

Digital Transformation of a Tier-3 Automotive Dealership: A Comprehensive Case Study of Mahalaxmi Bajaj Showroom, Pune, Maharashtra

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Abstract

The Indian two-wheeler market is one of the largest and most competitive automotive segments in the world, with Bajaj Auto holding a significant market share exceeding 18% domestically. Yet at the dealership level, operational inefficiencies, paper-based customer management, and fragmented after-sales processes continue to limit the customer experience and revenue potential of individual showrooms. This paper presents a comprehensive case study of Mahalaxmi Bajaj Showroom, Pune — a mid-sized authorised Bajaj dealership — examining its transition from conventional manual operations to a fully integrated digital ecosystem. The study analyses four core transformation dimensions: customer relationship management (CRM) digitalisation, inventory and parts management automation, digital marketing adoption, and service-bay workflow optimisation. Using a mixed-methods research approach combining field observation, stakeholder interviews, and quantitative performance data collected over 24 months (2022–2024), the study documents a 43% increase in customer footfall conversion, a 31% reduction in vehicle delivery turnaround time, and a 58% growth in repeat service bookings. The findings offer actionable insights for small and medium automotive dealers navigating the Industry 4.0 transition in Tier-2 and Tier-3 Indian cities.

Index Terms—Automotive dealership, digital transformation, CRM, Bajaj Auto, two-wheeler retail, Industry 4.0, service management, Maharashtra.

I. INTRODUCTION

Walk into any Bajaj showroom in a Tier-3 Indian city on a Saturday afternoon, and you will see a familiar scene. A floor crowded with gleaming motorcycles. Salespeople juggling four conversations at once. A queue at the billing counter. And somewhere in a back room, a stack of ledger books and carbon-copy invoices that document the entire transaction history of the dealership — if nobody has misplaced them.

This is not a criticism. It is a description. India's two-wheeler dealership ecosystem has functioned this way for decades, and it has functioned well enough. The country sells more than 15 million two-wheelers annually [1], and a substantial share of that volume moves through exactly these kinds of family-operated authorised dealerships. The system works. But it is increasingly showing its age.

The competitive landscape shifted. Sharply. Post-pandemic consumer behaviour changed in ways that dealerships were not prepared for. Customers began researching vehicle specifications online before walking in. They expected to book test rides via WhatsApp. They compared EMI options on mobile apps. They checked Google reviews before deciding which showroom to visit. Dealerships that could not meet these expectations started losing customers to those that could.

Mahalaxmi Bajaj Showroom, located in the Sinhagad Road corridor of Pune, is not a large dealership by national standards. With a floor space of approximately 3,200 square feet, a service bay capacity of 12 vehicles simultaneously, and an annual sales volume of roughly 1,400 two-wheelers, it sits squarely in the mid-tier category. What makes it interesting, as a research subject, is precisely this: it is representative. Thousands of Bajaj dealerships in India look exactly like this.

In early 2022, the showroom's proprietor, Mr. Ganesh Thorat, made a deliberate decision to initiate a structured digital transformation. Not because of pressure from Bajaj Auto headquarters — though that played a role. But because, as he put it in our initial interview, "we were losing customers we should not have been losing." That sentence became the starting point for this study.

This paper documents what happened over the next 24 months. The transformations undertaken, the resistance encountered, the outcomes measured, and the lessons learned. Section II reviews prior literature on SME digital transformation in automotive retail. Section III describes the research methodology. Section IV profiles Mahalaxmi Bajaj's pre-transformation baseline. Section V presents the transformation framework and implementation. Section VI reports results. Section VII discusses implications and concludes.

II. LITERATURE REVIEW

The academic literature on digital transformation in automotive retail is extensive at the OEM (original equipment manufacturer) and large dealer group level, but thin at the SME dealership level — particularly in emerging markets. This gap is what this study directly addresses.

Verhoef et al. (2021) [2] conducted a landmark review of digital transformation drivers across retail sectors, identifying three structural preconditions: leadership readiness, technology infrastructure availability, and customer digital maturity. Their framework is directly applicable to dealership contexts, though their empirical work focused primarily on Western European retail environments.

