



The Strangest Secrets

Executive Summary

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The Strangest Secret turns out to be the most obvious one.

“We become what we think about”.
Earl Nightingale, The Strangest Secret, 1956

In his book of the same name Earl Nightingale describes success as *“the progressive realisation of a worthy ideal.”*

His argument is that if you have effective goals, you are more likely to achieve them as you know where you are going. A ship without a course would likely flounder, and the same applies both to human beings and selling cars.

What we have seen at JudgeService over the past decade or so is a fulfilment of the promise that if we look after customers better, they are more likely to buy and buy again.

It seems simplistic but, in the pressure of the moment, trying to hit targets and make a living, it is sometimes neglected and in some cases ridiculed. If some past leaders of the industry have said that customer service is a waste of time because they'll always buy at the best price, they are creating a climate where this may well come true. Some of the time....

What this paper reveals is that if your goal is to deliver an outstanding experience you will sell more cars, more quickly and more profitably. What's more, they are more likely to return and come back for servicing.

Earl Nightingale states that if you want to, you can become a world expert in anything if you put the time in. Why not put the time in to becoming a world expert in used car customer service? So, the key is to set **great customer service as a core value** and stick to that goal. You can figure out how you want to measure and quantify it, but the goal must be there in the first place.

Earl Nightingale V - (March 12, 1921 - March 25, 1989) was an American radio speaker and author, dealing mostly with the subjects of human character development, motivation, and meaningful existence.

Nightingale was the author of **The Strangest Secret**, which economist Terry Savage called “...one of the great motivational books of all time.”

Checklist

If you can answer **10 out of 10** to all these, you will sell more cars, more quickly, and more profitably.

“FILL IN YOUR SCORES NOW!”

Checklist	/10
Are my phones answered straight away by the right people?	
Are emails being replied to promptly by the right people?	
Are customers greeted on the forecourt within a minute?	
Are we always offering test drives?	
Are we following up lost sales?	
Is great customer service a core goal?	
Are my salespeople good with people?	
Are they trained up for handovers?	
Are we set up properly for home delivery AND handover?	
Are we ALWAYS offering finance?	
Are we ALWAYS offering service plans?	
Are we measuring ALL the above?	
Total	/120

Background

Does it sell cars?

This paper looks at how we can convert more prospects and drive sales loyalty. To answer this, we:

- Explore where automotive prospects are coming from
- Look at why they are coming and what behaviours drive the best sales outcomes
- Look at what drives used car buyers' customer satisfaction and
- The effect of this on sales and retention

Feedback on this paper will always help us to determine what to focus on next time.

I'd like to thank Pauline Wollseifen for her excellent analysis and insight, Chelsea Heffernan for helping put the report together and Simon and the team at DPP for producing the artwork.

Finally, thank you to you for taking the time to read our paper.



Neil Addley

February 2023



Methodology

- The prospects data is based on responses to our lost sales programme, ProAct.
- The customers' data is based on our responses to our CSI programme, ReAct and stock turn is based on Auto Trader data from July to December 2022.

Prospects

Why did they visit?

For prospects the single busiest source of enquiry is that they have seen a vehicle online, at 32%.

Next most popular was the location of the dealership, at 30%. It's worth noting that with both prospects and used car buyers, there has been a return to more local buying post-pandemic.

Also 30%, so joint second was good past experience. What's interesting about this is that if the prospect's promoter score is over 60%, they are 73% more likely to have had a good experience in the past. This is the most significantly affected link between source of business and customer satisfaction.

A customer who had their last vehicle serviced there, or always buys from them, also sees a 64% improvement if the promoter score is over 60%, albeit on a lower base. Customers who find a car online are more likely to see their promoter score reduce.

To book or not to book

37% of prospects had booked an appointment. 62% of these were greeted within a minute of arriving and 84% within a couple of minutes. What's interesting here is that if a customer has an appointment and must wait up to 5-minutes, their promoter score falls dramatically to -9.1%.

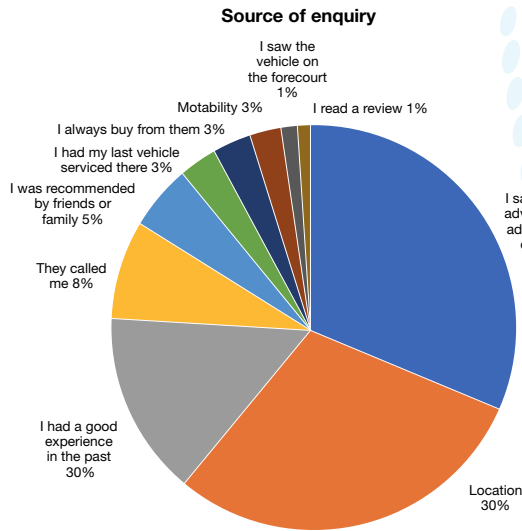
This trend of lower promoter scores continues to be worse for people with appointments if they are not attended to.

