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AM
AUTOMOTIVE MANAGEMENT

PARIS MOTOR SHOW / P82

SUVs take centre-stage, as EVs wait in the wings

'DIESELGATE' / P6-8

NO PAYOUT FOR UK DEALERS

But Government says those who sold affected cars may still face claims from consumers

AM Automotive Management LIVE 2016 in association with NFDA

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The full preview and floor plan for *AM*'s free exhibition

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MD Paul Van der Burgh is chasing quality, not volume

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Franchised dealers need a stronger voice with politicians

It's just over a year since the 'dieselgate' scandal involving Volkswagen Group made international headlines. Very quickly, Paul Willis, the boss of Volkswagen Group UK, and Mike Hawes, the chief executive of the Society of Motor Manufacturers and Traders, were invited to appear before Parliament's transport select committee to explain how it would be fixed.

Before the EU referendum, Nissan boss Carlos Ghosn had suggested the carmaker would reconsider investment in its Sunderland plant if the electorate voted for Brexit. After the result, reports emerged from the Paris Motor Show of Ghosn wanting compensation should Nissan's exports be affected by tariffs. That was promptly followed by the Prime Minister, Theresa May, granting Ghosn a private meeting in mid-October.

Carmakers, it seems, are very much on the radar of senior figures in Parliament. But are franchised dealers?

Reporting after Ghosn's meeting with the PM, the BBC pointed out that Nissan Sunderland employs 6,700 people. However, the dealer groups in the *AM*100 (not even the entirety of the UK's franchised networks) employ 112,099 people between them, almost 17 times as many as Nissan. These people rely on the goodwill, and integrity, of the manufacturers to not jeopardise the profitability of their employers. As they occasionally have a tendency to do.

So if fears of Brexit do cause a slowdown in the UK's economy next year, as many expect, shouldn't franchised dealers also be able to bend the ears of the cabinet?

Where's that hotline to Number 10?

Tim Rose
Editor

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"Although VW did something badly wrong, putting it right is not totally within its control"

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"The industry is building bigger dealerships, but fewer people are going to them"

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Dealers lose out as UK declines to prosecute VW

No US-style payouts for UK retailers, as Government says dealers could still face claims from consumers

By Tom Sharpe

The Government has announced it will not immediately pursue Volkswagen Group in court for emissions cheating, as UK consumers and dealers see little sign of a US-style compensation package.

In July, the transport select committee (TSC) accused ministers and the Department for Transport (DfT) of being "too slow to assess the use of its powers under the Road Vehicles (Approval) Regulations 2009 to prosecute Volkswagen for its deception", and said the group's differing treatment of UK and US consumers was "deeply unfair".

However, the Government has now responded that, while it believes affected UK owners should be compensated for the "inconvenience, uncertainty and worry caused by Volkswagen's cheating", it would not launch an immediate legal investigation. Instead, it will "monitor" an existing criminal inquiry in Germany before considering its next steps.

It comes in contrast to Volkswagen Group's actions in the US, where, in August, its 652 retailers were promised £920 million ($1.2 billion) of a £12.7bn ($16.5bn) package brokered by the US Justice Department. American owners of affected vehicles banked $10,000 compensation and the right to have their vehicles repaired or bought back by the carmaker.

In the UK, just 160,000 of the 1,189,906 affected vehicles have received fixes to the group's 1.2- and two-litre EA 189 engines.

Volkswagen Group pledged to fix all affected cars in the EU by next autumn, but is yet to gain approval for fixes to certain two-litre models and its 1.6-litre TDI engine.

In September, *AM* reported that **Louise Ellman, Labour MP and chair of the TSC,** had described the delays as "simply unacceptable".

She said: "Time and time again, VW's schedule has slipped.

"Paul Willis, VW UK's managing director, promised the transport committee that VW drivers could expect to have their cars fixed by the end of this year."

Responding to news of the Government's decision not to pursue VW in court, one *AM* reader said: "Volkswagen may be in trouble in respect of their treatment of customers, but the real losers are Volkswagen dealers", claiming that sales have fallen and the hourly allowance to implement fixes is "so small that each job represents a loss".

A VW dealer, who asked not to be named, agreed: "We were hung us out to dry to a great degree. It would be nice to think that we might be compensated in some way. It is galling to see $1.2bn set aside for US retailers."

Although the dealer acknowledged that the US situation was different, they said in the UK "the manufacturers have the SMMT to campaign for their corner and the retailers have the NFDA, which is completely toothless. The power simply doesn't lie with us."

When asked whether the **NFDA** had held meetings with Volkswagen Group UK or lobbied the Government on retailers' behalf, **director Sue Robinson** said: "The NFDA holds regular meetings with its members, including VW dealers, where this has been discussed." She said no dealers had directly contacted the NFDA about 'dieselgate'.

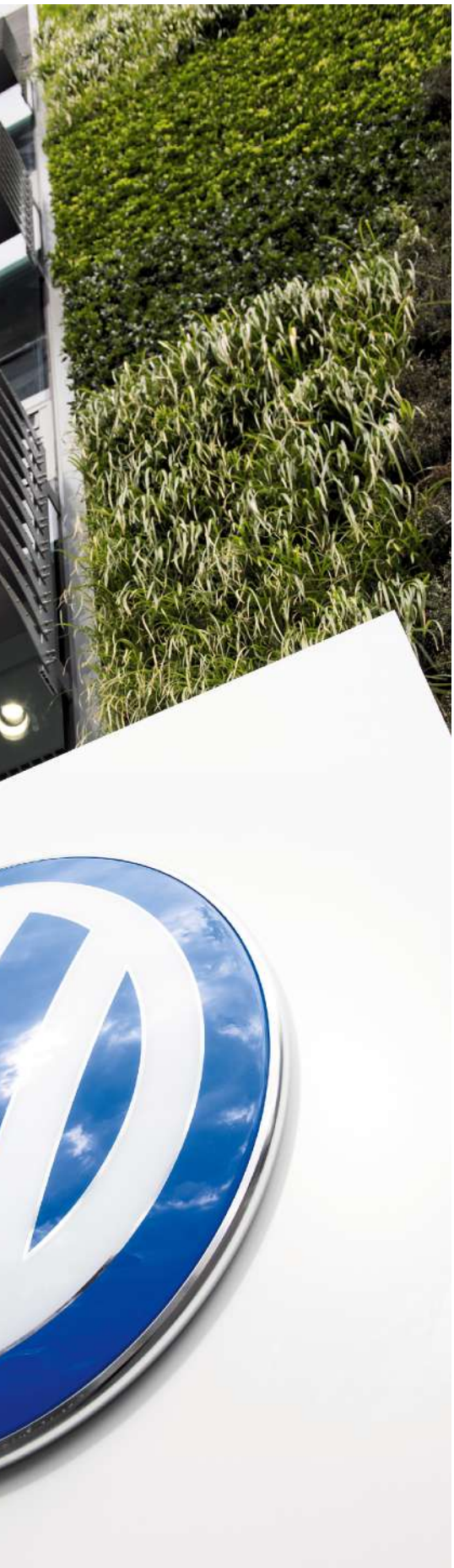
Robinson added: "Following the initial concerns with the VW emissions issue, dealers have been playing a key role in helping customers to restore confidence in the product they bought.

"After a small decline in showroom footfall, new vehicle sales enquiries have returned to normal. Used VW vehicles also seem fairly unaffected as there has been no discernible drop in used cars' value."

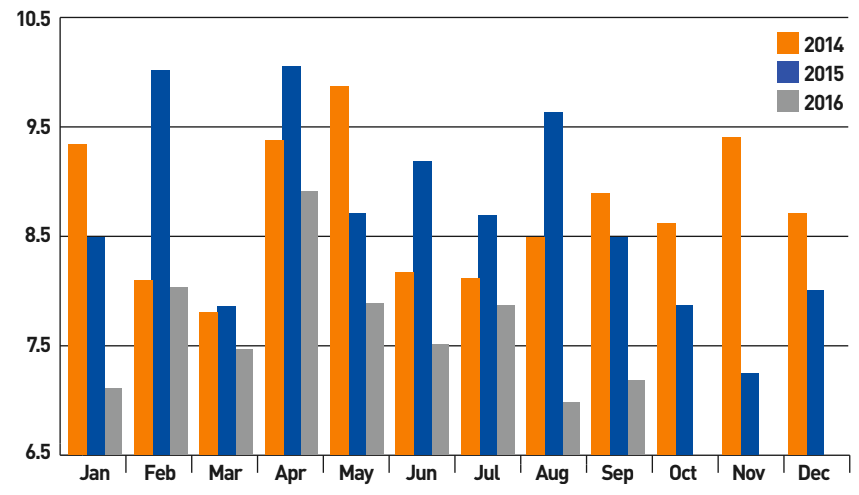
However, the situation could still be of concern to dealers given the Government's suggestion that they

"Although VW did something badly wrong and admitted it, putting it right is not totally within its control"

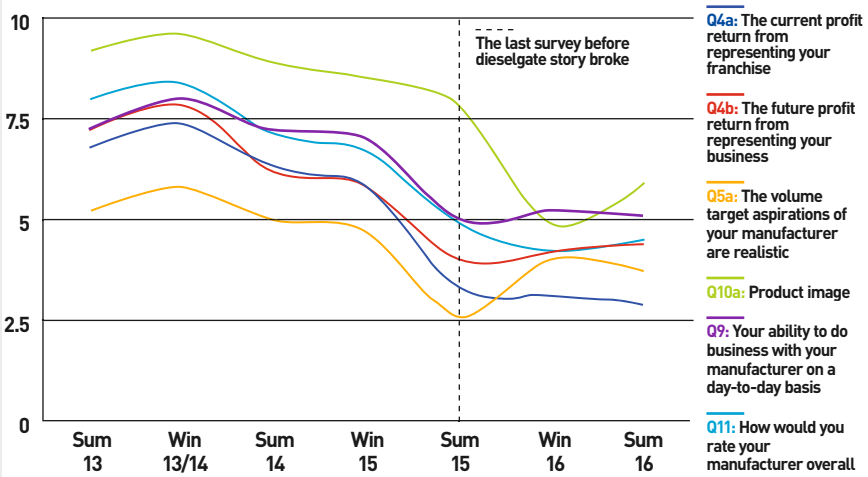
Read Prof Jim Saker's column on Page 49



VOLKSWAGEN UK MARKET SHARE 2014-2016



VOLKSWAGEN UK NFDA DEALER ATTITUDE SURVEY RESULTS SUMMER 2013-SUMMER 2016



Source: NFDA

may yet be a target for consumers seeking compensation.

In its statement to the TSC, it stated: "The Government notes the committee's comments regarding the Sale of Goods Act 1979 and agrees that vehicle owners may have recourse under the Act.

"The Government is not privy to the content of contracts between vehicle owners and the relevant dealerships and so is unable to comment further."

The toll on franchisees

Franchisees gave VW a tough time in the NFDA's summer survey, putting the brand fourth from bottom with an overall rating of 4.5/10, up by 0.3pts since winter, but down 0.4pts since last summer.

Dealers rated their satisfaction with current profit return at 2.9/10, the lowest of any manufacturer.

Its scores have slid since an 8.4 overall rating in the winter of 2014, but Robinson does not believe the issue is connected to dieselgate.

"The issue seems to predate the emissions issue and suggests the problem is as much about the relationship between the dealers and the manufacturer as anything else," she said. However, the graph above does show a clear fall in product image after the emissions scandal became public.

AM's dealer source revealed that Volkswagen Group had agreed to pay bonuses when a retailer reached as little as 70% of their sales target during Q4 of 2015, in an attempt to alleviate the pressure on businesses post-dieselgate.

Packages of cars were also made available at "greatly reduced cost", leading to pre-registrations as many retailers increased their used car stocks to combat falling new car margins. The dealer added: "Some retailers saw their margin fall by one percentage point, which is a substantial amount when you consider the starting point may have been 1.3 or 1.4%. Many people were left making losses."

Alison Jones, director of Volkswagen UK, said the brand took action in Q4 of 2015 to "remove uncertainties from dealers' performance measures", adding that it would continue to support retailers.

"The targets have been consistently reviewed so that they are realistic and the vast majority are able to achieve them," she said. Jones

claimed both footfall and website configurations had "now returned to pre-September 2015 levels".

However, the evidence of the effects of the emissions scandal so far is visible in the statutory accounts of some Volkswagen Group dealers.

Vindis Group's accounts reported that the issue had a "significant impact" on the business's balance sheet in 2015. In his director's statement, chairman Gary Vindis wrote: "As demand slowed, trading conditions in 2015 were more difficult and the emissions issue had a significant impact on our turnover and profitability in the last quarter of the year."

Total new and used car demand showed modest growth of just 1.2% in a new market up 6.3%.

Vindis also cited a "change of supply of Volkswagen Commercial Vehicles to certain corporate customers".

In the 2015 annual accounts of Hawco & Sons, an Inverness-based Volkswagen and Audi franchisee, director Gillian Betts wrote that the emissions scandal had made trading conditions in 2015 "even more difficult" as it redeveloped its Volkswagen sites in Elgin, Inverness and Peterhead.

Gross profit at the group fell 33%, from £3.57m to £2.39m, with a 2% rise in turnover to £75.98m. Betts wrote in her directors' statement: "We toiled all year to achieve our contract, requiring us to offer higher levels of discount than in the prior year, to self-register more stock than we otherwise would have and to forgo some vehicle bonuses.

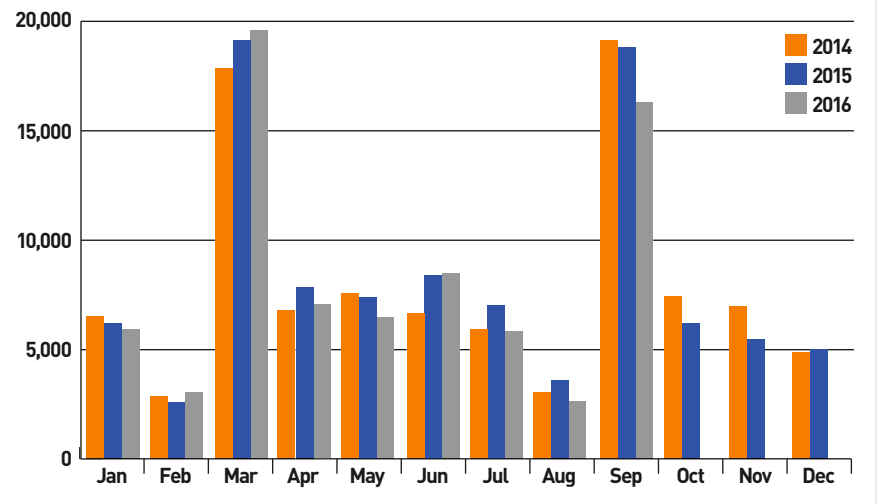
"In addition, gross profit earned from used vehicle sales reduced by £1m in 2015, due largely to increased cost of vehicle write-down, as a result of stock levels, the level of self-registered stock, and the result of the VW Group vehicle emissions issues."

In the 2015 accounts of Johnsons Cars, a multi-franchised group in the Midlands, finance director Richard Martin wrote: "The overall growth was held back by the disclosure in the USA of the Volkswagen emissions software fitted to diesel engines. It caused significant deterioration in the financial performance of the five Volkswagen, solus Seat and solus Škoda businesses that we operate, being most notably seen in new and used vehicle margins and volumes.

"This prompted the company to make a sizable used vehicle stock provision in these brands to ensure the stock entered 2016 at the correct value to secure reasonable margins."

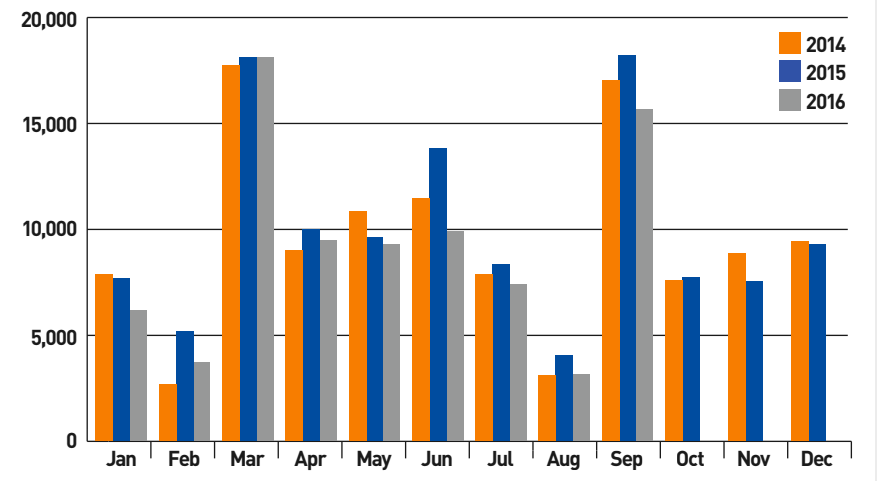
Johnsons Cars did record a 6.1% increase in turnover, to £287.7m, and a 6% increase in gross profit, to £39.4m for the year, however, and Martin said things had "improved substantially" in 2016.

VOLKSWAGEN UK PRIVATE REGISTRATIONS 2014-2016



Source: SMMT

VOLKSWAGEN UK FLEET REGISTRATIONS 2014-2016



Source: SMMT

Brand impact

In September, Volkswagen saw 33,722 of its vehicles registered to UK owners, down 14.1% on the previous year's figure, as its market share fell to 7.18% from 8.49% a year earlier.

For the nine months to the end of September, Volkswagen's registrations were down 10.65% year-on-year, to 163,020. Its market share has fallen from 8.7% to 7.58% over the same period.

Audi's registrations year-to-date were up 3.83%, to 138,411, with Škoda up 5.25% to 63,310. Seat registrations over the same timeframe were down 8.9% to 36,912.

Registrations of diesel-powered Volkswagens seem to have been hit particularly hard. Every month since last September, diesel registrations fell year-on-year for the brand. This September, VW diesel registrations were down 16.3%, or more than 3,000 cars, to 15,523.

While some retailers told *AM* they felt the worst effects of the emissions scandal had already been felt by their businesses – **Arthur Prince Group managing director, Geoff Prince,** said "we had a tough time, but it's in the past" – there remain signs that consumers remain unsettled.

Although figures from the Financial Conduct Authority revealed that complaints to financial services firms fell 2.6% in the first half of 2016, Volkswagen Financial Services UK topped the league among automotive finance providers.

The provider received 4,262 complaints as BMW Financial Services (GB) received 1,516, PSA Finance UK 1,355, RCI Financial Services 733, GMAC UK 697 and FCA Automotive Services 509.

VW'S ELECTRIC FUTURE

Volkswagen is understandably eager to focus on a future away from diesel power – so long the focus of its immense R&D budget (£10.9 billion in 2015).

At the Paris Motor Show, Volkswagen's ID Concept took centre-stage alongside 2018's e-Golf (which claims a 300km range), the brand's first dedicated electric car is due to go into production in 2020.

Alison Jones, director of Volkswagen UK, said that by 2025 the Volkswagen Group "intends to be the world's number one producer of pure electric cars".

See our full coverage of the Paris Motor Show on Pages 82-85.

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Nissan margin changes were wrong, says Wright

Outgoing MD takes dealer criticism 'on the chin' and promises better communication

By Tom Sharpe

Imposing margin changes on dealers in April "was not the right thing to do", said outgoing **Nissan Motor GB managing director Jim Wright**.

Speaking to *AM* at the Paris Motor Show before he took up his new role as Nissan's vice-president of Nissan Europe East, Wright conceded that Nissan's latest NFDA Dealer Attitude Survey results were "unacceptable".

Nissan's overall rating fell to 5.3 in the summer survey, from 6.6 in winter (the industry average rose from 6.1 to 6.2 over the same period).

Wright said mistakes had been made in the pursuit of focusing on customer satisfaction.

"We made changes to the margin in April and, in hindsight, that wasn't the right thing to do," he said.

"We made those changes quite quickly and we should have communicated them more clearly and given the network more time to action any changes that needed to be made. It was well meant in that we weren't cutting the absolute margin, but we were targeting different areas around customer service."

Wright said the changes were imposed at about the same time GPU (gross profit per unit) was under most pressure – falling from 1.3% to 1% - due to March's high self-registration levels.

"You had a perfect storm there in that there were high levels of stock, pressure on margins and low profitability," he said.

Nissan has consulted its dealer association, which responded that franchisees understand the grounds for changes, but need more time to implement them. "I take that on the chin," said Wright.

"We made changes to the margin in April and, in hindsight, that wasn't the right thing to do"

Jim Wright, Nissan

He added that Nissan has "fixed" the situation and said plans for 2017 had already been communicated, to give the network time to adapt.

A new dealer council has also been established with Eastern Western's John La Trobe as chairman.

Wright said efforts have been made to bring down the number of self-registrations in 2017. Profitability will continue to be based on CSI scores.

Later this year, Nissan will incorporate reviews on the front pages of dealer websites: "There has been some pushback from our partners, but search the internet for a dealer and while the first result might be their website, the second will probably feature a review from a customer. It's already there, why not put it front and centre of our own sites?"

Nissan scored 2.7 (against an average of 4.7) in the latest NFDA survey for the cost to dealers of registering and maintaining its demonstrators.

Wright said discontent in this area was linked to the manufacturer's demand for improved customer service. One of its 'You+Nissan' pledges promises consumers they will be able to test drive the model, engine and transmission they are interested in when they book. It also promises the use of a courtesy car to service customers.

He described demonstrators as "a bone of contention" within a network where aftersales capacity is being stretched by a growing car parc.

"I think ourselves and our partners have underestimated the capital investment it takes to accommodate all that new volume of aftersales activity. There are pockets where customer service scores show that customers aren't always getting courtesy cars. Dealers are investing to change that, but courtesy cars and demonstrators aren't always profitable, so it's difficult."

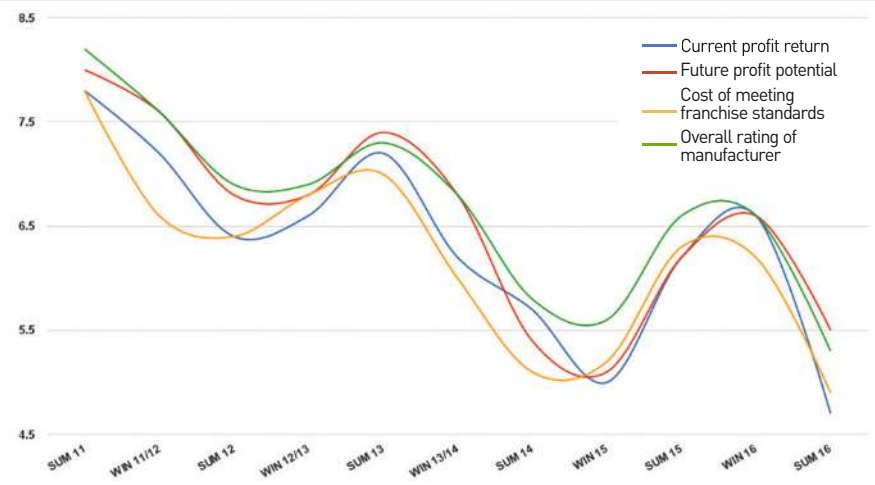
Wright said Nissan was working to separate demonstrator and courtesy cars in an attempt to address the issue.

Wright, who will be replaced by former Volkswagen UK director Alex Smith, said he is impressed by the shape the Nissan network is in.

"The depth and the quality of the network is greatly improved," he said.

Eastern Western's new flagship retail site in Edinburgh, Vertu's investment in a new centre for Glasgow and Motorline's facilities in Bristol, Reading and Tunbridge Wells are all part of the move towards the Nissan Retail Concept corporate identity.

NISSAN NFDA DEALER ATTITUDE SURVEY SCORES SUMMER 2011–SUMMER 2016



Source: NFDA

NEW MICRA

Nissan launched a new Micra hatchback at the Paris Motor Show, targeting B-segment rivals like the Fiesta, Corsa and Polo head-on for the first time.

Wright said "quality product" had made the move towards a new CI viable for partners, but that a market share of 5.7% at the end of this year would need to be supplemented by a more efficient aftersales operation if dealers were to maintain margins in 2017.

"We are asking dealers to hire more people and, if necessary, look more closely at their physical capacity. They can no longer rely on GPU."

■ Paris Motor Show coverage: Page 82

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12 **Challenge 'old-fashioned' CI standards, dealers told**
Dealers should invest in new ways of doing business, rather than "tiles and furniture".

15 **Citroën to sell cars online next year**
Citroën plans to sell fixed-price cars online, with the test drive the only dealer contact.

VERTU

Forrester: 'The last thing I'm worried about is Brexit'

Britain leaving the EU "is certainly not keeping me awake at night", said Vertu Motors chief executive Robert Forrester after announcing the group's most recent set of financial results.

Vertu's adjusted profit before tax for the first half of the year rose 14.7% to £18.7 million, while turnover increased 17.7% to £1.45 billion.

"We're seeing robust consumer confidence, September (new car registrations, up 1.6%) proves that. Next year we're expecting the fifth-largest (new car) market in the UK's history. The last thing I'm worried about is Brexit," said Forrester.

"We have a very robust economy. We're the fastest-growing developed economy in the world. The talk of doom has proved not to be correct."

Forrester put Vertu's profit increase down to very strong performance from used cars and service, with both showing like-for-like growth (6.6% in service, 8.5% in used cars). New car volumes were down on a like-for-like basis in all channels (retail -4.2%, Motability -3%, fleet -10.6%). However, recently acquired dealerships meant Vertu's volume in retail and Motability were ahead overall (retail +8.3%, Motability +1.3%.

Forrester said the dealerships bought since March 1 (three Mercedes-Benz, one Jaguar, one Land Rover, one Toyota, one Nissan and two Škoda) have contributed to profits, those acquired last year substantially so.

He expects the used car market to continue to offer growth potential: "We have stability of pricing, the wholesale markets are in balance, the auctions aren't in free fall, which is all good news for the industry."

MARSHALL

Marshall Motor Holdings issued an unscheduled trading statement after an unexpected – and unexplained – fall in its share price.

The group said it noted the fall in price, but "knows of no reason for this movement" apart from "general speculation surrounding the potential impact of Brexit on the UK economy".

Shares fell from 156.9p on October 12 to 137p on October 17.

The statement said that since June 30 the group had enjoyed "material growth" in revenue and profit following the acquisitions of SG Smith and Ridgeway.

Like-for-like business also showed strong revenue, it said, while aftersales revenues grew.

The statement said: "This full-year outlook would represent a significant improvement in earnings per share versus that achieved in the year ended 31 December, 2015."

Vertu Motors' shares also dropped in value from October 12 to 17, from 46p to 42.2p; Cambria Automobiles from 61.5p to 58p and Lookers 107.3p to 97.5p.

VOSPERS

Vospers saw a slip in profits in its last full financial year.

Its 2015 results show profit before tax fell from £3.18 million to £3.06m.

This was on turnover up from £231.2m to £232.2m in the same period. The figure put Vospers at number 61 in the spring *AM*100.

Its return-on-sale figure fell from 1.38% to 1.32% and return on capital employed from 8.5% to 6.1%.

With dealerships in Devon and Cornwall, Vospers has new car franchises for Ford, Peugeot, Renault, Dacia, Nissan, Fiat, Mazda, Jeep, Alfa Romeo and Abarth.

IN BRIEF

JOHN CLARK
John Clark, chairman of John Clark Motor Group, has been made an OBE. He received the honour from the Duke of Cambridge for "services to business, motorsport and charity in Scotland". Clark was joined for the ceremony by his wife, Emma-Jane, and his children Christopher and Victoria.

AUTO TRADER
Auto Trader is now listing new cars. Buyers will be able to browse a 'virtual stock' – vehicles may not physically exist at the dealership – refining their options before contacting a UK franchise dealer of their choice.

VOLKSWAGEN
Volkswagen has launched a tablet-based network to improve communication. The VW Hub uses website and smartphone functionality to reduce the time head office, retailer, technical and field-based staff spend searching for information.

HYBRID HISTORY
New electric vehicles could consign the hybrid to history, according to Glass's. Rupert Pontin, director of valuations, said EVs such as the new Renault Zoe, with its 250-mile range, made the hybrid format obsolete.
"Within a few years, hybrids could be seen as little more than a curiosity and this will undoubtedly affect their values," he said.

PENTAGON
Pentagon Lincoln has become the UK's 27th specialist Renault Sport franchise. The dealership, on the city's Outer Circle Road, will add a specific Renault Sport showroom area displaying the latest models alongside official accessories and merchandise.

CECRA

Europe's motor trade body, CECRA, has issued a "wake-up call" to franchised dealers and manufacturers investing in "tiles and furniture" rather than in new ways of doing business.

Antje Woltermann, chair of CECRA's European car dealers group, said: "Many dealers have invested, and there will be more in the next three to four years.

"But we want to say that investments in the future of the dealership might be good, but dealer councils must talk with the manufacturer much more than they have in the past about their future role and the investments that have to be made.

"Perhaps it's better to invest in business intelligence systems and software and not new tiles and furniture."

CECRA's comments follow a study that suggested dealers who fail to act and keep up with consumer habits could see their return on sales (RoS) figures fall by an average 5.6 percentage points, meaning they would not survive.

The study also suggested that even dealers that embrace new ways of working will endure average profitability barely above breakeven (0.2% RoS), unless they improve their efficiency and are relieved of some of the onerous standards implemented by carmakers.

CECRA commissioned McKinsey & Co to research the likely impact of threats, such as an increase in new third-party entrants in the new car, used car and aftersales markets.

These are seen as the largest disruptor to dealer profitability, but digitalisation, manufacturer direct sales and connected cars will also play a part in squeezing margins, the research found.

JEEP

Jeep has created the world's first pop-up showroom, accessible only by 4x4, to mark its 75th anniversary.

The 'dealership' opened for three days above cliffs at Robin Hood's Bay, North Yorkshire.

The three-and-a-half tonne mobile showroom was towed to the spot across the North York Moors by Jeep's 75th anniversary Grand Cherokee.

Damien Dally, head of brand, Jeep UK, said: "We've demonstrated that our vehicles really do go anywhere and can do anything by creating the world's first pop-up dealership which you can only get to in a 4x4."

SEAT

Seat has begun selling new Mii city cars through the Amazon marketplace.

Consumers using Amazon in France can purchase one of 15 Mii By Mango limited edition cars on the website.

Shoppers pay a €500 deposit, before funding the balance after a driving licence check. After that, delivery will be scheduled to the buyer's home within 72 hours, supervised by the closest Seat dealership.

Seat said it was "an easy, quick scheme that focuses on consumer expectations."

PSA GROUP

PSA Group is in talks to buy an online used car retailer as it targets 800,000 used car sales by 2021.

The group has confirmed that it is in talks to buy a 30% stake in French online retailer Aramisauto.

Marc Lechantre, head of PSA's used cars division, said the deal would unlock "strong growth potential in a second-hand market that is twice the size of the new car market, but where we currently have little presence".

Word of the proposed transaction – which would be followed by greater investment from PSA to acquire a controlling stake – follows the group's acquisition of repair price comparison website Autobutler earlier this year.

That move will see PSA's own network of franchised dealers in the UK directly compete with independents for repair work.

EASTERN WESTERN MOTOR GROUP

Eastern Western Motor Group has opened a flagship Nissan dealership in Edinburgh.

Purpose-built at a cost of £6.5 million, Scotland's biggest Nissan outlet was developed after the former site at Corstorphine Road proved too small.

Peter Collin, Eastern Western Motor Group managing director, said: "The opening of this new site completes the development of Edinburgh Luxury Car Village and puts Nissan at the heart of what is now the number one destination for car buyers in this part of Scotland."

Employing 100 people – and having created 20 jobs – the new development centres around a 15-car

showroom. The showroom features an angular roof designed to both maximize the impact of the Nissan Retail Concept corporate identity and to meet strict flight path planning regulations because of its proximity to Edinburgh airport.

PEOPLE NEWS

ANDREW DOYLE

Audi has appointed Andrew Doyle as UK brand director, moving from his role as managing director of Audi Australia. Cian O'Brien, acting director of Audi UK, will take over in Sydney from April 2017.

RACHAEL THOMPSON

Jaguar Land Rover UK has appointed Rachael Thompson as sales director. She moves from her role as national sales manager and will take responsibility for sales as JLR targets 100,000 sales in 2016.

STEVE HOOD

TrustFord chairman and chief executive Steve Hood will be based in Shanghai after being made Ford's vice-president of sales, Asia Pacific. He also keeps his role heading TrustFord's 60-site UK network.

VICKY HART

Hendy Group has appointed Vicky Hart as head of marketing. Hart has spent four years in the automotive industry, most recently at Lifestyle Motor Group as group marketing manager.

CLIVE MESSENGER

Mitsubishi Motors has appointed Clive Messenger as head of corporate sales and field operations.

MARK SQUIRES

Mark Squires, former chief executive of Benfield Motor Group, has been appointed chairman of the National Franchised Dealers Association. He takes over from Peter Jones.

GRAHAM GREENWOOD

The Scottish Motor Trade Association has appointed Graham Greenwood to its executive board as vice president.

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Nissan Completed Summer 2014

Andy Barratt, Ford Motor Company, called the new Leicester Ford Store, designed by CBW Design "simply the most impressive Ford dealership I have ever visited."

At CBW Design we take a personal interest in your project with the aim to become a partner not a supplier.

ADVERTISING FEATURE

WEB VIDEO – A WHOLE NEW BALL GAME

By Andrew Howells, chairman, CitNOW

Remember the days when classified ads didn't have pictures? Then, in 1977, photography was introduced by Sir John Madejski and *Thames Valley Trader*. The impact was profound and it went on to create a whole new industry.

