

The Auto Repair Shop's Guide to

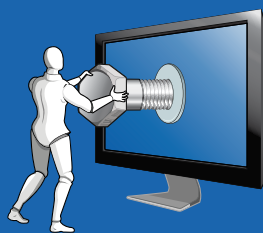
Attracting Millennials

*How to use Millennial Money to Stay
in the Black*

Devyn Bellamy, Sr.

- Marketing Coordinator, BOLT ON TECHNOLOGY -

A Publication of



**BOLT ON
TECHNOLOGY™**

Automotive Software Solutions

Table of Contents

Introduction

1 – Millennial Money Exists

Millennials Have Spending Power
Millennials Love Their Cars

2 – Why (and How) to Market Your Auto Repair Shop Online

Digital Natives
Claim Your Online Real Estate
Get a Website
Google My Business
Yelp
Social Media

3 – Selling Repair Services to Millennials

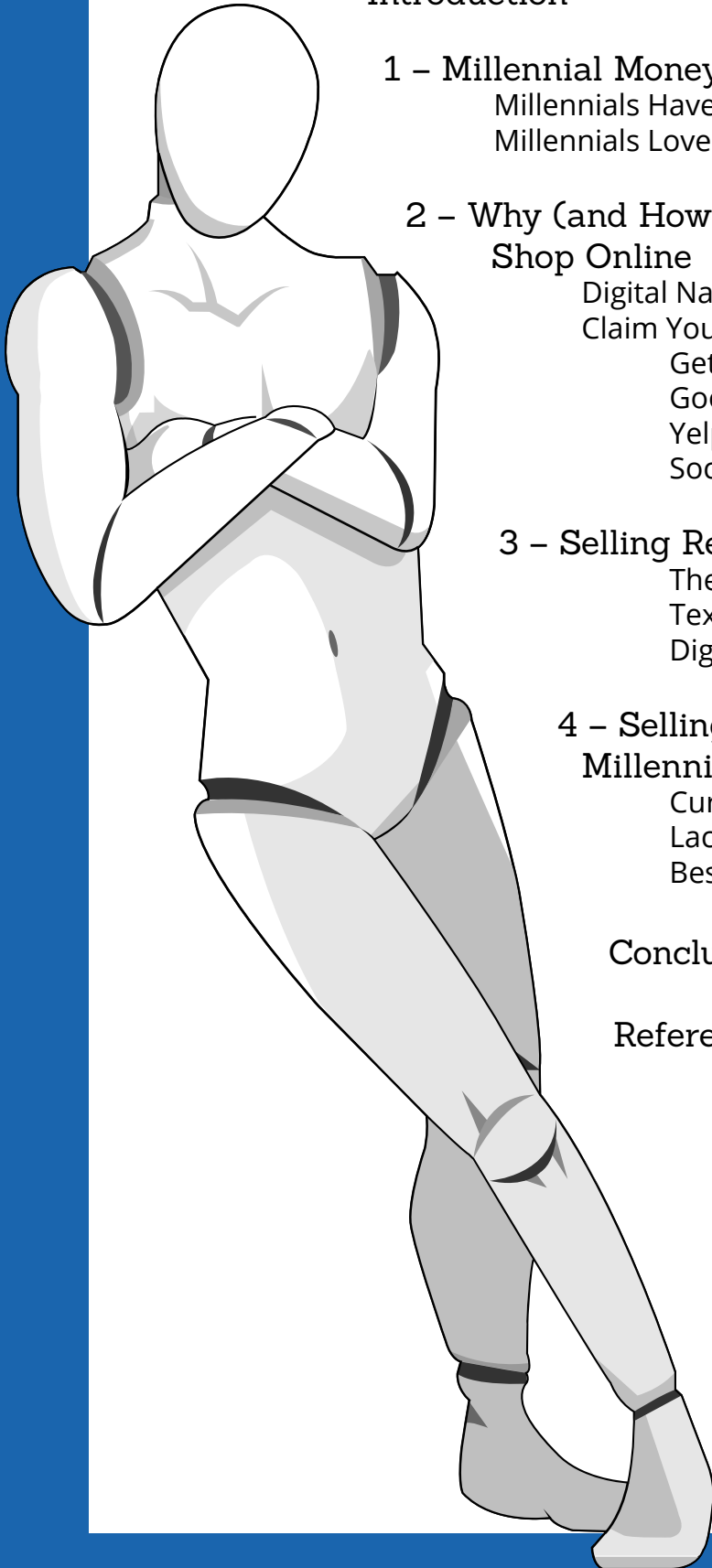
They are Here; Now What?
Texting as Communication
Digital Inspections