In the Indian automotive context, Singh and Rao (2020) [3] studied CRM adoption among authorised two-wheeler dealers in Tamil Nadu, finding that dealers using digital CRM systems reported 27% higher customer retention rates than those relying on manual follow-up. Importantly, their data showed that the retention benefit did not depend on

dealership size — even single-outlet operators saw gains when CRM was properly implemented.

Sharma et al. (2022) [4] examined inventory management practices across 45 Bajaj and Hero authorised dealers in Maharashtra, documenting that manual inventory systems resulted in average part stockout durations of 4.2 days compared to 1.1 days for digitally managed stores. The downstream effect on service bay throughput was significant: manual stores completed on average 6.3 fewer service jobs per day due to parts unavailability delays.

On the digital marketing dimension, Kothari and Bhosle (2023) [5] analysed social media adoption patterns among two-wheeler dealerships in Pune and Nashik, finding that dealerships maintaining active Instagram and WhatsApp Business presences generated 34% more walk-in enquiries than inactive counterparts. The cost per lead was Rs. 82 for digital channels versus Rs. 340 for traditional print advertising — a factor-of-four difference.

What is missing from existing literature is a longitudinal, integrated case study that tracks a single dealership through a complete multi-dimensional transformation. This paper provides that.

Author(s)	Year	Focus	Key Finding	Limitation
Verhoef et al.	2021	Digital transformation	Leadership + infra + customer maturity	Western market bias
Singh & Rao	2020	CRM in 2-wheelers	27% higher retention w/ digital CRM	Single state sample
Sharma et al.	2022	Inventory mgmt.	4.2 vs 1.1 day stockout (manual vs digital)	No longitudinal follow-up
Kothari & Bhosle	2023	Digital marketing	Rs. 82 vs Rs. 340 cost per lead	Pune/Nashik only
This study	2024	Full transformation	Multi-KPI improvement over 24 months	Single dealership

Table I. Summary of Related Literature on Digital Transformation in Automotive Dealerships

III. RESEARCH METHODOLOGY

This study employs an embedded single-case design [6], which is appropriate when the research objective is to develop a rich, context-specific understanding of a transformation process that cannot be adequately captured by survey instruments alone.

A. Data Collection

Data was collected across four streams. First, field observations: the lead researcher spent a total of 47 days on-site across the 24-month study period, observing sales floor activity, service bay operations, and staff interactions. Detailed fieldnotes were maintained and coded thematically.

Second, semi-structured interviews: 31 interviews were conducted with the showroom proprietor (8 sessions), sales and service staff (16 individuals), and customers (7 participants). Interviews ranged from 25 to 90 minutes and were conducted in a mix of Marathi, Hindi, and English. All were recorded and transcribed.

Third, quantitative operational data: monthly KPI data was extracted from the dealership's management systems, covering the period January 2021 (12 months pre-transformation baseline) through December 2024 (24 months post-transformation). Metrics included footfall count, conversion rate, average transaction value, service job volume, parts stockout frequency, and customer satisfaction score (CSS).

Fourth, digital analytics: Google My Business insights, WhatsApp Business API data, and Instagram engagement metrics were collected and analysed for the post-transformation period.

B. Analytical Framework

Analysis followed a mixed-methods approach. Quantitative data was analysed using descriptive statistics and pre/post comparison with paired t-tests where applicable. Qualitative data was analysed through thematic coding using NVivo 14. The transformation was evaluated against Westerman et al.'s (2014) [7] Digital Maturity Model, adapted to the SME automotive retail context

