



AUTOMOTIVE MANAGEMENT

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HEADING THE EV CHARGE / P62

Nissan dealerships are well placed to benefit from the transition to electric

AFTERSALES / P65

Where value schemes and tech are helping win back older cars

'PERFECT STORM' FOR VANS / P102

Serious delays to new van supplies have created high demand in the used market



WINNING LINE-UP

READ WHY THEY WON AN AM AWARD / P14

It was fantastic to see so many motor retail industry figures in one place at the AM Awards dinner this month. After so long spent at computer screens, real networking has been put firmly back on the agenda for the second half of 2021, especially given that Automotive Management Live looms less than two months away.

Let me personally congratulate all the winners of the AM Awards and also praise all those whose entries were shortlisted by the panel of experienced judges. It's a considerable achievement to get on the finalists list.

I do love our awards evening's ability to celebrate successes and create a positive mood at a time when our industry is operating in tough and changing conditions. Everyone spends so much time and energy in their working lives and I believe it is vital for employers to put forward the best for independent recognition.

And it was great to reward some of the support our industry has provided, through our Community Hero award. Selecting the winner was challenging, as so many generous dealers made it into the shortlist in such a closely contested category, full of stories of great deeds for their local causes and communities.

The industry should certainly feel proud.



OUR WRITING TEAM



Tim Rose
Editor



Tom Sharpe
News and
features editor

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CLOUDY SEPTEMBER FOR THE SALE OF NEW CARS

But the forecast is looking much brighter in the used marketplace and in aftersales where the MOT extension is helping to delivery a bumper month

Car retailers' September sales efforts will be focussed on buoyant margins in the used sector and increased aftersales business as supply issues continue to stall the production of new vehicles.

Any optimism for what is normally the year's pivotal numberplate change month seems to exist away from franchised retailers' usual September staple. A little more than 65% of respondents told an *AM* survey they expect new car sales to be lower (34%) or much lower (32%) than the same period in a COVID-hit 2020.

In total 55% said that their profitability from new car sales would be down on 2020, while 40% said that their used car profitability would be above budget and 29%

expected a used result "significantly above budget".

Nearly a third (32%) expected aftersales profitability to exceed budget, while 7% said aftersales would perform "significantly above budget" as the Driver and Vehicle Standards Agency (DVSA) 2020 MOT extension delivered a surge of activity during the month.

Cox Automotive insight and strategy director, Philip Nothard, said it will be a September unlike any other for the motor trade, adding: "The balance of new car sales to used and aftersales has been completely flipped on its head. It remains to be seen to what extent this could be the 'new normal'."

AM teamed-up with JudgeService YourPoll to survey the sector's chief executives, managing directors and managers on their outlook for September. The results laid bare

franchisees' low expectations for the delivery of new cars.

NEW CAR SUPPLY ISSUES

Almost 48% said they expected the impact of semiconductor supply issues on their sales volumes to be more than 30% – described as "severe" by the survey question – as a third (33%) expected a "significant" decline of 10% to 29%.

And, while retailers told *AM* that the first few days of September had further boosted full new car order books, just 36% said they expected consumer demand to be higher (31%) or much higher (6%) than in September 2020.

More retailers expected reduced consumer demand, with 17% saying that they expected demand to be lower (by up to 10%) and 25% expecting the year-on-

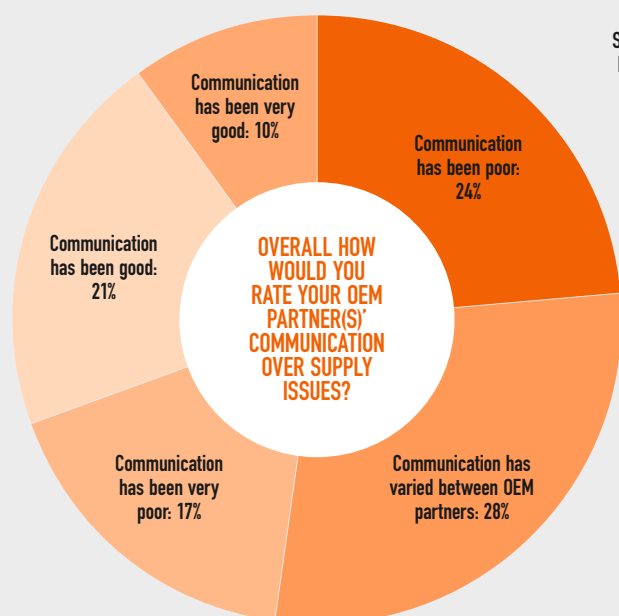
year decline to be much lower – in excess of 10% down on last year.

Earlier this year, Inchcape UK chief executive James Brearley admitted in an interview with *AM* that the thing that kept him awake at night was "the big unknown – supplies for September".

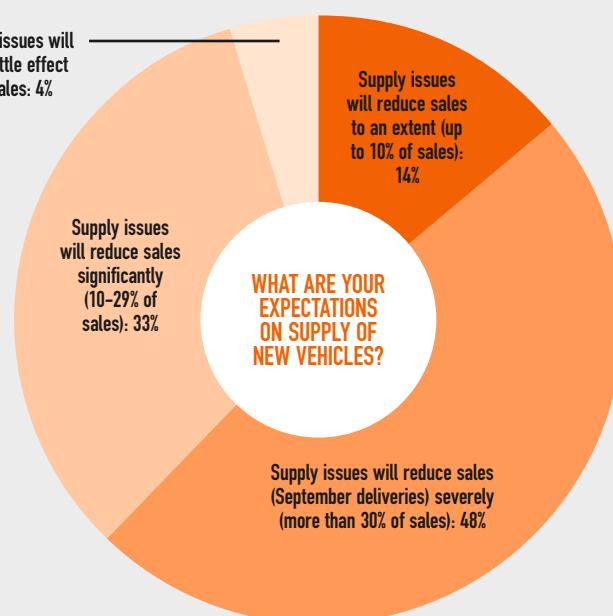
Despite his obvious concern, Brearley said the impact of supply issues on September profitability had, ultimately, been far less than initially feared due to customers' apparent willingness to place an order for a new car and live with extended lead times.

Buoyant used car margins and a surge of aftersales activity prompted by the DVSA 2020 MOT extensions, meanwhile, have "more than compensated for any loss", he added.

"Since I've been with the company we've not had an order bank like



Supply issues will have little effect on sales: 4%





“ WHEN A CUSTOMER ORDERS A CAR WE’RE BEING UP FRONT WITH THEM (ABOUT POSSIBLE DELAYS)

EDDIE HAWTHORNE, ARNOLD CLARK



“ BALANCE OF NEW CAR SALES TO USED AND AFTERSALES HAS BEEN COMPLETELY FLIPPED ON ITS HEAD

PHILIP NOTHARD, COX AUTOMOTIVE



“ THE MARGINS WE’RE ENJOYING MORE THAN COMPENSATE FOR THE UNCERTAINTY ABOUT VOLUME

JAMES BREARLEY, INCHCAPE UK

the one we have now. We’ve an order bank right out to March next year,” Brearley told *AM*.

“It looks like we’re going to be about 20% to 25% down on a normal 2018 or 2019 level of new car sales in September, but it’s still hard to tell because we’ve still got little visibility of what might come at the end of the month.

“The margins we’re enjoying more than compensate for the uncertainty about volume, though. Of more concern for me, in the longer term, might be the affect this period has on the car parc.”

Arnold Clark chief executive Eddie Hawthorne told *AM* that he anticipates its new car sales volumes will be 50%-to-60% down on 2019 this September.

But he added: “That’s not 50% to 60% delivered by the end of the month, though.”

In August, Toyota revealed that it planned to cut its global vehicle production by 40% because of the impact of COVID-triggered semiconductor shortages, while Jaguar Land Rover (JLR) has warned fleets of lead times in excess of a year as a result of the crisis.

Mercedes-Benz, meanwhile, has said some of its vehicles will be delivered without some tech-heavy features to keep volumes flowing.

One car manufacturer said it was delivering “incomplete” cars into the UK in a bid to beat supply issues

for its dealers and customers.

Brearley said Inchcape had experienced “good” supply from Toyota so far, but said others had been hard hit.

COMMUNICATION FLOW

OEMs’ communication of their supply issues to retailers had been poor (24%) or very poor (17%), according to 41% of respondents to the survey.

Just 10% described the flow of information from franchised partners as very good, but 21% said that it had been good. Levels of transparency varied from brand to brand according to 28%.

Perrys managing director Darren Ardron said vehicle supply was a problem “no matter which manufacturer you speak to”.

Ardron said: “I keep looking at our September target and there’s no way we’re going to reach it, but then I look at the order banks for October, November and December and it’s clear that we’re pretty much covered in terms of meeting our targets for the rest of the year.”

Ardron said it was vital that Perrys dealerships kept in close contact with customers facing a lengthy wait for their new car.

“Particularly people who bought a car on the Motability scheme back in March have yet to see their car and might not do before the end of the year,” he said.

“My message to our workforce is that you cannot over-communicate. Even if we haven’t got much to communicate, keep contacting customers and keep them in the loop all the time.”

JudgeService founder Neil Addley said customer communication was going to be one of the key issues for car retailers in the coming months, stating customers need to be kept “well informed” to avoid negative feedback. He added: “It is inevitable that some disappointments will create more aggro than others.”

Arnold Clark’s Hawthorne said: “When a customer orders a car we’re being up front with them. In some cases we might not know when a car might arrive, in other cases we can give a window, it varies. Ultimately, if they choose to go elsewhere, they can do, but if they buy used we obviously want to secure that business.”

USED CAR PROFITS

While Nothard speculated that dwindling used car supplies might only grow dealers current stocking headaches as new car production continues to falter, retailers continue to enjoy strong demand and margins.

He said: “In H1 there was a bit of a delay between wholesale and retail pricing, but that has largely gone now, with retailers adjusting

prices to market far more proactively and margins are strong.

“What’s also clear is that retailers are holding on to far more stock than ever before as they make good margin on a far wider range of stock as a result.”

Auto Trader reported that the rate of used car value growth on its platform had more than doubled in three months – up from 8% YOY in May to 17% in August.

The average price of a used car on Auto Trader in August was £15,288, marking 17 months of consecutive growth.

Ardron said he felt used car sales were starting to stabilise as stock shortages continued to bite, with Perrys forecourts around 700 vehicles short of usual volume.

His outlook for the used market reflected those of other traders, though, as he described margins as “incredibly strong”.

He added: “You can be arrogantly brave with margin because it’s a seller’s market right now.”

Hawthorne denied suggestions Arnold Clark had been “aggressive” in its acquisition of privately-owned used car stock in a bid to maintain its used car volumes, but said: “We have ramped-up our buying activity. Used car supplies are challenging, but it’s something we have to address. When you’ve got an engine, you need to keep putting petrol in it.” **TOM SHARPE**

ADVERTISING FEATURE

Save time and effort by not chasing the CX dog around the park

Andy Wand, Automotive Director EMEA at Reputation



A colleague of mine recently asked me to help him solve a challenge that he had. I replied: "Why chase the dog around the park when you can just steal the stick?" Now, some people may want to chase the dog because it gets the dog and

themselves fitter - but this isn't an article exhorting you to "Get fit! Get CX fit!"

What I mean is that why chase around being reactive when you could be being proactive and be in control of the situation.

I am seeing quite a lot of chasing at the moment as the auto industry adapts to the new digital landscape, especially post-COVID. Online sales journeys reducing the overall cost of sale, potentially retraining staff to manage different sales situations, chasing customer feedback data, better engagement through the entire 'new' customer journey' and so on.

Forrester estimates that we will shortly reach a point where only 6% of customer feedback is gathered through surveys - and whole CX strategies are being based on this. What other decision would you make in your business (for example, hiring new employees, opening a new showroom, purchasing new IT, etc.) on only 6% of available data? None, I hope, is the answer.

The art of being proactive and in control (stealing the stick) where customer feedback is concerned is to look at where and how customers are leaving feedback, understanding how you can collate that, then combine with the existing known feedback through surveys, aggregate it and leverage the actionable insights.

So, if you are fed up chasing the dog around the park in this new digital customer world, call me and I'll give you a stick...

contact-uk@reputation.com
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Reputation

THE LATEST NEWS HIGHLIGHTS

JUL

15



STELLANTIS' AGENCY MODEL PLANS

Stellantis confirmed to *AM* that its Alfa Romeo and DS car brands and all light commercial vehicle (LCV) operations will be subject to agency model sales contracts from 2023. A spokesperson revealed the shift in response to car retailers' suggestions that the manufacturing giant had "laid down the law" in a webinar meeting detailing a restructure of its car retail networks.

21



SITES ADOPT 2D LOGO

Hawkins Motor Group and Griffin Mill Garages became the first Nissan franchisees to adopt the brand's new corporate identity. Cornwall-based Hawkins and Pontypridd's Griffin

Mill Garages have erected signage featuring the brand's new 2D logo at sites in Penryn and Pontypridd.

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DEAL ON MITSUBISHI AFTERSALES

Subaru and Isuzu importer International Motors announced it will acquire the Mitsubishi Motors in the UK aftersales franchise operation from the Japanese brand's long-term importer The Colt Car Company on October 1. The Mitsubishi business will operate independently of IM Group from its current base in Cirencester.



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PROFIT UPGRADES ON BACK OF GOOD H1

Lookers and Inchcape kicked-off a series of profit upgrades after a resurgent H1 driven by appreciating used car prices. Inchcape reported a 30% rise in turnover and a near 15-fold increase in profit before tax (PBT) and Lookers turned a 2020 H1 loss of £50m into a £50m PBT in H1. Within a month Marshall had forecast underlying PBT of "not less than £40 million" for the year and Vertu upgraded its 2021 PBT expectations to £50m-to-£55m.

AUG

5

2030 ICE BAN BOWS TO 'CLIMATE FANATICS'

A group of 13 MPs and Lord Lilley condemned the plan to end the sale of new internal combustion engine (ICE) cars and vans by 2030. They made the comments in an endorsement of a new report from the All-Party Parliamentary Group for Fair Fuel for UK Motorists and UK Hauliers. Its chair Craig Mackinlay MP said Government lacks the courage to stand up to "climate fanatics".



TV APPEARANCE DOES FORRESTER 'NO HARM AT ALL'



Vertu Motors chief executive Robert Forrester conceded that he is "perhaps known for not being very human" before concluding that his appearance on ITV's *Undercover Big Boss*

had done him "no harm at all". Forrester donned a fake beard, glasses and a wig once worn by Benny Hill to throw staff off the scent during two weeks of filming for the show.

PRODUCTION CUT CONFIRMED

Toyota revealed plans to cut its global vehicle production by 40% in September because of the impact of COVID-triggered semiconductor shortages.

Jaguar Land Rover (JLR) later told fleet customers that lead times on 52 of its lines had extended beyond a year and Mercedes admitted specification changes would be needed to keep deliveries flowing.



CAZOO LISTING IN NY

Cazoo chief executive Alex Chesterman OBE rang the opening bell at the New York Stock Exchange as the used car e-commerce firm was publicly listed with a

valuation of £5.8bn. Within a week it had announced the £25m acquisition of car valuations specialist Cazana.

CAMBRIA TAKEOVER DEADLINE EXTENDED

The deadline for the takeover of Cambria Automobiles by CEO Mark Lavery was extended to September 10 to allow shareholders more time to accept the terms of his £82.5m offer. His bid had reached 74.76% of the 75% shareholding threshold needed to complete the deal by its original deadline.



STOCK SHORTAGES WILL PROMPT COMPROMISES

Cox Automotive insight and strategy director, Philip Nothard, warned that car dealers across the UK will have to compromise on their usual stock demands in order to fill their forecourts in a sector now "starved of stock". Nothard claimed that market forces meant it was quickly becoming the case that "any stock is considered good stock".

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SEP

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ADVERTISING FEATURE

Price movements need close attention, says BCA

By Stuart Pearson, COO, BCA UK



BCA is advising customers to stay close to the marketplace when the new month's guide prices are published.

Over recent weeks, BCA has seen buyers and sellers trying to manage the rapid – and seemingly erratic – price increases across the marketplace which can be challenging, particularly with sensationalist headlines and monthly price guides reflecting movements as significant rises.

The perception is that values have suddenly leapt by several percentage points. The reality is that daily price movements – as highlighted by BCA Valuations – are often quite subtle.

Changes in value vary noticeably by age and condition and there are multi-tiered pricing structures in play across the wider used car marketplace.

In fact, a comparable make and model is worth a very similar pounds (£) value on the last day of one month as on the first day of the next. Supply and demand will always influence values, with the best quality stock continuing to attract premium prices and sellers needing to pay close attention to the condition of older stock.

BCA's Decision Intelligence team will continue to keep abreast of the current evolving picture in the wholesale sector and work closely with its sellers to ensure that their pricing strategies are realistic and in tune with market sentiment, and that BCA buyers have everything they need to make informed decisions when bidding.



PICK-UP PARADOX: RISING SALES, BUT FALLING CHOICE

Is the UK heading for a lone Ranger as some Asian makers retrench and quit Europe?

One of the major truths of the car industry is that growing segments attract more new models. The car companies circle the market like hungry sharks looking for emerging segments they can attack, whether it be multi-purpose vehicles (MPVs) in the 1990s or crossovers in the past decade.

However, something very strange is happening in the UK pick-up market. Manufacturers seem to be tripping over each other in a race for the exit, yet UK sales are actually healthy. Whether you compare pick-up registrations with those of cars or vans, there is clearly no shortage of demand (see table).

To begin with, let's look at the shrinking pool of models. It is little surprise that the me-too (or why-bother?) models have been weeded out.

The Fiat Fullback was a rebadged Mitsubishi L200. Why on earth any buyer would choose their Japanese-designed, Thai-built pick-up with a zero-credibility Fiat badge on the front is anyone's guess – it was about as sensible as Fiat rebadging a BMW 5 Series as their new executive saloon.

Mercedes-Benz has also dropped its X-Class (although only a small number of people are aware there had ever been an X-Class). This was a modified Nissan Navara (made by Nissan in Spain),



which had fractionally more commercial logic than the Fiat attempt: Mercedes clearly has a better brand than Nissan and a strong presence in SUVs.

However, Nissan is extremely credible in pick-ups, and Mercedes owners probably found the Nissan mechanicals a bit jarring, so it turned out to be another failed Mercedes co-operation with Renault/Nissan, joining the Twingo/smart and the A-Class/Infiniti Q30.

However, the big model-related news is Mitsubishi's announcement in 2020 that it would withdraw from the Western European market.

At a global level, it could well make sense for struggling Mitsubishi to concentrate on Asian and emerging markets, rather than persevering in its attempts to sell hatchbacks and crossovers to European buyers.

However, there is no law that says a company has to sell both pick-ups and cars. Indeed, the after-sales business of Mitsubishi in the UK has been sold to International Motors, the importers of Isuzu. Isuzu once sold passenger vehicles in the UK, but has successfully contracted to pick-ups only. The latest news from Mitsubishi (June 2021) is that it has decided to stay in the largest mainland European markets, but not the UK – although the UK is the largest Western European market for the L200.

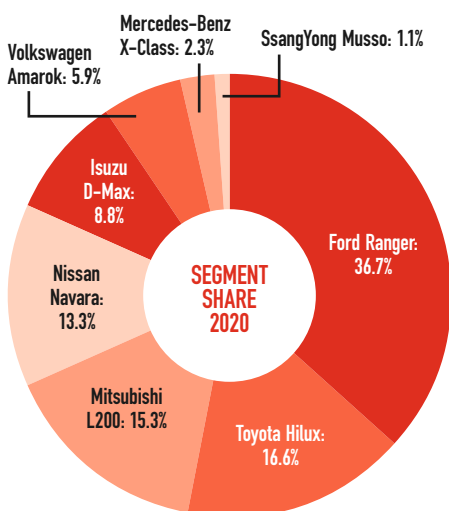
At the same time, arch-rival Nissan has said the next-generation Navara will also be withdrawn

from the EU and UK. The Navara was made in an under-utilised Nissan factory in Barcelona and, when the Mercedes X-Class flopped, there was simply not enough work to keep the factory open – it was running at around 20% capacity. From 2022, Nissan will concentrate Navara production and sales in Asia and Africa.

Nevertheless, the pick-up market continues to do well in the UK. Its share of the overall LCV market is the same as it was five years ago. That might not sound hugely encouraging, but it should be remembered that the overall LCV market has been booming in the past few years thanks to demand from online delivery companies – for example sales of 2.5 tonnes-plus vans are at record levels, and the overall LCV market for 2021 is expected to be at the same level as 2017. Hence, maintaining share in a strong market is a good achievement.

Compared with the far weaker car market, pick-ups are booming. Since 2015 the relative size of the pick-up segment has risen from 1.77% to 2.64% YTD (year-to-date) 2021. There are clearly plenty of buyers for whom a pick-up is more appealing than a passenger SUV.

The net result of a strong market and weak competition is a bumper harvest for Ford. When Ford entered the UK pick-up market with the Cortina-based P100, it seemed like a pretty half-hearted effort that was not going to threaten the



SPONSOR'S COMMENT



**By Richard Jones,
managing director,
Black Horse**

By the time this column goes to print we will all have hopefully managed to enjoy a good summer break and be back refreshed and ready for what we trust will be more normal times.

Looking back, it's impressive to see how much the industry has developed over the past 18 months in the face of adversity we could never have predicted.

So much has been achieved, with big advances in customer digital and remote journeys perhaps taking centre stage.

Dealers are now finding that investments made to keep trading under the various COVID restrictions have delivered lasting optionality for customers who prefer buying online, or want an omni-channel experience where they choose where and how they buy.

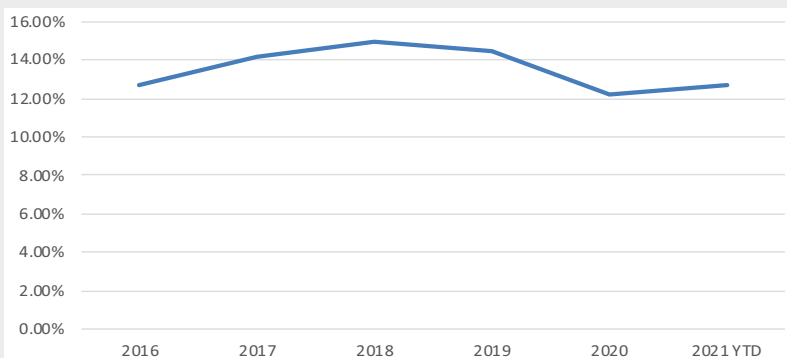
We are also now nearly eight months on from the FCA Policy Statement on commission models and disclosure which became law on January 28. The regulators' final rules represented the culmination of many years of work in the industry to continually improve customer understanding of the products they choose to fund their cars. The FCA will now move into a phase of reviewing how well the new rules have landed and their feedback will be incredibly useful as they get an in-depth look at practical application.

Transparency and clarity are key guiding principles for ensuring good customer outcomes. The combination of simple pricing and information made easily accessible via improved digital journeys is a powerful mixture. Customers get clear detail early on to enable them to explore their options and to inform their decisions.

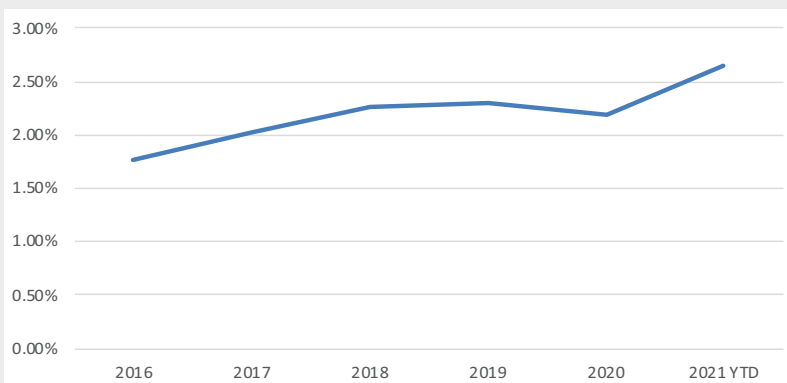
As an industry our focus on delivering for our customers in tough times and good times will continuously drive us forward.

**TRANSPARENCY
AND CLARITY
ARE KEY GUIDING
PRINCIPLES FOR ENSURING
GOOD CUSTOMER
OUTCOMES**

PICK-UP SHARE OF LCV REGISTRATIONS



PICK-UP REGISTRATIONS AS PROPORTION OF TOTAL CARS



bespoke Japanese pick-ups. Ford seemed to tacitly agree when it replaced the P100 with a series of Mazda-designed Rangers, and it was not until the current Ranger that Ford designed its own bespoke model (actually developed by Ford Australia). By 2020, the Ranger was taking more than a third of the UK pick-up market. That sort of segment share is a distant dream for Ford passenger cars – the last mainstream model to achieve it was the original Ka.

In the medium-term Ford's share is only going to rise – not only will the Navara and L200 disappear, but there will be a new Ranger in 2022. The 2022 Ranger will also spawn the next VW Amarok – Ford is providing LCV platforms to VW in return for access to VW's electrified MEB passenger car platform.

By 2023, it will only be a slight exaggeration to say that you can buy any pick-up you like in Britain provided it is a Ford. Toyota, with its everlasting HiLux (both in terms of brand name and vehicle longevity), will continue to take second place in the market, but the HiLux and

the Isuzu D-Max will be about it for current competitors.

However, the key word is "current". There are plenty of new entrants who want to disrupt the market – and looking at the figures, you can see why. Rivian is looking at European manufacturing of its forthcoming R1T electric pick-up, and Land Rover has dropped heavy hints about a Defender pick-up.

Ford in the USA is also making bullish noises about initial demand for its forthcoming electric F150 Lightning. It says it has 120,000 pre-orders and huge customer interest.

If so, there is no reason why pick-ups in Europe could not be electrified. It could even boost the market: one of the disadvantages of internal combustion engine (ICE) pick-ups are generally their slightly agricultural drivetrain. An EV pick-up would have a drivetrain as smooth as an EV car, and could even be marketed as a green alternative to an ICE SUV – at least for those prepared to overlook the sheer bulk of a pick-up. **DAVID FRANCIS**

NEW CAR REGISTRATIONS

OEMs fighting back after worst August for eight years

Society of Motor Manufacturers and Traders (SMMT) chief executive Mike Hawes says OEMs are doing "all they can" to deliver new cars to customers after the UK suffered its worst August sales performance since 2013.

Data published by the SMMT shows that sales had declined by 22% versus August 2020, to 68,033, as the global shortage of semiconductor microchips continued to stall the car manufacturing sector.

So far this year, UK new car registrations remain 20.3% up, versus lockdown-hit 2020, to 1,101,302 registrations, an increase of 185,687 units with electric vehicles (EV) and plug-in hybrids (PHEV) at 8.4% and 6.6% market share respectively.

Registrations by private, business and fleet buyers all fell by double digits in the month with fleet purchases down 27.5%, a loss of 12,627 units, and private sales 15.2% or 6,063 units behind.

Heycar chief commercial officer, Karen Hilton, says: "Our own industry research indicates that manufacturers fear it could take until 2024 for global supply to fully meet demand."

Measures to streamline and expedite production include rationalisation of extensive option lists.

1 TOYOTA

Growing by 17% in August and 24% YTD, Toyota is on a charge. Yaris and Corolla both made it into the top 10 best sellers, with 1,480 and 1,033 sales respectively.



2 HYUNDAI

Another brand whose fortunes have turned in 2021, Hyundai's stylish Tucson led its sales growth in August, outselling the Vauxhall Corsa.



