

Dirito Brothers

DealerSocket Powers Dirito Brothers Volkswagen's Drive Into the Digital Age

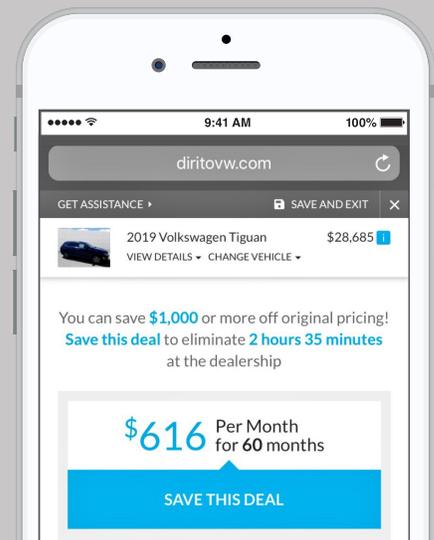
Kyle Ritola was less than a month into his new role as general manager of Walnut Creek, Calif.-based Dirito Brothers Volkswagen when he made the decision to test the digital waters. Touting an affluent clientele with credit scores that reached into the 800s, the dealership is the perfect candidate for digital retailing. However, that's not the reason for Ritola's bold decision.

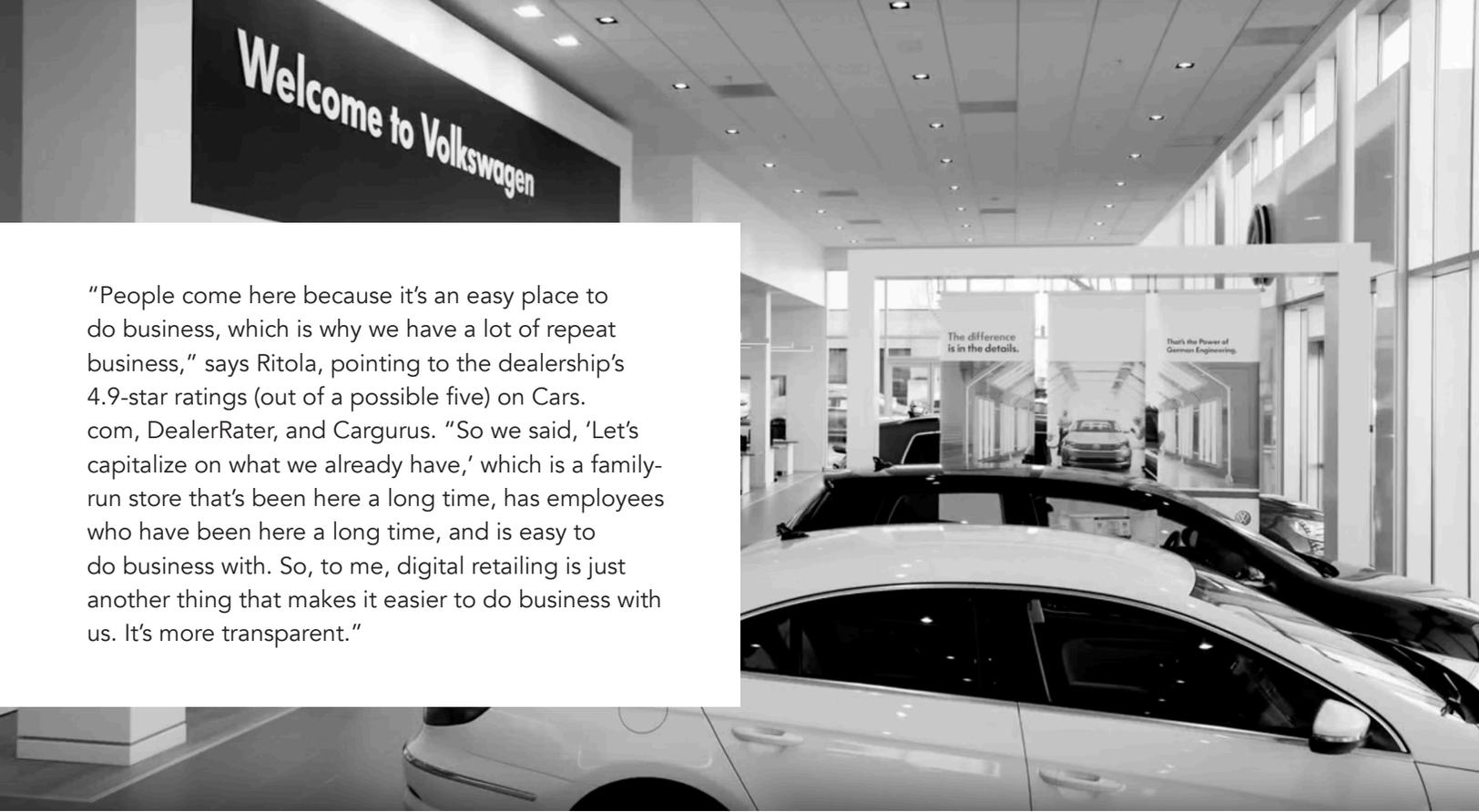
Behind a reputation of fair and honest dealing, Dirito Brothers Volkswagen owned the northern portion of San Francisco's East Bay region early on in its 25-year history. Also known as Contra Costa County, the population there has grown by 200,000 people over the last decade, with competition growing just as quickly.

