



# CUSTOMER RELATIONSHIP MANAGEMENT SOLUTIONS FOR EFFECTIVE CUSTOMER & DEALER MANAGEMENT

## Abstract

Large numbers of OEMs / auto manufacturers are looking for integrated ways to manage their customers. There is a growing need to be customer-centric and to focus on goals of improved customer communication and connection. With these needs, there is a mounting need to have systems that will facilitate improved interactions between the OEMs, dealers, and customers.

This paper discusses a perspective on the driving factors influencing the need for a dealer management or Dealer CRM and the key functionalities that can be leveraged to address these. A perspective on the challenges in this journey along with potential benefits to all parties involved in the processes is also indicated. The paper attempts to highlight how any best-of-breed CRM packages in the market, can be leveraged to address the needs of a comprehensive dealer CRM solution.

## Background

Vehicle manufacturers and OEMs are certainly looking for a solution to better manage customers and their relationships. This management of customers is twofold.

- The dealers or distributors of the vehicles / products are the customers of the manufacturers / OEMs – their experience and relationship need to be managed
- The end customers or final buyers of the vehicles / products need to be managed by both the dealers, who are in direct contact with them, as well as by the manufacturers / OEMs who are in contact with the dealers

In the competitive vehicle market for all land and marine vehicles, dealers and manufacturers are continually looking for

new ways to form stronger, longer-lasting relationships with their end customers. Sales and service teams are increasingly looking for access on-the-go, to track information from customer interactions immediately, with no lag in data capture. Mobility and omni-channel access have thus become very important.

Dealers in the current global market scenario are constantly seeking a new-age tool to support the entire life cycle of the vehicle, right from vehicle / product sales (including associated finance or insurance products) to after sales services, support, and everything in between. They also envision this system to be used to drive sales of parts and accessories, general merchandise, and service.

Dealers primarily sell only vehicles of one manufacturer / brand and related products in their dealership. However, some dealers do carry a variety of other brands in the same physical store. These multi-line dealerships rely hugely on multiple systems today to differentiate across lines, as well as to have better-designed customer management for each brand.

This gives rise to the need for an integrated solution to manage customer relationship across the manufacturer / OEM, and the dealerships, which for ease of usage we can call a “Dealer CRM solution”.

## The need for an effective dealer CRM solution

Different segments of people involved in the life cycle of vehicle sales and customer management, seek different benefits from a single customer management solution. OEMs look for systems that will facilitate improved interactions between dealers and customers. In essence, a means to connect dealers with manufacturers, service centers, marketing departments, financing agencies, registration departments, insurers, and after-market

suppliers, to help dealers deliver an improved and consistent experience to their customers.

The dealers are also looking for a CRM to enable anticipation of leads / customer needs in order to build lasting and profitable relationships, and drive growth. This would certainly benefit both the dealer and the OEM.

The overall customer experience is also something that both the OEMs and dealers seek to improve. A solution that enables benefits to the customer with easier service calls, steady service, and centralized information can easily address the pain points of all the parties involved.

