

BUYING AND MERCHANDISING OPERATIONS RESEARCH EVENT

Honors Credit



JM LEXUS

Monarch High DECA Chapter

Monarch High School

5050 Wiles Road

Coconut Creek, FL 33073

Narriman Ribeiro & Darryl Peters

December 9, 2011

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I. Executive Summary

The JM Lexus dealership, located in Margate, Florida, is a Certified Pre-Owned Superstore and the largest volume Lexus dealership in the world. It has received many consecutive Elite of Lexus Awards, which are based on the dealership exceeding Lexus operational and certification standards, and on customer feedback on sales, services and owner satisfaction. The dealership sustains a high-tech service department, offers a variety of vehicle makes and models with JM Lexus's standard of excellence, and is one of the few Lexus Certified Collision Centers in the country.

The **primary purpose of the research** was to investigate the current customer loyalty programs of JM Lexus and to develop a strategic plan to enhance or introduce new programs into the current operations. A total of three questions were determined before beginning our research:

- ❖ What are the current customer loyalty programs/activities at JM Lexus?
- ❖ What are other dealerships doing to attract repeat business?
- ❖ Is there anything JM Lexus can do to improve customer inflow?

The **methods of research** used to answer these questions were:

- ❖ Secondary research on loyalty programs in the U.S
- ❖ Personal tour of the dealership
- ❖ Customer survey

The results of each research methods revealed a series of important facts and led to a final **conclusion** that JM Lexus effectively guarantees customer *satisfaction* with their product and services, but can improve in assuring the *loyalty* of current customer, that is, repeat business. Based on this conclusion, we developed a **strategic plan** that both introduced and enhanced the existing loyalty programs at JM Lexus. Our plan to retain the current customers of the dealership focuses on two main objectives:

- ❖ To provide customers with incentives, such as discounts on future purchases and/or complimentary services.
- ❖ To increase the communication and thus strengthen the relationship between the company and car owners, making them feel like valued customers.

Our proposed strategy includes **3 new loyalty programs**, all of which are simple and understandable to the customers as well as unique from other dealerships. They can also provide **benefits to the company** by increasing profit-per-customer numbers, and establishing an even better image of the dealership among its customers, which can lead to recommendations and an increase in the total number of customers, consequently lowering marketing costs. Furthermore, these activities will enhance the company's existing customer profiling system and tracking of sales and visits, which will help the company predict its future relationships with car owners and obtain an idea of when and in what area it needs to improve in order to have the desired return of customers. We hope to have created innovative ideas to elevate the level of customer loyalty at JM Lexus.

II. Introduction

A. Description of the Business:

JM Lexus is a world leader of the automotive industry. The **Margate JM Lexus** dealership is a privately owned company whose goal is to provide the highest quality care that Lexus customers deserve. It has approximately 3,800 associates in over 11 major cities in the U.S and Canada. The business is also very successful in meeting customer demand and desire for luxury, modern technology and reliability.

The founder of JM Lexus, Jim Moran, has a long history of success in the automotive industry. His career in South Florida started through Toyota Motor Sales, where his exemplary marketing skills and diligent character led to the growing success of the company and of his own drive to succeed in the automobile industry. Thanks to so much determination, Jim Moran led JM Lexus in Margate to be the **#1 Lexus dealer in the world**. Moran died in April of 2007 at the age of 88 and left this successful business to his daughter Pat Moran.

The dealership provides prime services for customers who have an interest in purchasing, leasing or test-driving new or old Lexus cars and SUV's.

Lexus Car Models – 2011

Type	Models				
Sedans	IS	ES	GS	LS	IS C
SUVs	RX	GX	LX		
Hybrids	IS F	LFA			
Performance	CT Hybrid	HS Hybrid	RX Hybrid	GS Hybrid	LS Hybrid

JM Lexus also offers exceptional online resources to ensure customer satisfaction inside and outside the store location. Among these resources is a complete virtual tour of the dealership, internet specialists to help meet all automotive needs, and tools for pre-scheduling services and even ordering replacement parts online.

Besides the online resources, JM Lexus provides customers with an outstanding service at their location in Margate. New Lexus models are showcased in the showroom, and the guest lounge allows customers to enjoy a variety of beverages and food, as well as television and Internet access while their car is being serviced.

