



HARLEY-DAVIDSON, INDIAN & POLARIS DEALERS RANKED HIGHEST IN RESPONSE TO WEBSITE CUSTOMERS

Post-pandemic inventory issues still make it a sellers market... but for how long? Many dealers have been developing bad habits in the lack of new units... why bother responding to an Internet lead when the lead time is going to be six months or longer, right? WRONG! "Quick response to web customers is critical to selling, placing an order, or building the foundation for future sales," explains Fran O'Hagan, CEO of Pied Piper. "Dealers who respond quickly, personally, and completely to website customer inquiries on average sell 50% more vehicles to their web customers as opposed to dealers who fail to respond."

And that gap will continue to grow between the dealers who lack a cohesive and complete Internet lead response strategy, suggests O'Hagan. Worse, more than 42% of the dealerships he surveyed completely failed to respond to business leads served up on a silver platter!

METHODOLOGY

The Pied Piper PSI® Internet Lead Effectiveness® (ILE®) Studies have been conducted annually since 2011. The 2022 Pied Piper PSI-ILE Study (U.S.A. Motorcycle & UTV)

was conducted between September 2021 and March 2022 by submitting website inquiries directly to a sample of 8,859 dealerships nationwide representing all major brands.

Pied Piper submitted customer inquiries through the Dealerships' websites asking a specific question about a vehicle in inventory, and providing a customer name, email address and local telephone number. Pied Piper then evaluated how the dealerships responded by email, telephone, and text message over the next 24 hours. ILE evaluation of a dealership aggregates 20 different measurements to create a total score, between zero and 100.

To be clear, each brand's industry study ILE score is an average, including top-performing dealers as well as poor performers. In a traditional bell curve of performance, 22% of all dealerships industrywide scored above 70 (providing a quick and thorough personal response), while 42% of dealerships scored below 30 (failing to personally respond to their website customers). By comparison, for the top scoring Harley-Davidson brand, 45% of their dealers scored above 70, while only 19% scored below 30.

Harley-Davidson dealerships ranked highest in the 2022 Pied Piper PSI® Internet Lead Effectiveness® (ILE®) Motorcycle/UTV Industry Study, which measured responsiveness to Internet leads coming through dealership websites - behaviors tied directly to retail sales success. Dealers selling Polaris Inc's Indian motorcycles were ranked second, followed by Polaris Side-by-Side/UTV dealers.

Dealers for four of the top scoring brands, Harley-Davidson, Indian, Polaris and BRP's Can-Am not only scored well in 2022, but also have dramatically improved their web response behaviors over time. Over the past five years, dealers for those four brands have on average more than doubled how often they answer web customer questions by email or text, from 27% of the time in 2018 to 59% of the time in 2022.

THE FINDINGS

Industry average ILE performance increased three points to 43, the industry's highest average score to date. This year for the first time, dealers for two brands, Harley-Davidson and Indian, performed better, on average, than typical car dealers, who in general began focusing on web customers years before powersports and ag dealers.

On the other hand, the study also shows that many powersports and ag brands are still not paying enough attention to poor dealer web response or aren't doing anything effective to fix it. The performance for 11 brands declined over the past year. "Poor performance of declining dealers can be partly attributed to the complacency that comes from recent low inventories,"

Pied Piper Prospect Satisfaction Index® (PSI®)
Motorcycle & UTV Brands
Internet Lead Effectiveness® (ILE®) Scores 2018 through 2022

Brand	ILE Score						
	2022	2021	2020	2019	2018	Change 2021 to 2022	Change 2018 to 2022
Harley-Davidson	60	56	56	43	31	7%	94%
Indian	58	55	54	36	39	5%	49%
Polaris	51	46	43	32	27	11%	89%
Can-Am (BRP)	45	40	41	32	26	13%	73%
BMW	45	46	45	40	42	-2%	7%
Triumph	44	40	43	33	36	10%	22%
Royal Enfield	44	39	N/A	N/A	N/A	13%	
Husqvarna	42	38	37	31	36	11%	17%
Ducati	41	43	46	40	37	-5%	11%
Moto Guzzi	40	40	36	29	25	0%	60%
KTM	40	37	39	32	31	8%	29%
Honda	39	32	38	33	34	22%	15%
Yamaha	38	37	42	31	26	3%	46%
Suzuki	37	36	41	33	28	3%	32%
Kioti	37	36	25	N/A	N/A	3%	
Kawasaki	37	35	42	35	35	6%	6%
Aprilia	37	40	37	29	27	-8%	37%
Zero	36	42	37	28	29	-14%	24%
CFMoto	33	40	31	23	18	-18%	83%
Arctic Cat	33	32	31	32	30	3%	10%
HiSun	31	33	28	21	18	-6%	72%
Cub Cadet	31	31	25	28	29	0%	7%
John Deere	30	33	37	29	26	-9%	15%
Club Car	30	38	30	30	26	-21%	15%
Yanmar	26	25	30	31	35	4%	-26%
Kymco	26	26	34	25	24	0%	8%
Kubota	24	26	30	22	27	-8%	-11%
Tracker (Bass Pro Shops)	14	17	11	N/A	N/A	-18%	
Bobcat	12	22	19	16	23	-45%	-48%
INDUSTRY AVERAGE	43	40	42	33	30	8%	43%

Memo: Auto Industry Avg	55	55	57	52	57	0%	-4%
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Source: 2018-2022 Pied Piper PSI® Internet Lead Effectiveness® Studies (USA) - Scale 0 to 100 www.piedpiperpsi.com

There is a right way to do things, and then there is the way you have always done it. Fran O'Hagan is a fan of powersports and first started applying his "mystery shopping" of powersports dealers because he wanted the industry to succeed rather than a profit center for his Pied Piper program. Since then, Pied Piper providing monthly Internet Lead Effectiveness measurement/reporting to the OEMs... and it has helped drive dramatic improvement in web-response behaviors for some of these brands: Harley, Indian, Polaris and BRP. "Check out the 5-year chart and you'll immediately see the impact on dealer web-response behaviors and which OEMs have used ILE measurement/reporting for their dealers to drive change... and which ones do not," he points out.

