

DIGITAL Dealer

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SONS Automotive Group in Atlanta, Georgia, is helmed by the fourth generation of Nalley men – brothers Clay, Slater, and Street – a family name synonymous in the state with successful car dealerships. Yet the Nalley name is carried on by another dealer group, an irony that helps explain why SONS Auto Group is so successful today.

In the 1990s Jim Nalley, family patriarch, combined his nine car and truck outlets with other like-minded dealer groups in a partnership called Asbury. Asbury inherited the Nalley family name for business purposes, while father and sons assumed roles within the new company. When Jim retired as CEO, the stage was set for the brothers to break out of mid-management and reclaim their destiny as Atlanta's first family of cars. SONS Automotive Group was born.

The choice to eschew the safety of a big corporation for the chance to make their own destiny says a lot about what the brothers value and why they are successful: independence, an intrepid spirit, courage, and confidence. Those traits must be what they look for in employees as well, since that is exactly what they got in Volker Jaeckel. A German native with

the gift of seeing opportunity in every challenge, Jaeckel grabbed the reins of the Sons Automotive e-Commerce department a little over a year ago, and has been steering the auto group to Internet success every since. Combining consistency, persistence, and 'conversation marketing' with a management style that emphasizes process and procedure, Jaeckel is the perfect balance of out-of-the-box thinking and German ingenuity tempered by results-driven realism. Read on to learn more about how he has helped SONS Automotive Group craft a first-class Internet department.

How did you get your start in the automotive business, and specifically in automotive e-commerce?

That is a many-layered question, and the answer really begins with my wife. We met over the Internet when I was living in Germany – where I was born and raised – and she was living in Michigan. I like to say it was my destiny to find a career with the Internet! I traveled back and forth to Michigan many times and then we decided to get married and I moved for good. I arrived in September 2001 from

Germany with two boxes of books and a suitcase, and our new life began.

When I arrived in the states I had a consulting assignment with a German company that needed help with their American branch. Then the horrible tragedy of 9/11 happened, our economy took a big hit, and my company could no longer afford to employ me. Here I was just married, with a baby on the way, no American degree but German BA degrees in marketing and business, and with a thick German accent. My schooling and job history in Germany was in sales and marketing, so I put all my energy into marketing myself as my own brand. My name is unique in that many Americans cannot spell or pronounce it, Americans liked and commented on my accent; what was the best way to capitalize on these characteristics? Sell German cars. I called a local dealership specializing in German brands and persuaded one that it made sense to have a German native, with a strong German accent, selling true German cars – BMW, Mercedes, and Porsche. I started selling and within eight months was in the top 20 in CSI

recognition for three regions and the top salesperson for the auto group. This was in 2002 when many dealerships did not understand the power of the Internet or what to do with Internet leads. I volunteered to handle all these Internet leads and made Internet sales my niche and specialty.

As my automotive career was taking off my wife and I experienced a great tragedy: our son passed away at the age of four months. With all of the sadness and turmoil we decided we needed a change and moved to Arizona. I worked my German sales skills there for Chapman BMWs as Internet director under Dan Berry and for Schumacher Mercedes-Benz under Michael Schumacher – two top organizations in the country. In 2006 my family and I decided to move to the Atlanta area where I came into contact with Slater Nalley, whose family and Harvey Jackson had just opened a new Acura dealership that needed sales staff. I did well selling on the floor and they asked me to help with the Internet department which was not performing at all. My guarantee was that I would triple Internet sales in less than 90 days, and I did just that.

Eight months down the road I received a phone call from Slater Nalley. He asked me if I could help the Nalley family with the development of an Internet department at his brothers' BMW and MINI franchises. They had tried numerous processes and nothing had worked so far. I met with Clay Nalley, the oldest son of the Nalley family and president of the SONS Automotive Group. We clicked. I put my strategies and ideas in place and went to work with the promise to put the BMW/Mini on the "map" and to make them a successful Internet sales department. I built the department from the ground up, with complete support and trust from Clay Nalley, and sold 40 cars in a month compared to a maximum of 15 cars in a month before my arrival. I am now one year and four months into my current position as e-Commerce director for SONS Automotive Group.

