



2024 ILE REVEALS SHOCKING RESULTS

Dealers Leaving Business On The Table

Three out of ten powersports web customers today who inquire about a vehicle will be ghosted by the dealership," claims Pied Piper CEO Fran O'Hagan. "The powersports industry is facing some tough conditions following COVID," he concedes as a preface to the 2024 Pied Piper PSI Internet Lead Effectiveness (ILE) Study, which measured responsiveness to Internet leads coming through dealership websites. "But for many brands, dealership web response behaviors have deteriorated." Why? It may not be malicious, but the fact is that 30% of the leads are being ghosted!

"There aren't many powersports principals or GMs who would knowingly ignore web customers today," he says. However with the industry average declining dramatically compared to last year, it is clear money is being left on the table.

Pied Piper submitted mystery-shopper customer inquiries through the individual websites of 3,718 powersports dealerships, asking a specific question about a vehicle in inventory, and providing a unique 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. Twenty different quality and speed of response measurements generate dealership ILE scores, which range from zero to 100.

O'Hagan notes Dealerships which score above 80 provide a quick and thorough personal response by email and phone... and often text, too. In contrast, dealerships which score below 40 fail to personally respond in any way to their

website customers. For top scoring Indian Motorcycle, 24% of their dealerships scored over 80, while 32% scored under 40. In contrast, measurement of the overall powersports industry showed that only 14% of dealerships scored over 80 while 43% scored under 40. "The effort is worth it," adds O'Hagan. "On average, dealerships that score over 80 sell 50% more vehicles to the same quantity of website customers, compared to dealerships that score under 40."

Is this disturbing downward trend because that as an industry we have forgotten how to sell? Pandemic demand has gone bust, but it would appear powersports dealers didn't get the memo? "For three years following COVID, anyone in the vehicle industries had it pretty easy; at least compared to pre-COVID," he notes. "Then fairly suddenly floorplan interest more than doubled, just as customer demand dropped below supply... and yes some in the powersports industry did miss the memo!"

By way of contrast, the car guys get it. "The auto industry responded to those conditions by doubling down to improve their web-response behaviors. Ask any car guy whether speedy personal web-response is important, especially when times are tough, and they will look at you like you're an alien for even asking that question."

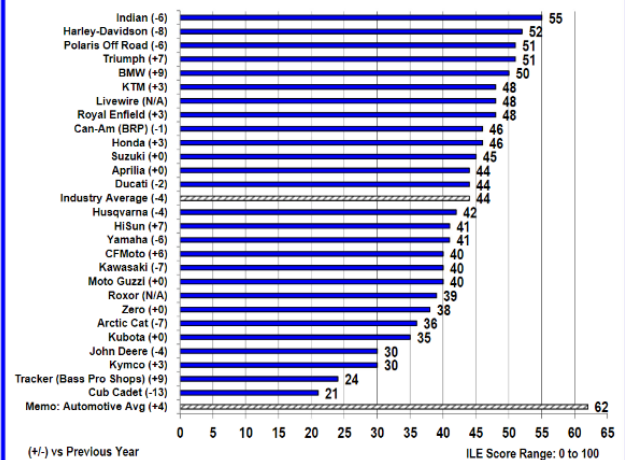
In addition, when COVID hit, the auto industry was convinced that digital retail (a customer buying online at home and possibly taking delivery without ever visiting a dealership) was going to be what every customer demanded. "There was a flurry of activity, a bunch of new companies were formed and software developed, but as it turned out, most customers still wanted to visit dealerships in person. However, those digital retail tools are now being used to make it simpler for auto dealerships to interact with customers online (to "meet" the customer online) and carry out some of the purchase steps before the customer ever visits in person."

Perhaps casting a wider net year to include light tractor/golf car guys like Cub Cadet, John Deere, ROXOR and Tracker resulted in dragging the motorcycle dealers average response times down to their level? Not the case O'Hagan counters. "Because we weight sales to calculate the industry average score, the poor-scoring ag brands selling side-by-sides don't have a large impact on the powersports industry average. It's true however that the web response behaviors of the ag-related brands are where the powersports industry was back in 2018. Expect the performance of at least some of those ag brands to start improving, just as some of the powersports brands began improving soon after 2018."

Everyone has an excuse, "Powersports dealerships are all running very lean right now, everyone is super busy, and those web customers can be invisible," he claims. "The web customers are not the squeaky wheel demanding attention like so much else going on at a dealership. In addition, what percentage of today's powersports sales people were selling back before COVID? If a salesperson's idea of a typical sales day was from 2021 or 2022, they would find today's environment scary; or more realistically they would probably leave the industry!"