4 – Selling Maintenance Services to Millennials

Current Practices
Lackluster Performance
Best Practice

Conclusion

References



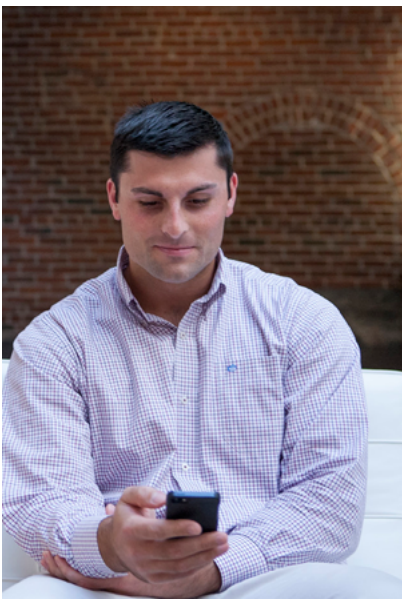
“ If it isn't on **Google**,
*it doesn't
exist.*

- Jimmy Wales



Introduction

The Millennial Stereotype



“They’re lazy, entitled, and delusional. They don’t even have their driver’s licenses and the ones that do are driving their mom’s car.” The stereotype of the lazy Millennial (born 1980-1995) has caused many people to disregard this generation when it comes to trying to get their money. Do they all live in their parents’ garage? Are they only interested in clothes, coffee, video games, and the internet? The answer is... not really.

Millennials not only have money and cars, but they want to **spend money on their cars**. Being a “research generation,” getting them in your shop and spending money on services can seem like quite a challenge.

However, finding tools to combat that challenge will become increasingly important to the future success of your shop. This is especially relevant as the Baby Boomers and Gen Xers that make up the bulk of your customer base get older. If you are trying things like the Yellow Pages, direct mailing, or even radio and TV, you are probably missing out on a huge opportunity.

By the time you finish this eBook, you should understand:

- There is such a thing as **“Millennial Business”**
- Millennial business is the key to your shop’s **future success**
- Millennials **crowdsource** advice online
- Millennials’ live on **mobile devices**
- How to use all of this information to **increase your revenue**



CHAPTER ONE

Millennial Money
Actually Exists



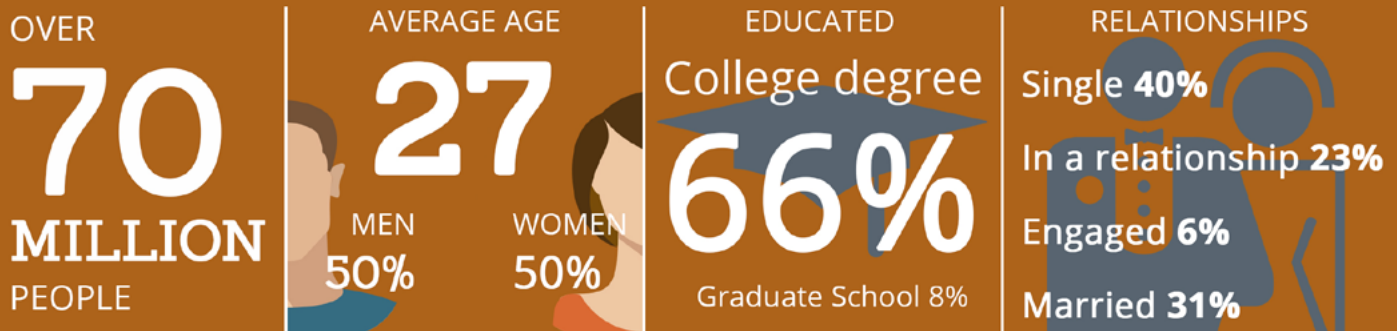
Millennials Have Spending Power

Reports on Millennial annual purchasing power widely range between \$125 billion and \$890 billion. A more consistent estimate is **\$200 billion** of direct purchasing power and **\$500 billion** of indirect spending, largely due to the influence on the spending of their mostly baby boomer parents. [1]