Fast-forward to 2016 and another revolution is well under way. Web video is gaining momentum fast. It's not "instead of", it's a welcome addition for dealers and their customers to help with the buying process.

This is all about selling the sizzle, not the sausage, and the results do not disappoint. CitNOW has been integrated with Volkswagen's used car locator (UCL) for some time. Our analysis over a four-month period with 120 dealers saw stock turn improve by 14 days. One dealer's used car sales went up by 40%.

The big advantage of web video is the ability to make it once and distribute it to many. For the lucky Volkswagen dealer, not only will that video appear on their UCL in minutes, it can also appear on their favourite advertising platforms, including Auto Trader.

Auto Trader reported that listings with video see an average increase of 17% in ad views (versus their benchmarks). Consumer session times also increase on average by 13%. More than half of all video views were rated as 'very' or 'extremely' helpful.

This should come as no surprise. More than half of all consumer Internet traffic is now video. Consumers search out video for many products before making a decision. They are also 64% more likely to buy as a result.

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SNOWS GROUP

Snows Group has acquired the Citroën, DS, and Peugeot dealerships previously operated by City Motor Holdings (CMH) in Basingstoke.

The group, which already has a presence in the town with Kia and Volvo, bought the dealerships after CMH went into administration.

The three dealerships will now trade as Snows Citroën, Snows DS, and Snows Peugeot.

Snows Group's deal brings its total number of dealerships to 34 across the south and south-west, and follows its acquisition of Seat Yeovil in September from Carshop.

Snows Group board director, Neil McCue, said: "This latest acquisition represents a continuation of our key objectives; that is, to grow our network of dealerships across the south and south-west."

Group 1 bought CMH's Ford dealership in Basingstoke.

CITROËN

Citroën is preparing to sell cars online next year, with fixed prices and the test drive the only contact between the customer and dealer.

AutoExpress reported Citroën chief executive Linda Jackson saying online purchasing is being rolled out in selected markets "and it will eventually get to the UK – hopefully next year".

"You can look at the car, configure the car, get your finance, sort your deposit and then go into the dealer to get your test drive," said Jackson.

"In that way, there is still a link to the dealer."

Fixed prices will also be part of the new process, leaving the customer to pay what would normally be achieved in negotiations with the dealer.

Jackson said: "We're testing this idea. And we have to work it through the dealer networks to make sure they're on board."

TRUSTFORD

TrustFord is to expand its Long Marston fleet distribution site, which is currently being developed to create a national fleet distribution hub.

The site, which will expand from seven to 22.5 acres, with a capacity for about 7,000 vehicles, is situated at Long Marston Business Park, Stratford-Upon-Avon.

Work is due to be complete by the end of the year, ready for the site to become operational in January.

The new hub will provide a body-shop facility and state-of-the-art video and photographic facilities for used vehicles.

TrustFord expects to complete as many as 30,000 pre-delivery inspections per year at the site, with a focus on preparing fleet vehicles and distributing them across the UK.

In addition, about 3,000 used commercial vehicles will be refurbished per year at the site, for sale through the dealer group's Transit Centres.

CORRECTION

Our recent feature 'Paint protection – the next generation' (*AM* October, p96) incorrectly stated that Supagard had achieved 10,000 sales of Leather Preserver in its first year. The correct figure is 100,000 units. We apologise for the error.

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A BETTER WAY OF DOING BUSINESS

18 **Finance offers**
Vauxhall's finance offers appear to be having more success than Ford's or VW's.

19 **Dealer profits**
The average franchised dealer lost just under £15,000 in August.

23 **Used cars**
Part-ex prices rose in September, despite a supply boost from the plate-change.

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Last-minute push sets record for September

Yet market leaders decline and NFDA forecasts Q4 registrations will be flat

A push to hit volume targets in the final days of September set a record for the month's new car market.

In the final days of the month, *AM* was told by several carmaker executives that the September market was tracking slightly behind or at best was flat year-on-year.

However, last-minute efforts ensured the SMMT figures showed the plate-change month ending up 1.6%, at 468,696 units, an increase of 7,179 new cars.

The Society of Motor Manufacturers and Traders (SMMT) described the market as "steady" and noted that it is only the second time that the two million mark has been passed in September since 2004, the year that annual new car supplies last peaked.

The SMMT data shows fleet registrations continued to drive growth in September, up 7.3%, while registrations to private motorists were down 1.7% to 223,844 units in the month.

Alternatively fuelled vehicles continued to outpace the market, up 32.6% against the same month last year, with a market share of 3.4%.

Sue Robinson, director of the National Franchised Dealers Association (NFDA), said: "While dealers' expectations appeared to be split at the beginning of the month, more recent comments from members were fairly optimistic.

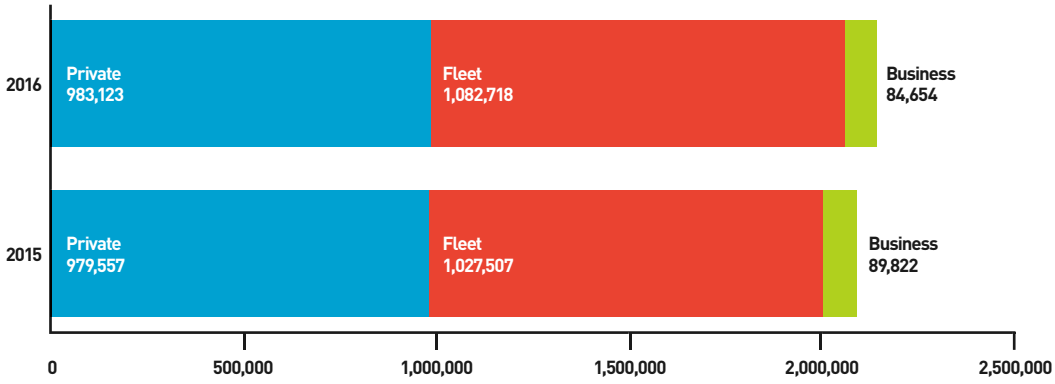
"With near record numbers of new vehicles on the road, aftersales, undertaken by the franchised dealers, will drive growth in the sector.

"The plate-change has certainly helped boost consumers' confidence and we should not be surprised to see some signs of stabilisation in the next months. The majority of dealers expect sales for the last quarter to be similar to last year's record performance."

Chris Bosworth, director of strategy at Close Brothers Motor Finance, said: "As we have seen for the last six months, private sales have continued to fall, causing the growth trajectory of new car registrations to steadily drop. Many consumers are now starting to gravitate to well-priced 'nearly-new' stock as manufacturers reduce the number of subsidised finance offers available.

"With the business market likely to be impacted by the outcome of the current HMRC review into company cars, the private sales market will become increasingly important to

REGISTRATIONS BY MARKET SEGMENT YTD



FINANCE

Finance & Leasing Association (FLA) data shows new business in the point-of-sale (POS) consumer new car finance market grew 9% by value and 5% by volume in August, compared with the same month last year.

The percentage of private new car sales financed by FLA members through the POS reached 85.5% in the 12 months to August, up from 85.3% in the 12 months to July.

The POS consumer used car finance market also reported new business growth in August, of 23% by value and 21% by volume.

Geraldine Kilkelly, head of research and chief economist at the FLA, said: "The growth reported by the POS consumer car finance market in August marked more than five years of consecutive monthly new business growth.

"The performance of this market is in line with our expectations of strong single-digit new business growth in 2016 as a whole."

AUGUST MOTOR FINANCE MARKET: NEW CARS

New cars bought on finance by consumers through dealerships	Aug 2016	Change on previous year	3 months to Aug 2016	Change on previous year	12 months to Aug 2016	Change on previous year
Value of advances (£m)	805	+9%	3,509	+6%	17,596	+16%
Number of cars	49,740	+5%	209,765	+4%	1,040,519	+10%
New cars bought on finance by businesses through dealerships						
Number of cars	29,374	0%	125,348	+2%	510,671	+1%

overall registrations in the UK.

He said carmakers' innovations, such as safety improvements, alternative fuels and models, will be the main drivers in encouraging people to continue to purchase new cars over used vehicles in the coming months.

> "With the business market likely to be impacted by the outcome of the HMRC review into company cars, the private sales market will become increasingly important"
>
> **Chris Bosworth, Close Brothers Motor Finance**

Notable losers

Volkswagen's registrations were down 14.1%, or 5,541 units overall, of which 2,981 were in the retail market. Dealers recorded a drop in private buyer demand for all its core small and medium cars, with the Up city car worst hit – its registrations were almost half those of September 2015.

Ford was down 6,005 units, or 10.9% overall, with the decline led by its fleet business although retail registrations also dropped by 2,243, or 8.5%. A main cause of the drop was lower demand for the Fiesta, the market-leading hatchback, which lost 1,937 units year-on-year. However, a positive for Ford dealers was that the higher-margin Kuga SUV bucked the trend, growing registrations by 1,003 units.

Vauxhall ended the month down 2,151, or 4.9%, overall, despite a rise in fleet registrations. Its retail demand took a 15.7% hit, down 4,291 units, with Adam, Corsa and Mokka all dropping more than 1,000 registrations each.

Others with significant declines were Seat – registrations dropped 15.6% or 1,347 year-on-year overall, with declines worst across its volume Ibiza and Leon product lines – and Alfa Romeo, whose overall new car demand slumped 14.4%, or 126 units.

Notable risers

Total registrations for Mercedes-Benz were up 4,378, or 15.9%. In retail, the increase was 11.3%, or 1,525 units, with the A-Class leading the charge and accounting for more than half of the growth. Its new GLC-Class and GLE-Class SUVs are also selling strongly, offsetting declines in CLA-Class and E-Class volumes.

Renault finished September up 14%, or 2,127 units, purely due to success in the fleet market, where orders for Kadjar, Captur and Clio were ramped up.

It was bad news for its dealer network as its retail registrations were down 5.6%, or 558 units, as Twingo, Clio and Captur took a dive and the Scenic MPV awaits replacement.

However, its Dacia businesses performed better – up 18% or 757 units in retail, thanks to a jump in demand for the Duster SUV.

The other strong performers in September included Land Rover, up 49.1%, or 4,820 units, with more than a third of that extra volume (1,938) going into the retail market, and Mini, which was up 18.2%, or 2,024 units, of which 582 were in retail.

FINANCE OFFERS

Now we are into Q4, it is interesting to see how some of the biggest players in the UK are struggling for growth in comparison with last year.

Year-to-date, Ford is down 5.26% and Vauxhall is just behind (-4.31%). Either manufacturers are easing off on forcing the market, or retail demand is starting to level out. The trend for stretching payments over four years continues with Vauxhall and Volkswagen, but Ford is sticking with 36 months for most of its offers.

VW has been one of the hardest-hit mainstream brands this year, with a 10.65% decline to 163,020 units. Looking at VW's Q3 and Q4 campaign side-by-side there hasn't been any huge changes in its offers. This is particularly worrying for dealers that missed target in Q3, as VW posted a 14.3% drop in registrations in Q3 year-on-year, so whatever campaign was in place for the past three months, it hasn't tempted enough customers, and dealers are entering a quieter period for the motor retail industry.

VW has kept the same support in place on deposit contributions in Q4, with £500 on the Up, £1,400 on the Polo and £2,000 on the Golf and Scirocco. VW is also still knocking £5,000 off the Touareg to get the monthly payments below £500. Stretching the payments over 48 months means dealers have offers across core models at under or around £200 a month. Customers buying on VW's Solutions PCP can get an oil and inspection service and a second oil service for £149, but it remains to be seen whether that is going to convince many to buy in the lead-up to Christmas.

Ford is putting some support behind its core models for dealers, although it's not on the same level as VW, highlighting the difference in their current registration performances. The Blue Oval brand has cut up to £900 off the Fiesta, £1,500 off the Focus and £1,700 off the Kuga and has the lowest APR rate of the big three volume players, at 2.9% or below. However, Ford is also heading into the final stretch of this year with a quarterly loss, down 8.9% in Q3 year-on-year.

Vauxhall has mixed in more PCP deals this quarter, compared with a higher weighting of PCH in Q3, due to an APR reduction from 4% to 3.7% and an increase in deposit contributions across core models. It keeps the monthly payments across its range largely the same as last quarter and all models are under £300-a-month.

Vauxhall's offers appear to be having more success than Ford or VW, mitigating its loss from Q3 2015 to Q3 2016 to a flat performance of 0.5%.

Top finance offers for retail buyers

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

Retail new car finance offers

Model	Finance type	Deposit	Term	Monthly payment	Final payment	APR	Offer ends
Ford							
Ka+ Zetec 1.2 VCT 85PS	PCP	£2,844.12	36	£119	£3,803	0.90%	31/12/2016
Fiesta Zetec 3-door 1.0 EcoBoost 100PS	PCP	£3,530.46	36	£159	£4,448	2.90%	31/12/2016
Fiesta ST-Line 1.0 Ecoboost 100PS 3-door	PCP	£3,582.96	36	£169	£5,323	2.90%	31/12/2016
Fiesta Titanium 3-door 1.0 EcoBoost 125PS	PCP	£3,924.49	36	£169	£5,005	2.90%	31/12/2016
Fiesta ST 3-door 1.6 182PS petrol	PCP	£4,450.47	36	£199	£6,378	2.90%	31/12/2016
B-MAX Titanium 5-door 1.0L EcoBoost 100 PS	PCP	£4,360.75	36	£199	£5,065	2.90%	31/12/2016
EcoSport Titanium 1.0L EcoBoost 125PS petrol	PCP	£4,301.73	36	£199	£6,732	2.90%	31/12/2016
Focus Zetec 1.0-L EcoBoost 100PS petrol	PCP	£4,677.16	36	£199	£5,538	2.90%	31/12/2016
Focus ST-Line 1.0 Ecoboost 125PS	PCP	£4,779.27	36	£199	£6,544	2.90%	31/12/2016
Focus Titanium 5-door 1.0-litre Ecoboost 100PS petrol	PCP	£4,745.10	36	£209	£6,178	2.90%	31/12/2016
Focus ST-1 2.0 EcoBoost 250PS	PCP	£5,138.78	36	£229	£9,630	2.90%	31/12/2016
C-Max Zetec 1.6 (125PS) petrol 5-seat	PCP	£4,855.51	36	£219	£6,036	2.90%	31/12/2016
Grand C-Max Zetec 1.0-L EcoBoost 100PS petrol 7-seat	PCP	£5,690.09	36	£249	£6,860	2.90%	31/12/2016
Kuga Titanium 5-door 2.0 TDCi 150 PS FWD	PCP	£5,468.13	48	£229	£7,502	2.90%	31/12/2016
Mondeo Titanium 2.0 Duratorq TDCi 150PS	PCP	£6,860	48	£269	£6,860	2.90%	31/12/2016
Mondeo Vignale 2.0 Duratorq TDCi 180PS	PCP	£6,397.62	48	£289	£9,157	0.90%	31/12/2016
Edge Titanium 2.0 Duratorq TDCi 180PS	PCP	£7,419.78	36	£309	£15,008	0.90%	31/12/2016
S-Max Titanium 1.5SCTi 160 PS	PCP	£6,21.93	48	£279	£9,400	2.90%	31/12/2016
Galaxy Titanium 1.5 SCTi 160PS	PCP	£7,319.23	48	£309	£9,552	2.90%	31/12/2016
Ranger Double Cab Limited 2 2.2 TDCi 160PS	PCP	£7,260.17	36	£339	£10,251	2.90%	31/12/2016
Tourneo Connect Zetec 1.5 TDCi 100PS (5-seat)	PCP	£5,307.54	36	£219	£5,663	2.90%	31/12/2016
Tourneo Custom 310 L1 Hi Titanium 2.0 TDCi 130 PS	PCP	£5,674.01	36	£269	£13,081	2.90%	31/12/2016
Vauxhall							
Viva SL 1.0i 75PS	PCH	£2,277	48	£99	N/A	N/A	31/12/2016
Adam Energised 1.2i 70PS	PCP	£1,999	48	£159	£4,136	3.7%	18/12/2016
Corsa Energy 1.4i 75PS (a/c) 3-door	PCH	£2,224	48	£139	N/A	N/A	31/12/2016
Corsa VXR 1.6T 205PS Turbo	PCP	£2,999	48	£199	£6,352	4.4%	18/12/2016
New Astra SRi 1.4T 150PS Turbo	PCP	£3,999	48	£199	£6,652	3.7%	18/12/2016
New Zafira Tourer Energy 1.4i Turbo (140PS)	PCH	£4,063	48	£239	N/A	N/A	31/12/2016
Insignia Limited Edition 1.6CDTi (136PS) Start/Stop ecoFLEX	PCP	£4,999	48	£279	£6,035	3.7%	18/12/2016
Cascada SE 1.4i 140PS Turbo	PCH	£3,289	48	£299	N/A	N/A	31/12/2016
New Mokka X Active 1.4i Turbo (140PS) Start/Stop FWD	PCP	£2,999	48	£229	£5,429	3.7%	18/12/2016
Meriva Tech Line 1.4i 100PS	PCP	£219	48	£219	£4,163	3.7%	18/12/2016
Volkswagen							
Move Up 1.0 60PS 3-door	PCP	£2,484.65	48	£99	£3,310.20	4.60%	09/01/2017
Polo Match 1.0 3-door	PCP	£2,537.02	48	£139	£4,780.22	6.20%	09/01/2017
Golf Match Edition 1.4 TSI 125PS 3-door	PCP	£4,265.12	48	£199	£7,702.51	5.40%	09/01/2017
Golf GTI 2.0 TSI 220PS 3-door	PCP	£6,055.26	48	£265	£10,428.77	5.40%	09/01/2017
e-Golf 115PS BEV 5-door	PCP	£6,655.65	36	£335	£10,129.77	6.00%	09/01/2017
Golf GTE 1.4 TSI DSG 204PS 5-door	PCP	£9,090.92	48	£309	£12,014.60	6.00%	09/01/2017
Golf SV S 1.2 TSI	PCP	£5,795.47	48	£209	£6,350.40	6.20%	09/01/2017
Golf Estate S 1.2 TSI	PCP	£5,655.01	48	£199	£6,336.29	6.10%	09/01/2017
Beetle Cabriolet 1.2 TSI 105PS 3-door	PCP	£4,764.53	48	£155	£6,671.70	6%	09/01/2017
New Beetle Hatch 1.2 105PS	PCP	£3,915.56	48	£169	£5,265.90	4%	09/01/2017
Scirocco GT 1.4 TSI	PCP	£4,660.66	48	£225	£8,607.60	6.10%	09/01/2017
Jetta S 1.4 TSI 125PS	PCP	£5,864.54	48	£229	£5,560.30	6.30%	09/01/2016
Volkswagen CC 1.4 TSI	PCP	£7,788.94	48	£295	£7,470.90	6.10%	09/01/2017
Passat Saloon S 1.6 TDI 120PS	PCP	£6,524.27	48	£229	£8,312.85	6.10%	09/01/2017
Passat Estate S 1.6 TDI	PCP	£6,978.95	48	£239	£9,169.27	6.10%	09/01/2017
Tiguan S 2.0 TDI 150PS	PCP	£6,442.94	48	£225	£10,374.30	5.10%	09/01/2017
Touran S 1.2 TSI 5 door	PCP	£6,601.15	48	£239	£7,195.50	6.10%	09/01/2017
Sharan S 1.4 TSI 150PS 5-door	PCP	£7,760.31	48	£305	£7,749.90	6%	09/01/2017
Touareg 3.0 TDI SE 262 PS	PCP	£8,510.43	48	£469	£15,711.30	5.90%	09/01/2017

WE'LL HELP YOU GET THERE

Volkswagen Up
The Up was the worst hit in VW's slump – its registrations were almost half those of September 2015

Mercedes-Benz A-Class
The A-Class accounted for more than half of the brand's 11.3% growth in retail registrations.

Ford Kuga
SUV bucked Ford's September trend, adding 1,003 units year-on-year

DEALER KPIs

Source: ASE

Key ratio	Rolling 12 months August 2016	Rolling 12 months August 2015	Benchmark
Net profit as % of sales	1.15%	1.32%	3.0%
Overhead absorption	52.9%	54.2%	80%
Used: New sales	1.0:1	0.92:1	1.5:1
Expenses as % of gross	65.3%	63.8%	50%
Sales per salesman	173	190	150
Used vehicle stockturn (days)	54	54.6	45
Return on used car investment	76.1%	76.5%	100%
Overall labour efficiency	83.0%	82.5%	100%
Service gross profit % on labour	75.6%	75.6%	75%
Service expenses as % gross	60.4%	59.5%	40%
Hours per retail job card	1.56	1.62	2.5
Parts gross profit	22.6%	22.5%	22%
Parts expenses as % growth	43.8%	44.0%	40%
Parts stockturn	8.0	7.55	8.0

The average retailer lost just under £15,000 in August.

This was the largest loss in the past 12 months, according to ASE, but at £14,871 was £1,000 less than the amount lost in August 2015.

Continuing a trend, turnover levels were up, reflecting the increased level of new car registrations.

This produced a further fall in the rolling 12-month return-on-sales percentage, which is down to its lowest level since 2012.

Mike Jones, ASE chairman, said: "Ever since the switch to two registration months a year, August has produced the largest single loss of any month. In addition, during 2016, we have seen an increase in the size of the peaks and troughs in profitability as retailers process an ever greater number of vehicles, only making profit when they have earned the associated volume bonus."

ADVERTISING FEATURE

BLACK HORSE COMMENT

By Richard Jones, managing director, Black Horse

In an era of ever increasing price competition, car dealers need to be able to differentiate their offering to ensure high levels of footfall in their dealership. Delivering great customer service is perhaps the most obvious way – indeed, it should be a given – but providing fantastic customer outcomes can take a dealership to the next level.

One of the ways this can be achieved is by offering clear, transparent car finance products that tick all boxes – and when they don't, having systems in place that ensure the fairest outcomes for customers.

Whether it is issues over a car's wear and tear, customers being unaware of excess mileage charges on certain finance products or if a vehicle simply isn't up to scratch, car dealers and the finance providers behind them have certain responsibilities if things go wrong.

Recently released figures from the financial ombudsman for the first half of 2016 reveal that some car finance providers are seeing more than half of all complaints sent to the mediator being awarded in favour of the customer. The disputes have tended to centre on servicing and vehicles not being of a satisfactory quality.

However, just 17% of disputes involving Black Horse customers were changed by the ombudsman. These figures are significantly ahead of all our industry peers.

This is because Black Horse, as part of Lloyds Banking Group, has made important investments in our people, internal processes and systems. It enables us to better deal with such complaints and disputes. We also carry out independent assessments where appropriate to ensure acceptable conclusions for all concerned.

Of course, one complaint by a customer is one complaint too many. And we should all be working as an industry, collectively, to bring down these figures in line with the expectations of our regulators to further improve the wider reputation of the industry.

Happy customers are loyal customers and they are also the greatest advertisement for your dealership in the long run. Great customer service really can set you apart from your competitors.

News, insight and more: blackhorse.co.uk/dealerportal

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RISERS & FALLERS

TOP 10

Infiniti	180.58%
Abarth	54.02%
Bentley	49.76%
Jaguar	47.03%
Smart	46.93%
SsangYong	43.12%
Jeep	39.69%
MG	34.30%
Land Rover	27.59%
Mercedes-Benz	17.49%

So far this year, exactly 2,500 new Infiniti cars have been put on the roads, or in showrooms, according to SMMT data. Nissan's premium-brand sister is rising rapidly, thanks in particular to its entry-level Q30 model, built in Sunderland.

A poor September result has led the clutch of mainstream brands already among the major fallers to be joined by Citroën and DS. Coinciding with Citroën's panning in the NFDA Dealer Attitude Survey, their combined registrations to date have fallen by more than 3,000 units.

The presence of so many major brands in the fallers list suggests the market is saturated. One manufacturer recently told *AM* it predicts a 10% drop in total industry volume in 2017.

BOTTOM 10

Nissan	-4.11%
Maserati	-4.22%
Peugeot	-4.26%
Vauxhall	-4.31%
Citroën & DS	-4.69%
Ford	-5.26%
Seat	-8.90%
Aston Martin	-9.63%
Volkswagen	-10.65%
Mitsubishi	-18.49%

NEW CAR REGISTRATIONS

10-year market trends available: www.am-online.com/ami

Marque	August 2016	% market share	2015	% market share	% change	Year-to-date 2016	% market share	2015	% market share	% change
Ford	49,078	10.45	55,083	11.91	-10.90	254,220	11.82	268,328	12.80	-5.26
Vauxhall	41,697	8.88	43,848	9.48	-4.91	202,956	9.44	212,100	10.11	-4.31
Volkswagen	33,722	7.18	39,263	8.49	-14.11	163,020	7.58	182,441	8.70	-10.65
BMW	32,595	6.94	29,713	6.42	9.70	138,656	6.45	124,309	5.93	11.54
Mercedes-Benz	31,988	6.81	27,610	5.97	15.86	136,892	6.37	116,509	5.56	17.49
Audi	31,113	6.62	28,437	6.15	9.41	138,411	6.44	133,300	6.36	3.83
Nissan	27,807	5.92	28,473	6.16	-2.34	119,836	5.57	124,967	5.96	-4.11
Toyota	18,888	4.02	19,095	4.13	-1.08	80,918	3.76	81,604	3.89	-0.84
Renault	17,275	3.68	15,148	3.28	14.04	68,112	3.17	59,221	2.82	15.01
Hyundai	17,039	3.63	15,504	3.35	9.90	73,649	3.42	70,623	3.37	4.28
Peugeot	16,130	3.43	16,875	3.65	-4.41	80,986	3.77	84,593	4.03	-4.26
Kia	15,340	3.27	13,980	3.02	9.73	72,949	3.39	64,208	3.06	13.61
Land Rover	14,629	3.11	9,809	2.12	49.14	63,644	2.96	49,881	2.38	27.59
Mini	13,119	2.79	11,095	2.40	18.24	51,716	2.40	47,182	2.25	9.61
Škoda	12,565	2.68	11,384	2.46	10.37	63,310	2.94	60,144	2.87	5.26
Honda	11,495	2.45	10,734	2.32	7.09	49,656	2.31	43,563	2.08	13.99
Fiat	11,319	2.41	12,467	2.70	-9.21	49,868	2.32	51,867	2.47	-3.85
Mazda	9,422	2.01	9,917	2.14	-4.99	39,764	1.85	37,923	1.81	4.85
Citroën*	9,108	1.94	12,496	2.70	-27.11	53,793	2.50	66,338	3.16	-18.91
Volvo	7,827	1.67	7,388	1.60	5.94	34,861	1.62	32,391	1.54	7.63
Suzuki	7,380	1.57	7,701	1.67	-4.17	31,593	1.47	28,706	1.37	10.06
Seat	7,308	1.56	8,655	1.87	-15.56	36,912	1.72	40,520	1.93	-8.90
Jaguar	6,458	1.37	4,860	1.05	32.88	26,416	1.23	17,966	0.86	47.03
Dacia	5,247	1.12	4,455	0.96	17.78	20,923	0.97	20,386	0.97	2.63
Lexus	2,998	0.64	2,578	0.56	16.29	11,422	0.53	10,618	0.51	7.57
Mitsubishi	2,656	0.57	2,686	0.58	-1.12	14,753	0.69	18,100	0.86	-18.49
DS*	2,616	0.56	2,584	0.56	1.24	13,767	0.64	4,549	0.22	202.64
Jeep	2,492	0.53	2,097	0.45	18.84	11,762	0.55	8,420	0.40	39.69
Smart	2,381	0.51	1,838	0.40	29.54	9,349	0.43	6,363	0.30	46.93
Porsche	2,152	0.46	1,910	0.41	12.67	9,799	0.46	9,559	0.46	2.51
MG	1,005	0.21	511	0.11	96.67	3,305	0.15	2,461	0.12	34.30
SsangYong	983	0.21	806	0.17	21.96	3,837	0.18	2,681	0.13	43.12
Abarth	805	0.17	706	0.15	14.02	3,125	0.15	2,029	0.10	54.02
Subaru	762	0.16	821	0.18	-7.19	2,807	0.13	2,734	0.13	2.67
Alfa Romeo	752	0.16	878	0.19	-14.35	4,038	0.19	3,924	0.19	2.91
Bentley	320	0.07	152	0.03	110.53	1,538	0.07	1,027	0.05	49.76
Infiniti	256	0.05	106	0.02	141.51	2,500	0.12	891	0.04	180.58
Maserati	199	0.04	232	0.05	-14.22	1,112	0.05	1,161	0.06	-4.22
Aston Martin	130	0.03	148	0.03	-12.16	657	0.03	727	0.03	-9.63
Lotus	47	0.01	22	0.00	113.64	278	0.01	263	0.01	5.70
Other British	82	0.02	98	0.02	-16.33	604	0.03	567	0.03	6.53
Other Imports	511	0.11	351	0.08	45.58	2,778	0.13	1,597	0.08	73.95
Total	469,696		462,517		1.55	2,150,495		2,096,886		2.56

*Registrations for Citroën and DS were combined as Citroën until May 2015. As the Citroën figures for year-to-date 2015 include Citroën and DS registrations, please combine the 2016 registrations for Citroën and DS when comparing year-on-year results.

WORKING TOGETHER IN

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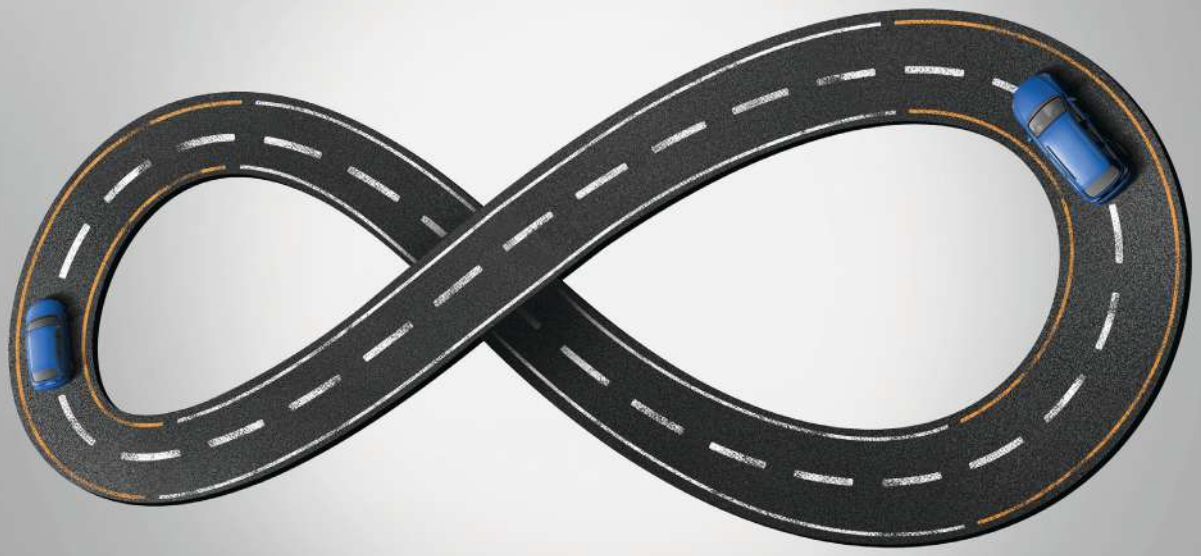

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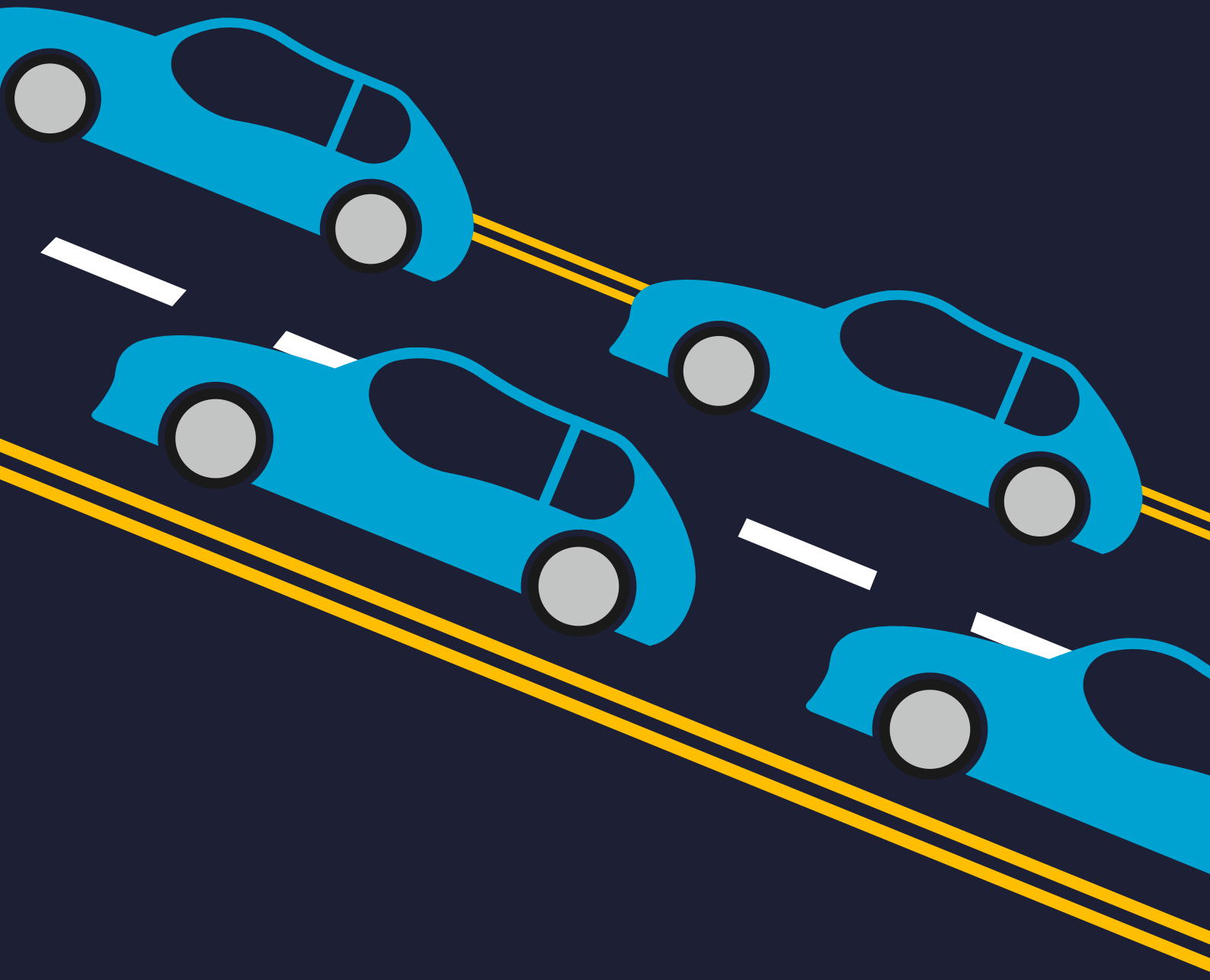

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Part-ex prices up, despite 66-plate supply boost

As franchised dealers boosted their sales with the introduction of the 66-plate, data from BCA and Manheim suggests any unwanted part-exchanges were much in demand further down the chain.

