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# Study looks at how well dealerships answer service department telephone calls

Pied Piper called dealerships across the U.S., trying to schedule a service appointment. The metric could show retailers a new way to enhance brand loyalty.

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GEORGIA HALL



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Endless ringing or getting stuck on hold happens to one out of seven dealership service customers who try to schedule an appointment, according to new Pied Piper research.

In a first-of-its-kind study, Pied
Piper called 2,716 automotive
dealerships spanning 34 brands
between January and May to
measure the efficiency and quality
of service calls when attempting to
set up an appointment for a check
engine light. The study aimed to
measure a new and "invisible"
metric for dealer principals and
general managers to help boost
their brand loyalty, Pied Piper CEO
Fran O'Hagan said.

"Well-run service departments

focus on increasing customer loyalty, and the first service experience to drive that loyalty is a customer's phone call to schedule an appointment," he said in a statement. "Vehicle customers who find scheduling service difficult vote with their feet by moving to another dealership or independent shop, or even getting rid of their problem vehicle."

Pied Piper began with 30 zip codes and expanded its scope to areas with the highest population densities, identifying dealerships most likely to receive service calls. Dealerships were rated on a scale of 0 to 100. Efficiency measurements — the

#### WHO PICKS UP THE LINE?

Here are the best and worst of 34 auto brands ranked on service telephone effectiveness. The average industry score was 58.

TOP

time taken for customers to reach someone to schedule an appointment, for example — accounted for 62 percent of the total score. Quality measurements, such as the proactive efforts to offer alternative cars during service or providing appointment guidance, made up the remaining 38 percent. Acura captured the top spot in the study with a score of 65.

Mazda was second with 64 and Lexus was third with 63. At Acura, only 3 percent of customers waited on hold more than two minutes compared with 12 percent overall.

The industrywide average total score was 58.

Acura: 65 Mazda: 64 Lexus: 63 Infiniti: 61 Volkswagen: 61

BOTTOM Fiat: 44 Alfa Romeo Chrysler: 47 Polestar: 47 Genesis: 49 Lincoln: 49

Source: Pied Piper

"The magic demarcation line is two minutes," O'Hagan said. Anything beyond that and "bad things happen," he told Automotive News. Customers could switch to another dealership or an independent shop, a potential revenue pitfall as "most dealers make their money" in service and parts.

Overall, 55 percent of callers accomplished their goal of speaking to someone within one minute and scheduling an appointment for within one week. Fortytwo of the dealerships achieved scores of 70 or more for providing "a proactively helpful experience that goes above and beyond the customer's basic expectation," O'Hagan said. However, no brand scored in the 70s because while some of their dealerships performed well, others did not, dragging down the average score.

Fiat, with a score of 44, and Chrysler and Polestar, both with a 47, ranked lowest in the study. On average, customers hung up more than 25 percent of the time without scheduling a service appointment at these

#### PHONING IT IN

Pied Piper asked more than 2,700 auto dealerships covering 34 brands how quickly and easily on average they could schedule a service appointment. Here are the findings.

How often did a customer hang up the phone having failed to schedule a service appointment? Less than 10% of the time: Acura,

Less than 10% of the time: Acura, Buick, Cadillac, Mazda, Volkswagen More than 25% of the time: Alfa Romeo, Fiat, Lincoln, Polestar

How often was a customer able to speak with a service adviser within 1 minute and schedule a service appointment for within 1 week? More than 65% of the time: Lexus,

Mazda, Subaru

Less than 40% of the time: Chrysler,

Fiat, Genesis

brands' stores. Polestar dealerships provided an estimate of service duration less than 1 percent of the time.

Porsche, although at the lower end of the rankings with a score of 53, offered alternative transportation most frequently — 45 percent on average. In contrast, Mitsubishi dealers made that offer less than 1 percent of the time. "Loyalty, in layman's terms, means valuing your customer," O'Hagan said.

In an industry that measures everything, phone call wait time is something dealerships have not been paying attention to, O'Hagan said. "If customers are waiting 10 minutes to schedule a service, then that's a problem," he said.

In order to fix a customer's telephone experience, automakers must first know what really happens when a call comes into their dealerships.

How often did a customer have a frictionless and high-quality experience, with a service telephone effectiveness score of 70+?

More than 50% of the time: Acura, Infiniti, Lexus, Mazda

Less than 20% of the time: Chrysler, Fiat. Ram

How often was a customer placed on hold for more than 2 minutes? Less than 5% of the time: Acura, Cadillac, Lexus, Mitsubishi, Polestar More than 20% of the time: Chrysler, Jaguar, Porsche

How many days out was the first available service appointment? Less than 3 days: Acura, BMW, Honda, Lexus, Mini, Subaru, Toyota More than 7 days: Chrysler, Fiat, Genesis, Land Rover, Ram

How often was a customer asked if they were experiencing any other issues?

More than 50% of the time: Acura, Infiniti, Lexus, Mercedes-Benz, Mini, Volvo

Less than 30% of the time: Alfa Romeo, Mitsubishi, Polestar

"The effort is worth it," O'Hagan said.

"Satisfied service customers are more likely to be longtime loyal customers, not only for service work, but also when it's time to buy another vehicle."

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