Automotive CRM

Buyer's Guide

ELEAD1ONE

Introduction

With so many different options for automotive CRM systems and the latest must-have features to choose from, finding the best fit for your dealership is no small task. Gone are the days of simple customer relationship management tools – today's leading CRM solutions have evolved into comprehensive platforms that help automotive retailers manage the entire customer lifecycle from prospective car buyer to loyal service customer then back to the showroom floor.

CRM systems should empower your staff to connect with customers quickly and efficiently, increase your sales productivity and provide you with actionable insights to help you grow longer-lasting personal relationships with each business opportunity. But with a wide variety of CRM solutions all claiming to be the best, how do you decide which is best for your business?

This guide will lead you through the process of identifying your business needs, asking the right questions during the evaluation process and tips for choosing the right partner to complement store processes and help grow your business.

Identify Business Needs

So you've decided to get a CRM system or replace the one you currently have, now what? These next steps are vital to investing in the right CRM solution and should involve key stakeholders within your organization who will typically be your CRM power users and realize its value. This team is designated to evaluate your current processes and business needs and then to ultimately appoint a CRM Champion to spearhead the project, simplify the selection process and evolve into the organization's CRM guru or expert.

❏ Examine the Quality of Your Data: Customer information is gathered across hundreds of data points. Incorrect email addresses and phone numbers waste time and hurt deliverability of future campaigns. Identify requirements for technology and support.

❏ Review Processes & Identify Goals: Prioritization is key to CRM results. Map your priorities to CRM features by identifying your most significant pain points, budget and business goals, creating a list of must-have features.

❏ Select Vendors to Evaluate: Once business needs are understood, a well-planned CRM strategy will deliver powerful results. Be sure to match your needs to what the market offers.

Key Data Questions to Ask:

- How much customer information do we have?
- What condition is the data REALLY in?
- What information do I need to collect to find actionable insights?

According to IBM, bad data costs the U.S. economy more than 3.1 trillion a year.[1]

A CRM Strategy that Works

Complement Your Culture

An excellent CRM provider will work with you to accommodate and conform to your culture and processes already in place, making sure the CRM is optimized to manage all the most important aspects of your business.

Optimize Store Processes

Make sure your new CRM vendor partner will work with you to eliminate tedious procedures and increase ease of use through continuous training and by employing intuitive workflows that automate your sales force to effectively manage their business pipeline for both new and repeat business.

Partnerships are a two-way street: Automotive CRM companies have come a long way in helping with the adoption process and by designing systems to grow with your business needs without exorbitant costs.

Hot Topic: Who owns the data? Who is paying for the data? What am I going to do with the data?

What to Look for in Data Security?
- SOC 2: Highest IT Reporting Standards
- Continuous Monitoring, Testing & Control
- File Transfer Data Encryption
- Password Security
- Disaster Recovery Plan

Must-Have Features

Model Support to Fit Your Needs

When it comes to choosing a CRM partner, training and performance management are a vital component for your dealership's success with the software. Many CRM vendors tend to upsell you on this. Determine what the support methodology ultimately looks like, and demand a partner that provides live, hands-on guidance and on-site assistance during implementation, and as your business needs evolve.

Spotlight Training & Utilization

The adoption process begins with training. No one wants to use technology that's difficult or requires tedious data entry. Make sure the training program doesn't only cover how to use the system, but instead, train staff to use the system around the store's processes by experienced veterans and experts in automotive retail.

Prioritize Integrations & OEM Certifications

The key to utilization of a CRM tool is its integrations and OEM certifications. Consider the technology tools you rely on daily – desking, inventory, follow up, email communications and data mining – and be prepared to review how those integrations work during the demonstration to ensure you can access these program in one place inside the CRM.

An excellent CRM is going to provide you with this capability, and you are naturally going to get more usage out of the system.

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Important Questions to Ask CRM Vendors

One of the most common mistakes buyers make when evaluating CRM software is the failure to ask the right questions. This makes it difficult to develop an apples-to-apples comparison of systems. Without a solid comparison, buyers are more susceptible to purchase a complicated system that doesn't meet the organization's needs or an out-of-the-box tool that only offers the surface level functionality.

Building your automotive CRM buyer's checklist will save you time when it comes to learning what you need during demonstrations.