The dealership remains one of the top Volkswagen outlets in the area, averaging well north of 100 new Volkswagens a month and around 60 pre-owned. But with about dozen dealerships competing for the attention of the nearly 70,000 residents living in Walnut Creek alone, Ritola believes digital retailing will restore that customer-satisfaction edge that once propelled his operation to the top of national sales ranks.

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– Kyle Ritola, General Manager,
Dirito Brothers Volkswagen





Welcome to Volkswagen

“People come here because it’s an easy place to do business, which is why we have a lot of repeat business,” says Ritola, pointing to the dealership’s 4.9-star ratings (out of a possible five) on Cars.com, DealerRater, and Cargurus. “So we said, ‘Let’s capitalize on what we already have,’ which is a family-run store that’s been here a long time, has employees who have been here a long time, and is easy to do business with. So, to me, digital retailing is just another thing that makes it easier to do business with us. It’s more transparent.”

THE RUB

Transparency does have its challenges, as Ritola is discovering. The biggest question he’s wrestling with these days is whether a move to digital retailing means adopting a one-price, no-haggle pricing strategy. Then there’s the question of whether to promote incentives on the dealership’s website, a practice the organization has stayed away from to avoid customer misunderstandings and any regulatory entanglements.

More importantly, Ritola is wondering how to get it all done while keeping the metal moving over the curb. Giving him some comfort is his decision to turn to the dealership’s longtime software provider to guide him down that digital path. The Volkswagen store has been using DealerSocket’s CRM since 2011. It has since added the company’s Inventory+ tool and a website provided by DealerSocket’s DealerFire line.

So plugging in DealerFire’s PrecisePrice digital retailing tool was a no-brainer, especially since Ritola and his management team are big fans of the platform’s integrated desking software. That means

the website module actually creates a writeup directly within the desking tool and adjusts pricing in real time as shoppers adjust deal terms, appraise their trade, or add F&I protections to their deal. The fact that the platform fully integrates with DealerSocket CRM also means his showroom sales team can easily pick up where customers left off online, saving them time and increasing that transparency Ritola is after.

“Having [Precise Price] tied to the CRM was a big deal,” Ritola says. “They’re the same product and they talk to each other.”

THE WORK

Ritola had just entered the business when Diritto Brothers Volkswagen was dominating San Francisco's East Bay market. He was working for a Mercedes-Benz dealership in nearby Oakland, Calif. When he became a sales manager there in 2002, he became known as the CRM police because of his insistence that every breathing soul who walked onto the lot be entered into the CRM. He's not that strict anymore, but he makes clear how critical the CRM is to his dealership.

"I have it on my phone. In fact, I get in trouble for looking at it when I'm on vacation," he says. "I turn it on first thing when I get here, and I expect my sales managers to do the same. I told them, 'The first thing you do when you get to work is turn on DealerSocket. Check your emails on your phone after and get to your phone calls.'"

