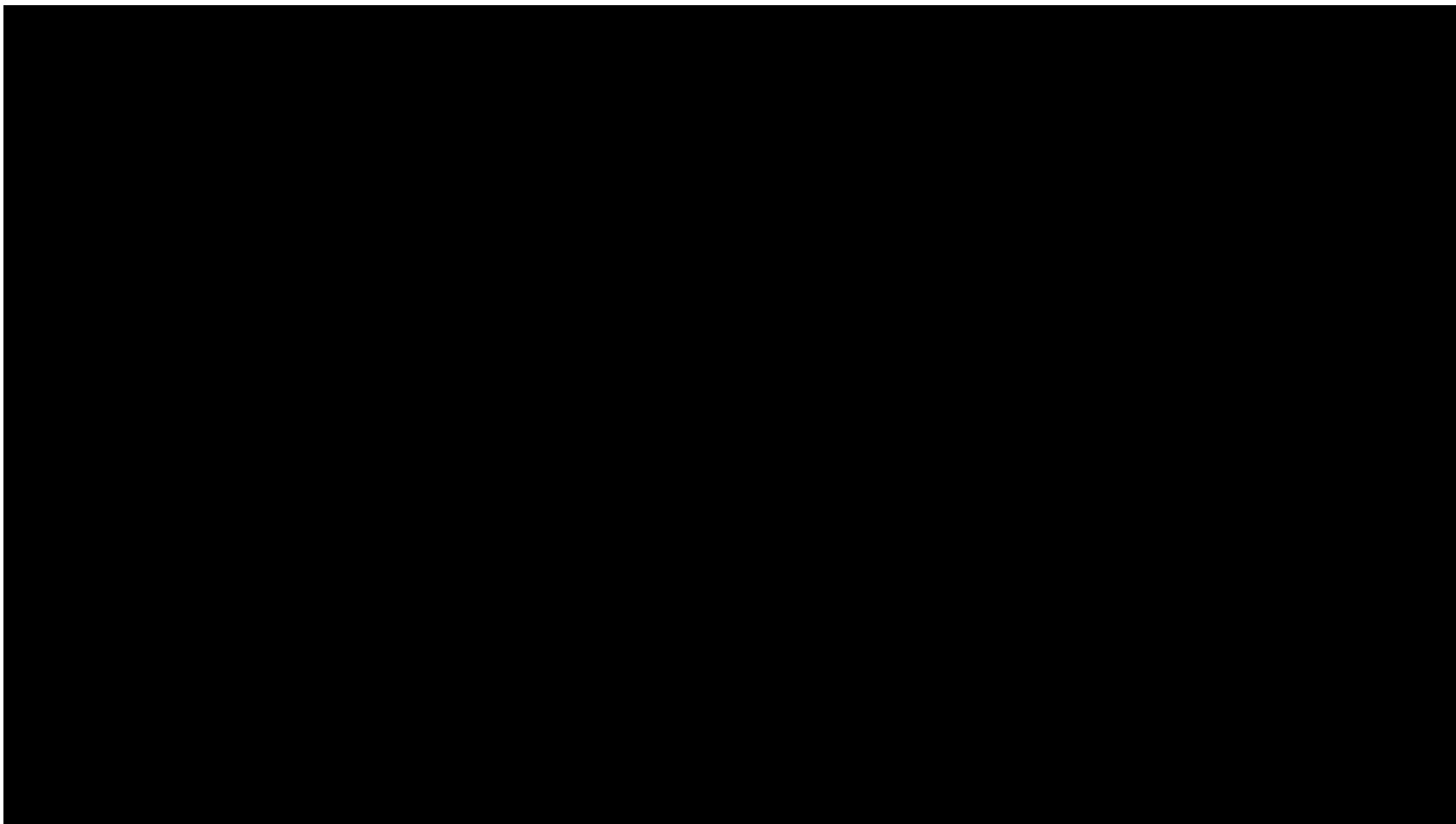


Run an Operationally Efficient Dealership Inside and Out



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2019 **NADASHOW**

Run an Operationally Efficient Dealership Inside and Out



