



# Optimizing Online Messaging

PREPARED FOR:

Outsell

PREPARED BY:

Aspen Finn, September 2022

Aspen Finn 



# Project Overview

## The Ask

Outsell is looking to gain a better understanding of automobile owners and shoppers to help dealerships and dealer groups improve loyalty, reduce defection, and grow their business.

Specifically, Outsell is looking to provide their customers with marketing and communication tools and guidance that will help them navigate the changing sales landscape and bring in more customers.

## The Approach

Aspen Finn collaborated with Outsell to create a quantitative survey with the following goals:

- Identify drivers of loyalty for both the sales department and, to a lesser extent, the service department at dealerships/dealer groups
- Determine the causes and reasons for defection from dealerships/dealer groups
- Uncover where current marketing and messaging falls short and identify the types of marketing communications that will engage and drive action at the various phases of the customer lifecycle.

## The Audience

We surveyed a total of  $n = 1,146$ , of which  $n = 614$  who purchased/leased a new or used vehicle in the past 6 months,  $n = 532$  who intend to purchase/lease a new or used vehicle in the next 6 months and  $n = 136$  Outsell Customers. LOI = 21 minutes. Fielding from Aspen Finn's panel was from 7/01-8/01 while fielding from the Outsell customer list was 7/02-8/09.

In addition, respondents had to meet the following criteria:

- At least 25 years of age.
- Plan to purchase/ lease a new or used vehicle in the next 6 months or purchased/leased in the past 6 months from a franchise dealer.
- A decision-maker or key influencer in making purchase and maintenance decisions about the car.

# Quant/Qual Executive Summary: What does this mean for Outsell?

It's all about “personalization,” **ahem, we actually mean, “Customer-Relevant Customization” (CRC):** Analysis revealed that “personalization” is what customers expect and where the communication focus should be. We witnessed this requirement in the qualitative and found that 82% of the quantitative sample demanded this as well. Research also revealed, however, that the term “personalization” is complex and can mean different things. What customers want may be better described as, “Customer-Relevant Customization.” [More on this, next slide.]

Personalization that customers do **not** want is closely associated with a one-size-fits-all approach (e.g., high-frequency contact, generic [INSERT NAME HERE] type messages, generic content across vehicle categories. Stop the “postcards for everyone.” This approach is commonplace and is perceived by customers as insincere. Not only is this approach disengaging, but it can actually **do damage to a dealership relationship**; up to 50% of customers, citing irritation and annoyance, will end a dealership relationship over this approach.

# Quant/Qual Executive Summary: What does **Customer-Relevant Customization** mean? What must Outsell deliver to customers, to stand out from the clutter?

**1 Highlight the customer value in every message:** Customers need to perceive a “win” from every contact with the dealership; they need to quickly grasp and value “what’s in it for me.” Certainly, monetary value helps, but coupons for an oil change are commonplace, not unique. Sending a customer notices about new inventory *in the car category they’re shopping* is as valuable as oil change coupons for a vehicle they purchased. Qualitative and quantitative analysis showed that *tracking a customer’s specific vehicle service record* is unique, saves them time from checking the receipts in their glove boxes. Service messaging, in particular, should reflect each customer’s year and model requirements, include work completed, upcoming vehicle needs (based on average mileage driven and the customer’s particular odometer), and note declined work-to-date. Tune your message to these and you will begin to build trust -- which will drive service retention.

**2 Ensure that the customer value aspect is prominent in the communication vehicle:** Whether it’s an email subject line, a postcard headline, or a newsletter feature, utilize bold graphics or photography, make the value/customer benefit easy to find (e.g., “above the scroll”); customers do not take the time to hunt out the value.





# Quant/Qual Executive Summary: What does Customer-Relevant Customization mean? What must Outsell deliver to customers, to stand out from the clutter? (cont'd)

3

**Tap the sophisticated technologies / CRM capabilities (available through dealer partners) to customize the method and frequency of contact:** Messaging customers when the dealership wants to does not help the customer. For customers in the luxury and new-to-the-dealership segments, overly-frequent communication was not only annoying, but analysis revealed it was potentially damaging to the relationship. New customers were turned off, and even half of long-time customers were willing to walk away from a dealership for this reason!

Leverage the power of your CRM capabilities and build a custom profile for each customer—including frequency of contact, types of content, how they wish to be addressed in addition to vehicle data. Perhaps go farther to include their birthday, family status, how they use their vehicle, accessories they have in their vehicles, etc. Make sure dealership staff are empowered to manage their customers effectively by collecting the right data and are trained to use that data to add power to communications. Messaging the customer when they want, using the channels they like, on the topics relevant to them in real time demonstrates a fresh and sincere approach toward creating a positive (and trusted) relationship. Offers/discounts and reminders should be relevant and updated to reflect both sold/traded and newly purchased vehicles and their service needs.



# Key Quantitative Findings

## Customers have high expectations for communications for both sales & service.

The following are key themes of the benefits/features that customers consider to be must haves:

- Personalization – to be most effective, the information has to be highly personalized – to the individual / about the specific vehicle(s) / about the specific deal, etc.
- Customers are interested in dealers helping them save money: discounts coupons / fuel economy topics, etc. resonate.

## Once a month is the best frequency for communications

Once a month minimizes irritation (approx. 80%) and maximizes appreciation (approx. 60%).

Customers are most tolerant of receiving postcards.

Being too frequent is the top communication frequency dealbreaker. Luxury (43%) car owners and non-luxury car owners (32%) find receiving communications too frequently irritating to the point that they would not visit a dealership again.

## Trust and communications help mitigate sale dealbreakers

Dealership trust and communications can convince a customer to purchase regardless of a poor experiences, particularly for luxury car customers.

The challenge of using communication to mitigate a poor experience is that luxury car owners are more likely to be irritated by frequent communications.

Communications to mitigate dealbreakers must be relevant, personalized, and timely.

Additional dealbreakers for non-luxury car owners include unfriendly salespeople, pushy salespeople, and non-competitive prices.

## Supply chain issues are having an impact

47% of customers have been impacted by supply chain problems. Of those, most have experienced higher vehicle prices and a difficulty in getting the exact make and model desired.

An additional 32% are aware of supply chain problems but have not been impacted by them.

## Service communications must take into account different segments.

Luxury car owners are more likely to be irritated by service department communications due to relevancy, lack of personalization, and frequency (both too often and not enough).

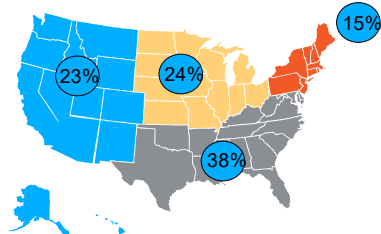
Repeat customers are more likely to be irritated by service department communications not being personalized or frequent enough.

# Sample Snapshot - All Respondents

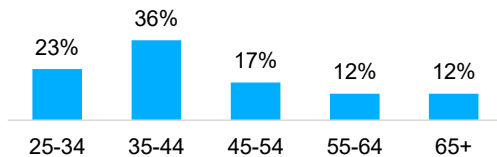
## Gender



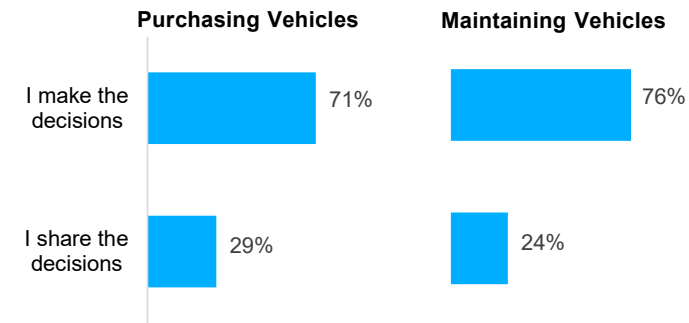
## Region



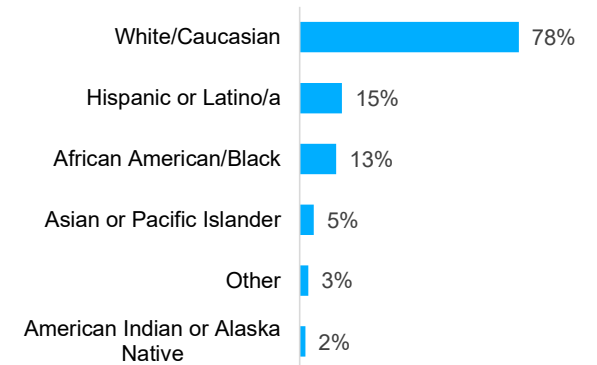
## Age



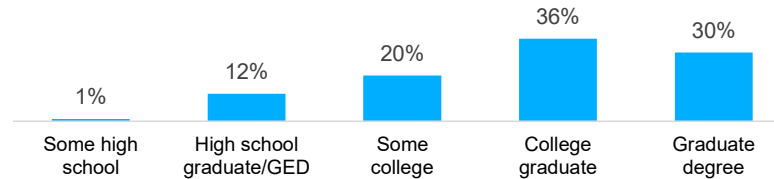
## Decision Influence



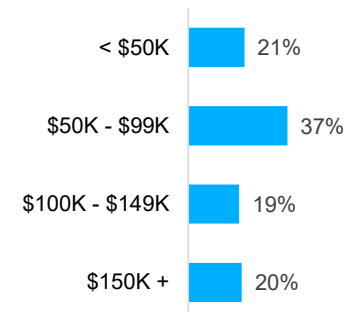
## Race/Ethnicity



## Education



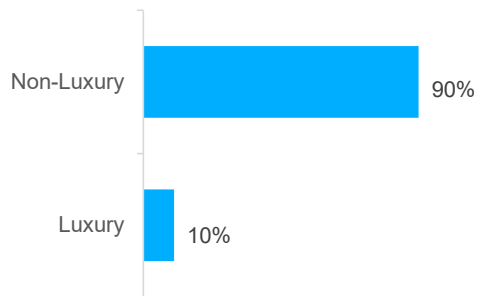
## Income



Bases: Total respondents  $n = 1,146$ . Question Wording: **Gender:** S105. Which of the following best describes your gender? **Region:** S110. What is your zip code? **Age:** S100. To start, what is your age? **Decision Influence:** S125. Which of the following statements best describes you when purchasing a vehicle? S130. Which of the following statements best describes you when maintaining a vehicle? **Race/Ethnicity:** D15a. Are you of Hispanic or Latin(X) origin? D15b. Which of the following best describes your race? Select all that apply. **Education:** D05. What is the highest level of education you have received? **Income:** D10. Which of the following ranges includes your annual household income before taxes?

# Sample Snapshot - All Respondents

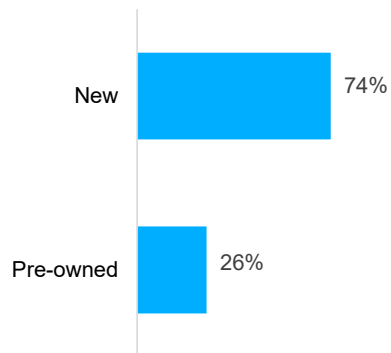
## Most Recent Purchase/Lease



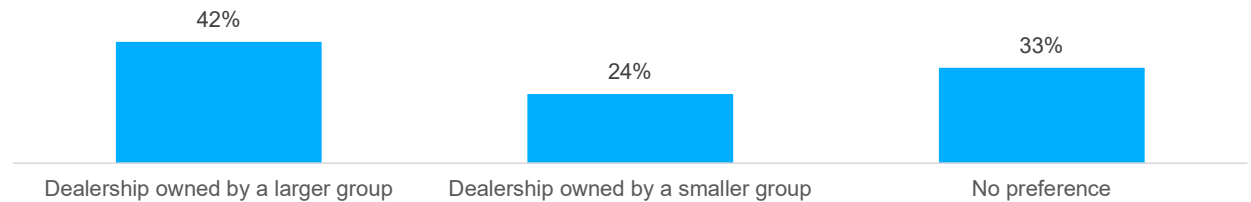
## Repurchased/Intend to Repurchase from Previous Dealership



## Vehicle Purchased/Leased



## Preferred Dealership Type

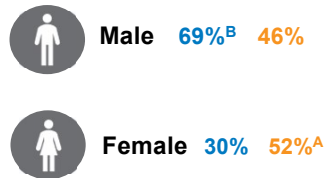




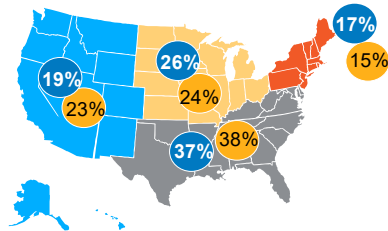
# Sample Snapshot

■ Luxury (A) ■ Non-Luxury (B)

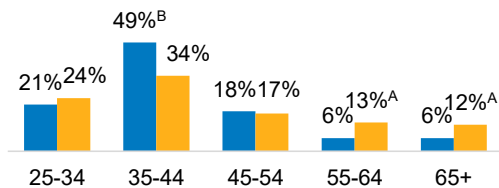
## Gender



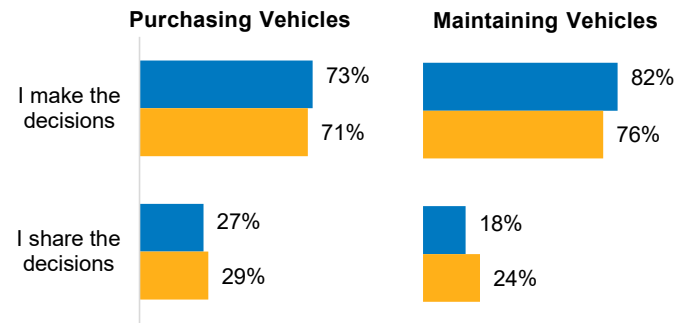
## Region



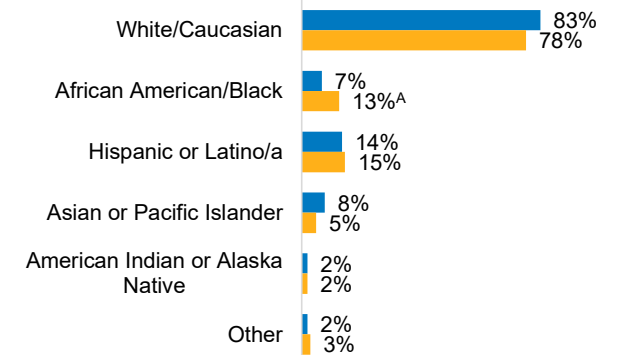
## Age



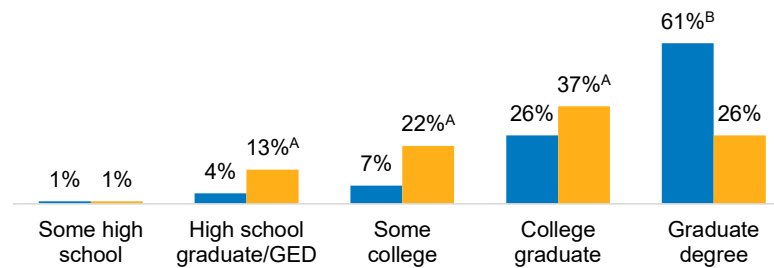
## Decision Influence



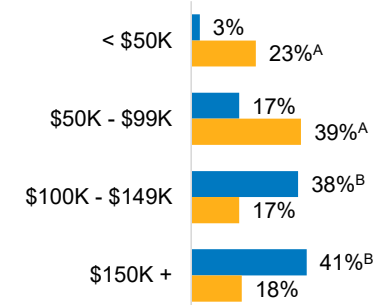
## Race/Ethnicity



## Education



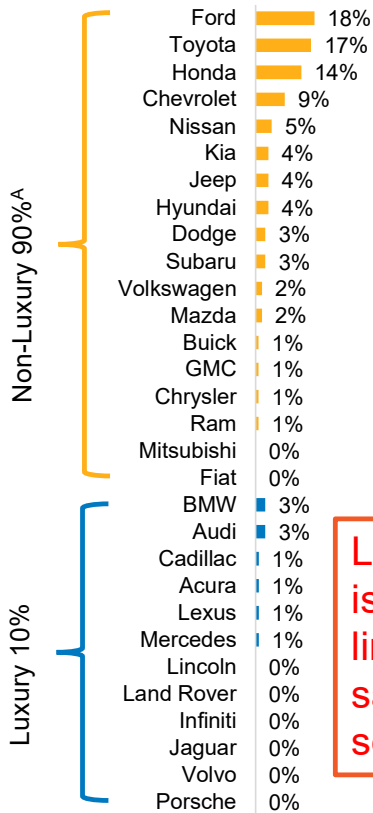
## Income



# Sample Snapshot

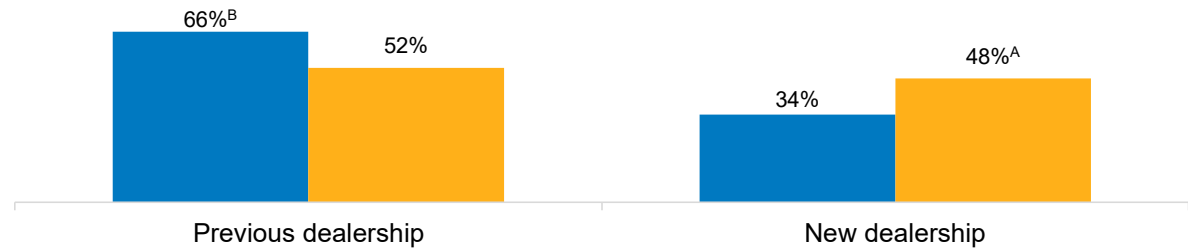
■ Luxury (A) ■ Non-Luxury (B)

## Most Recent Purchase/Lease

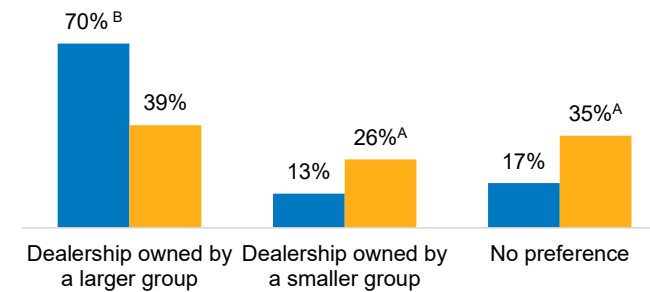


Luxury is a limited sample set.

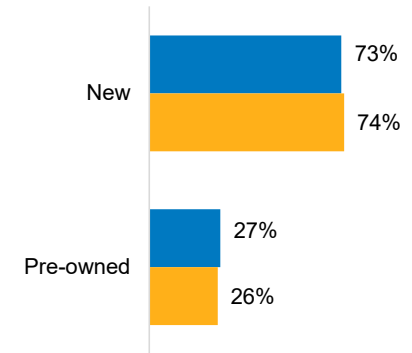
## Repurchased/Intend to Repurchase from Previous Dealership



## Preferred Dealership Type



## Vehicle Purchased/Leased



Bases: Luxury n = 118, Non-Luxury n = 1,028. Question Wording: **Most recent purchase/lease:** S160. What brand of car did you most recently purchase/lease? Respondents were provided a list of both luxury and non-luxury vehicles. **Repurchased/intend to repurchase from previous dealership:** S145. Which best describes your shopping style for your recent vehicle purchase? S170. Which applies to you? **Vehicle purchased/leased:** S155. Which best describes your new or used vehicle you bought at the dealership? S175. Which best describes the next vehicle you are looking to purchase at the dealership? **Preferred dealership type:** Q405. What type of dealership is your most preferred? Luxury/Non-Luxury: S160. What brand of car did you most recently purchase/lease? Respondents were provided a list of both luxury and non-luxury vehicles

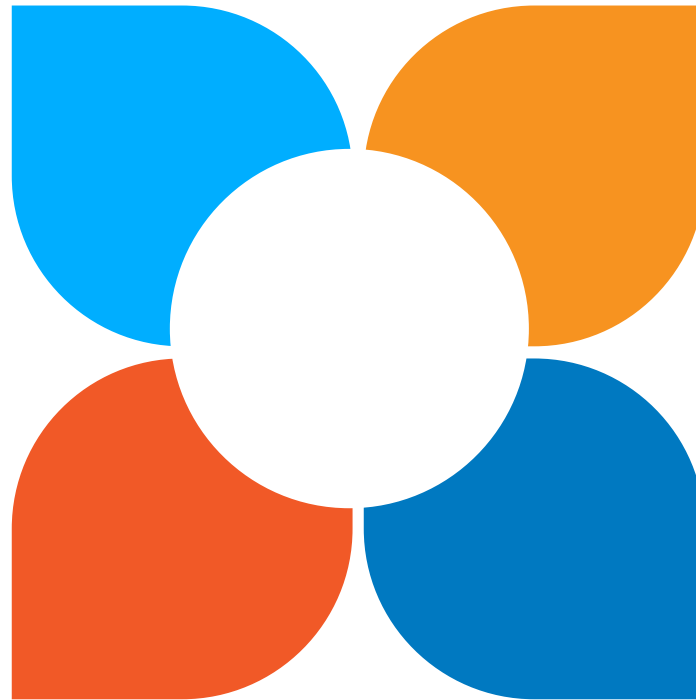
# Maximum Difference Preference Scaling (MaxDiff)

Anchored MaxDiff Scores

# Maximum Difference Scaling (MaxDiff)

- Why MaxDiff?

MaxDiff scores demonstrate greater discrimination among items and between respondents on the items than traditional ratings scales. The MaxDiff question is simple to understand, so respondents from children to adults with a variety of educational and cultural backgrounds can provide reliable data. Since respondents make choices rather than expressing strength of preference using some numeric scale, there is no opportunity for scale use bias. This is an extremely valuable property for cross-cultural research studies.



