



SPEEDING UP SALES WITH
COX AUTOMOTIVE **DIGITAL RETAILING**

CASE STUDY: CLARK KNAPP HONDA

A FASTER BUYING PROCESS TRANSCENDS INCOME LEVELS

Family-owned Clark Knapp Honda sits ten miles from the U.S/Mexico border in Texas' Rio Grande Valley. Its market spans over 150 miles with 1.5 million people. The Valley has a higher than average poverty rate, which can translate to lower internet access. That may explain why no dealerships in the area offered digital retailing tools. Clark Knapp Honda saw an opportunity. The dealership implemented the Cox Automotive digital retailing solution in December 2018. As a Cox Automotive customer for years through its use of vAuto, it was only natural for management to turn to a trusted partner.



“The customers down here are like customers everywhere. They don’t like wasting time and spending the whole day in the dealership. Now we can take care of as much of the paperwork as possible before the customer comes in.”

JOSH FORRESTER
BUSINESS DEVELOPMENT MANAGER
CLARK KNAPP HONDA

BOOTS-ON-THE-GROUND SUPPORT

A dedicated performance manager with deep automotive experience provided on-site, real-world training throughout implementation. Help with best practices and workflow tips got employees up and running fast.

After implementation, the manager stayed in close contact with the dealership and offered pro-active suggestions to maximize the tools. This included analyzing data to see how Clark Knapp Honda compared to other dealers, identifying opportunities for growth, and tweaking workflows and processes to meet sales goals.

"It was a smooth transition getting our entire store up to speed with digital retailing because we had in-house support."

JOSH FORRESTER
BUSINESS DEVELOPMENT MANAGER
CLARK KNAPP HONDA



FRICION-LESS TRADE-IN PROCESS

Contentious trade negotiations are unfortunately the name of the game at most dealerships. Clark Knapp Honda changed that with the digital retailing trade-in valuation tool powered by Kelley Blue Book. Customers knew the name and trusted the tool. When they came to the dealership, they had a good idea of what their vehicle was worth. There was no arguing back and forth which saved a lot of time.



*“The trade in process is a lot easier.
That goes hand-in-hand with Cox
Automotive digital retailing tools.”*

**JOSH FORRESTER
BUSINESS DEVELOPMENT MANAGER
CLARK KNAPP HONDA**

CUSTOMERS ARE IN AND OUT IN AS FEW AS 30 MINUTES

The dealership enabled digital retailing on its Cox Automotive Dealer.com website and Autotrader and Kelley Blue Book listings. Its Internet team tracked digital retailing customers and the work done online. When digital retailing customers came into the dealership, the Internet team passed the work done online to the salesperson on the floor so steps never had to be repeated.

Cox Automotive Digital Retailing immediately made the car buying process faster. Management noted that it got rid of the two biggest time sucks: selecting a vehicle and haggling over price. The tools allowed customers to choose a vehicle and personalize a real monthly loan or lease payment that automatically factored in relevant incentives, taxes, and fees.



“With Cox Automotive Digital Retailing, customers come in for a specific car and they can be out of the dealership within 30 to 45 minutes.”

RUBEN FLORES
GENERAL SALES MANAGER
CLARK KNAPP HONDA

HIGHLY ENGAGED CUSTOMERS CLOSE AT A HIGHER RATE

Clark Knapp Honda customers debunked the theory that an area with a high poverty rate won't have as much access to the internet and therefore not use digital retailing tools.

In an average 30-day period, the website logged over 2,000 pencils, up to 68 deals, and as many as 40 displayed trade-in valuations. Customers also spent up to 25 seconds longer on a vehicle VDP.

Increased engagement paid off. Shoppers coming from the Cox Automotive Digital Retailing solution closed **15 percent higher** than traditional internet customers.



“Digital retailing customers have an idea what the numbers will be, the interest rate, and the car they want, so they close at a 15 percent higher rate than traditional internet customers.”

**JOSH FORRESTER
BUSINESS DEVELOPMENT MANAGER
CLARK KNAPP HONDA**

MORE CUSTOMER CONTROL LEADS TO MORE BACK-END PROFITS

Customer surveys consistently highlight the F&I process as a top source of frustration. Customers don't like feeling pressured to buy, or waiting to get in "the box" in the first place.

Clark Knapp Honda decided to display F&I products within their digital retailing tools. Customers learned about products in their own time and at their own pace. This sped up the in-store F&I process and gave more control to the customers. The result was a substantial increase in back-end profits for digital retailing customers as compared to traditional internet customers.

"Customers have educated themselves before they come in so they are more likely to buy."

JOSH FORRESTER
BUSINESS DEVELOPMENT MANAGER
CLARK KNAPP HONDA



RESULTS AT-A-GLANCE

Clark Knapp Honda proved that customers across income levels will use digital retailing tools when they enable a faster and easier car buying process. The Cox Automotive Digital Retailing tools gave the dealership a competitive advantage that translated to more sales with higher profitability.

- Closing ratio **15 percent higher** than standard internet customers.
- More F&I profits compared to standard internet customers.
- Time spent on VDPs up to **25 seconds longer**.
- Complete a deal in-store in as little as **30 minutes**.
- 30-day average activity included over **2,000 pencils**, **60 deals**, and **40 trade-in valuations**.

2k⁺
pencils

60
deals

40
trade-in valuations