Telephone and email enquiries

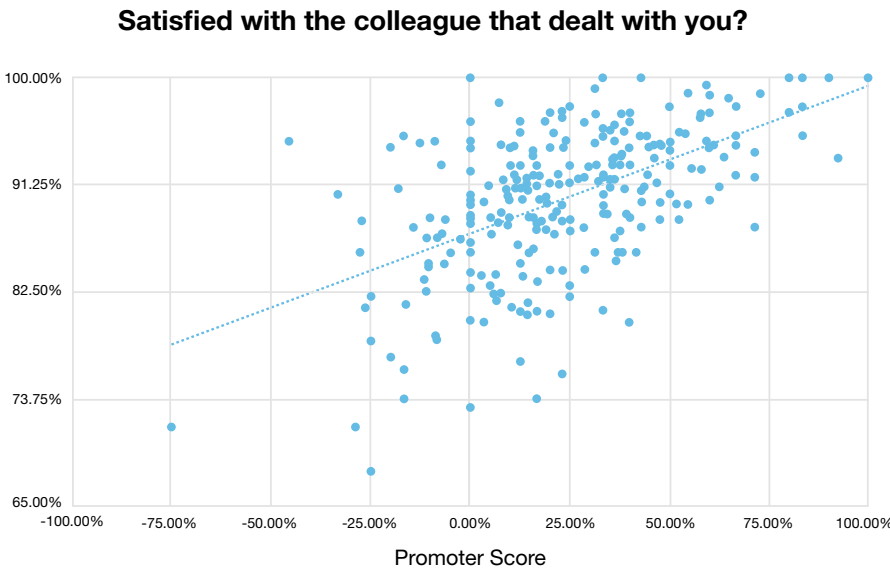
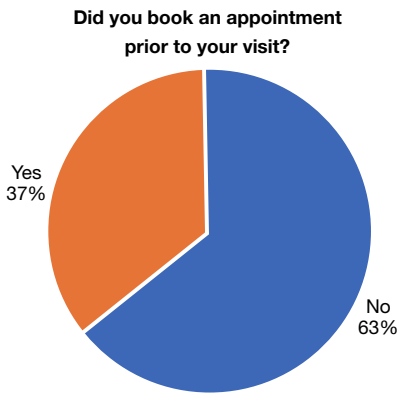
The main reason for telephone enquires is to check the availability of a vehicle to purchase (40%) and the second most popular is that they have a question about the vehicle (34%). While 16% of people are calling to book an appointment or test drive.

It is important that telephone enquiries are handled effectively, as the promoter score is 31% for those that get put through straight away. This falls to -29.5% if they had to wait. -41% if the prospect had to ring back and -79% if they are put through to someone who can't help them.

With email enquiries, it is also really important that the customer receives a speedy response and that they are provided with the information they are looking for, as both fall dramatically if the customer is anything other than completely satisfied with the response.

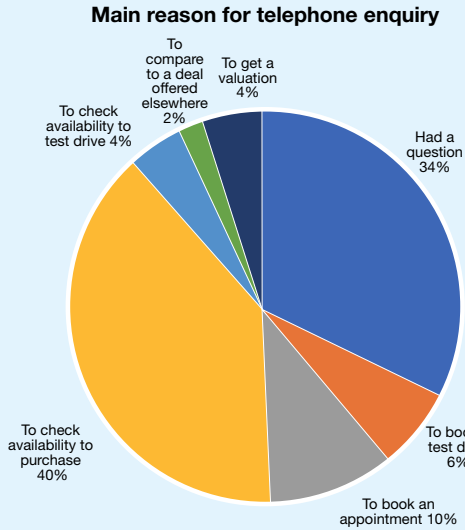


Promoter score category							
	Below 0% & between 0 and 100%	Between 10% and 20%	Between 20% and 30%	Between 30% and 40%	Between 40% and 50%	Between 50% and 60%	Over 60%
I saw them advertised/advertised online	34.95%	33.53%	31.98%	31.37%	25.31%	28.76%	28.87
Location	28.90%	31.89%	30.08%	28.56%	30.04%	24.31%	23.82%
I had a good experience in the past	12.61%	13.24%	13.90%	16.05%	16.66%	17.78%	21.86%
They called me	7.60%	7.56%	7.75%	8.82%	8.01%	9.28%	21.86%
I was recommended by friends or family	5.35%	4.95%	4.99%	4.21%	5.38%	6.41%	5.55%
I had my last vehicle serviced there	2.65%	2.48%	3.39%	4.03%	5.03%	4.44%	4.08%
I always buy from them	2.76%	2.34%	2.75%	3.02%	4.91%	3.92%	4.08%
Motability	3.40%	2.64%	3.29%	2.29%	2.28%	2.88%	4.08%
I saw the vehicle on the forecourt	0.98%	0.70%	1.18%	1.01%	1.34%	0.92%	1.79%
I read a review	0.81%	0.67%	0.69%	0.65%	1.05%	1.31%	0.65%



	% of telephone Customers	Promoter score
I got put through to someone who couldn't help me	1.12%	-79.49%
I had to ring back	1.95%	-41.18%
I had to wait to be put through	7.99%	-29.50%
I was offered a call back	10.23%	-8.43%
I left a message on an answer machine	0.86%	6.67%
I got through straight away	77.84%	31.12%

Since your enquiry have you received a call from the dealership?		
	% of customers	Promoter score
Email	8.94%	41.76%
Yes	62.21%	40.54%
No	28.85%	-1.24%



What drives the promoter score?

The most influential factor in driving the promoter score is the customer satisfaction with the member of staff or colleague. If the satisfaction score changes by 10% it results in a 27% increase in the promoter score.

Next comes the premises and satisfaction with the presentation of the vehicle.

