

# CAR DEALER

Profit Making Secrets for the Competitive Dealer

## INSIDER

September 12, 2005

## Dealers turn to e-mail outreach to retain customers

### “Buy Signal” provides immediate leads, insights on customer preferences

There’s a trend among dealers to use third-party services to send customized e-newsletters to customers that do more than tout sales and service specials as a way to boost long-term loyalty. “It’s a way to keep yourself in front of somebody and it’s not junk mail,” says Steve Knodle, e-commerce manager for Fletcher Jones stores in Chicago. Knodle is using a custom e-newsletter service from iMakeNews, Inc., a Newton, Mass.-based company that helps businesses with their online loyalty strategies.

The service, which costs \$500 for an initial set-up and \$500 per month per store, enables dealers to send a monthly e-newsletter to customers that features a blend of lifestyle and dealership-specific articles. In addition, the newsletters feature interactive buttons that dealers can customize to offer customers instant options to schedule test drives, schedule service appointments or view units in your inventory.

Dealers who use the service say it provides several benefits:

- **Instant, close-friendly leads.** Eric Richards, who handles the e-newsletter outreach for Bernardi Auto Group, Framingham, Mass., says the group’s initial e-newsletter last month went to about 3,000 customers and generated a handful of instant requests from customers to test drive a new Accord, which was featured in one of the newsletter articles. “It did better than we thought it would do,” he says. Brian Epro, a marketing exec for IMN, says dealers receive about a half-dozen “buy signals” from customers from each monthly newsletter they send. Those leads typically have a better closing ratio because they come from customers who’ve expressed a keen interest in working with your store, he says.
- **Measurement of customer preferences.** IMN provides dealers with stats on customers who are reading the newsletter, the content they like best and the number of leads each newsletter generates. Steve says about 30 percent of Fletcher Jones’ e-newsletter recipients read the articles with few opt-outs.

Of those, about 25 percent consistently click for more information on store specials and events, such as a Ride and Drive to promote new Mercedes-Benz models. The newsletters enable click-throughs to dealer sites, which can provide data on content that’s most important to customers. For example, Epro says dealers typically see the greatest interest in new/used inventory, followed by special coupons for service and parts. ■