

Joey Cabarda
Owner
Classic Honda of Midland
Midland, TX

FORWARD PROGRESS

How LotLinX is reenergizing a Honda dealership in an area where heavy duty trucks are the law of the land

DEALER PROFILE

Classic Honda of Midland is a Honda dealership in Midland, TX and one of many Classic dealerships nationwide

RESULTS

September 2017*

VDP Views	588
Cost per VDP View	\$3.39
Vehicles Sold	31
Cost Per Vehicle	\$65.77
Inventory Turn Increase	83%
Holding Cost Savings	\$21,476
New Visitors	61%

* Based on LotLinX data for for Classic Honda

The Permian basin, which includes the cities of Midland and Odessa, is the biggest oil and natural gas producing region of the country. In fact, according to Classic Honda owner and operator Joey Gabarda, the oil rich section of Texas has as much as 70% of the known oil reserves in the United States.

But what's good for energy producers isn't always good for a Honda dealership, Joey says. "Being a single Honda rooftop in the middle of the oilfield can be difficult." Why? Because, as he points out, the people that do the hard work of pulling oil from the ground want to drive heavy duty three-quarter ton trucks, and that's not exactly Honda's strong suit.

Small wonder then, that when he and his partner, Tom Durant, took over the Honda facility in 2015, it was "one of the worst producing Honda stores in the country," according to Joey. How were they able to turn it around in just over two years? We'll answer that question in a minute.

First, though, it helps to know a little more about Joey Gabarda and his background.

THE AUTO BUSINESS IS IN HIS BLOOD.

Joey was born, raised and educated in Detroit. His father worked for the Chrysler Corporation for 25 years. He majored in Automotive Marketing at Northwood University and attended NADA Dealer Academy DCA-191. His first job was an internship at Northtown Automotive Group in Amherst, NY. In 1995, he helped implement the Certified Pre-Owned Program for their Lexus dealership in Williamsville, NY, and that's when the car bug bit him hard.

A classmate and close friend whose father owned dealerships in Florida, Georgia and Alabama suggested he sell cars during the following summer break. He

says that after making \$20,000 in two months, he didn't want to return to school. After graduating in 1997, with a B.B.A. in Automotive Marketing, Joey's automotive career really took off.

FASTER YOUR SEAT BELT FOR THE WHIRLWIND TOUR.

Joey started with Sutherlin Automotive Group in Atlanta, which was acquired by AutoNation in 1998. He remained with AutoNation's Team Nissan in Marietta, GA for the next five years and became a sales manager by the age of 24. He then moved on to Ed Voyles Honda to return to a family-owned operation. He relocated

to North Carolina to run Toyota of Goldsboro, taking a broken Toyota dealership and acquiring Toyota's prestigious Presidents Award in 2005 and 2006. From North Carolina he moved to Grapevine, TX to open Texas Nissan of Grapevine for

the Van Tuyl Group (Berkshire Automotive). Next, he moved to the Boardwalk Auto Group in Plano to operate Boardwalk Porsche. He was promoted to the Variable Operations Director, overseeing Porsche, Audi, VW, Lamborghini, Maserati and Ferrari stores in multiple states. Joey's wife was working as the CFO for Tom Durant's Smart Auto Lease Company. Tom hired Joey to work at his Grapevine Chevrolet store, one of the largest Chevrolet dealerships in the country. Tom and he then formed a partnership and, in May 2015, purchased the Honda dealership in Midland.



“ We like to use LotLinx AI for both new and used inventory. Honestly, almost every car that gets connected with LotLinx shoppers gets sold. ”



“ My LotLinX rep is really good at bringing up things like, ‘Hey, I noticed a holiday’s coming up, and you guys haven’t moved any minivans. How about if we target them with a model-specific campaign to improve your ROI this month?’ ”

— SCORECARD: CLASSIC HONDA OF MIDLAND RESULTS FROM LOTLINX - SEPTEMBER 2017 —

NEW SHOPPERS
DELIVERED TO
THE WEBSITE

61%

VDP VIEWS
ON DEALERSHIP
WEBSITES

588

COST
FOR EACH
VDP VIEW

\$3.39

VEHICLES SOLD
TO LOTLINX
SHOPPERS

31

COST PER
VEHICLE SOLD
THROUGH LOTLINX

\$65.77

“You know, when someone provides you with an opportunity to do something, you don’t say ‘no.’ You say ‘yes’ and figure out the rest later. It’s been a tough two years, but now we’re growing.”