Marque	August					Year-to-date				
	2021	% market share	2020	% market share	% change	2021	% market share	2020	% market share	% change
Volkswagen	6,989	10.27	8,790	10.08	-20.49	104,852	9.52	83,340	9.10	25.81
Audi	5,756	8.46	6,120	7.02	-5.95	83,782	7.61	58,542	6.39	43.11
Ford	5,205	7.65	10,843	12.43	-52.00	88,470	8.03	89,531	9.78	-1.19
1 Toyota	4,872	7.16	4,137	4.74	17.77	66,188	6.01	53,396	5.83	23.96
BMW	4,427	6.51	5,360	6.14	-17.41	77,614	7.05	63,386	6.92	22.45
Kia	4,329	6.36	4,179	4.79	3.59	57,435	5.22	42,259	4.62	35.91
Mercedes-Benz	3,816	5.61	5,234	6.00	-27.09	69,469	6.31	61,171	6.68	13.57
2 Hyundai	3,374	4.96	3,076	3.53	9.69	40,675	3.69	26,202	2.86	55.24
Vauxhall	3,227	4.74	5,075	5.82	-36.41	61,622	5.60	52,422	5.73	17.55
Škoda	2,474	3.64	3,603	4.13	-31.33	40,576	3.68	32,836	3.59	23.57
Seat	2,198	3.23	2,236	2.56	-1.70	32,630	2.96	27,860	3.04	17.12
Peugeot	2,106	3.10	3,520	4.04	-40.17	39,456	3.58	31,362	3.43	25.81
Nissan	1,842	2.71	2,621	3.00	-29.72	42,385	3.85	39,305	4.29	7.84
Suzuki	1,749	2.57	1,395	1.60	25.38	14,826	1.35	11,085	1.21	33.75
Honda	1,704	2.50	1,744	2.00	-2.29	17,159	1.56	16,505	1.80	3.96
Mazda	1,548	2.28	1,128	1.29	37.23	17,403	1.58	12,679	1.38	37.26
MG	1,494	2.20	1,010	1.16	47.92	17,499	1.59	10,568	1.15	65.58
Land Rover	1,267	1.86	2,042	2.34	-37.95	40,723	3.70	33,396	3.65	21.94
Citroën	1,203	1.77	1,689	1.94	-28.77	19,955	1.81	16,636	1.82	19.95
Volvo	1,200	1.76	1,381	1.58	-13.11	32,337	2.94	23,037	2.52	40.37
Mini	974	1.43	2,013	2.31	-51.61	26,734	2.43	24,731	2.70	8.10
Fiat	966	1.42	1,077	1.23	-10.31	12,259	1.11	11,354	1.24	7.97
Dacia	812	1.19	1,180	1.35	-31.19	9,400	0.85	11,171	1.22	-15.85
Lexus	808	1.19	368	0.42	119.57	9,083	0.82	7,648	0.84	18.76
Renault	671	0.99	2,805	3.22	-76.08	17,687	1.61	24,672	2.69	-28.31
Jaguar	604	0.89	1,059	1.21	-42.97	13,746	1.25	14,356	1.57	-4.25
Cupra	349	0.51	0	0.00	0.00	4,100	0.37	0	0.00	0.00
Jeep	318	0.47	418	0.48	-23.92	2,946	0.27	2,505	0.27	17.60
Porsche	299	0.44	709	0.81	-57.83	7,284	0.66	7,077	0.77	2.92
Polestar	218	0.32	26	0.03	738.46	2,169	0.20	34	0.00	6,279.41
Abarth	135	0.20	146	0.17	-7.53	1,715	0.16	1,273	0.14	34.72
DS	97	0.14	148	0.17	-34.46	1,190	0.11	1,294	0.14	-8.04
Bentley	72	0.11	58	0.07	24.14	782	0.07	747	0.08	4.69
Mitsubishi	72	0.11	578	0.66	-87.54	5,085	0.46	6,215	0.68	-18.18
Subaru	68	0.10	34	0.04	100.00	1,014	0.09	400	0.04	153.50
Alfa Romeo	53	0.08	77	0.09	-31.17	901	0.08	1,202	0.13	-25.04
smart	37	0.05	116	0.13	-68.10	971	0.09	710	0.08	36.76
SsangYong	33	0.05	56	0.06	-41.07	751	0.07	897	0.10	-16.28
Maserati	31	0.05	56	0.06	-44.64	423	0.04	359	0.04	17.83
Alpine	10	0.01	6	0.01	66.67	121	0.01	73	0.01	65.75
Genesis	6	0.01	0	0.00	0.00	60	0.01	0	0.00	0.00
Other British	75	0.11	88	0.10	-14.77	1,512	0.14	1,135	0.12	33.22
Other Imports	545	0.80	1,025	1.18	-46.83	16,313	1.48	12,244	1.34	33.23
Total	68,033		87,226		-22.00	1,101,302		915,615		20.28



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Aimee Winder
Account Manager
North East Region

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FINANCE OFFERS

Manufacturers steer clear of making big offers

The manufacturers rising to the top for new car registrations in 2021 to date are all largely doing so without having to shout that loudly with big retail offers.

MG, Hyundai and Volvo have been some of the franchises that have been more resilient in what has been a year of recovery for the industry, albeit hit with further setbacks from the semiconductor shortage.

MG is becoming the name for plug-in models at the value end of the spectrum in the UK and it has a strong, simple and relatively quiet 0% offer across its entire range.

MG's website has a lowkey approach to plate-change offers, but there is an easily understood low deposit entry-point for any model and then monthly payments that match that initial deposit payment.

There is a broad range of affordability options ranging from just £179 for the MG3 then £316 for the lowest priced plug-in vehicle with the MG5 EV Excite.

It means there could be even more green number plates hitting the roads during the plate-change month for customers enticed by MG's price point and EV model range.

Due to MG's focus as more of a value proposition, it's not surprising there is no support available to customers with deposit contributions in Q3, with MG instead focussing its support on making sure its APR, deposit levels and monthly payments are as affordable as possible up front.

MG's average monthly payment across its range sits at £298, which is comfortably below the industry average of £367 in Q3.

Hyundai makes a bit more of a fanfare with its September gambit of 0% available as an option on its new Tucson, as well as Kona hybrid and all i20 models, with a big banner across its main website.

The Korean brand has an increasingly expansive model range leading with 4.8% across its representative examples online.

Deposit levels are higher, but there is a real spectrum of affordability to hit most customer demographics.

In fact, due to the breadth of models and variety on offer, Hyundai's average monthly payment across the range in Q3 is actually lower than MG, at just £228 a month.

This is because of smaller models like the i10 and i20, or even the Kona hybrid, which are all priced below £160 a month on PCP.

Hyundai is also supporting customers with discounts until the end of September, with up to £1,750 off on models like the Kona and Ioniq hybrid, while there are also deposit contributions of between £1,000 and £1,500 across much of the range.

Hyundai's most heavily discounted model for Q3

TOP FINANCE DEALS FOR RETAIL BUYERS

Model	Finance type	Deposit	Term	Monthly payment	Final payment	APR	Offer ends
MG							
MG3 Excite 1.5 VTI-tech	PCP	£179	48	£179	£3,724	0.00%	30/09/2021
MG5 EV Excite	PCP	£316	48	£316	£9,611	0.00%	30/09/2021
ZS Exclusive 1.5 VTI-tech	PCP	£234	48	£234	£6,829	0.00%	30/09/2021
ZS EV Excite	PCP	£343	48	£343	£9,288	0.00%	30/09/2021
HS Exclusive 1.5T-GDI	PCP	£311	48	£311	£8,756	0.00%	30/09/2021
HS Plug-in Hybrid Excite	PCP	£406	48	£406	£10,201	0.00%	30/09/2021
HYUNDAI							
i10 SE 1.0 67PS Petrol 2WD Manual	PCP	£4,000	48	£110.55	£4,475.52	4.80%	30/09/2021
i20 - SE Connect 1.0 100PS Petrol Manual	PCP	£5,700	36	£110.60	£8,253.96	4.80%	30/09/2021
i20 N 1.6 204PS Petrol 2WD Manual	PCP	£7,500	36	£236.02	£11,686.08	4.80%	30/09/2021
i30 - SE Connect 1.0 120PS Petrol Manual	PCP	£6,400	36	£177.25	£7,636.80	4.80%	30/09/2021
i30 Tourer SE Connect 1.0 T-GDi 120PS Petrol	PCP	£6,600	36	£207.67	£7,960.92	4.80%	30/09/2021
i30 Fastback N Line 1.5 T-GDi 159PS Petrol	PCP	£7,800	36	£273.18	£8,697.96	4.80%	30/09/2021
Ioniq Hybrid Premium 1.6 Petrol 141PS	PCP	£7,800	36	£195.53	£10,216.44	4.80%	30/09/2021
Ioniq Plug In Premium 1.6 Petrol 141PS	PCP	£9,200	36	£272.35	£10,829.16	4.80%	30/09/2021
Ioniq Electric Premium Electric Motor	PCP	£6,200	36	£341.85	£13,741.80	4.80%	30/09/2021
Ioniq 5 Premium Electric 73 kWh RWD 217PS	PCP	£12,600	24	£376.08	£22,874.88	4.80%	30/09/2021
Kona Premium 1.0 T-GDi 48 Volt Hybrid	PCP	£7,200	36	£185.20	£9,195.24	4.80%	30/09/2021
Kona Hybrid SE Connect Hybrid 1.6 GDi 141PS	PCP	£7,200	36	£159.91	£10,278.60	4.80%	30/09/2021
Tucson SE Connect 1.6 TGD 150ps 48 Volt MHEV	PCP	£9,200	36	£207.28	£13,133.52	0.00%	30/09/2021
Santa Fe Premium SE 2.2 CRDi 200PS Diesel 4WD	PCP	£13,600	36	£380.16	£18,341.64	4.80%	30/09/2021
Santa Fe Hybrid Ultimate Hybrid 1.6 T-GDi HEV 6AT 230PS 2WD	PCP	£13,400	36	£255.31	£21,449.64	4.80%	30/09/2021
Bayon SE Connect 1.0 Petrol T-GDi 48 Volt Mild Hybrid 100PS	PCP	£6,100	36	£162.56	£8,951.04	4.80%	30/09/2021
VOLVO							
XC90 B5 Momentum All-Wheel Drive Automatic (metallic paint included)	PCP	£8,957.69	48	£529	£18,525	4.90%	30/09/2021
XC60 B5 Momentum Front-Wheel Drive Automatic (metallic paint included)	PCP	£5,409.28	48	£399	£14,820	4.90%	30/09/2021
XC40 T3 Momentum Front-Wheel Drive Manual (metallic paint included)	PCP	£6,548.61	48	£299	£13,381.88	6.00%	30/09/2021
XC40 T4 Inscription Expression Plug-in hybrid Fron-Wheel Drive Automatic (metallic paint included)	PCP	£6,437.29	48	£389	£16,453.13	5.90%	30/09/2021
V60 B3 Momentum Front-Wheel Drive Automatic (metallic paint included)	PCP	£3,858.86	48	£319	£11,212.50	3.00%	30/09/2021
V90 B4 Momentum Front-Wheel Drive Automatic (metallic paint included)	PCP	£8,550.39	48	£349	£11,310	3.90%	30/09/2021
S90 T8 R-Design Plug-in hybrid All-Wheel Drive Automatic (metallic paint included)	PCP	£6,824.80	48	£529	£17,793.75	3.90%	30/09/2021

is the Sante Fe, which is available with £3,000 off until the end of the quarter.

Volvo is an interesting focus point as it has just confirmed that 15% of all its retail sales are now going through its subscription model, with a heavy weighting towards the XC40.

This means other finance methods like PCP are still accounting for the majority of deals for now, but the brand is planning on switching all retail sales to online both for retailer-assisted and direct sales – by 2025.

It will be interesting to see what proportion of sales over the next few years are absorbed by Volvo's flexible leasing alternative and whether the range of PCP offers is reduced as they become less popular.

For now, there are still a couple of headline offers Volvo is leading with for Q3, including a 0% APR conditional sale when customers put up a 50%

deposit first, although this excludes the popular XC40.

For those without that kind of cash sitting around to flash on a new Volvo, there is a mix of APRs, ranging from as low as 2.9% on the V60, scaling up to 5.9% more desirable models like the XC40 or 4.9% on the XC90.

The big offer for Q3 from Volvo is a complimentary home charging point including installation worth £899 for any retail customer buying a new plug-in hybrid.

There is also a range of big discounts in Q3, with £7,000 off the S90, as well as £5,000 off the V90 and a £5,000 drop on the XC90.

TOM SEYMOUR



SEARCH FOR FINANCE OFFERS

For a searchable list of manufacturers' finance offers, go to am-online.com/offers



VIEWPOINT



IS GOVERNMENT TAKING HYDROGEN TOO LIGHTLY?

PROFESSOR JIM SAKER is director of the Centre for Automotive Management at Loughborough University's Business School, Institute of the Motor Industry (IMI) president and an AM Awards judge

FINANCIAL PRESSURE WILL BUILD AS COVID-19 RESTRICTIONS EASE



ALISON ASHLEY head of motor retail, RSM

Recently my attention was drawn to a short article in *Fleet News* which talked about Fleet Assist preparing its garage network to receive hydrogen-based vehicles.

It stood out for me because the article appeared at the same time as a number of major manufacturers were announcing new technology investment to support the development of electrified power trains.

The article went on to explain Fleet Assist's move saying the company wanted to be prepared for the early hydrogen adopters in fleet.

I thought the article was timely and showed a degree of foresight and forward planning, something that seems to be lacking with the UK Government on this issue.

The case for hydrogen fuel cell technology is strong.

The general belief is that hydrogen-powered fuel cell electric vehicles (FCEVs) provide a high energy density and rapid refuelling with a minimal loss of range in low temperatures, making the technology ideal for larger, longer-range vehicles, or those operated in hot or cold environments.

With Stellantis announcing the development of a FCEV mid-sized van to be on the roads by the end of 2021 and Land Rover's recent launch of their hydrogen-concept Land Rover Defender, there is an indication that increasing numbers of manufacturers are thinking about following Toyota and Hyundai into the production of FCEVs.

In April, BMW, Hyundai, Stellantis and Toyota sent a joint letter

to the executive vice-president of the EU calling for a further expansion of the existing network of 700 public hydrogen refuelling stations across Europe.

There is also going to be demand from the HGV sector and, with the H2Accelerate group of Iveco, Daimler, Volvo, Shell and OMV coming together, there will be increasing pressure on Government to invest in hydrogen infrastructure.

Madrid has announced that it is replacing 1,000 of its internal combustion engine (ICE) taxis with FCEV by 2026 with the first fee-paying passengers coming next year. Paris has said that it will have 600 Toyota Mirai taxis in place by 2024.

It appears that most of the progress and planning is being made in Europe, not in the UK.

The UKH2 Mobility consortium has expressed concern that "hydrogen cars, vans, trucks and trains are all available across the world today, but there is no clear and specific policy support to create UK products or help bring these to the UK."

With potential products being made available in Europe, it is important for the car industry in the UK that the infrastructure is in place that will allow for the implementation of FCEV alongside conventional EVs.

This will include not only the provision of the equipment but also the training and qualifications a topic that Fleet Assist is talking to the IMI about providing.

With better planning from the Government downwards it will be possible to generate value throughout the supply chain and bring in revenue while helping to improve the environment.

A total of £65.9 billion has been claimed by 1.3 million employers for 11.6 million

furloughed jobs across all sectors which clearly shows the Coronavirus Job Retention Scheme (CJRS) income has been a welcome and business-critical relief for many organisations; not least dealers who were required to close the showroom doors from March 23, 2020.

While dealers adapted quickly to alternative ways of engaging with customers, furlough has been the backbone of their 2020 results.

Staff shortages, already widely reported across the country in sectors such as hospitality, are one of the next challenges that will hit the motor retail agenda.

Bounce-back loans of £47.4bn form the lion's share of the £80.4bn total of all business loans approved under the various Government business loan schemes.

Our experience across the motor retail sector has been that the use of the Government's business loans has been pretty low.

While a number of dealers initially considered CBILS and CLBILS, it was encouraging to see that existing funders were generally willing to extend their existing commercial facilities without the need to access the Government-backed loans.

Even more pleasing was the subsequent low or non-utilisation of facilities as cashflow across the sector has been incredibly strong.

The bounce-back loan scheme statistic is staggering. While we do not expect that these have a direct bearing on the sector, there is a predicted default rate of up to around 40%, which could have wider implications.

The business rates holidays for retail, hospitality and leisure companies is estimated to have supported almost 400,000 businesses with £10.8bn of relief.

Unlike CJRS income, which is reported separately in the annual accounts, the benefit from rates discounts is netted from the related expense and provides less transparency on the impact on like-for-like results.

Finally, the Government reported £33.5bn of cumulative VAT deferrals. We saw that deferrals across the sector mirrored the reported profile of the total £33.5bn which remains unpaid.

Dealers have benefitted from the deferred cash outlay of VAT and this is reflected in reported low utilisation of facilities.

Increased cash headroom has no doubt been a relief for dealerships who have been managing the additional burden of furlough claims, business closures, safe reopening and rapid deployment of digital strategies.

However, since last December, HMRC has become a preferential creditor for VAT, PAYE and deductions in respect of employee national insurance.

So, dealers are likely to see their banks taking a keener interest in debts because the HMRC move may reduce their security in the event of business failure.

As restrictions have lifted through 2021 and the level of financial support winds down, pressure of maintaining profitability and cashflow will return.

However, the sector has proved resilient and adaptable to market demand and consumer and economic shifts; and 2021 should prove to be another successful year.



CONGRATULATIONS TO THE 2021 AM AWARD WINNERS



Winners celebrate at the AM Awards, AM's first live event since the coronavirus pandemic hit the UK

This year's AM Awards gala dinner was an incredible opportunity to recognise and reward the strengths of numerous businesses and individuals in the UK's motor retail industry after such a turbulent 2020.

The event was the final stage of a process in which dozens submitted entries. Many of these were dealer categories requiring verification by our audit partner, the accountancy firm BDO.

The 2021 AM Awards judges were Professor Jim Saker, the director of Loughborough University's Centre for Automotive Management; Steve Nash, the chief executive of the Institute of the Motor Industry; Steve Young, managing director of the ICDP; Sue Robinson, NFDA chief executive; Julia Muir, founder of the Automotive 30% Club; AM editor Tim Rose; AM news and features editor Tom Sharpe; and AM editor-in-chief Stephen Briers.

Supporting the judges were AM Awards auditors Steve Le Bas, James Evans, Chris Bond and Malcolm Thixton from BDO's motor retail team.

On the night, we were joined by TV and radio presenter Charlotte Hawkins and comedian Simon Evans.

Over the next 42 pages you can learn all about what made our winners stand out from their rival entrants.



Ben's Big Breakfast

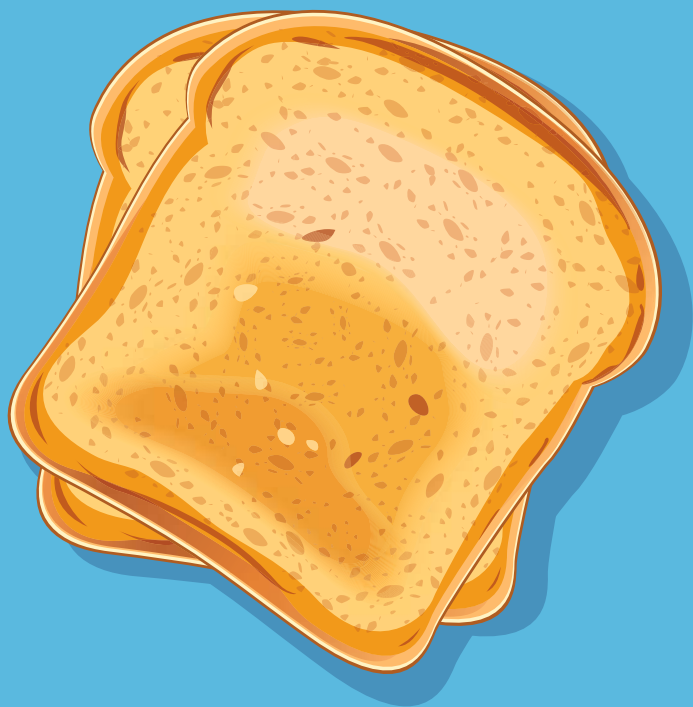


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Support for life



Huw Roberts, group people director, Peter Vardy (centre), collects the award from Steve Le Bas, head of motor retail at AM Awards auditors BDO and awards host and TV presenter Charlotte Hawkins

THE COMMUNITY HERO AWARD

Winner: Peter Vardy Group

Peter Vardy Group donates 10% of its profits annually to The Peter Vardy Foundation to support children and young people across the UK and internationally without courting constant publicity.

Amid the worst of the pandemic, the group's COVID community response project donated £500,000 to support communities in Scotland and charity partners in Uganda.

Colleagues also volunteered to support charities on the frontline, delivering food parcels and providing cars to key workers.

As part of induction, new employees are introduced to the group's 'Giving Back' culture and

the 'No Planet B' – Positive Environmental Impact project – to help reduce its carbon footprint.

Colleagues can manage their carbon footprint via an app, while also being able to contribute to the group's reduction plan. Each site has a group chat to encourage and support staff members.

The key performance indicators (KPIs) for the project are treated in the same regard as those of sales and customer experience measures, and its objectives form part of the dealership's KPI scorecard.

Starters are also given £100 to donate to a charity of their choice and are required to volunteer with one of the group's charity partners.

One Child is a matched donation programme the group launched in 2017 – for every car sold, £10 is donated to a charity partner. This increased to £15 in 2021 and the group encourages its customers to match the donation. Across the four years, the average matched donation is 70%.

Each site has a community champion who engages with colleagues, local charities and environmental partners. Each site is targeted to take part in a minimum of one fundraising event per quarter, to involve at least 50% of their team.

The group holds three annual activities – Back to School Packs, Children in Need and Christmas Gift Drop – to encourage staff engagement in philanthropy.

HIGHLY COMMENDED

Swansway Group

FINALISTS

Peter Vardy Group
Hendy Group
John Clark Holdings

Kinghams of Croydon
Swansway Group
TrustFord



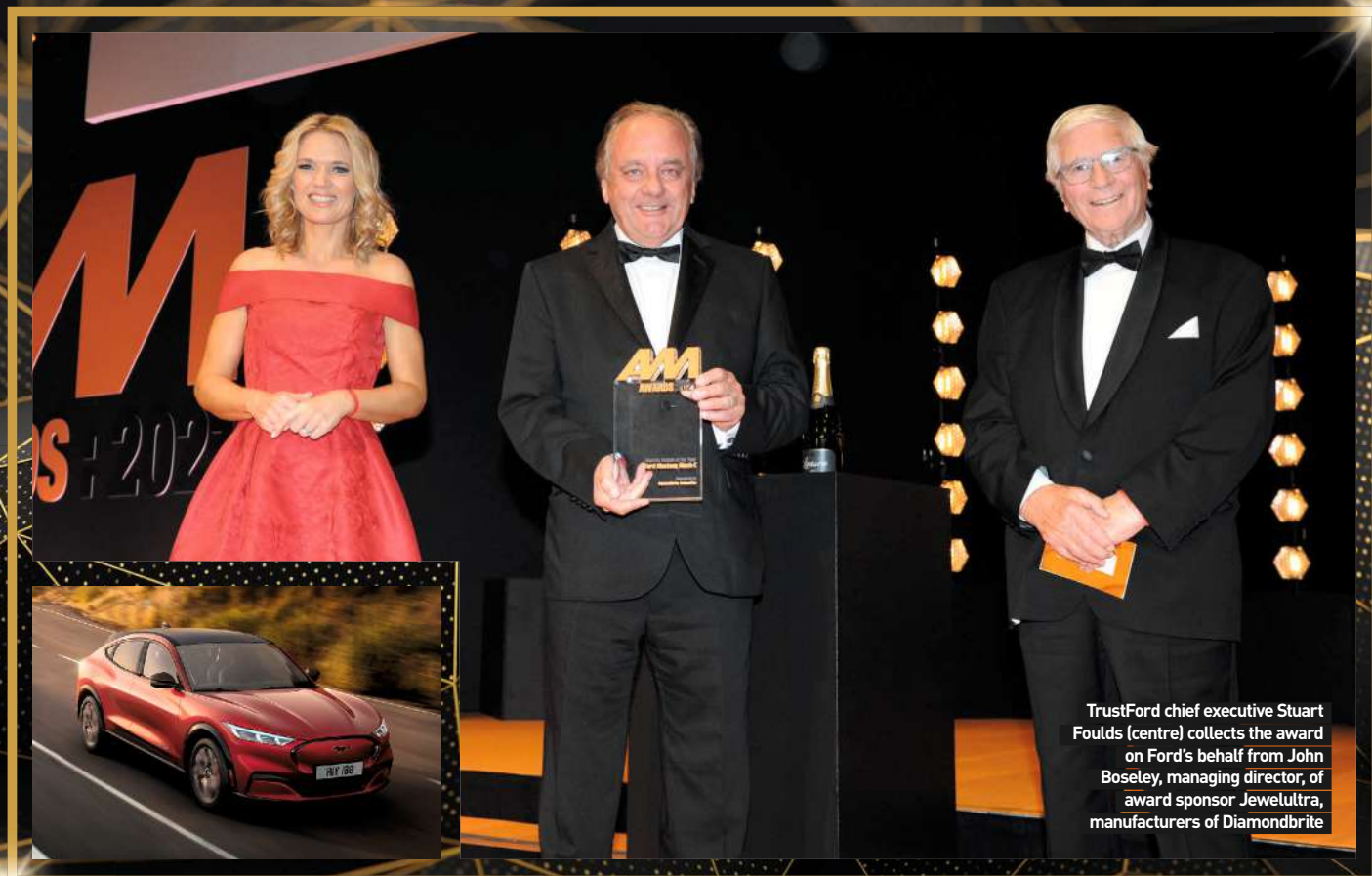
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THE PROFESSIONALS' CHOICE



TrustFord chief executive Stuart Foulds (centre) collects the award on Ford's behalf from John Boseley, managing director, of award sponsor Jewelultra, manufacturers of Diamondbrite

ELECTRIC VEHICLE OF THE YEAR

Winner: Ford Mustang Mach-E

The naming of Ford's debut battery car has been a divisive move, given that generations of Mustangs have been synonymous with V8-power for the average car enthusiast. However, *AM* readers put it clearly at the head of the pack in their voting for the recipient of this award.

At the very least, Ford can claim to have successfully got consumers' attention by putting that most iconic badge on its first all-electric car.

This SUV is available in both rear-wheel drive and all-wheel drive forms, and extended range models can cover up to 379 miles on one charge.

In fact Ford's own team has won a Guinness World Record for the lowest energy consumption in an electric car, by travelling between John O'Groats and Land's End at more than 6.5 miles per kilowatt hour – equivalent to a full charge range of 500 miles.

So practicality is guaranteed from the Mach-E, while still delivering performance expected of the Mustang brand: just 5.1 seconds from standstill to 62mph.

Ford of Britain managing director Lisa Brankin said about Mach-E signalling the direction Ford is taking: "I think maybe in the past, we might not

have been very brave. But I think going forward, you'll see that we are. I think, even if you don't like Ford or don't like Ford products, when people see the Mach-E, they'll be impressed. And I think it also goes a little bit against expectations."

It's an electric vehicle that is cool to drive, commendably efficient and good both to look at and be seen in. The Mustang Mach-E has generated enormous interest thanks to its on-paper performance, built-in technology and £41,000 starting price.

It will bring people back to the Ford dealer network.

FINALISTS

Audi E-Tron
Ford Mustang Mach-E
Kia E-Niro

Nissan Leaf
Porsche Taycan
Tesla Model 3

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Richard Siney (centre), corporate director, Norton Way Group, collects the award from carwow national account director Will Jackson

BEST ELECTRIC VEHICLE DEALERSHIP

Winner: Norton Way Nissan

A closely contested category, but this winner earned the trophy with its expertise, engagement, sales volume and its vision of electric vehicle (EV) integration into society.

"We believe that the only way for EVs to be deployed and adopted at scale will be if they are integrated in a much more organic way into the users' lives and the transport infrastructure," wrote corporate director Richard Siney in the awards entry.

Norton Way Nissan has engaged in a 'proof of concept' project with its Japanese parent Marubeni and other third parties which explores service

offerings that leverage vehicle-to-grid and vehicle-to-building technology, whereby power generated by solar power can be stored in a car's battery and utilised more broadly.

Siney says this signals its commitment to supporting efforts to increase EV adoption and assist corporates in how they can achieve net-zero carbon targets and optimise return on investment.

It also partners with start-up and existing energy suppliers to proactively create EV sales opportunities, which led to more than 200 sales within five months.

Pure EVs account for one-in-12 of the dealership's new cars sold, and one in every 16 used cars. Even

the aftersales team plays a role in educating customers, with an extensive EV loan car scheme for customers with combustion-engined cars.

"From a customer retention and referral perspective we are constantly monitoring our database and all of our EV customers to ensure they have a fantastic experience and spread the word about EVs by offering a reward for referrals," says Siney. "We are not shy in creating demand."

Norton Way has seized upon market changes and legislation, such as ULEZ, to best demonstrate the cost savings available from EV adoption. In one example, it saved a corporate client £60,500 ahead of changes to the plug-in car grant.

HIGHLY COMMENDED

Marshall Volkswagen St Albans

FINALISTS

Hendy MG Exeter
 Marshall Volkswagen St Albans
 Norton Way Nissan

Peter Vardy Porsche Aberdeen
 Smiths Hyundai
 Vindis Volkswagen Cambridge
 Waylands Automotive

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Richard Gough (second left), head of aftersales at Marshall Motor Group, and Bob Maxwell, general sales manager, Mercedes-Benz of Preston, received the award from Kevin Brockbank, (right), core sales director of Santander Consumer Finance

BEST USED CAR DEALERSHIP (FRANCHISED)

Winner: Marshall Mercedes-Benz of Preston

"As a business we use the same reporting tools as anyone else but what makes us different is that we are always looking at different ways of doing things. And we're not scared of trying and failing," says Mercedes-Benz of Preston general manager Richard Gough. "As a result this dealership punches above its weight in terms of used car sales for the Mercedes-Benz franchise."

He goes on to say how proud he is of his team and the dealership's performance.

Gough, who won General Manager of the Year at the 2019 AM Awards, notes: "Our people have made all the difference and transformed our performance throughout the disruptions presented by the pandemic."

During 2020 the dealership's used car average days to sell key performance indicator (KPI) has improved from 23 to 17 days, sales volumes have doubled since 2017, profit per unit has improved by 28%, finance and insurance penetration remains good, and the dealership is in the Mercedes network's upper quartile for customer satisfaction.

Stock turn focus came after Gough recognised it was taking up to 10 days from delivery, through preparation and photography, before used cars were being marketed. New processes addressed that, and improved the speed of responding to consumer enquiries.

With only 40 used car display spaces available, the dealership now focuses on replacing sold cars

immediately. As customers come in for test-drives, the dealership offers to valet their part-exchange, appraise it and take high quality photographs there and then. It means that once the transaction is secured the part-exchange can be advertised more quickly.

Asking customers at home to video or photograph their own car is also speeding up the trade-in appraisal process.

Retailing suitable non-franchise part-exchanges was a differentiator for the business in 2020. Previously traded out, such cars generated extra profits for the business after it was left with sizeable inventory of other brand trade-ins as the first COVID lockdown began. These now account for around one-in-six used car sales.

