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#### **DEALERS**

# Auto Dealer Trifecta: Email, Text, Phone Online Shoppers

Chicago dealership group ranks highest in the latest Pied Piper mystery-shopping study of internet effectiveness in car sales.

Steve Finlay | May 09, 2024



One of the most effective devices for selling vehicles was invented nearly 150 years ago.

It's the telephone. Sure, early phones were nothing like today's multifunctional smartphones. But a dealership's response to a digital sales lead should include phoning the customer.



So says Fran O'Hagan, CEO of Pied Piper, a consultancy that uses mystery shopping to rank dealerships' internet effectiveness, particularly the rapidity of responding to answer a question posed by a shopper.

"Speed of response is still important," he tells WardsAuto, while speaking of his company's latest ranking of multiple-store dealership groups' internet effectiveness. (See chart below for rankings.)

Similar Pied Piper annual studies rank dealers by brand.

It's important not only to reply quickly by email or text to a dealer website's customer inquiry, but also phone too.

"Absolutely do all three – email, text and call," O'Hagan says.

And don't feel like you are bombarding a consumer, he adds.

"These are serious in-market people you are dealing with," he says. "Dealers recognize you will sell more cars if you follow these behaviors."

He cites a difference between dealership internet protocols 15 years ago and now. Before, dealership sales staffers would typically ask customers which channels of communication they preferred.

Today, dealers should do all three, he says.

Customers who submit inquiries through dealer websites typically fill out a form asking for their names, phone numbers and email addresses. That allows salespeople to quickly contact them in multiple ways.

"If you are not responding in 15 minutes, you're losing sales," O'Hagan says. "If it's not within 15 minutes, make it soon. But never go beyond a day."

In the latest Pied Piper analysis, Napleton Auto Group's dealerships ranked highest in internet lead effectiveness among 18 of America's largest auto dealer groups.

It's the third annual study of group performance; Napleton, based in metro Chicago, placed first each year.

Following Napleton this year are Berkshire Hathaway (Omaha NE), Herb Chambers (Brookline, MA), Ken Garff (Salt Lake City), and Ganley (Brecksville, OH) dealer groups.

Pied Piper submitted mystery-shopper customer inquiries (1,535) to all dealerships owned by each of the 18 dealer groups asking a specific question about a vehicle in inventory and providing a unique customer name, email address and local phone number. The field work spanned from August to February.

Pied Piper then evaluated how the dealerships responded over the next 24 hours. Twenty different measurements were used to create a total score ranging between 0 and 100. (Fortunately, no group scored zero.)

Napleton uses business development centers (BDC) staffed by people whose specific job is to field customer inquiries.

Such a setup can turbocharge response times. But some other dealerships that scored well don't rely on a BDC, instead assigning salespeople to handle the website inquiries.

In this year's study, 42% of dealerships scored above 80, providing a quick and thorough personal response, while 18% scored below 40 by failing to personally respond to their website customers.

Napleton significantly outperformed the industry average, with 84% of their dealerships scoring over 80 and only 6% scoring less than 40. "Top-performing dealerships focus on their behaviors, but they also carefully track what their website customers are really experiencing – which is often a surprise," O'Hagan says.

For instance, some stores "pretend" to reply by using automated responses to stop the clock. Auto responses earn no points in Pied Piper's study. But they serve a purpose of sorts.

"If you are overextended and can't personally respond in 15 minutes, then use an auto responder initially," O'Hagan says. "Use it as something like an ad that touts the dealership or maybe highlight specials."

In the new study, dealer groups with the greatest improvement were Ganley Automotive Group, Serra Automotive and Berkshire Hathaway Automotive.



Conversely, the performance of Hendrick Automotive Group, Penske Automotive Group, Morgan Auto Group and Victory Automotive Group declined three or more points from last year's scores.

Response to customer web inquiries varied by dealer group and dealership. Here are examples of performance variation by dealer group:

## How often did the group's dealerships email an answer to a website customer's inquiry?

- More than 75% of the time on average: Napleton, Herb Chambers and Serra Automotive.
- Less than 50% of the time on average: Lithia Motors, Hendrick, and Victory.
- Dealer group industry average: 58%.

How often did the group's dealerships text an answer to a website customer's inquiry?

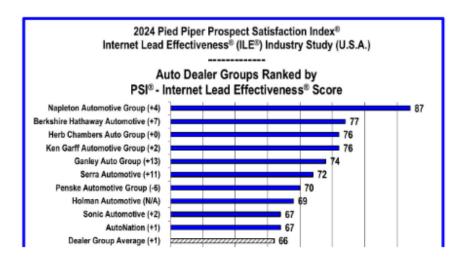
- More than 50% of the time on average: Ken Garff, Napleton and Holman Automotive.
- Less than 25% of the time on average: Serra Automotive, Herb Chambersand West Herr.
- Dealer group industry average: 36%.

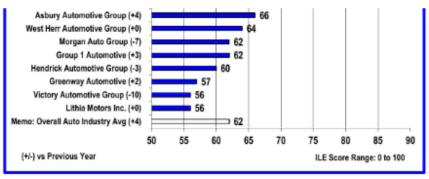
# How often did the group's dealerships respond by phone call to a website customer's inquiry?

- More than 85% of the time on average: Napleton, Berkshire Hathaway, Ken Garff and Ganley.
- Less than 50% of the time on average: West Herr, Victory.
- Dealer group industry average: 69%.

## How often did the group's dealerships email or text an answer to a website customer's question and also respond by phone call?

- More than 70% of the time on average: Napleton, Herb Chambers and Ken Garff.
- Less than 40% of the time on average: West Herr, Greenway Automotive and Victory.
- Dealer group industry average: 51%.





Source: 2024 Pied Piper Auto Dealer Group Internet Lead Effectiveness Industry Study (USA)

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