

Case Study

Automotive Dealership Group

Large dealership consortium earns thousands in annual card rebates and redirects resources away from manual payment processes.





CASE STUDY

Industry: Automotive

DMS: CDK Drive

Payments/yr: 1,080

AP Spend: \$30M/yr

Client Profile

With multiple locations in a major southeastern U.S. city, this company is the state's largest dealership consortium. The Chief Operating Officer has been with the dealer group for decades, and says they began utilizing CDK Global's AP Assist solution (powered by Corpay Payments Automation) in 2010.

Challenge

"We were looking for a way to take the manual process out of payables processing," the COO said. "Before AP Assist, we could use our credit card to pay for online advertising, but for everything else, we received invoices by fax machine and wrote checks by hand. With a monthly payable total in the millions of dollars, that was a lot of extra manual work we wanted to eliminate. We also knew we could earn more cash back on credit card transactions."

"AP Assist (powered by Corpay Payments Automation) delivers ROI for our company. We've been able to redirect our resources away from paying invoices and onto activities that drive profit for our dealership."

Chief Operating Officer

Large Dealership Group

Solution

For dealers like this group, Corpay pulls information from the dealer management system (DMS), lets personnel approve and make payments electronically, then posts appropriate journal entries in the Corpay system. Payment options include integrated AP credit card, ACH, and CDK Global's print-check processing services.



\$5,400 average
per year in hard
cost savings



\$36,000 average
per year in
card rebates



7 years of
payment data
stored by Corpay

According to the COO, the goal at this dealership group was to “earn credit card rebates each month by converting many hard check payments to credit card payments.”

After working with CDK Global and Corpay to create a workflow that would streamline the process for the company’s accounts payable team, the COO states that they haven’t had to adjust the process since the initial implementation.

Results

Today, the COO says the monthly rebates the dealership receives from AP Assist “are right about where we expected, which is a great savings for us.”

In addition to the rebates, the COO cites reduced postage, paper, and human resources costs—as well as less time spent in the payables process—as drivers of return on investment. “AP Assist is delivering ROI for our company. We have been able to redirect our resources away from paying invoices and onto activities that drive profit for our dealership,” he says.

The automotive dealership group also benefits from the ability to track all their payments and payables easily. With AP Assist, the dealership’s invoices and other backup information are archived using CDK Global’s Document Storage and Data Archiving (DSDA) solution. “It’s really a good investment for us,” the COO concludes.

About Corpay

As a global leader in business payments, Corpay helps companies of all sizes better track, manage and pay their expenses through a comprehensive and trusted suite of online payment solutions. Corpay is also North America’s largest commercial Mastercard® issuer, handling more than a billion transactions each year. Corpay is part of the FLEETCOR (NYSE: FLT) portfolio of brands. Learn more at www.corpay.com.