Ex-fleet stock

Manheim reported that ex-fleet cars dropped in average value since August by £744 or 7.4% to £9,280 in September, and its first-time conversion rates improved as a result. At BCA, ex-fleet stock rose by £127 or 1.3% to £10,017.

Year-on-year, BCA's average price was up £317 or 3.2%, while Manheim's was down £961 or 9.4%.

Trade-in disposals

BCA's part-exchange cars in September averaged £4,553 in value, a £64 or 1.4% rise since August. Manheim's averaged £3,686, an £83 or 2.3% rise.

Year-on-year BCA's average was £219 or 5.0% ahead, while Manheim's trade-in average was £80 or 2.2% down.

BCA chief operating officer for UK remarketing, Simon Henstock, said: "September saw demand keeping pace with supply, with both the auction halls and online channels being very busy. Sale conversion rates were high, typically exceeding 80% during September, meaning there was good churn in the marketplace."

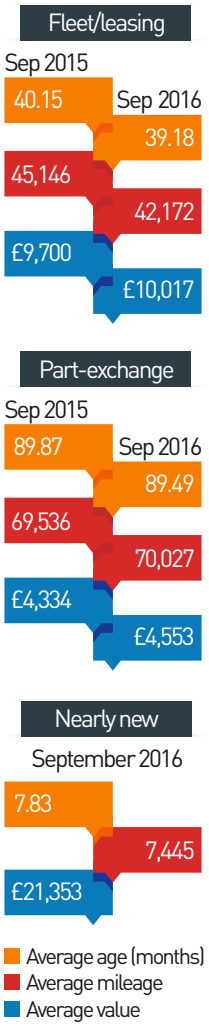
"However, by mid-October, our dealer customers were anecdotally saying that retail demand was softening and that will inevitably impact the wholesale sector. Professional buyers will inevitably become more choosy, cherry-picking the best-presented and most attractive cars."

In the retail market, the Ford Galaxy in diesel automatic guise was the fastest-selling car of the month in Auto Trader's national rankings, with an average retail price of £8,394. It typically sold within two weeks of being marketed.

Close behind were the Kia Sportage, at an average price of £13,870, and the Toyota Aygo, priced £6,560 on average.

> "By mid-October, our dealer customers were anecdotally saying retail demand was softening"
>
> Simon Henstock, BCA

YEAR-ON-YEAR



ECONOMIC INDICATORS

PAY

+2.3%

The average weekly wage, including bonuses, for August, was £504, a rise of 2.3% over the same period a year earlier. Excluding bonuses, wages were up by 2.2%, to £474.

INFLATION

+0.4PPTS

The consumer prices index (CPI) rose by 1% in September, compared with a 0.6% rise in August. The Office for National Statistics said rises in clothing prices, hotel stays and motor fuel were the main cause.

UNEMPLOYMENT

-0.5PPTS

The unemployment rate for the three months ending August 2016 was 4.9%, static on the prior three months, but down from 5.4% a year earlier, according to the Office for National Statistics.

MORTGAGES

+19%

The number of loans to first-time buyers in August was up 19% year-on-year, according to the Council of Mortgage Lenders.

CREDIT CARD BORROWING

-20.6%

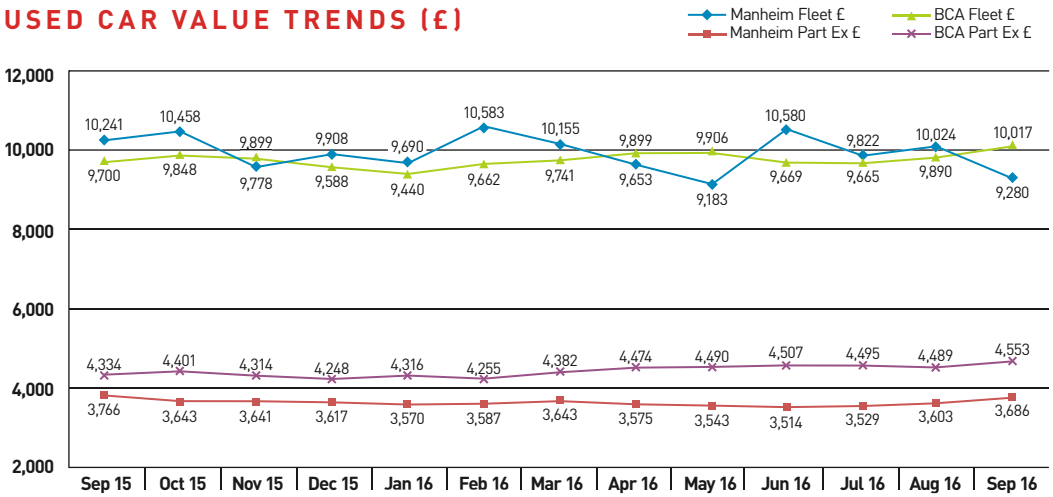
Credit card purchases in August totalled £9.6 billion in value, down 20.6% (from £12.1bn) on the same month in 2015, reported the British Banking Association.

HOUSE PRICES

+8.4%

House prices rose 8.4% in August year-on-year, according to data from the Land Registry, which takes the average value of houses in England and Wales to £218,964.

USED CAR VALUE TRENDS (£)



Used cars bought on finance by consumers through dealerships	Aug 2016	Change on previous year	3 months to Aug 2016	Change on previous year	12 months to Aug 2016	Change on previous year
Value of advances (£m)	1,186	+23%	3,435	+11%	13,209	+14%
Number of cars	110,572	+21%	319,151	+9%	1,232,904	+11%
Used cars bought on finance by businesses through dealerships						
Number of cars	3,303	+69%	10,566	+36%	42,635	+12%

Source: FLA

INTRODUCING CASTROL EDGE SUPERCAR

Generating phenomenal amounts of horsepower, nothing tests the engine and ultimately the oil like a supercar. Over the past 10 years, supercar engine pressures have almost doubled. This provides an extreme testing ground for Castrol EDGE at the pinnacle of automotive engineering and performance.

TITANIUM STRONG FOR MAXIMUM PERFORMANCE

Castrol EDGE – our strongest, most advanced range of engine oils is boosted with **TITANIUM FST™**, which physically changes the way oil behaves under extreme pressure. It doubles Castrol EDGE film strength* and reduces friction by up to 15%**.

At the forefront of the Castrol EDGE range is Castrol EDGE SUPERCAR. Tested in supercars, and suitable for use in everyday high performance cars, the first viscosity grade to launch a premium SUPERCAR variant is Castrol EDGE 10W-60.

MEET THE CASTROL EDGE SUPERCAR FAMILY

Castrol EDGE has partnered with a selection of the world's leading supercar manufacturers to test and constantly improve our oils. These manufacturers share our pioneering spirit and the desire to challenge technical frontiers to discover, progress and break new ground. For us and our partners, second place is not an option.

"Castrol's drive to push its product to the limit, both in terms of performance and innovation very much mirrors the ethos shared by Koenigsegg"

CHRISTIAN VON KOENIGSEGG

HARNESSING THE POWER OF THE ULTIMATE SUPERCAR

Our oil has been tested to the limits in one of the most powerful and iconic supercars on the planet – the Koenigsegg One:1.

In addition, the Advanced Technology Team at Castrol's research centre ran a series of tests and simulations across a range of temperatures, speeds and lengths of time to prove that Castrol EDGE 10W-60 reduced friction compared to the same oil without **TITANIUM FST™**.

REDUCED OIL FOAM GIVES KOENIGSEGG THE EDGE

Foam can be an issue for engines – especially high performance ones. As it circulates the oil gets aerated, leaving air bubbles which reduces the oil's strength and increases the risk of metal to metal contact.

"When oil flows around an engine, it flows phenomenally fast. The total oil volume, 11 litres for a Koenigsegg engine, travels around the engine five times every minute. That means that the contents of a typical bottle will be pumped around the engine and back into the oil sump in roughly six seconds"

GARETH DOWD, SENIOR TECHNOLOGIST

Through their own testing, Koenigsegg proved that Castrol EDGE 10W-60 demonstrated very strong low foam performance. As a result, they are now proud to recommend Castrol EDGE 10W-60 as their oil of choice.

"Pushing the boundaries of strength and performance like never before, tests run by both Castrol and Koenigsegg prove that our oil is the ultimate choice for performance car owners and manufacturers alike"

KERIM KERMEN, CASTROL EDGE GLOBAL BRAND DIRECTOR

THE ULTIMATE PROOF

Castrol EDGE SUPERCAR is the ultimate proof that our oils are tested to perform. From small hatchbacks to record-breaking supercars, Castrol EDGE is the natural choice for drivers who live for the experience and want only the very best for their engine.

*Tribological tests have shown that Castrol EDGE boosted with TITANIUM FST™ doubles its film strength, preventing oil film breakdown and reducing friction to help maximise engine performance.
**In our testing, Castrol EDGE with TITANIUM FST™ gave up to 15% lower friction than the same Castrol oil without TITANIUM FST™. Products representing 61% of our 2012 sales volume were tested.

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More than 60 exhibitors, eight best practice masterclasses, F&I seminars and a legal advice clinic. And it's all free...

By Tim Rose

Automotive Management Live will bring the best of the UK motor retail industry together under one roof at the ArenaMK in Milton Keynes on November 16.

It is free to attend and will be packed with more than 60 exhibitors. There will also be eight best practice sessions covering many aspects of the motor retail industry. Visitors will be able to meet key suppliers and question the experts on everything from the future trends of the new and used car markets to practical advice for boosting profitability and retention.

Any dealer or manufacturer employee is welcome, from sales or service managers seeking inspiration for daily operations to finance directors and chief executives planning the next phases in their businesses' development.

The event is supported by the National Franchised Dealers Association, which is also exhibiting. Its new president, former Benfield chief executive Mark Squires, plus director Sue Robinson and colleagues will be on hand to talk through the latest challenges and campaigns with dealers.

EVENT INFORMATION

Location: ArenaMK, Milton Keynes, MK1 1QB
Cost: FREE to dealers and manufacturers (pre-registration required)
Opening hours: Wednesday, November 16, 9am to 4.30pm
For more information: contact Nicola Baxter on 01733 468289 or email nicola.baxter@bauermedia.co.uk
Website: automotivemanagementlive.co.uk

The Hub with *AM* and the NFDA

Senior representatives of the National Franchised Dealers Association (NFDA) will be alongside *AM* staff on The Hub. NFDA president Mark Squires will present the results of the association's latest twice-yearly independent research into consumer attitudes.

AM has already previewed aspects of the research, which compares consumer perception of franchised dealers and independent garages and which will help franchisees adapt and tailor their business in future to serve their customer better. It has already shown that respondents rated price and convenience particularly highly, and suggests there is a perception that franchised workshops are not as responsive to motorists in crisis as independents or national chains.

Respondents described convenience in a number of ways, but the most common (71% of respondents) was 'appointments available at times that suit you' followed by 'local to my home or workplace' (53%).

Provision of a courtesy car (39%) was rated almost equal to collection and delivery of the car (38%) overall, but more people regarded collection and delivery as the best descriptor of convenience.

All service providers across the franchised, independent and national fast-fit sectors are expected to provide while-you-wait services.

Yet there is a significantly higher positive experience of while-you-wait services among those consumers who use a franchised dealership.

NOVEMBER 16, 2016, ARENA MK, MILTON KEYNES

Best-practice masterclasses

Industry experts will share their most effective working methods and crucial advice in dedicated masterclasses

Aftersales

BOOSTING CUSTOMER LOYALTY VIA AFTERSALES

Straightforward processes and easy-to-access aftersales systems can support dealers in providing the customer service consumers expect.

Nick Horton, managing director of Profit Box, the training partner of eDynamix, will explore the aspects of aftersales that enable the department to deliver the best service to customers and the impact that efficient processes have on the perception of the business.

"Service advisers will usually have anything from three to six different systems and applications open in order to undertake their daily tasks, such as checking online bookings, obtaining service plan information and emailing video footage to customers from the workshop as part of the electronic vehicle health check (eVHC).

"It makes working life overly complex, especially if these systems are not integrated, yet the consumer expects you to have all their information at your fingertips.

Also at stand 54

"The more applications a service adviser is using, the higher the chance of process breakdown, which can result in a lower level of service being provided," said Horton.

He will talk about ways to integrate applications, such as service plan management, online service booking, eVHCs and customer surveys, so a customer's aftersales records and requirements are all in one place, to make it straightforward for staff to access.

"The days when retailers operated in silos – of information, systems, departments and even a dealership within the group, are well and truly over. Dealerships and dealer groups need to be able to draw on one large pool of information, where systems are integrated and details are shared, if they are to deliver the first-class service consumers expect."

eDynamix

Auctions and appraisals

THE MODERN AUCTION AS PART OF THE NEW AND USED CAR STRATEGY

Cooper Solutions product head Simon Whicher and business development manager David Abel will advise dealers on delivering the best modern retailer experience.

This will include acquisition of used car stock, part-exchange appraisal and trade disposal of undesired vehicles in a more efficient manner. Ultimately, the goal is to improve both profitability and customer satisfaction.

Whicher said: "Avoiding duplication when entering information, and eliminating chances that paperwork could be mislaid, creates a more professional and engaging process with customers when they arrive on site and their part-exchange vehicle is appraised.

Also at stand 44

"The use of technology makes for a slicker and more efficient operation that is easy to track and measure.

"We find those who maximise their use of technology are the ones securing greater exposure and demand for their vehicles, in turn driving up margin and improving average trade debtor days.

"We also find it's too easy to miss vital pieces of information about the vehicle, which can make all the difference to achieving the right hit rate, and ultimately price, which underpins the importance of a robust and effective appraisal process.

"Ideally, the entire process should be digital and integrated into the dealer's digital remarketing process."

Cooper solutions

Customer reviews

FROM PURCHASE TO RETENTION: THE CUSTOMER REVIEW CYCLE

The way a customer feels about their experience at a dealership can affect its fortunes and provide important lessons.

Neil Addley, managing director of Judge Service, will explore ways dealers can measure and improve customer service and ensure reviews are posted online to drive new prospects to their websites and, ultimately, to their premises.

Addley will examine how dealers can identify granular information from careful analysis of customer feedback via all channels, including customer surveys and online reviews. He will also outline the necessary action based on the information provided, such as staff training.

He will discuss 'micro-moments of truth' – small points in the customer journey that can put people off if done badly – and how to address them.

Also at stand 12

"It is vital to align the web experience with that of the physical showroom," said Addley.

"Understanding the customer experience at a granular level means dealers can make small improvements that make all the difference, such as improving processes, the experience itself or identifying training needs.

"Positive experiences then need to be made available online, so consumers know they have found the right people to do business. Reviews help them to reinforce the opinions they formed online.

"However, as a sector, we are still guilty at times of not being brilliant at the basics.

"Our surveys show that consumers who decide not to buy do so because of simple reasons like an unreturned phone call."

JudgeService

Video

USING VIDEO IN FORGING CUSTOMER RELATIONSHIPS, SALES AND RETENTION

Video took off in dealerships as a trust-building tool in aftersales, but it is now finding a role in other key departments and can be an engaging way to communicate, believes Alistair Jeff, CitNow's UK managing director.

Jeff will outline the increasing number of touchpoints where video is used and some of the challenges dealers must overcome. His case studies will include the franchised dealer groups Jardine Motors Group and JCT600.

Jeff said: "Video has grown and developed widely over the past 12 months and the groups which have embraced it at every opportunity in their business are heralding a new era where it is considered normal to communicate this way."

Alongside its sales and service functions, JCT600 uses video in other ways, including video diaries when a new car arrives off the transporter, undergoes its pre-delivery inspection (PDI) and ends up in the showroom, complete with cover.

Finance online

UNDERSTANDING CONSUMER ONLINE FINANCE BEHAVIOUR

With increasing numbers of dealer websites offering interactive finance tools, retailers need to deliver the same high-level experience in the showroom, while ensuring Financial Conduct Authority (FCA) compliance is at the heart of all activity.

James Tew, chief executive of iVendi, will outline consumer expectations, their behaviour when sourcing vehicle funding solutions and how moving to a 'self-service' style of online finance provision improves the consumer experience and is more likely to be FCA-compliant.

Tew said: "Our research shows 65% of the top 200 dealer groups incorporate finance tools on their websites, but we also know the experience in store often doesn't live up to expectations that have been created online.

"In the showroom, dealers are still using the same processes that have been in place for several years. On top of this, many dealers have been lulled into a false sense of security that the FCA is leaving the sector alone, which has seen the return of some old showroom practices likely to be considered non-compliant by the regulator. We think it is only a matter of time before some dealers are paid a visit."

Tew will explain how a more sophisticated online finance offering, where customers qualify and 'serve' themselves, which could also be available in the showroom, is more likely to be compliant.

He said: "Car buyers could be offered a range of finance products on the dealer website, which are easily comparable and connected to finance providers – enabling an end-to-end solution managed entirely by the consumer. The process would also be fully audited and, because the consumer has come to the decision themselves, we think it will be viewed extremely favourably by the FCA."

Also at stand 70

iVendi

New cars

DEVELOPING A SUSTAINABLE NEW CAR STRATEGY

Insights from international markets could help UK dealers enhance the performance of add-on products and accessory sales when Supagard's head of sales, Alan Graham, shares some top tips from around the world at its best-practice masterclass.

Graham will detail how dealers in other markets sell add-ons and accessories with alternative approaches and results, including digital channels, to illustrate how UK dealers could further improve their sales models.

He said: "We are not saying one market or dealer group has the best strategy in place, but we have been quite amazed at the extensive differences in approaches to selling add-ons and accessories."

Supagard has seen how some dealer groups integrate the sales of add-ons with the car sale itself while others separate it, running add-ons and accessories as a standalone function with its own sales specialists and marketing activity.

Different dealers Supagard works with worldwide have also adopted a wide variety of pay plans.

"Understanding a number of different strategies and their successes, dealers here may decide to experiment with a new model or try out what they think could have an impact," he said.

Also at stand 76

Supagard

Andy Bateman, JCT600's head of group operations, said it also uses the medium for training, recruitment and to create content and the group produces about 3,000 videos a week.

He said: "Most people still have a misconception about the industry and are pleasantly surprised when we take the time to shoot them a personal video and it is also very transparent. We know people are impressed, video is mentioned in feedback at least two or three times a day."

Jardine's operations director, Jason Cranswick, said: "It has been a learning curve for us, particularly how we prepared our team members to become both comfortable and competent while having fun.

"Producing videos is now considered normal throughout the group. I think it will become as normal as email."

Also at stand 58

IT NOW

Social media

THE MATURING OF SOCIAL MEDIA

Few dealers ignore their customer base on social media any longer, yet many could be using it to better effect.

Compelling content and quick and high-quality responses are more important than ever, according to Jeremy Evans, managing director of digital agency Marketing Delivery, who will share ways to achieve the best results.

"Sadly, we still see many dealers peddling manufacturer content rather than creating their own, or posting intermittently.

"Others hand social media responsibility to staff who simply do not have the digital skills or understanding to do a good job.

"With Facebook considering technology to stop ad-blocking software and the ensuing argument that forcing users to see material they are not interested in or is not relevant is damaging for brands, exceptional content is more important than ever."

Evans will explore other issues challenging dealers' approach to social media, the need for a data-driven marketing strategy and a plan that cuts through the clutter. The social media environment is far from straightforward, he said. Dealers need to consider their target audiences and think about what they could be doing differently on Twitter and Instagram to what they do on Facebook and YouTube.

Also at stand 14

Marketing Delivery
DATA DRIVEN MARKETING

Websites and digital

THE CONTINUALLY EVOLVING DIGITAL LANDSCAPE

GForces gathers buyer behaviour intelligence to determine how consumers make decisions on their next purchase. It has a wealth of insights into how people search and ultimately go onto enquire about their next car.

This masterclass will focus on identifying key conversion points within the consumer buying journey, understanding the variety of buying behaviours and integrating them into one digital approach.

That approach will have mobile internet at its heart. GForces' retail sales director Paul Hilton will highlight some of the specific search behaviour the company has seen across its platform, such as the colours, transmissions and fuel types users are looking for when browsing dealer websites. He will share insights into precisely when dealers should have more staff focused on their digital channels.

Hilton said: "Getting your mobile experience right has never been more important and we'll share some key insights into how consumers are engaging with retailers on the huge range of mobile devices. We'll explore the preferred enquiry types used by website visitors and which pages they browse.

"By tracking the consumer's online journey, we can develop an accurate picture of the factors which influence their decision to buy."

Also at stand 74

GFORCES
driving the digital dealership

F&I theatre

Learn the latest on Financial Conduct Authority (FCA) regulation in an engaging, interactive way

Morning session

SPEAKERS:

- **Jerry Page, F&I director, Mercedes-Benz Retail Group UK**
- **Andrew Smith, managing director, Consumer Credit Advisory Services**
- **Nick Hunt, head of partner training, and Richard Penny, partner training manager, Alphera Financial Services**

Dealers will be able to take away plenty of top tips on compliant motor finance sales from the morning session in the F&I Theatre.

Alphera Financial Services' Nick Hunt and Richard Penny will share ideas such as encouraging an agile approach, the art of communicating finance, creating seamless transitions in the sales journey, effective conversions, plus retention and renewals.

Throughout the entire sales process, from online to showroom to repurchase and retention, the question of compliance is crucial and will form a central thread through the session. Attendees will be able to compare their processes with the best Alphera has seen among its dealer client base.

The F&I landscape from the dealer's perspective is the specialist subject of Jerry Page, F&I director of Mercedes-Benz Retail Group UK. He warns that retailers should not fall into old habits just because the Financial Conduct Authority (FCA) appears to have left the industry to its own devices.

Page believes the regulator will refocus on the industry and with many dealers' pay and commission structures broadly similar to those prior to the new regulatory regime, Page believes the FCA may find much to question should the organisation decide to place a dealer group under the microscope.

At least one dealership group is likely to come under scrutiny, according to Andrew Smith, managing director of Consumer Credit Advisory Services. In other sectors, such as mortgages and payday lending, a well known company or group has been investigated and held to account, and motor retail's turn may come.

When dealers were going through the authorisation process for consumer credit, many stated that the FCA didn't understand the industry. More than two years on, the FCA has much more industry knowledge and the ability to interrogate some areas with more intensity.

The past 12 months has seen practices evolve and pitfalls identified as dealers, compliance companies and finance providers continue to grapple with the challenges of the FCA's 'treating customers fairly' philosophy.

Some dealers still aren't clear about the evidence and practices required to prove TCF, including absolute clarity for the consumer on the pathway to supplying their finance.

Also at stand 60

ALPHERA Financial Services

Afternoon session

SPEAKERS:

- **Russell Kelsall, partner, TLT Solicitors**
- **Jonathan Rogers, partner, Taylor Wessing's Financial Services Regulatory Group**
- **Alan Lewis, national dealer development manager, Car Care Plan**

A year ago, dealers faced a lot of uncertainty about their profits from GAP insurance. New rules, requiring them to give customers a four-day deferment period after presenting GAP, were expected to hit their sales.

A year on and GAP regulations have boosted product sales and focused consumer minds on quality and not price, according to Alan Lewis, Car Care Plan's national dealer development manager. He will take a closer look at how the new rules have been interpreted and how dealers have embedded them into their sales process. One result, Lewis believes, is that more thought is put into product quality and value, as opposed to price and outright profits.

Consumer finance is being transformed by a multi-channel sales environment and the Financial Conduct Authority (FCA) appears to be accommodating such changes in a flexible yet robust way, according to Jonathan Rogers, a partner in law firm Taylor Wessing.

He will discuss how the automotive sector can use differentiation and specialisation at key points along the customer journey to steer insurance providers and brokers to formulate their services in an agile way.

Part of that includes compliance, and Rogers suggests it is easier to tweak aspects of a business to fit the latest requirements than operate with the regulator looking over your shoulder.

New retail formats will work for customers and take unnecessary risk out of the system.

The Financial Conduct Authority (FCA) is due to consider the proposed transfer of remaining provisions of the Consumer Credit Act 1974 by 2019. In this session, Russell Kelsall, partner, TLT Solicitors, will provide his thoughts on the possible rules and guidelines surrounding the regulation which will appear in the Consumer Credit Sourcebook (known as CONC) as well as the practical impact and how dealers can begin to prepare for its arrival.

Also at stand 46

Car Care Plan
An AmTrust Financial Company

Legal advice clinic

law data

Motor retail law firm Lawdata will hold free and confidential advice clinics on stand 22. Dealers requiring advice should book as soon as possible for the consultations with Graham Jones, Lawdata's director of legal services.

He expects questions on compliance, warranty requirements, employment law and trading standards. In particular, he is ready to respond to queries on the Consumer Rights Act, which came into effect a year ago.

"Some of the most likely topics which we expect to be raised include handling customers who demand their money back and employment-related problems," said Jones.

"Like many retailers, dealers are often quick to hand money back or make a gesture of recompense when faced with an angry customer even though it's not always necessary and the law could well be on their side.

"Giving money back when it's demanded is not the only answer. We regularly see retailers being inclined to take this course of action because they fear they will find themselves in deep, murky, expensive, legal waters when often this will not be the case. Each issue needs to be looked at in the context of its unique set of circumstances against the backdrop of the law, including the new enhanced Consumer Rights Act.

"Dealers need access to accurate legal advice in order to deal with consumers who are often convinced they are in possession 'of their legal rights'."

Appointment slots can be booked on the day, but the legal clinic is likely to be busy, so dealers with specific issues should book early. If the issue can't wait or to send over any papers to be reviewed in advance, dealers can call the helpline on 01767 310 000.

See us at stand 22

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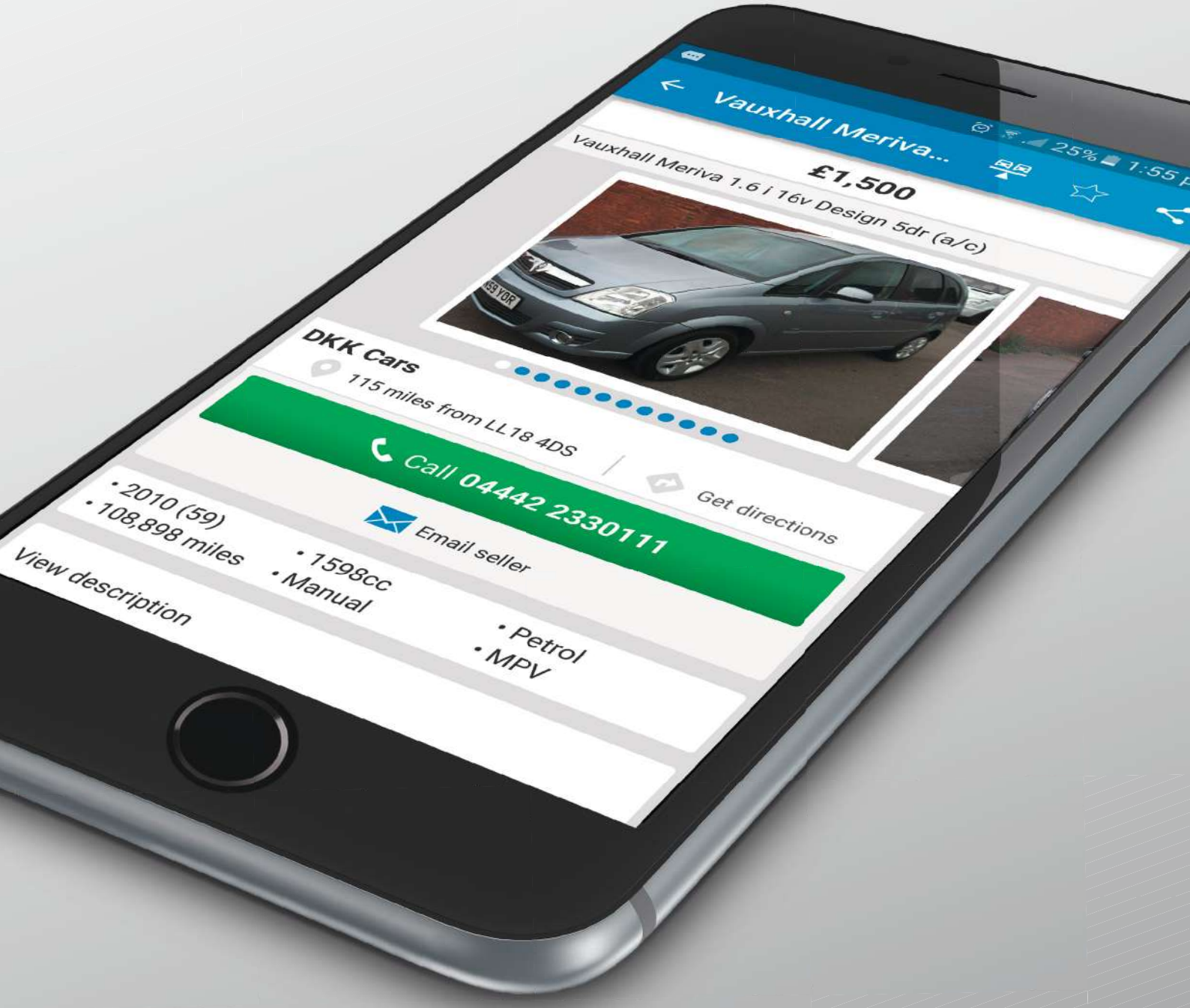

*Applicable for Independent Auto Trader car and van packages. Your Bargain stock level is dependent on your contract. Please contact your account manager for more information.

Exhibitors

AA Garage Guide's online platform helps motorists search for and book MOTs, servicing and repairs at their best local dealership or independent garage.

The guide ranks dealerships and garages by the quality of their service, not by price. It supports dealerships and garages by championing professionalism, encouraging customer loyalty, increasing customer retention and driving new business leads.

STAND 45

Dealer profitability specialist ASE will showcase Auto Alert, its data-mining and sales opportunities platform , which the company says helps dealerships to identify high-quality leads, increase gross margin, and improve customer retention.

STAND 92

Directly authorised by the Financial Conduct Authority (FCA), Automotive Compliance has acted since 2008 as a principal firm for an appointed representative (AR) network within the motor retail industry, allowing retailers to sell general insurance, and more recently, consumer credit, without the requirement of being directly authorised by the FCA. It also works with directly authorised dealers, in supplying showroom processes and e-learning.

STAND 124

AutosOnShow has extended its dealer video imagery specialism. Its portfolio of products and services include an inspection application, an image repurposing service and an AutoComms system, which creates time-sensitive interactive video content.

Its partners include Volvo Car UK, Cambria Automobiles, AA Inspection Services and Motorclean.

STAND 98

Online marketing business AutoVolo.co.uk launched in August 2015 and says it already has more than 190,000 cars available from more than 4,000 dealers.

Its service includes a dealer dashboard to monitor activity, advert views and leads and also get call recordings of all enquiries.

STAND 112

Autoweb Design will launch the latest version of Unity17.0, its automotive web platform designed to give a website the best chance of turning visitors into customers, at the show.

Delegates will be able to claim free search engine optimisation (SEO) and pay-per-click (PPC) audits as well as talk to Autoweb Design's expert digital marketers on the stand about how it can improve and promote their brand's presence and products online.

STAND 66

BCA sells more than a million vehicles a year across Europe, through physical and digital channels, and will share its insight into the used car market and demonstrate the services it can provide to dealers.

As well as BCA Live Online and e-Auctions, BCA's Appraisal and Autograde systems have been designed to ensure vehicles are accurately described and graded, with BCA Assured powered by the AA - to build buyer confidence. BCA also provides a range of specialist services, including inventory and de-fleet management, logistics, buyer finance, dealer systems and remarketing partnerships.

STAND 50

Visitors to buyacar's stand can enjoy a free cappuccino or americano while they hear about how Buyacar partners are gaining incremental sales from customers nationwide, without the usual risks of distance selling.

Buyacar delivers deposit-paid sales for cars and vans, delivering them to customers and taking responsibility for returns under distance-selling rules. The company has already delivered more than 12,500 cars, saving buyers an average £3,731.

It's free to list stock, so users can gain incremental sales nationwide with minimal effort and risk. The model also supports new car sales and can provide factory-order leads from customers who are ready to commit, having already specced their car.

STAND 33

Ensuring customers who do not buy on a first visit to a showroom are not lost has become increasingly important and Call It Automotive will demonstrate how it can help dealers with lead retention.

