want to check online to see some of my <u>latest posts on LinkedIn</u> that discuss online marketing strategies.

As you read this section, you should consider which members of your team will be involved in the marketing planning for your remote retailing offering and modern Brand Promise. You will likely also need to pull in your digital agency, local videographer, and website support team.

Review this checklist with your team to see which assets need to be created and by whom:

- 30 second video introducing your Brand Message and Brand Promise.
- 15 second video introducing one element of your Brand Promise. You will want to make one for each main element of your Brand Promise, for example:
 - o Process is Mostly Online (15 seconds)
 - o Expedited Process Saves You Time (15 Seconds)
 - o 7 Day Return Policy (15 second)
 - o Home Delivery (15 seconds)
- 6 Second YouTube video bumper ads which advertise your Brand Message. You can see a full list of YouTube ad formats on this reference page.
- Testimonial videos. Have your customers talk about their experience with your remote retailing and showroom experience. For example, if you called your Brand Message "AccessPass," make sure the customers use that phrase in their testimonials.
- 30 second audio advertisement of Brand Message for radio.
- 15 second audio advertisements that highlight one of the elements of your Brand Promise. You can make one audio file for each element.
- Banner ads for social media platforms like Facebook, Instagram, LinkedIn, and Twitter. You can select the proper sizes using this <u>reference page</u>.
- Banner ads for Google Display Network. Use this <u>reference page</u> for proper sizing.
- Banners for SRP and VDP pages, likely in the range of 1400 px wide X 150 px high.
- Banner for the Home Page, which will likely be 1400 px X 514 px.
- Banners for the inventory photo overlays. Check with your inventory syndication partner about the size they prefer.

Marketing strategy checklist

With your assets in hand, use this checklist to review strategies listed below that can leverage them. You will want to discuss who will run the paid advertising campaigns to create local brand awareness. Your new branding campaigns would not compete with existing campaigns focused on new or used inventory or current manufacturer incentives.

Your Website

- □ Update your About Us page with your Brand Message.
- ☐ Create a new page dedicated to explaining your Brand Message, for example "What is AccessPass?" Here is an example landing page and video that Access Ford created: https://bit.ly/300LRc6
- □ Place banner on homepage. If you have a hero rotator, the Brand Message banner should be in position 1 or 2. If you don't have a hero slideshow, make sure the Brand Message is on the homepage with a link to your page dedicated to explaining the components of your Brand Message.

Cable TV / OTT Video Delivery

Your local cable company or full-service agency will be able to assist you with a targeted video campaign on cable TV, premium channels, and OTT delivery networks.

- □ Leverage your 30 second video to your ideal demographic on linear and premium content channels.
- ☐ Test your 15 second videos which highlight elements of your Brand Promise on OTT content networks.
- ☐ You should also test video ad placement on Amazon Fire TV content and programs.

Radio

You have more choices than ever to deliver audio messages to consumers. If you have a creative team that can develop a compelling audio message, you should test the impact to accelerate brand awareness.

☐ Leverage your 15 second and 30 second ads to your PMA, if applicable.

Facebook

These campaigns can leverage banners and videos. Keep in mind that your ads should be designed to grab the consumers' attention and stop their thumb scrolling.

- □ Update your cover photo with your new Brand Message and logo.
- ☐ Create campaigns to target existing customers using DMS and CRM data to create a Facebook custom audience.
- Develop retargeting campaigns to target consumers who visited your website in the last 90 days by using data from the Facebook pixel.
- ☐ Use campaigns to reconnect with new customers using Facebook targeting segments or lookalike audiences based on the lists generated from the previous two strategies.

Google Ads

The following campaigns can leverage banners and videos on YouTube. Keep in mind that your ads should be designed to grab the consumers' attention, especially the 9 second bumper ads on YouTube which are not skippable.

- □ Campaigns to target existing customers using DMS and CRM data to create a Google Customer Match audience.
- □ Retargeting campaigns to target consumers who visited your website in the last 90 days using data from the Google Ads retargeting pixel.
- □ Campaigns to reconnect with new customers using Google in-market shopper targeting segments or lookalike audiences based on the lists generated from the previous two strategies.

Google My Business

Your Google My Business page is a valuable resource for local brand awareness so do not neglect to update your listings for sales, service, and parts. You can learn more about using GMB to increase hyper-local branding by reading https://example.com/hyper-Local-Marketing for Automotive Retail.

- □ Post your 30 second video on the GMB page as a post, and also load up the video as a permanent online asset, just like a photo.
- □ Post at least one customer testimonial video per month of someone who loved your remote retailing and showroom process.

Dealer video marketing campaign examples.

Do your best to create original marketing content. Here is some inspiration to get the ideas flowing and help you develop your video messaging as well as your graphics for marketing your Brand Message:

Jeff Wyler Group. Brand Message: Wyler Direct

The Jeff Wyler Automotive Group has been a pioneer with digital retailing and one of the first users of the Cox Accelerate platform. Over the past two years, they have experimented with different marketing messages to communicate their Wyler Direct sales process. In August 2020, they updated their Brand Message, and I love the new tone and pace of the video.



Here are the latest messages that are sliced up in different lengths so they can be used on all video marketing channels.

- 60 seconds https://youtu.be/gAtMkUXdgAI
- 30 seconds https://youtu.be/1nxvYLqCjgs
- 15 seconds https://youtu.be/JgnciyUTWe0
- 06 seconds https://youtu.be/_SCKuBPCjvk

Legacy Nissan. Brand Message: Legacy Fastlane



- Full Message (30 seconds): https://bit.ly/legacy-nissan-30-sec
- Shortened Message (10 seconds): https://bit.ly/legacy-10-seconds
- Pre-Roll Bumper Ad (6 seconds): https://bit.ly/legacy-6-seconds

Newton Nissan of Gallatin. Brand Message: Nissan Fastpass





This dealer created a series of videos with a more humorous approach to digital retailing. The series of videos highlights different WIFMs for consumers who decide to use their Fastpass technology.

- Fastpass Stairway (30 seconds): https://bit.ly/newton-fastpass-stairway
- Fastpass Kitchen (30 seconds): https://bit.ly/newton-nissan-kitchen
- Fastpass Living Room (30 seconds): https://bit.ly/newton-nissan-living-room

Berman Auto Group. Brand Message: Berman Express

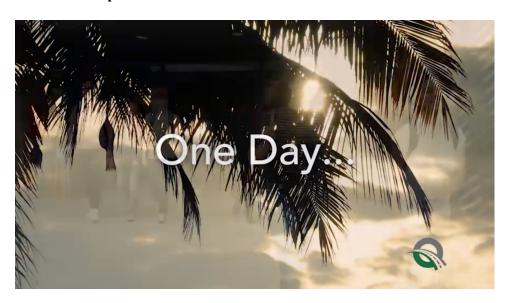




This dealer created a number of videos to use online and in their local cable advertising strategy. They include humor and practice video scripts, so it creates a nice balance of consumer-friendly messaging.

- Berman Express humorous (30 seconds): https://bit.ly/berman-express-humorous
- Berman Express English (30 seconds): https://bit.ly/berman-express-couch-english
- Berman Express Spanish (30 seconds): https://bit.ly/berman-express-couch-spanish

Qvale Automotive Group



Here is an updated approach to remote retailing from the Qvale Auto Group that references COVID but does not focus on it. The message is clear: they have reimagined the automotive retail experience.

• One Day (60 seconds) https://bit.ly/2X371Do

They also created a step-by-step video on how to use their Create My Deal sales process which gives the consumer a much better picture of how to purchase their next vehicle from the comfort of their home.

• Make My Deal (90 seconds) https://bit.ly/331WkpE

Don Franklin: Market leaders increase their lead

I asked Sarah Franklin, Chief Marketing Officer of the Don Franklin Automotive Group to help me close out the discussion on remote retailing marketing with a great story of leadership, innovation, and success. There are so many stories to share but only one dealer has the energetic and talented Sarah Franklin on their team. Here is her story:



2020 has been one heck of a rollercoaster ride. Never before have industries had to turn and pivot in such an immediate time frame. The auto industry realized very quickly the importance of digital retailing and how vital it is for business and especially in terms of being able to keep the doors open. As CMO of the largest dealership group in Kentucky, I knew that we were in a "Fight or Flight" situation; luckily, our team has a lead foot.

The first thing we had to do was come up with an Execution Plan that everyone in the organization was on board with. We worked diligently with our Director of Fixed Ops to create a plan that consisted of service and sales working hand in hand with a workflow chart on responsibility and how to execute each step. One of the biggest contributors to our success was the branding and execution of the **Franklin FastPass**, our white label for our BuyNow digital retailing tool, and Schedule Service Pickup/Delivery. Now, I know "branding" can mean different things to different people, so let me take a minute to discuss what branding means and how to use it as part of an effective marketing strategy.

K.I.S.S.- Keep it Simple. Seems simple enough, right? But so many businesses do not exercise this #1 rule of advertising, especially in automotive. Having the right message with quality creative is key. Your commercial needs to be direct to the consumer, show them how you have a solution to their need or want, and create that emotional connection to your business. The Franklin FastPass generated over 6,400 leads in Q2 and sales through the BuyNow tool increased by 50.58%. The Franklin FastPass commercial literally directed the consumer step by step on how to use it, where to find it and how it benefits them. Same thing with our service creative-"...go to donfranklinauto.com, choose your day and time...,"(visual of CTA on website "Schedule Service pick up/ delivery" button). Once you get the creative on point, now it's time to execute it.

Consistency and frequency are key to any effective marketing strategy. Now I know that everyone (including OEMs and LMAs) is preaching digital, digital, digital, and it is a key component to the marketing strategy, but one of the most powerful ways to lift every component in your marketing strategy whether it be paid search, 3rd party, even signage, is through television and video. Nest Inc, a Google company, found that TV ads drove immediate and dramatic increases in searches. The largest tech companies in our world, Google, Amazon, Facebook, YouTube and Microsoft, use TV as a key tool to build image and consumer loyalty, and they spend millions of dollars to do so. Utilizing your commercial across social media, on your website, in your emails, even in your signature line will increase your consistency and frequency of your message. We actually had the BDC put the **Franklin FastPass** commercial in their signature lines to help push our message. Video in emails increases click through rates by 65%! I know I've put a spotlight on TV, but we utilize many platforms in our marketing strategy. The focus is consistency with our messaging across all platforms so that no matter how someone is consuming media or performing a search, it's all consistent to build frequency and increase Top of Mind Brand Awareness.

(Warning: There are effective ways to place a media schedule no matter the size of your budget - a broad rotator on multiple channels is <u>NOT</u> one of them).

Branding Franklin FastPass is crucial, but actually utilizing the digital retailing tool is key; you must make it an internal process for all sales personnel and managers to be trained and make it a tool they use every day. Don Franklin dealerships went through a retraining for BuyNow right before the state was shut down (talk about timing!). They will continue training and implementing the process in everyday transactions. There is no doubt that branding Franklin FastPass was a huge success across the entire group during one of the most unprecedented times in history. See below for the phenomenal growth.

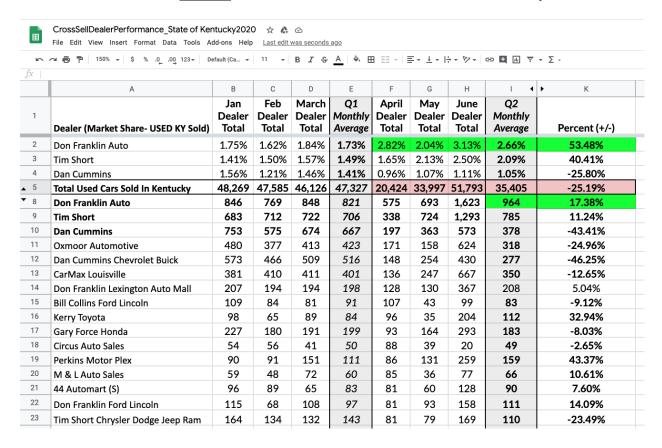
Incr. Lead Generation of 26.91% Q2 vs Q1 2020 That Yielded A 24.16% Increase in Units Sold

Dealer Name	Month	Total Leads	Good Leads	Bad Leads	Influence	Buying Signals Influence	Vehicles Sold	Sold %
Don Franklin Auto	January	15,200	10,623	4,577	2,615	0	1,653	15.56%
Don Franklin Auto	February	14,707	10,637	4,070	2,313	0	1,711	16.09%
Don Franklin Auto	March	13,219	9,352	3,867	2,217	1,043	1,359	14.53%
Q1 Average		14,375	10,204	4,171	2,382		1,574	15.39%
Don Franklin Auto	April	15,873	10,974	4,899	3,142	2,265	1,361	12.40%
Don Franklin Auto	May	19,381	14,056	5,325	3,509	2,560	2,326	16.55%
Don Franklin Auto	June	19,247	13,819	5,428	3,093	2,297	2,177	15.75 %
Q2 Average		18,167	12,950	5,217	3,248		1,955	14.48%
+/- % Diff		26.38%	26.91%	25.08%	36.38%		24.16%	-5.96%
Don Franklin Auto		97,627	69,461	28,166	16,889	8,165	10,587	15.24%

82.13% INCREASE in vehicles SOLD Q1 vs Q2 2020 CarNow/BuyNow (Franklin FASTPASS)

Source	Month	Total Leads	Good Leads	Bad Leads	Influence	ying Signals Influen	Vehicles Sold
CarNow/BuyNow	January	1756	913	843	603	0	61
CarNow/BuyNow	February	1632	953	679	473	0	71
CarNow/BuyNow	March	1745	907	838	545	75	75
Q1 Average		1,711	924	787	540		69
CarNow/BuyNow	April	2264	1253	1011	723	155	135
CarNow/BuyNow	May	2209	1289	920	678	194	151
CarNow/BuyNow	June	1,961	1,089	872	655	150	91
Q2 Average		2,145	1,210	934	685		126
+/- % Diff		25.35%	30.94%	18.77%	26.84%		82.13%
CarNow/BuyNow		11,567	6,404	5,163	3,677	574	584