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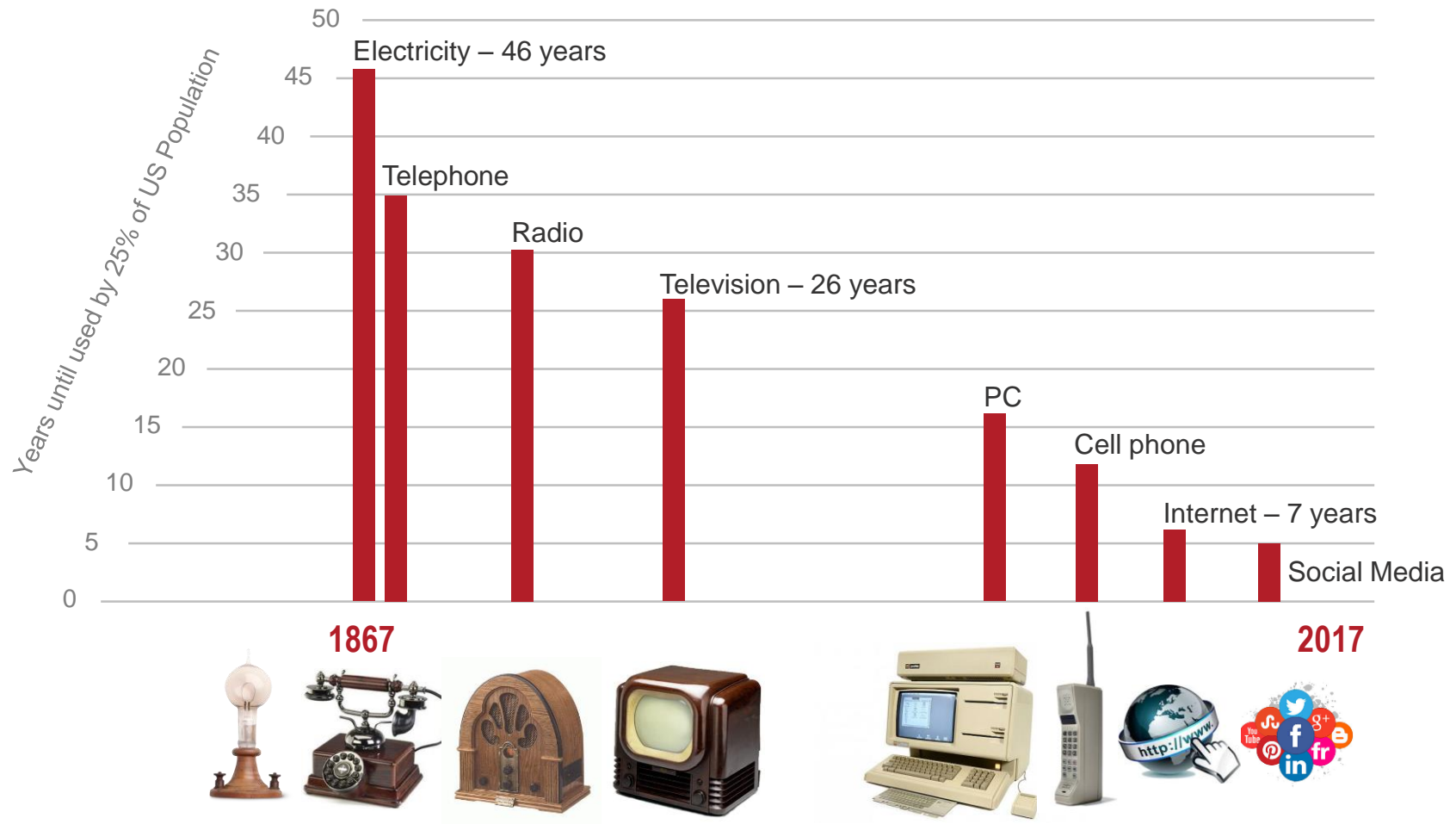
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Speed of Technology Adoption

