



AUTOMOTIVE MANAGEMENT

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**ALAN DAY VW / P18**

Why MD Paul Tanner is looking to widen his franchise mix

**ALFA ROMEO / P28**

New lines will deliver for dealers, says UK boss Andrew Tracey

**TRIBUNAL RISK / P99**

Dealers may face more cases after removal of claimant fees

A screenshot of a web browser window with a light gray background. At the top right are two red circular buttons with white icons (a minus sign and a close 'X'). The main content area has a white background. It starts with a pixelated cursor icon pointing to a checkbox, followed by the text 'My business has already started to prepare for the May 25, 2018, deadline'. Below this are two more checkboxes, each followed by a line of text: 'I acknowledge that my dealerships will be responsible for all customer data' and 'I understand we could be fined up to £17.5m and lose the ability to use customer data again in the event of a breach'. At the bottom are two rounded buttons: a gray 'Cancel' button and a blue 'I am ready' button.

**DATA / P51**

# ARE YOU READY FOR GDPR?

# Are all your systems covered for the GDPR?



All your 3rd party suppliers need to be integrated to your customer consent process so having one provider for service plans, electronic vehicle health checks, proactive follow up, online bookings and workshop and sales videos, and who are ISO 27001 accredited will make it easier to manage and audit your supply chain and ensure ongoing GDPR compliance.

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# EDITOR'S LETTER

was chatting to an expert on the forthcoming General Data Protection Regulation (GDPR) recently and she almost made me spill my coffee with alarm.

"It's good practice for companies to adopt a clear desk policy," she said. "Imagine what the cleaners might see on people's desks after the office has closed."

It strikes me as being near impossible, while working in a large media group, where we handle so many page proofs, supplements, newspapers and reports every day. However, even as I write this from my not exactly clear desk, I do understand the principle – everyone has to take responsibility for personal data.

Complacency is not an option – the GDPR is going to refocus all organisations' attention on how they gather and use data in the future. And rightly so – I look forward to telling cold-calling PPI claim farmers that I withdraw my consent for them to contact me. I will no longer be bothered by the AM100 dealer group that still occasionally texts and emails me about its 'exclusive VIP sales events' since I once booked a car service with it (which I later cancelled). In return, I am confident it will improve the return on the group's marketing investment – I would imagine I am one of many who will have to come off its database.

In the long run, the GDPR could benefit all parties.

■ Need to know even more about the GDPR? On February 22, AM is holding its first Data Protection Conference in Milton Keynes, which will give you a comprehensive, practical update on the GDPR just three months before the regulation comes into effect.

Keep an eye on [AM-online.com](http://AM-online.com) for more details.



## MEET THE TEAM



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**Automotive  
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# WHY 'PRICE vs VALUE' COSTS FRANCHISED DEALERS WORK

Consumers still rate franchised sector as more expensive despite offering lowest costs

**D**espite offering servicing rates that are actually cheaper than their rivals, franchised dealers are still perceived by customers as poorer 'value for money' than independent dealers or national chains, two polls have found.

The surveys, from the NFDA and What Car? show that the franchised sector has a long way to go to address what the industry believes are outdated and inaccurate views held by consumers.

The NFDA's Autumn 2017 Consumer Attitude Survey, conducted with 1,000 motorists by market research agency Public Knowledge, found that the average price paid for a service at a franchised dealer was £146, compared with £147 at an independent dealer and £151 at a national chain.

However, while 71% of respondents felt that represented good value for money (a 2% rise on the spring survey), 83% of those who attended the independent dealer and the same proportion who went to the national chains said they had got value for money.

The NFDA's survey found that the three factors most likely to convince consumers to use a franchised dealer for their servicing and maintenance needs related to value – 34% stipulated fixed-price servicing, the same proportion said competitive pricing for small repairs and 28% said discounted service plans were key.

A courtesy car was the fourth most popular response, highlighted by 27% of respondents.

## Hidden value?

While What Car? did not compare price in its recent Servicing Satisfaction Survey, it did assess respondents' perception of value for money, assigning a customer satisfaction percentage score that did echo the results of the NFDA poll.

According to feedback from 8,300 motorists, independent workshops were better than their franchised counterparts when it came to value for money across servicing work, with an average customer satisfaction score of 89.8%, compared with 79.4% for franchised operators.

Independents also beat franchises on customer experience, scoring

94.2% on average for attitude and politeness of staff, compared with 91.1% for franchised dealers.

Franchised workshops also scored less for the quality of work, with 88.5% of customers satisfied, compared with 92.7% of those who used independent workshops.

The overall satisfaction rating for independents, according to the What Car? survey, was 92.2%, nearly six percentage points higher than the score for franchised dealers. The survey stated that this was "mainly because car owners believe they get better value for money".

Mark Squires, the chairman of the NFDA, said: "There is still a gap between perception and reality on pricing for servicing."

"I think, ultimately, much depends on consumers' perception of value. If it's top-quality service from technicians specifically trained and equipped to work on your car, then the franchised sector is clearly succeeding."

However, Squires added: "Part of the problem is that when you put a franchised dealer and an independent side by side, you are comparing apples with oranges, but in consumer's minds they do think they're comparable."

In its survey, the NFDA reported that the overall satisfaction with franchised dealerships' customer service "remains high", with 79% of customers saying they were satisfied with their most recent experience (unchanged from the previous survey).

Independents scored 86% (down 1ppt) and national chains 70% (down 2pts).

## Smaller share, slimmer margins

A Trend Tracker analysis of the market in 2015 identified an erosion of the franchised dealer's aftersales heartland amounting to 20% in the preceding decade.

Director Chris Oakham said that the zero-to four-year-old car parc

had declined from 10 million in 2003 to eight million by 2014, prompting a decline in franchised workshops' market share from 46% in 2007 to 40% by 2012. The independents' share rose from 45% to 50% over the same period.

As new car sales recovered from 2012, the newer vehicle car parc recovered and franchised dealers' share rose to 42% with the independent sector at 48%, but Oakham warned that the increased reliability of cars, a reduction of annual mileages from 8,000 to 10,000 and longer service intervals could mean "franchised workshops will see their share fall below 40% by 2021".

It found more than half of people with cars still under manufacturer warranty turned to a main dealer for servicing, and within those, 68.5% did so because they still have a misconception that it is a condition of the warranty agreement.

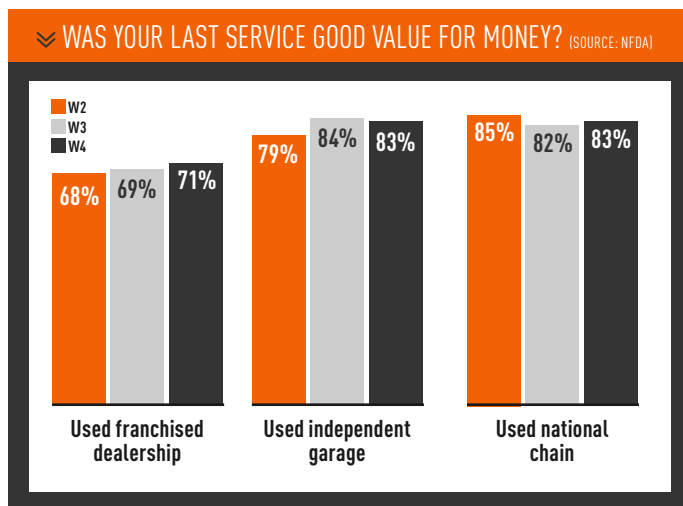
Once the manufacturer warranty period is over, many defect to independents or national chains.

According to the NFDA's survey, franchised dealers have worked hard to retain customers and appeal to a new audience by competing on price, despite the cost of investment in manufacturers' corporate identity upgrades, technician training and workshop equipment.

In August, UK franchised dealerships slipped to the worst profitability levels for the month in five years. According to ASE, the average dealer lost almost £17,000 (some £2,000 worse than August 2016's result) taking the rolling 12-month profit to £182,000.

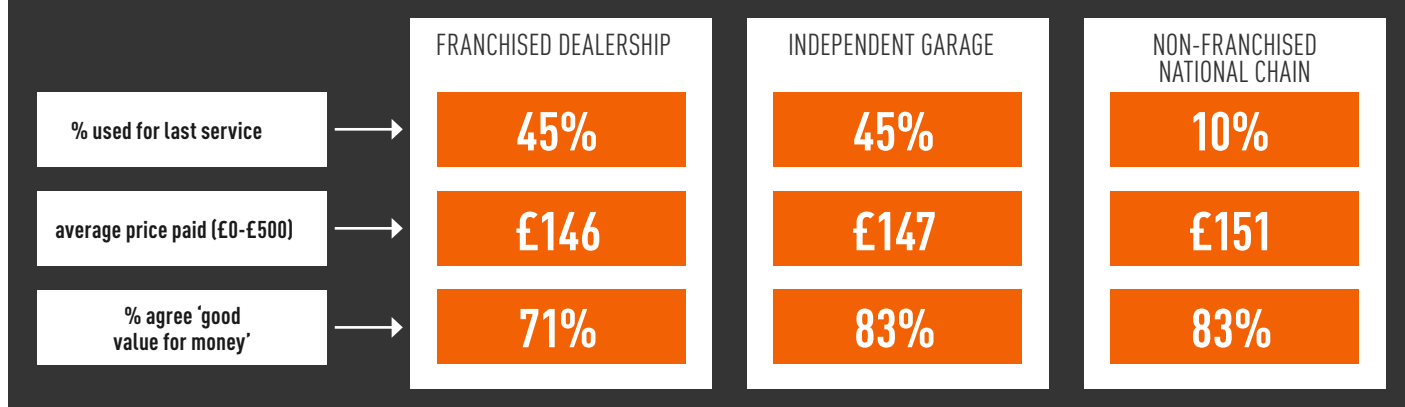
The result saw the average dealer's return-on-sales percentage drop below 1% for the first time since August 2012.

This came despite service gross profit on labour standing 0.1ppt above its benchmark, due, in no small part, to the figure for service





## ACTUAL COST VS PERCEPTION: WHAT DID YOU PAY FOR YOUR LAST SERVICE? (SOURCE: NFDA)



expenses as a percentage of gross standing at 60.9% for the month, compared with a 40% benchmark.

### Trusted, professional

Consumers' perception of franchised dealers as more professional and knowledgeable than their rivals may be the best foundation to base the marketing of their servicing offers, believes Squires.

Of respondents to the Autumn 2017 NFDA Consumer Attitude Survey, 67% believed a franchised dealership was the safest place to service their car.

One question asked respondents to identify the words they most closely associated with franchised, independent or national chain businesses.

The franchised segment topped the scores for 'professional' (59%), 'knowledgeable' (49%), 'reputable' (45%), 'reliable' (42%), 'trustworthy' (36%), 'efficient' (35%) and 'helpful' (35%).

Independent traders came first for 'friendly' (44%), 'local' (58%), 'convenient' (43%) and 'good value for money' (39%).

Among EV and hybrid vehicle owners, the strength of those attributes is most marked. Some 54% of hybrid owners and 56% of EV owners said they would trust a franchised dealer most to service their car.

Of NFDA survey respondents who were franchised customers, 57% said they chose their provider because they were 'specialists in my kind of car', 46% because 'I trust them' and 45% because of the 'level/quality of service'.

ASE chairman Mike Jones said franchised dealers need to make more of their reputation as the industry's technical experts, stating: "Retailers need to stress the investment they have made."

He added: "As vehicles become increasingly complex, it becomes more difficult for some independents to compete."

Steve Huntingford, the editor of What Car?, suggested a manufacturer's service book stamp still held appeal: "The protection of the manufacturer warranty, original parts and other franchise benefits such as a full valet and visual

**“WHEN YOU PUT A FRANCHISED DEALER AND AN INDEPENDENT SIDE BY SIDE, YOU ARE COMPARING APPLES WITH ORANGES, BUT IN CONSUMER'S MINDS THEY DO THINK THEY'RE COMPARABLE**

**MARK SQUIRES, NFDA**



health check, still hold currency throughout the customer lifecycle where they are offered."

He believes loyalty is the key driver of success, a point emphasised by the NFDA's findings that positive perception of franchised dealers grows with familiarity.

He said: "With value as a main driver for wandering customers, franchised dealers should look to secure loyalty early on."

Nathan Tomlinson, dealer principal at Devonshire Motors, believes loyalty removes the need to break a deadlock that can only

otherwise be broken by competing with independents on price.

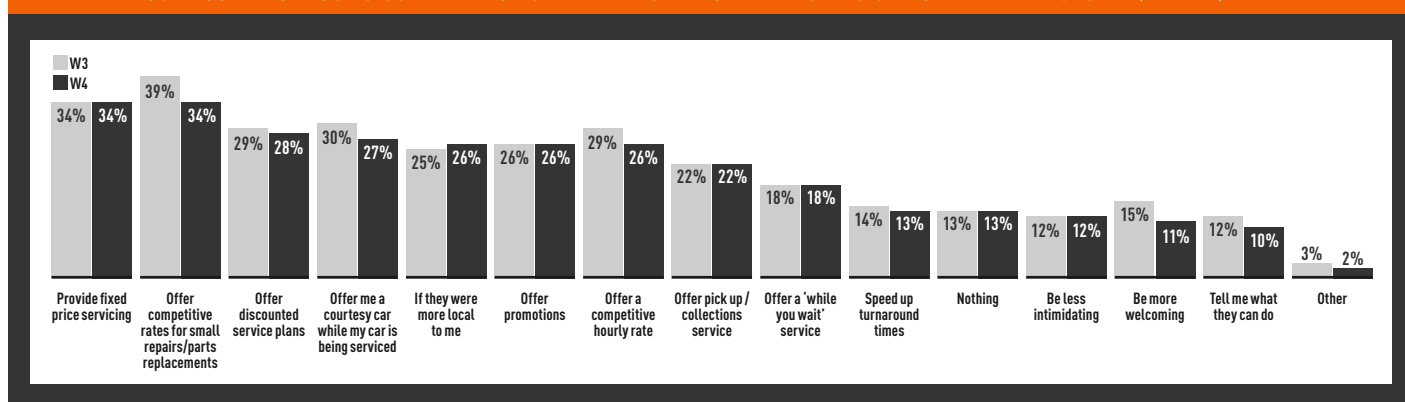
"The problem we face is still perception," he said.

"If you have a close relationship with your customers, then trust and communication go a long way to preventing many of the pitfalls which cause us to use price as a tool to win lapsed customers back.

"Consumers would much prefer to use franchised repairers, but in many cases are let down by the experience as we fail to listen and act to meet their individual needs."

**TOM SHARPE**

## WHAT WOULD CONVINCE YOU TO USE A FRANCHISED DEALERSHIP FOR AFTERSALES CAR CARE IN THE FUTURE? (SOURCE: NFDA)





## ADVERTISING FEATURE

# When's the photographer coming?

By Andrew Howells, founder, CitNOW



Your cars have arrived off the transporter, they are booked into the workshop for prep and a valet and they are retail-ready in under 48 hours.

Pretty good, right? But what if the photographer isn't due on site to take those all-important images for another six or seven days? Even if the photographer is expected in just a few days, that's still valuable time wasted while your used car is online without pictures.

Car buyers searching online will invariably skip those vehicles with the dreaded 'awaiting image' icon. Even if the spec is perfect, they will never know as they probably won't give it a second glance.

If only you could upload high-quality imagery of your used vehicle within minutes of it appearing on the forecourt. Your used cars would be marketed within hours of being retail-ready, removing those lost days where the car is for sale, but there is nothing to see. The question is: how much is reducing your average days in stock, even by one day, worth to your company?

To meet this very real business need, CitNOW has developed its Web Video app to offer still image alongside its video functionality.

CitNOW Web Video and Smart Image provides a step-by-step process to produce the still imagery and video footage required to market a used vehicle online and has been designed to meet various, stringent brand standards.

■ **Already live with 100+ dealers from one top 10 AM100 group, CitNOW Web Video and Smart Image will be launched at Automotive Management Live on November 9 at Birmingham's NEC. Visit us on Stand D28 or find out more here:**

[www.citnow.co.uk/citnow/am-live-17](http://www.citnow.co.uk/citnow/am-live-17).

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# THIS MONTH'S NEWS HIGH

SEP

21st

### GREENPEACE PROTEST TARGETS VW DIESEL DELIVERIES

Greenpeace activists occupied Volkswagen Group's storage compound at Sheerness Port and landed protesters on a car-carrying ship to mark two years since news broke of the manufacturer's emissions-cheating scandal. Despite live social media transmissions and news reports on national media, VW took more than four hours to acknowledge the protest.

22nd



### MPs URGE GOVERNMENT TO HOLD CONSUMER DEBT INQUIRY

Two Labour MPs have called on the Government to set up an independent public enquiry into the UK's £200 billion household debt, consisting of credit cards and car finance.

Rachel Reeves (above), the chair of the business select committee, and Frank Field, the chair of the work and pensions select committee, wish to stop debt levels rising.

25th

### CARMAKERS FACE BILLIONS IN CO<sub>2</sub> FINES

Eight manufacturers will face fines running into the billions in 2021, due to a failure to meet EU CO<sub>2</sub> emissions targets, according to an annual forecast by PA Consulting Group. Only four out of 11 carmakers are predicted to meet the stringent EU 2021 target.

At the current rate, Volkswagen is expected to face a €1.7bn fine and Fiat Chrysler €1.2bn.



27th



### CORKILLS BUYS TWG HYUNDAI

The Corkills Group has acquired TWG Hyundai in Northwich, Cheshire, as part of a £2.5 million deal.

Corkills owner Adrian Kermode (far left, with TWG managing director, Brian Phillips) has appointed former Volkswagen regional network development manager, Jenny Bell, as dealer principal at its new venture.

OCT

2nd

### VALUE OF UNSOLD STOCK RISES 16% TO £27.3 BILLION

The value of stock sitting unsold on dealer forecourts has risen by 16% as manufacturers continue to push vehicles onto dealers' books, according to UHY Hacker Young.

The value of inventory has reached a record £27.3 billion – up from £23.6bn a year earlier – with unsold stock now equalling 17.7% of the turnover of the sector (2016: 16.9%).

Paul Daly, partner at UHY Hacker Young, called the trend "unsustainable".





**VANTAGE POSTS £134,000 LOSS DESPITE 25% RISE IN TURNOVER**  
Vantage Motor Group has posted a pre-tax loss of £134,000 despite a record turnover of £262 million – up 25% on 2015.

Mark Robinson, managing director (left), said investments in property, facilities, fixtures and in turnaround operations to restore a number of under-performing dealerships led to the loss.

During 2016, Vantage invested more than £3m in the group.

#### AVERAGE DEALERSHIP LOST £17,000 IN AUGUST

The average dealership lost almost £17,000 in August, down £2,000 year-on-year, according to ASE Global.

The rolling 12-month profit now stands at £182,000.

ASE said that as a result of the increased loss, the return-on-sales percentage dropped below 1% for the first time since August 2012.

£17<sub>K</sub>

#### JOHNSONS CARS ACQUIRES FOUR DEALERSHIPS

Johnsons Cars added Ford to its list of franchise partners with the acquisition of four new dealerships.

The Redditch-based group has added Alex Lawrie Škoda in Liverpool, Chambers Mazda and Chambers Hyundai in Tamworth, and Chambers Ford in Sutton Coldfield into what is now a 37-site operation.



#### VERTU COST-CUTTING GENERATES 29.4% HALF-YEAR PROFIT BOOST

Vertu Motors has reported six months of growth in operating profit despite revenues remaining flat at £1.45bn.

Results for the six months to August 31, 2017, showed profit before tax up 29.4% to £24.2m (2016 H1: £18.7m).

Robert Forrester, chief executive, said a cost-cutting exercise that left "no stone unturned" had helped to boost profitability, despite a 14.7% fall in new car volumes.

#### VOLKSWAGEN TO REDUCE OVERLAP WITH SEAT AND ŠKODA

Volkswagen Group will make its VW, Škoda and Seat brands more distinct to reduce overlaps and reduce tensions.

Matthias Mueller, the chief executive of VW Group, said its executive board had set out a new focus for the three mass-market brands based on 14 customer groups.

Reuters reported that managers and unions were seeking to curb competition from Škoda.

3rd

5th

11th

13th

## ADVERTISING FEATURE

# Sharpen the knife

By Neil Addley, managing director,  
NFDA Trusted Dealers



There is no doubt that selling cars is not as easy as it was 12 months ago. A combination of the exchange rate and perhaps a little hit in consumer confidence make each and every lead all that more important.

I had the privilege of attending a one-day sales training course last week and it struck me how easy it is, as salespeople, to "learn" short cuts that work with one customer and then apply them across the board.

Inevitably, this stops us exposing the true value that we offer to the next customer. Things such as thorough preparation for an individual appointment, in-depth product knowledge and, of course, the need to listen in proportion of number of ears to number of mouths.

If leads are scarcer, we have got to love them more and regular training can only improve results.

It also made me wonder whether there were other gaps in what we do with sales enquiries.

As calls are one of our key metrics, I started by looking at the number of calls abandoned – where the customer has hung up. During the day, this accounts for about 5% of all calls, or one in 20 customers.

This abandoned call rate increases markedly between 5pm and 6pm, to 15%, and then to a whopping 30% between 6pm and 7pm.

Interestingly, 6% of all calls are made before 9am, with the peak between 10am and 11am (12%) closely followed by 9am to 10am and 11am to noon (11%).

If we are going to love our leads, let's have sales meetings over breakfast and training in the afternoon!