HIGHLY COMMENDED

Humphries & Parks

FINALISTS

Hendy Used Car Tunbridge Wells
Humphries & Parks
Marshall Mercedes-Benz of Preston

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 AutoTrader



Ish Hussain, general manager, Steven Eagell Toyota Milton Keynes, collects the award from Auto Trader sales director Rebecca Clark (right)

BEST DEALERSHIP

Winner: Steven Eagell Toyota Milton Keynes

The flagship dealership in the Steven Eagell network of 22 Toyota centres demonstrated how focussing on customer satisfaction can be the catalyst to improvements in all areas of a business.

With a group focus on CSI, the Milton Keynes dealership's position as the original Toyota dealership history meant Steven Eagell's had to achieve great things. And so it did.

In three years to 2020 service CSI has gone from 61.6% to 80.9%; sales from 85.8% to 95.7%, with overall scores improving from 73.7% to 88.3%.

In the same period profit-before-tax increased 188%.

And with return on sales last year at nearly 4% and new and used car margins in the top 5% of

the Toyota GB network, Milton Keynes is the most profitable dealership in the group.

"As our largest Toyota dealership, we were keen to deliver a network-leading performance in 2020," group marketing manager David Godley says.

This was done through communication. In monthly performance reviews, CSI scores are analysed in detail, with customer verbatims studied to identify under-performance and solutions were implemented. An example was poor customer parking, so a parking attendant was employed.

Sales and aftersales teams are empowered to address issues at site level. They use tools such as 'voice of the customer', that collates customers' feedback and segments into business areas,

enabling focussed improvements, without the need for director involvement.

For used cars, each salesperson is tasked with producing a minimum of two videos per day. The result was responses to videos increasing from less than 50 per month to more than 500.

A 'sales progressor' was also recruited to ensure all vehicles are prepped, photographed and displayed on the Steven Eagell and third-party websites within 72 hours of coming on site. The result has been a 43% improvement in used car margins.

Success enables investment so the business is looking to increase sales and renewal teams' numbers, continued investment in training and, of course, continue customer – and employee – satisfaction.

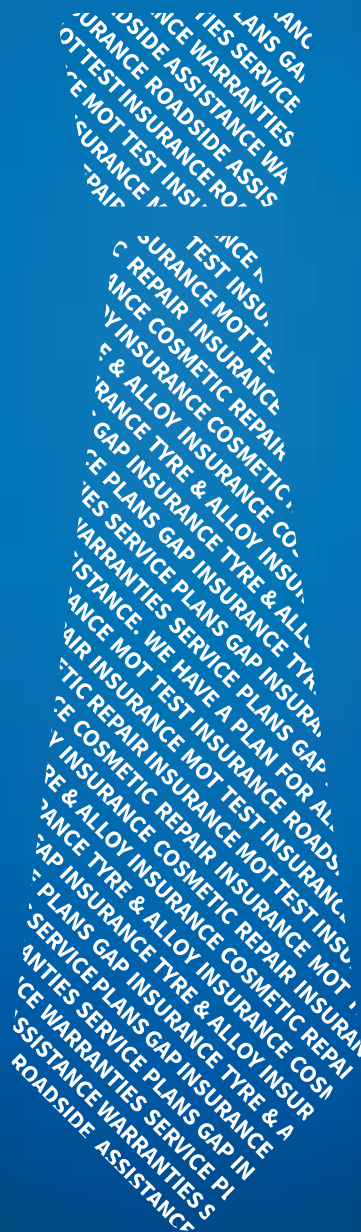
FINALISTS

Hendy Nissan/Renault/Dacia/Toyota Salisbury
Johnsons Mazda Gloucester
Marshall Mercedes-Benz of Bolton

Meadens Škoda
Steven Eagell Toyota Milton Keynes

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Chris Lear (centre), aftersales director, Kia UK, collects the trophy from Ben Russell, chief executive officer of award sponsors Car Care Plan

USED CAR OF THE YEAR

Winner: Kia Sportage

The Kia Sportage has re-established its dominance as the *AM* readers' Used Car of the Year.

While the Volkswagen Golf took the prize in 2020, Kia's family SUV all-rounder had otherwise won the prize every year since 2016.

The Korean brand now has a broad range of vehicles, from the sporty Stinger to the latest hybrid and electric vehicles.

However, after the Picanto and Ceed broke down the door to the mainstream following the introduction of the UK scrappage scheme back in 2009, it was the third-generation Sportage that firmly established Kia as a coveted franchise for

dealerships across the UK in the following years, consistently becoming a top seller for the brand.

The fourth-generation was given a facelift in 2018 and was still Kia's top selling model last year, with more than 34,500 delivered to UK customers.

The Sportage continues to give plenty of features and makes sure prices are comparable with even the best-value alternatives.

But the Sportage offers so much more. It is a handsome and distinctive machine to look at, feels modern inside and shrugs off everything a growing family can throw at it.

New Sportages are loaded with equipment, with all versions since 2020 featuring a 'frameless'

eight-inch touchscreen satellite navigation system with the latest UVO Connect telematics system, as well as Android Auto, Apple CarPlay and Bluetooth smartphone connectivity.

These mean franchised dealers always have a supply of well-specified used examples that are less than 20 months old and under 20,000 miles flowing back into the network through Kia's approved used car programme.

Kia's famous transferable seven-year warranty also means used cars less than five years old, which are a franchised dealer's bread-and-butter, will also be covered by manufacturer warranty, another added bonus to prospective buyers.

FINALISTS

Ford Fiesta
Ford Kuga
Kia Sportage

Porsche Macan
Toyota Yaris
Volkswagen Golf

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AFTERSALES

SALES

ASSIST



Sam Street (centre), head of business, Sytner Harold Wood BMW/Mini, collects the award from Steve Dean, managing director of award sponsor Vehicle Vision

BEST AFTERSALES TEAM

Winner: Sytner Harold Wood BMW/Mini

When the pandemic and resulting lockdowns meant this London dealerships' sales department had to shut – or, at best, work remotely – the service team stepped into the breach.

A 'skeleton' team volunteered to carry on working throughout with the aim of keeping key workers on the road and to provide police car repairs. Harold Wood BMW was also the first site in the manufacturer's network and the only one in London to open 24 hours a day, Monday to Friday, with customer appointments available throughout. Absorption rate reached 101%, covering the cost of the Sytner site in 2020.

Round-the-clock opening at the Romford site

meant all vehicle preparation work moved outside of the working day, cutting preparation lead time from nine days to three.

The aftersales team also helped with vehicle logistics and deliveries, demonstrating what head of aftersales Ben Orwell refers to as the company's 'One Team' ethos. Stability in his team, he believes, played a critical part in doubling direct profit from 2019 to 2020, and it's on plan for another 50% growth in direct profit in 2021.

CSI scores for the BMW business are at 85.9 against a national average of 83.59; for Mini 91.77 against an average of 86.53 – and number one in the London area and top 10 nationally out of 156 businesses. The business also achieved a 20 Star

BMW/Mini award for 2019 – the only business within the M25 to ever receive this.

And in the past four years staff satisfaction has increased from 70% to 96%, with annual staff turnover falling from 30% to below 10%.

Attention to detail is key. Orwell says: "We deep dive every week into a days' worth of bookings and will inspect for quality, and pre-, update and post-calls for every visit. We then make these calls in coaching sessions with everyone involved, whether it be the advisor making the call, the technician sending the CitNOW video or the parts advisor pre-picking the parts. Together we will look for opportunities in how we can take our service to the next level."

FINALISTS

Marshall Mercedes-Benz of Bolton
 Steven Eagell Toyota Aylesbury
 Sytner Harold Wood BMW/Mini

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 ENHANCING TRUST WITH VIDEO



NFSA chairman David Newman (centre) collects the award on behalf of Arnold Clark Automobiles from awards judge, Professor Jim Saker of Loughborough University

APPRENTICESHIP PROGRAMME OF THE YEAR

Winner: Arnold Clark Automobiles

Fourteen disciplines are 'embedded' into Arnold Clark Automobiles' apprenticeship programme. They cover a range of topics, from retail sales professional to electronic fire and security, with light vehicle maintenance and repair as its most important and long-standing apprenticeship.

Each, says the Scottish dealer group, provides new skills, knowledge and competencies, and enhance personal development. Arnold Clark recognises that to embed its long-standing values, to meet demand and evolve, "employee development is vital".

The light vehicle maintenance and repair programme has been in place since the 1950s, with the others evolving to meet business needs, particularly since the 1990s.

Now the group's wholly-owned subsidiary, GTC Training, provides most of the learning programmes, while also working with multiple partners. Each programme is enhanced with 10 additional weeks of practical skills, designed to improve competence and confidence – measured via customer and manufacturer satisfaction ratings. Apprentices' parents and guardians are involved too. An open event explains the commitment involved parties have made, offers a view of the workplace, the 'learning journey' and how the business will keep apprentices safe.

Arnold Clark works with assessors and coaches and has a team of workplace mentors so assessment is carried out thoroughly through such means as direct observation and practical skills and knowledge skills assessments.

Where skills gaps are identified, Arnold Clark works with external partners, providing sector-based skills academies, such as the Prince's Trust 'Get Into Cars'. With addressing skills gaps in mind, 'development routes' were established for existing employees. These include valet operative to mechanical, compound operative to driving goods vehicle and employee to manager apprentice.

Throughout, Arnold Clark adheres to rules of the Education and Skills Funding Agency, Skills Development Scotland, HMI and Ofsted, and aligned to its strategic KPIs: employee retention, productivity and satisfaction and customer satisfaction.

The numbers? Arnold Clark's overall annual intake between 2017 and 2020 was 385. The expected pass rate for 2021 is 82% and the retention rate is 87%.

HIGHLY COMMENDED

Gemini Accident Repair Centres
Stoneacre Motor Group

FINALISTS

Arnold Clark Automobiles
Gemini Accident Repair Centres
Stoneacre Motor Group



Gemma Rolf (centre), general sales manager, Marshall Mercedes-Benz of Southampton, collected the award from AM news and features editor Tom Sharpe

BEST SALES TEAM

Winner: Marshall Mercedes-Benz of Southampton

A motivated team working dynamically to meet its goals to exceed the expectations of its customers and managers secured this award for Marshall Mercedes-Benz of Southampton.

Starting from a £95,027 profit on their return from furlough in May – some £292,122 behind budget – the team set out to deliver its full-year profit of more than £1 million but smashed that budget by 10% in just more than six months.

The dealership's AM Awards entry detailed how its workforce showed flexibility, resilience and imagination to adapt to what was an "unknown sales environment".

Initially focussing on used cars and click and collect, and establishing a temporary covered outside handover area to facilitate the process, the

sales team closely referenced a live daily spreadsheet to guide their focus on new or used cars each day after Mercedes removed its sales targets.

The shift in mindset meant vehicles need not be undersold at a time when replacement new and used car stock was hard to come by.

General manager Lee Taylor said the strategy succeeded in growing margin and pride in the product.

New car retained margin rose from almost £400 year-on-year in 2020 and used car retained margin by more than £500 as 515 new and 804 used vehicles were sold – down 325 on 2019.

Improved profit did not come at the expense of customer care, demonstrated by a CSI score of 97.37%.

Embracing digital, sales executives liaised with customers using video-conferencing, while its sales support executive produced tours of various Mercedes models which could be sent out alongside presentations detailing associated insurance products.

Marshall Mercedes-Benz of Southampton also came top of all Marshall's 122 locations for profit from finance and insurance in 2020.

Furthermore, the adoption of a 'buddy system' among sales executives allowed the dealership to adopt an 'always on' approach to customer enquiries.

Taylor said this also guaranteed his hard-working team time to switch off from the business, knowing a colleague would handle requests in their absence.

HIGHLY COMMENDED

Hendy Used Car Tunbridge Wells

FINALISTS

Hendy Used Car Tunbridge Wells
 Marshall Mercedes-Benz of Southampton
 Marshall Jaguar Land Rover Oxford

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Wal Singh (centre), managing director, Accrington Garages, collects the trophy from Andrew Landell, managing director of award sponsor LTK Consultants

BEST IN CUSTOMER SERVICE

Winner: Accrington Garages Vauxhall

Despite the challenges of the pandemic, Accrington Garages Vauxhall has maintained a 100% CSI (customer satisfaction index) score year-on-year.

Despite a difficult 2020 Accrington Garages ranked as the number one Vauxhall retailer in the UK for customer care and quality – as well as claiming the Vauxhall Customer Excellence Award for the seventh consecutive year – in recognition of the highest possible customer care given to both sales and aftersales customers. It also achieved the Motability Dealer Partner Award in 2018.

Being a family-owned and family-run independent Vauxhall retailer since 1993, staff at Accrington Garages Vauxhall are trained to treat

customers like family members, which is illustrated in its customer reviews.

The retailer has a commitment to customer service, combined with its 28-year longevity – which has resulted in customers continuing to choose Accrington Garages for their new or used vehicle or for servicing and repair – the retailer's retention rate is nearly 60%.

Transparency and communication with customers are key attributes of its customer service strategy and its family approach has proven to be its strength – having a family member positioned in each department to ensure any key decisions that may affect the customer's experience are constantly reviewed, ensuring the

customer experience does not drop below 100%.

If something goes wrong, management reviews the case, ascertains if there is any training or process gaps and makes the necessary changes to prevent it recurring.

Accrington Garages Vauxhall understands the cost of keeping existing customers happy is less than the cost of attracting new customers, and all staff are briefed to fast-track customer complaints to a member of the team. The customer is then contacted within two hours and an amicable resolution is always the objective.

The size of the business also provides it the agility to move with the times and respond swiftly to any areas of concern.

HIGHLY COMMENDED

Drive Motor Retail

FINALISTS

Accrington Garages Vauxhall
Beechwood (Derby)

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Milen Kolev, Group Marketing Manager at Riverside Motor Group

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*Comscore MMX Multi-Platform®, Total Unique Monthly Visitors, Custom-defined list includes: CarGurus.co.uk, Motors.co.uk, AutoTrader.co.uk, Gumtree.com, Q1 2021 to Q2 2021, UK



Stuart Foulds, chairman and CEO, TrustFord (centre), picks up the trophy from Dan Delderfield, national field account manager, CarGurus PistonHeads

BEST MARKETING STRATEGY

Winner: TrustFord

TrustFord offers its customers the choice to reserve vehicles online, purchase remotely, visit on-site, or take a blended approach.

Customers can also interact with TrustFord using video technology, Click and Collect, or have their vehicle delivered to their home or workplace.

TrustFord's 'Quick, Easy and Transparent' web journey continues and its TrustFord Now strategy has expanded.

Website improvements include what it describes as 'diligent housekeeping', a new content management system (CMS) and interrogation of its search engine optimisation (SEO) strategy.

Amplification of TrustFord Now continues and

encompasses: TrustFord Now – vehicle purchase within the hour; Choose it Now – reserve a selected vehicle online; Bring it To Me Now – vehicle is delivered to a chosen dealership or home within 24 hours; Service Now – servicing a car within an hour; Mobile Service Now – go to a customer and service their vehicle; and Smart Repairs Now – on site or visit to make repairs.

TrustFord puts the customer and data at the centre of its marketing efforts and is evolving to make searching and buying its services or products easier.

The dealer group also reaches out to customers for customer feedback via survey or on social media.

TrustFord has developed a new app for sharing across its digital channels and in-store on point of sale, allowing users to take a 'virtual journey' around and inside a vehicle.

It is also working with Captify for display advertising; running a video campaign promoting its 'Fully Charged' video assets, designed to drive awareness of TrustFord, Ford electric and hybrid vehicles and the launch of the Mach-E.

Marketing results at TrustFord are strong: social engagement has increased reaching 3.7% compared with 3.2% in 2020, its web conversion-to-enquiry is 11.8%, and the AM100 dealer group's marketing leads delivered have increased by 12.2%.

HIGHLY COMMENDED

Shelbourne Motors

FINALISTS

TrustFord
Shelbourne Motors

TG Holdcroft
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Euan Cameron, group marketing director, Peter Vardy, picks up the trophy from Karen Rotberg (right), co-founder of award sponsor BookMyGarage.com

BEST ONLINE CONSUMER EXPERIENCE

Winner: Peter Vardy Group

In light of the global pandemic, Peter Vardy Group set out to define its online omnichannel strategy across its digital touchpoints.

The group had already created its online buying journey, 'Storefront', in 2019 to allow customers to build their deal, transact online or go through part of the journey before completing in store.

The group saw an uplift in sales via the channel and invested in a fleet of transporters to facilitate its offering of home delivery to the online car-buying journey.

The software also allowed guests to save and pick up where they left off in the showroom and

provided the option to complete the deal on an iPad in the showroom if they preferred not to deal with a sales advisor.

The car dealer group identified improvements it could make to its website and online experience and increased the overall site speed score of 52 to 90, allowing it to drive a 20% improvement in site conversion.

At the start of 2020, Peter Vardy Group's online sales team was 10 people, who were focused on generating appointments. In the team, they generated around three deals per day.

However, the group has created a centralised e-commerce sales team to manage online deposits

and complete online sales with guests. At the end of the year, the team had grown to 35 and made up 25% of the overall sales team.

The dedicated team has resulted in faster response times to customers – an average of nine minutes – and improved conversion rates of around 20%.

Peter Vardy Group's online sales team accounts for approximately 48% of all sales across the group, has a finance penetration of 70% and each sales advisor accounts on average for sales of 50% more vehicles than a dealership-based advisor.

The group has also expanded its digital marketing team, which has trebled in size with new specialised roles being created.

HIGHLY COMMENDED

Perrys Motor Sales

FINALISTS

Peter Vardy Group
Hutchings Motor Group

Perrys Motor Sales
Sandiccliffe Motor Group
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Matt Galvin (centre), Volvo Car UK commercial operations director picked up the award from Pontus Riska, VP sales and support UK, RAPID RTC

MANUFACTURER OF THE YEAR

Winner: Volvo Car

As Volvo Car UK continues its growth in the premium sector it does so while innovating the car retail landscape in partnership with its franchised car retail network.

After a less than a decade of Geely ownership, the premium brand became the only mainstream brand apart from Tesla to offer all models with an electrified plug-in drivetrain in 2019 in a range including desirable SUVs, saloon and estate cars to rival the best.

Its cars have a powerful combination of desirable styling, driver comforts, competitive monthly costs and great environmental and safety credentials.

What's more, with the growth of its Care By

Volvo subscription package and an ambition to be wholly EV, with sales 100% online by 2030, it is also evolving the way it sells cars to reach a wider audience.

Despite the shift to an omnichannel retail offering – cars can be sold at customers' homes or in-showroom on the same Volvo retail platform – UK managing director Kristian Elvefors continues to acknowledge the ongoing importance of the brand's franchised retailers.

And it is perhaps a result of Volvo's sales success in recent years that its concept appears to have retailer buy-in.

In a COVID-impacted 2020 registrations outpaced a market down 29.4% with a 17.4% decline, to 46,408 (2019: 56,208), delivering a

record market share of 2.85%.

That share growth has continued in 2021 to 3% year-to-date (YTD).

Such growth has resulted in profitable dealers. Despite 2020's dealership lockdowns, franchisees achieved an average return on sales of 1.5%, according to national sales manager Mark Cox.

This year's registrations growth, coupled to further product and network developments, promise future profitability too.

The arrival of the C40 Recharge in showrooms gives retailers a second full-EV to sell, as workshops in Volvo's 95-site network gear-up for the aftersales needs of fellow Geely brands Polestar, the London Electric Vehicle Company (LEVC) and Lynk&Co.

FINALISTS

Aston Martin
MG Motor
Kia

Porsche
Toyota
Volvo

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Rawdon Glover (centre), managing director, Jaguar Land Rover UK collects the trophy from Prakash Chandarana, vice-president of automotive underwriting, at award sponsor Fortegra Europe

NEW CAR OF THE YEAR

Winner: Land Rover Defender

Jaguar Land Rover really did have a mammoth task on its hands with the reinvention of the Defender. While the name has only been around since the 1990s, the iconic design of the vehicle has essentially remained the same since 1948.

All JLR needed to do was capture the same spirit as the models from the brand's past, while bridging the gap between stripped-out rugged off-roader and create something that would also attract customers looking for a high-tech luxury SUV.

By all accounts JLR has succeeded in delivering a model that oozes desirability, delighting Land Rover dealers and automotive retail fans across the UK in this reader-voted award.

The new Defender is influenced by its past but is not constrained by it and JLR has built a vehicle with all of the off-road ability customers will ever need and combined it with an impressively capable on-road package.

The Defender line-up has versions to attract a range of conquest customers, with a three-door 90 or five-door 110 with a range of petrol and diesel engines, as well as a plug-in hybrid.

The range even features a stripped out hard-top Commercial version priced from £35,000 for those still looking for more of a utilitarian mud-plugger, while passenger car models cost upwards of £40,000, with an almost endless range of options and configurations.

More than half of customers opt for an accessory

pack, making the Defender one of the most accessorised and personalised Land Rovers the company has ever produced.

Inside, this SUV strikes just the right balance between quality and toughness and there are all the latest technology connected features to bring this icon firmly into the 21st century, including over-the-air software updates and the Pivi infotainment system, which features an intuitive interface and its own back-up battery for always-on responses.

The Defender's carefully honed handling also delivers a rewarding drive and first class comfort across all terrains, as well as boasting Euro NCAP's maximum five-star safety rating as another feather in its cap.

FINALISTS

Audi A3
Ford Puma
Kia Sorento

Land Rover Defender
Toyota Yaris
Volkswagen Golf

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Simon Palmer, used car sales director at Hendy Group (centre) receives the award from Malcolm Thixton, partner at awards auditors BDO

BEST USED CAR DEALER GROUP

Winner: Hendy Group

Hendy Group's breadth of initiatives and innovations across used car retail secured its win in the Best Used Car Dealer Group category.

Although led by a used car sales director with 35 years' experience, the retailer told judges it remained open to change – listening to the advice of suppliers and, crucially, customers – to drive evolution.

From the start of lockdown 2020, Hendy delivered vehicle reservation and finance applications online and has moved fast to expand that offering.

The online process helped mitigate against the impact of COVID-19, with sales ultimately totalling 17,113 against a projected volume of 27,500.

Hendy has two used car buyers, but empowers

sales managers to acquire their own stock – closely monitored against group KPIs.

Vehicle preparation and 360-degree interior and exterior imagery is completed within three days and the group targets 41 days in stock, a figure which dropped to 34.5 in Q3 2020.

Hendy's market data then dictates which of its franchised dealership – or one of three Hendy Car and Van Stores – presents the strongest market for a particular model.

The process delivers a stock turn of 12 at Ford Tunbridge Wells and 8.9 group-wide.

Hendy has also worked hard to mitigate against used car stock shortages.

Its We Want Your Car or Van campaign delivered up to £500 extra for customers' part-exchange vehicles, free Diamondbrite paint protection, 10

years' MOT tests and two valets per year for three years among its promotional offers.

Not wanting to stand still, Hendy is now poised to launch a new website providing monthly payment-dictated searches spanning all its new and used cars.

Its marketing portals, meanwhile, will be dynamically tied-in to its retail price-back used car valuation methodology to ensure regular, uniform pricing changes, with forecourt vehicles displaying a 'live' QR code.

Alongside these changes, Hendy has embarked on a 'Sales Managers Duties' project.

Aiming to present group data in a digestible format, it aims to free-up managers' time to fulfil key tasks, including the motivation of staff and their development.

FINALISTS

Drayton Motors
Hendy Group



Waylands Automotive CEO John O'Hanlon (centre) receives the award from Simon Whicher, sales director, Cooper Solutions, part of PIB motor trade practice group

BEST DEALER GROUP (UP TO 10 SITES)

Winner: Waylands Automotive

Waylands Automotive is a young business, but this is the second time it has won this award since its formation at the end of 2017.

How has it achieved this?

Group finance director James Smullen explains in his entry: "The mantra followed is 'Waylands is not a business, but a cause. We're large enough to invest, small enough to care. Staff are encouraged to work for the good of the company as well as customer. There is a genuine focus on family, respect and values."

"Customers who visit a 'Waylands' business should truly feel the difference."

The belief is paying dividends for the seven-site business. Despite the COVID-19 pandemic, the

Thames Valley group achieved a 4% increase in revenues in 2020 and a 150% improvement in pre-tax profits.

The business, which has the Volvo, Kia and (from August) the MG new car franchises, has the controls and processes of a larger organisation, but its size allows an entrepreneurial approach from each of its seven dealerships.

Independent and family-owned, the directors get to know each member of staff by name and try to be approachable at all times, with the benefit the business can react quickly to challenges, such as those presented by the pandemic in 2020.

So, despite its size, Waylands pledged a furlough top-up from 80% to 90% of normal wages throughout the pandemic, all returned to work

staff were provided guarantees on earnings, plus a welfare fund was established providing interest-free loans to colleagues in financial difficulties.

2020 also saw the group redevelop its website with GForces and Santander, with online used vehicle purchase and online vehicle reservation its cornerstones. Web enquiries in 2020 were up 182% year-on-year, live chat enquiries 125% and website visits in Q4 up 146%.

Throughout the challenges, attention to detail is maintained in weekly working capital meetings and monthly performance reviews. Run at each site with managers and directors, forecasting meetings and calls with the finance director ensure the business has high standards financially as well as customer experience.

HIGHLY COMMENDED

Shelbourne Motors

FINALISTS

Drayton Motors
Shelbourne Motors
Waylands Automotive

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Marshall Motor Group CEO
 Daksh Gupta receives the award
 from heycar chief commercial
 officer Karen Hilton

BEST DEALER GROUP (MORE THAN 10 SITES)

Winner: Marshall Motor Group

Marshall Motor Group secured the Best Dealer Group (More Than 10 Sites) award after staying true to a strong code of ethics without sacrificing commercial success.

"Our last private owner, the late Michael Marshall, was passionate about his business being ethical with the right values and culture," the group said in its entry.

"Despite our exponential growth, these remain our touchstones."

Following its 2015 public offering and the acquisition of around 170 businesses since 2008, Marshall showed that employee welfare is among its top priorities at the most testing of times.

Prior to COVID-19, the group had already moved as many meetings as possible on to Microsoft

Teams to improve managers' work/life balance.

When dealerships were closed in March 2020 and 80% of staff furloughed, chief executive Daksh Gupta began hosting weekly video updates to employees.

More than 50 videos had been issued by May last year and they continue today, including shout-outs for colleagues and – during lockdown – especially those with cancelled family events such as weddings.

Marshall delivered profitability in 2020, a 5.3% revenue decline coming alongside pre-tax profits up 3.7% at £20.4m in 2020.

In May this year, after embracing an automotive retail recovery in H2 2020 and making a strong start to 2021, Marshall repaid £4 million in Government support.

And as senior management declined their 2020 bonuses, it issued a backdated pay review for more than 4,000 staff – handing its lowest earning staff a 4% pay rise – along with a "loyalty bonus".

The business, which achieved Great Place to Work status for an 11th year and was named a Best UK Workplace for a seventh time this year, is working to introduce greater diversity to its workforce.

In 2015 only 15% of its executive committee, PLC board, operating board and senior functional heads were women. That figure is now 31.7%.

And for the first time in 2021 its Future Leaders Programme features more women than men, without the need for a quota system.

"They have achieved all these places through ability," the group says.

HIGHLY COMMENDED

TrustFord

FINALISTS

Arbury Motor Group
 Drive Motor Retail
 John Clark Holdings

Marshall Motor Group
 Steven Eagell
 Swansway Group
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Marshall Motor Group chief executive Daksh Gupta (centre) collected the award from Tim Pearcey, sales director of Keyloop

DEALER GROUP OF THE YEAR

Winner: Marshall Motor Group

A car retail group that demonstrates a conscientious approach to employee well-being and expanding its scale in the sector, Marshall Motor Group is this year's Dealer Group of the Year.

Marshall impressed the awards judges through its communication with staff and its decisive policy choices during the depths of the COVID-19 pandemic while leveraging its PLC status to deliver a positive view of the sector.

After taking the decision to close dealerships ahead of Prime Minister Boris Johnson's 2020 announcement of the UK's first national lockdown, Marshall acted fast to guarantee employees payment of 90% of their normal wage.

Quickly identifying uncertainty among its

workforce, chief executive Daksh Gupta wasted no time in beginning a series of video updates – featuring staff shout-outs as well as company news – that would number more than 50 by May 2020 and continue to this day.

Later, the group would repay £4 million in Government support and, as senior management declined their 2020 bonuses, issue a backdated pay review for more than 4,000 staff along with a "loyalty bonus".

It would also maintain staff and customer health and safety as a key priority by vocally maintaining all its COVID-19 mitigation measures as the need for social distancing and masks were removed by the UK Government in July this year.

But, despite these actions, Marshall has

remained profitable and continues to grow.

In 2020 a 5.3% revenue decline came alongside pre-tax profits up 3.7% at £20.4 million.

And in June this year Gupta said that the business had benefitted from the positivity of its staff, describing them as "revved-up" by the buoyant market following a trading update which forecasted profits ahead of expectations.

Within a matter of weeks, another upgrade to its forecast would predict a full-year underlying profit before tax not less than £40m.

That news followed the May acquisition of Heritage Automotive's Cheltenham and Gloucester Jaguar Land Rover (JLR) dealership and, in July, of Renault Retail Group's Nissan Leicester dealership.

FINALISTS

Hendy Group

Marshall Motor Group (winners of the Best Used Car Dealer Group, Best Dealer Group Up To 10 Sites, and Best Dealer Group More Than 10 Sites categories)

Waylands Automotive

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Matt Woodward, general manager, Carparison (centre), collects the trophy from chairman of the judging panel Christopher Macgowan, OBE

BEST FINANCE OR LEASING BROKERAGE

Winner: Carparison

This leasing broker business is looking to capitalise on the growth of the personal contract hire market and, since its launch, it has grown rapidly and continues to do so.