- Versatile

MaxDiff is ideal for obtaining preference/importance scores for multiple items.

Common use cases include measuring the importance of communication options

# How It Works

Rather than show the respondent all items at once, we show a subset (e.g., 5) of the items in each MaxDiff question.

## Conducting a MaxDiff

- We create a list of items to be tested
- An experimental design is created to ensure items are shown in combinations that allow us to model the preference scores
- For each task, respondents are asked to indicate which item is 'best' and which is 'worst'. This is repeated across several tasks with different item sets.

Please consider how important different communication benefits/features are when choosing a car dealership to purchase a vehicle and/or for maintenance services. Considering only these 5 features, which **matters the most** and which **matters the least**?

Matters the Most		Matters the Least
<input type="radio"/>	A thank you email after your purchase of a vehicle.	<input type="radio"/>
<input type="radio"/>	A thank you email after your car receives service.	<input type="radio"/>
<input type="radio"/>	Text alerts about new service reminders.	<input type="radio"/>
<input type="radio"/>	Emails about new sales opportunities and offers.	<input type="radio"/>
<input type="radio"/>	Emails about new service opportunities and offers.	<input type="radio"/>

## Adding an objective threshold to relative importance data

After the MaxDiff exercise has been completed, there is an additional question in the survey that asks respondents to indicate which items are “must haves”.

When determining which car dealership to purchase from or use for service, how critical are each of the following communication benefits/features?

- A thank you email after your purchase of a vehicle.
- A thank you email after your car receives service.
- Mailed postcards for vehicle service reminders.
- Text alerts about service reminders.
- Emails about new sales opportunities and offers.
- Emails about new service opportunities and offers.
- Etc...*

## Adding an Anchor

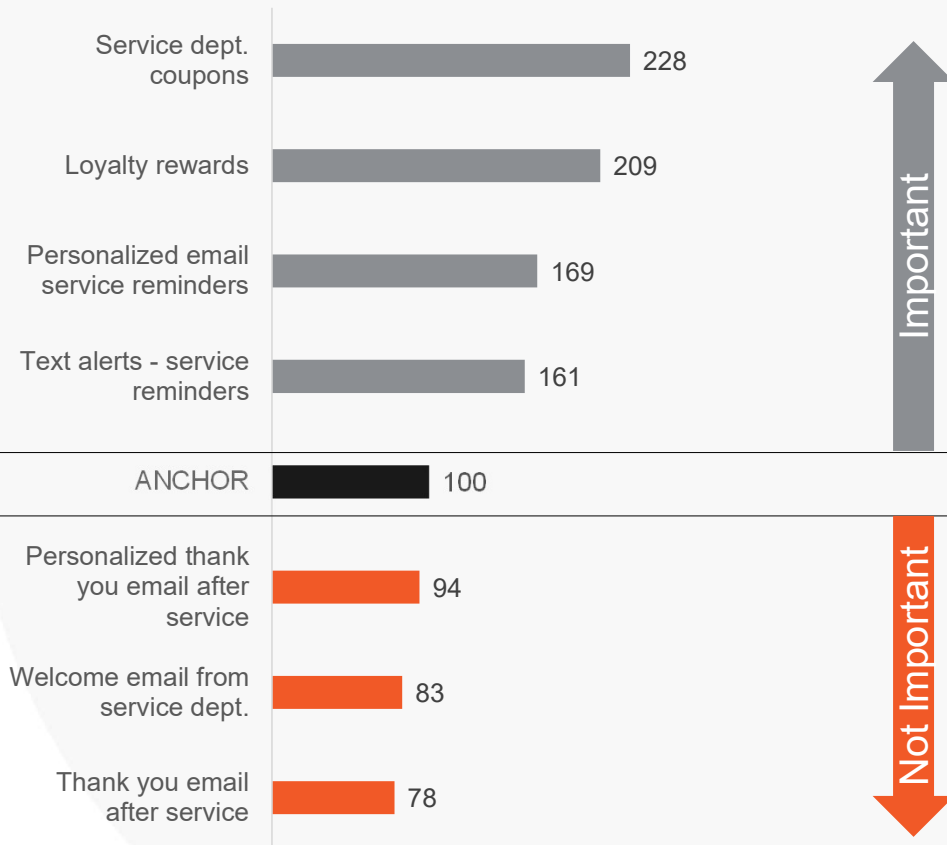
In a MaxDiff exercise, respondents indicate which items are relatively better (or worse) than others. Thus, the scores are estimated on a relative scale, without any indication that the items are good or bad, important or unimportant, in an absolute sense.

Traditional MaxDiff tells us that feature A is twice as important as feature B. However, it does not tell us if neither A or B is important at all.

Anchored MaxDiff lets us draw a line (utility boundary) between important and unimportant items (e.g., compels me to use the dealership for maintenance vs. not compelling enough to stay with the dealership for maintenance).



### Example Using a Subset of Attributes Tested.

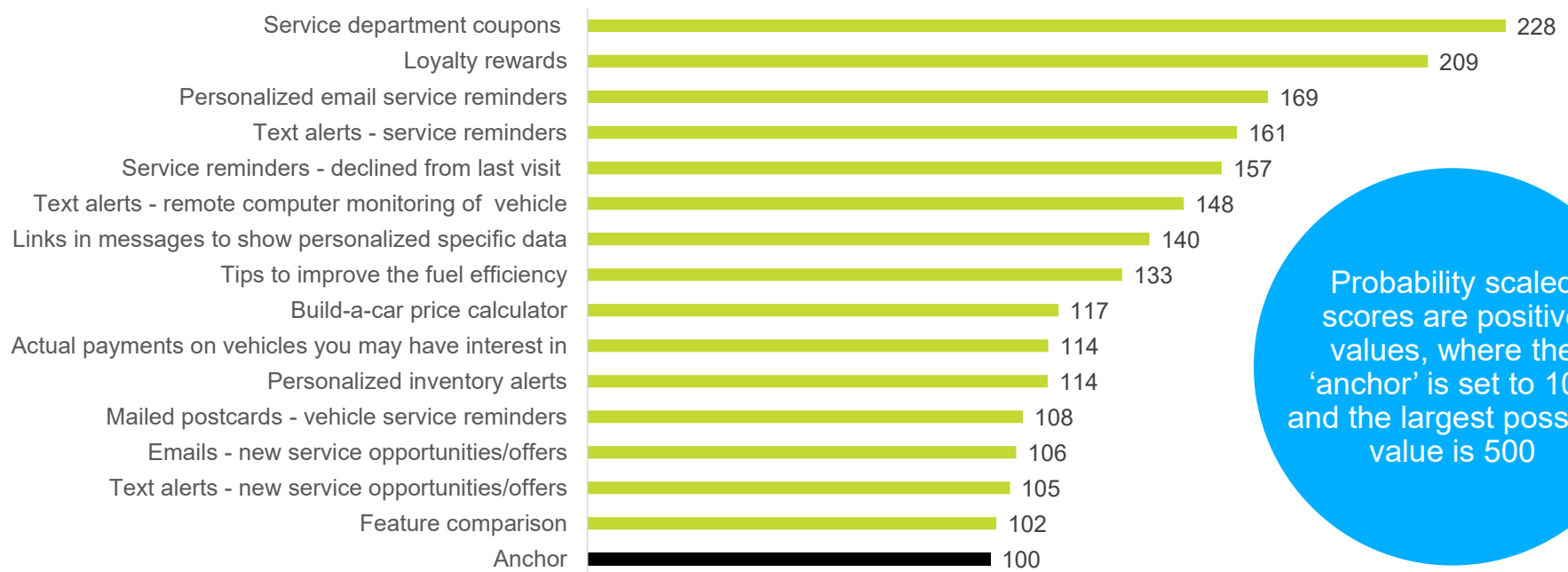


## Understanding Anchored MaxDiff Results

- Probability-scaled scores are positive values, where the 'anchor' is set to 100 and the largest possible value is the number of items shown to respondents in each set \* 100.
- Example: if each MaxDiff task contained 5 items, the maximum possible score in an anchored MaxDiff would be 500.

# Customers have high expectations for communications, both for sales and service. These benefits/features, which are above the anchor line, are must haves.

Communications related to service matter the most to customers. When shopping for a car, consumers are primarily looking for communications about price and inventory.



Probability scaled scores are positive values, where the 'anchor' is set to 100 and the largest possible value is 500

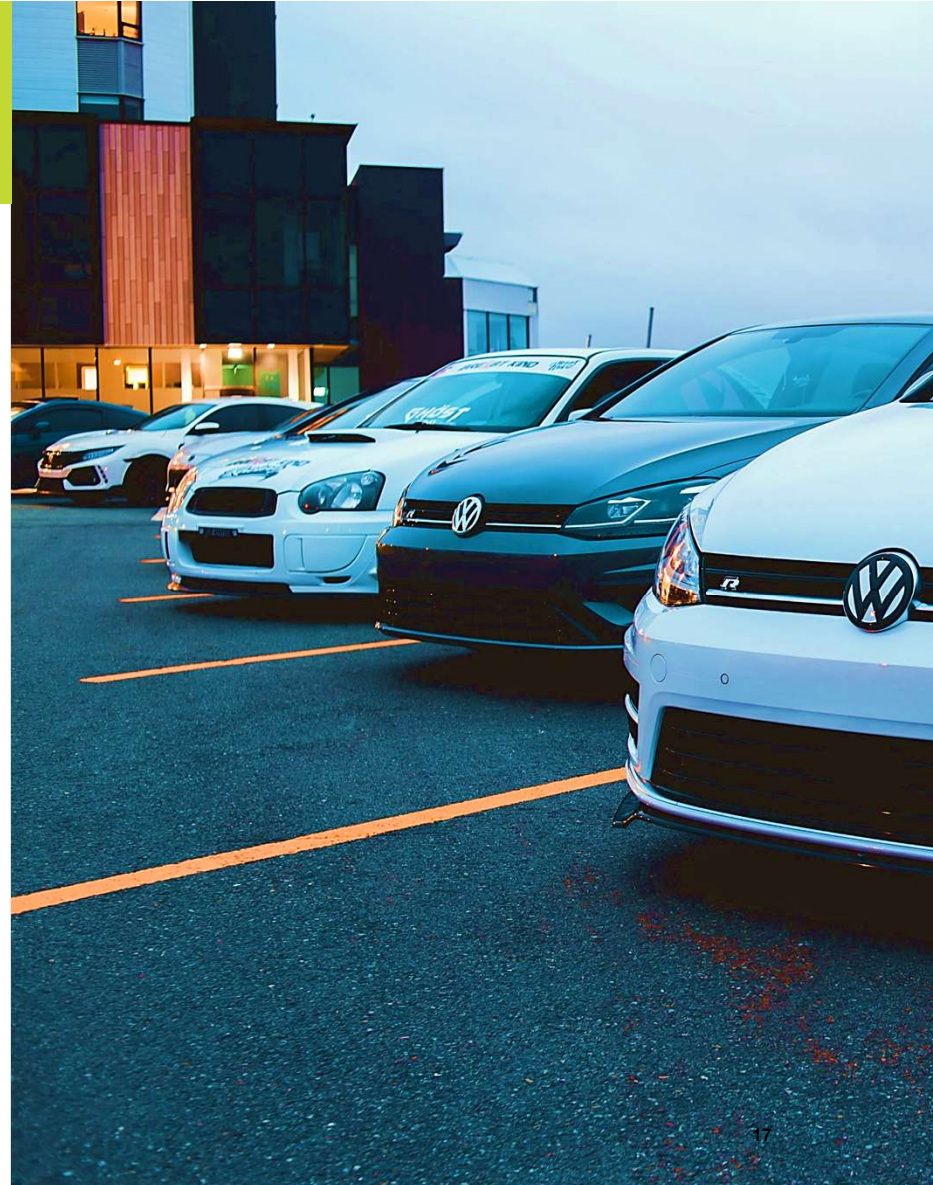
Base: All respondents  $n = 1,146$ . **MaxDiff Question wording:** Q200. For the main part of this study, you will be shown several lists of different car dealership benefits/features for communications. Please consider how important different communication benefits/features are when choosing a car dealership to purchase a vehicle and/or for maintenance services. Considering only these 5 features, which **matters the most** and which **matters the least**? **Anchor Question wording:** Q210. When determining which car dealership to purchase from or use for service, how critical are each of the following communication benefits/features?

# Qual Insights

Service department coupons are understandably table stakes for consumers. They are not going to turn down money. However, coupons are not unique.

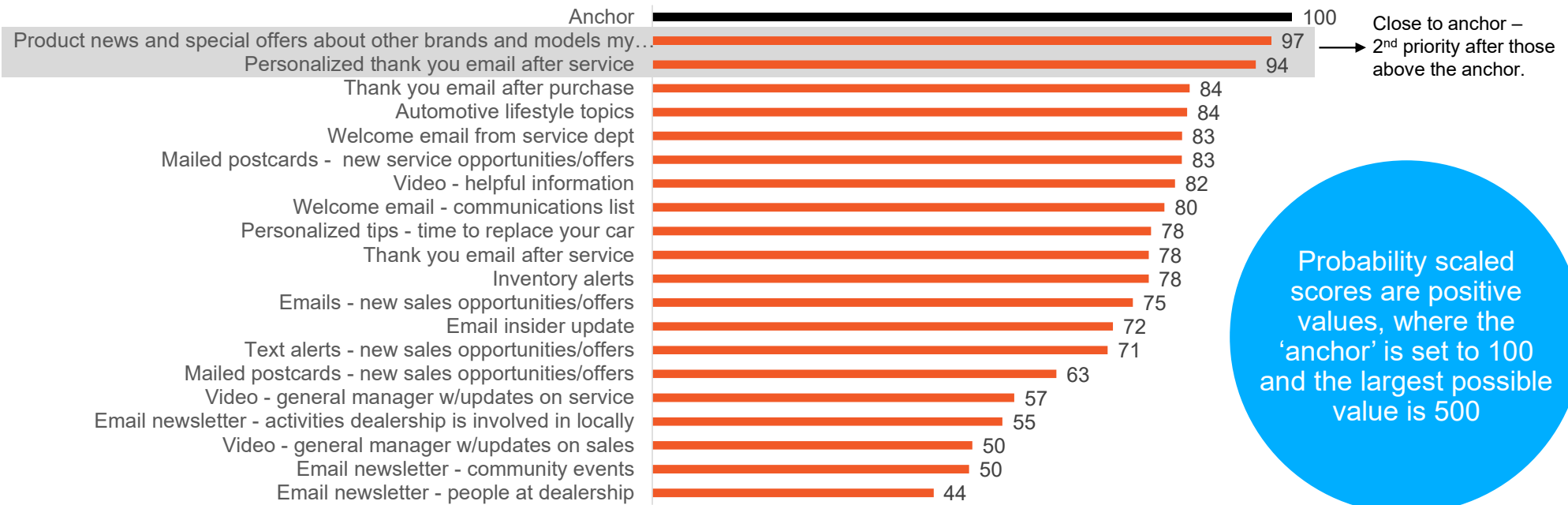
Many of the benefits/features that performed well in the quantitative were also highly regarded in the qualitative research.

- Loyalty and rewards programs are increasingly popular among consumers, perceived valuable, and are more unique in the auto service business at this point.
- Tracking declined services on service reports was perceived as impressive, helping the consumer develop a service plan for their vehicles.
- Transparency and accuracy in new or pre-owned vehicle costs has consistently been important to consumers.



## Benefits/features below the anchor line are not important to customers.

Videos, newsletters, thank you email after purchase/service, welcome notes, special offers, and informational communications, newsletters and tips matter the least to customers. Consider focusing on the items close to the anchor (i.e., product news and special offers, and personalized thank you emails after service) after the above the anchor items have been addressed since these two appeal less to people.



Base: All respondents  $n = 1,146$ . **MaxDiff Question wording:** Q200. For the main part of this study, you will be shown several lists of different car dealership benefits/features for communications. Please consider how important different communication benefits/features are when choosing a car dealership to purchase a vehicle and/or for maintenance services. Considering only these 5 features, which **matters the most** and which **matters the least**? **Anchor Question wording:** Q210. When determining which car dealership to purchase from or use for service, how critical are each of the following communication benefits/features?

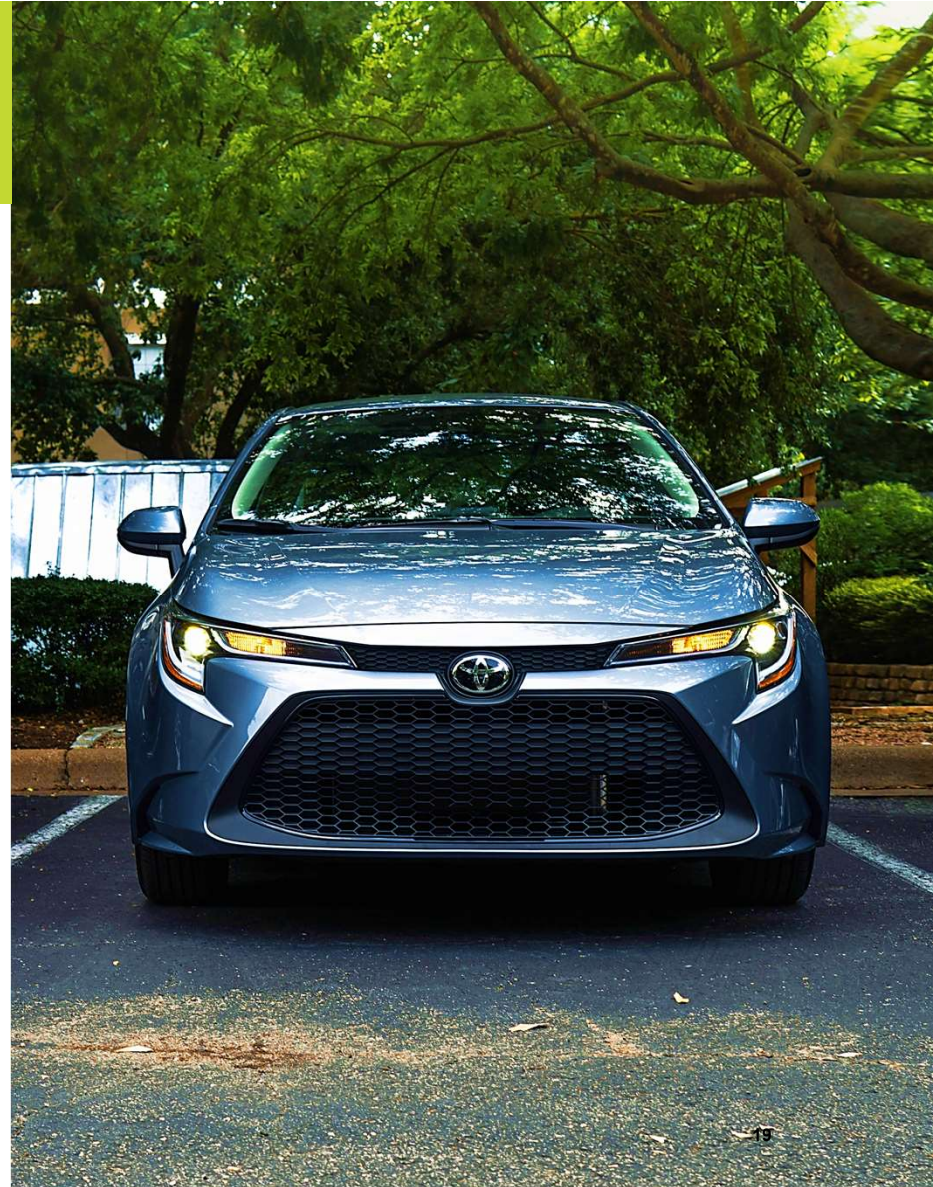


# Qual Insights

Quantitative learning about feature “turn-offs” was also rather consistent with the qualitative.

Consumers do not want to spending time reading generalized content that is not relevant to them. Specificity matters; keeping content local, customizing to customers’ vehicle states, and focusing content to that which is relevant to the dealerships’ residents.

- Promotional content that is not relevant to their needs comes across as insincere and “bot-like.” For example, consumers mentioned in the qualitative not wanting dealership offers for service just after they had their vehicle in for service. They did not want to be notified about inventory just after they purchased a new vehicle.
- The qualitative research helped us understand that simply announcing a presence in the community is not enough. However, hearing how a dealership’s sponsorship or involvement in the community *benefits that community*, carried more weight with consumers. In example, it is not enough to simply claim to be a proud member of the X community. It is more meaningful to consumers if a dealership provided scholarships to area children or hired a number of community teens.
- Similarly, to be more valuable to customers, a post-service thank you is more effective when it follows up on that customer’s particular vehicle and service record.



