

# Customer service a hot topic at LGM's OEM forum

▲ Jackson Hayes

With all the headlines detailing how automakers and dealers are trying to negotiate the changing automotive retail model, it is perhaps lost on some that service providers to the industry have to operate with an equal amount of forethought and vision to keep pace.

Such was the topic for LGM's OEM Forum held in Toronto in early November. The exclusive gathering saw a few dozen executives from a number of OEMs hear presentations about new customer service expectations and growing trends around service excellence.

"We want to ensure your brand experience spills into the F&I office in every way," explained Diana Ricketts, V-P of strategic partners at LGM Financial Services.

Ricketts, who spoke first, talked about the growing need for dealerships and auto companies to leverage customer service as a competitive differentiator. And as the digitization of the sales processes deepens – a transition she called from "bricks to clicks" – so comes a new set of expectations around speed, transparency and efficiency.

Her presentation included a video detailing the level of customer service super luxury carmaker Bugatti has achieved with its customer company command centre.

The platform connects all Bugatti data sources including marketing, customer service and even the cars them-

selves to ensure every aspect of the business and the pricey vehicles is running smoothly.

While the realities of Bugatti and its technology platform would be out of reach for a car dealer and virtually every OEM, she said the same principals Bugatti uses should apply to the entire industry on some level: cater to customers looking for convenience, transparency, rapid response so they can shop whenever they want for every aspect of the vehicle transaction.

Ricketts was followed by J.D. Ney from J.D. Power, who addressed trends around service excellence. U.S. author and customer service expert Michah Solomon spoke last.

LGM reps said the company has focused on meeting the changing market head on. That strategy has led to a new focus on claims and service tools as well as its structures and processes.



Diana Ricketts, V-P of strategic partners at LGM Financial Services, said dealers and OEMs need to leverage customer service as a competitive differentiator

The new "customer-centric claims model," for example, mirrors the OEM model and allows dealers to approve claims automatically without calling in.

And following the move earlier this year that opened up dealer support on Saturdays, Ricketts said LGM would soon move to virtual call centres where the service team can take calls anywhere, anytime. **FAWI**

# LGM's Hub built for the future

NEW SYSTEM REPLACES DRC

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LGM's Drew Collier said the "significant" investment in made in Hub as a replacement for its Dealer Resource Centre is an indication the financial services company has a clear focus on the future of the automotive business office.

The Hub quietly went live in October after and exhaustive two years of planning and development.

"We built the system with a few key areas in mind," explained Collier, president of corporate services with LGM. "First, we wanted it to be captivating, easy to use and intuitive. We also wanted it to be configurable. Our business is growing and we continue to support more OEMs and dealers so we wanted to be able to get more products out to market quickly."

He said the Dealer Resource Centre (DRC) system it replaced required programming for everything. Every new product and OEM had to be programmed in, which would sometimes take weeks or longer.

"With the new system, we can do that in a matter of hours. It is fully configurable and gives us the ability to role out existing or new products very quickly," he explained.

One of the highlights of the new system is the multiproduct quick quote feature. The

module is the one most dealers will use to quickly get a quote for a consumer on aftermarket products.

Where DRC was limited to a pricing on a product-by-product basis, Hub offers the ability to do multiproduct presentations in as little as six clicks, depending on the number of products.

Collier said business managers who would previously take 45 minutes to an hour with a customer going through one product at a time will see that time dramatically reduced thanks the bundle capability.

Work began on Hub in late spring 2014. LGM's plan was to replace DRC with a purpose-built system with an entirely new architecture and new technology stack.

But after looking at solutions in market, Collier said the company instead committed to making the investment and building a team internally to design, create and manage the new system.

"We are in this for the long haul and, as such, we needed to build the software and maintain the software and be able to continue to build new functionality into the software going forward," he said.

"We invested in building an entire team, which is one of the reasons it took us two years. But now we have a software development team that is amazing and allows us to

be really responsive and make fixes, sometimes within 24 hours."

Costs for the program were not revealed, though Collier said the investment was "significant."

The goal, he noted, is to further show the level of importance LGM puts on technology to keep up with where the industry is going.

"It is also a commitment to our OEMs and dealers to continue to give them better tools and add as much value as we can," he said.

Though Hub had only been live for a little more than a month when Collier spoke with Canadian AutoWorld, he said the initial feedback from dealers has been very positive with many calling the user experience "fantastic."

Jeff Fallowfield, LGM's president of distribution and marketing, said Hub aligns

with the company's core values of service excellence and innovation.

"To a certain extent we have been on the sideline for the last year and a bit as we developed our system, but now we have a tool that will really enhance our service excellence," he said. "It will be a great tool for us to act on our core values." **FAWI**





**Q&A**

# Coming home

TALKING DEALER COUNCIL RESTRUCTURING, CORPORATE RETAIL LOCATIONS AND THE DELAYED CERTIFICATION OF DIESEL ENGINES WITH THE HEAD OF MERCEDES-BENZ CANADA

In mid April, Brian Fulton came home.