B. Description of the Community:

Geographic:

The city of Margate is located approximately 15 miles northwest of Ft. Lauderdale and has about 105 acres of parks. The JM Lexus location on which we executed our research is 5350 W. Sample Road Margate, FL 33073. The main roads off of JM Lexus



are State Road 7 and Sample Road. The surrounding location includes the Pepper Tree Plaza, which holds a variety of businesses and anchor tenants such as Winn Dixie, Sam Ash Music, Office Depot, and Gold Corral Buffet & Grill. The surrounding location also includes competitors such as BMW, Infiniti of Coconut Creek, and Al Hendrickson Toyota Dealer.

Since the establishment of the Margate Community Redevelopment Agency, streetscape improvements such as buffer walls on Atlantic Boulevard and the median landscape of State Road 7 have improved the appearance of the area.

Demographic:

Margate is a very well-populated area with about **54,475 citizens** and about **14,332 families** as of 2009. The city celebrated its 50th anniversary in 2005 and has grown considerably since 1967 when there were approximately 5,700 citizens. According to the 2000 Census, the median age of Margate citizens is 43, which is older than the average age in the U.S. The majority of the Margate citizens are Caucasian. The city hosts three elementary schools and one middle school, nearly 20 parks, two large golf courses, and about 7 plazas/shopping centers.

Some demographic information for **50 East Sample Road** includes the following:

Population	1-mi.	3-mi.	5-mi.
2011 Male Population	10,354	54,514	133,442
2011 Female Population	10,172	54,742	140,974
% 2011 Male Population	50.44%	49.90%	48.63%
% 2011 Female Population	49.56%	50.10%	51.37%
2011 White Population	8,894	66,495	196,057
2011 Black Population	9,032	33,226	55,560
2011 Asian/Hawaiian/Pacific Islander	281	1,348	5,144
2011 American Indian/Alaska Native	73	293	605
2011 Other Population (Incl 2+ Races)	2,246	7,894	17,049
2011 Hispanic Population	4,331	17,228	43,744
2011 Non-Hispanic Population	16,195	92,028	230,672

Economic:

The median household income in Margate is an estimate of **\$48,458**.

Economy	Margate, FL	United States
Unemployment rate	10.10%	9.10%
Recent Job Growth	0.37%	-0.12%
Future Job Growth	30.64%	31.25%
Sales Tax	6.00%	
Income Taxes	0.00%	66,495
Income per Cap.	24,011	27,067
Household Income	48,458	52,954

Some economic information for **50 East Sample Road** includes the following:

Income	1-mi.	3-mi.	5-mi.
2011 Median Household Income	\$28,053	\$36,795	\$46,118
2011 Per Capita Income	\$12,351	\$24,371	\$30,523
2011 Average Household Income	\$36,927	\$60,213	\$69,171

Retail Sales Volume	1-mi.	3-mi.	5-mi.
2011 Automobile Dealers	\$29,921,683	\$270,866,938	\$849,985,775
2011 Automotive Parts/Acc/Repair Stores	\$3,573,156	\$33,548,502	\$103,681,140

2011 Other Motor Vehicle Dealers	\$1,067,631	\$10,347,087	\$31,502,172
2011 Tire Dealers	\$940,634	\$8,869,164	\$27,700,529

Socioeconomic:

The city of Margate has expanded over the last couple of years and so has its population and recreation. Many businesses and shopping centers have sprouted around Margate attracting customers passing by. In addition to shopping centers around the community, Margate has a lot to offer. Anyone interested in outdoor activities can enjoy the beautiful Calypso Cove, which is a water park located within the city’s boundaries. There are also three pools, two playgrounds, picnic tables, half-court basketball courts and a fishing dock. There is also golf for golf lovers.

The Oriole Golf and Tennis Club is home to an 18 hole, par 72 public course designed by Bill Dietsch. The Carolina is another great golf club that is opened to the public and hosts PGA tournaments.

Every year, the city of Margate hosts special events in the community like the Senior Games for ages 60 and above at the Northwest Senior Focal Center, which JM Lexus



sponsors. The Memorial Day Ceremony at the Veterans Memorial Park is a time where everyone gathers and remembers our country’s history. Lastly, The Fourth of July Parade and Fireworks is another prestigious event to celebrate the historical date.



