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**Schumacher Auto  
Engages  
Internet Shoppers**

# Web Site Upgrade Engages Shoppers

## Schumacher Auto Group Sees Results

In the autumn of 2006, Operation Systems Director Ron Katz and Internet Sales Director Michael Paulson decided it was time for Schumacher Auto Group in Palm Beach County, Fla., to upgrade its Web site and turbocharge its online marketing strategy. Their solution was a new "Virtual Dealership" Web site and CRM tool.

In Katz's words, "I felt that it would definitely help us increase our Internet sales, and that is exactly what it has done for us." Katz said they were initially drawn in by the technology improvements over Schumacher's previous site, "We felt that BZ Results was going to take us into the 21st century – to where we need to be – because of all the online marketing that we needed to do."

When asked how he would compare the new site to what Schumacher had previously, Paulson said, "You might want to compare it to a walker versus a Ferrari. Basically, the old Web site gave you the ability to view inventory; period. That's it. The new Web site is very interactive. It's got the ability to view inventory; it's got the ability to do virtual test drives, schedule things, and do a lot of research. It's a much better tool for the customer. As such, it keeps them on the site much longer, which in turn creates a lot more leads."

On the previous site, the average customer used to spend somewhere between three and

The homepage of the new Schumacher Hummer "Virtual Dealership" showcases the enormous, glass-encased showroom in West Palm Beach, Fla.

five minutes. However, on their new site, the difference is astounding. The average customer now spends about 40 minutes. That means Schumacher Auto Group ends up with higher quality leads. When asked what feedback they've gotten on the site, Paulson's reply was short and sweet, "From our customers, we've gotten the best possible feedback you can get—leads."

Schumacher Auto Group sells 11 different makes at two different locations, both in Palm Beach County. There was a time, not so long ago, when they only did two or three deals a month that could be traced directly to the

Web site, but since the new site was fully implemented (in early Dec. 2006), they've seen Internet sales grow every month. In fact, in August 2008 – just nine months after the new system was implemented, there were 40 deals that could be traced directly back to the new site.

### Getting More Internet Leads

Another impressive result of the new Web site is that they've seen leads quadruple – from 50 a month prior to the new site to 200 (and growing) with the new site. "If we had our old Web site still, we'd be losing a lot of those customers," Paulson pointed out. "The days of actually getting a hard lead from a third-party

provider are going away, so if we don't have a super-strong Web site, we're going to be completely toast. We won't get any leads."

And when those "leads" do come into the store to shop and buy, they have good things to say about their experience on the new site. They comment that they love being able to have everything at their fingertips in a one-stop shop – a place where they can make comparisons between product lines without having to go to the manufacturers' Web sites. They're also very fond of the "Virtual Test Drives" they are able to take on the new site.

## Attracting Customers to the Virtual Dealership

At Schumacher, the main strategy for bringing customers to their Web site used to be traditional advertising, especially print, but now they are doing less traditional advertising and bringing more people directly to the site through search engine marketing (SEM). Recently, they've seen their search engine placement get better and better, as they've worked to continually refine it.

Research has shown that over 80 percent of customers who purchase a vehicle do research online before they buy. Compare that with the 10 percent of customers whose vehicle purchases are influenced by TV and radio and the 30 percent who are influenced by newspapers. These are statistics that Katz and Paulson knew all too well, and that's why they knew they needed to focus on and refine the Internet-lead buying process at

Schumacher. It was their desire to stay ahead of the curve that led them to improve that process.

Offering a vastly improved online experience was a huge step in the right direction, but they still had to actually drive people to the new "Virtual Dealership" site. Said Paulson, "Our Web site partner does a lot to get us ranked well, organically, with the free listings, but in addition, we do a lot of pay-per-click type marketing. So, every day we're attracting more and more people to our Web site."

## Continually Improving CRM

But the one thing Katz and Paulson seem to be most thankful for is their new CRM tool.

This tool automates most of their e-mails, giving their people more time to be on the phone and sell cars. The automated process means they can handle more leads. They're using the



system to improve loyalty to their service and sales because it can automatically follow up with customers for years on birthdays, anniversaries, service reminders, renewal notices and more, which means it helps with retention, referrals, CSI, and service.

"E-mail marketing is probably the strongest area of our

marketing campaign. With the Web site you get multimedia e-mail, and we've developed a 90-day campaign of e-mails that go out to people - if we don't get contact with them," said Paulson

Much of the content provided in their e-mails are basic tutorials on topics like buying versus leasing, how to value your trade-in, and more. These tutorials provide information that in-market buyers and recent buyers find interesting and relevant, which is a great way to stay in front of the customer for 90 days in a way customers find helpful, rather than irritating.

"It's very nice for customers to have these multimedia e-mails, where all they have to do is click 'play' and off they go," said Paulson.

## A Work in Progress That's Working Well

To Katz and Paulson, the new Web site and CRM tool are works in progress. They're determined to stay ahead of the curve and keep up with the best technology that's out there. As for how these works in progress are progressing, they're quite pleased. According to Katz, "This new site and CRM tool have really helped us take the Internet department of the dealership to the next level." **ADM**



About a year ago, Internet Sales Director Michael Paulson (left) and Operation System Director Ron Katz (right) decided it was time for the Schumacher Auto Group to upgrade its Web site and turbo-charge its online marketing strategy.