# ONE IN THREE CARMAKERS SHEDS MARKET SHARE YTD

Short-term pushes based on limited new model launches leave brands liable to sharp falls

**W**hen the UK's car market is no longer in growth, carmakers typically begin to emphasise market share when they talk to the trade press – either maintaining it, or increasing it.

Data from the Society of Motor Manufacturers and Traders (SMMT) shows that 55% of brands had grown their market shares by the close of the third quarter, and 7.5% had held flat.

Among the remaining third of the market, a common thread shared by the brands that lost the most ground is a lack of resilience.

This is typically caused by over-reliance on one or two model lines within their range and a failure to prioritise longer-term sustainability over the need to pump cars into the market.

This pumping lasts only so long, until poor residual values and ageing core products leave them struggling to compete against stronger rivals able to shore up their own businesses.

## FALLING BRANDS

Jeep, for example, has lost 51% of the 0.55% market share it held at this point last year.

Having previously been a brand with large, £30,000 4x4s, Jeep introduced a small SUV, the Renegade, in 2015. It put a chunk of money behind its PCP offers and watched as its annual registrations rocketed.

Two years on, the new toy in the country's fastest growing sub-segment is no longer new. Jeep's registrations have slumped, and its dealers have to endure a lull until early 2018, when they get the Compass, which slots in the range above Renegade. Expect the Compass to try to recover some, but not all, of Jeep's lost share before Renegade gets a mid-life refresh.

Dealers investing in DS Automobiles, the upmarket spin-off from Citroën, must have long-term faith in the French brand's plan to become premium and profitable, because its reliance on the old DS3 is currently causing them pain. DS's market share has dropped 41% to 0.4%, as DS3 registrations were down 40.2% (a 4,359-unit drop) and DS4 dropped by 56.6% (1,327 units).

Citroën, too, has suffered a drop, together with

the two other brands under PSA Group ownership – Peugeot and Vauxhall/Opel. Citroën's Q1-Q3 market share has dropped 16% compared with the same period last year, to 2.1%. Peugeot's has dropped by 13%, to 3.3%, and Vauxhall's by 17%, to 7.8%.

One positive for their UK dealer networks, which have struggled for sustainable profits, is that PSA Group's home market, France, appears to be absorbing some of the volume. Peugeot's annual sales in France were up 6.9% and Citroën's up 3.6% by the end of September. However, DS was still down, by 30.6%.

Behind Citroën's UK woes are two of its most popular models: the C1 and C4 Cactus. The C1 has dropped by 7,774 units, while Cactus registrations are down 4,503 units. Both have fallen fastest in the fleet market, however, which suggests that last year's result included a large

**A COMMON THREAD SHARED BY THE BRANDS THAT LOST THE MOST GROUND IS A LACK OF RESILIENCE**

chunk of short-cycle business that has not been repeated.

Peugeot's core hatchbacks, the 208 and 308, are also responsible for its decline, down 7,533 and 4,939 units respectively. Although the 308 has just been refreshed, Peugeot dealers must wait two years until their best-selling 208 is renewed. Meanwhile, its new 3008 SUV has the potential to overtake the 208 in volume – it's at 13,877 registrations, only 1,614 behind the 208.

## GROWTH BRANDS

The brands quickly growing their market share are not perfect, however.

At the top of the table, there are similar tales of inconsistency and questionable short-term sustainability in sales performance from some very small brands, where the launch of a new model makes an immediate impact.

Aston Martin has doubled its share, albeit from a very low base of 0.03%. Demand for its latest DB11 flagship remains high, with the Vantage S and Vanquish S sports tourers also doing good business.

Longer-term, its network will look to the first Aston Martin SUV, the DBX, which goes into production in 2019, to sustain their sales growth by attracting a whole new market.

Infiniti's market share has risen, by 25% to 0.15%, as has Seat's, to 2.1%. Both have fresh hatchbacks and crossover SUVs in the largest parts of the market, the B- and C-segments.

Infiniti's 20 showrooms are steadily gaining viability and now have average new car throughput of 155 units in Q1-Q3 thanks to the volume provided by Q30 and QX30.

Seat dealers have welcomed the new Ibiza, which follows the success of its first SUV, the Ateca. SMMT data shows Seat's growth is strongest in the fleet market, where it has recorded a 37% rise in registrations, to 24,553.

The increase leaves Seat as a fleet-dominated brand (55% fleet/45% retail), perhaps benefiting from the declines at Vauxhall and Peugeot, both of which have been traditionally strong fleet performers.

Sitting on either side of the middle of the table are two of the UK's most popular brands, Ford and Volkswagen. The former's market share has dropped by 4.2%, to 11.3%, while the latter's has risen 5.5%, to 8%.

Ford's decline is most pronounced in the retail market, where it pushed hard with the old Fiesta last year and has eased off now the new model has arrived. Fiesta's retail volumes are down 27% or 16,592 units. The Focus and the Kuga have held firm, but the remainder of Ford's car range has experienced a drop in demand – or an easing off from pushing volumes, at least. The Ka seems to be the only model getting a significant shove at present – its fleet volumes are up 213% (to 2,429 units) and retail volumes are 50% ahead (at 8,382 units).

The Tiguan leads Volkswagen's improvement. Deliveries of the mid-sized SUV have increased by 58%, or 8,343 overall, of which 5,666 were in the fleet market. **TIM ROSE**

# WE'LL HELP YOU GET THERE

## SPONSOR'S COMMENT



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

Since publishing its business plan in April, the FCA has been fact-finding to identify "potential areas of consumer

harm" in the motor finance market.

One of the key questions it seeks to answer is around product suitability – whether customers are fully informed of their options, the risks they are taking and the terms and conditions they are agreeing to, before they conclude on a motor finance product.

According to industry research, more than 90%\* of car buyers have decided on a payment method before they even approach a dealership. What is less clear is how well they understand the differences between products, e.g. PCP and HP, and elements such as mileage limits, voluntary termination rights and guaranteed future values.

Explaining PCPs while focusing only on monthly payments overlooks the total amount the customer will pay and also the total interest charges. Comparing products or even comparing PCPs against each other cannot be done on monthly payments alone and any distributor looking to present to customers with this lens alone is running risks for themselves and for customers.

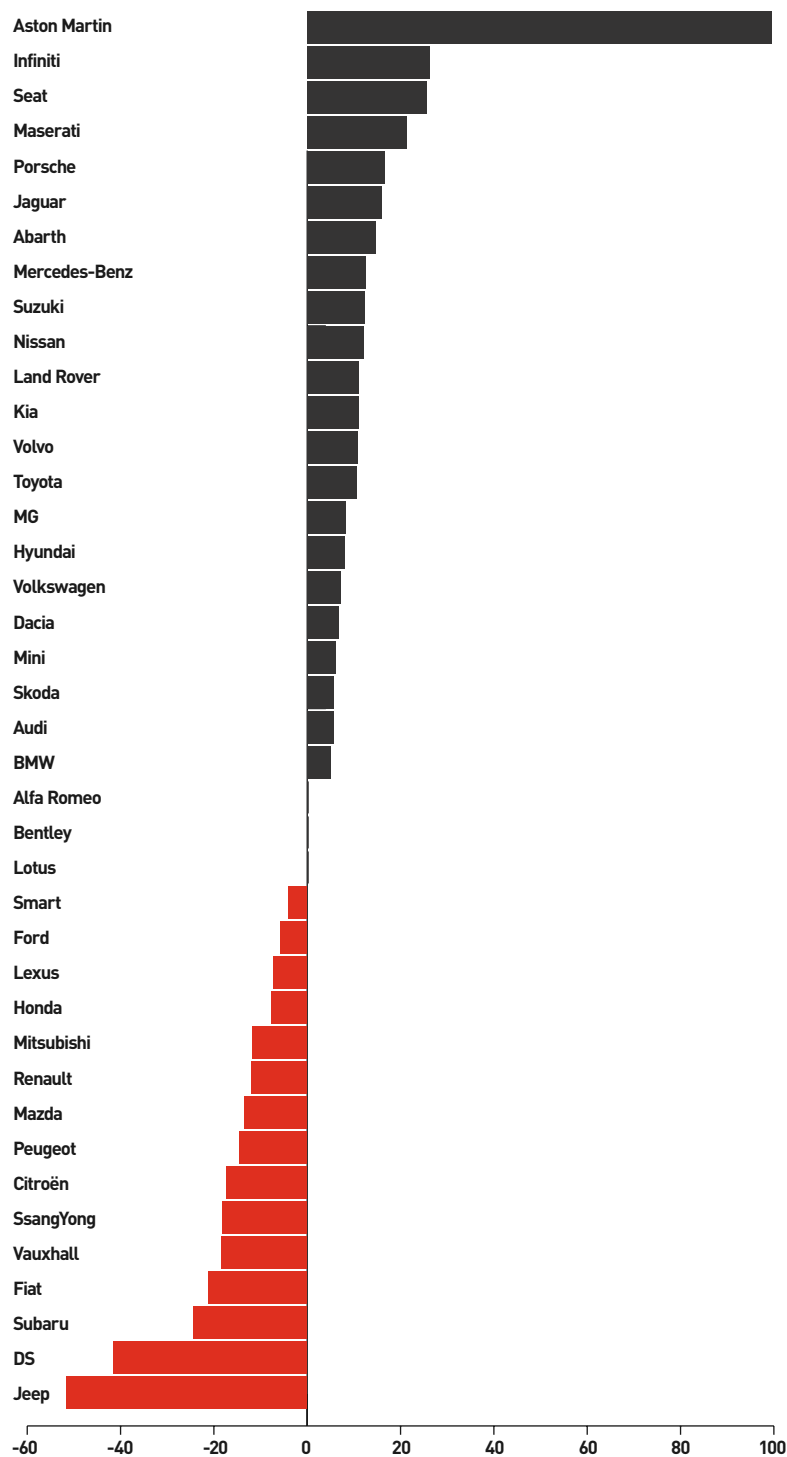
This is something I have been reflecting on, seeking to identify how we, as finance providers, can further enhance the information we provide to dealers and customers to ensure all product information is clear and transparent, and how our dealer partners can give better guidance so that a potential customer fully understands their options. There are a few simple things I think we can do, and I know many providers and dealers are already taking these steps:

- Review product information for use of plain English and change where necessary
- Summarise key T&Cs, similar to 'key facts' boxes for bank accounts and credit cards
- Ensure dealer training is up to date and that dealers are competent and confident in explaining product risks as well as benefits.

By doing this, we can demonstrate to the FCA and customers alike that we are a professional, knowledgeable and trusted industry, with the customer's best intentions at the forefront of our business agendas.

*\*source: Autotrader Buyer Behaviour Research*

## PERCENTAGE CHANGE IN MARKET SHARE BY BRAND Q1-Q3 2017 vs Q1-Q3 2016



## NEW CAR REGISTRATIONS

# Diesel and Brexit woes hit plate-change

The SMMT has blamed uncertainty around the future of diesel cars and a Brexit-induced dip in consumer confidence for a 9.3% slump in new car registrations during September.

Mike Hawes, SMMT chief executive, said: "September is always a barometer of the health of the UK new car market, so this decline will cause considerable concern.

"Business and political uncertainty is reducing buyer confidence, with consumers and businesses more likely to delay big-ticket purchases.

"The confusion surrounding air quality plans has not helped, but consumers should be reassured that all the new diesel and petrol models on the market will not face any bans or additional charges."

The fall in registrations is the seventh in succession and comes despite an attempt by manufacturers to boost sales with a series of scrappage offers for consumers. Discounts ranging from £1,350 to £7,000 are being offered by many brands, with most offers open to the end of the year.

Demand from business, fleet and private buyers all fell in September, down 5.2%, 10.1% and 8.8% respectively.

## 1 VOLKSWAGEN

Strong September trading has pulled VW's year-to-date registrations back into the black. Its growth was strongest in the fleet market, where the new Tiguan led the charge with 12,272 registrations, a 5,666-unit rise.



## 2 KIA

Despite the pressures on the overall market, Kia continues to cruise onwards. The Sportage SUV remains its crucial car – its retail registrations in September were 3,310, up 27% on September 2016.

## 3 DACIA

Given its retail focus, Dacia's 15% drop in September year-on-year, to 4,459 units, will have been felt by its dealer network. Retail demand for the Duster dropped 29%, coinciding with the Frankfurt Motor Show reveal of its successor, which reaches UK showrooms next summer.

Marque	September					Year-to-date				
	2017	% market share	2016	% market share	% change	2017	% market share	2016	% market share	% change
Ford	39,696	9.31	49,078	10.45	-19.12	234,180	11.33	254,220	11.82	-7.88
1 Volkswagen	36,332	8.53	33,722	7.18	7.74	165,376	8.00	163,020	7.58	1.45
BMW	31,465	7.38	32,595	6.94	-3.47	137,793	6.67	138,656	6.45	-0.62
Mercedes-Benz	31,430	7.37	31,988	6.81	-1.74	146,342	7.08	136,892	6.37	6.90
Vauxhall	31,058	7.29	41,697	8.88	-25.52	161,751	7.83	202,956	9.44	-20.30
Audi	29,619	6.95	31,113	6.62	-4.80	138,535	6.70	138,411	6.44	0.09
Nissan	28,810	6.76	27,807	5.92	3.61	127,391	6.16	119,836	5.57	6.30
Toyota	19,222	4.51	18,888	4.02	1.77	84,802	4.10	80,918	3.76	4.80
Hyundai	16,587	3.89	17,039	3.63	-2.65	75,315	3.64	73,649	3.42	2.26
2 Kia	15,706	3.69	15,340	3.27	2.39	76,571	3.71	72,949	3.39	4.97
Land Rover	14,504	3.40	14,629	3.11	-0.85	66,956	3.24	63,644	2.96	5.20
Peugeot	12,810	3.01	16,130	3.43	-20.58	67,818	3.28	80,986	3.77	-16.26
Renault	12,378	2.90	17,275	3.68	-28.35	58,646	2.84	68,112	3.17	-13.90
Mini	12,282	2.88	13,119	2.79	-6.38	51,801	2.51	51,716	2.40	0.16
Škoda	10,760	2.52	12,565	2.68	-14.37	63,267	3.06	63,310	2.94	-0.07
Honda	9,831	2.31	11,495	2.45	-14.48	44,784	2.17	49,656	2.31	-9.81
Seat	8,343	1.96	7,308	1.56	14.16	44,237	2.14	36,912	1.72	19.84
Citroën	8,301	1.95	9,108	1.94	-8.86	43,410	2.10	53,793	2.50	-19.30
Volvo	7,865	1.85	7,827	1.67	0.49	36,574	1.77	34,861	1.62	4.91
Mazda	7,530	1.77	9,422	2.01	-20.08	33,777	1.63	39,764	1.85	-15.06
Suzuki	7,319	1.72	7,380	1.57	-0.83	33,685	1.63	31,593	1.47	6.62
Fiat	6,540	1.53	11,319	2.41	-42.22	38,453	1.86	49,868	2.32	-22.89
Jaguar	5,899	1.38	6,458	1.37	-8.66	29,054	1.41	26,416	1.23	9.99
3 Dacia	4,459	1.05	5,247	1.12	-15.02	21,075	1.02	20,923	0.97	0.73
Lexus	2,908	0.68	2,998	0.64	-3.00	10,398	0.50	11,422	0.53	-8.97
Mitsubishi	2,387	0.56	2,656	0.57	-10.13	12,774	0.62	14,753	0.69	-13.41
Porsche	2,034	0.48	2,152	0.46	-5.48	10,933	0.53	9,799	0.46	11.57
DS	1,850	0.43	2,616	0.56	-29.28	7,831	0.38	13,767	0.64	-43.12
Smart	1,701	0.40	2,381	0.51	-28.56	8,760	0.42	9,349	0.43	-6.30
Jeep	1,059	0.25	2,492	0.53	-57.50	5,492	0.27	11,762	0.55	-53.31
MG	842	0.20	1,005	0.21	-16.22	3,321	0.16	3,305	0.15	0.48
Alfa Romeo	841	0.20	752	0.16	11.84	4,009	0.19	4,038	0.19	-0.72
Abarth	780	0.18	805	0.17	-3.11	3,500	0.17	3,125	0.15	12.00
Subaru	510	0.12	762	0.16	-33.07	2,118	0.10	2,807	0.13	-24.55
SsangYong	454	0.11	983	0.21	-53.81	3,005	0.15	3,837	0.18	-21.68
Infiniti	407	0.10	256	0.05	58.98	3,095	0.15	2,500	0.12	23.80
Bentley	199	0.05	320	0.07	-37.81	1,363	0.07	1,538	0.07	-11.38
Maserati	184	0.04	199	0.04	-7.54	1,306	0.06	1,112	0.05	17.45
Aston Martin	144	0.03	130	0.03	10.77	1,231	0.06	657	0.03	87.37
McLaren	120	0.03	0	0.00	0.00	447	0.02	0	0.00	0.00
Lotus	20	0.00	47	0.01	-57.45	228	0.01	278	0.01	-17.99
Chevrolet	6	0.00	0	0.00	0.00	59	0.00	3	0.00	1,866.67
Other British	83	0.02	82	0.02	1.22	554	0.03	604	0.03	-8.28
Other Imports	895	0.21	511	0.11	75.15	4,394	0.21	2,778	0.13	58.17
Total	426,170		469,696		-9.27	2,066,411		2,150,495		-3.91



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## FINANCE OFFERS

# Have carmakers written off Q4 as a lost cause?

**D**ealers were expecting September new car registrations to be down and the majority of manufacturers have adjusted targets, according to ASE.

This paints a very different picture than that presented by the SMMT, which said September's 8.8% drop in private registrations and overall drop of 9.3% was "cause for considerable concern".

If that's the case, it appears manufacturers have already turned their attention to Q1's targets rather than adjusting retail campaigns for the next quarter.

Jeep and Fiat saw the biggest loss in registrations in September, at 57.5% and 42.22%, respectively, so reduced Q4 targets may help dealers batten down the hatches.

There's a 0% deal on the Cherokee at £299 a month and while Fiat doesn't have any particularly low-rate finance offers for Q4, almost all cars will cost customers under £200 a month.

If dealers are looking to grasp at some positivity before Christmas, Andrew Bailey, the head of the Financial Conduct Authority (FCA), has said car finance offers are in his opinion not "per se bad".

Mike Jones, ASE chairman, told *AM*: "The numbers for September were broadly expected. A downturn had been forecast.

"Dealers knew the market would be softening and have adjusted their business plans accordingly." This means a much greater focus on used cars and after-sales in the winter months.

Jones said manufacturers are not looking to push volume through the UK and have gone through target reductions with networks. This should mean that lower new car sales won't necessarily mean lower profits, if the dealers can hit the reduced targets in Q4.

He said: "There's not a huge flood of money coming in to support Q4 campaigns either. There are scrap-page deals, but that is largely using existing funds, maybe with a little bit more.

"There may be more money on the table for Q1 and we're currently waiting to see what the targets are going to be for that period."

*AM*'s finance offer data for Q4 does show some potential confusion for dealers and consumers in Q4, with some manufacturers offering deals that do not even run until the end of October on some models, while others run until the end of December.

Dealers will be used to campaigns changing mid-quarter, but it adds further complexity to what is an already complex web of marketing campaigns and offers. Ford stands out in particular, with deals on high-volume models such as the Fiesta and Focus only running until the end of October before switching over to the next quarter's campaign. However, there are still some strong 0% deals available to tempt customers.

