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## DRIVING SERVICE REVENUE TO IMPROVE VEHICLE SALES

### E-MAIL CAN BE THE KEY

#### **BY PETER "WEBDOC" MARTIN**

There is no such thing as a dead lead. Even if a prospect purchases from another dealer you still have an opportunity to market to them for Service and later earn their business as a Sales customer. Through targeted follow-up, triggered marketing automation and dedicated coupon micro-sites, dealers have a huge opportunity to drive Service revenue to improve vehicle sales.

Why Service? The average U.S. household owns 2.28 vehicles. Even if they didn't buy from you, they still need to have their vehicles serviced. Today, the average driver keeps their vehicle for about 11 years, longer than ever before. They need these vehicles serviced longer. And older vehicles require extra care. A happy Service customer will eventually buy a new car. When it comes time to make a purchase, that customer will remember your dealership for taking care of them throughout all of their service needs.

Re-engage your unsold Internet leads by marketing to them for Service. By mining

Response Breakdown	Total RO	Customer Pay Revenue	Warranty Revenue	Total Revenue	Average Revenue per RO
First Service Visit - More Than 180 Days Since Vehicle Purchase Date	2	\$61.12	\$0.00	\$61.12	\$30.56
First Service Visit - Less Than 181 Days Since Vehicle Purchase Date	3	\$171.81	\$0.00	\$171.81	\$57.27
More Than 365 Days Since Last Service Date	46	\$9,919.77	\$0.00	\$9,919.77	\$215.65
271-365 Days Since Last Service	19	\$4,461.29	\$0.00	\$4,461.29	\$234.80
181-270 Days Since Last Service	29	\$6,268.47	\$0.00	\$6,268.47	\$216.15
Less Than 180 Days Since Last Service	254	\$72,028.57	\$0.00	\$72,028.57	\$283.58
Vehicle with no Sales nor Service History	75	\$37,308.77	\$0.00	\$37,308.77	\$497.45
Total	428	\$130,219.80	\$0.00	\$130,219.80	\$304.25

Baltimore Chevrolet Dealer

and cleaning your existing data to develop a database, you can formulate a Service e-mail marketing plan to reengage your leads, convert prospects into customers and generate more business. Through personalized campaigns and coupons you bring your customers in for Service and earn their business when they are ready to make a purchase. You already have the leads; the average dealer has a robust database of thousands of leads. Effective follow-up converts these leads from prospects into your best customers. Re-engaging old prospects with personalized content delivered on a custom monthly schedule. Generate new business with online coupons and special offers available only to your Internet family.

#### **How it Works**

Early each month, send out an e-mail campaign to your potential Service customers in your prospect list, designed to get them into the Service Department. Dealers spend most of their advertising budget on new vehicle sales and often fail to promote Service. Monthly e-mail messages are an easy and cost-effective way to start getting those customers back in the door.

Professionally written letters: Avoid the hard sell. Write your messages from a "female friendly" perspective since most of your Service customers are women.
Service Manager: Sign your mass cam-

paign from your Service Manager for a personalized touch.

• Custom coupon microsite: Make sure to provide coupons available for all makes and models.

You have the leads sitting in your CRM. Your BDC can only make so many follow-up phone calls. Targeted e-mail messages reach the prospects that your BDC cannot. Include dynamic vehicle banners, behavioral targeting and mobile-optimized e-mails

#### The Mobile Advantage

79% of people report viewing e-mails on their phone. 59% of smartphone users say they're likely to make a purchase directly from their phone within the next year.

Social media has everyone buzzing, but e-mail marketing is still the most predominant communication channel. E-mail is king, but the landscape has changed. Recipients have gone mobile and if your message doesn't adapt to the small screen, your e-mails are getting deleted.

A non-mobile-enabled e-mail functions fine on a desktop, but mobile recipients have to pinch and zoom to read the message and the vast majority of them won't do that. "EVEN IF A PROSPECT PURCHASES FROM ANOTHER DEALER YOU STILL HAVE AN OPPORTUNITY TO MARKET TO THEM FOR SERVICE AND LATER EARN THEIR BUSINESS AS A SALES CUSTOMER."

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Response Breakdown	Total RO	Customer Pay Revenue	Warranty Revenue	Total Revenue	Average Revenue per RO
First Service Visit - More Than 180 Days Since Vehicle Purchase Date	0	\$0.00	\$0.00	\$0.00	\$0.00
First Service Visit - Less Than 181 Days Since Vehicle Purchase Date	0	\$0.00	\$0.00	\$0.00	\$0.00
More Than 365 Days Since Last Service Date	7	\$1,598.17	\$361.10	\$1,959.27	\$279.90
271-365 Days Since Last Service	5	\$492.24	\$0.00	\$492.24	\$98.45
181-270 Days Since Last Service	14	\$3,204.04	\$822.11	\$4,026.15	\$287.58
Less Than 180 Days Since Last Service	47	\$13,584.57	\$2,356.95	\$15,941.52	\$339.18
Vehicle with no Sales nor Service History	9	\$2,183.07	\$109.81	\$2,292.88	\$254.76
Total	82	\$21,062.09	\$3,649.97	\$24,712.06	\$301.37

Philadelphia Ford Dealer

Mobile-enabled e-mails differ in that they consider the touch versus click experience. Buttons are sized appropriately and phone numbers are click-to-call. The text is legible without the need to zoom in.

