

CUT COSTS, NOT VALUE:

3 STRATEGIC WAYS TO REDUCE COSTS IN YOUR TECH STACK



Given the current economic environment, many consumers are dialing back their spending when it comes to purchasing a new vehicle or maintaining their existing vehicles. In fact, [70% of dealers](#) said the shift in the used vehicle market, including consumer affordability concerns, had a negative impact on their business in 2022. For many dealers, an increase in vehicle inventory has transferred the buying power from the store back to the customer. Savvy dealers are analyzing their tech stack to evaluate which solutions they should spend more on, which they should cut, and which solutions provide overlapping services.

Evaluating the tools and technology your dealership uses can feel overwhelming. Luckily, there are several strategic options for dealers to take. Start by listing out every tool, by department, that your dealership utilizes. Cross-reference this list with your accounts payable tool. If you do not have a

regular cadence with the vendor, set one up. Be transparent that you are conducting a review of the services they provide to your store.

There have been significant technological advancements and consolidation of vendors over the last several years. Previously, separate vendors were needed for each tool and platform. Additionally, antiquated technology often requires service or maintenance contracts. Cut costs, not quality, in your tech stack by identifying dated technology and opportunities to bundle solutions. Finally, evaluate the technology you use through the customer's experience. Ask yourself questions like, "Do the tools I have for scheduling Service appointments provide a seamless experience?" and "Can a caller quickly speak with someone when they have a question about a vehicle on my website?"