Some manufacturers are yet to even update offers

## TOP FINANCE DEALS FOR RETAIL BUYERS

Model		Deposit	Term	Monthly payment	Final payment	APR	Offer ends
<b>BMW</b>							
116d Sport 5-Door	PCP	£4,465	48	£199	£8,307.43	4.9%	31/12/2017
216d Sport Gran Tourer	PCP	£4,741.40	48	£259.24	£9,611.68	2.9%	31/12/2017
216d Sport Active Tourer	PCP	£4,710.13	48	£269.24	£9,017.83	2.90%	31/12/2017
218d M Sport Coupé	PCP	£4,759.09	48	£279	£10,971.43	3.90%	31/12/2017
320d M Sport Saloon	PCP	£6,239	48	£279	£10,619.93	1.90%	31/12/2017
320d M Sport Touring	PCP	£6,356.99	48	£289	£10,916.85	1.9%	31/12/2017
420d M Sport Gran Coupé	PCP	£7,177.73	48	£309.31	£12,663.25	2.9%	31/12/2017
520d M Sport Saloon	PCP	£6,689	48	£289.34	£15,327.25	2.9%	31/12/2017
520d M Sport Touring	PCP	£7,695.57	48	£359	£16,100.55	2.9%	31/12/2017
640d M Sport Coupé	PCP	£11,902.32	48	£419	£16,937.69	0.0%	31/12/2017
730d M Sport Saloon	PCP	£9,999	48	£499	£21,920.65	0.0%	31/12/2017
X1 xDrive18d M Sport	PCP	£5,900	48	£368.37	£13,365.33	5.9%	31/12/2017
X3 xDrive 20d M Sport	PCP	£7,153.24	48	£398.20	£18,918.10	5.9%	31/12/2017
X6 xDrive30d M Sport	PCP	£9,839	48	£587.94	£23,561.60	5.9%	31/12/2017
X5 xDrive30d M Sport	PCP	£9,439	48	£637.91	£23,481.13	5.9%	31/12/2017
M3 Saloon	PCP	£9,711.33	48	£619	£22,202.78	3.9%	31/12/2017
i3	PCP	£6,243.36	48	£298.72	£10,134.30	1.3%	31/12/2017
i3 with Range Extender	PCP	£6,497.30	48	£328.69	£11,735.94	1.3%	31/12/2017
i8	PCP	£10,799	48	£869	£39,667.70	0.0%	31/12/2017
<b>Ford</b>							
Fiesta Titanium 1.0 EcoBoost 100PS 5 Door	PCP	£4,558.33	35	£175	£6,769	1.2%	31/10/2017
B-Max Titanium Navigator 1.0 EcoBoost 100PS	PCP	£5,733	36	£169	£5,423	0.0%	31/12/2017
EcoSport Titanium S 1.0 EcoBoost 125PS petrol	PCP	£5,928	48	£149	£5,360	0.00%	31/12/2017
Focus Titanium 1.0 EcoBoost 100PS	PCP	£5,124	36	£199	£6,672	0.00%	31/10/2017
Focus ST-3 2.0 EcoBoost 250PS	PCP	£6,749	36	£229	£11,997	0.00%	31/10/2017
C-Max Zetec 1.5 TDCi 120PS	PCP	£6,976	36	£199	£6,729	0.0%	31/12/2017
Grand C-Max Zetec 1.0 EcoBoost 125PS	PCP	£7,175	36	£209	£6,920	0.0%	31/12/2017
Kuga Titanium 1.5 TDCi 120PS FWD	PCP	£7,452	36	£219	£9,528	0.0%	31/10/2017
S-Max Titanium 2.0 TDCi 150PS	PCP	£8,284	36	£249	£10,442	0.0%	31/12/2017
Galaxy Titanium X 2.0 TDCi 150PS	PCP	£11,325	36	£265	£11,975	0.0%	31/12/2017
Edge Titanium 2.0 Duratorq TDCi 180PS	PCP	£9,797	36	£249	£14,629	0.0%	31/12/2017
Ranger Wildtrak 3.2 TDCi 200PS	PCP	£9,696.63	36	£299	£11,854	0.0%	31/12/2017
<b>Jeep</b>							
Renegade longitude 1.6 Multijet ii 120hp 4x2 manual	PCP	£2,359	48	£289	£6,340	4.2%	31/12/2017
Cherokee limited 2.2 Multijet ii 200hp 4x4 9 speed automatic (active drive i)	PCP	£5,449	48	£299	£10,583	0.0%	31/12/2017
Grand Cherokee srt 6.4 V8 automatic	PCP	£6,274	37	£799	£23,817	0.00%	31/12/2017
<b>Fiat</b>							
500 Lounge 1.2 69hp	PCP	£1,035	48	£179	£4,214	4.2%	31/12/2017
500X Pop 1.6 E-Torq 110hp	PCP	£3,067	48	£179	£3,729	5.4%	31/12/2017
500L 1.4 Pop Star 2018	PCP	£2,189	48	£199	£3,962	5.90%	31/12/2017
Tipo Wagon Easy 1.4 95hp	PCP	£248	48	£248	£4,210	5.90%	31/12/2017
Panda Easy 1.2 69hp	PCP	£1,219	48	£139	£2,241	6.70%	31/12/2017

online. While dealers may have details of what's on offer for Q4, at the time of going to press, consumers researching online wouldn't be able to find up-to-date deals from Citroën, DS, Peugeot, Kia or Seat. Another manufacturer did upload offers, but accidentally dated them to start in January and end in March 2018.

Is this a sign of manufacturers writing off Q4 as a lost cause and fixating on the next feast of the March plate-change in Q1?

BMW certainly isn't letting up in its pursuit of market share. BMW was leading the fight in the German premium sector in September with 6.94%,

but Mercedes-Benz is close behind at 6.81% and Audi at 6.62%. BMW's offers online show considerable money being thrown at popular models.

In most cases, BMW will almost match a customer's deposit contribution with £3,629 for the 1 Series, £5,648 for the 3 Series and £6,642 for the 5 Series. The core model range is largely affordable with deals under £300 across 48 months.

**TOM SEYMOUR**



### SEARCH FOR FINANCE OFFERS

For a searchable list of manufacturers' finance offers, go to [am-online.com/offers](http://am-online.com/offers)

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# VIEWPOINT



## DEALERS NEED DATA PROTECTION TO MEET A HIGHER STANDARD

**GARY HIBBERD** is the managing director of The Agenci, an international cyber-security consultancy



## WHY THE MOTOR TRADE NEEDS TO STOP HIRING PEOPLE WHO 'FIT IN'

**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

→ The automotive industry, like the rest of the world, is becoming increasingly reliant on digital relationships, both business and personal. As 'virtual' relationships become more prevalent, it is more important than ever to be able to establish trust.

In business, this can be accomplished by achieving 'accreditations' to international standards.

For any business that handles data, whether for customer insight or data capture – which most dealerships and brokers do – ISO 27001 is the most important.

This international standard not only looks at data from a technical perspective, it asks businesses to look at information security as a process and provides a framework to consider the controls around physical security (premises, secure storage etc.), employees (how you recruit and train people), systems (how you protect your digital world) and providers (who and how you trust suppliers).

This is incredibly important, as many perceive 'risks' as being only focused on our digital devices, but it is the environment in which they sit, and the people who use them, that are of greatest concern.

The automotive industry collects

lots of personal information and shares it broadly with lenders, other offices, and insurers. It has also been around for a long time and therefore the underlying technical infrastructure may not be as robust (or secure) as newer industries.

Dealers need to consider threats from all points, as the risks to data increase daily. These can come from traditional criminals, who are increasingly turning to the internet to steal data from organisations with access to large quantities of information. Information is the currency of the internet, and the value is high.

But what about the 'insider threat'? The salesperson who has access to all your customers? Do you think this information would be of value to a competitor? How do you stop them from taking this? The only way you can be sure that you have information security protected is to have a structured approach, such as ISO 27001.

This standard is not easy to obtain, but it is achievable by anyone willing to focus their attention on developing a strong, secure business. It requires resources, planning and investment, but more than anything it requires leadership and a genuine desire to serve clients better.

It changes the way you think of data, as it requires you to change how you handle data. And there has never been a better time to look at how you handle data, because the laws around this are changing (*see AM's special section on GDPR on page 53*).

When navigating the waters of your business and selecting new suppliers, ask yourself if they are ISO 27001-accredited. It could be the difference between smooth sailing or a sinking ship.

→ Perhaps one of the most well known theories in sociology is that of 'homophily' – the tendency of people to form connections with others who are similar to them in characteristics such as socioeconomic status, values, beliefs, or attitudes.

This is evident in society, where people tend to try to live in areas with people like themselves. We associate socially with people like ourselves and we interact in business with people like ourselves. This tendency can have negative effects in society, where people start to develop a dislike for people who are not like them, and this can lead in extreme situations to racism, religious bigotry and social snobbery.

By following our instincts to cluster together with like-minded people, we reduce our exposure to different people and experiences. It is interesting when you attend a motor industry dinner or visit a dealership, there is a definite similarity in the people present.

Cass Sunstein, a professor at Harvard Law School, found that when a group of like-minded people get together, they do not challenge each other; in fact they make each other's views more extreme. He also found that rather than broadening attitudes, the process of discussion within these groups actually rendered them blind to alternatives.

We may think that we want to be challenged, but our intellectual homes are just as self-

selected and exclusive as our physical homes.

So why is this important? We create organisations in our own likeness. We recruit people like ourselves, often in the belief that anyone who is different would not fit in with 'us' and would therefore be a disruptive influence. This has been the conventional wisdom for many years and many large corporations try to inculcate an even more aligned perspective by mandating training programmes that seem at times more like indoctrination than education.

The problem with this is that few challenge the norm from within, leaving it to the mavericks and outsiders who come along to question the processes and attitudes in our industry.

The strength (and weakness) of our sector has always been the ability of staff to interact and form relationships with customers, whether it be in sales or service. As senior managers, we have got to where we are today based on this model.

However, with the rise of the internet and the role of social and digital media, there is a massive challenge. In a world where the people like us may not be the future, how do we prepare for that future if we continue down the same path.

Maybe our challenge is actually breaking the hold of homophily and starting to bring in people who challenge our assumptions and, in so doing, make us more ready to face an uncertain future.

**"FEW CHALLENGE THE NORM FROM WITHIN, LEAVING IT TO THE MAVERICKS AND OUTSIDERS WHO COME ALONG"**

**"DEALERS NEED TO CONSIDER THREATS FROM ALL POINTS, AS THE RISKS TO DATA INCREASE DAILY"**

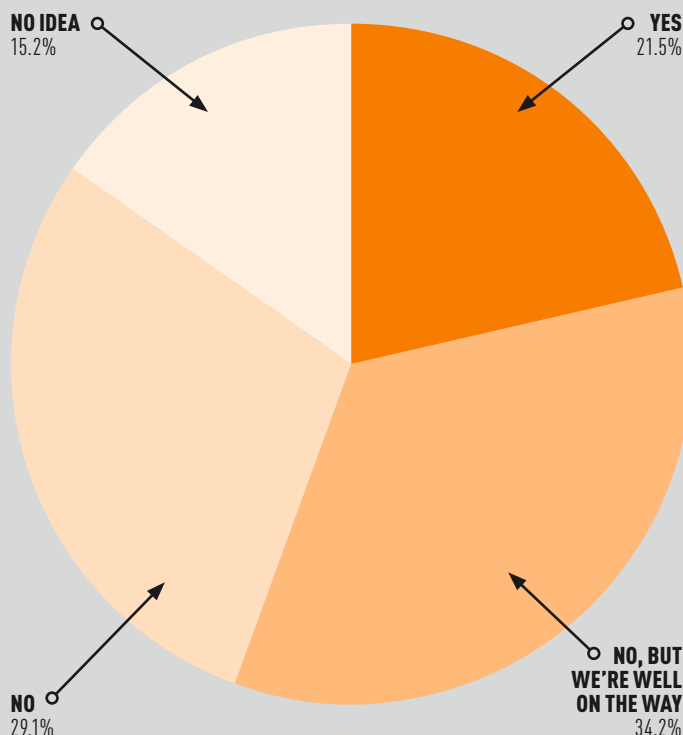




# AMPOLL

## ONLY ONE IN FIVE DEALERS CONFIDENT THEY ARE READY FOR NEW DATA PROTECTION LAWS

### ARE YOUR DATA PROCESSES READY FOR GDPR?



Businesses have had to abide by data protection legislation for years, but the General Data Protection Regulation (GDPR), which comes into force next May, has the potential to have a much more significant impact on companies' day-to-day operations.

Key elements of GDPR include a need for a customer's explicit permission to gather and process their personal data, and proof that you have it. But Jenai Nissim, legal director for data protection and privacy law at legal firm TLT, warns that GDPR affects more than just marketing.

"It is about reviewing all their data-processing activities, not just one area," said Nissim, who will give a presentation on GDPR at AM's free dealer event, Automotive Management Live, at Birmingham's NEC on November 9.

Our poll shows many dealers are making progress – some are mapping out new processes and collecting data now within the new guidelines – yet at least a third of dealers still need to get to grips with GDPR. Some of those see hurdles to overcome.

One respondent said: "I don't think the DMS solutions give us the ability to store opt-in or opt-out for different comms," and another stated: "Dealers just don't 'do' regulation well, we still think we just sell cars."

■ For more on GDPR, turn to AM's special section on page 51

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## ADVERTISING FEATURE

# The 'what is my car worth?' call

It's a tricky one for salespeople to handle, says **Simon Bowkett of Symco Training**



How do you deal with customers who call your dealership about a car they are interested in and, at some point in the conversation, ask you to "just give me a rough idea of what my car would be worth"?

If you give them a price, the chances are they will just say thanks and end the call. But if you don't, they can get frustrated. It's a difficult problem and it's the subject of my new sales training video on the AM website ([am-online.com/symcotraining](http://am-online.com/symcotraining), or at [symcotraining.co.uk](http://symcotraining.co.uk)) this month.

### Try this word track

Here is an approach that works well for many salespeople: "Well, any price over the phone is only going to be a guess. And the downside of that is that I'm going to end up either guessing too high, or too low. If I guess too high, you're going to be unhappy when I can't give you that amount when we actually see your car. But if I guess too low, we're probably not going to see each other at all.

"I'd really prefer not to guess at all, and to show you exactly what we can offer when we have a look at your car. So when's a good time to get together – later this afternoon, or maybe tomorrow morning?"

### Another technique

There are many places where people can get an idea of what their car is worth. There are ads all over the internet that say "we'll buy your car", and it's virtually certain that your customers have seen them. So why not turn that to your advantage?

"You know, I'd really prefer not to guess at all, and to show you exactly what we can offer when we have a look at your car. But listen, there are plenty of companies like We Buy Any Car who can give you a ballpark figure. We're normally a touch higher than them, because they tend to knock the price down when you go to their drop-in centre. But they'll give you a rough idea until we can get together and show you exactly what we can do. So when's a good time – later this afternoon, or maybe tomorrow morning?"

Run this one past your sales manager first though, because not everyone likes it. After all, you are effectively recommending a competitor. But if your customers are seeing their ads anyway, what have you got to lose?

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## FACE TO FACE: ALAN DAY VOLKSWAGEN

# 'OUR MODEL NEEDS TO CHANGE'

Dieselgate, rising wages and even terrorists have hurt his business, believes MD Paul Tanner, but a new franchise and a continued focus on service will pay off, he tells **Tom Sharpe**

**T**hose who trot out the mantra that 'motor retail will change more in the next five years than it has in the past 50' would certainly have had it right in 2015.

The following two years – which gave us the dieselgate scandal, the run-up to and continuing fallout from the Brexit vote, and the Government's wobbly footing following this year's general election – have transformed the face of the motor retail business. All those events have dented the confidence of consumers and businesses.

As Paul Tanner, managing director of Alan Day Volkswagen, mulled over 2016 results showing a pre-tax loss of £349,729 (for a year in which turnover rose 0.4% to £88.27 million), he acknowledged that there is a sense his three-site operation has found itself facing a 'perfect storm'.

Everything from anti-diesel sentiment in the city to terrorist attacks have fed into a climate that has left the London-based business trying to "keep our heads above water" in 2017, said Tanner.

He believes the start of the group's current woes was clearly the dieselgate scandal that engulfed Volkswagen Group when US investigators uncovered evidence of NOx emissions 'defeat devices' in September 2015.

For the 2015 calendar year, Alan Day's pre-tax profit fell to £396,870 from a record £1.24m in 2014.

Tanner said: "Since the emissions issue, we haven't made money as a business."

Speaking to *AM* shortly before the publication of the business's 2016 accounts, he said: "In 2015, we made money. Then, as soon as the emissions hit, from that point we didn't make money. Last year was a very difficult year.

"(Volkswagen) said to us 'you have to invest in customer satisfaction and help us turn around what's happened' and we've done that. We can't do any more our end."

Tanner said it is now up to the

Volkswagen brand to revive its image through new product launches, a push on its Euro 6-compliant engines and a "bold" electrification strategy (which will lead to infrastructure expense for its retailers).

Until then, Tanner is pinning his hopes for a brighter future on the possible addition of another manufacturer franchise to the Alan Day portfolio, keeping an open mind on the future shape of the automotive retail space, and continuing his group's focus on customer service.

In 2016, Alan Day's Hampstead site was named as Volkswagen UK's top dealership for customer care and service, with the Southgate branch coming a close second.

Along with a natural work ethic that found its way into the affections of former business owner Alan Day, Tanner said he has built his business around the desire to make customers happy.

### GETTING OUT OF THE BLOCKS

Tanner celebrated 30 years with the Alan Day group in June, a natural point to take stock of his automotive career.

The oldest of 10 children, he lived with his grandmother from the age of 12, a move he made to "get his own bedroom".

Standing more than 6ft tall, he excelled at sports, initially as a trainee with Watford Football Club and then focusing on athletics with Shaftesbury Harriers.

He then became a motorcycle courier. However, the threat of injury on the motorcycle led the 19-year-old into a job as a driver with Alan Day.

As a hurdler, Tanner shone, representing Britain at two European championships and joining a training group aiming for a place at the Olympics.

He recalled: "I'd train in the morning before I went to work and then after work until about 9pm. It was all going well, but when I was 21, I detached my hamstring from my glute.

"I couldn't continue. I gave up the athletics. It was a big, big blow."

Tanner, now 49, said he refocused on his work. A rapid rise prompted by "father figure" Alan Day soon followed.

Opportunities in the parts department, as an auto electrician, as parts manager, and then service manager followed quickly.

Tanner got his big break in 1998, aged 30, when Day appointed him as dealer principal for the Southgate site – then VW's largest UK showroom.

The later acquisition of the City and Hampstead sites brought a promotion to brand director.

Tanner's early days at Hampstead are an indicator of his approach to customer service: "On my first or second day in this office, it was about ten past six and I saw a lady come in and a member of staff come out, waving his hand, saying 'we're closed; you'll have to come back tomorrow'.

"I ran down the stairs. She was collecting her car and had been caught in traffic on the bus. I said 'no problem, we'll get your car now'."

Tanner added: "If a customer comes in here and we're here, that's it, we deal with them."

In 2006, Tanner bought Volkswagen's side of the Alan Day business for £2.39m, including £776,270 goodwill, after the group chose to focus on Honda franchises in Enfield, Hendon, Portsmouth, Southampton and Winchester. At the time, Christian Day, then group managing director, said the restructuring was due to the cost pressures of running dealerships within the M25, and the VW

### FACTFILE

**TURNOVER** £88.27m (2016)  
**SITES** City of London, Hampstead, Southgate  
**CAR SALES NEW/USED** 2,500/1,600  
**VAN SALES NEW/USED** 700/300  
**STAFF** 250

**“WHEN ALAN DAY PUT ME IN CHARGE, HE JUST SAID ‘CRACK ON SON’, SO THIS [STAFF TRAINING] MEANS A LOT TO ME**

**PAUL TANNER,  
ALAN DAY VOLKSWAGEN**

**C**outlets only made “a small profit”. Funding came from a Volkswagen sponsored dealer programme.

Tanner Automotive was formed and with it came a slight shift in focus.

He said: “Alan Day’s focus had been profit, then customers, then the staff. When I took over here, we got all the staff together and said to them our biggest focus is customer and staff satisfaction. Profit will come.”

#### CAPITAL REWARDS

While Tanner acknowledges that he still prizes the same work ethic so highly valued by his previous employer, he believes structured career progression and wages are key staff motivators.

Wages have proved to be a key area of restructuring for the Alan Day business over the past 12 months.

Tanner said: “You’re going to have to pay quality wages if you want the quality staff in London. That’s just something that I have to accept.”

Alan Day’s service advisers are on £42,000-a-year on-target earnings. Until recently, their basic pay was £22,000 to £23,000, but Tanner said he has had to increase that to £28,000 as premium rivals attempted to poach his staff.

Parts and servicing have been a success story within the business. In 2015, it established a new Volkswagen Trade Parts Specialists (TPS) site at Park Royal, with a staff of 16. The venture hit 105% of target in 2016, delivering a useful 3% margin.

The business’s workshops are operating at 80% capacity, with add-on work taking the total to about 110%, Tanner said.

Running at a 40% return, 10% higher than most VW retailers, the aftersales side of the business is running efficiently and looks likely to grow after becoming an Audi authorised repairer at the City site, but staffing costs remain a headache.

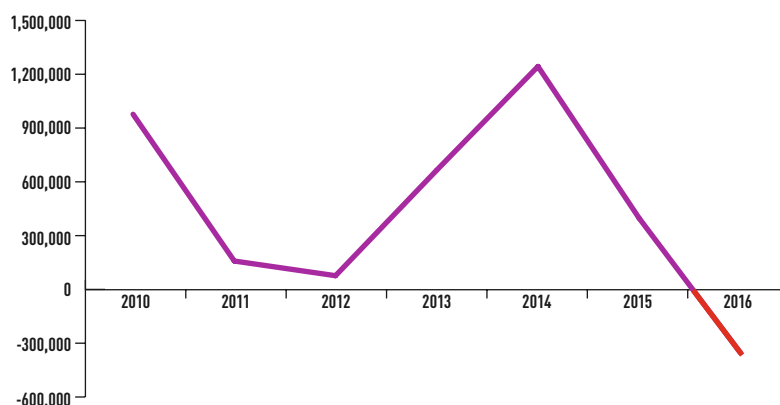
“Our technicians are on £22 an hour,” said Tanner, describing his wage bill as “without doubt, the business’s biggest issue”.

#### TURNOVER VS COST OF SALES



Alan Day’s turnover and cost-of-sales figures have been on the rise since 2010, but the pace of growth slowed after 2014’s annual results

#### PROFIT BEFORE TAX



Tanner puts the slump in the business’s profitability since the highs of 2014 down to a number of factors, but claims the dieselgate scandal of September 2015 had a profound effect on its fortunes

#### SELLING SERVICE

Alan Day Volkswagen has experimented with customer hosts – similar to Arnold Clark’s ‘product genius’ staff – but eventually decided to recruit more sales executives instead, “over-staffing” sites to provide better customer service.

Tanner appointed a group HR manager shortly after he acquired the business. A desire to attract a young, enthusiastic and loyal workforce prompted changes to recruitment, training and wage structure.

New sales executives join the business on a fixed annual salary of £25,000, but they can opt instead to take an £18,000 basic-plus-commission package. This has proved to be the norm, despite some industry commentators suggesting that staff now prefer a fixed wage.