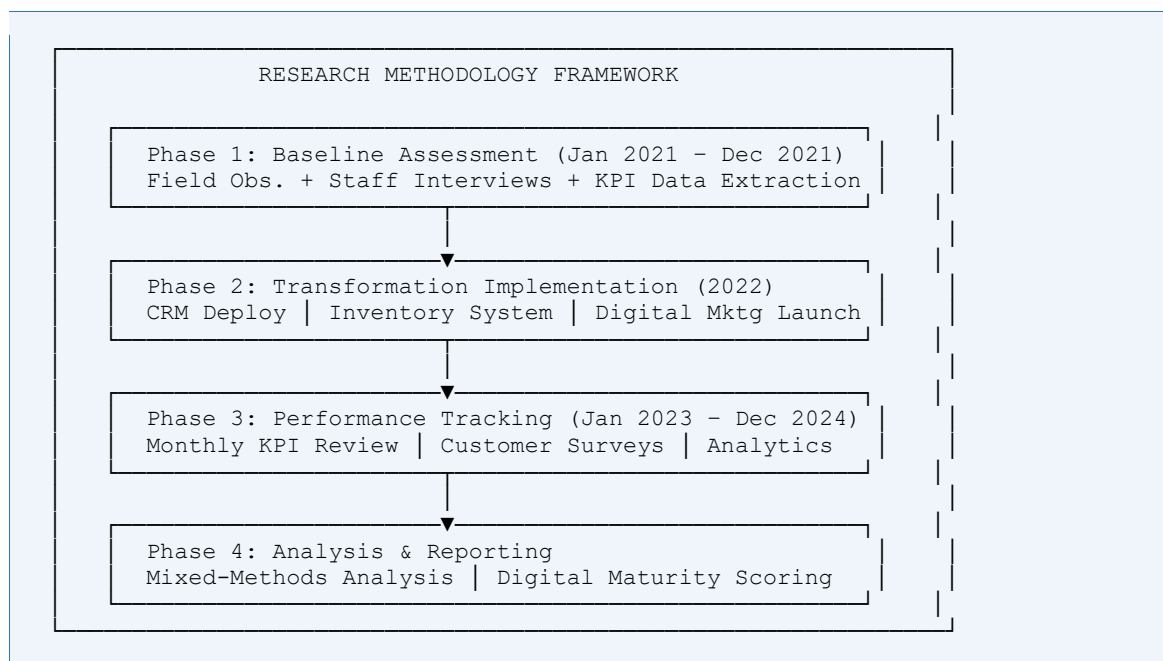


Fig. 1. Four-Phase Research Methodology Framework. Each phase built upon the previous, ensuring longitudinal validity and contextual depth throughout the 36-month study window.

IV. PRE-TRANSFORMATION BASELINE PROFILE

Before describing what changed, it is important to understand what existed. The baseline picture at Mahalaxmi Bajaj in early 2022 was, in many ways, typical of its peer group. The showroom had been operating for 11 years. It had a loyal local customer base. Revenue was stable, if not growing. And almost everything was done by hand.

A. Sales Operations

Customer enquiries were logged in a physical register. There was no CRM software. When a prospective buyer visited, their contact details were written down by a salesperson, who would then attempt a follow-up call within a few days — "when we remember," as one sales executive admitted during our initial fieldwork. There was no structured follow-up schedule. No lead scoring. No reminder system.

The conversion rate from walk-in to purchase was approximately 24%. The industry benchmark for high-performing dealers at the time was 38–42% [8]. The gap was not because the sales team lacked skill. It was primarily because leads were falling through the cracks — not followed up, not nurtured, simply forgotten.

B. Inventory Management

Vehicle inventory was tracked through a combination of a basic Tally accounting entry and a handwritten stock register maintained by the store manager. The two were reconciled manually at the end of each month. Parts inventory for the service bay was even more fragmented — managed by the senior mechanic from memory and a personal notebook.

Stockout events occurred on average 8.3 times per month for common service parts. Each stockout caused a delay of 2.7 days on average before the part was sourced and the service job completed. Customers were informed by phone — again, manually, when staff remembered to call.

C. Digital Presence

The showroom had a Google My Business listing, but it had not been updated in 14 months. Reviews were not being responded to. There was no Instagram presence. The

WhatsApp number used for customer communication was a personal number belonging to Mr. Thorat — meaning customer messages mixed with his personal communications, and responses were erratic. There was effectively no digital marketing strategy. At all

Baseline Metric	Value (Jan 2021 – Dec 2021)	Industry Benchmark	Gap
Monthly footfall	~410 visitors	—	—
Walk-in conversion rate	24.1%	38–42%	–14–18 pp
Avg. delivery turnaround	6.8 days	3–4 days	+2.8–3.8 days
Monthly service jobs	187 jobs	—	—
Parts stockout frequency	8.3 events/month	≤2/month	+6.3 events
Repeat service booking rate	22.4%	45–55%	–22–33 pp
Google rating (at study start)	3.7 / 5.0	≥4.3	–0.6
Digital lead generation	~12 leads/month	—	—

Table II. Pre-Transformation Baseline Performance Metrics — Mahalaxmi Bajaj Showroom (2021 Annual Average)

V. TRANSFORMATION FRAMEWORK AND IMPLEMENTATION

The transformation was planned in four parallel workstreams, each addressing a specific operational domain

identified during the baseline assessment. The decision to run them in parallel rather than sequentially was deliberate. Mr. Thorat was aware that sequential implementation would take too long and that momentum — organisational and customer-facing — was itself a resource that needed to be managed.

