



Customer Retention Management

Amazon type of Customer Retention Management



- Red and blue ocean marketing concept
- Popularized by academicians W. Chan Kim & Renée Mauborgne

From their website




WHAT ARE RED AND BLUE OCEANS?

The market universe is composed of two types of oceans: **red oceans** and **blue oceans**


WHAT ARE RED OCEANS?

Red oceans are all the industries in existence today – the **known** market space.




WHAT ARE BLUE OCEANS?

Blue oceans are all the industries not in existence today – the unknown market space.




WHY DO WE CALL THEM RED OCEANS?

Cut-throat competition in existing industries turns the ocean bloody red. Hence the term '**red ocean**'



WHY DO WE CALL THEM BLUE OCEANS?

Unexplored and untainted by competition, '**blue oceans**' are vast, deep and powerful in terms of opportunity and growth.



Red ocean marketing



- Ideas in existence today
- The known market space
- Boundaries are defined
- Companies try to outperform their rivals to grab a greater share of the existing market
- Cutthroat competition turns the ocean bloody **red** - hence the term 'red' oceans

Blue ocean marketing



- Ideas not in existence today
- The unknown market space
- Unexplored and untainted by competition
- Like the 'blue' ocean, it is vast deep and powerful in terms of opportunity and profit growth

Differentiating your company



- Most dealers offer market prices and similar services and products as local competition
- The customer retention management solution as followed by AMAZON comes down to **differentiating your company from the competition**
- Most customers buy by necessity with decisions based on:
 - Perceived value
 - Convenience
 - Predictable results
 - Feeling of personal interest by the merchant in THEIR vehicle's problems

What it comes down to



- Establishing a human interaction bond based on

1. Customer perceived personal relationship to your company

Historically accomplished with your contact to them through social media and emarketing

2. Efficiency of their time

Everyone today is time sensitive

Example: How Amazon operates under those principles



- Predictable user experience - check !
Consistent website screen design - easy to find the area of interest
- Personalized independent data access - to past purchase history - check !
Easy to see purchase history
- Gentle reminders on future purchase needs - check !
Text message reminders
- **Personalized contact** - sharing fellow purchaser's views on the product - check !
! - a communal bond - testimonials
- Most importantly - **SIMPLE way** to make the **next purchase** - check !
Quick and easy to 'buy again'

The question is



- How to independently empower **BOTH** your sales counter staff AND your customers
- To embrace a 'Amazon' type of long term relationship
 1. Replicate that Amazon like experience with your customers
so as to tether them to your shop, for future vehicle service work
 2. Retain your best 'customer facing' sales counter employees for that continued personal customer relationship
where employee loyalty today at the retail level is at its lowest point since tracking

Using **red** ocean marketing



- Typically a 'shotgun' **broad market** approach
 - These should already be on your list
1. Customer contact post sale
 - A. direct mail
 - B. text messaging
 - C. print/radio media
 - D. social media and Emarketing

Using red ocean marketing continued



2. 'Point of Sale' information tools - during the sales counter contact

employ your sales counter staff to establish a customer relationship

It comes down to more than just social media and Emarketing

Here's how to personalize the experience

Using **red** ocean marketing continued



- A. Automatically process - 'estimates' and 'service operation declines'
 - Personalize sales counter reminders
 - on 'estimates' and 'service operation declines'
 - record that info to use as a reminder on the next visit
 - to your location or any other location in your store chain
 - When a new order is setup:
 1. Notify sales counter person of previous decline(s) and unfilled 'estimates'
So they can 'ask' for the opportunity to do the service now
 2. If past quote is now approved - give them the option to **automatically**
 - a. Recover **all** or **selected** line items from a selected previous estimate
 - b. User **original** 'sell\$' or **update to the latest** 'sell\$' to the current value for the item
 - c. Create a complete **comment audi trail** in both the current order and original estimate

Using **red** ocean marketing continued



B. 'Ask' the customer to setup a future appointment for routine service

- Ask for the next routine service appointment date -

Setup that appointment at the same time there now ..

