

Connecting with customers: Driving change with an omnichannel focus



CarMax, the nation's largest retailer of used autos, revolutionized the automotive retail industry by driving integrity, honesty, and transparency in every interaction. The company offers a truly personalized experience with the option for customers to do as much, or as little, online and in-store as they want. CarMax also provides a variety of vehicle delivery methods, including home delivery, express pickup, and appointments in its stores.

Year Founded
1993

Head Office
Richmond, Virginia

9M
cars purchased

25K+
employees

220+
stores in 41 states

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19 consecutive years

For CarMax, all roads lead to a more personalized and pain-free customer experience.

When it comes to car-buying, stress can be common, with concerns about options, getting the best price, and how to compare different makes and models. On top of that, a car is usually the second largest purchase people make, and the used car industry itself has not always enjoyed a great reputation. Fortunately, CarMax broke that mold back in 1993, when it opened its first store and what is now the nation's largest retailer of used autos in the country. From the beginning, CarMax revolutionized the automotive retail industry by driving integrity, honesty, and transparency in every interaction.

While CarMax brought customers the straightforward experience they desired from the beginning, consumer needs changed over time. Today, customers increasingly want a personalized and flexible experience tailored to their individual needs. CarMax is there to meet those needs by creating an omnichannel experience - where a person can buy a car 100% online, 100% in-store, or a seamless combination of both - to meet their shopping preferences and provide an unmatched car-buying experience. However, getting to an omnichannel destination required re-evaluating the IT systems that had powered the company since its inception.

The systems that made CarMax the market leader had been built to support a linear sales process, focused on a single CarMax associate working with a customer to find their perfect vehicle. To be able to provide customers with an omnichannel experience where they can progress in their journey on their own terms, CarMax required better-connected technology with information sharing as a key enabler.

For example, if a customer identifies a car on the CarMax app, they may decide to come to the store and test-drive the car. Instead of having to ask what they are looking for, any sales associate should already know and understand their preferences when they arrive. If they had submitted a finance application previously and been approved, the sales associate should know that upfront, too.

“We wanted to get to the point where we had a 360-degree view of our customers, and we couldn’t deliver that without having the data, systems, and technology together in a connected format.”

– Shamim Mohammad

Executive Vice President - Chief Information and Technology Officer,
CarMax

CarMax wanted a better customer experience. They wanted flexible, responsive systems that would provide current information quickly about all of their customers. As Mohammad says, “Fifteen minutes is already too old.”

Revvig up

Compounding the situation, CarMax had an array of IT systems for customer maintenance, point of sale, service, finance, and other functions that required updating. CarMax was determined to find the right master data management (MDM) system that would not only support batch integration with legacy systems but also have real-time integrations with newer systems.

CarMax chose Reltio Data Cloud solution to be its MDM provider. Besides the fact that the Reltio platform was cloud-native, it would also make multi-domain modeling and hierarchy management much easier. In addition, Reltio’s ability to integrate information in real-time was a deciding factor.

After deciding on the Reltio platform, the first task was determining the functionality of what CarMax today calls “Customer 360.” Customer 360 creates a single view of a customer across channels and systems. This is critical to allowing customers to progress on their car-buying journey online or in-store based on their preferences and ensures systems and associates have the most up-to-date data to best serve them at any point along their car-buying journey. In order to know the next best action or preference of an individual, CarMax needs to know that the same person who was online, and then calling in is also the same one going into the store.



The Challenge

With legacy systems that siloed data, CarMax was not as fast and responsive to customers as it wanted to be. A growing array of digital customer touchpoints from multiple sources had also become difficult to manage.

The Solution

Using the Reltio Data Cloud™ as a master data management solution, CarMax has achieved impressive results:

- Customers receive a more personalized experience across all channels
- Management can rely on aggregated source data for audit purposes
- The company can move forward with other data-related projects, and take greater advantage of the Reltio platform’s analytics capabilities

To accomplish the goals of enabling an omnichannel experience, Reltio and CarMax technology teams worked together to implement a data-driven strategy across systems and locations. This included data from real-time and batch systems used for sales and service such as the Salesforce CRM system, CarMax.com, and customer experience centers. All this data is available for other systems to connect to in real time for the most up-to-date customer data. According to Mohammad, “Reltio’s core capabilities allow for systems to integrate with the MDM hub without having to create custom endpoints. This allows new customer experiences to quickly move from experiment to scale without creating additional dependencies on the MDM team.”

In addition to helping CarMax embrace its vision of connected data, the Reltio technology has helped the company in other ways. Mohammad also notes, “Our choice of Reltio technology gives us the ability to identify every source and change of data allowing us to audit internal processes. CarMax also leveraged MDM as part of its data privacy solution.”

The new system is delivering at all levels. Mohammad credits much of the company’s growth over the past five years to their focus on the omnichannel customer experience. “It’s absolutely clear that without this connected data, it would be really difficult to provide this connected experience,” Mohammad says.

Full speed ahead

For CarMax, next up is an expansion of its 360 concept to vehicles. Vehicle 360 plans to provide vehicle information specific to an individual VIN, including the available options for a style of vehicle that was actually installed on a VIN at the time it was built by a manufacturer. This will allow CarMax to more accurately price vehicles and merchandise them to their fullest to delight customers.

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ABOUT RELTIO

At Reltio, we believe data should accelerate the speed of business and fuel success. Reltio Data Cloud™, our AI-powered data unification and management platform, transforms siloed data from disparate sources into unified, trusted data and delivers it where and when it’s needed, so that enterprises can be responsive to changing business needs. Leading enterprise brands—across multiple industries around the globe—rely on our award-winning data unification, cloud-native master data management (MDM), and customer 360 capabilities to improve efficiency, manage risk, and drive growth.

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US +1 (855) 360-3282
UK +44 (800) 368-7643

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