Fuelling Carparison's rapid trajectory are investment in IT and automated systems, a growing workforce, and a desire to keep it simple, clear and trustworthy for consumers, such as by publishing the actual finance commission it'll earn from any vehicle supplied alongside that vehicle on its website, and on quotes and order forms.

"We believe that sharing this information and being completely transparent actually works to our advantage as customers feel we have nothing to hide," notes general manager Matt Woodward,

a former Helston Garages and Mercedes South West fleet dealer veteran.

By completing nearly 1,400 transactions in 2020 it almost doubled its prior year performance, and it is forecasting almost 3,000 contracts this year, and 10,000 by 2025.

It continues to invest in its website "to make the customer journey as e-commerce and transactional as possible where they want it this way" while also employing experienced leasing consultants able to help customers who seek that human touch.

The brokerage launched in January 2019 with four staff, and now has 32. It has "disproportionally invested" in its five-strong marketing and content team to deliver all the information customers

need plus engaging video reviews of some of the vehicles on offer. It has employed a customer experience manager who ensures the Feefo Gold-rated business keeps on top of its satisfaction measures and who calls customers whose business has been lost as well as won.

A four-strong pricing team monitors the market to ensure Carparison remains competitive with its offers. Thanks to having its own storage compound, it has taken 'commit to purchase' opportunities with the likes of Ford, Mercedes and Tesla that might exceed 100 units at one time, allowing it to compete with much larger brokers.

Meanwhile, it offers all its funders buy-backs on unsold units if they need to de-risk, in a sign of its confidence in the business.

FINALISTS

Carparison
 CarMoney (Peter Vardy)
 Stable Vehicle Contracts (Swansway Group)



GForces sales director Paul Hilton (centre) picked up the award from AM editor Tim Rose

BEST NEW PRODUCT OF SERVICE

Winner: GForces' NetDirector Auto-e

The pandemic turned 2020 into a year of innovation, as COVID restrictions forced motor retail to make rapid progress. Our winner played a critical role in supporting that transition.

Many dealers have now embraced online sales – or omnichannel at least – and the GForces NetDirector Auto-e platform has been supporting their success, with enhancements and evolutions since its launch in 2019.

Without e-commerce, many dealerships would have been unable to mitigate the damage that long periods of showroom lockdown caused to their profitability.

In 2020, the platform was revised to enable payments via Apple Pay and Google Pay, to facilitate end-to-end commercial vehicle sales including VAT calculations and rules, to support affinity schemes, to integrate Google My Business reviews and to provide automated email alerts when a shopper abandoned their 'basket'.

Allowing for numerous third party integrations, and customisation of the software, GForces seeks out partnerships with other suppliers providing services demanded by dealers. One example is Phyron, which enables dealers using NetDirector Auto-e to display AI-powered automated videos for every vehicle stocked, saving time and money.

"The latent demand for online car shopping has long been there, but the missing ingredient for dealers has been the easy-to-use, seamless systems for consumers to interact and transact with. Omnichannel combination is essential for a seamless and positive car buying experience and leading-edge technology is needed to complement offline channels to deliver sales success," says GForces' head of brand and communications Francesca Morgan.

Used by almost a third of all franchised car retailers, Auto-e supported more than £500m-worth of car sales in 2020, and a car was bought every nine minutes.

FINALISTS

BMW Financial Services' Velocity
 Epyx's 1Link Trade Buyer
 Pinewood Technologies' Zero Touch Service Journey

Santander Consumer Finance's Your Red Car
 AutoInnovation's Tjekvik
 Vehicle Vision's Assist



Congratulations to Daksh Gupta,
Business Leader of the Year – 2021

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Daksh Gupta, Marshall Motor Group chief executive (second from right), receives his award from Ian Simpson, director, Premia Solutions (right) and AM editor Tim Rose

BUSINESS LEADER OF THE YEAR

Winner: Marshall Motor Group chief executive, Daksh Gupta

Following decisive decisions which benefitted workforce welfare and boosted the sector's reputation during its most challenging period outside war-time, Marshall Motor Group chief executive Daksh Gupta is AM's Business Leader of the Year.

Gupta, who has led the AM100 PLC to growth with around 170 acquisitions since he was appointed in 2008, steered the group through 2020's COVID-19 crisis while pouring positive energy into maintaining the morale of the group's 4,000 staff.

But, after the first decision of the crisis was to close dealerships and maintain 90% of employees' normal wages ahead of Boris Johnson's official announcement of the UK's first lockdown and the

resulting furlough scheme, Gupta tells AM: "I'm not trained to deal with this kind of situation, none of us have any experience of anything like this, but we can still do the right thing to protect our business, our people and the public."

Gupta's leadership has helped to maintain Marshall's profitable growth trajectory, while ensuring that its decisions reflect Marshall's late private owner, the late Michael Marshall's "passion about his business being ethical, with the right values and culture".

COVID-19 served to bring Gupta closer than ever to the Marshall workforce as he hosted weekly video updates, including shout-outs for colleagues and reassurance that the business remained on a sound-footing, ready for their return.

Despite the tough H1, Marshall delivered 2020

pre-tax profits up 3.7% at £20.4 million as revenues declined 5.3%.

After making a strong start to 2021, Marshall repaid £4m in Government support in May, and – as senior management declined 2020 bonuses – it also issued in a backdated pay review for staff along with a "loyalty bonus".

After the UK Government's so-called July 19 'freedom day' Marshall maintained all its COVID-19 safety measures in showrooms in a decision which Gupta hoped would "ease the burden" on other businesses, meanwhile.

Discussing the potentially controversial measure with AM, Gupta says: "Nine times out of 10 being a CEO is about making pretty obvious decisions, but sometimes we have to make judgement calls."

PREVIOUS WINNERS

2020 Mark Mitchell, managing director, Mitchells of Chester
 2019 Mark Lavery, chief executive, Cambria Automobiles
 2018 Darren Edwards, chief executive, Sytner Group

2017 Andy Bruce, chief executive, Lookers
 2016 Gary Savage, chief executive, Mercedes-Benz UK
 2015 Ray Sommerville, managing director, Perrys Motor Sales

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CitNOW chief executive Alistair Horsburgh (centre) collects the award from AM news and features editor Tom Sharpe

SUPPLIER OF THE YEAR

Winner: CitNOW

Coronavirus lockdowns made the UK motor retail industry more reliant than ever on digital channels of communication. And AM's dealer and manufacturer readers voted for CitNOW in their droves, leaving it a clear winner of the Supplier of the Year Award.

Known mostly for its video communication platforms, which help dealerships engage and upsell service customers or offer personalised car walkarounds to remote prospective buyers, CitNOW is a digital communications specialist which says it is dedicated to transforming the way the automotive world communicates.

Already in widespread use by many franchised dealers, its systems became critically important

for retailing to continue while showrooms were closed by lockdowns, by enabling safe, remote conversations to take place.

And dealers also welcomed the extra support it provided, such as suspending their monthly subscription charges during 'Lockdown 1' while car sales and service had halted and motor retailers were focused on preserving cashflow.

It assembled an advisory board of industry leaders to learn how it could support retailers and moved all its training academy online and removed charges for it. Since March 2020, CitNOW has trained more than 1,000 dealerships remotely and video production has increased by 120% as a result. Free weekly webinars and a 'How2CitNOW' YouTube series also help users improve their skills.

To support motor retailers in adapting to the 'new normal' and continue to sell cars remotely, CitNOW has launched new features that were offered as part of existing subscriptions.

These included Live Video for face-to-face interactions with customers, Desktop added screen-sharing capability for salespeople, and Clarity, powered by Dolby.io, boosts the audio quality of videos to improve the customer experience.

In a testimonial, John Clark Motor Group's training manager Colin McAllister said: "COVID-19 has taught us a lot of lessons. It has made us advance what we do and how we make use of digital technology. CitNOW has been a fundamental part of that."

FINALISTS

Alpha Financial Services
Cox Automotive
GForces

Heycar
Keyloop
Pinewood Technologies
Santander Consumer Finance

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Scott Stenning (centre), general manager, Arbury Nissan/Peugeot Bromsgrove, picked up the award from EMaC key account director Steve Jackson

DP/GM OF THE YEAR

Winner: Scott Stenning, Arbury Nissan/Peugeot Bromsgrove

Our winner, Scott Stenning, says he is motivated by the success of his team – if the team is high performing and striving for improvement then business and personal success will follow.

Empowering the team and creating a motivating environment where people want to give their best is crucial, he says.

"I believe I bring a driven and detail-orientated approach, which is underpinned by supportive and personable emotional intelligence, that, in turn, produces a high-performance team and strong team culture," he adds.

A graduate in automotive dealership management from Loughborough University, his

first general management post at another Arbury site from 2015 gave him experience of improving profitability through some "clear wins" and raising the dealership high in its brands' league tables.

Moving to the current Bromsgrove multi-franchised outlet in 2019 posed new challenges, as his predecessor had left it in great shape financially and culturally.

"I therefore had to focus in on the detail and discuss with the whole team to establish where everybody felt improvements could be made," Stenning says. Gains have been achieved since in used car sales, aftersales capacity, fleet department profitability and customer satisfaction – all contributing to a rise in overall profitability

and a return on sales percentage three times the 2020 industry average.

The pandemic brought the challenge of balancing business objectives and stability while maintaining focus on employee engagement and welfare. Stenning kept in touch with the team, through WhatsApp, phone calls or emails. On return from furlough, every employee had a full induction to ensure they felt comfortable and safe at work.

Since joining the Bromsgrove site, Stenning has sought to keep staff informed of all departments' performances, and recognised personally for their achievements, such as in monthly awards for sales, service and customer satisfaction. Their feedback and open dialogue is hugely valued too.

FINALISTS

Tom Hail, Peter Vardy Porsche
Scott Stenning, Arbury Nissan/Peugeot Bromsgrove

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EMaC.



Professor Richard Parry-Jones was 'constructively challenging' in his role as non-executive chairman of Marshall Motor Holdings

Sara Parry-Jones (second from right) receives her late husband's award from AM editor Tim Rose (left) and Martin Potter, customer managing director at sponsor Aston Barclay

AM HALL OF FAME

Inductee: the late Professor Richard Parry-Jones CBE, chairman of Marshall Motor Holdings

This year's AM Hall of Fame inductee has had a huge impact on the automotive industry. Having started as an undergraduate trainee at Ford, he rose through the major manufacturer's ranks in a career spanning almost 40 years, involving global roles and culminating in attaining the post of chief technical officer.

During those decades Parry-Jones rebuilt the maker's reputation into one of everyday, accessible cars but with incredible driving dynamics. The Welshman coached generations of engineers who now create fantastic cars across the globe.

Appointed a CBE by HM The Queen in 2005 in recognition of his services to the automotive

industry, he retired from Ford in 2007 and in subsequent years became involved in a variety of organisations and companies in advisory and non-executive roles.

Identified as a candidate for non-executive chairman of the board at the growing national motor retailer Marshall Motor Holdings, our inductee was "the stand-out choice" according to its chief executive Daksh Gupta. Joining the board in January 2019, Parry-Jones mentored Gupta and his executive team, and was "constructively challenging, but respectful" of the business's history and performance.

After the COVID-19 pandemic struck, a nightly 'virtual beer' call between Gupta and Parry-Jones

– who was isolating at this point – became the perfect sounding board for work and life challenges in such unprecedented times.

Since their first meeting they had "clicked", Gupta said, thanks to shared values and passions, including for the same cars and Manchester United Football Club. Yet the pandemic now brought them into a close friendship.

Described by colleagues as having "high integrity and immense knowledge", our inductee's influence on Marshall is still there such as his focus on putting health and safety high on every board meeting's agenda.

Parry-Jones died in a tragic accident involving a tractor earlier this year.

PREVIOUS INDUCTEES

2020 Graham Day, CEM Day
2019 Tony Whitehorn, Hyundai
2018 Jack Tordoff MBE, JCT600

2017 Michael Smyth, Swansway Group
2016 Mark Squires, Benfield Motor Group/NFDA
2015 Gerard Nieuwenhuys, Sytner

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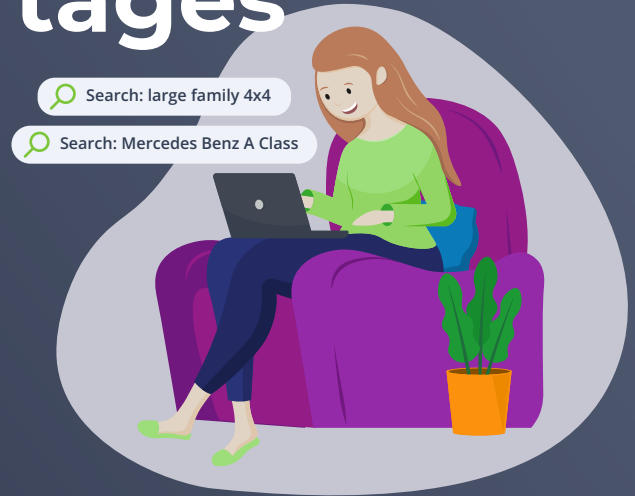
We have pioneered the digital journey within the vehicle remarketing sector, disrupting the traditional approach and enabling the creation of an always on marketplace where both vendors and buyers can benefit from our services around the clock, from any location.

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To find out more about Aston Barclay, go to www.astonbarclay.net
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Why stock shortages mean dealers should rethink vehicle search



By **James Tew**
CEO, iVendi



ENGAGE helps match the right vehicle to the right buyer using factors such as personal preferences, practical needs and monthly budget.

Online vehicle search is the entry point for the vast majority of customers to enter the car buying process in 2021. But is the technology that most dealers use still fit for purpose?

Traditional vehicle search has barely moved on since the earliest days of the internet and is largely driven by the idea that car buyers already know what they want. However, it falls down badly when customers have a much less specific or informed viewpoint, when they use language that doesn't fit in with the search engine's very strict parameters, or when – as we are seeing at the moment – stock is in very short supply.

Here at iVendi, we've been thinking about vehicle search for some time and our ideas have been realised in a product called ENGAGE, part of our new Connected Retail range.

Designed to turn old school search on its head, it reflects the way in which buyers think about vehicles and recognises that they are not experts. Many don't understand nuances between makes, models and vehicle types, and so struggle to find a solution that meets their needs. ENGAGE is structured to enable these users to narrow the search so rapidly and successfully that the best choice becomes apparent within a few clicks.

The value of this when stock is in such short supply should be immediately apparent. A seven seat car could mean a people carrier, a large SUV, a big estate or even a mini van. Many customers will have no preconceptions about which of these will suit their needs. Traditional search will generally cut out the breadth of options straightaway – but ENGAGE will show all the possible solutions from within your inventory.

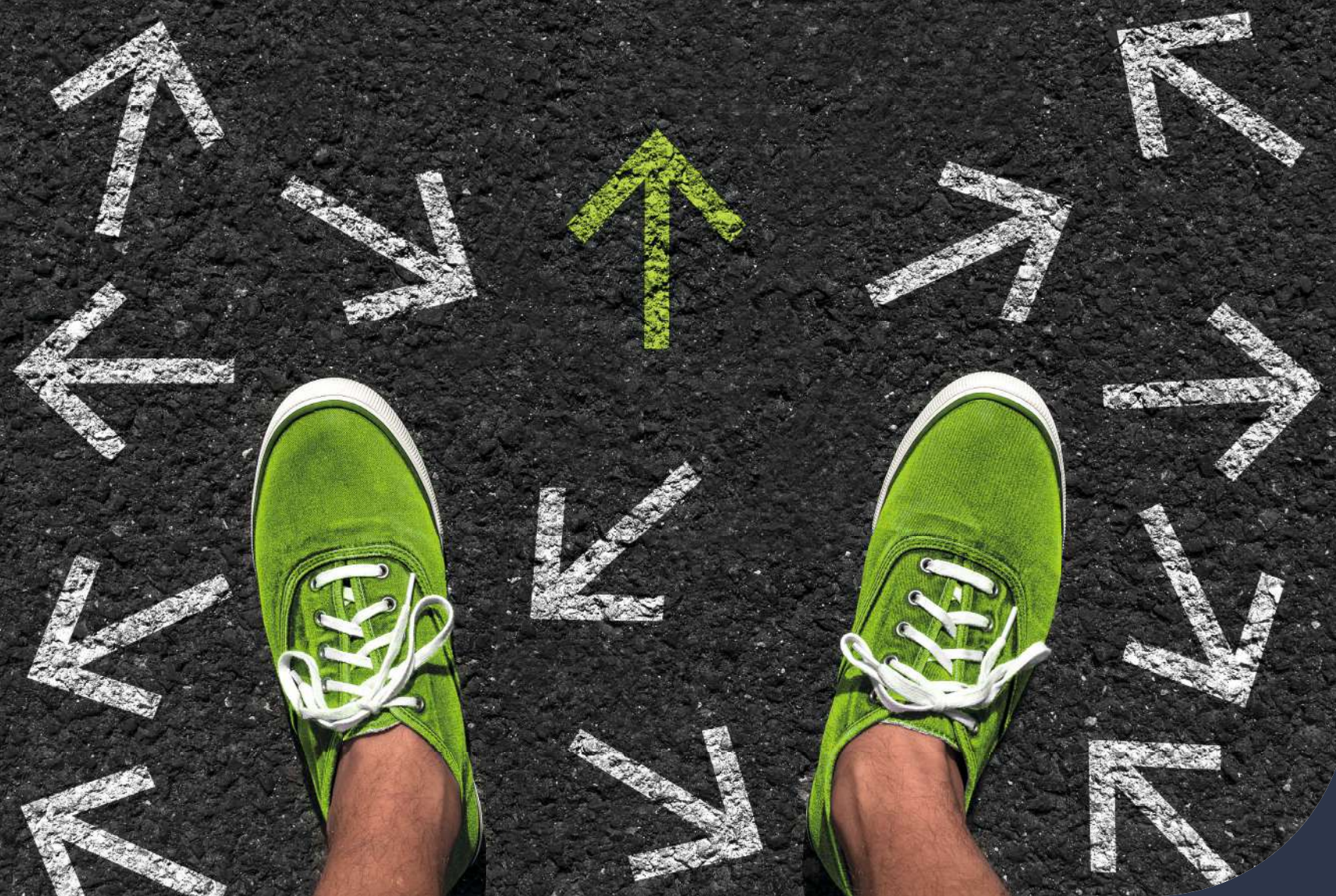
It then helps the user focus their options by effectively learning about them through the search process to refine and personalise their results. A customer might type in 'fast car with black alloys.' For some people, that means a Fiat 500 Abarth and for others, a Lamborghini. By looking at the type of car each user prefers, it works out which they are looking for and narrows what is shown.

ENGAGE helps match the right vehicle to the right buyer using factors such as personal preferences, practical needs and monthly budget. At a time when it is important to match every item of stock to a customer, this has very real value.

About iVendi

Founded in 2009, iVendi is the market leader in motor retail technology both in the UK and internationally. With a connected, modular product range which engages consumers, converts buyers and manages transactions, iVendi technology interacts with around five million consumers every month and thousands of motor retailers, manufacturers and finance providers. The company is based in Colwyn Bay.

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Time to make the most of surge in workshop demand

MOT Club managing director Ben Roberts has told *AM* he is “rooting” for franchised car retailers across the UK to deliver aftersales success from September’s surge in workshop trade.

And he is confident a client base of more than 1,500 MOT test centres and 4,000 MOT testers – whose training, Driver and Vehicle Standards Agency (DVSA) compliance and workflow management needs are all met by his business – are assured of robust foundations on which to build strong performance.

But as service centre workloads peak, the stakes have never been higher for DVSA scrutiny and the possibility of a compliance breach.

Roberts said: “It has felt a bit like the calm before the storm in recent weeks, but the volume is on its way and I’m rooting for our clients to make the most of it.

“This period of the year is a new challenge and is likely to throw up some serious issues for some operators, but I know our clients are as well prepared as they can be.”

The MOT Club was founded by Roberts’ father, Hugh, in 1999 and later became part of the Motor Trade Technologies group (MTT) when it was acquired by a London-based private equity company in 2005.

Roberts, originally a software developer and founder of the autoVHC, joined MTT as managing director and, in 2017, was part of a management buyout (MBO) which left the

business in the hands of him, his father and “a handful of fellow shareholders”.

Based in Weston-super-Mare, the business now employs 33 people, with a team of MOT consultants spread all over the UK.

Software and web design

As well as its MOT compliance, training and support, the MOT Club offers software and web design to the automotive sector.

Roberts said his background in software prompted him to prioritise the creation of user-friendly tools to help dealerships manage their MOT compliance and performance in a straightforward, dashboard-style platform after the MBO.

The results have been impressive, but the system is being consistently evolved by a team of 11 developers nonetheless.

Roberts said: “Our SiteCheck website combined with our MOT compliance audits can provide everything the MOT site manager and group aftersales manage-

ment need to manage MOT compliance.

“The website can also be used to provide the compulsory MOT tester annual training and assessment to testers.”

Roberts said the platform also drives cost-savings amounting to several hours a week through efficiencies that might not be otherwise realised.

He said: “As well as recording each tester’s training history and exam result, it is a central store for things like MOT equipment calibration and Tester QC records. This makes life so much easier during a DVSA site review when you know everything is in one place.

“SiteCheck provides tools to analyse MOT statistical data, saving the MOT site manager a huge amount of time each month.

“The data recorded on the website also provides management with the reports and dashboards needed to manage MOT compliance across a group.

“IT HAS FELT LIKE THE CALM BEFORE THE STORM IN RECENT WEEKS, BUT THE VOLUME IS ON ITS WAY AND I’M ROOTING FOR OUR CLIENTS TO MAKE THE MOST OF IT

BEN ROBERTS, THE MOT CLUB



Specialist training facilities are available such as here in Epsom



"This level of visibility makes decision-making much easier and shows the DVSA that a robust quality system is in place."

The MOT Club currently manages all aspects of MOT compliance and training for five of the AM100's top 10 car retail groups and recently added Pendragon and Hartwell to its list of members.

Acceleration in demand

It has seen an acceleration in demand from franchised car retailers as the importance of aftersales grows – a trend heightened by COVID-19 pandemic, according to Roberts – along with the DVSA's scrutiny of the sector.

Roberts said a September surge of MOT testing, and the accompanying servicing and remedial work that comes with it, has not been the only impact of the DVSA's efforts to mitigate against the impact of COVID-19.

"We're aware that the DVSA have been working very hard on its data while its inspectors were prevented from entering service centres," he said.

"The result is that now, during what will be a new peak for MOT testing across the UK, they know exactly where they need to focus their efforts."

Roberts said a failed inspection could bring a cessation order banning an MOT centre from operating for a month or more, resulting in costs running into the realms of "several thousands of pounds".

He added: "We often have panicked phone calls from non-members, asking for help when the DVSA have stopped them from testing. The reputational and financial cost of this loss of service suddenly becomes apparent.

"The worrying part is that a cessation order can so often result from a simple lack of attention. MOT non-compliance can result from something as simple as correct procedure not being followed or equipment being allowed to fall out of calibration."

DVSA inspectors can attend a test centre for unannounced inspections, mystery shopping exercises or will monitor operations from nearby to ensure compliance.

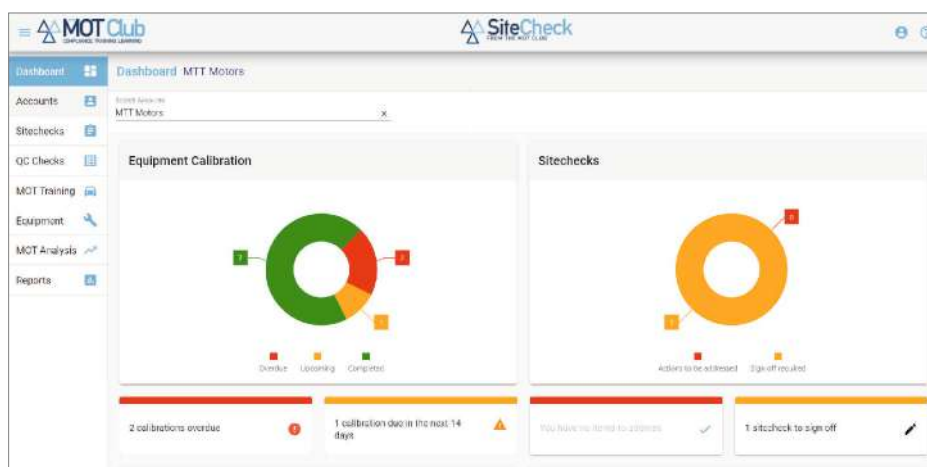
As part of its services, the MOT Club can follow the same process to ensure workshop compliance, visiting on a monthly or quarterly basis as part of its consultancy.

Roberts said franchised car dealerships operating with an "MOT site manager in name only" – a phrase often seen in DVSA reports – were at most risk of enforcement.

He added: "Our MOT consultants will provide the MOT site manager with the skills and knowledge needed for the role."



The MOT Club offers management training at its Weston-super-Mare HQ



Specialist training

Along with a suite of online training modules for MOT testers, the MOT Club has specialist training facilities in Leeds, Hinckley and Epsom. It also offers site manager training at its Weston HQ.

Around 20% of its training provisions also see its training team travelling to members' dealerships and test centres to cater for the needs of multiple technicians on-site.

Roberts said: "Well-trained staff at the coal face will protect the dealer's authority to test. A skilled MOT site manager who understands the quality systems needed and the MOT regulations will drastically reduce the DVSA MOT risk score for the dealer.

"The higher the dealer's risk score, the more frequent the DVSA visits will be."

He added: "Having the technology and the skills the MOT Club can provide on tap

can remove such problems and concerns at a time when workshops need to be focussed on getting back to business."

Roberts added: "Since Covid-19 and the acceleration in demand brought about by the peak for MOT testing, we have seen a shortage in MOT testers in the industry with many customers struggling to recruit qualified staff. This has led to an increase in our customers opting to upskill existing technicians and we have seen an increase in enquiries for our Level 2 Award in MOT Testing course.

"Initially, this posed a problem for us because we could only accommodate reduced numbers on the courses due to social distancing. Fortunately, we managed to open a new training centre in Leeds very quickly this year to help handle the increased demand."

For more information visit: www.themotclub.com
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NISSAN

The transition to electric should serve Nissan dealers well given the brand's dedicated EV strategy. But, they will have to up their game, reports **Tim Rose**

Nissan dealers will be in a good place to capitalise on the UK car market's electrification, but they will need to raise their game, according to Nissan GB managing director Andrew Humberstone.

Since the new Juke B-segment crossover arrived in late 2019, and C-segment Qashqai this year, Nissan is pushing ahead with its electrification strategy, which will slot the Ariya electric SUV alongside its battery-powered Leaf this winter.

Qashqai will soon gain E-Power derivatives, with a range-extended electric powertrain which uses a petrol engine to purely charge the battery when necessary, while electric motors move the car. The larger SUV, X-Trail, will also get E-Power.

Industry observers may feel that the 6% market share, which Nissan climbed to in the first half of the last decade from 3% in 2008, has been allowed to slip away. Its share of annual new car sales is now around 4.4%, almost the level it was at in 2010, as the brand



OUR VISION IS LESS ABOUT MARKET SHARE NOW. IT'S VERY MUCH VALUE OVER VOLUME

ANDREW HUMBERSTONE, NISSAN GB

has prioritised profitability in recent years. The UK remains Nissan's biggest market in Europe, nevertheless.

Humberstone says: "We're happy with the 4% level. To be honest, our vision is less about market share now. It's very much value over volume. Our product portfolio is now all about electrification, with E-Power in Qashqai, also in X-Trail, and our new Ariya EV being launched. So 75% of our product range will be electrified by 2023. We'll have a very young portfolio in a very short period and it puts us in a really strong position to focus on value over volume and on being customer-centric."

He said there are positive macro-economic indicators, such as low interest rates, economic growth, favourable foreign exchange and unemployment being much lower than had been expected.

Couple those with a streamlined, digitally-developed business and the fresh product and Nissan dealers should feel very motivated, he adds.

"Post-Brexit, post-COVID, we're at the

right time in the right place with the right new product."

He believes Nissan dealers also have an advantage through their experience in selling used electric vehicles (EVs), thanks to the Leaf EV being in the marketplace for a decade. They're well positioned to address any prospective buyers' concerns about range and charging, he says.

Dealer average return on sales is at about 1.4%, Humberstone says, and feedback from franchisees is pretty positive – this month's Summer 2021 NFDA Dealer Attitude Survey shows a 7.9 out of 10 rating for overall value of the franchise, which is up from 6.3 and 6.0 in the previous six-monthly surveys.

The pandemic brought Nissan and its franchisees closer, he says, and he is proud of dealers' support for communities and resilience in getting back to business.

Like many other mainstream brands including Ford and Vauxhall, Nissan has reduced the number of UK dealerships from 200 in 2015 to around 166 now. Humberstone wouldn't share detail of the current network plan, except that it is reshaping territories and the future is in "fewer, bigger, better" sales points, and thanks to good profitability its 67 franchisees can invest where Nissan needs them to.

