

# Parts sourcing software drives dealer group sales growth

Successful software platform adoption and implementation produce strong, sustainable results for the dealership group and regional market.

Parts sales software adoption by dealership group drives sales growth over a five-year period, producing sustained sales increases and substantial growth. Data analysis focuses on the annual performance of a multi-OEM dealership group and highlights similar double-digit growth trends within the market region across additional dealerships and shops or buyers.

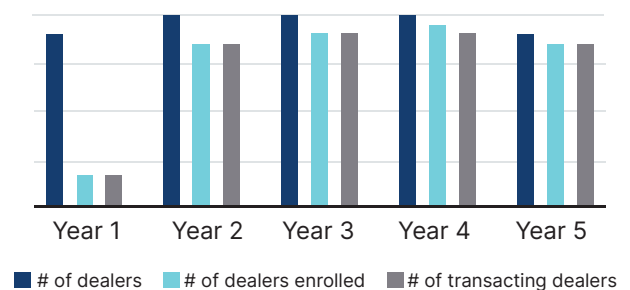
Several key, data-driven takeaways demonstrate the impact of online part sales for the dealership, the regional market, and shop customers, including: **Widespread adoption within the dealership group corresponds with sales growth; dealership adoption and promotion increase shop usage and activity; and platform usage drives growth across the market.** The following provides an in-depth analysis of the software-driven results for the dealer, the shop, and the regional market.

## 1. Dealership buy-in drives results

From the early phase of software adoption, the dealership group understands that for the online program to be effective, each individual dealership needs to employ an all-hands approach with full commitment from the team to use the application to drive the wholesale business. The total number of dealers in the group compared to the number of

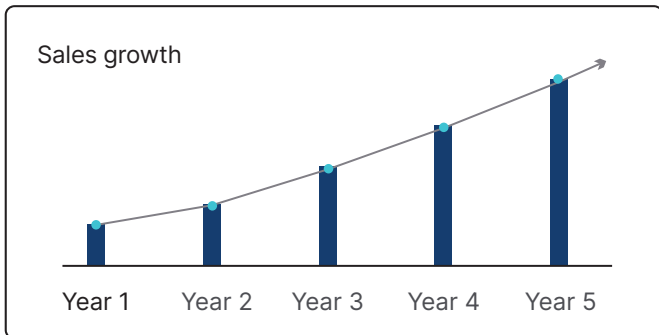
dealers transacting on the platform is nearly parallel by the second year of the program, demonstrating their full commitment. The dealer team further notes the importance of getting “dealers set up properly, with accurate data and inventory levels.”

Transacting dealership growth



Widespread adoption within the dealership group corresponds with sales growth.

The trend remains consistent over the five-year dataset. In the first year, the group includes 17 dealers with three of the 17 transacting on platform. By the third year, the group grows to 19 dealerships with 17 using the platform for parts ordering transactions. Likewise, sales numbers, year-over-year, increase significantly in this time period. With nearly all dealers in the group transacting on the software solution, **parts sales grow from approximately \$250,000 in the first year to over \$5 million in sales in the fifth year – more than a \$4 million increase in four years.**



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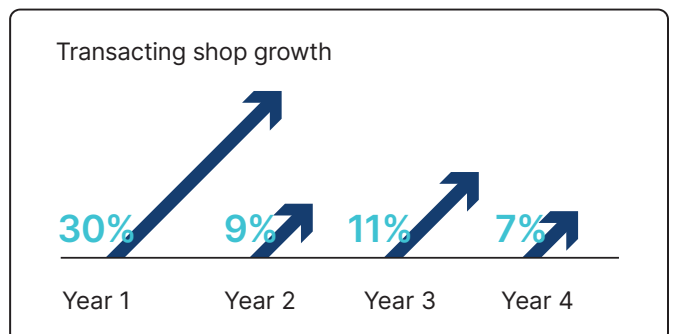
The software solution proves to be a major benefit, driving sales for both individual dealership users as well as for the entire group. Initially, the dealers that precede the group to the platform – the three dealers using the software individually prior to group adoption – see the fastest results. However, the group performance accelerates as shops learn to purchase parts from all the dealers actively using the platform (the group reaches a 94% adoption rate by year five). The software creates a link within the organization and increases growth opportunities, improves accuracy, and enhances profitability.

As the full organization embraces the platform and moves together strategically, the consistency allows shops to work with these dealers – regardless of manufacturer – in a reliable manner. In doing so, each dealer provides customers with a repeatable way to conduct business, reducing friction and facilitating behavioral change. The desired change? Encouraging shops to order parts online.