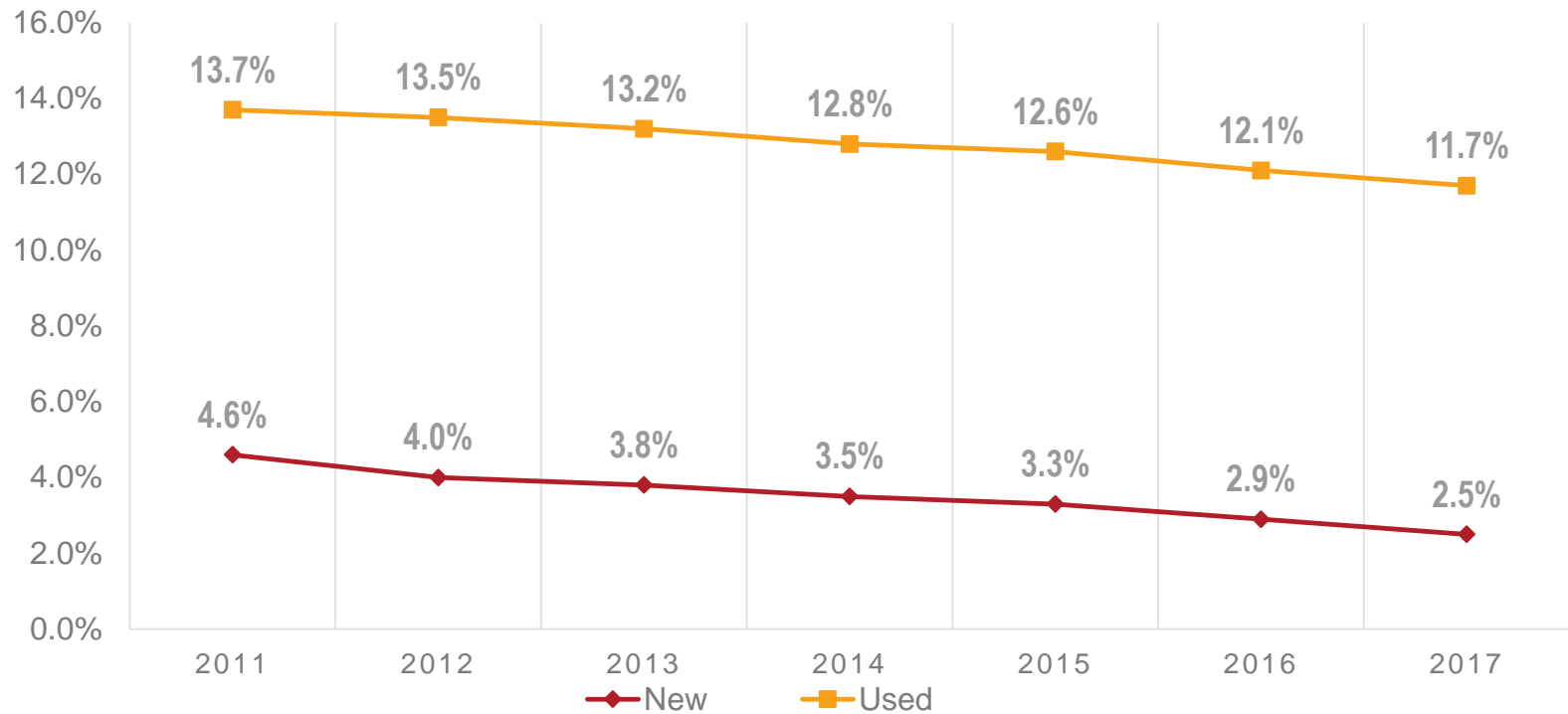


Pace of Change

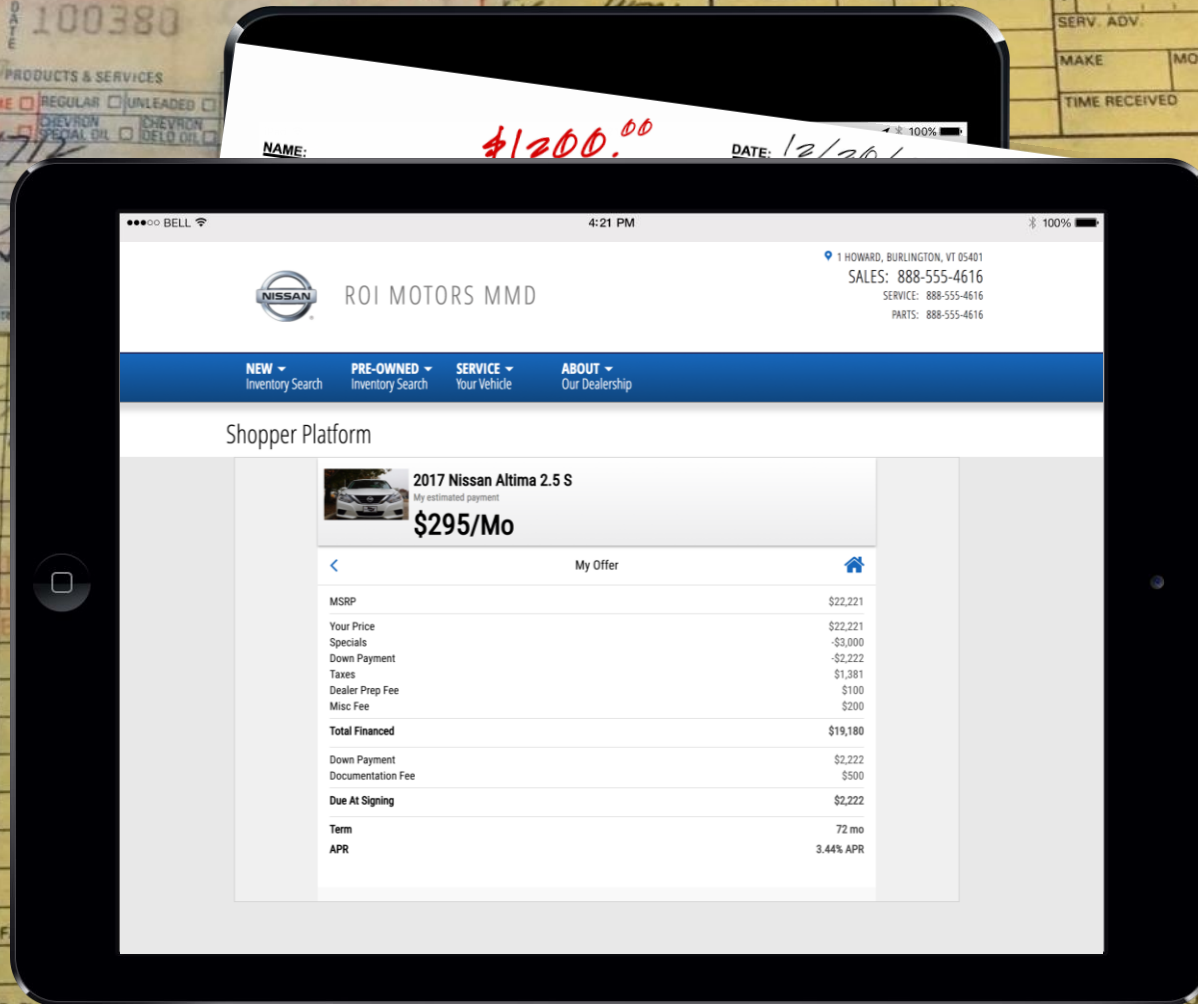


Dealers are Making Less Profit Per Vehicle Sold than Ever Before

GROSS AS % OF SELLING PRICE



Speed of Technology Adoption



BUYER'S SIGNATURE X _____

DATE: 12/20/16

AMOUNT: \$1200.00

NAME: _____

DATE: 12/20/16

AMOUNT: \$1200.00

Technology is Important for Your Workforce

93%

Of Millennial workers say that a business having up to date technology is an important factor when choosing a workplace with non-sales roles

42%

Say they would leave a company due to "substandard technology."