The contact centre solutions business was started in 2010 and works with manufacturers including Ford, Fiat, Renault and Suzuki.

Nick Reisinger, Call It Automotive's managing director, said: "Staff at dealers are often busy and can be unable to keep up with all the potential leads.

"In active showrooms where some customers are not yet at the stage where they are ready to buy, it can be easy for contact details to be lost or forgotten."

Call It Automotive's services include live chat fulfilment, finance renewals, lead management, lost sales recovery and aftersales re-activation.

STAND 114

Carwow will be in two places at the show, keeping visitors topped up with coffee in the *AM* Executive lounge and exhibiting in the main arena.

At its stand, members of the Carwow team will make use of the company's data insights to conduct short talks on what it can offer dealerships.

Once potential buyers have configured their car at a set price, dealers receive pre-qualified leads, which Carwow said cuts out tyre-kickers or time wasters. There are no upfront payments and no contracts, only a flat fee to pay per sale.

Carwow will tell delegates that dealers using their service can increase their revenues, reduce their marketing spend and speed up stock turnover.

STAND 10

If you are thinking of refurbishing or expanding your business, or have concerns that your showroom doesn't meet current dealer standards, then CBW Design invites you to drop by for a free one-hour consultation session, including a feasibility scheme based on your individual design brief. Spaces are limited.

CBW Design is a family-run architectural consultancy based in the Midlands that specialises in

automotive dealership design and offers a design and project management service nationwide. Its team has more than 30 years' experience and a record of delivering projects on time and on budget.

STAND 16

As well as providing live product demonstrations of its existing products, Codeweavers will also offer visitors a sneak preview of those in the pipeline.

Recent research suggested that the wider retail sector could generate an additional £7.8 billion in sales this year by creating a more mobile-friendly experience. Codeweavers sales director Shaun Harris, who will be attending the event, believes motor retailers can take a share of those extra sales, but there is still scope for significant improvement.

Codeweavers provides car payment calculators, lead generation tools, quoting and lead management systems.

STAND 78

Cox Automotive has launched its Modix and Xtime brands in the UK automotive retail market.

Modix provides manufacturers and dealers with tools, data and services to help them market their cars and their business to customers, using digital solutions customised around customers' businesses.

Xtime is an integrated retention solution, based around ensuring excellent customer service. It helps dealerships and manufacturers to maximise their profitability through "better retention, deeper brand loyalty and increased customer spend".

STAND 90

Many dealers are looking to replace their dealership management systems with more economic, better-integrated solutions.

At the Dealer Management Services (DMS) stand, visitors can learn about Navigator, which is already running in hundreds of UK sites.

Navigator integrates all business functions – including databases, actions, sales, aftersales and customers – into one system and Dealer Management Services handles all the data migration required to make it work.

DMS said users do not pay for upgrades – the lifetime price is fixed from day one and every user always uses only the latest version of the system.

STAND 122

Drive Development believes effective leadership, management development, successful change management, succession planning and skills development are vital for success. Founded in 2013, the company provides learning and development services dedicated to making a difference to the automotive sector.

The Drive Development team will available on its stand to discuss the range of learning solutions and training courses it offers.

STAND 40

DSG Financial Services will take delegates on an interactive journey through finance at its stand.

Mark Gow, sales director, and Mark Lloyd, head of compliance, will talk visitors through how DSG can help to improve finance penetration and performance and increase car sales for its partners.

The Stockport-based company has been providing bespoke motor finance options to major dealers since it was established 28 years ago.

STAND 106

Dura's team will be on hand to showcase some of the tool storage, general storage and utility cabinets from its award-winning 600 series.

Dura specialises in creating automotive workshop furniture that improves efficiency, productivity and profitability. Its cabinets are used for a range of different functions including tool storage, waste management, oil, water and air delivery.

It plans each workshop with the precise requirements of service centre technicians in mind. It then manufactures every unit at its factory in Plymouth before shipping them to global customers including Aston Martin, Audi and Ferrari.

See Dura's supplier showcase on page 80.

STAND 28

The EDT Automotive team will showcase the new second generations of both its auto-transmission and engine decontamination machines, enabling attendees to experience the fuel-saving and emissions-busting technology for themselves.

EDT's managing director, David Holmes, and operations director, Gary Rowney, will give away free product demonstrations – worth £150 + VAT – to take place at the chosen delegate's premises.

Holmes said: "Events such as Automotive Management Live are the ideal opportunity to give visitors 'hands-on' experience of our state-of-the-art, fully automated engine and auto transmission cleaning technology."

STAND 34

Too many dealers are not making the most of the service plan opportunity, according to EMaC.

The core role of an effective service plan programme is to enhance customer retention – it is a long-term strategy, which, when executed well, can deliver lifetime value to a dealership.

The company said 60% of car-buyers with a service plan return to their dealer for servicing work. Without a service plan, this falls to 20%.

Research by JD Power showed service plans can also drive sales retention to as much as 60% compared to between 22% - 40% without a plan.

Visitors to the show can learn from EMaC's team about its 15x15x15 programme, designed to help customers achieve service plan penetration for new sales of more than 70% and used service plan penetration at least 40%.

STAND 116

Two brands from Friday Media Group will be represented – recruitment site InAutomotive and web design specialist Spidersnet.

Having a strong online presence has never been more important for a car dealer.

Spidersnet is an award-winning web design service, which was founded by a former car dealer. It provides websites for the motor trade that are mobile-responsive and search engine optimised.

For dealers looking to expand or enhance their teams, Friday Media Group will share the benefits of using InAutomotive, the UK's only job board solely dedicated to the automotive industry. There are more than 210,000 job-seekers on the site and its algorithm can connect jobs with the perfect candidates.

Visitors to the stand can also enter a prize draw to win a track day experience.

STAND 41

Visitors to the GardX stand will be treated to an exclusive pre-launch demonstration of an "exciting new product" and be entered in a draw to win a pair of tickets to the British Touring Car Championships.

Gemma Heathcote, marketing manager, said: "We will be proudly showcasing our entire suite of GardX products – showing the audience that there is much more to GardX than just paint protection.

"We will also giving away some GardX goodies and offering people the chance to enter a competition to win a pair of BTCC tickets for the 2017 season."

GardX will be represented by its company

Come and see us at AM Live – stand 90

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directors, head of sales Amanda Massey, and members of its sales and marketing team.

STAND 136

DMS provider Gemini Systems is looking forward to forging links with a range of retailers at the event.

Martin MacIver, head of commercial, said: "We offer fully scalable DMS and business accelerator products that suit any franchised, non-franchised, authorised repairer and car supermarket.

"We therefore expect AM Live will offer us the perfect platform to meet existing and potentially new clients, to discuss how our products and services can support profitable growth."

On its stand, Gemini Systems will offer complimentary refreshments and demonstrate its new business accelerators, which it says enhance a dealership's performance and profitability.

STAND 80

Training provider GMD People will offer visitors advice on how to excel at people development.

Nigel Banister, director, said: "The industry faces many challenges and more needs to be done to promote people development to help employers in the sector retain their staff and attract successors."

GMD People has conducted a survey of managers in the automotive industry, and Banister said it will share its "headline results" at the event.

GMD is also co-sponsoring the Expres Café with Steele-Dixon, and two magnums of champagne can be won in its business card prize draw.

STAND EXPRESS CAFÉ

goviewit.net

Go View It will host interactive demonstrations and offer free trial periods of its products on its stand.

The dealership imaging expert's chief information officer Albert Naudé will be there to talk visitors through its services.

He said: "We will be exhibiting Autoview, our in-house imaging application, as well as Go Rental, our answer to damage annotation."

STAND 36

Hitachi Capital (UK) PLC
Motor Finance

Hitachi Capital's experts will offer an insight into how it achieves an 11% increase in dealer finance sales.

The finance provider has dropped the commonly used difference in charges (DIC) commission structure in favour of a simpler APR-based model and pioneered online applications to drive results for its clients. A spokesman said this, in conjunction with an ability to underwrite loans against the individual rather than the vehicle, means its retailers now earn an average £26,000 more, per site, per year.

STAND 128

Howes Percival, specialists in automotive law, will be throwing away the Highway Code and letting visitors loose behind the wheel... of a racing simulator. A prize will be awarded to whoever tops the leaderboard.

However, with a full complement of legal experts on hand, visitors can also explore Howes Percival's services and fixed price bespoke packages.

A spokesman said: "The team is looking forward to meeting new contacts and promoting Howes Percival as an industry leader in automotive law."

Automotive law specialists Paula Bailey, Gerald Couldrake, Simon deMaid, Edward Lee and director Hannah Steggles will be manning the stand.

STAND 120

InsureThat will explain how its new product can take the hard work out of selling insurance, without sacrificing additional revenue.

Ben Lillywhite, director of sales, said: "Our programme leaves dealership team members with more time on the showroom floor with the customer, doing what they do best.

"It's proved incredibly popular in the market, and has shown dealers and dealer groups nationwide that there's a much easier way to increase penetration and generate revenue from compliant and complementary ancillary insurance products."

STAND 2

Diamondbrite
AUTOMOTIVE

A mud-splattered Volkswagen Golf R will make Diamondbrite's stand easy to spot as it shows off the capabilities of its products.

Lance Boseley, sales and marketing manager, said he and other members of the Diamondbrite team were looking forward to make new contacts and discuss best practise issues with visitors.

Ian Rigby, Diamondbrite's national business development manager, Steve Gretton, business development manager, David Beney, business development manager, and Eleanor Peake, customer service specialist, will man the stand. Visitors can also enter a draw to win a weekend at the British Grand Prix.

STAND 104

Customer contact specialist Moneypenny will share a slice of life in its new headquarters (complete with its own village pub and an indoor treehouse) at its 'living room'-style stand.

Jo McKeown, business development manager, and Stephanie Vaughn-Jones, channel manager will offer insight and literature on Moneypenny's range of available services.

The warm welcome will be accompanied by the giveaway of foot-warming Moneypenny socks and the chance to win a case of wine.

STAND 24

Insurance specialist Premia Solutions will demonstrate purpose-built dealer administration systems on its stand.

A team of dealer development managers will be on hand to guide visitors through its range of GAP, SMART, and wheel protection insurances as well as a range of paint protection solutions.

STAND 130

'Are you gambling with FCA regulations?'– that is the question Product Partnerships will pose as it offers visitors the chance to win an iPad by playing roulette.

It will demonstrate its online compliance system, which allows retailers to track and record their sales actions to demonstrate compliance.

The stand will be manned by Nigel Wray, managing director, and Tim Whaley, sales director.

STAND 5

Quid Car Ads
Why Pay More, More .co.uk

Kuljit Dhesi, the owner of used car online advertising portal Quid Car Ads, is making visitors to his stand an offer that may be hard to resist: "I will be promoting two years' free advertising on our portal to all car dealers who attend."

Quid Car Ads charges £1 for eight weeks on the site to sell a used car. Retailers can register a My Showroom personal account to receive free email alerts related to chosen car searches.

STAND 7

Dealers concerned about the threat of a cyber-attack should visit RDS Global. Lee Webster, sales

director, said: "We'll be highlighting the risks and implications involved in cyber-attacks on dealerships."

RDS will demonstrate how it can consolidate all IT within a dealership environment – everything from DMS, networks, CCTV and door access control to telecoms and cloud technology – while offering consultancy and ongoing support.

It will offer one lucky visitor a free Cyber Audit.

STAND 126

Streamlined sales training will be the topic of the day on the Reef Business Systems stand.

The company has grown through the provision of systems that have streamlined the sales processes at *AM*100 dealer groups including JCT600, Reg Vardy and Perrys.

Owners Garry Cuthbert and Jamie Pearson will be at Reef's stand to share advice on its in-depth knowledge of "disciplined sales process and management control".

Visitors will also be able to sample Reef CRM and sales transaction software.

STAND 100

Reynolds & Reynolds will demonstrate its DMS systems as it wants to send stand visitors away with a "head full of ideas" rather than a selection of free gifts.

A spokesman said: "We can't wait to show first-hand how the Retail Management System (RMS) can help dealerships manage the customer relationship journey in the most effective way possible.

"RMS incorporates Contact Advantage, a showroom system which allows dealers to manage the entire sales process from start to finish, and integrated advanced telephony identifying who's calling before answering the call."

Adele Feeney, managing director, will be accompanied by members of the sales team at the event.

STAND 72

Rhino Events will showcase a number of 'closed showroom events solutions' for dealers on its stand. Lee Higgins, managing director, said it will be the first time the business has taken part in such an event.

"Having visited NADA in the States over the past five years, we figured it might be the beginning of something special here in the UK and wanted to be part of the very first one."

Higgins said he was "very excited" to unveil its "RhinoAdi" (automotive data intelligence) system.

RhinoAdi allows the business to take a dealership's customer database and provide the dealer a free comprehensive report on the condition of their data.

STAND 62

Workshop efficiency is the top priority of hardware specialist Rotary Lift.

The Essex-based firm will showcase its wide range of vehicle lifts through graphic stand displays.

Ian Gibbs, sales manager, will be joined by Gary Shepherd, managing director, at the event.

STAND 108

SalesMaster will demonstrate its SalesMaster Stockbook software, which it says combines and processes new and used stock, by taking data from a dealer's factory and dealer systems to offer consumers real-time stock information.

All dealers who visit SalesMaster will be offered an online sign-up for the Stockbook demo environment to allow them to see the benefits of the system.

Managing director Chris Stott, R&D director James Buchanan, sales manager Howard Cox, account manager Daniel Latham and onboarding manager Mandy Lock will be manning the stand.

STAND 118

Recruitment company Steele-Dixon's managing director, Ed Steele, and operations director, Keri Steele, look forward to talking to attendees about how they can help them find the right people for the right jobs, cost-effectively and to realistic timescales.

Steele-Dixon is partnering with GMD People to sponsor the Express Café. On each bistro table, a joint poll will ask attendees three questions relating to people in automotive retail. Visitors who put their business card into a draw will have a chance of winning one of two magnum bottles of champagne.

STAND EXPRESS CAFÉ

Matthew Kroll, managing director, Kevin Richards, business development manager, and implementation consultants Verity Graley and Gareth Taylor will be on the stand to show how Titan DMS could help save time through improved processes in service, workshop loading, vehicle showroom, CRM, parts and its fully integrated accounts module.

They will also demonstrate Titan's new dealer analytics application, designed to give dealers the ability to see how the business is performing.

STAND 26

Total will update visitors on product developments and services designed to boost dealership profits.

Lee Evans, automotive sales manager, Kevin Yeadon, UK automotive OEM manager, and Chris Wall, marketing manager, will be on the stand to discuss its lubricant and AdBlue products, alongside representatives from Total's regional business management teams.

There will be a host of Total goodies available on the stand, including power banks for smartphones or tablet PCs, and visitors can compete for the best lap time on a Red Bull F1 simulator.

Total will also hold a grand prize draw on its nearby car showcase stand, which will be occupied by an Infiniti Red Bull Racing F1 car and an Aston Martin GTE.

STAND 110

Dealers cannot afford to fall foul of the Financial Conduct Authority (FCA), but it can be challenging to maintain the controls and checks required to prove compliance. TRACS was established in April 2014 to offer membership of a general insurance appointed representative (AR) network. It is now diversifying its services and retailing the FCA Tracker compliance software provided by its sister company, FISC. Other developments include its launch of 'hybrid-AR' service to directly authorised businesses.

Simon Young, managing director, and Raj Singh Javanda, national account manager, will be on the stand, which will also feature a business card draw to win a Christmas hamper.

STAND 42

WMG wants to help automotive brands take back control of their web traffic, by improving their search engine rankings and developing a robust website. WMG has a team of 120+ experts in SEO, content marketing, paid media and PR strategies.

Matthew Keeshan, head of business development, and Robin Morrill, senior consultant, will be among the staff on its stand. They aim to discover and understand visitors' business goals and explore how WMG can help them achieve these and improve margins.

STAND 6

ALSO EXHIBITING:

Movex stand 90
Consumer Credit Centre Stand 4
Dealer Auction stand 90
Infinity stand 56
iVendi stand 70
Manheim stand 90
Motors.co.uk stand 90
NextGear Capital stand 90
Perfect Channel stand 32
Reputation.co.uk stand 98
Shell stand 96
T Cards Direct stand 3
VE Interactive stand 94
YomDel stand 35

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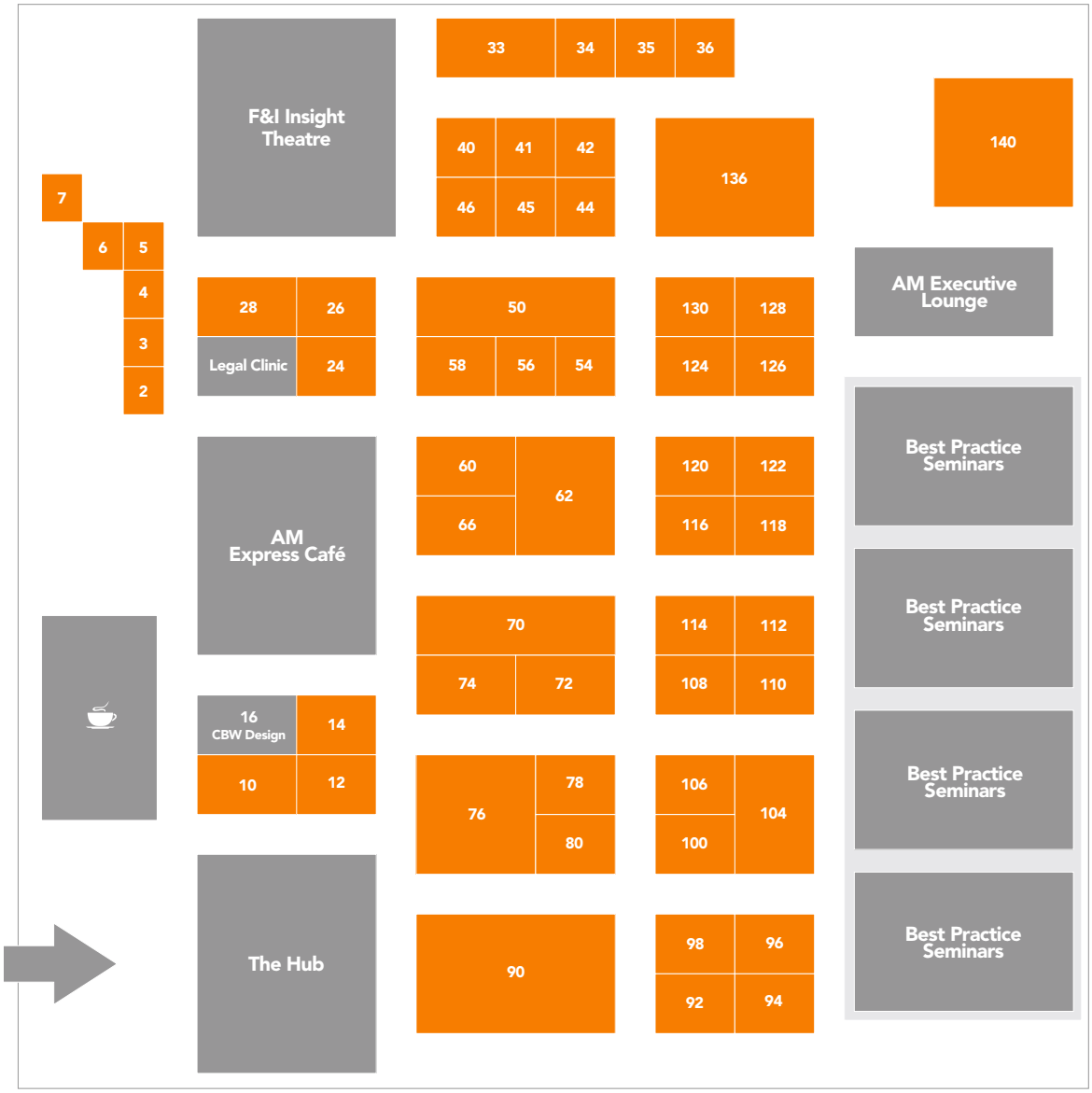

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Bringing balance to the Toyota brand

Paul Van der Burgh is not chasing volume, but quality – in a broader product range, more profitable dealers and better service

NEED TO KNOW

- Toyota GB expects car registrations to be flat in 2016
- Brand is keeping an eye on exchange rate pressures
- New service ethos based on Japanese hospitality

By Tim Rose

Balance and harmony mean a lot to the senior management at Toyota GB. Balance because the dealer network is finally getting a broader range of products, which bring new sales opportunities after years focused on core models. And harmony because the brand has endured more than its fair share of recent upsets – a fragile economic recovery, the 2011 Japanese tsunami and global recalls that knocked its reputation.

That balance replaces the all-out volume ambition of some other national sales companies – after 18 months in the role, **Toyota GB president Paul Van der Burgh** makes no claims for UK market domination, no insistence that dealers will double their sales volume by 2020.

What Van der Burgh does talk about at length is quality – of products, of business done, and of customer experience. Toyota's leaders believe these are the aspects with which it can build its business.

This comes after Toyota's 2015 new car registrations, which nudged 100,000, a level the brand has not achieved since 2009. Despite that achievement, Van der Burgh is not aiming to beat it this year – he expects the brand to end 2016 flat in new cars, and down in LCVs due to the late arrival of the new Proace and HiLux.

"Toyota's ambition is 5% share. We're not buying share, though. We're at 4% now and once we have the C-HR crossover (due in early 2017 - see page 83) that will get us to our ambition quite quickly, because the segment is growing strongly," he said.

One potential fly in the ointment is the private new car market, which has been in decline since April.

Van der Burgh said Toyota tends to be more retail-focused than fleet. This is borne out by SMMT data showing a 55/45% retail/fleet split in 2015 and 52.7%/47.3% for the year to September 30. However, it also shows that there is more corporate demand at the moment than private demand.

"We don't chase volume at any cost, we compete in the fleet market and have corporate customers who are very important to us, but we don't chase volume with high discount fleet. It's profit before volume, making sure the business is commercially viable," said Van der Burgh.

How currency fluctuations affect Toyota

Toyota Motor Corporation expects global profits to drop for the first time in five years due to the strong yen. Van der Burgh said the yen being seen as a safe haven currency means the euro and dollar have dropped, which has a profit impact. At least 70% of Toyotas sold in the UK are manufactured in Europe – the Yaris in Valencia and the Aygo in the Czech Republic.

Toyota's UK business does have the benefit of UK manufacturing "which provides a natural hedge," he said. About 74% of its Burnaston plant's production of Auris and Avensis is exported and much of Deeside's engine production goes to its assembly lines in Turkey.

He does keep a keen eye on currency exchange: "There is that exposure and it's a consideration that undoubtedly makes the business more challenging."

Van der Burgh said at the moment "it was very much business as usual" and that Toyota still had affordable propositions: "Our consumer offers are as strong as they have been."

However, he added: "There are longer-term considerations if the currency situation stays as it is. We've kept things stable, we will take a look as we move forward."

A competitive network 'is a priority for us'

"We're a small brand in the UK market, so to provide our network with the right competitive proposition is a priority for us," said Van der Burgh.

The network is healthy. Average return on sales (RoS) was 1.46% at the end of 2015 (better than the all-network average of 1.22%, according to ASE), with the top half above 2% RoS, he said. Van der Burgh would like the network average to match that.

"We're trying to ensure retailers get a good return and can continue investing in facilities and people, and we have to recognise that requires a good return. We're on the right trajectory," he said.

There have been a number of disposals and acquisitions in the group in the past few years, but the total number of franchised outlets has remained stable at 179-180, according to AMi data.

Paul Van der Burgh, Toyota GB president and MD: 'We don't chase volume at any cost'

> "We're not content with where we are – ever. No matter how many awards we pick up, we still think there's always ways to do better"
>
> **Paul Van der Burgh, Toyota GB**

Vantage Motor Group, Motorline and Steven Eagell Group have all been buying up Toyota businesses over the past three years and are vying for the largest partnerships with the brand.

Van der Burgh said these acquisitions were driven by ambitious retailers, not a Toyota strategy to reduce the number of franchise partners. However, *AM* understands that some were funded by Toyota Financial Services, and when an existing franchisee is looking to sell, Toyota GB will direct them to the partners who are doing the best job for the brand.

Van der Burgh said the network's profile is balanced – 43% of the network have one to three sites, 30% have more than six, and the rest have three to six – a situation that arose "naturally". He said he believes the most effective dealerships tend to be those within small- and medium-sized groups that can focus more on the brand.

Van der Burgh said people are key: "It's not just the process behind the scenes, it's who you've got running it."

That buy-in is seen as critical if a Toyota dealership is to provide the right experience. Van der Burgh acknowledged that Toyota does not cover every market segment, but said it has fine products in the volume segments, where he claims Toyota exceeds its total industry share, so dealers must grasp the opportunity to impress.

'We're making [ourselves] easy for consumers to deal with'

"The service bit of our network, it is exceptional, they understand our way of wanting to provide an exceptional customer service. Hand in hand with the product, if you can offer that personalised service, that reassurance and confidence, then you have a very good combination, so I think our network is a massive asset to us in delivering that growth."

Toyota expects its franchisees to follow the Japanese philosophy of *omotenashi* (hospitality). For inspiration, it sends people to Japan periodically to understand the levels of service expected.

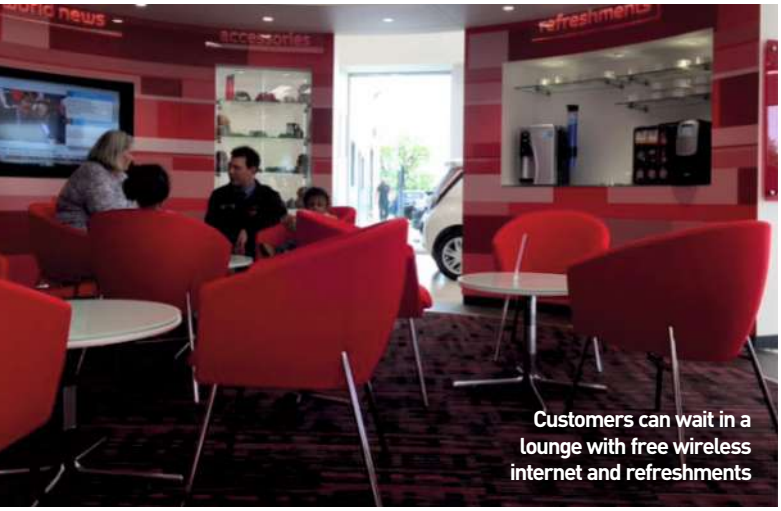
Of course, expectations change. Toyota's Consumer One division is looking at the customer journey and changing expectations, gathering insights and data, and shaping the way the carmaker will conduct its business in the future.

"We're making [ourselves] very easy for consumers to deal with, considering if they were creating the process, what would it look like?" said Van der Burgh.

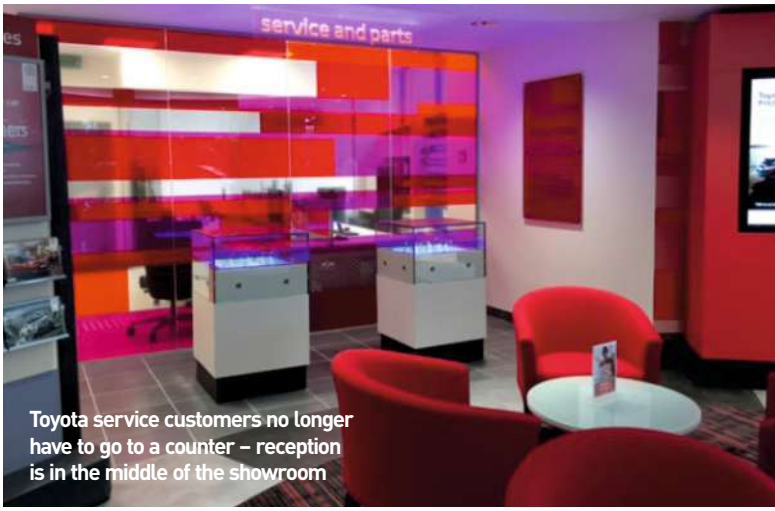
"We're not content with where we are – ever. No matter how many awards we pick up, we still think there's always ways to do better, we always look at examples of where people have had this great service philosophy in other industries and take inspiration from that."

Two years ago, Toyota GB created its BRIT, or Best Retailer In Town, awards. They stemmed from a question raised by Akio Toyoda: is it better to be the best in the world at what you do or the best in town.

The aim is to get dealers to aspire to be the best retailer, of any sector, in their town. It requires them to go out and look at other retailers in their towns, whether online or physical, to examine who does the best things, break down what they do and why, and implement the best practice in



Customers can wait in a lounge with free wireless internet and refreshments



Toyota service customers no longer have to go to a counter – reception is in the middle of the showroom

their business. That continues as a best practice-sharing initiative and is underpinned by a recognition and rewards programme, and a benchmarking programme against certain KPIs, broken down into financial, customer and people (staff). Examples of the measurements include sales penetration rather than volume achievement, and ROI. Van der Burgh said the initiative has moved the Toyota network forward.

In addition, three Toyota GB dealers – Hodgson of Newcastle, Burrows in Barnsley and Helensburgh Toyota in west Scotland – won its Ichiban European award for excellence in service last year.

Van der Burgh said the three things that stand out for the BRITS are genuine customer focus, people focus and 'reputation and reach', which is a combination of their participation in corporate social responsibility activities and their conquest marketing activity.

It needs to impress on the network that it cannot stand still. Consumers' expectations of good service have changed.

"It often doesn't mean rose petals and a chocolate on the pillow. Often, people's expectation of service is how well you are greeted, how quickly your needs are understood; if you want a technical explanation, can you get it; are you made to feel comfortable?"

Toyota's latest retail concept for service was created around this ethos. In the past, the service department would be at the back, with a long queue in the morning and nowhere to sit.

Customers no longer have to go to a counter. Service reception is in the middle of the showroom, where a host either looks after customers in a lounge with free wireless internet and refreshments, or can arrange lifts to take them where they need to go.

"It's catering for customers today and what they enjoy. It's understanding what makes a difference. Customers have changing expectations, and our job is to be the best in town and to deliver those as best we can," he said.

> "What our customers are telling us is that they expect that knowledge of them to be centralised so their service can be personalised, and to be quicker"
>
> **Paul Van Der Burgh, Toyota GB**

Recognising the importance of online in CRM, it has introduced My Toyota, where owners can log into the Toyota website, make service bookings and see the status of their finance plan.

"People's lives revolve around easy-to-interface technologies, and time slots, and what used to be a sales process in the middle into which the customer got squeezed, now the physical, digital and people experience is changing to be surrounding the customer. Those companies that are going to be successful are those that master that.

"We talk about [having a] single view of the customer. There are lots of interaction points, but in the past we've not connected them all. What our customers are telling us is that they expect that knowledge of them to be centralised so their service can be personalised, and to be quicker. That requires integration of information.

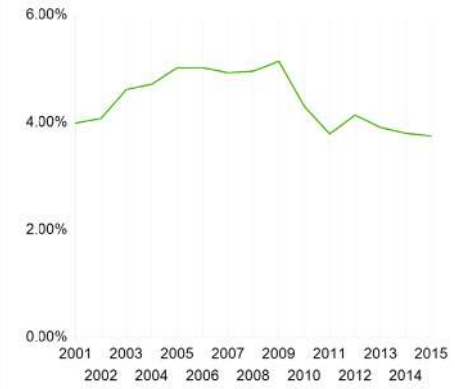
"[It is] a nice, simple way of getting sustained growth. If you know that you're always going to deliver wonderful experiences then the more people that enjoy that the more successful you will be, because people will recommend you. Recommendation is much stronger than any survey. That's the genuine advocacy that we feel is really positive."

Customers' ratings are shown on dealers' webpages, and dealers' bonuses are linked to the number of five-star ratings from customers on their website.

Van der Burgh said the change was made because if dealers don't get that strong rating, the customers are not going to follow. "The key measure is would you recommend us, rather than are you satisfied. It's not about processes and steps, it's about mindset," he said.

"Processes sometimes restrict. It's that genuine desire to serve that sets you apart."

MARKET SHARE



NFDA FRANCHISE RATING

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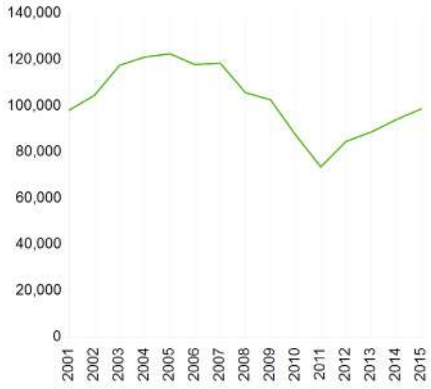

KEY TOYOTA MODELS

AYGO

Built on a platform shared with the Peugeot 108 and Citroen C1, the Aygo is priced from £8,495 and attracted 13,913 retail orders in 2015, making it the second most in-demand Toyota. In the same year, it attracted 10,626 fleet orders.

YARIS

The B-segment Yaris is Toyota's most popular model, accounting for one in three of its car registrations and 44% of its retail sales in 2015. Petrol and hybrid versions are available.

AURIS

In a C-segment dominated by Ford, Volkswagen, and Vauxhall, Auris registrations topped 20,000 in 2015, of which 8,856 were in retail.

PRIUS

The hybrid-only Prius is most popular among business buyers, including Uber drivers and minicab operators in London (certain models are exempt from the congestion charge). 2015 registrations were 2,853 in fleet and 778 in retail.

RAV4

Toyota's SUV brand has existed since 1994. Now in its fourth generation, it offers a low CO_2 hybrid powertrain as well as traditional petrol and diesel variants. Demand is well balanced between retail and fleet sectors.

