

The Company:

Jerry Rome Nissan West Springfield, MA



The Challenges:

- Looking to increase OE parts sales
- Looking to help customers manage their repair costs
- Hard to convince shops to try CollisionLink for parts orders
- Too much time spent on phone processing orders

The Solution:

CollisionLink with built-in Parts Marketing & Administration (PMA) technology

The Results:

- \$30,000 \$35,000 monthly in conversion sales in first three program months.
- Average monthly transactions up 400% over same period.
- More than 15 body shops added to CollisionLink
- Greater efficiency & improved workflow with reduced phone orders
- Increased customer loyalty and trust

Nissan Dealership Uses Market Shield Program – and CollisionLink – to Improve Parts Sales

Nissan's Market Shield parts marketing program was introduced in November, 2009, giving dealerships throughout the U.S. an opportunity to win more sales against aftermarket. Like other automakers programs – from Ford, GM, Honda and Chrysler – Market Shield is designed to help dealers sell more OE parts through more competitive parts pricing. And like these other automakers, Nissan partnered with OEConnection's CollisionLink to take advantage of its Parts Marketing Administration (PMA), a technology that automates Market Shield and makes it easy for both shops and dealers to participate.

Ken Athas, Parts Manager at Jerry Rome Nissan in West Springfield, MA has been

an enthusiastic Market Shield participant from the start. Having used CollisionLink since 2005, Ken was convinced that the parts marketing program was the catalyst needed to get his shops online and using the technology so that he could sell more OE parts. In recent months, he has aggressively promoted Market Shield through CollisionLink to his shops, with impressive results. Athas estimates that he generated between \$30,000 and \$35,000 monthly in conversion parts sales over the first three months of beginning the program.



"The best thing Nissan did was to say that the only way shops can receive discounted products is to go through the (CollisionLink) product," Athas said. "For whatever reason, our area is just not conducive to technology use. With some programs, shops can send orders over the phone and fax, and still get credit. So when Nissan's program came out, it finally woke up some of the collision centers and many decided, 'okay, it's time; I need to get on board.' It kind of forced their hand. My hope is that as time goes on, we will get 100% of their orders whether there are conversion opportunities or not."

Before Market Shield was introduced, Athas said he could convince only a few shop customers to use CollisionLink for their OE parts orders. The dealership has signed up more than 15 shops in the past four months, and most are now using it faithfully. "Once the shops started using it, and realized how valuable the discounts are and how easy it is, they have all bought into it."

Athas does not leave sales conversions to chance, however. He and his staff take a pro-active marketing approach, including calling long-time customers, visiting shops and handing out program literature. And when shops fax in their orders with blacked-out aftermarket parts on them, they do not hesitate to give price comparisons on OE parts available through the program.



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"I've been working in wholesale parts for 30 years, and this is the best thing I've ever come across!" "After a while, you get to know which part numbers qualify and it gives us the opportunity to explain the Market Shield program," Athas said. "One shop faxed me an order, and it had a fair amount of aftermarket on it. Once I told him what I could offer, which was about \$500 off the OE price, they were signed up and resent me their order within 30 minutes of that conversation. They were elated."

How is Athas using the program, specifically, to win more conversion sales? Since there is no recommendation on how the reimbursed money is to be used, Athas decided he would take the net cost less the rebate Nissan was providing and then mark up 10% from there. He explained that not only are they using all of the Market Shield money, they are also discounting with some of their own money.

"I decided to go in 100%," Athas said. "I opted to take less gross on parts I wasn't getting any money on anyway. I didn't want my shops to say, 'Oh, I got a deal on this part, but not on that one' because that's not enough to make them sway. They will want to use CollisionLink, and they will want to switch, if they know they will always get a value. In the end, you have customers who believe in you and trust in you; the long-term benefit is huge.

"For Jerry Rome Nissan, there are many benefits to having their most active shop customers sending orders electronically. Having their big shops on board has streamlined ordering and leveled off the pace. "It has allowed us at the dealer level to work more efficiently," Athas said. "I don't have to urgently take down a 30-line body order while all the phones are ringing, and maybe a retail customer standing in front of me, and a technician yelling from another corner. In those situations, you are just going to mess up."

Nissan's Market Shield program, and the partnership with CollisionLink, appears to be working well for this dealership, which consistently ranks in the top 5 of all Nissan dealerships for conversion dollars. "We make a little bit on each conversion sale... and a lot of a little bit adds up," Athas said. "I've been working in wholesale parts for 30 years, and this is the best thing I've ever come across!"

About CollisionLink's Parts Marketing Administration (PMA) technology: PMA is the engine within CollisionLink that drives each automaker's marketing parts program based on pre-defined rules. PMA allows dealerships and collision repairers to access automaker incentives and parts promotions from within CollisionLink, so dealers can provide OE parts as an alternative to non-OE parts at competitive prices.