



Case Study Automotive

The Australian subsidiary of a leading global automotive brand identified a need to develop a Performance and Incentive Program, spanning across its two business units while being tailored to meet the individual requirements of each group.

Challenge

- Develop a Performance and Incentive Program, spanning across two business units
- Engage, motivate and recognise achievements of individuals

Solution

- Capture individual and team data
- Provide “roll up” reporting from individual to national brand manager
- Monitor progress, award achievement and drive additional activity

Results

- Total margin increase of \$8,000,000+
- Program ROI of 8.3 to 1
- Automate a number of processes the stakeholder team was providing manually

Both business units wanted to engage, motivate and recognise achievements of individuals who met sales targets, exhibited outstanding performance levels, displayed high levels of professionalism and continued with personal development. In addition, one of the groups wanted individuals to demonstrate sound product knowledge, meet training requirements and attain customer satisfaction survey targets.

Overall, the purpose of the program was to increase revenue through the sale of vehicles and accessories in line with future targets, and to increase customer retention through higher levels of customer satisfaction.

The organisation chose to work with BI WORLDWIDE because of its experience in the industry, leading-edge creative thinking and minimal degree of administrative management from the program stakeholders. During the decision-making process, BI WORLDWIDE was also able to demonstrate how the program’s results would provide a sound return on investment for the organisation.

The bespoke program was developed to capture individual and team data, calculate the results and provide “roll up” reporting from individual to manager to principal to regional brand manager to national brand managers.

These reports formed the foundation for setting targets, monitoring progress, awarding achievement and driving additional activity. Managers were also able to see team activity and provide meaningful coaching.

Launched in May of the first year, data showed a clear difference in performance for January – April compared with May – December. Those participants who were engaged in the program increased their target achievement by 23%





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per month on average; sold three more vehicles per month; and achieved 5% more finance contract penetration.

In the middle of the second year, after a full calendar year of data, results continued to demonstrate that individuals who were active in the program were motivated to achieve higher results. Across the sales, service and parts managers, an average of 88% were active in the program; an average of 77% of consultants and advisors were active. In addition, active dealerships yielded:

- Total of **29,517** more unit sales
- Monthly average increase of **2,459** unit sales per dealership
- Total margin increase of **\$8,360,103**
- Monthly average margin increase of **\$696,675** per dealership

Finally, based on the incremental vehicle sales year over year, the organisation realised an **ROI of 8.3 to 1**.

The program continues to grow in its third year of operation with additional metrics included in the data calculations and reports, the introduction of training qualifications and customer satisfaction surveys, and using

the system to automate a number of processes the stakeholder team was providing manually. The organisation also plans to incorporate initiatives into the program to show appreciation for brand loyalty, such as service milestone recognition.



**ROI
8.3 to 1**

**29,517
more
unit sales**

BI WORLDWIDE produces measurable results by using the principles of behavioural economics to increase engagement with their clients' employees, channel partners and customers.

To learn more about how BI WORLDWIDE can help you implement results-based recognition in your organisation, visit BIWORLDWIDE.com.au or email enquiries@au.biworldwide.com