# Communication Method and Frequency



# Highlights

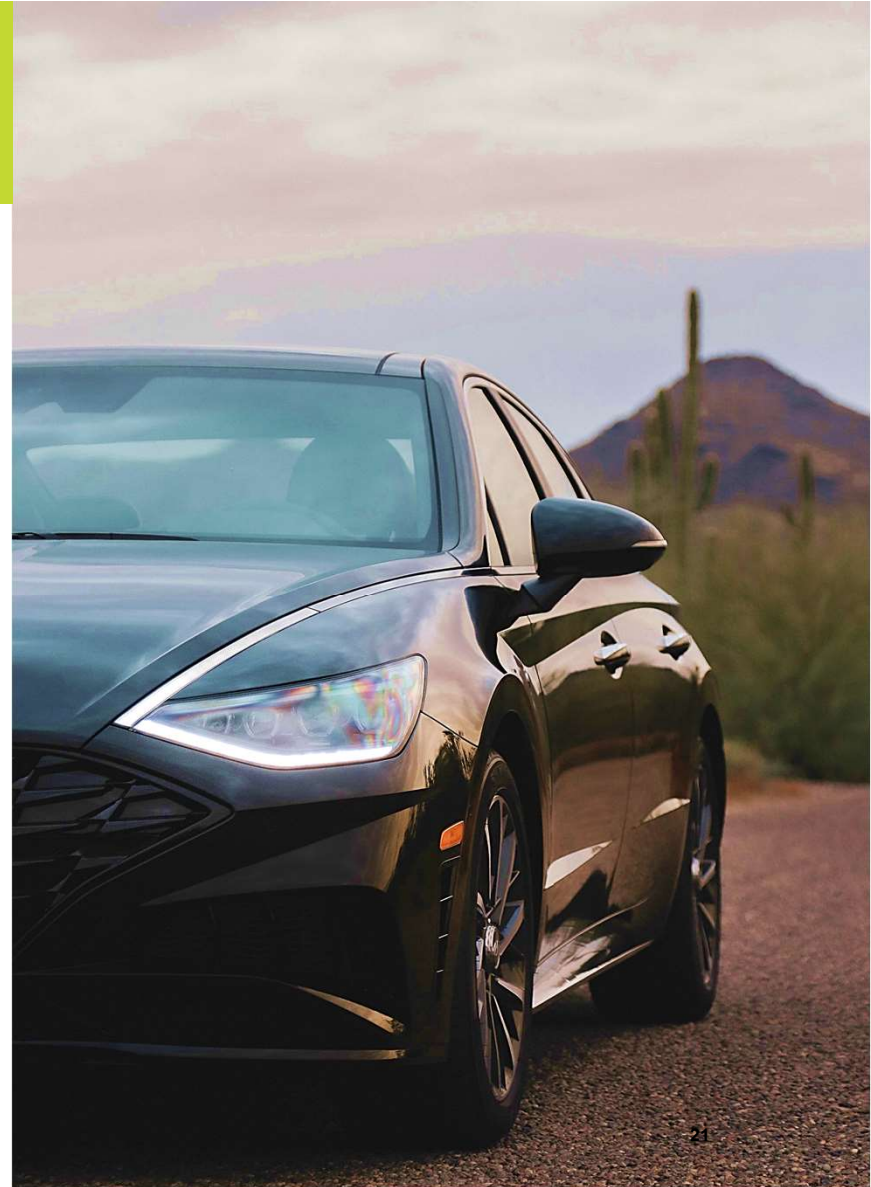
Customers have similar frequency preferences for both sales and service department communications methods (i.e., text, social media, postcards, and email).

However, customers are slightly less tolerant of **frequent** postcards.



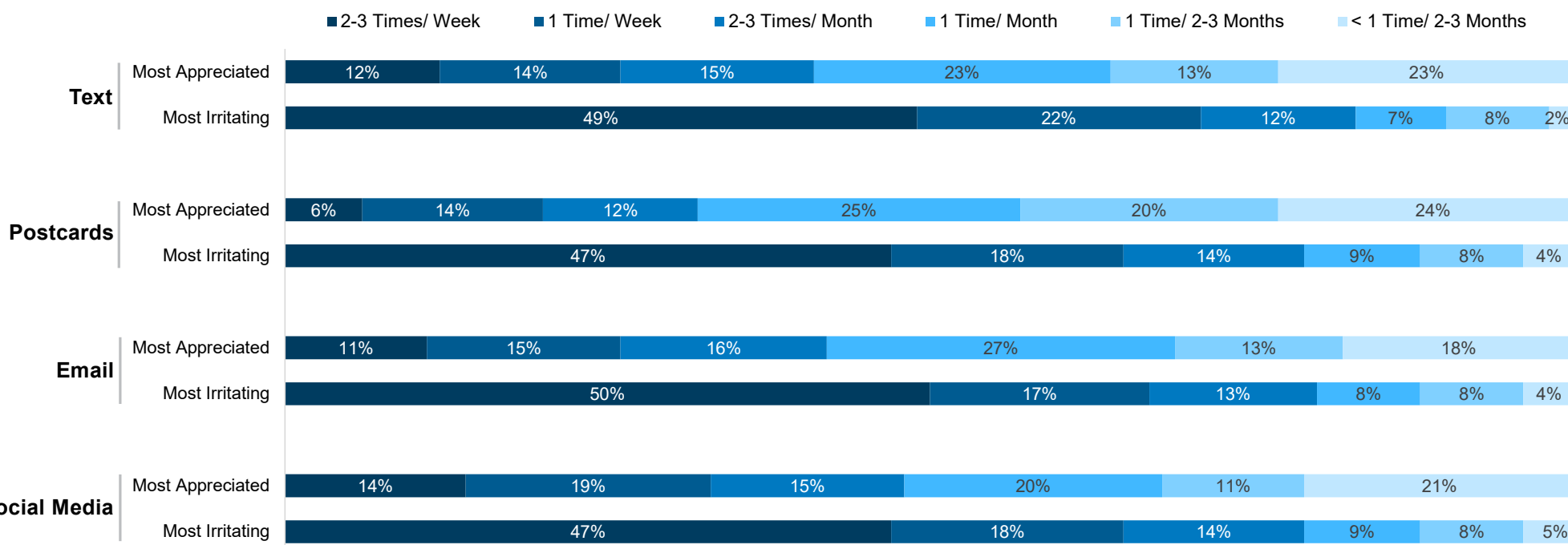
**Best frequency for communications: Once a month**

**Qual Insight:** The qualitative research indicated that postcards stand out to consumers, unlike the clutter of emails that they receive daily. Consumers like that they can take postcards in their car and keep them handy when they are visiting dealerships for sales or service.



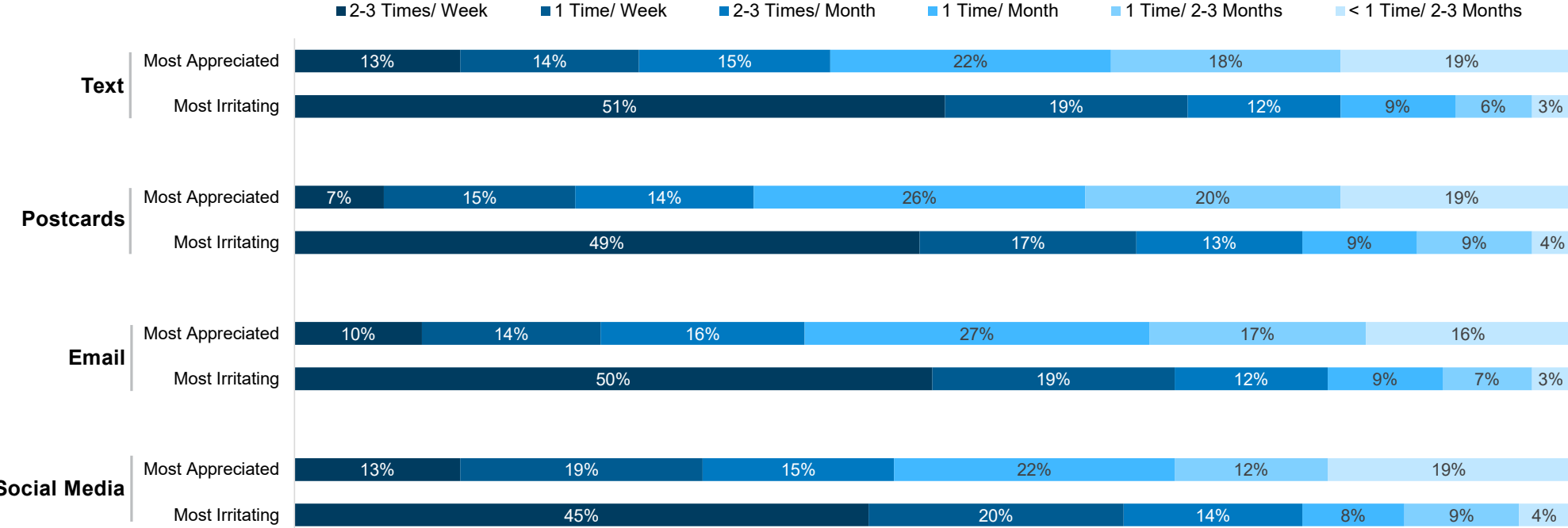
**Once a month is the best frequency for sales communications to minimize irritation (approx. 80% irritated if more frequent) and maximize appreciation (approx. 60% appreciate this frequency or less often). Results are similar across communication types, although customers, in general, are slightly less likely to appreciate frequent postcards than other communication types.**

Sales Department Communication Frequency Preference



**Service and sales department communication frequency preferences are similar. Once a month is the best frequency for communications to minimize irritation regardless of format (approx. 80% irritated if more frequent) and maximize appreciation (approx. 60% appreciate this frequency or less often).**

### Service Department Communication Frequency Preference



Base: All respondents who did not select "not applicable": Text: Appreciate n = 1,051; Irritating: n = 1,001; Postcards: Appreciate n = 1,040; Irritating n = 995; Email: Appreciate n = 1,100; Irritating n = 1,041; Social Media: Appreciate n = 824; Irritating n = 772; Question wording: Q320. Which of the following options for communication frequency from the dealership service department would you MOST APPRECIATE? Q325. Which of the following options for communication frequency from the dealership service department would you find MOST IRRITATING?

# Sales Department Insights

# Highlights - Sales Dept.



**Communication and trust can overcome bad experiences for many customers**

Communication can overcome bad experiences for **13%-40%** of customers

Luxury: **18%-35%**

Non-Luxury: **23%-40%**

Trust can overcome bad experiences for **22%-57%** of customers

Luxury: **44%-69%**

Non-Luxury: **19%-55%**

Preferences for communication frequency vary even for specific segments (e.g., luxury/non-luxury).



**Solution: Ask the customer their communication frequency preference.**

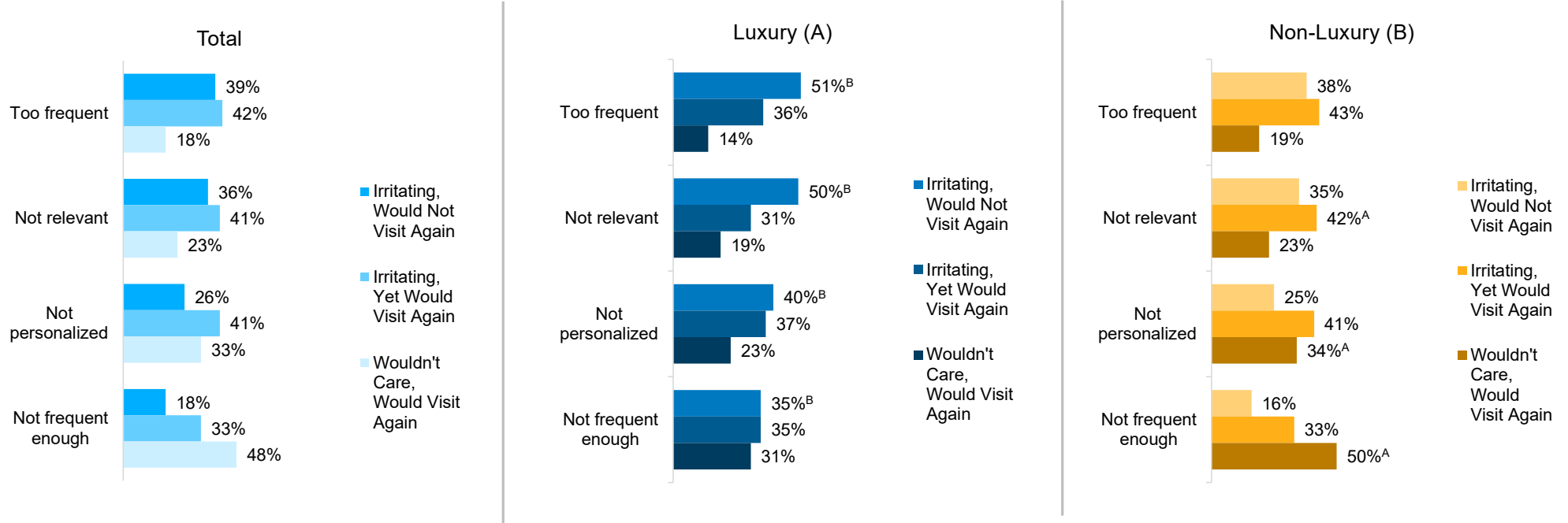
**Qual Insight:** The qualitative research indicated that building trust is critical yet complicated. Customizing both frequency and method of communication may assist in this effort without seeming insincere.



**Luxury car owners are more likely to be irritated by sales department communications to the degree that they will not visit again. Not having the right balance of frequency, either too frequent or not frequent enough is the top irritant that drives luxury shoppers was followed by a lack of relevance and lack of personalization.**

One-third of non-luxury car owners also find receiving communications too frequently irritating to the degree that they would not visit again, whereas if they aren't frequently enough 50% state they wouldn't care and would visit again.

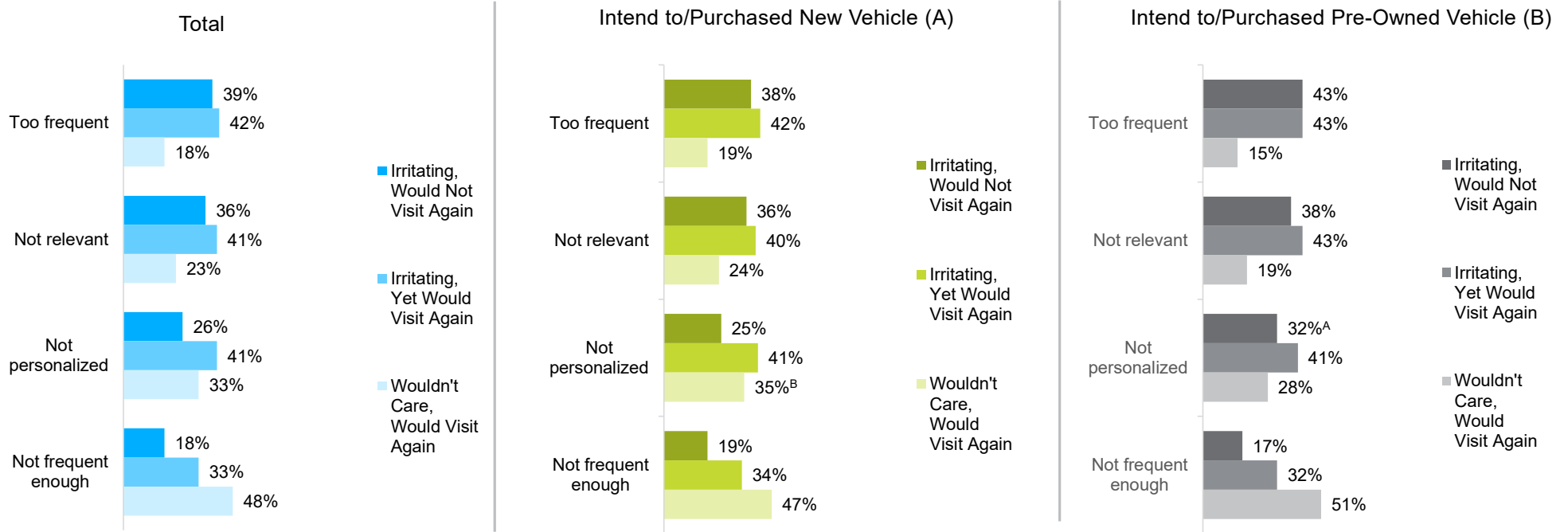
### Sales Department Communication Preference





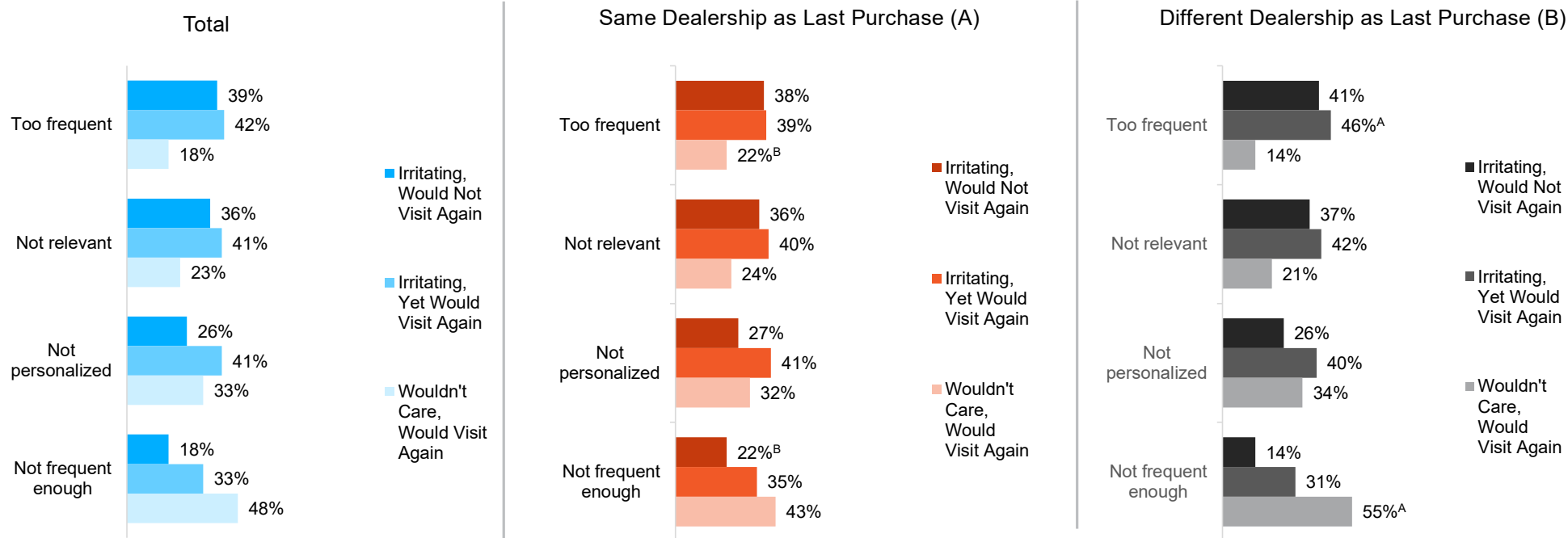
**Too frequent and a lack of relevance are the top irritants that would drive away both new vehicle and pre-owned customers. Pre-owned vehicle customers are more likely to be irritated to the point of not returning by communications that are not personalized than new vehicle customers.**

### Sales Department Communication Preference



# Customers who purchased from the same dealership are more likely to be irritated by communications, which are not frequent enough.

## Sales Department Communication Preference

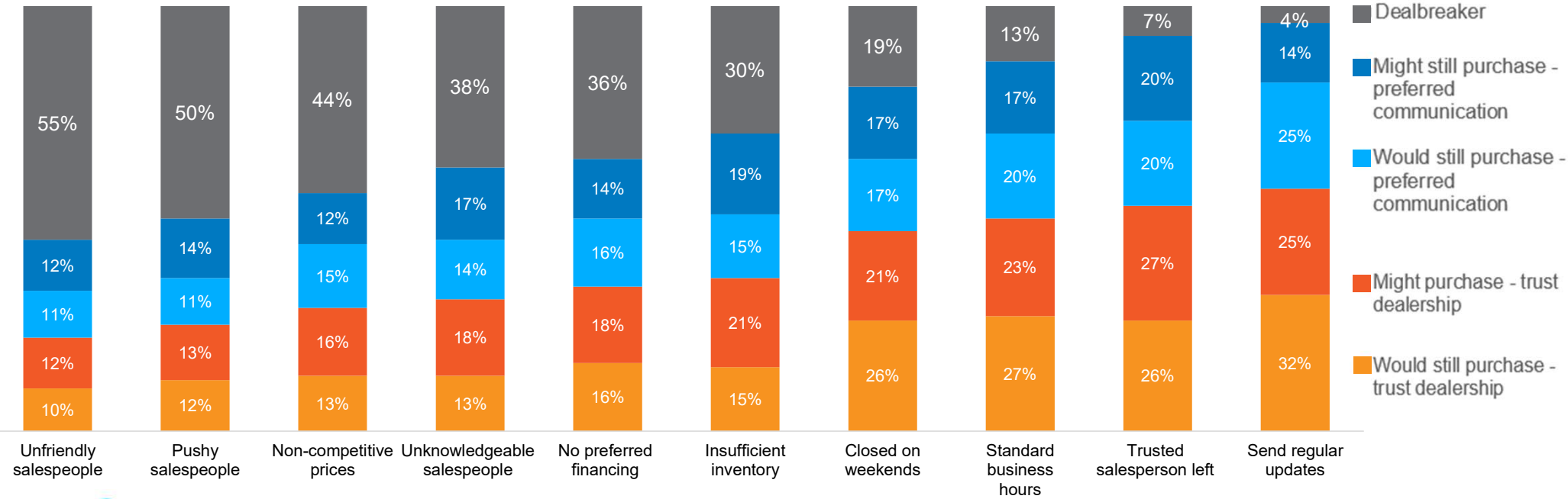


**Dealbreakers for at least half of customers are unfriendly or pushy salespeople. Dealbreakers for 30-44% of customers include non-competitive prices, unknowledgeable salespeople, no preferred financing, and insufficient inventory. Trust and communications can mitigate these issues for the other customers.**

Communications are most impactful for issues that customers are less bothered by. Approximately 40% of customers can be impacted by communications for standard business hours, trusted salesperson departed, and send regular updates. In contrast, approximately 25% of customers can be impacted by communications in response to unfriendly salespeople, pushy salespeople, and non-competitive prices.

3 of the top 4 dealbreakers are specific to salespeople. This speaks to the value of sales representative training and monitoring.