Please tell me more about SONS Automotive Group and your Internet department.

I oversee Internet activities and

digital marketing for all of the SONS Automotive Group's nine franchises and supervise between 16 and 18 employees. The dealerships include two Honda stores, one BMW, one Mini, one Acura, one Suzuki, one GMC, one Pontiac, and one Jeep store. Overall, 30 to 40 percent of dealership sales come from the Internet.

Please tell me your process for soliciting and distributing Internet leads.

My theory is that you cannot have one leads strategy work for every store. I figure out what is the best recipe for each location, depending on demographics and brand, and continually troubleshoot to find the best strategy. For example, I use Dealix at our Honda and Acura location, but not at BMW. They work well for one location, but that does not mean they work well for every location. I consider it working like a surgeon, figuring out in each situation what to do next to get the best results.

Once a lead comes in, we employ a round-robin system and from there our follow-up process is easy. The first thing that happens is an auto responder message goes out to the customer. The assigned sales get a phone alert, and then they try to reach the customer via phone within ten minutes. If that does not work, within 20 minutes they send an e-mail explaining that we are getting them the requested information and/or quote. In less than 50 minutes, the customer receives a quote. My policy is to always send a price because if you don't, the customer assumes you are hiding something, and you are marked automatically as the "highest price". If after sending the quote the customer still does not respond, the sales associate makes one additional follow-up call that same day. The next day the sales associate will attempt to contact the customer twice again via phone or e-mail. If after the fifth day of this kind of follow-up the customer still does not respond, he or she is placed in our automated response process which means that over a period of 89 days they receive nine pre-defined e-mails. With a 40 percent hit on target, we'll receive an answer from the prospect after the fifth or sixth e-mail. The customer either thanks us for following

up and schedules an appointment, or tells us they have already bought a vehicle. At that point, as long as the customer never opts-out of e-mails, they receive bi-monthly e-mails detailing a dealership promotion or fun car facts. And this works! Just recently I received an e-mail from a customer who bought from another dealership two years ago. He's back in the market and e-mailed with an inquiry. It pays to keep in contact with all prospects and customers.

What tools or lead generators work best on your sites to pull in leads?

BlackBook online and our interactive chat/IM service are considered the best lead generators for us. Also very successful are our 'call to action' buttons that I create. Since I started creating my own buttons, instead of using those supplied by our web site provider, we've recorded a 15 percent increase in button clicks. I also think the structure and easy navigation of our sites pull in traffic. Plus, the visuals we offer really stand out. I put a lot of time into finding exceptional vehicle images so our sites always look different from our competition. The site modifications I've made since being here show terrific measurable results. A little over a year ago traffic to our BMW site was approximately 4,500 visitors per month. It is now at approximately 7,800 visitors per month. Our Honda site went from about 1,100 visitors a month to 3,800 a month. The stickiness and duration time a visitor spends on our site has increased by more than 12 percent.

Do you use search engine marketing (SEM) to generate traffic to your web sites?

We definitely invest in search engine marketing with search engine optimization and pay-per-click advertising. The biggest thing I've done is start a blog called 'BMW of South Atlanta Weblog' with a link to and from our dealership home page. It is a combination sales and news site with informative articles, photos, news feeds, etc. I have been blogging for four months and already have 8,000+ readers. I cannot tell you if we have sold a vehicle because of the blog, but we are creating web site and

Dealership partners in profit:

Dealership name:
SONS Auto Group

Web site URLs:
<http://www.sonsauto-group.com>

Web site provider/hosting:
Reynolds Website Solutions

Web site vehicle photos taken by: Netlook / AutoUpLinkUSA

Vehicle marketing:
Netlook

DMS provider:
Arkona

BDC software/vendor:
Webcontrol.AVV

CRM program:
ProMax

Online lead generators not including the OEM sources:
Autobytel
Dealix
Edmunds.com

