

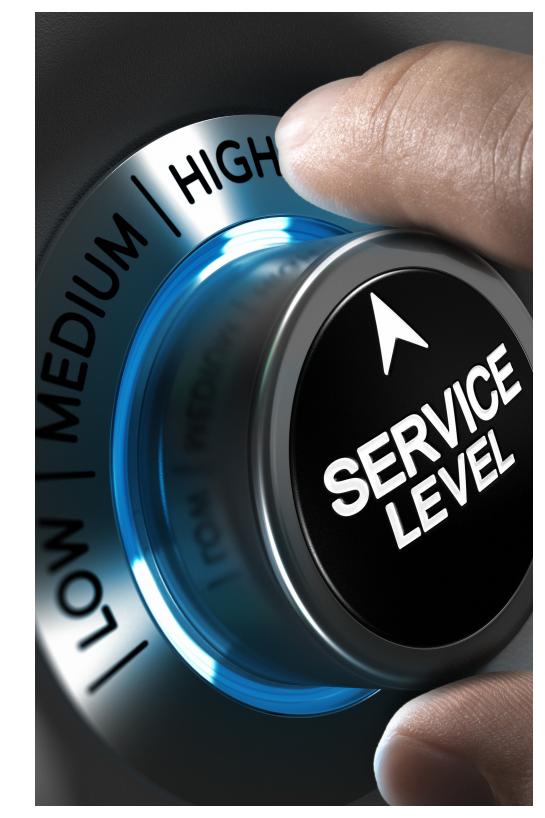
BUILDING RELATIONSHIPS AND INCREASING CUSTOMER RETENTION IN FIXED OPERATIONS

When it comes to maximizing profits in fixed operations, a large portion of this is influenced by the relationships you establish with your customers.

Simply thinking of buyers in terms of "one-time" purchasers just doesn't cut it when it comes to hitting the sweet spot of a 100% + absorption rate.

Being able to reach this percentage means that the gross profit from your Parts and Service departments is enough to cover the operating expenses of the dealership, in addition to all other costs (like salaries and fixed expenses).

One of the best ways to maximize your profit margins is to increase the number of repeat customers you get – whether these are people visiting your physical dealership for maintenance or online parts shoppers.



REVOLUTION PARTS

COMMUNICATION IS KEY

A major area contributing to your fixed ops profit is the service department. Once you make a car sale at the dealership, your buyer is provided with a select number of warranties that allow them to get discounted (or free) service and maintenance for a period of time.

With these warranties, it makes sense that the buyer is going to return to your dealership to get their vehicle serviced. Once they expire, they may not find it as convenient or cost-effective to return.

Keeping this in mind allows you to take the steps necessary to remain in contact with these customers, even after the warranties run out.

One of the best ways to maintain relationships with customers beyond the warranty life is to establish connections before this happens. This means maintaining regular communication with your buyers by reminding them of upcoming service needs.

While warranties may cover some repairs, routine maintenance, such as oil changes or other basic needs, likely won't have the same coverage.

Reminding your customer of these services that you offer will encourage them to keep up on their vehicle, and you can easily get them in the door by offering a discount on their first maintenance service (like the oil change) – or even better, giving them the first one free. You can send these reminders with text or email updates that feature the offer.

By providing efficient service and proactively communicating important maintenance needs, you can get customers in the door that may otherwise shop around for a deal or forget that they have service coming up.



REACHING THE ONLINE MARKET

Now that you know some tips and tricks for bringing people back to your dealership for repairs and service, we are moving on to an area of untapped profit potential: parts and accessories. More specifically, moving the sales of these items to the online market.

With digital channels expected to influence nearly \$138 billion in parts and accessory sales, according to research from Hedges & Company, it only makes sense to establish an online presence.

The research also indicates that 93% of auto parts buyers do online research before making a purchase. Regardless of where the purchase takes place (in person, or online), remember that the Internet and the ability for people to get instant information influence where potential customers buy from.

Since the digital market is expected to do nothing but grow, taking parts sales online is a great way to get ahead of the curve and establish a customer base before the market gets overly saturated.

Much like building relationships face-to-face at your dealership's parts counter, the key to success in selling online is to earn repeat customers. When there are countless different channels they can turn to, you have to stand out from the crowd.

One of the best ways to reach customers is with marketing. Using an eCommerce solution like RevolutionParts gives you the ability to use some of the built-in marketing tools with the option of expanding and paying for additional services.

As we mentioned in relation to your service department, reaching out to customers to remind them that you're available is important. There's a couple of ways to do this in the online sphere:

- Abandoned cart saver emails: if you notice that a customer put items from your website into their cart and then left the page, following up with an email reminding them what they were looking at can be effective. You can even include a promotion that gives them a greater incentive to come back!
- **Promotion Codes:** sending out emails whenever you have a sale or promotion on your website is one of the most effective ways to earn a buyer's interest. Offering free shipping or a certain percentage off a minimum order will make you more enticing than your competitors.

These are just two marketing strategies that you can utilize on your own. Of course, there are more advanced methods to help you increase your standings in search results, implement effective advertising, create more advanced email campaigns to reach buyers, and much more. These marketing services are worth looking into once your store is up and running.

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GETTING STARTED

Now that we've discussed how to build relationships with customers at both your physical dealership and online, you're probably wanting to get started right away.

Of course, you can start by putting into practice the tips for your dealership's parts and service departments to communicate with customers in your area and start the process of establishing those connections.

When it comes to the online world, partnering with an eCommerce solution to get your online parts store up and running just makes sense. Sure, you can dive in yourself – but when you have the opportunity to share some of the legwork, why wouldn't you?

Tap into the earning potential by expanding your business. Here at RevolutionParts, we have sold over 571 million parts through our platform since 2013.

Want to learn more before diving in completely? We understand. Click here to see a demo of the #1 Parts eCommerce solution for your dealership.

Get Started Today!

Of course, we understand if you want to try before you buy – which is why we have demos available. Click here to see a demo of RevolutionParts, the #1 Parts eCommerce solution for your dealership.

REQUEST A DEMO

About RevolutionParts

RevolutionParts achieves simplicity by dramatically streamlining the work involved with running an online automotive parts business.

One of our core beliefs is to provide our partners with the right set of integrated tools that will cut down on unnecessary and tedious back-office work, manual data entry and reentry, and allow our partners to focus on growing online parts sales.

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