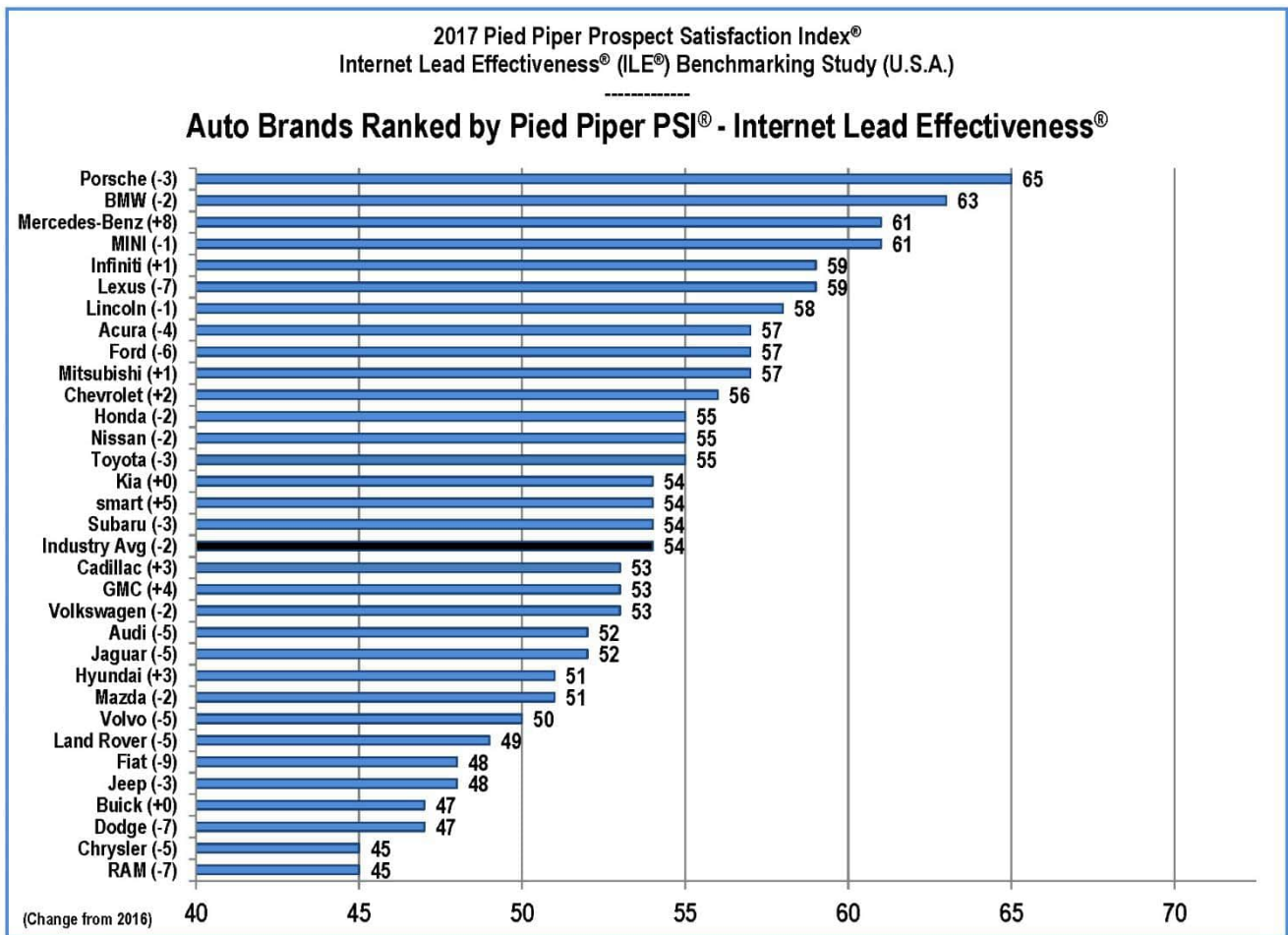




PORSCHE TOP RANKED; MERCEDES-BENZ MOST IMPROVED FOR RESPONSE TO CUSTOMER INTERNET INQUIRIES, REPORTS PIED PIPER PSI®

- **Industry average performance declined for the second year**
- **3 out of 10 customers failed to receive a personal response within 24 hours**

MONTEREY, CALIFORNIA – March 6, 2017 – Porsche dealerships ranked highest in the 2017 Pied Piper PSI® Internet Lead Effectiveness® Benchmarking Study, which measured how auto dealerships responded to customer inquiries received through a dealership website. Mercedes-Benz dealerships were the most improved brand compared to the previous year. Study rankings by brand were determined by the patent-pending Pied Piper PSI process, which ties “mystery shopping” measurement and scoring to dealership sales success.



Source: 2017 Pied Piper PSI® ILE® Benchmarking Study (USA)

www.piedpiperpsi.com

Industry average performance has been flat over the past five years and dropped slightly from 2016 to 2017, with 22 of 32 brands declining. The overall industry decline was driven by fewer responses in 2017, with one customer in eight failing to receive a response of any type—even an automated response—within 24 hours. Three

out of ten customers failed to receive a personal response within 24 hours. Despite this overall industry decline, 11 brands improved their response rate from 2016 to 2017.