Did you book an appointment?		
	No	Yes
Within a minute	54.01%	61.99%
Within a couple of minutes	27.15%	22.32%
Within 5 minutes	10.21%	7.38%
Within 10 minutes	4.05%	3.07%
More than 10 minutes	2.08%	2.92%
I had to seek assistance	2.50%	2.32%

Promoter score of customer that have/ have not booked an appointment		
	No	Yes
Within a minute	44.0%	39.8%
Within a couple of minutes	26.3%	15.9%
Within 5 minutes	8.7%	-9.1%
Within 10 minutes	-12.6%	-19.5%
More than 10 minutes	-37.2%	-18.0%
I had to seek assistance	-33.6%	-48.4%
Grand Total	29.7%	25.3%

Bums on seats

It's a motor trade mantra that bums on seats sell cars. It's true!

Roughly 60% of prospects are offered test drives, and whether they take them or not, the promoter score is around 42%. But if they are not offered a test drive, the promoter score falls to just 8%.

Similarly, customers who are offered finance have a much higher score (at 40%) than those that don't at 12%.

Customers who have visited the premises

Micro moment of truth	Promoter score if satisfaction is 95%	Promoter score if satisfaction is 80%	Promoter score if satisfaction is 70%	Difference in Promoter score if the satisfaction is 10%
Promoter	95.0%	85.0%	75.0%	
Presentation of Vehicle	39.2%	20.5%	1.7%	18.7%
Presentation of Premises	34.8%	10.5%	-13.7%	24.2%
Satisfaction with colleague	39.6%	12.2%	-15.1%	27.3%
Availability of vehicle (If you had one in mind)	43.7%	38.2%	32.7%	5.5%
Part exchange offer	40.9%	38.2%	36.6%	2.1%
Overall Deal	37.6%	35.6%	33.5%	2.0%

The most influential factor for the enquirer that has come to the dealership is the satisfaction with the colleague

Follow Up

Around a third of customers are not followed up. This reduces their promoter score from 41% down to -1%.

	Proportion of Customer	Promoter score	Were you offered a financial package?		
Offered a test drive and took it	29.9%	42.93%		% of customer	Promoter score
Offered a test drive and did not take it	29.9%	41.48%	No	41.49%	12.41%
Not offered a test drive	38.6%	7.78%	Yes	58.51%	40.07%
Not offered but asked for a test drive	1.7%	8.16%			

	Speed of response		Salesperson		Information provided	
	%	Promoter score	%	Promoter score	%	Promoter score
Completely Satisfied	59%	56%	60%	59%	54%	62%
Very Satisfied	19%	4%	17%	5%	18%	9%
Somewhat Satisfied	10%	-44%	9%	-45%	11%	-37%
Neither Satisfied or Dissatisfied	5%	-66%	6%	-68%	7%	-67%
Somewhat Dissatisfied	2%	-83%	3%	-81%	3%	-84%
Very Dissatisfied	1%	-94%	2%	-95%	2%	-85%
Completely Dissatisfied	3%	-77%	4%	-91%	5%	-88%

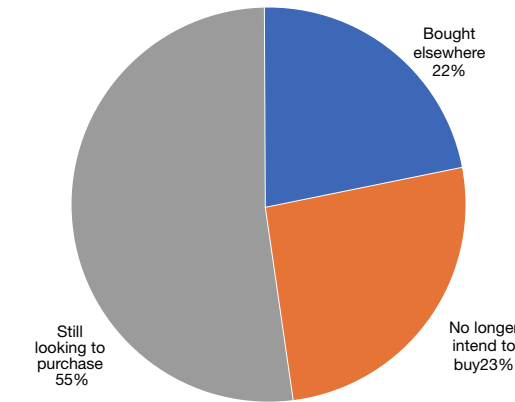
Prospects who bought previously

Unlike the story of prospects choosing between heaven and hell (see opposite), it seems that customers that bought before are much more relaxed, with 35% of people who have a promoter score over 60%, having previously bought from the dealer.

Prospects who bought elsewhere

Customers who bought elsewhere have much lower promoter scores. With only 22% buying elsewhere if they had a promoter score of 60% or more, whereas 37.6% of people buy elsewhere if they have a promoter score less than 20%.

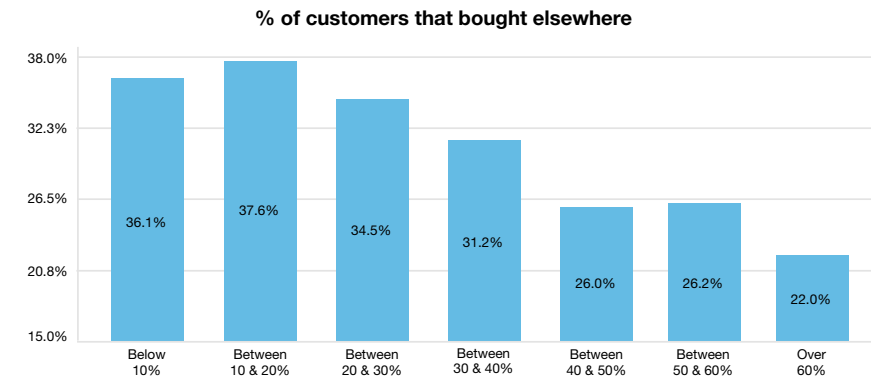
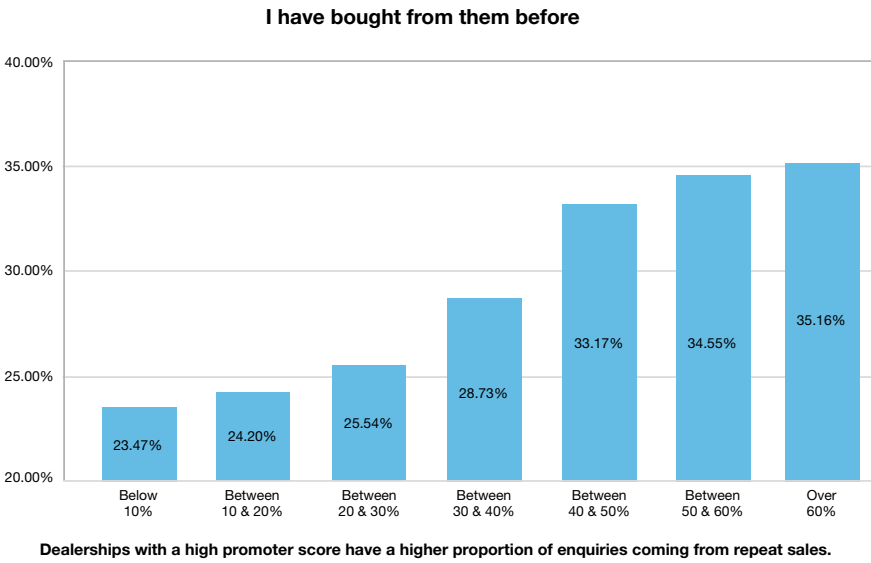
Lost sales in dealerships with promoter score over 60%