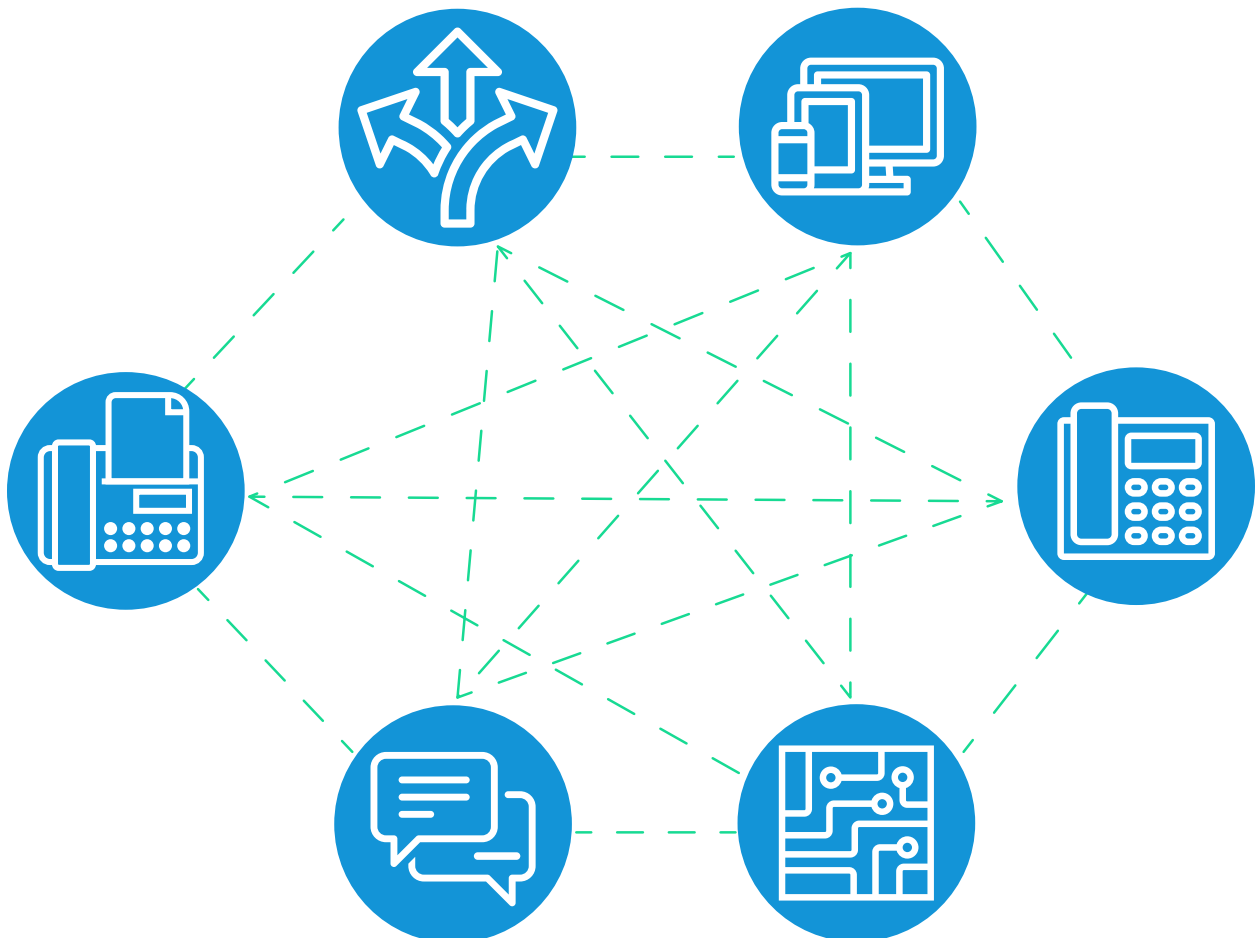
3 WAYS TO CUT COSTS IN YOUR TECH STACK

1*Identify redundancies***PG. 3****2***Eliminate maintenance contracts***PG. 4****3***Prioritize customer experience***PG. 5**

FIND THE BEST BUNDLED OPTIONS

Sync with your accounts payable team and pull a list of vendors and tools that your dealership has today. To properly analyze your tech stack, you need to take inventory of what tools you currently have. ***What department does each tool serve? What challenges do they work to solve? Is there an overlap? Can you remove redundant tools? Which solutions are critical to your everyday operations?***

Due to technological advancements, there are often services that are now included in existing packages or available from a single provider. Historically, you needed to contract with different providers for each service. Examine tools like **faxing, conference lines, screen-sharing or webinar services, internal chat, and call center products**. Are you utilizing a different provider for each of these that your phone system already provides?



ELIMINATE MAINTENANCE CONTRACTS

An easy way to cut costs in your tech stack is by making a vendor change and updating antiquated technology. If your store leverages maintenance contracts and vendors to support an outdated solution, these are sunk costs. When it comes to technology, supporting legacy solutions often also supports a negative consumer experience because legacy technology impacts the consumer's ability to communicate with your staff.

Identify which tools have service or maintenance contracts. Can those be eliminated? Are those contracts for outdated technology? Maintenance contracts can easily stack up in costs. Would upgrading solutions that rely on on-premises technology vs. Cloud-hosted technology cut the service costs and provide your staff with a better solution? For example, switching to a cloud-based phone system like [GoTo](#) allows dealers

to eliminate expensive maintenance and IT contracts, monthly utilization fees, and additional feature charges. Cloud phone systems also bring additional value with advanced reporting, call routing, and the option to capture and integrate with other technology solutions, like your CRM.



PRIORITIZE CUSTOMER EXPERIENCE

It is important to reflect on both the current and ideal caller experience when a customer is wanting to purchase a vehicle or schedule a Service appointment.

What are your current communication processes? Does your tech stack support the desired caller experience?

Customers most frequently interact with dealerships over the phone, making customer phone experience a top priority. What is the current customer calling experience when they call your dealership? A customer desires to speak with someone who can help them quickly and efficiently, avoid any wait time, and get any inquiries answered immediately. Dealer owners want customer information and phone call data uploaded into the CRM accurately and efficiently.

Reflect on the Fixed Operations experience. Do you direct customers to schedule their appointments on your website but require detailed information from them that they often do not know? For example, their service advisor's name or VIN of their vehicle. If so, is your form abandonment rate high? Should you consider removing detailed requests and prompt the customer to call and provide the additional information in your follow-up communication before the appointment? It is vital that you verify every tool in your tech stack is enhancing your customer experience. If not, re-evaluate it because a positive experience is what keeps customer retention high.



CUT COSTS IN YOUR TECH STACK

It is important to evaluate the tools your dealership leverages as technology advances. Though it takes time, prioritize analyzing every vendor's full suite of solutions, potential integration opportunities, and identify areas of duplication. Focus on finding the best bundled options, re-evaluating dated technology, and always reflect on customer experience.

Car Wars can help you by providing:

- A robust cloud phone system, through our partnership with [GoTo](#)
- Expertise in automotive call handling and phone system installation
- Transparent insight into 100% of calls in both Sales and Service
- Seamless integrations with major CRMs to better manage important leads
- Improved staff phone handling and accountability
- Staff training opportunities through our [CRISP Certification](#)
- Solutions like keyword search to quickly filter calls and optimize your time
- And so much more!

To learn more about our partnership with GoTo, visit www.carwars.com/home/solutions/cloud-phone-system/.