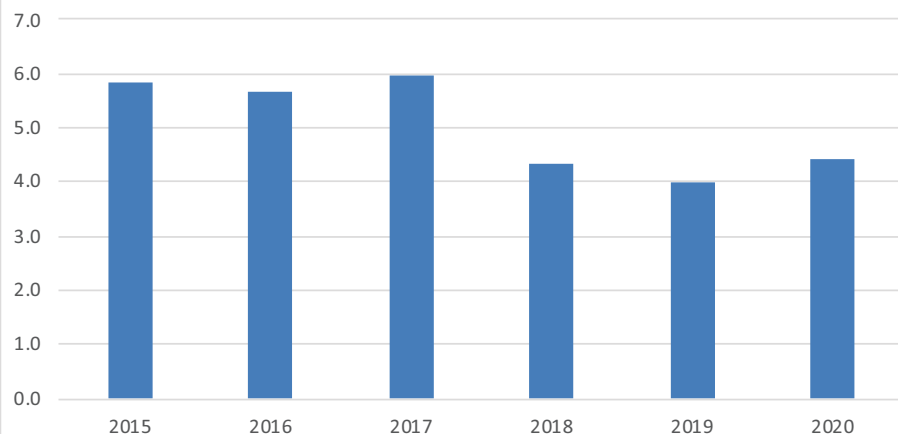
"The right partners, give them a greater territory and volume, and demand a better service. Their business case is stronger, therefore they can invest in generating value, in training, in customer satisfaction," he says.

"It's around simplicity," Humberstone adds. The pandemic constrained the services that dealers could provide, but that's not ideal for customers, and he wants Nissan owners' needs to be met efficiently and sensitively.

The same benchmark applies to Nissan's own call centre, as Humberstone wants the brand to ensure the right experience too.

"We really want to shift from mediocrity to excellence. Mediocrity is where the

▼ NISSAN % SHARE OF THE UK NEW CAR MARKET





The Ariya is scheduled to arrive this winter

competition is, where it's busiest, with the most noise. Moving to excellence becomes a quieter space, with fewer players and more profitability." Plus you're better at coping with crises, he said.

Many brands are looking at ways to reduce the cost of new car distribution, but Humberstone said agency models certainly aren't on his agenda today. Nevertheless, Nissan is not opposed to studying various business models for its distribution, where they'll work for the customer, retailers and the brand.

"In a business we need focus on our roles and responsibilities. I've been conscious of how do I move away from just a vertical integration into more of a horizontal one, so you have much more cross-function engage-

ment. For me, this was very important."

Nissan set up four working groups to understand and analyse, gather input from dealers and customers, and to propose projects which attracted volunteers from the business to tackle major topics, such as business integration, people, and creative, time-saving solutions.

"We want them to be permanent fixtures of the organisation – a funnel of ideas that feed in to a panel, which selects some to progress," he says.

Humberstone is keen for Nissan GB to become more efficient. "We need to create time," he says, such as by using standardised presentations, artificial intelligence and business intelligence systems. If the working groups can show ideas can generate

savings, then they're worth investment.

He is also involved in some external think-tank groups. He believes a chief executive should be 20% internal and 80% external, because it's in identifying significant changes or external trends and developing strategies to adapt to these that a chief executive adds the most value.

"It's interesting to see that roles and responsibilities are going to change over the next 10, 15, 20 years, and what jobs are going to still be in place, and what will they look like. One could argue, for example, that with blockchain technology will I need a legal, finance or HR department, and, if I do, how has it changed?"

Much for any business leader to consider. It seems change is the only constant.

KEY PRODUCTS



Qashqai

Responsible for around 40% of Nissan sales in the UK, Qashqai, arguably, sparked the affordable crossover SUV trend.



Ariya

Nissan's second pure electric car arrives this winter: a SUV, offered in 2WD and 4WD form with 210-to-300 miles range.



Leaf

The first bespoke EV sold in volume, more than 40,000 Leafs have reached UK roads since its 2010 launch.



MINUTES WITH...

David Krajicek,
chief executive, Jato Dynamics



You joined Jato Dynamics as COVID-19 lockdown got into full swing in April last year. How has that affected your first 16 months as chief executive?

I'm based in Philadelphia. I'm hoping to relocate to our UK corporate head office. In other roles I've taken there have been large elements of distance and digital communication because I've been part of businesses which operate in multiple countries or regions. There's no substitute for pressing the flesh, but (digital communication) has created a very level playing field. Prior to joining Jato I was at GfK, running one of the two global businesses units across 80 countries and with 5,000 employees. There was a lot of scale, so digital communications were already important to me. In terms of my on-boarding, it has meant a lot of purposeful and planned engagements while trying to get to learn about each of the markets we cover.

What sort of scale does Jato have?

Our strongest area is in Europe. We're also in the US and we have a presence in Detroit, China, Brazil, Mexico, Australia and New Zealand, the Middle East and Africa. We have scale. We have around 800 employees.

Your background is very much in big data. Why did Jato, and the automotive sector, hold appeal?

I think Jato's in a really interesting position in that it has key data assets at a time in the market when there is a desire to move from data to solutions. That puts us in a position to deliver those solutions to clients.

What solutions are you looking at?

The core of the business is tracking and understanding car sales and features. Not just the volumes, but the value of features and options. We've also started to launch solutions at the vanguard of changes we see in the market. In CO₂ taxation, we've created a service around WLTP to provide

A PRIORITY FOR ME HAS BEEN MAPPING OUT EXACTLY WHERE WE TAKE THE BUSINESS

DAVID KRAJICEK,
JATO DYNAMICS

leasing companies with accurate quotations to clients relating to options and configuration. Also, we're starting to look at related solutions that extend into the market as EVs ever increase their share alongside digital retail. A priority for me has been mapping out exactly where we take the business.

How do you gauge the pace and scale of the automotive sector's recovery from COVID-19?

We're starting to see the market rebound. Certainly, there are regional sensibilities which dictate how effectively you come out of COVID. Where there has been an upswing it tends to have been driven by EV. We're talking about triple, not just double, digits. I can't tell you if that's down to people feeling more comfortable and confident about the technology, but both Government incentives and appetite have clearly been on the rise. For our part we enable an understanding and appreciation of where the market's moving to. After that, as more vehicles come to market there will be an increasing appetite for OEMs to understand how their models are doing against key rivals. Tesla is not the only party in town any more.

Do you think it is possible for the sector to accelerate EV sales enough to meet their CO₂ emissions targets?

I just don't know. Just as you see the real slingshot effect happening in the sales of these vehicles, and potential for change

and greater penetration, so many other market forces have come into play. Could we achieve them? Yes. Could we fall short as we emerge from a period which made strategic planning very hard and there are suddenly various market pressures pulling in a variety of directions? Yes.

How is Jato keeping tabs on the impact of the global semiconductor shortage?

We're actively looking at the semiconductor issue. What makes it complex is that it's not just an automotive industry thing, it's affecting other huge consumer electronics providers like Apple. Automotive is competing with other industries. It's no surprise that you're seeing residual values going up in the UK and US. I think this will continue as people pivot back to personal transport and supplies are squeezed.

Is Jato adapting to a new, omnichannel retail environment?

We're working to support some of the digital car retail portals. We can facilitate the uploading of vehicle details straight to their platforms. We're also assisting retailers in managing stock. The other thing we are looking at is how we can best support decisions in the multi-channel journey we're starting to see happen. It's not an either/or any more, often it's a matter of balancing (online and physical retail) to come to a purchase decision.

Are there any other areas you're keen to focus on?

We're keen to look at the rise of safety features such as ADAS. Not just what's on the car but what risk mitigation it creates for the insurance industry, OEMs and consumers. I also want us to use crash data to gen-up on any reduced level of risk and provide accurate data. We also want to understand the data that exists in connected cars. It's all too easy for businesses to re-trench, but that is not our mindset, we want to keep moving forwards. **TOM SHARPE**

FACT FILE

COMPANY:
JATO DYNAMICS
HEADQUARTERS:
UXBRIDGE
EMPLOYEES:
800 (WORLDWIDE)

SPOTLIGHT:

AFTERSALES

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There's wealth in your workshop



DIGITAL WINNERS

DEALERSHIPS WITNESS 'INCREDIBLE'
UPTURN IN INCOME AFTER LAUNCHING
ONLINE CHECK-IN FACILITIES

PAGES 66-67

TURNING A RED AND AMBER PROFIT

USE OF CUTTING-EDGE TECHNOLOGY TO EXPLAIN
THE WORK THAT NEEDS TO BE DONE ADDS TRUST
AND TRANSPARENCY TO PROCESS

PAGES 71-73

TARGETING OLDER VEHICLES

NUMBER OF FACTORS HAS LEAD TO
GROWING IMPORTANCE OF SERVICING
FOUR-10-YEAR-OLD CARS

PAGES 76-79

Winning aftersales business digitally

Some dealerships say they have witnessed an 'incredible' upturn in income since launching online check-in facilities

Aftersales departments have been kept busy for the best part of a decade by a buoyant new car market with each dealership's own customer base keeping workshops full. But issues with supply, the switch to electric vehicles (EVs) and the acceleration of digital, spurred on by the pandemic, is changing the outlook fast.

Genuine online bookings have yet to come fully to fruition with many brands and dealers relying on a request-based process whereby customers select their slot online with confirmation by phone. However, it is the online check-in which has proved to be the success story.

DIGITAL CHECK-IN

Taking much of its inspiration from the airline industry, eDynamix launched its online check-in facility in March. Strategic account director Steve Ure says: "It's been a game changer for us."

According to Ure, brands ditching the signing of documents at service reception in response to COVID helped facilitate the growth of online check-in. As such, eDynamix set out to create an all-encompassing digitised system enabling customers to check-in vehicles online prior to arrival on site.

Initially, a third of customers would check-in online, but that rapidly gained pace with two-thirds now doing so. As well as capturing a digital signature, customers are reminded of any outstanding work from a previous electronic vehicle health check (eVHC) with a prompt to book plus recommended options such as an air conditioning service, fuel treatment or wheel alignment.

Ure says: "They are things that you would love your service advisors or your contact centre staff to offer customers every time. But, when people are booking in, they just want to get booked and get off the phone. When you send them the online check-in, they can carefully consider everything. The sales it's generating are just incredible."

July saw an average additional £1,600 from add-ons per dealer per month while outstanding eVHC work added an average £3,000 per dealer per month. Customers can also free type any requests. Altogether, an average £10k per dealer per month is being generated in incremental business.

Ure adds: "We could not believe it ourselves. We did not set it out to be a revenue-generating tool, that's just what it became quickly. We intended it to be a service booking reminder, exactly the same process as when you check-in for a flight, we borrowed so much from the airline industry."

By comparison, only around 10% of customers utilise online service bookings with a key developmental issue being the inability to book direct into the document management system (DMS) although eDynamix expects its solution to be live by the end of the year.

Danish company Tjekvik also provides online check-in for service vehicles and reports similar successes. Currently, 31% check in their vehicle beforehand and 40% of those offered utilise the key deposit locker facility on the day. Tjekvik can attribute £1.5 million of added value products, year-to-date as of July 31, to the online check-in system. Customers are asked a few simple questions such as pre-approval of additional spend up to £50 or pre-approval to replace items like wind-screen wipers if required as well as selected add-ons while the system has generated 11,700 new service plan requests so far this year.

In addition, Tjekvik is integrated with systems such as Bumper and EMaC, enabling payments, with £979,000 made through its platform since May.

Added value payments in July alone across dealerships where the system is in place (currently 99 with another seven due to go live) was in excess of £200,000 with customers selecting an air-con service accounting for £110,000.

UK business development director Nick Pratt says: "With all the demands on service advisors, the check-in kiosk frees up their time which, in

turn, means customers have a better service experience. It is very much a part of the omnichannel dealership."

DRIVING AFTERSALES ONLINE

With a background in aftersales for some of the largest dealer groups in the UK, Gavin Ruddick has been helping Book My Garage establish Secret Service, which aims to help franchised retailers boost workshop bookings. When the pandemic forced dealerships to close, most dealers had no means to manage service bookings online and turned to the platform.

Around 80% of Secret Service customers are conquest while regeneration of lapsed customers account for around 7% and the remaining are active franchised sector customers exploring digital options for routine service bookings largely driven by convenience.

With the invoice for a Secret Service booking typically 15% higher than the franchised dealer's average booking, since older vehicles need more work, the platform is fast becoming a vital source of aftersales business and has, not surprisingly, captured the attention of manufacturers.

"Consumers are discovering that the franchised sector is not as expensive as they thought," Ruddick says. "And the service experience is significantly greater."

"A huge proportion of potential service customers are unknown to the franchised dealer. That's where Secret Service comes in, accessing them online. Many dealer groups today take around 15% of bookings online when they should be generating at least a third."

"They are not going to achieve that if they don't engage with something like Secret Service. Generating service customers online has very much been an afterthought, retailers have been very much behind the curve."

Aftersales finance provider Bumper is also proving itself a digital sales generator for franchised dealerships' aftersales departments,

enabling customers to spread the cost of vehicle repairs, with 65% of the AM100 offering its services. Integrations with third-party suppliers such as CitNOW allows customers to receive a video of work required, authorise and select 'check out' with Bumper as a payment method, either as a one-off or to spread the cost over a number of months interest-free, incentivising customers to authorise required work.

The majority of Bumper customers are sourced via a dealership itself. But some are actively using its portal to find a Bumper partnered dealership.

However, consumers utilising this route are still unable to book online directly with the dealer although this is in development.

Jack Allman, Bumper chief commercial officer, says: "We are now seeing in excess of £1m in pre-approved applications. These consumers want alternative forms of payment."

THE SERVICE ADVISOR

Inevitably, such digital applications raise questions around the future of the service advisor and service reception, but all providers are adamant the role remains relevant and is simply evolving.

Ure says: "Our solutions are not being developed to remove or reduce the number of service advisors, but to change how dealers support the customer. Digitisation is just changing how they work."

Solutions such as the eDynamix Autopoint Lockers, which are auto-reserved at the online check-in with around 70% of customers keeping the option in place and around 30% using them on the day, frees up service advisors to devote time to customers who need or want interaction.

Digital providers view themselves as an aid rather than replacement. Allman says: "There is a huge chunk of customers who want to come into the business and speak to a service advisor and this [Bumper's payment platform] helps give them the time to provide these people with human interaction rather than having a queue of people, many of whom just want to pay and go."

Pratt adds: "The whole dynamic of the aftersales business is changing with the increase of EV ownership which requires less servicing. In Norway (where EV ownership is far more widespread), dealers saw aftersales volume reduce by 45% from 2018 to 2019 so dealers need to see almost double the volume to produce the same output of parts and labour sales.

"Dealers can't simply employ more people to handle the increased throughput so will need to turn to digital hands to keep up with demand."

DEBBIE KIRLEW



Trust us to deliver the cover customers seek

Car Care Plan's business culture is built on doing the right thing for clients and their customers. Some clients have been with us for more than 20 years

Q What challenges do car retailers and manufacturers face in their relationships with their automotive suppliers as a result of the COVID-19 pandemic and how has Car Care Plan helped to mitigate/overcome them?

A Car Care Plan expedited our planned updated dealer and OEM support functionality as soon it was clear that car-buying behaviours were to be drastically affected due to the pandemic.

We adapted our training and support processes with our strategic business partners to ensure value-added product sales reductions were mitigated as much as possible.

Training and support levels were amended to be conducted remotely, without compromising the effectiveness of our development structure.

Additional remote sales aids and core product presentation assistance was provided immediately to suit the 'remote' vehicle buying habits that were enforced throughout the industry.

Q Many commentators have said that COVID-19 has sped-up a shift in certain customer behaviours and market trends. How has Car Care Plan adapted its offering in response?

A Within Car Care Plan we have had the facility to fund several of our products via monthly payments for many years.

As the 'subscription generation' has an increasing market share within the value-added product market, we have embraced this change and now have a monthly subscription platform that can be bespoke to our partners, their customers needs, and the changes in buying habits.

We can now include a prepayment warranty solution within our service plan proposition, or leave it as a standalone. We continue to develop further subscription models, such as monthly renewable products, through innovation and product development.

Q How do Car Care Plan's products and the level of service offered to clients differentiate it from its key market competitors? What makes it a supplier of choice?

A For more than 40 years, Car Care Plan's goal has been to be the best in the market in the supply, delivery and development of its chosen products.

These objectives are shared by every one of our colleagues and the rationale is for a consistent and continuous presence in the GAP and warranty sectors throughout those products' developments.

Becoming the biggest in the sector has been a by-product of our desire and passion to be the best.

As we have improved our products, the market has followed us. By shaping products around our partners' needs rather than Car Care Plan's capabilities, new relationships have been won and retained.

By remaining within the market as fortunes have changed, Car Care Plan has been able to evolve and develop products to better meet the demands of manufacturers, of retailers and of consumers.

COMPANY PROFILE

Key products and services:

Core product range of Warranty, Asset Protection, Cosmetic Insurance, Alloy Wheel Insurance and Tyre Insurance

Founded: 1976

Based: Our Head Office in the UK is based in Thornbury, West Yorkshire; however, we provide services in over 70 countries worldwide managed through 5 offices across the globe

Visit: www.carcareplan.com

Telephone: 0344 573 8000



Car Care Plan
An AmTrust Financial Company

Q How has the company transitioned and grown from its formation in 1976 to where it is now?

A Car Care Plan was founded in 1976 providing warranty products to the automotive market. In the 45 years since it was founded, the company has gone from strength to strength to become one of Europe's leading providers of vehicle warranty and motor-related add-on products.

Today, the company registers more than 1.2 million products annually, with active policies in 70-plus countries worldwide managed through five strategically-based offices around the globe.

Our in-house insurer carries an A-rating from credit rating agency AM Best, with further backing from our fellow A-AM Best rated parent company AmTrust.

Car Care Plan has built relationships with more than 20 major manufacturers and in excess of 2,000 group and independent retailers.

Alongside this, the company has significantly expanded its product range, offering a core product range of Warranty, Asset Protection, Cosmetic Insurance, Alloy Wheel Insurance and Tyre Insurance.

There are also complimentary additions including MOT Test Cover, Roadside Assistance and Service Plans.

Each of the company's insurance products carries an impressive five-star default rating.

Q Which car retail businesses does Car Care Plan count among its largest clients and do you have any testimonial comments to share?

A Car Care Plan is a dependable provider, with some of the UK's top retailer groups and more than 2,000 independent retailers trusting Car Care Plan to deliver quality products. Car Care Plan works globally with a significant number of major motor manufacturers. Programmes have been developed to

cover the market and the constant striving to create leading products and services sees customers, retailers and manufacturers are satisfied.

Q The aftersales sector is poised for a boom in the second-half of 2021 following the DVSA's MOT extensions. How can car retailers change that challenge into an opportunity with the help of Car Care Plan?

A We work with many dealer groups, large and small, and our OEM

partners, to identify opportunities during the changing market behaviours that have been expedited, or altered, because of COVID-19, and the restrictions it forced upon us.

By identifying opportunities based on the potential aftersales boom, with increased customer touchpoints and ensuring we are an essential part of our partners processes, we can work alongside clients to ensure opportunity is identified and utilised, to the benefit of our partners and their customers.

“ BECOMING THE BIGGEST IN THE SECTOR HAS BEEN A BY-PRODUCT OF OUR DESIRE AND PASSION TO BE THE BEST

JOHN SALEH, CAR CARE PLAN



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and service
processes
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Turning red and amber work into profitability

Use of cutting-edge technology to explain the work that needs to be done adds trust and transparency to process

Given the traditionally slender margins that car dealerships make on new and used car sales once all the overheads have been factored in, aftersales is key to profitability.

But what constitutes a healthy level of profitability? What defines successful service plans, MOT testing, vehicle health checks (VHC), video walkarounds and other aftersales offerings?

And what about upselling essential 'red' repair work identified in an MOT or service and rebooking less urgent 'amber' work?

"The holy grail of aftersales is providing excellent customer service while having highly-effective process controls in place," says Nick Squire, business unit director at Snap-on Business Solutions.

"Understanding the customers' needs and delivering the vehicle back at the promised time also creates customer loyalty."

UPSELLING THE SOLUTION

Aftersales has come a long way from just 20 years ago, when the aim was to have an absorption rate above 100% and anything more was a nice profit after the staff, rent and bills had been paid. Now, the function has changed markedly, focusing more on customer satisfaction and retention, highlighting problems identified by a VHC and then upselling the solution.

"Red and amber work has become the key performance indicator for many dealers, meaning that aftersales is now more about profitability," says Alistair Horsburgh, chief revenue officer at CitNOW. "There's a desire to want to sell as much as possible to the customer."


To best capture this opportunity, dealers should clearly explain all red and amber items to the customer and offer to do the work. If they don't book immediately, the dealer should follow-up with them after three-to-six months

via their preferred contact method with the original video walkaround attached, if done by text or email.

"Perhaps the worst failure of all is how we typically handle amber repair work, in terms of rebooking the identified opportunity," says Nathan Tomlinson, dealer principal at Devonshire Motors. "In time, all amber work turns red, regardless of whether you have correctly or incorrectly estimated remaining wear, and it turns red whether the vehicle is retained by the dealer or not.

"Therefore, the best way to sell amber work is to retain the customer. Today, through a combined culture in sales and aftersales, we aim to have all our customers on a three-month VHC cycle so that as well as an annual service we see them for four VHC visits across the year too."

The increasing use of cutting-edge tools such as video technology has also added more trust and transparency to the process. By being able to show the customer what is wrong with their vehicle and the work required via video, dealers reduce the time taken for a technician to explain the issue to a service advisor, who then relays the same message to the owner.

MOT testing is one of the most profitable sources for franchised dealers. 

“THE HOLY GRAIL OF AFTERSALES IS PROVIDING EXCELLENT CUSTOMER SERVICE WHILE HAVING HIGHLY-EFFECTIVE PROCESS CONTROLS IN PLACE

NICK SQUIRE, SNAP-ON BUSINESS SOLUTIONS

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However, in recent years they have lost market share to independent dealers who have undercut them on price and lead time.

Service plans are vital to retailer profitability too, with many now offering them as standard when selling a new vehicle. They are a guaranteed income stream and, if delivered well, ensure repeat business.

"Service plans such as Kia Care are the best way to guarantee customers have their car serviced and MOT'd at a dealership," says Chris Lear, aftersales director at Kia UK. "Increasing the sale of retail workshop hours and associated parts should be a key priority."

"Our analysis shows that customer retention is three times more likely at the point of the third service if they have a Kia Care service plan. Many will agree that the sale of a service plan to new and used car customers is second only to the sale of the car itself."

However, under the service plan, dealers are only compensated by manufacturers at a lower recovery rate for labour time than if they were to do work paid for on the day. That trend is likely to be exacerbated by manufacturers assuming greater control of service plans as they move towards an agency model.

Video walkarounds can drive greater efficiency both in terms of time saved and customer engagement too. They also give the customer certainty that their vehicle has been fully inspected and their problem fixed.

"Any dealer that isn't using video walkarounds to improve trust and transparency in their workshop is missing out on a big opportunity," said Horsburgh. "Most customers who have had their vehicles serviced in a franchised dealership at some point in the last two to five years will have received a video of their vehicle being serviced, so much so it has become the norm."

AFFORDABLE SOLUTIONS

While VHCs are a big revenue driver for dealers, they need to ensure that the work is affordable for the customer, with the flexibility to spread payments with 0% finance over a short term. There must also be greater focus on providing the customer with the solution they need rather than merely selling for profit.

"The very best dealers drive a culture of 100% VHC process for maximising all customer potential work, thus ensuring no opportunity is missed," says Squire. "Dealers who embrace technology and use these to drive increased process and customer loyalty will always gain increased profitability over those who don't."

Despite all of these new technological advancements, automotive consultant Mike Jones says that too often the message around the work required is lost on the customer. Instead, dealers need to focus more on communicating the problem and solution clearly.

MANY WILL AGREE THAT THE SALE OF A SERVICE PLAN TO NEW AND USED CAR CUSTOMERS IS SECOND ONLY TO THE SALE OF THE CAR ITSELF

CHRIS LEAR, KIA UK

"Dealers still tend to get caught up in the terminology," said Jones. "Rather, they need to make sure they use a language that the customer will understand and don't feel intimidated by."

Key to strong aftersales too is data automation. Managed effectively, dealers can drive sales through relevant and timely follow-up reminders, yet often they are let down by outdated and inefficient systems.

"A big problem is data quality," says Jeremy Evans, managing director of Marketing Delivery. "Dealers might have incorrect due dates for MOTs and services, incomplete or incorrect customer contact details, or may have not even gained permission to contact them in the first place, which means they can't contact them when they need to."

"Data automation has really come into its own over the past 18 months during the height of the COVID-19 pandemic with staff numbers cut as dealerships were forced to close due to lockdown. They were able to send out reminders and make bookings automatically, while, in some cases, still maintaining 60%-plus retention rates."

With the right processes in place, aftersales can play a vital role in dealer profitability moving forward. Right now, given the impact of the COVID-19 crisis, that is more important than ever for retailers.

"Great success in aftersales comes from a strong performance which is constantly reviewed," Jones concludes.

"It also needs to have the right people in the right positions who have received the required training, and listen to and work with the customer."

"From a service plan perspective, this means everyone in the department is fanatical about – and fully focused on – selling service plans and ensuring all their customers have one. The same applies to video walkarounds and all the other elements of aftersales."

ALEX WRIGHT

Why digitalisation is essential for aftersales success

Never has it been so important to offer a seamless digital experience. Across the wider retail landscape, consumers are surrounded by highly personalised and convenient retail experiences. The modern consumer has come to expect that same level of service in any industry, from text and video updates to online payments and digital documentation. The current automotive aftersales experience can be fragmented and impersonal, but we're passionate about changing that. It is now critical that automotive retailers invest in the digital tools required to build a customer-centric journey, transforming the aftersales process into a tailored and frictionless experience.

Q What do consumers want from the aftersales journey?

A We want to enable dealers to capitalise on the opportunities provided by digital tools and solutions. But first, we needed to hear from consumers to pinpoint what it is they are looking for in their aftersales experience. Our landmark research report into digitalisation revealed that the ability to book vehicle services and repairs online is the most favoured digital capability among respondents, with 62% noting their desire to use this function. We also discovered that 55% of consumers like the idea of text updates and 56% would prefer digital documentation of service history. The demand for digitalisation exists, and consumers are ready for the automotive industry to align with their expectations.

Q Which Keyloop products help to create a digital aftersales experience?

A Keyloop's digital aftersales journey provides a seamless end-to-end experience for the customer, while also creating an efficient workflow for dealership service departments.

Service Hub is a complete workshop solution that helps service departments work even more efficiently and continues the streamlined experience for workshop

customers, from mobile check-ins to personalised vehicle health checks (VHCs). Service Hub can also be integrated with one of our partners that specialises in comprehensive video VHC reports, enabling technicians to send customers a short demonstration of the work needed on their vehicle.

Completing the digital aftersales journey is ePayments, a solution that allows customers to make a contact-free payment via an email link for work completed, and the

digital document tool, iServiceFile, which helps to reduce large volumes of paperwork into an efficient and secure digital workflow.

Q Which Keyloop partner products help to create a digital aftersales experience?

A The Keyloop Partner Programme enables third-party applications to integrate with Keyloop's open platform, utilising standardised integration methods. Several partner solutions also help create a digital aftersales experience. Our partner RTC offers online service booking, providing an easy-to-use, fully scripted booking system that can be operated both in the dealership and in the centralised contact centre, reflecting available resource at any point in time, based on customer requirements.

Digital Service Reception from Tjekvik allows customers to check-in online for their service appointment from the comfort of their own home and enables a smooth experience when they arrive at the dealership. Not only does it boost customer satisfaction, it also helps reduce waiting times at the service reception.

When it comes to personalising the aftersales experience for customers, Keyloop's integrations with CitNOW and Vehicle Vision have this covered. CitNOW Workshop has been designed to take customers to the heart of the workshop – digitally. It enables technicians to record short videos of any work required and empowers the customer to make their own decision because they feel better informed.

Vehicle Vision's video software has been designed to help increase trust, transparency and conversions in service departments. It allows dealers to show customers, rather than just tell them – helping to empower and build trust. The personalised video tool is quick, comprehensive and easy to understand so it is convenient for dealers and customers. And Vehicle Vision Aftersales doesn't just help boost customer satisfaction, it also



Tom Kilroy,
Keyloop CEO

COMPANY PROFILE

Key products and services: Keyloop Drive DMS, Service Hub, ePayments, iServiceFile

Founded: March 2021 (previously known as CDK Global International)

Based: Headquartered in Berkshire, UK, with offices worldwide

Visit: www.keyloop.com

Email: intl.pr@keyloop.com

keyloop™

helps significantly increase red and amber conversions – a win-win for dealers.

Q What is the future of the digital consumer journey?

A From both our own research and industry insights, it is clear that the two things most valued by consumers is transparency and convenience. The future of retail will require dealers to put consumers at the heart of the retail experience, and digital innovation will play an essential role in achieving this as providers work together to enhance the aftersales experience. Digital solutions that are intuitive, personalised and provide timely information will be essential to earning new customers and improving customer retention.

At Keyloop, our mission is to create and connect technology that makes everything about buying and owning a car better. To help us in this mission, we're sourcing inspiration from a variety of avenues, whether it is the next game-changing automotive retail solution from our University Dealer Tech Competition, or our recent work with OEMs on a prototype in-car booking system for repairs and services. The future requires us to embrace these types of intra-industry collaborations to create the best consumer experience possible. Until recently, clear communication and trust had been missing from the aftersales journey, but digitalised aftersales tools are here to change that, and provide a new kind of experience that prioritises the customer.

“IT IS CLEAR THAT THE TWO THINGS MOST VALUED BY CONSUMERS IS TRANSPARENCY AND CONVENIENCE

TOM KILROY, KEYLOOP CEO





Targeting older vehicles helps to fill workshops

Number of factors has led to growing importance of servicing four-10-year-old cars

As the new car market declines and EV ownership becomes more widespread, dealer groups are increasingly turning their attention to older vehicles to keep workshops full.

Retailers no longer have the volume of sub-three-year-old cars which have helped keep workshops at capacity in the past. At the same time, motorists are keeping their cars longer and this, together with a backlog of MOTs and servicing following the pandemic, has meant that servicing older vehicles has become a more important market for the franchised network.

