



## **NADA 2012 in Las Vegas**

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What a difference a year makes! As NADA has bumped sales target forecasts in 2012, Las Vegas odds improve that dealers will also see profits grow. On top of convention meetings and workshops, attending NADA is also about reducing the gamble with products and services that vendors pitch on the exhibition floor. This year, more than any I can remember, the vendors came heavily armed with technology.

### **Mobile Apps**

Last year, QR codes were the newest technological nod to Gen X, Y and Z. They survived their first year, validating some measure of their utility. This year, mobile apps are giving dealers a low cost way to build customer interest and loyalty. The ubiquity of smart phones has created an opportunity to deliver content without an online connection.

Rather than risk losing your customers to competitors using sophisticated redirection search-and-click methods, it's now possible to offer your customers a free, feature-laden, mobile app that offers a better, more loyal connection with your customers.

Features that aim to keep your customers captive include VIN scanners, loyalty rewards, service appointments, VIN scanning, inventory search, loan calculators, and more. Apps are also fast, secure and can be tailored to complement your website.

The cost is nominal, especially compared to more traditional efforts to build your customer list. You might start your search with [www.mobileapploader.com](http://www.mobileapploader.com).

### **New Websites**

As more customer decisions include the Internet, your website can be a great way to make a great first impression. Because the buying process often starts online, purchase decisions can pivot on the quality of your photo galleries, up-to-date inventory details, intuitive navigation and professional-looking graphics.

Customer perceptions about your dealership begin early. Compared to the millions spent on real estate, thousands spent on sales training and advertising, the website is probably the most cost-effective means of building customer awareness and interest.

DealerTrack premiered some of the best dealer-focused websites I've seen in recent memory. They are customized, avoiding the "cookie-cutter" look that loses interest instead of capturing it. And the technology behind improving the customer experience online is occurring faster than the adoption rate, based on the demonstration I witnessed.

Does your website stand out or blend with the crowd? With all the choices available to customers, the decision to visit your dealership or that of your competitor can turn on the quality of your virtual storefront, the dealership's website.

## **Crystal Fusion**

Making its first appearance at NADA, Crystal Fusion is a windshield product for your F&I department that provides both breakage and anti-glare protection. More than just insurance, Crystal Fusion is a chemical treatment that seals the porosity of glass. This makes the glass more likely to deflect road debris, reducing the risk of damage and breakage. In addition, the product claims to diminish glare at night.

Glass damage is an all too common road hazard. As such, buyers already possess the awareness, side-stepping the need to educate the customer. Unlike the benefits of factory and extended service warranties, which don't provide glass protection, auto glass is a risk beginning with the first mile driven off the dealer's lot.

Many customers may view it simply as a prepaid item, and to the extent that the treatment prevents glass breakage, the factory seal on the glass is maintained, conferring another benefit. For more information, their website is at [www.cftproducts.mobi](http://www.cftproducts.mobi).

## **DMS Update**

When discussing DMS vendors, the story is all about evolution, not revolution. Improvements are made glacially slow, limited in part by the legacy database technology that underlie them. The irony is that third party development of CRM and Used Vehicle Management solutions are not waiting, bringing into sharp relief the chasm between old guard DMS software and up-to-date third party applications. At some point, core DMS technology will catch up to things, but it's unlikely to happen this year.

Many harboring future hope for other DMS options have been patient. Canvassing the acreage of NADA's exhibition floor, there is evidence of that potential among Tier 2 DMS providers. But the limited penetration of the latter group carries a degree of risk that makes it tough to recommend them.

However, if your current DMS contract runs between 2-3 years, I'm willing to bet your choices improve within this time frame, at which point I'll have much more to write about.

*Jeff has written about tax and industry developments impacting the automotive industry over the past 25 years that he has served it. You may reach him at [jeff@autodealercpa.com](mailto:jeff@autodealercpa.com)*