"Successful people ask better questions, and as a result, they get better answers."

- Tony Robbins

Things to Consider When Evaluating a CRM Vendor:

- Customer and Industry Profile
- Years in Business
- Industry Commitment
- Partner Network / Exclusive Integrations
- Technology & How Often It's Updated
- Data Hygiene & Security
- Data Segmentation & Campaigning Tool
- Flexible Processes
- Service, Training & Support
- References
- Reporting Customization

Build Your Automotive CRM Buyer's Checklist

To kickstart the process, here's a basic list of questions to consider:

- ❑ Why are we investing in a different CRM? What is the main challenge with our current system?

- ❑ What operational challenges do we need to solve?

- ❑ What features do our sales team want in CRM?

- ❑ How much customer data do we have and what condition is it in?

- ❑ What information do we need to collect to find actionable insights and how is it gathered?

- ❑ What processes do we lack that would improve the customer's experience?

- ❑ How do our customers want us to improve in the way we communicate?

- ❑ How long does implementation take?

- ❑ Does the CRM integrate with tools we already use?

- ❑ Is data easily imported/exported?

- ❑ What mobile functionality is available for our employees/customers?

- ❑ What texting capabilities are offered and how are they tracked in the customer record?

- ❑ How is video integrated into communications? Into the customer record?

- ❑ What digital retail options exist?

- ❑ Are both sales and service data and transactions tracked in the customer record?

- ❑ Is it easy to customize the system and workflows to support our business model?

- ❑ What types of reports/dashboards are available and can we customize to our needs?

- ❑ What are my training and long-term support options?

Other Features to Consider

Multi-Channel, All-in-One Solution

With competition at an all-time high, this adage from Microsoft founder, Bill Gates rings true – "How you gather, manage and use information will determine whether you win or lose."
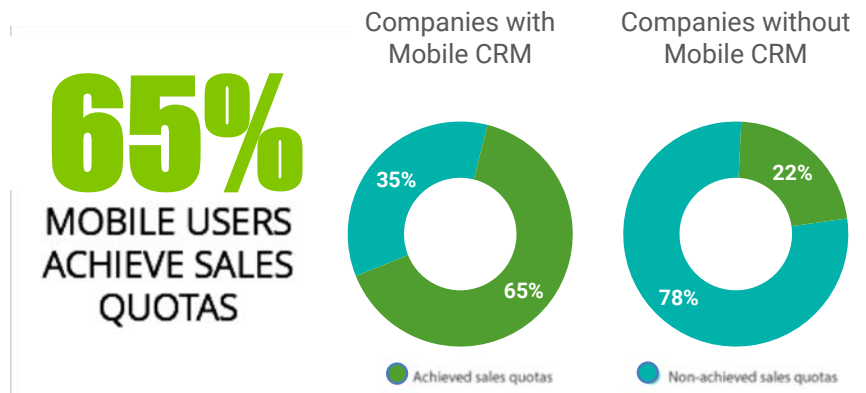
Most modern CRM tools bridge the gap between online and offline experiences, as well as sales and service activities and transactions within the dealership. Consider the power of a multi-channel approach with real-time visibility into your most important relationships – a true 360-degree customer view.

The Rise of Mobile CRM

Research from Software Advice[2] shows 81 percent of today's CRM users are working from multiple devices. This digital trend is good news for dealers who invest in mobile –

offering employees a mobile option increases not only adoption and usage rates, but also productivity by about 15 percent.

So how does that translate into sales? 65 percent of sales reps who adopted a mobile CRM achieved their sales quotas, whereas only 22 percent of non-mobile using reps reached the same targets.

65% MOBILE USERS ACHIEVE SALES QUOTAS

Companies with Mobile CRM: 35% / 65%

Companies without Mobile CRM: 22% / 78%

● Achieved sales quotas   ● Non-achieved sales quotas

Other Features Cont.

The Age of Digital Retail

All indicators point to 2018 as a milestone year in the digital retailing evolution. Large dealer groups like AutoNation, Inc., Sonic Automotive, Inc., Asbury Automotive Group and Penske Automotive Group have developed, or are developing, online car shopping tools and software.

85 percent of consumers say they would be more likely to buy from a dealership that offers at least one component of digital retailing.