DealerSocket CRM's Daily Checkout is how Ritola makes sure those calls are being made. He reviews the accountability report with each individual salesperson at the end of the day; the CRM flashing

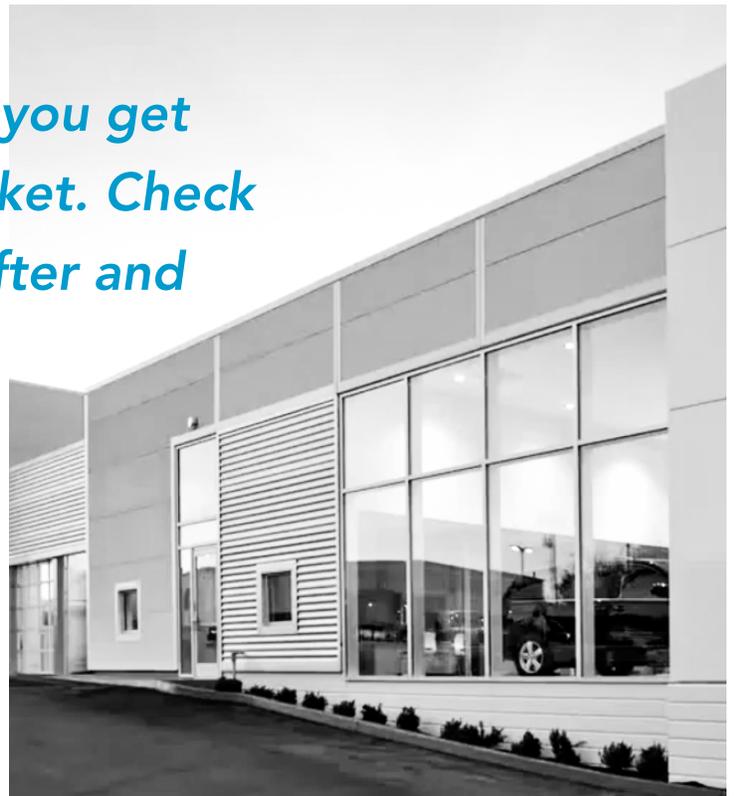
a green, yellow or red indicator when Ritola's expectations for emails and phone calls are met or not.

"Everybody checks out at the end of the night," Ritola says. "You have to have a certain amount of phone calls and emails to get a green light. If you don't get green lights, you don't get spiffs."

The CRM feature Ritola has been toying around with the most of late is Business Rules, which will automatically reassign a lead if it's not responded to in a set amount of time. Ritola is trying to figure out what the optimal lead response time is, an exercise he believes is critical as the dealership works to digitize transactions.

"We watch over untouched leads all day. We've changed our process with leads and how long they stick before they bounce to a manager," he notes. "So we're experimenting with that right now."

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THE OPPORTUNITY

Ritola, who still plays an active role in the dealership's inventory sourcing activities and will even roll a few deals each morning, now has his hands in the store's digital marketing efforts and web presence. It's an area in which Ritola, a 20-year industry veteran, admits he's not well versed. But with his DealerFire account manager being a text away, he believes he'll be a quick study.

In fact, thanks to his DealerFire rep, traffic on the dealership's website was up 113% through May on a year-to-date basis. Even more interesting is that 66% of the site's activity is generated by mobile iOS devices. Lead form submissions are also up 22%.

What's most impressive to Ritola is that organic site traffic was up 176% on a year-over-year basis through May. A big driver of that is the DealerFire-managed blog, the highlight being an entry with the headline, "Turn off Volkswagen tire pressure management light." As of May, the writeup had surpassed 32,000 pageviews since it was posted in January 2019. It now appears as the No. 1 organic search result out of 11.5 million results.

"When I first called my DealerFire account manager, I said, "Hey, my name is Kyle. I just got promoted. We've never really spoken, but there are some things

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I don't understand," Ritola recalls. "Well, he's gone along and made improvements to the website on his own accord that he thought would help — things he knows people are looking for."

"Look, I'm not an IT guy. I'm just a guy trying to run a dealership in a business that's changing," he says. "So, with this digital stuff, I'm just trying to get to the meat and potatoes of the whole deal. Then we'll figure it out as it goes on. My vision is it'll probably be more of a hybrid. I think people still want to come here. I think people still want to test-drive a car. I think people still want someone to show them how it works."

