



Leading Automotive Dealership Improves Performance with Jive Cloud Services

A Frost & Sullivan Case Study

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Cloud IP Telephony and UCaaS Deliver Compelling Value to Automotive Dealerships

Communications services are typically perceived as generic, “horizontal” solutions that provide the same features and use the same delivery models to address a broad spectrum of customer needs. Cloud communications service providers, not unlike their premises-based solution vendor counterparts, have traditionally used a cookie-cutter approach in all verticals. However, technology requirements often vary significantly across industries. More forward-looking hosted IP telephony and unified communications-as-a-service (UCaaS) providers acknowledge the need to custom-tailor solutions to better address the unique challenges and opportunities of different verticals.

Overall, cloud IP telephony and UCaaS solutions are best suited for distributed organizations with multiple small locations that have few or no IT/telecom staff on site. Cloud service delivery models also enable more flexible and cost-effective support of geographically dispersed users, which makes them an appealing option for businesses with a large number of remote or mobile workers. For these reasons, cloud services have gained considerable traction in retail, legal, financial and healthcare services, real estate, HR, IT, consulting, and other services-oriented businesses with multiple small locations.



Automotive dealerships also “fit the bill” with respect to the best use cases for cloud communications services. Businesses in this vertical have never been properly served by complex, costly and location-dependent, premises-based solutions. That’s why many dealerships are evaluating cloud services as a better way to address their specific pain points and business objectives. Cloud communications can greatly enhance operational efficiencies, which businesses in this vertical can turn into profit.

Most automotive dealerships face certain common challenges, including:

- antiquated IT and communications infrastructures that are not fully redundant or highly available
- disparate, multi-vendor telephony systems with varying functionality and at varying stages of their lifecycle
- no local IT/telecom staff at each site
- various IT, data network or communications systems upgrade projects in progress
- strong need to gain deeper insights into the quality of customer interactions (e.g., through advanced analytics, natural language processing and bots) to improve customer care and accelerate sales
- mission-critical requirement for IT/communications integration with vertical-specific apps (e.g., overhead paging systems, automotive CRM solutions, and scheduling applications)
- frequent need for application customization to improve omni-channel customer service
- vehicle sales gross margin compression forcing necessary operational cost reductions
- basic call center or contact center call-flow capabilities with call recording and review processes
- loss of intellectual property with regular employee turnover

By moving IT and communications workloads to the cloud, automotive dealerships can address most of these challenges and become more competitive. However, not all cloud solutions are equally well-suited to deliver the capabilities required in this vertical. Cloud IP telephony and UCaaS providers that most effectively address industry-specific challenges are the best positioned to become partners of choice for automotive dealerships.





The Larry H. Miller Dealerships Business Case

Larry H. Miller Dealerships (LHM Dealerships), a company within the Larry H. Miller Group of Companies, is a privately owned automotive retailer. Founded in 1979 and headquartered in Sandy, Utah, the company has approximately 10,000 employees and operates more than 63 business sites across the United States.

Similar to other automotive dealership groups, LHM Dealerships acknowledged that its dated network and disparate telecom solutions could no longer support its evolving needs. One year ago, it embarked on a major project to upgrade its infrastructure in efforts to modernize, reduce costs and gain a competitive edge. This transformation initiative involved a transition from multi-protocol label switching (MPLS) to software-defined wide-area network (SD-WAN) services, as well as a migration of approximately 90% of the applications (e.g., email) used by the dealership to the cloud.

Throughout the cloud migration process, the company reached the realization that it also needed to upgrade its communications and contact center capabilities to gain operational efficiencies and improve staff productivity. The antiquated, multi-vendor, premises-based systems in place did not deliver the advanced functionality the business required to thrive in the fiercely competitive automotive retail industry. Furthermore, managing disparate communications silos across business sites was costly and presented numerous challenges to internal IT/telecom staff. LHM Dealerships needed a modern communications solution that better supported mobile devices and omni-channel customer service and also integrated with existing overhead paging and CRM systems. The company additionally wanted to deploy an economical, lightweight contact center with robust analytics to boost sales and customer satisfaction. Also important, the new cloud services needed to be compatible with LHM Dealerships' recently deployed SD-WAN.