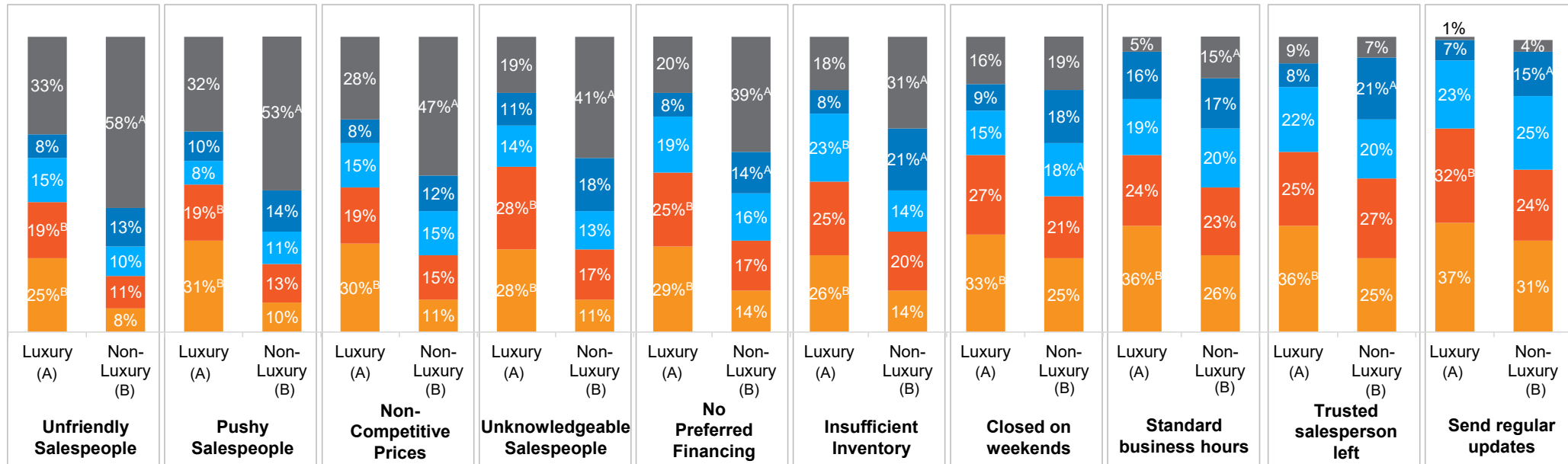
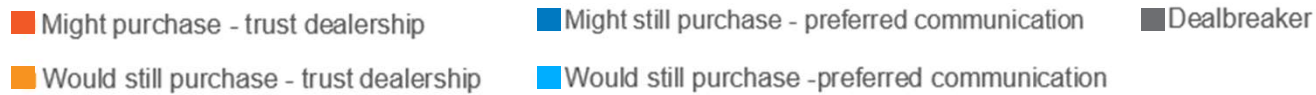
**Role of Communication and Trust in Service Department Experience**



# Non-luxury customers are more likely to consider poor experiences as dealbreakers than luxury customers. For luxury customers dealership trust is key.

Across all experiences, luxury customer are more likely to still purchase due to dealership trust than non-luxury customers. Non-luxury and luxury customers responded similarly regarding the potential of communication to impact plans to purchase after poor experiences, with a few exceptions: no preferred financing, insufficient inventory, trusted salesperson left, and send regular updates. In each of these cases, more non-luxury customers might still purchase due to preferred communication.

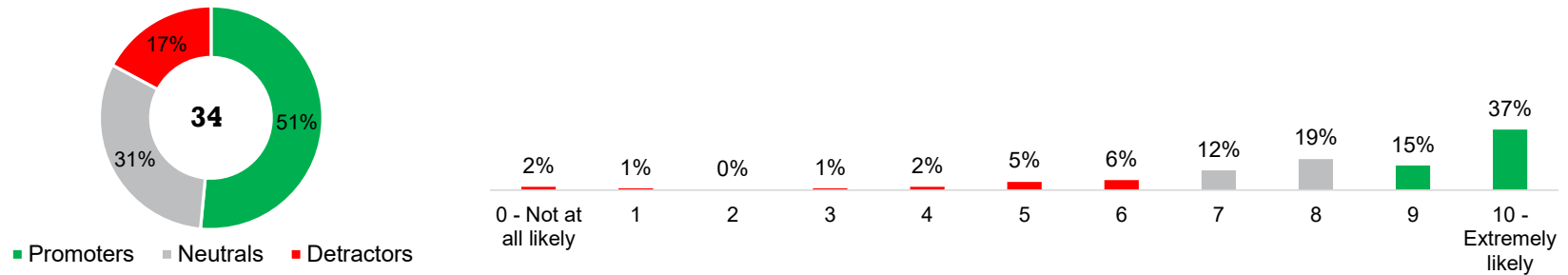
## Role of Communication and Trust in Sales Department Experience



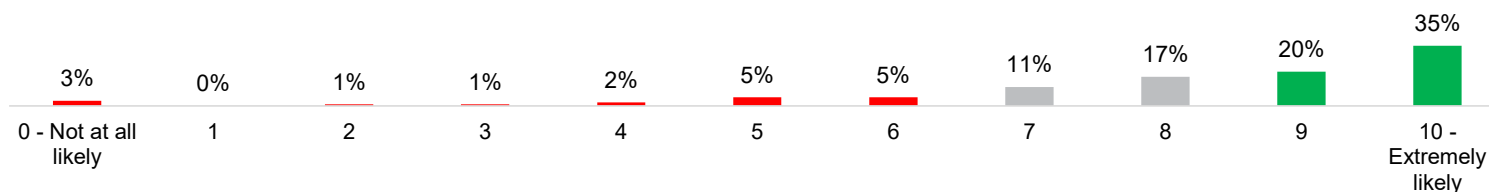
**The majority of recent buyers are promoters of the dealership they purchased from. NPS and likelihood to purchase another car from dealership are aligned. By focusing customer preferences for communications, likelihood to purchase another car should increase, as well as the NPS score.\***

Net Promoter scores range from -100 to 100. The score is negative when a company has more detractors than promoters, and positive when the opposite is true. 34 is a good score.

### Net Promoter Score: Likelihood to Recommend Dealership



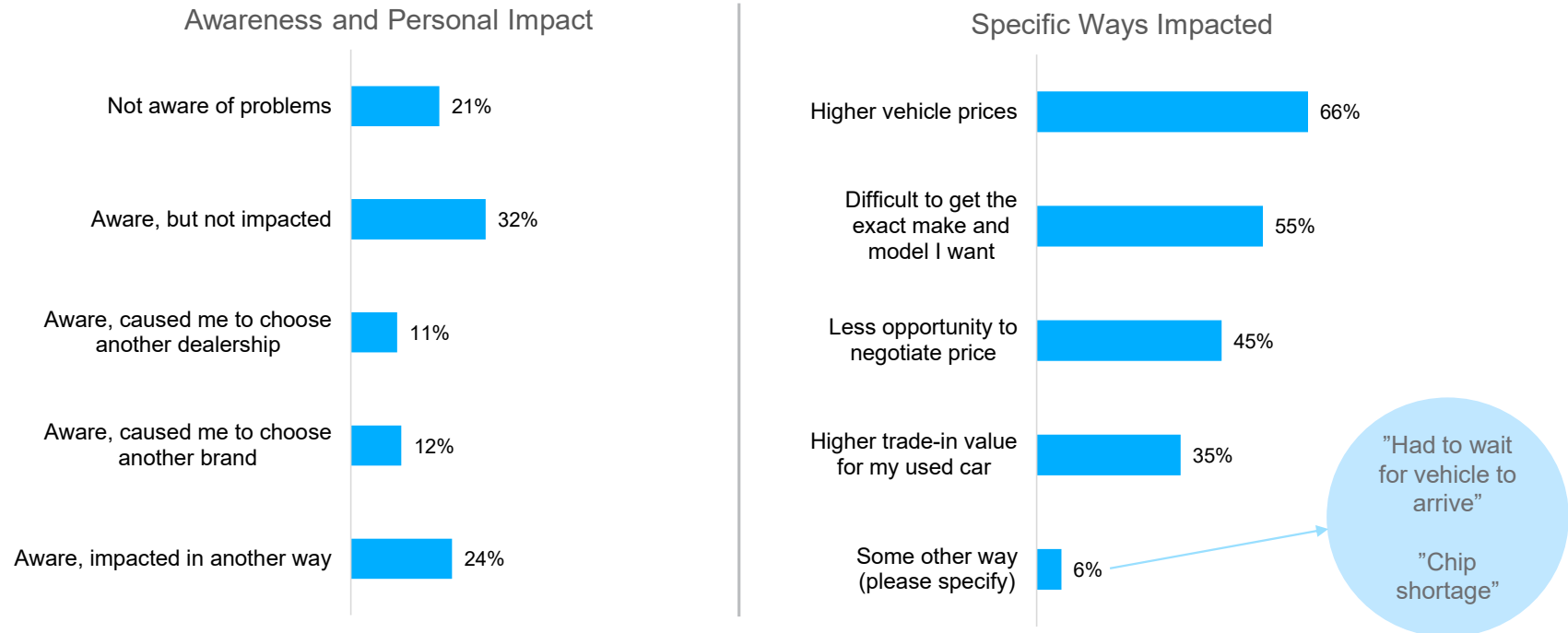
### Likelihood to Purchase Another Car from Dealership



**47% of customers have been impacted by supply chain problems with higher vehicle prices and difficulty in getting the exact make and model desired are the most common impacts experienced.**

An additional 32% are aware of the supply chain problems but have not been impacted by them.

### Supply Chain Problems

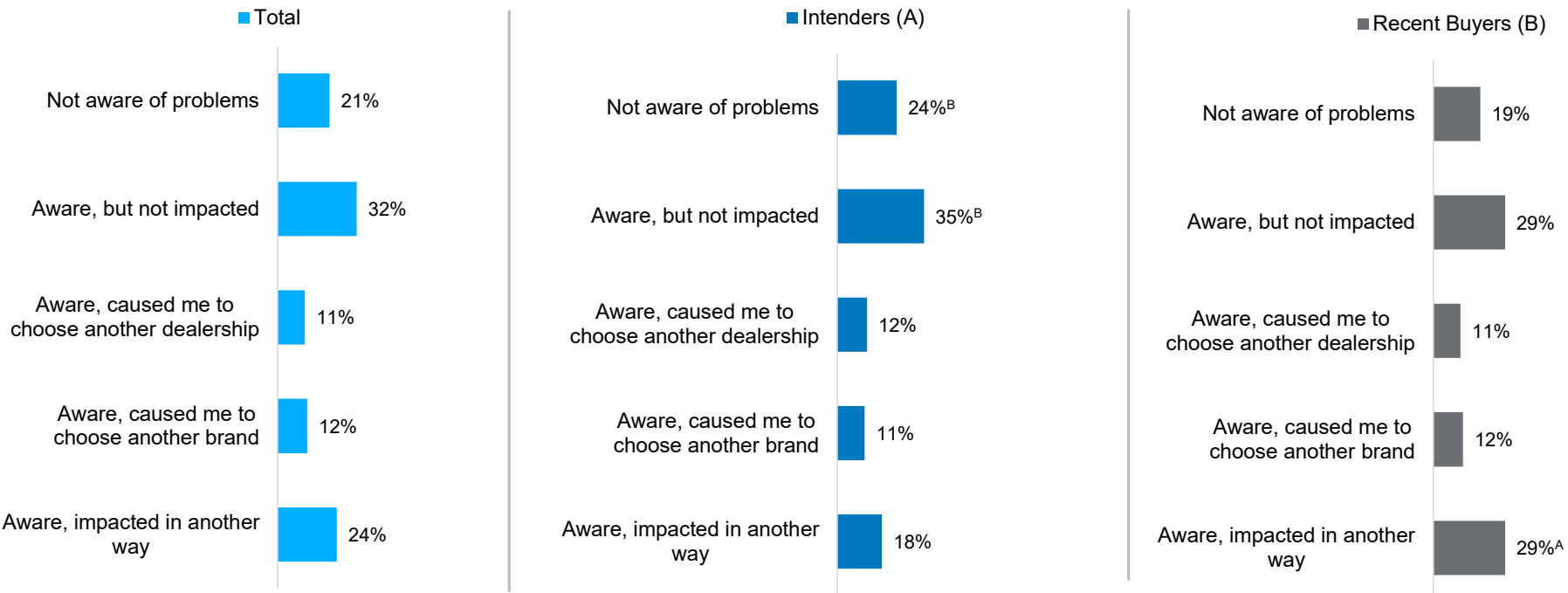




# Intenders are less likely to be aware of problems, and do not think they will be impacted as much as recent buyers were.

Buyers reflect what the market conditions and impacts are now while the intenders may not show as much of an impact because they are only in the planning stages and are yet to experience the supply chain problems.

Awareness and Personal Impact of Supply Chain Problems



Base: Total respondents n = 1,146; Intenders n = 532, Recent buyers n = 614. Question wording: Q465. Are you aware of any supply chain problems impacting the availability of cars? Intenders/Buyers S120. Which best describes you and your car/vehicle? I bought/leased the car I drive years ago and am actively shopping at auto dealerships to replace it (Intenders). I recently bought/lease a car I drive; in the past 6 months from an auto dealership (Buyers)

# Service Department Insights

# Highlights – Service Dept.

**Service department communication preferences are complex.**  
**Solution: Ask the customer their communication frequency preference.**

- Luxury car owners expect personalization (**42%**) and are irritated by receiving communications too frequently (**43%**) or not enough (**30%**) to the degree they will not visit again.
- Repeat customers are more likely to be irritated by service department communications not being personalized (**29%**) or frequent enough (**20%**).
- Pre-owned vehicle customers (**31%**) are more unlikely to revisit due to lack of personalization.

## Service department essentials:

**70%** Efficient service  
**69%** Expert staff  
**66%** Pricing up-front

**57%** of luxury car buyers expect more, e.g., service to be **open outside of business hours**, and **offer loaner cars**.

**Customers are likely to recommend and revisit for the same reasons.**

Likely to revisit:

**68%** Friendly staff  
**67%** Efficient service

Unlikely to revisit:

**38%** Length of service  
**31%** Being overcharged

Likely to recommend:

**64%** Friendly staff  
**62%** Service was efficient

Unlikely to recommend:

**37%** Length of service  
**29%** Poor communication

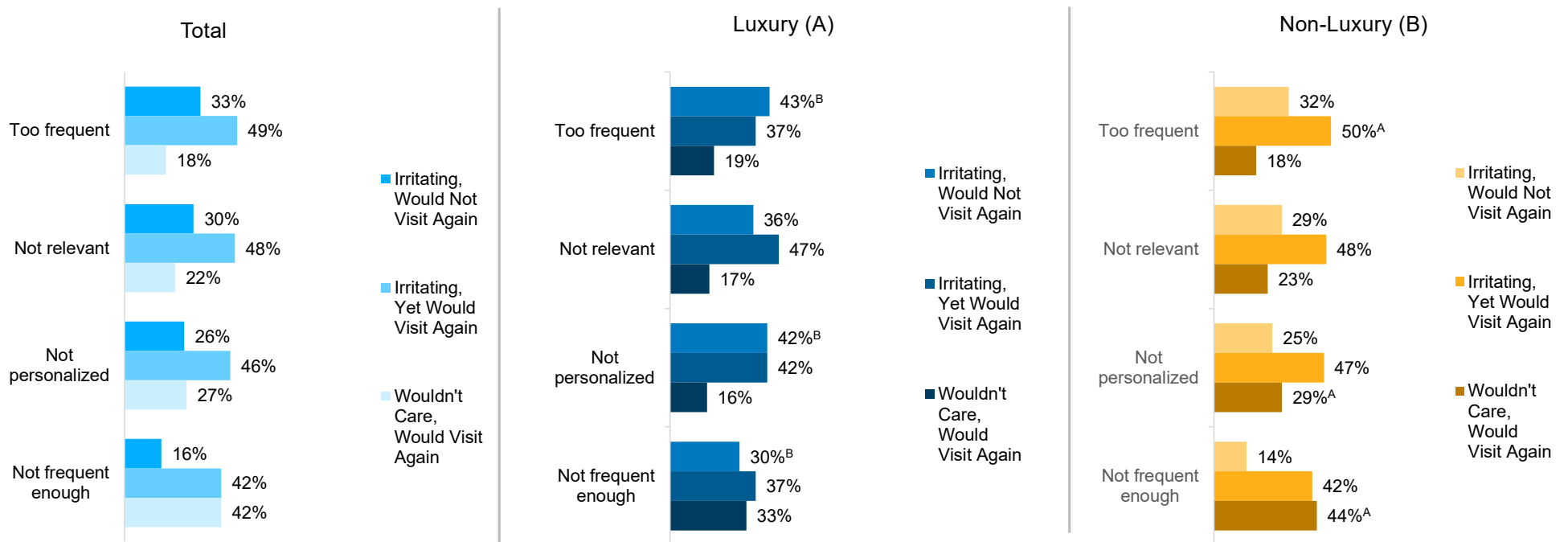


**Qual Insight:** The qualitative research indicated that establishing a casual and friendly rapport with customers begins building trust and confidence in the service department.

**Luxury car owners are more likely to be irritated by service department communications to the degree that they will not visit again. Frequency (primarily too often but also not being frequent enough), a lack of relevancy, and lack of personalization could all drive a luxury car customer away.**

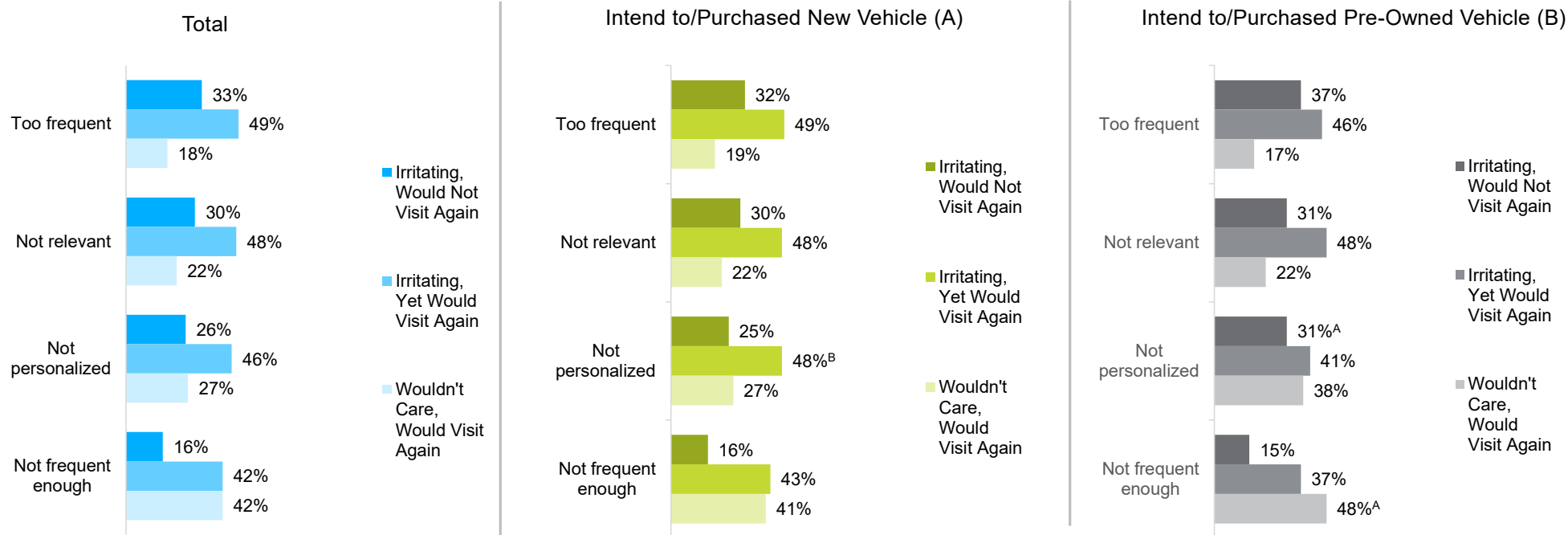
One-third of non-luxury car owners also find receiving communications too frequently irritating to the degree that they would not visit again, whereas if they aren't frequently enough 44% state they wouldn't care and would visit again.

**Service Department Communication Preference**



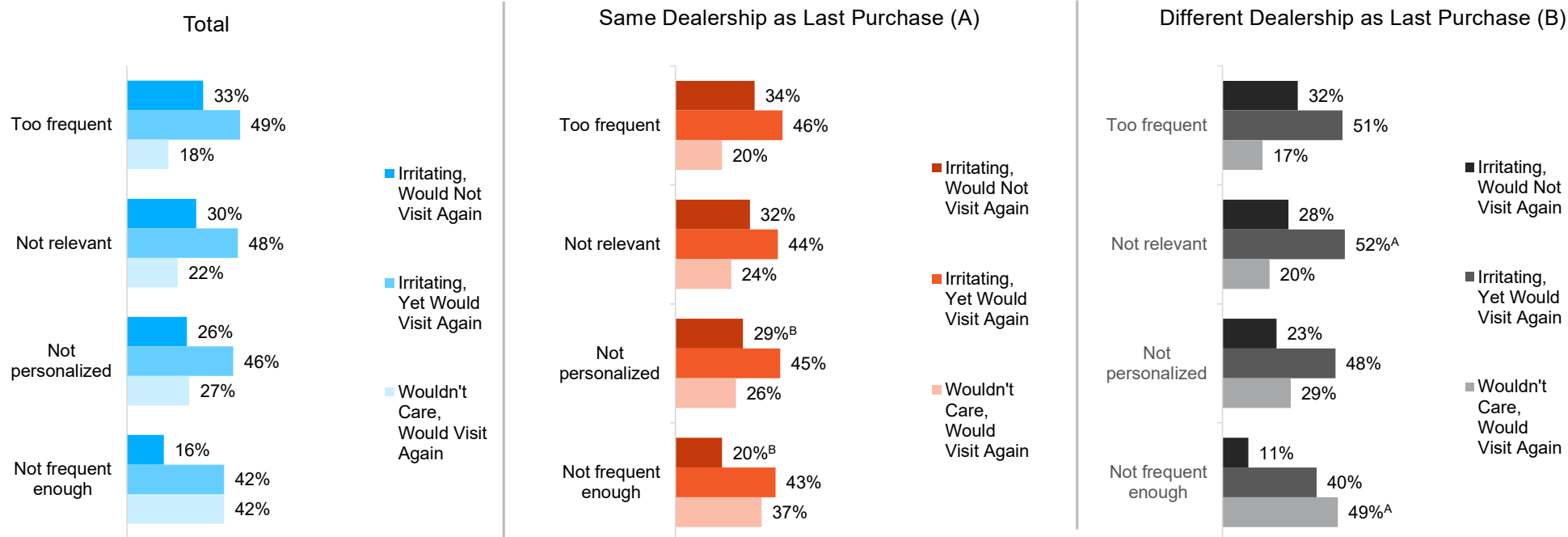
# Pre-owned vehicle customers are more likely to find lack of personalization irritating enough that they would not visit again.