Most CRMs are NOT capable of sending out mass e-mail blasts and are not reaching your mobile prospects. To put it in perspective, most dealers have over 10,000 records in their CRM. That means over 5,000 are not being reached because they are not mobile-enabled emails.

Smartphones dominate e-mail open rates throughout the day. If you want to reach prospects where it counts, you need to go mobile. MarketingLand reports that e-mail is the most popular activity on smartphones. 91% of consumers check their e-mail at least once a day on their smartphone. Long subject lines, text heavy e-mails and lack of a clear call to action cause e-mails to be deleted.

E-mail is a key element of mobile marketing. The statistics are staggering. 79% of people report using mobile phone to check e-mail. 59% of smartphone users say they are likely to make a purchase directly from their phone. 69% of smartphone users and 71% of tablet users indicate that direct e-mails from businesses influence their buying behaviors. Customers have gone mobile but many businesses lag behind. When Marketing Sherpa asked companies whether they are designing e-mails to render differently on mobile devices, 58% said no. These companies are not considering the mobile customer who is looking at your e-mail under their thumb while they are on the go.

Increasing revenue is as easy as adapting your marketing campaign. Studies prove e-mails that are not mobile-enabled are getting passed over and deleted. Don't let your message get lost because your e-mail is not optimized. "YOUR BDC CAN ONLY MAKE SO MANY FOLLOW-UP PHONE CALLS. TARGETED E-MAIL MESSAGES REACH THE PROSPECTS THAT YOUR BDC CANNOT."

Response Breakdown	Total RO	Customer Pay Revenue	Warranty Revenue	Total Revenue	Average Revenue per RO
First Service Visit - More Than 180 Days Since Vehicle Purchase Date	2	\$111.57	\$0.00	\$111.57	\$55.79
First Service Visit - Less Than 181 Days Since Vehicle Purchase Date	4	\$665.61	\$0.00	\$665.61	\$166.40
More Than 365 Days Since Last Service Date	32	\$15,663.00	\$0.00	\$15,663.00	\$489.47
271-365 Days Since Last Service	14	\$2,798.17	\$0.00	\$2,798.17	\$199.87
181-270 Days Since Last Service	46	\$17,139.52	\$0.00	\$17,139.52	\$372.60
Less Than 180 Days Since Last Service	307	\$55,677.78	\$0.00	\$55,677.78	\$181.36
Vehicle with no Sales nor Service History	19	\$3,087.24	\$0.00	\$3,087.24	\$162.49
Total	424	\$95,142.89	\$0.00	\$95,142.89	\$224.39

Baltimore Toyota Dealer

For example, tablets and smartphones are being used by 1 in 5 new-vehicle shoppers during their shopping process. If your message is not mobile-enabled you're losing this important market share.

#### **Coupon Microsites**

60% of online Service searches are to find promotions, discounts or coupons. Are the coupons on your website up to date? Are they restricted to certain makes or models? Are your coupons mobile-enabled?

Consider a dedicated coupon microsite where you can host your dealership's coupons and change the offers as necessary. Make it easy for your Service customers with a one-stop-shop approach to Service coupons. Service coupons for all makes and models bring in additional customers that would not normally consider your dealership. And they also reactivate dormant leads. The majority of your Service customers are women and women love coupons. When your coupons are mobile-enabled you make it that much easier for your prospects to act on an offer. They can show the Service Advisor their coupon directly on their mobile phone.

#### Results

If a particular customer hasn't been in your dealership for over a year, chances are they're not coming back. Monthly marketing messages change that. Target orphaned Service customers with fresh correspondence and watch your revenue increase. Take your customers back from competing dealers or independent repair shops.

(Check out some of the Service revenue increases we have seen from dealers around the country – dealers who have re-engaged their unsold leads.) E-mail is not about a blatant sales pitch. It's about building a relationship. Establish your dealership as the dealership that cares about its customers from bumper to bumper. The average repair order for a returning customer is about \$500. Imagine that multiplied by the dormant leads sitting in your CRM!

Engage your inactive leads through Service e-mail marketing and watch those leads return for sales. When looking for a dealership with which to do business, customers are evaluating the Service department first. Get them in for Service and convert them into Sales customers with this proven technique.



Peter "the Webdoc" Martin is a technology correspondent and digital marketing expert and President, Cactus Sky Digital. He is well-known for his innovative services for the automotive industry and his contributions to the email marketing field. Martin is an acclaimed speaker and automotive industry expert specializing in digital marketing trends, mobile-enabled emails, conquest email marketing, and selling to women. He has previously appeared at numerous industry events such as NADA, AutoCon and RVDA events.



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