Market Share Growth of 53.48% - All Used Vehicles Sold In The State Of Kentucky Q2 vs Q1 2020



Market Share Growth of 28.13% - All New Vehicles Sold In The State Of Kentucky Q2 vs Q1 2020

2	△ 👨 🖰 150% - \$ % .0 .00 123- Default	(Ca + 11	B I & A	<u> </u>	= + ± + I→	- V - GD 🛨 🗓	. ∀ - Σ -			
	A	В	С	D	Е	F	G	Н	1 4	▶ K
1	Dealer (Market Share-NEW KY Sold)	Jan Dealer Total	Feb Dealer Total	March Dealer Total	Q1 Monthly Average	April Dealer Total	May Dealer Total	June Dealer Total	Q2 Monthly Average	Percent (+/-
2	Don Franklin Auto	4.75%	4.72%	5.00%	4.81%	7.22%	6.29%	4.97%	6.16%	28.13%
3	Tim Short Total	1.90%	2.16%	2.05%	2.05%	2.80%	3.18%	2.18%	2.72%	32.89%
4	Dan Cummins	1.91%	2.78%	3.18%	2.63%	4.03%	4.08%	2.95%	3.69%	40.36%
5	Total New Cars Sold In Kentucky	10,764	13,934	10,029	11,576	5,609	6,251	11,697	7,852	-51.54%
3	Don Franklin Auto	511	657	501	556	405	393	581	460	-27.20%
9	Dan Cummins	206	387	319	304	226	255	345	275	-25.66%
0	Oxmoor Automotive	361	656	369	462	208	165	494	289	-54.98%
1	Tim Short	204	301	206	237	157	199	255	204	-33.76%
2	Dan Cummins Chevrolet Buick	143	263	191	199	125	162	206	164	-37.19%
3	Bill Collins Ford Lincoln	79	170	124	124	102	73	109	95	-17.96%
4	Bob Allen Motor Mall	80	143	86	103	100	105	151	119	-2.91%
5	Don Franklin Lexington Auto Mall	183	194	125	167	88	114	180	127	-47.41%
6	Kia Store East	86	73	109	89	86	26	54	55	-3.73%
7	XX Unidentified Seller	340	333	174	282	82	73	113	89	-70.96%
8	Rod Hatfield Chevrolet	65	113	83	87	77	75	86	79	-11.49%
9	Kerry Toyota	101	137	141	126	75	77	117	90	-40.63%
0.	Jake Sweeney Kia Fiat	59	80	63	67	64	61	73	66	-4.95%
1	Don Franklin Ford Lincoln	37	80	48	55	61	35	68	55	10.91%
2	Dan Cummins Chevrolet Buick of Georgetown	37	63	66	55	60	39	68	56	8.43%
:3	Neil Huffman Auto Group	77	116	75	89	59	46	80	62	-33.96%

122% Increase (+13,567 Per Month) In Don Franklin/Don Franklin Auto Brand Searches on Google - Since Current Marketing Strategy Was Put Into Place In 2018

		16 vs 17 (+/-)	17 vs 18 (+/-)	18 vs 19 (+/-)	19 vs 20 (+/-)
		(+/-) YOY Google Sea	rches In Kentucky Fo (Source: Google Ke		Oon Franklin Auto
DF Total	9,500	11,100	14,250	19,258	24,66
Don Franklin Auto	1,650	2,250	3,250	4,583	5,06
Don Franklin	7,850	8,850	11,000	14,675	19,600
Keywords	2016	2017	2018	2019	202
Google Keyword Sea	arch Volume				

IV. Rethinking Retail Website Designs

Have you simplified the consumer experience?

I don't consider the Amazon website to be an amazing accomplishment in visual design, but it sure makes it easy to purchase the things that I need, as well as convincing me to buy things I had not planned to purchase. How long does it take you to order on Amazon? Would you consider the flow of events to purchase a product on your website as natural and easy?

While I am not comparing the complexity of purchasing a new vehicle online to a pair of sneakers on Amazon, their website makes it very easy to:

- Find what you want
- Know how much it costs
- See delivery options
- Research consumer feedback on the product
- Suggest accessories that could enhance the purchase

Dealership websites have improved in the last few years by implementing responsive design technology. Most website platforms make it easy to find cars on a desktop, tablet, or smartphone with the same ease that Amazon provides. Natural search options, offered by some website platforms, even provide a Google search experience to find the right vehicle using natural language.

Things get complicated when a consumer finds a vehicle they like and wants to know the selling price, not the Manufacturer's Suggested Retail Price (MSRP). The degree of difficulty is determined by a number of factors including whether the OEM allows the dealer to show their market-based pricing and if the dealer wants to show prices before collecting "a toll" from shoppers in the form of a lead form completion.

Minimum Allowable Advertising Price (MAAP) guidelines complicate remote retailing, as you likely already know. Auto manufacturers (OEMs) that currently have MAAP guidelines include Toyota, Honda, VW, Nissan, Hyundai, Porsche, Acura, Mazda, and INFINITI. BMW and Mercedes Benz will only allow a dealer to display MSRP.

All digital retailing platforms need a selling price to calculate personalized payments properly, yet dealers can't show their selling price if it is under the MAAP guidelines. This requires the dealer to collect contact information upfront before showing their market price. This often feels like an unnatural step for consumers who are still exploring the affordability of a vehicle online. Until OEMs change MAAP guidelines, dealers will continue to fight the perception that car dealers practice bait-and-switch pricing or can't be trusted since they refuse to post a selling price on new vehicles. There is no immediate solution for your dealership, if you have MAAP pricing rules to follow, other than to accelerate a move to conversational commerce and build a formless website.

You can share your market-based price on new cars without a lead form if you collect the consumer's name and email address via a messaging session. When you start a one-to-one conversation with consumers via chat, SMS, or video conferencing you will be much more effective in building trust and collecting contact information.

If your dealership only shows MSRP for your new vehicles, conversational commerce will likely increase sales opportunities (valid leads) by 100%. We will talk about this solution in greater detail in Chapter V.

If you are not restricted by your manufacturer from showing your market-based price, you should make sure that your website does not confuse the consumer or put up a red flag. Ask yourself a simple question: How easy do we make it for the customer to get a selling price for a vehicle?

I decided to include examples of dealer websites who make it difficult for consumers to get a selling price, or by the design of their website, undermine the credibility of the selling price they show. Of course, some of these issues are created by MAAP guidelines, but dealers shoot themselves in the foot as well.

Stating the Obvious

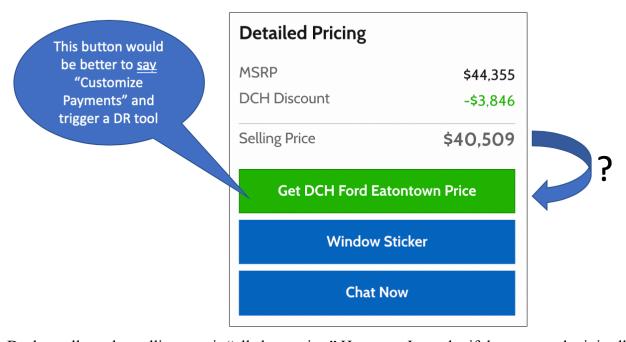
This is the math block on a Vehicle Detail Page (VDP) from a Toyota dealer that participated in my Manager Mentoring Program. Their new website design is much better and eliminates the confusion created by the previous design shown here:



The call-to-action button tells consumers they can "Get the McCombs Price," but the "Red McCombs Price" is already listed just above the button. Consumers will find this odd because the button puts the published market-price under scrutiny.

This dealer is not the only example. Hundreds of dealers show a market-based price with the words FINAL PRICE and then have a button that says "Get ePrice."

Here is another example from a local Ford dealer near the PCG Digital office in Eatontown, New Jersey. The VDP shows that the vehicle has been discounted by the DCH Ford staff by \$3,846 to get to their selling price. So, what is the green button supposed to accomplish other than put that selling price in question.



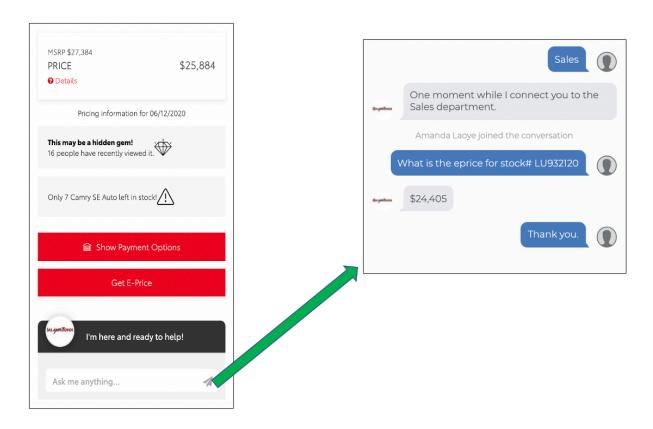
Dealers tell me that selling cars is "all about price." However, I wonder if the reason why it is all about price is because websites make price the center of attention and not the vehicle. Most dealership VDP designs contain obstacles regarding price instead of encouraging the consumer to explore their payment. That green button would be better off labeled "Customize Payments" or "Start Fastlane" if that was their Brand Message.

Get ePrice

This example is a design that is very common on dealership websites in the United States. Someone must have done a study to determine that the term "Get ePrice" is the magic pixie dust to increase leads. You will see this call-to-action button on thousands of dealer websites.

When I clicked on the "Get E-Price" button, a form popped up which is like thousands of other dealer websites that act as if no one could help me while I'm on their website.

This local Toyota dealer however should be congratulated. They offered live assistance on their website, and the chat operator answered my question without hesitation.



Since the VDP math block had a CTA labeled "I'm here and ready to help!," I decided to ask a question. As you can see, I was first asked if my question was for sales or service, and I answered "Sales." I was told I would be connected with the sales department, but I was skeptical. Would it be a bot or a real person?

I asked what the ePrice was for the Toyota I was looking at, and I provided the stock number. Immediately, the chat agent gave me a lower price than what was shown on the VDP. I was surprised because many chat answers would restate the selling price on the VDP, further casting doubt on the integrity of the dealer. This Toyota dealer actually had a lower ePrice.

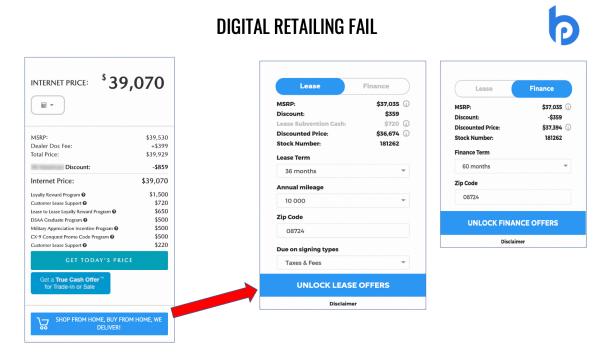
This dealer had the right staff in place, but they never thought to move the "Get E-Price" button to a chat conversation. This dealer was clearly willing to Assist but was not advised properly to shift resources, during normal business hours, to their CTA buttons.

Conflicting Math Box Numbers

In this example below, the dealer's digital retailing technology undermined the dealer's math box. This is also an example of a dealer who has not been advised on proper CTA button colors and order. If the dealer was fully committed to remote retailing, the digital retailing CTA labeled "Shop from Home" would be first and would have been green. With three bluish buttons, there is no clear CTA for consumers to click.

The MSRP for the vehicle was listed on the website as \$39,530 and with dealer doc fees and a discount, the selling price was listed at \$39,070. When I clicked on their CTA button for digital retailing, you can see that the MSRP was more than \$2,000 less. This is a blunder. It undermines the credibility of the vehicle pricing. Also notice that the discount was \$500 less for both leasing and financing, which is not explained.

When we review these examples, you will see a pattern develop. Dealers are installing software tools without proper design or quality control inspection. They are not testing changes in button colors or the order to try to increase engagement. It is my hope that this book starts a project at your dealership to get the branding, merchandising, website design, and marketing correct in order to fill your sales funnel with great sales opportunities.



Inspection: A Lost Art

It is critical that you review your website from a consumer perspective and take out as many roadblocks as possible. Then, simplify the number of call-to-action buttons, and color code the primary button so it stands out. Green is a good color choice on most dealership website themes.

Finally reconsider changing the actions your buttons start when clicked, moving from forms to conversations. We will talk more about these two website merchandising tips in the following sections.

How many call-to-action buttons do I need?



The cartoon I created is an attempt to challenge dealers to reduce the number of call-to-action button and events on their VDPs. No other industry has decided that "more is better" when it comes to buttons on product pages.

What complicates matters even more is the number of pop-ups that appear on dealer websites. Chat systems are often disconnected from the dealer's website, so it is not uncommon for a chat window to pop up on every page which requires the consumer to minimize the chat window over and over again. You can't find another major retail brand that does that with customer chat!

A consumer could find a vehicle on your website that they like and access 40+ photos as well as a detailed description of the vehicle. The next questions that likely come to mind for the consumer are the affordability of the vehicle, specific questions about features not listed in the description, how much their trade is worth, and if they want to make the effort to test drive the vehicle.

Based on these considerations, I do not feel there should be more than four call-to-action buttons on a VDP. Dealers can have *less* than four buttons if their OEM allows them to show a market price or in the case of used cars - the VDPs.