Today's Goal

Identify **5 KEY** emerging technologies and processes that will drive dealership efficiencies and increase profitability



Fixed Operations

Fixed Ops accounts for **49%**
of dealership gross profit

\$7,194,457 Average dealership
fixed ops sales



82%

Of registered vehicles were
serviced in the past 12
months by a third party

Fixed Operations

Dealerships capture only

33%
OF SERVICE VISITS

Fixed Operations

Fixed Ops is critical for
retaining/driving future sales...

Consumers are significantly more likely

(74%)

to return to the dealership for next
vehicle if get vehicle services as
opposed to those who don't

(35%)



Master Key, Foundational, Fixed Operation Tools

Online scheduling

Transparent pricing

Text communication including pictures

Digital payments

Digital fixed ops strategies generate on average

40+

additional repair order a month

9.5%

increase in retention

\$10 Off when you schedule an appointment online

Filling out this form will book your appointment and confirm your coupon with our service team

CONTACT INFO

First name Last name

Phone E-mail

Select Date...

Time...

Don't see the time you want? [Click here to view more appointment slots.](#)

Schedule Appointment

Advanced Scheduling

Fill shop during slow periods by offering incentives to service during these time slots

Loaner utilization

Capturing consumer data

TOP PERFORMERS:

OVER
85%

of all service visits
are via appointment

30%+

scheduled online

Capacity

ADVISORS
TEAMS
TRANSPORTATION
CAPACITY
SKILLS
SERVICES

Daily Capacity Settings Type: Web

> Bulk Edit

	Sunday 02/19/2017	Monday 02/20/2017	Tuesday 02/21/2017	Wednesday 02/22/2017	Thursday 02/23/2017	Friday 02/24/2017	Saturday 02/25/2017
Daily Threshold		18	21	18	21	18	11
7:00 am		1	1	1	1	1	
7:15 am		0	0	0	0	0	
7:30 am		1	1	1	1	1	
7:45 am		0	0	0	0	0	
8:00 am		1	1	1	1	1	1
8:15 am		0	0	0	0	0	0
8:30 am		1	1	1	1	1	1
8:45 am		0	0	0	0	0	0
9:00 am		1	1	1	1	1	1
9:15 am		0	0	0	0	0	0
9:30 am		1	1	1	1	1	1
9:45 am		0	0	0	0	0	0
10:00 am		1	1	1	1	1	1
10:15 am		0	0	0	0	0	0
10:30 am		1	1	1	1	1	1
10:45 am		0	0	0	0	0	0
11:00 am		1	1	1	1	1	1
11:15 am		0	0	0	0	0	0
11:30 am		1	1	1	1	1	1
11:45 am		0	0	0	0	0	0

Optimizing Service Lane Tools

Consistent Processes

Service Recommendations

TOP PERFORMERS:

