



# Can your dealership compete with Google, Amazon or YouTube?

## Does the battle against these giants remind you of David and Goliath?

By KELLY MATHISON



Over the past number of years, parts and service managers who have attended our Dealer Institute courses have told me they have seen an increase in competition from the internet. Many see it as the giant they can't compete against.

Many articles have been written on the so-called "Amazon effect" and the disruption online purchasing has had on traditional retail sales.

I recently read an article by Jack Zemlicka in *Precision Farming Dealer*, where he quoted Devin Dubois, former vice president of integrated solutions at Western Sales and current vice president of Blue Sky Hemp Ventures in Saskatoon, Saskatchewan. "Are we being better than Google?" asked Dubois.

In the article, Dubois commented how dealership precision services need to be the trusted source for precision farming information rather than having customers "Google it."

The same question should be asked of your dealership's parts and service departments. Is your parts department a trusted source and better than Amazon? Is your service department a trusted source and better than Google or YouTube?

It's tough to compete with these mega companies that are open 24/7/365. They offer one-click shopping, ordering, competitive information, and how-to videos for do-it-yourself service or repairs on almost everything imaginable. However, dealerships need to focus on the areas they can be better or provide something these competitors cannot.

**In WEDA's Dealer Institute programs**, we challenge participants to come up with ideas about how to compete with these giants.

### What does your parts department offer that Amazon cannot?

- Does Amazon know the make, model and serial number of your customer's machine?
- Does Amazon know the unique options, build codes or options on your customer's machine?
- Does Amazon have the knowledge of regional conditions or your customer's unique use of equipment?
- What is the warranty on a part ordered from Amazon vs. purchased from your parts counter?
- If your customer requires assistance in installing the part, can Amazon provide that?
- What is the warranty on parts installed by your technicians vs. parts purchased over the counter?
- Although Amazon may have an algorithm that prompts its customers to consider ordering related parts with the key part, is that better than the experienced advice of your parts professionals?
- Can you offer a choice and over-the-counter solutions that Amazon cannot?

Hopefully, your answers are, "We can beat Amazon in all these areas, we just need to ensure our staff is delivering and our customers are aware."

**Following are some questions you might ask about your dealership and your parts counter people:**

- Are you accessing the customer machine profile to ensure the part matches with the correct serial number range?
- Does the customer profile information in your CRM show the options or machine history?
- Are your parts people trained on how machines are used in your region?
- Are your counter people fully aware of the warranty on over-the-counter, OEM, remanufactured, or third-party parts? Do they explain those differences to customers?
- Is the parts warranty extended to parts and labor if installed by your dealership and are customers aware of this?
- Are you trained to provide additional part or parts recommendations to provide a solution or just told to "upsell?"
- If you can provide the right part over the counter with the right advice, why would your customers consider buying online?

### What does your service department offer that is better than Google or YouTube?

- Are the technicians in YouTube videos factory trained like your technicians?
- Do you have the special tools, testing and diagnostic equipment the average do-it-yourselfer does not?
- Do you offer a workmanship warranty or extended parts warranty on parts installed by your technicians?



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**We need to be paying attention and look for ways to win against these giants. In some cases, the tools and weapons (and even the pebbles) may be right under our noses.**

- Do you provide additional advice or services that go beyond the specific repair?
- Does your dealership provide machine operator schools or optimization clinics so your dealership and personnel are seen as the “experts?”

**Following are some questions you might ask about your dealership and your service and service salespeople:**

- Do we have an annual training plan that ensures our technicians are up to speed on all the machines and brands we support?
- Have we made the investment in diagnostic and special tools to provide the value others cannot?
- Do we offer and promote our workmanship warranties to differentiate ourselves?

- Is a machine walkaround part of our service routine to identify other areas of concern on the machine beyond the specific repair?
- Are we including our technicians and parts counter people as presenters in our clinics and schools so they are seen as experts?

Many a story has been written about how companies like Amazon caused the demise of companies like Sears. Some say Sears had no chance, while others say Sears underestimated Amazon and didn't use its strengths to compete.

It's interesting how a company that started as an online bookstore has become a dominant player in so many other markets. It's also interesting how some guy with a cellphone can make a five-minute video and

somehow take away business from a dealership's well-trained and well-equipped service departments.

Many are predicting Amazon will soon be a dominant provider of the \$50 billion yearly automotive aftermarket parts business. Could equipment parts be next on Amazon's list? Who knows?

In the famous story of David and Goliath, David used the tools and weapons he was familiar with to defeat the supposedly better equipped Goliath. Rather than fighting head to head with a sword and shield, he used pebbles and his sling. We are all familiar with the outcome.

**We need to be paying attention and look for ways to win against these giants.** In some cases, the tools and weapons (and even the pebbles) may be right under our noses. **WED**



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