2024 Pied Piper Prospect Satisfaction Index® Internet Lead Effectiveness® (ILE®) Industry Study (U.S.A.)

Powersports Brands Ranked by PSI® - Internet Lead Effectiveness® Score



Source: 2024 Pied Piper Powersports Internet Lead Effectiveness Industry Study (USA)

www.piedpiperpsi.com

BY THE NUMBERS

Indian motorcycle dealerships were the highest ranked dealerships in terms of responding to Internet leads according to the 2024 Pied Piper PSI Internet Lead Effectiveness (ILE) Study, which measures responsiveness to Internet leads coming through dealership websites. Topping Indian dealers were Harley-Davidson, Polaris Off-Road, Triumph and BMW.

Powersports industry average ILE performance declined over the past year. "2024 is a much more challenging business environment for powersports dealers," said Fran O'Hagan, Pied Piper's CEO. "New digital retail tools and effective web-response processes are more prevalent today post pandemic, but powersports dealers are challenged to retain skilled employees to use those tools and processes effectively."

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Pied Piper Prospect Satisfaction Index® (PSI®)
Motorcycle & UTV Brands
Internet Lead Effectiveness® (ILE®) Scores 2020 through 2024

Brand	ILE Score					Change 2023 to 2024	Change 2020 to 2024
	2024	2023	2022	2021	2020		
Indian	55	61	58	55	54	-10%	2%
Harley-Davidson	52	60	60	56	56	-13%	-7%
Polaris Off Road	51	57	51	46	43	-11%	19%
Triumph	51	44	44	40	43	16%	19%
BMW	50	41	45	46	45	22%	11%
KTM	48	45	40	37	39	7%	23%
Livewire	48	N/A	N/A	N/A	N/A	N/A	N/A
Royal Enfield	48	45	44	39	N/A	7%	N/A
Can-Am (BRP)	46	47	45	40	41	-2%	12%
Honda	46	43	39	32	38	7%	21%
Suzuki	45	45	37	36	41	0%	10%
Aprilia	44	44	37	40	37	0%	19%
Ducati	44	46	41	43	46	-4%	-4%
Husqvarna	42	46	42	38	37	-9%	-14%
HISun	41	34	31	33	28	21%	-46%
Yamaha	41	47	38	37	42	-13%	-2%
CFMoto	40	34	33	40	31	18%	29%
Kawasaki	40	47	37	35	42	-15%	-5%
Moto Guzzi	40	40	40	40	36	0%	11%
Roxor	39	N/A	N/A	35	37	N/A	5%
Zero	38	38	36	42	37	0%	3%
Arctic Cat	36	43	33	32	31	-16%	16%
Kubota	35	35	24	26	30	0%	17%
John Deere	30	34	30	33	37	-12%	-19%
Kymco	30	27	26	26	34	11%	-12%
Tracker (Bass Pro Shops)	24	15	14	17	11	60%	118%
Cub Cadet	21	34	31	31	25	-38%	-16%
INDUSTRY AVERAGE	44	48	43	40	42	-8%	5%
Memo: Auto Industry Avg	62	58	55	55	57	7%	9%

Source: 2020-2024 Pied Piper PSI® Internet Lead Effectiveness® Studies (USA) - Scale 0 to 100 www.piedpiperpsi.com

Brands with the greatest improvement from last year included BMW, Triumph, Honda and Royal Enfield. The performance of 11 of 27 brands declined. Brands suffering the largest drops included Kawasaki, Arctic Cat, John Deere, Harley-Davidson and Yamaha.

Dealerships this year were slightly more likely to respond to online customer inquiries by text message than in previous years. However, the increase in use of text messages was negatively offset by declining performance through other communication channels. Quick response by phone was less common, and use of email to answer customer questions dropped compared to last year. Dealerships industrywide also responded with less quality content on average compared to last year, with only three of 16 content measurements improving over last year's numbers.

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The most successful dealerships respond to their web customers through multiple channels - text, phone, email - to avoid customers missing an email or text or not answering their phone. In this year's study, 26% of dealers responded using multiple channels, down from 27% last year. A smaller group, 15% of dealers, not only responded using multiple channels, but did so within 30 minutes, down from 17% last year.

Response to customer web inquiries varied by brand and dealership, and the following are examples of performance variation by brand:

• **How often did the brand's dealerships email an answer to a website customer's inquiry?**
More than 50% of the time on average: Moto Guzzi, Indian, BMW

Less than 25% of the time on average: LiveWire, Kymco, Yamaha, Zero, Tracker

• **How often did the brand's dealerships text an answer to a website customer's inquiry?**
More than 30% of the time on average: Royal Enfield, Harley-Davidson, Livewire, Triumph, Zero, Indian
Less than 10% of the time on average: Kubota, John Deere, Kymco, Cub Cadet, Tracker

• **How often did the brand's dealerships respond by phone call to a website customer's inquiry?**
More than 50% of the time on average: Tracker, LiveWire, Harley-Davidson, Indian, Suzuki, BRP
Less than 25% of the time on average: Roxor, John Deere, Cub Cadet

