Effective Customer Retention

Not all customers are created equally, says ROBERT MAZZUCA.

HEN A SHOP OWNER hears the word "marketing," he or she often thinks about the dollars spent to acquire new customers. This narrow

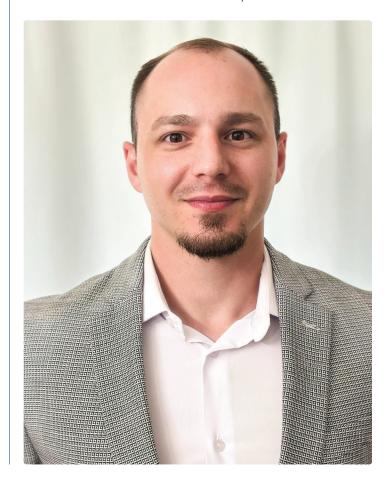
view of marketing focuses primarily on generating new business, often overlooking a valuable and cost-effective resource: existing customers who haven't visited the shop in 10–12 months, or even longer. These customers, if re-engaged, can be just as valuable as new customers. The key lies in understanding that reactivating these past customers is not only more cost-efficient but can also lead to a steady stream of revenue for the shop.

Bringing back customers who haven't visited in a while can be a game changer. If a shop can turn these lapsed customers into recurring ones, it not only saves on the higher costs associated with attracting new customers but also ensures that the shop's bays stay full. These returning customers are often good spenders, likely to continue bringing their vehicles in for service as long as the shop remains top-of-mind for them. This process of re-engaging past customers highlights a significant misconception in the industry: the difference between marketing and retention.

Marketing, in the traditional sense, is often associated with broad, blanket campaigns designed to reach as many potential customers as possible. This approach can be likened to throwing spaghetti at the wall to see what sticks. It's unfocused and doesn't necessarily target the most valuable customers. Retention, on the other hand, involves a more strategic and targeted approach. It's about identifying those customers who have already demonstrated their willingness to spend—those who are in the top 40–60 percent of a shop's book of business—and encouraging them to return one to two more times per year. This is a much more effective use of resources compared to mass couponing or

generic promotions that may not resonate with the intended audience.

One of the biggest challenges for shop owners is managing their time and resources efficiently. When a shop owner implements any new tool, such as a DVI system, he or she often feels overwhelmed. The sense of being busier than ever can deter them from fully utilizing the tool's potential. This is where automating the process of re-engaging past customers becomes invaluable. By setting up an automated system that reaches out to these customers with personalized



messages, the shop owner can remove the burden of manual follow-ups.

For instance, a simple, personalized message like, "Hey, how's the Dodge running?" can spark a conversation that leads to an appointment. The customer may reply, "It's running well, but I did hear a little squeak last week. Can I bring it in next week? What do you have available?" This kind of interaction is not only personable but also effective in bringing customers back into the shop without requiring the owner to spend additional time or resources on it.

This approach underscores the importance of car count management, which allows shops to have more control over their business. While walk-ins and other unpredictable events will always be a part of the daily operations, having a system that predictably brings back high-value customers can create stability. This predictability is what sets apart successful shops from those that constantly struggle to fill their bays.

At the heart of this strategy is the belief that not all customers are created equal. By focusing on the top spenders and ensuring they return regularly, a shop can maintain a steady flow of business without constantly chasing new customers. This method of targeted retention is not just about keeping customers; it's about building a reliable, long-term relationship that benefits both the customer and the shop. It's a smarter, more efficient way to ensure that every marketing dollar spent brings in the maximum return, not by casting a wide net, but by focusing on the fish that are already in the pond.

← Robert Mazzuca has a range of work experience in the automotive and technology industries. Currently, he serves as the Director of Sales & Onboarding at Bolt On Technology.



Streamline Efficiency

Bolt On equips shops with award-winning software tools aimed at improving marketing, workflow, customer communications, and business growth.

Personalized messaging is crucial for targeting the right customers.

Analyzing customer data prioritizes high-value customers.

Digital vehicle inspections help identify deferred work items.

Shop owners can benefit from focusing on retaining existing customers through cost-efficient strategies like car count management and targeted marketing.



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