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Selling values: technology and family business values have helped Ricart Automotive Group become a top-selling automotive dealership.

By Kirsten Srinivasan

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SELLING AUTOMOBILES HAS BECOME MORE sophisticated at Ricart Automotive Group in recent years, but the family-owned dealership maintains the core values it started with 52 years ago, according to co-owner Rhett Ricart.

"It starts with my father in 1953," Ricart says. "He started with \$12,000 dollars--nothing at all. His principle was you want to run a business like a family. As we got larger, he always told me you want to run your business even as it grows as a small business. It's reflected in the ways we do things. My brothers are in the business. We want to treat employees like family. Customers can feel that. When people in a company act like entrepreneurs, they are not doing things because they are told from above. We take an entrepreneurial or family basis in our company."

Ricart says his father had anecdotes for everything and the company still follows his advice.

"My father said, 'You always take care of your customers or someone else will,'" Ricart remembers. "No matter how rich you get, if you spend more money than you have, you're broke. It's not what you don't know, it's what you do."

The company is built on family values and business principles, he asserts. "My dad said you've got three satisfactions: customer satisfaction, employee satisfaction and vendor satisfaction, the people you do business with," Ricart adds. "One of the biggest keys is you've always got to keep vendors happy, pay bills fast and when they are happy they give good product and they'll give you customers and it's one big circle."

Moving forward, Ricart says the family treats the company as a laboratory--"trying new things all the time" to improve.

The company is technologically innovative," Ricart asserts. "Technology is not a curse here at Ricart; technology is a tool."

He says Ricart Automotive introduces technology to employees and customers carefully, in a manner they can digest, rather than for the sake of new technology. "We want to make sure the technology behooves the customer, as well as ourselves," he says.

"New technology will shorten the sales process on customers by 30 to 35 percent," he anticipates.

The company is able to help the customer select the car and process the sale and paperwork much more quickly than in the past, when buying a car could take three to four hours. Now, the process takes two to three hours,

he says.

"We measure everything continually," he notes. "Since the '80s, we've done marketing studies."

The company uses Freedman-Swift, a marketing company to research customers through direct mail and telephone calls.

"Ricart is always trying to measure the customers that do and don't buy from us to measure advertising and marketing," he says. "We were one of the first dealers to try to use research. I'm marketing major. Now, it seems to be used by all major manufacturers. We were one of the first ones to use it to find ways to improve the company."

In 1981, the company found that only one out of four customers who walked into the dealership bought a car. "We always want to know why not," Ricart says.

Using research, the company has helped improve that ratio to four out of 10 customers.

"In the real world, that's a hefty increase of over 50 percent of what it was before," he explains. "We are big in measurement, marketing and reviewing everything, even the time management of how long it takes to wash a car."

The company has an advanced system for customer relationship management, he notes. Electronically, it tracks its customers and their buying tendencies. Currently, it has 165,000 customers in its database.

"When you sell 20 to 30,000 cars a year, a lot of people are coming and going," Ricart states. "We keep it up to speed."

In the future, Ricart Automotive's vision is "growing the company and being recognized as being the best automotive company to work for and do business with," Ricart states.

"We are continually upgrading training systems. [Training systems] run parallel with technology and personal development and interrelations skills with people," Ricart emphasizes. "Too many times, with business, people idolize the intelligence factor and forget about relationships. Education, not necessarily training, is the answer."

"It starts with everything from the person who greets the customer to community events to the salesperson and service advisor--all 800 people who greet the customer every day and in the way they act outside the company. I let them know they are a reflection of the team in and outside the company."

The company has strong recruiting practices, he notes, and administers psychological testing for new hires. It also makes sure information is flowing throughout the company when it comes to promotions.

"Everyone knows what's going on," Ricart says. "For every positive change in the company there is always a negative. We always try to be in tune with everyone and everything and manage that. Information is king, as we all know."

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Ricart Automotive Group

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Sales: \$507 million

Headquarters: Columbus, Ohio

Employees: 800

Service: Car dealer

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