History is a very important aspect to any city. Margate is home to a museum that preserves a lot of the city’s history from the 18th century to the middle of the 20th century. On display there are material charts of how the town evolved over the years,

paintings, photographs, memorabilia, and a lot more. The museum displays are divided into three themes: Maritime Margate, Margate at War, and the Margate Court.

Margate embraces a lot of things, and the businesses, museums, churches, and activities all connect together and help to define Margate as a great community

C. Description of the Business's Target Market:

Besides Margate, there are also incoming customers from Coconut Creek, Coral Springs and Parkland. The city of Parkland has an average household income of \$99,709 which is substantially larger than the income of the neighboring cities. For this reason, Parkland accounts for a large portion of the sales in Margate.

III. Research Methods Used in the Study

A. Description and Rationale of Research Methodologies selected:

Enhancing a company's customer loyalty programs required a few research methods, ranging from analyzing customer current satisfaction to investigating other dealerships' strategies. Before we conducted any such research, we were determined to answer the following questions:

- ❖ What are the current customer loyalty programs/activities at JM Lexus?
- ❖ What are other dealerships doing to attract repeat business?
- ❖ Is there anything JM Lexus can do to improve customer inflow?

In order to best answer these questions, we used four different methods of research:

Secondary Research:

1. Online exploration of existing customer loyalty programs and of statistics on this type of marketing strategy:

Survey results reported by ACI Worldwide on March, 2011 revealed that:

- 3 out of 4 American consumers are members of at least one retail brand loyalty program.
- 3 out of 4 U.S retail brand loyalty program members have never received a reward that made them feel like a valued customer.
- Almost 9 out of 10 U.S retail brand loyalty program members signed up and never heard from the program again.
- Many U.S consumers didn't fully understand the programs they were enrolled in.

The ACI website offered tips for effective loyalty programs that will help businesses: offer unique yet simple loyalty programs.

Primary Research:

2. Personal Tour of JM Lexus:

In order to increase our knowledge on the current programs that JM Lexus offers, our DECA advisor helped us schedule an appointment with **JM Lexus Service Manager, David Morgan**, and the **Customer Relations Manager, Patty James**, on Tuesday, October 18th after school. This method of research allowed us to see up-close how JM Lexus customers are treated inside the dealership and the types of strategies used by the business to ensure customer loyalty.

3. Customer Survey:

Our next step was to come up with certain ideas for our customer survey. Our survey included questions about customer satisfaction with the current loyalty programs, the Service Department, the amenities offered at the location and with the duration of the car repairs. We also asked customers about their awareness of services offered by JM Lexus inside and outside the dealership.

4. Customer Relations Manager Interview:

Our final step to gathering information about the current loyalty practices at JM Lexus was to conduct an interview with Ms. Patty James.

After brainstorming the type of information needed we came up with the following questions:

1. How do you keep in touch with customers?
2. Describe the company's use of social media.
3. How does your dealership reward "repeat customers" who buy or lease from JM Lexus?
4. What methods does your dealership use for tracking customer visits and building customer profiles?
5. What do you feel is the "most effective" marketing tool your dealership uses to retain your current customers?

B. Process of Conducting the Selected Research Methods:

➤ **Personal Tour**

At arriving at JM Lexus, we were greeted with a **personal tour** of the facilities of the dealership. Some of those facilities included the **showroom** where all new Lexus car models as well as a large selection of Lexus certified pre-owned vehicles are available. The beautiful "upscale" **guest lounge** is where customers receive special treatment with amenities such as, leather massage chairs, Wi-Fi access, high definition televisions, and lunch area with sandwiches, bagels, and gourmet coffees. Outside the customer lounge, there is a golf putting green and a "Zen area" to relax. Lastly, is the **Service Department**, where JM Lexus makes the majority of its profits. Inside a towering two-story garage building, well-trained technicians provide a high-end service for all cars, while the customers enjoy all the

amenities inside. During our visit, we easily observed that serving customers is a priority at JM Lexus.