For dealerships with a Promoter score of 60% or more, only 22% of their lost sales have bought elsewhere. This lower conversion is due to conversion within the dealership meaning that the customer never become a lost sale.

The majority of people who buy elsewhere do so because the other dealership had the car they were looking for.

The second highest reason being they were offered a better deal. Interestingly, a customer’s promoter score is 27% if the dealer has the vehicle they were looking for. But this falls to 7% if they were offered a better deal. If, as is the case in 8.28% of people they looked after the customer better, the promoter score with the dealership falls to -75%.



What was your reason to buy elsewhere?		
	% of total	Promoter score
They had the vehicle I was looking for	57.18%	27.70%
They offered me a better overall deal	33.37%	7.77%
They looked after me better	8.28%	-75.54%
They are closer to where I live	6.98%	29.26%
They offered me more for my part exchange	4.01%	-16.81%
I bought from them before	2.17%	14.75%
I was recommended by friends or family	1.28%	29.17%
They are my local main dealer	0.91%	35.29%
No reason	0.69%	25.64%
They are closer to where I work	0.34%	57.89%
Finance Availability	0.32%	5.56%
Vehicle already sold	0.14%	0.00%
Other	9.00%	3.55%

Prospect vs Customer

A popular business story, relayed to me by Mark Fitzmaurice of Dale Carnegie, talks about the difference between how a prospect is treated versus how a customer is treated. It goes something like this...

A banker dies and, at the Pearly Gates, St Peter checks his ledger and tells him that he has made it to Heaven. The banker smiles and St Peter tells him he can take the elevator, tour heaven and hell, and then choose which place to spend eternity.

He goes to hell and the devil shows him a great time. There are golf courses, swimming pools full of beautiful people, theatres and every type of indulgence and amenity one could imagine. Then he visits heaven and its very white. It's pleasant enough but a bit quiet and a bit dull.

He returns to the lift where he tells St. Peter he'd prefer hell.

As the elevator doors open, he enters hell to spend his time in eternity. He finds it's a terrible place, full of fire and dirt and misery. The man asks the devil what happened. The devil tells him:

"Yesterday you were a prospect and today you're a customer."

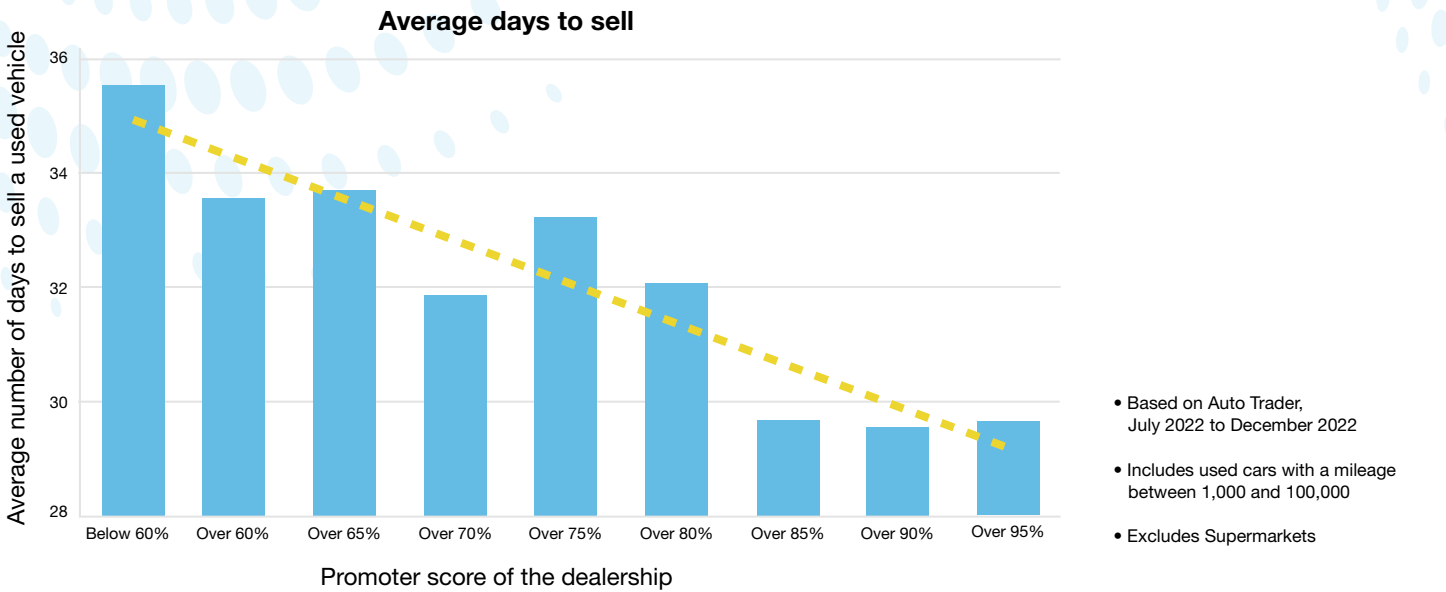
As you can see from the results, this isn't the case with car buyers.