## Service Department Communication Preference



**Repeat customers have unique communication needs. Those who recently purchased at the same dealership of their last vehicle purchase are more likely to be irritated by service department communications not being personalized or frequent enough. 20-29% of these customers would find it irritating enough to not visit again.**

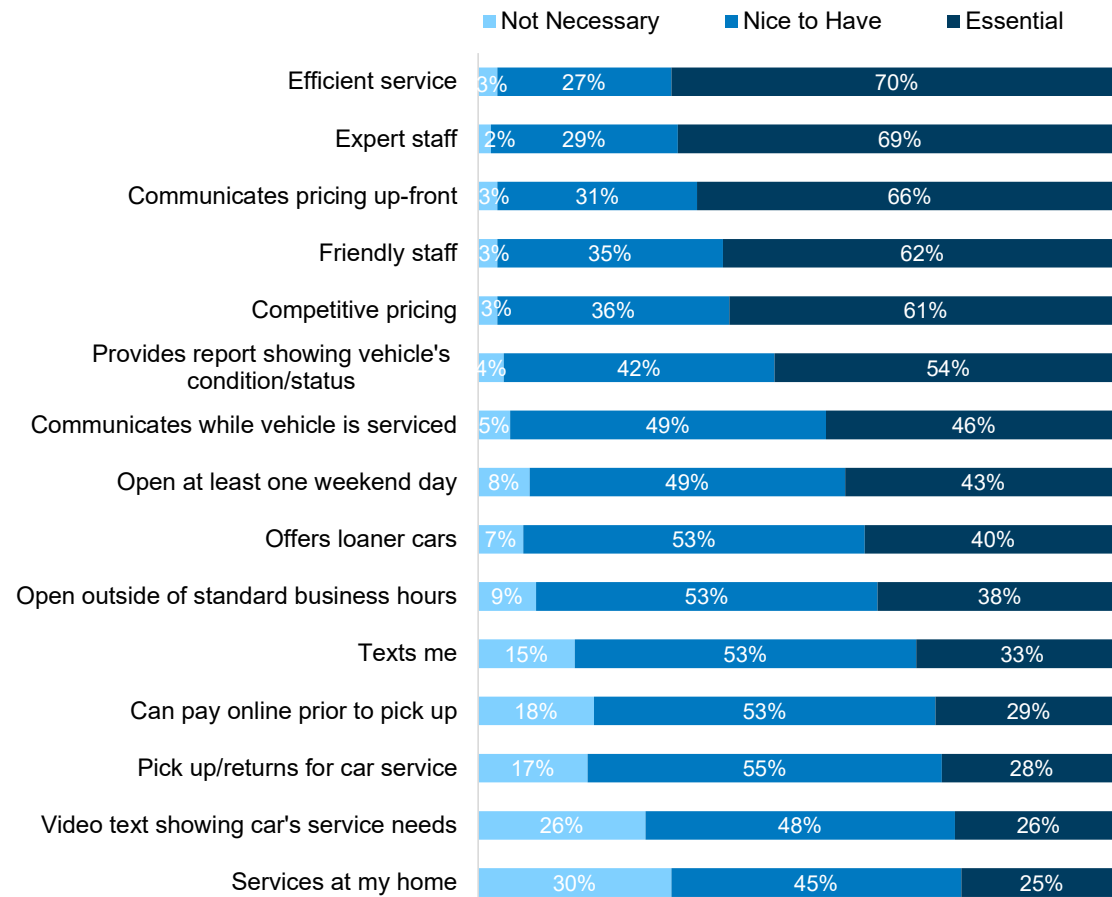
### Service Department Communication Preference



**Efficient service, expert staff, communicates pricing up-front, friendly staff, competitive pricing, and provides report showing vehicle's condition/status are the most important factors when visiting a dealership's service department.**

All factors were considered essential by at least one-quarter of respondents.

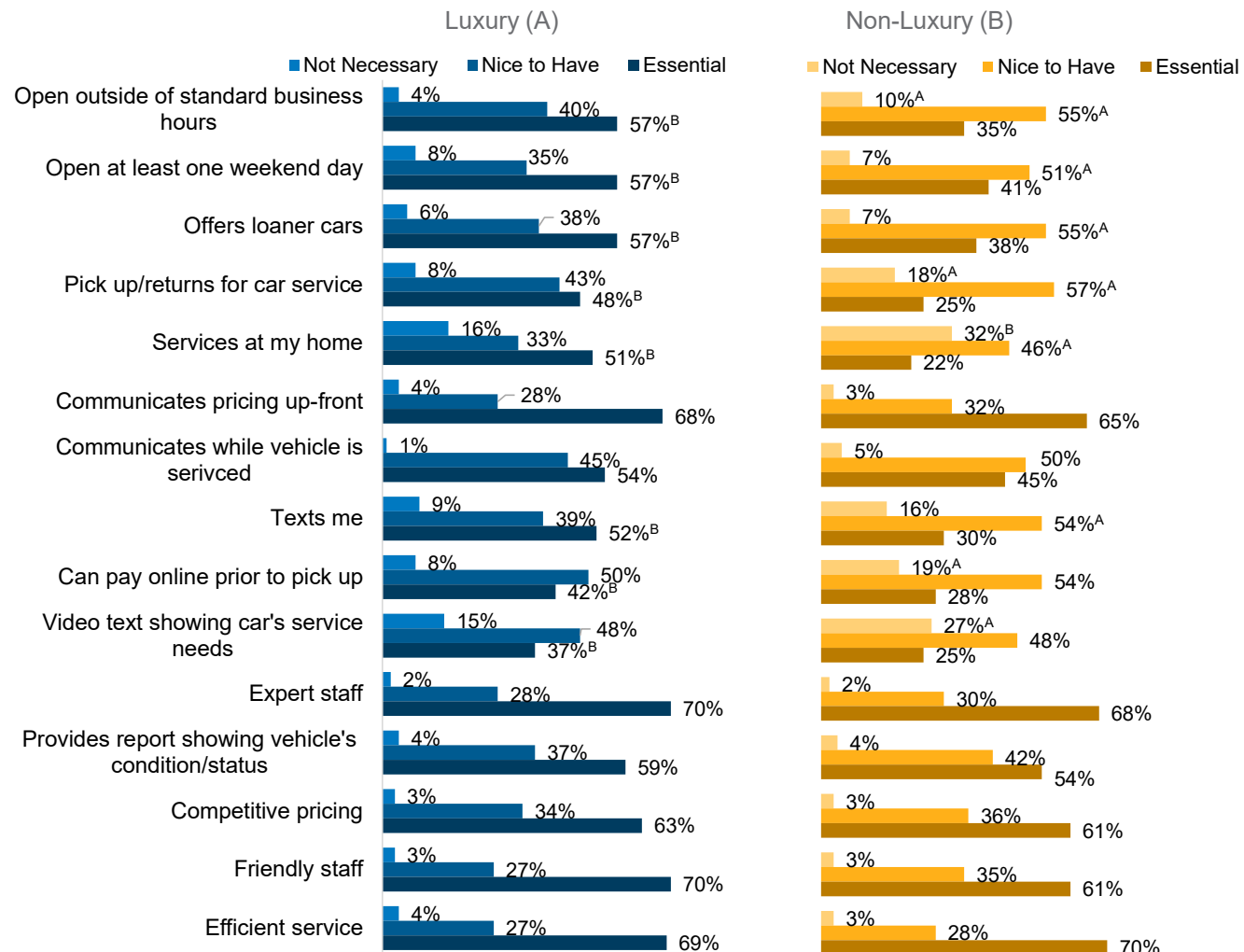
### Importance of Factors When Visiting a Service Department



**Luxury car buyers expect more when visiting a service department than non-luxury car buyers. For example, open outside of business hours and at least one weekday, offers loaner cars, and services at my home are all factors considered essential for luxury, but nice to have for non-luxury.**

However, all customers consider the basics as essential, such as communicates pricing up-front, expert staff, efficient service, friendly staff, competitive pricing.

## Importance of Factors When Visiting a Service Department

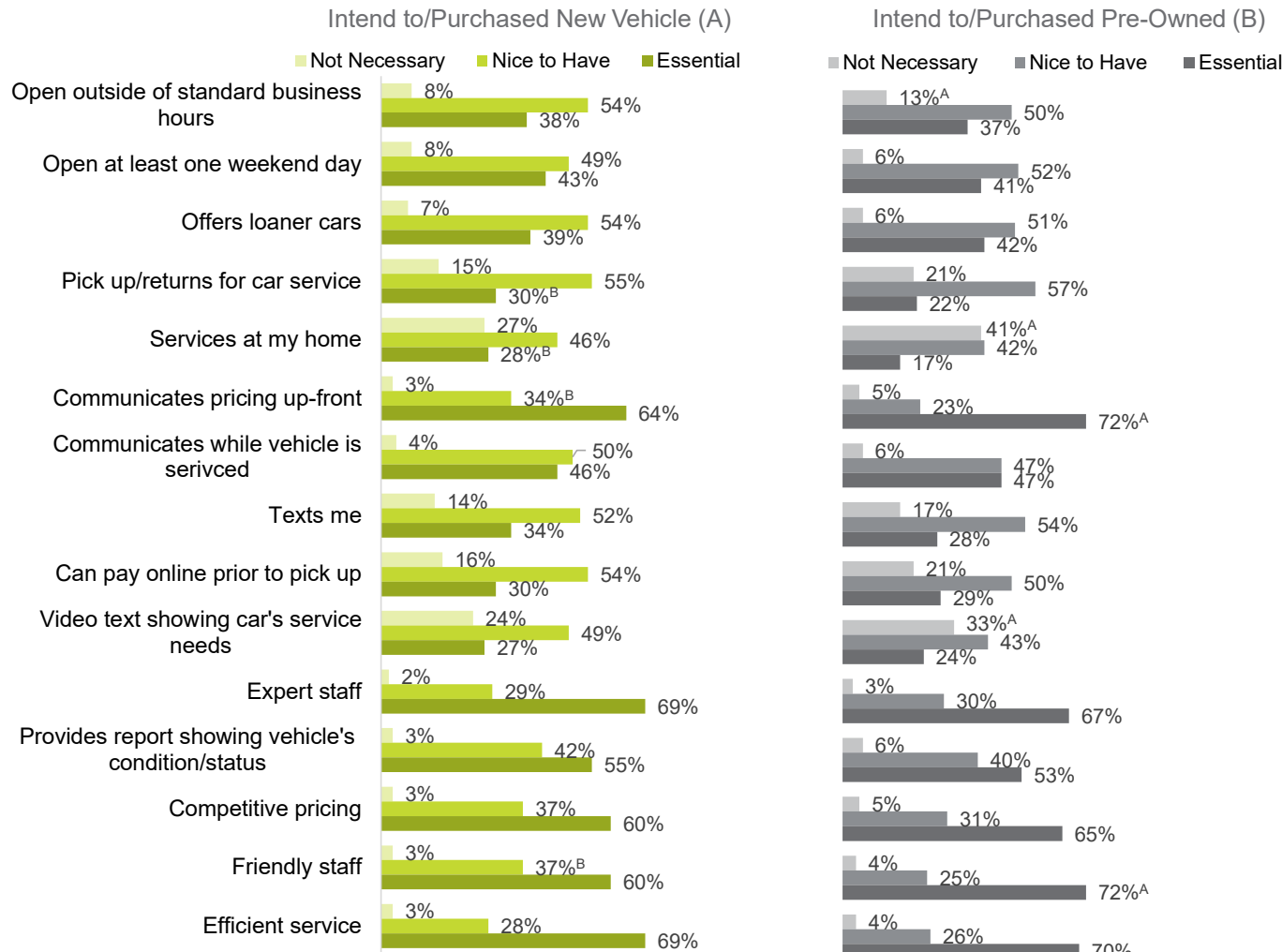


Base: Those who have visited a dealership's service department in the past 12 months. Luxury n = 106; Non-Luxury n = 767. Question Wording: Q510. When you visit a dealership's service department for either repair or maintenance of your vehicle, do you feel that the following factors are essential, nice to have, or not necessary? S160. What brand of car did you most recently purchase/lease? Respondents were provided a list of both luxury and non-luxury vehicles.



**Communicates pricing upfront and friendly staff are more essential to pre-owned vehicle customers.**

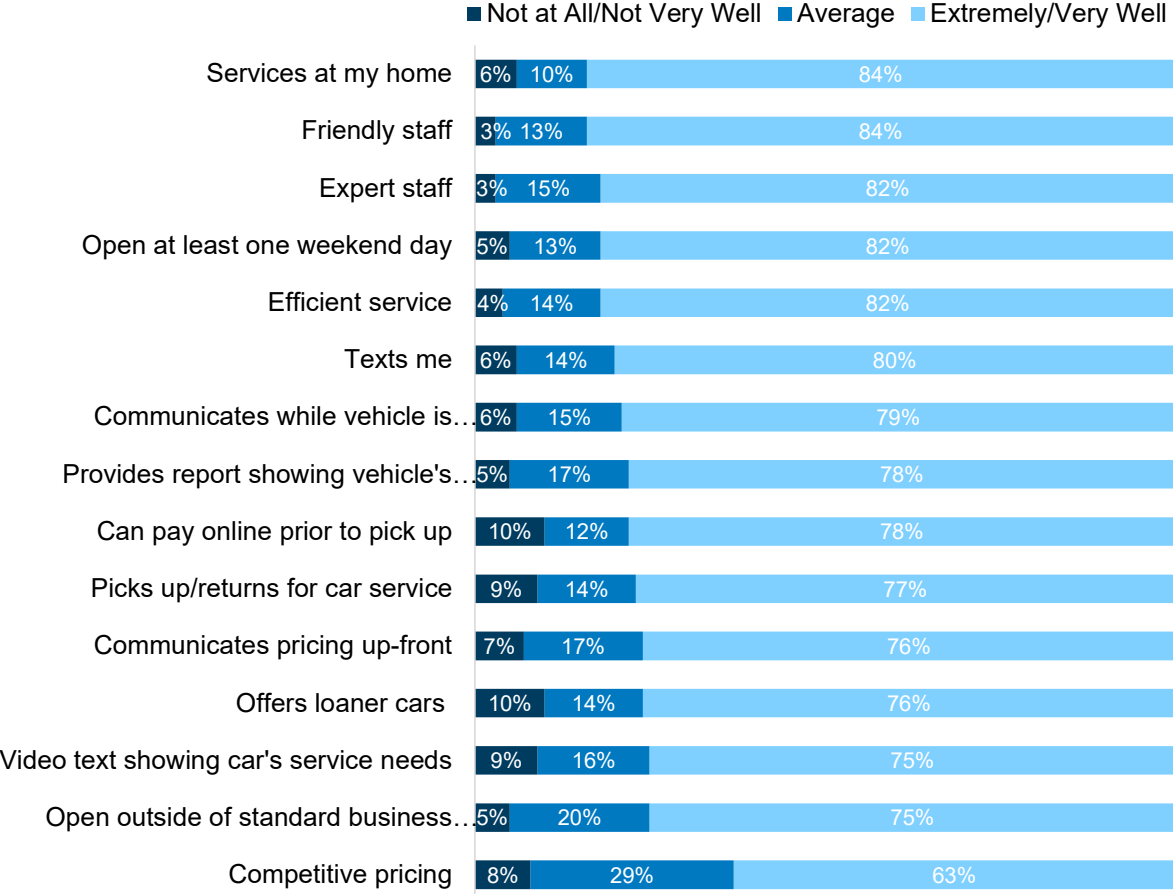
## Importance of Factors When Visiting a Service Department



Base: Those who have visited a dealership's service department in the past 12 months **New Vehicle** n = 680; **Pre-Owned** n = 193

Question Wording: Q510. When you visit a dealership's service department for either repair or maintenance of your vehicle, do you feel that the following factors are essential, nice to have, or not necessary? New/Used Vehicle: S155. Which best describes your new or used vehicle you bought at the dealership? S175. Which best describes the next vehicle you are looking to purchase at the dealership?

### How Essential Factors Met Expectations During Last Service

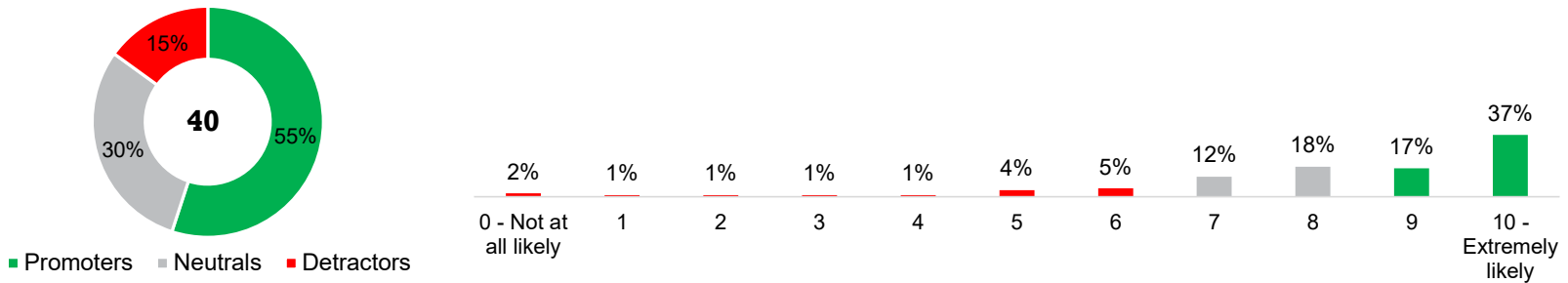


**Service expectations are being met very/extremely well.**

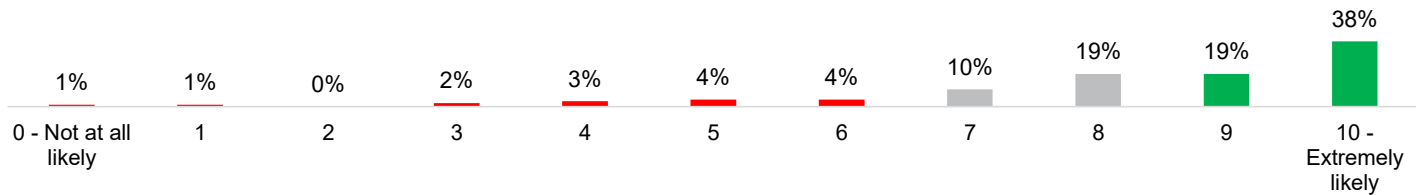
**For those who have visited a dealership service department in the last 12 months, 55% are promoters. NPS closely aligns to likelihood to revisit the service department. By focusing on customer preferences for communications, likelihood to revisit and the NPS score should both increase.\***

Net Promoter scores range from -100 to 100. The score is negative when a company has more detractors than promoters, and positive when the opposite is true. 40 is a good score.

**Net Promoter Score: Likelihood to Recommend Service Department:**



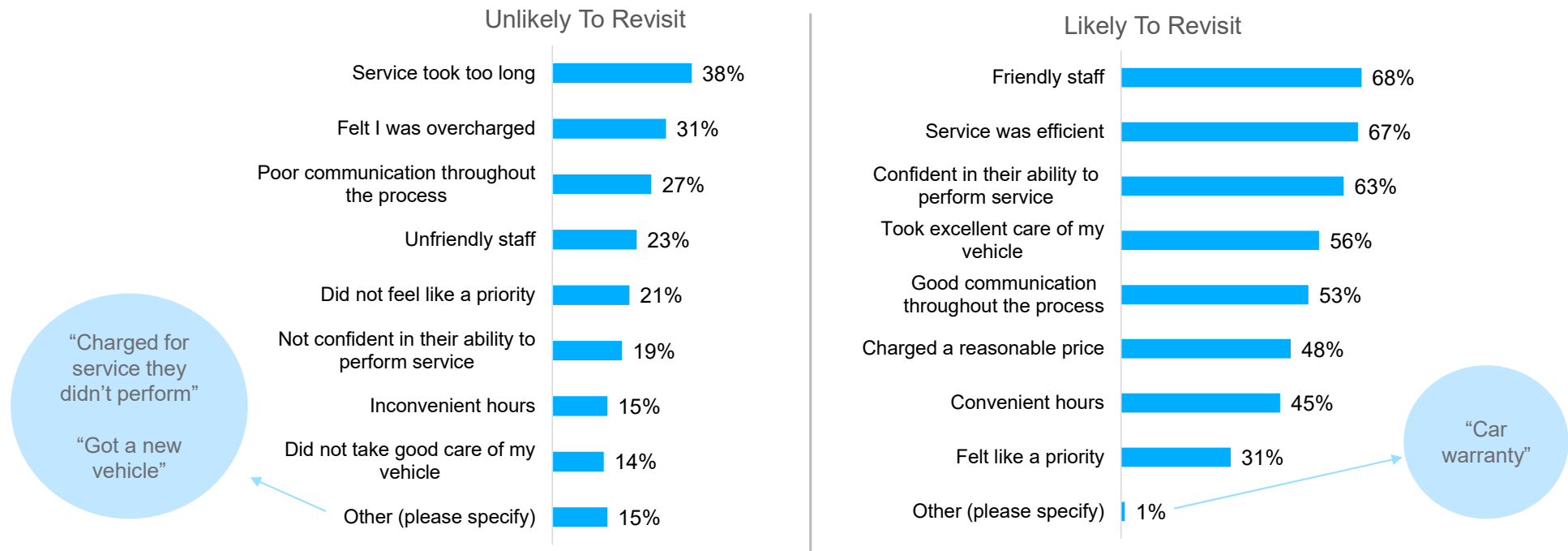
**Likelihood to Revisit Service Department**



**The majority of customers are likely to revisit the service department due to friendly staff, efficient service, confidence in their ability to perform service, belief that they took excellent care of their vehicle, and good communication throughout the process.**

Service taking too long and being overcharged are the top two reasons customers are likely to not revisit. For those who responded that poor communication is the reason they are unlikely to revisit, if the customers were better communicated with it might also have reduced the impact of service taking too long.