* Tour JM Lexus with Ms. Patty James-
Customer Relations Manager



* Meeting with David Morgan-
Service Manager

After receiving a personal tour of JM Lexus on the scheduled date, we developed a better understanding of the dealership's **loyalty programs**:

- **Initial service:** is performed at the customer's residence to assist him/her with the newly purchased automobile and to explain its functions, such as Bluetooth technology, programmable seats, and operations to open the garage door.
- **Free First repair:** the first repair needed by a customer, no matter what it involves, is always free of charge.
- **Lifetime warranty:** guaranteed on virtually any future repairs that a customer pays on his/her Lexus vehicle.
- **Community Events:** as a very community-involved business, the JM Lexus dealership sponsors a great number of events such as the **Food Truck Pile-Up** and many golf-related events. Besides this community involvement, the dealership strives to create a personal relation with the customers through personal emails and follow-up letters.

- **“Connect the Dots:”** In order to express how much they value their customers, the staff occasionally sends gifts and cards to congratulate, support, or simply to provide for these valued customers in any type of situation. For example, as the Customer Relations Manager, Patty James recently sent University of Florida fan gear to a customer who went to visit her daughter in Gainesville at the University.

➤ **Customer Survey**

After brainstorming the type of information we thought necessary to gather from the customers, we created a 12-question survey, to include the following types of questions:

- **Yes/No**
- **Multiple Choice**
- **Rating scale**
- **Check-all-that-apply**

This was the final survey:

Marketing research customer survey – JM Lexus
 Monarch HS Deca Chapter – Marketing Research Project
 Students: Narriman Ribeiro and Darryl Peters

Please complete the following customer survey to determine your level of customer satisfaction with JM Lexus. (Please select your choice)

- Are you aware of JM Lexus’s numerous customer service offerings? (Check all that apply)*
 Customer Lounge Free Car Washes Complimentary Shuttle
 Complimentary food in customer lounge Lexus Parking at Bank Atlantic Center
- Have you ever received a follow-up letter or phone call from JM Lexus after a service has been completed on your automobile?*
 Yes No
- Have you ever used our complimentary **shuttle service** while your car is in service?*
 Yes No

12. Are you every taken advantage of the “special covered parking” offered to Lexus customers at the Bank Atlantic Center (Sunrise, FL) for concerts and Hockey Games?

___ Yes ___ No

***Thank you for completing this marketing survey in behalf of Narriman Ribeiro, Darryl Peters and Monarch DECA chapter.**

With the help of Mr. Kennedy, we learned the appropriate ways to approach customers and to ask for their cooperation, providing them with our own pens and clipboards for the completion of the survey. The next step was to get our survey approved by the JM Lexus managers and schedule the best day and time to conduct it. First, we made all necessary corrections to the first draft of our Marketing Survey. On November 14th, 2011 we emailed the survey to Ms. Patty James and inquired about the most convenient date for us to visit the dealership. We received an answer from her the next day, and schedule to meet with store manager Mr. Czubay on November 16th, 2011 at 3:15pm in order to administer the survey. At arriving at JM Lexus that Wednesday, we reviewed the process with Mr. Czubay, put on our provided name-tags and headed to the Guest Lounge with the goal of surveying a total of 15 customers. We each approached the customers individually as they enjoyed the amenities in the



room. During the 1 ½ hour we spent at the dealership, most of our surveyed customers were friendly and cooperative to our research, asking a few questions about the purpose of the research and the reason why we were conducting it. We answered all of their questions and carefully explained the process for

completing the survey. No one had any problems with the questions asked, but some comments were made during the process. These comments were about their satisfaction with the amenities at the lounge, or their unfamiliarity with a couple of services offered outside that space. As the results of the surveys confirmed, most customers are satisfied with the service offered at JM Lexus and had very few, if any, complaints. In the end, we arrived at an unexpected result of only **8 surveyed customers**. Therefore, we decided to extend our research to JM Lexus customers present at our own school. We were able to gather **4 more surveys from teachers**, totaling an amount of 12 surveys.



* Monarch High School teacher, Mr. Kennedy, filling out our customer survey

➤ Interview

Our short, 5-question interview was exchanged via email. Patty James replied to our questions with the following information:

1. **Keeping in touch with customers:** customers are added to the “Dealership Management Software” that provides periodic contact by sending automatic follow up letters after service and sales visits and reminders for managers to telephone guests on their birthday. She also mentioned the **WOW program**, which keeps them in touch

with customers on a personal level. She didn't provide any specific information on how that is done.