- Have system automatically text a reminder a week, then a day, then AM of that date/time

Exact parallel to dental office practices

Using red ocean marketing continued



C. Setup a vehicle service 'follow up action' (VFSA)

- Based on customer interaction
- Setup a future 'call to action' based on a comment from the customer
- Type of contact
email, text, call
- Date/time - ## days
- Topic specific

By example: contact me at the end of the summer before school starts - to get that brake service

Using **red** ocean marketing continued



4. **Visualize** customer data for the sales counter person

- Embed **artificial intelligence** with **predictive analytics** to *visually* present past customer contact history
data in **charts/graphs** form for easy analysis
- use **one-click** access to
eliminate time wasted to manually analyze numbers to give customer purchase direction

Using red ocean marketing continued

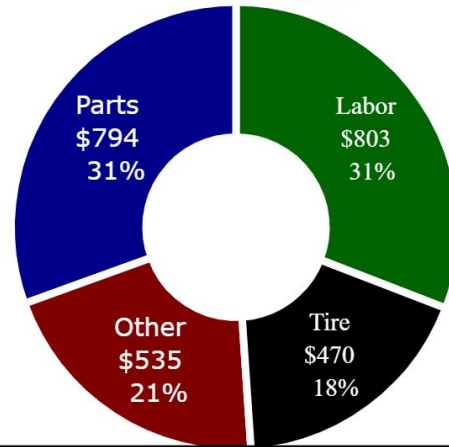


ARTMAN/ DAN
'08 FORD ESCAPE - Lic:5204
Parts/Labor/Tire | By Sales (\$)
 From 08/25/18 To 08/25/21

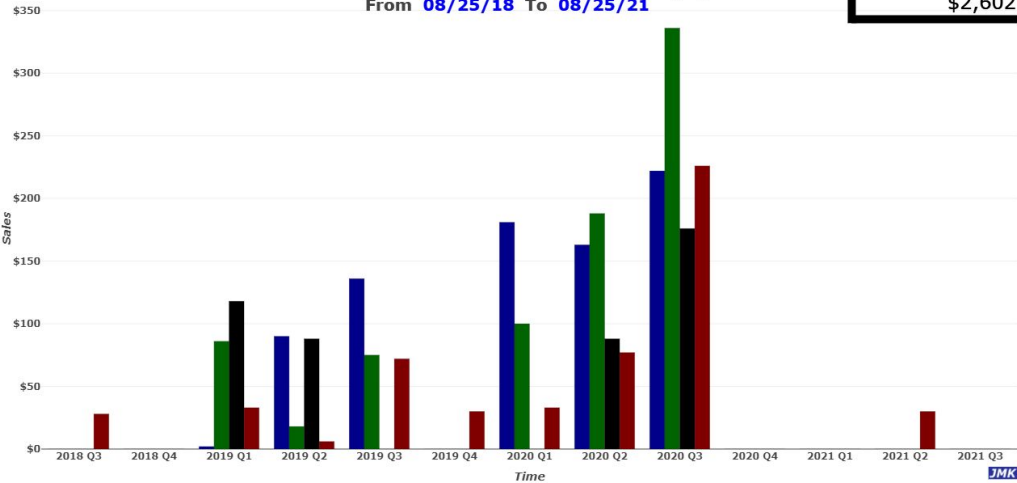
| | |
|--------------|----------------|
| Parts | \$794 |
| Labor | \$803 |
| Tire | \$470 |
| Other | \$535 |
| Total | \$2,602 |

ARTMAN/ DAN
'08 FORD ESCAPE - Lic:5204
Sales (\$)
 From 08/25/18 To 08/25/21

- Labor
- Parts
- Other
- Tire



Total Sales (\$)
\$ 2,602



JMK®

JMK®

Using red ocean marketing continued



5. Track relevant customer 'comments' - so as to establish future personalized customer contact
 - A. **Temporary** comments
 - related to **an item or one order**
 - like relative to a warranty void on a tire repair
 - related to that one order itself
 - like will pick up vehicle at 05:30pm
 - B. **Permanent** comments
 - Related to the **vehicle itself**
 - like by example: 'mag wheel key in center console'
 - information you want to pass off to the service tech on the next visit

Using **red** ocean marketing continued



- Permanent comments related to the **A/R account**
Example: for a pizza delivery fleet
'talk to John S. for approval'
- Permanent comments related to the customer **personal profile**
pick up on any specific details they provide on their personal life
so you use those to reestablish the bond when they return
- Example: 'my son John, is off to 1st year @ ABC University'
next time they contact you for service
say 'by the way, how is your son doing @ ABC University'

Just like how where you will search Amazon for a baby carriage and for the next ten days you will see Amazon pop ups ads for baby related products

Using red ocean marketing continued



6. Social media and Emarketing

- Standard chat rooms and website presentations
- But desktop pc time is now replaced from smart phone access

And that is where we get a creative new idea...