Meanwhile, managers have been

removed from a commission-based scheme. Suggesting the commission-led model was “unfair”, Tanner chose to “pay them what they would have earned [with] on-target earnings, adding a bonus for over-achievement”.

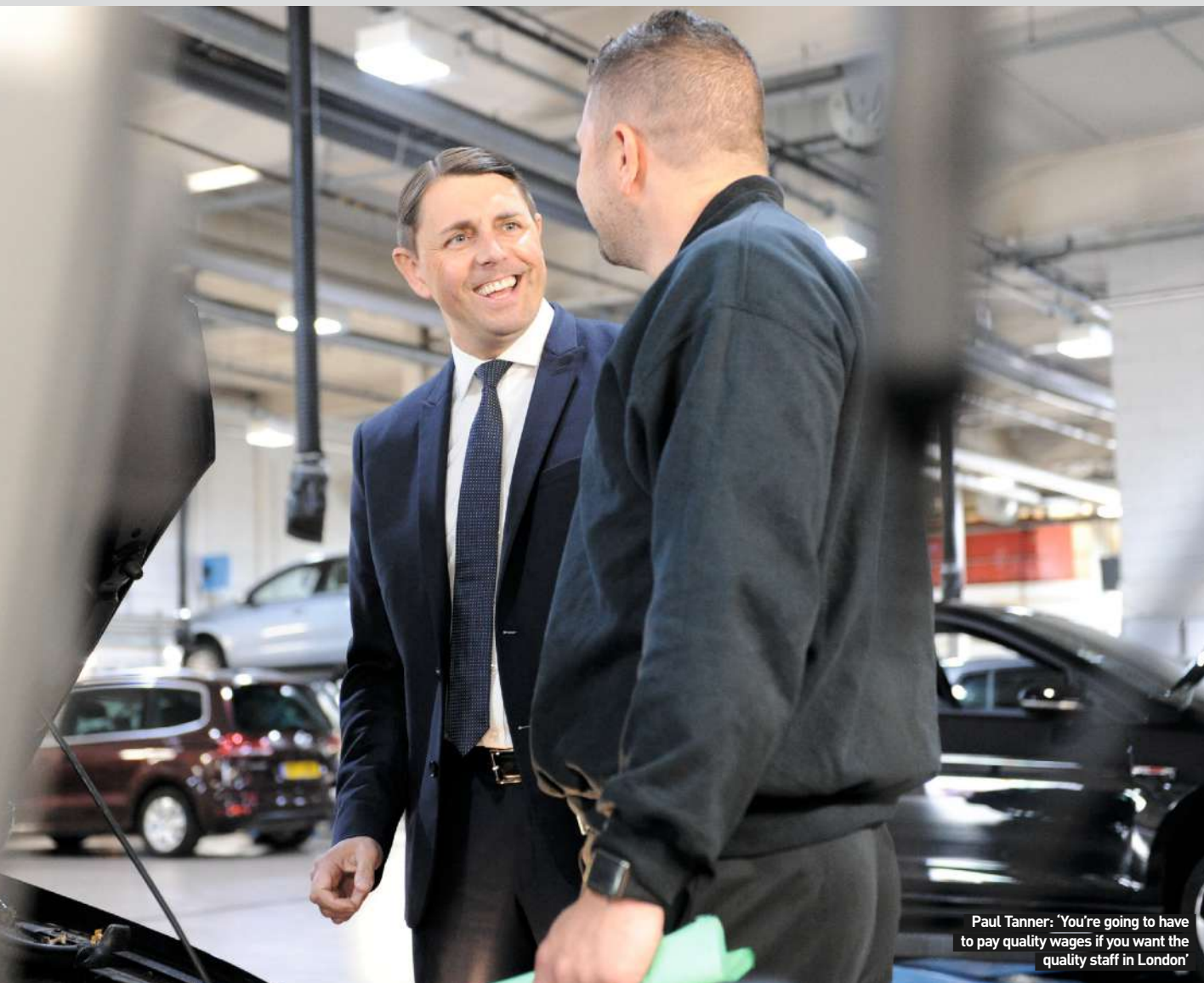
He added: “It was an expensive shift, but over the 11 years I’ve probably lost 20% of my managers and they would have only gone for relocation or an opportunity that they couldn’t turn down.”

#### TRAINING AND THE TEAM ETHIC

Alan Day’s staff training is provided by Volkswagen and by a third-party provider, Contact Consulting, which also operates a “nurture programme” for potential future managers.

Managers also get one-to-one coaching with trainers who have worked with brands





Paul Tanner: 'You're going to have to pay quality wages if you want the quality staff in London'

such as Louis Vuitton, Disney and Nestlé, giving insight from other industries.

There are currently 11 members of the Alan Day workforce on its nurture programme and 19 managers undergoing face-to-face development. Tanner said: "When Alan Day put me in charge, he just said 'crack on son', so this means a lot to me."

Staff retention within the business stands at about 75% – four other members of staff joined Tanner in celebrating 30 years of service in 2017.

Tanner allocates a budget to his teams to host a bowling night or meal out together on a quarterly basis, relating them to performance where possible.

Sites compete against each other to raise funds in a string of charity-driven events, including the "Tough Mudder Dubbers", a

team of employees who undertake endurance events for charity.

Tanner has formed a band, The Days, in which he is on lead vocals, alongside a partsman, a driver, a sub-contract wind-screen fitter and a teacher-cum-drummer, filling radio slots and entertaining staff.

Sponsoring the Saracens rugby union team, meanwhile, has led to the support of the Saracens Sports Foundation.

Tanner is one of four staff members from the business who volunteer as coaches for disabled youngsters on a weekly basis and also fund away days for the 11- to 16-year-olds. Their work won them the Premiership Rugby BreakThru Award in 2016.

"There's a good spirit within the business. It's something I'm most proud of," said Tanner.

However, he does believe rates of staff

and customer retention have been affected by recent terrorist attacks in the UK. The business's City site lost two technicians after the attacks on London Bridge, three miles away, and Borough Market, 1.5 miles away, prompted them to find work outside the central location, he said.

Tanner also saw a drop in business of more than 40% at the City site following the attacks. Two sales executives left, claiming they could no longer hit their targets.

Tanner also concedes that the anti-diesel sentiments expressed by Sadiq Khan, the London Mayor, have played their part.

In April, Khan confirmed plans to introduce an ultra-low emission zone (ULEZ) in central London from April 2019 – six months earlier than expected – meaning drivers would pay £12.50 on top of the London congestion charge. ➡

◀ To reflect the switch in demand away from new diesel vehicle sales, Tanner has changed his used car stock profile to a 70:30 split in favour of petrol.

### VW AND A CHANGING MODEL

To reduce costs, Tanner is currently weighing up some significant changes to the business: "We know our model needs to change."

Among the plans currently being considered is ditching larger showrooms.

"We will have to look at whether sites like [Hampstead] are going to be viable going forward or whether we need to look at a smaller site.

"You may be able to have smaller showrooms with bigger workshops. We're looking at that, but also how we can maximise what we've got."

He added: "Our rent and rates and the people costs are at least a third higher than most other Volkswagen dealers, if not a half. We're constantly battling with that."

Tanner said he is also speaking to other manufacturers in an attempt to move away from an over-reliance on Volkswagen.

"At our big site up at Southgate we're looking if we can put another brand on the same site," he said.

Eco-friendly initiatives are also being trialled as part of the new business model – Alan Day has already introduced a fleet of electric bicycles for use by customers of the service departments.

Tanner believes this focus on things green goes hand in hand with VW's push towards EVs. At the start of September,



Alan Day Volkswagen sites compete against each other in charity fund-raising, including taking part in endurance events

the Volkswagen Group outlined its "Roadmap E" plan to introduce 80 new EV or hybrid models by 2025.

He said: "Volkswagen is aiming to have cars that will do 600km on a half an hour charge by 2022. That's the sort of thing that will make a difference in consumers' eyes, seeing Volkswagen in a totally new light, as a true market leader in EVs."

Tanner sees the manufacturer's rejuvenated product line as a central component of his business's transformation – the new Polo hatchback, Arteon saloon and T-Roc SUV could all boost sales this year.

He said Alan Day had met a target for 2,500 new car sales in 2016, but fell about

200 short of its 1,800 used car target for the same period. It sold about 700 new LCVs and 300 used.

However, getting franchised dealerships ready to handle electric vehicles is not free, and dealers' investment in VW's transition towards EVs will soon extend beyond requiring two qualified master technicians on each site.

Tanner said: "At a Volkswagen conference in Berlin earlier this year it became apparent that we will have to get new mini sub-stations at the sites that can charge a vehicle in half an hour. It's definitely the way forward, but it's going to be a big investment."

### ✓ CHAMPION SERVICE

A rock star customer helped to ensure everyone at Alan Day Volkswagen was singing the same tune when it came to customer satisfaction.

A group of 20 long-serving staff found themselves partying with Coldplay after Tanner, himself a keen musician, went "above and beyond" with his sales service for the band's drummer, Will Champion (right).

"I didn't expect to get anything out of it, but it was a truly mind-blowing experience for me and my staff," recalled Tanner.

He spotted Champion entering his showroom just days after buying 20 tickets for the band's concert in London as a reward to his longest-serving staff.

After Champion was up-sold from a used Volkswagen Up to a Polo, he shared his plan to surprise his wife



with the car on her birthday – the day after the band played in Manchester.

"He said 'I want to come and get it on Saturday night if I can just get the keys' but I said I didn't mind meeting him," said Tanner.

Ultimately, this led to a late night. At 2.30am, the drummer arrived at the Hampstead dealership, in a chauffeur-driven car, to collect the Polo.

"The next day he sent me a text saying she was over the moon and something was on its way to me," said Tanner.

"He sent me 20 passes for the after-party. For me and the team – who were already looking forward to the gig – it was just amazing. A great reward for going above and beyond with our customer service."



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# MINUTES WITH...

Tim Smith, GForces  
group strategy director



**What have been the big milestones for you in the past 12 months? What are the next big developments?**

We have been working much more closely with manufacturers. We have also expanded internationally and that is happening very rapidly. There has been a new relationship established with JLR that is pretty substantial.

We are working on advanced applications and we also have new business with Mazda. We are having a lot of interesting conversations with manufacturers and a lot of that is around direct online sales.

There is also a lot of work right now into how we can help bring online into the physical showroom, with pop-up showrooms and experience centres.

A lot of the previous work in this area has been very bespoke, one-off deployments, and we are looking at how the same platforms that are already being used online can transition into the physical space. This will be through consumer-facing tablets, screens and point-of-sale solutions. There are four pilot schemes running with four manufacturers for photorealistic 3D visualisers for configurators. A lot of stuff that has been done already in this space just doesn't work outside a desktop and we have something that works really well on mobile.

**What has been the biggest opportunity for growth and where is the biggest focus?**

We have doubled the amount of manufacturer business in the past 12 months and, at the rate things are going, we will do the same again this year. I don't think we will see enormous

## GLOBAL EXPANSION HAS ALWAYS BEEN PART OF THE PLAN. WE WERE NEVER GOING TO JUST BE A UK-CENTRIC, DEALER-FOCUSED BUSINESS

TIM SMITH, GFORCES

growth from UK automotive retail. We have seen some consolidation and dealers looking at budgets, needing to do more with less. The big boys are getting bigger, hoovering up the smaller players.

The market conditions for UK retail aren't great right now and I think Q4 isn't going to be pretty. I don't see manufacturers introducing any bullish plans in the short- to medium-term.

Our business is moving into France, Germany, the Netherlands, Australia and the Middle East. There has been enormous growth for us there.

It has been interesting seeing how far ahead and behind different markets are in terms of digital. The Dutch, for example, are much further ahead of the curve when it comes to things such as integration between customer data and DMS/CRM systems.

This global expansion has always been part of the plan. We always wanted to have software that was scalable enough to work across different territories. It has taken us a long time to get there, but we are in that position now. We were never going to just be a UK-centric, dealer-focused business.

**Is integration and collaboration between suppliers and systems getting better?**

Integration is still a massive problem across the industry. GForces has 90 direct integrations to offer technical support in things like DMS and CRM, but I've seen some providers talking in the trade press about how important it is to integrate with third-party suppliers and that stance is the exact opposite of what they have been saying and doing for many years now.

**What do you see as the biggest threats to your business?**

We are seeing some dealer groups looking to develop their own websites, their own software and their own DMS. That could be a threat to the company, but people think developing websites is simple. However, when you look at finance systems, data integration and applications it's not as simple as they think.

This industry is pretty specialised and we have something to offer. Continued consolidation of the market means there are fewer dealer customers. There's a greater focus from manufacturers to exert control to push to vanilla global platforms as well. You could look at Cox Automotive as perhaps our biggest competitor and they are buying





everything that moves at the moment, but I think there are fewer and fewer real competitors for us right now.

**What are the biggest threats to the franchised dealer model?**

There are disruptors coming in, such as Carwow, and you could argue they are just doing what the dealers should have been doing anyway.

You are now in a situation where a lot of the full consumer data is no longer accessible to the dealer – it's either with Carwow or at the manufacturer level. Manufacturers are much more aware of controlling that customer data.

Some may say footfall is picking back up, but I believe the physical showroom is simply not as important as it used to be. I have conversations with dealers and they still firmly believe in the validity of 'gin palaces', but if you look at the efficiency and yield from a showroom, it's pretty poor.

Manufacturers want tighter control of brand messaging and they want to control that in the network before it becomes diluted. Manufacturers are looking at the internet as the biggest mechanism to take back control from dealers. Other than the US, where there are significant protections in place to protect retailers, the rest of the world is a big opportunity. There will continue to be some sort of partnership for dealers, but I think there will continue to be a move towards them acting more like agents.

I think an automated vehicle society and 'mobility as a service' (MaaS) will raise big question marks about how the retail and servicing model will fit in with that. But there's also a bigger question mark on whether regulations would even let us get to that point. We're still at the stage where planes have to take off and land manually, so who knows if we'll ever get there.

I think the reduction in desirability of vehicle ownership is interesting, too.

## DEALERS STILL FIRMLY BELIEVE IN THE VALIDITY OF 'GIN PALACES', BUT IF YOU LOOK AT THE EFFICIENCY AND YIELD FROM A SHOWROOM, IT'S PRETTY POOR

TIM SMITH, GFORCES

You can look at successful vehicles, such as the Toyota Prius and the Nissan Leaf. These are ugly cars. People are putting getting from A-B as a priority over any emotional connection to the spirit of motoring. Mass-market motoring was a post-war societal shift but I think things are really changing. Just look at the drop in people taking the driving test in the UK. It's fallen by 17.3% in the past eight years.

**How well is the industry preparing for the General Data Protection Regulation (GDPR) next year?**

We are ISO-accredited and we are working with other companies as a consultant to help them prepare ahead of the deadline in May 2018. If you look at how some businesses are currently set up and you apply the letter of the law for the GDPR as it stands now, you could drive a bus through how some companies are managing their data.

A lot of suppliers still haven't given the GDPR a single thought. I'm not saying there will be a witch-hunt next year, but there may be some consequences for that lack of prepara-

tion. Businesses need to be putting processes in place and it can be onerous. Currently, there are a lot of loose practices in the market and the data infrastructure of businesses has to be reorganised.

**What sort of impact is Brexit having on the industry?**

It just represents uncertainty. We've lost two contracts this year that were taken off the table simply because of Brexit. Any non-core investments were pulled and those nice-to-have projects start getting taken away.

From a negotiating perspective, how can we expect to get all the good parts of the EU and leave all the bad parts behind? If you're talking broadly, it's pretty clear businesses and car manufacturers don't want this. Economically, there is great uncertainty and with that you will always get people withholding purchases for things like cars.

**What are the big innovations you are excited about right now?**

Technology has become democratised and that's exciting. We're all so exposed to technology and familiar with it and innovation is coming from all walks of life. We get a lot of great ideas from all levels of the business.

In terms of world-smashing, I think Tesla has to be up there in terms of ambition. Elon Musk is making Rockefeller-esque moves and you have to admire the noise the company has made in such a short amount of time. Whether or not he can deliver the scale that is expected from the company is something else.

There's a lot of cool stuff going on with artificial intelligence and automation internally, but I can't talk too much about that at the moment. I think it's also interesting to see how quickly speech recognition assistant features like Alexa/Siri/Cortana/Google are becoming more refined. **TOM SEYMOUR**

FACT  
FILE

**COMPANY:**  
GFORCES

**HEADQUARTERS:**  
BEARSTED, KENT

**SALES:**  
£25,603,000 IN  
THE LAST  
FINANCIAL YEAR

**STAFF:** 232

**SITES:** NINE  
(KENT, LONDON,  
MIDLANDS,  
POLAND, DUBAI,  
BELGIUM, FRANCE,  
NETHERLANDS, AND  
SOUTH AFRICA)

**WEBSITES:** 4,179,  
SERVING MORE  
THAN 16,550  
LOCATIONS IN  
29 COUNTRIES

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# ALFA ROMEO

Dealers have given it a kicking, but the Italian brand's UK boss, Andrew Tracey, believes new lines and premium service will turn the tide, reports **Tom Sharpe**

**A**s premium brands exert ever more influence on the volume of UK car sales, some could be accused of having too many models on offer, as they look to cover every available niche.

By contrast, Alfa Romeo, a brand aiming for premium billing, was always going to struggle to survive for long selling two hatchbacks and a Porsche Cayman-rivalling flagship coupé alone.

Following a 100% increase in the number of mainstream models it will offer in 2017, its dealer partners will be desperate for an uplift in fortunes. There is a sense that the arrival of the Giulia saloon and new Stelvio SUV may have come just in the nick of time.

Andrew Tracey, recently appointed Alfa Romeo and Jeep country manager, would argue that the brand is under "no pressure to push volume", but a sense of growing desperation at the Italian marque's 53 UK retail sites became evident as dealers scored it 3.4 overall (average: 5.6) in the NFDAs Summer 2017 Dealer Attitude Survey.

When asked how satisfied they were with their return on investment from the brand, Alfa Romeo dealers pulled no punches, with a damning 1.7 score, well down on the 4.7 average and even the poor 2.9 score recorded in the previous winter survey. It was just below Tracey's other brand, Jeep, which scored 2.0.

Alfa finished bottom in terms of current profit return too, scoring 2.4 (average: 4.8)

**“IT HAS BEEN A VERY TOUGH TIME FOR THE DEALER NETWORK FOR A FEW YEARS. BUT... THERE IS REASON FOR OPTIMISM**

**ANDREW TRACEY, ALFA ROMEO**



to land just below Jeep's 2.5 score.

Tracey, who has been in post at FCA Group since May, insisted that he had no regrets about joining the brand, even after getting such a rough reception, and has already set about improving relations.

"I'm not unduly disappointed," he said, speaking to *AM* at the recent launch of the Stelvio SUV (see report on Page 86).

"It has been a very tough time for the dealer network for a few years.

"But we are here today at the launch of the car that we have all been waiting for."

He said Alfa had been operating in a booming SUV market with the Mito, the Giulietta and the 4C, which gave it "a small market opportunity".

"We needed a more mainstream, volume-viable car. Giulia and Stelvio give us this.

"There is reason for optimism."

Before FCA, Tracey spent 15 years with Volkswagen Group in Milton Keynes, most recently as head of marketing at Seat UK.

His appointment was made in a series of senior changes at Alfa Romeo, which saw Ashley Andrew, former head of operations at Seat UK, appointed managing director.

Tracey said he was keen to follow Andrew, citing an emotional pull to the Alfa Romeo and Jeep brands.

"I had 15 great years at Volkswagen Group. It was a great schooling ground, but what attracted me here was the brands," he said.

"To join at a point of transformation for both brands was too good not to take advantage of. It feels like I'm in the right place at the right time and have an opportunity to be part of something truly different, and truly unique, and get in on the ground floor."

Tracey met Alfa Romeo's eight-strong dealer council before the Stelvio launch event and has already organised a series of sub-committees, at which dealers



## KEY PRODUCTS



### Mito

Given a mid-life refresh in September 2016, the Mito rivals the Mini and Audi A1, with prices from £13,840. It achieved 674 registrations to the end of September, 52% down on 2016's 1,405.



### Giulietta

Pitched as a rival to the Volkswagen Golf and the BMW 1-Series, the Giulietta has experienced a 44% slump in sales to the end of September, with 1,404 registrations (2016: 2,505).





The Giulia, above, and the new Stelvio are part of Alfa Romeo's push towards premium cars

debate and contribute ideas about all aspects of the business.

He believes more open communication and influence can only benefit what appears to have been a failing relationship. "That, and greater profitability," he said.

#### Head over heart?

At the launch of the Stelvio, Sacha Barber, Alfa Romeo's senior exterior designer, showed the assembled press a quote from Orazio Satta Puliga, the renowned former Alfa Romeo head of design.

Puliga, who died in 1974, said: "Alfa Romeo is a particular way of living, of experiencing an automobile", evoking sensations "more to do with the heart than with the head".

Dating back to 1946, his comment embodied an emotional side to Alfa Romeo that Barber and Tracey both acknowledge. Tracey said: "Especially in the UK, there is a will both inside and outside the industry for the brand to be successful."

However, with rivals such as Audi, BMW and Mercedes-Benz appealing very much to the head, via attractive PCP offers that have lured impressive numbers of

customers into the premium segment, Alfa now needs more than emotional appeal.

Registrations of 4,881 in 2016 were 3.7% down on 2015's 5,069 in a market up 2.3%. The slip came in a year when premium brands Audi, BMW and Mercedes-Benz all grew their registrations by 6.4% (to 177,304), 9% (to 182,593) and an impressive 16.9% (to 169,828), respectively.

