

SUCCESS STORY

JANUARY
2017 · NO 11

SCOTT
ROBERT

E-COMMERCE MARKETING DIRECTOR
LITHIA HYUNDAI OF RENO

DYLAN
CLUNIE

GENERAL MANAGER
LITHIA HYUNDAI OF RENO

A VISION OF EXCELLENCE

DELIVERS 30+ SALES PER MONTH
FROM THE SERVICE LANE

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Through a vision of commitment to their team, a strategized marketing plan and a deep focus on data, Lithia Hyundai of Reno unveiled an innovative plan to profitability.

Dylan Clunie had some work to do when he stepped into the role of general manager of Lithia Hyundai of Reno in Nevada in 2009.

In the aftermath of the economic downturn, the store was running on a skeleton staff, selling about 35 cars a month. "When I came in, my No. 1 objective was to start hiring people," Clunie said. "Instead of bringing more customers in, we focused on building a team."

The next step was to increase inventory and establish processes to turn the dealership around and get back into the black. "The dealership really looked like it was going to be closing in a few months," said Clunie.

TURNING THINGS AROUND

Starting in the auto sales business in 1996, Clunie worked his way up in sales from closer to new car manager to general sales manager and finally to general manager. His familiarity with the different functions of a dealership served him well as he restructured and expanded the business.

Under his leadership, he was able to put together an "A" team and restore Lithia Hyundai of Reno to profitability, turning the focus to the service department and establishing a business development center (BDC).

"When I came in, the store was losing about \$500,000 a year," Clunie said. After the first year of his leadership, the store broke even. The next year, the dealership was in the black \$600,000 and has climbed ever since, selling an average of 160 cars per month in 2016 and earning around \$2 million a year. Still, Clunie doesn't want to rest on past successes. "There's still work to do," he said, "and opportunities for growth we need to take advantage of."

GETTING THE WORD OUT

Once the fundamentals of the dealership were in place, Clunie shifted his focus to overhauling the store's marketing strategy. Over the last two years, Lithia Hyundai of Reno has completely revised its marketing efforts. "Most of what we do is digital advertising centered around the BDC," Clunie said. "We really don't do any newspaper or television advertising."

Clunie knows that future success is based on present action. Honing in on the dealership's BDC and focusing on customer retention through impactful marketing and service is key. "The market has been really hot for the past couple of years, but now there's talk about it plateauing," he said. "That was inevitable, really; people aren't going to buy cars at record numbers endlessly."

Growing the business requires harnessing the opportunities that the service department brings in, both for keeping the customer active in the dealership and bringing in future sales opportunities. "Most of the emails we do, even for sales, will have a service message included on them," Clunie said. "The service advertising budget isn't as big as sales, but they do get that extra boost. It's important to have a service message on everything you do."

Lithia Hyundai of Reno has also had great success with selling directly out of the service department. "We have a dedicated staff for equity mining and do a lot of sales out of service — about 30 to 35 deals a month," Clunie said. "Some of these

might have been deals for us in the future, but a lot of them would have gone somewhere else if we weren't working them. There's no better time to talk to someone than when they're already here at the car lot."

"WE RELY ON HAVING THE MOST UP-TO-DATE INFORMATION AND DATA TO HELP MOVE THE DEALERSHIP FORWARD..."

