

The Auto Dealer's Original Fixed Operations Resource

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Fixed ps

Boosting Profitability In Service

 Plus: The Companies
to See At NADA

Telematics Links Customers and Dealership

There's Gold in Damaged Alloys

The Fleet is In -- and Out

Your Customer Is Here!

Unlocking Service, Sales & Process Excellence with RFID Technologies

By George Cresto

It's hard to believe that RFID (Radio Frequency Identification) was actually invented way back in 1969. Sometimes it takes time for a technology to become a mainstream tool. Today it represents a powerful new tool that auto dealerships can use to improve customer service and drive sales.

RFID usage is rapidly evolving in the automotive industry. It started nearly 20 years ago as automotive manufacturers begin to incorporate it into their products and is now operational in most vehicles manufactured today. From toll pass to your remote key fob to tire pressure monitoring; the list goes on and on.

But our focus here is about unlocking your store's potential for service excellence, sales excellence, tighter inventory control and process improvement using this technology. Fasten your seat belt, because this technology is arriving fast at a dealership near you.

Let's start with the 'why now?'. There are basically three reasons why RFID usage by auto retailers is happening in a big way:

1. As the technology matures, prices drop and benefits outweigh the cost. That drives adoption.
2. Innovative dealer principals and dealership groups are 'early adopters' (see chart below) looking for new ways to focus on the client and improve processes. The Park Place dealership group in Dallas, Texas is a great



Everett Rogers Technology Adoption Lifecycle model / Source: Wikipedia

example of this. Word spreads about their success, fueling more growth.

3. Because the technology has multiple points of usage at the dealership, it becomes easier to justify the use and cost. It's then adopted by the majority of the market, becoming ubiquitous.

So let's explore some of the different ways you can use this technology to enhance the client experience, streamline business processes, tighten inventory management and simply sell and service more cars.

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CREATE THE RITZ CARLTON EXPERIENCE

Over the years, the Ritz Carlton has been known for providing service excellence. From the moment you arrive, communications are occurring between Ritz staff letting them know who you are and your personal preferences.

This enables them to greet you by name at every client-staff interaction and anticipate your needs. And the funny thing is that these small gestures make you feel like a true guest. Better yet, you're a special person in their hotel.

You can create the same experience in your store. RFID can enable the automated recognition of a client as they pull into your Service Drive – all before the wheels of their car come to a stop.

Automated arrival messages can be sent immediately to the right people to insure a first class customer experience. *'Hello, Ms. Jennings. Welcome to Park Place Motorcars. I see your advisor is Jerry. Let me walk you over to his desk.'*

EQUITY CLIENTS IN YOUR SERVICE DRIVE

Its goes without saying that the daily traffic in your Service Drive is likely 4 to 5 times the floor traffic on the dealership sales side.

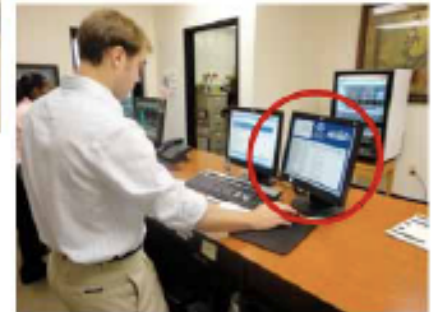
What if a Sales Advisor could be notified every time one of your clients pulls into the Service Drive and knows instantly their equity position without having to go into any other systems? Real-time equity based messaging triggered by the RFID tag on the client's vehicle makes this a reality today. In many cases, this bridging of the Sales and Service components alone creates a positive return on investment within 3-4 months for almost any store.

COMMUNICATION IS KING

One of the great things about RFID is in the way communications can be triggered with no human intervention. Quite simply, when a tag comes within the 'antenna zone' it's recognized. With intelligent application and messaging systems linked to RFID 'kits', you can be alerted when a vehicle exits the car wash, is returned back to the drive, or enters an off-site location such as the collision center.



LEXUS OF ORLANDO



Loaner Desk

Because RFID systems are not dependant on someone 'scanning' the car, communications happen automatically – 100% of the time. These streamlined communications lead to greater efficiency and better interaction with the client.

LEVERAGING HOT PRE-OWNED VEHICLES

In some of the best run organizations, dealerships work to stock today's new

car inventory while considering tomorrow's pre-owned inventory.

Simply put, ensuring the proper stock mix helps lead to client retention and greater profitability.

So how does RFID technology come into play here? It starts by providing a way for your Pre-Owned Sales Manager to maintain an online list of 'hot' pre-owned inventory. Then your RFID



system can instantly notify the Sales Manager via a text the very moment the matching vehicle pulls into the Service Drive – even if the client does not have a Service appointment.

RFID can create this instant matching capability overnight and create a new bridge between the Pre-Owned Sales Manager and the Service client. All from automated messaging powered by RFID.

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MY TIME IS VALUABLE!

Have you ever been to a restaurant and had a great meal – only to be annoyed because the waiter takes forever to bring you the check? You're ready



to get going and what happens? You wait and forget everything good about the meal. The Service Drive is no different. Your client's final experience in your Fixed Ops Department is defined in many cases by the efficiency of getting a client back into their vehicle after payment has been made.

Messing up this vehicle delivery is a quick path to a poor client survey. Using RFID technologies, dealerships can tag their loaner vehicles. Once the loaner pulls back into the drive, valet staff is notified instantly of the arrival along with an automated communication of the client's vehicle hat number. In many cases, this simple process change can result in 60-70% reductions in the time it takes to get a client back in their car and on their way.

INTEGRATION IS KING

Dealerships today have voiced one thing very clearly. 'Island systems' which do not communicate with one another provide limited value and minimal long term benefit. In today's economic climate, dealers cannot afford to spend time on redundant data entry or extra staff to support disjointed systems.

In reviewing the various niche products on the market – from loaner management system, tablet computing

systems, client equity software, CRM software, etc. – one thing is clear. All of these systems can benefit from the automated capture of a client's arrival and associated immediate messaging into the store provided by RFID.

Bottom line? It's important to look at the totality of how RFID can help across your entire organization. It's really amazing, but knowing and communicating automatically every time a client arrives to the store can be a major enabler of both Service and Sales opportunities.

As you can see, the possibilities are endless in terms of what can be accomplished using RFID technologies in your retail store. A single RFID tag placed on the client's vehicle unlocks numerous opportunities and benefit points. It's no 'one trick pony' and in fact it can be used by the majority of a store's staff to create a better client experience, drive new revenue opportunities, streamline business processes, and tighten inventory management



George Cresto is the Founder and President of MyDealerLot. The Roswell, Georgia-based company specializes in automotive RFID solutions.