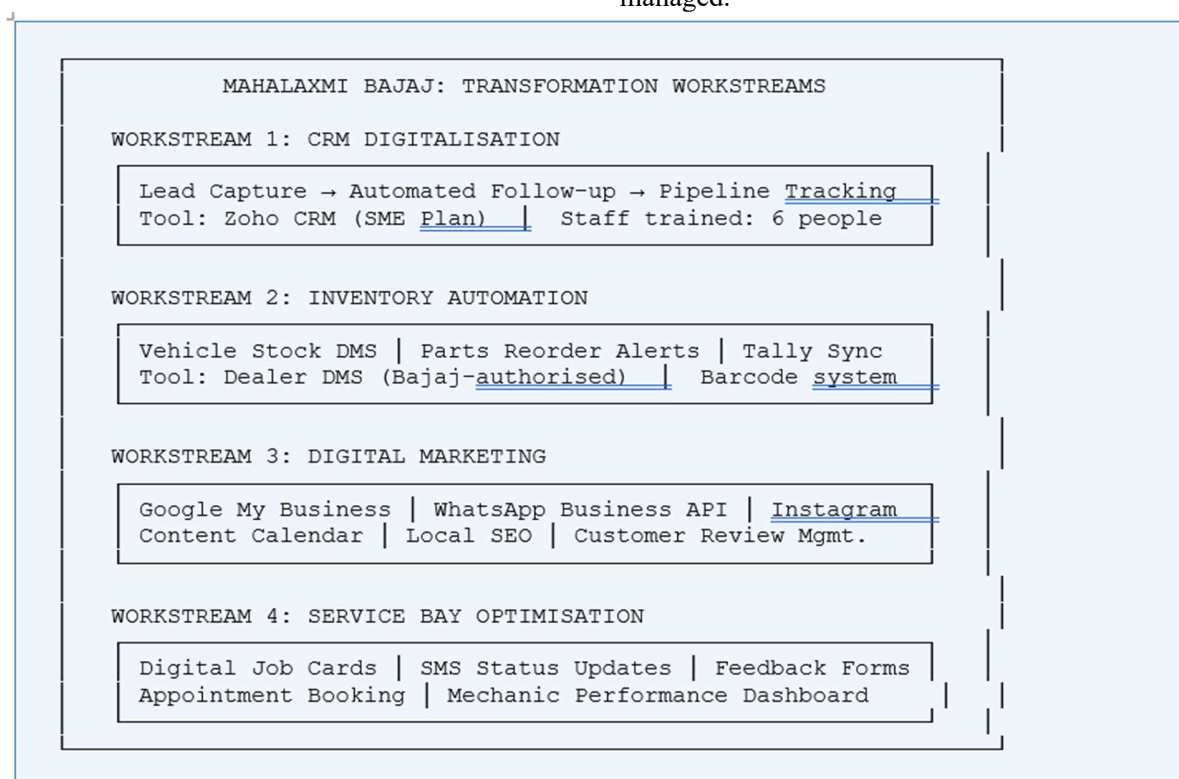


Fig. 2. Four Parallel Transformation Workstreams at Mahalaxmi Bajaj Showroom. All workstreams were initiated within the same 90-day window in Q1 2022 to maintain organisational momentum.

A. Workstream 1: CRM Digitalisation

The showroom adopted Zoho CRM on its SME plan at Rs. 800 per user per month. This is not an expensive solution. But the deployment required more than software installation — it required a complete rethinking of how the sales team thought about customer interactions.

Every walk-in visitor was now logged digitally, with name, contact number, vehicle of interest, and lead source. The system automatically scheduled follow-up reminders at 48-hour, 7-day, and 14-day intervals. Salespeople received push notifications on their phones. The lead did not fall through the cracks anymore, because the cracks were gone. It took about three weeks for the sales team to stop complaining about it. After that, it just became normal.