2. **Use of Social Media:** the business uses Facebook and Twitter to advertise activities and community events such as, Christmas on Las Olas, Toys for Tots, etc.
3. **Rewarding Repeat Customers:** the dealership uses a marketing company that sends monthly "service coupons" relative to a customer's specific needs. For example, "if you postponed purchasing tires with us, you'll receive a tire discount a few years later." Their software also allows for the tracking of ownership history for "case-by-case special considerations."
4. **Tracking Visits and Customer Profiling:** besides using the Management Software to track visits, their profiles service has a comments section where specific requests can be notated by workers. Example: "prefers to work with Carlos."

IV. Findings and Conclusions of the Study

A. Findings of the Research Study:

Based on the research we conducted, we discovered that JM Lexus's customer loyalty programs are solely about treating the customer as guests at the dealership, by providing exceptional service so customers can feel special and rewarded as Lexus owners. The dealership works towards making its valued customer feel at home while their vehicle is being serviced. All of these ideas place JM Lexus a step above competitive auto dealerships.

The methods used by JM Lexus to maintain contact and reward the customers include:

- Social media – Facebook, Twitter, YouTube and mobile applications.
- Follow-up letters after visits.
- Mailing coupons, cards and gifts based on customer profile.

- Engaging in community events.
- Allowing specific requests.

The **results of the surveys** distributed to JM Lexus customers at the dealership and at our school also revealed significant aspects of the company's customer loyalty programs:

100% of the surveyed customers:

- are aware of the free car wash, customer lounge and the food available.
- have received a follow-up letter
- would recommend JM Lexus to family and friends

50% customers:

- are aware of the complimentary shuttle service but NONE have ever used it.
- are aware of the special parking the Bank Atlantic Center, but only 17% have used it.

NONE of the 12 surveyed customers:

- have used the complimentary shuttle service

Rating of the guest lounge (on a scale from 0-10, 0 being horrible and 10 being excellent):

10 (67%)
 9 (17%)
 8 (8%)
 7 (8%)

Rating of the service department (1-4 scale, 1 being very dissatisfying and 4 being very satisfying):

4 (67%)
 3 (25%)
 2 (8%)

Satisfaction with the length of car service: (same 1-4 scale)

4 (50%)
 3 (42%)
 2 (8%)

Rating of food quality:

Delicious (17%)
 Average (25%)
 Good (50%)

* 8% of the customers never tried the food

Frequency with which car is serviced:

Often (42%)
 Occasionally (34%)

As needed (17%)

Never (8%) *this customer mentioned she has purchased the car very recently

Use of amenities in the guest lounge:

Massage chairs (42%)

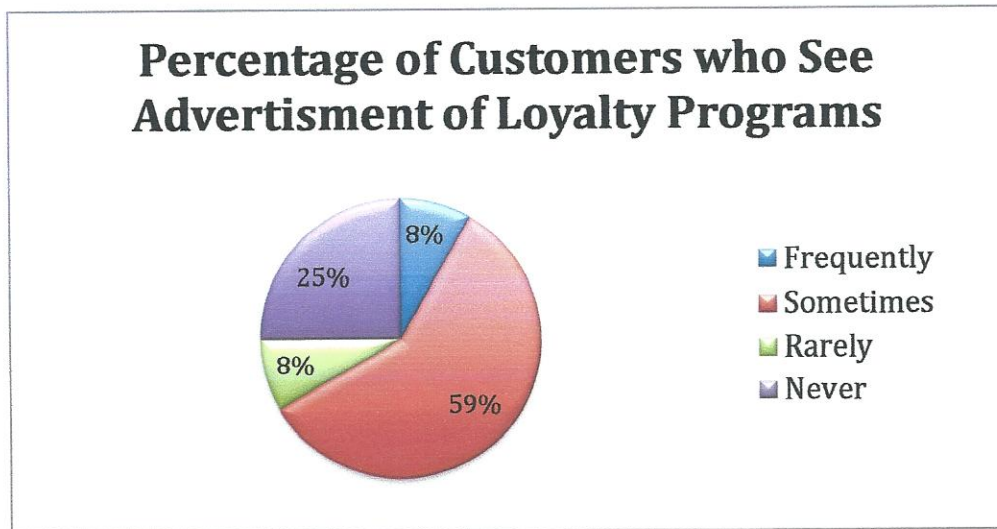
Wifi (25%)

Golf putting area (8%)

