

How to Increase Customer Satisfaction To Prevent Brand Defection



OVERVIEW

Executive Summary 3

Conquesting 3

Unsold Leads 5

Retention 6



Executive Summary

Every day your dealership is losing customers and prospects to competing OEMs. Even the top auto brands still lose at least one customer for every new one they acquire. Wouldn't you like to increase customer satisfaction by 20% to help prevent brand defection on that next purchase, and reawaken unsold leads your sales team has given up on?

This whitepaper explores the best practices needed to effectively maintain brand consistency across channels and consumer lifecycles. Learn how to increase satisfaction with your marketing communications through maintained brand consistency to:

- **Conquest smarter in the age of artificial intelligence**
- **Boost retention with dynamic automated outreach vs templated blasts**
- **Develop more effective follow-up for unsold leads beyond 90 days**

Conquering

How can dealers optimize their results at each stage?

McKinsey & Company tells us that the three Cs of customer satisfaction are consistency, consistency, consistency, but it's not enough to consider consistent communications and branding practices with already won customers. Start when you first conquest new prospects.¹

The reason retail in particular, including the automotive industry, has seen a seismic shift in how consumers expect to be marketed to is because cutting edge companies like Amazon and Netflix have embraced artificial intelligence (AI) tools with their behavioral targeting and marketing automation efforts. This allows them to better predict what people want and will do next. Today's consumers expect individualized attention, and they expect consistency over time throughout their lifecycle from day one.

Variety found that 64% of respondents to a recent survey have a subscription video-on-demand service like Netflix, streaming their television instead of only using traditional cable (and in many cases instead of).² Consumers want to watch what they want, when they want, and to know what other people thought about those shows and movies before they make their decisions. Services like Netflix provide that type of individualization with recommendations and responses based on previous behaviors.



Auto dealers need to be able to provide this same experience to prospective shoppers from the first outreach, catering every communication to each individual on their unique purchase path.

McKinsey's study points out three keys to consistency:

- Customer-journey consistency
- Emotional consistency
- Communication consistency

And the benefits to mastering this are staggering.

“Measuring satisfaction on customer journeys is 30 percent more predictive of overall customer satisfaction than measuring happiness for each individual interaction. In addition, maximizing satisfaction with customer journeys has the potential not only to increase customer satisfaction by 20 percent but also to lift revenue by up to 15 percent while lowering the cost of serving customers by as much as 20 percent.”

Artificial intelligence-driven predictive models used with marketing automation is the only way a busy dealership can achieve this level of consistency and personalization with everyone in their primary market area.

One method of consistency most dealers may not think to exploit is riding the momentum of events and specials competitors are using. If consumers expect a certain deal from another brand, it may benefit you to offer the same deal or better for that final edge to push a consumer toward your dealership instead.

The Conquest Marketing Guide from Strong Automotive Merchandising suggests following your competitors' coattails on product refreshes, new product launches, and grand openings.³

Consistency also means reliability across channels — traditional, digital, and especially social. When 87% of auto buyers research potential car purchases on social media prior to making a decision, your dealership needs to be there.⁴ Facebook ads, for example, can be a great addition to repurpose your messaging by conquering look-a-like audiences of the type of people most likely to be in-market.

But no matter the campaign or tactics, there will always be leads that escape you after 90 days—unsold, dead leads that don't have to stay dead if you maintain consistency throughout every marketing endeavor to reawaken the consumers that (almost) get away.



Unsold Leads

When does your sales team stop following up on leads? After 90 days? 60? 30?

Many people are still in market even if they showed interest months ago without immediately purchasing a vehicle.

These leads are often tossed aside to focus on newer leads coming through. Your dealership might not have a large enough staff to manage aging leads on top of fresh ones as well as retention efforts, but neglecting unsold leads that could be rekindled is a waste you can't afford in today's market.

This is another avenue where artificial intelligence can save some of those potential buyers, and just like with normal conquering efforts, the obvious channel to start with and where AI-powered behavioral targeting can work best is email marketing.

“Despite the fact only 20% of marketers use behavioral triggers in email marketing, statistics show that behaviorally targeted emails (such as the ones based on transactional and trigger-based data) have an average open rate of around 50%.”⁵

Hit consumers consistently with relevant communications even if they haven't been engaging lately so that once they do start to engage again, you can automatically respond with triggered follow-up based on what they want.

But don't put all your work in email alone. Consumers don't. In fact, a recent study shows that 2/3 of buyers involve multiple channels in their purchase process.⁶ Even more interestingly, those shoppers spend 3-4 times more over their lifetime than single-channel customers.

Savvy consumers may take more effort to pursue, especially when they fall off your radar, but they are the most valuable. The tools available today such as marketing automation, social ads, retargeting endeavors, and a marketing plan that combines all of this with traditional efforts reduces the effort on you, the dealer, and puts it instead on the tools and technologies themselves.

