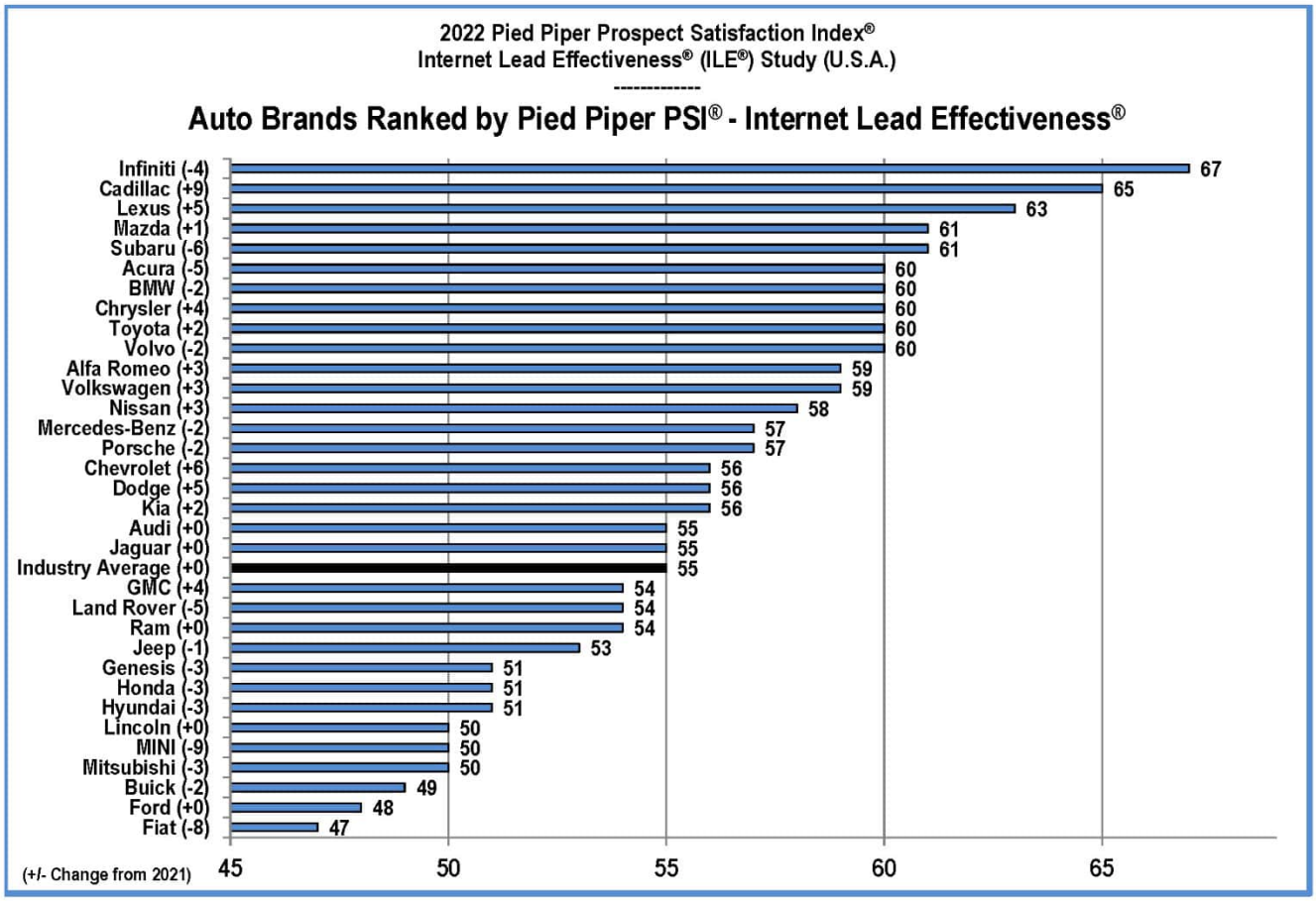
INFINITI DEALERS RANKED HIGHEST AHEAD OF CADILLAC AND LEXUS AS MOST RESPONSIVE TO WEBSITE CUSTOMER QUERIES; MAZDA AND SUBARU RANKED HIGHEST AMONG MAINSTREAM BRANDS

Despite inventory shortages and COVID-19, dealers who responded faster by text, phone, and email showed markedly stronger sales to web customers

MONTEREY, CALIFORNIA – *March 7, 2022* **–** For the second consecutive year, Infiniti dealerships were ranked highest according to the 2022 Pied Piper PSI® Internet Lead Effectiveness® (ILE®) Study, which measured responsiveness to Internet leads coming though dealership websites – a top requirement for retail success. Mazda and Subaru dealers were ranked highest of the mainstream brands.