Nor was 2016 an isolated fall – Alfa has been on the slide since 2011, when it had 11,563 registrations and 0.6% market share.

However, September brought evidence that the Giulia has helped to steady the ship. While all three German brands registered sales down on 2016, Alfa Romeo was up 11.84% at 841 (2016: 752). That takes its year-to-date decline to 0.72%, with a total of 4,009 sales (2016: 4,038) and holding 2016's market share of 0.19%.

The brand may also expect to carry some momentum to the end of the year, following the introduction of the Stelvio.

Tracey said: "Stelvio launched effectively in September. The demos will be registered, fleet cars have been registered and some customer cars.

"Lots of the stock arrives later in the month, so that volume is not Stelvio-oriented, which is good. It means that we have that growth yet to come."

Tracey said he hopes to see about 2,500 Giulia's sold in 2017 (Sept YTD: 1,704) and expects the Stelvio to almost match the brand's current annual registrations.

He believes 4,000 Stelvios could be registered in its first full year.

"It's got the potential to really take off in terms of demand. We do have open production so we can meet that demand, but we won't push. We don't need to," said Tracey.

Tracey was unable to confirm when Alfa Romeo may introduce an EV or plug-in hybrid.

He said EVs were undergoing testing in the US and would become part of the range by 2020, but expected more detail to be made clear when Sergio Marchionne, FCA Group's chief executive, set out his five-year plan in Q1 of next year.

#### Managing the brand

Tracey said he wants a new dealer corporate identity (CI), which brings together Alfa Romeo and Jeep at most UK sites, completed "as soon as possible". However, from its introduction in 2015, it is expected to be 36% complete by the end of 2017.

The new CI brought some of the harshest scores in Alfa's NFDA results.

When asked about the required level of capital investment Alfa Romeo demands from its retailers, respondents scored the brand a bottom-placed 1.7 out of 10 (average: 5.1) – down on the winter survey's 4.2.

Currently, just 22 of the brand's 53 sites are coupled to Jeep.

"The two brands complement each other and it gives retailers a better foundation for profitability," insisted Tracey.

"The CI brings the experience from a customer perspective in line with the kind of product we now have. People expect a certain standard of environment and service when they invest a larger amount in a car.

"Think of 2016 and the average cost of an Alfa Romeo, which would be Mito and Giulietta [compared with] the start of next year – there will be a much heavier weight towards Giulia and Stelvio. The average price will have doubled, which is great from a dealer profitability point of view, but that comes with a different customer expectation in all respects.

"In terms of used cars, another benefit to the dealer is that the



#### Giulia

Launched in Q4 2016, the Giulia is the first car on Alfa's new Giorgio platform. Priced from £29,875, it is the brand's best seller YTD, with 395 registrations in September taking the total to 1,704.



#### Stelvio

Freshly launched (see Showroom, Page 86), Alfa Romeo's first SUV sits on the same new architecture as the Giulia. A direct rival to Jaguar's F-Pace, prices start at £33,990.



## FOCUS ON FLEET

Sweeping changes to the Alfa Romeo range and corporate identity have been introduced alongside vehicle life-cycle management intended to improve residual values and dealers' used vehicle stocks.

Francis Bleasdale, fleet and remarketing director at FCA Group and the recipient of the Most Improved Fleet Manufacturer of the Year award at the annual awards of *AM's* sister publication, *Fleet News*, has overseen a transformation of Alfa Romeo's remarketing and fleet operations.

Speaking to *AM*, he said the group relaunched its remarketing activity in September 2016 in anticipation of the new product.

Among the changes is a new Selected For You used vehicle programme for Jeep and Alfa Romeo, which was launched alongside a new online search facility linked to dealer websites.

Efficiencies were also achieved in the delivery of used cars to retailers, by centralising preparation duties.

Bleasdale said: "All the product we generate ourselves goes through and is delivered in a retail-ready condition with a customer promise attached, getting the balance of the warranty and then 12 months attached.

"We have a range of tools for dealers. There is an online locator where they can view stock and purchase directly and they can fund their purchases through the FCA bank.

"From a business perspective, we really are looking towards selling to retail and growing our presence with small business owners and user-choosers and we have spoken to dealers about where opportunity lies."

Bleasdale introduced a dedicated 'total cost of ownership' manager to his team, who liaises with residual value guides including Cap HPI in an attempt to improve RVs.

Tracey said: "A great example is the Giulia. Because of the way it's been managed, launched and run, there has been no push for volume from [Italy] or from us. The car has performed naturally in the market and we have kept it in the right channels – retail and corporate and corporate leasing – where it has performed well.

"We've not gone anywhere near short-term channels and because of the way we have worked with Francis' team and with CAP, the RV on that car [43-47%] is impressive.

"The Speciale trim is the heartland of the car. Even though we expect to sell 60% across the top two trims, Speciale realistically is the corporate sector's main car.

"As of September, that has the best RV in the segment, better than Jaguar, BMW or Mercedes-Benz and even Audi.

"We may be a million miles away from them in terms of volumes, but we certainly aren't in terms of product and our RVs now reflect that."



**WE ARE LOOKING TOWARDS SELLING TO RETAIL AND GROWING OUR PRESENCE WITH SMALL BUSINESS OWNERS AND USER-CHOOSERS FRANCIS BLEASDALE, FCA**

part-exchanges that are coming in as people buy Stelvio and Giulia will be more premium and will feed that whole value chain of profitability."

The make-up of the Alfa Romeo network is now 27 owner-operators and one PLC, Cambria Automobiles. Top 10 AM100 groups Vertu Motors and Lookers withdrew from the network in 2017.

Tracey does not expect any wholesale changes in representation, but he is keen to expand the size of the network, saying that the 53 sites currently operating leave "big geographical gaps to fill".

He said he would like to see Alfa Romeo represented at closer to 125 locations, but was mindful that this would only be made possible by a growth in registration volumes.

"We need that again, as and when that becomes viable," he said.

### Premium service coupled to accessibility

Alongside its attempts to present a new image via its product and retail partners' showrooms, Alfa Romeo has been working on delivering a more premium service directly to customers.

"You can have the most beautiful-looking environment and the worst customer experience," said Tracey. "One doesn't necessarily lead into the other."

The FCA Group has launched a training course called Path to Premium, which it runs at its FCA Academy in Slough. Apprentices receive their training via the University of Slough and some of FCA's own staff and retailers' sales

## ADVERTISING FEATURE

# Join the UK's fastest-growing motor brand

By Matthew Cheyne, head of sales and marketing, MG Motor UK



It's an exciting time to be a part of MG. As the UK's fastest-growing automotive brand, we are expanding our network and have ambitious targets for 2017 and beyond. With our much-anticipated

MG Compact SUV due to launch in October and a game-changing range of models planned, including low- and zero-emission cars, MG is a very attractive prospect for dealerships looking to work with a progressive brand.

At MG Motor UK, we don't set unachievable targets or make dealers jump through unnecessary hoops. Instead, we focus on what matters most – selling cars at a great price and delivering excellent service.

As a small team, we know the dealers in our network personally. We support them with a variety of promotional and sales activity. We also keep it simple and work hard to enable customers and dealers to get the most out of the brand.

We also support dealers with powerful national marketing activity, which includes extensive print and online advertising. All of our creative is customised to reflect regional offers and to further promote our fun, stylish and affordable range of MG models.

We want to work with people who are committed to delivering outstanding customer service and have a proven track record in driving sales. To achieve this, we remove unnecessary stipulations to ensure we don't detract from the primary goal – to sell cars at great prices. We support this by creating cars that people love, combining space, style and dynamic performance. With the international backing of our parent company, SAIC, there has never been a better time to join MG.

**■ If you're interested in becoming a part of the fastest-growing automotive brand, visit: [mg.co.uk/become-a-dealer](http://mg.co.uk/become-a-dealer).**





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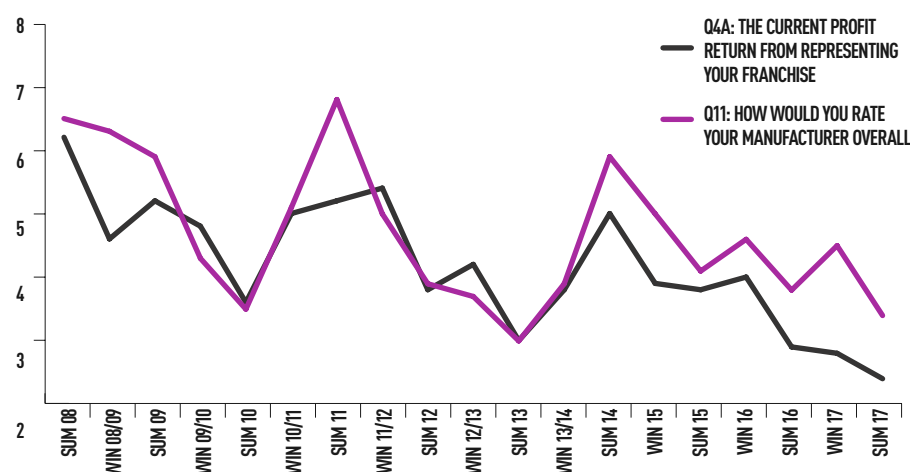
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## ALFA ROMEO UK REGISTRATIONS



Five years of registrations decline may be brought to an end with the introduction of the new Giulia saloon and Stelvio SUV, but Alfa Romeo's more established hatchbacks have faltered in 2017

## ALFA ROMEO NFDA RESULTS



Alfa Romeo's performance in the NFDA's Dealer Attitude Survey has aligned closely with the registrations and profitability of the brand in the past, but fell to new lows in the summer 2017 poll

Teams have now passed through. Tracey believes the results are already being seen, citing Jeep's placing in the top 10 of the What Car? Driver Power Survey 2017.

He said: "We have now brought in a customer experience director. They will lead the digital function and management function for us, liaising directly with the network."

Part of Alfa Romeo's push towards premium is an attempt to justify the £4.3 billion investment said to be planned for the brand by 2020 – most of it for developing the all-new, rear-wheel-drive platform the Giulia and Stelvio models sit on.

Residual value forecasts (three years/60,000 miles) for the Stelvio range

from 40% to 44% of list price, according to Cap HPI's September 2017 Gold Book.

These RVs "position the Stelvio among the slowest-depreciating models in its class", according to Alfa Romeo.

In a television advert shown in an early viewing at the launch event in Northern Ireland, the Stelvio is hailed as "a challenge to the established rivals".

Tracey said he is keen to ensure the brand remains accessible as it makes the move upmarket, with the introduction of a saloon starting at £29,875 and an SUV starting from £33,990.

He said: "We have no issue selling accessibility. I don't think the ability to communicate price in marketing material compromises that premium feel anymore.

**“YOU CAN HAVE THE MOST BEAUTIFUL-LOOKING ENVIRONMENT AND THE WORST CUSTOMER EXPERIENCE. ONE DOESN'T NECESSARILY LEAD INTO THE OTHER**

**ANDREW TRACEY, ALFA ROMEO**

The market has changed."

However, while its German premium rivals have benefitted from a shift into the mainstream driven by the affordability of PCP offers made possible by low interest rates, Alfa Romeo's finance offers seem wide of the mark.

Notably, FCA Automotive Services has been unable to set a representative PCP or PCH below £300 per month for the Giulia – with its 6.9% APR, 48-month offers – a psychological barrier exploited by the Audi A4, BMW 3 Series and Mercedes-Benz's C-Class at dramatically lower interest rates.

Similarly, the Stelvio's promoted PCP offer at launch was a 6.9% APR agreement with £439 monthly repayments, making it look expensive next to the competition's 1.9% and 2.9% APR agreements.

Tracey is confident that the product has the appeal to drive the Alfa Romeo brand forward, however.

Seeking to draw comparisons with the successful introduction of the Renegade SUV to his other brand, Jeep, back in 2014, Tracey said the effects of new product can be "transformative".

Jeep's market share of 0.1% in 2013 rose to 0.52% on the back of Renegade sales.

"That in itself was transformational," said Tracey, who believes the Stelvio and Giulia have the potential to have a similar effect.

"If we do our job right and the network do their job right, Alfa Romeo is in the same place. I can't think of many brands that will have that scale of change in the next two or three years."

However, that growth included rapid rises in the volume of Renegades put into Motability and short-term rental, with little benefit to dealers.

Tracey will be hoping that the effects of the Stelvio and Giulia on Alfa Romeo are more sustainable than the short-lived spike generated by the Renegade.

In the nine months to the end of September, Jeep registrations fell 53.3% year-on-year – from 5,492 to 11,762.



## SHOW PREVIEW

# Automotive management LIVE

Brought to you by  
**AM**  **NFDA**  
NATIONAL FRANCHISED DEALERS ASSOCIATION

**November 9, 2017**  
**NEC, Birmingham**

09 11 17

## AUTOMOTIVE MANAGEMENT LIVE: YOU CAN'T AFFORD TO MISS IT

This year's bigger, better exhibition offers deep insight into automotive retail – don't miss out

**W**e are just days away from AM's second one-day trade show, which takes place on November 9 at Birmingham NEC.

Once again hosted in partnership with the National Franchised Dealers Association, this year's event includes an additional two insight theatre sessions – covering the forthcoming General Data Protection Regulation (GDPR) and used cars – while the popular F&I session returns.

New this year is AM's Profit Clinic, where visitors can get one-to-one advice on how to maximise

revenue opportunities from automotive accountancy and business management consultancy ASE.

Hosted by some of the sector's leading suppliers, eight best-practice seminars will tackle some of the major challenges and developments taking place in the industry, covering video, aftersales, online finance, live chat, social media, websites and digital technology, new cars, and customer reviews.

Suppliers in the exhibitors' hall will showcase and provide product demonstrations of the latest technologies available, allowing dealers to compare different services under one roof in one day.

Last year, nearly 500 visitors attended the event and this year even more are expected to attend from both the franchised and independent sector.

Once again, the exhibition is free for dealer and manufacturer delegates to attend, and there's still time to register at [automotivemanagementlive.co.uk](http://automotivemanagementlive.co.uk).

Automotive Management Live promises to be high-profile, fast-paced, insightful, enjoyable and essential for dealers looking to maintain their competitive edge.

Don't miss the best day you'll spend away from your dealership in 2017.

# THE BEST DAY YOU WILL SPEND AWAY FROM YOUR DEALERSHIP IN 2017

## NEW FOR THIS YEAR

- Profit Clinic
- Used car insight theatre sessions
- GDPR insight theatre sessions
- Greater Birmingham Chamber of Commerce
- Best UK Dealerships to Work For ceremony

## BACK BY POPULAR DEMAND

- F&I insight theatre
- Best-practice seminars
- 100+ automotive retail suppliers
- Comfortable and relaxed café area for networking opportunities

## TOPICS AND ISSUES

- Opportunities and challenges in the used car market
- Discussing the Financial Conduct Authority (FCA) 2018 review into motor finance
- Preparing for new GDPR data laws
- Secret strategies of some of the best-performing dealers
- Find out what your colleagues think with the latest NFDA Dealer Attitude Survey

## WHY YOU SHOULD ATTEND

- Free for dealer and manufacturer visitors
- Compare and contrast different products in one day
- Best practice in video, aftersales, social media, online finance, new cars, digital technology, and reviews
- Find out if your data processes are compliant under next year's new data laws
- Discover activities to increase profitability

## WHO SHOULD ATTEND

- Senior managers who need market insight and overview to devise strategy
- Independent dealers looking to maintain their edge and strengthen their market position
- Manufacturers who want to understand issues facing their network and potential solutions
- Dealer principals and general managers who want to take their businesses to the next level
- Line managers who want granular-level insights to boost performance
- Digital and marketing managers who need to drive results from marketing activity



- Those responsible for compliance or who would benefit from the latest FCA and GDPR insights
- Anyone who works in automotive retail and wants to stay one step ahead

## BEST-PRACTICE SESSIONS

- Video
- Aftersales
- Customer reviews
- Social media
- New cars
- Finance
- Live chat
- Websites and digital technology

## INSIGHT THEATRE

Expert speakers focus on hot topics currently creating challenges for the industry.

### F&I

#### We ask:

- What can the industry expect from the 2018 Financial Conduct Authority (FCA) review into motor finance, including the main issues currently on the regulator's agenda, the likely outcome and next steps?

- Has the sector made the culture shift needed to perform in a highly regulated environment?
- How should dealers react to negative media coverage of 'miss-selling' of PCPs?

### DATA

#### We explore:

- The new EU regulation, GDPR, which will introduce fines of up to €20 million (around £17.5m) or 4% of a company's global turnover
- Practices dealers need to have in place now and ways dealers can ensure they are on the road to compliance
- How criminals are trying to damage your business and how you can protect your systems against cyber-attack

### USED CARS

#### We discuss:

- Opportunities and challenges in the used car market and what's on the horizon
- Increased use of sophisticated analysis influencing the understanding of the used car market and consumers' buying behaviours
- The importance of reviews as more of the buying process moves online and predictions that about a fifth of all cars will be sold online by 2027 (source: Trustpilot/CEBR)

# INSIGHT THEATRE

T

he Insight Theatre will run throughout the day, with expert speakers focusing on topics that are creating challenges for the industry. The Insight Theatre will explore: Data – including the new General Data Protection Regulation (GDPR), which comes into force next year; F&I – including exploring what's on the horizon and the Financial Conduct Authority's forthcoming review; and Used Cars – how the market is likely to perform as 2017 closes and what is in store for dealers next year.

## GDPR INSIGHT THEATRE

The forthcoming EU data regulation GDPR could see dealers facing fines of up to €20 million (about £17.5m) or 4% of a company's global turnover.



### THE CHALLENGES DEALERS FACE IMPLEMENTING GDPR

Madeleine Ansbro, head of compliance, Marshall Motor Group



Dealers face huge challenges when it comes to implementing GDPR with a variety of interpretations and requirements. Ansbro, whose compliance remit has been extended beyond the Financial Conduct Authority to include the new data

regulations, explores the issues dealers need to overcome in order to devise a compliant and workable solution to meeting GDPR requirements. She also discusses the importance of appointing the person responsible for data compliance as required under the new rules.

### HOW THE DIGITAL LANDSCAPE IS CHANGING – FOCUS ON CYBERCRIME AND GDPR

Dan Moore, director of IT consultancy, PKF Cooper Parry



A session that will look at how the digital landscape is changing, with a particular focus on cybercrime and the GDPR. They will investigate how criminals are trying to damage your business and how you can protect

your systems against cyber-attack. They will also examine how the GDPR will change the way that dealerships will have to collect, store and process data in the future.

### EXPLORING SOME OF THE PRACTICES TO AID GDPR COMPLIANCE

Jenai Nissim, legal director, data protection and privacy, TLT



The GDPR introduces new accountability and compliance requirements for all organisations that process personal data, together with an increase in the fines for non-compliance. Discover some of the practices dealers need to

have in place now and explore ways dealers can ensure they are on the road to compliance. This session offers some practical guidance, raises questions about dealers' current approach to the GDPR and identifies areas of focus.

## F&I INSIGHT THEATRE

### THE 2018 FCA REVIEW AND WHAT COULD BE ON THE REGULATOR'S AGENDA

Andrew Smith, consumer credit director, Compliance Services, FCA compliance consultancy



This session explores the 2018 Financial Conduct Authority (FCA) review into motor finance, including understanding the main issues currently on the

regulator's agenda, the likely outcome and next steps based on similar reviews that have taken place in other sectors. Exploring the measures that need to be put in place and how dealer groups can best prepare, as well as asking whether the sector has made the culture shift needed to perform in a highly regulated environment, Smith will also discuss media reports surrounding the 'mis-selling' of PCPs and quash the myths currently appearing in the media.

## USED CAR INSIGHT THEATRE

### THE IMPORTANCE OF TRUST IN THE USED CAR MARKET

Kristian Wheeler, sales team lead (UK), Trustpilot

Research from review site Trustpilot and the Centre for Economics and Business (CEBR) predicts that about a fifth of all car sales will take place online by 2027. Reviews are already an important stage in the buyer's journey and their relevance will increase as more of the purchase process takes place online. This session explores consumer attitudes to reviews, while also providing guidance on ways to monitor, manage and respond to consumer comments.

### OPPORTUNITIES AND CHALLENGES IN THE USED CAR MARKET

James Dower, Black Book senior editor cap hpi



With 2016 a record year for used car sales and 2017 expected to see further gains, this session explores current and future opportunities, such as the rising popularity of ULEVs and the move away from diesel.

This session also discusses what's on the horizon and the increased use of sophisticated analysis influencing the understanding of the used car market and consumer buying behaviours plus the diversification of sales channels.



### ADOPTING A MORE SOPHISTICATED DIGITAL STRATEGY TO SELLING USED CARS

Nathan Quayle, marketing manager, Fords of Winsford



Dealers are increasingly employing digital experts who are savvy with tracking traffic and measuring outcomes, resulting in a more scientific approach to attracting and nurturing leads.

Dealers that make use of the classifieds and expand their reach to incorporate digital disruptors as well as forging their own presence online will be the winners to attract used car buyers, to both their virtual store and their physical site. This session, from one of the largest independent used car supermarkets in the north-west, explores how the used car digital strategy is becoming even more sophisticated.



