

Loyalty Program for Leading Automotive Manufacturer



Overview

The majority of consumers have their vehicle warranty and service work performed at the dealership where they purchased their vehicles. However, once the warranty has expired, dealers often lose customers to jobbers and car repair firms that undercut the prices charged by a dealer. A leading foreign car manufacturer wanted to prevent this loss of revenue and encourage customers to return to their dealers for off-warranty vehicle service. ChannelAssist was selected to create a Loyalty Program on behalf of the manufacturer that involved distributing reloadable VISA cash cards to past customers via a special promotion on oil changes, new tires and brake service.

Our Solution

The program was targeted at customers whose vehicle warranties had expired and who had not returned to the dealer in the past two years to have work performed. As customers responded to the featured promotion and came to the dealers for service, they were reminded about the card program and informed that the service for that day earned the customer a credit based on the cost of the service performed, towards future service work.

The Result

The client recognised the importance of the promotion due to the large response based on the activity generated by the VISA cards. More importantly, the increase in oil changes and other service-related work continued in the following months thereby confirming that customers were returning to dealers as a result of the loyalty program. Not only had revenue increased but the service departments and its resources were more fully utilized and downtime was reduced.

Due to the success of the program, it is now being extended to their entire customer base to reinforce relationships and maintain satisfaction levels.