Let's look at some CTA suggestions based on a hypothetical dealership that has digital retailing tools on their website. Their Brand Message is *FastLane*. I recommend that the button labeled "Value My Trade" use the SAME technology that the digital retailing platform uses. I do not like designs that take the consumer off the VDP to a trade-in tool that will give a different value than the digital retailing tool.

Note: Ask your digital retailing company if you can take the consumer to any part of the digital retailing workflow. Translation: Can you send the consumer to the trade-in tool, even though it may be the third step in a normal digital retailing workflow?

Used Car VDP

Most dealers show a market price for used cars and do not require an "unlock feature" so if this applies to your dealership, your CTA buttons could be:

- Start FastLane
- Value My Trade
- Ask Us A Question

If your dealership does not want to display the market price and wants to capture lead information before disclosing price (not recommended), the CTA buttons could be:

- Unlock Price
- Value My Trade
- Ask Us A Question

In this example, I suggest that the Unlock Price action would trigger a chat session to pop up during normal business hours and it would be handled by an employee of the dealership.

New Car VDP (safer)

If you have an OEM that will only allow you to show MSRP or you decide to show only MSRP due to MAAP guidelines, then your CTA buttons could look like:

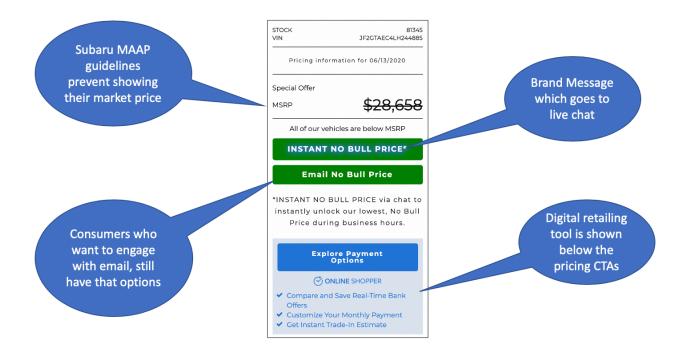
- Request Sale Price
- Start FastLane
- Value My Trade
- Ask Us A Question

There are many variables and approaches, so do your research. In the case of one West Coast Subaru dealer, they were unable to show their market price because of MAAP guidelines. They were doubly impacted (in my mind) because they are also a one-price dealer. For years, their brand message has been "Home of the No Bull Price." I'm sure that one-price dealers know how MAAP hurts their attempt at being more transparent with consumers about price. Instead of eliminating discussions about price, MAAP makes the website experience all about price.

Two years ago, their Marketing Director attended the <u>Digital Marketing Strategies Conference</u> (DMSC) and was present for my keynote address on the need to move to conversational commerce. I told him that less than 40% of the consumers who clicked their single "Get No Bull Price" button filled out the form that was required to get the price via email.

He went back to discuss conversational commerce with the store's General Manager. He suggested moving their one button that said "Get No Bull Price" to a chat session. He encountered some resistance which should be expected. It was their only lead form on their VDPs, and it seemed too risky to change that without hurting the business.

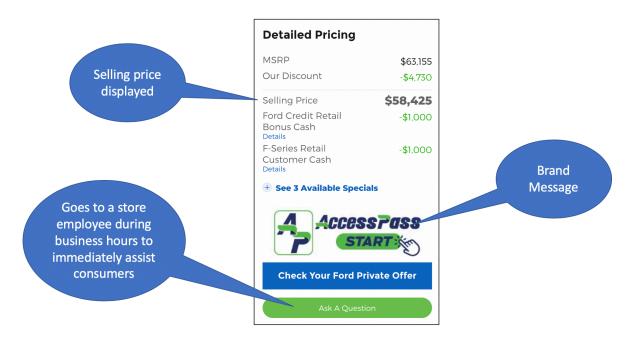
I love how this dealer went about simplifying their VDPs and started a move to conversational commerce. Today, the majority of consumers click on the CTA button to get the INSTANT NO BULL PRICE, while the store still allows consumers who want to communicate via email to select that channel. During normal business hours, all requests for price are handled by their BDC who gets the consumer's name and phone number in order to text them the NO BULL PRICE. Their website conversation rates have never been higher.



If your dealership displays a discounted market-price and/or conditional discounts the CTA buttons could be:

1. Start FastLane 2. Value My Trade 3. Ask Us A Question

In the example below, this Ford dealer has three CTA buttons. Their brand message is AccessPass, so it is the first button in the math block. The second button is for consumers with private offers, and the third button triggers a conversation with store employees via chat. This design is clean and simple. The dealer has seen a significant increase in sales opportunity from their new website design.

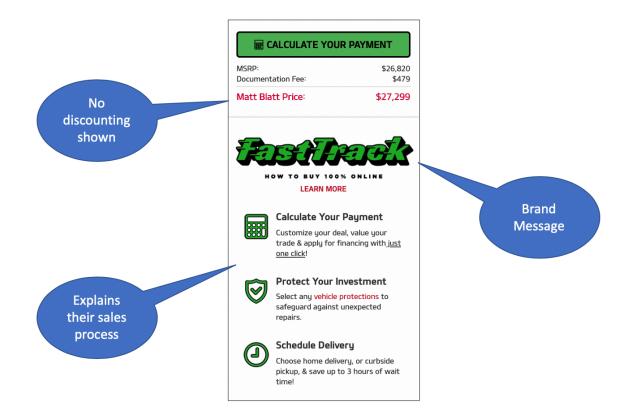


New Car VDP (more aggressive)

Since most digital retailing tools include features to value a trade, get pre-approved, show payments, and schedule a test drive, there is a handful of dealers who have reduced their CTAs to one or two buttons. Their belief is that one primary CTA demonstrates a full commitment to their new retail model.

Pushing consumers through one single process develops a consistent sales process and information flow. As digital retailing tools evolve, more dealers will limit the CTA buttons to one or two choices. Here are some examples of dealers who are finding great success with an ultra-simplified VDP.

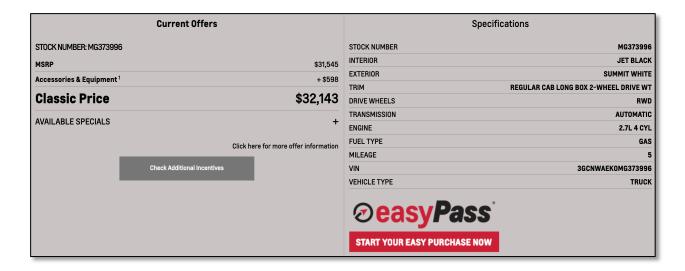
Math Box on Matt Blatt Kia – New Jersey



Classic Chevrolet Express Lane

For Classic Chevrolet, they were able to get their Sincro (formerly CDK Global) website platform updated to get their digital retailing CTA button inside the math box. It wasn't easy, but after a few tweaks, the design was implemented.

This design directs the consumers' attention to the main CTA right alongside the numbers for the vehicle on each VDP.



Each VDP only has two additional CTA buttons: "Price Watch" and a click-to-call button. The design is clean, and with their 360° spin technology, the car is the star and consumers have a clear path for their next steps to discover the affordability of the vehicle.

Let your Brand Promise accelerate remote sales.

When you have invested the time creating a Brand Message to advertise your retail experience, it should also be utilized to educate consumers where to click. Most website platforms have the ability to add banners, videos, and to upgrade boring CTA buttons with your customized branding and logo.

In some cases, just changing the button text to "Start FastLane" will be fine and, in other cases, you might consider a bolder CTA look like Access Ford's math block.

Your Brand Message should be visible on the primary pages that consumers visit. I break website pages into two categories: transactional pages and informational pages. Your Home Page, Directions page, and About Us pages are all informational. Your Search Results Page (SRP) and Vehicle Detail Page (VDP) are transactional pages.

Executive challenge: leads or sales?

Dealers have been programmed to track email lead counts, contact rates, appointment rates, and show rates in order to manage their way to their sales objectives. However, I'm challenging that model by showing you that lead forms disappoint up to 80% of shoppers.

If you are popping up forms every time a CTA button is clicked, you are leaving a considerable number of sales opportunities on the table by not staffing your virtual showroom. Less than 40% of consumers who click "Get ePrice" or "Check Availability" fill out the form, and most dealers speak to only half of the people who complete the form via email!

I will be addressing how to create a transition plan to staff your virtual showroom, your website, in the next chapter. For now, I want to focus on building a case for change and breaking the hold that lead forms have on your business. I want you to rethink why you still have so many forms on your VDPs.

Dealers pay thousands of dollars a year in new software to recover from the inherent faults created by website lead forms. Let me name a few:

Fast Ring Technology – Vendors sell dealers technology that will call a consumer's phone number seconds after they submit a lead form. Sales associates can click to grab the call and dealers are "surprised" how well this works. Of course, it works! The consumer was just on your website and they had a simple question. 20-30 minutes later and these consumers have moved on to something else or are talking to another dealer.

No one said to the dealer: Stop using forms during normal business hours and just talk to the consumer via chat, SMS, or now by video conference. By doing this you get to speak to the additional 60% who did not fill out the form!

Auto-Responder Strategy – There is an entire cottage industry that trains dealers how to send an effective first response to a lead form generated from the dealer's own website. Rarely can a dealer read the intent of a consumer correctly from a simple lead form, which is proven out by poor lead response rates.

No one said to the dealer: Stop using forms during normal business hours and talk to the consumer to determine their true intent. If you can't assist the consumer, instead of playing a game of cat and mouse, send them their own desking tool and watch them work their own deal. Intent becomes very clear then!

FRIKINtech <u>illumiQUOTE</u> does just that and dealers see their response rates go up by 300-500%. When you start assisting instead of chasing, the cost of running a sales organization completely changes.

Selecting a digital retailing platform

The digital retailing technology that you choose for your website should integrate seamlessly into the overall consumer experience. There is no "best" digital retailing platform today because:

- Each technology platform has feature gaps that might not match with the dealership's retail vision.
- Deep integration with OEM incentives and special employee/customer pricing may limit choices.
- The dealership's existing technology stack may influence choice because of integrations with marketing, CRM, and DMS platforms.
- Some platforms require a website platform change or a replacement of the SRP/VDP designs.

The choice of digital retailing technology is the smaller part (20%) of the overall changes to the internal management process to create a modern retail experience. I predict that over the next five years, dealers will change out their digital retailing technology based on OEM mandates or better software solutions.

Here are some questions that should be included in your selection process:

- What is the retail experience we want for our customers? How much information will we share? Are you moving to more conversational commerce?
- Have other dealers of the same OEM brand and same approximate market/volume successfully integrated the software in their remote retailing vision?
- Does the software calculate retail transactions properly? Does it include all OEM incentives, special programs, and taxes?
- Does the company offer the support needed to properly plan, install, train, and mentor your team to reach the retail vision you have in mind?
- Does the software work well with your current desking, CRM, and DMS technology used in the store?

The J.D. Power presentation at the 2020 Digital Marketing Strategies Conference (DMSC) in July 2020 confirmed to me that each platform offered to dealers at Tier III has their own strengths and weaknesses. The researchers created a scoring grid for each of the main steps in the retail sales process, as shown below:

Category Scoring Definitions

Score	Contact Info	Upgrade Offer	Research Cars	Find Inventory	Pricing	Trade	Credit	F&I	Accessories	Save	Contract	Delivery
Green	Register after seeing discounted price; trade is guaranteed and/or contract can be initiated online	Available and connected to the digital retail platform	General vehicle research is available before entering the purchase process	New and used vehicles available nationally	Discounted price plus incentives and customer- specific taxes and fees	Guaranteed trade offer	All three forms are available for the different stages of the process: self- estimate, soft pull and full credit app	Product menu with pricing and ability to add desired products to cart	Product menu with pricing and ability to add desired products to cart	Ability to save vehicle, price, trade offer and finance offer	Ability to review and e-sign at least some (if not all) contracts	Schedule delivery at home or dealership
Yellow	Register after seeing discounted price but trade is estimate only and/or can't initiate contract online	Available but not connected to the digital retail platform	General vehicle research is available, but it is not connected to the purchase experience	New or used only. Geographic coverage is limited	Discounted price but does not include incentives and/or customer-specific taxes and fees	Estimated trade offer	Credit application available, but platform is missing either self- reported credit or soft credit pull	Available online but requires interaction with the dealer in the platform	Available online but requires interaction with the dealer in the platform	Ability to save some but not all vehicle, price, trade offer and finance offer	Ability to initiate the process online by uploading required documents or reviewing contracts	Schedule delivery at dealership
Red	Register before seeing a discounted price	Not available	General vehicle research not available	Inventory search is limited to a single dealer	MSRP or advertised price only	Not available	Credit application not available or credit offers are not provided in the platform after applying	Not available	Not available	Not available	Not available	Not available

When this scoring system was applied to popular digital retailing platforms offered to dealers, you can more readily see that not all platforms are created equal.

Tier III Solutions

Program	Contact Info	Upgrade Offer	Research Cars	Find Inventory	Pricing	Trade	Credit	F&I	Accessories	Save	Contract	Delivery
Solution 1	N/A											
Solution 2	N/A											
Solution 3	N/A											
Solution 4	N/A											
Solution 5	N/A											
Solution 6	N/A											
Solution 7	N/A											

I have included the J.D. Power research because it is a very clear reminder that dealers need to match their vision for the customer experience with their existing technology and readiness to change.

Eastern Shore Toyota finds success during COVID

Eastern Shore Toyota is a busy store in the growing community of Daphne, located across the bay from Mobile, Alabama. Prior to the COVID-19 pandemic, store leadership had been talking about digital retailing on-and-off for 2 years, but the store's success with current processes meant that it never made it to the priority list.