# BEST-PRACTICE SESSIONS

## VIDEO

### THE FUTURE OF VIDEO IN THE AUTOMOTIVE INDUSTRY

*Alistair Horsburgh, CEO, CitNow*



Video is an accepted form of communication with consumers, and many expect to see it in use. CitNOW will discuss the role of video now and in the future as a customer retention and sales conversion tool. Using ground-

breaking, fact-based consumer research, the session will also explore the role of video from the customers' point of view and how it can be used to enhance the customer experience and ultimately secure more business.



## SOCIAL MEDIA

### HOW CUSTOMERS MAKE USE OF THE MULTIPLE DIGITAL CHANNELS

*Jeremy Evans, managing director, Marketing Delivery*



This session will explore how customers make use of the multiple digital channels, often switching between several when researching vehicles and communicating with dealers. It will include crunching the numbers around time spent

online on various channels and how digital engagement is a key driver of loyalty. The session also underlines the importance of data in a dealer's social media strategy, as well as for email and SMS communications, and how to

construct a cost-effective Facebook ad campaign.



## NEW CARS

### DIGITISING ADD-ON PRODUCT SALES TO BOOST REVENUE PER UNIT

*Alan Graham, head of sales, Supagard*



To maximise revenue streams, dealers need to embrace digital technology and develop a sophisticated communication strategy as part of the new car purchase journey. More than simply providing information on dealer websites, add-on

products need to be backed up with an e-commerce offering that is triggered once a vehicle order is confirmed. Supagard also shines a light on changing attitudes to car ownership, including a shift in mentality to monthly payments and the rise of mobility as a service (MaaS).



## AFTERSALES

### SHIFTING AFTERSALES SYSTEMS TO BE CUSTOMER-CENTRIC

*Nick Horton, managing director of Profit Box, the training partner for eDynamix*



During this masterclass, eDynamix will focus on the need to shift systems from being workshop-centric to customer-centric. As the so-called millennials continue to tighten their grip on how we operate and customers in

general become more digitally aware, eDynamix will substantiate the ever increasing appetite from consumers to operate within a self-serve mobile environment. This session will also look at how motor retail performs against other sectors.



## CUSTOMER REVIEWS

### HOW TO CREATE 'RAVING FANS' TO BUILD LOYALTY, REPEAT BUSINESS AND ADVOCACY

*Neil Addley, managing director, JudgeService Research*



Measuring customer satisfaction is key to building loyalty, repeat business and advocacy. This session provides new insights into what behaviours create loyalty and practical steps dealers can take to develop 'raving

fans' within their businesses. In addition, it will look at the importance of preparing to gain appropriate permissions before the GDPR comes into force on May 25, 2018.



## LIVE CHAT

### CONNECT EVERYWHERE: CREATE YOUR OWN MESSAGING NETWORK TO CONVERT MORE BROWSERS TO BUYERS

*Ed Parkinson, director, dealer development, Contact at Once*



Chat and mobile messaging can be incorporated extensively in a dealer's digital marketing plan. Maximising the potential of messaging for connecting with consumers generates leads and boosts conversion rates.

This session shows how dealers can create instant connection points with digital shoppers in new and inventive ways using live chat and text.



**@AMLIVE2017 #AMLIVE**

Register for your free ticket at [automotivemanagementlive.co.uk](http://automotivemanagementlive.co.uk)



## ONLINE FINANCE

### THE FUTURE OF ONLINE CAR RETAILING

James Tew, CEO, iVendi



The future of retailing will see increased digital functionality and consumers combining virtual and physical showrooms, with most accessing both at different stages.

Delivering an end-to-end online purchase solution is essential and requires an effective, secure and easy-to-use finance function. Retailer reluctance remains at odds with consumer demand and this session seeks to debunk some myths, including how handing over

more online control to consumers choosing their funding option could better meet FCA compliance requirements.



## WEBSITES AND DIGITAL

### FROM MOBILE TO DESKTOP, EXPLORING THE LATEST DIGITAL AND WEB TRENDS THAT GENERATE LEADS

Martin Dew, head of operations, Autoweb Design



This session will examine ways to ensure websites are mobile-friendly and optimised to turn mobile website visitors into sales leads, and look at the latest developments in mobile-friendly digital marketing. With desktop and

tablet traffic also hugely influential, understanding website user behaviour on different device types and how that information can be used to generate

more enquiries will also be explored, including encouraging visitors to move forward from initial awareness and research to engaging with the sales team.



# DIESELS, EVs AND OTHER USED CAR MARKET INFLUENCES



With a buoyant used car market, dealers need to be aware of the challenges and opportunities.

When James Dower, the senior editor of cap hpi's Black Book, takes to the stage as part of Automotive Management Live's insight theatre on used cars, he will highlight the ongoing appetite among drivers for used diesel vehicles. He will also discuss the need for a used electric vehicle (EV) package, including installing a charger.

He said: "We will see used car prices go up in October and stabilise in November. As new car registrations continue to deplete, the 2018 focus will be on used cars. For us, the challenge is making sure dealers are tuned into the opportunity and make the most of it."

"New car prices are going up and the exchange rate makes it impossible for manufacturers to pump volume into the UK market, plus their margins are slimmer as a direct result of the devaluation of the pound. Consequently, dealers are taking a step back from new car volumes and that will continue in 2018. Meanwhile, a rise in PCPs to fund used cars has fuelled the market further as monthly payments are often more affordable than those with a traditional HP."

"There has been a notable drop-off of about 8% in new car registrations for diesel. A corresponding shift towards petrol-hybrid is fuelling the growth in the alternative vehicle market, which is up more than 5% in August. But it's not an issue for the used car market. Yes, diesels are experiencing some depreciation, but it's not huge. For example, on a VW Golf Match TDI about 12 months old, depreciation will be about £184 over three years."

"There will always be a buyer for a diesel car. However, dealers do need to be mindful of the mix."

EVs make up only about 10% of the alternative fuel vehicles (AFV) market, compared with about 90% for petrol-hybrids, so dealers need to weigh up many factors when deciding to put EVs on their forecourts.

Dower said: "Dealers need to establish who the customers are and how to reach them. Someone who commutes 20 miles every day and has access to a charger will be right for an EV, but it's identifying those people. There are no additional subsidies for buying a used EV, unlike new, and there's no financial help for the installation of a home charger."

"Dealers and manufacturers serious about selling used EVs need to look at the whole proposition. It needs to be sold as a package, including the installation of chargers, and manufacturers and dealers will need to put that together."



**THERE WILL ALWAYS BE A BUYER FOR A DIESEL CAR. HOWEVER, DEALERS DO NEED TO BE MINDFUL OF THE MIX**

JAMES DOWER, SENIOR EDITOR, CAP HPI BLACK BOOK

# INSIGHTS YOU CAN EXPECT FROM SPEAK

**A** host of industry experts will take to the stage throughout the day at the event as part of AM's insight theatre, specialist dealer clinic or best-practice sessions.

Speakers are selected for their specialist industry knowledge, covering topics in the insight theatre focusing on used cars, new data regulations and F&I. There are also eight best-practice sessions where a range of issues facing the sector will be tackled.

They have plenty to say, so expect in-depth knowledge, industry predictions, tips and guidance and the odd controversial comment for good measure. Here's a flavour of what to expect:

## ON DATA



**“** I do base decisions on data and I crunch a lot of numbers, but I don't believe you can run a successful used car operation relying on data alone. A car is an emotional purchase, so data will never tell you the full story. Sometimes, consumers will be swayed by something as simple as the car's colour or the experience they have on-site, which makes everything alongside your marketing, such as your customer service and your brand, all influential to the final outcome.

**Nathan Quayle, group marketing manager  
Fords of Winsford**



**“** As we search for increased customer-centricity, we also start to appreciate how the new GDPR regulation will affect all dealer/customer interaction and communication. Sophisticated technology, access to data and impending explicit control over the use of data is creating a much smarter consumer, who wants to make decisions via digital tools and apps including choosing how to pay for goods. This has huge implications for the aftersales department, which still takes payment over the counter with few offering an online payment facility.

**Nick Horton, managing director of Profit Box,  
the training partner for eDynamix**

## ON COMPLIANCE



**“** It's not about the culture of putting the customer first or treating them fairly, as I think, absolutely, that exists, but the culture of operating in a professional finance landscape which needs to change. The sector has moved from operating in a lightly regulated environment to one which requires dealers to deliver financial services to the highest standards... and evidencing absolutely everything. This is where the culture shift still needs to happen.

**Andrew Smith, consumer credit director,  
Compliancy Services**



**“** Many dealers are ill-equipped for all the regulatory changes we are seeing. They simply want to focus on selling cars, but life isn't that simple.

However, pushing more of their processes online into the digital arena is going to help, creating an infrastructure that will solve many, though not all, of their problems. We find a direct parallel between dealers who are best handling the demands of GDPR and FCA and those adopting complete online retail offerings.

**James Tew, CEO, iVendi**

## ON THE IMPORTANCE OF THE EVENT



**“** THIS REGION AND THE AUTOMOTIVE SECTOR ARE INSEPARABLE. THE CHAMBER MEMBERSHIP INCLUDES A STRONG REPRESENTATION FROM THE SECTOR, INCLUDING JAGUAR LAND ROVER, BMW, DENNIS EAGLE AND GKN DRIVELINE, PLUS MANY OF THEIR SUPPLIERS. WE ARE DEEPLY EMBEDDED IN THE FORTUNES OF AUTOMOTIVE AND IT'S IMPORTANT THAT WE ARE REPRESENTED AT AM LIVE.

**PAUL FAULKNER, CHIEF EXECUTIVE, GREATER  
BIRMINGHAM CHAMBER OF COMMERCE**

# ERS AT AUTOMOTIVE MANAGEMENT LIVE

## ON THE MARKET



“Dealer profitability is undoubtedly under pressure. After a stunning start to the year, quarters two and three have been significantly more difficult, certainly from a new car perspective. This has led to lower profits for retailers, and an undesirable used car stock mix for many. As we move through quarter four, we usually see a significant divergence in performance. There remains huge potential within aftersales and used cars, even in a quiet new car quarter and I will be looking to share some of the hints and tips which we have seen produce an exceptional performance.”

Mike Jones, global chairman, ASE

## ON GDPR



“The vast scale of the implications of this legislation [GDPR] is not yet fully understood and more thought must be given to the way in which the many layers and multiple parties involved in purchasing a vehicle will manage that data under the new rules. We look forward to discussing these issues with delegates at AM Live in November.”

Dan Moore, director, PKF Cooper Parry

## ON THE CONNECTED CUSTOMER



“The right social media strategy makes all the difference when it comes to generating web traffic. We have always advocated operating Facebook pages by dealership because the platform is all about tapping into the local community. I'll be sharing some stats that illustrate the impact of having your own page. For example, dealers with a local Facebook strategy are seeing up to five times the web traffic from the platform than those who have just group or brand pages.”

Jeremy Evans, managing director, Marketing Delivery



“Overall, dealers deliver good customer service and when we compare performance to previous years, it is apparent standards are continually improving. In fact, currently 95% of customers who take part in a JudgeService review or survey would recommend their dealer to friends and family. The insights from our data will be more about smoothing out any rough edges and making tweaks to improve service even further. It can be surprisingly easy for dealers to get something wrong, which mars the entire experience from the customer's perspective.”

Neil Addley, managing director, JudgeService



“Video relationship management, or VRM, is now a widely established form of communication between dealers and their customers and we are convinced video will eventually overtake email as the most popular form of communication. Over the past 12 months, we have seen both dealer groups and manufacturers become much more prescriptive on how video should be produced and presented, reflecting its growth and prominence.”

Alistair Horsburgh, CEO, CitNOW



“Your vision should be to align the brand (dealership and its personnel) to the way 65 million Brits are connecting and communicating today. That's engagement through messaging, in a continuous and meaningful connected way. Dealers can achieve this by putting their brand on the same page and in the pocket of the consumer so that the dealer and its consumers can connect anytime, anywhere, any way, through messaging. The tipping point for messaging is upon us, especially since Google, Facebook and Apple in the iOS11 release are enabling consumer-to-dealer messaging functionality.”

Ed Parkinson, director of dealer development, Contact At Once



## EXHIBITOR NEWS

**M**ore than 100 exhibitors will demonstrate the latest products and services currently available to automotive retailers. Many suppliers are using the event to launch new products, with others showcasing recently launched tools and services. All designed to make running a modern dealership easier and more efficient, many are focused on enabling dealers to drive traffic to their websites and social platforms as well as the showroom itself, keep track and nurture leads and retain customers.

### AUTO SERVICE FINANCE STAND A6

Auto Service Finance (ASF) will display its new dashboard and analytics tool, which presents real-time performance data to each of its 850+ customers.

Launched in mid-September, the tool's data includes the volume and value of upsell work funded by ASF, customer feedback and a full demographic breakdown of customers and their transactions.

ASF provides a simple payment solution for repairs, servicing and accessories including the option to pay over three instalments, interest-free, with the dealership paying a small transaction fee.

The results of its recent customer survey will also be available. Of 11,000 recipients, 90% said they would return to a dealership because they offer ASF and 82% would recommend to a friend.



### AUTOWEB DESIGN STAND D16

"Last year, AM Live was a fantastic event for Autoweb Design. We met a great number of industry contacts thanks to the event being so well organised," said Martin Dew, head of operations at Autoweb Design.

This year, the company will showcase its new website products and digital marketing services. Autoweb Design will also give a talk on industry insights into website optimisation for mobile and desktop and how to turn website visitors into leads.



### BLUEGRASSCOMS STAND D8

Can you take the Parts Throne and reach the top of the leaderboard? Visitors are invited to play VISION's Game Of Parts – 'your genuine car parts solution for the Seven Kingdoms'.

Built entirely in-house by Bluegrasscoms, the game is touch-enabled for mobile devices, and is billed as a "simple, silly and well made distraction".

Bluegrasscoms provides manufacturer trade parts programmes, delivering a complete 'in-house service' offering marketing, sales, training, and software development.

Bluegrasscoms also works on aftersales initiatives on behalf of dealers and manufacturers including mystery shopping, corrective training, marketing, capacity planning and upselling (red and amber work) through its own telesales department.



### COPELAND AUTOMOTIVE RECRUITMENT STAND F4

Copeland's consultants will be at Automotive Management Live to meet and provide advice to automotive employers and job-seekers.

For employers, consultants will be available to discuss recruitment needs and advise on the current employment market.

For job-seekers, Copeland will be running a CV clinic throughout the show. Visitors just need to bring a copy of their current CV and they will be able to register with the company and discuss automotive career opportunities.

Experts in executive search for the automotive industry, Copeland recruits for automotive manufacturers, agencies, suppliers, finance companies, leasing and rental providers, aftermarket and dealers.



### COX AUTOMOTIVE STAND C10

Cox Automotive will showcase new products from across its brands.

Visitors will be introduced to Manheim Bruntingthorpe, a next-generation auction with a showroom feel and AV technology.

Also new to the UK market is Incadea, a flexible and intuitive dealer management system that gives dealers a connected view of their business, enabling them to track acquisitions, inventory, sales performance and customer experience.

From the Modix business comes Modix AdBox, a search tool that uses dealers' live inventory to deliver targeted Google ads, and Modix 360, an easy way to take and present high-quality, 360-degree images and video.

The team will also share the latest news and developments from Data Solutions, Xtime, NextGear Capital and Motors.co.uk.



### CONTACT ADVANTAGE STAND C32

The CRM and lead management company will provide automotive retailers with hands-on experience of its Contact Advantage showroom solution.

Visitors are invited to navigate the iPad-based solution themselves while enjoying a complimentary cup of coffee (or two).

With more than 14 years' experience building showroom systems for the automotive industry, Contact Advantage offers complete transparency of all leads and enquiries within the sales funnel. With FCA compliancy, appraisal tools, stock control, and a marketing suite on offer, the team aims to demonstrate the product is much more than just a CRM system.



### DURA STAND D34

Visitors can find out more about Dura's 'Integrated Workshop Concept' at stand D34. Designed and manufactured in Britain, Dura has more than 20 years' expertise in delivering design-led solutions.

Its award-winning product range can be seen in the workshops of the world's leading automotive brands.

The company's message to visitors is simple: "Your workshop plays a critical part in the efficiency and profitability of your business, so it's essential that it's designed right first time. Our aim is to provide you with design solutions and products of the highest quality and lowest environmental impact, delivered with unmatched levels of service."

The team will talk to visitors about ways to improve the profitability and efficiency of their businesses.



### EDYNAMIX STAND D40

At eDynamix, the team has been working diligently to ensure that its systems and those dealers using them are compliant with the forthcoming General Data Protection Regulation (GDPR).

Having recently gained ISO 27001 certification for information security and through the launch of its new 'Consent Server', eDynamix is aiming to make compliance as smooth as possible.

The company will highlight the benefit of having one supplier with one customer data pool. eDynamix provides a connected software solution for service plans, electronic vehicle health check, proactive follow-up, sales and aftersales videos, online bookings and surveys.



### ENQUIRYMAX STAND A4

Dealers can now obtain finance quotes from leading providers in the enquiryMAX system, making it quicker and easier to close a sale.

Visitors to the enquiryMAX stand can find out how customers will be able to enjoy a quick and seamless experience with access to leading lenders, including Black Horse, Santander and VW Financial Services. Since users can complete the quote in the enquiryMAX system, FCA compliance on 'Treating Customers Fairly' is supported.

enquiryMAX provides sales lead management software and retail consultancy services to more than 600 UK dealers. Customers use a cloud-based sales lead management system to help implement a structured sales process.



### GARDX INTERNATIONAL STAND B14

GardX International will showcase its AD-Vantage Spincar 360 digital merchandising platform, providing demonstrations to stand visitors. The platform aims to give the consumer an immersive and interactive experience that increases time on the dealer's website and generates more qualified leads.

An F&I supplier to the automotive industry with proven profit-generating solutions, professional account management and training, GardX is renowned for its vehicle protection system, aftermarket products and more recently its niche insurance products.



### GMD PEOPLE EXPRESS CAFÉ

Once again, the training agency is sponsoring the Express Café area, in conjunction with Steele-Dixon.

With the pace of change the motor retail sector is experiencing, GMD embarked upon its own research to gain further insights into what line managers and senior leaders believe are the greatest challenges in their businesses, as well as what skills they need to do their jobs better, now and in the future.

More than 250 automotive managers and leaders were surveyed and the outputs from this work provided some insightful views. It has also helped the company consider how to best support its customers.

Copies of its executive summary will be available at the event.



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**Register for your free ticket at [automotivemanagementlive.co.uk](http://automotivemanagementlive.co.uk)**

### **HITACHI CAPITAL CONSUMER FINANCE STAND B20**

Hitachi Capital Motor Finance will be talking to visitors about its wide range of fast and flexible finance solutions.

"Our APR-based model is simpler to administer, fairer to the customer and more profitable for dealers than traditional difference-in-charges commission structures," said Jonathan Turner, strategic development manager.

With more than 30 years of retail finance experience, Hitachi Capital Motor Finance underwrites the individual rather than the asset, thus reducing restrictions on the loan to value ratio and the age of the vehicle dealers can lend against. They also specialise in promotional credit products to help differentiate dealer advertising. With 90% of application decisions made instantly and the use of e-signature, deals can be closed there and then.



### **ISUZU STAND OP2**

Following an increase in vehicle registrations, Isuzu's dealer development team will be undertaking introductory conversations regarding its open point locations.

Claire Ketchion, group dealer development manager, said: "An increase of circa 4,000 registrations over the past five years has seen some exciting changes for the brand and we aim to continue this success moving into 2018."

At Isuzu, the focus is on meeting customers' specific pick-up needs. The new generation Isuzu D-Max incorporates a new turbo diesel engine producing 164PS and 360Nm of torque whilst meeting Euro 6 emission standards and delivering more than 40MPG combined (all manual models). Single, extended and double cab variants are available.



### **JUDGESERVICE STAND B32**

Online review provider JudgeService will spell out what it takes to create a loyal customer who also acts as an advocate for your business.

Neil Addley, managing director, said: "We have been surveying customers for over six years now, which has provided us with masses of data from which we can glean extensive information on car buyers' views of customer care."

"We have been able to determine the key elements which dealers have to get right in the eyes of consumers, to be considered as delivering excellent customer service. These insights will be available for the first time at this year's Automotive Management Live event."



### **LTK CONSULTANTS STAND A16**

Showcasing Konnect, its software platform linking telephony, DMS, data, resource and multi-media channels, the system provides visibility of the customer contact journey, agent resource, return-on-investment and real-time activity output.

Launched in 2016, Konnect is already used by two dealer groups in the top 30 of the AM100, as well as its own contact centre.

The LTK team are keen to talk to vehicle manufacturers and dealers who operate a contact centre, outsource their customer contact, need to improve customer retention or understand that the cost of a lost call is too high.

Konnect components include – Konnect C.J.M for campaign and call management; Konnect Live provides remote real-time visibility of activity; Konnect Communicator utilising artificial intelligence technology; Konnect Data Manager; and Konnect Reporter.



### **MAIDEN INSURANCE PARTNERSHIPS STAND D54**

Currently developing a new automotive product, Maiden Insurance Partnerships' representatives are keen to gain feedback from dealer groups and manufacturers on the concept to help shape the final outcome.

The team – Ian Wardle, Ronnie Simmons, Lyndsey Gibbins and Dan Lissaman – also wants to understand dealers' business challenges. They will talk to visitors about creating a customer insurance programme to help maximise aftersales revenue and parts profit and produce innovative marketing campaigns to sell cars.

