

THE AUTO DEALER'S ORIGINAL FIXED OPERATIONS RESOURCE

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# FIXED OPS



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**TRENDS AT THE 2017 NADA EXPO**

# DRIVING FIXED OPS SOLUTIONS

## DIGITAL, MOBILE TECHNOLOGY DOMINATE 2017 NADA CONVENTION

*This is the first part in a two-part series examining several key technologies.*

*It includes a look at recent news on Fixed Ops solutions (and solution providers).*

BY TED FELLOWES

At NADA100, many exhibitors demonstrated digital solutions for dealer Fixed Operations made possible by new and improved technologies.

In walking the exhibit floor and chatting with leading solution providers, patterns emerged: the same technologies enriching our personal lives are advancing dealer systems in predictable ways.

Let's take a look at many of these key technologies and how they are affecting our businesses.

**MOBILE COMMUNICATIONS (TEXT & CHAT) ARE APPEARING IN AN EVER-WIDENING RANGE OF PARTS AND SERVICE SOLUTIONS USED BY DEALERS, INCLUDING APPOINTMENT REMINDERS, REPAIR STATUS UPDATES, QUOTATIONS FOR ADDITIONAL REPAIR AUTHORIZATION AND FOR FOLLOW-UP CAMPAIGNS ON DECLINED REPAIRS.**

### Mobile Communications

Mobile communications (text & chat) are appearing in an ever-widening range of Parts and Service solutions used by dealerships, including appointment reminders, repair status updates, quotations for additional repair authorization and for follow-up campaigns on declined repairs.

Mobile also is being used for retail Parts order / shipping status, as well as wholesale collision and mechanical Parts delivery ETAs.

Here are some of the solutions providers:

UpdatePromise jumpstarts technology adoption (and maintenance) by delivering capabilities or even full solutions to leading Fixed Operations solutions providers.

DealerBuilt, CCC and Mitchell International have turned to UpdatePromise for customer communications capabilities — particularly automated text messaging of repair status to vehicle owners, thereby accelerating the use of texting for improved customer communications in Fixed Operations.

Curtis Nixon, CEO of UpdatePromise, points to J.D. Power's research concluding that during vehicle repair, the less repair shops communicate with customers, the lower the satisfaction score. In turn, customer satisfaction is considerably higher when repair status updates are pushed to them.

TimeHighway's President, Karen Dillon, says that, "text messaging is quickly becoming the global standard for communication. Implementing this technology within the dealership provides a modern, mobile experience that consumers use heavily."



myKaarma founder Ujj Nath points out an overlooked complexity when he observes that a combination of text and voice generate the fastest approvals of Service estimates. He adds that for repair explanations, most consumers prefer voice, though text is best for scheduling a call and approval follow-up.

Nath reports that an analysis of 400,000 ROs found that a combination of voice and text calls raises customer pay billings by more than a third. Another tip from Nath: have a unified number for both texts and voice calls.

Contact At Once (CAO) uses chat and texting extensively for Service appointment scheduling, Service lane and post-Service follow-up. A CAO consumer survey found that 88 percent of respondents would schedule Service via mobile messaging. CAO goes on to note that mobile messaging is even faster than going through an online appointment tool.

Melissa Commons, COA's Global Sales Strategy Manager, notes that a 2016 J.D. Power CSI study showed that 37 percent of Gen X and 38 percent of Gen Y customers prefer to get updates for Service via text, yet only 2 percent actually receive updates by text. Messaging is a simple and cost-effective way to improve customer communication and, ultimately, CSI, she says.

### Mobile Strategies in Parts

TradeMotion reports recently adding a texting option to its "chat" software embedded in Parts eCommerce solutions.

PartsTrader has text-enabled its Collision Parts eCommerce platform to enhance communications between dealers and shops on Parts orders.

Elite EXTRA, a wholesale Parts tracking and routing application for dealers, can now send mobile delivery updates to dealers' wholesale Parts customers (fleets, body shops and IRFs). This includes notifications that: dealer has re-

ceived order (with invoice #); delivery truck departed (with ETA); and ETA update notifications.

Currently available in email, these notifications will be available as text messages later this year — another example of the growing use of texting for Parts solutions.

Other DSPs are also pioneering advances in mobile communications — Kimoby, SingleThread, Captiva, CDK, to name a few — who provided background for this article.

### ePayment Solutions

Among NADA exhibitors, ePayment was one of the fastest-growing solution types. There is high overlap in solution providers between mobile communications and ePayment, as well as bundling the two capabilities in a shared solution.