When the pandemic hit, and the Alabama State Governor started talking about whether car dealerships would be considered essential businesses, the team realized they needed to act quickly. They worked with Gubagoo to launch Virtual Retailing and went live on the platform in the middle of April.



The team branded the experience on their website "iCLICK-N-BUY", and carefully thought through how to adapt processes to the online environment. Emily Brock, the Internet Manager responsible for the store's digital retailing efforts, shared with me her story: "We spent every day learning, and adjusted the process multiple times. We were determined to have an effective experience that customers would love, and to engage them in real time while shopping on our website."

Emily ensured that all salespeople had access to the Gubagoo backend tools so they could see customers engaging with Virtual Retailing, and they could jump in to help where needed. The team decided to adapt their inbound phone call process and trained the staff to treat customers online the same way they would in-store. The store saw the value of staffing their "virtual" showroom and their team was astounded by the results.

After a couple weeks of getting acclimated, they had a record-breaking month, which they attributed to quick customer adoption of their digital retailing tools.

All the metrics were strong. Inbound opportunities doubled, and their closing rate increased by 18.65%. Virtual Retailing deals turned to sales at a higher rate than all four lead providers they were using the previous year, combined.

"We've reduced our call-to-action buttons on our VDP, and now only have buttons that lead into our Virtual Retailing experience," said Emily. "We love that it's all now in one tool." Emily went on to say that "driving leads from TrueCar, phone calls, and other sources into Virtual Retailing, and adjusting deals in real time, also made a huge difference for their customers. "They clearly love the experience."

Management is reviewing the process and results regularly, and the whole store is all-in on Virtual Retailing. Even as COVID cases died down and foot traffic increased, the traffic on the digital retailing tools has not waned - if anything, it has increased.

"This is not a temporary fix - this is something we are going to continue to use. COVID-19 pushed us into starting it sooner than planned, but now, we are big fans of Virtual Retailing, and there's no going back."

V. Staffing Your Virtual Showroom

The death of website lead forms

At the DMSC 2020 Livestream Conference, I hosted a panel discussion called "Formless Websites Double Sales Opportunities" and on the panel was Joe Chura, CEO of Dealer Inspire. Joe joined a very active discussion with a firm statement: "It is no longer debatable. Dealers can significantly increase sales by assisting consumers when they are on the dealer's website."

So true! When you remove forms, which are roadblocks to an efficient shopping journey, consumers can obtain the information that they want in near real-time. The challenge for dealers is designing a staffing model that, during normal business hours, can give fast, competent advice to consumers. The technology exists so it is more a leadership challenge than a technology challenge.

If you are doubting the benefits of reducing your dependence on forms and moving to real-time conversations, keep in mind:

- Less than 40% of consumers who click on "get ePrice" or check availability will complete the form.
- It is common for consumers to use "burner" email addresses when they are forced to provide an email unwillingly.
- BDC or sales teams will see two-way engagement with less than 60% of the email form leads your store receives in the CRM.
- Your sales teams are more effective on the phone or face-to-face. New messaging technology allows for video conferencing, screen sharing, and continuous message streams.

The effectiveness of lead forms has gotten so bad that some dealers are now requiring consumers to double verify their email address before showing the selling price on a vehicle. Imagine the shock on a consumer's face when they fill out a lead form and then the dealer implies the consumer is lying!

These website designs ask the consumer to check their email box and click on a link to gain access to a selling price. This type of verification is normally associated with creating an account but why do this just to see a selling price?

Even if your OEM has MAAP pricing guidelines or requires your dealership to show only MSRP, removing forms is not a problem. Proper training with messaging tools will allow your sales associates to get the consumer's contact information and allow them to share your market-based price without breaking the consumer's shopping momentum.

The birth of Conversational Commerce

At the 2018 DMSC Conference in the Napa Valley, Denise Chudy presented a keynote address on the need to embrace conversational commerce. That was the first time that I had heard that phrase, and I wasn't sure what she meant so I listened carefully.

At that time, Denise was working at LivePerson, an international communications platform used by some of the largest companies in the world. She demonstrated how their technology powered automated online ordering for companies such as Loews, without having to use their website.

Fast-forward to DMSC 2020 and Brian Abrams from LivePerson shared that their company now powers Facebook online ordering for Chipotle without the need for a human intervention. He also showcased how their latest communication platform allows dealers to message, screen share, and have video conferencing with consumers remotely.

LivePerson, CarNow, Gubagoo, and Dealer Inspire are all providing advanced communication platforms to dealers that integrate seamlessly with remote retailing platforms. While it would have been odd to ask a consumer to have a video chat prior to March 2020, today's consumers are very comfortable with "Zoom" technology.

Consumers can start asking questions on your website using messaging tools and then, based on the need, your sales associates or F&I managers can continue to develop trust by sharing their screens or having a face-to-face virtual meeting. The financial results of conversational commerce are compelling, with dealers able to increase sales opportunities from website visitors by 50-100%.

During the COVID crisis, the Qvale Automotive Group switched to a single point of contact and trained their sales associates on the proper use of Microsoft Teams software. When consumers were interested in buying a car, the Teams platform was used to answer questions, build value, show F&I products using Darwin software, and show all final contract numbers.

While conversational commerce was initially intended to showcase the ability to reduce labor costs and automate simple purchase tasks, the automotive industry does not have simple transactions like buying a burrito at Chipotle. The blending of automated workflows powered by AI, and human interactions using video conferencing and messaging is clearly an important building block to power successful remote retailing experiences.

How to recover from form addiction and enjoy live conversations

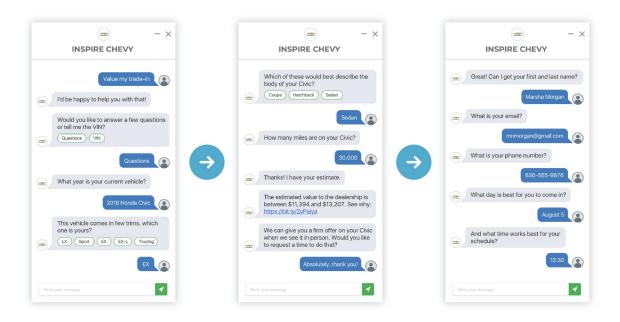
If the thought of moving all your CTA button actions to conversations scares you, test my recommendations in baby steps. As discussed in previous chapters, the first step is to simplify your SRP and VDP pages by reducing the number of CTA buttons per vehicle listed. On your VDPs, you should not have more than four CTA buttons.

The four buttons on a VDP for a dealer that has to show MSRP could be:

- 1. Get ePrice
- 2. Value Your Trade
- 3. Schedule a Test Drive
- 4. Ask Us a Question

Once you have taken the steps to simplify your website to four buttons, invest the time to train your staff on how to use the messaging platform on your website. Keep in mind that many companies have automated workflows powered by AI so that simple questions (i.e., Get ePrice or Schedule Test Drive) can be handled without your employees.

Here is an example of a messaging session that was handled completely by automation created by Dealer Inspire using Ana Bot. It answered the consumer's question, integrated data driven questions, and also collected their contact information:



Once training is completed, you should change the "Get ePrice" button from forms to messaging since it has the highest number of clicks per day. The clicks on Get ePrice also represent the most valuable shoppers because they are asking the selling price on a vehicle that they like.

Here are two common ways that your dealership may handle the Get ePrice clicks:

1. BDC Handles Initial Chat/Messaging Session

If the BDC is answering initial messages/chats that the AI could not handle, then they need to be trained on how to escalate (move) a messaging session to a sales manager when they no longer can answer a question authoritatively.

Sales managers must be trained on how to log into the messaging platform when they start their shift and how to use the software on their mobile phone. Often a round-robin approach is taken so that conversational leads, which are very valuable, get distributed evenly.

Managers also may need to grab a chat/messaging session if the BDC is not available, so the software should have an escalation alert when a consumer has not received a response within 5-10 seconds.

2. Sales Managers Get Chats Directly in Round Robin

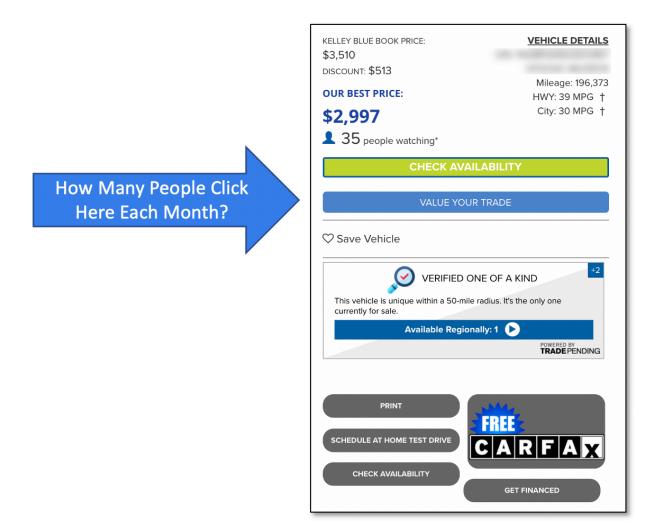
If the Sales Associates are taking the messaging requests from the website, they need to be trained how to engage and retain the consumer in the messaging app. You have to retrain sales associates whose previous training directed them to push for the appointment while giving limited information to answer the consumers' questions.

The Sales Associates need to know how to escalate (transfer) a messaging session to a Sales Manager. The technology to transfer sessions is very easy; just ask your chat provider how the feature works.

Of course, there are many other variations on how conversational commerce can be installed at your dealership. I would ask your messaging platform provider to connect you with dealers who have a robust system in place for handling conversations with consumers while they are on your website. Once you believe that the consumers on your website who are clicking on CTA buttons are as valuable as someone walking into your physical showroom, you will make the necessary investments in technology and training to staff your virtual showroom.

Resistance to Conversational Commerce

Two specialty tools on a dealership's website that have resisted conversational commerce are trade-in tools and finance applications. Most dealers have CTA buttons that are labeled **Value Your Trade** or **Apply for Financing**. Most consumers expect to fill out a form when applying for financing, but do they expect to fill out a form to get a trade value? I'll let you answer that when you see the data I present below for a 90-day period.

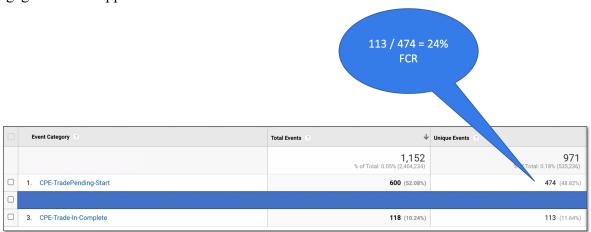


Most trade-in workflows will require a consumer to complete a form with their contact information before showing an estimated trade value. Some tools are much better at collecting consumer information than others. To evaluate the success (lack of friction) in obtaining contact information for a trade valuation, I created the Form Completion Rate (FCR) metric. In the example above, the "Value Your Trade" CTA button is blue and takes consumers to a landing page where the trade valuation software is installed.

FCR = (number of form completions) / (number of times the CTA button was clicked)

I was recently inspecting the performance of TradePending, one of the top performing trade-in tools used by dealers. The software sends events into Google Analytics (GA) when a lead form is completed, and the data is sent to the dealer's CRM. The team at <u>Vistadash</u> tagged all the CTA buttons on the dealer's website to show engagement on VDP elements and buttons.

The combination of these two allowed me to look at data collected over the past 90 days. I created a GA segment to look at local traffic that started on the dealer's Home Page and naturally navigated to a Vehicle Detail Page (VDP). I created that segment to investigate high quality, engaged local shopper behaviors.



You can see that 24% of the consumers who clicked on the CTA button "Value Your Trade" decided to share their information in exchange for a trade valuation. Some trade-in tools that I have tested have an FCR of less than 10%! However good the TradePending results might be, there were 361 consumers who did not want to "do business" that required a form.

Since trade-in leads are very valuable, what would happen if the dealer replaces the "Value My Trade" CTA form with a natural conversation from a sales associate or sales manager? Did you know that trade-in tools can be shared within a conversation and your dealership can determine trade-in values naturally? You may now see the potential that I see and, in fact, some dealers are already doing this!

Dealers can significantly increase trade-in leads and improve the customer experience by switching from traditional trade-in forms to conversational commerce with built-in trade evaluation tools.

I estimate that this dealer would have the ability to collect an additional 90-150 trade-in leads if they decided to assist the consumer while they were on the dealer's website, and when they clicked the trade-in CTA button. The live assistance would also help to combat any negative reactions to a trade valuation that seemed too low for the consumer.

Conversational Commerce Vendor Directory

All major US chat/messaging companies support the changes needed to pop up a messaging window from a CTA button. Here are a few companies and their contact information that can support conversational commerce, listed in alphabetical order:

```
ActivEngage
      sales@activengage.com
      321-441-7722
CarChat24
      sales@carchat24.com
      800-510-7567
CarNow
      sales@carnow.com
      770-480-7695
Dealer Inspire
      sales@dealerinspire.com
      855-357-4677
Gubagoo
      hello@gubagoo.com
      833-GUBAGOO
LivePerson
      pr@liveperson.com
      646-241-8031
```

Each company listed above has their own unique approach to website integration and compatibility with digital retailing platforms so make sure you get demonstrations from more than one company.

Lowering labor costs with the Assist vs. Chase strategy

One of the ways labor costs can be reduced, while removing most lead forms, is to embrace automation. The more that technology can do to handle the simple questions and tasks, the more time your team can work on closing sales. By eliminating some of the monotonous work of calling and emailing people who never respond to your CRM workflows, technology can assist consumers without any hard labor costs.