Maiden generated £44 million worth of aftersales revenue in 2016 for a range of manufacturers and dealer groups across Europe and Australia and its programmes insure more than 250,000 policyholders.



### **ORACLE STAND D10**

Oracle representatives will explain customer experience journey mapping (CXJM), the ability to visually map out customers' journeys across the entire lifecycle of their relationship with a business.

Visitors to the stand can register for a free CXJM masterclass that has been specially designed for automotive retailers. CXJM helps dealers to understand customers' functional and emotional needs, but more importantly the 'moments that matter' during their engagements.

The top 20 global automotive manufacturers and suppliers depend on Oracle applications to deliver personalised and optimised customer experiences across their digital and in-person customer journeys, accelerate innovation and drive brand loyalty. Oracle will demonstrate how businesses capture the right prospects at the right time, with the right messaging, thereby maximising marketing spend and customer experiences.



**Register for your free ticket at [automotivemanagementlive.co.uk](http://automotivemanagementlive.co.uk)**



### PKF COOPER PARRY STAND D6

The accountancy firm prides itself on providing services that helps dealers to sell more cars. Its dealership team will be on hand to explain how their support frees up time to enable dealers to sell more cars and make more profit.

The team will be on hand to explain how they can help dealerships become more efficient, while protecting and boosting their profits. They will be able to talk to dealers about a range of issues including: attracting, rewarding and retaining talent; updating cyber-security, enterprise resource planning (ERP) systems and dealership management systems (DMS).



### REACH IT MANAGEMENT STAND F8

Reach IT Management is offering a free, zero-obligation and confidential IT health check for dealer visitors to its stand.

The IT health check will involve an IT strategy review, current IT system infrastructure, communications and security. If required, Reach IT will report any recommendations for improvements, which can be discussed at the show or by appointment.

Paul O'Dell, managing director, said: "Whether you are looking to cut costs while improving service and response times, have plans for an IT project and need extra resource, or want help migrating to Office 365 or Exchange Online then we would like to hear from you."



### REPUTATION.COM STAND D44

Reputation.com will offer a free consultation that highlights the depth of data available from its online reputation management platform.

Dealers registering before the event, on its website or by emailing [uksales@reputation.com](mailto:uksales@reputation.com), will be given insights on their online reputation as a representative sample of a maximum of 10 locations. It includes average star ratings, how a group's top locations perform, customer sentiment analysis, operational insights, industry benchmarking and brand reputation score.

Reviews and accurate listings help convince buyers a dealer offers the best deals and service. The Reputation.com platform integrates reviews from all major review sites and enables dealers to reply to third-party reviews from a single dashboard, manage business listings and post on social media.



### SUBARU STAND OP1

Subaru's dealer development team will look to engage in introductory conversations regarding its open point locations.

Three key factors in finding the right partners are: working with modest targets; product knowledge in offering vehicles unlike any other – Subaru globally produces more all-wheel drive cars than any other manufacturer; and a direct focus on all facets of the business – including aftersales, parts and accessories, used cars and new car profit.

Claire Ketchion, group dealer development manager, said: "2018 brings new challenges and exciting changes. The addition of EyeSight driving aid/safety system, which uses stereo camera technology, currently in Outback and Levorg models, will be fitted as standard across the core range next year, adding to our all-round safety ethos."



### SUPAGARD STAND C22

The paint and fabric protection provider will be showcasing its new 'Bionic Technology' range as well as its multi-purpose customer take-home bags which are best in market. 'Bionic Technology' is an all-round upgrade to Supagard's programme, including major enhancements to all treatment products, an improved consumer guarantee, new branding, including new point-of-sale materials, and a re-launched website.

The company, which celebrates its 30th anniversary next year, will also host a 1959 Aston Martin DBR4 on its stand. Developed over the winter of 1957-58 by Aston Martin's racing development department, the Formula 1 car was produced to run alongside its successful DBR1 sports racer.

The car is protected and maintained by Supagard products, demonstrating their efficacy on vehicles of every age.



**GO TO THE AM  
HUB AT 12PM  
FOR THE  
REVEAL OF THE  
2017 BEST  
DEALERSHIPS  
TO WORK FOR.**

**@AMLIVE2017 #AMLIVE**

## SYNCRON STAND B10

The Synchron team will explain how its cloud-based aftersales service solutions can help dealers to navigate the evolving aftersales landscape in the face of current challenges while exceeding customer expectations and increasing financial performance.

Gill Devine, vice-president sales EMEA, said: "There are multiple factors pushing companies to transform aftersales service, shifting from a break-fix model to maximising product uptime.

"Few industries are as part and service-heavy, and with older models of cars running longer, a large number of independent aftermarket players emerging, technology advances and increased customer expectations, there is more opportunity than ever in the aftersales service space. As a result, automotive brands are seeking new avenues of efficiency and growth to succeed in this changing world."



## TITAN DEALER MANAGEMENT SOLUTIONS STAND C28

Titan will showcase its flagship product, Titan DMS, a cloud-based dealer management system designed for global application.

Recent additions to the Titan system include: 'dealer analytics', delivering real-time visibility of the entire dealership within a secure, online environment; and 'dealer appraisal', delivering an appraisal process that actively engages the customer to clearly identify influential items for a more transparent and accurate appraisal.

Since 2009, Titan has been adopted by dealerships covering more than 45 different automotive brands throughout Europe, Australia, South Africa, Asia, and the Middle East.



## TRACS SOLUTIONS STAND E40

Following their recent merger, FISC and TRACS will demonstrate their compliance and CRM solutions.

TRACS, now a trading division of FISC, is an appointed representative network that has developed a reputation for providing simple yet compliantly robust systems supported by excellent service and advice since its inception in 2014.

FISC provides the FCA Tracker compliance system and eMaster customer retention software to nearly 2,000 dealers across the UK.

Attendees will also be able to leave their business card in a prize draw for a Christmas hamper.

Managing director Simon Young, compliance manager Jackie Crookes and business development manager Peter Chisholm will be present at the stand.

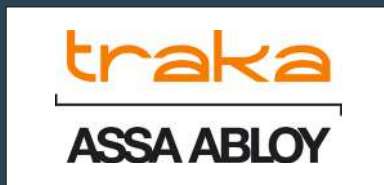


## TRAKA AUTOMOTIVE STAND F26

Developed specifically for the automotive market to deliver improved security and increased productivity and profitability to dealers, Traka Automotive's fully networked key management solution can be seen on its stand (F26).

Traka Automotive works with the largest and most successful dealer groups in the UK including Sytner Group, Mercedes-Benz Retail, Lookers, Arnold Clark, Jardine, Peter Vardy, Marshalls, HR Owen and many others. At least four million keys are now managed and protected by Traka Automotive, with well over 85 million key movements recorded to date.

Priding itself on a service that's 100% bespoke to automotive dealerships, Traka Automotive doesn't build for anyone else.



## OTHER EXHIBITORS YOU CAN SEE AT THE SHOW

AG Automotive  
ASE  
Automotive Compliance  
AutosOnShow  
AutoVHC  
Blue Motor Finance  
Buyacar  
Broadplace Advertising  
Call It Automotive  
Calltracks  
Castrol  
CitNOW  
Codeweavers  
ContactAtOnce  
Credit Card Keys  
Crystal Clear Warranty  
Cymphony  
DealTrak  
Dealer Auction  
Diamondbrite  
EMaC  
Fuchs Lubricants  
Incadea  
Inductus  
Insurethat  
Interactive Marketing  
iVendi  
Key Tracker  
Manheim  
Marketing Delivery  
MazePoint  
Mentor Systems  
MFG Group  
Modix  
Moneypenny  
MotorCheck  
Motor Trade Delivery  
Movex  
NextGear Capital  
Nash Management Consultancy  
NFDA  
Paintseal Europe  
PIXXREVIEW  
Premia Solutions  
Pro Driver  
Regit  
Rhino Events  
RMS Automotive  
Sound Marketing  
Spear Recruitment  
SsangYong  
Startline Motor Finance  
Steele-Dixon  
Tennants UK  
The Warranty Group  
Triumph Motorcycles  
TRUSTPILOT  
Visitor Chat  
Xtime

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# NEW PRODUCT LAUNCHES

Automotive Management Live provides the perfect platform for suppliers to showcase their latest innovations to the motor retail sector. Here are just a few highlights to look forward to

## INTERACTIVE MARKETING STAND F2

Interactive Marketing will launch a new service to handle live chat and an enhanced inbound call service, while its 'pick and mix' stand is sure to attract visitors. A special offer of 200 free calls, representing a saving of more than £500, will be available only at the event.

The company, which is GDPR-ready and has 20 years' experience in the UK motor industry, provides an effective inbound and outbound solution.

Christine Spooner, operations manager, said: "We believe customer relationships are the most valuable assets of your business, but they can also be fragile. We know how to make your marketing work today while building value for the future.

"Our approach is flexible, allowing us to tailor any service to meet your needs. Whether it's your service department, your sales department or your website, we have the services to enhance your customers' experience and create you more business."

## NASH MANAGEMENT CONSULTANCY STAND C16

Nash Management Consultancy (NMC) will be launching its new 'Auto Body Check' app at the show. Developed for service advisers to check in a customer's vehicle, it offers a simple way to undertake a damage check with all pictures recorded and automatically uploaded to cloud storage.

It will also showcase two other innovative products from its e-solutions department. Its self check-in terminals, launched last year, allow customers to drop off their vehicle without the need to queue. An app, eCAD, launched earlier this year, allows collection and delivery drivers to better manage the process and deliver the same level of service the customer would receive on-site.

NMC provides strategic and operational support to the automotive industry using a variety of cost-effective and flexible services such as mystery shopping, training, consultancy and auditing.

## CITNOW STAND D28

CitNOW's new still image app, which does away with the need for a photographer on site to capture used car imagery, will make its debut at the event.

Called CitNOW Web with Smart Image, the product enables dealer staff to photograph and video used cars for upload onto their website using a step-by-step process. All content is uploaded within minutes of the vehicle being retail-ready. It has been specially developed to meet all brand standards to maintain quality and consistency.

Andrew Howells, CitNOW's founder, said: "We believe Smart Image is a bold, radical step forward. Allowing dealers to create their own high-quality content is the future of automotive retailing.

"There's a clear link between photography and selling cars. If there are no images, the consumer moves onto the next vehicle. Quicker marketing of used cars with images boosts the likelihood of sale, resulting in increased stock turn."

## STARTLINE MOTOR FINANCE STAND A12

Startline launches its new 'flexible prime' motor finance product Finish-line. Targeted at used car buyers who narrowly fail to meet the company's current lending criteria but are still considered to be good quality applicants, the product aims to be priced more fairly than certain sub-prime lenders where these customers may otherwise be placed. The Startline team will listen to dealers' specific requirements and explain more about how they can help increase finance conversion rates.

Now firmly established in the near-prime market, Startline sits behind the prime finance panel of many AM100 car retailers. Croissants and coffee will be available on the stand and visitors can enter a free competition for a weekend at the Gleneagles Hotel.

## MFG STAND D24

The prospecting training provider will launch new consultancy and bespoke training divisions, adding to its highly successful prospecting event services.

MFG's consultants will help identify opportunities for growth and can advise on how best to improve any aspect of dealership or group performance.

It has designed a range of in-dealer training courses to help dealership teams excel, including new and used sales, finance, corporate, aftersales and management operations.

Declan Gaule, co-founder, said: "All of these changes will help dealers boost sales, build skills and transform dealership performance. We're looking forward to welcoming people to our stand to find out more about how we can help."





# TACKLING HEADLINES THAT DEMONISE PCPs HEAD-ON

Andrew Smith, consumer credit director, Compliancy Services, will host an F&I Insight Theatre, where he will discuss finance-bashing news stories and why dealers should not fear the FCA

**Y**ou couldn't fail to miss the mass of headlines that appeared in the press, from *The Daily Mail* to *The Guardian*, warning that consumers are being hoodwinked into purchasing vehicles using PCPs, and their major contribution to the nation's current debt problem.

With household debt in the UK increasing 7% in the past five years and currently at £1,630 billion (source: *The Guardian*) and Mark Carney, the Governor of the Bank of England, warning all of us to curb our credit, dealers are probably already feeling the backlash.

The language bandied about in the reports is extremely negative, with dealers practically likened to loan sharks and PCPs being talked about in almost the same scathing tone as the media did about payday loans a few years ago. Sales executives are often referred to as 'greedy' and dealers are 'reckless'.

There is even talk of sub-prime lending to the poorest and most vulnerable in society. Read the many articles in the mainstream press and you will find comparisons to the 2007 crash fuelled by the sub-prime mortgage market.

While the Financial Conduct Authority's (FCA) announcement of an investigation into car funding may send shivers of fear down the backs of most dealers, in some ways it is welcome. Look at the response to the GAP insurance rules. Most providers are implementing consistent and rigorous procedures, resulting in a more transparent and open system that consumers trust more.

In my experience, most dealers genuinely believe they are acting responsibly and in accordance with the rules, and do seem to want to do the best for their customers by providing the cheapest way for them to drive a new car. I would like to think the FCA will discover a sector with a genuine desire to do the right thing by their customers, despite some of the negative press recently.

Of course, as with every sector and particularly those new to FCA regulation, there are always improvements to be made. One of the areas I think dealers can improve is in their audit trail and adopting a financial services approach that ensures every 'i' is dotted and every 't' is crossed.

Evidence is the key, and dealers must really get to grips with the 'show me' mentality of the FCA. In a significant number of cases, it will not be the actual treatment of a customer that will let the dealer down, but their lack of evidence of the customer journey. It's also important that those selling motor F&I products understand that sometimes the 'right' thing to do to result in a fair customer outcome is to say 'no'.



**“DON'T FEAR THE FCA OR REGULATION IF YOU ARE A DEALER WHO REALLY DOES HAVE A CULTURE OF FAIR TREATMENT OF ITS CUSTOMERS**

**ANDREW SMITH, COMPLIANCY SERVICES**

Only by giving the regulator every opportunity to scrutinise the sector's practices and bring those who are still operating questionably to task, (as opposed to requiring small tweaks), will we be able to quash these scaremongering stories. The FCA has the power and resources to do just that.

With the PPI deadline fast approaching, we can be sure the claims companies will be looking for a replacement and there is no doubt they have PCPs and the automotive sector in their sights. Only by ensuring our houses are in order and by welcoming the FCA's investigation will we have the chance to avoid a PPI-like scandal surrounding PCPs and wider motor F&I products.

Think of it like looking in a mirror – take an honest

look at what you see reflected. If you are not completely happy, don't hide or ignore it. Preparation and understanding exactly what the regulator expects are key.

But most of all, don't fear the FCA or regulation if you are a dealer who really does have a culture of fair treatment of its customers. Yes, there may be things you are not doing correctly and there may be things you need to change. However, having a foundation of fair customer outcomes is a good place on which to build and make positive change.

Compliance does not have to be a burden, it can, if managed and implemented correctly, be a 'business-enabling' function and ultimately a competitive advantage.

# Regit uses car registration numbers to work out which consumers are buyers or sellers

Dealers and car brands are changing. Data is becoming crucial to many aspects of decision-making and the industry is following every other retail sector in combining offline and online sales for a more convenient consumer experience.

However, it is a huge task, with legacy systems and multiple franchises meaning it's difficult to gain a single customer view. But one piece of data is consistent – the vehicle registration number.

Regit uses a registration number as the starting point for all its customer journeys and helps drivers whether they are buying, selling or maintaining their cars. Some 1.3 million consumers have a full Regit account. This creates opportunities for Regit partners to transact with consumers throughout their lifecycle. Using 'machine learning' to analyse driver habits enables Regit to predict when individual customers are most likely to change.

Find us  
at stand  
D46



This insight has helped to power campaigns for 18 of the top 25 UK brands in Q3 of 2017 alone.

## What can a dealer do with Regit?

Dealers have a lot of consumer data records with car registration numbers. So why not use this invaluable asset to buy and sell more cars?

Using the same modelling it uses internally, Regit has created a new product for dealers, RegitPredict.

In simple terms, it scores a user's buying intent from a vehicle registration number. This is returned as a score that can then be used to improve marketing and attain a much higher return on investment.

Salespeople, call centres, direct mail, Facebook and Google marketing all cost serious amounts of money. Imagine if every month or quarter you had a view on your best available sales opportunities across every existing customer and new prospect you have? Instead of blindly spamming everybody, a retailer can now identify the best available customers who are highly likely to change and use the same

*"RegitPredict provides a potential uplift in sales of up to 27%"*

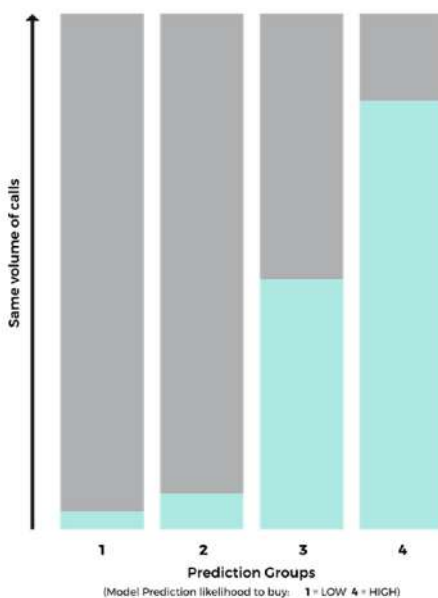
marketing techniques they already use, but with a supercharged result.

Somebody once said 50% of marketing is wasted. Now you can work out which 50%. Case studies from dealers and car-buying services have proven that RegitPredict accurately identifies current buyers and sellers and provides a potential uplift in sales of up to 27%.

## Get a free data health check

Visit us at Automotive Management Live, Stand D46, on November 9 for a free cleanse. Update all your MOT dates and get a view on how many extra cars we can help you sell.

Or, see what Regit can do for you at: [trade.regit.cars](http://trade.regit.cars)



Visit [trade.regit.cars](http://trade.regit.cars) or email [trade@regit.cars](mailto:trade@regit.cars)

**Regit**  
Formerly  
**Motoring.co.uk**

# SHOW FOCUS

In putting together this year's Automotive Management Live, AM has partnered with some of the sector's most well known organisations and personalities

## » PROFIT CLINIC



Dealers can learn how to become more profitable by attending the profit clinic sessions run by automotive accountancy and business management consultancy ASE.

Mike Jones, the chairman of ASE Global, will look at the top 10 elements that the most profitable dealers have put in place to identify the key characteristics that differentiate the most profitable dealership – often it's the simple tweaks that make all the difference. ASE Global is one of the most renowned consultancies in the motor retail sector and it has been helping dealer groups optimise performance and mitigate risk since Trevor Jones founded the company in 1975.

Drawing on data gathered by ASE on a monthly basis and the thousands of dealer performance improvement visits the consultancy performs annually, it has a complete library of best practice. While there is no 'one size fits all' – solutions are very much geared to the individual dealership and their particular situation – the clinic will provide top tips and general guidance. Some ideas can produce quick wins, with dealers able to see an immediate impact, while others are long-term and much more strategic in nature.

## » THE NATIONAL FRANCHISED DEALERS ASSOCIATION



Automotive Management Live is co-hosted by the National Franchised Dealers Association (NFDA), which represents franchised car and commercial vehicle dealers in the UK. The NFDA's main activities include lobbying the Government on behalf of its members and dealing with issues that affect dealers on a day-to-day basis, such as the relationship with

manufacturers and advising on legislation. It is also involved in aspects of dealers' businesses such as used cars, finance and insurance and aftersales.

Not surprisingly, Brexit is currently high on the NFDA agenda – any impact on the economy will have a direct effect on retailers. The sector is heavily dependent on external sources of funding, as well as changes in trade regime and tariff arrangements, which could all be affected. Potential divergence from some European-level policies may open some opportunities for UK retailers, but also risks adding costs and complicating trading relationships for the automotive sector.

Twice a year, the NFDA publishes its Dealer Attitude Survey, a barometer for dealer sentiment with their manufacturer partners. Summer 2017 saw a 0.5-point dip in the overall relationship between franchised car dealers and manufacturers, with an average score of 5.6. The score is 0.5 points down from the last survey and 0.6 lower than the same time last year. Kia became the highest-scoring franchise, with 9.2 points, surpassing Mercedes at 9.0 points. Lexus remained the third-placed network, with 8.4 points.

The NFDA is the dealers' voice, talk to them to find out more and to become a member.

## » GREATER BIRMINGHAM CHAMBERS OF COMMERCE



One of the UK's largest Chambers of Commerce joins us at Automotive Management Live. Support from the Greater Birmingham Chambers of Commerce reflects how the motor sector has helped to shape Britain's second city over the years and its importance in the continuing prosperity of the region. Paul Faulkner, chief executive of the GBCC, will be in attendance on November 9.

The GBCC represents more than 2,500 companies, which employ almost 200,000 people throughout the region.

The motor trade has strong roots in the West Midlands, which is home to Jaguar and Land Rover, which between them account for almost a third of UK automotive production, and Aston Martin. It also has one of the highest concentrations of automotive companies in the UK.

Dealers located in the West Midlands are being encouraged to join the GBCC. At its stand, which also includes a hospitality area, GBCC representatives, along with some of its retailer members, will be on hand to provide business advice.