Not only are they using that purchasing power to buy vehicles, but **their average finance term was 68 months** in 2013, roughly 3 months longer than the industry average. [2]

Meet your Millennials

A look at working-age (ages 21–34) Millennials on Facebook in the US



Source: Facebook Internal data for people ages 21–34 with HHI \$30k+ in the US, Jan 2016

In 2012, 25-34-year-olds had a **92% employment rate** with an average pay of 48k/annually. [3] This may not seem impressive, but when you take into consideration that they aren't typically in credit card debt [4], they are waiting longer to get married [5], and they are the largest generation in the US [6], that adds up to a lot of money; **money they are spending on their cars.**

Millennials Love Their Cars

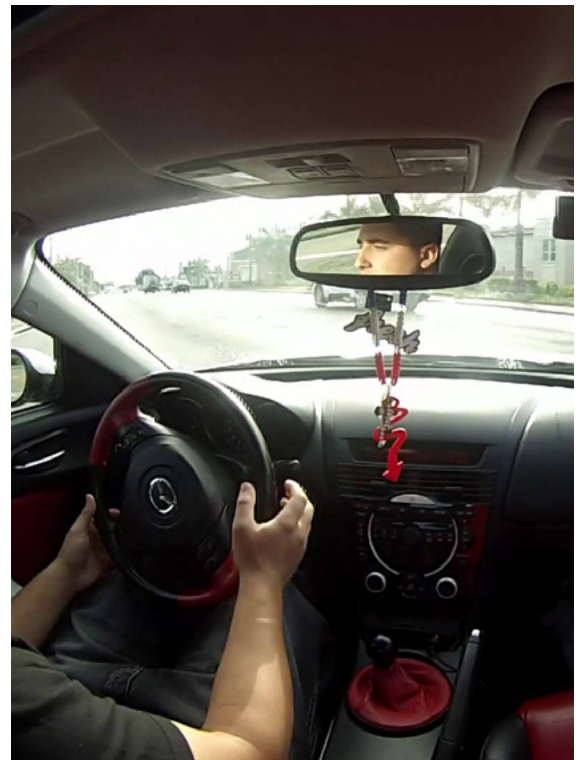


Young drivers are emotionally connected to the vehicle they purchase. When comparing young drivers to all new-vehicle drivers, nearly twice as many believe that others can tell a lot about them by their vehicle; 27% want to personalize their vehicles with options and

accessories and nearly **a third of all young drivers wash and wax their own vehicles by hand.**

These young drivers have a passion for driving. Nearly one-fourth (22%) of young drivers say they "completely agree" **they like to drive on challenging roadways with hills and curves**, and 41% indicate they prefer a vehicle with responsive handling and powerful acceleration. [2] Here's what it means for you:

- When the **warranty expires**, they will likely still own the car
- They view their vehicle as an **investment**, and will treat it as such
- The wear and tear on their vehicle are **above average**
- They have the cash on hand to repair issues and maintain their vehicles **if they see the value.**





CHAPTER TWO

Why (and How) to Market Your Auto Repair Shop Online



Digital Natives

Millennials don't interact with the world the same way Gen Xers or Baby Boomers did. They talk to people they have never seen in person, **research information** that would have been considered inaccessible 10 years ago, and depend heavily on multiple people, or **crowdsourcing**, for information. [7]

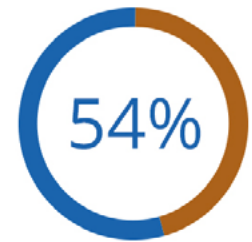
Millennials' Attitudes about Technology



New technology allows people to use their time more efficiently



New technology makes life easier



New technology makes people closer to friends and family

93% of Millennials are online. 81% are on Facebook.