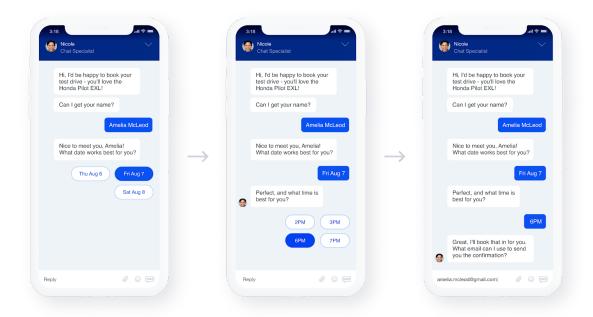
Using technology, many of the basic needs like "unlock price," "get ePrice," "get today's price," and "schedule a test drive" can be done through automation. When a consumer asks a question that "breaks" the workflow, the consumer is instantly connected with a trained sales associate or BDC worker at the dealership during normal business hours.

Gubagoo, for example, can replace any form or CTA with conversations using LivePlays. LivePlays are intelligent, in that they know the details of the VDP, and other data points about the customer's visit. This can include the marketing campaign that a customer came from, through the use of URL parameters or UTM codes, creating a smooth, connected experience from advertisement right through to conversation.

Their solution notably uses a unique, blended form of AI they call Assistive Technology. The company wants to keep conversations human-centric, but are helping people respond faster with this new approach. The technology allows for speedy collection of information, or clear and quick answers to common questions.

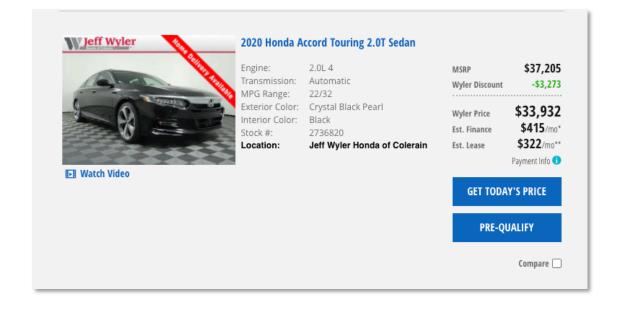
It increases reply time, reduces human error, and decreases the overall time spent in a chat, while still retaining the friendliness and presence of a real human. So, conversations using Gubagoo's Assistive Technology are rated higher by customers than those without. AND, they are converting at a 17.5% higher rate.

Gubagoo has also introduced Quick Replies, which speeds up the response on the customer's side as well. For example, when booking a test drive or service appointment, the customer needs only to tap on the available option of their choice. Questions with a yes/no response also activate quick reply buttons.

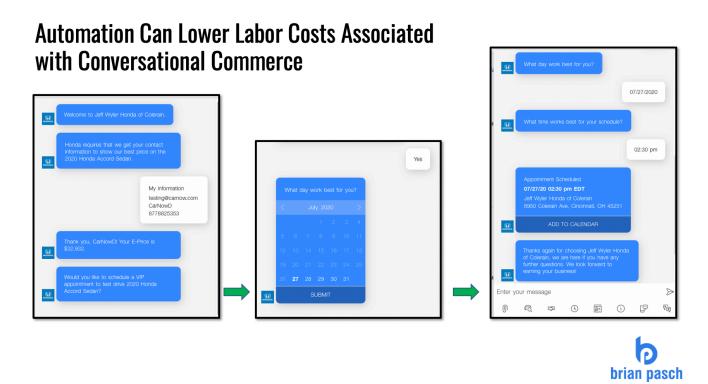


Using technology, many of the basic needs like "unlock price," "get ePrice," "get today's price," and "schedule a test drive" can be done through automation. When a consumer asks a question that "breaks" the workflow, the consumer is instantly connected with a trained sales associate or BDC worker at the dealership during normal business hours.

In the example below, The Jeff Wyler Honda store decided to remove the form that would normally pop up when a consumer clicked on "Get Today's Price" and replaced it with a conversation. The Search Results Page (SRP) is shown but the same change was made on every Vehicle Detail Page (VDP).



When a consumer clicks on "Get Today's Price," the button triggers a workflow to have a conversation with the shopper. This gives the shopper the feeling that the dealer's website is staffed with people that can help them. Nobody likes to wait, so my hope is more dealers will embrace conversational commerce in the coming years.



In the example above, the dealership is using ConvertNow technology from CarNow. It directs the CTA button labeled "Get Today's Price" to a conversation instead of a form. Forms tell a consumer that the dealership is not staffed to help them now. Yet, there are people waiting in the physical showroom for someone to walk in the door! Go figure.

ConvertNow, and other conversational commerce solutions, solves the problem of staffing concerns and gives consumers the information they wanted while they are on the dealership website. The entire "test" conversation shown above was completed without human intervention. The good news is that the dealer still collected the shopper's contact information but in a more appropriate manner.

Reimagining staffing models

As you consider all of the suggestions I make in this book, moving to a single point of contact could have the biggest impact on your bottom line and on the customer experience. When you staff your virtual showroom with people who are trained and empowered to transact with consumers, you have less cooks in the kitchen to mess up the final meal presentation.

A Single Point of Contact (SPOC) model has many benefits in addition to higher PVR and customer satisfaction. Employee retention is significantly higher because the work environment in a SPOC is more desirable. You will also be able to hire a much wider range of people, and often you will not have to rely on people with previous automotive experience.

In fact, there is a growing list of dealers who have decided to avoid hiring people that show a tendency to move from dealership to dealership every 6-18 months. By focusing on candidates with strong customer service backgrounds, it is much easier to train people on automotive product knowledge than try to build a culture of customer service excellence.

If you don't see a SPOC sales process in your immediate future, then you should consider how to staff your virtual showroom during normal business hours. Identify employees that can multitask with messaging platforms, video platforms, and your CRM to provide immediate assistance to local shoppers.

The hand-off to sales associates or managers will be critical as consumers experience SPOC offerings at other dealerships. If possible, work with a two-party system for the communication so that the initial contact sets the stage for the person who will finalize the transaction.

If you embrace conversational commerce, you might be able to eliminate email tools like Conversica that chase consumers after a lead form is submitted. By striking up a conversation when the consumer is on the website, your staff will have better engagement, which leads to their success. And your local consumers will have a better shopping experience.

Qvale Automotive pivots to enhanced SPOC and saves 33%

Geno Walsh, Executive Manager of Retail Operations at the Qvale Automotive Group, spoke on two main stage panels at the 2020 Digital Marketing Strategies Conference (DMSC). His experiences during COVID and the changes in profitability of his stores were compelling. I asked Geno to share an overview of the decisions they made when shelter in place orders were issued; impacting their ability to sell cars with their traditional showroom sales process.

"Necessity is the mother of all application." What that means to us at Qvale Auto Group is best exhibited by our response to all of the localized shelter in place orders that severely limited our ability to serve our community and customers through automotive retail transactions. We pivoted by applying our already proven Single Point of Contact (SPOC) sales process and marrying it with already available technologies to create our "Touch-Free Transaction Process.

At first, it was a daunting proposition to maintain some semblance of forward progress with retail transactions, especially under shelter in place orders in two states separated by 3,000 miles. We certainly could have skirted the local orders as many of our other peers had done, but our integrity regarding complying with local orders plus the health and safety of our team members was more important than any amount of car deals.

With that being said, we shuttered the doors of the showrooms starting March 16th and only left in place a limited staff to clean up any current transactions and to provide assistance to clients in time of need. By the end of March, we were down to three and sometimes even one variable ready person. In retrospect, this is exactly what would be necessary for us to work directly with the general managers and store leaders and really get their undivided attention to embark on the transformation of the sales process.

This direct connection to the general managers and store leaders eliminated the layers of delegation and went to the top with our training. We needed a tool to handle the platform of training, and we had already been communicating with Microsoft Teams; it was a natural fit. Additionally, we had already installed Darwin Digital Retail on every one of our stores' native sites. This saved us an incredible amount of time as most team members were somewhat familiar with it but really only as a lead supplier and not as transaction tool.

Here is the kicker though, and it gave us a tremendous advantage over our competition: we had already begun, 18 months previous to the shutdown, flipping low performing stores to Single Point of Contact using the Darwin Platform as an In-Store Sales tool. We installed the process as a way to increase transaction integrity and to reduce expenses, which we had used already in three stores with great effect. So now we had to train our Store Leaders on how to sell this way and how to do the presentation using Microsoft Teams.

We started by just getting started. We called a Microsoft Teams meeting that turned into an Awareness meeting for all stores on how to navigate the Darwin tool. It was a hit and we decided to continue the meetings three times a week through the month of April, and we named it the "QAG Modern Retail Webinar." From there, we started recording every meeting which proved and is still proving to be a great resource for all team members as we continue to move ahead.

I believe it was the second QAG Modern Retail Webinar when we decided to role play a few sales between myself and Rance Williams, our Group F&I Director. That's when it hit me and everyone else on the web meeting we were watching our Single Point of Contact Process morph into a Remote Retail Process or, for us, a Touch-Free Transaction. We dug in deep after that and had every General Manager and Store Leader perform video recorded remote transactions. We were getting full buy in on the process and we were delivering deals and making money while following the localized orders and maintaining an environment of safety for our team members. We were doing deliberate practice group-wide multiple times a week.

Right around the middle of April, I saw how fluid our General Managers and Store Leaders were becoming with this new process and that it only made sense to make the leap to Single Point of Contact with all five stores at the Livermore Automall (Porsche, Audi, Jaguar & Land Rover, Honda, & Subaru). At the time, we had no idea what our staff would look like going forward based on ongoing restrictions, health crisis, and economy so we knew we needed to do more with less. The Single Point of Contact process fit the bill, and it was necessary as automotive retail was limited in California to internet transactions only.

The most difficult team members to get onboard in a process change are the GMs, and they were already using the tool and process to great effect, so we just added back in senior Sales Staff in May and then additional staff in June. We trained them like we trained the GMs, but we increased our repetition to 6-8 hours a day and added in one to one Microsoft Teams training with the staff. We are all still training this process today and since restrictions were lifted, we moved the process offline and into the showroom. We have created a full Omni Channel Sales Process that focuses on transparency and speed for the client."

Financial Benefits at Qvale

"The due north for us was, is, and always has been the customer's experience first; the cost savings were ancillary benefits. The benefits have been notable, with our first full month (June 2020) in the books, we have reduced our Cost Per Unit Produced (CPUP) by 33.2% (sales/finance costs paid). Additionally, because we can do more with less, we have reduced other payroll expenses as we don't have as many people onboard to perform similar sales results.

As we get further along, we look forward to being able to handle any adversity that may present itself and also to continue to refine our current process and amplify the results with our consistent training.

"The Road Ahead" is a path that we at Qvale Auto Group are excited to pursue. The last five months have given us confidence that we will be able to answer any challenge that might present itself. We truly underwent a metamorphosis that not only made us more operationally efficient but also gave us a new level of a customer first focus regarding our retail communication and engagement. These two changes will give us a competitive advantage that we look forward to leveraging for the next 70 years."

Schomp Automotive pioneers modern retail

Geno's story is a strong example which shows the benefits of a SPOC. I also reached out to Chip Perry, CEO of A2Z Sync to showcase another dealer story involving the move to a SPOC sales process. Chip recently joined the company which has developed an innovative showroom software platform to streamline the online to in-store sales experience.



I first learned about A2Z Sync when I visited Schomp Honda in Colorado. The Schomp organization funded the software development for their own stores and has since created A2Z Sync to offer this world-class solution to other retailers.

The first thing I noticed when I visited the Honda showroom was the furniture which was designed to support the SPOC sales model. The large screen is powered by the A2Z Sync software which guides the customer through their sales process and creates a collaborating selling experience. In a later chapter, I will discuss the importance of merchandising the showroom experience to support the modern retail experience. Schomp is one example of a dealer who created a consistent message and experience: online and in the showroom.



If you have heard me speak on digital retailing strategies, you will likely remember that I think Schomp has the best Brand Message in the United States. Their message is aligned perfectly with how consumers think: "One Price, One Person, One Hour." The Brand Message is just a statement, but the company delivers on its promise. It accomplishes their version of a modern retail experience with amazing training, a SPOC sales process, and customized technology.

Nelson Auto Group embraces SPOC

I asked Chip Perry and his team at A2Z Sync to share a dealer story that showcased the journey and benefits of a Single Point of Contact (SPOC) sales model, and he immediately thought of the Nelson Auto Group. Here is what they shared with me, and I felt it worthy to include in this chapter:

Robert Nelson and his COO, Brandon Murphy, have always been interested in making the sales processes at their five-store auto group more consumer centric. In late 2017, the Nelson Auto Group made a commitment to change how they did business so that their word, core values, and actions lined up completely; but they were missing a key element.

About this same time, the Nelson Auto Group heard what Aaron Wallace had done with his Single Point of Contact (SPOC) model at the Schomp Automotive Group in Denver. The Nelson team decided to visit some Schomp stores to see firsthand how the process works. Nelson found Schomp's branding message of 1 Price / 1 Person / 1 Hour quite groundbreaking and very intriguing.

Schomp's SPOC model was the missing element the Nelson Auto Group was looking for to better serve their employees and guests. After hearing about how SPOC at Schomp resulted in improved market share, customer satisfaction, employee retention, and dealer profitability, the Nelson Auto Group wanted to really explore the ins and outs of the sales model and the technology needed to support it.

The Nelson team came to Denver with the executive team of Morrie's Automotive Group, led by the CEO at the time - Karl Schmidt. When they arrived in Denver and took a tour of Schomp's Honda and BMW stores, "it was like a light bulb went off for us," according to Brandon Murphy.

"For the first time, we saw with our own eyes the ideal sales model that we had been looking for and dreaming about. The way Schomp was implementing SPOC very closely matched our core values of wanting to do the best thing for our customers and employees, and it also produced really strong financial results, which was very exciting for us to see."