– Cox Automotive "Future of Digital Retail Study", January 2018

Even if your business isn't ready for digital retailing today, look for a CRM platform that supports a dealer-centric digital retailing solution.

70%

DEALERS INTERESTED IN DIGITAL RETAILING TOOLS

■ Want a digital retail tool connected with in-store processes

■ Not interested in digital retail

30%

70%
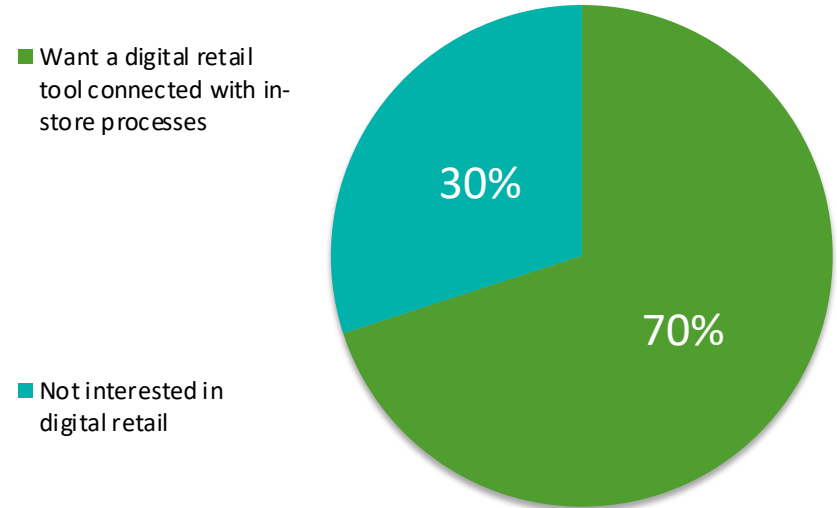
Selecting the Right CRM Partner

The decision to switch to a new CRM is not one to be taken lightly. Your sales staff relies on the CRM system for new leads and business opportunities, to remind them what activities need to be done, guide them through car deals and keep them on track to meet or exceed business goals.

Just about every dealer has switched CRM providers at some point, typically because of a change in management, but sometimes just because they want to try the latest, shiny new technology.

Whatever your reason, here are a few tips to guide you through the vendor selection process and help make a decision you won't regret.

Tips for Switching CRMs

❏ Appoint CRM Champion: Typically a leader of sales and management team, this role will be instrumental in the selection of the new CRM provider. He or she will partner with IT and the new CRM provider to take the lead on all CRM initiatives. Detail-oriented in nature, the Champion will be responsible for setting Key Performance Indicators (KPIs), tracking goals and monitoring daily activities to hold the sales and support staff accountable.

❏ Don't Chase Utopia: If your current CRM is not working, it's critical to determine the source of the problem. If your new sales manager requests a switch, ask for a list of reasons why. Identify if the request derives from the product, vendor, process or if it's a people problem.

❏ Vendor Presentations: It's crucial to take detailed notes during each vendor's presentation to compare to your list of business goals, priorities and must-have features. This also eliminates the possibility of confusion between vendor offerings and benefits.

❏ Allocate Enough Time: Moving to a new CRM is the perfect time to clean house. Prior to implementation, audit and update all your saved campaigns and templates, eliminating old ones. Review your processes to determine areas in need of improvement, and update workflow schedules to improve efficiency. To ensure you have sufficient time for cleanup and optimization, make this a prerequisite to your commitment to a CRM switch.

❏ Check References: And, last, but not least, remember to check references of businesses similar to yours to check whether or not the new vendor will be a good partner by making your best interest a priority.

Conclusion & Sources

Our vision is to build a future where automotive retailers can enhance relationships, grow brands and create memorable, lasting relationships through genuine experiences. We've spent over three decades redefining the experience we provide for auto dealers and for the clients they serve.

Sources:

1. The Four V's of Big Data, IBM Big Data & Analytics Hub
2. Software Advice 18 CRM Statistics You Need to Know for 2018 -- July 17, 2018
3. ELEAD1ONE Data

Ready to learn more about ELEAD CRM?

Schedule a demo and learn how we can take your experience with CRM from *Average* to *Exceptional*

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