"Millennials: Confident. Connected. Open to Change," Pew Research Center, Washington, DC, 2010. - "Millennials + money: The unfiltered journey," Facebook, Menlo Park, 2016.

They are "**digital natives**"—the only generation for which these new technologies are not something they've had to adapt to. Not surprisingly, they are the most avid users. For example, **81% of Millennials are on Facebook**, where their generation's median friend count is 250, far higher than that of older age groups. [5]



Where it was once taboo to talk about money in public, Millennials go **online to talk** about everything that matters to them, and that includes auto repair. With social media communities like Yelp, Google+, and Facebook, younger customers have a number of ways of letting their peers know exactly **how they feel about you**.

"Knowing how to be a part of the conversation is the difference between struggle and success."

Before you dive into the next section, we must warn you: **don't be overwhelmed**. There is a lot going on in the internet and it can seem very daunting to those trying to navigate it. Chances are, you have a solution walking around your house or even somewhere in your shop. **Find someone between 15-25** and you will have a guide into the digital domain. When in doubt, bribe with fast food, and cold soda.

Claim Your Online Real Estate



It's a big world out there, but it is an even bigger internet, and you can bet Millennials are using every inch of it to **research** their choices on fixing, what may be, the most expensive thing they own. If you have the capital, you can **hire a firm** like [Modern Driven Media](#) to handle your brand online, or you can take matters into your own hands. Here are some steps you, or your guide, can take to keep this generation of researchers and reviewers finding you.

Get a Website

Websites are key to adding credibility to a business. If you are on a tight budget, you can turn to sites like [WordPress](#) to create a quick site using a free template. There are quite a few other places that offer simple website templates and low monthly fees, but if you really want to put your best foot forward, **hire a designer**. The better your website, the more likely you are to gain a potential **customer's trust**. It's the difference between looking like a backyard garage, and a full-service automotive repair center. Your work may speak for itself, but if they never see your work, who exactly is it speaking to?



Google My Business

<https://business.google.com>



Google, being the **#1 search engine** on the planet with an 80% market share [8] and 1 trillion searches a year [9], is the first place most people go to find services they are unfamiliar with. “Auto shops near me” will bring up all of the shops in the area, complete with phone numbers, directions, and even reviews. If you are a newer business, it is unlikely you will be able to find yourself, resulting in missed opportunities. If you are an established shop, they may have old or even incorrect, information listed about your shop.

When you log in to Google My Business, you will be able to create a new listing, or claim the one that is already there. From there, you can add your contact information, hours of operation, and photos. Once you have that up, you will have one of the **most important** parts of your “digital signage” in place. (Another search engine to set up is Bing Places for Business aka “Bing Local,” the preferred search engine of iPhone’s Siri.)

Yelp

<https://biz.yelp.com/>



Yelp says they are “the best way to find great local business.” With an average of 142 million visitors a month, they aren’t that far off of the mark. Users go there to find what is popular among their peers in the area. Being on Yelp is one more way for you to be found. More importantly, this is **where you are most likely to be reviewed**, positively or negatively. If you are servicing a Yelp user’s vehicle, and your business is listed, chances are you will see 5-star ratings if you do 5-star work.

The highest rated shop in Philadelphia, PA has 126 5-star ratings, out of 141 total. When Millennials find their way into your shop, make it easy for them to find you