While they were in Denver, the Nelson team also took a close look at the A2Z Sync software platform that Schomp had built from scratch to support its everyday execution of the SPOC sales process at the six stores in their group. They met with the CEO of A2Z at that time, Natalia Giner, a former F&I director at several Schomp dealerships. From that meeting, they learned about how the software was built to create a dramatically streamlined customer buying experience that could be delivered in one hour or less by one person, instead of the four to five people who typically handle customers at traditional dealerships.

The Nelson team saw the interactive screens and workflow used by Schomp's Client Advisors to walk customers through the entire buying process, from needs assessment all the way to the final paperwork. Natalia explained every aspect of the A2Z system to Brandon and his team, including all the software integrations that are used to enable smooth movement of data between A2Z and the dealership's other technology providers including their DMS, CRM, Lending Portals, F&I, and compliance tools.

Brandon also probed on what it was like to transition to a SPOC model, and he learned that it required a significant transformation in many aspects of dealership operations. As Brian Brisco, the VP of Operation for Schomp explained to him, "Moving to SPOC touches everything from job descriptions to pay plans to training methods to dealership culture." From this perspective, it became obvious to Brandon that adopting SPOC entailed a lot more than just installing a new suite of technology tools in his stores.

Brisco also shared with Brandon how some of the Schomp's stores went through a period of adjustment. Right after transitioning to the new model, their F&I metrics fell backwards slightly for a while before recovering to normal levels and then ultimately exceeding their past performance numbers. Brandon was encouraged to see that better F&I metrics were indeed possible with SPOC, and that it didn't take long to produce stronger F&I results than before. And since seeing is believing, the Nelson leadership group left inspired and committed to changing their entire sales strategy.

After several long meetings back in Tulsa, OK to discuss what they learned in Denver, Bob Nelson and Brandon Murphy decided to work with A2Z to facilitate the reorganization of their stores around the SPOC concept.

First and foremost, Brandon sat down with each sales team to explain the vision, why the change was needed, and the intended outcome they were all hoping to accomplish with the new process and the new technology. Brandon made it clear that his and Mr. Nelson's commitment was unwavering to this change and that the executive team was committed to developing and training each employee to succeed in this new model. A2Z spent a few weeks helping train and assist the Nelson Group in setting up the A2Z technology platform to enable the SPOC process change. "Natalia and the entire A2Z team have become friends and not just vendors. We share processes, collaborate on ideas, and work together on the best way to continue this journey forward."

After successfully moving their stores to the SPOC model, Brandon is very pleased with the results that the Nelson Group has achieved. "Not only are our customers much happier with their purchasing experiences, but we as a leadership team and our employees all feel much better about our new approach to selling cars," Brandon said.

"Our reputation in our markets is now stronger than ever. Our sales were up even during the worst part of the COVID-19 crisis. Our unwanted employee turnover is almost zero. Our F&I penetration is up, and our net profit is the highest it has ever been. An unexpected benefit to a better customer experience in our sales departments also positively impacted our service department profitability. It feels great to be able to say our customers and employees are happier and we're making more money, which is quite a trifecta," Brandon said. "I highly recommend that dealers who truly want to modernize their in-store experience consider the SPOC model as the driving force to getting there."

The stories from the Qvale and Nelson Automotive Groups showcase the benefits of a SPOC sales model. What is holding you back from implementing SPOC at your store? I hope that these stories will accelerate a discussion within your dealership or dealer group. Reinventing the retail experience to be more customer-centric will take courage, leadership, and investments in training, but the benefits will support the success of the business in the years to come.

VI. Communicating with Remote Shoppers

Remote retail changes the "Appointment Culture"

For years in the automotive industry, setting an appointment with a customer and then having the customer show up was the key to success. The sales process began with the handshake upon the customer's arrival. While other industries began moving towards online retail, the process of buying a vehicle still seemed stuck in the past and unwilling to adapt.

Websites have been a part of the shopping process for well over a decade. When they cropped up initially, dealers used them as nothing more than a platform to display their inventory and prices, and unfortunately, nothing much has changed. The physical interaction between the consumer and salesperson remains the beginning of the sales process.

Focusing only on the appointment had been a point of frustration for both the employee and the customer. Bits of information were shared over the phone and then over email for fear of giving too much to the customer for them to turn around and find a better price somewhere else. Even accepting the fact that there was friction or frustration, this way of doing business has been successful so the impetus to change the process was nonexistent.

COVID-19 changed the game. In NJ, as in some other states, dealerships were completely closed. First, they began to re-open for service appointments. Then came the decision that dealerships could open for sales but only for online sales. No longer could dealership employees wait for the customer to come to the dealership to begin the sales process. Dealerships quickly adapted the sales process to complete it fully online or over the phone and the appointment now transformed to a pick up of the vehicle.

With certain steps of the previous process taken away, dealers did what they had to do in order to sell cars. Customers liked the new process, dealers sold cars with less staff, and the appointment became the step where consumers picked up their vehicle, not where they began the process.

As time passes and as restrictions lift, the mistake many dealers *could* make would be to revert back to their old process. Not every consumer will want to complete their full vehicle purchase online but saving time will be of great importance. The goal of any new process should be to marry the online resources to the in-store process and have the dealership appointment pick up where the customer left off online.

So how can dealerships adapt to this new appointment culture and communicate effectively with remote shoppers?

First, leaders must decide to embrace the digital or online retailing process fully. Dealers have to be comfortable and flexible with sharing information online that they may have not been willing to share previously. They need to be ready to communicate with their customers where and when they want to communicate. The process can no longer rely on, "When you come in, we can discuss."

A few steps towards process improvement:

- 1. Whiteboard out the sales process you had in place Pre-COVID.
- 2. Whiteboard out the sales process during COVID.
- 3. Decide what was beneficial during COVID and what could be continued.
- 4. Whiteboard out the new sales process.
- 5. Document the new process so everyone is doing it the same way.
- 6. Train all employees on the new process.
- 7. Inspect and hold the team accountable to the new process.
- 8. Get feedback and testimonials from satisfied customers.

What will happen as the sales team adapts the mindset to engage the customer when they are on the website? Our clients who have adapted have shared feedback that customers were surprised someone responded so quickly. The customer stayed engaged with this dealership versus moving on to the next dealership hoping to find someone available to answer questions. We have also received feedback that negotiations were significantly easier and price was agreed to more quickly. Customer satisfaction was higher and employee enthusiasm increased as well.

Salespeople themselves began to get excited about the change. They felt more connected to the consumer and when they arrived, they picked up where they left off with less negotiation and more importantly, the ability to help more customers. Many saw their monthly sales volume increase with the feeling they were working at a more comfortable pace.

There will be dealerships who reverse course and return to the sales process of the past. Other players in the market, such as Carvana and Vroom, have changed the perception of what buying a car online could be. More importantly, other franchise dealerships will continue to move forward towards an easier sales process, allowing the customer to do as much or as little as they like online and then picking up where they left off when they come in.

This is the new appointment culture. It is time to change. Customers have gotten a taste of what online sales could be when dealers were forced to adapt. It is time to move forward and utilize technology to make it easier, faster and mostly online.

Key Considerations for Communication

Once the dealership has branded the process as previously discussed, and merchandised the website effectively, the key next step is to limit the interaction with the website to a few basic options. Each of these will present an opportunity for the sales team to engage efficiently.

- 1. DR tool: contact information and deal information
- 2. Third Party or Other Lead Sources: Creating More Engagement
- 3. Live Support: Engaging Chat for Questions

First, the main call to action on the SRP or VDP should be the Digital Retailing tool. This will move the consumers into the process, allowing them to complete as much or as little of the process as they would wish. Once the consumer desires to send their contact information to the dealer, it will be sent along with other key pieces of information the customer filled out on the DR tool.

Too often, the communication process for all leads, even DR leads, seems to follow the pattern of limiting information and focusing on the appointment. For example:

Typical Email Communication Process

Email #1: "Here is the information you requested on this vehicle.

When would you like to come in for a test drive? Call me."

Email #2: "Did you get the information I sent you?

When would you like to come in and see the car? Call me."

Email #3: "Do you have any questions? Call me."

Email #4: "Are you still in the market? When would be a good time to come in?"

Notice all dialogue is focused on having the consumer come in. Even before communicating any Digital Retailing opportunities, the current lead handling process needs to be revised. To create more engagement, develop a communication process with the remote customer as if they were standing in front of you.

Imagine Brian is on the lot asking about the vehicle. What questions would the salesperson ask in order to engage Brian? Questions such as: Are you interested in leasing or buying? What features are important? Do you have a trade in? and the list goes on and on. Why not place some of these questions into the process for phone, email, or text to create conversations. Here is an example of a more engaged first response.

More Engaged Email Communication

Day 1:

Hi (Customer), I have received your purchase request information for the (vehicle) from (Lead Source). Great choice! I wanted to let you know the car is available. I do have a few questions for you so we can save you time as we assist you with your process.

Insert VDP Link here.

Are you interested in leasing or buying the car? Is this the only model that you are interested in? What features are most important to you?

I look forward to helping you acquire the car that you want. Our goal is to make the process as fast and easy as possible.

Here is my cell phone number 123-345-6789. Feel free to call or text me and I will get right back to you.

I will circle back tomorrow if I don't hear from you today. Thanks again!

Now that we have a framework for better engagement, how should the response change for a DR opportunity? The key to maximizing these DR opportunities is to realize these leads contain more consumer-related information for the sales associate to use effectively when engaging the customer. If a lead was received from a third-party site, the salesperson may only know that the consumer is interested in a specific vehicle.

Most of these DR opportunities will have more information than just the vehicle. They may have submitted their interest in leasing or financing. The customer may have provided information on their trade or even selected a specific incentive program. The key is for the salesperson to acknowledge the work the consumer has done with the tool.

I hesitate to use the term "Super Lead," but if this categorization creates a sense of urgency for the team, then so be it. When you are setting up your DR technology, communicate with your CRM vendor as well to make sure all of the information from the tool is being passed to the CRM in a format the sales team can read and utilize.

Here is an example of a Day 1 email for a Digital Retailing opportunity.

DR Email Communication

Day 1 Response from BDC Internet Sales Consultant:

Subject: We received your deal information at (Dealership Name)

Hi (Customer),

My name is (Employee Name), Internet Sales Consultant at (Dealership Name). I am happy to let you know we received the information you submitted through our (Retail Tool Name) regarding (Vehicle).

I want to confirm that you are interested in (buying or leasing for xx months) and you (do not have a trade or you have a xx make/model for trade in). Is this information correct?

I look forward to helping you acquire the car that you want. Our goal is to make the process as fast and easy as possible. I would like to have just a few minutes of your time to confirm the rest of the information you submitted. What is the best way to contact you?

Here is my cell phone number 123-345-6789. Feel free to call or text me and I will get right back to you. I look forward to speaking with you.

Notice how the response highlighted a few items but not all of them? This response, used for email, phone and text, will create higher engagement because the consumer is further down the sales funnel by choosing these options.

Another key component of your process when using Digital Retailing is adjusting the response to third-party leads or any other lead source other than those through the tool. The communication to the customer must contain language introducing the process to the customer. Remember, the customer may not have been on the website yet, so they have not seen the merchandising. They may also drop into the website on a VDP so there is limited merchandising.

Here is a revised example of our previous Day 1 email. Notice where the language is added after initial questions regarding the vehicle focusing on the DR process and what the consumer can do by clicking on the button. Dealerships need to educate the consumer on the process in every contact point or opportunity provided by the consumer.

More Engaged Email Communication

Day 1:

Hi (Customer), I have received your purchase request information for the (Vehicle) from (Lead Source). Great choice! I wanted to let you know the car is available. I do have a few questions for you so we can save you time as we assist with your process.

Insert VDP Link here.

Are you interested in leasing or buying the car? Is this the only model that you are interested in? What features are most important to you?

When you click on the link, you will see our red FastPass button. By clicking on this, you can calculate your payment, value your trade or get pre-approved. This is all designed to save you time.

I look forward to helping you acquire the car that you want. Our goal is to make the process as fast and easy as possible.

Here is my cell phone number 123-345-6789. Feel free to call or text me and I will get right back to you.

This brings us to communicating through 1. chat for questions and 2. a Live Assistance button. This allows the sales team to be available to individuals who stroll through the website/virtual showroom. If the reader is unsure of this choice, I challenge you to compare how many visitors come to your website versus how many people come to your actual showroom or dealership lot. The website at minimum will have 5X and possibly 10X the amount of people who stop by the dealership. Why would you not want to be available for them?

Deep Linking Note

If your digital retailing tool supports deep linking, you would then replace the VDP link in the email template above with a deep link. Platforms such as Gubagoo's Virtual Retailing provide the ability to deep link the customer right into the digital retailing tool, so they can take the next step in the process. Consider a deep link rather than linking just to the VDP when you have an engaged customer.

Gubagoo's Virtual Retailing also allows you to re-pencil a deal or send multiple offers in your email. These drive back into the digital retailing platform and notify you when the customer is live on the site, so you can engage them via chat in real-time.

Websites must have a chat tool set up so salespeople can engage the consumer to answer questions such as "Check Availability," "Schedule a Test Drive," or even "Get ePrice." If the goal is to engage with the customer, how is chasing them once they leave your site considered the best option? Again, if there is skepticism, look at your analytics and tally up the number of times these buttons were clicked and how many individuals your sales teams had conversations with. Again, why would you not want to engage with consumers while they are on your site asking for help?

Each of these processes should be scripted, even if these are initially outsourced or an AI product begins the conversation. The key is to find a place early on to introduce yourself as salesperson and ask for the customer's name. Then, when the time is right, you can ask for a phone number to text information to and if they do not want that option, an email address can be requested. Remember to answer their questions.