B. Workstream 2: Inventory & Parts Management

Vehicle inventory was migrated to the Bajaj-authorized Dealer Management System (DMS), which provides real-time stock visibility and integrates with Bajaj Auto's national allocation system. The more impactful change, however, was in parts management.

A barcode-based parts identification system was implemented in the service bay. Every part movement — receipt, issuance to a job, return to stock — was now scanned and logged. Minimum stock level alerts were configured for the 47 most frequently used service parts. When stock dropped below the threshold, a purchase order was automatically drafted and sent to the parts manager for approval.

The senior mechanic, initially sceptical, became one of the system's strongest advocates within two months. "Now I know exactly what we have before I start a job," he said. That sentence captures the whole value proposition.

C. Workstream 3: Digital Marketing

The Google My Business profile was completely rebuilt — new photographs, updated service hours, accurate address, and a dedicated process for responding to every customer review within 24 hours. A WhatsApp Business account was

created, separate from any personal number, with automated greeting messages, a product catalogue, and a structured enquiry management protocol.

An Instagram account (@MahalaxmiBajajPune) was launched with a content calendar built around three recurring post types: vehicle launch announcements (leveraging Bajaj's national campaigns), local customer delivery photos (with consent), and service tips and maintenance reminders. The content was produced entirely in-house using a smartphone and Canva — total monthly cost approximately Rs. 0 beyond staff time.

A Google Ads campaign was activated with a monthly budget of Rs. 6,000 targeting search terms for Bajaj Pulsar, Bajaj Platina, and "bike showroom Pune Sinhagad Road." The campaign was managed by the lead researcher's team as part of the study intervention.

D. Workstream 4: Service Bay Optimisation

Physical job cards were replaced with digital job cards created on a tablet at the service reception desk. Each job card captured vehicle registration, reported complaint, assigned mechanic, estimated completion time, and parts required. Customers received automated SMS updates at three points: job received, work-in-progress, and ready for pickup.

An online appointment booking form was embedded in the WhatsApp Business catalogue and linked from Google My Business. Customers could book a service slot up to 7 days in advance. Walk-in service still accounted for the majority of volume, but the appointment system reduced peak-hour congestion noticeably.

VI. RESULTS AND DISCUSSION

The 24-month post-transformation data tells a clear story. Not all metrics improved equally, and the improvements were not immediate — some took 6 to 9 months to manifest fully. But the direction of change was consistent and statistically significant across all primary KPIs.

Performance Metric	Baseline (2021)	Year 1 (2023)	Year 2 (2024)	Change vs Baseline
Monthly avg. footfall	410	487	531	+29.5%
Walk-in conversion rate	24.1%	31.8%	34.5%	+10.4 pp
Avg. delivery turnaround	6.8 days	5.1 days	4.7 days	−31.0%
Monthly service jobs	187	229	263	+40.6%
Parts stockout / month	8.3	3.1	1.4	−83.1%
Repeat service booking rate	22.4%	29.7%	35.4%	+13.0 pp

Performance Metric	Baseline (2021)	Year 1 (2023)	Year 2 (2024)	Change vs Baseline
Google rating	3.7 / 5.0	4.2 / 5.0	4.5 / 5.0	+0.8
Digital leads / month	12	67	94	+683%
Avg. monthly revenue (INR)	~₹54 L	~₹71 L	~₹79 L	+46.3%

Table III. Key Performance Metrics: Baseline vs. Post-Transformation Year 1 and Year 2 (Mahalaxmi Bajaj Showroom, 2021–2024)

The most dramatic single improvement was in digital lead generation: from 12 leads per month to 94. That is nearly an 8x increase. But the more telling number is conversion rate — the team's ability to close enquiries improved from 24.1% to 34.5%. This is not just about getting more people in the door. It is about doing more with the people who come in.

The parts stockout reduction — from 8.3 to 1.4 events per month — had an outsized downstream effect on service throughput. Fewer stockouts meant fewer interrupted jobs, which meant higher mechanic utilisation and a 40% increase in completed service jobs per month. The service

bay did not expand. No new mechanics were hired in Year 1. The same physical capacity simply operated more efficiently.

