RevenueRadar®

Data Mining Best Practice Guide

Data mining effectiveness can range anywhere from "leads-nobody-wants" to "the-reason-we're-still-in-business." When done well, data mining can be a significant contributor to overall sales. For dealerships of all sizes, the right technology combined with a dedicated strategy has resulted in more appointments, increased lead to close rates, and improved customer retention. So where is the best place to start in evaluating data mining approaches? In this guide, you'll find tactical takeaways to follow within your dealership and ensure you're getting the most out of your data mining engine.

8 Critical Steps to Successful Data Mining

Select Your Data Mining Champion

Data mining processes work best when they are consistently managed. Dealers who designate a dedicated resource, such as a BDC Manager or part-time hire, develop and grow performance at a greater rate. Wherever you choose to have it live, the right individual will have:

- A clear and pleasant voice and the ability to deliver a script without sounding like they're reading from one.

- A process-oriented mindset.

- A solid understanding of your systems and software.

Identify High-Value Strategies

While every dealership is unique, there are aspects of data mining that are particularly impactful. First, end-of-lease triggers. With a focus on customers nearing end-of-term, you can utilize lease return deadlines to convert customers with a targeted reminder and conversion approach.

Another prime area of opportunity is in activating service triggers. Pursuing customers that have bought a car from you but never visited your service department, those that haven't received an oil change in the last 4 months, or even those who have a factory warranty expiring, all offer great opportunities to capture additional revenue. Further benefits afforded by data mining involve flipping service customers into sales, for example, by uncovering opportunities to make offers on cars in your service drive or market your service specials to past car buyers.

Develop Your Criteria, Filter Accordingly

All data mining tools alert you when a customer's profile meets certain criteria. It can be tempting to open the flood gates and let all these alerts into the queue. However, this approach can result in a situation where you have 1,874 mined opportunities, but only 77 are in progress, leaving you and your team discouraged. Narrowing down your parameters to capture the most relevant opportunities can result in higher closing ratios on the leads your team touches and foster buy-in to your data mining processes. Further, your champion will be empowered to collaborate with sales and marketing teams to develop materials and talk tracks that match the criteria.
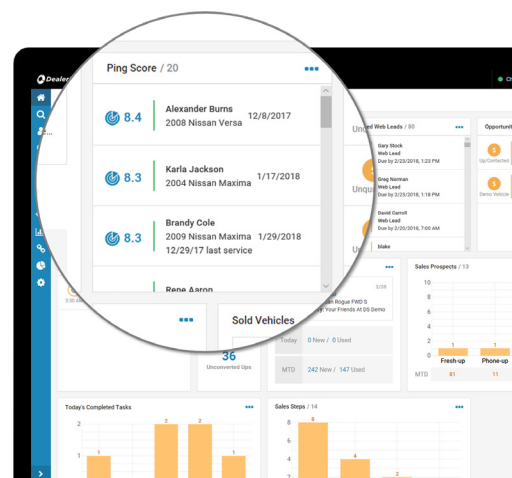
Qualify Leads Through Automated Follow-Up Practices

One area where data mining often goes awry is when every lead comes in as a hot lead. Data mining leads aren't hot leads, they are opportunities to be nurtured. To reach full potential, it's essential to create unique and automated follow-up processes, including email marketing campaigns and a system to track and remove interested prospects from said campaigns.

Using DealerSocket's CRM, your campaigns can include Smart Links. These links will let you know which customers are interacting with key call-to-actions in your emails, and using business rules, automate sales task creation.

Customize Your Pitch

Data-mined leads should be worked with subtlety, patience, and with a tailored strategy. A great phone experience with targeted scripts is key to converting mined leads. When creating your scripts, ensure they center around the customer. Remember, it's about them, not your desire to sell a car. These scripts can be as involved and specific as time allows as long as upkeep is maintained. If you use DealerSocket's RevenueRadar® tool, you can tap into templated phone scripts or utilize the tool to create your own.

Make Effective Sales Assignments

Once you've converted a lead, it's important that the sales experience continues in a timely manner. After all, the lead wasn't a hand raiser. Ensure your champion understands lead routing, and how to use your CRM to set up a round robin distribution. Determine a time that each lead will sit with a qualified salesperson before moving on to the next person in the list. This way, your opportunities will receive attention quickly, ensuring those leads don't have time to rethink the pursuit.

Have a Consistent and Thorough Review Process

Data mining is not something that you can set and forget. Creating a review calendar can help you stay on track. Include metrics you want your champion to watch daily, reports you'd like to automate for weekly distribution, monthly call script and email template reviews, and beyond.

With RevenueRadar, you can keep track of key performance metrics, like associated tasks, opportunities in service, and month-to-date sold/gross, from right within your DealerSocket CRM. This data and more can be added to your homepage dashboard or accessed through reports.

Monitor Your Data Quality

Customer relationship management is critical for every dealer, but it is hard to have a good relationship with your customers if the information you share is irrelevant to them. Successfully messaging customers behind a data mining-fueled campaign begins with having their up-to-date contact information. Database cleansing tools, such as DealerSocket's DataRecharge, scan national databases and registries to append and populate your customer records with accurate, up-to-date contact information.

Want help making data mining work for your dealership? DealerSocket can help. With RevenueRadar, your staff is immediately enhanced by a data mining opportunity expert that's armed with a mission to lighten your workload and help make the product a significant revenue driver. Contact your Customer Success Manager to learn more.