

SUCCESS STORY

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**DREW
GRIEBLER**

DIGITAL MARKETING DIRECTOR
RICHFIELD BLOOMINGTON HONDA



**TIM
CARTER**

GENERAL MANAGER
RICHFIELD BLOOMINGTON HONDA

RICHFIELD BLOOMINGTON HONDA
OF THE TOM WOOD AUTO GROUP

SALES UP 40%

**GAINING TRACTION AS A
POWERHOUSE IN THE TWIN CITIES**

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GAINING TRACTION AS A POWERHOUSE IN THE TWIN CITIES

Located To get a feel for the competitive landscape Richfield Bloomington Honda contends with, picture a wagon wheel. The Minnesota dealership is at the hub of the wheel, with five competing Honda stores surrounding it within a 10-mile radius. Although the competition is fierce, the dealership's management wouldn't have it any other way. "We have the best spot in Twin Cities for a Honda store," Tim Carter, General Manager of Richfield Bloomington Honda, cheerfully explained.

The numbers the store is putting up agree with Carter's assessment. The store, founded in 1986, began with 78 employees and a 33,000 square-foot facility and sold approximately 200 new and used vehicles a month. Fast forward to today and the dealership has expanded to 180 employees, a new 160,000 square-foot space and is now selling 350 new and used vehicles per month. In fact, they are on pace to sell 400 vehicles per month in 2017, Carter said.

Richfield is part of the bigger Tom Wood Group, providing a more holistic view of the industry than other auto groups. "We're bigger than just the car business," Carter said. "Our corporate

tag line is 'We're here to move you.' Meaning, we're here to move you emotionally because of how we take care of you, and we're here to move you physically with a new car. Not only do we have the auto group network of 14 dealerships, but we also have a network of motorcycle dealerships, a motorsports division, an airplane sales and charter flight service, RV sales, auto insurance sales within the dealerships and a rental car company. In the Tom Wood family, we like to say if you have a need to move by a machine, we've got you covered."

MOVING INTO THE DEALERSHIP SETTING

Carter has enjoyed a lifelong love affair with automobiles. So much so that he attained a four-year automotive business degree and was hired by Ford Motor Company off the campus to work as a parts and service representative. "I called on about 300 dealers over a 12-year period," Carter said. That job, however, often required relocating, and when the time came to put down some roots and start a family, he wanted to make a change. He went to work on the retail side of the industry and came to Richfield in 2002.

Creating a customer service-centric culture was Carter's top priority when he became General Manager of Richfield Bloomington Honda. With this in mind, Carter implemented his "meat and potatoes" service philosophy, setting the expectation that customers were to receive excellent care with no stress or drama. "It's about having a great attitude, a great work ethic and having a desire in your heart to help other people succeed, including your fellow employees," he said. "I thought that, if I teach that and preach that, why wouldn't everyone want to do that?"

In some cases, however, breaking the mentality of "the way it's always been done" proved to

be more challenging than Carter anticipated. "I ended up realizing that if I couldn't teach it, I had to hire it. My entire 14 years here has been focused on hiring leadership who can draw in the front-line employees who are wired with a great attitude, great work ethics and a true desire to help other people succeed. That's my simple philosophy."

Over time, that caring philosophy started to grow, and the benefits "As soon as our team took this attitude to heart, the culture took care of itself," he said. "I don't have to worry about how our customers are treated when I'm not here. Helping others is what we're about and that's a huge part of our growth." Carter believes that true leaders surround themselves with smart, talented people and work together to maximize the talents of the group. "I hire leaders better than myself and in return, our leaders are taking this store to a whole new level," explained Carter.

SERVICE LANE LEADERSHIP

Sales from the service department is one area Richfield Bloomington Honda has seen excellent growth. Engaging with customers who are already in the dealership servicing their cars and offering them an opportunity to upgrade into a newer vehicle without increasing their monthly payment has been an effective strategy. With 49 service bays, optimizing this avenue of sales was key to the dealership's future growth.

