



HOW TO GROW YOUR LIMO BUSINESS

LIMO  ANYWHERE

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Introduction

HOW TO GROW YOUR LIMO BUSINESS

Today, nearly 145,000 professionals working in 120,000 businesses make up the \$6 billion U.S. Limousine and Town Car Services industry. Owner/Operators enjoy the many benefits of our industry: the versatility of working with different clients, the independence of defining your own workload, and the satisfaction of providing a necessary service. However, it's easy for owners to get bogged down in the day-to-day operations of a limo company, with no time to focus on the larger picture of growing the business.

The challenges

Today's limo company owners face a number of unique challenges:

- **Building a trustworthy network:** It's critical to have partners you depend on for sharing jobs, both inside and outside of your own market.
- **Time-consuming tasks:** Without automation, many daily processes can eat up your valuable working hours.
- **Driving revenue:** To be profitable, you must determine how to optimize your prices, manage your rates and diversify your business.
- **Gaining industry insight:** How do you connect with and learn from other ground transportation professionals?

In addition, limo company owners face competition from transportation network companies (TNCs). TNCs are the fastest-growing segment of the For-Hire transportation industry. Companies such as Uber and Lyft boast huge numbers of app downloads and rides.

However, as TNCs are technically not transportation companies, they circumvent many of the strict industry regulations and safety requirements followed by the rest of our industry. Many troubling incidents involving ride-hailing application services are detailed at the National Limousine Association's website www.riderresponsibly.org



The opportunities

In order to face today's business challenges, and to compete effectively against TNCs like Uber and Lyft, limo / black car business owners must think tactically.

The problems that haunt TNCs can become business opportunities for limo company owners:

- **Lack of customer service:** As TNCs are technology-based, it can be difficult for passengers to contact a human in case of an issue. In contrast, many limo businesses are known for their exceptional customer service.
- **Inability to book advance reservations:** TNCs provide immediate service, but cannot be relied upon for advance planning. In contrast, riders know they can depend upon limo companies for important jobs.
- **Driver reliability, professionalism and security:** TNC drivers can reject jobs for any reason, and are not subject to thorough background checks and rarely receive comprehensive training. In contrast, limo drivers are thoroughly vetted and trained.
- **Fare volatility:** Customers often cite lack of transparency in TNC fares; prices for the same ride can vary widely. In contrast, limo companies provide upfront, consistent pricing.

In this whitepaper, we will discuss turning these and other challenges into opportunities by using technology, developing a marketing strategy, and building customer relationships. These key strategies will help you free up time, win more business and improve your profitability.

Executive Summary

Streamline Your Operations: Take the time to develop systems that will save you time down the road. Investing in software for booking and dispatch, apps for both driver and passenger, and payment processing systems will simplify your operations. Update your insurance, Transportation Charter Permit number and airport registration to prevent issues.

Market Your Business: What does your company do best? Identify your business strengths and communicate them directly to your target market. Develop a website; use email, direct mail and social media; and consider participating in an affiliate network to help your company gain a strong presence in your metro area.

Build Customer Relationships: Make sure your first-time riders have a great experience and become repeat customers. Follow up with them via email and social media; cultivate corporate business and network with potential customers; and manage your reputation by monitoring your references and online reviews.

“The idea of service, especially consistent, reliable, safe, and secure service in the high-end livery business, still counts in the mind of the consumer.

Brand recognition is a part of the consumer psyche and there is a sustainable niche in the local and national marketplace for companies willing to anticipate their wants and cater to them.”

— “Limo Service Strategies That Will Last,” METRO Magazine



Streamline your operations

Running a successful limo business requires you to be responsive to your customers. However, operating according to your customers timetable can leave little time for managing your day-to-day operations.

You don't have to be a TNC to take advantage of advanced technology for managing your business. Limo company owner/operators can benefit from investing in software, apps and payment processing systems designed specifically for limousine and black car service operators such those offered by Limo Anywhere, which are used by nearly 5,000 operators. Regardless of the size of your operations, these systems can free up your time, save money and enable your business to grow.

Finally, ensure that your paperwork is up to date in order to prevent major issues from arising.

Software for booking & dispatch

Limo Anywhere's specialized software platforms for operators include dispatch software that enables you to book, schedule and dispatch cars and manage reservations. You can oversee your accounting, billing, and driver payroll, as well as keep track of customer preferences and details.

For customers, Limo Anywhere also produces an online booking system that's as easy to use as the platforms offered by TNCs. In a quick three-step process, clients can book trips using autofill functionality, receive distance-based pricing, and easily book round trips.