90-100%

Vehicles inspected

GREATER THAN

60%

Opportunities identified

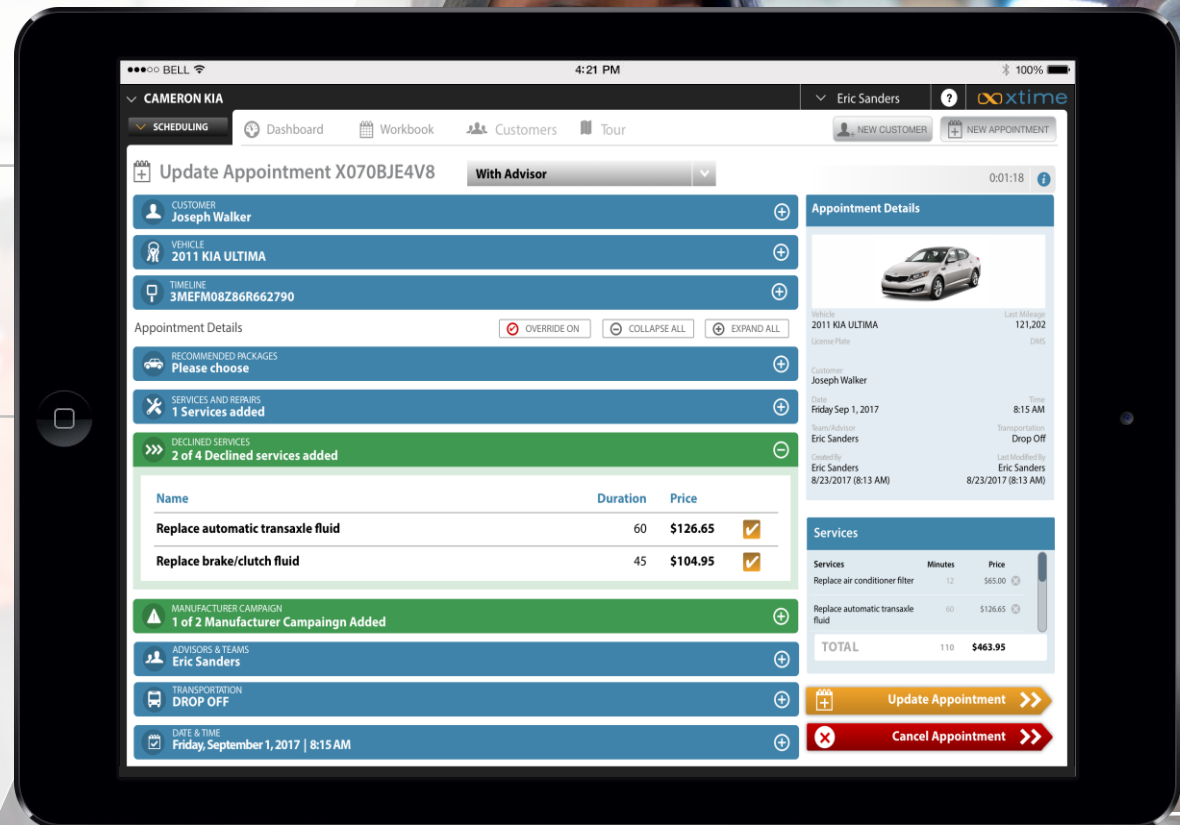
GREATER THAN

50%

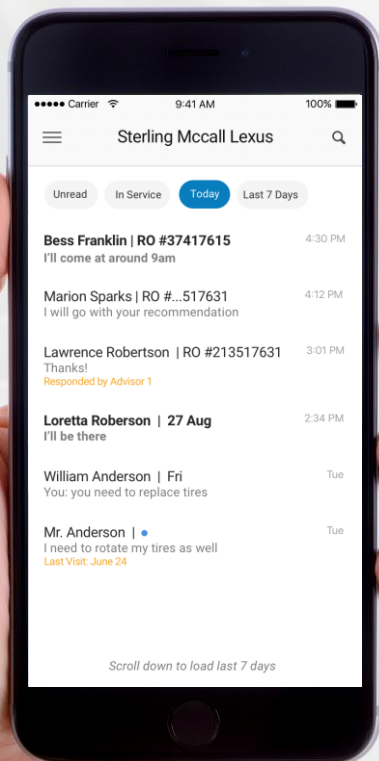
% purchased by customer

15%

Decrease one-line repair orders to less than



Realtime Customer Communication While the Vehicle is in the Shop



Variable Operations

NEW CAR SALES: AS GOOD AS IT GETS

COX AUTOMOTIVE FULL-YEAR FORECASTS

2018	2019	2020
17.2	16.8	16.5

Up 100K from
earlier forecast

Used Vehicle Market (MILLIONS)

2016	38.6
2017	39.4
2018	39.5 (F)
2019	39.5 (F)
2020	39.2 (F)



Optimize New and Used Inventory Acquisition and Speed to Market

Leverage Data and Efficient Processes

TOP PERFORMERS:

Used inventory turn rate:

