

How Do You Sell Cars? Forget Big Change and Just Focus on Making Your Strategy Work

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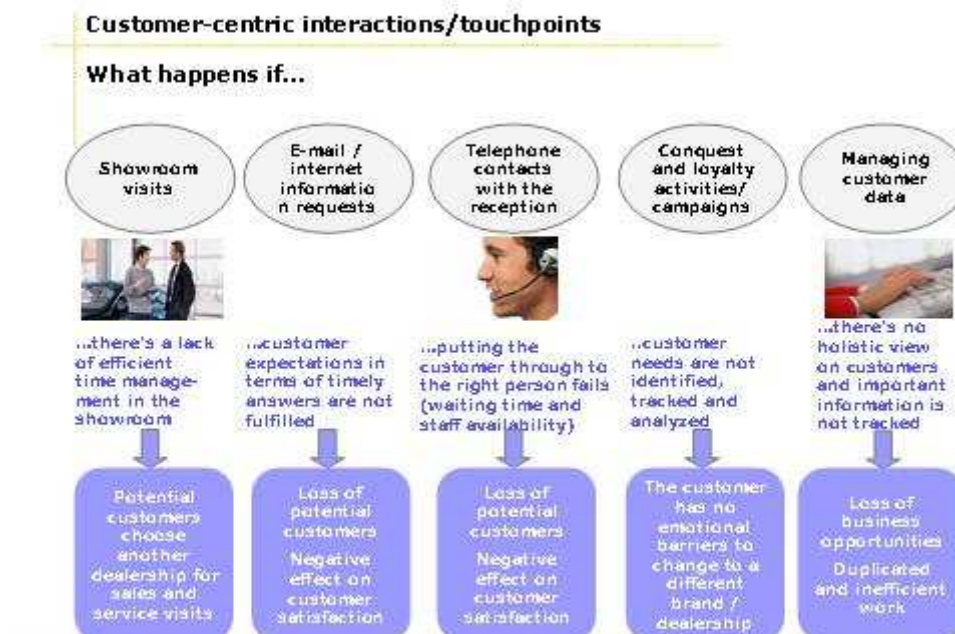
What happens when you're trying to sell premium automobiles and there's such a long wait in your showroom that prospective customers leave? What happens when customer emails go unanswered? What happens when customers have to wait so long on the phone, they hang up?

The answers to those questions are what led the general manager of a premium brand automotive dealership to adopt a CRM project.

One and a half years ago, he came to me and said, "Look, my marketing manager keeps bothering me with the need of implementing CRM in our company, but I don't see the what and how of CRM in my dealership. I have seen so many presentations on CRM that were too theoretical, too far away from my daily business, and never showed the direct results of CRM on my monthly sales performance. Are you able to support me in understanding what we should do, without showing me 50 PowerPoint slides?"

We have supported many multinational companies in defining and implementing CRM in their organizations. They are classical consulting project approaches. You take high-level mission statements to detailed tactical customer-centric processes in nine to 12 months. But automotive dealerships never think long term. What matters is the number of cars sold at the end of each month and their sales margins. In this case, the manager wanted to support his sales team in obtaining its monthly results, based on doing things differently and treating potential and existing customers differently.

So instead of 50 slides, I showed him just one:



This one slide convinced him that going for a very concrete, value-adding CRM project that would focus on improving the performance of sales and service personnel involved in each one of the above mentioned customer interactions/touchpoints.

Customer-centricity starts in the heads of people, those who have direct customer contact, and those who give support in the internal organization for making the business with customers work. There are different customer interactions that require the collaboration of both.

This is actually the second step of our approach. First we investigated the level of customer-centricity in each interaction and identified gaps, areas for improvement and, most importantly, the change measures needed to create a collaborative, customer-oriented culture in the dealership. Our consultant team consisted only of two people; our client made his internal resources available to participate in meetings, workshops and decision-taking discussions.

As a result, we identified the main areas to undertake a cultural change toward customer-centricity:

- **Sales personnel.** They were used to just selling cars, not looking for customers in a proactive and structured way that would include efficient lead management and personalized offers.
- **Service personnel.** They were focused on making an efficient diagnosis on the car on hand, not to reducing waiting times for customers during car delivery and pick-up after repair.
- **Receptionists.** They understood their job as sitting at the customer reception desk and responding to customer inquiries, not to making wait time as short and entertaining as possible, so the customer wouldn't leave the dealership.
- **First-level agents in the call center.** They were used to just responding to incoming calls and putting the customers through to the desired person, not trying to resolve simple inquiries and requests on their own.

To assure an enduring change, we proposed implementing a customer-centric strategy, not only by defining pragmatic and concrete business rules in customer interactions (such as limiting the time a customer had to wait for a sales consultant to a maximum of five minutes) but also through a tailor made, cross-organizational training program.

We started with first-line management. With these people, we defined corporate values based on customer-centricity and benchmarked the behavior the company would expect of all employees interacting with customers. We also defined the corrective actions to be taken when those measures were not met. For example, management defined that all customers have to feel attended to by any employee when entering the showroom – not only by receptionists. If this was not fulfilled, the whole team would suffer a negative evaluation in their employee development process. This goes in line with the establishment of rules for cross-departmental collaboration to fulfill customer needs, which we also did during the project.

In the next step, we trained all employees in the new customer-centric way of doing business in the dealership, with the focus on the “mindset” and understanding customer needs before delivering products or services based on product characteristics.

What's the result? It's been a year and a half, and so far **the following achievements have been reached:**

- **Sales personnel.** Before attending to a customer the customer history is checked in the implemented dealer management system in order to have a more personalized customer interaction. Also, sales personnel report their daily availability for attending to customers in the showroom and for telephone calls.
- **Service personnel.** They implemented an efficient methodology for the advanced planning of customer visits, reducing the average waiting time from 20min to 10min for vehicle reception. Also, a “help desk” for attending to customer calls has been implemented, with the result that a calling customer is getting hold of a service employee within a couple of minutes, or receives a call back if the help desk is not available.



- **Receptionists.** They serve the waiting customers in the showroom a coffee or orange juice, and offer product-specific catalogues until the requested sales representative is available.
- **First-level agents in the call center.** They were given access to the dealer management system to resolve simple inquiries like planned vehicle return after repair, status of a new vehicle order, etc. to decrease the number of calls to be transferred to sales and service personnel.

All these improvements have a positive effect on customer satisfaction and loyalty, even if – with status today – these performance improvements are not linked to sales performance in terms of more car sales. This is the next To Do in our project towards customer centricity.

Through defining the customer touch-points that needed improvement, establishing real goals and benchmarks—based on giving customers the best experience possible—and training the company on how to put the processes in place, we ensured that the dealership had a program that all employees could understand and apply to their daily business with customers. It may not have seemed like a “big bang” CRM project, but it was one that will last.