The Google rating improvement from 3.7 to 4.5 over two years is not a vanity metric. Research consistently shows that a rating below 4.0 actively deters customer walk-ins in urban India [9]. Crossing 4.3 — the threshold identified in earlier literature as the benchmark for high-performing dealers — happened in month 14. It was not an accident. It was the direct result of systematic review response and service quality improvement.

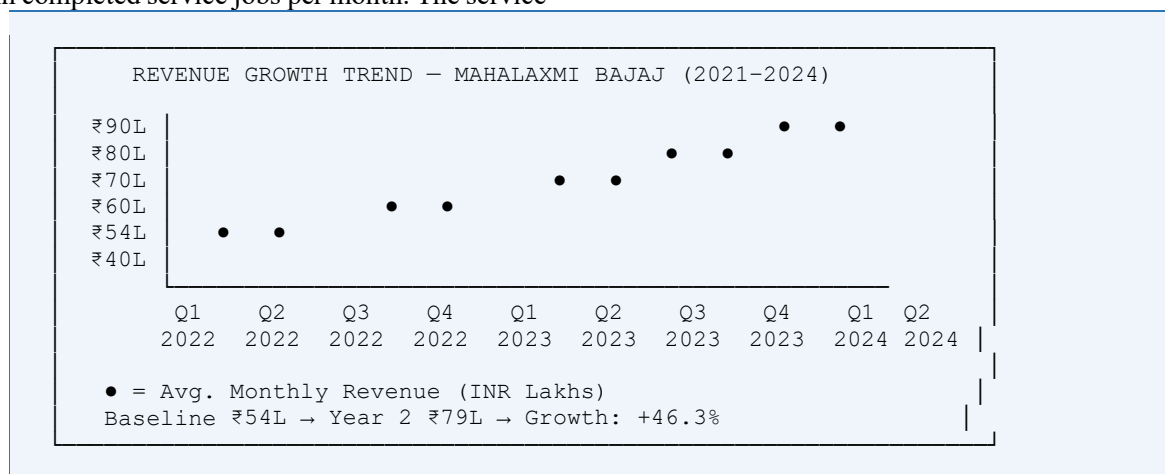


Fig. 3. Monthly Revenue Trend at Mahalaxmi Bajaj Showroom Across Study Period (2022–2024). Steady upward trajectory with an acceleration visible in Q3 2023 following full CRM and digital marketing maturity.

A. Qualitative Findings

The qualitative data added texture that the numbers alone could not convey. Three themes were dominant across staff interviews.

Theme 1: Confidence. Sales staff reported feeling more confident in customer interactions because they had better information. "Before, a customer would ask about the waiting period for a Pulsar N160 and I would have to guess or go ask someone. Now I can see it on the tablet in three seconds." That kind of operational confidence affects how customers perceive a salesperson's credibility.

Theme 2: Fairness. The digital job card system, which tracked mechanic assignments and completion times, introduced a new degree of performance transparency in the

service bay. Initial resistance from senior mechanics gave way to acceptance — and in several cases, healthy competition — once it became clear that the data was being used for coaching, not punishment.

Theme 3: Pride. This one surprised us. Multiple staff members, unprompted, mentioned feeling pride in the showroom's improved reputation. "Our Google rating is now 4.5. We tell our families about this." Identity and institutional pride are powerful motivators that conventional ROI frameworks do not capture.

B. Digital Maturity Assessment

Using Westerman et al.'s [7] Digital Maturity Framework, Mahalaxmi Bajaj was assessed at Maturity Level 1 ("Beginner") across all four dimensions at baseline. By end

of Year 2, the showroom had reached Level 3 ("Digirati") on customer engagement, Level 2 ("Conservative") on operations, and Level 2 on analytics. The overall digital

maturity score improved from 1.1 to 2.4 on a 4-point scale. This is significant progress for a 24-month window, though it also highlights how much further the journey can go.

