

# Mercedes has most effective sales process

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LOS ANGELES — Some vehicle brands that score high in customer satisfaction surveys do less well when the effectiveness of dealership salespeople is measured, according to a California consultant.

Mystery-shopping consultant Pied Piper of Monterey, Calif., sent 4,419 shoppers to dealerships nationwide, from July 2011 to June 2012, to measure salespeople's effectiveness in selling cars on the showroom floor.

Mercedes-Benz ranked first in the survey and led all brands in 10 of 60 sales activities measured in Pied Piper's Prospect Satisfaction Index. For example, Mercedes led in salesperson introductions, offering a thorough test drive and focusing attention on important features. Mercedes was followed by Acura, Infiniti and Lexus.

Pied Piper said it looked at everything leading up to the purchase decision, starting from the first contact by the salesperson to the customer's decision to purchase or not. J.D. Power's Sales Satisfaction Index asks consumers for their impression of the dealership where they had recently purchased a vehicle.

Pied Piper CEO Fran O'Hagan said the high scores for Mercedes and the three Japanese premium brands are not surprising, since luxury salespeople will spend more time with a customer to get a higher gross.

But not all luxury brands have an effective sales process. Although Porsche and Audi are stalwarts in the J.D. Power Sales Satisfaction Index, O'Hagan called their dealership salespeople "museum curators" — that is, they are knowledgeable and friendly, but do little to sell a car.

At Mercedes dealerships, "customers love the experience, and the salespeople do an excellent job of turning shoppers into buyers," he said.

But, said O'Hagan: "Audi skips stuff like giving a walk-around demonstration or giving compelling reasons to buy from a specific dealership or encouraging shoppers to go through the transaction numbers."

Meanwhile, Toyota and Honda dealerships — brands that have struggled in the Power sales satisfaction survey — were tops among mass-market brands in effectively

## Luxury brands dominate consultant's list

turning a shopper into a buyer.

"It's not as though sales satisfaction is not important," O'Hagan said. "But it's not what determines if you buy a car to begin with."

Overall, the industry has improved since Pied Piper began collecting mystery shopping data five years ago. A brand that was at the industry average in 2008 would be third from the bottom of this year's Prospect Satisfaction Index.

As a result, some subpar brands that have made big strides since 2008, such as Chrysler, Mini and Jeep, still rank below the industry

average. Middle-of-the-pack brands in 2008 that have moved to the top ranks are Mercedes, Infiniti, Cadillac and Honda.

Despite overall industry improvement, Pied Piper reported inconsistency in the way sales practices were used. For instance, salespeople at Subaru, Buick and Volkswagen dealerships were much more likely to offer a brochure to a shopper than those at Hyundai, Jeep or BMW dealerships.

And Jaguar, Volvo and Infiniti salespeople were almost twice as likely to point out their brand's

unique features as were salespeople for Chrysler, Mitsubishi and Jeep.

O'Hagan said the Internet has led to big changes in the selling process.

"Pre-Internet, salespeople had all the information," he said. "Now it's about the salespeople helping people become owners."

Overall, he says the stereotype that all salespeople use high tactics is exaggerated.

In fact, O'Hagan says, a lot of "underselling" goes on in stores — low-pressure sales tactics that don't lead to a sale. If a salesman doesn't smell an instant sale, he said, more likely he will brush off the customer and move to the next potential sale. **AN**

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### Courting customers

Pied Piper sent shoppers to grade sales techniques. Here are the high and low scores; 100 is a baseline measurement from the 1st survey 5 years ago.

TOP 5 BRANDS	2012 SCORE	CHANGE FROM '11
Mercedes-Benz	109	+1
Acura	108	+2
Infiniti	108	+2
Lexus	108	+1
Jaguar	107	—
<b>Industry avg.</b>	<b>105</b>	<b>+2</b>
BOTTOM 6 BRANDS		
Audi	102	-2
Jeep	102	—
Kia	102	-2
Porsche	102	-2
Suzuki	99	+5
Mitsubishi	97	+6

Source: Pied Piper Prospect Satisfaction Index