Driver & passenger Apps

Consider setting up an app for driver trip management. Limo Anywhere's free driver apps, Driver Anywhere, allow your drivers to receive, manage, and close out their trips in real time. These apps enable you to eliminate texting, e-mailing or manual trip dispatch processes.

For passengers, Limo Anywhere offers mobile apps that enable them to easily book, track and pay for their rides using credit cards or cash. The company has leveraged years of mobile expertise to create an exceptional user interface with superior functionality and security.

Payment solutions

Small operators can use the same technology as large operators with Limo Anywhere's payment processing services, which enable transportation companies to securely manage invoices, payroll disbursements and credit card payments through a single interface.

Limo companies can avoid high credit card processing fees and receive next-day funding by joining a preferred credit card processing vendor. Find out more at www.limomERCHANTS.com.

Limo Anywhere's AddOns.LA adds another layer of functionality to the Limo Anywhere payment platform, helping protect your business from fraudulent chargebacks by digitally capturing signatures.

Paperwork updates

Once your office systems are in order, it's a good idea to review all of your related license and registration paperwork and set calendar reminders for updates to avoid expiration.

Thirty-three states currently send notices to drivers that their license is about to expire; some authorities, including New York State DMV, even enable you to sign up for electronic registration reminders.

While specific regulations vary by state and locality, important documents for review include:

- Business License
- Driver's License
- Vehicle Registration
- Insurance
- Transportation Charter Permit
- Airport Registration & Permits



Market your business

TNCs like Uber and Lyft spend hundreds of millions annually on marketing. However, owners of limo businesses don't need big budgets in order to compete effectively in local markets. You simply need to identify your strengths, know your audience and tell your story effectively.

What do you do best?

The first step in marketing your business is identifying what your business does best. Why would a customer book your service over your competitor's? Perhaps you provide a cost advantage, or exceptional customer service, or you excel at providing airport service.

Next, think about what audience you want to serve. Do your ideal customers travel for business or personal reasons? Are they cost-conscious, or do they prefer top-notch service regardless of the price? Where do they live and work?

Develop a website

Once you have a good idea of your strengths and your audience, the next step is communicating with potential customers. Start by creating a business website and stocking it with your basic company information.

While many vendors offer free website building services, companies including Limo Anywhere offer low-cost website templates created specifically for limo / black car business owners. These templates help you easily create a mobile-friendly website that integrates smoothly with Limo Anywhere's online booking tools. As with your driver and passenger apps, your website should be providing a user experience that is seamless for the rider as well as the corporate travel manager.

■ **PRO TIP:** In creating your web presence, pay special attention to Search Engine Optimization (SEO). Figure out your keywords and use them in your website's title tag and meta descriptions as well as throughout your website's copy. This tells Google and other search engines where and how your content is relevant, and helps them deliver your information to the right customers.



Advertising & Marketing

Many limo companies communicate with their customers using three basic channels:

Email: Collect customer email addresses as part of your payment process, or by offering discounts for signing up to receive promotional emails. You can use these email addresses to ask for reviews of your service, present special offers or solicit referrals for new customers.

■ **PRO TIP:** The U.S. CAN-SPAM Act enables businesses to send direct marketing emails to anyone, without permission, unless the recipient requests to opt out. You must include opt-out information with every message, and honor unsubscribe requests within 10 days.

Social Media: While there are many options for social media marketing, many limo companies have found success by focusing on just one channel that is most often used by their customers, such as LinkedIn for business or Instagram for social events. Establish a presence with your own posts, be active in the online community, and consider geographically targeted paid advertising options that are targeted to your audience.

■ **PRO TIP:** Do your best customers frequent particular local shops or restaurants? Look up those businesses on social media and like/follow them – their followers may be your new best customers!

Marketing Partnerships: Contact the local businesses or organizations that your customers are likely to frequent: formalwear businesses for prom season, your local airports and hotels, or the local Chamber of Commerce for business events. Marketing opportunities with these potential partners may range from leaving a stack of flyers at the register to presenting your services at their events.

■ **PRO TIP:** Most Chambers of Commerce produce a membership directory, which can be an excellent source of companies to partner with.



Affiliate networks

Affiliate networks offer an excellent opportunity to expand your business outside of your local area while avoiding the duty-of-care issues that plague TNCs.

When your limo company is part of an affiliate network, you can improve your own business by receiving jobs from providers in other cities. You can also make travel easier for your customers; they can use you as a single provider regardless of their destination city.