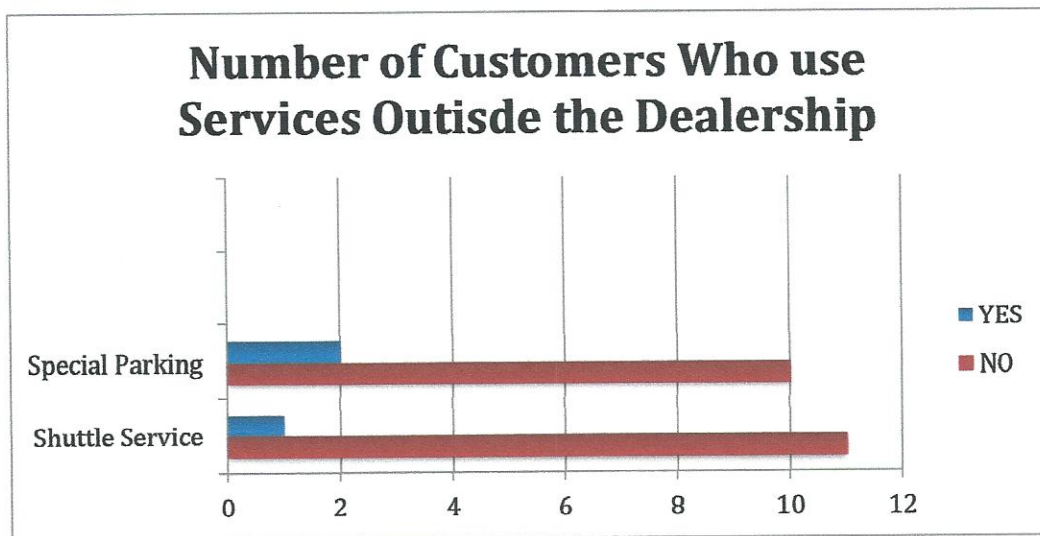
Bagles and coffee (42%)

* 1 customer has never used any of these amenities

*** Program Advertisement**



*** Use of services outside the dealership**



Another important statistic revealed by the surveys was that only 8% of the customers see advertisement of the Loyalty Programs frequently. Further analysis revealed that this **lack of awareness affected customers' usage of offerings *outside* the dealership**, such as the complimentary shuttle service and special parking at a local sports & entertainment center.

B. Conclusions Based on the Findings:

Through our research, we were able to determine the following necessities: **further advertisement or communication of offerings and events, and introduction of rewards programs.**

Our findings demonstrated that customer satisfaction with JM Lexus and the treatment offered to customers is generally high. We also found that the company's public relations department efficiently maintains contact with the customers through follow-up letters, emails and birthday reminders, but lacks programs that reward customers for choosing their company over others. Our overall conclusion was that, **although current customers enjoy the special treatment offered at JM Lexus, exclusive rewards to help them save money on complimentary services would help guarantee their return to the dealership and consequently, make new purchases, as well as attract new customers.** Essentially, rewards programs would help decrease the gap between customer *satisfaction* and customer *loyalty*, an inclination to maintain a relationship with the business in the future.

V. Proposed Strategic Plan

A. Goals/objectives and rationale:

Our goals for JM Lexus's customer loyalty programs were to **enhance their system of customer profiling and track of sales and visits, to retain current customers and expand the current customer base through rewarding programs.**

In order to achieve these goals we proposed a strategic plan that included:

- Introducing programs through which customers can receive points or rewards and save money on repairs and/or car purchases.

Rationale: provide customers with motives to choose JM Lexus instead of alternative dealerships and more accessible service shops.

- Increase the communication between car owners and JM Lexus on up-coming events and automotive tips. (Incorporate the use of the internet or emailing to accomplish this goal)

Rationale: strengthen the bond between customers and the company's maintenance and service departments.

The new customer loyalty programs we created to meet our stated goals are:

- **JM Update Ads:** once a month, a customer will receive an email update on what is going on at JM Lexus including new programs, events, deals and car models.
- **JM Rewards Card:** members will be eligible for discounts on complimentary services or car purchases based on the accumulation of credit or points:

100 points	15% off
200 points	20% off
350 points	30% off
500 points	40% off

- 1 point is earned for \$1 spent and customers' balance returns to zero every 6 months.

- These points can also be used for the purchase of accessories for their car at the JM Gift Shop.