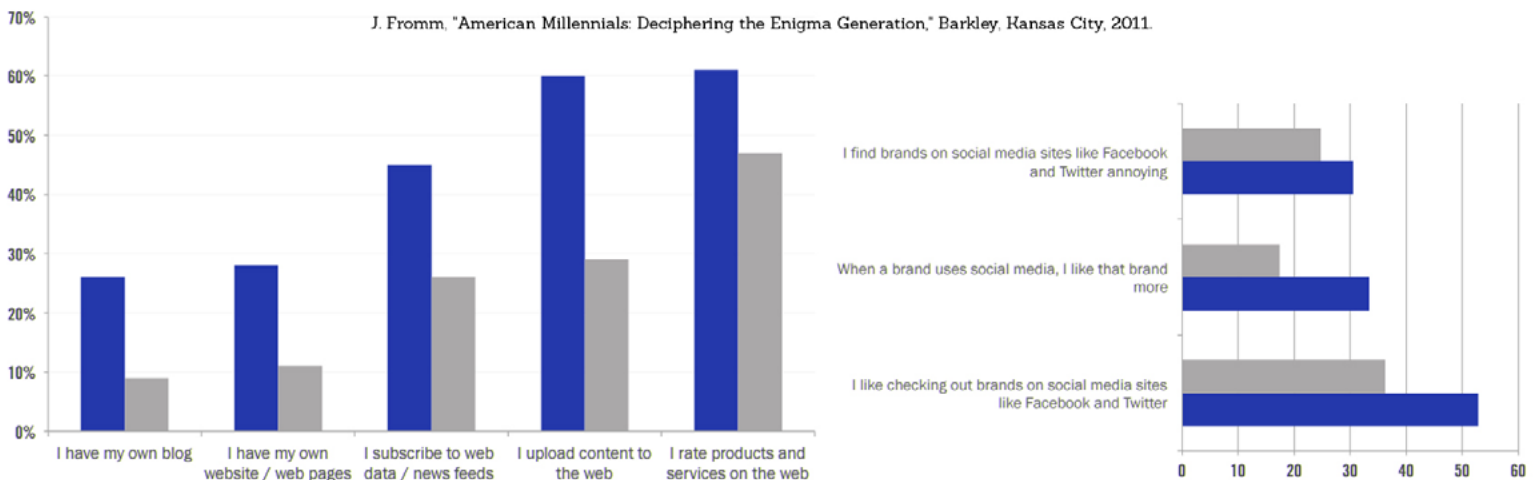
online, too. A sign saying “**Check Us Out On Yelp**” is a gold mine, when it comes to generating reviews for your auto repair shop. You are turning a customer into an advocate, and negating the nasty “lying mechanic” stereotype. The more reviews you have, the more likely you are to attract more business.

Social Media

Facebook, Twitter, and Instagram are all wonderful tools to build your business. They make it easier to be found on search engines, but also **give your shop its own unique personality**. Any salesman will tell you that customers aren't just buying the service; **they are buying you**. Having a strong social media presence gives added value to your shop's brand and another way for customers to find reasons to trust you with their investment. Millennials are already there with 75% having created a profile on a social networking site. [9]

Millennials on the Internet

Millennials consume and contribute more web content



Be sure to post content that shows what goes on in your shop, but also gives information on how to maintain their vehicle in between services. The more familiar they are with you and your shop, **the more likely they are to return**. Millennials are significantly more likely than non-Millennials to explore brands on social networks (53% vs. 37%). And when it comes to making purchases, Millennials are far more likely to favor brands that have Facebook pages and mobile websites (33% vs. 17%). [4]



CHAPTER THREE

Selling Repair Services to Millennials

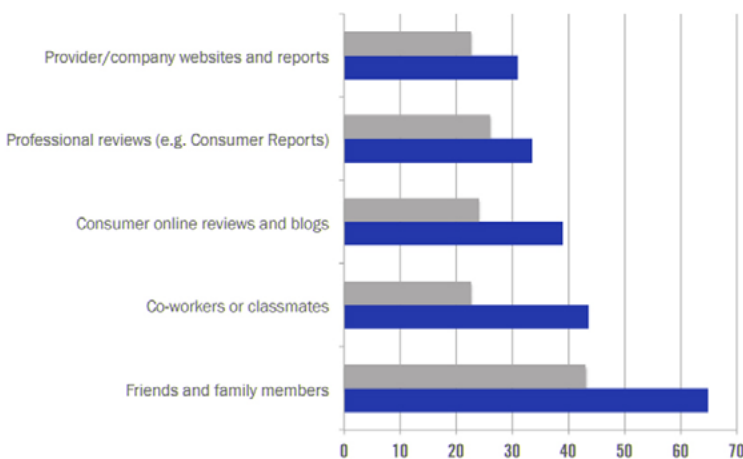


They are Here... Now What?