Answering their questions will make them more likely to visit versus hiding answers, only to be shared if they come to your store. I know some think telling customers 'everything' potentially will send them to your competition, but, in reality, it creates a better relationship. In many cases, your competition is holding back information until they show up on their lot. Don't hold back information based on fear.

The new face of retail must be reflective of conversational commerce, and it behooves businesses to redesign and rethink their online engagement with consumers. Be present when and where the customer is, and be available to help. Consumers want to do more online. Be the business who is there to serve online, with the same passion and engagement as if they were standing right in front of you at the storefront.

Online customers are interested shoppers. Interested shoppers are qualified shoppers. You need to entice them. Provide them with the correct information so they become engaged shoppers. What behavior does someone on the lot exhibit in order for you to think they are qualified? Do they look at multiple cars? Apply the same line of thinking to online shoppers. Do they look up information online similar to what they ask for on the lot, such as finance options, trade-in options, hours you are open if they need to come back, and do they research pricing?

When they call, are you helping them move one step closer to the sale by your engaging interaction? Are you making the right changes and truly adapting to servicing the needs of online shoppers? You need to ask yourself these questions and answer honestly. The sooner that employees recognize that online shoppers are as important as in-store activity, the more leads will increase.

Connecting the showroom experience

The key to any seamless interaction, be it a third-party lead or especially a DR lead, will be how the customer is greeted when they arrive. As we have noted, a DR lead will have much more robust information, but this could be true if a customer spoke to a BDC agent as well and communicated some of their needs.

Too often, the scenario has looked like this: the customer arrives, the manager on duty looks out onto the sales floor for a salesperson who is not currently busy and basically says "You're Up.

Go take that customer." There is no time for the salesperson to review any notes from the interaction between the BDC and the customer or read the DR information, they just greet the customer and begin their sales process. They ask what brings the consumer to the dealership, then follow up with a series of discovery questions to help their search and the old process continues.

The problem with this situation, which is all too common, is that the customer had previously spoken to a BDC agent or submitted information on which vehicle they were looking for, what they were trading in, what their budget was, etc. But nothing was taken into consideration by the salesperson because the dealership's process was not designed to prepare the salesperson for the appointment. It was just "Go help and sell them a car."

It is so important to reverse engineer your process and make changes where they are needed. The salesperson must be prepared with all of the information written down before greeting the customer. When they greet the customer, they should continue the process of confirming the information the customer has submitted without going backwards to repeat steps the consumer had already accomplished online. The dealers in the future who focus on saving customers time will win more business.

Once the digital retailing customer has arrived on site for their appointment, sales consultants should consider including the use of technology during the sales process. Be it iPads, Kiosks, or Mobile Apps, using technology to reconnect the consumer to their online process could be helpful in finalizing a sale.

One additional benefit of using technology in the showroom is creating interest for the other consumers who will be curious about what the sales consultants are doing. This could potentially allow their sales consultants to share the online digital retailing process using an iPad to move them toward a purchase as well.

Reengaging Consumers with Digital Retailing

Customers who require follow-up will be happiest and use the least amount of your resources if you direct them into digital retailing where you can serve, not chase. Leading digital retailing platforms have created mechanisms to drive customers into digital retailing no matter where they contacted you first.

I have noticed that not all dealers who have digital retailing platforms installed are using the software in "be-back" campaigns or to re-engage consumers who have stopped responding to normal email communications. Gubagoo's Virtual Retailing is an example of a platform with extensive options for directing your customers back into the tool.

A Virtual Retailing customer who requires follow up can be sent an updated deal by email, SMS, or both, with a link which shows the new proposed deal vs. the previous deal the customer penciled themselves through the platform.

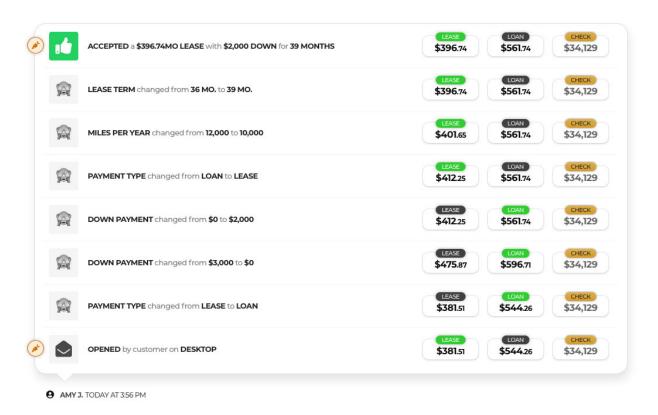
Carl Black Auto Group has had huge success with their digital retailing initiatives, and this is one of the main reasons why. Speaking with Alex Bowsher, he shared that "re-engaging

customers who have left Gubagoo's Virtual Retailing experience has been a powerful way to increase our digital sales."

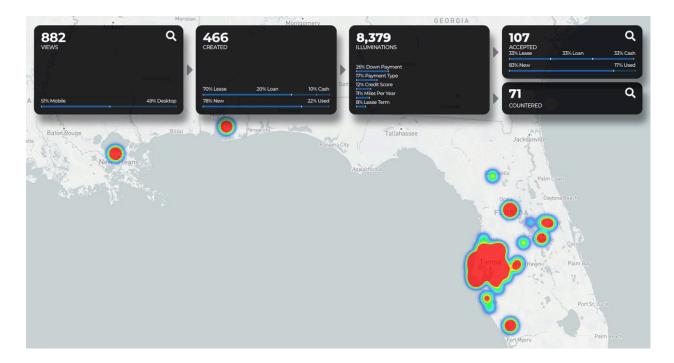
Alex has worked with his team to ensure that they reach out with improved offers, manager's specials, and other deals as a way to build trust by being helpful. Alex was enthusiastic about their success with prospective customers, saying, "you'd be amazed at how responsive many of them can be!"

One such opportunity is when specials update at the beginning of the month. Top performing teams, such as Alex's, review open opportunities and send updated, re-penciled deals using Virtual Retailing. Through Gubagoo's back end tools, they can see customers engage in real time, and have conversations with them through chat to answer questions.

Carl Black Auto Group has also had great success with directing customer inquiries coming in from other sources into Virtual Retailing. This can be from third-party marketplaces, equity mining tools, or even from phone calls. By sending a deep link into the digital retailing tool, Alex's team empowers the customer to save time, increases trust and transparency, and provides the opportunity to serve these customers in real time, rather than chasing them in the BDC.



Another leading platform that has innovated lead re-engagement is FRIKINtech with their illumiQUOTE product. Not only can dealers send customers deep links to vehicles with complete and personalized payments, the dealer is notified when the consumer clicks on the link to work their deal. All of the steps and actions that the consumer takes are logged so that the dealer can see their interests and intent, as shown in the image above.



One of the other interesting features of illumiQUOTE is that the dealer can see where the consumer is located. Using IP address mapping, dealers can see if a competitor is shopping them or if the consumer is properly disclosing their location. The map above shows the location of all the consumer who are interacting with the FRIKINtech software.

Using video to connect with remote customers

One of the technical changes which 2020 brought to individuals has been their comfort level of using video conferencing. For many, using Zoom or a similar platform no longer is concerning so moving to video or Zoom-like tools to interact with remote customers should be the next phase of the sales process. In 2020, a list of companies which include Dealer Inspire, Dealer.com, Roadster, CarNow, and Gubagoo upgraded their digital retailing platforms with interactive video communications.

Gubagoo, as an example, has integrated Virtual Meetings right into their messaging interface, so that a video conference is only a quick click away. The video conference can be launched from mobile or desktop, and the link sent through SMS, web chat, Facebook Messenger, or any of the other integrated messaging platforms.

Early adopters of Gubagoo's Virtual Meetings have used it to surprise and delight customers with spontaneous vehicle walkarounds, penciling deals in real-time through the shared screen function, and to work easily with the F&I office.

When dealers have a face-to-face interaction, a trust is developed and more can be accomplished with the customer. Video calls increase closing rates and win over the hearts of customers.

Instead of thinking "how can we get them in the store," face-to-face interactions are more accessible than ever before. As a result, the rapport you can build with consumers helps increase the chances of selling a vehicle.

Creative dealerships are only beginning to explore the potential of incorporating video meetings, and the easy accessibility of a tool such as Gubagoo's Virtual Meetings keep the possibility front and center.

Similarly, some CRMs like DriveCentric now have a feature called "Live Rooms" where customers and salespeople can review the documents without having to come to the store. Some dealers are doing full F&I menu presentations to accommodate the consumers who feel more comfortable this way.

Eric Hall, Internet Marketing Manager at Classic Chevrolet in Texas, shared a story where a son had to co-sign for his parents to get their new vehicle. The problem was he was in the military stationed overseas. By using the Live Room feature on DriveCentric, they all were able to be present to review and sign the documents. An extra bonus was the parents were able to see and speak to their son.

This is how sales is evolving for the future. Not every sale but having the technology and willingness to adapt and transform the process to engage remote consumers will help dealers gain market share.

Handling leads from 3rd Party Marketplaces

So, what's your strategy for responding to leads from Autotrader, Cars.com and CarGurus? Do you use the same first response template for all of your lead types? I ask this question because you are likely not the only dealer getting an opportunity to communicate with consumers visiting marketplace websites. Knowing that consumers shopping on marketplaces will submit inquiries on multiple vehicles, how can you stand out?

I decided to ask Alex Snyder, CEO of FRIKINtech for that answer because I love how they have reimaged building a high quality, effective first response to third party leads. Most of this book has been focused on installing digital retailing tool on your website and how to handle consumers who engage on your website. So what about those third-party leads that most dealers get from marketplaces? Here is how Alex responded:

Simple. Give them what they want. Strange but true, you'll be the only one who does. Send personalized payment and price information that helps them understand that buying the vehicle from you is a better choice than the dealer down the road with the decades-old template. The most complex problems often have very simple solutions. Take automotive lead response, for instance. As long as there have been car dealers and car shoppers, our industry has struggled to define what a "correct" lead reply should look like. Dealers, trainers, experts, and gurus have all taken a stab at designing the perfect internet lead reply.

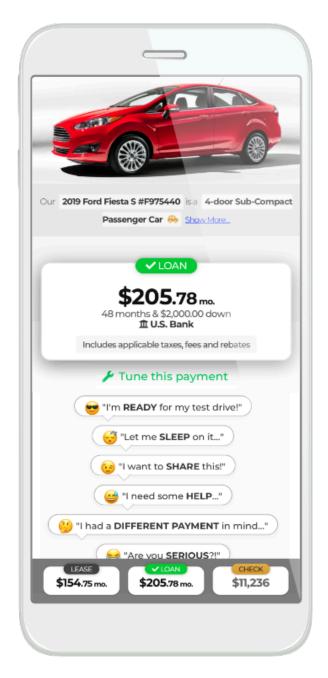
"It must have an eye-catching subject line," "You must ask for the phone number," "East/West appointment prompt," "Ask qualifying questions," etc. Spoiler alert, they are all falling short of truly engaging the consumer because you are not answering the most common questions they have on their mind.

Every customer who submits an automotive internet lead wants to know at least **two things**, and they want the answers instantly. Is the vehicle I want available at your store? How much will it cost me?

Regardless of your automotive experience, failure to address the two most important questions your customer is asking results in poor engagement and less sales. Any response other than, "Yes it's available, and here's how much it will cost you..." is simply a waste of your customer's time. It's also the fastest way to condition your customers to ignore subsequent correspondence from anyone at your dealership.

Until the advent of digital retailing tools and API access to real-time pricing feeds, dealers have not had an easy, quick, or accurate way to deliver personal payment and price options to automotive internet leads. We could, sometimes, throw a price at the customer, after what could only be considered a massive failure to "just get them in the door" and enduring abuse from the sales manager, but even then it was not the information most customers need.

Price is a large number and quite abstract for the general public. Most people don't pay cash for their automobiles so "\$28,576 +TTL" doesn't help them figure out if their vehicle of interest and your dealership are a good match for their needs. Typically, they want to know what their **monthly payment** will be with the amount of money they have available for a down payment.



Constructing an accurate monthly payment quote for every new automotive internet lead and deploying it instantly was not conceivable until illumiQUOTE was launched. Now, it's not only possible, it all happens automatically. No one at your store has to lift a finger.

Responding to automotive internet leads with illumiQUOTE is the most effective way to increase your dealerships lead engagement. By deploying a first quality response automatically from your own CRM that includes personalized, accurate, and interactive payment and price options, you're demonstrating to your customers that you are open, honest, transparent, and easy to work with. In response, your lead engagement rates will soar.

VII. Merchandising the Showroom

Creating the red-carpet experience

When you walk into a Marriot hotel, you might notice that the registration desk has two lines: Marriot Bonvoy and Marriot Bonvoy Elite. The Elite counter also has a special carpet runner on the floor that is labeled "Bonvoy Elite" which gives that line a special distinction.

I like to watch how people handle their check-in process at Marriot hotels. People instinctively know that they should not go into the Elite line unless they are an Elite member. It is not uncommon to see the Elite check-in desk open and four people lined up in the "regular travelers" line.

When I walk-in and go straight to the Elite desk, I am greeted by a guest services manager and asked for my name. When the person looks up my name, they say "Thank you Mr. Pasch for being a Marriot Bonvoy Ambassador. We appreciate your loyalty. Would you like points as your bonus or would you like a food credit?"

After I answer, the guest services associate offers me additional water bottles and tells me where the Executive Lounge is located. I feel appreciated, even if the benefits are not really that special. I was recognized and thanked.

The Bonvoy Elite experience can be replicated in your showroom by recognizing the consumers who have spent time with your virtual retailing experience. If your modern retail experience is called "FastTrak" why not create a two-station check-in desk, and one lane has the "FastTrak" carpet?