"Dealerships are making self-service checkout easier and valuing consumers' time by adopting ePayments" notes Chris Justice, CEO of CenPOS, who adds that, "almost half of all consumers pay remotely to expedite their checkout and reward dealerships with higher customer satisfaction scores. Consumers who desire a face-to-face experience also win because of shorter wait times. Consequently, mobility and consumer satisfaction are inextricably linked."

"An ePayment solution should give the customer the experience they expect," says Kim Saylor of CDK. She added, "there isn't a one-size-fits-all approach that works. We all have different communication needs. CDK provides consumers with a seamless experience so they can shop via their smartphone, tablet, desktop or in a store and feel that their experience is consistent throughout all channels. Giving a Parts or Service customer the ability to pay for their invoice via email or text provides a segment of customers with time to work directly with their Service Advisor (rather than waiting in line for the cashier)."

CenPOS, a leading intelligent payments engine for dealers, connects all departments to all consumer channels to create a seamless shopping experience. Parts and Service transactions are intelligently routed to reduce the cost of acceptance. CenPOS properly qualifies card-not-present, business, corporate and purchasing cards (crucial for fleet service and Parts sales). CenPOS also minimizes processing fees and dealer exposure to chargebacks and fraud.

**TradeMOTION**



**PARTSTRADER**  
your suppliers · your parts · your choice

**ELITE EXTRA**

**kimoby**  
Text Messaging for Business

**SI**

**CDK**  
Global

**CenPOS**

**VenueVision**  
MEDIA SYSTEMS

myKaarma reports that its analysis of a luxury vehicle dealer network reveals a strong relationship between Service customers paying online and their customer experience scores (CEI). Customers who paid online had a CEI score that was 25 points higher.

TimeHighway President Karen Dillon: "The convenience of mobile payments allows the consumer to pay for their Service before they reach the dealership."

VenueVision's new product, Mobile Cashier, is an express ePayment solution for Parts and Service Departments. Mobile Cashier sends dealer-branded notifications of repair completion along with a copy of their invoice to mobile devices. Customers review and then authorize payment of Service and Parts invoices.

UpdatePromise is providing ePayment capabilities to leading Fixed Operations solution providers.

Kimoby revealed that it's also in the process of adding ePayment to its Service solutions

Infomedia's SuperService platform has an ePayment feature for Service customers to receive their invoice on their mobile device to pre-pay before vehicle pickup or to pay in the Service lane.

#### News from NADA

NADPE: The North American Dealer Parts Exchange launched in Canada just before the NADA Convention and plans to rapidly enter the U.S. market to facilitate trade in idle / obsolete OEM Parts in franchise dealer stocks. The NADPE solution focuses on exchanges of idle Parts between dealers to free up "frozen capital" for participating dealers. In response to heavy onboarding of dealer groups, NADPE will support all franchises where there is sufficient demand.

PartsTrader revealed that, as of the NADA Convention, more than 2,700

dealers had implemented its integration with OEConnection's CollisionLink, which enables users to access price support for more jobs. That leads to higher win rates for OEMs and greater productivity. Shortly before NADA, PartsTrader also announced integration with the shop platforms from Fix Auto and Nexsys, streamlining workflow and enabling access to PartsTrader's data analytics based on actual quotes and orders within the local market.

Dealer-FX and Carlisle & Company (a leading Fixed Operations advisor to OEMs) announced an exclusive strategic partnership to bring Carlisle's deep industry knowledge, proprietary data and analytical expertise through Dealer-FX's dealer Service platform.

The partnership's first product will predict customer behavior and then tailor Service experiences to maximize profitable retention of customers. The vision is that by offering the right actions and incentives at the right points in the vehicle-Service process, dealerships will improve retention, CSI, trust and customer willingness to spend.

Infomedia's SuperService, a Service suite, is being rolled out for Hyundai and Kia dealers in the United States. A key feature of the Kia solution is its "connected car" aspects: Kia vehicles send DTC info to dealers via Infomedia's Service platform.

The upshot at NADA and the emphasis on digital solutions was well stated by SmartDealer's Jeff Odato: "Dealers are desperately trying to find ways of growing revenues beyond the retail sale, where grosses are stalled and this is a very good way to do it."

Fixed Ops digital solutions are being improved by a series of rapidly advancing technologies — and that appears to be the best way forward for dealers.

Part 2 of the series will cover additional high-impact technologies including "bots" and "connected cars."



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