To address key business objectives and align the company's capabilities with evolving industry trends, LHM Dealerships began a gradual migration to cloud communications and contact center services. As the company set out to identify the most appropriate cloud IP telephony and contact center solution and provider, its investment decision makers formulated the following key requirements:

- high availability
- redundant SD-WAN internet protocol call routing
- manageability (ability to make frequent changes)
- ease of use with mobility-first as a strategy
- cost improvement

Jive Communications Proves the Best Fit

LHM Dealerships conducted trials with different cloud IP telephony providers to compare performance, functionality, costs, customer service, implementation services, integration and customization capabilities, and more. After due diligence, the company selected Jive Communications for the following reasons:

- **High availability:** Jive maintained high uptime during trials, whereas the leading competitor took six months to stabilize service delivery at the trial sites.
- **Trust:** Jive worked hand-in-hand with LHM Dealerships' staff to ensure that it met all customer requirements and avoided disruption to ongoing operations throughout the trials.
- **Essential features:** Jive delivered SMS and fax services through the same DID as the phone numbers, etc.
- **Optimized contact center:** Jive offers a portal that enables staff to efficiently manage incoming calls, call routing with a GUI front end and best-practices templates, independent of the number of agents or call queues. It also provides detailed analytics to help improve customer interactions by tracking agent status, caller ID, call duration, number of abandoned calls, and more, in real time. The Jive application passes call information into the CRM system for record keeping and to enhance future interactions. Jive's contact center application also supports whisper and barge-in capabilities at no additional charge, providing LHM Dealerships with a value-add. Jive also has improved the omni-channel customer service experience via telephony, SMS text, and electronic faxing from the same employee or agent telephone number.
- **SD-WAN:** Jive demonstrated the ability to deliver high-quality services over SD-WAN. The leading competitor was not ready for an SD-WAN deployment and was unable to handle multiple locations that were not call-balanced (as a result, the customer experienced call-flow issues).
- **Overhead paging integration:** Jive supports IP, analog and hybrid paging systems. Furthermore, unlike competitors, the provider does not charge for the integration and/or each paging device as a separate extension.
- **Integration with Dealersocket CRM:** Jive improved the agent experience with click-to-call from within the CRM system and enabled call detail records attribution for proper customer interaction accountability. The leading competitor did not succeed in enabling this functionality.
- **Cost effective:** Compared to the other provider being evaluated, Jive's implementation cost and monthly costs were about one-third lower. Unlike most competitors, Jive includes all features as well as unlimited local and domestic long-distance minutes, customer support and onboarding, and does not charge extra usage fees (e.g., for an additional auto attendant, conferencing bridge, calling minutes). Jive understands the automotive retail business and suggests best-practice call-flow and call-routing templates.
- **Advanced analytics powered by Amazon S3 and Alexa Transcribe:** Since Jive allows the storing of call recordings on Amazon S3 storage, LHM Dealerships has begun Alexa transcription and natural language processing to power its customer service bot initiatives and digital sales coaching initiatives.

LHM Dealerships has deployed Jive at 12 sites. The company reports high satisfaction with both the service performance and the relationship with the provider. Company IT representatives attest that Jive truly stands out from competitors with its customer service excellence and keen attention to customer needs.

To ensure deployment success, Jive assigns a project manager and a dedicated team to assist with service implementation and customer onboarding. It provides pre-configured phones and performs all migrations at night to avoid disruption. Furthermore, Jive works closely with the customer to develop additional features based on evolving



business needs. The new features and solution enhancements are often deployed at no additional cost. LHM Dealerships saw immediate value in the following Jive applications, among others:

- contact center reporting and agent interface improvements
- Jive Desktop and Mobile app—an application-based softphone
- integration with CarWars, Amazon AWS and other dealer-specific applications purchased or built
- support for dual SD-WAN internet connections without synchronous routing

Jive's long-term vision for LHM Dealerships is to create a technology center where telephony and software applications as well as hardware operate seamlessly. The provider is also looking to build an ecosystem to continually enhance the solutions and the value it can deliver to Larry H. Miller and other dealerships.

While LHM Dealerships has not measured business outcomes in any hard metrics, it believes that it has realized cost savings and productivity benefits in the following areas:

- centralized service delivery and management across several sites
- best-practice template and ease of implementation
- reduced costs by eliminating analog fax lines
- enhanced efficiency and customer experience through SMS deployment
- improved customer service through accountable responsiveness
- system flexibility having integration APIs and advanced analytics (natural language processing)

Furthermore, LHM Dealerships believes it has indirectly saved costs through the high availability and geographic redundancy of Jive's services, which stayed up and running when a storm impacted some of the offices. The dealership has signed a three-year contract and committed to deploying Jive across the broader organization.

Conclusion

LHM Dealerships' deployment of Jive's cloud IP telephony demonstrates the benefits that automotive dealerships can gain by deploying cloud communications. This case study also shows Jive's unique capabilities and approach that make it a suitable partner for automotive dealerships and other distributed businesses. Businesses in the automotive retail vertical can leverage Jive's services to differentiate, gain efficiencies and increase profits.

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