## 2. Expands shop users & customers

Another significant factor that drives software adoption and growth is the outside sales team committing to the all-in approach to the platform, working in tandem with the parts team behind the counter. The group’s outside sales representatives engage shops in the area, encouraging customers to utilize the shop-side parts ordering platform. One sales representative from the dealer group said: “One thing I learned is that getting in front of the customer, getting them to sign up, and showing them the benefits [of the platform] is the best thing to do.”

This gets the shops onboard and ordering online when they need to purchase parts from the dealer group. In the five-year span, **the number of shops transacting through the online platform grows by over 70% in the market, an increase of 315 transacting shops.** One shop tech and current



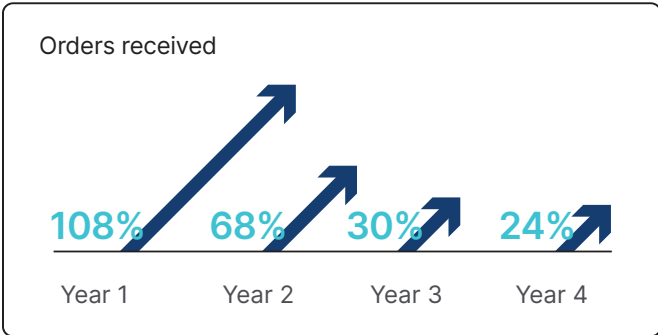
customer said this [software solution] is the only way he orders parts now – he doesn’t even pick up the phone anymore, loves the pictures, knows what he is ordering, and does not have to depend on someone on the phone.

The group does acknowledge that “small dealers don’t have a lot of outside sales reps.” While this can seem like an impediment at first, the team adds: “once they [small dealers] have the entire network connected using the online platform as a link, they have visibility into resources, availability on products, and get the support they need immediately.” This indicates that even for small dealerships, online solutions streamline the process and, whether short-staffed or a dealership with little-to-no outside sales team, the online program helps sell parts, effectively turning a perceived weakness into a strength.

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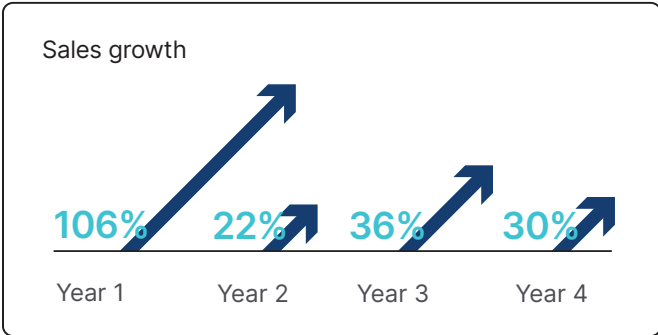
“One thing I learned is that getting in front of the customer, getting them to sign up, and showing them the benefits of using (the software) is the best thing to do.”  
Dealership group sales representative

5x sales increase | ↑78% transacting dealers



### 3. Promotes Regional Market Growth

Across the market area in the same five-year period, sales across the platform increase dramatically. In the first year of the program, the market produces about \$4.5 million program sales – with the dealer group contributing just \$250,000 in sales using the software. **By the fifth year, the market tops \$20.5 million in platform sales, a total of \$16 million in growth.** As noted previously, the dealer group produces about \$5 million in part sales at the end of the dataset, meaning an \$11 million sales increase took place in the market outside of the dealer group’s push for platform adoption and sales growth.



## Downstream benefits and growth

The anticipated result from platform adoption is improved part sales growth at the dealership level, a proven outcome with dealership part sales growing consistently year to year, starting at approximately \$250,000 and finishing at over \$5 million in sales. Perhaps the less expected but equally, if not more so, impressive result is how the five-year dataset analysis reveals large-scale market growth in sales beyond the group. The market, in terms of transacting shops and orders, experiences impressive, sustained growth. **The data shows orders through the software**

**program increase by over 109,000 annual orders and transacting shops increase by over 70%.**

The five-year span of **sales data demonstrates wide-ranging, downstream growth within the market** for both individual dealerships, total sales, and purchasing shops. Dealers on the software platform see double-digit part sales growth and an expanding customer base. Shop users, in turn, experience online parts ordering through local dealerships, creating greater, more cost-effective access to parts that improve the experience for their end customer: the vehicle owner.

## Key takeaways



Widespread adoption within the dealership group corresponds with sales growth



Dealership adoption and promotion increase shop usage and activity



Software usage drives growth across the market.



To learn more about online part sales solutions and the benefits dealerships experience from implementing software platforms, visit [OEConnection.com](https://OEConnection.com).