Harley-Davidson was the first to start paying attention in late 2018, then Polaris and Indian 6 months later, and then BRR another 6 months or so later. "All of those brands used Pied Piper's monthly ILE measurement/reporting for their dealers to drive the improvement. Roughly half of the rest of these brands are STILL not paying any attention to dealer web response. The other half know that it's a problem but aren't doing anything effective to fix it. Some, like Honda and Kawasaki, have tried initiatives to improve, but their initiatives have had little effect." The same situation existed in the auto industry five years ago.

O'Hagan knows that not every dealer is a Mercedes-Benz level operation, but insists the system works for the littlest lawn & garden guy as it does for the luxury auto dealership... and the numbers prove it. "Check out Polaris' improvement. That improvement is for 1,200 dealers who sell their off-road products, not the top percentile," he adds.

"Some of their dealers are large and as sophisticated as any auto dealership, but plenty of others are tiny, rural and unsophisticated. The point is that Polaris has driven huge improvement across their entire dealer network. To be fair, one key is that their products are hot and very profitable for the dealers."

"What Harley has accomplished is impressive by any measure. However Harley's 600 dealers are much more homogeneous. I would tell you that what Polaris off-road has done is arguably even more impressive. If Polaris can do it, what are you waiting for Honda, Kawasaki, Yamaha, John Deere, etc.?" 



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All Out

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O'Hagan notes. "However, slacking off – compared to responding and building relationships with customers, especially local customers – could result in multiple lost sales for years to come, especially once inventory levels improve."

Other notable industrywide trends in behavior over the past year include:

- Dealerships were more likely to email an answer to a website customer's inquiry – 48% of the time, compared to 39% of the time by phone and 17% by text. But texting is on the rise: Two years ago, dealers responded by text a mere 3% of the time.
- Customer spam filters are a dealership's enemy. Emails landed in a customer's junk mail folder more than 25% of the time for Zero, CFMoto, Moto Guzzi, Royal Enfield, BMW, Aprilia, Honda, Husqvarna and Yanmar dealers. Dealers representing brands that fared the best in avoiding spam filters: Polaris, Can-Am, Indian and Harley-Davidson — all less than 10% of the time.
- One in ten of all dealerships contacted failed to respond in any way to the study's website customer inquiries. In an era when powersports shoppers largely use the Internet to initiate first contact with a dealer, a non-response is equivalent to a lost sale.

THE DEVIL IS IN THE DETAILS

Response to customer web inquiries varied by brand and dealership:

How often did the brand's dealerships email or text an answer to a website customer's question within 30 minutes?

- More than 25% of the time on average: Harley-Davidson, Indian, KTM, Polaris
- Less than 15% of the time on average: Tracker, Bobcat, Kubota, Zero, Kymco, John Deere, Cub Cadet, CFMoto

How often did the brand's dealerships use a text message to answer a website customer's inquiry?


- More than 30% of the time on average: Harley-Davidson, Indian
- Less than 1% of the time on average: Tracker, Yanmar, Bobcat, Cub Cadet, Kubota

How often did the brand's dealerships respond by phone to a website customer's inquiry?

- More than 35% of the time on average: Harley-Davidson, Indian, Suzuki, Triumph, Polaris, Royal Enfield, KTM, Can-Am, BMW
- Less than 10% of the time on average: Kioti, Cub Cadet, Yanmar, Club Car

Although technically not part of ILE scoring, Pied Piper also measured dealer-website responsiveness to a site's chat function (if offered).

How often did a "human" respond to a customer question within 30 seconds?

- More than 55% of the time on average: Honda, Kawasaki, Yamaha, Bobcat, Suzuki
- Less than 25% of the time on average: John Deere, Royal Enfield, CFMoto, Club Car, HiSun, Triumph 

About Pied Piper Management Company, LLC

After starting as a financial analyst for Wells Fargo, Fran O'Hagan went on to a number OEM automotive gigs, including managing Land Rover North America, Mercedes-Benz USA, BMW of North America and VP of Jaguar North America before joining the team attempting to revive Indian. O'Hagan then founded Pied Piper Management Company, LLC, in Monterey, California, back in 2003. Since then, Pied Piper has become well-known for its work in the motor vehicle industry, including automotive, powersports/motorcycles, agriculture, outdoor power equipment, heavy trucks, RV and marine.

Pied Piper helps brands improve the omnichannel sales performance of their retailers. Examples of other recent Pied Piper PSI studies are the 2022 PSI-ILE U.S. Auto Industry Study (Nissan's Infiniti brand was ranked first), and the 2021 Omnichannel PSI for UTVs Industry Study (Dealers selling Polaris UTVs were ranked first).

Complete Pied Piper PSI industry study results are provided to vehicle manufacturers and national dealer groups. Manufacturers, national dealer groups and individual dealerships also order PSI evaluations — in-person, Internet or telephone — as tools to measure and improve the omnichannel sales effectiveness of their dealerships. For more information about the Pied Piper Prospect Satisfaction Index, and the fact-based PSI process, go to: www.piedpiperpsi.com