The Millennials have arrived, you have inspected their vehicle, and they take it home with only minimal work being done. What happened? **Aren't they supposed to be frivolous spenders?** Well, not exactly... Even though they are saving, Millennials are more likely to live paycheck to paycheck. They want the latest and greatest products and tend to make impulse purchases, but they must balance these wishes with the size of their wallets. [3]

Millennials on the Internet

Millennials consume and contribute more web content



Once they've done their research — which includes consulting with friends and family for advice, both in person and through texting and social sites — they have a high degree of confidence in the decisions they've made. This may seem contradictory, but it describes how many Millennials behave.

This tendency to gather information isn't limited to asking others for advice. As you can see in the chart below, Millennials, like non-Millennials, also consult blogs, company websites and professional review sites to help them make purchasing decisions. This behavior isn't solely driven by the price of the item.



J. Fromm, "American Millennials: Deciphering the Enigma Generation," Barkeley, Kansas City, 2011.

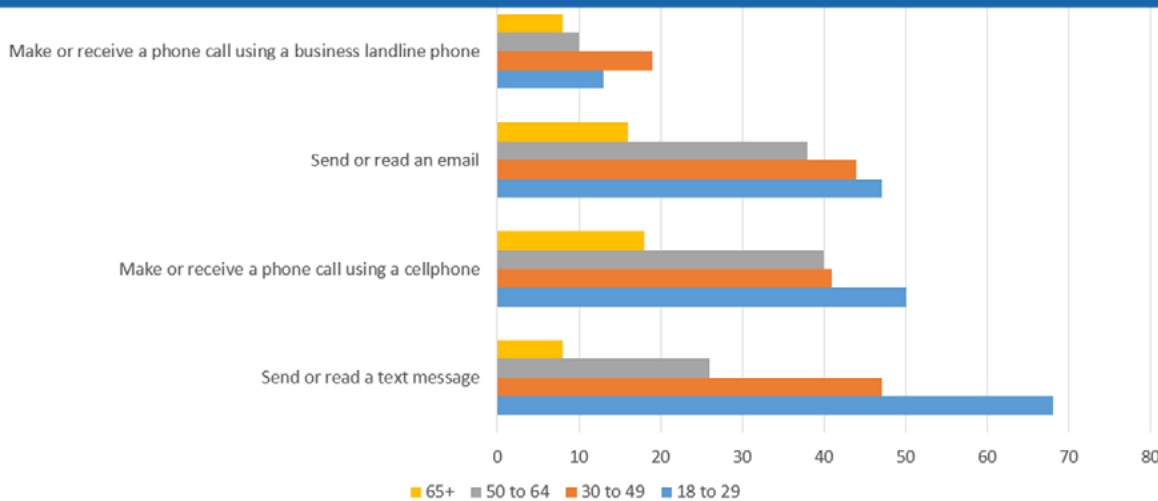
That doesn't necessarily mean they couldn't afford the service. It is much more likely **they didn't see the urgency in the repair.** The keys to getting a younger customer to approve services are fast communication, and education; the faster they hear from you, and the more they know about what you are selling them, the more likely they are to approve the service.

Texting as Communication

Shops have been facing the “voicemail challenge” for years. First, the shop calls the customer to approve a service, only to get voicemail. Then the waiting begins, all while the car sits at the shop, but isn’t generating labor hours. Texting, as opposed to voice calls, generate a **faster response time**, which leads to a **faster approval time**.

Use of Communication Devices

Americans, by age, who did this “a lot”



The ways Americans communicate vary significantly by age. Sending and receiving text messages is the most prevalent form of communication for Americans younger than 50. More than two-thirds of 18- to 29-year-olds say they sent and received text messages “a lot” the previous day, as did nearly half of Americans between 30 and 49. Younger Americans are also well above average in their use of cellphones, email and social media on a daily basis.