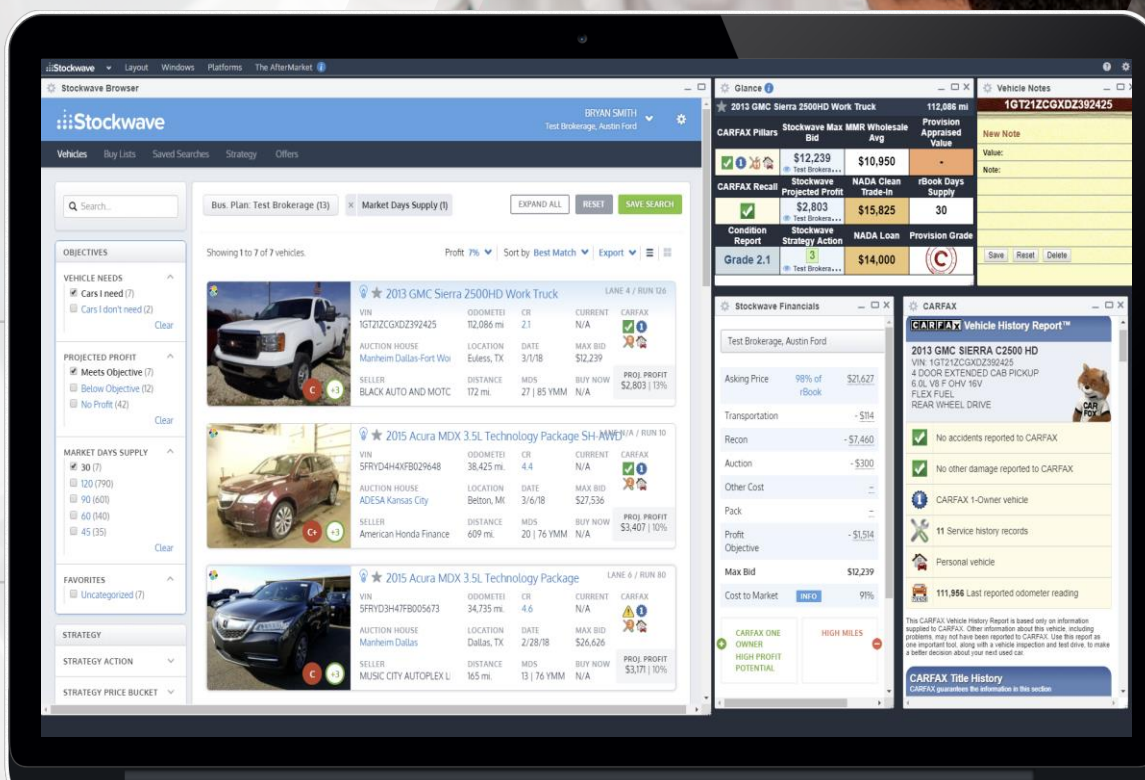
GOOD / **GREAT**
12 / **16**

Used to New Ratio:

GOOD / **GREAT**
1:1 / **1.25:1**

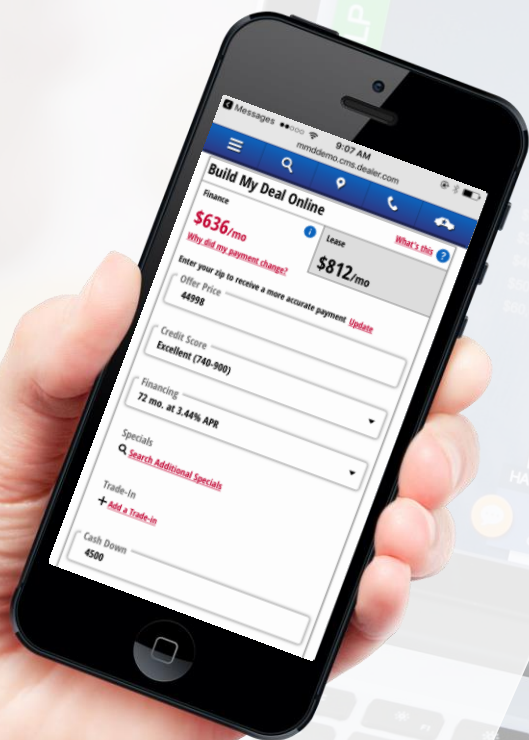
Aged inventory

OVER
55%
under 30 days old



Embrace Digital Retailing

Starting the deal-making and financing process online and picking up where they left off in the store to finish all aspects of the deal. Consumers are in control over this journey.



