



\$304K

IN TOTAL SAVINGS PER YEAR



\$100K

SAVINGS IN LOANER RELATED
EMPLOYEE EXPENSES ANUALLY



198%

RECOVERY OF MONTHLY FUEL
COSTS AND SERVICE FEES



100%

UTILIZATION, UP FROM 60%
AND TRIMMED FLEET BY 30%

THE GOAL: MINIMIZE EXPENSES AND EXCEEDING EXPECTATIONS

Like most dealerships, loaner management is one of McDonald Automotive Group's greatest expenses on their dealerships' P&L. Leadership recognized the need to manage the rising costs of personnel required to manage the growing loaner operation while delivering exceptional customer service. With a high volume of service appointments averaging 100 ROs a day, McDonald Automotive required a large fleet of loaner vehicles to keep up with customer demand. With that came rising aggregate fuel expenses and increased carry costs of excess fleet given utilization of only 60%.

Even with significant investment in loaner vehicles, the experience fell short of customer expectations. Customers at McDonald Volkswagen and McDonald Vovlo were forced to walk or shuttle to Audi Denver in order to receive a courtesy loaner vehicle. Upon arrival, they were often greeted with long lines along with frustrating wait times and paperwork. Getting a loaner vehicle could take up to 30-40 minutes at peak times. To compound matters, the system McDonald was using at the time made it a challenge for personnel to work efficiently. Without access to real-time data on fleet inventory, it was difficult to pinpoint available vehicles, track open contracts, or recover fuel costs once a car was returned.

THE SOLUTION: DIGITIZING THE LOANER MANAGEMENT PROCESS

Audi Denver saw a unique opportunity to use Dealerware to revitalize their loaner program and turn a complicated, expensive segment of their business into a profitable, customer centric operation. Each vehicle was configured with a Connected Car Device; the vehicle's real-time vitals (like fuel and mileage) and make-model information uploaded seamlessly onto the Dealerware platform. Audi Denver's loaner agreement was digitized and they were able to easily customize and simplify the contract process into a mobile experience.

With all information stored digitally, the Dealerware dashboard became a single destination for Service Advisors and Managers to track fleet inventory, customers, financials, and personnel performance. The Connected Car Device



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CHRIS COXALL, FIXED
OPERATIONS DIRECTOR

powered a GPS enabled fleet map with the exact location of each vehicle on the lot. Users could elect to view the status of both available and unavailable vehicles and surface up to date information on which loaners had been returned, were ready to loan, or were in prep.

The Dealerware app provided a simple approach to getting customers on the road fast. Greeting customers with an iPhone or tablet, Service Advisors credentialed customers by quickly and securely scanning their driver's license, insurance, and credit card. Customers were able to digitally sign the contract and receive a link to the full contract via text message. The Connected Car Device automatically tracked mileage and fuel usage throughout the length of the loan, allowing the dealership to accurately bill customers upon return of the vehicle without any additional effort or paperwork.

THE RESULTS: SIMPLICITY LEADS TO SAVINGS AND SATISFACTION

By transforming the loaner management process into a completely digital experience, Audi Denver was able to dramatically reduce resources and man-hours required to manage the lot, process customer contracts, and track related expenses. With the time saved, the dealership was able to fully repurpose 6 full-time employees and is now saving \$100k annually with fewer people needed to run the loaner program.

This paved the way for decentralization of loaner management from an off-site location into each of the three service departments. Improved customer experience was the primary benefit of the move, explained Chris Coxall, Director of Fixed Operations, "We now know that when customers have a consistent, single point of contact throughout the service experience there is a significant boost to CSI. We've seen the increased productivity of our team translate directly into happy customers."

Access to real-time data meant dealerships could proactively manage fleet inventory and increased utilization to 100%. With the added efficiencies in place, Audi Denver was able to overcome density challenges and capitalize on savings by trimming the fleet down 30% while maintaining the same number of ROs. Ultimately, greater productivity and streamlined workflows led to a \$204k savings, propelling Audi Denver to reach their goal of controlling costs while providing outstanding customer service.