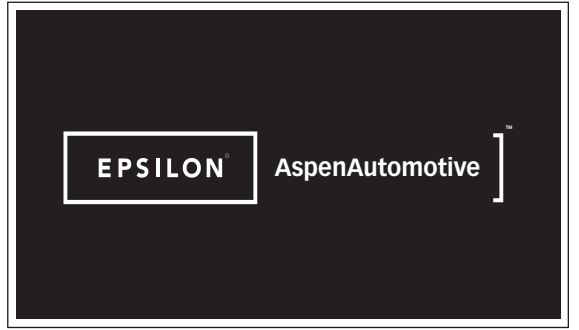


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Hail storms send insurance costs skyrocketing

▲ Lawrence Papoff

CALGARY, ALTA. – The hailstorms of 2014 were the worst ever. Pounding inventory to pieces, they took the new dealerships in Calgary’s northwest area by surprise.

“It was the first big one in many years,” recalls Asheet Ruparell, whose Stoney Trail Mazda store was one of those that took a pounding and a \$2 million loss.

“There have been more since, but that one precipitated a lot of concern,” he says. The concern was fuelled by skyrocketing premiums, lower deductibles, high per-event deductibles and the flight of insurers from the market, which runs from Red Deer to Lethbridge. “Hail storm alley,” it’s called.

The dealer and his colleagues looked to the CADA and its insurance broker Marsh Canada. But the broker had no control over the flight of insurers.

“That was quite a hit,” Ruparell says. Then dealers looked to their floor plan finance companies and their insurers. There was little help there.”

The fear persisted that if the incidence of storms grew, whatever coverage remained would vanish.

Christopher Nadolny is Marsh Canada’s transportation risk manager. He explains that insurers’ interest in hail insurance varies with the weather.

“It’s cyclical. They pull out when there are big losses and when the weather improves, they go back in.”

In the face of \$250,000 per-event deductibles and vanishing per-vehicle deductibles, Ruparell was forced to swallow most of the losses, in other words self-insure. Small storms often brought \$200,000 to \$400,000 losses.

The dealer explains that coping with the aftermath of a storm is demanding: lining up repairs and insurance claims; adding inventory; getting new-car customers vehicles to

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Super Sue helps Finneron Hyundai win President’s Award

MARKETING A MUST EVEN IN A SMALL TOWN

▲ Lawrence Papoff

COURTENAY, B.C. – When dealer Mike Finneron and his daughter and store general manager Sue Finneron changed their franchise from the defunct Pontiac brand to Hyundai in 2010, they found there was more to the move than just changing pylons.

“We had to learn how to be an import store,” Sue Finneron recalls.

“One of the differences is warranty work. As a GM dealer, we relied quite heavily on warranty work. With Hyundai, our warranty work was cut in at least half.

“We had gone from a three month/5,000 km philosophy in maintenance to six months/6,000 km since cars are better than they used to be. So you aren’t used to seeing your customers as much.”

Add to that Finneron Hyundai is located in Courtenay, B.C., on the east coast of Vancouver Island in the Comox Valley. There’s a population of 24,000 and a trading area of 60,000. It’s pickup truck country. But Hyundai hasn’t a pickup in its lineup.

“It took us a couple of years to learn,” she said.

One of the moves she made was to get in touch with a marketing company in Florida and work with them for





Sharing in the success as the Finneron Hyundai team celebrate its award. Super Sue herself received the award from Hyundai Canada chief Don Romano – though she left the cape at home.

Super Sue | FROM PAGE 1

about a year, learning how to market the store.

At one of the sessions, a cartoonist appeared and drew caricatures of all the students in a superhero suit. Finneron liked the look.

“We had to find a way, so I put on my cape and became Super Sue Finneron.” she said. “The name just stuck.”

Super Sue is everywhere. Super Sue greets each shopper at the store’s website where they get an invitation to play the Super Sue Game and win “free stuff!”

Next come the “Adventures of Super Sue,” where the real Sue Finneron introduces herself and the store to the public in a brief video. Then there’s the Super Sue Shoot-out where customers are invited to “Hit Super Sue three times to win a free voucher!”

Every page on the site has a Super Sue, cape and all.