- **Holiday Gifts:** through this program a random selection of customers will receive cards and/or special gifts on Thanksgiving, Christmas/Hanukah, on New Year's and on the 4th of July. Each season, a different group of randomly selected customers will receive the gifts. (This is an *enhancement* of the Connect the Dots program).

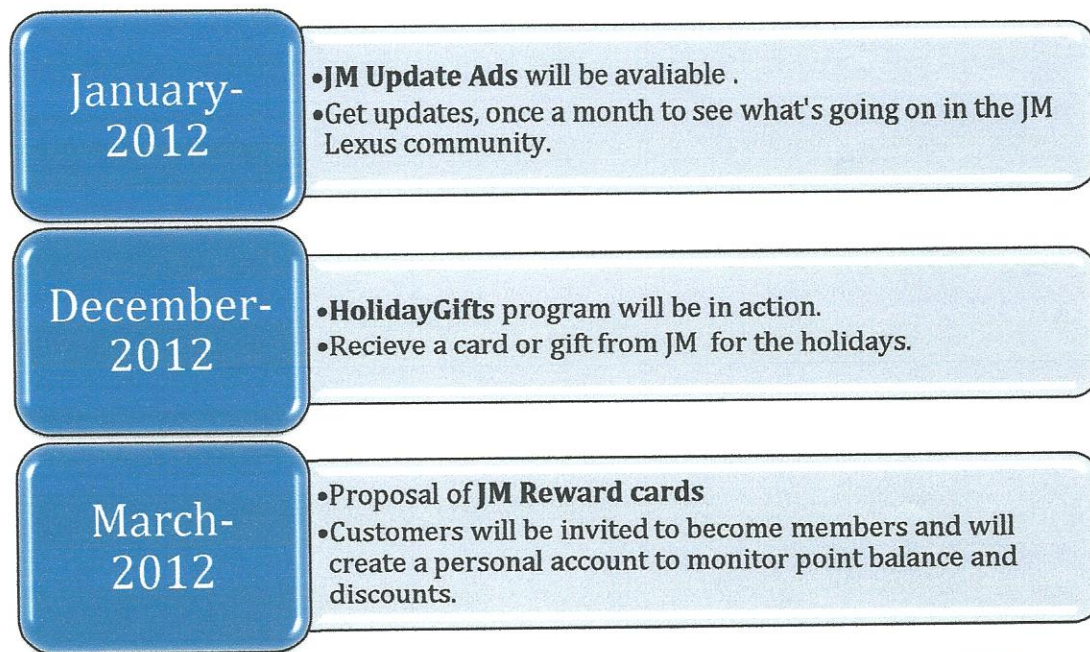
Short-term benefits to the business:

- Increase total number of customers.
- Increase total profitability or profit-per-customer numbers.

Long-term benefits to the business:

- Lower marketing costs since advertisement will be less needed.
- Develop an even higher perceived value or image of the company to the public.

B. Proposed Activities and Timelines:



C. Proposed Budget:

Because our proposed loyalty programs were developed as ongoing incentives, we estimated a budget for the **starting costs** of each program as necessary.

JM Update Ads:

Since the dealership already utilizes a marketing company that sends letters and coupons to customers, they would easily be able to implement this program.

JM Rewards Card:

Expenses	Details	Cost
Card issuer	An initial amount of 500 plastic cards.	\$150 + \$43 shipping = \$193.00 (plasticcardonline.com)
Customer profiling database	Keeps track of each customer's visits, frequency of purchases, total money spent and discounts received.	No cost
<u>Total Cost:</u>		\$193.00

Holiday Gifts:

Expenses	Details	Cost
Cards	Initial amount of 100 Holiday cards for the opening month of December.	\$131 + \$5 shipping = \$136.00 (cardsdirect.com)
Gifts	100 Christmas gift baskets with holiday treats.	100 x \$54.95 = \$5,495 (designityourselfgiftsbaskets.com)
<u>Total Cost:</u>		\$5,631.00

D. Proposed Metrics to Measure Return on Investment, Sales, Customer Retention, and

Customer Satisfaction:

In order for the business to know if the loyalty programs are working, it is necessary to define metrics to measure the results, including the ROI (return on investment), sales, and customer retention and satisfaction.