Having led aftersales strategies at Stratstone and Lookers, Gavin Ruddick is all too familiar with the traditional aftersales set-up where in-house contact centres make outbound calls to the database to book routine services for vehicles typically aged up to three years.

He now works with Book My Garage, which was

conceived to support independents, but has rapidly become a solution for the franchised sector seeking new revenue streams.

Experienced at attracting customers with older vehicles, Book My Garage had already transacted around four million customers on its platform when it recognised its significance for franchised dealers and decided to launch Secret Service.

A Secret Service-booked invoice is typically 15% higher than the franchised dealer's average given older vehicles need more work and, hence, are more profitable. It is proving lucrative.

When the pandemic hit, not only did dealerships close, but new car sales virtually came to a halt making the platform even more vital for generating workshop business.


Ruddick says: "The sales of 0-3-year-old vehicles has slowed right down which equates to £60m in lost revenue. It's the three-six-year-old vehicles which have become the lifeblood for franchised dealers in the UK.

"The traditional business of servicing 0-3-year-old vehicles will not be there for some years to come. That sphere has changed and retailers need to be engaging with customers of older vehicles."

Owners of older cars are often more price-sensitive however, which has led to bespoke services emerging within franchised networks for cars that have passed out of the OEM's warranty period, using approved parts rather than the OEM's parts.

Value-based multi-brand parts supplier Eurorepar, part of Stellantis, also provides OE parts while its Distrigo parts network supplies brand parts such as Bosch, Valeo and LUK.

Eurorepar parts have been incorporated into franchised dealers' fixed price repair strategy to appeal to drivers of older vehicles.

Development of the online booking platforms and retention products, such as service plans and 'Drive Now Pay Later' schemes, also help to offer convenience and assurances for 



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Meet The Supplier

Jewelultra, manufacturers of Diamondbrite



LANCE BOSELEY
MARKETING DIRECTOR

FACTFILE

HEADQUARTERS:
MAIDSTONE, KENT

FACTORY:
LOUGHBOROUGH,
LEICESTERSHIRE

PRODUCTS:
DIAMONDBRITE, VEHICLE VISION

KEY FUNCTIONS:
PAINT PROTECTION
UPHOLSTERY PROTECTION
CAR CARE PRODUCTS
HAND SANITISERS
VEHICLE IMAGERY

HOW DID YOU GET STARTED IN THE PAINT PROTECTION BUSINESS?

Jewelultra has been my father's business since 1992 when it started. I was brought up with it. Even when I was young, my car was always the cleanest. I worked for the business in the 1980s when Diamondbrite was created and in those days it was called Lacro Diamondbrite. Lacro supplied own-label car care products to the likes of BMW, Citroën, VW, Nissan, Toyota and Renault. The business became Jewelultra in 1992 and the focus was very much on Diamondbrite as, not only did it protect

customers' cars, it was also a profit opportunity for dealers. I left in 1986 to work in another industry, but returned in 2000.

CAN YOU DESCRIBE HOW THE BUSINESS HAS EVOLVED?

The retail side of our business has taken off hugely. During lockdown, people started taking far more care of their cars and sales have soared 300%. We are always encouraging dealers to stock our retail-size products as it's a great profit opportunity and can help sell the Diamondbrite Paint and Fabric Protection that is sold through the showroom.

WHAT OTHER IMPACTS DID COVID-19 HAVE ON THE BUSINESS?

When COVID hit we shifted production to hand sanitisers at our Loughborough site. The isopropanol we use is the major ingredient, so it was a straightforward switch. We gained World Health Organisation approval and made it onto Government's approved suppliers list, so we were quickly supplying NHS Trusts, schools, doctors' surgeries and, of course, car retailers including Jardine and Stoneacre. Many car retailers' add-on sales have suffered as a result of the pandemic. It's hard to sell this kind of product over the phone. On our website we've got a Diamondbrite in Action page. A dealer can send a customer a link and

gives an intro to the products. Dealer platform provider iVendi has developed an excellent solution to this using its TRANSACT product where deals can be sent to the customer remotely with things like paint protection and warranty included.

HOW DID THE BUSINESS FARE DURING THE PANDEMIC?

We furloughed our sales team for the majority of last year. Our costs declined 40%. Thanks to the shift to producing sanitisers we made a profit and we also got an insurance pay-out as part of the business interruption insurance claim that went to the High Court. It was a relief when that came through but, overall, we've emerged in good shape. We've got a fully TAP-certified trainer now, David Beney, and he has really helped us switch to more training online. We didn't want to leave dealers high and dry, with no support. We've also just taken on a further business development manager and we're about to appoint another, taking us to 10. They'll spend 95% of their time visiting dealers.

WHAT IS IT YOU LIKE ABOUT YOUR ROLE?

I love the marketing side. I'm left to get on with it, there's no board of directors or shareholders. There's always something new; right now, it's our Diamondbrite ceramic product. Ceramic coatings are great, but franchised retailers have always struggled with them because they are hard to apply. Our product is much easier to apply and has the potential to take over from the two-stage Diamondbrite. Its launch also means we can start with a clean slate from a branding point of view. We'll do an official launch at AM Live in November. Our stand will look amazing.

AND YOU'RE STILL SPONSORING A BRITISH TOURING CARS TEAM?

Absolutely. We were with Honda for four years. Now we're sponsoring MB Motorsport. Jewelultra branding is on Jake Hill's helmet and he's been featured in on-board TV coverage, which has been fantastic. This year we'll also be advertising on Sky Sports. We know from experience that brand awareness makes starting those customer conversations that bit easier for retailers.

TOM SHARPE

E: lance@jewelultra.com M: 07808 841489 W: www.diamondbrite.co.uk
Jewelultra Limited, Diamondbrite House, Ewell Lane,
West Farleigh, Maidstone, Kent, ME15 0NG



Customers who may otherwise look elsewhere for cheaper options.

Add in the likes of aftersales finance provider Bumper, which offers interest-free payments split across a number of months, and the franchised sector's appeal to owners of older vehicles increases. Integrations with a range of third-party suppliers such as video platform CitNOW, DMS providers and the eVHC, enable customers to select 'check out' from an email to their inbox to pay either in full or spread the cost.

Currently, the average transaction hosted by the Bumper platform is £750 across volume and premium brands with the average age of vehicle being six years old whilst 90% of its business is concentrated in the franchised sector.

Jack Allman, Bumper chief commercial officer, says: "This allows customers to spread the cost while retaining a more lucrative customer for the dealership and boosting OEM parts sales.

"The average age of cars on British roads is now 8.3 years, people are keeping their cars for longer. As vehicles get older, repairs are more expensive, if you can support the cost of these, it takes the payment shock away and customers are more incentivised to keep the vehicle and undertake the repairs."

The reduced supply of new vehicles has seen many dealerships switch more focus from sales to aftersales, according to digital marketing supplier Marketing Delivery. Its nationwide consumer research identified almost two-thirds (65%) of car owners 'agree' or 'strongly agree' that they are more likely to book a vehicle service with a dealer that monitors due dates and contacts the customer in advance.

Marketing Delivery managing director Jeremy Evans says: "Of course, this kind of communication can only happen if the workshop has accurate customer data."

Its new digital tool, MOTBox cross-checks a workshop's entire customer database against more than 30 million MOT records held by the



ISTOCK.COM/1001NIGHTS

UK's Driver and Vehicle Standards Agency (DVSA). It automatically identifies customers in the workshop's database who own a vehicle more than three years old with an upcoming MOT due date. A data extract is produced, enabling dealers to target potential MOT customers with reminders and aftersales marketing messages in a GDPR-compliant way.

In an analysis of dealer data for MOTs due between June and August 2021, MOTBox identified an average of 925 additional MOT opportunities per workshop with a profit potential of £14,000 (assuming a 30% conversion rate).

Neil Tonks, group aftersales director at Marshall Motor Group, has targeted older vehicles throughout his career but recognises the growing importance of segment two (aged four-six years) and segment three vehicles (aged seven-10 years) as electrification gathers pace. In addition to targeting older vehicles, Marshall Motor Group has invested in all-makes servicing.

Service plans form a vital element of its older vehicle and all-makes servicing strategy, helping to retain new fiercely-won customers.

Every dealership in the group now has the necessary diagnostic equipment to service all makes, amounting to an investment of £150,000, as well as operator licences to access essential data such as servicing requirements and tyre specification in line with manufacturer guidelines. Marshall Motor Group also supports brand-led initiatives such as Volkswagen's new 'All-in' package aimed at customers with vehicles aged three-five years old.

Tonks says: "We are at the start of this journey. This is a price-sensitive market so not only have we put the diagnostic equipment and data access in place, but servicing is menu-priced.

"Customers understand the technical competence that exists in the franchised sector,

but they also appreciate clarity of pricing.

"We have found that, on average, customers book their MOT just three days before the due date, that's the sweet spot, so it's no good us offering a slot in a week or two weeks' time. We have built-in the flexibility to accommodate our customers and we mould our business to the customer's needs."

The proportion of segment two vehicles serviced by the group is around 25% with segment three around 9%. Despite the challenges, Tonks is aiming to attain 40% of servicing volume from segment two vehicles in line and has a goal of achieving 20% volume from segment three vehicles.

OEMs also recognise the potential of the older vehicle market.

Volkswagen's All-in launched in May for owners of Volkswagens aged 36-72 months old. Subject to a free eligibility check, it provides one major and one minor service (including a full inspection), two annual MOT tests, year-round roadside assistance, plus a two-year warranty for £33.45 a month.

A spokesperson says: "While it is too early to share specific statistics, we have seen significant numbers of customers signing up to the plan, many of which have not been seen by the network for some time. This is very encouraging and we expect the rate of sign-up to grow as we continue to promote the product.

"All-in is the biggest single aftersales investment in the history of Volkswagen UK. The vehicle pool of eligible cars is estimated to be around half a million."

With such a focus from large groups and brands on the older vehicle aftersales market as well as the increased complexity of technology in modern cars and EVs, the independent sector could well start to feel the pressure.

DEBBIE KIRLEW

“WE HAVE FOUND THAT, ON AVERAGE, CUSTOMERS BOOK THEIR MOT JUST THREE DAYS BEFORE THE DUE DATE, THAT’S THE SWEET SPOT, SO IT’S NO GOOD US OFFERING A SLOT IN A WEEK OR TWO WEEKS’ TIME”

**NEIL TONKS,
MARSHALL MOTOR GROUP**

Advertisement Feature

Can digital solutions save your workshop 24 staff hours each day?

Few trends have transformed the automotive industry with quite the same impact as digitalisation. The development of digital tools available to dealerships today is enabling businesses to streamline the entire aftersales customer journey, providing seamless service both online and offline. The benefits to customers are clear; the ability to instantly book a vehicle in for servicing, convenience over when and even if they have to visit a dealership, and peace of mind that vehicle servicing does not have to take over their day.

But what are the benefits to dealerships of offering a digitalised aftersales journey? Loyalty is an obvious one; if you can design your services around the specific needs and lifestyles of customers, they're more likely to remain loyal to your business. Perhaps the biggest advantage, though, comes in productivity gains. RTC Automotive, an automotive digitalisation and aftersales specialist, has recently been able to quantify such gains, and the results may well surprise you.



More than just paperwork

Summing up the findings of the case study, Steven Townsend of Straight Consulting says: "While there is the obvious and immediate benefit of reducing unnecessary paperwork, cost and effort, the approach also offers a great opportunity for any business to generally re-think and re-model some of its aftersales processes and activities. Most aftersales activities are based on traditional methods of working, and these often become wasteful over time.

"The introduction of a paperless approach provides a catalyst for change that potentially goes far beyond the simple removal of a job card."

RTC Automotive Chief Operating Officer Richard Robinson adds: "Paperless benefits are only the start of what you can achieve by embracing digital aftersales. It can also power greater customer satisfaction, higher productivity, and reduction in employee frustrations and time-wasting tasks.

"On a wider level, it can lead to greater organisational cohesion as different teams now naturally share status information, insights, and an understanding of what each job requires to progress.

"Whichever way you look at it, the numbers show that digital transformation is far more than a buzzword – it is a crucial strategic goal for automotive aftermarket businesses today."



From legacy to future

After the implementation and training of the digital experience carried out by RTC, the entire job pack had been replaced with an integrated software solution that automatically 'flags' to departments when key stages in the journey have been reached, such as work approval, customer vehicle arrival, vehicle health check completion and checkout. The software can also handle job allocation centrally.

As a result, many of the areas previously viewed as 'wastage hot spots' have been taken out of the process entirely. The costly, time-consuming and space-filling printing processes have been eliminated, while departments have become aware of pending work earlier and can even work in parallel, meaning technicians spend less time awaiting instructions and more time on their core value-creating tasks.

Administrative staff were overwhelmingly positive about the move and were collectively saving three hours a day that they previously spent printing, collating, filing and moving job packs. They have used the time to take on additional responsibilities, such as outbound calls, thereby generating additional revenue for the business. "There is definitely less effort required now in managing the jobs," said one staff member. Another added: "We have better communication between us now and no more handwritten notes to try and read!"

Modernising the job card

The study, carried out by Straight Consulting on behalf of RTC, focused on the 'job card journey' in the aftersales process, from customer check-in to customer collection.

Historically, the dealer printed a job pack of 20-25 pages for each job. This included the job card as well as other relevant information, such as service history, parts list, hard copies of emails, service plan, and so on.

The packs were created by call centre staff at the time of booking, sometimes being filed for weeks before the technicians actually needed them. If the job requirements or other key details changed in the meantime, the job pack would need to be re-printed. As a result, the dealer was printing around 1,320 sheets of paper a day.

In addition, job packs would be transferred manually throughout the business – between call centre staff, advisors and technicians – in a way that often lacked awareness or understanding of the right destination for a job pack.

About RTC Automotive Solutions

RTC Automotive Solutions is a digitalisation specialist, working with UK dealerships to deliver complete, seamlessly integrated solutions for sales and aftersales. With 20 years' experience developing and deploying software, RTC is proven as an expert in digital transformation and a growth partner for dealerships in a fast-changing industry. More than 700 franchised dealers now use RTC tools.

RTC's technologies allow systems, processes and communication channels to integrate and share data in real time, leading to revenue opportunities, efficiency savings and sustainable benefits. With a full-service approach, RTC is committed to helping dealerships adopt a customer-centric model, meeting motorists' demands with a personalised experience.

For more information on RTC, please email info@rtcauto.co.uk

Direct financial saving in excess of

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per year

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A reduction of administrative time of 30 mins per job equating to an average saving of

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saved every working day



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Here's how it works



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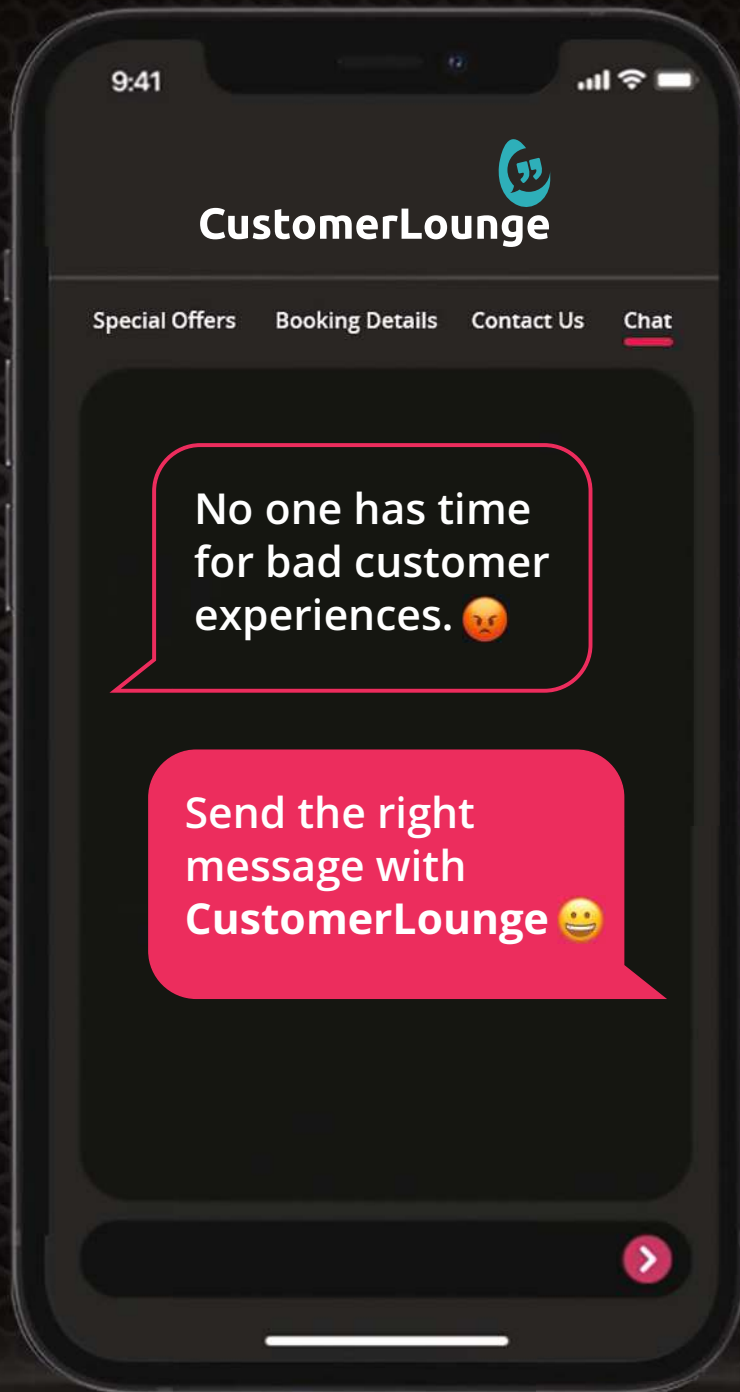
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If you'd like to use a piece of software that's actually designed with your customers in mind, it's very easy to get started. There's no software to install – CustomerLounge is all operated from a web browser, meaning you can even chat to customers and monitor performance from home if you're isolating or "working while the World Cup is on."

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Entice and engage

Marketing Delivery suggests dealers introduce money-back sales incentives

With the supply of retail-ready new and used cars remaining an issue across the UK motor retail sector, new incentives are needed to keep customers in the sales pipeline.

Digital marketing tools are already proven to boost customer engagement, and experts at Marketing Delivery are urging dealers to introduce money-back sales incentives to minimise customer churn.

A money-back offer has the dual benefit of improving aftersales engagement, and at the same time, incentivising customers to stay in the sales pipeline even if the 'right' car isn't currently available, rather than shopping elsewhere.

Once the customer has committed to an aftersales booking, digital tools can then ensure they are automatically kept updated when new stock relevant to their enquiry comes in or when there is a price change on relevant existing stock.

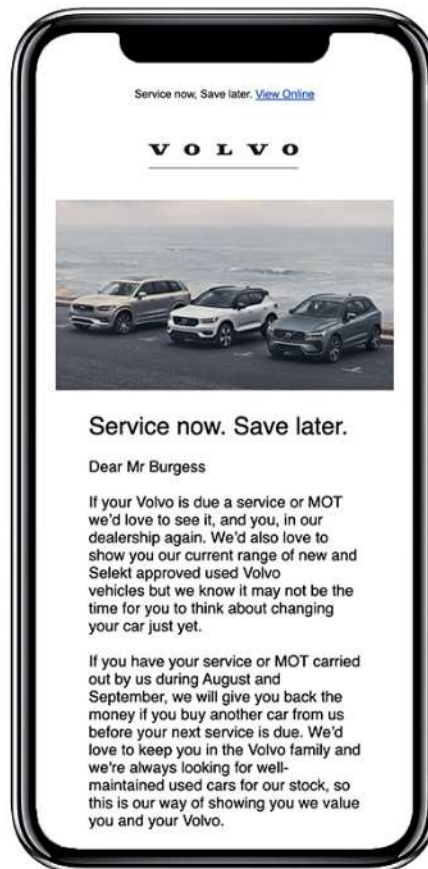
Marketing Delivery has already successfully piloted this approach with several motor retailers and the results speak for themselves.

September will be key for aftersales

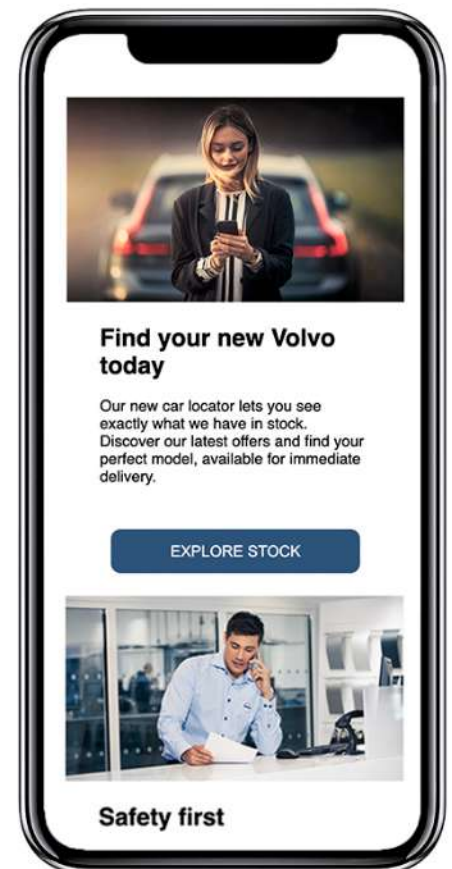
As we experience the peak September period, the MOT backlog since the national lockdowns continues to influence the accuracy of MOT data. Due to time constraints and staffing, many aftersales departments do not have the capacity to manually follow up on this, resulting in lost revenue and a lack of aftersales engagement.

New research commissioned by Marketing Delivery has highlighted that almost two-thirds (65%) of car owners 'agree' or 'strongly agree' with the statement: "I would be more likely to book my car in for a service or MOT with a dealer that monitors the date on which it is due and makes the effort to contact me about it in advance."

Only 5% disagreed with the statement,



"The likelihood of making a service or MOT booking in response to a reminder does not fluctuate across different age groups or regions in the UK"



and the likelihood of making a service or MOT booking in response to a reminder does not fluctuate across different age groups or regions in the UK.

Digitalise and automate

Software such as Marketing Delivery's MOTBox connects to the Driver and Vehicle Standards Agency and cross-checks it with the dealers' database to find and update the MOT due date.

Personalised reminder emails can then be issued automatically at the appropriate time, encouraging customers to make an aftersales booking. This helps to keep them loyal, as well as primed for the new or used car sales pipeline when the time is right.

Car retailers can contact Marketing Delivery for a free, no-obligation guide to setting up eCRM tools via www.marketingdelivery.co.uk or by calling +44 (0)1892 599911.

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Are you optimising your biggest profit opportunity?

Wheel alignments typically return profit margins of around 88%

Despite all the technological advances on modern motor cars, one of the most profitable and widespread revenue generation opportunities for aftersales departments remains four wheel alignment.

Often overlooked or under-utilised by many service managers, a successful wheel alignment strategy which is properly integrated within an aftersales operation can transform its fortunes.

A goldmine of opportunities

Indeed, wheel alignment opportunities exist on around seven-in-10 cars on the road today; they just need to be highlighted to their owners!

However, once the opportunity has been identified and the required work approved by the customer, alignment jobs typically return profit margins of around 88%, far higher than other work such as replacement tyres or brakes.

Furthermore, these figures are likely to increase due to the ongoing electrification of the vehicle parc, meaning that, after a rapid equipment investment payback period, subsequent revenue from future wheel alignment will go directly to your bottom line.

Making the right choice

With a bewildering choice of workshop equipment available, deciding on which aligner to invest in is never an easy one for any aftersales team.



However, for Bespoke Tyre and Auto Care a rapidly expanding operation in the north-east, the decision to invest in a Hunter Elite TD system paired with an integrated, top-of-the-range Hunter RX-45 lift, was a relatively easy choice.

Not only are both of these systems approved for use by most major vehicle manufacturers around the world and used in their own quality and PDI operations, but they also offer the best profit-generating opportunity.

David Smith, of Bespoke Tyre and Auto Care, explains: "Having had experience of Hunter alignment and servicing equipment from a previous business I was involved in, we knew we had to have it again right from day one – it was a real no-brainer!

"As far as I'm concerned, it's the best equipment in the industry by far. From its speed of use and ease of use and its quality, nothing else comes near.

"From the outside, it's hard to see why the Hunter systems carry a price premium, but as soon as you see them operating in a workshop environment, it's easy to understand."

Sweating your assets

Of course, investing in – and offering – a four wheel alignment service is just the tip of the iceberg with regard to profit opportunities. By placing wheel alignment diagnostics at the heart of an aftersales strategy, dealers can generate eye-watering levels of additional revenue and improve their customer satisfaction scores and retention levels in the process.

Clive Seabrook, CEO of Pro-Align, the exclusive UK distributor of the world-renowned Hunter alignment systems explains: "Our most successful workshop partners are thriving by using wheel alignment diagnostics properly. The contactless technology available today allows workshops to diagnose potential alignment issues in a couple of seconds.

"So, regardless of whether a vehicle has come in for a steering and suspension job, or something completely unrelated, by conducting a 'QuickCheck' alignment, there's a strong likelihood that an additional work opportunity is identified. And if not, then there's a great bit of extra customer service, helping to build further trust!"

Accelerate your growth today To discuss how your aftersales operation can reap the rewards from investment in a Hunter four wheel alignment system, call Pro-Align on 01327 323007 or visit www.pro-align.co.uk.





BOOST YOUR PROFITS WITH **HUNTER** WHEEL ALIGNMENT

Wheel alignment equipment is one of the most profitable revenue-generating opportunities in the aftersales sector.






Around seven-in-10 cars on the road today are misaligned and those workshops that are properly equipped to diagnose and fix these are already benefitting from the **sizeable revenue and profit opportunity**.

Alignment servicing frequently returns profit margins of around **88%** and with the right equipment, your workshop can slash repair times and labour costs while increasing customer satisfaction and retention.

With the **Hunter Elite TD**, your workshop can accelerate your service delivery to provide an accurate wheel alignment assessment in just **70 seconds**, from start to finish.



Call us today to discover more.

-  **Identify workshop opportunities in seconds**
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ASSURANT®

How Assurant innovates to deliver

Assurant is continually breaking new ground in automotive value-add solutions to bring about new levels of customer satisfaction - and allow dealers to maximise revenue opportunity. Ash Robson, head of auto innovation at Assurant, tells us about their latest developments.



Ash Robson
Head of auto innovation

Ash, why does Assurant place such emphasis on innovation?

Our view is that the warranty and aftersales products sector has, in some ways, not taken full advantage of all the available advances, both in product development and use of technology. We believe that this can be to the detriment of the customer and the dealer, so we try to take a proactive approach that makes use of more innovative thinking and apply this to emerging market shifts and trends.

Can you give us an example of something from Assurant that reflects this approach?

Well, we are seeing growing momentum behind EV One, our specialist EV warranty product. It can be applied to any externally charged plug-in vehicle - meaning battery electric vehicles, plug-in hybrid electric vehicles and plug-in series hybrids - that are up to a maximum of eight years old up to 80,000 miles on the clock at the time of purchase. Cover can be for a variety of periods up to 24 months and up to a limit of the vehicle purchase price. EV One is unique and innovative in that it covers all variations of EV and hybrid technology, bespoke to this sector.

What else are you doing on the technology front?

We're carrying out a lot of work with data, especially when it comes to creating some exciting new dashboards for prospective partners. Through looking at our book of policy and claims data, our underwriting data, and dealer's used car stock mix, we can show the kind of penetration volume for warranties they could expect to achieve by working with us. This type of data-driven approach demonstrates our expertise, our data capability, and the fact that we are much more than just a traditional automotive warranty product provider.

We also look to future emerging trends. Our global and Connected Living capabilities allows us to draw on learnings from other markets and lines of business. For example, we've recently conducted research at a global and local level on the impact 5G will have on the future Connected Car. This helps us and our partners to stay ahead of the curve for new opportunities in the automotive market that others may miss.

Beyond innovation, what else do you think are Assurant's core strengths?

On a corporate level we offer a high level of both financial stability, being a Fortune 500 company. Our underwriting is also all done in-house, so everything is integrated, which gives us a whole range of advantages. Dealers can be sure that partnering with us is a sustainable proposition.

What are you working on for the future?

Now more than ever things are moving at pace in the automotive market. The government commitments to zero emissions, challenges in production relative to chip technology, and even the changing nature of customer car journeys means we are continually looking at future developments. It's always at the forefront of what we do. Digital key insurance is one example which is growing in momentum, but equally in the EV world it becomes not just about the car but the charge point and infrastructure too. We're having exciting conversations to help keep those elements working under warranty for customers and dealers alike.

Who is Assurant?

- We've been innovating and adapting in the automotive industry for over 125 years.
- Our balance sheet is solid with \$44 billion in assets, \$9.2 billion in annualised revenue and \$332 million in holding company liquidity.
- We're part of Assurant Inc., a financially stable Fortune 500 company that's listed on the NYSE
- An automotive partner with underwriting excellence. We are proud to be an experienced UK based insurer.

Our products



Extended Warranty: Choose from four different frameworks of warranty, including insured, non-insured and specialist electric vehicle options. Our flexible approach allows your business to provide a warranty programme that suits the needs of your business and customers.



Guaranteed Asset Protection: Provide your customers with protection against financial loss, from a stable and trusted UK provider.



Cosmetic Protection: Our cosmetic protection suite offers cover for scratches, dents, scuffs, alloy wheels and tyres, to help customers keep their cars in prime condition and maintain vehicle value. We provide Scratch and Dent, Alloy Wheel, and Combined Alloy Wheel and Tyre Insurance.