Finneron went about making herself a personality in the area, hosting a weekly radio show. Show content is mixed, not just auto-focused. The store also does a variety of charity work and telethons with Super Sue as the rep.

She says that there’s more to it than just attention getting. The store services all makes and offers subprime financing.

“A big part of what we do is subprime. That means customers for life. That’s my dad’s philosophy and mine,” she said. “We are solution providers. We get involved. We find



out what the customer needs. We’re not here just to sell them a car.”

People know her. She’s used to being stopped in the grocery store even without the cape. And if they have a problem with their car, they’re not shy about telling her about it then and there.

And that means the store has to stand behind its product.

“If a customer has an issue in service or sales, we do the

right thing and handle it. Customers know they can count on us to do the right thing,” she says. “I put on my cape and find a way.”

She credits the store’s 29 employees with being a key part in the store’s success. The turnover is low – one staffer has been there for 35 years; six for over 25 years and more than half have been with the dealership for over 10 years. That means they know the customers.

Finneron says the store isn’t big on process.

“We are not a super process store. Big town dealers come to this town and try to do it that way. But one size doesn’t fit all. Different people need different things and being a small town dealer, we can do that.”

The 9,000 square-foot store sells about 550 new and used a year. She says that translates into a 12 per cent market share in her area versus the automaker’s eight per cent share nationwide.

“That’s pretty good because we are just tiny.”

In June, those sales numbers and the high level of customer satisfaction underlying them won the dealership Hyundai’s President’s

Award of Merit for being the brand’s top-performing dealer in 2015. **AWI**



The story behind Twitter’s first European car sale

Lawrence Papoff

BARCELONA, SPAIN – Raul Escolano was looking for a car. Like most shoppers, whether they are in North America or Europe, Escolano didn’t want to spend his time going from dealer to dealer in his homeland, Spain. So he took to the Internet and Twitter.

There, he began courting car dealers in Spain using the hashtag #compraroncocheportwitter – in English, “buy a car on Twitter.”

Backing him up was a Twitter poll of people he asked to give him their opinions on his vehicle choices.

He shopped around and found a Twitter-savvy Nissan dealership, Antamotor, in northwest Spain. Using Periscope, Twitter’s live streaming video mobile app, dealership staff took the buyer around an X-Trail presenting all of the vehicle’s key features in a personalized walkaround uploaded to a live stream.

Escolano liked what he saw. Still, he wanted a second opinion. So he polled Twitter users to see what they thought about his choice versus the others on his shortlist.

The survey, which received 2.6 million impressions (according to social media

analyst Brandwatch) ranked X-Trail ahead of its rivals with 43 per cent of the vote, helping Nissan to seal the deal.

“The Twitter poll was set up by the purchaser and Periscope was used by the Nissan dealer to highlight the X-Trail’s key features and to explain the next steps in terms of agreeing to a deal and vehicle delivery,” Christopher Caloghiris, corporate communications officer for Nissan Europe, told *Canadian AutoWorld*.

He said that from the first contact with the client to the final decision to purchase – just six days later – all communication between the dealer and the customer took place digitally via the social media platform.

Caloghiris said that once Escolano made his choice, “not much bargaining



was done.”

“The client then spoke directly with the leasing company over the phone.”

A courier delivered the keys to the customer who picked up the SUV at Nissan’s Spanish offices, not at the dealership.

“It was the first face-to-face interaction between Nissan and the customer since the sale began two months earlier,” Calo-

ghiris added.

In October 2015, Nissan announced a new European customer experience initiative, which the automaker called one of the industry’s broadest-reaching customer service transformation programs.

The five point Service Customer Promise includes 24/7 customer service, lifetime Nissan assistance, service price match, a free transparent vehicle health-check, and free courtesy car with any service operation.

“It is the first time that an automaker has made a region-wide promise to its customers, signaling Nissan’s commitment to leading the industry towards greater transparency when it comes to aftersales sup-

port, pricing and servicing,” the automaker said.

“In select markets, Nissan has also deployed innovative technologies like ‘e-vision,’ a video diagnostic tool for time-sensitive customers looking for greater transparency and clarity around their vehicle service.” **AWI**