One way to do so is through a **Profit & Loss statement**, which would require the following calculation:

<p>Program Revenues (profit generated by repeat business)</p> <p>- Program Costs (cost of the systems, cards, people necessary to run the program, reward liability, and of prizes and events)</p> <hr style="border: 0.5px solid black;"/> <p>= Profit/Loss</p>

A **behavior-based customer profiling system** or database administrator such as *Access* would help the business:

- Compare each customer's activities (frequency of purchases/services and their monetary value) before and after becoming a member of the programs. This would help determine if the programs are generating per-customer-profits and measure customer retention.
- Compare activities of program members with those of non-members and determine if being a member and receiving rewards affect the frequency of visits and amount spent by customers.

Lastly, **surveying members and non-members** can also be a method of measuring the efficiency of the loyalty programs. Receiving feedback from customers provides an even more solid measure of customer satisfaction. The company could conduct a yearly survey of program members and nonmembers.

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5. Dealer Loyalty programs <http://automarketingprofits.com>
6. Rewards cards quote <http://plasticcardonline.com>
7. Holiday cards quote <http://cardsdirect.com>
8. Holiday gift baskets quote <http://designityourselfgiftbaskets.com>
9. JM Lexus customers survey
10. Ms. Patty James. Interview

VII. Appendix

Interview Response

Darryl & Narri

Printed by: Greg Kennedy
Title:

Friday, December 09, 2011 7:22:52 AM
Page 1 of 2

From: "James, Patty" <Patty.James@jmlexus.com> Thu, Dec 08, 2011 6:39:21 PM 

Subject: FW: patty james

To: Greg Kennedy

Attachments: Attach0.html / Uploaded File 14K

Here is some of the information. I will get the rest to you tomorrow.

- 1) **Keep in touch with customers.** Customers are added to our Dealership Management Software that provides periodic contact. It will automatically send follow up letters after service and sales visits along with reminders for us to telephone guest's on their birthday. The marketing company we use sends monthly "service coupons" along with a monthly newsletter. Coupons sent by mail and email are tailored to a customer's specific needs - for example if you postponed purchasing tires with us, you'll receive a tire discount a few weeks later. We also have the WOW program which keeps us in touch with our customers on a personal level.
- 2) **Social Media.** We use Facebook to advertise dealership activities, and different events in the community that we are involved in. Example would be Christmas on Las Olas, Toys For Tots ect. We are also on twitter.
- 3) **Repeat Customers** Our software allows us to look up ownership history and make case by case special considerations.
- 4) **Profiles** Service has a comments section where we can notate specific requests by guest "Prefers to work with Carlos" or things of that variety
- 5) Monthly emails to our database

Patty, I wanted to forward you Narriman and Darryls budget questions pertaining to their Deca project. We will be forwarding you their finished manual in the near future. Thank you again for your support of our school and students. Happy Holidays!
----- Original Message -----

Ms. James, we now need to determine the cost associated with JM Lexus customer loyalty program. Could you please provide us with a general monthly cost associated with the services you provide your customers? We will be required to submit our final Deca manual to Mr. Kennedy by the end of this week. Thank you for your help on answering these questions.


Interview questions:

1. How do you keep in touch with customers?
2. Describe the company's use of social media.

Email from Patty James

Printed by: **Greg Kennedy**
Title:

Friday, November 18, 2011 12:16:06 PM
Page 1 of 2

From: **"James, Patty"** <Patty.James@jmlexus.com> Fri, Nov 18, 2011 10:44:39 AM 
Subject: RE: RE:
To: **Greg Kennedy**
Attachments: **Attach0.html / Uploaded File** 8K

Mr. Kennedy,

I was speaking to our HR department which is connected to our facebook advertising and they would like to speak to Narriman And Darryl to possibly put something on our facebook.

Patty Ann James
Customer Relations Manager

JM Lexus
5350 W Sample Rd
Margate, FL 33073
p: (954) 590-5094



Please consider the environment before printing this e-mail

From: Greg Kennedy [mailto:gregkennedy@browardschools.com]
Sent: Thursday, November 17, 2011 2:55 PM
To: James, Patty; Morgan, David
Subject: Re: RE:

Thank you again Patty and David for allowing Narriman and Darryl administer their marketing survey on your customer loyalty program at JM Lexus. We'll follow up with the results and 30-page project.
Happy Thanksgiving to you both! Greg



Rooftop putting area



Showroom