

Paragon Honda

Paragon Honda Harnesses ICOM AI to Yield a \$370,214 ROI from 586 Completed Recall Orders in One Month

INDUSTRY

Automobile dealer

GOAL

Leverage AI for vehicle recall compliance

RESULTS AT A GLANCE

586

Completed recall orders in 1 mo.

\$418

Average warranty per customer

\$214

Avg. customer pay (CP) per customer

Introduction:

Paragon Honda, a renowned Honda Certified dealership based in Queens, New York, strived to provide simplified customer experiences through frictionless services that meet the evolving needs of their clientele. In August 2023, **Paragon Honda aimed to re-engage past customers for vehicle recall compliance** and to maximize the effectiveness of their recall campaigns. This case study delves into how Paragon Honda partnered with Konect.ai (now ICOM AI) and utilized automotive-specific conversational AI to achieve remarkable results while increasing revenue opportunities.

The Challenge:

Paragon Honda, a forward-thinking and progressive adopter of AI technology, faced a twofold challenge in August 2023. Firstly, **they needed to efficiently target 12,490 customers regarding a recall, ensuring each customer received the necessary information and round-the-clock support.** Secondly, they aimed to convert these recall interactions into sales and service appointments, optimizing revenue potential while maintaining customer satisfaction. As a dealership that had embraced AI technology, Paragon Honda recognized the importance of leveraging AI-driven solutions to meet these goals head-on.

ICOM AI's SMS Solution for Dealerships:

To execute these objectives, Paragon Honda turned to Konect.ai (now ICOM AI), a provider of AI-powered SMS that **enhances automotive experiences by reducing costs and instantly increasing sales opportunities.** The robust AI platform offered advanced two-way conversational capabilities, 24/7 automation, and intelligent insights from both a portal and a mobile app, making it an ideal solution for the Paragon Honda recall campaign.

Driving Results and Customer Satisfaction:

Paragon Honda implemented Konect.ai (now ICOM AI) messaging in a single recall campaign from Aug. 1 – Aug. 31, 2023. The results were impressive. Of the 12,490 customers targeted, **there were 3,980 total orders and 586 completed recall orders that were directly attributed to the personalized Konect.ai (now ICOM AI) campaign. These interactions contributed significantly to the campaign's financial success, generating an ROI of \$370,214.** It's noteworthy that the warranties alone accounted for an average of \$418 per customer.

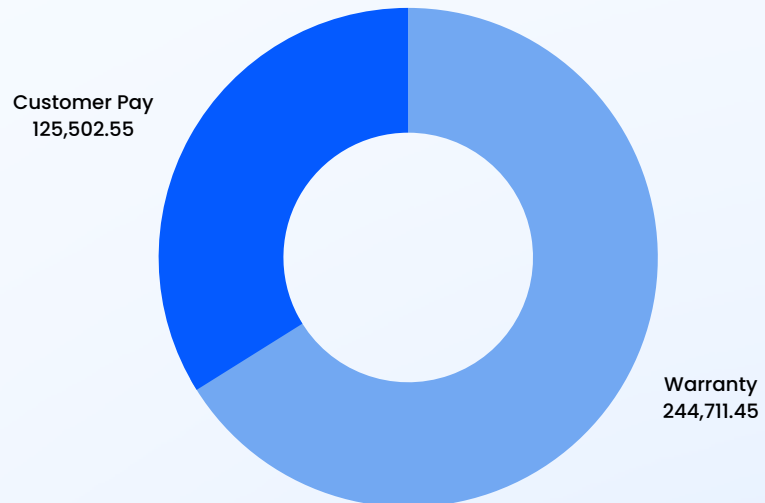
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Konect.ai (now ICOM AI) allows us to speak to the masses easier with immediate responses, which take[s] pressure off the BDC.

Murat Deljanin, Variable Operations Director at Paragon Honda

August Recall Campaign ROI:



Total: \$370,214.00

Efficient Recall Order Management:

The Konect.ai (now known as ICOM AI) SMS tool swiftly engaged thousands from the Paragon Honda customer base; this led to the scheduling of 65 appointments in a short time frame. A standout metric from this initiative was the 586 recall orders, a clear testament to the efficacy of the AI-enhanced approach of Konect.ai (now ICOM AI) in streamlining processes and boosting staff productivity.

Cost-Efficiency and Average Line Items:

Financially, the collaboration with Konect.ai (now ICOM AI) was rewarding. The 586 completed recall orders assisted by Konect.ai (now ICOM AI) **averaged an additional customer pay (CP) of \$214 per customer. A deeper dive into these orders revealed that customers frequently opted for additional services during their recall appointments. This trend resulted in an average of 2.8 line items per recall order.** Such data underscores the potency of the Konect.ai (now ICOM AI) SMS platform in maximizing revenue for each customer interaction.

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Conclusion:

Paragon Honda's collaboration with Konect.ai (now ICOM AI) underscores the immense potential of AI-infused solutions in reshaping the automotive sector. Through the adept utilization of the intelligent SMS platform, **they not only managed to effectively engage with their customer base, but also tapped into substantial additional profit avenues.** The campaign's strategy of offering customers more than just recall appointments—by spotlighting added services—proved lucrative, bolstering their gross earnings. By surpassing their recall campaign targets and seizing these supplementary revenue opportunities, Paragon Honda has not only demonstrated their innovative approach but also fortified their position for future endeavors, ensuring sustained success and growth in an ever-evolving automotive landscape.