However, whether you are sending or receiving affiliate jobs, it's necessary to do your homework – is your affiliate partner's customer service, safety and rate structure compatible with yours?

Limo Anywhere and DriverAnywhere networks can take care of this homework for you. Limo Anywhere brings you business from other Limo Anywhere customers and positions you as the preferred supplier in your home market. The DriverAnywhere network enables you to book your clients into trusted, verified black car service in over 300 major markets worldwide. And Limo Anywhere's AddOns.LA offers an Affiliate Driver Status system, giving you an easier way to stay in touch with your partners.

■ **PRO TIP:** When considering an affiliate, ask them to share with you a photo of their cars. This can help alleviate any concerns about the quality of vehicles the affiliate provides.



Build customer relationships

Once your operations are running smoothly and you have an advertising and marketing plan in place, you should begin to see your business increase. Maintain your business momentum by ensuring that your newest customers turn into regulars, and keep filling your empty seats with new customers.

FOLLOW UP WITH FIRST-TIME RIDERS

Once a rider leaves your vehicle, you have two built-in opportunities for following up. Your customer should receive a ride receipt, which can be generated immediately if you are using advanced billing and payment systems such as those offered by Limo Anywhere.

Second, be sure to ask customers for their opinion of your service so that you can keep improving. Forbes Magazine reports that in order to generate good response, customer surveys must be brief (think two questions, not 20); sent in the moment (not days or weeks later); and if further steps are needed, acted upon quickly.

Limo Anywhere's AddOns.LA offers the ability to integrate customer surveys into Limo Anywhere tools, enabling you to easily gather customer feedback and quickly track a variety of business metrics.

MANAGE YOUR REPUTATION

You may also ask customers directly to rate and review your business online, including links to your online directory and review listings in your request. Online reviews from satisfied customers will help increase the number of new customers who find your business online.

Manage your reputation by signing up for a service such as Free Review Monitoring to get notified immediately when a new review appears. What if you receive a bad review? Free Review Monitoring notes that the majority of unhappy customers will consider returning if their issue is resolved quickly, so take the opportunity to turn around any negative situations.

CULTIVATE CORPORATE BUSINESS

According to Luxury Coach & Transportation Magazine, three markets are most likely to spur new business for operators in 2018:

- **Corporate Meetings:** Corporate meetings have been on an upward trend recently, with new events expected to double in 2018, according to industry research.
- **Private Aviation/FBO:** Business is soaring for private aviation and fixed base operators or FBOs, providing ample opportunity to service these tarmacs.
- **Business Travel:** The Global Business Travel Association predicts budget and spending increases for 2018 across the board, translating into more airport runs.

As these markets increase, consider how your business can build a sustainable partnership within these markets or with related travel managers. Also, help corporate businesses find your company by joining city or state associations for limo companies and operators, if available in your area.



Conclusion & recommendations

As the limousine industry evolves, limo companies can compete effectively against TNCs by using technology, developing a marketing strategy and building customer relationships. These strategies help you free up time, win more business and improve your profitability.

Make sure your customers feel valued

The Washington Post notes that many limo companies are fighting back against TNCs by shifting their business models, adjusting their pricing methods or tweaking their cancellation policies.

However, many customers “still want the traditional white-glove experience... A bride and groom aren’t going to pull out an app and order a car at the end of their wedding night. Nobody is going to roll the dice on that.”

It’s important to remember that success in the limo business depends largely on the personal service and local knowledge you provide. The bottom line: Whether it’s a big wedding day or a routine airport transfer, make sure your all of your customers feel valued, and your business will grow accordingly.



10 ideas to apply today

Luxury Coach & Transportation Magazine offers these operational practices used by successful operators:

- Offer **Starbucks electronic gift coupons** for filling out client survey requests.
- Respond to incoming emails and quotes **within 15 minutes**.
- Give chauffeurs bonuses for **First Aid and CPR training**.
- Require all chauffeurs to **use headsets while driving** and prohibit answering calls or texts while driving.
- Upload chauffeur iPads with **campus maps of all the corporations/businesses** your company serves to identify all buildings and entrances onsite.
- Take all customer service representatives into the field to familiarize them with **locations, distances, and attractions** clients may ask them about.
- Encourage colleagues at team meetings to share stories of **how they have connected with a client** by going that extra mile.
- Position you and your company as a **quotable source in the local media** on ground transportation matters.
- Empower well-trained chauffeurs to **act as company ambassadors** who are rewarded if they give out a business card to a potential client who ends up booking service.
- **Sponsor local charitable events** in return for speaking to the group.

Appendix

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