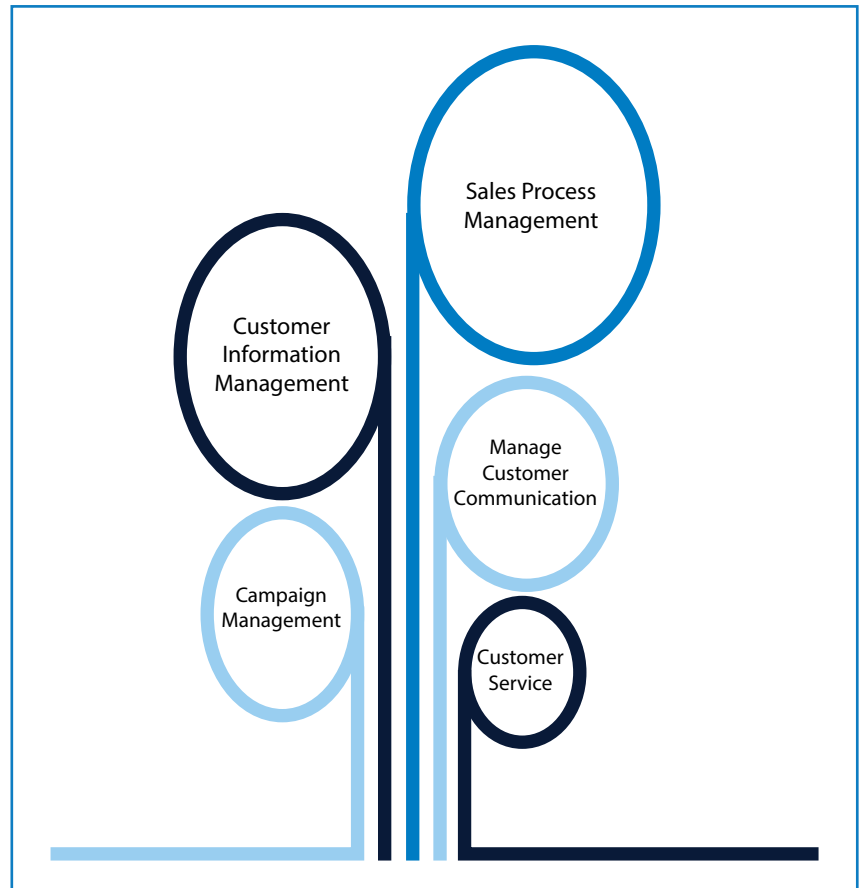
## Key elements of Dealer CRM solution

A dealer CRM like any other should focus on providing a solution that is tailored to meet the needs of automotive businesses. Essentially the key asks from such a solution would center on effective customer experience, building customer and dealer relationship, and eventually facilitate business growth.

The processing, management, inventory tracking, billing, and mastering will be managed in an ERP solution. However, the main aspects of an integrated CRM solution would be the sales, marketing, and services modules that can be used to enhance customer satisfaction and improve dealer processes.

Security Management is an important component that traverses across all processes, to ensure that data partitioning and transaction segregation is maintained across dealerships within a single solution.

The figure alongside outlines five key components of the Dealer CRM solution.



## Customer Information Management

One of the key objectives for any OEM is to strive towards providing great and consistent customer experiences at every touchpoint with their brand / product. The dealers or distributors of the vehicles play a very critical role in initiating, sustaining, developing, and growing this relationship with the customer. The need for an effective dealer CRM solution is largely influenced by this objective. A dealer CRM can be envisioned as a tool to provide the OEMs and dealers with a transparent and holistic view of customer information.

To this end, it is of the utmost importance to provide a complete, easily accessible customer 360° view to dealers. This will enable the OEMs to have a summarized view of their customers even across dealerships, if needed. This also helps the OEMs facilitate the availability of the vital customer snapshots to its dealers, which will help them to make informed decisions and efficiently respond to customer needs. Typically, the customer's uniqueness is per-dealership and even if the same individual is a part of multiple dealerships, she / he may be treated as a unique customer. Based on the access defined by OEMs for their dealers to the CRM, the magnitude and scope of the customer 360° may vary. Multi-line dealerships may have a customer 360° view for specific brands, as well as across brands.

A Customer 360° view is a critical information component providing a lot of summarized information on a single page. It should have a consistent look and feel but can have different elements and detailing. A Sales Manager, for example, may need the ability to view high-level snapshots such as won or lost opportunities summary. However, if they need details on a lost opportunity, they

would be able to drill into them. A sales associate may prefer to view and manage critical items, such as daily follow-ups and appointments. From a solution perspective, the CRM dashboards can be leveraged to provide different levels of detailing in a customer 360° to ensure all the required information is available as a single snapshot, without having to navigate to multiple pages or systems.

Another aspect that OEMs find to be useful for dealer CRM, is loyalty management. Loyalty Programs can be set up to provide functionality that will help marketing teams at dealerships manage data and turn it into useful analytics. This can help them develop broad loyalty plans and rewards that will make customers feel more connected and loyal to the vehicle brands.

## Sales Process Management

In the entire sales process, the OEMs / auto-manufacturers have different ways of selling / promoting their products and do this through multiple channels. Sponsorships, website promotions, campaigns, and events are some of the main methods used by OEMs to generate interest in customers for vehicles and associated products. An important factor to be considered here is that the main channels for execution, essentially, are the dealers themselves, since they are the primary channel for selling these products.

Simplifying the sales management process is thus a major goal for the OEMs. Automation and standardization of the processes will enable this simplicity with consistency in the selling mechanisms. The business process flows need to direct the sales stages to be covered by dealers, from the prospecting stage to the conversion into a sale. This should enable uniformity and completeness. Automated

lead and opportunity assignment, and ease of capture from multiple channels via integrations are the other features that can be used as efficient support to dealers' processes, thereby benefiting the OEM with standardized selling.

## Manage Customer Communication

The OEMs want to ensure that all interactions with the customer are tracked accurately. This may include communications / interactions of OEM directly with customers in a few cases, as well as from dealers to customers. With digital transformation, these interactions also encompass the communication between customers as well as social media / platforms.

Planning of interactions and activity management are two important concepts that OEMs focus on in this regard. One aspect is the tracking of all interactions with the customer and planning of the future interactions, scheduling of follow-ups, etc. The other important aspect is the actual activity of communicating with the customers. The idea is to have a solution that can be used to optimize the efficiency of the sales teams by planning and assigning accurate activities for interactions such as appointments with customers, internal follow up meetings or approvals, tasks assignment to the teams, etc.