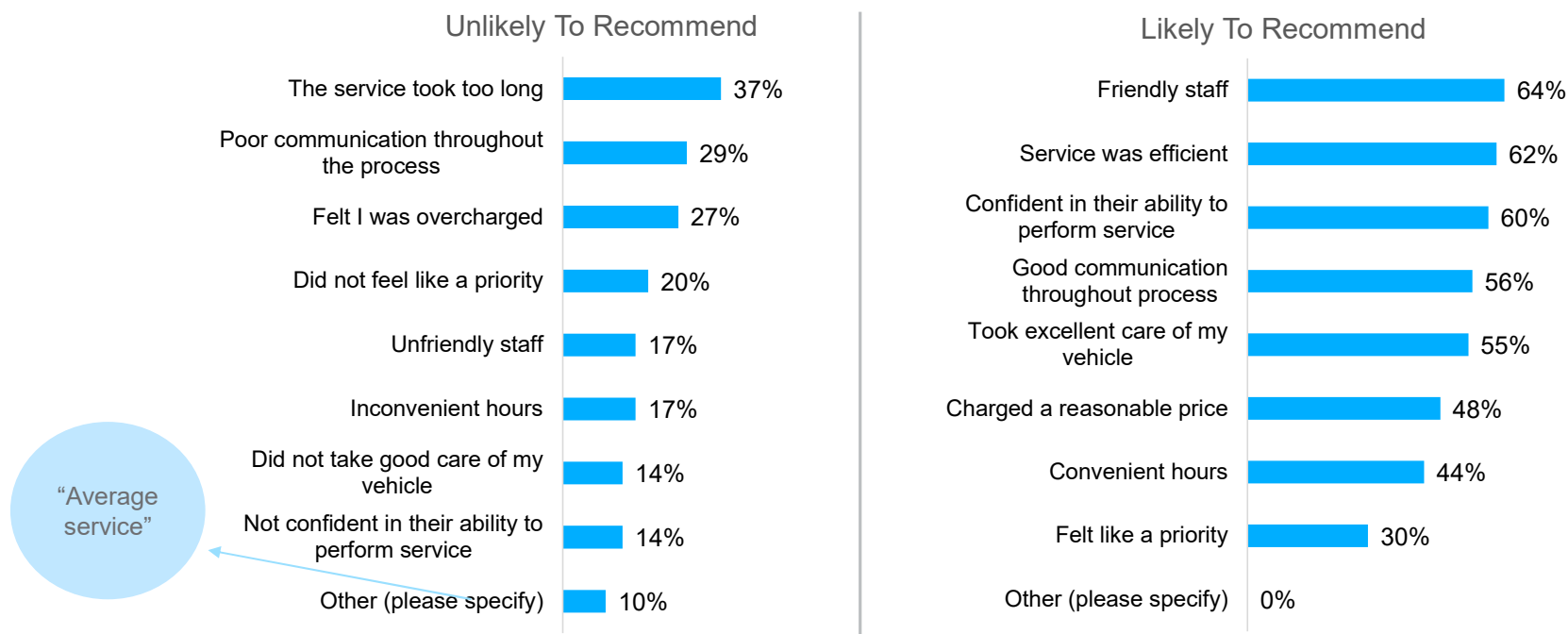
### Likelihood to Revisit Service Department Reason



**Similarly, to likelihood to revisit, the majority of customers are likely to recommend the service department due to friendly staff, efficient service, confidence in their ability to perform service, belief that they took excellent care of their vehicle, and good communication throughout the process.**

Service taking too long and poor communication are the top two reasons customers are likely to not recommend.

### Likelihood to Recommend the Service Department Reason



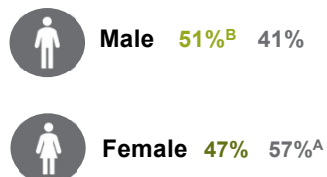
# Appendix



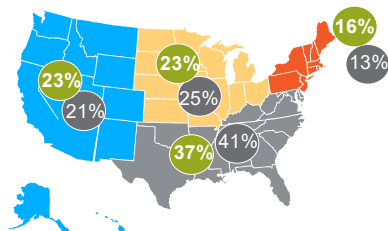
# Sample Snapshot

■ Intend to/Purchased New Vehicle (A) ■ Intend to/Purchased Pre-Owned Vehicle (B)

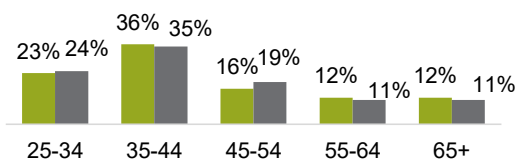
## Gender



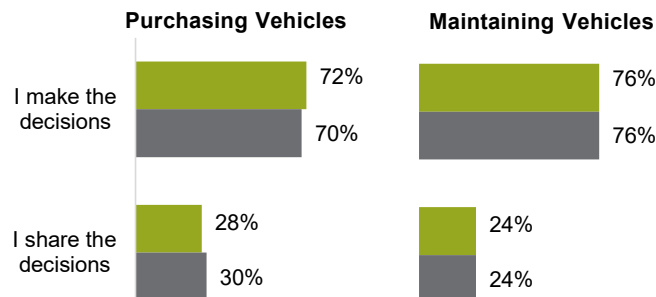
## Region



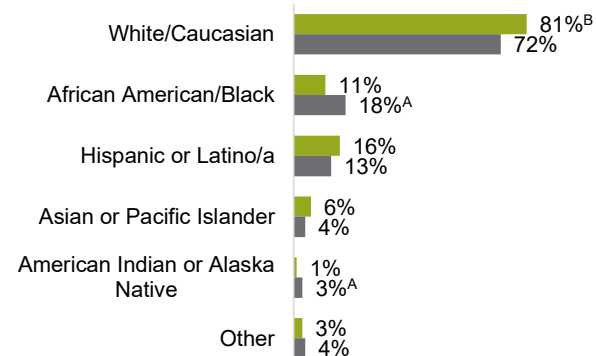
## Age



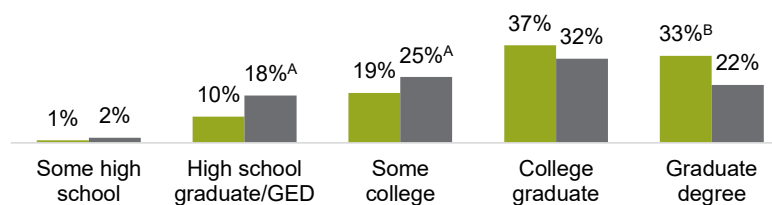
## Decision Influence



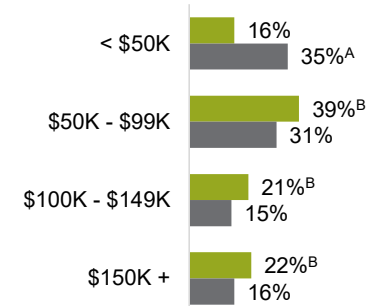
## Race/Ethnicity



## Education



## Income

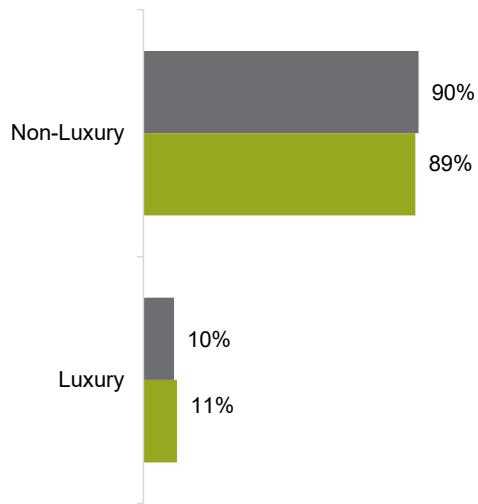




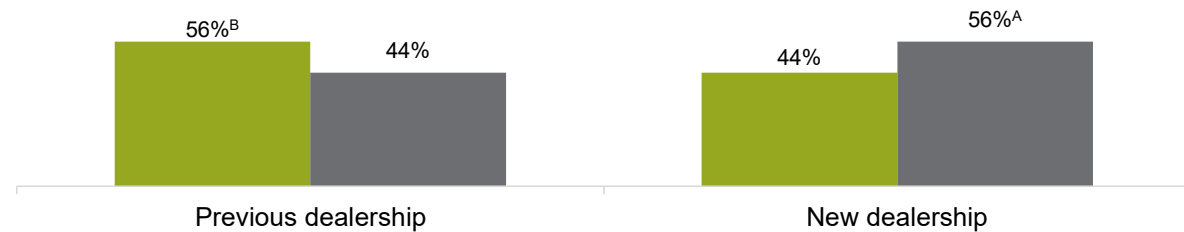
# Sample Snapshot

■ Intend to/Purchased New Vehicle (A) ■ Intend to/Purchased Pre-Owned Vehicle (B)

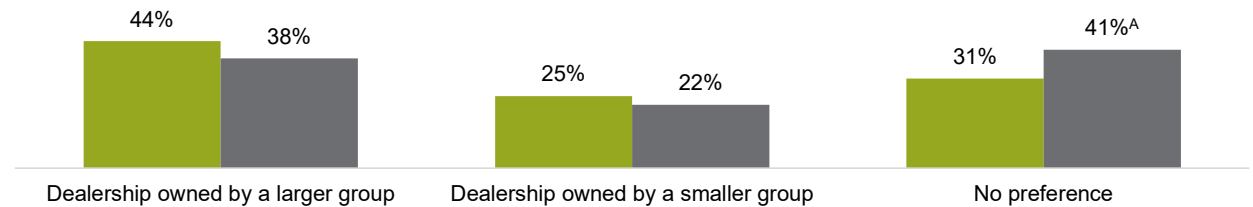
## Most Recent Purchase/Lease



## Repurchased/Intend to Repurchase from Previous Dealership



## Preferred Dealership Type

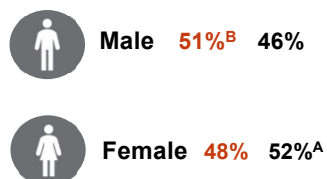




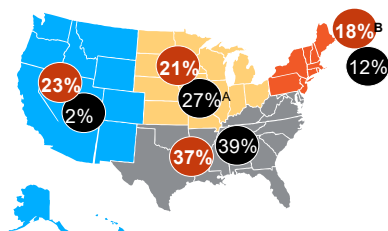
# Sample Snapshot

■ Same Dealership as Last Purchase (A) ■ Different Dealership as Last Purchase (B)

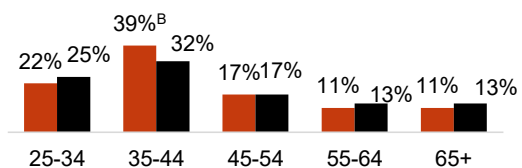
## Gender



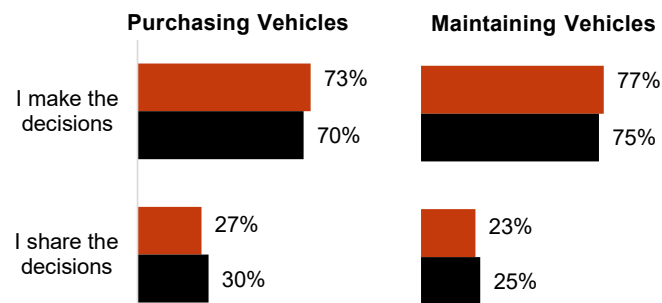
## Region



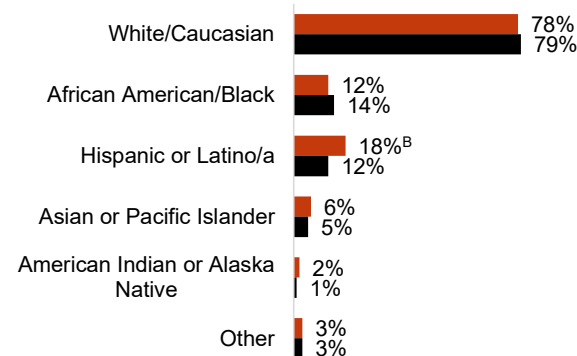
## Age



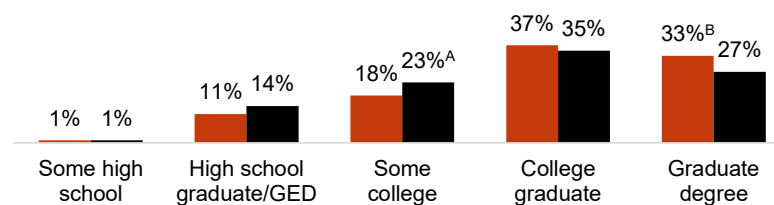
## Decision Influence



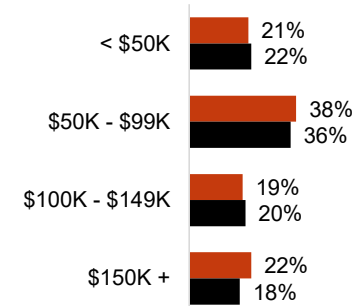
## Race/Ethnicity



## Education



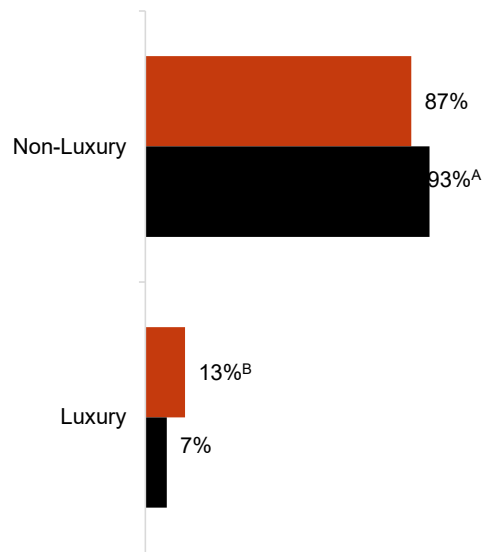
## Income



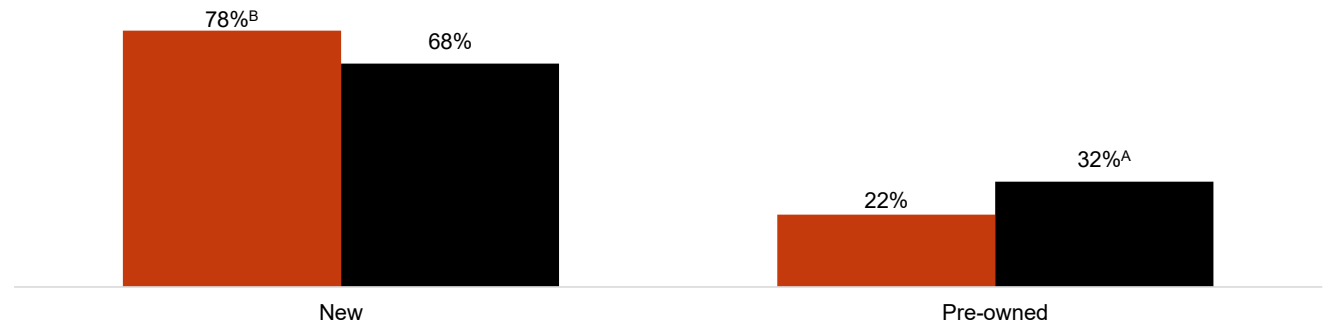
# Sample Snapshot

■ Same Dealership as Last Purchase (A) ■ Different Dealership as Last Purchase (B)

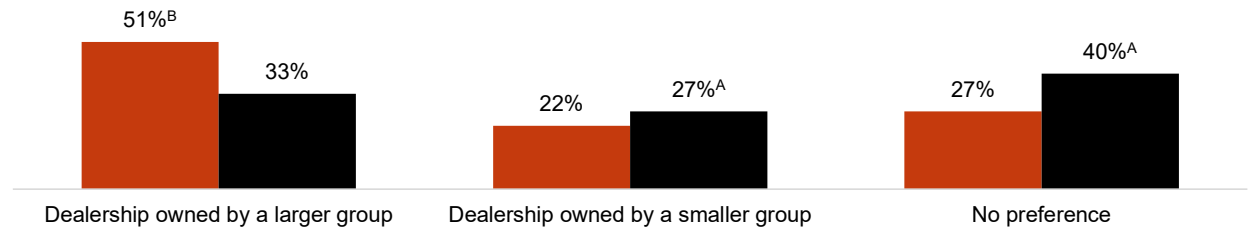
## Most Recent Purchase/Lease



## Vehicle Purchased/Leased



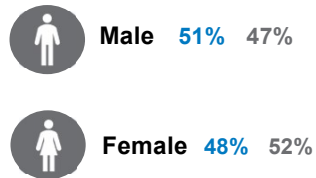
## Preferred Dealership Type



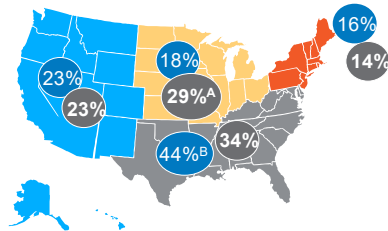
# Sample Snapshot

■ Intenders (A) ■ Recent Buyers (B)

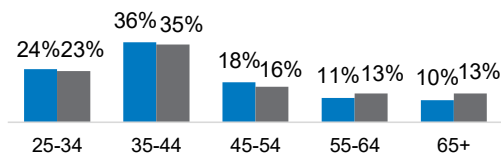
## Gender



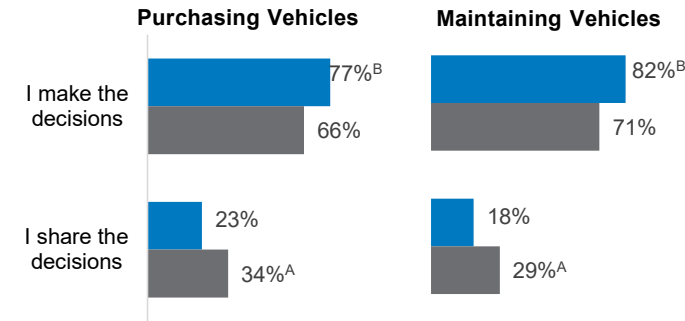
## Region



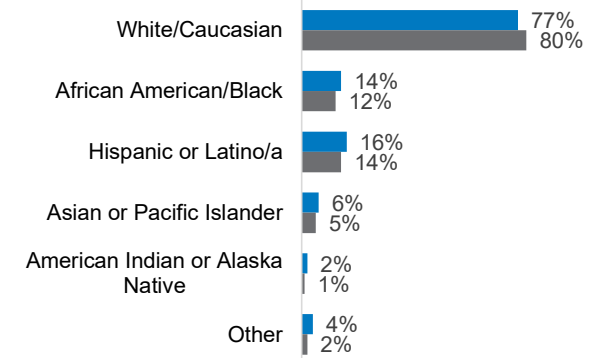
## Age



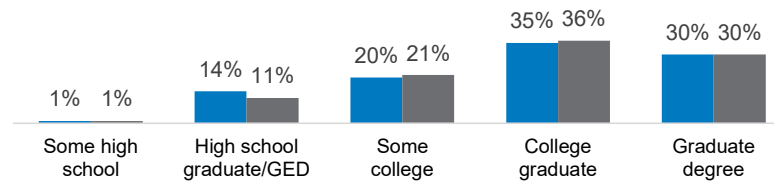
## Decision Influence



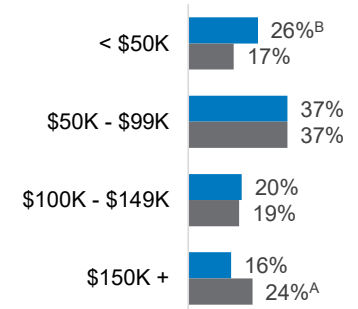
## Race/Ethnicity



## Education



## Income

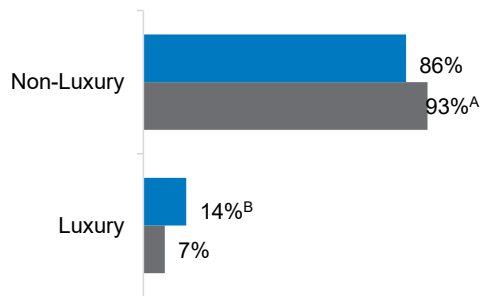


Bases: Recent buyers n = 613, Intenders n = 532  
 Question Wording: **Gender:** S105. Which of the following best describes your gender? **Region:** S110. What is your zip code? **Age:** S100. To start, what is your age? **Decision Influence:** S125. Which of the following statements best describes you when purchasing a vehicle? S130. Which of the following statements best describes you when maintaining a vehicle? **Race/Ethnicity:** D15a. Are you of Hispanic or Latin(X) origin? D15b. Which of the following best describes your race? Select all that apply. **Education:** D05. What is the highest level of education you have received? **Income:** D10. Which of the following ranges includes your annual household income before taxes? **Intenders/Buyers S120.** Which best describes you and your car/vehicle? I bought/leased the car I drive years ago and am actively shopping at auto dealerships to replace it. (Intenders). I recently bought/lease a car I drive, in the past 6 months from an auto dealership (Buyers).