DIGITAL IS KEY TO THE TURNAROUND.

Where marketing is concerned, Joey says he’s done it all – print, direct mail, TV, radio and celebrity events – for his high-end stores. But that was when shoppers visited more than seven dealerships before engaging with a dealer. Today that figure is less than two. “We look strictly at digital now because it’s the most effective way for us to track our ROI.” Joey says the majority of his social media is done in-house, but among the third-party resources he relies on, none

produces the quality of leads and conversion rates of LotLinX. According to him, “it’s the highest performing of our third-party traffic generators.”

**USED CARS, NEW CARS, PREOWNED.
LOTLINX WORKS FOR ALL OF THEM.**

What Joey likes about LotLinX AI is the ability it gives him to match shoppers directly to specific vehicles in his inventory. “Every car that gets connected with LotLinX shoppers gets sold.” LotLinX’s analytical tool, the VIN View Optimizer, gives him what he calls “a heightened level of transparency,” allowing him to see which of his VINs have been seen by shoppers and which need more attention. “We can see cars we’ve targeted, and they’re the ones that receive many more

— CLASSIC HONDA OF MIDLAND —

SEPTEMBER 2017



INCREASED
VEHICLE TURN
WITH LOTLINX

83%



SAVINGS
FROM REDUCED
HOLDING COSTS

\$21,476



“LotLinx helps me make sure I don’t keep a car in my inventory longer than 60 days. After 45 days we find an exit strategy, and after day 60, it’s out of here.”

VDP views. When they get up around that 30 VDP mark, that’s when they leave the inventory.”

Joey reports being very dependent on his LotLinx Digital Strategist, Zach Wilmes. He says they get together typically a couple of times a month. They’ll go through a “run down of the performance of our current LotLinx campaign, focusing on what strategies are working and what ones aren’t. Zach’s good at identifying cars that haven’t gotten a lot of attention, and we’ll shift our focus onto those particular VINs. He’s really good at bringing up things like, ‘Hey do you want to be part of a Facebook campaign I notice a holiday’s coming up and you guys haven’t moved any minivans. How about if we target them with a model specific campaign to improve your ROI this month?’ That’s a typical conversation.”

RETARGETING DRIVES CUSTOMER DEMAND.

“Right now,” Joey says, “I have a very small inventory, but it’s building. LotLinx helps me make sure I don’t keep a car

here past 60 days. After 45 days we find an exit strategy.” He has a story he likes to tell about the shopper-targeting power of LotLinx AI to keep cars in his inventory top of mind with shoppers.

“We had a customer we sold a Honda CRV Touring to, and they lived in a remote part of Texas probably 12 hours from here. Yes, there’s a local Honda dealership down there that told them the vehicle didn’t exist in the state of Texas. But they had been searching for the model so much that they ended up seeing a LotLinx ad promoting our VIN, and that car kept following them online so often that they finally had their daughter call us. “When we got together to do the financing, the husband told me, ‘Man, it was like this car just kept following me everywhere, and I just knew it was for us.’”

Traction like this matters a lot to a Honda dealer in the Permian Basin who’s in the midst of a major turnaround, and LotLinx is playing an important role. □

LOTLINX: TRANSFORMING DIGITAL AUTOMOTIVE RETAIL

To set up a meeting with a LotLinx consultant, go to lotlinx.com/schedule

For general information, call 1 800 625 LINX or visit lotlinx.com



LotLinx, Inc. 200 West Madison, 13th Floor, Chicago IL 60606

The Industry’s #1 Automotive AI