Used Car Buyers

Do happy customers buy more cars?

To the fundamental question about whether happy customers buy cars more quickly, the answer is a resounding yes.

If a customer has a promoter score below 60% it takes them on average 35.5 days to sell a car to them. If they have a promoter score over 85% it takes them just 29.5 days to sell a car to them. That is 20% faster.



The advantages of selling cars more quickly are manifest. Firstly, if you are turning stock more quickly you will inevitably sell more cars. Secondly, although it has not been a problem for the last couple of years, you are less likely to be hit by book drops. Finally, turning stock more quickly generates a buzz amongst the sales team as they know they will be rewarded.

So, How Do I Make the Customer Happy?

The single biggest effect on the promoter score is the salesperson’s attitude during the sale. This has held true since we first conducted this type of research in 2018.

However, during lockdowns the ranking of other questions changed, but have returned to normal with the salesperson’s attitude at handover in second place and the explanation of paperwork in third.

The single biggest change you can make in a dealership to improve a customer’s promoter score is to make sure your team contacts them after delivery. If they do, it increases the promoter score from 63% to 88%, a whopping 40% increase.

In the past some salespeople have been wary of contacting customers because they might find that they have missed something out or have a complaint about the vehicle. That is exactly why you should call them! If there is a minor gripe, now is the time to fix it.

And if there is not, it is a great start to building a longer-term relationship with a customer.

Micro moment of truth	Promoter score if satisfaction is at 99%	Promoter score if satisfaction is at 95%	Promoter score if satisfaction is at 85%	Difference in Promoter score if the satisfaction change by 5%	Change in stock turn around
Presentation and cleanliness of the site	90.4%	79.3%	51.6%	13.9%	2.3 Days
Sales person attitude	90.3%	73.9%	32.9%	20.5%	3.5 Days
Choice of Vehicle	98.2%	85.3%	53.1%	16.1%	2.7 Days
Explanation of the finance packages available	92.8%	84.8%	64.7%	10.0%	1.7 Days
Explanation of Paperwork	95.0%	81.9%	49.1%	16.4%	2.8 Days
Attitude at Handover	91.1%	77.6%	43.8%	16.9%	2.9 Days
Cleanliness of Vehicle	92.8%	82.8%	58.1%	12.4%	2.1 Days
Mechanical standard of vehicle	95.3%	85.1%	59.7%	12.7%	2.2 Days

Have you been contacted since delivery?	Promoter score
No	63%
Yes	88%

Distance Customers

With the increase in online sales by franchise dealers, 21% of customers now have their used vehicle delivered to them. So, we were interested to see if vehicles that were delivered had any difference in the customer satisfaction experience?

Did you have your vehicle delivered to you?		
	% of Customers	Promoter Score
No	78.69%	85.32%
Yes	21.31%	84.65%

Distance Category	2018	2019	2020	2021	2022
very close	38.68%	38.77%	41.42%	39.96%	43.85%
short travel	32.26%	30.74%	28.02%	27.14%	28.37%
medium distance	12.20%	12.84%	12.06%	12.26%	11.20%
long travel	5.97%	6.72%	7.02%	6.76%	5.62%
very long travel	10.89%	10.94%	11.48%	13.87%	10.96%

At the opposite of what we could think, the proportion of customers coming from within 5 miles of the dealerships has slightly increased in the last year with nearly 50% of customers coming from a 5 miles radius. This is looking at like for like dealerships and excluding Supermarkets.

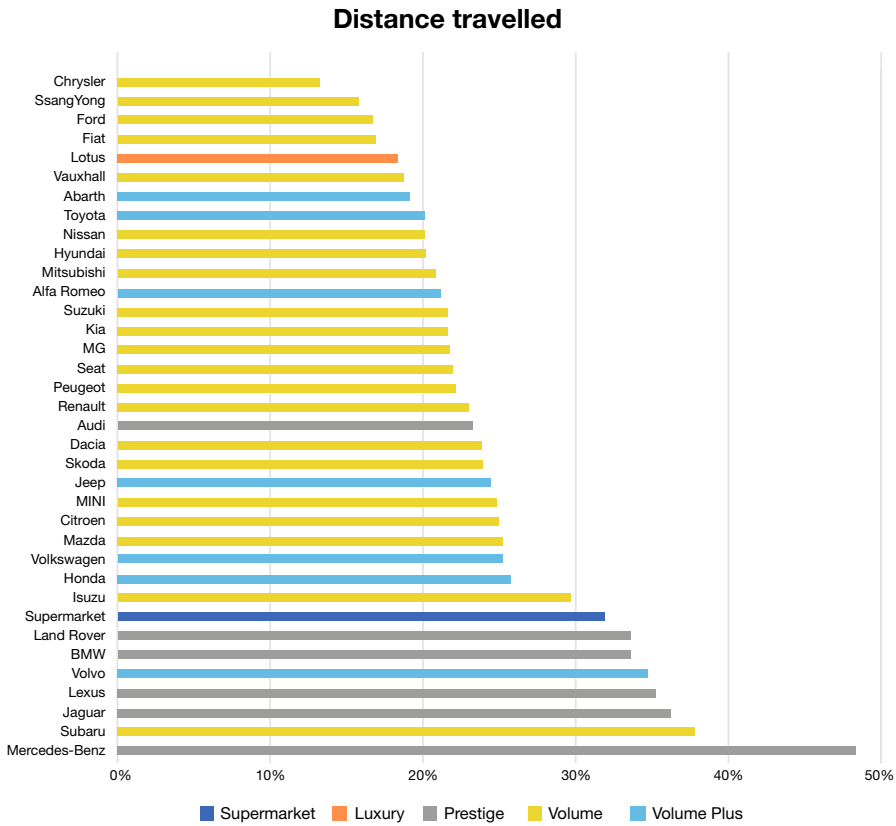
The answer to this is no. During the pandemic we saw an increase of customers buying cars from longer distances. However, in 2022 more customers bought locally than since we started tracking it in 2018. Some 44% of customers bought from within a 5-mile radius.