The Canadian and Mercedes-Benz veteran was named the new president and CEO of Mercedes-Benz Canada this spring and has enjoyed a strong first six months in the office.

He joined the brand as an assistant regional manager at Mercedes-Benz Financial Services Canada in 1994. His work on the financial services side has seen him take assignments across Canada, America and Asia in the ensuing two decades. Now back in Canada and at the helm, Fulton takes over at an interesting time for the luxury line.

Mercedes-Benz Canada has enjoyed major growth on a number of fronts over the last few years. It has added a handful of dealerships, increased service capacity, fine-tuned its customer experience goals and set volume records along the way.

As the top selling luxury line in Canada, Fulton steps into a strong organization that shows little sign of slowing down. In late November, he sat down with Canadian AutoWorld to share his key areas of focus for next year and beyond.

**Canadian AutoWorld: You officially started in May. What were some of the first items on the to-do list?**

**Brian Fulton:** We had a national dealer meeting in mid-May so there was a lot we needed to do in a short amount

of time to ensure we had a great dealer meeting. It was a crazy few weeks to pull everything together with the team but in the end it worked out really well. It was my first opportunity to see many of our Canadian dealers in over five years, which was wonderful.

In the midst of preparing the national dealer meeting I was also having one-on-ones with my executive team and meeting with a number of the teams at our head office. After our national dealer meeting, I crossed the country to visit our dealers and have pretty much hit every store from St. John's to Victoria.

**What have dealers been telling you?**

I think there's a sense of pride that one of their own, a Canadian, is at the helm of Mercedes-Benz Canada. I started with the company almost 23 years ago on the Mercedes-Benz Financial side and have known many of these dealers for over two decades. I've been back and forth between the U.S., Canada and China, and to come back to this position has been more than a dream come true.

From a product standpoint, I would say they are really pleased with the lineup. Of course, they would all love some more SUVs; GLCs, GLEs and GLS'. But they are quite upbeat overall.

Our dealers have had a great run, especially over the last

few years, and there's no question they are driven by that success.

**And with two months left in 2016, all signs are pointing to another great finish this year.**

October was a good month. I think 2016 will be a good year for us. I can't give you any forecasted numbers, but we have increased sales overall by just under eight per cent with a little over a month to go. We have good inventory, and while we would love to see more SUVs, it's been a very good year for us so far.

**How does the financial services experience help you as president?**

There is no question the experience I gained with MBFS the last 22 years has been invaluable for preparing me for this role.

I wouldn't describe myself as a numbers guy, even though I've been on the financial services side for so long. It certainly helps understanding the drivers behind a dealer's P & L and their balance sheet, but it's not my go-to when approaching the dealers.

The biggest thing I have brought here from my time with MBFS is that for 22 years, I looked at Mercedes-Benz dealers as my most important customers. Unlike the relationship that dealers have with their OEM, on the financial services side, they have plenty of choices as to where they can do their financing.

I knew that every time I went into a dealership that they had options. It was about building relationships and trust so we could earn their business. I'd like to think that I've also brought that mindset to this position. Without a doubt, our dealers are still my most important customers, so building trust and relationships are vital aspects I can bring into this new job.

**How is the focus on customer service progressing?**

We started this journey just over a year ago with previous MB Canada president and CEO Tim Reuss. His primary focus was directed at the aftersales side of the business.

We worked very closely with our dealers to ensure the basic blocking and tackling of what a customer expects and demands when they make a service appointment at our dealerships has been fulfilled. Based on the latest J.D. Power results, I would say we have definitely taken a step in the right direction.

But in truly wanting to create a fan base with our customers, I would say that our clear directive going forward is to focus on the entire customer experience with our brand.

From the moment they walk into a dealership, through the entire sales and service experience, across financial services and even while they are driving the car, we want our customers to feel valued and appreciated and know they've made a perfect decision by choosing Mercedes-Benz.

**Previous MB Canada president and CEO, Marcus Breitschwerdt really focused on growing sales volume during his tenure. His successor Tim Reuss seemed to focus on expanding the retail network, improving the customer experience and increasing service capacity. What are your main goals going forward?**

Both Marcus and Tim were extremely successful at accomplishing those goals and there is no question I have been left an extremely solid and well-managed company with a great bunch of employees.

My goal, for sure, is to continue what has been started, but I do have several key areas that will be a primary focus.

First and foremost is sales growth. We have an amazing product portfolio that offers something for everyone. We'll continue to launch new models, but at a slower rate than what we have seen in the past.

I am also focused on turning Mercedes-Benz Canada into a truly great place to work at. We will never be able to deliver a great customer experience if we don't have a passionate and committed team here at Mercedes-Benz Canada. As such, we are working very closely with the Great Place to