GT86

This is the car that tries to sex up Toyota's image and rekindle some of the spark lost since the Supra, Celica and MR2 era. The £25,495 2+2 seat sports coupe is no mass-appeal model and registrations in 2015 totalled 468 in retail and 307 in fleet.

C-HR

Due to launch at the end of this year, the C-HR crossover takes Toyota into the rapidly growing C-segment SUV market from a £20,995 price point.

ADVERTISING FEATURE

WHY YOU NEED TO INNOVATE IN THE SHOWROOM

By James Tew, director, iVendi

For many dealers, the technology to choose and finance a car is far superior on their website than it is in their showroom. Which raises the question, why?

At iVendi, we believe dealers need to ensure they are innovating on their premises at the same rate as the changes being seen online.

When they do not, the result is a disjointed sales process where, for example, a customer may be able to look in detail at finance products online, but not have access to the same kind of facility when they set foot in the showroom.

One of the key understandings to have emerged over the past year, when it comes to online car sales, is that there are very few purely online or purely analogue customers. Almost everyone jumps between the two channels and, when they do, they expect to do so easily.

A customer who has started to run through a dealer's motor finance options on their smartphone on the train to work will not understand why they have to make an appointment to see their finance specialist if they pop into the dealership to close the deal.

> "There are very few purely online or purely analogue customers. Almost everyone jumps between the two"

The most obvious solution to this is to turn online dealer services inwards, making them available on a self-service basis in the showroom. We believe this will become one of the major dealer trends of the next year. Customers generally come to the dealership to look at the cars they would like to buy in the metal, or to close the deal. They do not necessarily want to go through a traditional salesperson-centred showroom process.

We have made self-service micro-comparators sites available in a number of dealerships and they are proving successful. Customers who are used to buying insurance online are more than happy to buy their motor finance in the same way.

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A big turnout of buyers attended the opening event

The newly opened purpose-built site at Perry Barr enables BCA to extend its physical and digital remarketing offering, delivering a range of de-fleet, inspection, preparation, refurbishment, appraisal post-valet and logistics services.

As always, BCA sets the standard for remarketing centre facilities and Perry Barr is no exception. The 20-acre centre is located between Junctions 6 and 7 of the M6, a superb centralised location offering exceptional access from all points.

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- Restaurant and Barista kiosk
- Business suite
- Full range of buyer services available from the customer concourse

The unique Digital suite will stage a range of online and e-Auctions

Digital displays throughout the centre keep buyers informed of sales activity and the specialist digital suite will stage online and e-Auctions.

BCA Birmingham - Perry Barr offers a full range of BCA's services, including de-fleet and storage, valeting and preparation bays, inspection and BCA Assured, appraisal post-valet and imaging suite, with full logistics capability, and is the 24th centre in BCA's UK network.

BCA Auction Services offers a range of pre-sale preparation services

The customer concourse offers a range of buyer services

BCA Birmingham – Perry Barr represents the gold standard in remarketing centre design

MEET THE PERRY BARR TEAM

BCA has appointed an experienced cornerstone management team to drive the sales programme at the new Birmingham – Perry Barr centre.

Dominic Burr, **General Manager**, for the new facility will be responsible for managing the day-to-day operation, developing a remarketing programme to complement BCA's existing sales calendar and also recruiting and developing the team.

Dominic, who has been with the company since 2002, is supported by **Tom Mannion** as **Operations Manager**, **Tina Harper** as **Sales Manager**, **Riarna Sharma** as **Business Administration Manager**, **Emma Webb** as **Transport Manager** and **Louise Jacobs** as **Yard Manager**.

In all the cornerstone team boast over 50 years' experience.

Around 200 jobs will be created at the centre, ranging from technical, operational and administrative roles, to inspectors and vehicle preparation staff.

The first car sold at BCA Birmingham - Perry Barr, this MINI realised £6,800

ART AUCTION FACILITY FOR BCA

GOLD STANDARD IN REMARKETING CENTRE DESIGN

BCA Birmingham – Perry Barr is up and running: BCA MD Stuart Pearson, Corporate Account Manager Alan Gupwell, COO Simon Henstock, Regional Operations Director Robin Wilde and General Manager Dominic Burr

Stuart Pearson, Managing Director UK Remarketing commented "As BCA is handling growing volumes of stock from both our existing customers along with new business wins, we are investing in our physical footprint, logistics, technology and process to deliver a comprehensive nationwide remarketing service across 24 locations and the digital space."

He added "BCA Birmingham – Perry Barr represents the current gold standard in remarketing centre design, utilising the latest technology to deliver a first class physical and digital sales programme, fully supported by our logistics and technical services capability that will ensure we meet the needs of all our customers."

The undercover viewing area features plenty of natural light

Back-to-back auction lanes at Perry Barr

EXCITING SALES PROGRAMME

The opening sales programme featured a number of premium events offering a wide range of attractive stock for buyers.

The very first sales included the grand opening event on 13th October featuring 750 vehicles offered across three lanes with stock from BMW Group and Alphabet.

A huge turnout of buyers attended on the day, greeted by a string quartet in the customer concourse. Every vehicle on offer sold as buyers competed both in the lanes and via BCA Live Online for the superb selection of cars on offer.

This opening sale was followed by an Audi Select Sale on 19th October and a VWFS Signature Sale on 21st October.

Craig Purvey, BCA Chief Commercial Officer commented "Perry Barr is a state-of-the-art remarketing facility that will be staging a number of premium sales events offering an exceptionally desirable selection of stock over the coming months."

BCA BIRMINGHAM - PERRY BARR CONTACT DETAILS

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The perception problem with VW's total recall

By Professor Jim Saker

How and why people behave as they do has been a rich vein of academic research over many years.

People from different walks of life and cultures can view the same object, situation or brand in completely different ways. It is one of the things that makes consumer behaviour so difficult to predict. We often make the mistake of bringing with us our own prejudices and perceptions and then try to impose them on others. Just because we perceive things in a particular way does not mean others will perceive them in the same light.

It has always fascinated me that the Chinese students I meet view Clarks Shoes as a luxury brand. For me, Clarks was known for its school shoes, but it was never really regarded as high fashion. However, to the vast majority of Chinese visitors I have encountered it is viewed as a very desirable brand for all ages.

This also applies to us and our industry. The general public views the motor retail sector from one perspective, those of us operating within it from another. One of the major problems is that those who work in the industry and sell cars very rarely actually buy one from them, so don't see the process from a customer's perspective.

At times, one of the most dangerous perceptions is how politicians see our sector. The Volkswagen dieselgate scandal has placed the industry even higher on the political agenda and as a result it appears to have reinforced a negative perception held by some MPs.

VW has carried out just 10% of its dieselgate fixes

As reported earlier in this magazine, there is an ongoing political discussion on how VW is progressing in completing the fixes on the 8.5 million vehicles affected by the defeat device software it installed. It had originally planned to carry out all the work by the end of 2016, but at the time of writing, only about 10% had been carried out.

This has prompted comments from both Europe and Westminster. The European Commissioner for Justice and Consumers, Věra Jourová, wants VW to set an end date for all the repairs to be completed.

In the UK, Louise Ellman, MP, who chairs the transport select committee, described the manufacturer's effort as "simply unacceptable". She said: "One year on from the Volkswagen emissions scandal, nine out of 10 drivers are still waiting for their car to be recalled. Time and time again, VW's schedule has slipped. This is simply unacceptable when Paul Willis, VW UK's managing director, promised the transport committee that VW drivers could expect to have their cars fixed by the end of the year."

Basically, her negative perception is that VW is not moving fast enough and, as a result, UK consumers are suffering.

However, having spoken to a half-dozen Volkswagen dealers and customers, their perception is somewhat different.

Some customers are concerned that any fix may affect the performance of their car, with which they are quite happy. There is no incentive for the customer to go to the inconvenience of taking their car in to have a fix undertaken when they are very happy with the car as it is.

As more than 85% of new cars are bought on PCPs with a guaranteed final value, a lot of customers feel no reason to have the work done. One dealer said a number of their customers had had work done on their cars, but have insisted that they don't want the emission adjustments made. From the customer's perspective, many are simply asking 'why bother?'

The emission scandal doesn't affect the safety of the car and in a couple of years the customers will trade in or out of the franchise, depending on how they feel at the time. Dealers cannot force people to come in and have the work done, neither can the manufacturer, or in this case the EU or the British Government. Just because there is outrage among the political elite does not necessarily mean that it is felt by the man on the street. At the moment, it appears VW drivers don't see any urgency.

VW did something badly wrong

Although VW did something badly wrong and has admitted it, putting it right is not totally within its control. It is its customer base that will dictate the speed of any fix. VW can send out letters, but unless there is seen to be a benefit for the customer it is unlikely to happen at any great pace.

As was seen with the Brexit vote, it is easy for politicians to misread the view of the British public, especially if they feel they are being told what to do by Brussels. Politicians can rant and rave, but unless they understand consumer behaviour they are likely to be ignored, as are any letters from Volkswagen.

> "Although VW did something badly wrong and admitted it, putting it right is not totally within its control. It is its customer base that will dictate the speed of any fix"

Professor Jim Saker is director of the Centre for Automotive Management at Loughborough University's Business School and an *AM* Awards judge. He has been involved in the automotive industry for more than 20 years.

"Put the customer in control of knowledge-gathering"

A better understanding of how and why car consumers buy is essential to franchised dealers' success online, delegates at *AM*'s latest Digital Dealer conference were told

By Tim Rose, Jeremy Bennett and Debbie Kirlew

The car-buying process has successfully been "turned on its head" through allowing the customer to take control and through streamlining a sales process that has changed little since the motor car was invented more than 100 years ago, delegates at *AM's* latest Digital Dealer conference heard.

Simon Dixon founded **Rockar,** the motor retailer specialising in shopping centre stores, using experience he gained launching digital dealer Jamjar in 2000. However, he also drew on the eight years he spent as a dealer customer after selling the business in 2004, an experience that "horrified" him.

"I saw that the gap between what was happening digitally in the rest of retail and in the car business was getting wider and wider," he said.

Dixon's response was to create Rockar: "I couldn't just change a small part of the traditional business model. I had to reinvent it."

Within three weeks of opening its first store, Rockar was the largest Hyundai dealer in the country by retail sales and it is still consistently in the top three. The store at Bluewater Shopping Centre has had 266,000 people visit since opening in November 2014 and its Westfield branch has had 197,000 since December 2015.

The rest of the Hyundai network of 158 dealers, Dixon said, see up to 155,000 customers in a year. A total of 421,000 customer journeys through the sales process have been recorded in the two stores. Some 52 million people have walked past the two stores, "the equivalent of one TV advert played over and over again".

He said the underlying factor in Rockar's success was empowering the customer. Car retailing, Dixon believes, is currently focused on the dealer having control.

"At the heart of what we needed to do was reverse this dynamic – put the customer in control of knowledge-gathering."

There are three key areas where this has been enabled, he said. The first is technology. Dixon explained how the search process begins not with what car someone wants, but with a consumer's buying power, i.e. the deposit available or the preferred payment structure.

Technology brings price transparency. Rockar's prices are set at a senior level. Its IT system stores details of 2,400 Hyundai model variations and pricing information can be displayed for each for PCP, hire purchase or a cash price.

"There is no salesman going back and forth between a customer and the business manager," said Dixon.

Test drives can be booked in the same way as you can book a table at a restaurant, specific to date and time. Order tracking is also transparent – the customer can see their car's journey as easily as they can track an Amazon delivery.

The second element is the stores. Rockar cited statistics that said nearly 75% of customers under 30 will find a traditional dealership intimidating.

"The industry is building bigger dealerships, but fewer people are going to them. It was a no-brainer – we should put our stores where people are going, where they are comfortable and in a retail frame of mind," said Dixon.

To make them inviting, Rockar stores do not have a front door. When a customer comes in, the staff, known as angels, do not approach them, "so they move further into the shop". At the centre of each store is a digital hub, known as "the creation

Simon Dixon, founder of Rockar: 'Simplify your business and make it transparent'

> "The industry is building bigger dealerships, but fewer people are going to them. It was a no-brainer – we should put our stores where people are going"
>
> Simon Dixon, Rockar

zone", with tablets where a customer can go through the transaction process, with or without help.

Screens on the walls promote the car brand, present the proposition and display transparent prices.

Rockar presents the national average price first, "not-high deposit, low-mileage with the price going up from that point, which is the industry's typical approach".

The third element is Rockar's people. As prices are set centrally, traditional sales skills are not required.

"We choose our teams on personality, communication skills and retention of knowledge," said Dixon.

There are no targets in each store and none of the staff at this level know the business's financial objectives. Staff are measured on "angel engagements" or customer interactions. Angels introduce themselves, not by asking 'can I help you?', but 'how are you?'.

The continuous gathering of data means Dixon knows 30% of what models Rockar will sell the next week and even the day it will sell them, he said. Other snapshots he presented were: 58% of orders are from women; 60% of transactions are online outside the store and 48% are outside normal dealership opening hours.

Dixon said traditional dealers could learn from Rockar: "Simplify your business and make it transparent. Consider how many processes and how many people are involved when someone wants to buy a car? Then make pricing obvious, particularly transaction prices. Interrogate your website. There's likely to be an offer on your homepage. But does it take four or five clicks to get to the detail?"

Leo Nelson, marketing director at car supermarket group **CarShop,** echoed Dixon's call for

60%
of Rockar's transactions take place online, outside the store

48%
are outside normal dealership opening hours

IN BRIEF

WEB CONVERSION

Awareness, consideration, intent and decision are the four stages in the path to purchase that dealer group marketers need to consider when creating and enhancing their websites. Martin Dew, head of digital marketing at Autoweb, **said dealers must optimise for each stage. Websites are often too focused on one or two of those stages, and do not optimise areas of the website to move visitors well from one stage to another.**

The dealer website needs good calls to action and buttons to make it clear what the visitor needs to do, but the details on the website still need to convince them to do it.

Tactics to encourage the transitions include:

- **Pages enticing the visitor to look at its offers**
- **Pages to configure a new car and get a specific quote**
- **Tools entitled 'what is your car worth' rather than just 'part-exchanges'**
- **Details about the business and staff, which helps earn customers' trust**
- **A voucher that pops up after the visitor spends a certain period looking at a used car page.**

"Generally you'll want to show someone who has already been on the website or performed an action a different message the second time," Dew said.

FEATURE FINANCE

Almost two thirds (65%) of the top 200 dealer groups have "fully interactive finance offers on their websites" and the day when consumers "self-serve" funding solutions online is dawning, said James Tew, chief executive of iVendi.

"Dealers have now switched on to this," said Tew. "They recognise they can offer finance online and they are not going to lose money."

However, 35% of dealer groups still do not offer the facility despite consumers increasingly opting to search online by monthly payment. Figures from PwC show almost three quarters (74%) of buyers have arranged funding before visiting a showroom.

While online applications may be in their infancy – the first 'end-to-end' finance transaction was completed online in 2015 – and conversion rates are about 2%, Tew said it is a gradual upward trend.

He believes providing personalised online quotes to consumers and enabling them to "self-serve" the finance process also solves potential problems meeting FCA requirements. He predicts the creation of a secure self-service online car finance portal for consumers as the model evolves.

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IN BRIEF

BUILD TRUST

The motor retail industry has a trust issue, according to Auto Trader. Research found only 7% claimed to trust car dealers. Their most common descriptions of the car-buying journey were "interesting", "a necessity" and "time-consuming", although third in the list was "enjoyable".

Chris Penny, Auto Trader's franchise brand director, **said: "The perception is far, far worse than reality, which shows, as an industry, we're improving things. Pre-purchase, 43% [of consumers] think they will get pressured. Post-purchase, only 21% said they did. It's still far too high, but there is a difference between what they expect and what they actually get."**

The industry needs to work harder on changing those perceptions, including online, said Penny. Some consumers get turned off by a dealer because it is too hard to find the information they require, or the process is too stressful.

"Progressive digital retailers use that perception to steal consumers from under your noses just by doing things really well. Being just as good as everyone else in the industry is no longer acceptable," he said.

It also applies when they visit the showroom. They want simple things done well, as 71% of consumers turn up intending to test drive or buy that day.

"If you're not getting the fundamentals of retail correct, you can put all the 3D imagery into your business you want, but it won't make a blind bit of difference, because you're not creating trustworthiness and a sense of confidence," said Penny.

MARKET INSIGHTS

Allison Nau, head of data solutions at Cox Automotive, **revealed a new source of market insight aimed at enhancing a dealer's decision-making process.**

As parent of Manheim and Motors, Cox Automotive has put together insight based on information gathered from Manheim's auction data and Motors.co.uk's consumer activity that would, she said, enhance decision-making based on "intuition, intelligence, predictions and optimisation (maximising a particular objective given a set of constraints)" to run a dealer business more efficiently.

She said these four factors will be commonly used to answer questions Cox data seeks to answer for dealers: the deal you need to give a customer in order to sell a car, part-exchange values, how long should a car take to sell, what a vehicle is worth wholesale, what do I need to do to beat the competition?

> "One of the big challenges car retailers face is understanding how consumers are using our websites to facilitate a purchase"
>
> Leo Nelson, CarShop

simplification and better understanding of how consumers shop.

CarShop has been implementing digital technologies for several years, and wants the experiences on its website and in its stores to fuse together in a natural way.

Data and analytics help to drive decisions, and to respond to customer changes and market conditions, said Nelson.

For example, last year, the number of visits to CarShop's website from mobile devices outstripped those from desktop, so it has replaced its responsive website, built in 2013, with a new site designed to be mobile-first.

As part of its "evolve or die" ethos, CarShop asked its customers what they want from a website and analysed their behaviours when they are in the market. The analysis showed CarShop how the website was used, that speed of loading was important, and the investment was needed in imaging, turntables and features.

It takes CarShop about 12 minutes to take 100 photos of a car. Useful features enable visitors to save vehicles to a consideration list, or to return to previously viewed vehicles, and to view helpful videos explaining the services they can use online or in-store.

"One of the big challenges car retailers face is understanding how consumers are using our websites to facilitate a purchase. Unlike electronic goods or fashion, where the decision to purchase is followed quickly by the transaction on the website, we don't always have that luxury," he said. Nevertheless, CarShop does allow people to pay a deposit and have the car delivered.

RETAIL ONLINE

"Ease of transaction is very much a buzz phrase within BMW," said **Paul Kester, BMW Retail Online project manager at BMW Group.**

BMW Retail Online launched in November 2015 and achieves triple-digit new car sales every month, said Kester, all fulfilled through the dealer network. Via the website, a prospective buyer can configure their chosen car, be offered a similar one from stock or proceed with a factory order, get a guide price for their part-exchange, receive a finance approval from BMW Financial Services within 90 seconds and be passed on to their chosen dealer to convert the sale.

"What we want to be able to do is to move all of the touchpoints that retailers have day-to-day and potentially simulate them in duplicate within a digital world.

"That means as a customer if I'm happy to go in and do the majority of my transaction in the showroom as I have always done [I can], but if I would find it more comfortable to ask my laptop for a discount I can do that," said Kester.

Research has shown that 90% of women would not go into a BMW dealership without a man by their side, and the carmaker is not proud of that, particularly given forecasts that

by 2025, 60% of the world's wealth will be in women's hands.

"We're in the wrong place at this time, we need a quick transition with our retailers to understand the opportunities that exist. We believe online is one of those ways we need to change, to embrace new audiences."

Kester said consumers perceive more control online. Analysis of its first year in operation show online buyers are choosing a more expensive BMW in the first place, and are spending more on options.

He said Retail Online is not to replace physical dealerships. "The investment in showrooms at BMW is as important as it has ever been – customers need that as a comfort blanket to make sure they're making the right decision on their purchase."

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3D VISUALISATION

Three-dimensional visualisation of a car and real-time configuration is a way of winning back consumers' interest in the showroom experience, **Francois de Bodinat, chief marketing officer of software company ZeroLight,** told delegates.

There have been 15 million fewer visits to dealerships last year compared with the previous year. Of a survey of 4,000 new car buyers, only 17% said they had a good experience, said de Bodinat. The reasons consumers are choosing not to visit include the lack of confidence and the dealership being in the wrong location.

De Bodinat said one solution is the personalisation of products provided through digital visualisation.

"Every car can be different from the next in some way, so when you go to a dealership you want to see the car you aim to buy: the spec, the trim, the equipment, the wheels," he said. "But, typically a dealer will point to a car in the showroom or in brochure and tell you 'this is your car, only in a different colour, spec etc'."

However, a dealership with three-dimensional assets enables a customer to see exactly the car they want. The benefit to the dealer is that it does away with the requirement to stock sufficient numbers of cars to present the model range adequately – which in turn dictates the dealership's location.

"By moving the dealerships into shopping centres or downtown areas of a city, the chances of people seeing and then experiencing your brand will increase. You are where the people are."

De Bodinat gave examples of the impact of real time 3D visualisation.

At Audi City stores, customers choose and configure a car on a tablet, with an image that appears on a wall screen. The dealership has only two cars on display, but, via visualisation, customers can experience Audi's 70 models and millions of customisable variations.

The result has been a 70% increase in year-on-year sales and the average transaction price at Audi City in London is £8,000 higher than Audi centres elsewhere in the UK.

ONLINE REPUTATION

Online customer reviews have become a key influencer in buying decisions. But how well do you know the reputation your business has and are you in control of it?

The question was posed by **Charlie Roberts, enterprise business manager** at online reputation management company **Reputation.com.**

According to the *Harvard Business Review,* each star in a Google rating, up to a maximum of five, can mean a difference of 5%-9% in revenue.

Some 92% of internet users read product reviews, 89% of people say they influence their buying decisions and 79% trust online reviews as much as they do an appraisal made by word-of-mouth.

"Reputation drives revenue," Roberts said. "Reputation stands between your marketing spend and new customers."

Reviews are "front and centre" of searches and on social media, he said. For example, Inchcape Retail, a Reputation.com client, has 2,500 'points of presence' to manage, taking into account reputation measures for more than 120 locations on sites from Google and Facebook, to Yelp and Yell.com.

"You should address your reputation on all these sites, even where you only have one or two comments," said Roberts.

> "Reputation stands between your marketing spend and new customers"
>
> Charlie Roberts, Reputation.com

IN BRIEF

CARWOW

People buying a TV wouldn't expect to trek to three different stores to compare three different brands, but the new car industry still demands this, said Carwow sales director John Miele. **"People don't want that, they want everything in one place."**

Brands have to cater well for different types of consumers, those who simply want to buy a product as quickly and easily as possible, those who want to spend time comparing features and prices, and those who want to touch and see the products in the metal.

Apple, for example, sells products all at the same price on Amazon, on its own website, in its own stores and in third-party stores – "it caters for everything", said Miele.

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CONQUESTING RETAIL AND FLEET BUSINESS

Dealers chasing new customers, whether private buyers or companies, need specialist knowledge, targeted marketing and an active digital presence

NEED TO KNOW

- **Combine physical visits with data and targeted marketing**
- **Multi-use data can generate better long-term returns**
- **LinkedIn and Facebook can be used to target SMEs**

By Tom Seymour

Dealers' high manufacturer targets mean sales from their existing pool of customers aren't enough, particularly as the private market is in decline, and a wider net needs to be cast to conquest new buyers.

Retailers will be looking to target both private and fleet customers, but how can dealers go after them?

Who should handle your fleet business?

For business sales, dealers that have a dedicated fleet sales department will be tasked with knocking on the doors of local businesses to introduce themselves. **Holdcroft Group,** a past winner of AM's best fleet dealership award, has a central fleet sales team who go out on the road visiting businesses.

According to **fleet sales director Malcolm Pearson,** selling effectively to business customers needs specialists.

He believes that, where possible, dealer groups should separate control of fleet from their retail sales manager or dealer principals, as most don't have enough knowledge of the fleet industry to do the best job.

"You have to invest in the proper resource, you can't afford to skimp at it. Employing one person won't cut it. That person might sell 10 vehicles, but he's then got to administer and deliver those cars. Customer service will always be affected," said Pearson.

"If you have the right support and the right process, you can let salespeople focus on selling and not delivering and administering," he said.

Simply sending business development managers out cold will have a limited impact. More effective is underpinning the conquesting activity in fleet or retail with data and targeted marketing.

Engage local businesses

For some dealers, an easy route to generating leads, albeit with a slow burn, is networking with local companies through organisations such as Chambers of Commerce, at trade shows or by hosting relevant events. **Motor Village UK,** Fiat's own network of London-based dealerships, puts on 'Business Club' networking events to attract business owners from around the capital to hear from a guest speaker, and lets companies use its flagship Marylebone dealership as a conference centre.

Another important part of the mix is marketing the brand and compelling offers to customers through specific media, such as trade magazines and websites.

Yet data is the vital part of the conquesting process, no matter whether for private or business customers.

Stephen Upton, owner of Red Route Marketing, an agency that works with dealer groups such as Hepworth Honda, said dealers need to use data they have already captured and data they can acquire to access the right people.

Upton said dealers can mine their own customer database for what he calls "warm prospects". These are customers that have contacted the dealership with an interest, whether that's through email, social media or phone, the important part is that their details are captured.

"You have to invest in the proper resource, you can't afford to skimp. Employing one person won't cut it. That person might sell 10 vehicles, but he's then got to administer and deliver them"

Malcolm Pearson, Holdcroft Group

Should you purchase conquest data?

Upton said purchasing data can be a difficult route for some dealers because not enough thought is usually put into what the dealership is trying to achieve or interpret from the data they have acquired.

He also said there is a tendency for dealers to purchase single-use data to contact customers. Dealers may be looking to acquire a certain amount of prospects within a time window to help to reach a quarterly bonus.

While a single-use mailing list will be cheaper, Upton said multi-use data, which dealers are able to use as many times as they like within a set timeframe, usually 12 months, can provide a better return.

He said: "A lot of dealers are looking for sales today and tomorrow rather than looking at the long term. By increasing the customer data list budget by 20%, I would say they could get a 200% return on that customer data by properly taking the time to dig into it."

Upton said identifying a customer type from the data is all-important. This then needs to be further segmented to understand the marketing channels and communication style that should be adopted.

This is where dealers can specifically drill down to target business owners interested in small vans, for example, or new families trading up from a hatchback to an MPV.

Upton said: "The data selection criteria is all-important, based on market information aligned to any local knowledge a dealer might have."

Anna Ling, Swansway Group marketing director, said it rarely purchases conquest data because it generates enough leads through its own website, manufacturer websites, its own advertising and social media.

She said having a digital set-up that invites

prospects to interact and get in touch can help take some of the legwork out of prospecting.

Upton said dealers need to have a plan to know who they are targeting and that it needs to be more than just a distressed sales message.

He said: "Knowing who you are targeting, why you are targeting them and building a relationship is the key."

Upton said if dealers have invested in buying a conquest customer list, they will need to build a profile for each customer type, identifying what customers they are looking to target, beyond just 'we are a Jaguar dealer and want to target BMW customers'.

It's possible to dig down on a granular level within a specific postcode to target retail or SME customers depending on what the dealer is looking for with a particular campaign.

Though East Midlands-based **Sandicliffe Motor Group** uses social media along with other digital platforms, its **head of marketing, Nigel Falkiner,** said television, radio and direct mail still have key roles in the communications chain.

"There are the active people who are forever on the internet looking for the best deal and the passive ones who need a spark that often comes from the more traditional media," he said.

"You could have someone driving a two- to three-year-old car and not looking to change until they learn of an offer through TV or radio to ignite that spark that leads them to your website. These tend to be conquest sales that generate more profit."

Sandicliffe's marketing budget reflects this, with 42% allocated to radio, 22% to press and 24% to TV.

About 5% is spent on direct mail for "specialist" events, such as launches, where volumes are lower, but conversions are higher.

GETTING SOCIAL

In fishing for new business, social media can play a part in targeting SMEs as well as private car buyers. LinkedIn has a clear role in modern networking for businesses, but also allows users to search for prospects and share expertise.

"With around half of new vehicle registrations being company cars and dealers under pressure to grow custom among local businesses and entrepreneurs, LinkedIn offers a genuine opportunity which can reap extensive rewards," said Philip Calvert, a consultant and LinkedIn trainer.

FCA Fleet and Business, the corporate sales arm of Fiat Chrysler Automobiles in the UK, created a LinkedIn account – called FCA Fleet & Business – in the summer. Simon Wheeler, fleet marketing manager, FCA UK, **said: "These new LinkedIn pages present the most logical way for our UK team to connect with our customers.**

"As well as offering lots of good advice and help to our customers, we hope the site will also demonstrate how our multi-brand fleet solution is a perfect choice for them."

The pages feature information on FCA UK's product ranges and services, launch activities, events, and include staff profiles.

It will also incorporate tips and advice for businesses, in a demonstration of how FCA UK conducts business in a 'partnership' approach, looking at value-added solutions for businesses and their mobility needs.

Jeremy Evans, Marketing Delivery managing director, **explained that some dealers his company is working with are approaching social media in a similar way to Google to target conquest customers.**

Dealers that have a Facebook Business Manager account can load the email addresses of existing customers, whose permission they have to use for marketing purposes. Facebook then builds a "lookalike" conquest audience.

This can be refined by gender, age, geographic area and interests – all information Facebook users give the social network each time they log in, browse and update their profiles.

Evans said: "We have seen Facebook become the most popular lead generator for dealer groups like Swansway Group and Cambria Automobiles after more traditional methods like the existing database, Google or classifieds like Auto Trader."

Facebook doesn't release email addresses to dealers, instead serving adverts automatically to the "lookalike" audience based on the selected criteria.

Evans said social media users are not put off by adverts appearing in their feeds as long as they are relevant to them.

ADVERTISING FEATURE

SPONSOR'S COMMENT

By James Hind, chief executive and founder, carwow

With carwow having created disruption in an otherwise static industry, we are often asked what we see as the next big thing in car retailing. We recently asked some of the 1,400 dealers signed up to carwow what they think dealerships will look like in 2026 and compared it with the trends we are seeing:

- 75% stated that they expected to see more staff focused purely on online enquiries;
- 42% expect the pay structure of their sales staff to change;
- 25% think there will be increased flexibility in working hours.

We think the biggest changes will come in dealership size, the type of staff they employ and the way consumers purchase their cars.

Showrooms: Experts argue there will be fewer, but all of carwow's data still suggests that proximity to a dealer is a key factor in people's purchase behaviour. However, with the growth of digital content and virtual reality, there is a case to be made that dealerships could be smaller and could use technology to show their range, meaning lower costs of operation and a more profitable business model.

Salespeople: Their role will fundamentally change. With more enquiries coming from online sources, we are already seeing that the most future-focused carwow dealers are recruiting a different type of person to handle digital enquiries around the clock.

Finance: The way people buy their cars is already changing. More and more people now buy cars on finance, based on the monthly payment, not the outright cost. People are becoming increasingly used to simply upgrading their car as they would a mobile phone.

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Alex, Liverpool

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HANDLING LEADS IN FLEET AND RETAIL

How well and how quickly you manage your leads is more important than how you generate them, whether in business or private sales

NEED TO KNOW

- **Speed of response and follow-up are crucial**
- **Ignoring contact preferences risks alienating customers**
- **Dealers targeting fleets should focus on business benefits**

By Tom Seymour

A healthy new car market should translate to healthy levels of leads, but dealers must use targeted and swift communication to beat rival retailers to the punch if they want to convert sales.

Whether chasing a private individual or an SME looking for company vehicles, the battleground is no longer about lead generation, but more about how quickly and professionally leads can be managed.

A rapid, well informed response is critical, and increasingly has become a part of the manufacturers' franchise standards. With the sale and quality bonus riding on the response, this means many automotive managers are monitoring lead responses very closely.

Anna Ling, Swansway Group marketing director, said monitoring how quickly sales executives are following up on leads is important.

"This digital age has meant that prospects and customers alike want to be contacted within minutes rather than hours. It's essential that this happens," she said.

"We use a central system to track enquiry response times by site and sales exec. The same system is used to monitor the quality of responses and then to highlight any staff training that might be required."

Swansway has a renewals and retailer support centre at its head office and all new sales executives visit the department when they join. However, Ling said all sales executives are also encouraged to take the time to prospect for new customers individually.

"We do have the capacity to prospect with the contact centre, but we find that allowing sales execs to prospect and thus to be the original point of contact, allows them to build a relationship with their prospective customer," she said.

Cambria Automobiles invested in rapid response software to help its sales executives. This links leads to employees' smartphones and most get a response within 60 seconds, said **Ian Godbold,** its **marketing and CRM director.**

Godbold said once initial contact is established, Cambria's customer relationship programme makes contact again, after 24 hours, 72 hours and 14 days, with relevant and helpful information.

"If you're the business supplying them with all the information they need, they're going to come to you for the sale," he said.

"If you're not responding quickly enough, you can lose that customer because the chances are they are at the buying stage and they may have contacted three or four other dealerships.

"They're testing you to see how quickly and professionally you can deal with their request and that is usually the difference between converting or not."

Cambria checks on how its associates are following up on leads with a dedicated web specialist on staff at each dealership monitoring all leads going into the business.

CASE STUDY: SMC GROUP

Sonia Hobbs, marketing director **for nine-site** SMC Group, **took steps to standardise its customer contact process to help improve its lead conversion.**

She said: "As a group, we were able to successfully convert a large number of enquiries into sales, regardless of the brand or model, but the longer a lead remained 'live' in our database, the more of a challenge it became to convert that enquiry.

"We found we were losing a number of potential leads later in the sales cycle, often a couple of weeks after the last contact with the dealership."

SMC works with Dealerweb and Marketing Delivery to use their sales management and eCRM (electronic customer relationship management) software.

It allows SMC to instigate communications across its prospect database, or use targeted automated marketing emails to maintain contact with individual prospects throughout the sales cycle.

Sending out a '14-day' message – two weeks after the last contact with a customer – resulted in an additional 140 sales. From June to October 2015, the group saw an increased conversion rate across all of its dealers, rising from 16% to 27% on average.