Customers coming from over 30 miles has fallen to 16.5% from a peak 19%.

When customers do come from distance, the premises becomes more important to them as they judge the facilities more harshly than local customers. This is no doubt due to the time invested to travel to the facility.

Distance customers score 13% lower than local customers. When someone has made a journey, it is important to do simple things like making sure the vehicle is ready for them to see and that you are not with another customer. They probably also could use the loo and would welcome a hot drink.

Repeat customers have a higher promoter score and customers are more likely to travel longer distance for prestige or niche brands.



Overall presentation and cleanliness of premises

Distance Category	Promoter score	How satisfied were you with the overall look presentation and cleanliness of the site? score %
very close (within 5 miles)	83.49%	96.10%
short travel (5-15 miles)	84.17%	96.40%
medium distance (15-30miles)	79.87%	95.60%
long travel (30-50miles)	76.89%	94.50%
very long travel (over 50 miles)	74.69%	93.40%

Source of Enquiry

Over the course of the last three years the internet has become increasingly important as a source of enquiry. It remains the single biggest source of business, with dealer websites and Auto Trader dominating the field.

Indeed, if you combine all of the internet sources and include social media, it is over 52% of business.

That said, locality, recent repairs and recommendation by friend or family are seeing an upward swing, albeit from a low base.

Loving the Extras!

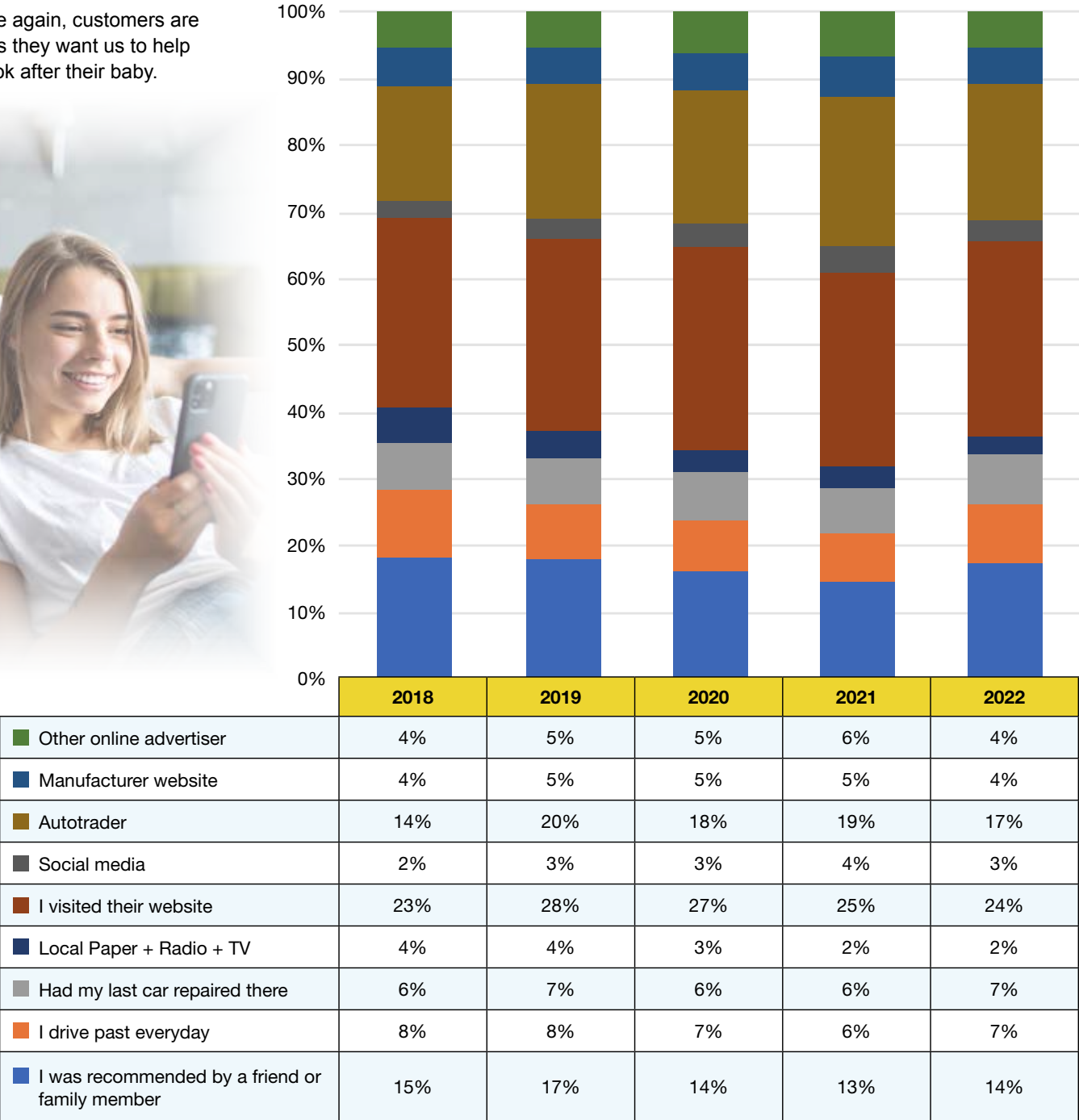
In last year's edition we revealed that customers' satisfaction, as measured by the promoter score, rose when they were offered additional products.