Where unsold leads suffer the most from inconsistency is in fragmented channels, touch points, and marketing content between the overall brand and dealers. Larger OEMs face increasing complexities with their dealerships and partners who interact with consumers. Besides the dealer and recommended agencies, the brand can further be split into dealer groups and associations, all with their own content.



When unsold leads have already been forgotten for personalized follow-up, that can be distressing to consumers when messaging doesn't line up, making it impossible to give them a consistent and relevant experience.

“One major reason for the rise in complexity in asset management is the need for customization. Personalized content is an important component of one-to-one marketing, and a critical part of the customer acquisition process. Local (or field) marketers need autonomy and flexibility to reach local target audiences because personalization and relevance drive revenue at the local level.”⁷

Consistency in frequency even after 90, 60, or 30 days have passed and relevant content is crucial to reengaging the leads you thought you lost.

We also can't forget the most important component of successful marketing — keeping the customers you earn so they come back to your dealership the next time they're in-market.

Retention

All of the best practices presented so far can also be used to better retain your current customer base, but retention goes deeper than copying conquering efforts because it means knowing each consumer better than ever.

Experian's Q2 2016 Automotive Briefing included a detailed view into which automotive brands are most successful at keeping their current customers while still conquering new ones.⁸ Subaru only loses one customer for every 3.5 new buyers they acquire from other brands. What makes Subaru so good at stealing shoppers from the competition and keeping their own customers loyal?

The Chicago Tribune attributed Subaru's success to smart marketing with a narrow focus.⁹ They know their customers and what their customers want, so they keep their emphasis on all-wheel drive vehicles at an appealing price point while also supporting causes dear to their customers' hearts like the ASPCA.

Similarly, when observing industry leaders like Netflix and Amazon once more, consistent, personalized marketing campaigns provide consumers with exactly what they expect from brands that go out of their way to understand them.



“In fact, 60% of Netflix rentals stem from personalized messages based on a customer’s previous viewing behavior and 35% of Amazon’s sales are directly attributed to suggesting products an individual might like based on their unique behaviors and purchases. By captivating their customers in the right moment and delivering relevant experiences, brands like these are witnessing higher conversion rates and increased customer loyalty.”

To cut through the clutter, auto dealers need to be personable and relevant to their customers even directly after a purchase. Did they have a good experience? Did you ask? Did they fill out a review? What is your service communication cadence like?

75% of customers become frustrated when they receive marketing content that has nothing to do with their interests.¹⁰ Imagine being so disconnected from your customers that you send a lease offer to someone who just purchased a brand-new SUV? You’ve lost that customer before they could even consider becoming an advocate.

By focusing on individual shoppers rather than mass communication strategies, auto dealers can hone in on what will drive the most purchases. You don’t have to be one of the dealers who loses a current customer for every new one they bring in. Market smarter with personalized, consistent communications that represent your brand, and stay ahead of the dealers who still cast a wide net over their CRM, choosing quantity over the quality today’s consumers expect.

Conclusion

Today's technologies can provide the automated, individualized 1:1 engagement consumers demand with the brand-consistent content necessary to keep them happy throughout their lifecycle—ultimately improving your bottom with increased retention and conquering success.



- 1 “The three Cs of customer satisfaction: Consistency, consistency, consistency.” McKinsey & Company. March 2014.
- 2 “More U.S. Households Now Have Access to Netflix Than a DVR.” Variety. March 2017.
- 3 “The Conquest Marketing Guide.” Strong Automotive Merchandising. March 2016.
- 4 “Crowdtap Study Looks Under the Hood at Auto-Buying Behaviors.” Crowdtap. April 2015.
- 5 “How to Personalize Your Marketing Strategy with Behavioral Targeting.” Business 2 Community. June 2017.
- 6 “Retail’s Main Event: Brick & Mortar vs. Online.” RetailNext. December 2014.
- 7 “The #1 Reason Companies Struggle with Brand Consistency.” Marcom Central. November 2016.
- 8 “The Car Brands That Lure The Most Buyers From Other Automakers (While Giving Up The Fewest)”. Forbes. September 2016.
- 9 “Why Subaru is one of the hottest automakers in the U.S.” Chicago Tribune. February 2015.
- 10 “How To Use Behavioral Data In Personalized Marketing Campaigns.” Forbes. June 2017.

About Outsell

Outsell drives more revenue for auto dealers by transforming how they engage customers and prospects throughout their lifecycle. Dealers using Outsell’s proprietary technology are tipped off when customers are most ready to engage, buy, or service. Outsell makes dealers’ lives easier by keeping them in front of customers on a consistent, individualized basis, and automating follow up. The Outsell multi-channel customer engagement platform manages millions of interactions every month for dealers representing all major automotive brands.

