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BMW And Honda Ranked Highest For Response To Internet Inquiries, Says New Pied Piper Survey

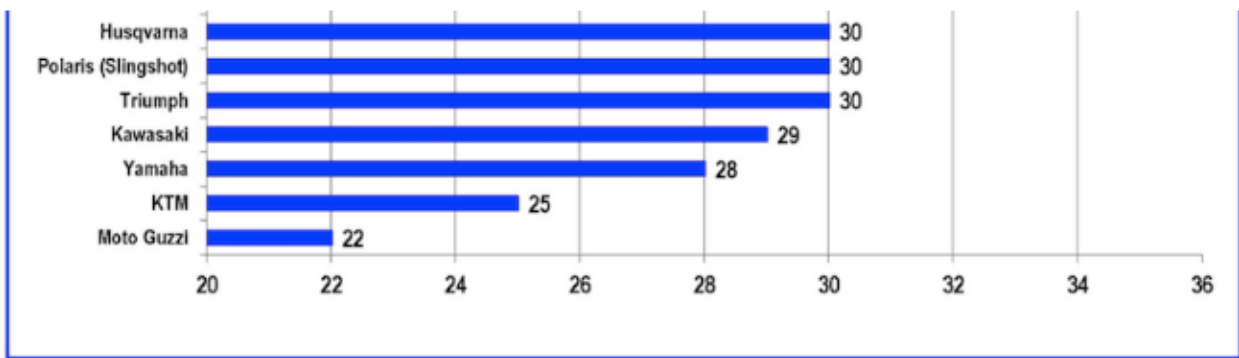
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BY MPN STAFF WRITERS ON SEP 26, 2016

NEWS

BMW and Honda dealerships ranked highest in the 2016 Pied Piper PSI Internet Lead Effectiveness (ILE) Motorcycle Industry Study, which measured how motorcycle dealerships responded to customer inquiries received through dealership websites. Study rankings by brand were determined by the Pied Piper PSI process, which ties "mystery shopping" measurement and scoring to dealership sales success.





Source: 2016 Pied Piper PSI-ILE™ U.S. Motorcycle Industry Benchmarking Study

www.piedpiperpsi.com

Pied Piper sent customer inquiries through the individual websites of 1,757 motorcycle dealerships, asking a question about a vehicle in inventory, and providing a contact name, email address and local telephone number. Pied Piper then evaluated how the dealerships responded over the next 24 hours. Nineteen different measurements generated a dealership's PSI-ILE score.

Motorcycle industry average performance has improved compared to previous years. For example, in 2008, Pied Piper found that motorcycle dealerships on average responded in any way within 24 hours only 30% of the time.

Response increased to 72% of the time in 2013, and 89% of the time in 2016, as "auto responder" customer relationship management (CRM) software became more common.

CRM software is only the first step though, since acknowledging a customer inquiry with an automated response fails to answer customer questions. Despite acknowledging customer inquiries 89% of the time in 2016, motorcycle dealerships answered customer questions only 41% of the time.

"Imagine ignoring 60% of the customers who walk into a dealership," said Fran O'Hagan, President and CEO of Pied Piper Management Company LLC. "A dealer principal would never accept such poor performance, yet that is exactly what's happening today to customers who reach out through a dealer website."

Pied Piper has found that today more than 8 out of 10 motorcycle shoppers research their purchase online before ever visiting a dealership in person. Today interaction through a website is likely to be a new customer's first contact with a dealership.

The study found substantial differences in performance by brand.

– Responded in any way – often an automated response – within 24 hours:

- Most likely: Harley-Davidson, Polaris, Suzuki, Husqvarna (90%+ of the time)
- Least likely: Moto Guzzi, Zero, Aprilia, BMW (<80% of the time)

– Provided a personal response within 24 hours:

- Most likely: BMW, Zero (50%+)
- Least likely: Moto Guzzi, Yamaha, KTM (<35%)

– Provided a personal response within 30 minutes:

- Most likely: Harley-Davidson, Honda, Indian, Kawasaki (15%+)
- Least likely: KTM, Zero, Can-Am, Yamaha (<10%)

– Answered the customer's specific question within 24 hours:

- Most likely: BMW, Zero (50%+)
- Least likely: Harley-Davidson, Polaris, Kawasaki, Yamaha, Can-Am, Triumph (<30%)

– Attempted to contact by phone within 24 hours:

- Most likely: Harley-Davidson, Indian (50%+)
- Least likely: KTM, Yamaha, Husqvarna, Can-Am, Aprilia (<25%)

Given the importance of customers met through a website contact, why aren't all of today's dealership responses quick and complete? O'Hagan explained, "First of all, unlike customers who walk through the door, online customers are invisible to management unless management is vigilant and pays close attention to what is really happening. Secondly, it's not easy to be perfect every hour of every day to keep online customer inquiries from falling through the cracks."

Asked how motorcycle dealerships can improve their performance, O'Hagan said:

"Forget about perfection. Start with the basics but be relentless in completing those basics every day."

Pied Piper has found that most successful motorcycle dealerships use the following three steps:

1. Know exactly how your CRM software is working. Is the message appropriate? Is it current and

unique to your dealership, and are the variable fields working correctly? Or is your message exactly the same generic message sent by hundreds of other dealerships? Are your CRM emails getting flagged as spam?

2. Respond to all of your customer inquiries at least once a day, no exceptions. If your customers provide a telephone number, call it right after you send your email response. You are not trying to sell a motorcycle online, you are trying to add a customer. Your objective is to be helpful and to provide good reasons for the customer to visit your dealership.

3. Measure it and track it. A dealership's response to customer internet inquiries is a process and if you define it, then measure it and track it, it will change.

The 2016 Pied Piper PSI-ILE Motorcycle Industry Study was conducted between August 2015 and July 2016 by submitting customer internet inquiries directly to a sample of 1,757 motorcycle dealerships nationwide representing all major brands. For more information about the Pied Piper Prospect Satisfaction Index, go to www.piedpiperpsi.com.