

Boost Sales by Capitalizing on Digital Customers



By [Libby Wawzenek](#) posted on June 1, 2020 | Posted in [Best Practices](#), [Dealership Marketing](#)

Fran O'Hagan encourages dealerships to evaluate their sales strategies for digital customers in order to avoid losing out on revenue.

Fran O'Hagan is on a mission.

The president of Pied Piper Management Company —a group that helps brands, manufacturers and dealers improve their retail experience — has been working for more than a decade to determine the behaviors that turn shoppers into buyers.

"When we enter an industry for the first time, we do the math to measure what steps actually drive sales at the dealership," O'Hagan says. But his company's research doesn't stop at in-person sales. He's also keen to figure out the important behaviors that drive digital sales – that includes website traffic, online chat, e-mail communication, telephone calls and texting.

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The information O'Hagan and his team at Pied Piper gathers is compiled in a Prospect Satisfaction Index (PSI), which he calls "fact-based mystery shopping."

“We try not to rely on opinions,” O’Hagan says of the PSI. “We want to focus on the math, focus on the facts. This fact-based approach allows Pied Piper to publish annual industry benchmarking studies.”

Those studies can be used by manufacturers and retailers to evaluate the sales behaviors they’re currently using and take note of the impact those behaviors have on customer purchasing.

In today’s increasingly digital landscape, O’Hagan knows his customers are particularly focused on one question: “How can I sell more vehicles by paying close attention to customers who contact me through my dealership’s website?”

“This is just the way we shop today,” O’Hagan says. “We whip out our smartphone, and then stuff shows up in the mail.”

However, O’Hagan cautions dealerships not to expect that customers will want to complete equipment sales transactions solely over e-mail.

“Think of it as meeting a vehicle customer for the first time digitally,” he says. “Most customers still want to visit the dealership. It’s just that this is the first step. This is how they meet the dealership today.”

According to O’Hagan, many potential customers turn to their phones instead of heading to a dealership when they first contemplate purchasing a vehicle such as a UTV. They go to a search engine and type in the relevant information – their location, the brand they might be considering, along with ‘UTV’ – and then see what comes up.

“They click on the dealership (that comes up) and they see this dealership sells this product,” but they still have questions, O’Hagan says. “So they ask the dealership. They follow the dealership’s instructions for how to communicate and hit send.”

That’s where the communication breakdown begins, according to O’Hagan.

“After 60 minutes, 3 out of 4 customers won’t have received any personal e-mail response,” he says. “One customer in 4 will. After 24 hours, one more of those 4 customers will receive a personal response. That leaves half of the UTV customers who typed that question in. They’re still waiting after 24 hours.

“That’s what happens today.”

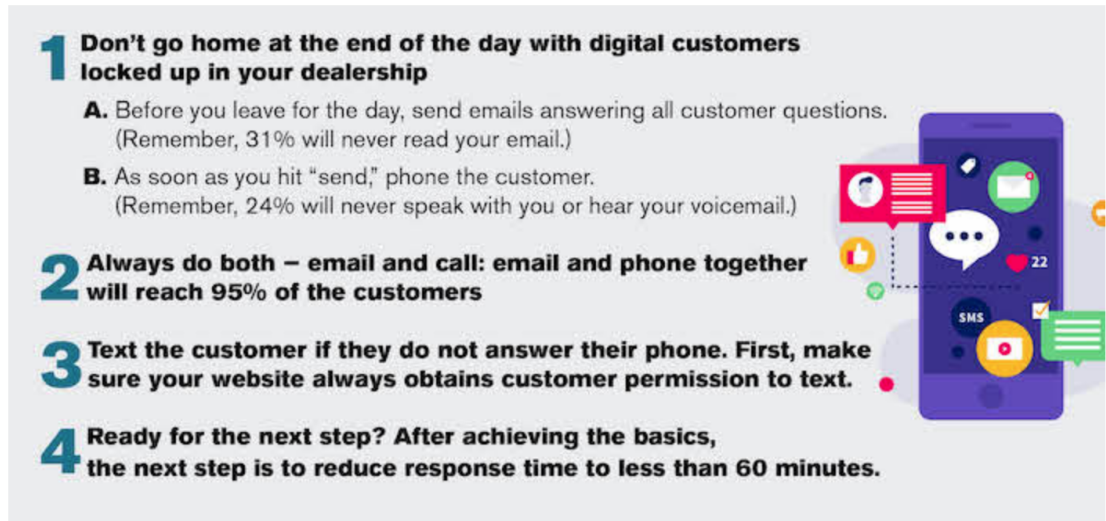
O’Hagan knows most dealers value website customers.

