



Data Cleansing for Dealerships

The Cost of Bad Customer Data

20-30% of customer data in dealer databases becomes outdated *annually*

- The cost of poor data is estimated at an average of \$84 per customer record annually
- Estimated 15-25% of marketing budget wasted on incorrect contact information
- Service departments miss 15-25% of due service notifications due to bad data
- 42% of dealers say improving data quality is a top technology priority

Dealers report these benefits as a result of regular data cleansing and maintenance:

Cost Savings

- 5-10% lower operating costs
- 10-20% reduced marketing costs through better targeting
- 15-20% reduction in overall marketing spend for the same results

Better Sales Performance

- 10-15% improvement in lead conversion rates
- 20-25% shorter tradecycle

Higher Service Revenue

- 12-15% higher RO (Repair Order) values
- 8-10% increase in customer-pay service revenue

Improved Operational Efficiencies

- 50% reduction in duplicate customer records
- 20-30% less staff time spent on data entry and correction
- 15-20% greater parts ordering accuracy

Financial Benefit

- 10-15% increase in per-customer revenue
- 8-12% improvement in F&I product attachment rates

Improved Customer Experience & Retention

- 15-20% increase in repeat purchases
- 20-30% higher customer lifetime values
- 10-15% increase in service retention
- 15-20% higher CSI scores

Greater Marketing Effectiveness

- 40% better marketing efficiency
- 20-30% improved marketing ROI
- 15-20% increase in customer engagement
- 30-40% better social media targeting accuracy
- 20-30% higher email deliverability rates

Better Data-Driven Business Decisions

- 5-7% improved overall business performance
- 25-30% improvement in forecast accuracy
- 15-20% better inventory planning accuracy

**Industry standard ROI on data cleansing
projects ranges from 300-600% and up**

Sources: NADA, Cox Automotive, McKinsey, Experian

Results shown are based on industry averages. Actual results may vary by dealership and are not guaranteed.