“The New Era of Communication Among Americans.”
F. Newport, Gallup, 2014

With the exception of ages 65+, all age groups are more likely to respond to a text message more quickly than a voice message. Back in 2008, of adults 30 years old and younger, 78% said **they respond immediately** or within minutes to a text message; 91% respond to a text message within one hour. Even 54% of 55-64-year-olds said they respond to a text message immediately or in minutes. [9]

Digital Inspections

Digital Inspections are like inspections most shops do today, except the paper and pencil are replaced with a tablet. **Photographs** can be taken to show exactly what a problem looks like. Seeing what needs to be done is **extremely powerful for selling services**. Customers are able to view the photos and inspection when convenient for them and are empowered to take action. For auto repair shops, photos create a greater level of transparency, which helps to improve customer confidence.

Comprehensive Multi Point Inspection
Bolt On Technology, LLC.
(610) 400-1019

Robert C Hinkle
2009 Chevrolet Malibu LS
3.2/5 mi

Vehicle Health Rating

Today's Requests

The tread on all four tires is in poor condition. We recommend replacing the set for improved traction (especially wet), ride comfort, and handling.
Replace all tires.

Brake System

Inspect Front Brakes
Check every 6 months or 6000 mi

Technician Notes: Front brakes are at min spec. Need to perform brake service as soon as possible due to the chances of brake failure.
Recommendation: Our inspection showed your front brakes are at or below minimum specification, recommend complete front brake service as soon as possible! Brakes below minimum spec can fail at any time and can result in further damage to your brakes and a loss of control of your vehicle.

Inspect Rear Brakes
Check every 9 months or 9000 mi

Technician Notes: 4mm-Upon inspection we found your brakes are measuring 4mm
Recommendation: Your rear brakes are OK at this time, I recommend that we check them again within the next six months.

Report created on 02/05/2015
AUTO INSIGHT™ Powered By Bolt On Technology™

In addition to boosting average repair orders, photos are handy in instances where repairs are not needed immediately. Photos help keep the information front of mind. Studies have shown the average person is able to recall 10% of the information they hear within 72 hours. When the same information is presented with photos the recall rate increases to 65%. [11] With quality software, vehicle condition **photos are texted or emailed instantly**, customers can see vehicle-related issues from their home, office or wherever they may be. It's like visiting the shop remotely.



The difference between non-Millennials and Millennials is not whether they conduct research prior to making purchases, or even what resources they utilize. It's how they conduct it. For Millennials, **consumer research isn't done sitting at a desk.**

Millennials have their smartphones and other mobile devices handy, and they may very well be making their final purchasing decisions while standing inside your shop comparing prices. More than 50% use their smartphones to **research products or services while shopping** [4]



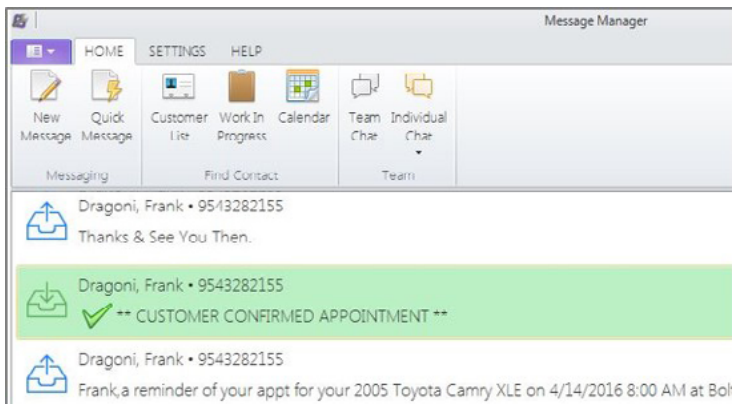
CHAPTER FOUR

Selling Maintenance Services to Millennials



Current vs. Best Practices

How are you currently getting customers to come in for maintenance? Do you put a lube sticker in the window reminding them to come in? Maybe you use CRM to remind customers via email to come in. Are you one of the many shops that sends postcards out to customers when it is time for a tune up? The good news is these are time tested ways to get customers in the door. The bad news is **times are changing**.