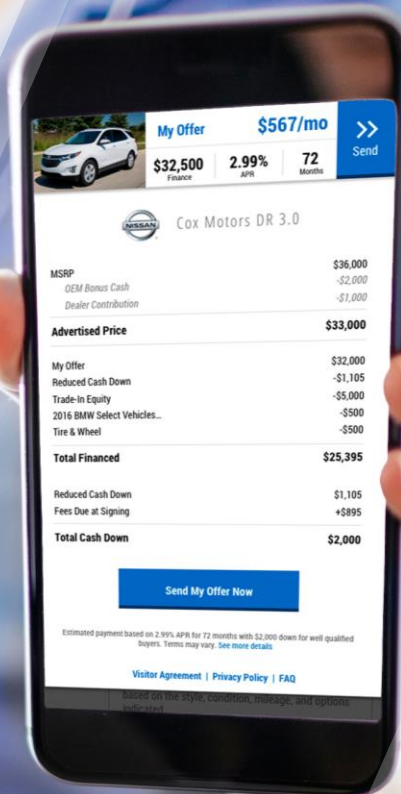
Embrace Digital Retailing

83%

Prefer to do at least one of the purchase steps online

85%

are **more likely** to buy from a dealership who offers at least some of the process online



Embrace Digital Retailing

OF DEALS
PER WEEK

TIME SAVED
PER DEAL

50 **x** **10** **=**
MINUTES

500 **OR** **8**
MINUTES HOURS



Doing the Right Things **vs** Doing Things Right

Leveraging these processes and technologies will positively impact profit and the customer experience but also will be key in driving employee satisfaction, retention and acquiring great talent



Recap

Master Fixed Operations technologies to increase dealership efficiency and profitability

Advanced Scheduling

Service Lane Technology and Process

Leverage data and processes to optimize new and used inventory acquisition and speed to market

Embrace Digital Retailing



Questions



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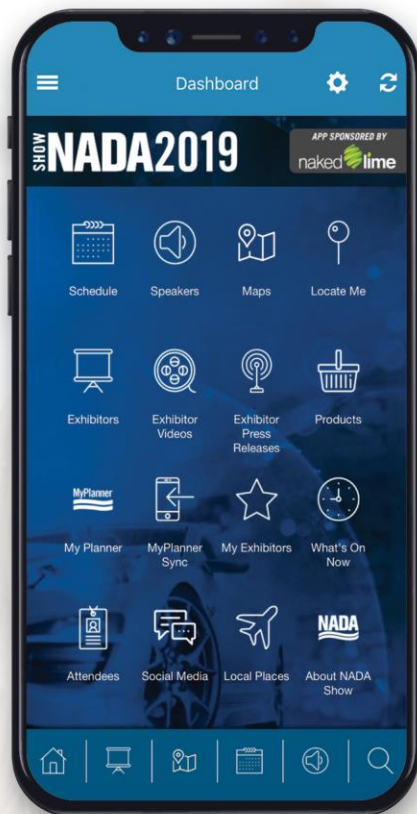
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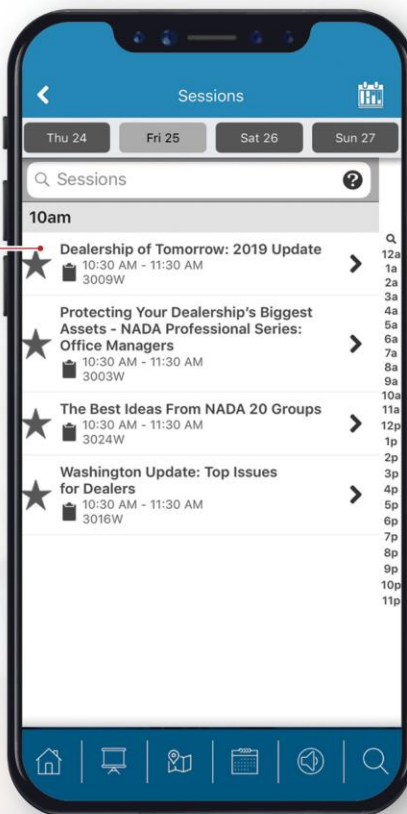
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