Hobbs said: "The system has proven itself very effective at converting more enquiries into sales at a much later stage in the sales cycle. Where many of these customers may previously have been marked as 'lost', the additional contact has encouraged many to get back in touch with their dealer."

"Additional contact has encouraged many [customers] to get back in touch with their dealer"

Sonia Hobbs, SMC Group

Each day at 5pm they check whether sales lead details have been put in the customer relationship management system, whether they have been followed up and checking what the next action needs to be and who should take it.

Missed leads are reported to the sales manager or general manager.

Godbold said: "Clearly it's in the best interests of the associates to follow up on these leads, but this extra process makes sure we're filling any holes that might be in the bucket."

A proper follow-up and monitoring process is vital, because customers are transient, according to **Karen Hilton, Carwow head of sales operations and B2B communications.**

"Dealers and manufacturers are often surprised to learn how transient customers are. Most customers on Carwow will configure up to three different makes of vehicle.

"Therefore, if the quickest brand to get back to them wasn't perhaps their favourite at the outset then it can quickly win favour through great customer service and lead-handling."

Dealer staff also need to recognise that a lead requires handling differently depending on what stage a prospect is at in their buying journey. And it's not all about booking that face-to-face appointment in the diary.

Jeremy Evans, Marketing Delivery managing director, said: "If a customer is seven days into their buying journey, a contact to ask how their search is going and offering help could be useful. [After] 14 days, 21 days are they still looking? Is there a reason you haven't bought from us?

"The more personalised you can make these communications, the better success you're going to have on open and click-through rates."

Hilton said messaging with any contact needs to be timely and relevant for the customer you're trying to convert.

She said: "For many dealers, the challenge will be lacking the sophistication and know how to send targeted communications by audience type."

Hilton said dealers investing in electronic direct marketing need to be sure there is a clear call to action, but even if that is present in communications, they should also be prepared for low open and click-through rates due to hitting a "cold" audience.

First contact

Evans said: "The best solution will always be to contact the customer in the way they have asked. If they don't want to be contacted on the phone because they're at work it can be extremely annoying if a dealer hasn't registered that and calls.

"If a potential customer emails back and asks for a call, then do that. It's just common sense, but these are things that can slip."

"Small business owners are still checking their Facebook accounts every day"

Jeremy Evans, Marketing Delivery

Evans doesn't think a dealer's approach should change drastically between approaching a retail customer or a fleet customer.

"They are both still people and both will use the same methods to research vehicles to find what they are looking for," he said.

"They will interact through social media, emails and search the web, just like a retail customer. Small business owners are still checking their Facebook accounts every day."

Business communication needs to take into account the size of the business targeted and the scale, as larger companies will be looking for packages encompassing leasing/servicing and maintenance with a single point of contact for invoicing.

Dealers targeting fleets should look at communications about what is going to be more beneficial to a company's bottom line and explain how the dealership can help on areas such as cost control.

Hilton said: "Brands should be reflecting the key concern of the audience in their communications, yet many dealers still struggle to get traction when communicating something like the whole life costs of vehicles to a fleet customer."

She said many dealers and manufacturers often track, trace and record communications for training, but many lack the time to actually conduct that training, therefore the recordings become a "get out of jail free card" when a customer complains.

"Salespeople need to be given clear guidance on the process they should be following but enough room to express their flair and personality."

Ling said: "Our website and social media generate an awful lot of leads for us, but grading them from hot to cold is not an exact science.

"A prospect requesting a test drive might be seen to be a hot lead while a prospect viewing a used car on our site and then valuing their own vehicle via our online valuation tool, is not so hot. But the fact is that consumers browse and shop in different ways and when they end up making an enquiry it can be in many different formats."

One way to help give conquests a little push is to offer an incentive.

Ling said: "We're always looking for innovative ways to introduce new customers to Swansway and we've recently been offering hotel stays and spa breaks as a test drive incentive, something which we've seen in used in other retail sectors."

carwow: The best way to buy and sell a car

At carwow, we've always marketed ourselves as the best way for consumers to buy their next car, but we're also a key partner to our network of dealers

What carwow offers customers

Useful reviews that cover the bits that matter

Our content team makes sure all of our reviews cover every aspect of a vehicle that consumers really want to know about – including what fits in the boot, how noisy it is at 70mph and how easy it is to get the kids/surfboard/drum kit in the back. Not only that, but we have invested heavily in our video content, meaning more and more reviews can be found in an easy-to-digest video format. We are also completely neutral about what a consumer decides to buy, so we will often show back-to-back comparisons, truly helping people to pick the car that best fits their needs.

The best dealers, offering the best service

carwow is nothing without its network of dealerships offering great customer service. Our dedicated team of account managers help our dealers to respond quickly and courteously to customer requests. The best dealers on carwow have response times under six minutes – the better the dealer is, the more customers we send to them.

Transparent and hassle-free buying

There are very few industries left in this world in which haggling is an accepted part of the process. Unfortunately for consumers, they are two of the biggest – buying a house and buying a car. carwow makes the latter that little bit easier by removing the haggle factor. Dealers set their prices and send customers their best offers based on the car they have configured. Customers then know they are getting a fair deal and can proceed with their purchase quickly, confident that they are getting a fair deal.

What carwow offers dealers

carwow is increasingly becoming the best way for dealers to sell a car, allowing them to achieve their objectives by reaching a wider audience of online-savvy and often conquest consumers. We allow dealers to do more with the platform, whether it's listing new cars available to order from the factory, new stock vehicles ready to drive away, pre-registered and ex-demonstrator vehicles or, in the past month, used cars. With 200,000 active users on the site at any time, carwow provides a one-stop shop for all a dealer's car retailing needs.

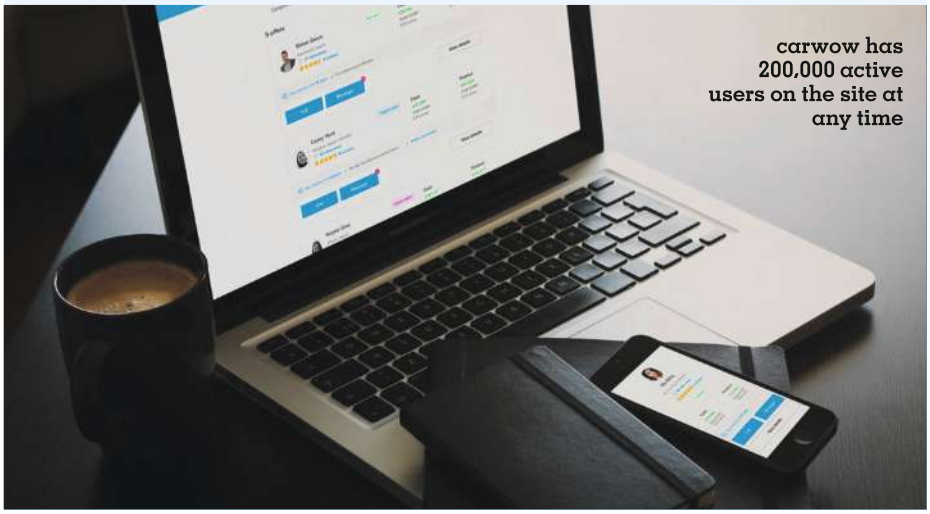
What's the key to success on carwow and how do the most successful dealers make the best of the opportunity?

Simply, getting the basics right, every time.

However, there is a catch – the car industry needs to wake up to the fact that consumers have changed and they will no longer accept a substandard experience when buying a car compared with the rest of their retail experiences. Think of the last time you bought an electrical item or booked a holiday – how much research did you do and at what time of day? Odds are you were sitting on your sofa using an iPad/tablet of an evening – yet you could source all the information needed to make an informed decision. How many times do you find yourself interacting with a person in those evening/weekend hours? The retailing model has changed, and the car industry needs to play catch-up, fast.

That's why carwow measures dealer response times 24-7. We have some dealers with average response times of less than six minutes. How do they do this? By making changes – brave ones – in an industry that hasn't seen real change in more than 50 years.

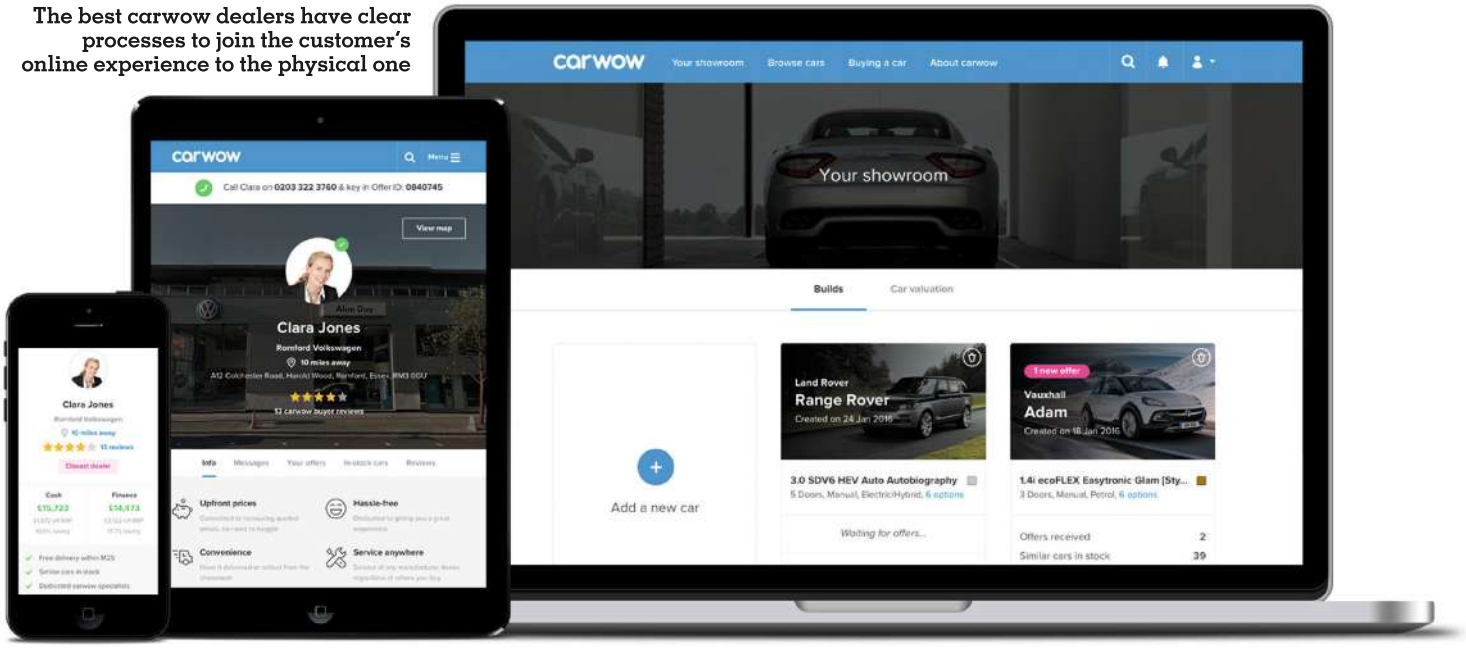
"The car industry needs to wake up to the fact that consumers have changed and will no longer accept a substandard experience"



carwow has 200,000 active users on the site at any time

If you would like to join the 1,400 (and growing) dealers using carwow, then plea

The best carwow dealers have clear processes to join the customer's online experience to the physical one



It starts with the three P's – People, Process and Price

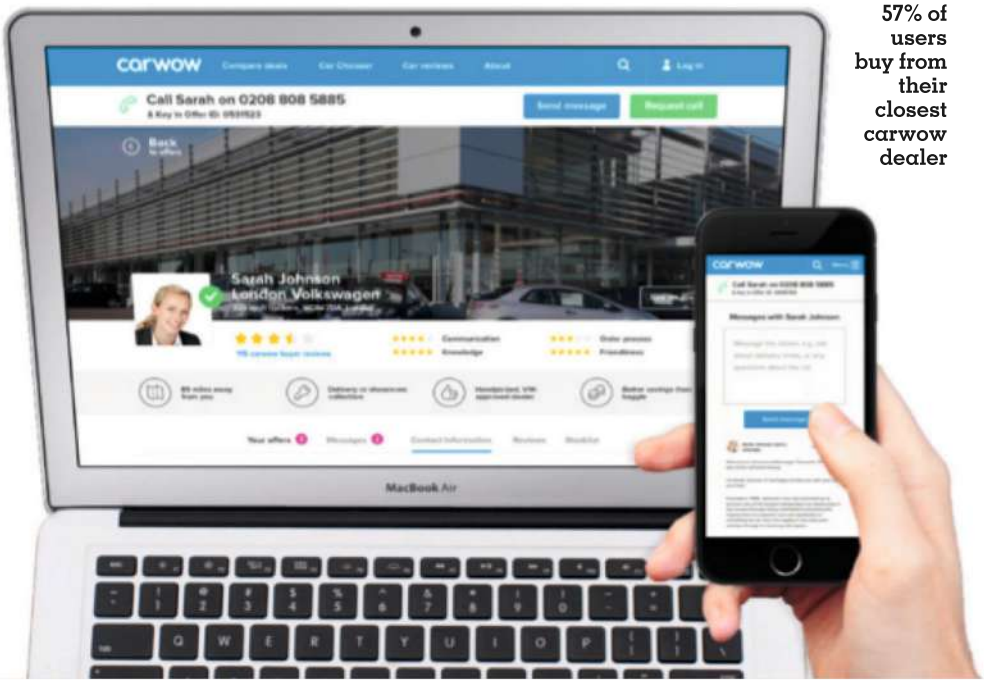
People

The best dealers on carwow have not followed the normal hiring pattern of taking a salesperson off of the showroom floor or recruiting from an existing pool of car/mobile phone salespeople. They have taken the brave step to hire someone on a salary that is more base than commission, that can work more customer-focused hours than the traditional car sales model and, more importantly, can work from wherever they have an internet connection and a laptop. What could this mean for the car industry as a whole? Diversity, and a lot of it.

Process

However, people are nothing without clear process, with changes in working patterns, pay structures and commission plans – process and the communication of that process are fundamental to success.

The last thing a potential customer wants is a fabulous, responsive online experience, followed by a lacklustre 'oh you're a carwow customer' showroom experience. The best dealers have clear processes that hand the customer from the online realm to the physical one, if that is indeed what they desire. Some customers are so informed, and happy to take the word of the online review, that dealers are able to operate a click-and-collect model, with the customer never setting foot in the showroom.



57% of users buy from their closest carwow dealer

Price

Finally, it comes down to price, but it's not about being the cheapest. It's about being the fairest (in the eyes of the consumer). Consumers are looking for assurance that they are paying a fair price for the car they are interested in. Our trading insights often reveal a point beyond which additional discount makes no difference to the level of enquiries – therefore, there is no need for dealers to discount any further.

We let consumers decide for themselves by presenting them with a range of offers from our dealers, allowing them to make a fully informed decision. The results we see are that being the cheapest is not the key to winning over a customer: 57% of users buy from their closest carwow dealer and 31% will buy from the dealer with the best rating. Only 25% choose the cheapest. Therefore, proximity and customer service trump price 75% of the time.

se get in touch by emailing sales@carwow.co.uk

carwow

10 NOV

HEADS UP FOR HAT DAY.

CELEBRITY SUPPORT

"Raise your hat and raise some money for Ben on 10th November. By taking part in Ben's 'Hats on 4 Mental Health Day' you'll help raise money to support colleagues facing mental health challenges."

Mike Brewer

Sign up at www.hatson4ben.co.uk
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- Gain time on the front counter Lost Sales Re-activation
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- Real bookings made in real time
- Courtesy cars and C&D all taken care of
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- Interaction with your menu pricing
- Automotive trained aftersales specialists make your calls
- An extension of your aftersales team

Other Services

- Integrated Customer Life Cycle Management
- Lead Management and Qualification – Retail and Fleet
- Lost Sales Re-activation
- Finance Contact Cycle Management
- Vehicle Purchase Support
- Live Chat Management
- Test Drive Campaigns
- Warranty Recall Support
- Dealership Inbound answering service
- Data Enhancement & Cleansing

*Calculated within 35 days of contact using Call It Automotive process with dealership data

ne **finance** email **lost sales** sms **warranty** live chat **service plan** ma

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MAKE THE MOST OF GROWING FLEET SALES

Good funding links and a trained sales force can boost local sales of company cars

NEED TO KNOW

- Retail registration falls make fleet sales more important
- Some dealer networks using specialist 'fleet hubs'
- Dealer-level training for fleet sales staff 'is essential'

By Tom Sharpe

With the SMMT predicting a fall in registrations of 6%-7% in 2017, many manufacturers are encouraging their dealer partners to do more business in the fleet sector.

Up to the end of September, fleet sales were up 5.4% year-on-year to 1,082,718, according to the SMMT. By comparison, private sales for the same period were near-flat (up 0.4%) at 983,123.

JCT600 is one business that has been quick to shape its fleet-funding model and staff training to take advantage of the trend.

Neill Richards, fleet sales director for JCT600, said its 'fleet hubs' work in partnership with fleet funders, either on a nominated or preferred status, to take advantage of the financial terms offered by "numerous funders".

He said: "Our broker teams and our local business development managers not only have access to the manufacturer deals, but also to other funders' quotation systems, enabling us to take advantage of the stronger support levels or higher residuals within the fleet sector. That way, we stay competitive."

Wessex Garages' group fleet/business centre manager, Andy Provis, said: "We pride ourselves on offering competitive contract hire rates across all franchises through various funding streams and competitive finance rates on HP and finance leases.

"We also have strong links to broaden relationships and glean advice from various asset funding partners."

This year's *FN50* – an analysis of the UK's top fleet providers by *Fleet News* – shows dealer groups are sharing the spoils with manufacturers.

BMW-owned Alphabet is third-placed, with an RV risk fleet of 140,460 vehicles, Volkswagen Group Leasing is sixth, with 101,037, and Mercedes-Benz Financial Services is 11th, with 39,287.

Of the retailers, Arnold Clark Finance is in eighth place, with an RV risk fleet of 52,606 vehicles, with Inchcape Fleet Solutions just outside the top 10 in 11th place, with 26,030. JCT600 Vehicle Leasing Solutions is 24th, with 6,591 vehicles.

> "We train staff so that all business specialist sales executives are able to give professional advice on the right finance package"
>
> **Andy Provis, Wessex Garages**

0.4%
the year-on-year increase in private new car registrations for the first nine months of 2016

5.4%
the year-on-year increase in fleet registrations for the first nine months of 2016

Earlier this year, **Santander Consumer Finance** expanded into the fleet sector through its existing dealer and broker intermediaries, potentially equipping more retailers to trade in the fleet sector. It will distribute its finance products through more than 3,500 independent and franchised motor dealers.

It would not comment on its market share aspirations, but **commercial director, Stewart Grant,** clearly sees the provision of fleet funding to retailers as a growing market.

Dealer groups, such as TrustFord, are developing PDI centres to manage the remote preparation of fleet vehicles and process them at the end of a lease or hire period.

Steve Hood, chief executive and chairman of TrustFord, said his national fleet team will soon start making use of a new 21-acre facility at Long Marston, near Stratford-upon-Avon, to process 40,000 fleet vehicles a year.

However, Hood said he was in no doubt that "specialist business sales training" at dealer level was at the heart of a successful fleet operation.

The British Vehicle Renting and Leasing Association (BVRLA) and Institute of the Motor Industry (IMI) both offer specialist fleet sales training and qualifications.

The BVRLA's 'Introduction to the Vehicle Fleet Industry' takes groups of six at a price of £225 per head. A 'Professional Fleet Consultant Development Programme' is tailored to sales executives and managers and is priced at £1,700 per head.

Among the topics covered are: differentiating lease and purchase options; contract hire benefits; whole life costs; buyer considerations and comparisons; and the critical role of service in client retention.

Provis said "top quality training is essential". He added: "We train staff so that all business specialist sales executives are able to give professional advice on the right finance package.

"They all also have a good knowledge of the tax implications surrounding business/fleet vehicles. They are able to offer tax-efficient and post-Budget advice, which is a key part in the decision-making process for fleet customers."

Richards said having FCA-compliant, fully accredited fleet sales specialists is a must, and that JCT600 employs a team of brand ambassadors and specialists at each of its fleet hubs: "This is often the only 'touch point' the end user will experience once the company vehicle has been chosen."

> "[Fleet hubs] are often the only 'touch point' the end user will experience once the company vehicle has been chosen"
>
> **Neill Richards, JCT600**

Seeing the value in being transparent

It might come as a bit of shock that when it comes to dealing with the used car industry, only 7% of UK consumers claim to trust car dealerships. That was the discovery based on a survey of 5,000 consumers for Auto Trader's Market Report.

The latest Market Report goes on to highlight that of those who had bought a car in the last six months however, only 7% of them said they didn't trust the sales person they bought from.

So what's behind this discrepancy? Why do those who are looking to buy have such a low level of trust in the used car industry, yet when car buyers have gone on to complete the car purchasing journey there are only 7% whom say they don't trust the person they bought from?

The survey goes on to identify why this might be from insights provided by car buyers themselves and the answers lie in the online research phase. Consumers spend an average of 11 hours researching their next car which is double the amount of time spent buying a car.

It is in that research phase that consumers say they encounter problems, with a fifth of them saying they found information to be vague, hard to find or misleading. Car buyers rate several factors as being most important in the car buying process, including transparent pricing of cars, with 76% of both new and used car buyers saying it was the most important factor in the car buying process.

Nearly as important is car history checks, which 70% of used car buyers said was an important factor in the car buying process. Meanwhile 67% of new car buyers and 65% of used car buyers cited comparative pricing of cars as an important factor in the car buying process. Consumers are also interested in what other people have to say about their experience at a retailer, with 61% of them rating car testimonials and reviews as one of the most important factors in the car buying process.

So why are consumers looking for transparency online and easy access to the information they need to help them in the car buying process?

It's all about trust. If a website delivers all the information a consumer is after and ensures it is easy to find, it helps make the consumer more confident in doing business with a retailer. If their offline experience is as transparent as the online, then the positive buying experience means that consumer has trust in the dealership. That breeds loyalty and advocacy, and a dealership will have a walking advert recommending their services to other potential car buyers.

Sue Robinson, **Director at National Franchised Dealers Association** said: "The perception of a dealership or a brand has the potential to strongly influence customers' attitudes. In a period of uncertainty, our industry should be relying on its strengths and looking at how to improve by adapting to new market trends. A more transparent approach would help improve perceptions and benefit both consumers and businesses, ultimately creating a more trusted marketplace."

How to build trust with today's car buyer

With consumers spending an average of 11 hours researching their next car (twice the amount spent researching offline), the online research phase is critically important for retailers if they are going to successfully engage consumers.

Nearly one fifth of consumers in the Auto Trader survey said they found information to be vague, hard to find or misleading when looking online at their next car purchase. Of those, 42% said it made the car buying process more stressful for them and 41% said it meant they took longer to purchase the car they wanted.

76%

said TRANSPARENT PRICING is an important factor in the purchase process

What's more, over a fifth of consumers who said to have found information vague, hard to find or misleading, revealed that it had put them off the retailer and nearly resulted in them visiting another instead. 16% of consumers also said that they had decided to purchase from another retailer as result of not finding the information they were after online.

Consumers are clear in what they are looking for when researching online. The most important factors they stated in the car buying process were: transparent pricing and comparative pricing of cars, used car history checks, car testimonials and reviews, and a timely response from a retailer.

So what do retailers make of the consumer desire for transparency? **Andy Bruce**, **CEO of Lookers Plc**, said: "Consumers want to be in control of the buying process and we fully recognise and encourage that. We believe our role is to provide as much information and advice as we can to allow them to make an informed choice, so it's about helping people to buy, as opposed to selling to them. Transparency and honesty are key to this aim."

New from Auto Trader

To support retailers, Auto Trader is now partnering with Judge Services to enable retailers to display their reviews on the Auto Trader website. This allows retailers to show potential customers the great customer service past customers have enjoyed.

Auto Trader is also launching video on its adverts in response to retailers requesting the service. Video adverts provide a virtual tour of a vehicle for sale and help customers gain a clear view of what is being offered. An Auto Trader study revealed that adverts featuring a video saw an increase of 17% in their ad view benchmark versus adverts without video.

Why the future of retailing is clear to see

Auto Trader Operations Director, **Nathan Coe**

The Auto Trader Market Report has highlighted the fundamental importance of transparency and its central role in creating trust. Despite the underlying trust problem within the industry, there are some great examples of businesses embracing a transparent approach to car retailing, which is providing positive experiences for UK car buyers and accounting for the huge gulf we are seeing between the positive reality and the negative perception for UK car buyers. These retailers understand the benefits of adopting wider transparency within car retailing, and what is essential to car buyers in the purchase process.

The Report revealed that the four most important things to car buyers in the purchase process were the transparent pricing and comparative pricing of cars, history checks and reviews left by other consumers.

30% of recent UK car buyers bought a car based on dealer reviews or recommendations from family or friends. This highlights the extent to which transparency is relied upon by consumers; it goes beyond transparency offered by car retailers and in many cases it now also relies on information provided by the general public.

With only 7% of UK consumers claiming to trust used car dealerships today, those who do not adopt transparency within retailing face a significant risk of becoming less successful. Meanwhile, progressive car retailers are starting to see the positive impact on their market share and profits by providing a trustworthy and transparent experience for consumers. This is more important than ever given the uncertain economic climate.

Changing perceptions of the used car industry is a huge challenge, but it's not insurmountable. It will require the majority of the industry to embrace a greater level of transparency to increase consumer perceptions of trustworthiness, but for those that have already adopted this approach it may become a critical competitive advantage during this period.

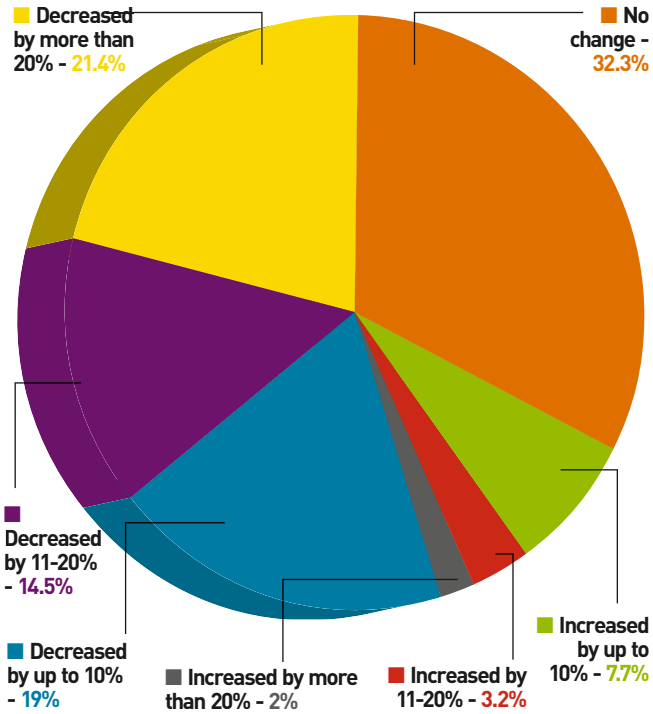
Fundamentally, as a wider focus and priority, the industry stands to not only enable a retail experience that consumers have come to expect, replicating the standard of other successful retail industries, but lead to greater consumer confidence and greater prosperity for the UK automotive industry overall.

To download the full Auto Trader Market Report, September 2016, please visit about-us.autotrader.co.uk/media/market-report/

AutoTrader

AM POLL

A year on since FCA GAP insurance rules were introduced, have your GAP sales been affected?



More than half (54.9%) of franchised dealers have suffered a decline in their sales of GAP insurance since the Financial Conduct Authority's introduction of a four-day sales deferral period in September 2015. Of those, almost half (21.4% of all respondents) reported that GAP sales have dropped by more than 20%. Some respondents said they have stopped selling the insurance product due to the new regime, and in some cases dealers reported an upturn in sales of other insurance products.

However, a third of respondents (32.3%) stated there has been no impact on their GAP sales and 12.9% have increased their volume of sales.

Next month: Do you expect your manufacturer to increase or decrease your new car targets in 2017?

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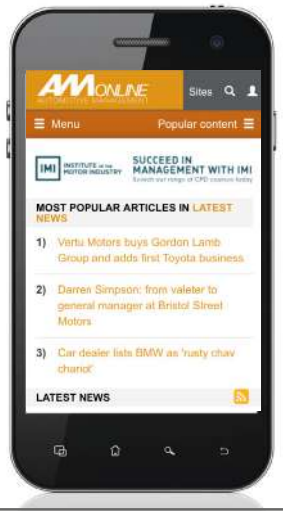
You can now read the latest motor retail news, features and insights even more easily on your phone, tablet, laptop or desktop PC.

Visitors can also sign up for our daily newsletter and Saturday news digest to catch up on the most important stories from the week.



ADVERTISING FEATURE

INTRODUCING A HEALTH CHECK

Sow the seeds early to reap the benefits later on, says Simon Bowkett of Symco Training

When do you introduce your vehicle health check (VHC) to customers? All too often, it's far too late in the process. The first time a customer hears we have done a VHC is when we put in that "er, sir, we've found X, Y and Z on your car" call to them.

I believe we need to set the agenda for the VHC much earlier – ideally, when they bring their car in. Otherwise, it is seen as just another sales ploy.

"Mr Customer, while your car's here with us today, Dave is going to be your technician. He's going to carry out a free health check as well, which is going to look like this..."

Use a visual aid

Show them a copy of your health check document. Some dealerships have them up on the wall, others use point-of-sale material. I like to keep a laminated copy underneath the desk.

Then continue: "Dave's going to look at all these items on your car. It's going to have three different colours on it. Green means the item is good to go. Amber means it's going to require attention before your next service. Red means that immediate attention is required – in fact, if your MOT was due, it might even be a failure. When he's done that, I'll call and let you know about the health of your car. What's the best number to get you on today? Is it a home or a work number?"

Set a time frame

Notice how I've told them we're going to do a free health check, and asked how to contact them. But here's something else I do as well. Often we can't get the upsell because we don't get through to the customer until, say, three o' clock in the afternoon – which is far too late to get, for example, the tyres in from your supplier. So try this instead: "What's the best number to get you on this morning?"

That's how you set the agenda for VHCs. Make sure you do this with every single service department customer, every time, before you try any sort of upselling – and watch my new sales training video on the *AM* website this month (www.am-online.com/symcotraining, or at www.symcotraining.co.uk) for more practical tips on introducing VHCs.

Improve your selling skills online
To find out how our low-cost, IMI-Approved online training programme can help train your team, visit www.symcotraining.co.uk and get your FREE trial started today.

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Representing a revolution in car buying and selling

FindandFundMyCar.com is a revolutionary site that brings customers, dealers, and finance lenders together, creating exceptional experiences for all. It truly is by dealers, for dealers, for the benefit of customers.

How FindandFundMyCar.com differs from other car buying websites is in its ability to guarantee quality cars from independently rated dealerships, provide finance with consumer protection, and ensure that the dealer earns not only from the sale of the vehicle, but for the sale of finance too.

A completely fresh approach to car buying and selling.

It was in early 2012 that MotoNovo Finance recognised the gap between customer expectations and what was readily available in the market. In response, it launched a mission to work with dealers to capture customers in the right place, at the right time whilst meeting their individual needs – creating a model that worked for everyone involved.

Dealer finance opportunities get squeezed

Today, the market is experiencing the pressure of profit-driven finance models. Online brokers, direct lenders, and most car buying websites are increasingly excluding the dealer from the buying journey, putting the squeeze on dealer finance incomes.

The customer might not necessarily be getting the best deal for them either. In fact, when it comes to online finance brokers, customers will typically pay a 30% higher APR than dealer finance.

FindandFundMyCar.com will bring dealers and finance lenders together to ultimately increase the reach of dealer finance.

MotoNovo Finance aims to create a fairer environment through FindandFundMyCar.com, one where the dealer earns their finance income, and the customer gets a great deal on their dream car.

Dealers earn twice

Through FindandFundMyCar.com dealers will earn from the sale of the car and the sale of the finance.

Dealer fees go directly into advertising

We believe in fair pricing.

Every penny put in by dealers goes directly into advertising.
The more dealers sign up to the revolution, the bigger the advertising campaign will become.

The advertising will include an iconic motoring tune from Madness, as well as the voice of one of

Join the revolution

Visit feelgoodcarselling.com

find and fund mycar.com

Powered by MotoNovo FINANCE

Britain's famous racing drivers and television presenters, Vicki Butler-Henderson.

We will advertise online and around the country, including top television channels, radio stations, outdoor, and online.

▸ Earn more for less

We believe in fair pricing. All dealers pay the equivalent of £.150 per space per week, regardless of the showroom size.

The more cars that are sold, the less the dealer will ultimately pay. With this revolutionary new price package, we can help dealers move away from expensive online advertising space.

▸ Increase the reach of dealer finance

We believe that for dealers to take more of the market share from unsecured loan providers and online finance brokers, real change needs to be made to the traditional motor finance journey through collaboration of dealers. We are asking dealers to join FindandFundMyCar.com to protect the interest of the industry. Following a successful launch, it is hoped that other lenders will join us on the platform.

Together we can take back control of the car buying journey, delivering a better customer experience and higher returns for all.

TV views over 300 million

Radio reach over 220 million

Outdoor reach over 100 million

Web reach over 53 million

We are calling dealers to join together to protect the motor industry.

To find out more and register your interest, visit feelgoodcarselling.com
or email
marketing@motonovofinance.com

Together we can take back control of the car buying journey, delivering a better customer experience and higher returns for all

Sign up to join the revolution

feelgoodcarselling.com

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Drive more traffic to your business ....save time, money and hassle

EFFECTIVE MARKETING TOOL

An effective marketing tool to promote your business to local car owners improving the sales of...