Vehicle history reports:
Carfax

Vehicle valuation tools:
Black Book
vAuto

Third-party sites where inventory is posted:

Autobytel
AutoTrader.com
eBay Motors
Vehix
Craigslist

brand 'stickiness' that is very powerful for our marketing. With a constant approach of "intelligent SEO" we are able to get Google and Yahoo search engine rankings high up on page one, instead of a ranking of 18 on the second page, which is where Sons Auto Group ranked before my arrival. We further integrate micro-blogging tools into our digital marketing mix, so that BMW or Mini enthusiasts can follow and stay in frequent contact with us.

My approach is called 'conversation marketing' and it is very powerful. I'm establishing us as an expert in the space and a reliable source for vehicle information and news. Similar to a "circle of trust", the tools I am integrating in my dealer group will help each franchise and prospect to connect, whenever they want. Nothing is intrusive; everything is totally permission-based. This is a gentle way of influencing buyer behavior.

How do you use e-mail campaigns to generate leads?

We do e-mail campaigns twice a month to prospects. Exactly one year ago, in February of 2008, we did one of our most successful campaigns, cheap! At that time President Bush had just come out with the idea of sending 'stimulus checks'. The word "stimulus" was new, and the idea was as well. So I created an e-mail template, most likely looking as a stimulus check in conjunction with BMW's available dealer-cash for the 3-series, 5-series and X5-series. It was called the Presidents' Day BMW Stimulus Package and the design was very simple: we listed the vehicle stock numbers available, included an eye-catching photo, and the line "this is your \$XXXXX stimulus check for a BMW 3-series." We also stipulated that customers must print out the check and bring it to our dealership. The next upcoming days we sold three cars. The campaign took me 20 minutes to create and yet generated a big response.


As an Internet professional, what do you like best about the Internet?

What I like most is the fast paced environment and the constant change. Everything happens so fast it requires us to think in the short term. When you hear about a new tool or trend you have to check it out and decide what to do immediately or it's too late. Long-term goals in the interactive marketing world cannot be defined because of the

nature of the medium and the fact that it is constantly changing. Many in the automotive industry are stuck in antiquated, long-term thinking and it just does not work anymore. The Internet is a 10.5 on the Richter scale because it is an enormous change from traditional vehicle advertising and selling, so many in the industry just didn't see it coming. But it is coming and whoever is not on board now will be obliterated. I always like to refer to the dinosaurs, they did not see it coming either; and we know what happened to them.

What do you think most sets your dealership apart from your competition?

I think it is a big advantage that we are a family-owned company. We don't have a lot of overhead or layers of administration to navigate when implementing new campaigns or programs. This allows us to react very fast to obstacles, challenges, or changes in the industry. This is especially important for our Internet sales department. I have to compliment my boss, Clay Nalley, who gives me the freedom to try new things and follow my vision and believes in what I am doing. Without an open-minded superior, you can't achieve anything!

I also have a very talented team of Internet sales associates who are exceptional at their jobs. My theory is that you hire good people, train them well, and then trust them to do their jobs well. That being said, I also live by a well-known German phrase: "Trust is good but control is better." I am not domineering or overbearing, but I expect my team to follow the processes and I step in when I feel they are not doing what they should. I am a coach for my team. This control and allegiance to process gives us an edge because it ensures we are consistent and persistent when following a lead. I often saw my competition failing in the easiest approaches to follow up with customers. I find that on average an Internet lead will receive three weeks of follow-up e-mails from a dealership, and then maybe one or two for the next month, and then nothing more. There is not consistency in their processes and they don't seem to understand the meaning of the word persistence. The difference is that we are consistent and persistent and it shows in our sales numbers. 

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