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Do dealerships have too many tools in the toolshed?



Here is something on which CDK Global and one of the software companies suing it in federal court would agree: Dealers use a lot of vendors. CDK has said dealers on average have 14 service providers, supplying products ranging from digital marketing and lead-generating tools to customer relationship management systems and even basic phone lines.

Autoloop, in its April 2018 lawsuit that is one of several [against CDK and Reynolds and Reynolds Co.](#), lamented that an average dealership uses 10 to 15 software products. "These solutions became pervasive," the company said in its court filing.

Then there are all the tools meant to track metrics, to show how certain services are performing. The Urban Science study featured on August's Retail Technology page also had some interesting figures on this. The survey of 205 dealers revealed that, on average, retailers spend 3.7 hours of each day managing 4.5 performance tools or dashboards. Yet just 56 percent of dealers were "very satisfied" with their ability to measure their sales performance overall.

Most dealers said their tracked performance metrics are generally helpful.

But 81 percent said they wish there was an easier way to review the measurements, and 78 percent said they wish they had someone to ask how to best use metrics to maximize performance.

At dealerships, maybe there are just too many tools in the toolshed. But, perhaps like many homeowners with a do-it-yourself spirit, dealers are reluctant to part with any tools lest they find themselves wanting.

Curiously, Nick Brunotte, director for digital solutions and industry practice at DHG Dealerships, who consults with dealers on subjects such as digital marketing spend, says in an article on this month's Retail Technology page that he does not always advise dealers to get rid of a vendor. Like switching to a new dealership management system, such a move could be cumbersome, albeit on a smaller scale. But vendors still need to perform, Brunotte noted.

Even with so many tools in the air, the juggling act should always be efficient. And if it's not, some tools probably need to be dropped.

-- David Muller

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