

5 Common CRM Mistakes (and How to Know if You're Guilty)

If there's one thing I can say about the dealers I work with, it's that they all want to be the best. And many of them really are — at least in their own regions, with their own sales figures. But sometimes, things happen. Something starts to dip, some goal goes unachieved, someone on the team doesn't close. And that's when I'll get a call. The first thing I want to know is: Are you putting your software to work for you?

The answer is always yes.

But the reality is ... not always yes. And speaking of reality, let's face it: A hundred things affect your dealership's performance. It's easy to think you've got more important things to worry about than your CRM. Sometimes you feel like you don't have time to lock down the details because you just have to close. But that can be a bigger mistake than you realize.

Let's talk about the five most common CRM mistakes I see, and how I coach dealers out of them.

Mistake No. 1: Setting it and forgetting it

You know you set up your CRM at some point — or someone did. But chances are, it's been so long you don't remember what you set it up to do. And what it's telling your people to do. If you're a manager, shouldn't you know what your software is telling your people to do?

If you don't know what your processes are, you don't know if they're any good. They could be outdated. They could be confusing (which basically teaches your team not to follow them). They could be flat-out wrong (which teaches your team to bang their heads against the wall). Either way, you're hurting conversions and losing money.

I've seen the attention dealers pay to perfectly parking the cars on their lot. I know the dedication is there; you just need to bring that same focus to your CRM.

Are you scratching your head and realizing you can't remember what's in your CRM? Go log in and look at it — in the cold light of day. If you gave your CRM total control of your team, would it tell people to do what you want them to do?

Mistake No. 2: Letting your team off the hook

Even the best processes don't matter if nobody follows them. And nobody follows processes if there are no clear consequences. Trust me: I'm a dad. Do you think my kids would clean their room if they didn't know the devastation of no dessert?

The thing about your people is, they like to be told what to do. All people do. Nobody wants to wing it without any guidance or support. So I tell every dealer I work with to manage deliberately and manage through the CRM. Use it to guide your team directly through the steps you expect them to follow, from first contact to close to follow-up ... everything. And don't ignore anyone who's ignoring those important processes.

Worried you've been a little too soft on your salesmen? Take a look at the task completion rates in your CRM to see where the team is falling short. From there, it's time for a huddle. What's keeping them from following through? What don't they understand? What needs to change? Make what changes you need to, but don't back down on the importance of adherence.

Mistake No. 3: Being unrealistic

Here are the common scenarios in which dealers shoot for the moon in setting up a CRM: They just migrated into a new (read: more expensive) platform and are anxious to get their money's worth. They just moved up into a management position and want to impress the team with their aggressive goals. I'm not saying don't set the bar high, but I am saying don't set yourself up for failure.

Sure, contacting each potential buyer 10 times a week sounds nice, but nobody can pull that off. What happens is that your team cherry-picks goals they think they can hit, and follows the steps it takes to hit them. And the rest goes undone. So I tell all dealers the same thing: Nothing will serve you better than a process your team can and will follow.

Think you're a bit sky-high in your goal-setting? Take a look at these key metrics, and then commit them to memory because they matter more than anything: Appointments scheduled. Appointments confirmed. Appointments shown. Cars sold to appointments shown. These are goals you can set, track and achieve — and they're what add up to jaw-dropping results anyway.

Mistake No. 4: Calling it quits after the close

Your CRM isn't just for ready buyers. It's for *all* customers. New ones. Old ones. In-between ones. The buyer's journey is long, and you want to be there through it all. Don't leave the CRM behind on that important journey.

Fortunately, everyone selling cars today knows how much lifecycle management matters. You don't have to convince your team of this. You just have to make sure your CRM is supporting full lifecycle management as much as they are.

Feel like you're dropping off too soon? Log into your CRM and pull up five sales from the past five years. Did your team ever follow up with these customers? If not, now you know where you need to improve.

Mistake No. 5: Not entering leads in your CRM at all

Almost every dealer's missing customers in their CRM. They get complacent about manually logging non-Internet leads or cell phone conversations, and the information slips through the cracks.

Here's the thing: If they're not in your CRM, they don't exist.

When they are in your CRM, you open up a whole new world of opportunities. Opportunities to segment your database and send more relevant messages. Opportunities to engage customers throughout the lifecycle and secure repeat sales. Opportunities to save your whole team time, money and effort, and close more deals more quickly.

Think you might be leaking leads? Look in the service drive. Are all your service customers entered in the CRM? If not, that's a major red flag. Syncing your service and sales databases is an easy step toward more complete records.

Your CRM is a major investment, but it can also deliver major value. If you use it the right way, it can be your go-to tool to build customer relationships, close sales and grow your dealership.

Mark Vickery is the senior director of performance management at VinSolutions.