

Internet leads: Many dealers still drop the ball

Survey ranks brands by response

Mark Rechtin
mrechtin@crain.com

LOS ANGELES — Internet leads are crucial to every dealership's sales success, but a new study shows that most dealerships still drop the ball when contacted online by shoppers.

The survey was conducted by mystery-shopping consultant Pied Piper of Monterey, Calif. The consultancy submitted Internet inquiries to 4,331 dealerships nationwide representing all major brands. The inquiries included specific questions to verify whether the answer was from a person or an automated responder.

The most common dealership reply — the response to 16 percent of inquiries — was a simple automated response promising that a salesperson would be in touch soon, followed by a personal e-mail from a salesperson.

But nearly one in four queries went unanswered in the first 24 hours, Pied Piper CEO Fran O'Hagan said that is little different from ignoring a customer who walks in the front door of a dealership.

"The goal isn't to sell a car over the Internet," he said. "It's to get the customer into the dealership. A dealership has to have a process to handle this. You can't rely on a single salesperson to handle Internet leads. Too many fall off the table."

O'Hagan said the industry needs to improve on time of response, the percentage of salespeople who call

back and simply coming back to the customer with *any* sort of response.

In the consultancy's 2012 Prospect Satisfaction Index, which ranks the Internet lead effectiveness of dealerships by brand, the top three scorers were Lexus, Infiniti and Acura.

O'Hagan said that was mostly because those three have processes in place to ensure that Internet leads are handled properly.

The biggest improvement over 2011 went to Ford and Lincoln, largely because their dealerships have installed two types of auto-responders that send generic replies to a customer query.

But both Ford and Lincoln scored poorly in terms of getting a human being to answer a question, O'Hagan said. He called auto-responders "a crutch."

Chrysler also improved by ensuring that its dealerships had some sort of response mechanism for customer queries.

The Mini brand was most likely to respond in person.

There also were danger signs for some brands.

Fast-growing Hyundai dealerships finished fourth from the bottom in the index. For 21 percent of inquiries, Hyundai dealerships provided no response, worse than the brand did in last year's survey. Hyundai also recorded fewer phone responses to online leads this year.

Scion, Toyota's youth brand, fared poorly — second-worst — with 36 percent of dealerships sending no response.

"But when they do bother to respond they have improved, and their behaviors are pretty good," O'Hagan noted.

Audi, another growing brand, finished third from the bottom. Fifteen percent of its dealerships failed to respond to online inquiries, and its response by phone was half of the industry average. When Audi dealerships did call, they were well below average in their ability to answer a simple question about a car, Pied Piper asserted.

"It's not complicated. We're not talking nuance," O'Hagan said. "If a dealer responds with an auto-responder, then a personal e-mail, then a follow-up call they will outperform 75 percent of other dealerships out there. I'm not even talking about the quality of the message, just the blocking and tackling." ■

Following the leads



Consultancy Pied Piper's latest Prospect Satisfaction index ranks the effectiveness of dealerships by brand in responding to Internet leads. The survey of 4,331 dealerships began in September and was completed this month. Dealerships are scored on a 100-point scale. Here are the brands with the highest and lowest scores.*

TOP 6 BRANDS

Lexus	62	Lincoln	58
Infiniti	62	Ford	58
Acura	59	Honda	58
Industry average			54

BOTTOM 6 BRANDS

BMW	46	Audi	42
Mitsubishi	46	Scion	39
Hyundai	44	Suzuki	23

*Score consolidates 3 measurements: time to respond; type of response (auto-responder, personal e-mail, personal phone call) and the quality of information in the answer.