The other piece of communicating with customers also needs to be structured and consistent and ensure a brand promise that is in line with the overall branding of the OEM. Providing dealerships and its users with pre-configured communication templates across channels is essential, to ensure the messaging is in line with the manufacturers' requirements.



## Campaign Management

The OEMs want to ensure that all marketing communications are targeted at the right group of customers across different markets. Focusing on brand consistency, the OEMs also run global as well as localized campaigns, targeted at specific groups. Additionally, the individual dealers run campaigns for their customers such as offers on vehicle service, discounts, loyalty programs, etc.

Customer segmentation is a very critical aspect that forms the basis for such campaigns. Especially in a dealer CRM, this functionality can be complex and influential in the success of the campaign. The need here is for a functionality to arrive at multiple criteria and grouping of customers for accurate campaign. Word

Simplification as well as tracking of the overall planning and budgeting of campaigns is another key component from the OEM point of view, to ensure returns from the campaigns that they invest in,

across dealerships. Reuse of campaign information across vehicles / events can also be achieved with planning tasks, templates, and budgeting features. For this, a strong campaign management solution that is easily usable and extendable is the need of the hour.

Campaign response tracking is a feature that allows measurement of the campaign performance and enables links to sales processes.

With the emphasis on social networks increasing, it is important for vehicle campaigns to consider social media, as well, as a channel. The CRM solution they seek needs to ensure social listening and tracking can also be delivered.

## Customer Service

In terms of service to the customers, both the dealers and vehicle manufacturers are focused on consistent and quick responses. Streamlining customer service is key to the customer experience and relationship as this influences the customers' future

buying decisions as well. The features of automated routing of cases, tracking of service levels, and the knowledge base are needed to ensure all dealers have the right responses at the right time.

The customers' need for service work may span across parts, accessories, finances, and many other departments that may not be controlled or mastered within the CRM. However the CRM can be used to process these requests / inquiries / complaints, follow up on these, set up appointments to facilitate the requests, their scheduling, and track them to closure. For this purpose, it is necessary that the CRM is tightly integrated with the other systems or the dealer management system(s) in place, which are used for this mastering and processing.

Achieving transparency concerning service requests or complaints can be attained by ensuring the customer 360° view clearly projects the status of the cases to the service desk and that the responses are accurate.



## Challenges in this Journey

- The decision to invest in any solution is a huge one, and one major challenge with a dealer CRM solution could be whether the dealers will invest in it, or the OEMs, or will it be done jointly
- Once the investment is made sustainable, this solution as well is a key decision, and may require collaboration and co-investments between the OEMs and dealers
- If this is a decision or directive at an OEM level, then focus needs to be on providing motivation / incentives to dealers and their teams to use and benefit from the solution
- Understanding the concept of structure and agility of these processes are mandatory and key to the strategy definition for such solutions to be implemented
- Prior to deciding on this solution, the licensing plans need to be analyzed and finalized as this will also hugely impact the financing of this initiative

Infosys can work with the respective dealers / OEMs and propose options for this transformation exercise to ensure the pros of this solution are well understood, and appropriate steps can be taken in line with the organization's objectives.

## Leveraging the new age digital tools beyond CRM for a robust Dealer CRM Solution

While the core processes can be mapped to any CRM solution, customers can look at extending their investments to include new age digital tools and solutions. Some of the areas in which these can be explored are listed below:

- Enabling a dealer CRM on cloud which can be accessed over the

internet and by a pay-per-use model can save on the infrastructure related investments

- Mobility and multi-device access for sales and service scenarios
- Integration with office productivity tools available on the cloud like O365

- Analytics and BI for projections, performance analysis, monitoring, and control
- Collaborative selling and social capabilities
- Knowledge Management for effective customer service

## Conclusion

In conclusion, the viewpoint indicates that the industry is faced with increasingly complex and competitive factors influencing their processes and management. Identifying and using a tool to manage their processes and increase their value proposition is becoming essential to gain competitive edge, and improve their efficiency to manage both customers and their dealers.

A dealer CRM solution is a concept that is gaining popularity and a tailored CRM solution to meet these needs among OEMs is certainly a focus area for overall customer profitability and business growth.

## About the Authors



**Sachin Bery**

*Principal Consultant, Infosys*

Sachin Bery is responsible for sales and new business development support, vertical solution offerings, alliances, and client relationship management for Microsoft Dynamics services within Infosys Digital practice. He has over 14 years of experience in the industry with the last ten being in the Microsoft Dynamics space



**Rithika Messiahdas**

*Lead Consultant, Infosys*

Rithika Messiahdas is a Lead Consultant with Infosys. She has over eight years of experience in the Microsoft Dynamics space and works on CRM implementations, as well as solutions development.

For more information, contact [askus@infosys.com](mailto:askus@infosys.com)

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