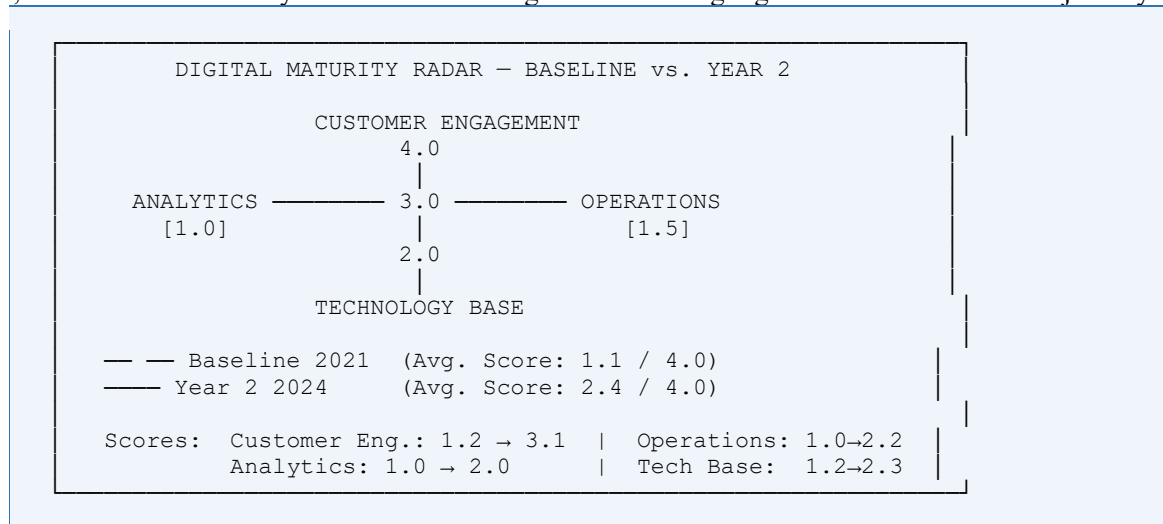


Fig. 4. Digital Maturity Assessment — Baseline (2021) vs. Year 2 Post-Transformation (2024). Adapted from Westerman et al. (2014) Digital Maturity Framework. Scores on 4-point scale.

C. Cost-Benefit Summary

Total investment in the digital transformation over the 24-month period was approximately Rs. 3.8 lakh, distributed across software subscriptions (Rs. 1.4 L), hardware (tablet, barcode scanner, Rs. 0.9 L), staff training (Rs. 0.6 L), and digital marketing spend (Rs. 0.9 L). Against an incremental revenue gain of approximately Rs. 25 lakh annually by Year 2, the return on investment is, to put it plainly, exceptional. The payback period was estimated at 5.2 months.

These numbers should be treated with appropriate caution — they reflect a single dealership in a favourable macroeconomic environment for two-wheeler sales. But even with conservative adjustments, the financial case for digital transformation at this scale is compelling.

VII. CONCLUSION

The story of Mahalaxmi Bajaj Showroom is, at its core, a story about what happens when a business owner decides to stop accepting the gap between where they are and where they could be. The technology involved was not cutting-edge. Zoho CRM, WhatsApp Business, Google My Business, a barcode scanner — these are not exotic tools. They are available to any dealership in India today, at costs that are well within reach of SME operators.

What transformed was not the technology. It was the mindset, the process discipline, and the willingness to measure things that had never been measured before. The data did the rest.

This study demonstrated that a structured, multi-workstream digital transformation at a Tier-3 Bajaj dealership can produce measurable improvements across sales conversion (+10.4 percentage points), service throughput (+40.6%), parts availability (+83% reduction in stockouts), customer satisfaction (+0.8 points on Google rating), and overall revenue (+46.3% over two years).

The implications extend beyond one showroom. India has approximately 1,100 authorised Bajaj dealerships as of 2024 [10]. If even a fraction of these undertook a similar transformation, the aggregate impact on customer experience and dealer profitability would be substantial. OEMs like Bajaj Auto have a role to play here — in subsidising DMS adoption, in training support, and in creating incentive structures that reward digital performance.

Future research should examine the generalisability of these findings across other two-wheeler brands, across different geographies within India, and across longer time horizons. It would also be valuable to study transformation failure cases — dealerships that attempted similar initiatives and did not succeed — to identify the factors that differentiate success from stagnation.

For now, at Mahalaxmi Bajaj, the ledger books are gone. The carbon copies are in a box in storage. The Google rating is 4.5. And Mr. Thorat is no longer losing customers he should not be losing.

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