"Most dealers had less inventory in 2021, but dealer treatment of sales prospects was still critical, as it determines not only sales today but also the dealership's success tomorrow," said 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 the same quantity of website customers as opposed to dealers who fail to respond."

Pied Piper submitted mystery-shopper customer inquiries through the individual websites of 3,628 dealerships, 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.



Source: 2022 Pied Piper PSI® Internet Lead Effectiveness® Study (USA) - Scale 0 to 100

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Brands with the greatest improvement since last year's study were Cadillac, Chevrolet, Lexus, Dodge, Chrysler and GMC. Twelve brands improved their performance from 2021 to 2022, while the performance for fifteen brands declined. Industry average performance was unchanged.

However, since the start of COVID in early 2020, the most improved dealers in responding to customer queries have represented Infiniti, Lexus, Chevrolet, and Alfa Romeo. The largest declines in responsiveness for the period have been from Mini, Lincoln, Ford, and Honda dealers.

Although Infiniti's ILE score declined year-over-year, Infiniti was able to maintain its top ranking over surging Cadillac and Lexus. And despite the year-over-year decline, dealers representing Infiniti have improved the most from the start of COVID-19, by a clear margin.

Twenty different measurements generate dealership ILE scores, on a scale of 100. In a traditional bell curve of performance, 26% of all auto dealerships nationwide scored above 80 (providing a quick and thorough personal response), while 35% of dealerships scored below 40 (failing to personally respond to their website customers).

"More dealers are using text messages and emails to answer web customers' specific questions, while making fewer phone calls," O'Hagan said. "However, we have found that the only way to reach customers effectively is to use both email and phone, not just one or the other."

Notable industrywide trends in behavior over the past year include the following:

- Dealerships still most often respond to customer website inquiries by phone, but that is trending downward. For the 2022 study, dealers responded by phone 57% of the time, compared to 66% last year and 70% the previous year.
- Responding via email is on the rise. Dealerships were more likely to email an answer to a website customer's inquiry – 53% of the time, compared to 42% last year and 41% the previous year.
- Dealers also are increasingly likely to text answers to specific customer questions, instead of or in addition to emails – 14% of the time, compared to 6% last year and 2% the previous year.
- Customer spam filters are a dealership's enemy. Emails landing in a customer's junk mail folder happened more than 25% of the time from Alfa Romeo, Fiat, and Mitsubishi dealers. Dealers representing brands that fared the best in avoiding spam filters: Porsche, Jaguar, Land Rover, Volkswagen, Ford, and Volvo.
- Out of the 3,628 dealerships contacted, 218 (about one in twenty) failed to respond in any way to Pied Piper's website inquiries. Non-responses could be due to a website's overly strict "bot" filters, dealership IT issues, or simply not responding. All Pied Piper contacts are made by actual humans, with no use of bots or scripts, so a non-response to a Pied Piper inquiry would be the same as that for a "real" customer. To trace potential issues, Pied Piper also tracks whether a dealership's lead form functioned properly, if there was an immediate automated response to a query, or if the dealer reply landed in the customer's junk folder. In an era when car-shoppers largely use the Internet to initiate contact with a dealer, a non-response is equivalent to a lost sale.

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 or text an answer to a website customer's question within 30 minutes?
    - More than 50% of the time on average: Infiniti, Lexus, Chrysler, Subaru, Alfa Romeo, Cadillac
    - Less than 30% of the time on average: Fiat, Buick, Lincoln
- How often did the brand's dealerships use a text message to answer a website customer's inquiry?
    - More than 20% of the time on average: Chrysler, Genesis, Mazda, Ram, Audi, Nissan
    - Less than 10% of the time on average: BMW, Fiat, GMC, Land Rover, Lexus, Buick, Jaguar
- How often did the brand's dealerships respond by phone to a website customer's inquiry?
    - More than 65% of the time on average: Subaru, Acura, Lexus, Lincoln, Mazda
    - Less than 45% of the time on average: Mitsubishi, Jaguar, Buick, Fiat, Mercedes-Benz

- Although 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 70% of the time on average: Mitsubishi, Audi, Mercedes-Benz, Chrysler, Fiat
    - Less than 50% of the time on average: Genesis, Alfa Romeo, Infiniti, Ford, Kia, Jaguar, Nissan, Toyota

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. Auto) was conducted between July 2021 and January 2022 by submitting website inquiries directly to a sample of 3,628 dealerships nationwide representing all major automotive brands.

About Pied Piper Management Company, LLC

Founded in 2003, Pied Piper Management Company, LLC is a Monterey, California, company that helps brands improve the omnichannel performance of their retail networks. Examples of other recent Pied Piper PSI studies are the 2021 PSI-ILE U.S. Motorcycle/UTV Industry Study (Harley-Davidson brand was ranked first), and the 2021 Omnichannel PSI for EVs Industry Study (Dealers selling the Chrysler Town & Country PHEV 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.

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