Service Plan: Keep your customers coming back with a Service Plan programme.

To find out more, please email hello@assurant.com or visit [Assurant.co.uk](https://www.assurant.co.uk)

HYUNDAI IONIQ 5



The Ioniq 5's footprint is larger than that of a Tucson SUV and has an EV-specific chassis



Having successfully made the transition from being a budget-friendly brand to a mainstream one, Hyundai is now seeking a slice of the premium market.

It's launching a new sub-brand called Ioniq, which will sit alongside the existing Hyundai model range offering only electric propulsion.

The Ioniq 5 will spearhead this new line-up and uses an entirely new platform, powertrain and design language.

Following its reveal in March, Hyundai received 236,000 expressions of interest from European customers, while the limited-edition Project 45 version was almost three times over-subscribed within 24 hours.

The car's hatchback silhouette might trick you into thinking this is a Volkswagen Golf rival, but it's not until you see the Ioniq 5 in the metal that you realise its footprint is larger than that of a Tucson SUV and, thanks to that EV-specific chassis, interior space is on par with a luxury saloon.

The concept car looks should be enough

to lure in EV sceptics, with its balance of retro and modern styling cues, and once you dig deeper, it's clear the Ioniq 5 is a perfectly practical car.

Inside you'll find big squishy seats, a vast flat floor and a beautifully simplistic dashboard. Thankfully, Hyundai has elected to retain controls for key elements, rather than bundle everything into a touchscreen. So, there's a volume knob for the radio and a touch-sensitive panel to control the air con.

Prices start at £36,940 and there are three powertrain options to choose from, starting with the rear-wheel drive 58kWh model. You can boost range with the 73kWh variant, costing from £41,890. There's also a twin-motor all-wheel drive model, coming in at £45,090.

Up to 240 miles of driving range is offered by the entry-level car, while the bigger battery gives 300. So far, we've only tried the twin-motor, which promises 287 miles, officially. In our experience, it's going to be tough to get beyond 250 miles. Our test model was showing consumption of 3.3mi/kWh, which is quite a lot less than we've managed in a Kona EV. We look forward to

testing the single motor variants, to see if they are more efficient.

Of course, being a premium-focused model, the Ioniq 5 is a lot heavier than a Kona. It tips the scales at almost two tonnes (dependent on spec).

The upshot is a much smoother and more refined experience than you'll get from its sibling. The Ioniq 5 does feel like an executive saloon to drive.

The ride on our test model's 20-inch wheels was a tad firm, although the super soft seats help to isolate passengers from that to a degree. Dynamically, the Ioniq 5 isn't quite as engaging as its hot-hatch styling might suggest, but that doesn't mean it isn't well calibrated. There's minimal body roll and the weight is largely confined to the chassis, meaning the centre of gravity is low.

With 305PS, the twin-motor version feels adequately potent. It manages the 0-62mph benchmark in 5.2 seconds and delivers a healthy surge of acceleration when needed.

A three-stage regeneration system can be controlled using steering wheel-mounted paddles and drivers can switch between Eco, Comfort and Sport driving



WE REALLY THINK THIS IS A PRODUCT THAT WE CAN TAKE TO A NEW AUDIENCE AND ATTRACT A NEW TYPE OF FLEET CUSTOMER

TIM WHITE,
HYUNDAI MOTOR UK



Day-to-day convenience is boosted by the sizeable boot



The Ioniq 5 has a beautifully simplistic dashboard

modes – plus there's a one pedal driving feature, called i-Pedal.

When it's time to recharge, the Ioniq 5 has an advantage over its mainstream competitors. It's equipped with 800v architecture – that's the sort of thing you get on a Porsche Taycan – and it means the car can utilise 350kW ultra-rapid chargers. If you can find one, then it's possible to add 80% charge in just 18 minutes.

Day-to-day convenience is boosted further by a sizeable boot, wide-opening rear doors and a handy blind-spot camera system that shows a live video image from the car's rear quarter, in the instrument cluster, when you indicate.

There's a big gap between budget-friendly EVs and luxurious ones, leaving little choice for buyers and company car drivers looking for an electric alternative to the ubiquitous German saloons.

While its range might be slightly less than we'd hoped, the ability to charge so quickly, paired with the Ioniq 5's desirable looks, good performance and comfortable ride, make it an ideal contender in the premium market. **MATT DE PREZ**



£36,995
– £48,090



ELECTRIC MOTOR



0–62MPH:
5.2 – 8.5
TOP SPEED:
115 MPH



N/A



240 – 300 MILES
RANGE



0G/KM CO₂

Q&A



TIM WHITE,
HEAD OF FLEET
AT HYUNDAI
MOTOR UK

How do you differentiate the Ioniq 5 from the other Ioniq-badged models in the range?

We do clearly still have our Ioniq model in terms of the hybrid, plug-in hybrid and electric vehicle. So, we've had to work hard to make that clear to people that we share a bit of a name at the moment. But, going forward, the Ioniq will be the electric brand that we will go to market with in terms of our future battery electric vehicles.

Who is the target customer for the Ioniq 5?

The Ioniq 5 has competitive range, dependent on the battery, of 238 to 298 miles. It is also a large car. It's trying to be that fantastic luxury premium large car. We really think this is a product that we can take to a new audience and attract a new type of fleet customer. Hopefully, those people that would have perhaps gone for the German premium brands will look at this car, and we really feel that, once they're in it, they'll appreciate that it's a fantastic product. We've then got Ioniq 6 and 7 to come, which is a

large saloon and mid-size SUV. So, this is just the start. Those will further cement our premium market offering.

What are the Ioniq 5's key rivals?

We've got some unified competitors that we say it's up against. VW ID4 would be an obvious one and the Škoda Enyaq. Dare I say it, we are trying to go after that Tesla driver and that, sort of, premium car driver. ID4 is size-wise, and even quality-wise, an obvious comparison. But, it is such new territory for us, we don't really know. We're talking to a whole new audience with this car.

What role do dealers play in your fleet strategy?

This year we've tried to engage with the wider dealer network. We don't want dealers to feel that they can't do fleet. So, we have introduced a system whereby anybody can do fleet, essentially. We're engaging with the wider network for SME, B2B and local fleet and all dealers can be rewarded for fleet volume if they put a little bit of investment in. We thought that was the right balance; you're always going to have the core national operators, but we're trying to give everybody the opportunity with the product range. Because it is so geared to fleet now, we feel the need to give everybody the opportunity to sell to a company car driver.

≈ KEY RIVALS



VW ID4



FUTURISTIC LOOKS



INFOTAINMENT
INTERFACE



Škoda Enyaq



FEELS LIKE A
CONVENTIONAL CAR



NOT VERY EXCITING



Tesla Model 3



PERFORMANCE



LACK OF CHARACTER

≈ REVIEW RATINGS

AUTO EXPRESS



PARKERS



TOP GEAR



CUPRA FORMENTOR E-HYBRID

REPORT
PROGRESS



FINDING A- AND B-ROADS A PLEASURE TO DRIVE

A significant discovery this month is that our long-term test Cupra Formentor encourages me to shun motorways. Not in a quirk of the sat-nav way – although the infotainment/sat-nav is a bit quirky (more on that later) – but in that its sharp, direct, electronically-assisted steering makes travelling along winding A- and B-roads a pleasure.

In a little more than a week I added almost 1,500 miles to the Formentor's odometer during our family's summer holiday. Although getting from Peterborough to the north-west tip of Cumbria required some motorway use, which was made fairly relaxing by the adaptive cruise control, I opted to minimise the time spent on the M6 on the return trip back and diverted across the scenic and meandering Snake Pass into Yorkshire.

In the interim days, the coastal B-roads and Lake District A-roads gave me ample opportunity to enjoy the Formentor's handling, which inspires plenty of confidence through the bends. And while

passengers like my wife and two teenagers may prefer it to give a slightly softer ride over poor road surfaces and cobbled streets, drivers will feel happy with the compromise once on the open road.

Those climbing B-roads particularly challenged its hill start controls, which coped well with repeated use as oncoming traffic in some of the narrowest lanes frequently forced us to a stop or reverse, with parking sensors bleeping and Mrs Rose holding her breath as cars inched past. At times, the electrical charge regenerated on the long downhill stretches became a useful boost for overtaking agricultural traffic.

Not all the electronic kit on the Formentor won our praises, however. Randomly, the traffic sign recognition system would sometimes display a 110km/h speed limit instead of 70mph; some of the postcodes we put into the sat-nav resulted in an 'off-road' destination; and the voice activation interrupted us a few times, mid-conversation. I imagine all will be rectified via software updates in the future.

Those niggles aside, this Cupra proved to be a great choice for a family road trip. Even with a boot crammed with full-size suitcases and four occupants on board, it loses no dynamic appeal for the driver.

TIM ROSE

“THE ELECTRICAL CHARGE REGENERATED ON THE LONG DOWNHILL STRETCHES BECAME A USEFUL BOOST FOR OVERTAKING

CURRENT MILEAGE	0	3	2	6	3
START MILEAGE	0	0	0	5	6

✓ FUN TO DRIVE

✗ QUIRKY SAT-NAV

£38,155
(INCL £555
METALLIC PAINT
OPTION)

1.4-LITRE TURBO-
CHARGED PETROL/
ELECTRIC HYBRID,
204PS

0-62MPH
7.8 SECS, TOP
SPEED 127MPH

201.8-
217.3MPG

296/KM
(WLTP)

≡ GUESS THE CAR COMPETITION

THIS MONTH'S WINNER



Paul Pearce, group head of business at Ponthir Group, correctly identified the SsangYong Musso last issue

See if you can identify this month's model for your chance to win a £20 John Lewis voucher. Email am@bauermedia.co.uk with 'Guess the car' in the subject line and include your job title and company in your entry. The closing date is Friday, October 8.





TOP TIPS

for

RUNNING A PROFITABLE DEALERSHIP

Aftersales Digital Payments **Digital Reviews** Finance
Paint Protection **Service Plans** Smart Repair **Stock** Valeting

SERVICE PLANS: MAKE EMAC SERVICE PLANS AN INTEGRAL PART OF YOUR RETENTION STRATEGY

SPONSOR'S COMMENT

By John O'Donnell, managing director, EMaC



EMaC believes the key to boosting the aftersales revenue stream through service plans is a robust follow-up strategy and re-engagement with consumers.

Service Plan consumers score their dealers higher for 'customer satisfaction' and spend more per visit, enhancing dealer revenue and profitability, as well as being more likely to buy their next vehicle from the same dealer.

Our research shows that consumers are more likely to take upsell opportunities when they are not faced with a cash outlay on the day for their servicing.

Dealerships should seek to follow up with consumers after their initial visit, chasing up outstanding service plan quotes, either via their own employees or outsourcing with the help of EMaC's communications service, Ignite.

Dealers can also encourage consumers to buy their service plan from the comfort of their own home, using EMaC's online self-serve facility.

EMaC.

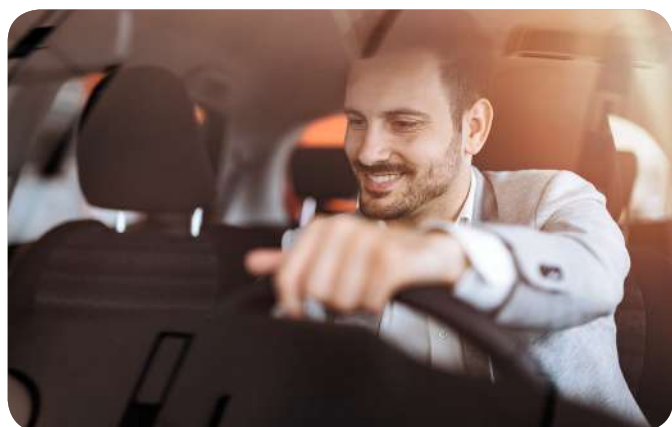


AM says: "Offer customers the ability to spread their service costs through a service plan which is aligned to the duration of their finance"

If you want to find out more, call 0330 099 6826, email support@emac.co.uk or visit emac.co.uk

AFTERSALES CREDIT FACILITY: DRIVE NOW, PAY LATER+

**AUTOMOTIVE
MANAGEMENT LIVE
STAND C24**



AM says: "If possible, consider working with a finance partner to allow customers to spread the cost of service/maintenance bills"

SPONSOR'S COMMENT

By John O'Donnell, managing director, EMaC



Unexpected bills can often come as an unwelcome surprise, with many consumers financing the required repairs using a credit card or dipping into savings.

Why not offer EMaC's interest-free credit facility, Drive Now, Pay Later+, to help consumers pay these bills; including parts and accessory purchases!

Drive Now, Pay Later+ is a flexible, interest-free monthly instalment plan for dealers to offer to their consumers. It not only enhances business revenue and profitability throughout the ownership cycle, but also builds lasting relationships and increases consumer satisfaction.

With an increased consumer appetite to spread the cost of unexpected bills, Drive Now, Pay Later+ is the ideal solution.

This flexible payment option means consumers benefit from greater choice and control over how they pay for purchases and it allows dealers to boost their consumer offering and guarantee a positive experience!

EMaC.

If you want to find out more, call 0330 099 6826, email support@emac.co.uk or visit emac.co.uk

AFTERSALES: EXTENDED WARRANTIES



AM says: “Offer the customer an opportunity to buy an extended warranty which would cover their used car for the duration of their finance agreement”

SPONSOR'S COMMENT

By John Saleh, head of field operations, Car Care Plan



With new vehicle production hampered by the worldwide shortage of semiconductor chips, the used car market is enjoying a purple patch. However, it is no secret that the older a vehicle gets, the higher the risk of a repair becomes.

Today's savvy consumer will look to protect their vehicle against future problems; this is a significant consideration during decision-making. Most dealers provide a complimentary warranty alongside the purchase of a vehicle; unfortunately, these warranties are often limited in duration and can leave the customer unprotected for a period of their ownership cycle.

Offering the customer flexible, extended warranty durations allows the customer to select a duration matching their planned period of ownership, often linked to their finance term, while providing additional revenue back into your dealership. It is important to consider the quality of the warranty product you offer, as the cover level and service provided to your customers will ultimately reflect on you.

Car Care Plan's warranty products include EV and hybrid vehicles as standard, along with the following:

- Optional roadside assistance, nationwide recovery, home start
- Optional MOT test cover
- seven-day car hire
- 60 days' European cover

SMART REPAIR: PROTECTING CAR VALUES

SPONSOR'S COMMENT

By John Saleh, head of field operations, Car Care Plan



It isn't until a customer reaches the end of their PCP or PCH contract that they see the impact of aesthetic damage, beyond the appearance of their vehicle. Scuffs, scratches and dents picked up during an ownership cycle can affect vehicle value when the time comes to return it.

This can leave the customer having to pick up the repair bill or risk returning their vehicle at a lower value, which can result in negative equity.

SMART repair products help customers protect their vehicle against such minor damage. They allow customers to have repairs completed throughout their ownership at their convenience, while maintaining vehicle appearance and protecting its value. Both Car Care Plan's Cosmetic and Alloy Wheel Insurance products carry a five-star Defaqto rating and repairs are carried out by our mobile repair partner, five-star Trustpilot-rated Dent Wizard Ventures.



AM says: “Highlight the convenience of having SMART repair insurance if a customer is buying on PCP or PCH and might face end-of-contract charges for damage”

If you want to find out more, call 0344 573 8000 or visit www.carcareplan.co.uk

STOCK TIP: MARKET INSIGHT

SPONSOR'S COMMENT

By Le Etta Pearce



In a fast-paced and unpredictable market, having access to data and insight is more important than ever to maintain profitability. Whether buying or selling, Dealer Auction's digital platform offers unrivalled market insight to stay ahead of the curve and realise greater profit potential on every vehicle.

Dealer Auction supports buyer instincts with real-time data on every vehicle, including an Auto Trader Retail Rating to indicate changes in local consumer demand and a national market summary to support retail pricing.

We also calculate how quickly a vehicle could bring you a return by displaying average days to sell based on your postcode.

For sellers, Dealer Auction includes intuitive, data-based reserve recommendations when listing a vehicle to help you find the right balance between setting a price that will achieve you more profit and also attract bids.



AM says: "Understanding the fluctuating market is essential to maintaining profitability right now. Be sure to use real-time data and insight to your advantage when buying and selling stock. Your consumers do it, so you can't afford not to!"

If you want to find out more, call 0330 128 1250, email info@dealerauction.co.uk or visit www.dealerauction.co.uk

STOCK TIP: AUCTIONS



AM says: "Don't miss out on stock. Log into your digital auction platform or contact your auction house to set up alerts, so you are immediately notified when the stock you are looking for is available to buy."

SPONSOR'S COMMENT

By Sarah Marley



With used car stock in such short supply and competition as fierce as ever, you need to ensure you don't miss out when the right vehicle comes along.

Dealer Auction is the largest digital auction platform, bringing together a huge list of auction and trade stock sources into one place so you can source stock 24/7.

Find vehicles using our sophisticated filter and search tool, view detailed imagery and condition reports, and bid on vehicles, all through our web-based auction platform that is optimised for mobile.

You can also set up stock policies for the vehicles you're looking for and we'll do all the hard work for you. Stock alerts will notify you as soon as a suitable vehicle is added, and SMS notifications help keep you informed during negotiations when you win.

Finding stock really is that simple.



If you want to find out more, call 0330 128 1250, email info@dealerauction.co.uk or visit www.dealerauction.co.uk

FINANCE: ELECTRONIC SIGNATURE

SPONSOR'S COMMENT

By Stewart Grant, consumer finance commercial director, Santander

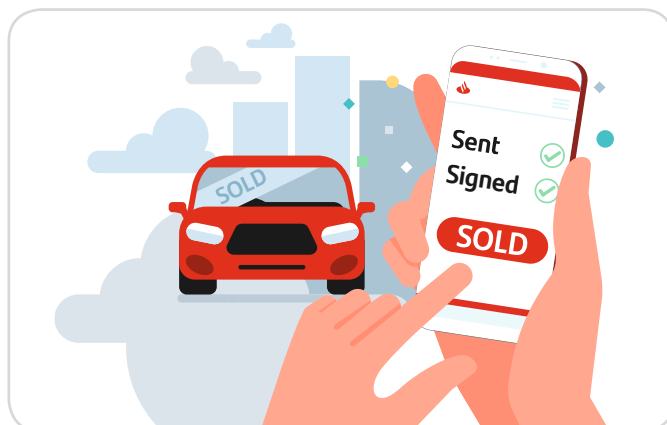


As consumer purchasing behaviour continues to evolve it's now more important than ever to provide the latest technology needed for your customers to complete their finance journey digitally.

eSign Plus allows customers to sign anywhere and at any time, its digital technology that will work for you and maximise your selling ability.

It is important for Santander Consumer Finance to continually evolve its offering to keep pace with the ever-changing, consumer-driven marketplace within which we operate. The eSign Plus solution has been specifically created to support our OEM and dealer communities, allowing them to fully transact with their customers remotely and, crucially, at their convenience.

The way in which we do business may change, but our commitment to our partners remains at the heart of everything we do.



AM says: "Ask your supplier if it has electronic signature capabilities in its finance sales process"

For more information please visit: dealer.santanderconsumer.co.uk/esign-plus

DIGITAL PAYMENTS: ADAPTABILITY

AUTOMOTIVE
MANAGEMENT LIVE
STAND A32

FUTURE-PROOF YOUR PAYMENTS

PayNow

Send to customer and take secure payments in full

PayLater

Split bills into monthly instalments, interest-free

AM says: "Increase customer convenience while protecting against fraud by providing digital payments for sales and service, including direct payments and 0% instalments"

SPONSOR'S COMMENT

By Jack Allman, co-founder and CCO, Bumper



With consumer shopping trends shifting to a digital-first approach, adaptability is the key to success.

In a recent Coronavirus Response Survey, 69% of respondents said the COVID-19 experience will change the way they shop, stating that digital payments are much safer and more convenient.

Bumper's PayNow product enables customers to pay remotely, by sending a secure email/SMS link and then entering their card details or using Apple Pay or Google Pay.

Flexibility is also key in a digital-first age, with 0% payment options increasingly becoming an expectation. Bumper's PayLater product enables customers to split their bill into monthly instalments and complete payments digitally.

To ensure maximum convenience for the customer and dealership, it's essential to digitally embed payment options into sales and service, which is why Bumper's products are integrated into the leading DMS, video, and VHC platforms.

BUMPER

If you want to find out more, call 0800 612 0946, email sales@bumper.co.uk or visit bumper.co.uk

VALETING: **OUTSOURCING**

SPONSOR'S COMMENT

By Michaela Gunney, Executive Sales Director, Secure Valeting



Why choose SECURE as your outsourcing partner? Reducing your staff and equipment costs are important factors, but there are further key benefits SECURE can provide.

Our unique franchise agreement with our valeting operators provides full compliance with status and is outside of IR35 legislation. Compliance with all current legislation is vitally important to our client base, our policies on GDPR and modern slavery can be viewed on our website at www.secureplc.com. Additional services include high quality images, personalised videos, QA and digital backdrops. One of the biggest challenges in the UK is the current labour market, with vacancies being hard to fill after Brexit and the COVID-19 pandemic. SECURE is best placed to help our customers with the flexibility of labour with access to operators in fleet, auction and motor dealer groups across the UK.



SECURE VALETING GROUP

Safe in the knowledge...its SECURE

Call 01480 216700 info@secureplc.com

AM says: "Reduce your staffing and equipment costs group-wide by outsourcing valeting to a specialist third party."

To find out more visit www.secureplc.com

AM ONLINE

AUTOMOTIVE MANAGEMENT

Home to the must-watch automotive industry webinars

Go to the new 'webinars' section on AM-online to see all the latest presentations from AM and major industry suppliers. Hear insights from other dealers and analysts in the quarterly AM Motor Retail Review webinar. Learn about market trends and tips for running dealerships more efficiently in the range of topical webinars, covering all aspects of motor retail operations from aftersales, CRM and reputation management to customer service and sales.

am-online.com/webinars



PAINT PROTECTION: CUSTOMER DEMONSTRATION

SPONSOR'S COMMENT

By Chris McDonald, head of Gtechniq Platinum UK



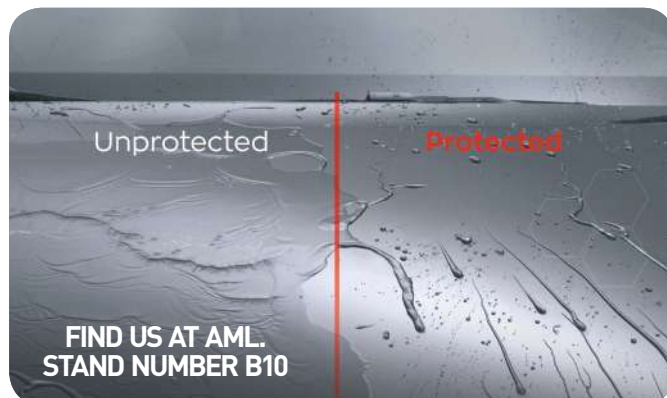
Platinum Crystal Coat forms an ultra-durable, high-gloss, slick-to-touch, chemically bonding, inorganic layer of 9h optically-clear ceramic. This ceramic protection actively reduces the number of swirls in your car's paintwork, retaining its candy-like gloss and new look much longer than any wax or standard sealant.

The coating has been scientifically formulated to chemically bond to the surface of a car's paintwork.

The chemical bond makes the coating the active surface of the car, shielding it from dirt, acid rain and detergent.

Its highly dense layer is resistant from pH2-pH12. This makes contaminants such as tree sap, tar and hard water spots easier to remove.

GTECHNIQ
PLATINUM



AM says: "Use videos or treated panels to demonstrate to customers the benefits of paint protection"

For more information email chrismcdonald@gtechniq.com or call 01604 962 553

FABRIC PROTECTION: CUSTOMER DEMONSTRATION

AUTOMOTIVE
MANAGEMENT LIVE
STAND B10



AM says: "Use demonstration videos or treated seats in the sales process to demonstrate to customers the benefits of fabric protection"

SPONSOR'S COMMENT

By Chris McDonald, head of Gtechniq Platinum UK



Research suggests we spend an average of 30 hours a year stuck in traffic alone.

This makes the interiors of cars subjected to conditions which can encourage the growth of microbes. Food remnants, spillages, dirt, little sticky fingers and dust, can support the growth of microorganisms like bacteria and fungi.

Gtechniq's interior products keep leather and fabric looking newer, and smelling fresher for longer. Using Gtechniq with added Biocote® to protect your car's interior can help prevent the growth of microbes.

Leather: On top of the Biocote® benefits, Gtechniq leather protection can reduce wear on prone areas of leather or vinyl seats, such as piping and leading edges. It also makes dye transfer from clothing easier to remove.

Fabric: Fabric soiling can be reduced dramatically by using Gtechniq Platinum on car interiors. In most cases, spilt coffee, kids' ice creams, even coke, can be removed with a damp cloth, without staining.

GTECHNIQ
PLATINUM

For more information email chrismcdonald@gtechniq.com or call 01604 962 553

DIGITAL REVIEWS: INSIGHT PLATFORM

SPONSOR'S COMMENT

By Neil Addley, founder and managing director, JudgeService



Using an independent and verified review and insight platform like JudgeService enables your customers to make informed and confident purchase decisions.

Improve your online reputation by increasing your number of genuine reviews and boost your customer satisfaction scores by listening to your customer's needs.

By encouraging customers to leave a JudgeService review, your business benefits from their recommendation, star rating and constructive feedback.

Our reviews feed into Auto Trader, Motors.co.uk and other sites across the web.

Your online presence has never been more important as more than 70% of people read dealer reviews before they go on to purchase a vehicle, so make sure your reviews are at the front of centre of your marketing.



More customer insight...



...More online reviews...

...More sales



Call 01423 649039



AM says: "Encourage your customers to leave public reviews on independent websites and invite them to share testimonials for your own online presence"

If you want to find out more, call 01423 649039, email contactus@judgeservice.com or visit www.judgeservice.com

AFTERSALES: DISTANCE AFTERSALES

AUTOMOTIVE
MANAGEMENT LIVE
STAND C46

SPONSOR'S COMMENT

By Nick Pratt, business development manager, Tjekvik



Giving customers a digital choice is a must for the modern dealership. Using Tjekvik, 30% of customers choose advance check-in at home and 40% the in-dealer key drop, demonstrating the desire of customers to interact digitally, even as COVID recedes.

In the first seven months of 2021 UK customers using Tjekvik made 11,750 requests for service plans and selected £1.15m of added value items, an average of £1,774 per dealer per month. This shows that remote check-in and key drop-off delivers ROI as well as convenience and safety.

Queue elimination works at both ends of the day, extending the operating hours of the dealership. To the end July, 20,500 customers used the Tjekvik check-out process and we collected nearly £1m from customers paying online.

Digitally delivered aftersales is here to stay, driven by customer demand and providing a profitable process.



Delivering the digital customer journey

tjekvik



AM says: "COVID-19 has heightened customers' desire to be served remotely. Consider adopting drop-off key lockers to eliminate waiting times and minimise contact, where desirable"

If you want to find out more, call 07736 081695 email nick@tjekvik.com or visit www.tjekvik.com

LIVE & KICKING AT NEC

Automotive management LIVE

Brought to you by



In association with



LIVE

The Automotive Management Live show will return to the UK's premier exhibition venue on **November 11**.

INSPIRATION THEATRE

Delegates to this year's AM Live will come away from the event inspired with electrifying presentations including one session on leading teams through change from automotive adventurer Kevin Gaskell.

Gaskell is one of the headline speakers already confirmed for the Inspiration Theatre at AM Live, which takes place at the NEC, near Birmingham on November 11.

The COVID-19 pandemic has presented unprecedented and unique challenges to businesses across the world, with automotive retailers needing to shut showrooms, furlough staff and ramp back up as the market bounces back.

Gaskell has worked as chief executive at four successful world class brands and, as a serial entrepreneur, has built international companies from 'a good idea' to create more than £3 billion in shareholder value.

He has also still found time to climb the world's highest mountains, walk to both North and South Poles, as well as compete in international sport and play in a rock band.

Gaskell says: "The reality of the COVID-19 pandemic has been terrible and terrifying and should not be minimised.

"But, eventually, it too will pass. The economy will recover and great businesses will be built or rebuilt. My experience of leading companies through the economic disaster zone is that, with different thinking, it is possible to emerge stronger than ever.

"During the most difficult of times the most able leaders will reassess and clarify the vision of success for the organisation.

"They will challenge and redefine the business model and prepare their team for long-term success. Great leaders will step ahead."

Smashing the electric vehicle transition

The Inspiration Theatre will also feature a keynote presentation focussing on one of the biggest topics on retailers and vehicle manufacturers' agendas – that of electric vehicles (EVs).

Arturs Smilkstins, partner at Boston Consulting, will deliver a session that will inspire and advise dealers of the opportunities presented by the roadmap to zero emission new cars before 2030.

The dealers that smash the EV transition will have well-informed and engaged workforces, will adapt and innovate their services to attract and retain customers, and, by 2030, will have established their brand as a centre of EV excellence.

Smilkstins has worked with global clients in Russia, Eastern and Western Europe, the Middle East and Asia and currently works at Boston Consulting's London office.

His focus within automotive and mobility includes OEMs, suppliers, retail dealers and mobility providers.

He works with his clients on executing turnarounds, setting up and implementing digital



and organisational transformations, and driving operational improvements with Industry 4.0 tools.

The Inspiration Theatre will offer multiple Operational Excellence seminar sessions across the day, with expert sessions focussing on changing consumer behaviour in the face of the pandemic, the latest best practice on digital marketing, omnichannel retailing and much more.