This still holds true. Customers offered service plans score 86.4%, but this drops to just 47.9% for those who are not.

We see an increase in customer satisfaction for other products too, with finance, paint protection, GAP and extended warranties all improving the promoter score.

So, once again, customers are telling us they want us to help them look after their baby.

Source of Enquiry



After-sales not Afterthought

As the previous comments show, sales make a real impact on customers' intention to have their car serviced, particularly if a service plan has been offered. With nearly 80% of people buying over a short distance intending to have their car serviced at the dealership they bought from.

This, naturally, falls the further they have travelled to buy the car. Only 20% of customers travelling over 50 miles intend to service at the same dealership.

But even with local buyers, customer satisfaction still drives the intention to service. Customers with promoter scores over 95% intend to service at the same dealership, in 83% of cases. If the promoter score is lower, this falls to just 65% of customers.

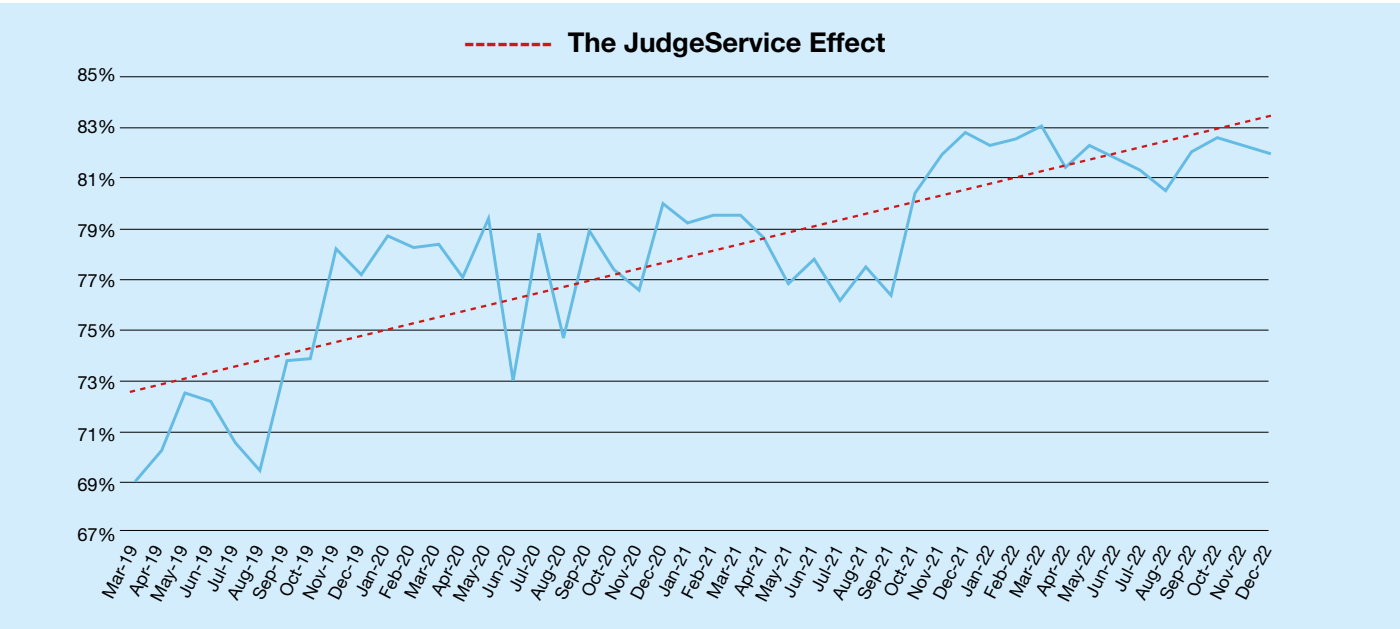
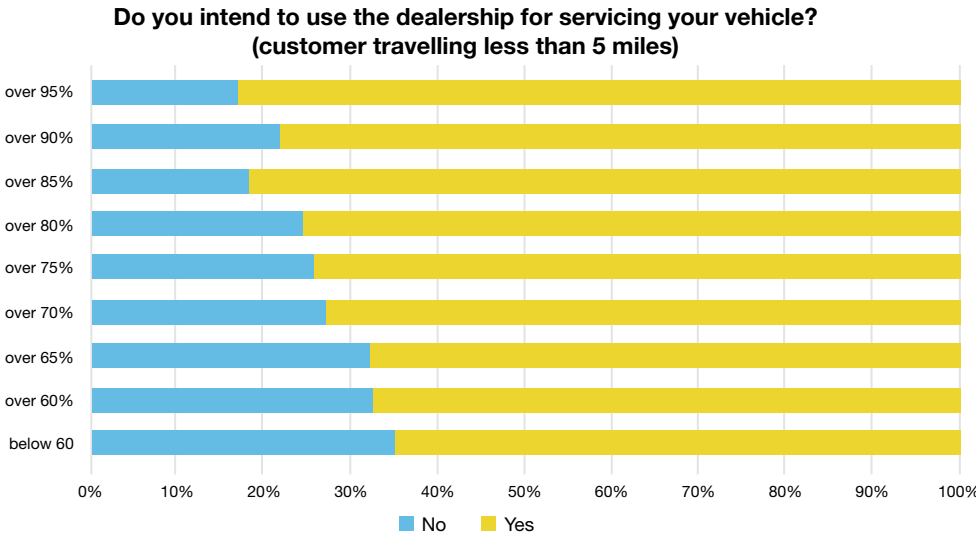
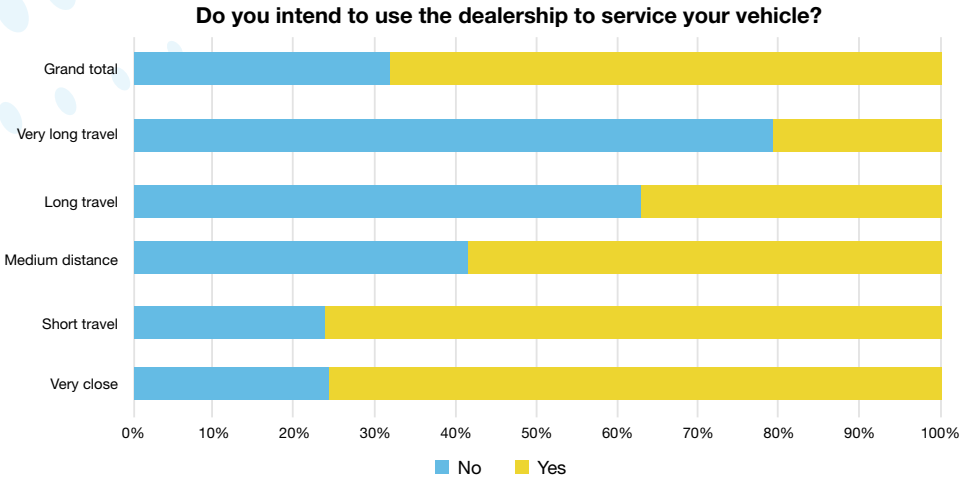
The JudgeService Effect

