



Harley-Davidson Leads the Pack in Retail Experience

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Not many companies can boast that their customers tattoo their logos onto their forearms and dress in branded gear from head to toe, but Milwaukee, Wis.-based Harley-Davidson Motor Co. is known for its loyal—if not fanatical—customer base and this spring, the motorcycle maker earned another mark for its marketing savvy.

On May 7, Pacific Grove, Calif.-based Pied Piper Management Co. released the 2012 Pied Piper Prospect Satisfaction Index U.S. Motorcycle Industry Benchmarking Study. The study combines feedback gleaned from 1,653 mystery shoppers from July 2011 to April 2012 with corresponding sales figures to assess the retail experiences of motorcycle dealerships throughout the United States. Harley-Davidson was awarded the top ranking, leading in 16 different sales activities including offering test rides, obtaining consumer contact information and directly asking for the sale. All 700 Harley-Davidson retail stores in the U.S are independently owned and operated, making a coherent, branded retail experience particularly challenging.

On May 1, Harley-Davidson launched its “E Pluribus Unum” campaign, or “out of many, one,” and at its centerpiece is a series of digital videos featuring the Twitter hashtag “#StereotypicalHarley [fill in the blank].” The largely social-media-based campaign is designed to break down the stereotype of a traditional Harley rider and highlight the diversity of the company’s customer base. Additionally, Harley is in the process of celebrating “Women Rider’s Month” throughout May, marketing to potential new female customers.

Marketing News Exclusives caught up with Mike Kennedy, vice president of North American sales for Harley-Davidson, following the study’s release to find out what makes the Harley retail experience successful and how it’s reaching a new demographic of riders.

Q: How do you ensure that all of your retail locations around the world have a coherent branded experience and stay at the top of the game?

A: We’re currently focused on a journey to elevate the customer experience. ... We’re on a multi-year strategy, which is called ‘Retail 20/20’ and it’s all about delivering a personalized, compelling, premium and truly custom experience to every customer, every day, everywhere and our dealers, of course, are central to delivering that experience. Our philosophy, specifically for Retail 20/20, is to be customer-led, meaning to truly understand customer motivations and barriers—and, ultimately, planning and developing and designing products and experiences with not only customer wants and needs in mind, but their input as well. ...

We have over 100 of what we call field representatives that represent the sales area, they represent the marketing area, they represent the financial insurance area, as well as the service area, and they routinely call on those dealerships and coach and council and share best practices. ... And over the last year or so, the sales side of that team has been focused on what we call selling factors ... things like, Did the salesperson give you a compelling reason to buy or

did the sales person offer you a test ride? Did the salesperson use good visuals in the sales presentation? Did they ask you for your name? Those basic elements, and the team has been definitely focused on those elements in coaching and driving the plans with the dealers.

Q: May is Women Riders Month. How long has that initiative been going on, and what results have you seen?

A: We've got a laser-focused strategy in this country on growing our core customer base with a challenge to grow our new customer base at an even faster rate. So new riders [are added] to that equation, a lot of women riders in that equation, and new customers is a very important piece of our business. ... Sometimes our dealerships can be intimidating to the novice rider or to the new rider, or maybe a non-rider. Our brand is very powerful and sometimes that power can be intimidating, and so our dealers have been doing a fantastic job of really welcoming new customers to the brand and to their stores.

Q: Harley has historically been a masculine, American brand. What inspired Harley to launch the 'E Pluribus Unum' campaign? And what results have you seen from marketing to a wider demographic?

A: Our goal is to grow the passion for our brand through premium, personal and custom experiences for every walk of life, so we're just trying to recognize that no matter who you are, at what age, what end of the country you come from, this brand has a lot to offer and is very relevant to more people than we thought a decade ago or so. ... We're also blessed to be the top brand in every one of our customer segments, whether it's women, African-Americans, Hispanics, and so on and so forth, so that's come with a total company effort focusing on product attributes, focusing on marketing, specifically, and coaching our dealers to make those customers feel welcome in our stores.

Q: Harley is a well-loved American brand—a brand that people actually tattoo on their bodies, no less. How have you maintained that brand loyalty? What makes the Harley brand unique?

A: Our brand is very special and it's all about premium custom experiences. Our dealers are doing a much better job today than they have in the past of welcoming new riders, so we've got an environment where we've got a real, real strong brand, we've got an incredibly strong U.S. dealer network, and they are focused more than ever at taking care of their core customers and welcoming new riders in the front door. ... Better tools, a really strong dealer network and the luxury of a fantastic brand [are] fueling our success right now.