

SUCCESS STORY

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**RYAN
RIOS**

GENERAL SALES MANAGER
VANDERGRIFF HYUNDAI

STAYING
FOCUSED AND
REINVENTING

VANDERGRIFF HYUNDAI COMBINES **NEW**
TECHNOLOGY AND **TESTED FUNDAMENTALS** TO
STAY ON **TOP** OF THE MARKET



When your dealership is facing stiff competition, the difference between success and failure comes down to two elements: you've got to stand out from the competition to get the consumer's attention, and then you must treat them right, so those customers not only buy from you, but return to your dealership in the future.

For Ryan Rios, general sales manager of Vandergriff Hyundai, those two tasks are foremost in his mind and in the minds of his team. The dealership, located in Arlington, Texas, faces competition from all sides and from all makes.

"We have, just on this access road alone, a Mitsubishi dealership and a Ford dealership, and then one more exit down, another Ford dealership along with a Jeep/Dodge/Ram dealership and a Kia dealership." Vandergriff Hyundai's sister Acura, Honda and Toyota dealerships are also near Rios' store. "So, there are quite a few new car franchises in this area," Rios said. "The Dallas/Fort Worth market is very competitive. We have at least 18 Hyundai stores in our area."

Even though the Arlington area is growing, Rios knew that, with this level of competition, his store needed to keep on top of both its marketing efforts and customer service dynamics. Those efforts, both what goes on inside the store and the messages it sends out to customers, had to be both effective and efficient.

Focusing on those efforts is paying off.

"In the last three years, we've been No. 2 in the market," Rios said, "but here, as of April, we were No. 1 in the Dallas/Fort Worth market, and we're projected to be No. 1 again this month."

So, what is Vandergriff Hyundai's blueprint for success?

TAKING CARE OF CUSTOMERS

Upon taking his position in 2015, Rios said that his first goals were to make the most of the things that matter, and that were under his team's control. "One of our main strengths is that we just outwork everybody," he said. "Our store, on average, will make between 9,000 and 11,000 calls per month."

That effort, he said, gets his store noticed by those in the market for a vehicle. When his store makes the calls that the others don't, it's an advantage that's difficult to overcome.

"We also make sure that we follow up with our customers," Rios said, "because they took the time to either go online and show an interest in a Hyundai or in one of our pre-owned vehicles. We're going to make sure that we follow up with them because we want that edge."

This effort to contact customers — and then take care of them once they come in — is critical in Rios' strategy to take his store to another level. "Pricing is so competitive out there, you've got to distinguish yourself with service and so, we take good care of our customers and we do business the fair and correct way. We're very transparent in our processes."

REACHING OUT

In order to get customers into the store, it's necessary to let them know that Vandergriff Hyundai is ready to meet their needs, and also to educate them not only about what the dealership can do for them but answer questions they have — or might not even be aware they have at that moment. Rios knew that having a strong, consistent marketing message was necessary to stand out from the crowd; he also knew he needed assistance in putting that message into motion.

"When I came here, I tried to dabble into advertising," he said, "and do a variety of different things. We tried some YouTube, some Facebook, some radio...we did television quite a bit. But we really didn't have a consistent message through all platforms, and I really didn't have a targeting strategy. I was spending money in advertising, but I didn't really have an overall plan for what I was trying to do."

After recognizing the need for outside expertise, Rios and his team began the search for a marketing partner, and ultimately chose Team Velocity for their messaging needs.

"Team Velocity came in and said, 'Hey, let's develop a game plan to connect you with your customers.' Right off the bat, we were 100 percent committed. I was so excited to have not only a game plan but an agency that could then help execute it."

One of the first things that plan entailed was to target specific nearby ZIP codes that the team believed would be most receptive to what Vandergriff Hyundai provided. "We found areas with high registrations for Hyundai and we started mailing to them," Rios said. "Then, it all fell into place. Once we started sending direct mail, we began to add in digital advertising as well."

Fast forward to today, and Vandergriff Hyundai regularly runs campaigns made up of direct mail, digital marketing, social media contact and data mining — and the results have been encouraging, to say the least. "We're gaining," Rios said. "We've gained market share three out of the last four months. We were in first place last month, and we were there pretty comfortably. That's the first time that had happened, and we're sitting pretty good again this month."

"Most importantly," he said, "I really do feel like our marketing now has a strategy, and we are successfully executing on that strategy."