Registrations for AM Live are open now and are free to automotive retail professionals. For more information and to book your place visit the web address shown at the foot of the page.

Put it in your diary – and keep up to date with announcements here:

www.automotivemanagementlive.co.uk/



'Perfect storm' for vans

Serious delays in new van supplies have created high demand in the used market, but buyers should beware acting in desperation. *Tom Seymour* reports

The new van market has found itself in the unprecedented situation where something as ubiquitous as a Ford Transit isn't available until after March 2022. As a result, some fleet customers or rental companies are selling their used vans for more than they paid for them.

Tradespeople have seen demand boom with "lockdown savers" looking to splash out on home and garden improvements.

Online retail was big before, but the ability to order anything straight to your door became even more convenient as high streets and shopping centres closed across the UK.

It's created a situation where used van prices have spiked by more than 20% and factories

making new vans are scrambling to satisfy the explosion of orders for businesses that need to rapidly scale up.

The latest figures from remarketing specialist BCA show light commercial vehicle (LCV) values rose sharply in June 2021, with average prices reaching just less than £10,000 for the first time.

Average LCV values rose £558 during June and a further £187 in July to reach £10,120, its highest recorded average monthly value on record.

Geoff Flood, Aston Barclay LCV national sales manager, says that, while some sales are achieving 130% of Cap, the panic buying from four or five months ago has started to die down.

He says: "There was a point where buyers were pretty much taking anything regardless of age

and mileage. That has eased off and buyers are becoming more picky and discerning. However, if it's a van they know they want, they will go after it aggressively."

Flood has seen some vans with expected prices of £12,800 going for as much as £17,700.

Specialist vans like dropsides, tippers and Lutons are achieving big values at auction due to the lack of availability on new conversions.

Flood doesn't expect used van values to start to balance out until at least Q1 or Q2 next year.

He says: "These are unprecedented times and if you don't have the experience of working in the LCV market, now is not the time to start. Those with experience will be able to navigate their way through."

Tony Raymond, head of procurement at M Group Services Plant and Fleet Solutions, one of



THERE WAS A POINT WHERE BUYERS WERE PRETTY MUCH TAKING ANYTHING REGARDLESS OF AGE AND MILEAGE

GEOFF FLOOD, ASTON BARCLAY



“THE DEMAND FOR THE TRADES IS SIGNIFICANT. I KNOW SOME TRADESMEN AREN'T QUOTING FOR WORK UNTIL AS FAR AHEAD AS 2023 NOW

STEVE BRIDGE, ESTAR MERCEDES-BENZ

the largest fleets in the UK with around 3,500 vans in operation, says: “Getting hold of stock has been a massive challenge. There is a huge shortage due to the issues with semiconductors and factory suppliers.

“Many OEMs have just stopped making some models. We’re just running our vans for longer, sometimes up to nine-to-12 month extensions. Or we’ll hire additional vans through rental, rather than replace.”

Simon Elliott, group commercial vehicle director at Marshall Motor Group, said that while his business, like many others, is facing a difficult situation on getting hold of stock, new van sales are up 88% [outperforming the market which is up 76% year-to-date, according to the latest Society of Motor Manufacturers and Traders data] and margins are 75% higher than on cars.

Marshall has 17 van dealerships across the group and the company has been recruiting more van sales specialists across its business, which represents Volkswagen, Mercedes-Benz, Ford, Peugeot, Vauxhall and Nissan commercial vehicles.

Elliott has also recruited a used commercial vehicle buyer to help manage the flow of stock and the prices the business is paying.

For customers that need vehicles quickly, Marshall has been able to supply a pre-owned 12-month-old vehicle, with one fleet customer recently taking 10 nearly new examples, rather than waiting for new stock.

Steve Bridge, managing director at five-site Mercedes-Benz commercial vehicle specialists eStar Truck & Van, described the van market as “a perfect storm”.

He said: “The predictions on production demand were all wrong because no one allowed for all the people that were working remotely and looking to spend on home improvements.

“The demand for the trades is significant. I know some tradesmen aren’t quoting for work until as far ahead as 2023 now.”

Reaching a tipping point

Elliott does have concerns the industry is facing a tipping point where new stock starts to arrive and those dealers that have bought too many used vans at higher prices will come unstuck.

He said: “If demand starts to quieten down, we’ll have high priced, high volumes of used and the new stock could be rushing towards us when demand is low.”

Elliott said that if the question was posed three months ago about when used van prices will start to ease off, he would have been certain it would be before the end of Q3.

However, he says: “Some of the OEMs are in a position where their factories can’t get hold of the smaller components they need from suppliers. It’s not just the semiconductor shortage that is causing delays.

“I would have thought by September stock would be flowing again. But it’s not getting any better and the majority of brands are now quoting 2022 for new supply.

“We’re getting vehicles coming through, but they’re satisfying customers that have pre-ordered in March or April.

“Any new orders are going to be very late this year or early 2022.”

Bridge said the hullabaloo surrounding used van price spikes had created panic-buying across the industry.

He says: “There will be a point in time where we will run out of product. When people read this article, they’ll also probably think ‘oh my God, we need to run out and buy more vans now’ and the cycle continues.”

Stock visibility

There is a general lack of visibility on when retailers can expect new van stock. This has meant customer expectations and frustrations are having to be managed accordingly.

Elliott says: “When we ask what’s happening with orders there’s a lack of visibility on when new stock will arrive and that’s not

RETENTION OF VAN CUSTOMERS

Marshall and eStar have not seen van customers leaving franchised networks for servicing to help reduce maintenance costs.

Many van customers are running their vans for longer and doing higher mileages, which could push up servicing costs.

However, Bridge says there are too many extras, like Mercedes’ dealer-facilitated Mobilo breakdown service, which is included for the life of each van to repair vehicles at the roadside, as long as it’s maintained within the network.

Other offers like guaranteeing levels of uptime and offering 24/7 servicing are perks that are helping to retain van customers within the network.

Likewise at Marshall, Elliott says: “There’s been no excuse to lose customers to independents. Our workshops are busy.”

He acknowledges that as vans get older, there is the potential for customers to look to the independent market. However, he said service plans have also helped to keep vans within the network.

Bridge says: “Winning aftersales customers is a constant marketing of what you

do and a need for confidence in the business you’re running.

“We have the best facilities, the best trained technicians and the best overall experience.

“The moment we don’t put the customer at the centre of everything we do is the moment we die as a business.”

Eccles says the transition to electric vans will also see van customers stay within the network for specialist expertise, equipment and trained technicians.

While the independent sector is able to offer servicing on electric vans, Eccles estimates that many won’t for many years to come due to the significant investment costs required for equipment and training.

Bridge also wants to take the opportunity to thank all the “unsung hero” technicians across the UK that have been working long hours into the night throughout the pandemic.

He says: “I think there should be more recognition because no one’s been clapping for them on a Thursday night.

“If vans that are delivering vaccines or shopping aren’t repaired, the bottom line is that essential services start to fail.”



very helpful. We would like better forecasting for our allocation from manufacturers. Then we can tell our customers and maintain a level of satisfaction.

“If the stock allocation is real, customers will place orders. If customers don’t know when their order is going to arrive, they won’t order and then neither can we.”

Bridge confirmed that on certain Mercedes-Benz models there is no certainty on quantity of supply, but there are others where the picture is a lot clearer.

He says: “I wouldn’t like to paint the picture that the business is in disarray. It just means in some cases we have to be innovative and deliver a vehicle with perhaps one item of the wishlist missing.

“If we’re dealing with organisations that want 300 vans by March 1, it could be an issue. If we have people that need a van by next March it’s not beyond the wit of man to solve that for them.”

Mark Barrett, general manager at Maxus, said the e Deliver 3 and 9 have not been as



VW Transporter tops desirability index for second month running

Aston Barclay reveals the most popular LCVs sold at its auctions

Aston Barclay has released its latest Van Desirability Index, which highlights the most popular used light commercial vehicles (LCVs) sold at its August auctions.

The Volkswagen Transporter once again leads the way, reinforcing its popularity with small-to-medium enterprises (SMEs) and fleets alike. The Iveco Daily and Renault Master were joint second while the Toyota Hilux pick-up completed the top positions.

Prices in the used van market have been buoyant for the past two years and Aston Barclay's August index identifies the most popular brands.

There was another strong month for larger panel vans which took 10 of the top 25 places with buyers looking to optimise the carrying capacity of vehicles as the



national sales manager, said: "As the semiconductor shortage continues to impact new van production, we expect to see the used market remain strong for the rest of 2021.

"July new van registrations were down 14.8% year-on-year which has caused a significant rise in demand and price for used vans.

"August's index was another strong one for the key manufacturers such

home delivery sector continues to grow.

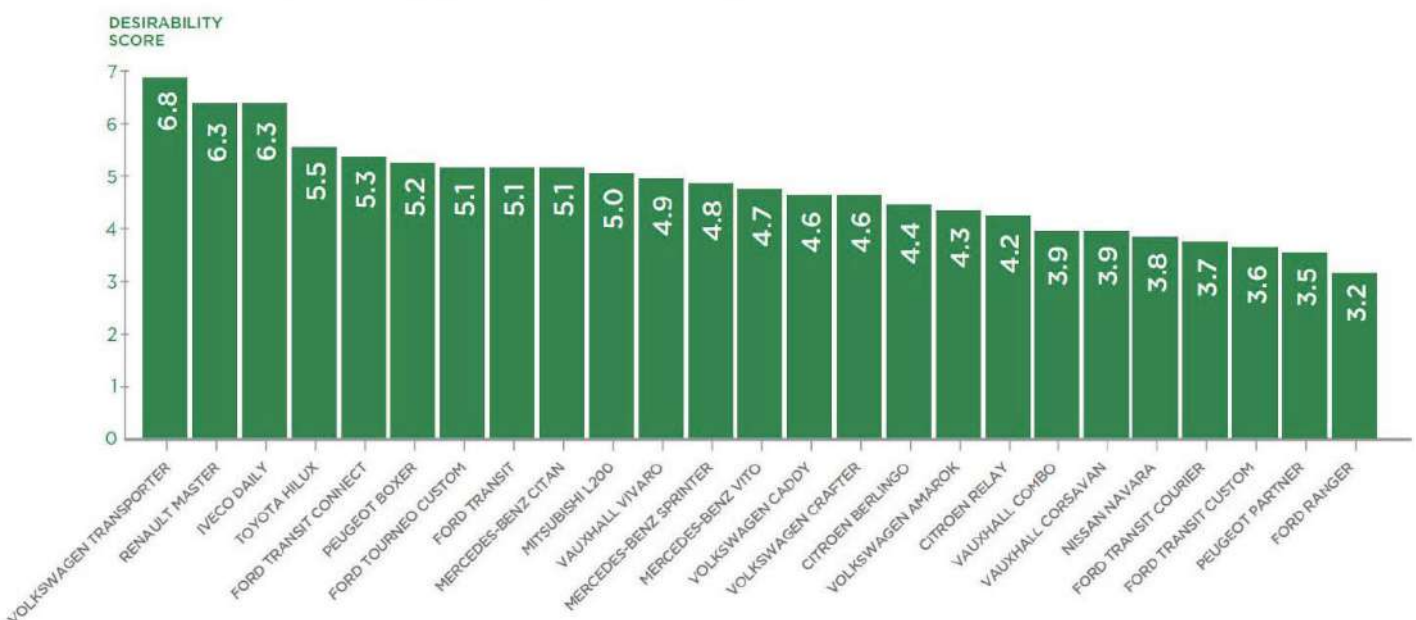
Equally, the popularity of pick-ups reflects the health of the construction and building sector with five – the Toyota Hilux, Mitsubishi L200, VW Amarok, Nissan Navara and Ford Ranger – appearing on the list.

Geoff Flood, Aston Barclay's LCV

as Ford, Mercedes-Benz and VW and we expect this trend to continue as we move further into autumn."

Aston Barclay's data takes into consideration three key metrics: web views prior to sale, number of physical and online bids per sale, and the sale price achieved as a percentage of CAP average.

USED VAN DESIRABILITY INDEX



To find out more about Aston Barclay, go to astonbarclay.net or contact Martin Potter via salesteam@astonbarclay.net



ASTON BARCLAY

Vehicle Remarketing

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Over the past 18 months we have utilised a hybrid approach to allow buyers to view and buy vehicles. Since re-opening our auction halls, buyers are able to choose how they both view and bid for vehicles.

To find out more about Aston Barclay, go to www.astonbarclay.net or Contact Martin Potter via salesteams@astonbarclay.net



Northridge celebrates healthy LCV lending



Hardworking heroes of the pandemic, the UK's light commercial vehicles and drivers kept the nation fed, supplied and supported during the toughest days of lockdown.

The UK's Light Commercial Vehicle (LCV) sector has never been more critical to the economy, supporting thousands of additional jobs countrywide.

Throughout, Northridge Finance have been committed to helping the sector, through competitive vehicle funding options and stepped-up support and service.

Like all businesses, Northridge had to pivot quickly; investing in software and technology to make the shift to lockdown's new normal as seamless as possible for customers.

Not just the retail car trade the lender is known for, but its growing LCV business, where Northridge has quickly gained a reputation as a competitive funding option.

In times of constant change and challenge, an established funding partner that offers stability is invaluable. Northridge Finance, with 67 years' experience in vehicle financing, underpinned by the strength of Bank of Ireland, could provide that solid foundation.

The company has enjoyed steady growth, becoming known for their personal approach and flexibility and is now the UK's 4th largest independent finance company.

Northridge also adapts quickly, recognising that the industry and its customers need agility and innovative thinking to weather storms.

Recent Society of Motor Manufacturers and Traders figures capture the volatility of the last 18 months.

Lockdown hit the LCV trade hard. Recovery only took off in 2021, due to pent up demand after the uncertainty of 2020, when the impact of Covid and questions over future relations with the EU depressed sales.

New registrations ended 2020 down 20%, but recovery has been robust. 2021 brought a sharp increase in van registrations, with April 21's the highest ever recorded for the month, up 23%. 463,663 registered YTD July 2021, 55% up on the same period for 2020. The sector is back to 2019 registration levels, supported by growth in large van sales.

Lending mirrored this trend. Although new and used van sales experienced similar slumps, recovery was much faster for used LCV finance. October 2020 marked a two-year high.

Jump forward to March 2021, and used finance was the highest on record. By April 2021 new LCVs were almost back to peak new finance levels.

Now, with the industry looking forward with confidence, Northridge are committed to introducing improved finance solutions so that dealers can offer more choice. While the developments enabling online working are giving Northridge and its partners the edge in meeting customer expectations.

This ongoing innovation and investment continue to strengthen Northridge Finance's many point-of-sale dealer connections, broker and SME divisions as they collaborate with businesses UK-wide.

Paul Whitaker
Regional Manager

Building resilience Driving recovery

As the UK continues to open, Northridge Finance is open for LCV lending.

Through the pandemic, LCVs played an outsized role in keeping the nation moving. Vans continue to be vital. Sales are surging, as the sector and related employment grows.

Northridge Finance helped the sector stay resilient and come back stronger, by providing competitive finance options and exceptional service. All with the confidence that comes from 67 years' experience in vehicle lending, backed by a solid financial institution, Bank of Ireland.

Now with encouraging developments in the pipeline, designed to improve our partnership offering, and help the LCV sector keep the economy on the road.

Speak to your local Territory Manager or email dealersupport@northridgeuk.com



“WE’RE ALL IN THE SAME BOAT IN TERMS OF THE SHORTAGE OF SEMICONDUCTORS, BUT THE DIFFERENCE FOR US IS THAT WE HAVEN’T STOPPED PRODUCTION”
ANDY ECCLES, MERCEDES-BENZ VANS



“IF YOU GO FOR OLDER, HIGHER MILEAGE VANS, THE REFURBISHMENT COSTS ARE GOING TO BE DETRIMENTAL TO MARGINS, THERE’S A NICE MIDDLE POINT WE’RE FOCUSSED ON FOR 12-MONTH-OLD VANS”
SIMON ELLIOT, MARSHALL MOTOR GROUP



➔ greatly affected by the global semiconductor shortage, with parent company SAIC, able to sufficiently manage its supply chain at its multiple production facilities located outside Shanghai.

However, Barrett has said that while SAIC may have only missed around two months of production due to the pandemic, it has still been difficult to find shipping slots to get product over to the UK.

Barrett says: “It’s certainly helped that we have better availability on stock so those customers that have a target in place to switch to electric have been considering us.”

Andy Eccles, Mercedes-Benz Vans head of fleet, acknowledged that dealers and customers may be frustrated, but everyone in the industry is experiencing delays.

Eccles says: “We’re all in the same boat in terms of the shortage of semiconductors, but the difference for us is that we haven’t stopped production.

“So, we’re still kicking out stock and getting it over to the UK, but they’re sitting in a compound waiting to be retrofitted with the right microchip part

before we can deliver.”

It’s a different story on EV supply, with Eccles confident that electric van production will be fulfilled and there is good visibility on supply. This is because Mercedes has taken the decision to prioritise the supply of parts for electric vans over diesel.

Eccles describes Mercedes’ fleet order bank as “scary” because demand is so high.

He says: “We can’t allocate vehicles to dealers because we don’t know what we’re going to get. They really don’t have visibility on what and when it’s coming. We are keeping them in the loop as best we can.”

Weathering the storm

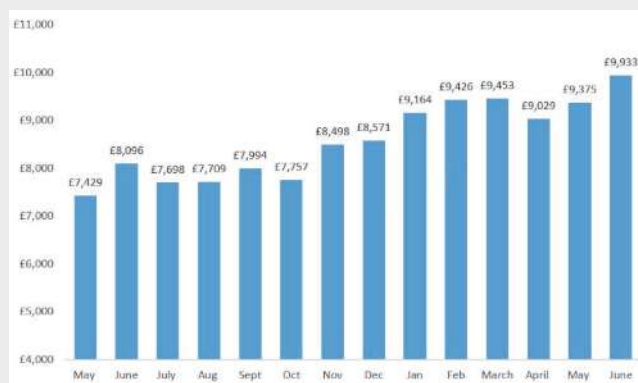
Bridge said eStar is concentrating on being consultative with clients and taking advantage of the fact it can be a bit more cautious and diligent with its used stock inventory.

He says: “Rather than being desperate to sell all the vans we have in stock we can be more discerning in terms of the way we’re dealing with customers.

“We’re concentrating on order

MONTHLY AVERAGE SOLD VALUE (LCV)

source: BCA Valuations



intake and selling from a pipeline.”

Bridge’s teams are being honest with customers and letting them know that production isn’t available until Q1 2022 and “they need to get their towel down early to reserve build slots”.

Marshall is widening its used van stock net to multi-marque at each of its dealerships to help satisfy demand.

Elliott said the group has found a sweet spot with sourcing

12-month-old vans where the mileage and condition is in the right place.

He said: “If you go for older, higher mileage vans, the refurbishment costs are going to be detrimental to margins. There’s a nice middle point we’re focussing on for 12-month-old vans.

“They’ve depreciated to the right level and there’s enough margin left in them.”

TOM SEYMOUR

TALENT ON THE MOVE



**ANDY BRUCE, CHIEF EXECUTIVE,
AND NIGEL McMINN, CHIEF OPERATING
OFFICER AT FLEET ALLIANCE**

Former Lookers duo Andy Bruce and Nigel McMinn have joined the board of Fleet Alliance as the £1 billion business looks to accelerate its growth in leasing and personal mobility.

Bruce becomes chief executive and McMinn chief operating officer. The pair left Lookers after agreeing to step-down from its board at the end of 2019, marking the start of a period of

uncertainty and restructure for the AM100 PLC.

Fleet Alliance described its new executive structure as the most significant change to the board since the inception of the company nearly 20 years ago. Former managing director and shareholder Martin Brown becomes chair of the business.

It now manages a fleet of more than 30,000 vehicles, worth in excess of £1bn.

Bruce says: "The leasing broker sector has grown to become an important part of the automotive landscape and I am convinced the company has many opportunities ahead of it."

"Not only can it continue to benefit from the growing popularity of leasing to both consumer and enterprise sectors, but it can broaden its capabilities to embrace the increasingly important mobility sector."

McMinn adds: "Fleet Alliance is the leading broker in the corporate and SME leasing market and the aim is to develop this side of the business as the market moves to electric vehicles."

"The Intelligent Car Leasing personal leasing brand for consumers has shown significant growth in recent years and has the potential to accelerate further."

"It will be a key focus of mine to bring experience from the franchised retail world to maximise this opportunity."

STEVE ROWE, GROUP SALES DIRECTOR AT VERTU MOTORS



Vertu Motors has appointed Steve Rowe as its new group sales director as it recruits new head office employees to improve online sales and

customer relationships.

The AM100 PLC says former finance and insurance director Rowe will assume responsibility for revamping the car buying process to make it "more customer centric, flexible and friendly".

Vertu is creating up to 50 new jobs at its Gateshead head office.

ANDREW STUART, HEAD OF SALES AT MG MOTOR UK



Andrew Stuart has joined MG Motor UK as its new head of sales, replacing Daniel Gregorius who died in May.

The former Volkswagen, Hyundai and Nissan franchised car retail specialist joins MG during a period of rapid sales acceleration.

He will be responsible for sales performance and customer experience across retail and fleet channels and used cars.

JAMES TAYLOR, DIRECTOR FOR B2B FOR THE UK AT STELLANTIS



James Taylor, Vauxhall's general sales and marketing director, will now be working across the Stellantis portfolio, in a new role as director for

B2B for the UK. He is tasked to provide a coordinated approach for large fleet customers across the group's nine brands. Taylor, who has worked at Vauxhall for 22 years, was previously fleet director.

MIKE JONES, NON-EXECUTIVE ADVISOR AT WAYROO



Automotive software company Wayroo has welcomed ex-ASE chairman Mike Jones to its board, as a non-executive advisor.

The business, which specialises in digitisation and automation, is expanding its team to help support the opportunity for dealerships to operate a more "cost-effective and profitable model".

Jones helped oversee the merger that created ASE Global in 2009.



**JONATHAN DUNKLEY,
SENIOR STRATEGIC
ADVISOR AT CAZOO**

Jonathan Dunkley has been appointed senior strategic advisor at online car retailer Cazoo.

The former CarShop chief executive and Sytner Group board member is set to work closely with Cazoo chief operating officer Paul Whitehead to focus on key areas of the Cazoo business, including: car buying and reconditioning; growing revenues; and adding further scale.

Cazoo says Dunkley will share his time between Cazoo and his role as co-managing partner for boutique private equity firm, Camden Ventures.

Dunkley says: "Cazoo has achieved phenomenal growth but is only just getting started. Its strategy and ambition is clear and I look forward to playing my part in helping to transform the largest retail market in Europe."

Direct Valeting has welcomed former Pentagon chairman Trevor Reeve as chairman following the business' acquisition in a management buy-out (MBO).

Led by managing director Jason Carpenter, acting alongside operations director Steve Brown and finance director Lesley Murphy, the MBO took ownership from Alcentra Investment Management.

Carpenter says Reeve will bring a wealth of knowledge to the board that would "benefit the company moving forward".

The Newcastle under Lyme-headquartered automotive retail supplier already serves more than 450 clients in the sector, including AM100 groups Lookers, Pendragon, Sytner, TrustFord, Perrys, Renault Retail Group, Pentagon and Listers.



**TREVOR REEVE, CHAIRMAN
OF DIRECT VALETING**

Carzam has appointed Dave Palmer as chief vehicle preparation officer, bringing 25 years of industry experience.

He joins the Big Motoring World-backed online car retail operation from vehicle preparation officer at

Sytner Group's CarShop used car supermarket division.

Carzam says he will heading its vehicle preparation operations, ensuring that it offers the best vehicles possible to its wholesalers and retail customers.



**DAVE PALMER,
CHIEF VEHICLE
PREPARATION
OFFICER AT CARZAM**

EIGHT QUESTIONS TO A...

CONCIERGE

Dean Brown, DS
concierge at DS Stafford



What are the main responsibilities of your role?

As DS concierge, my main responsibilities involve me educating, inspiring and guiding clients through a customer-focused and personalised experience. One of the main focuses is building strong relationships with customers and becoming a dedicated point of contact for both sales and aftersales support. Alongside this, taking pride in all my work and maintaining ownership throughout the customer journey at every touchpoint.

What are the most significant challenges in your field of work?

I believe one of the on-going challenges we face is to raise the awareness and profile of the brand. As the range continues to broaden with the introduction of the highly anticipated DS 9 and DS 4 models, it is imperative we continue to promote the brand's story and heritage.

Electrification is also often a concern for many customers when considering taking their first step into this market.

Purchasing methods also continue to evolve, with customers needs changing, they demand flexibility as typical car ownership needs evolve and more flexible leasing options are explored.

How might these challenges be overcome?

To help bridge the gap between towns with dealer representation and drive times, we are forthcoming with our flexibility and will often offer to showcase a prospective client a DS model at their place of work or at home. To support aftersales, we utilise our DS Valet service. Through enhancing our customer's experience in this way, we often win recognition.

Thanks to our E-Tense range, alternative fuel and electrification is already generating a lot of interest in the brand from all sales channels.

As people take their first step into electrification, it is imperative that my expertise overcomes any concerns they might have. Thanks to the support from the DS Automobiles Academy, my knowledge is strong and I feel confident when presenting the E-Tense models as a potential powertrain.

With the recent powertrain introduction of DS Plus, DS Automobiles has already recognised the need to be flexible for their customers requirements.

We are now able to use DS Rent in line with these changes. We will work together to evolve and stay at the forefront of customer buying trends.

What attracted you to this area of expertise?

After many years in a customer-focused environment outside of the automotive industry, coupled with a passion for the automotive industry and a desire to overachieve on my own personal objectives I sought a career in automotive sales, where I could establish myself in a forward-thinking and innovative brand.

Having seen the opportunity advertised locally, I knew that I would be suited for the role as it presented me with an opportunity to encompass all of my key drivers.

What's the most important thing you've learned in your career and how have you made use of it?

You get what you give. This is not only one of the most important things I've learnt in my career but also one of the first. It is one of my core values in everything I do.

I treat every single customer/colleague with the most care and respect, no matter how they treat me in return. I devote excessive hard work and apply a positive attitude to always succeed and over-perform compared to what is expected from me.

My role as DS concierge has enabled me to implement this ethos into the dealership by going the extra mile for clients at all times. As a result, we are able to retain our loyal customers and also gain new prospects based upon solid reputation.

QUICK-FIRE QUESTIONS

What drives you?

Surrounding myself with winners drives me to push harder to be better in all aspects of my work and personal life. This also allows me to be a positive role model to my family and friends.

What's your favourite app?

Zap-Map. Especially when I'm in rural areas where rapid chargers are less commonly found. I like the ability to filter out all the slow chargers and prevent me adding unnecessary time to my travels.

How do you relax?

I relax by taking time out alone to explore outdoor spaces while listening to my favourite music.

AM

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THIS MONTH'S QUESTION TO THE AM TEAM:

What is your fondest memory of your time at school?

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Sixth form. Once the decision to be there (sort of) became mine, school life was good

PRODUCTION

Head of publishing Luke Neal

Being part of the 'back stage crew' at school productions and discos

Production editor David Buckley

Scoring a hat-trick on debut for the First XI

Senior designer Chris Stringer

Getting to check off a bucket list item by visiting New York City

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Printing: PCP, Telford



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The essential questions to ask when choosing a wholesale funding partner

Dealers have a myriad of options to choose from when it comes to funding their forecourt, each with their own benefits. Liam Quegan, managing director of NextGear Capital, reveals how dealers can decide what's best for their business.

After a turbulent 15 months, it's great to see more normality in the way dealers are buying and selling vehicles. Indeed, with high levels of retail demand being reported, many now have their eyes set on growth.

But we all know about the stock shortages currently impacting the market, causing fierce competition for vehicles and driving used vehicle prices up. The good news is that retail prices are keeping pace so there's still profit to be found, especially if that stock sells quickly.

"You can't sell an empty space"

A favourite saying of mine is 'you can't sell an empty space'. Keeping your forecourt full and your stock churn high is often a better route to profit than holding on to a vehicle too long to try squeeze every last penny of margin out.

To keep stocking vehicles, you need capital, and having access to funding gives you the confidence and freedom to bid and buy when the right vehicle comes along. But there are many options out there to choose from and it is often difficult to determine what's best for your business.

How to decide on your funding partner

Choosing a funding source is horses for courses. Not all funding is the same and not every option is right for every dealer, so it pays to understand the pros and cons of each.

There are a variety of funding products on the market and I'm not going to dictate one way is better than another. But there are things it pays to know. Traditional loans with fixed payment terms might not be best if your need fluctuates from one month to the next. Some wholesale funding comes with an expectation of reciprocal consumer finance or is restricted to a single stock source.

I therefore urge dealers to ask the following of their lenders: What percentage of the vehicle is funded? How long are those vehicles funded for, and what are the repayment terms? Can the funds or credit line be used to fund associated costs such as auction fees or transportation costs? Where can I buy vehicles from?

There is no right or wrong answer to any of these questions, but they will help you



assess if the product on offer will help or hinder you in meeting your objectives.

A different approach

With NextGear Capital, I believe we offer something different. Primarily, we've created a funding product that gives dealers freedom and flexibility. The key difference is that dealers receive 100% funding regardless of source. That means auction, trade sources, part-ex and even vehicles bought direct from the public. This has become increasingly important as the pandemic has forced many dealers to search for stock outside of their usual channels.

Discover how NextGear Capital can help you fund your forecourt at nextgearcapital.co.uk

NEXTGEAR
CAPITAL
COX AUTOMOTIVE