

Meeting the Expectations of Clients



Ford Motor Company New York Regional Sales Manager, Jim Splendore; Brooklyn Borough President, Marty Markowitz; and Gary Flom, President, CEO, and Co-Owner of Bay Ridge Ford, at the December 15, 2010 Bay Ridge Ford showroom's grand opening, where the Borough President proclaimed that day to be "Bay Ridge Ford Dealership Grand Opening Day in Brooklyn, USA."

EDITORS' NOTE Gary Flom is also the President and CEO at the newly opened Bay Ridge Ford dealership in Brooklyn, New York. Flom is a former financial analyst at Gulf & Western. He is the recipient of Ford Motor Company's prestigious President's Award and a four-time recipient of the "100 Leaders" Award. Prior to joining Manhattan Automobile Company, Flom built a distinguished track record as an executive manager working with brands like Mercedes-Benz, Lexus, and Porsche. Born in Russia, Flom served in the United States Marine Corps from 1983 through 1987 where he was awarded the Navy Achievement Medal. He graduated from the University of Maryland with a degree in Business Management.

COMPANY BRIEF Manhattan Automobile Company (www.manhattanauto.com) is a premier automotive retailer in New York City's Automotive District. In 2002, Flom was first to recognize the importance of the retail facility image and its correlation to the dealership's ability to meet its clients' expectations and thus completed a \$15-million redesign with the express goal of complementing its customers' lifestyles to perfection. The showroom's intricate design and features were innovative and started the renovation trend in Manhattan's Automotive District. A few of the acclaimed features include a rooftop off-road test track for Land Rovers, the indoor climbing wall in the Ford Outfitters showroom, and amenities such as Café 11 with Starbucks coffee and a business center for customer use. In addition to the facility redesign, Manhattan Automobile Company embarked on and completed a comprehensive transformation that included a review of its processes, personnel, technology, and training. These updates resulted in unprecedented levels of convenience for clients and significant business performance improvements.

In 1998, when you took the helm of this organization, what did you see that made you feel it could be turned around?

We had, and still have, an incredible team of employees here with a desire to succeed and everything starts with human resources. So I saw a huge opportunity for us to improve

**An Interview with Gary B. Flom,
President and Chief Executive Officer, Manhattan Automobile Company**

our operation and change the fundamentals to meet the expectations of our clients here in the most challenging and unique market on the planet: Manhattan.

What is your vision for customer service?

We found that over 72 percent of our clients for sales and service come from Manhattan. So we benchmarked ourselves against other successful businesses in Manhattan to gauge customer expectations because, while we do not compete directly with businesses such as The Plaza Hotel or Jean-Georges, we do compete with them in regard to customers' expectations, as we share the same base of consumers.

I held a series of meetings with our staff and we discussed what it means for the client to be here and what the client means to us. I asked our employees to consider their personal experiences as customers and think about how we can use those positive experiences to set goals for what we hope to deliver to our clients.

How critical has the investment you put into your building on 11th Avenue been as a differentiator?

We designed our building to be bright, airy, and high-tech with the right mixture of luxury to communicate to our clients that we offer a unique customer experience that is clearly recognizable as an added value for each transaction.

We have Starbucks coffee at the main entrance of the dealership so a customer can grab a cup of coffee, walk around to the individual car salons, and look at the product. Visitors will be approached and greeted, but only by one of our showroom traffic coordinators to acknowledge and welcome them. They can then freely browse and will only be approached by a salesperson should they have a question or interest, which changes the dynamic and improves their shopping experience.

What do you attribute your strong results to during the economic crisis?

We pride ourselves on operating as a team, together anticipating trends and events in our industry, and we always try to look ahead and have a plan. As a leader, it is my responsibility to look for indicators of a downturn ahead of time and took decisive measures necessary for success.

One of the things that helped us was our transparent communication with employees. The senior management team and I kept our employees constantly apprised of the situation and challenges that we faced as a company.

Employees were aware of our plan, business results, and also of each of their own roles within that plan that they were expected to perform.

We also conducted more analysis on our customers and focused on differentiating ourselves even further by expanding our white glove service to include the free pick-up and delivery of a vehicle for service, extended test drives, and car detailing.

Additionally, we reevaluated the effectiveness of more traditional advertising and pursued specific niche markets with event-based programs to show that we care about our community.

For the facility in Brooklyn, is there a consistent feel compared to what you have done in Manhattan?

Brooklyn is a different market, but the fundamentals and basic values are the same: excellence in customer service and surpassing client expectations. The Bay Ridge Ford facility is successful and growing faster than we anticipated.

The design of the facility resonates with our ideals, meaning transparency – there is a tremendous glass front, so you can see everything that is going on inside. The furniture is all made in Michigan, by American companies, and the wood veneers and the leather that is used in the furniture are the same materials that are used in Ford products. The high-tech aluminum panels that encase our façade are an indicator of the modernity of our products, services, and technologies built into them. That feeling helps us to sell cars there as well.

Is the automobile industry becoming competitive again?

Definitely. I've been in this business for over 20 years, and now more than ever, the American car industry is on the right track. Consider Ford for instance, the selection and quality of products that we currently have are the best I've ever seen: they are truly competitive in a global market. The technology that is built into these vehicles is unprecedented and is designed to make people's lives easier.

J.D. Power and Associates now rates Ford products higher in quality than Toyota, which for many years set the benchmark. Consumers are becoming aware of that and are coming into our showroom to look at our terrific products. In February, Ford Fusion outsold the Camry and the Accord (which had been the perennial leaders in that segment) for the first time. So we know that we are on the right track. ●