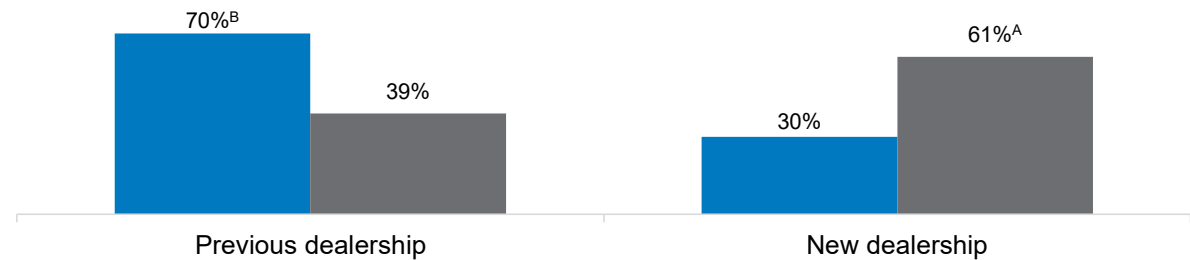
# Sample Snapshot

Intenders (A) Recent Buyers (B)

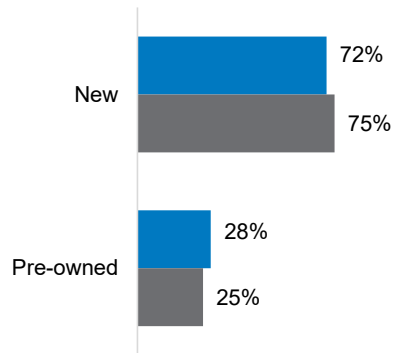
## Most Recent Purchase/Lease



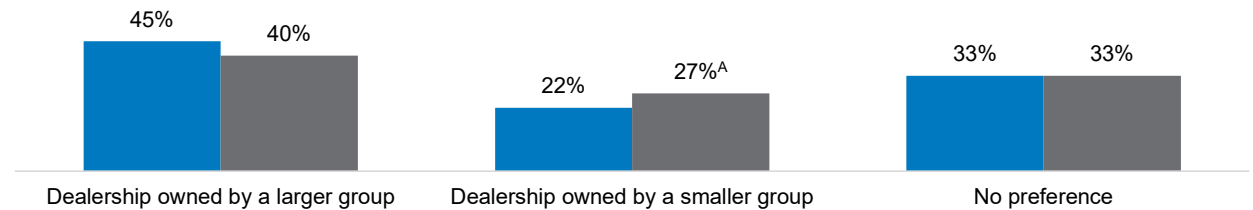
## Repurchased/Intend to Repurchase from Previous Dealership



## Vehicle Purchased/Leased



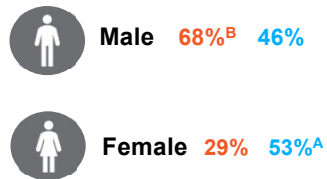
## Preferred Dealership Type



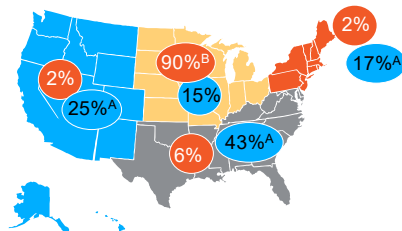
# Sample Snapshot

Outsell Customers (A) Customers (B)

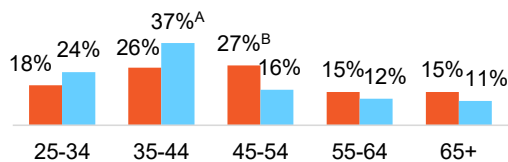
## Gender



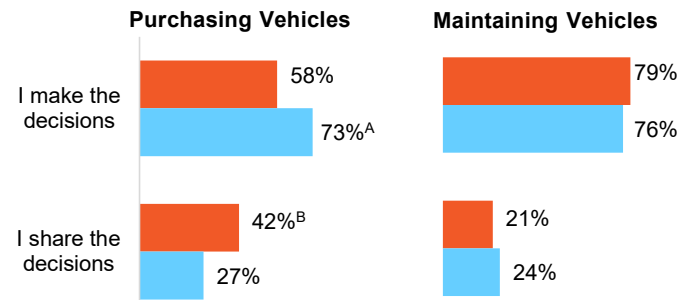
## Region



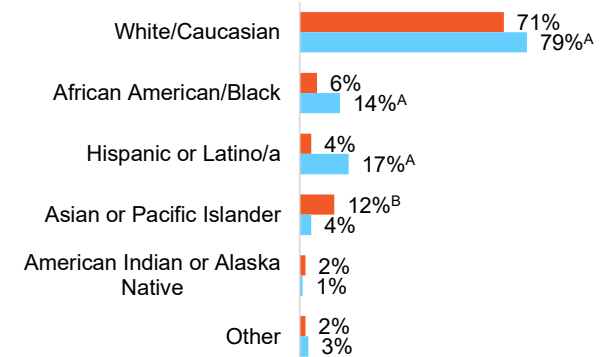
## Age



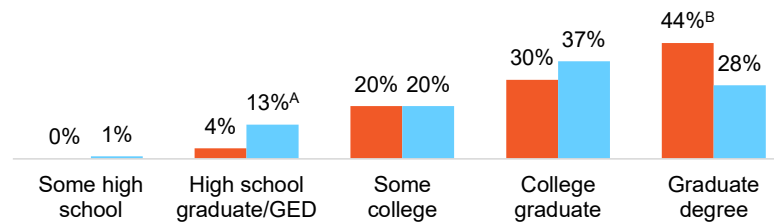
## Decision Influence



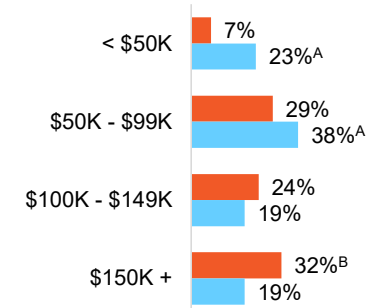
## Race/Ethnicity



## Education



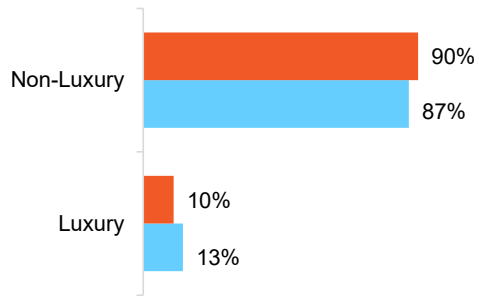
## Income



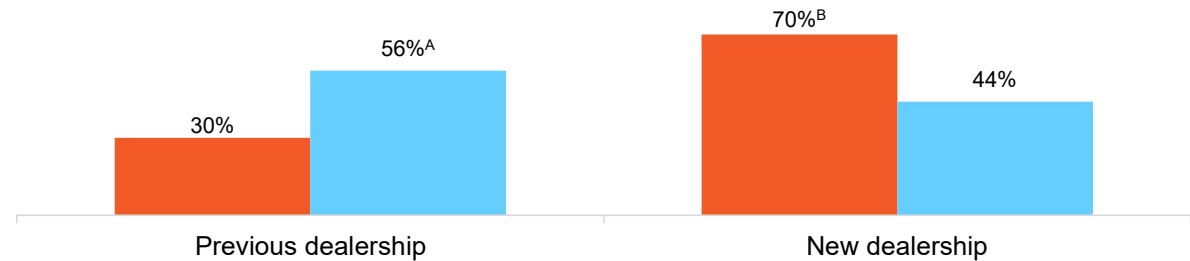
# Sample Snapshot

Outsell Customers (A) Customers (B)

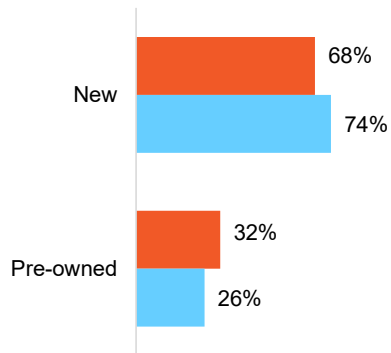
### Most Recent Purchase/Lease



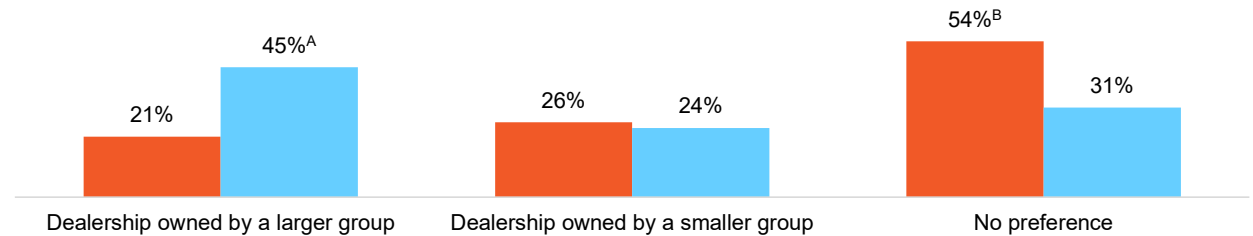
### Repurchased/Intend to Repurchase from Previous Dealership



### Vehicle Purchased/Leased



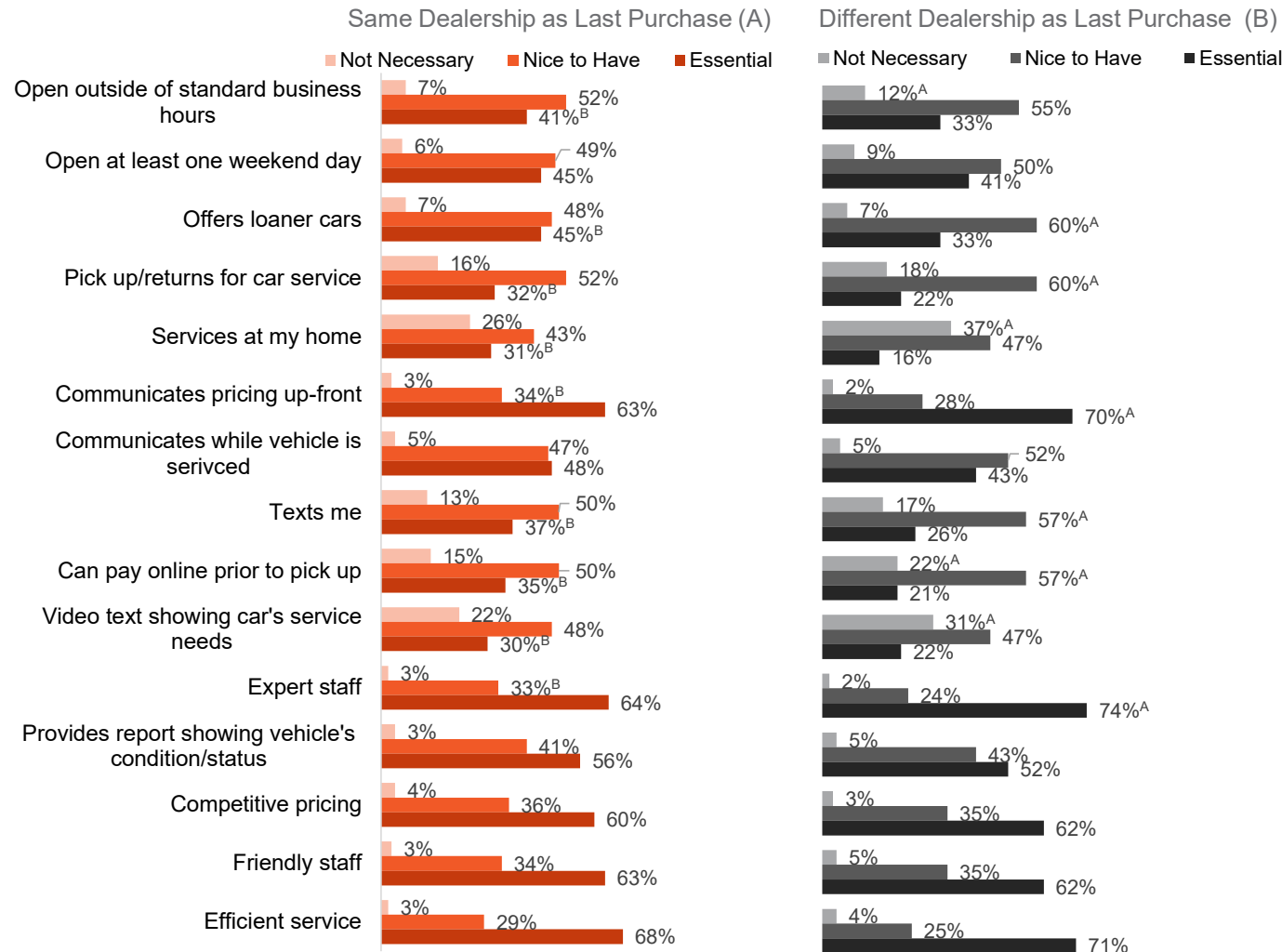
### Preferred Dealership Type



Bases: Outsell Customers n = 136, Customers n = 1,010  
 Question Wording: **Most recent purchase/lease:** S160. What brand of car did you most recently purchase/lease? Respondents were provided a list of both luxury and non-luxury vehicles, **Repurchased/intend to repurchase from previous dealership:** S145. Which best describes your shopping style for your recent vehicle purchase? S170. Which applies to you? **Vehicle purchased/leased:** S155. Which best describes your new or used vehicle you bought at the dealership? S175. Which best describes the next vehicle you are looking to purchase at the dealership? **Preferred dealership type:** Q405. What type of dealership is your most preferred?

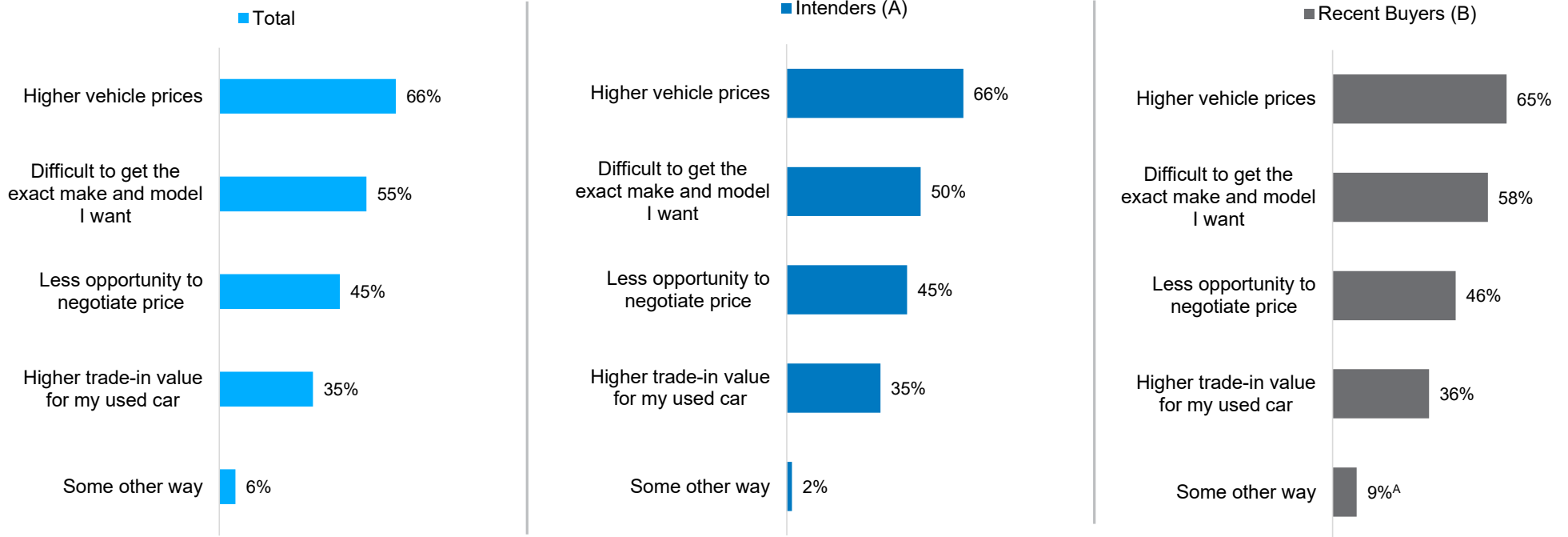
**Customers who are visiting a different dealership than last purchase are more likely to consider communicating pricing up front and expert staff as essential.**

## Importance of Factors When Visiting a Service Department



# Intenders and recent buyers have been impacted similarly by supply chain problems.

Specific Ways Impacted by Supply Chain Problems

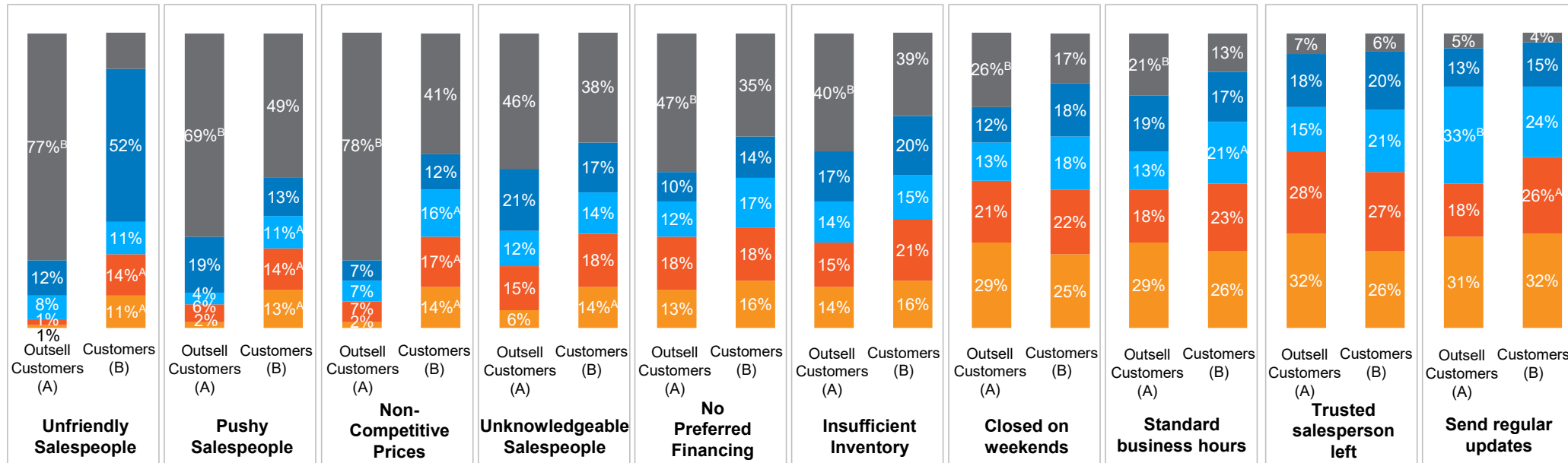




# In general, Outsell customers are less likely to purchase due to communications with the exception of sending regular updates and unknowledgeable or pushy salespeople.