When your sales team works with an online shopper, and a showroom appointment is set, your sales associates can tell them:

"Thank you for using our online FastTrak sales process. When you arrive, come into the main showroom door, and you will see the reception desk. Go into the "FastTrak" lane and our sales team will pick up right where you left off!"

Your receptionist can thank the customer for using the FastTrak platform, ask them their name, look up their record in the CRM, and make them feel that their time online was appreciated and that it will save them time. Connecting the online experience to the physical showroom visit is critical to create a "WOW" experience.

Leveraging your waiting lounge

Your service waiting lounge is another great opportunity to reinforce your Brand Message and outline the benefits of your Brand Promise. If you have a television in the lounge, you should consider playing video loops that educate your visitors on the benefits of your dealership. The same videos that you create for use on Facebook or YouTube can be used in the waiting lounge.

Here is an example from Toyota of Irving that shows their Store to Door Brand Message on their TV screens in the showroom and waiting lounge.



The waiting lounge is also a great place to collect reviews. Using QR codes on acrylic stands, banners, or window decals can accelerate reviews before the customers leave the dealership. Google has confirmed that your customers can post reviews from inside the dealership, just like consumers post reviews inside restaurants.

Merchandising your showroom and vehicles

Your Brand Message should be omni-present in your physical and virtual showroom. Toyota of Irving is doing a great job to showcase their "Store to Door" Brand Message on their showroom floor and on their lot. All vehicles are badged to remind consumers that they have created a new experience and method to purchase new and certified pre-owned vehicles.



VIII. Technical Considerations

Website updates can be challenging

If you are following the advice that I have shared in this book, you now have a plan to make some changes to your website. The changes might include creating the following:

- Banners for your Brand Message to place on highly trafficked pages that include the Home Page, SRPs, VDPs, and the lead form Thank You page.
- A new page on your website to describe your modern retail sales process. Place a video on that page that explains how to buy a car online.
- A simplified Vehicle Detail Page (VDP) that has less CTA buttons.
- New actions for your CTA buttons to trigger your conversational communication platform instead of forms.
- A better photo gallery that uses 360° sign technology to 'make the car the star.'
- Update your photo overlays to include your Brand Message so that your website and all third-party marketplaces have consistent branding and badging.

The list is not that complicated, but it takes longer than you might think to get your website provider, graphics designer, and your messaging platform on the same page. In my experience, changing SRP and VDP pages are the most frustrating because changes can last a few days, and "magically" the pages revert back to a previous design. Make sure to have a process in place to check the website every day or so to prevent this from happening.

Another challenge is to coordinate the replacement of CTA button actions from forms to messaging platforms. Make sure you write down how many CTA buttons you want on the SRP and VDP and exactly what actions you want these buttons to take. Here is an example of a CTA button mapping for a Dealer.com website:

CTA Button Text	Action
Unlock Price	Start LivePerson messaging with unlock script
Personalize Your Payment	Start Accelerate normally
Value My Trade	Start Accelerate with trade-in workflow
Ask a Question	Start LivePerson messaging normally
Schedule a Test Drive	Start LivePerson messaging with test drive script

If your website company has any doubts about the experience you want to provide on the SRP and VDP pages, ask your messaging company for a dealer example that has already reprogrammed their CTA buttons.

When you are making the changes to CTA buttons, make sure that the button text, also called the label, is being sent to the messaging company so they can start the conversation with the proper workflows. For example, the Unlock Price CTA button should not start with "Hello. How can I help you?" It should start with: "Hello, this is Brian. I'm here to get you the selling price for this vehicle. Who am I speaking with?"

The appropriate workflow script can be easily triggered <u>IF</u> the text of the CTA button is sent to the messaging platform. Inside the messaging platform, you will need to program a workflow for each CTA button that starts a messaging session.

For example, if a consumer clicks on "Schedule a Test Drive," the workflow that is triggered would start with something like this: "I'm here to help you schedule a test drive. What day would you like to come in?" Instead of asking who the person is at the start, get them focused on when they want to come in. Once the date and time are provided, you can ask the person for their name and mobile number.

The key is to leverage technology to handle simple requests and then route conversations when the workflows break so that a trained person can answer any question during normal business hours. So, you can see that you will have to map out how each CTA button will be handled and test the programming in advance before you go 'live.'

Checklist for online marketing updates

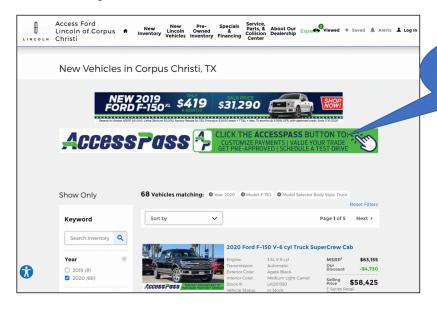
There are many places where graphics needs to be updated to have a consistent presentation of your Brand Message. Use this checklist to make sure that you have everything you need to create work orders for your marketing partners to update your online presence.

 Obtain the banner size dimensions that will work with your inventory management company (i.e., vAuto) so you can update your photo overlays. Work with your graphics team to develop a set of photo overlays that can support your Brand Message, as shown below.



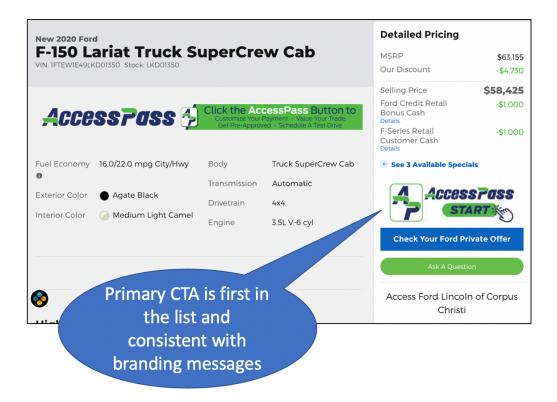
Get the proper size for this banner

Obtain the banner size dimensions that will work for your Search Engine Results (SRP)
pages so that the top of the page has either a static image or a banner rotator with no more
than three images.



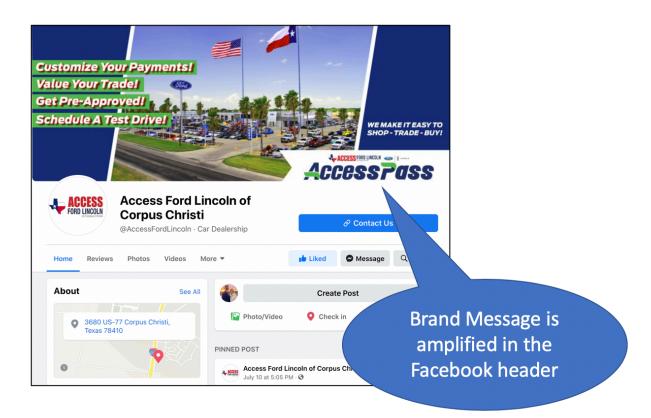
This banner appears at the top of every search results page

• Obtain the banner size dimensions or button size dimensions that will work for your Vehicle Detail Page (VDP). The primary CTA button should stand out like shown below:



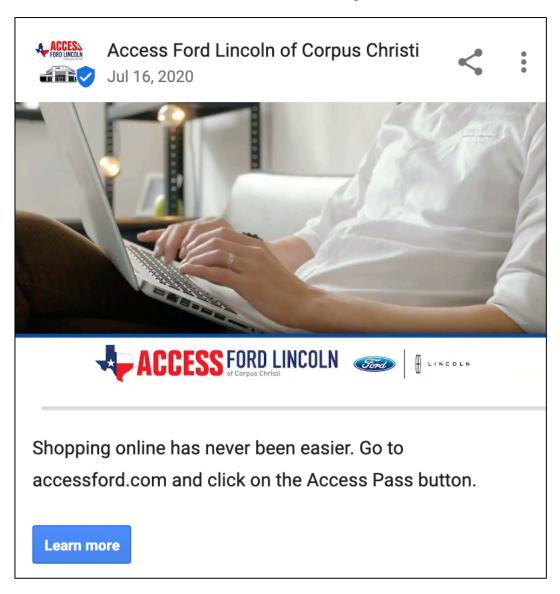
- Obtain the YouTube link for your video that explains your retail sales process so that it can be embedded on your lead form Thank You page and your About Us page.
- Obtain the banner size dimensions for your Home Page banner rotator if you have hero images. Make sure your Brand Message banner is in the first three positions. Your OEM may not allow your Brand Message banner to be set as the first banner that appears.
- Update all CRM email templates to include your Brand Message and determine how to integrate your digital retailing software into initial lead responses.
- Update all email signatures to include your modern retail logo and your Brand Message.

• Update your Facebook header banner to include your Brand Message. The recommended header size is 1200 x 628. Here is an example from Access Ford:



- Update your YouTube channel graphic to include your Brand Promise, but keep in mind you must check the mobile display to make sure important text does not get cut off. The YouTube header has a recommended size of 2560 pixels wide and 1440 pixels tall but the safe zone for text is 1560 pixels wide and 423 pixels tall.
- Update your Google My Business pages for sales and service to add content about your Brand Message. You can add details on GMB by uploading your Brand Promise video. You can also create posts that highlight the WIFMs for the consumer.

In the example below, Access Ford created a <u>GMB post</u> which included their AccessPass video. The "Learn More" button on the post takes consumers to a dedicated page on their website called "What is AccessPass?" and they have included the proper <u>UTM tags</u> so the traffic to their website can be attributed to this GMB post.



• Update your Twitter header as well, although many dealers are not active on Twitter. The Twitter header image is 1500 pixels wide by 500 pixels tall.

Measuring website engagement and conversions

As you invest more time in making the online shopping experience faster, easier, and seamlessly integrated into the retail sales process, you will want to see how consumers utilize your website tools. I recommend that you check with your website and digital retailing technology vendor to see how they are tracking events. An event could be clicking a button, viewing a photo gallery, downloading a CARFAX, or navigating through menu choices.

Some website platforms track events and send them into Google Analytics, but few digital retailing platforms have a robust support for Google Analytics events. I am hoping that, in the future, digital retailing companies will start to fully support Google Analytics events so that dealers can see where consumers drop off in their online sales process.

Event tracking is very common on eCommerce websites. You probably have received an email from an online company when you did not finish a transaction, reminding you that you have items left in your shopping cart. These types of customized messages are possible based on event tracking and careful design of the check-out process.

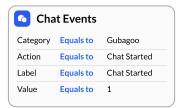
If your digital retailing platform supports events, you should be able to create a set of conversion goals for both conversational conversion and conversions from traditional lead forms. Many digital retailing platforms have some form of event tracking in place and others can add events upon request.

On the following page, I have provided an example from Gubagoo who has an extensive list of events that can be tracked in Google Analytics. This chart is for the basic communication and conversion tracking that they offer. Customers can also request a more detailed list of events that are associated with their Virtual Retailing platform.

Gubagoo



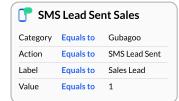
Available Events in Google Analytics



SMS Chat Events			
Category	Equals to	Gubagoo	
Action	Equals to	SMS Chat Started	
Label	Equals to	SMS Chat Started	
Value	Equals to	1	











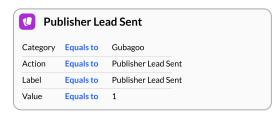


FB Lead Sent Service		
Category	Equals to	Gubagoo
Action	Equals to	FB Lead Sent
Label	Equals to	Service Lead
Value	Equals to	1

Chat Lead Parts		
Category	Equals to	Gubagoo
Action	Equals to	Lead Sent
Label	Equals to	Parts Lead
Value	Equals to	1



FB Lead Sent Parts		
Category	Equals to	Gubagoo
Action	Equals to	FB Lead Sent
Label	Equals to	Parts Lead
Value	Equals to	1





www.gubagoo.com

IX. Closing Thoughts

I created this book in a spiral format so that you can use it as a workbook and notebook for your retailing strategy meetings. This book will be updated twice a year as more contributions are sent to me from dealers I work with in the field. If you have ideas on how to expand the effectiveness of this book, please send me a note.

I want to thank all the dealers and industry leaders who have already contributed to the content, and I am excited to see how our industry evolves and emerges from the COVID crisis. Let's stay connected, and you can do that by following me on LinkedIn and joining my community at www.brianpasch.com.

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The COVID crisis of 2020 greatly accelerated change in automotive retail merchandising, marketing, and sales process. In 2019, some dealers may have been considered early adopters with their implementation of digital retailing technology. But in 2021, dealers who exit the year with no remote retailing tools on their websites will have fallen behind their competition and be considered behind the times.

This is my ninth book that I have published for the automotive industry. This work is designed to start conversations within dealership management, dealer groups, and manufacturers on the future of automotive retail. My previous book on digital retailing "Just Faster" (published in 2018) was a starting point for rethinking automotive retailing but lacked specific strategies and success stories from a wider range of national franchisees. Today, I have much more to discuss and share with readers.

While the pace of change has been accelerated due to COVID and spikes in car prices due to chip shortages, dealers who exhibit successful experiences with remote retailing will fuel the second wave of change in automotive retail. That wave will be known for lower operating costs, broader appeal for career professionals to consider working in automotive retail, higher employee retention, and a more personalized, convenient, and frictionless consumer buying experience.



BRIAN PASCH

Founder of PCG Companies and Brian Pasch Enterprises, Brian Pasch is a thought leader, effective strategy driver, and industry change agent. In tune with the fast pace of the digital marketing environment, he successfully leads OEMs, dealers/dealer groups, and ad agencies by helping them harness data, eliminate waste, and incorporate efficient marketing tactics.