1 LABOUR

2 PARTS

3 CARS

BENEFITS TO YOUR BUSINESS

- More work, new customers, increased profits
- Grade "A" jobs from customers in your area
- Nationwide TV and Radio marketing providing constant flow of work opportunities
- Exclusive access to bespoke data marketing opportunities targeting change cycle customers
- Contact centre support to follow up customers and increase conversion
- Limited network size to ensure quality and profitability

For more information email **support@mycarneedsa.com**

Labour shortage, rising wages and Brexit pose cost risks for dealers

Despite being the biggest vehicle preparation business in the UK – generating £72 million turnover and engaging more than 2,500 contractors – Assured Group is still concentrating on growing the company as it celebrates its 20th anniversary in business.

While most of its vehicle preparation business is with daily rental companies, such as Enterprise, Europcar, Hertz and Avis, Gary Peasnall, Assured Group's sales director, said its dealer customers have grown by 25% over the past three years and now make up almost half of its business.

Managing and providing access to a large team of workers, as well as equipment, chemicals and materials, makes up a big part of the service Assured Group offers to dealers.

Many dealers do not want to keep valeters on staff, because of the cost burden, and they find managing the ebb and flow of staff tricky. Outsourcing to an expert can ease the administrative burden and free up time to focus on selling cars.

The company has a management team of 100 people based across the UK and the Republic of Ireland, plus 400 permanent employees and a pool of thousands of self-employed contractors.

Peasnall said: "Dealers want flexibility to increase staff during busy times and to know they are not going to be caught out with a busy forecourt of vehicles that are not ready.

"We are not the cheapest, but we offer a consistent service at a good price point. There is, of course, a massive focus on the price point with our dealer customers, but they also want to know they are going to get a quality service."

Peasnall believes being an established business that is privately funded makes the company more able to suit its customers, rather than just investors.

Its size and experience will also help it to steer through some of the upcoming challenges facing everyone in industry.

While Assured Group wants to grow its dealer business, it is facing challenges with increased costs as a result of the introduction of the £7.20 living wage in April this year. It has absorbed the wage increase as much as possible, reducing the impact on costs for dealers.

The UK's decision to leave the EU could also have a big impact, as most of Assured's operators are hard-working migrants.

Heath Evans, Assured Group's managing director, said: "There are interesting times ahead within the industry.

"We are facing a number of issues, general tightening of labour supply across the whole country, the potential limiting of the eligibility for low-skilled workers entering the UK following Brexit, minimum wage to living wage increase and the government's plan to increase this to over £9 per hour by 2020.

"The pricing within the industry has remained static and slow to react to these changes for many years."

Evans said the valeting industry is also facing a "thorough review" by the HMRC about how companies used self-employed workers.

Assured has already engaged with the top 10 companies within the valeting industry and started discussions to form a focus group to represent the industry and enter into dialogue with HMRC regarding the status of workers and a long-term solution for the industry.

Despite these challenges, Assured has retained and won new contracts, such as a 32-dealership

MOVING INTO VIDEO

While vehicle preparation is Assured's bread and butter, it has been diversifying into new areas to support its future growth.

It has a facilities management team, which draws on its expertise to source flexible staffing for dealership cleaning. The company also provides distribution drivers on short- or long-term contracts basis, as well as dealership security staff.

Assured has also launched its Go View It video and imaging application, which dealers can bolt on to the valeting services.

Peasnall said: "It makes sense to get video and images as soon as the vehicle has been valeted. Most dealers need images and video to be online within 72 hours."

Go View It works by dealer staff using an iPad to capture high-definition video and images of stock as soon as vehicles have been valeted.

The system uses automatic number plate recognition technology to catalogue vehicle imagery to dealers' online sales portals.

The next launch for Assured is to add more functionality to Go View It, including vehicle damage assessment for dealers' aftersales departments, something which can easily be picked up during the valeting process.

To find out more, please call us on 01926 887 988, email info@assuredg

deal with Pendragon. It has also won recent contracts with Westover Group and Imperial Cars and works with BCA, Smart Fleet Solutions and Pendragon.

Assured's customers complete a monthly satisfaction audit and the average score across its garage division from the past three months is 9.1 out of 10.

Peasnall said the company is winning business due to its service levels, but also because it keeps at the forefront of digital technology, which competitors can be slower to react to.

Assured offers an online digital management system within each dealership, which its valeting teams use to track jobs. While competitors may offer something similar, Assured led the industry, introducing its first version in 2004.

The digital touchscreen system lets dealers and Assured track jobs in a paperless work process and audit trail. Once a job has been inputted and recorded it cannot be altered. The system also shows who ordered the clean, who cleaned the vehicle and the time it was completed.

Dealership staff do not have to leave their desk to issue work at the valeting bay and it allows real-time customer billing to help dealers keep on budget.

"There is, of course, a massive focus on the price point with our dealer customers, but they also want to know they are going to get a quality service"

Gary Peasnall, Assured Group

The system can provide daily, weekly, monthly or specific job reporting and invoicing. Evans said: "Our monthly audits track how well we are performing for customers.

"If we need to make adjustments to our processes, we can. Our 100 regional managers are on top of this on a daily basis, but this can be quite reactive.

"What's great about the management system is that we can see the sort of volume being loaded at each dealership and we can start to be more predictive about what sort of resource will be needed by dealers at peak periods."

Contact between Assured is through the regional managers, either on the phone or email and there's a dedicated support line at Assured's head office to handle any potential issues from customers.

roup.org or visit www.assuredgroup.org

Assured

Put finance offers front and centre online

Most of your customers visit your website and go on to buy using finance – make their journey as easy as possible

NEED TO KNOW

- Display finance offers next to car listings
- Calculators and credit checks can increase engagement
- Take special care with compliance of online offers

By Tom Seymour

Like all retailers, car dealers are moving towards a future where purchases can be fulfilled entirely online, but as the number of new cars bought on credit passes 85%, are dealers giving buyers enough access to finance on their websites?

Motor retailers are taking steps in that direction by investing in software to integrate finance calculators, credit checks and quotations into their website, while also making sure everything is presented in line with Financial Conduct Authority (FCA) rules and the Consumer Contracts Regulations.

James Tew, Ivendi managing director, said finance should be offered prominently on dealers' websites, simply due to the level of vehicles funded this way in the UK.

He said: "One of the most important things is looking at the prominence given to finance on each listing online.

"If around 75% of all new cars are bought through finance and around 80% of used cars are bought through dealers on some sort of finance, shouldn't the online finance option be the main feature when it comes to pricing next to that vehicle?"

The essentials

Simon Dixon, founder of Rockar, the shopping centre-based dealer group that represents Hyundai and Jaguar, allows customers to complete their entire buying journey online if they wish.

Dixon said of the 60% of customers that buy online, 90% of those purchases are through finance.

He said while a high proportion of that 60% would have entered a physical store to speak with Rockar's 'angels' (the company's customer service advisers) they are left to go away and buy in their own time.

Dixon said Rockar spent a lot of time working on how payment options are displayed to customers: "We wanted there to be as much self-service as possible and think about what is frustrating about the buying process in the showroom.

"Listen to what customers are saying they want and add as many components from that buying process online to give them control."

> "Listen to what customers are saying they want and add as many components from that buying process online to give them control"
>
> Simon Dixon, Rockar

Tew said finance quotations need to be sophisticated enough to keep customers informed of the changing monthly payment price and the implications of different lenders, the part-exchange price and the terms of every step from A to Z.

Dixon said whatever is built has to follow the legal structure put in place by the FCA, but it needs to be as clear and intuitive as possible.

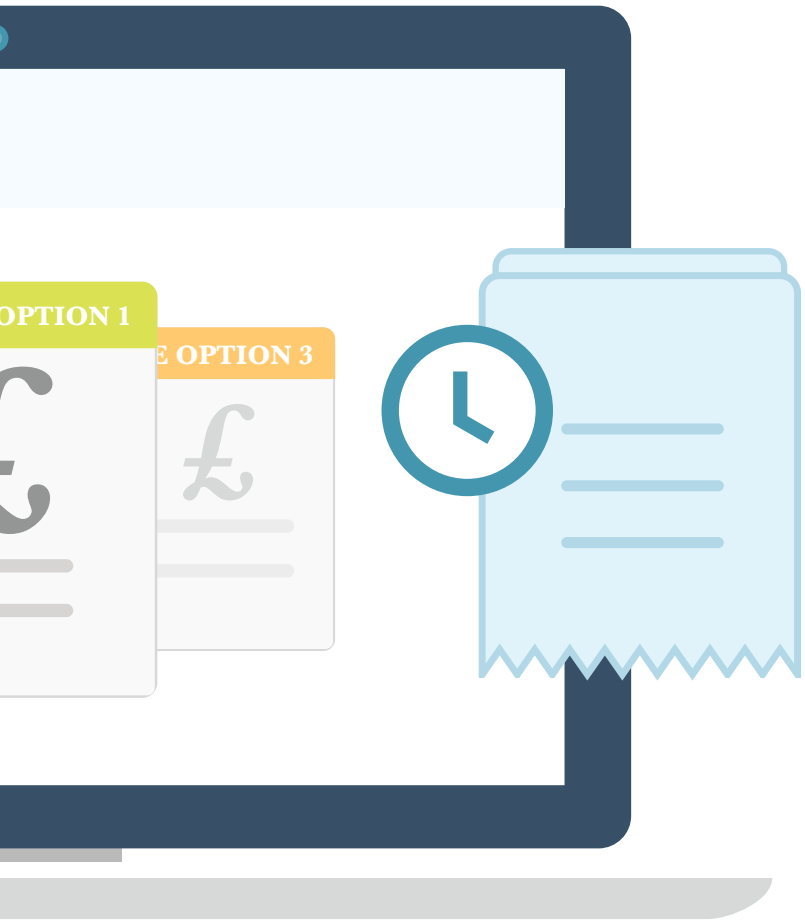
Once a customer has chosen a model on the Rockar website, customers are able to choose what sort of payment option they would like to take – PCP, conditional sale or cash. All options are presented in a large font and graphics are mobile-responsive. For a PCP deal, the deposit level, term and annual mileage are all adjustable on a slider button and the payment summary panel detailing each element updates automatically.

The customer can print out the quote at any point and there are links to detailed explanations on how PCP and conditional sale agreements work.

Rockar's quotation system allows customers to save their progress at any point and return to their "shopping basket" to complete the process, either in-store or at home.

Shaun Harris, sales director of Codeweavers, said it can be useful for dealers to include video explainers on each finance product and it is "imperative" that offers work on mobile and tablet devices, as well as the desktop.

According to FCA regulations, a representative example must be shown "where a financial promotion indicates a rate of interest or an amount relating to the cost of credit, whether expressed as a sum of money or a proportion of a specified amount".



Tew said this can be tricky for smartphones in particular, as a representative example is often quite long and customers have to scroll down to view it all.

He said: "The representative example can take up a lot of real estate and dealers need to make sure it is presented on mobile on a way that is easy to digest and makes everything clear."

According to Tew, about 28% of customers quit the finance quotation process when it comes to entering their bank details at the affordability stage.

He said: "Customers don't want a hard search on their details, due to it having a potential negative impact on their credit score.

"It is possible to offer a soft search or quotation search that will still give them an accurate decision on whether they would be accepted for finance, but it won't affect their credit rating."

Used cars and classifieds

Harris said dealers failing to offer finance for used cars listings would be guilty of a "serious oversight".

"Displaying affordability options on listings will increase customer attention and interest that in turn will encourage them to seek further information about the car, the dealer and the finance offer," he said.

Codeweavers' research found that dealers with a finance lead-generation button on their stock listing page received six times more finance leads than those that display the finance button only after customers have clicked through to look at an individual vehicle.

Harris said: "When the customer wants to delve into more detail, an easy-to-use informative calculator with clear calls to action on the details page of a vehicle is becoming essential."

Tew wants to see more work done online with search by payment for new and used cars.

ADVERTISING FEATURE

BEATING THE ONLINE BROKERS

By James Tew, director, iVendi

Are you one of the 35% of dealers who do not offer integrated, online motor finance tools on your website? If so, there is a good chance your customers are looking elsewhere for their finance needs – and they may end up using an online broker.

Ironically, all these online brokers tend to do is pass your customer back to you without any finance commission and, in some cases, without an additional fee, too.

> "71% of consumers want to start the finance journey online, but without finance tools on your site that journey will be with someone else"

Frankly, if the whole market went this way then finance income would be lost in its entirety, with no incremental sales and many dealers going to the wall. Your Google Analytics would simply show a visitor searching and then moving to a full-page advert before disappearing.

Google states that 71% of consumers want to start the finance journey online, but without finance tools on your site that journey will be with someone else.

What should your solution be? There are many ways to add motor finance to your website, from simple plug-ins to sophisticated integrated solutions. They can be adopted at a surprisingly low cost and in a matter of days, in some cases.

If you don't use one of them, exactly how will you protect your finance revenue from online brokers?

iVendi

About iVendi

iVendi is the UK's market leader in digital motor finance, providing solutions used by the leading car portals, thousands of dealers and many major finance providers. Visit www.ivendi.com, email info@ivendi.com, or call 0345 2206 0503.

NEW MODULE LAUNCH IMMINENT...

We've been working on a new module for the iVendi showroom platform which will help improve interaction with customers.

Visit us at **AM Live**, **16th November**, Milton Keynes Arena on Stand 70 to preview the new module and find out about our other products too.

ivendi.com

iVendi

Some dealers, and classified websites such as Motors.co.uk are already doing this, allowing customers to search for vehicles that sit within their monthly budget.

SEO and digital marketing

The Google pay-per-click advertising landscape is currently dominated by online finance brokers and big providers such as Lloyds Bank, the owner of Black Horse.

A quick search for "car finance" on Google brings up a host of brokers, but just one dealer group – Arnold Clark.

Karl Werner, chief executive of Motonovo's motor finance division, said: "It's clearly challenging for a single dealer to make a big difference against these competitors, but, by working together, the dealer community can make a difference."

Motonovo has created a not-for-profit classified portal called findandfundmycar.com for dealers to compete with existing classifieds players and push to compete for rankings on Google.

Werner said: "Where the main market player promotes their own finance option prominently, in competition with their dealer customers, we believe that dealers should be promoting the affordability of their cars."

Werner said dealers should not use "black hat" tactics, such as keyword stuffing, duplicate content and spam blogs to try and achieve better SEO rankings.

"Things that can be helpful are regularly updated and useful blogs, guides or finance news with keywords about finance with appropriate headlines and tags," he said.

FCA compliance

Werner said that until the early part of this year, the FCA's focus for the motor industry was on authorisation, but this has turned to how dealers are implementing regulations.

Harris said: "Just because the fears associated with FCA regulation have yet to see any high-profile issues, it certainly does not mean there should be any let-up on the need for compliance, especially in today's digital market."

Tew believes offering finance online already ticks a lot of boxes the FCA wants to see. This includes consumers' ability to view likelihood of approval, ease of comparing products and the options and information open to them.

He said: "Affordability is a big thing with the FCA and I think viewing finance quotations online at your own pace with all the options and variables available to you is what regulators want to see.

"The dealership is the domain of the dealer. Online can only be good from a customer's point of view. It's a neutral environment."

Harris said dealers should look to invest in good controls and processes to make sure they are compliant online and this can often be helped with tools offers by third parties or their funding providers. The way finance is offered online should be checked by a compliance expert.

He also suggested it can be good to go above and beyond what the FCA requires, including 'plain English' explanation guides on each area of finance offered online to help customers be as informed as possible.

Regulation on the horizon

From April 26, 2017, the FCA will publish complaints data from the finance industry, including dealers.

Tew said this will be the next big test of how the FCA is viewing how dealerships are dealing with regulations.

He said: "I don't want to be a scaremonger, but I think many will be waiting to see what comes of that report. With that, we will see how dealers have been documenting their processes and the sort of complaints coming in from customers in the showroom and online."

Werner said dealers should also be aware of the new General Data Protection Regulation (GDPR), which is likely to affect how all businesses use customer data.

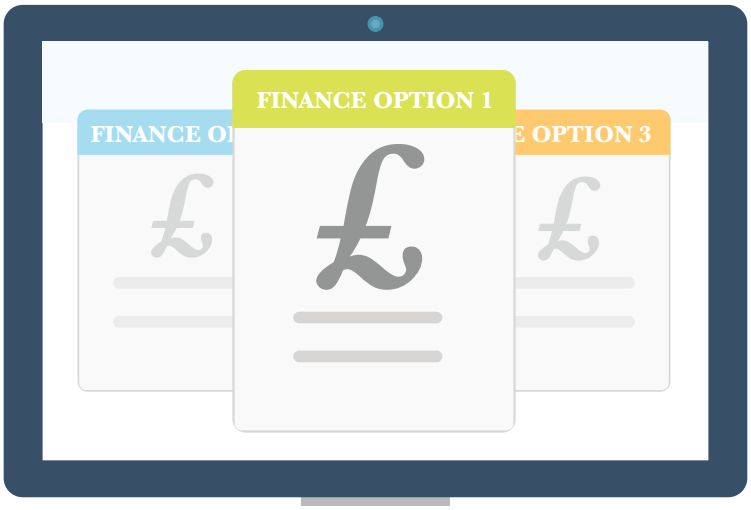
He said: "Inevitably, this has implications for finance. They may not be due for implementation until 2018, but preparations for change are being recommended by trade bodies.

"The importance of good data-marketing practices [was] highlighted in September when Carfinance247 was fined £30,000 by the Information Commissioner's Office as a result of a marketing campaign that involved sending 65,000 nuisance texts."

Harris is hoping for the FCA to publish more clarity around the use of representative examples in the digital space to help with "inconsistencies with interpretation and presentation".

He said: "The FCA has consulted on whether the current regulations are right for the digital arena, so there may be movement in time.

"However, as long as dealers are open, transparent, informative and treating customers fairly, preferably from what is often the first point of interaction, the dealer's website, then I don't think they have anything to fear."



SOCIAL MEDIA

Dealers should be aware, according to Harris, that overt financial promotions through social media can be a complicated area fraught with pitfalls.

The FCA considers tweets and LinkedIn and Facebook posts to be 'non-real time communications'.

This means any communication on social media is treated the same way as a promotion in a magazine or in an email campaign, with the same compliance checks in place.

All social media-based financial promotions must comply with FCA rules and be "clear, fair and not misleading".

This is also the case when tweets on Twitter are used to link through to a website – the 'click-through approach'. Social media is not exempt from the need to show a representative example.

Tew said: "If you look at something like Twitter that has just a 140-character limit, you wouldn't be able to fit in a representative example of a finance offer in there.

"I think there has been some disconnect with dealers' marketing teams with what they can advertise on social media. It would be prudent for any marketing messages to be put through a compliance expert before they go out on social media."

Specifically, the FCA regulations require dealers to keep a record of the communication. Best practice advice suggests this should be beyond any records held on the social media platform itself.

The FCA understands the potential value to consumers of social media, but requires compliance with regulations to be observed. As the FCA's most recent social media guidance observes, dealers must "have the systems and controls in place to deliver this".

Harris said: "However, this should not stop a dealer leveraging the wider power of social media.

"Creating interesting content and encouraging customer interaction should be encouraged, but be sensitive around the finance ad insurance arena. It's all about being talked about for the right reasons."

3 steps to optimising your car care offerings

To improve revenues and encourage customer contact, dealers need to provide a true 'one-stop-shop' that meets their regular car care needs

By Tim Rose

A battle over data looks like it will change the dealer's relationship with the car buyer. With the spread of telematics and online information-sharing, carmakers will have more direct contact with a car's end user than ever before.

As a result, franchised dealers need to consider how to make themselves even more valuable to the consumer, such as the provision of a true 'one-stop-shop' that meets their regular car care needs. Doing so gives the dealer a means of broadening their focus from annual service work to encompass MOT tests, cleaning and valeting, and SMART repairs – bringing in additional revenue and crucially encouraging more consistent contact. Here we look at how the three car care services may benefit the dealership.

1

MOT tests

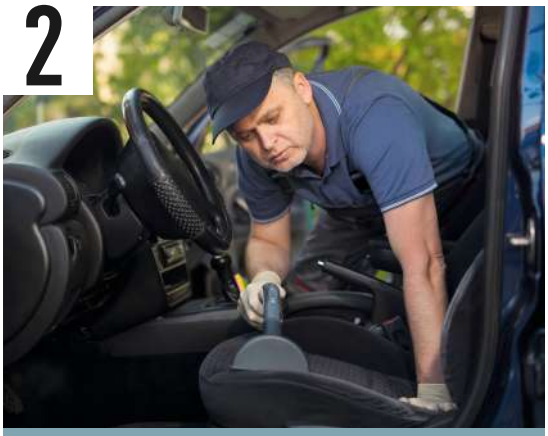
The franchised dealer sector accounts for about one in five MOTs annually, while independent garages enjoy the lion's share.

Research for the Castrol Professional Car Servicing & Repair Trend Tracker report predicted that the volume of total service, maintenance and repair in 2020 will be down to 2008 levels – about 46.9m jobs – partly as a result of strong new car sales populating the car parc with more reliable cars that have longer servicing intervals. Yet only 60% of franchised dealers provide MOTs.

Trend Tracker's Chris Oakham said: "Dealers need to address ways in which they can attract MOT business including those who will have to use an off-site MOT test partner.

"Repairs are a much more lucrative revenue steam than routine services and when we are seeing huge independent fast-fit chains like Kwik Fit investing massively into MOT test facilities at their branches nationwide, that's an indication of how vital they view on-site MOT testing to their business model."

2



Valeting

Some franchised dealers such as Mitchells in Cheshire and Robin Appleyard in Yorkshire use valeting services as a way to maintain contact with the customer. A free weekly wash and vac helps to build customer relationships and can enable the service department to spot any reconditioning work to sell or the sales team to promote offers on new cars.

Alternatively, valeting can become an additional revenue stream. Motorclean managing director Steve McBrierty said: "There's an application of particular chemicals, which make it a superior clean, and we call it 'Spruce & Shine'. The reality is that there's a significant financial benefit if that's properly done."

He believes 'properly done' is dictated by the level of engagement between the dealership and customer, adding: "Success is the difference between an employee who says 'I've got this product if you're interested' and someone with a script they go through, which actually sells it."

Typically, the dealership will charge up to £17.95 for the treatment, with a profit margin included. Successful sites have take-up in excess of 20% – a figure McBrierty suggests is good because it's one of many things the dealer is trying to sell.

"My message to the dealers is that you should look at every avenue to improve the bottom line."

3

SMART repair

Mark Llewellyn, managing director of SMART repair provider Revive, said that although dealers were aware of the benefits of this repair technique through used car prep, it hadn't been widely adopted as an add-on option for retail customers.

"There are opportunities when a car is in for service, an MOT, or at trade-in," said Llewellyn. "Trade-in time is especially relevant. Instead of a salesperson taking a negative approach on value because of damage, there can be a more positive 'Look, if you have these repairs carried out, it will add x amount of pounds'.

"For service departments, there is a sales opportunity through a bodywork inspection at the time of booking in the car – which is also a useful precaution against unfounded complaints about damage while the car is in the dealership's hands."

Protecting your customers' investments

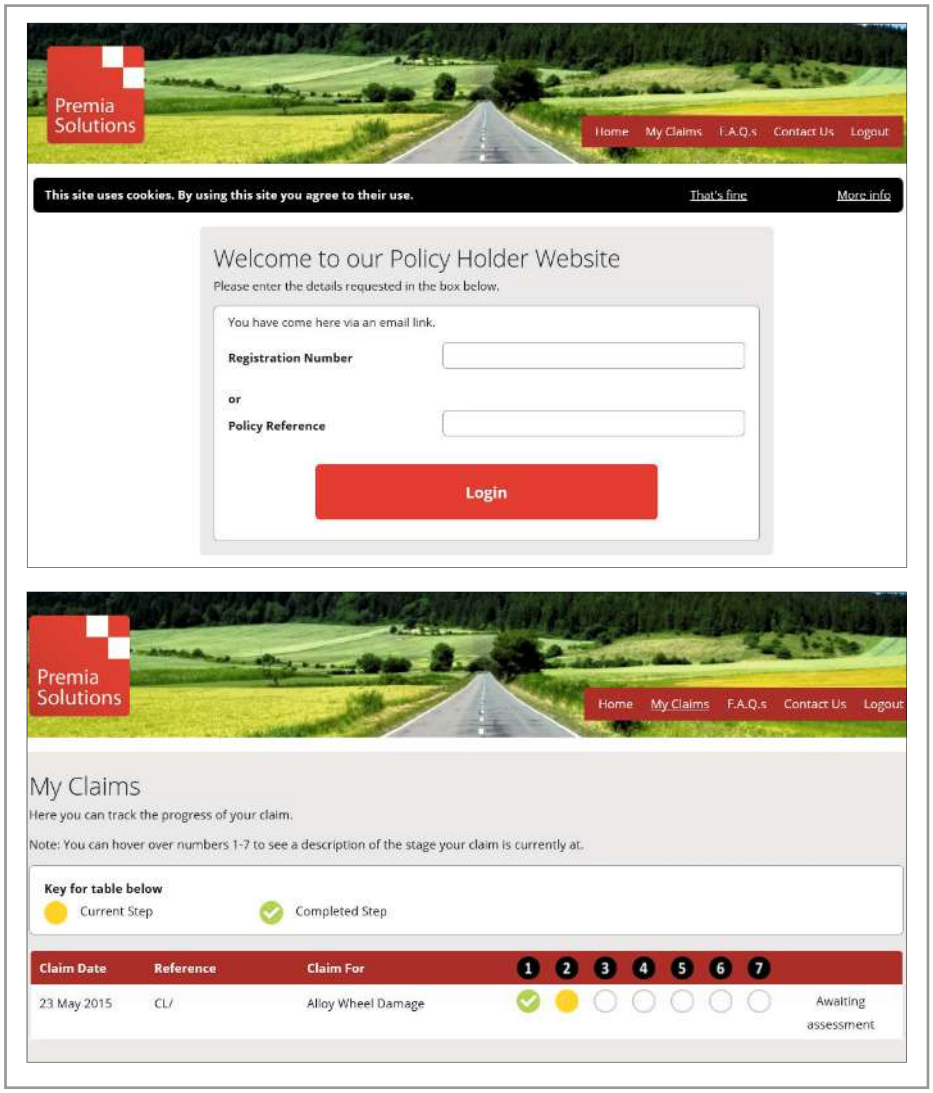
Premia Solutions provides a range of market-leading insurance products and dealer systems

In March 2016, the number of new car registrations topped 500,000, an increase of 5.3% on the number sold in the same month a year earlier. With the number of new car registrations rising, we know it's important to you that your customers feel like their new investments are protected from the minute they leave the showroom.

Premia Solutions celebrated its 15th anniversary last year. During that time, it has gained a wealth of experience in developing bespoke, white-label insurance solutions for a wide range of motor dealers. With market-leading products, designed specifically to meet your customers' needs, Premia finds itself ahead of the field, not only through its product offering, but also in its first-class customer service and constantly evolving, purpose-built dealer administration and management information (MI) systems.

By ensuring we put your customers at the centre of our business, Premia leads the charge in both 'treating customers fairly' and providing an excellent customer experience of added-value insurance products.

Your customers can take advantage of our 'all device-capable' online claim system, which allows a customer to quickly and conveniently register a claim and also to track its progress through the assessment process, while at work, home, or on the move.



"Premia leads the charge in 'treating customers fairly'"

Conrad Gamble, managing director, Premia Solutions

Our dealer-specific systems also allow the dealer group the option to automatically return the customer to the selling dealer for repair. This provides an excellent opportunity to ensure the customer is provided with a seamless experience between making a claim in the online world, to having the repair done at the dealership.

In addition, our dealers benefit from the aftersales prospecting by returning the customer to the dealership during their ownership cycle.

Continuing with the theme of promoting great customer outcomes and with regulatory changes for GAP insurance now in place since October 2015, Premia Solutions developed and implemented system changes to support dealers in providing the prescribed regulation and recording the deferred opt-in period.

We recognise how important your customers are to you; that's why our mission is to provide market-leading products that represent value for money with the best dealership and administration systems, all supported by outstanding customer service and dedicated dealership development.

Premia Solutions

For your personalised solutions, visit www.premiasolutions.com or email info@premiasolutions.com

INDUSTRY PROFESSIONALS SHARE THE BEST ADVICE ON MOTOR RETAIL ISSUES

Don't treat valeting as a commodity in this year's budget

By Martin Peters, sales director, Autoclenz Group

Budgets are well under way, if not already signed off, and it is the time of year for tender season to benchmark current valet arrangements, both operational and financial.

This approach typically falls into one of two categories.

The first is a very old-school approach – that it is all about driving the cheapest price, a commodity purchase. Get four or five quotes and the cheapest wins, because all valet suppliers are the same. This is particularly short-sighted, in my opinion.

A set of prices is just that, it has no relevance to the ultimate spend of the contract: Are there any cost controls? Is it a fully managed service or simply a labour supplier, which you will have to manage? How will it affect your business if it goes wrong? How will it affect your customer's journey? What valeter fees does the pricing support?

The second category is where Autoclenz sits. Every penny you spend with Autoclenz is a cost to your business, but ultimately an investment in your customer's journey and the reason why a well managed supply partner is the way to go.

Valeting is not a commodity, it is not stationery, oil or paper clips. There is a vast chasm between the good, the bad and the ugly. Invest in valeting to improve your customer satisfaction.

■ **To find out more about the difference at Autoclenz, please call Lucy on 01283 554682.**

autoclenz™

January should be busy after end-of-year slowdown

By Simon Henstock, BCA chief operating officer, UK remarketing

While average values have been relatively stable for much of 2016, commentators are beginning to speculate whether that trend will continue into the later part of this year and into 2017. Market performance brings a number of factors into play, including ongoing supply and demand dynamics, and while no one can predict the future, we can look at recent and longer-term trends as a guide.

The late summer and early autumn months saw demand keeping pace with supply. Conversion rates have been healthy, which shows there is a good churn in the marketplace. Increased retail activity following the 66-plate change means more volume is heading towards wholesale channels.

In previous years, and with similar trading patterns, we have seen good levels of demand into the autumn months, then a general slowing of activity towards the end of the year as the festive season approaches. We should expect January and early 2017 to be very busy in the wholesale markets, as has been the pattern in recent years.

Whatever the market conditions, professional used car buyers need to be able to find the right stock quickly and efficiently. Tools such as BCA's Auction View make stock location quicker and easier across an even wider range of search criteria. Accurate appraisals and grading tools deliver higher-quality images and more concise condition reports and mean dealers can get the right cars at the right time to meet the needs of their retail customers.

BCA

Knowledge is power, and businesses need as much expert advice and insight as possible to succeed. For senior managers in franchised dealerships, who are ultimately responsible for a multi-faceted service, retail and business-to-business operation, that need is even more pronounced. This is where *AM*'s Executive Panel can be of real help. The Executive Panel is made up of *AM* commercial partners who are all experts in their key industry segment – segments that can have a major influence on a motor retail business's bottom-line profitability and customer experience.

How do you tell a casual worker from an employee?

By Graham Jones, director, Lawdata

Our legal helpline recently defended an employment tribunal case that illustrated the potential pitfalls of using casual workers.

Like many businesses in the motor trade, our client used casual workers, particularly to collect and deliver vehicles. One such worker sought to argue that he was, in fact, an employee and therefore entitled to bring a claim of unfair dismissal.

An "employee" is defined as someone working under a contract of employment, but this is not simply a matter of the label on the contract. In particular, a tribunal will consider whether the worker has agreed to provide their own personal work and skill, whether they are subject to the level of control to be expected of an employment relationship and whether there is mutuality of obligation, i.e. that the business is obliged to provide work, and the casual worker is, in practice, obliged to accept it.

This could therefore mean that someone who is nominally employed as a casual worker, but in practice is treated as an employee – in terms of when they are expected to work, the requirements of their role, when to take breaks etc. – could be considered to be an employee.

One useful way to establish that there is no mutuality of obligation could be to properly record whenever a casual worker advises that they are unavailable for work, especially if work would otherwise be available.

We are pleased to confirm that, on the facts of this matter, Jason Braier of Counsel was able to persuade the tribunal that the claimant was not an employee.

■ **Lawdata's legal helpline is on 01767 310 000.**

■ **Lawdata is hosting the Legal Clinic at Automotive Management Live 2016.**

law data

Give recruits a good start to maximise your investment

By Michelle Banister, director, GMD People

Robust and effective recruitment and induction processes should go hand-in-hand. Last month, we highlighted the importance of making good recruitment decisions. Let's assume you have successfully recruited a new team member – how do you induct them into your business?

With access to online systems and company websites, it is easier now for new team members to start their induction before they even walk through your front door. However, on day one, new starters should gain an understanding of your corporate values, ethics, expected office/workshop etiquette, where they fit in with their team, who their boss is and what is expected in terms of work output. By communicating these, your new recruits will have the best possible foundations to be an effective and productive team member.

Poorly done induction, or none at all, can be a cost to your business. If a new starter feels lost after their induction process, they may not ask for help, which can lead to mistakes being made. This creates a disadvantage in terms of employee efficiency, which can translate into poor company productivity. In the worst cases, you may lose a valuable employee, which takes you back to square one.

To new starters, a proper induction acts as reinforcement that they made the right choice by coming to work for you. Make sure you maximise the investment you are making.

■ **GMD People will be in the Bistro area at *AM* Live 2016 on November 16 in Milton Keynes. Until then, visit our website at gmdpeople.com or call us on 01327 831 371.**

gmd® people

The bottom-line benefits of good workshop design

For decades, even the most upmarket High Street dealerships were divided into two different worlds.

