#### CASE STUDY

# Pacifico Auto Group

Pacifico Auto Group has been selling and servicing Mazda, Hyundai and Ford vehicles in Philadelphia and the surrounding areas since 1920.

## Challenge

Pacifico has always been a "destination dealership". There is very little driveby traffic due to their location, so car buyers have to seek them out with purpose. There are also a lot competitors nearby - 20 Mazda dealerships within a 75 mile radius and 30 Hyundai dealerships within a 100 mile radius. These two things combined have put a lot of pressure on the team at Pacifico to differentiate themselves. With most competitors quoting \$1000+ below invoice, they knew they needed to compete on experience, not just price. They focused on modernizing the experience and reducing the amount of time that it took to buy a car, which meant not just onboarding a digital retailing solution that worked online, but finding an Omnichannel Sales Platform that their team could use with customers, regardless of their location.

## Solution

Pacifico first partnered with Roadster in December of 2017 when they launched their Mazda Express Storefront. Shortly afterward, they brought Roadster into the mix for their Ford and Hyundai stores as well. For the first few years, Express Storefront was used primarily as a penciling tool online. They would "Share Details" with every internet lead and then guide their online shoppers through the process, doing as much as the customer was comfortable with online before setting up an in-store appointment. They loved the visibility that they got within Roadster Admin, where they could see every VIN that the customer viewed, as well as any deal configurations they made along the way. This empowered the team to have meaningful conversations with their customers, which increased customer satisfaction and led to a seamless transaction in the store.



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After mastering the use of Roadster online for a few years, Pacifico kicked off training for the showroom to pencil deals with Roadster in-store last December. They were using a different penciling tool previously, but found themselves struggling to drive consistent attachment of quotes to the CRM record, which meant starting over with customers when they walked back in the door. With Roadster they could see all of the activity in one central location, and pick up where the customer left off — in essence merging the penciling and CRM functionality (online and in-store) into one primary system.

They were just getting their feet wet when COVID-19 threw a curveball and shutdown dealerships across the state of Pennyslvania. Pacifico had to close it's doors, with zero ability to sell even online from March 16th to May 1st. Kurt Shadduck, the store's General Sales Manager spent the down time at home making sure they could sell cars digitally from financing to electronic paperwork via docusign. He wanted the dealership to be ready the minute they were given the green light to transact online.

When the dealership first opened its digital doors in May, they brought back only the leadership team to start, which required managers to use the Roadster system first hand. They would share details with the customer remotely, prompting them to pick a car and upload all of their information within the Pacifico Express Store including trade-in information and any stips the dealership needed to complete the sale. Kurt loved the ease of the process and how he could put the customer to work. Not only did this significantly cut down on paperwork, but they found that customers were just more comfortable in their own space, doing things on their own time vs. waiting at the dealership.

In June, Pacifico brought back their 12 sales agents, but between people who couldn't get on board with the new process, and those who didn't want to come back, they settled in at 6 shortly there after. Sales in June and July were up year over year, and they did it with a lot less sales people. Each sales agent went from selling 9-10 cars per month to 13-15 per month overnight.

Fast forward to today and Pacifico is busier than they ever were before. Not only do they have more customers, but they are experiencing unbelievable closing rates in the 45-48% range, something they have never seen belore. Even though Pacifico is fully back open for business, they are still encouraging their customers to complete the transaction themselves (even it if is in-store) so that the sales person can prep the car. They have found that making the customer part of the process, not only saves everyone time, but puts the customer at ease and is truly a win win.

For Mazda in particular, this has not only meant more front end profit, but more backend profit as well. Mazda customers by nature have been hard to upsell historically. By having the products on an ipad, or online and walking customers through them early in the process they have been able to almost double their backend profit to boot.

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This isn't our process. We don't get to say what we put our customers through. It is the way they want it. So, accept what they want or go somewhere else.

Kurt Shadduck

### **GSM Pacifico Auto Group**

# Results

#### MORE CAR SALES PER PERSON

### **HIGHER CLOSE RATE**

#### **MORE PROFIT**





**38% → 45%** close rate



profit on front end for both Mazda and Hyundai



Backend profit at Mazda (from \$600 to \$1000+ per copy)

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With Roadster, I can make customers do everything, this is great!

Acia Gay

**Sales Agent** 