• **"Did both" - How often did the brand's dealerships email or text an answer to a website customer's question and also respond by phone call?**
More than 30% of the time on average: Harley-Davidson, Indian, LiveWire
Less than 10% of the time on average: Cub Cadet, Tracker, Kymco

• **"Did at least one" - How often did the brand's dealerships email or text an answer to a website customer's question and/or respond by phone?**
More than 80% of the time on average: Royal Enfield, Indian, KTM
Less than 60% of the time on average: Kymco, John Deere, Zero, Cub Cadet

"Three out of 10 powersports web customers today who inquire about a vehicle will be ghosted by the dealership," said O'Hagan. "Too often a dealership's response today is nothing, or only an auto-response, the modern equivalent of a form letter." Pied Piper has found that the key to driving improvement in website response and in turn higher sales is showing dealers what their website customers are really experiencing - which is often a surprise. ❌



Accepting the trophy from Pied Piper CEO, Fran O'Hagan, were Joel Harmon, Polaris VP, On-Road Sales & Market Development (left), and Aaron Jax, VP Indian Motorcycle (right).

THE BOTTOM LINE

There Is A Solution

There is a solution to leaving Internet leads hanging, according to Pied Piper researcher Fran O'Hagan. "Regularly - at least weekly - measure what a dealership's web customers are really experiencing. It's often a surprise." You don't know what you don't know... and when you find out about the qualified leads lost, it might be worth re-evaluating your whole online strategy.

Some dealerships use Pied Piper's Internet Lead Effectiveness (ILE) measurement and reporting, but at a minimum a dealer principal or GM can "mystery shop" their own dealership, suggests O'Hagan. "Powersports dealers have learned that a 'digital dashboard' may say that a response has been sent, but the dealer principal or GM may find that it was just an automated response or a generic salesperson template... Or a phone call that was never answered with a voicemail that a customer never heard.

But wait, there is more. "The technology involved also fails regularly. Consider that the website has to work correctly, all of the website's 'plug-ins' have to work correctly, an OEM's Enterprise Lead Management System has to return the lead to the dealership without delay, a dealership's CRM system needs to work correctly, and the dealership's email system needs to avoid getting flagged by the main email providers for being too spammy."

There are a lot of moving pieces that must be monitored on a regular basis.

CAVEAT EMPTOR

When it comes to dealership websites, "What you don't know, can absolutely hurt you," adds O'Hagan. "Dealers are shocked to learn that although website customers have been visiting their website and reaching out to the dealer, some of those customer leads have never even been delivered to the dealer." Dealers using the largest powersports industry website providers don't usually have this problem, but dealers who use some of the smaller website providers can find that those companies are way over-zealous in their quest to keep out bots and spam from dealership website forms.

"Unfortunately for dealers using those websites, many of their real online customers are kept out too, and most dealers have no idea unless a customer complains - which would be uncommon. Typically the cause of this trouble is over-reliance on generic third-party website plug-ins to make the "come-in or stay-out" decision."

He notes those generic plugins may work fine for policing low-value online shoppers (such as reducing bots buying concert tickets) where the consequence of a mistake is low, but vehicle web shoppers are high-value, and failing to deliver any of those customer leads to a dealer is always unacceptable. "The auto industry worked through the same issue 10 or 12 years ago, and like the largest powersports

web providers, automotive website providers deliver virtually all web customer leads to their dealers."

At a minimum, all powersports dealers must follow this plan. "Don't go home at the end of the day with web customers locked up in your store any more than you would lock up and leave with a physical customer wandering around your store," cautions O'Hagan. "Be relentless. There should never be an occasion where your dealership fails to respond at least once each day to all web customers.

Lastly, just an email, just a phone call or just a text isn't enough, he concludes. "Reach out through multiple paths and let the customer choose how they respond. Otherwise, customers miss too many individual emails, calls or texts." ❌

BIO BOX

The Pied Piper PSI® Internet Lead Effectiveness® (ILE®) Studies have been conducted annually since 2011. The 2024 Pied Piper PSI-ILE Study (U.S.A. Powersports) was conducted between May 2023 and February 2024 by submitting website inquiries directly to a sample of 3,718 dealerships nationwide representing all major powersports brands.

Founded in 2003, Pied Piper Management Company, LLC is a Monterey, California, company that helps brands improve the omnichannel sales & service performance of their retailers, by establishing fact-based best practices, then measuring and reporting performance. Examples of other recent Pied Piper PSI studies are the 2024 Pied Piper PSI® ILE® Auto Industry Study (Nissan's Infiniti brand was ranked first), and the 2023 Pied Piper Service Telephone Effectiveness® (STE®) Powersport Industry Study (Harley-Davidson was 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 and service 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

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