

Size, scalability and its Streamlined Selling System[®] help Zurich win (and keep!) mega-auto dealer business

Aaron Zeigler is a mega-dealer, with 18 separate automotive dealerships, 42 franchises, and approximately 800 employees. Over the last several years, Aaron's dealership has been one of the top 75 largest dealerships in the country, and is fast becoming one of the top 50!



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Zurich's F&I package has helped Aaron build his business, but more than that, Zurich helps Aaron protect the legacy of his dealership by protecting the assets and investments he's made in his business over the years.

The auto dealer industry experienced significant change in the last five years. During the recession, nearly 25% of dealerships went out of business. Acquisition and consolidation were predominant strategies for the dealers who weathered the storm. Aaron's dealership was at the forefront of this trend, growing through acquisition across the country. He's been most successful with acquisition of major franchises that have ability to do a large amount of volume in the right location. Historically, he focused on stores that were under performing — initially because that's what he could afford, but as time went on, he found that those businesses produced a great return. Because the capital required to acquire new dealerships is extremely high, Aaron says there are a limited number of buyers in the market. He believes that in the

coming years major stores will be purchased by those who can afford them, the top 100 dealers in the country. In turn, those dealers will continue to increase in size.

Along with this type of aggressive growth strategy, comes the need for flexible, scalable partners. As Aaron's business continues to grow, he benefits from economies of scale. When he buys a new store, he needs to know that his partners can handle the growth. Aaron explains, "Prior to choosing Zurich, we were using a firm who did a nice job locally. We went with that firm primarily because it was a low cost option. When we started thinking about growth and scale, we knew we could not grow effectively with a firm that didn't have the ability to grow with us. That's one of the things we value most in our relationship with Zurich, Zurich brought size, scale, consistency, well-established processes, and certainly credibility. That is a big deal, especially when you think back to the recession and what the industry went through. Consistency, stability and credibility are must-haves in this game, you've got to



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have scale, you have to have size, you have to have credibility. We're confident we have all of those with Zurich."

Aaron also says the relationship his team has with Zurich is what puts it over the top.

"When I think of the team from Zurich we work with today, from the local representation to the senior leadership, it's that relationship that makes the deal successful. Our provider has to have the ability to expand with us as we get bigger. Zurich can scale to the needs of mega dealer groups. There are hundreds of small local companies that claim they can do it, but Zurich has the ability to support us as we change. We can turn things on in a new store very quickly because we have the structure in place with Zurich."

Zurich was a bit more expensive than Aaron's previous carrier, however, he believed Zurich could help enhance his processes, help him make those processes consistent among all of his stores, and that ultimately, Zurich would maximize his opportunities on the F&I side. "Zurich showed us that we could do that," Aaron says, "Zurich's Streamlined Selling System absolutely works! We've been with

Zurich for F&I since 2008 and every single year we've increased our numbers, we continue to raise the bar." Zurich established consistency among all of Aaron's dealerships, now he's confident about how his dealerships should perform. That means he's confident raising the bar on performance requirements for each store.

Aaron sums it all up, "When you see an organization, like Zurich, doing the right things time and time again, you get more comfortable and confident, and it makes it harder to replace that relationship. What it really comes down to is performance, results and people. Zurich has the right structure; the Streamlined Selling System absolutely works, and it works better than anything else I've seen in the marketplace. But having Zurich's people and our people work together so effectively to make sure the game plan is followed, that's what makes this such a great success."

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