

Owner Retention Experience



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Just outside of Orlando, Florida sits City Kia, a store dedicated to superior customer service. The team at City Kia strives to provide each customer with an easy and enjoyable ownership experience. In December 2010, City Kia enrolled in the Kia Owner Retention Experience (KORE), Kia Motors America's multi-channel fixed operations reminder program. Rusty Johnson, the General Manager at City Kia states, "We had a hard time retaining customers. My team would do everything in their power to take care of the customers while they were in the store, but we had no tools to help us follow-up and keep them coming back."

Johnson was originally drawn to the KORE Program because of its ability to automate everyday service follow-up and reminder communications. As he began to utilize the program, he quickly realized it delivered additional, unexpected benefits. "It allows me to identify customers who have not been into the store in nine months or more. The ability to mine our database and identify inactive customers has been a huge component in increasing our customer retention." In January 2012, the team at City Kia reached 94% customer retention.

City Kia also understands the importance of staying top of mind with customers, and one way they do this is by getting involved in their local community. Each quarter they supply vehicles and drivers for the Muscular Dystrophy Association Lock-Up, which helps to raise funds for people with neuromuscular diseases. "We typically raise about \$20,000 for each lock-up or \$60,000 to \$80,000 a year," remarks Johnson. Their charitable outreach doesn't stop there. In November 2011 City Kia hosted a Food Drive to support their local food bank. "We offered customers a \$10 discount on a Lube, Oil and Filter service for donating a non-perishable food item," comments Johnson. He continues, "The drive was a huge success!" This campaign returned an additional 118 ROs for over \$14,000 in service revenue and 5 vehicle sales.

Although City Kia has been enrolled in the KORE Program for over a year, Johnson's favorite feature is still the immediate customer response from each campaign. One great example is the oil change text campaign that City Kia sent to customers. Johnson explains, "We created a \$29.95 oil change offer that expired in two weeks. From this one text message, we wrote 366 ROs in a 12-day period and generated \$39,000 worth of service revenue! And if you think that's impressive, we have seen an increase in our service revenue by 10% each month since enrolling in the KORE Program by utilizing turn-key campaigns just like this." City Kia continues to utilize one-time text messaging service communications to help increase service traffic during periods of time when business is slow.

In addition to increasing its customer retention and service revenue, City Kia has also moved the CSI needle. "Before the KORE Program, we had one of the worst CSI scores in our area, but now we are trending to be one of the best. We've gone up 248 points in the last six months! Our team has been working very hard to improve our numbers, but with the Kia Owner Retention Experience we are able to see our progress in real time via the program's online reporting Portal," explains Johnson.

City Kia does still use traditional media and marketing in their new car sales department, but they have stopped all service marketing, except what they are doing with the KORE Program. "I have saved about \$30,000 per year on service related marketing by switching to the Kia Owner Retention Experience," states Johnson. He also mentions to his fellow Kia dealers who have not yet enrolled, "if you like spending \$30,000 or \$40,000 extra on your marketing then don't try the KORE Program."

The entire service team at City Kia has been delighted with the results they have seen from this seamless and intuitive program. "Our service advisors love the additional ROs and extra work coming in, but they really love to see the old, unhappy customers coming back to give City Kia a second chance," comments Johnson.

In closing, Johnson remarks, "The Kia Owner Retention Experience is helpful, useful, proven - and it works!"