“Pretty much everyone acknowledges that this is important,” he says. “But – especially for smaller dealerships – it’s quite common that you’re all busy and it’s hard to reply to these website customers. Out of sight, out of mind. So they get down to the bottom of the list.”

But,
according
to the
research

4 Ways to Improve Dealership Response to Online Inquiries

that
O'Hagan
and the
team at
Pied Piper
have done
for their PSI
—
particularly
for UTV
sales —
that's a big
mistake.



1 Don't go home at the end of the day with digital customers locked up in your dealership

A. Before you leave for the day, send emails answering all customer questions.
(Remember, 31% will never read your email.)

B. As soon as you hit "send," phone the customer.
(Remember, 24% will never speak with you or hear your voicemail.)

2 Always do both – email and call: email and phone together will reach 95% of the customers

3 Text the customer if they do not answer their phone. First, make sure your website always obtains customer permission to text.

4 Ready for the next step? After achieving the basics, the next step is to reduce response time to less than 60 minutes.

The infographic includes a smartphone illustration on the right with various communication icons: a speech bubble, a heart with the number 22, an SMS icon, and a checkmark. A dashed line connects the text of step 2 to the smartphone.

"PSI Internet Lead Effectiveness scores range from 0 to 100," he says, with 100 being a perfect score. "(UTV) dealers who don't reply (to digital communication) score under 30. Dealers who quickly e-mail a response and call the customer on the phone score over 70."

O'Hagan notes that UTV dealers who score over 70 for PSI Internet Lead Effectiveness sell 40-50% more vehicles than UTV dealers who score under 30. According to O'Hagan, that data reinforces the importance of paying close attention to digital customers. Unfortunately for dealership sales revenue, half of all the dealers who sell UTVs score under 30 on the PSI, while only 5% of those dealers score over 70.

"There are UTV dealers who do a great job today, but it's not many of them," O'Hagan says. "There's plenty of room for improvement."

O'Hagan knows many dealers are wondering where this leaves them.

"Where's the recipe for success?" he says. "Start simple. Set behavior targets for your dealership and then be determined and vigilant. We know this should be a top priority."

O'Hagan reiterates that it's easy to forget about those digital customers.

"It's out of sight, out of mind," he says. "So I want you to measure and track whether your team is consistently hitting the target you set. You can order ongoing PSI Internet Lead Effectiveness evaluations. What does that do? It shines a light on what your customers are really experiencing."

O'Hagan compares digital inquiries to face-to-face clients.

"Don't go home at the end of the day with digital customers locked up in your dealership," he says. "You wouldn't leave at the end of the day with a physical customer wandering around. You would take care of them. So at the end of the day, before you leave, send e-mails answering all customer questions."

But, according to O'Hagan, dealers can't rely on that e-mail correspondence alone.

“Roughly a third of the customers will never see your e-mail,” he says. “They won’t read it, or it’ll go into junk mail. So as soon as you hit send on that e-mail, pick up the phone and call them.”

O’Hagan knows that some dealers wonder why they should use e-mail at all, if it doesn’t allow them to successfully make contact with all of their digital customers. Wouldn’t it be easier to ditch the e-mail and just call everyone?

“Roughly one in four of the customers will never listen to your voicemail,” he says. “So you can’t rely on just calling them. You have to do both. If you do both together, you will reach 95% of these customers.”

Another strategy used by successful dealerships, according to O’Hagan, is texting.

“Texting is incredibly powerful and effective as a tool,” he says. “Make sure your website is getting permission for you to text customers.”

He encourages dealers to follow up all voicemails immediately with a text to the customer.

“To be clear, it doesn’t replace e-mail,” O’Hagan says. “We don’t want paragraph-long texts. Texts need to be short and sweet.”

According to O’Hagan, once dealerships have achieved the behavior targets they’ve set for themselves — and are successfully following up with every digital customer by the end of the day — they should strive to respond to those customers more quickly. Ideally, he says, they’ll reach out to customers within 60 minutes of that initial digital correspondence.

When customers use a digital platform to contact a dealership, O’Hagan says it’s important for the sales team to employ similar strategies to those they would use with in-person customers.

“Imagine a customer who walks in the door of the dealership,” he says. “The first words out of your mouth wouldn’t be, ‘This is our best price on this unit.’ You would do something to build a rapport. After all, you’re meeting the customer for the first time, and it’s no different when the customer contacts you through the website.

“This is the first time you’ve ever met them, and so treat them that way.”

O’Hagan reminds dealers to keep in mind the most important thing about digital customers.

“The objective is to get them to come into the dealership.”