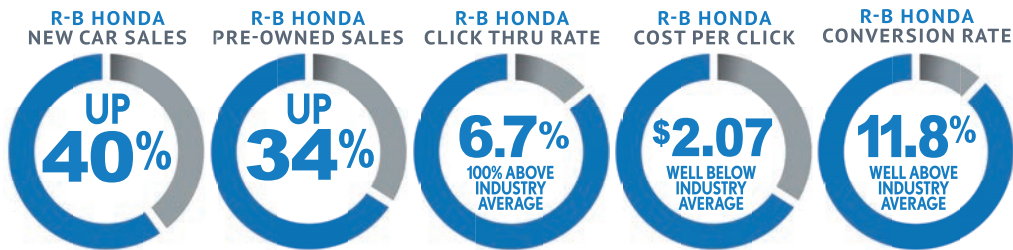
That's not to say there weren't a few growing pains when the dealership first put this plan into action. "Our whole concept of an auto upgrade program was to be a concierge program. We wanted product specialists to present the upgrade offers to these service clients while they were waiting for their repair," Carter said. The plan worked well, and the dealership started to see sales coming out of

service. The only hiccup was with so much emphasis on driving sales out of the service lane, sales from the showroom floor became stagnant. Rather than growing, the dealership was maintaining the same sales numbers. Something had to change.

Richfield began a partnership with Team Velocity Marketing to redesign their upgrade programs and implement a more comprehensive marketing program for the entire dealership. Drew Griebler, who manages the dealership's Internet program, became the Upgrade Director in October 2016, and the program now has a separate, dedicated sales team who works with service clients, some of whom were kept on from the previous effort because of their familiarity with the service department.

"They know the service drive very well and know how the process works," Griebler said. "We're giving them continual training on the sales process. We're also having them call customers who were recently in for service, who we might not have been able to talk to while they were in the store, to potentially offer them an upgrade and set an appointment. We can generate some good trades out of this as well, which helps our used car department. We've also been able to give our Internet department more leads because of the Team Velocity program we use."

"It's very rewarding for our organization when we witness the success of our partners from our programs. The key to our marketing program comes



**RICHFIELD
BLOOMINGTON**



to fruition when you have a team of leaders who are dedicated to the program's success. The team at Richfield Bloomington Honda is an excellent example of an organization who embraces this strategy and works hard to achieve their goals," explains Justin Byrd, President of Team Velocity Marketing.

With a more cohesive strategy and by providing ongoing training, Richfield Bloomington Honda was able to sell 21 additional vehicles from their Upgrade Program just last month, in addition to taking in 15 quality trades.

SENDING THE RIGHT MESSAGE

Sending the right marketing message to customers in the correct way was another area of emphasis for Carter. He tasked Craig Cochenour, the dealership's Assistant General Manager, to take control and work with Team Velocity on the proper customer communication strategy.

"We're totally digital," Carter said. "I came up through the ranks doing the newspaper and radio thing, like everyone else. As things evolved, everyone had to get into the digital game. Most of my advertising vendors and I weren't very good at it. Craig has a very good ability to set up digital marketing. Once he and Team Velocity hooked up, things have been outstanding."

With an above average click-thru-rate of 6.71%, a well-below average cost-per-click of \$2.07, and a conversion rate of 11.87%, Richfield Honda has done a great job of converting the 795 generated phone calls into sales. Using our Dynamic Inventory Search Campaigns, used car sales were up 30.28% in December and 34.78% in January. It is really exciting to see RB Honda achieve CTRs at nearly 100% above the industry average and how they have converted their digital marketing into sales, says Joe High, Senior Vice President of Team Velocity Marketing.

"Team Velocity has a phenomenal digital program, and they have great expertise and people who really know what they're talking about," he said. "Between Craig and Team Velocity, we're able to literally turn the faucet on and off to regulate driving traffic in here. If we see one of our processes needs work, we can turn it off and fix the problem, and then turn it back on and bring in more people we can handle. It's a continual evolution of improving our process."

In the end, having an effective marketing strategy not only offers a better ROI, but can also help Carter ensure that his dealership is fulfilling its promise of taking the best care possible of its customers.

ONLINE DISPLAY ADS

- 728 x 90: CIVIC LX \$227 PER MONTH
- 728 x 90: ACCORD EX-L \$289 PER MONTH
- 728 x 90: CR-V LX \$237 PER MONTH
- 300 x 250: CIVIC LX \$227 PER MONTH
- 300 x 250: ACCORD EX-L \$289 PER MONTH
- 300 x 250: CR-V LX \$237 PER MONTH

MOBILE

APOLLO TECHNOLOGY PLATFORM

RESPONSIVE OFFER SITE

All of Richfield Bloomington Honda targeted marketing is managed from a single platform, Apollo™. 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.

To learn more about Richfield Bloomington Honda and the strategies outlined in this article email: successtories@autosuccessionline.com

**For more information
on the strategies and companies used by Richfield Bloomington Honda,
please email info@TeamVelocityMarketing.com**

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TEAM VELOCITY MARKETING

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