The most effective way to get a Millennial's attention is to **text them**. Sound familiar? We covered it for getting faster approval times, but it works equally as well for getting them to come back to the shop to get additional required service. You probably know how long their parts last, so you can remind them about

service based on when you **schedule the appointments**.

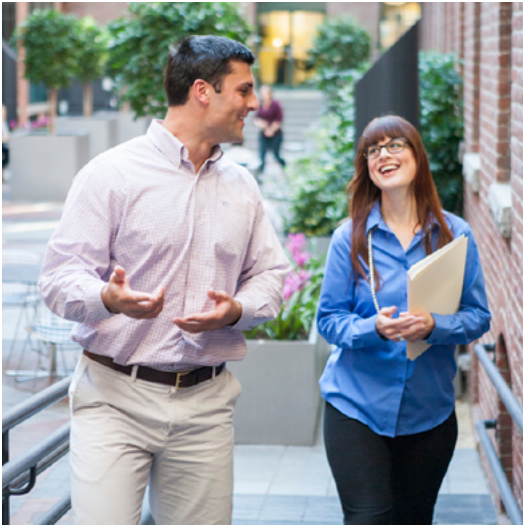
Having a shop management system that automatically schedules appointments **based on recommendations**, or scheduling software that bolts on, makes it easy to know when a vehicle is due in the shop. Having text message software integrated with your shop management system ([it actually exists!](#)) will send out **automated appointment reminders**. When they reply, it will automatically confirm their appointment in the shop management system.



CHAPTER FIVE

Conclusion





Auto repair shop best practices are constantly evolving, and it is up to you to make sure your shop stays ahead of the curve. With your older customer base steadily shrinking, it is best to **focus on newer drivers**; before you know it, they will be your main customer base. Positioning your auto repair shop online, integrating technology into your shop, and staying in touch with customers via text are all ways to keep your shop more **efficient**, more **productive**, and more **professional**.

GET UP TO DATE!

Request a Demonstration Today

Find out how our existing technology will allow your shop to:

- Schedule maintenance services in advance
- Send text messages instead of leaving messages
- Have digital inspections turn a 'no' into a 'yes'
- Increase your A.R.O. with Millennial money

References

- [1] U.S. Chamber of Commerce Foundation, "*The Millennial Generation Research Review*," U.S. Chamber of Commerce Foundation, Washington, DC, 2012.
- [2] J.D. POWER, "*Are Young Consumers Really Not Interested in New Vehicles?*," J.D. Power, Westlake Village, 2014.
- [3] The Nielsen Company, "*Millennials - Breaking the Myth*," The Nielsen Company, New York, 2012.
- [4] J. Fromm, "*American Millennials: Deciphering the Enigma Generation*," Barkley, Kansas City, 2011.
- [5] Pew Research Center, "*Millennials in Adulthood: Detached from Institutions, Networked with Friends*," Pew Research Center, Washington, DC, 2014.
- [6] The Council of Economic Advisers, "*15 Economic Facts About Millennials*," The White House, Washington, DC, 2014.
- [7] Facebook IQ, "*Millennials + money: The unfiltered journey*," Facebook, Menlo Park, 2016.
- [8] E. Schwartz, "*Is Google's Search Market Share Actually Dropping?*," Search Engine Land, 12 December 2015. [Online]. Available: <http://searchengineland.com/googles-search-market-share-actually-dropping-237045>. [Accessed 6 5 2016].
- [9] Opinion Research Corporation, "*Thanks to Millennials, Older Adults Increasingly Adopt Text Messaging*," Sprint, 2008.
- [10] Pew Research Center, "*Millennials: Confident. Connected. Open to Change*," Pew Research Center, Washington, DC, 2010.
- [11] R. V. E. Wiman and W. C. E. Meierhenry, "*Educational Media: Theory into Practice*," Charles E. Merrill Publishing Company, Columbus, 1969.