*Dylan Clunie,
General Manager
Lithia Hyundai of Reno*

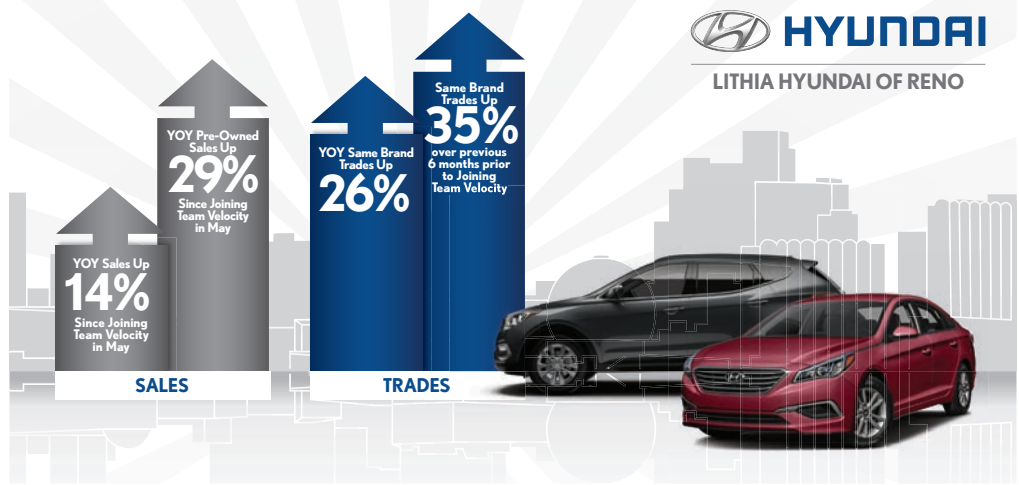
RETHINKING RELATIONSHIPS

To have an effective marketing program, Clunie knows that it is crucial to understand your audience. Marketing to the correct consumers in the proper manner can make or break your marketing strategy. Hyundai and the Lithia family always had a great relationship with AutoPoint's Red Rocket program — until they began to notice that the provided data was extremely outdated. Clunie discovered they were marketing to people who had traded their car two and sometimes three times already, and in some cases, customers who no longer lived in the market. These were not active customers at all and the data Lithia Hyundai of Reno was using was completely inaccurate.

The search was on to find a marketing vendor who could provide innovative solutions to reach their customers and complemented Lithia's culture. Clunie and his team decided that Team Velocity Marketing was the strategic partner that fit best. "The proof is in the results," he said. "We are way ahead because Team Velocity Marketing showed us how important and necessary it is to have good, pure, accurate data. It allowed us to clean up our active customer base, and identify lost customers and start to remarket to those people as well."

To build for the future, Clunie and his team needed to determine why customers defected from Lithia's sales and service departments in the past. "Did they leave because of a bad experience? Did their warranty run out? Were they receiving old information? Finding the right strategic partner who can help us figure out why a customer is no longer servicing with the dealership is a very important piece of this puzzle. We rely on having the most up-to-date information and data to help move the dealership forward," Clunie said.

"It is an honor to work with the team at Lithia Hyundai of Reno. Dylan Clunie and his team have not only implemented our data cleansing technology and marketing recommendations but have also taken the work upon themselves to install best practices in the dealership, ultimately taking their store to the next level," said Justin Byrd, president of Team Velocity Marketing.



LITHIA HYUNDAI OF RENO

KEEPING UP WITH THE FUTURE

Lithia Hyundai of Reno strives to be amongst the most progressive of dealerships. Knowing that sales both locally and nationwide might start to slow, being on the cutting edge will be key in future years. "Technologically, we want to be on top of the game," Clunie said. "Some of the competition is still in the dark ages. You have to be on top of these things, and look at where the market is headed and the technology involved in getting there. You have to do it yourself or bring in a partner with the expertise to help take your dealership to the next level."

To learn more about Lithia Hyundai of Reno and the strategies outlined in this article email:

successtories@autosuccessonline.com

This type of targeted marketing is allowing Lithia Hyundai of Reno to grow. In fact, Clunie and his team stand out from the competition in the geographically isolated area of Reno. They rise above and think about the future growth.

Email

Hang Tags

Online Display Ads

Point of Sale

Direct Mail

Mobile

Responsive Offer Site

Apollo Technology Platform

All of Lithia Hyundai of Reno's targeted marketing is managed from a single platform. This allows them to deliver consistent branding and offers across all of their media channels and monitor the results from all of their campaigns from a single, Web-based dashboard.

**For more information
on the strategies and companies used by Lithia Hyundai of Reno,
please email info@TeamVelocityMarketing.com**

Reprinted from AutoSuccess January 2017 for:



TEAM VELOCITY MARKETING

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