

A yellow tracked excavator is shown in a quarry setting, with its bucket raised and positioned over a large pile of grey and tan rocks. The excavator's tracks and body are visible on the left side of the frame. The background shows a clear blue sky and more rock piles.

Crushing The Four Barriers To Dealership Growth

Barrier #1: Finding Your Next Customer

In today's landscape, finding your next customer is not as easy as it used to be. Email marketing is simply not cutting it. What makes matters worse, the poor condition of your customer data provides limited visibility and insight into your customers and their buying profile.

The result of bad customer data is an unhappy customer. Now not only is your business unable to communicate current data effectively to potential new customers, but your install base is at risk. When data is spread across sales spreadsheets, non-integrated systems and other applications, there is no way to know which data is most current, accurate and reliable. Abandonment figures rise as potential customers find other dealerships that don't waste their time and better predict and understand their needs.

Acquiring new customers is critical for businesses that want to scale, and retaining customers is key for steady revenue growth. Effective sales teams require readily available data, at their fingertips, that gives a snapshot view of key information of potential and current customers.

SUMMARY:

Starting a dealership can be hard; growing it can be even harder. Poor customer data, manual or broken processes, and lack of end-to-end visibility empowering employees to make insightful decisions are common themes impacting dealership growth. These barriers hurt sales, cost money and create risk.

Four common barriers impacting dealership growth are:

- Finding your next customer
- Disparate Back-Office Systems
- Visibility
- Building A Winning Team

Here we share not just the barriers impacting dealership growth, but also approaches leveraging technology specifically designed for Heavy Equipment and Truck Dealers to modernize the customer experience and optimize sales, marketing, finance and service operations.



Barrier #2: Disparate Back-Office Systems

Standalone dealer management systems are designed to automate a limited set of core functions. As a result, it limits how dealerships can run their operations. As businesses grow, they must adapt their processes to fit the application, rather than having the system scale and accommodate growth.

The key to business growth and success is greater transaction volumes, speed and a great customer experience. Achieving full audit trails, rich business planning, reporting and automated processes requires adding systems and constantly engineering short-term quick fixes. Patching together multiple systems, and even most DMS systems, simply can't handle strong financial controls, better CRM features and real-time reporting, not to mention support for more complex processes, such as Multi-company/Multi-lot Management, Customer Loyalty Programs, and Parts Inventory Control.

Running complex business processes across areas such as financial management, vehicle management, service and parts inventory management is not possible with disparate systems. Management teams will save time and can report more accurately when these functions run simultaneously in a single, unified system.

Barrier #3: Visibility

Most systems were designed for an era when dealerships could wait until the end of the month to get the data they need. That's not the case today—consolidated views and up-to-the-minute reporting can mean the difference between thriving and barely surviving.

Unable to quickly and easily drill down into the details and potential variances, there is no way to discern how your dealership is performing. You likely have no way to compare actual performance to strategic plans to quickly alter course, hit the brakes or rev up the engine. Your Excel spreadsheets reveal very little, or worse—the wrong information. For example, owners/dealer principals want visibility into both in-quarter activity and performance versus expectations, as well as a view of how that short-term performance aligns with longer-term strategy. Without visibility, there are only generalized guesses that lack actual measurements.

Leadership must have access to transparent, real-time performance data to analyze and compare to strategic plans. They must be able to take the pulse of KPIs and other measurements to accurately and confidently describe how much gross profit the dealership is making today (or losing) and likely to generate tomorrow. Such descriptions also need to be both comprehensive and specific. This insight into the health of the dealership significantly improves the quality of your decision-making and increases the company's value.

Barrier #4: Building A Winning Team

You are only as strong as your weakest player—even when it comes to internal systems. In the current landscape, the functionality to successfully manage your teams and departments is missing for many dealerships. Not only does this create barriers, but also increases manual processes and weakens overall processes.

When service menus, F&I menus, parts invoicing, CRM and reporting sit in different systems,



dealers have very limited visibility into the true status of the organization. The most valuable asset of the business, the workforce, is detached from the process creating lower engagement. In addition, the add on systems to manage the workforce are typically complex, highly customized, difficult to use and expensive to maintain.

By deploying a unified fully integrated platform into the core infrastructure of your business, you equip your workforce with full visibility into all aspects of the business. Teams can complete tasks that matter to them more quickly, and gain access to information that is important to their role and to your customer. This removes departmental barriers and eliminates repetitive and manual processes. The leadership team can visually see where the gaps and constraints are and focus on improving the processes which lead to higher customer satisfaction, higher employee satisfaction and increased growth and profit.

Conclusion

Running a growing business means you face many unique and distinct challenges. But there are also some serious competitive advantages.

Speed, flexibility and ability to change are hallmarks of the best run growth companies. Leveraging those capabilities are key to overcoming any barrier to growth. A dealer management system should always be an enabler, not a limiter, of your business strategy and goals.

If your growing business is experiencing any of these challenges, such as poor customer data, manual and broken processes, minimal visibility to reporting necessary to make decisions, or building a winning team, now is the time to consider deploying a modern, fully integrated cloud-based DMS. Leveraging our Velosio team allows for more efficient and effective business operations— essential for growing and scaling an organization.

Our DMS solution is built on industry-leading, cloud technology—NetSuite and Advectus. It's dramatically changed the nature of communication across the organization and with customers – providing you a single, unified platform with a single common data repository. Advectus DMS functionality is built directly into NetSuite and provides state of the art in business automation, giving dealerships the tools needed to stay ahead of the competition and to seize new opportunities as they emerge and grow.



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