Other industry average measurements improved this year. For example, dealerships attempted to contact customers by telephone 69% of the time on average, compared to only 50% of the time five years ago. In addition, dealerships provided additional information about the vehicle of interest 50% of the time on average, compared to only 27% of the time five years ago.

When Pied Piper first measured dealership response to website inquiries ten years ago in 2008, the objective was to help dealerships measure the process followed by their employees, because that process was otherwise invisible to dealership management. Ten years later, employee process measurement remains important, but today also important is identification and diagnostics of software system failures. “Today one out of four lead response failures are caused by software failures,” said Fran O’Hagan, President and CEO of Pied Piper Management Company LLC. “A typical dealership has three or four different pieces of third-party software that must work together seamlessly for lead response to work, and it has been our experience that when software failures occur they often remain invisible to the manufacturer and dealer.”

Response to customer web inquiries varies substantially by brand. Not only is there variation in today’s performance, but also in how that performance has changed over time. For example, only two brands have improved their performance every year for the past three years: Chevrolet and Mitsubishi.

Among the largest manufacturers in the 2017 study, Ford remained ranked highest, but Chevrolet climbed ahead of Honda, Nissan and Toyota, all of which were ranked above the industry average.

- Ford and Lincoln have been ranked consistently above the industry average for the past five years, with Ford the top-scoring non-luxury brand for the past two years.
- Chevrolet is one of only two brands to improve each year for the past three years, ranked above the industry average this year for the first time. Cadillac and GMC also improved from last year, ranked just below the industry average. Buick was unchanged, scoring well below the industry average.
- Honda and Acura have been ranked above the industry average for the past three years.
- Toyota has been ranked at or above the industry average for the past three years, and Lexus has finished not only above average, but ranked at or near the top of the industry.
- Nissan has been ranked above the industry average for the past two years, and Infiniti has been ranked close to the top of the industry for the past three years.
- Last year, most Fiat Chrysler Automobiles brand scores dipped below the industry average, and that decline continued again this year.

Among the top three scoring brands, Porsche, BMW and Mercedes-Benz, the approach followed by Porsche was somewhat different from that of BMW and Mercedes-Benz. Porsche dealerships led all others for responding in any way (98% of the time), and they were one of the top brands for providing a personal response within 30 minutes (51% of the time). But Porsche dealerships answered customer questions only 54% of the time and attempted to telephone the customer only 56% of the time. In contrast, BMW and Mercedes-Benz dealerships responded in any way only about 90% of the time, with a personal response within 30 minutes only about 40% of the time. However, BMW and Mercedes-Benz dealerships were much more likely to answer customer questions (about 70% of the time) and to attempt to telephone the customer (about 70% of the time.)

The following are additional examples of performance variation by brand:

- How reliably did the brand’s dealerships respond in any way within 24 hours?
 - Failed to respond to 8% or fewer customer internet inquiries: Porsche, GMC, Lincoln, Infiniti, Cadillac and Chevrolet.
 - Failed to respond to 15% or more customer internet inquiries: Ram, Volvo, Chrysler, Land Rover, Jaguar, Dodge, smart, Mazda, Jeep, Fiat, Volkswagen
- How often did the brand’s dealerships provide a qualified response within 30 minutes?
 - More than 60% of the time: Ford, Lincoln, Porsche

- Less than 33% of the time: Buick, Cadillac, smart
- How often did the brand's dealerships answer the customer's specific question?
 - More than 60% of the time: BMW, MINI, Mercedes-Benz, smart, Volvo
 - Less than 33% of the time: Lincoln, Ford, Chrysler, Dodge, Audi, Fiat
- How often did the brand's dealerships attempt to contact the customer by telephone?
 - More than 75% of the time: Audi, Kia, Hyundai
 - Less than 55% of the time: Lexus, Land Rover

The Pied Piper PSI® Internet Lead Effectiveness® (ILE) Benchmarking Study has been conducted annually since 2011. The 2017 Pied Piper PSI-ILE Benchmarking Study (U.S.A.) was conducted between September 2016 and March 2017 by submitting customer internet inquiries directly to a sample of 18,277 dealerships nationwide representing all major brands. Examples of other recent Pied Piper PSI studies are the 2016 Pied Piper PSI U.S. Auto Industry Study (Infiniti brand was ranked first), and 2016 Pied Piper PSI U.S. Motorcycle Industry Study (Ducati brand was ranked first), both of which measured in-dealership, in-person sales effectiveness. 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 “mystery shop” evaluations—in-person, internet or telephone—as tools to improve the sales effectiveness of their dealerships. For more information about the Pied Piper Prospect Satisfaction Index, and the patent-pending PSI process, go to www.piedpiperpsi.com.

About Pied Piper Management Company, LLC

Founded in 2003, Pied Piper Management Company, LLC is a Monterey, California, USA company that develops and runs sales and service programs to maximize the performance of dealer networks. Go to www.piedpipermc.com.

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