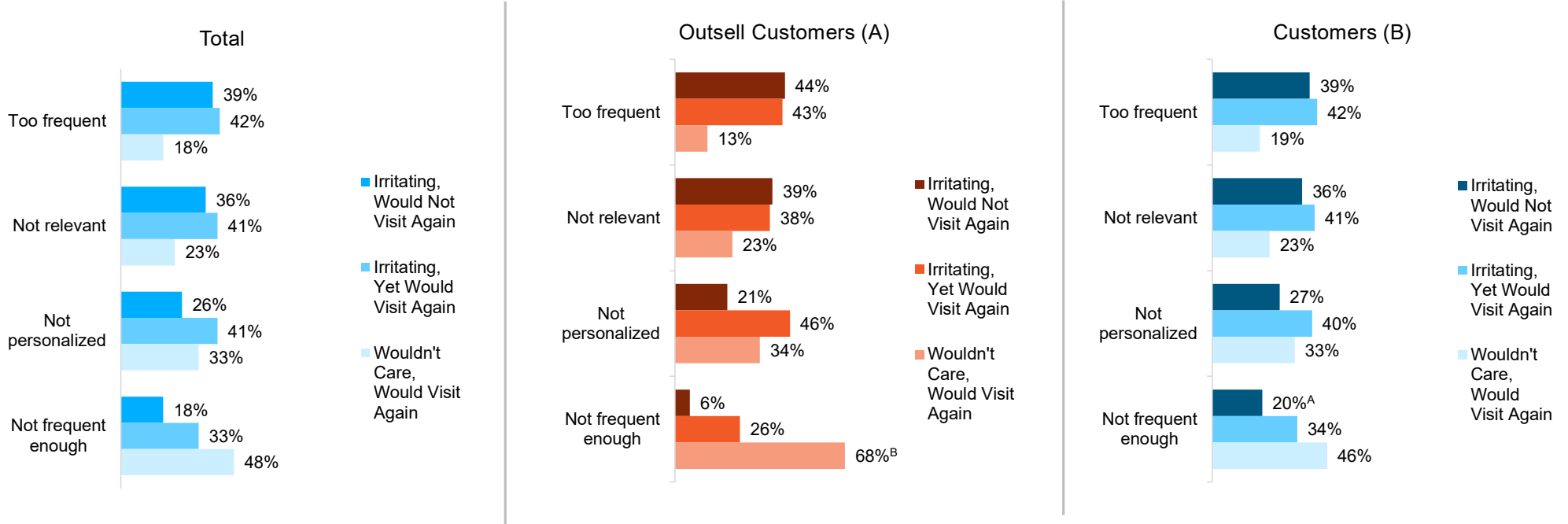
Role of Communication and Trust in Sales Department Experience

- Might purchase - trust dealership
- Might still purchase - preferred communication
- Dealbreaker
- Would still purchase - trust dealership
- Would still purchase - preferred communication



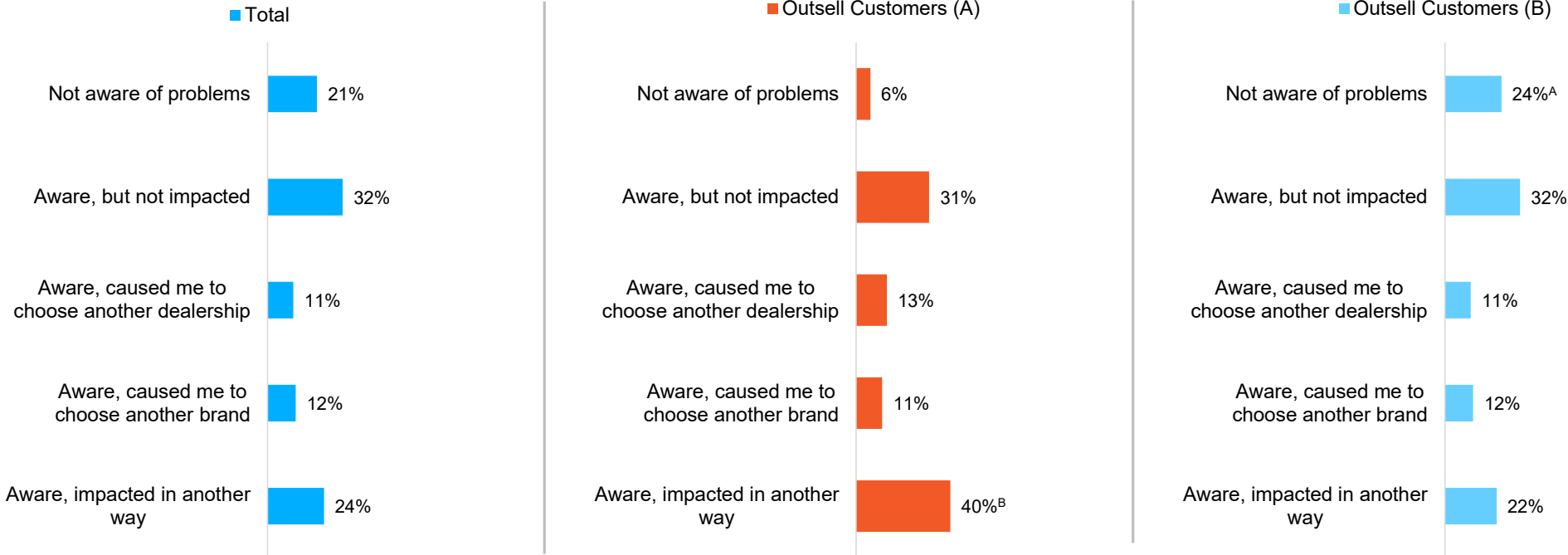
# Outsell customers are more likely to not care about communications that are not frequent enough.

## Sales Department Communication Preference



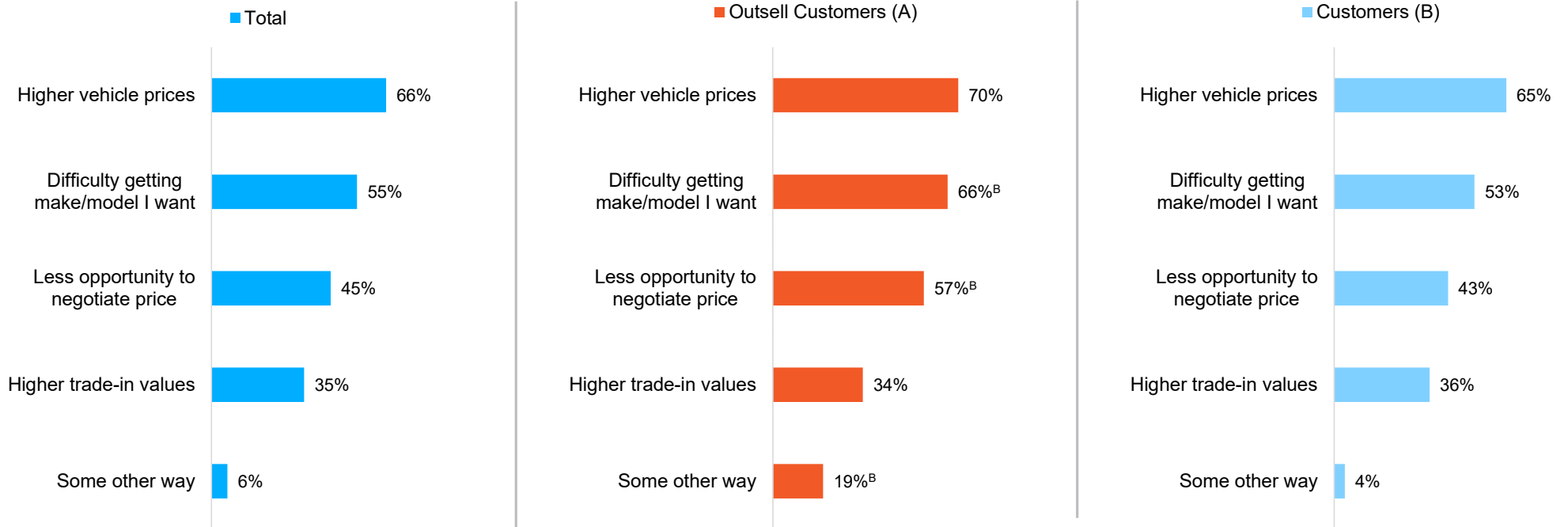
# Outsell customers are more likely to be aware of supply chain problems yet impacted in a different way.

Awareness and Personal Impact of Supply Chain Problems



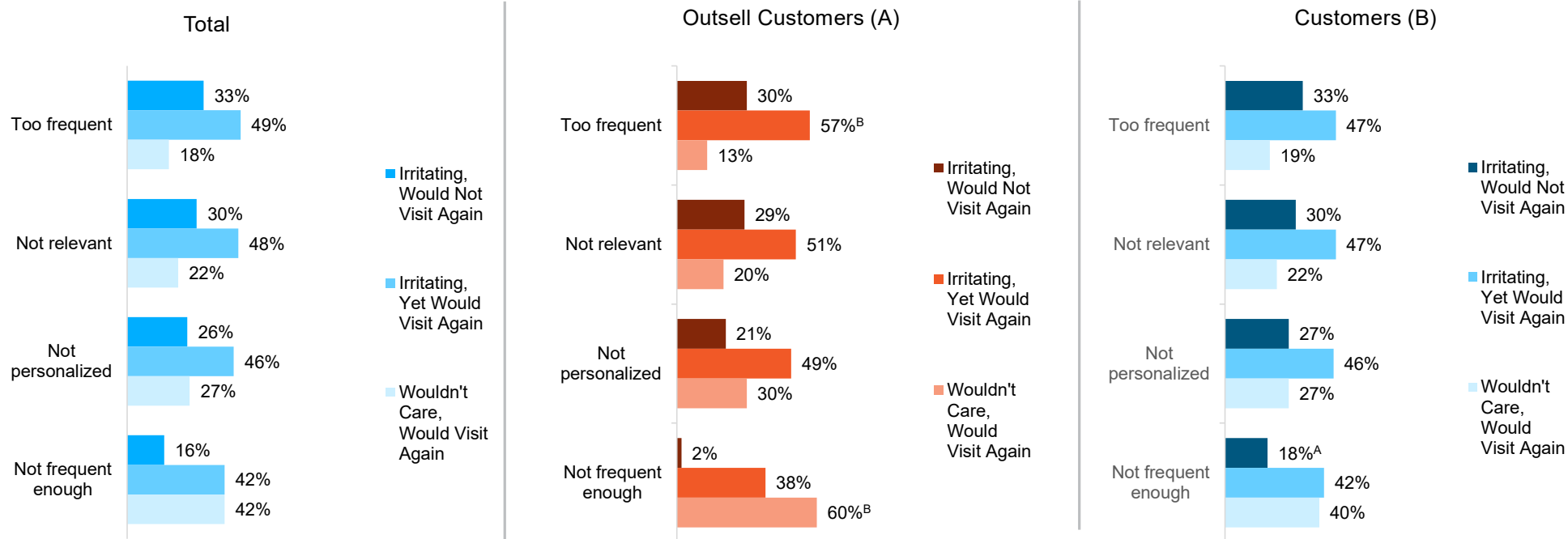
# Outsell customers are more likely to have difficulty getting the make/model they want and have less opportunity to negotiate price.

Specific Ways Impacted by Supply Chain Problems



# Outsell customers are more likely to find too frequent communications irritating yet would visit again. They are also more likely to not care about communications not coming frequently enough.

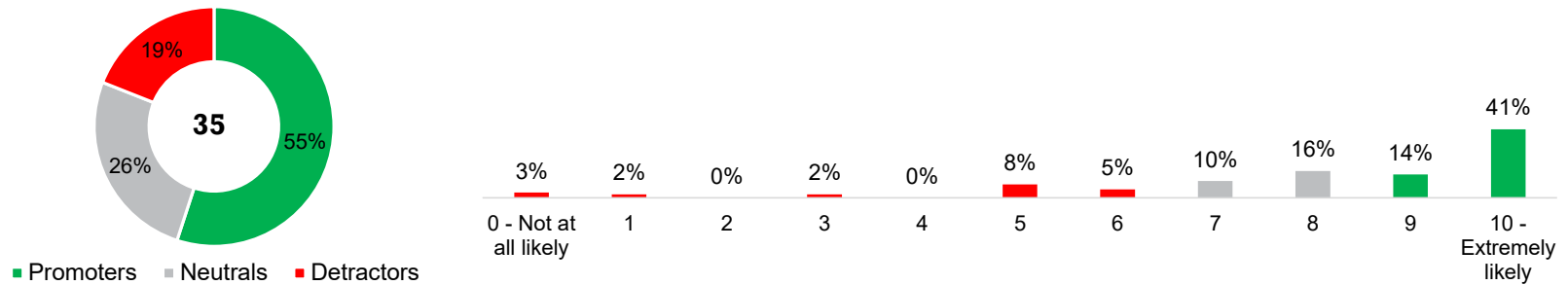
Service Department Communication Preference



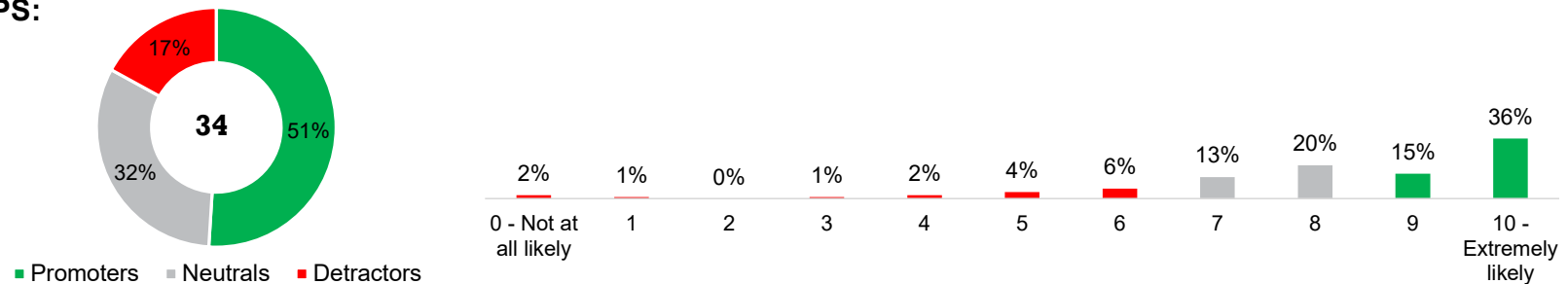
# Net Promoter Score (NPS) for Sales is similar for Outsell customers and other customers.

Recent Buyers: Likelihood to Recommend Dealership

## Outsell Customers NPS:



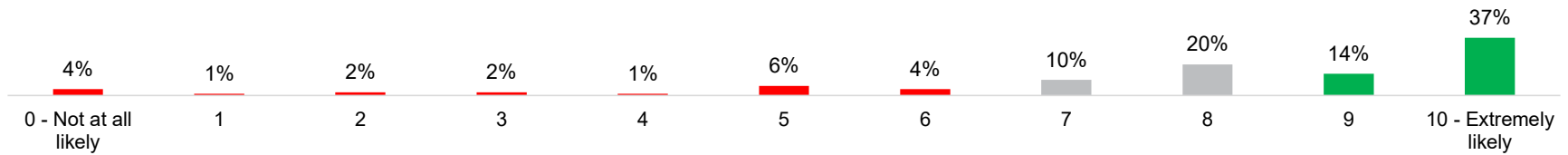
## Customers NPS:



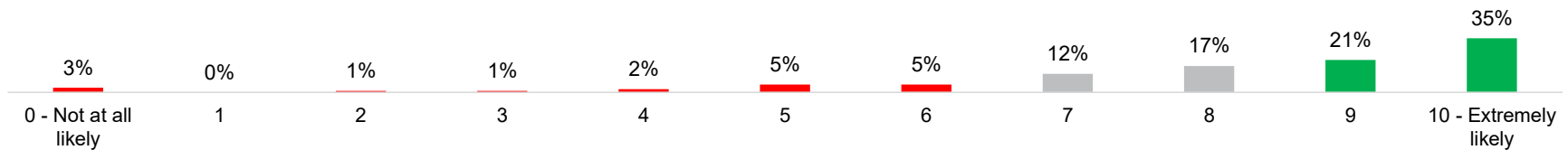
# Likelihood to purchase another car from dealership is similar for Outsell customers and other customers.

Recent Buyers: Likelihood to Purchase Another Car from Dealership

## Outsell Customers



## Customers

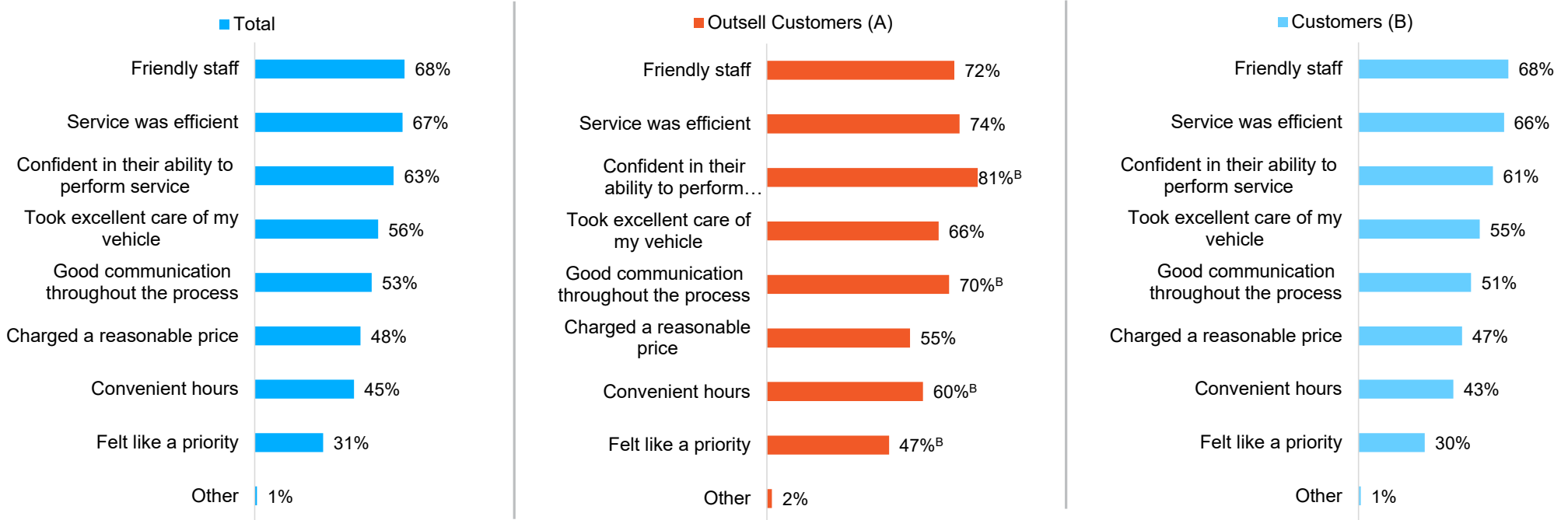


Base: Recent buyers: **Outsell Customers** n = 110, **Customers** n = 504  
 Question Wording: Q420. Thinking of the dealership you most recently purchased or leased a car from, how likely are you to purchase another car from that dealership in the future?



# Outsell customers are more likely to revisit to perform service, to provide good communication throughout the process, and to have convenient hours.

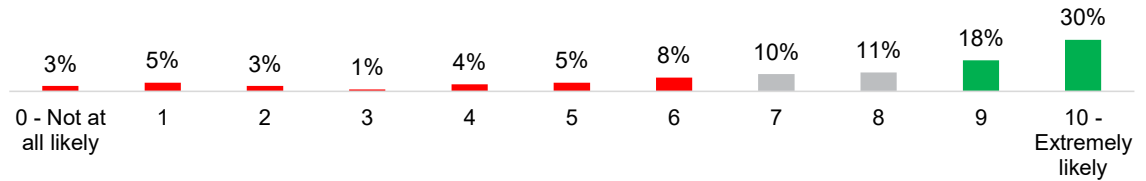
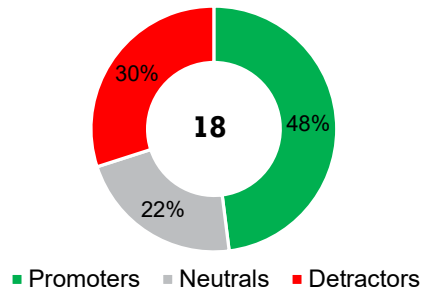
## Why They Are Likely to Revisit Service Department



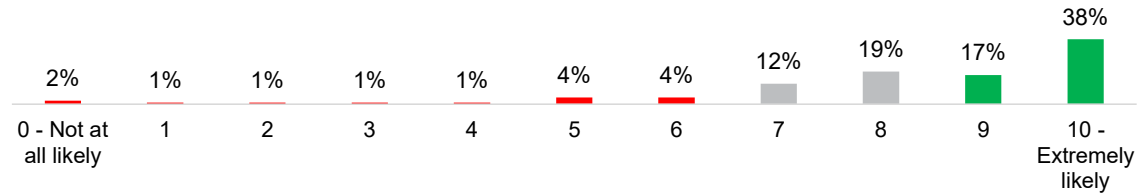
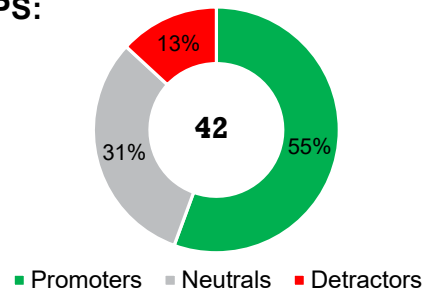
# Net Promoter Score (NPS) for Service is lower for Outsell Customers with fewer Outsell customers rating as promoters and being neutral.

## Likelihood to Recommend Service Department

### Outsell Customers NPS:



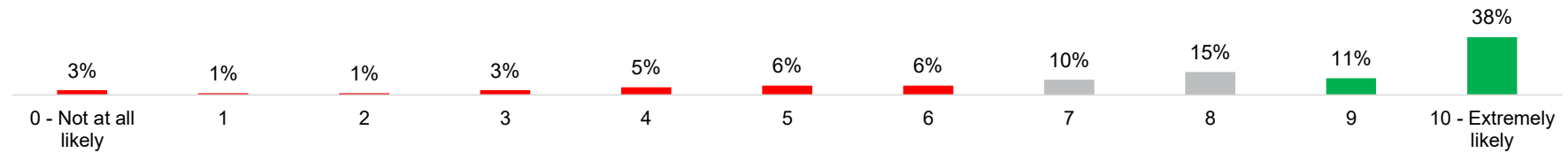
### Customers NPS:



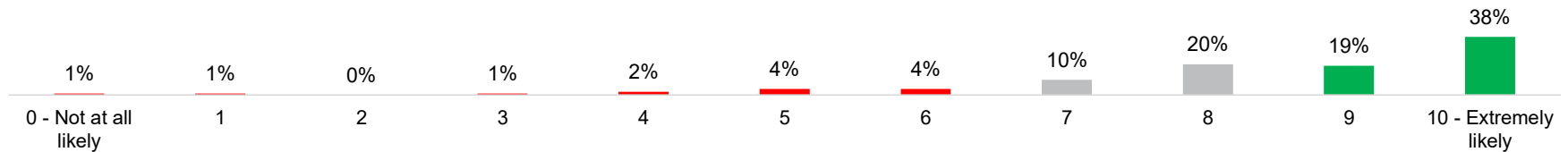
# Likelihood to revisit service department is similar for Outsell customers and other customers.

Likelihood to Revisit Service Department

## Outsell Customers



## Customers



# Outsell customers are more likely to recommend a service department due to service efficiency, confidence in performance, communication, convenient hours, feeling like a priority, and believing that they took excellent care of their vehicle.

Why They Are Likely to Recommend the Service Department