Using **blue** ocean marketing



- Introduction of a new **blue** ocean creative marketing idea
- Tether your customers to your company
- And crossover an **Amazon** like customer experience into the tire and vehicle service market
- [Service//SMART](#) personalized cell phone marketing

Using **blue** ocean marketing continued





- [Service//SMART](#) involves
 - placing a QR coded sticker on the vehicle windshield
 - QR code acceptance is here - with the radical shift of most restaurant menus and because smartphones are ubiquitous where pandemic isolated folks are conditioned to that single info source
 - showing the customer how to access their vehicle service data
 - directly from their smartphone and make the next appointment!
 - all without needing to call the dealership

Service//SMART Sample Placard

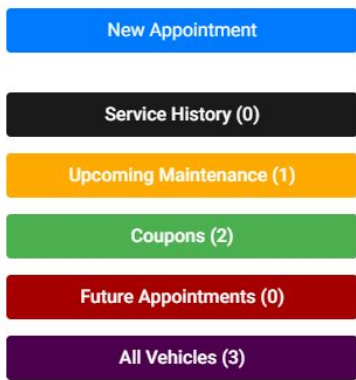


Scan Window Sticker... To Get Connected

See your vehicle's
service history,
maintenance
schedule,
and coupon specials
using

© JMK



| |
|--------------------------|
| New Appointment |
| Service History (0) |
| Upcoming Maintenance (1) |
| Coupons (2) |
| Future Appointments (0) |
| All Vehicles (3) |

Using **blue** ocean marketing continued

- Benefits

1. Embedded **artificial intelligence** (AI), presented as **visual data** using predictive analytics

present personalized data in an interesting/creative *visual* format

to catch the fleeting attention of a less than motivated 25-45 year old audience

So we use [Service//SMART](#)

A combination of smartphone, QR code access, and AI to tether your customer to your business

Using **blue** ocean marketing continued



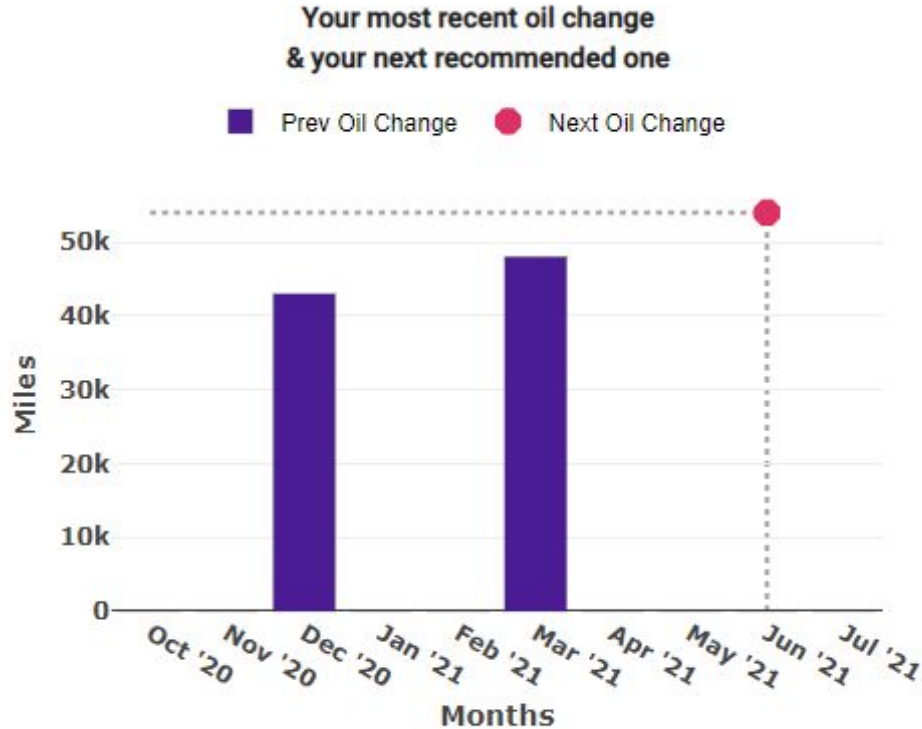
2. Predict the need for their next service

based on past driving activity extrapolated to the current time line

and then ASK for the business

Let's look at how Service//SMART does it

How Service//SMART shows them their next service



Using blue ocean marketing continued

3. Establish an easy way for the customer to make the next service appointment

Here is what the cell phone screen first looks like

New Appointment

Schedule your next appointment now

1 Vehicle: 2016 MAZDA CX-5 IL

Vehicle *

2016 MAZDA CX-5 IL

Continue

2 Locations (5)

3 Services

4 Date and Time

5 Preferred Pickup time

6 Review

Try [Service//SMART](#)



Scan the provided QR code with your phone's camera