TARGETED MARKETING

A major component of a properly executed marketing strategy is to ensure your message is getting to the audience most interested in receiving it. It's a simple notion, but one that can be difficult to put into practice.

"Before, we had kind of a 'spray and pray' strategy," Rios said. "Now, it's very direct. I don't know that marketing companies are any more innovative today than they were 10 years ago, but the biggest difference right now is data. Facebook is a great example."

SEM is SEM, and you're going to rely on keywords. There's some art to it, but if you can track these customers on a platform like Facebook and give them specific, targeted ads for what they are in the market for, and you have the data to back that up, I think your marketing dollars are better spent there than they are anywhere else."

USING DATA TO MAKE THE SALE

By using other data mining techniques, Vandergriff Hyundai has found opportunities that would have been overlooked before. “We have a couple of experienced team members whose job it is to make calls based on the data mining received from Team Velocity,” Rios said, “and both guys do very well at it. It’s important because they’ve got to understand everything,” he said. “They’ve got to understand not only the structure of the deal but what puts customers in the market to buy a car in the first place.”

The combination of expertise and warm leads has provided great value for both our internal sales team and the store, Rios said. “A lot of times, people will pre-judge a customer and believe that they won’t be interested in a deal,” he said. “One of my guys who makes calls, Hector Garnica, used to be a sales manager for me, so he works his own deals. Our very first deal from the new data mining process was a customer who bought a Tucson from us not six months earlier. Most people wouldn’t even think to call that customer. Hector saw her, though, and reached out because she had been researching a specific stock number, and we sold her that vehicle. On top of that, we also got a trade out of the deal which is extremely important to us. At that point, we became true believers.”

SELLING AND SERVICE

Another area that Vandergriff Hyundai has been able to take better advantage of after bringing Team Velocity on board is selling customers out the service lane by presenting them with options to upgrade their vehicle.



“We have a service BDC,” Rios said, “and two team members who rely on Team Velocity’s Apollo platform to find opportunities in our service area. They can find customers who might be interested in taking a test drive while they wait for their vehicles to be serviced. We spiff those team members both for test drives and for purchases made through this program. We really work our upgrade program and have been tremendously happy with the results.”

Having a holistic approach to provide customers with whatever they need — both in sales and service — has helped the dealership’s service department, as well. “Our service growth, specifically our CPRO growth, has been great,” Rios said. “As of right now, I think we’re at a 10 percent year-over-year increase. Our fixed absorption at Hyundai is in the 80s; the average Hyundai dealership is in the low 70s, maybe even the high 60s.”

TREATING USED LIKE NEW

Because new car sales across the nation are cooling, Vandergriff Hyundai is increasing its emphasis on growing its pre-owned vehicle sales operations. While there is

more risk, the dealership is also seeing encouraging results and rewards. “Because when a majority of the used cars you’re selling are purchased units, there’s a lot of risk involved, so we make sure that we try to turn our inventory as fast as possible,” Rios said. “In March, we sold 200 used cars to 114 new. In April, we sold 144 used cars and did 106 new. It’s difficult to grow our used car department where we want it, but we’ve had a lot of success with it. A lot of success. In fact, year-to-date we are up 52 percent in used car sales.”

In addition to hiring a buyer who goes out and makes informed decisions on which pre-owned vehicles would be right for Vandergriff Hyundai’s inventory, the dealership also treats people who might be in the market for a used vehicle the same as those who might buy new.

“We know we have a lot of people on our website who are in the market for pre-owned vehicles,” Rios said, “so we put their email into our system and target them the same way we target new car customers. We also make sure we have the inventory that will move, that our customers are looking for. We have about 130 used vehicles on our lot right now, ranging from \$6,800 to \$50,000 or \$60,000. We make sure that, if you’ve got a need or are looking for something particular, there’s a high probability that we’ve got it.”

PRESENT RESULTS AND FUTURE GROWTH

Vandergriff Hyundai’s results from their increased marketing and data mining efforts have been encouraging, but Rios knows that focusing on the fundamentals is not something his team can ever back away from.

“There’s always a new dealer out there who’s looking to be an up and comer,” Rios said, “and you’ve got to either hold them off or reinvent yourself to stay relevant in the market.” By staying up on current trends and technology while now forgetting how important it is to treat customers right, Vandergriff Hyundai is doing what it takes to stay on top.



**For more information
on the strategies and companies used by Vandergriff Hyundai,
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