What's measured is managed and what's managed normally improves.

When we look at our customers, on a like for like bases, since March 2019 we have seen their promoter score increase from 69% to consistently above 82%.

That is a lot more cars selling a lot more quickly.

	Proportion of customers		Number of Customers		Promoter Score	
	No	Yes	No	Yes	No	Yes
Were you offered finance	16.7%	83.3%	11894	59223	73.0%	82.7%
Were you made aware of the service plan saving package?	10.8%	89.2%	3937	32,446	57.9%	86.4%
Were you offered cosmetic repair insurance (CRI)?	23.6%	76.4%	1574	5,101	70.2%	82.4%
Were you offered GAP insurance?	10.3%	89.7%	1807	15,682	68.6%	82.5%
Did you receive our "explainer" video prior to handover?	22.9%	77.1%	535	1,804	57.8%	93.1%
Were you offered an extended warranty?	24.4%	75.6%	336	1,039	61.0%	82.4%
Were you offered Paint Protection for your vehicle?	24.5%	75.5%	978	3,014	71.0%	83.4%
Were you offered Total Protection Cover?	3.2%	96.8%	63	1,923	33.3%	79.0%



About JudgeService

JudgeService is based in Harrogate in North Yorkshire. If you have a problem or need help, our team of real Heroes is on hand.

You probably want a quick answer from a real person on your questions, not a chatbot or FAQs – so we have real people to answer the phone and we reply to emails that day.

You're probably fed up with being stacked in a ticketing system waiting on an anonymous reply from who knows where? We don't have a ticketing system because our customer service and account management teams take personal responsibility for their clients.

You have probably got some great ideas on how we could help improve our service - our software has been developed in-house working with our clients and so we love it when clients suggest ways we could make stuff work better.

You want higher customer satisfaction, retention and ultimately, more profitable sales. We've been helping our clients create raving fans for over a decade and are committed to making the world a better place; one customer at a time.

So, if you have a problem, and everyone else is sending you to a chatbot or FAQ, maybe you should hire the A-Team. Our real-life Heroes are on hand to help.

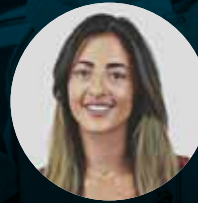


Neil Addley is the Founder and MD at JudgeService Research. Having served as Marketing Director at leading car dealer groups including Perrys, CD Bramall and Reg Vardy, he helped launch classified disruptors Motors.co.uk and Trusted Dealers.



Narration:
Neil Addley
<https://www.linkedin.com/in/addley/>

In 2011 he launched JudgeService to help dealers improve customer satisfaction, particularly in used cars, which was the subject of his dissertation some 30 years ago. After all, we become what we think about.



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If you think you could benefit from the insights generated in this report and if you want to improve your speed of stock turn, **contact JudgeService today on:**

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