Showroom customers walked into reception and display areas awash with shiny glass, gleaming aluminium and chrome, but the back office and workshops were dark and dismal places for staff and technicians, often with last year's calendar on the wall and bins overflowing with oily rags.

However, in 1997, Dominic Wishlade, a talented industrial product designer, realised modular design concepts from the residential sector could be applied to the automotive aftermarket and the idea for Dura was born.

Wishlade, now Dura's managing director, was commercial director for a company making garden machinery in sheet metal when his 'Eureka' moment occurred. As no one else was enthused by the idea, he made a prototype in his spare time and asked a sub-contractor to knock the design into shape.

"At the time, Aston Martin was ahead of the game at enhancing dealership standards for workshops, and by chance, someone from there saw my prototype. It wasn't much more than 'drawers and doors' at that stage, but the idea really appealed to them," he said.

"I created a more sophisticated version, and they decided to incorporate it into their newest service centre, which was a real milestone. Then Audi saw the concept, also liked it, and we've been designing furniture for their workshops and service centres ever since.

"Right from the start, I believed this equipment could straddle function, design and brand enhancement, because good workshop design benefits everyone from customers and technicians, to the dealership management team and the manufacturers.

"There's a feel-good factor when technicians use our bays, and know they've been designed to make their job easier and quicker, which helps dealers retain their best employees. It's a lot more cost-effective to invest in a modern and efficient working environment than to be constantly looking to recruit.

"Aston Martin and Audi were the first to understand the benefits, and once I established Dura as a business, using a top-notch manufacturing supplier I'd used at my previous job, other dealers soon followed."

Dura's clients now also include Bentley, BMW, Ferrari, Honda, Lexus, Porsche, Volvo – and even Harley-Davidson.

"To franchised dealers, the workshop is their engine room in a financial as well as a practical sense, so if they can increase its productivity the impact is immediately seen on the bottom-line performance," said Wishlade.

"As service centre designs become more open, customers increasingly see mechanics working on their vehicles, and I know from feedback that people are always impressed to see modern, well organised and tidy service centres.

"No one enjoyed seeing their precious car in the old-style workshop environment, but now they can see their dealer is really taking care, which can only assist customer retention.

"Pretty much all the manufacturers now recognise that it's crucial to create great customer experiences in aftersales, just as you would look to at the front end of the sales process."

Although other players have entered the workshop furniture sector in recent years, Wishlade believes Dura's experience at the forefront of the market makes its position secure.

"We're never going to become over-confident, because that's dangerous in any sector, but we do have a demonstrable track record for designing innovative installations for almost 20 years," he said.

"The manufacturing plant in Devon, which I used for my first prototype, is now an integral element of our business. When it had problems during the financial crash in 2008, we decided to take the building and the people on, because we didn't want to lose their skills and experience.

"At the time, the acquisition represented a major challenge, but we have since invested something like £7 million, and today it's probably the most sophisticated sheet metal factory you could find, with the latest laser cutting machines and computerised powder-coating plant.

"We've got a really committed workforce there, and they're as precious an asset as our design team here in Brackley. Many firms outsource sheet metal work overseas, but we believe keeping our manufacturing base in the UK adds great value to our business, and means better and faster service for clients.

"We have more manufacturer approvals than anyone in this sector, and are constantly looking to maintain our market presence by future-proofing our designs to take account of, for example, the growing use of electric vehicles and hybrids."

"As service centre designs become more open, customers increasingly see mechanics working on their vehicles"

Dominic Wishlade, Dura

To find out more, contact Steve Brooks on 01280 706 050, email steve.br

AWARD-WINNING DESIGNS WITH GLOBAL APPEAL

Awards don't always tell you much about a business – but the biggest in Dura's trophy cabinet certainly do.

Steve Brooks, UK sales manager, proudly pointed out a Red Dot Product Design award, and the Queen's Award for Enterprise in the international trade category.

"Red Dot is one of the world's most respected competitions for designers, it's been running since the 1950s, and typically there are around 17,000 entries every year, which shows how tough they are to acquire," he said.

"People are always impressed that a firm designing workshop furniture in sheet metal has won such an award, and I must admit, I am too. We do pride ourselves on creating products with clean lines, but even so, I think it's a tremendous achievement to be awarded a Red Dot."

The Queen's Award indicates that Dura's designs have global appeal, and Brooks highlighted a 16-bay service centre for Audi VW in Norway, the flagship service centre for Rolls-Royce in Dubai and a 34-bay workshop under the streets of Paris for Mercedes-Benz.

"We started the company at the luxury end of the sector with Aston Martin and Audi, and most of our longest customer relationships are with upmarket marques," he said.

"The manufacturers trust us with their most complex and demanding design briefs, so we are regularly recommended when they are creating new workshops and service centres overseas, which is very pleasing.

"We also find that if a workshop is installed at one dealership site, that other dealers from the same marque are soon there to check it out, which is an important way of winning further business.

"Word of mouth has been crucial to our growth, but we always attend Automechanika in Frankfurt, partly as it's the world's biggest automotive exhibition, but also as it's a great meeting place to catch up with everyone.

"We launched our latest product, the ServiceWall System, there recently and it was very well received. It's designed for use as either a modular system, or a partition structure for customer-facing areas.

"Although many customers are luxury marques, we see great potential in other market sectors, and the ServicePod we launched a year ago is proving very popular because it has a very small footprint, and was designed as a 'plug and play' unit, so it's extremely quick and easy to install.

"We thought the pods would be in demand from operators of rapid-fit centres, but it's surprised us a little to see what other customers have invested in them. We've gradually built up a network of distributors around the world, so I'd expect our export sales to increase steadily as we go into 2017."

ooks@dura.co.uk or visit www.dura.co.uk

DURA Workshop Systems

86 **Fiat 124 Spider**
Built on the same line as Mazda's MX-5, this sporty number has a personality all of its own.

88 **Mitsubishi Outlander**
While Mitsubishi's PHEV captured the headlines, the diesel Outlander has been steadily popular too.

89 **Nissan Leaf**
The UK's best-selling pure EV joins the *AM* long-term fleet for a short-range test.

PARIS MOTOR SHOW

Paris Motor Show puts SUVs centre-stage

Manufacturers move to satisfy growing demand for more rugged vehicles, but are also launching small and stylish models aimed at attracting younger drivers

PEUGEOT 3008 AND 5008

Peugeot's brace of new SUVs made an impressive public debut under the spotlights of the Paris Motor Show – ahead of an early 2017 arrival in UK showrooms.

Seeking to cash in on growing demand for more rugged vehicles across all segments, the French brand has moved its 3008 (bottom) and seven-seat 5008 (below) models away from their original MPV form to hone in on the market's growth area.

Both new models showcase the latest iteration of Peugeot's i-Cockpit control layout, featuring a now-familiar compact steering wheel and head-up instrumentation.

The system uses "a customisable 12.3-inch, high-resolution digital screen with contemporary graphics", according to Peugeot. An eight-inch touchscreen in the centre of the dashboard brings together climate controls with access to connectivity and infotainment options. It supports smartphones via the MirrorLink and Apple CarPlay systems.

Prices for the 3008 and 5008 have yet to be announced, but 3008 order books open this month ahead of January deliveries. The 5008 reaches showrooms next spring.

Trim levels will start with Active – the less-equipped Access trim has been ditched for this market – and also features Allure, GT Line and a performance-focused GT trim.

Engines include a 130PS 1.2-litre petrol, with a six-speed manual or automatic gearbox, a 165PS 1.6-litre petrol in automatic only, a 100PS 1.6-litre diesel and a 180PS 2.0-litre diesel, which will power the GT model.

The range-topping GT specification can also be specced with Peugeot's distinctive, two-tone 'coupé franche' paint option.

LAND ROVER DISCOVERY

Jaguar Land Rover unveiled its new Discovery simultaneously in Paris and at a glamorous event in the grounds of Packington Hall, Warwickshire.

Jeremy Hicks, JLR UK's managing director, was in the UK for the event, at which it broke the record for a Lego structure, a model of Tower Bridge featuring more than six million pieces.

Hicks said UK demand for the seven-seat Discovery had "always been strong":

"New Discovery will build on this, offering customers the most complete all-round SUV package available anywhere today.

"Our retailers have been really excited to start talking about it. Customer interest has exceeded all expectations already, with a strong mix of new customers interested in the brand."

JLR expects to attract more fleet customers to the Discovery, thanks to its Ingenium 2.0-litre engines, which emit from 99g/km of CO_2.

The fifth-generation Discovery goes on sale in spring, priced from £43,495.

It will launch with a limited-run 'First Edition' model. A unique etched map detailing on the aluminium trim for the doors and fascia, unique badges, bold colour choices and a comprehensive list of standard equipment are standard on the 600 vehicles that will be made available to customers in the UK.

TOYOTA C-HR

The new C-HR allows Toyota to go head-to-head against the likes of Nissan's Juke and the Honda HR-V, with an edgy design looking to target a younger customer.

Lining up on the Paris stand alongside the new plug-in Prius hybrid, the C-HR (an acronym for Coupé High-Rider) is, according to Toyota, the "realisation of efforts by Toyota designers' to create a stand-out style and establish a new direction among mid-sized crossovers".

A spokesman said Toyota was targeting "people who are predominantly driven by emotional considerations" with the newcomer.

The Toyota C-HR goes without the option of diesel power and will be offered as a hybrid or with a 1.2-litre turbocharged petrol engine.

The hybrid features a 1.8-litre petrol engine and delivers a maximum output of 122PS, with claimed CO_2 emissions of 82g/km and combined fuel consumption of 78.5mpg.

The 1.2-litre C-HR generates 115PS and 185Nm torque, with CO_2 emissions from 125g/km and fuel consumption from 51.4mpg. Top-level models can be specified with heated front seats, keyless entry, rear privacy glass, bespoke upholstery (including part-leather), Toyota's Simple Intelligent Park-Assist, 18-inch alloy wheels and bi-tone metallic paintwork.

A 576-watt JBL stereo has also been developed for the C-HR.

SUZUKI IGNIS

Dale Wyatt, Suzuki GB's sales and marketing director, told *AM* the brand aims to "define a new segment" with the new Ignis.

The A-segment SUV remained fairly true to the Ignis Trail Concept showcased at the Tokyo Motor Show in 2015.

Scheduled to go on sale in the UK in January, the Ignis features the brand's SHVS (Smart Hybrid Vehicle by Suzuki) system employed by the 1.2-litre Dualjet engine to help deliver performance and fuel economy.

The mild hybrid system uses an integrated starter generator (ISG), with an integrated electric motor and a lithium-ion battery pack, using the electric motor's torque assistance for better fuel economy.

Wyatt said: "This is an exciting new car that really gives us the chance to lead the way with an A-Segment SUV. We can really define a new segment with the Ignis. There's nothing else quite like it currently out there."

The Ignis features Apple CarPlay, Android Auto and MirrorLink smartphone connectivity, sat-nav and a Dual Camera System.

AUDI Q5

Despite a "ground-up" reworking, Audi's new Q5 (arriving at Audi Centres in spring) features only subtle revisions to its exterior styling. However, there is a more defined update under the skin, where Audi claims a kerb weight 90kg lighter than its predecessor and an additional 10 litres of boot space (to between 560 and 610 litres).

Rupert Stadler, chairman of the board of management at Audi AG, said: "With the new Q5, we are setting the bar a notch higher."

At 4.66m long, 1.89m wide and 1.66m tall, the new Q5 has grown in nearly all of its dimensions.

Inside, Audi's optional virtual cockpit brings a 12.3-inch full colour TFT screen to the heart of the vehicle's controls. Audi's 8.3-inch MMI touchscreen sat-nav infotainment system incorporates a "personal route assist" function, learning regular routes and destinations.

A Wi-Fi hotspot also allows passengers to get online with up to eight mobile devices.

Audi's new Q5 will be available with the choice of a 190PS two-litre TDI or 252PS TFSI turbocharged petrol engines.

Details issued ahead of the Paris Motor Show suggest that the petrol engine will achieve 41.5mpg combined fuel economy and 154g/km CO_2 emissions.

A 286PS three-litre TDI turbodiesel engine will be added later.

NISSAN MICRA

Nissan has set its sights on the established players in the B-segment hatchback market, with the sportier and more technology-packed Micra unveiled in Paris.

Lower and wider than any previous Micra, the fifth generation of the Fiesta rival promises to be more dynamic than its predecessors and can be customised with an array of optional decals and an optional Bose stereo system.

Martin Boutard, Micra product manager, told *AM* the new model is geared towards a younger, more mainstream audience. He said: "This is the start of a new era for Micra.

"The Bose stereo option is something that I'm especially excited about. There are speakers in the headrests of the front seats and the sound quality is outstanding."

Nissan's Intelligent Mobility technologies are represented in the form of lane departure prevention and intelligent emergency braking, with pedestrian recognition – a first for Nissan vehicles in Europe.

A 360-degree reversing camera, traffic sign recognition, high beam assist and blind spot warning systems also pave the way towards Nissan's autonomous future.

From launch, next spring, the Micra will be offered with a 0.9-litre turbocharged three-cylinder petrol engine or a 1.5-litre diesel, both 90PS.

A naturally aspirated 73PS one-litre petrol engine will follow later.

KIA RIO

The South Korean carmaker debuted a sharper new look for the latest iteration of its global best-seller, the Rio.

Kia's new design is 5mm wider (1.725m), 15mm longer (4.065m) and 5mm lower (1.45m) than the car it replaces.

Speaking to *AM* at the show, **Kia UK's managing director, Paul Philpott,** said: "We're really pleased with the new car we have on display out there. It's a more focused car and the interior is fantastic – a real step forward."

The new Rio's interior features a 'floating' HMI (human-machine interface), which declutters the interior and includes a high-resolution touchscreen that provides access to the Rio's audio, navigation and connectivity systems.

HYUNDAI I30

Hyundai's design chief, Peter Schreyer, hailed the brand's new i30 hatchback as a "car for everyone" ahead of its Paris unveiling.

Schreyer, president and chief design officer of Hyundai Motor Group, said the brand had "focused on a wide range of different people" while developing the i30 design, which features "natural flowing lines, refined surfaces and a sculpted body to create a timeless appearance".

Customers can choose between Hyundai's new 140PS 1.4 T-GDI turbocharged four-cylinder, 120PS 1.0 T-GDI turbocharged three-cylinder or 100PS 1.4 MPI four-cylinder petrol engines or a 1.6-litre turbocharged four-cylinder diesel, available in 95PS, 110PS and 133PS.

A premium audio system, with a five-inch touchscreen and integrated dynamic rear-view camera, Bluetooth connectivity and My Music functionality is standard with an eight-inch touchscreen featuring Apple CarPlay and Android Auto available as an option.

CONCEPT CARS

SSANGYONG LIV-2

SsangYong unveiled its new design language in the form of a flagship SUV.

A development of the LIV-1 concept showcased at the Seoul Motor Show in 2013, the LIV-2 is expected to form the basis of a Rexton seven-seat SUV that will reach dealerships next year.

Its 'chauffeur-driven' concept places the emphasis on the rear seat passengers, with a fully connected centre console featuring a 9.2-inch monitor in addition to a pair of 10.1-inch monitors in each headrest.

MITSUBISHI GT PHEV

Effortless cruising on and off the beaten track formed the basis of a Mitsubishi PHEV concept, which showed the direction of the brand's ambitions to follow the success of its plug-in Outlander.

A "dynamic shield" front grille was said to symbolise the advanced performance of a newly developed PHEV system based around a 2.5-litre petrol engine and a trio of electric motors.

Mitsubishi claims the GT PHEV would be able to return an electric-only range of 75 miles and a total cruising range of more than 750 miles, with CO_2 emissions of less than 26g/km.

INFINITI QX SPORT INSPIRATION

Infiniti's QX Sport Inspiration concept showcased the Japanese premium brand's new VC-Turbo engine.

The world's first production-ready variable compression ratio engine claims to combine the power of a high-performance two-litre turbocharged petrol engine and the torque and efficiency of an advanced diesel powertrain.

Roland Krueger, president of Infiniti Motor Company, described the 272PS VC-Turbo as "a leap forward for engine development". He said it would be brought to market in 2018.

HONDA CIVIC

After breaking cover as a very similar concept at this year's Geneva Motor Show, the new Honda Civic was officially unveiled in Paris.

Joined on Honda's stand by a prototype of the next-generation Type-R hot hatch, the 10th-generation Civic will be available with a one-litre three cylinder or 1.5-litre four-cylinder petrol engine from March.

A lower roofline and wider stance give the car an aggressive look, but clever packaging conceals 478 litres of boot space.

Katsushi Inoue, president and chief operating officer of Honda Motor Europe, said: "The market has become more competitive. From early development, we realised the 10th generation had to be a big step forward."

Honda invested £200 million at its Swindon manufacturing plant to support production of the new Civic.

The new model will feature Honda's Sensing system, incorporating active city braking, adaptive cruise control, lane keep assist, collision mitigation, and blind-spot monitoring.

CITROËN C3

The Citroën C3 made a colourful entrance at its home show with a stand dominated by various versions of the infinitely customisable hatchback.

With styling that mimics the distinctive Cactus crossover, the C3 features the same scratch-resistant Airbump side panels, elevated daytime running lights and the option of nine body colours and three contrasting roof colours.

Customers will also be able to choose from four interior themes – standard ambience, metropolitan grey ambience, urban red ambience and hype Colorado ambience – when the C3 arrives in UK showrooms early next year.

While 3cm lower than the outgoing C3, the 3.99m-long, five-door new model is said to feature 2cm of extra shoulder room and a 300-litre boot.

Citroën's chief executive, Linda Jackson, described the C3 as "a comfortable car with real personality".

BMW CONCEPT X2

BMW gave a glimpse of a crossover variant that could expand its 'X' range.

Said to draw on the German brand's history of coupé-making, BMW described the X2 as "a compact concept exuding urban sporting appeal".

No details of the X2 Concept's specification have been published, but **Karim Habib, head of BMW Design,** said: "This is a sporty vehicle with a bold character, and it allows us to open up some fascinating new design possibilities for the BMW brand."

MERCEDES-BENZ GENERATION EQ

Mercedes-Benz's sporty SUV gave an insight into the appearance and technology that may feature in the brand's future range of EVs.

Capable of 0-62mph in less than five seconds and with a claimed range of up to 311 miles, the EQ's scalable 300kW electric drivetrain could be tailored to future models.

Its aerodynamic traits were boosted by concealed windscreen wipers, cameras instead of exterior mirrors and an absence of conventional door handles.

RENAULT TREZOR

An electric powertrain developed through Renault's involvement in Formula E racing inspired the brand's 350PS Trezor coupé, which is said to be capable of 0-62mph in less than four seconds.

Just 1.08m tall, drivers enter the Trezor through a clamshell roof before they are offered the option of autonomous progress thanks to Renault's Multi-Sense system.

Renault aims to make completely safe 'hands-off / eyes-off' technology available for its mainstream vehicles by 2020.

FIRST DRIVE: FIAT 124 SPIDER – ON SALE NOW

Fiat's roadster carves out new niche for itself

Built on the same line as Mazda's MX-5 but this sporty number has a personality all of its own

By Tom Sharpe

"If you're going to produce a roadster what better way to do it than take the best platform currently on the market and tailor it to your own requirements?"

As a premise for producing a new vehicle that should be guaranteed to compete with the best in the class, **Pietro Carminati, Fiat's UK product manager for the 124 Spider,** is in no doubt that the approach taken with the brand's new flagship sports car looks pretty much perfect.

In any other segment it is inconceivable that a relationship could exist like the one between Mazda and FCA Group, but sharing the cost of development in such a niche sector will have made sense to both parties, the Italian observed while in conversation with *AM*.

Designs for the MX-5 and 124 Spider were developed by separate teams at the same time and are now built, by Mazda, on the same production line in Hiroshima, Japan.

Fiat has stamped its own mark on the iconic Japanese roadster – 2,952 sales strong by the end of August YTD. There are no shared exterior panels and the turbocharged engines are shipped to Japan from the Italian manufacturer's Termoli plant.

Bespoke tuning for the suspension and steering also promise to distinguish the 124 Spider from the MX-5.

Early indications are that Fiat will have little problem selling its first foray into the sports car sector since the left-hand-drive-only Barchetta of 1995, with demand for the 1,000 vehicles destined for the UK expected to outstrip supply.

Carminati said: "In March the 124 Spider was unveiled at the Geneva Motor Show and the order books were opened in the UK for the limited-numbers Anniversary Edition, celebrating 50 years since the original 124 Spider.

"By the beginning of August all 124 cars had sold out. When you have people coming to your showroom and placing deposits before they have even had the opportunity to see the car in the metal, we take that as a very encouraging sign."

Fiat Chrysler Automobiles UK's new managing director, Ashley Andrew, told *AM:* "The 124 Spider brings to the network another iconic flagship – like the 500 – which will attract a raft of new 'considerers' to the brand. The reaction so far has been fantastic."

Prices for the 124 Spider position it between the existing 1.5- and 2.0-litre Mazda MX-5 models, starting at £19,545 for the Classico, £22,295 for the Lusso and £23,295 for the range-topping Lusso Plus.

Classico is expected to account for just 15% of sales with 45% Lusso and 40% Lusso Plus.

> "The sales training was split into two groups – the lifestyle customer and the petrolhead"
>
> Pietro Carminati, Fiat

Included in the standard equipment on all 124 Spiders are 16-inch alloy wheels, keyless entry and engine starting, air conditioning, cruise control, Bluetooth phone connectivity and the same fast-folding manual fabric roof as the MX-5.

Once unclipped at the top of the windscreen, it can be folded away in seconds and is almost as quickly raised again.

Lusso specification adds 17-inch alloy wheels, heated leather seats and a seven-inch touchscreen infotainment system with sat-nav, digital radio and a rear parking camera.

Lusso Plus introduces a Bose sound system with speakers in the seat headrests which are a huge bonus for anyone wanting to make telephone calls on the move, making callers audible – even with the roof down.

Personal Contract Purchase (PCP) penetration should settle between 80% and 90%, according to Carminati, and an introductory 37-month PCP offer asks for a £3,499 customer deposit for all trim levels, with repayments of £269-per-month

The interior is near identical to the MX-5 but with subtle differences

The Fiat 124 Spider has a distinctly Italian and Ferrari-esque appearance

for the Classico, £319 for the Lusso and £349 for the Lusso Plus at APR rates of 7.3%, 6.7% and 7.5%, respectively.

Just one engine is available in the 124 Spider, a 1.4-litre turbocharged Fiat MultiAir unit delivering 140PS and 240Nm of torque – some 40Nm more than the more powerful MX-5 – to deliver performance claims of a 7.5-second dash to 62mph and 134mph.

But while the 44.1mpg fuel economy and 148g/km CO_2 emissions sit between the Mazda's claims of 47.1mpg or 40.9mpg and 139g/km or 161g/km, an indicated 31mpg on *AM*'s test drive showed it could be less frugal than the Japanese roadster.

The interior of the 124 Spider is near-identical to the MX-5 – a better-equipped offering than previous generations of Mazda sports cars with solid build quality – yet there are subtle ways in which Fiat has differentiated its sports car.

The option of a tan leather interior combines with several of the eight available colours (of which white is the only non-cost option) to add a distinctly Italian and Ferrari-esque appearance.

The 124's multi-link rear suspension distinguishes it from the MX-5

Elsewhere the instrument binnacle is a more round-edged affair than the Mazda's, but functionality from the Lusso and Lusso Plus' touchscreen infotainment system, via a rotary controller within the centre console or as a touchscreen when stationary, is very intuitive.

Carminati speaks of Fiat's efforts to tune the 124 Spider's double wishbone front and multi-link rear suspension to distinguish it from the MX-5 and that proves to be the case.

The Spider is less prone to roll in corners, settling more quickly over humps and imperfections, but remains a comfortable cruiser.

Refinement is impressive, the 1.4-litre turbocharged engine actually more audible with the roof in place, and the power's delivery makes the 124 Spider easier to drive quickly than the rev-hungry, normally-aspirated MX-5.

The Fiat unit's inherent torque at low revs means that the slick-shifting six-speed gearbox requires less work and makes the Italian better suited to relaxed motorway and A-road journeys.

An automatic gearbox option, due to be added to the line-up next year, is sure to broaden the 124 Spider's appeal still further, while the harder edge of the MX-5 may appeal more to the enthusiast.

That said, Abarth promises to win petrolheads into the FCA Group with the Abarth 124 Spider, which features more focussed dynamics, a limited-slip differential and 168bhp from its turbocharged 1.4-litre MultiAir engine for £29,850.

Carminati feels that the Fiat strikes the better real-world balance, however.

He said: "Our dealers know that – more than ever before – they will be selling to, perhaps, two different kinds of customer and our training was tailored to take account of this.

"The sales training was split into two groups – the lifestyle customer and the petrolhead, and dealers know that they have to be equipped to deal with both sets of customers."

SPECIFICATION

Price £19,545-£23,295
Engine 1.4-litre turbocharged MultiAir petrol, 140PS
Performance 0-62mph 7.5 seconds, 134mph
Transmission 6sp manual
Efficiency 44.1mpg, 148g/km
RV 3yr/30k 38.3-39.2%
Rivals Mazda MX-5

£3,499
the PCP customer deposit required for all trim levels

124
the number of Anniversary Edition cars built to mark 50 years of production

WHAT YOUR CUSTOMERS WILL READ ABOUT THE FIAT 124 SPIDER

TOP GEAR
(Compared to the MX-5) it's probably the more flexible, useable car more of the time. Priced smack between the 1.5-litre and 2.0-litre MX-5s, the Spider carves a useful little niche for itself.

AUTO EXPRESS
While the Mazda will appeal more to keen drivers, the Fiat's superb balance of ability means it will suit even more people perfectly.

SCOTTISH DAILY RECORD
The Spider is delightfully sprightly to drive, jinking through corners and delivering the best from its short-throw, six-speed box and rear-wheel-drive set-up.

LONG-TERM TEST: MITSUBISHI OUTLANDER 2.2 DI-D GX4

No country cousin to the PHEV

The Outlander diesel better suits buyers with longer distances to travel or towing needs

SPECIFICATION

Price £33,134
Engine 2.2-litre: 147PS
Transmission 6sp auto
Performance 0-62mph 11.6secs, top speed 118mph
Efficiency 48.7mpg, 153g/km CO_2
RV 3yr/30k 43%
Start mileage 3,644
Current mileage 3,928
Rivals Hyundai Sante Fe, Kia Sorento, Land Rover Discovery Sport, Nissan X-Trail

By Tim Rose

The current Outlander has been a real success story for Mitsubishi.

Much of the growth in registrations has been driven by the Outlander PHEV, the first hybrid SUV to reach the market and a vehicle made popular among company car users due to the significant BIK tax savings offered by its low emissions. Yet while PHEV has created the headlines and given a huge boost to Mitsubishi's brand awareness, the diesel Outlander has been steadily popular too. Of the 5,047 Outlander retail registrations to the end of September, 20.2% were diesel.

"Of 5,047 Outlander retail registrations YTD, 20.2% were diesel"

As a more traditional 4x4, the Outlander diesel better suits buyers with longer distances to travel or towing needs, while those with growing families should also appreciate the seven seats and interior space.

Buyers are attracted by its 2.2-litre 'clean-diesel' engine which, when combined with a manual gearbox and Mitsubishi's intelligent four-wheel drive system, achieves 53mpg and 140g/km CO_2 in official EU tests. Just as important for many is its ability to tow a 2,000kg braked trailer such as a caravan or a small animal trailer.

The version we're testing over the next six months has a six-speed automatic gearbox, so doesn't achieve the same fuel efficiency. Even so, its official figures look favourable against a comparable diesel auto Kia Sorento or Hyundai Santa Fe (both 42.2mpg and 177g/km).

Unfortunately for Mitsubishi dealers, a Nissan X-Trail does have a slight upper hand (52.3mpg and 143g/km). However, it is not offered in both 4WD and automatic transmission, so prospective customers comparing it with Outlander will have to make a compromise.

Further enticements include a five-year warranty, 12,500-mile service intervals and a three-service plan for £700. Mitsubishi is also currently offering a £1,000 deposit contribution.

WHAT'S BEING SAID ABOUT THE OUTLANDER

CAR BUYER
The Outlander should be more capable than many of its rivals if things get a little bit muddy and rough. The Outlander comes with four-wheel drive as standard, unlike many of the cars it competes with, so you can be reassured that you won't get stuck in tougher conditions.

DAILY TELEGRAPH
Up front there's loads of head and leg room, while the second row offers plenty of space for three people... Even with the rear-most seats in position there's a useable boot.

Guess the car competition

Sean Sullivan, dealer principal at Hidsons Citroën, Kia, and DS Automobiles in Northfleet, correctly named the Audi 80 S2 Avant in last month's issue.

Have a go at identifying this month's mystery model to be in with a chance of winning 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, November 11, 2016.

NISSAN LEAF

Increase in EV uptake sees Leaf sales soar

A quarter of European sales of the Nissan Leaf have been in the UK

By Tim Rose

The UK has been responsible for about one in four European sales of the Nissan Leaf since its 2011 arrival.

Nissan's data shows that as electric vehicle uptake continues to gather pace, there has been more demand for the Leaf in the UK in the past 12 months than in the model's first three years on sale.

It reached the 15,000-sale milestone in September, just 14 months after Nissan GB recorded 10,000 Leaf registrations since launch.

Ed Jones, electric vehicle manager at Nissan Motor (GB), said: "Nissan Leaf owners are some of the most satisfied drivers on the roads today. They have realised switching to all-electric power delivers so many benefits – running costs about four times cheaper than that of a conventional combustion engine and up to 40% savings in vehicle maintenance, to name but a few. There's a good reason the Leaf is the best-selling [pure] EV in the UK."

> "The Leaf reached the 15,000-sale milestone in September"

The original 24kWh model had an official test range of 124 miles on a full charge, which translated to about 70-80 miles of real-life driving. This year, Nissan introduced an upgraded Leaf, with a 30kWh battery, capable of 155 miles on the official test cycle.

It is this car which *AM* will be driving and reviewing over the next three months. A short previous period with the 30kWh Leaf suggested an actual range of 110-120 miles, which makes the electric-powered hatchback a more feasible proposition for some families. Our initial use has been only for 18-mile round trips to *AM*'s office, which meant a single charge lasts all week. However, in the weeks ahead, our Leaf will venture farther.

SPECIFICATION

Price	£27,955
Engines	AC synchronous electric motor: 109PS
Performance	0-62mph 11.5secs, top speed 90mph
Transmission	CVT auto
Efficiency	155 miles per charge, 0g/km CO_2
Start mileage	3,784
Current mileage	3,927
RV 3yr/30k	28.6%
Rivals	BMW i3, Hyundai Ioniq, VW e-Golf

ADVERTISING FEATURE

IS YOUR WEBSITE PREPARED TO GO GREEN?

By Lauren Cooke, marketing and client relations manager, Bluesky Interactive

As the public grows more receptive to eco-friendly vehicles, and more concerned about MPG and CO_2 emissions, does your website meet their needs?

Leading dealer web design agency Bluesky Interactive shares its top tips for "going green" with your website:

1. Communicate eco-stats clearly
It is important to share key figures with your customers. Why not consider bold and beautiful icons, and different page designs for hybrid or electric cars? Remember that people have low attention spans – you have to make things as clear and obvious as possible.

2. Let people sort by environmental filters
The default vehicle list is usually sorted by cost – low-high or high-low. Offering different, advanced sorting options, such as CO_2 or MPG, lets people who care about the planet change the priorities to suit them.

3. Keep your content unique
What sells a car to someone concerned about cost or safety can be very different to what sells a car to an eco-warrior. Unique content can make all the difference, so make sure to put your green hat on when copywriting for eco-friendly cars.

4. MPG comparisons
Using advanced technology on your site is what helps your dealership stand out from the crowd. Tools such as Bluesky's MPG comparison calculator allow your customers to see what cars will save on fuel, helping them to make the green choice.

bluesky interactive

For more automotive digital marketing advice, please contact Bluesky Interactive via their website or the phone number below.

0845 415 4853
www.blueskyinteractive.co.uk

IN DECEMBER'S ISSUE PUBLISHED NOVEMBER 25

SsangYong

A new HQ, rocketing sales and improving dealers are giving chief executive Paul Williams reasons to be cheerful.

The *AM*100 autumn update

Data and insight on the UK's largest dealer groups.

Leaders of the pack

Strategic insights and innovations from some of the top dealer groups in the *AM*100.

First drive: Hyundai Ioniq

The South Korean brand is first to give UK buyers a choice of hybrid, plug-in hybrid and pure electric powertrains in one model range.

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The talent's out there
The trick is finding it!

ACCOUNTANCY

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11921	Temp Dealer Accountant	Leics	£Neg
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11916	Financial Controller	Lancs	£55k pa +++
11915	Dealership Accountant	Essex	£Neg
11905	Management Accountant	Kent	£45k pa ++
11904	Reg Fleet & Logis Acct	Flexible	£50K pa + Exc Bens
11902	Management Accountant	Bucks	£45k pa +
11901	Management Accountant	Lancashire	£30k pa +
11899	Dealership Accountant	Wales	£40kpa + +
11896	Management Accountant	Cambs	£41k pa +
11886	Dealership Accountant	Hampshire	£Neg + OTE
11870	Dealership Accountant	Grand Cayman	To £50k pa Tax Free

OPERATIONAL

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11923	Aftersales Manager	SE London	£Neg + OTE
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- volume franchises
- planning and executing sales campaigns and marketing strategy

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Interested?

To be considered for this role, please forward your CV and a covering letter to Claire Bostock at UHY Hacker Young (c.bostock@uhy-uk.com) by **Friday 11 November**

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*For an informal discussion please call Lauren on **0141 773 5303.***

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