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# THE DATA DEADLINE LOOMS – HOW TO AVOID THE PITFALLS OF GDPR



**DON'T IGNORE THE GDPR RISKS**  
BREACHING THE GDPR COULD COST  
UK DEALERS UP TO £17.5M. THEY NEED  
TO GET READY NOW

**PAGES 52-55**

**HOW YOU CAN COMPLY**  
THE GDPR GIVES DEALERS A CHANCE  
TO REVIEW HOW THEY HANDLE DATA IN  
ALL AREAS OF THEIR BUSINESS

**PAGES 56-59**

**DATA CASE STUDIES**  
AM ASKS DEALERS AND MANUFACTURERS  
WHAT STEPS THEY HAVE TAKEN TO  
PREPARE FOR THE GDPR

**PAGES 63-65**



GDPR DO NOT CROSS GDPR BUSINESS CLOSED

# Why dealers cannot ignore the threat of the GDPR

Breaching the GDPR data protection law coming into force in May could cost UK dealers up to £17.5m or 4% of global turnover. They need to get ready now

**B**ritish motor retailers are unprepared for new data protection laws. In a recent poll for am-online.com, only a fifth of respondents said they were confident that their data processes were ready for the introduction in May 2018 of the General Data Protection Regulation (GDPR), which will replace the Data Protection Act 1998.

The new law grants the UK's regulator, the Information Commissioner's Office (ICO) the power to enforce fines of up to €20 million (£17.5m), or 4% of a company's global turnover for the worst breaches.

Fines of that size, not to mention potential reputational damage, mean the need to evaluate internal operations – including the marketing of MOTs or services, the sale of aftercare products or the promotion of deals on new vehicles – identify any areas at risk from data breaches, and implement the necessary systems to safeguard against them, has never been more important.

So how do the new rules work, what are their key features, and more importantly, how will they dictate the ways dealers handle customer data? Here, we look at the four main parts of GDPR – responsibility for customer data; remit of the legislation; enforcing a breach; and headline fines.

## RESPONSIBILITY FOR CUSTOMER DATA

Who will be responsible for the customer's data under the new GDPR rules? Currently,

under the EU Directive 95/46/EC, the data controller – in most cases the dealer – is solely accountable for all customer data.

However, the new legislation will stipulate that both the data controller and the data processor, often a third-party provider, will be liable for any breach. Organisations that process personal data will no longer be required to notify the ICO of their data processing activities, but instead keep an internal record.

"The data controller, i.e. the organisation responsible for processing personal data, is legally responsible," said an ICO spokesperson. "This is the case under both the existing Data Protection Act and the GDPR.

"Employees of a data controller are almost always not controllers in their own right – they don't have the ultimate control over how the data is processed. However, businesses have a responsibility to ensure that staff are adequately trained in data protection."

Dan Moore, director of IT consultancy PKF Cooper Parry, said dealers will also be required to appoint a data protection officer to oversee the handling of all their data and compliance. However, he added that under the new rules it is the business, and not the individual, which would be liable.

"It's the business that'll be fined by the ICO; individuals wouldn't be liable for a data breach (unless it was a criminal act)," he said. "It's the business and

therefore the business owners who are responsible for making sure all staff are well trained and following process and the law."

This may take the form of a data protection policy to ensure that employees are aware of their duties regarding customer information.

Simon Upton, group commercial director of digital specialist GForces, a data processor, said that as the data owners, dealers will be responsible for ensuring they receive the appropriate consent from the customer to collect and use their data in the first place, in the form of a privacy notice. They will also need to make sure that their data processing is managed in a compliant manner, he said.

"The important part is making sure that you appoint



**“ YOU HAVE TO BE  
CLEAR AT POINT  
OF COLLECTION  
WHAT YOU ARE COLLECTING,  
WHY YOU ARE COLLECTING  
IT, AND FOR HOW LONG YOU  
WILL KEEP IT**

**DAN MOORE, PKF COOPER PARRY**

a data processor with the appropriate mechanisms to process the data in a compliant manner,” said Upton.

“Then, from a liability perspective, the challenge for retailers is in ensuring that they are confident they have collected their customer records correctly and have received the appropriate approval to contact those customers from the start date for GDPR on May 25 next year.

“They should, however, already be doing this under the Data Protection Act. In terms of supplier due diligence, ISO27001-certified suppliers should give them confidence of this.”

#### REMIT OF THE LEGISLATION

The next issue for dealers to tackle will be determining the breadth and scope of the new legislation’s remit governing held data. Under the new laws, all data held by a dealer, whether it is that of a customer or their own staff, will be treated in the same way, said Moore.

Above all, however, he said dealers will need to be explicit about who is collecting and receiving the data (the dealer or the manufacturer) and how the data will be used, as well as how the data will be protected and continually assessed.

Any current or new arrangements entered into with third parties to process data on a dealer’s behalf must be signed off in writing and include various provisions that guarantee the data processor’s compliance with GDPR. They should also be checked and amended as appropriate.

Such agreements may also be necessary to document third-party arrangements if they are undertaking marketing on a dealer’s behalf or where a cloud software provider holds data on their behalf.

“Under GDPR, you have to have a purpose to have the data and you have to have controls around it,” said Moore.

“If you collect someone’s data, you

can’t just pass it around freely, you have to be clear at point of collection what you are collecting, why you are collecting it, and for how long you will keep it.

“Consent has to be opt-in as well, no more pre-ticked boxes.”

Peter Flynn, managing director of Three60 CRM, a data processor, added: “The same rules apply to personal data held on staff as that of customers. It should be under lock and key, securely password-protected and with restricted access – all the usual things you would expect with any data given to any company.”

While all personal data will be covered by GDPR, the dealer’s own business data, including that held by fleet departments and business managers, will not be subject to the same rules as that of a private individual, according to the ICO.

“Personal data is personal data, whether it relates to people inside or outside an organisation,” said the spokesperson. “Customers or staff, it makes no difference – information that could identify a living individual is personal data and subject to the same laws.

“Information about corporate entities, i.e. not personally identifiable individuals, is not personal data and does not fall under the remit of the Data Protection Act or GDPR.”

### SPONSOR'S COMMENT



**By Allison Nau, managing director, Cox Automotive Data Solutions**

Big data, data science, data privacy – you can scarcely read the news without hearing something

about data. But what is data, and why is it important?

Data is information about something – for example, a person or a vehicle. As the world becomes more digitised, more and more data is collected and available – and with advancements in computing, it is now possible to quickly analyse large volumes of data.

But why is this important? Businesses that use data effectively, to inform decision-making and automate manual processes, are selling cars more quickly and more profitably than the competition.

So where does one start? The first step is to take one decision or process which needs improvement, such as which cars to stock, or what to do with vehicles that are not selling.

The next step is to determine what data would make that decision better or the process more efficient. Then it is time to acquire and analyse the data, and once analysed, to act on it. Gaining the full benefits of data may require changes to existing operational processes, but those organisations that make those changes are realising significant commercial benefit.

As part of the world's largest automotive service organisation, Cox Automotive Data Solutions combines data from across the entire vehicle lifecycle to improve decision-making and process efficiency. With expert brands including Manheim, Motors.co.uk, Modix, incadea, Xtime and NextGear Capital in our group, we transform data into actionable insight, helping our clients improve their business results through data-driven decision-making.

■ **For more information, please contact Cox Automotive by phone on 0333 444 0428, by email at [hello@coxautodata.com](mailto:hello@coxautodata.com), or by post at 2 Angel Mews, London, EC1V 1NY.**

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### ENFORCING A BREACH

◀ Should the worst happen and a breach occurs, there will be a set process in place that dealers must follow. This will take the form of reporting the initial incident, through to a full investigation and, if required, the ICO taking enforcement action, said Martin Hinckley, director of data protection and privacy at Go DPO EU Compliance.

"The process starts with the initial breach being reported to the ICO within 72 hours, including details of what happened and the remedial action you have taken, and the regulator then determining whether a further investigation is warranted," he said.

"Any investigation will be led by a case officer, who will determine the level of infringement and damage caused, and the ICO also reserves the right to investigate further if any new information comes to light.

"Then the data controller will also have to issue a final

data breach report to the ICO, who will then deliver a judgment. If enforcement is necessary, the ICO will issue a letter of intent that the data controller can challenge through the legal process."

Upton believes one of the biggest changes under GDPR will be the mandatory requirement to report a breach. He added that the ICO will be providing further guidance on this.

He said: "The other issue is that with potentially lots of companies self-reporting, the ICO could quite soon be inundated with phone calls. Then the ICO has to decide how to prioritise which one they investigate first.

"For the retailers' part... they need to make sure that their handling of data is well documented, so if there is a breach and the ICO needs to come in and investigate they can show they have done their due diligence and they have appropriate processes in place, including making sure all their staff are appropriately trained."

The ICO spokesperson added: "The form of any investigation will depend on the individual case. Factors such as the number of individuals affected, the nature of the personal data involved, the measures (if any) an organisation has taken before and after the breach to mitigate its likelihood or after-effects are just some of the issues which could be taken into account."



# “IT’S SCAREMONGERING TO SUGGEST THAT... MAXIMUM FINES WILL BECOME THE NORM. WE HAVE ALWAYS PREFERRED THE CARROT TO THE STICK

ELIZABETH DENHAM, ICO



## HEADLINE FINES

The consequences of a data breach for a business can be severe. The current maximum fine is £500,000, but that will be increased to 4% of a company's global turnover or £17.5m, according to the ICO.

Possibly more seriously, the ICO will also have the power to remove a dealer's right to handle customer data, which would almost certainly mean they would be forced to cease trading, given their reliance on it to promote products and services.

The ICO has made it clear that it will have a range of regulatory powers available for dealing with offenders. However, it also emphasised that fines would normally be a last resort, reserved for the worst data protection breaches.

Elizabeth Denham, the Information Commissioner, said: "It's true we'll have the power to impose fines much bigger than the £500,000 limit the Data Protection Act allows us. It's also true that companies are fearful of the maximum £17m or 4% of turnover allowed under the new law.

"But it's scaremongering to suggest that we'll be making early examples of organisations for minor infringements or that maximum fines will become the

norm. The ICO's commitment to guiding, advising, and educating organisations about how to comply with the law will not change under the GDPR.

"We have always preferred the carrot to the stick."

Among the worst offences that would qualify for the stiffest penalty would be those that lead to discrimination of a data subject, identity theft, and a child's personal data being compromised, in addition to the marketing of sales and aftersales programmes without the customer's explicit consent, said Moore.

However, he added that in order to attract the highest penalty, the business would have had to have been completely negligent in the first place.

"To get the maximum fine, I'd expect a business to have been pretty much doing nothing to protect the personal information they had been keeping and then lost and it to be a big breach," said Moore.

"Something along the lines of saving everyone's bank details onto a website with a simple password as protection.

"If they'd taken steps such as encryption and removing sensitive details, but still got hacked the ICO would probably be more lenient."

Upton added: "The ICO has been quite clear that fines should be issued as a last resort. What is more harmful is the reputational damage to a business as a result of the breach, as this is not something which you can insure yourself against."

## CONCLUSION

Data privacy and protection are sensitive issues and should be dealt with accordingly by dealers.

Before GDPR comes into effect next May, dealers need to take a host of new requirements, such as data ownership, into consideration, as well as implementing procedures to ensure they are fully compliant and don't fall foul of the potential penalties. **ALEX WRIGHT**

# DO NOT CROSS

## SAVE THE DATE



**FEBRUARY 22, 2018**  
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# How to use your company data safely

The forthcoming data legislation gives dealers a chance to review how they handle information in every area of their business, not just those affected by the GDPR

**G**DPR is the biggest opportunity in almost three decades for dealers to review how they source, value and use data across their business.

Just as dealers embraced FCA compliance principles across both regulated and non-regulated products, the actions they must undertake under the new data regulation could have a broader effect on their data procedures, helping to pull the laggards towards 21st-century retailing.

The GDPR applies only to personal data, which relates to a living person. This means dealers can continue to hold and process, without the constraints of regulation, the current and historic information relating purely to their vehicles, such as stocking mix, pricing and days taken to sell, plus recalls and repairs completed, in systems where this data is not connected to an individual.

So sales managers should feel little effect on their ability to aggregate data, identifying what sells best or what pricing policy strikes the right balance between turning stock and optimising profits.

Nevertheless, data experts agree that the GDPR is a regulatory change with which all business must comply.

"The GDPR requires that any information or communication regarding the processing of personal data must be easily accessible, easy to understand and use clear and plain language. You can no longer hide behind privacy notices written in legal speak, in small print, posted on some obscure part of your website – though really you never could," said Ian Inman, head of privacy and data protection at Cox Automotive UK.

Here are some key compliance tips:

## MAP YOUR DATA

Jenai Nissim, legal director, data protection and privacy at UK law firm

TLT, has been working with members of the National Franchised Dealers Association (NFDA) on the GDPR and will present an Insight Theatre on the subject at the Automotive Management Live event on November 9.

She said all dealers should think about the data they are processing, why they are processing it and with whom it is being shared.

Once they have "mapped" their use of personal data, they should also consider what internal data protection processes and procedures they have that relate to data protection, and identify any key gaps. Nissim recommended 'RAG rating' those gaps as red, amber or green according to risks, and tackling them in that order.

"This is an invaluable exercise, because it will really give you an idea of what you can do going forward and where your gaps are," she said.

Inman agreed: "If you had to go before the Information Commissioner or a court and justify your actions in terms of compliance with the GDPR, could you do it? Would you have all the documentation, the policies and contracts to show that you complied? If the answer is no, then you need to identify where the gaps are and fill them."

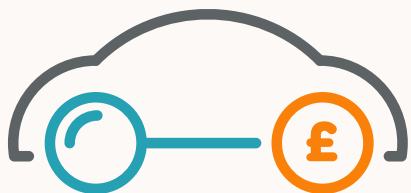
## SPRING CLEAN

Dealers must not hoard data, said Martin Hickley, director of data governance, protection and privacy specialist at GO DPO. "Old contacts collected 10 years ago, but who never reply to emails, should be securely erased," he said.

Under the GDPR, organisations must only retain personal data for as long as it relates to the purpose for which it was obtained it. In addition, individ-



**“THOSE OLD CONTACTS COLLECTED 10 YEARS AGO, BUT WHO NEVER REPLY TO EMAILS, SHOULD BE SECURELY ERASED”**  
**MARTIN HICKLEY, GO DPO**



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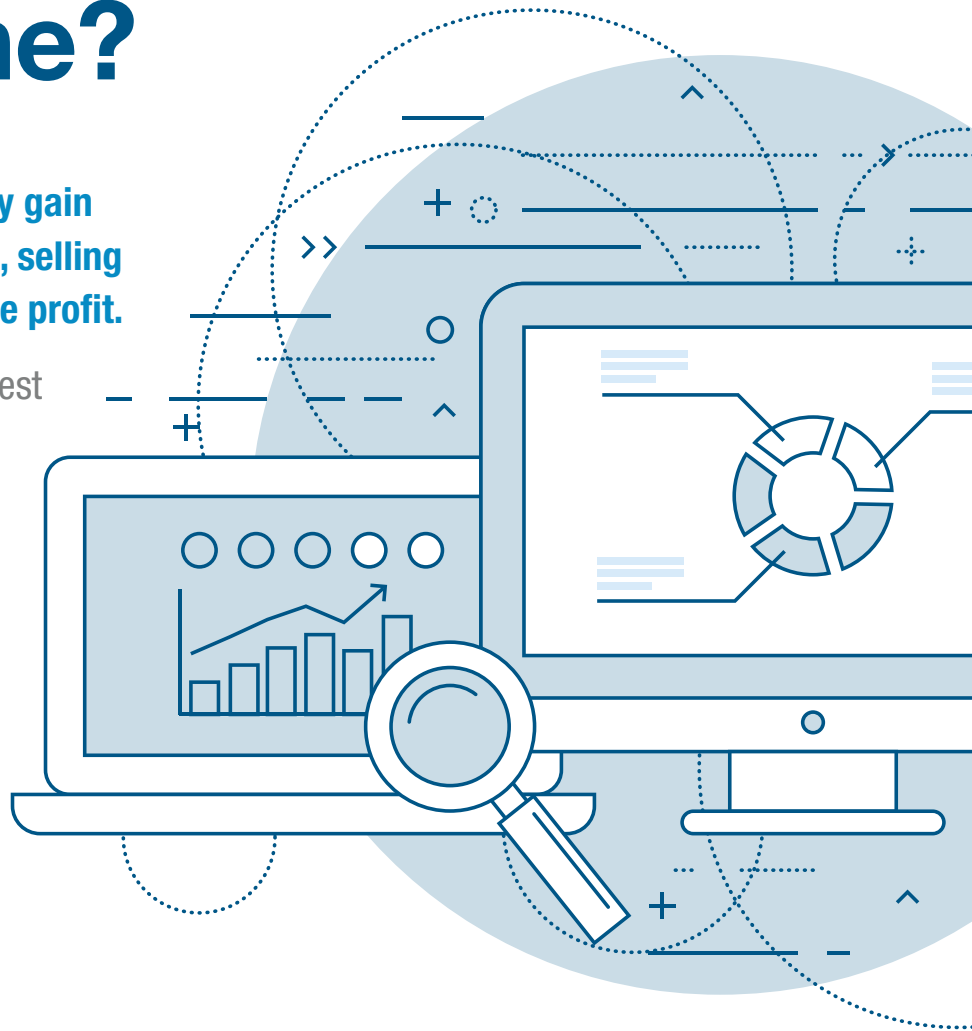
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### ✦ MARTIN HICKLEY'S FIVE MYTHS ABOUT THE GDPR

#### MYTH 1

##### The ICO will give you extra time to get your house in order

No, they won't. They have repeatedly said they will fully enforce the GDPR from May 25, 2018.

4% of turnover) sound bad, it's not the most potent sanction. The ICO will be able to issue temporary or permanent "Stop Orders" to cease personal data processing. That would be like hanging a "closed for the next month" sign outside.

Yes they will, for example your customers will report you when you don't fulfil a Data Subject Access Request (SAR). The ICO gets more than eight thousand complaints a year on this subject.

complaint with the GDPR, nobody will be. You have to show you are on a journey to being compliant.

#### MYTH 2

##### Huge fines are not the real teeth

While the fines (up to £17.5m or

#### MYTH 3

##### The authorities won't find out about non-compliance

#### MYTH 4

##### You need to be 100% compliant by May 24, 2018

No, you don't need to be 100%

#### MYTH 5

##### The company owns the personal data

No, your company does not own the data and sometimes you will have to erase it. You have the data on trust, to supply a service or product.



**C**uals have the right to have personal data erased in some circumstances.

Inman recommends a 'privacy by design' approach, whereby a dealership's systems enable them to delete information when they no longer need it, or when they are otherwise required to do so.

"It should give you sufficiently granular control over the data on your system that you are able to delete only the personal data you no longer need. If you cannot delete a person's email address without erasing their whole customer record, you are not demonstrating privacy by design," he said.

### CREATE A DATA PRIVACY NOTICE

Under the GDPR, you have to inform a data subject about all their personal data you process, including why, how and where you will process it, the names of any organisations you need to share it with, and how long you will keep it, plus their rights and freedoms under the GDPR.

Hickley suggests dealers could get customers to consent to their personal data being processed, as per the Data Privacy Notice, for an easy win.

However, Nissim warns about relying on consent, except as a last resort. "If consent is the only way you can process that personal data, and the individual withdraws their consent, you must not process it or you'll be non-compliant," she said.

### REMEMBER YOUR EMPLOYEES

Train all staff in the GDPR as soon as possible, because if the Information Commissioner's Office (ICO) visits, the first thing it will check is whether their knowledge is up to date, said Hickley.

A dealership's staff are data subjects too. Make sure you have updated your contracts of employment or any intranet websites with your privacy policy, so employees know what you are using their information for.

Nissim said employers should not rely on consent alone to process employee data. They can lawfully process personal data where it is necessary for the performance of a contract with the employee, but need to inform the employee why they need to.

She cited the example of tracking devices fitted to company vehicles or demonstrators, which employees may not consent to,

but which help the business secure its assets. In such cases, however, organisations must have controls to ensure personal freedoms are not infringed, such as not monitoring usage in their private life.

### CONSIDER YOUR THIRD PARTIES

"As a dealership, where you collect personal data, you have obligations to be compliant with data protection legislation. You cannot outsource compliance," Nissim said. If something goes wrong, and the dealership was using a third party to process its data – including storing it, viewing it, or even destroying it – the liability is with the dealer.

List the third parties with access to your data – who they are, what data they have, and what they are able to do with it. Hickley said a personal data register, keeping record of data holdings and processing activities, is a formal requirement under the GDPR.

Nissim said: "That record is open to inspection by the regulator at any time, and if you don't have it ready, it's not something you can pull together at two days' notice. They will scrutinise that register and ask questions about it."

She added that dealers must look at third-party contracts, including dealer standards, to ensure they are compliant with the GDPR's specific wording, for example that the third party only processes data on documented instructions from the dealer controlling the data, and stipulating that appropriate security measures must be in place.

Hickley warned that there is no escape from liability if it goes wrong and offenders may get a stiffer penalty for having no contract. Nissim recommends categorising third-party contracts into different data-sharing purposes, to understand the different obligations under GDPR.

Dealers using data brought in from third parties, such as marketing data from manufacturers or suppliers, must also get them to show they have gathered it compliantly, she said. Dealers should test the data, she added, because the regulator will want to see that they have not taken its compliance at face value. **TIM ROSE**



## Providing dealers with the key to improving sales, profitability and efficiency.

### The Insight Journey

There is a lot of talk about the value of data, data-driven decision-making and big data – but what does it mean and where do you start?

At Cox Automotive Data Solutions, we think about data-driven decision-making as a journey.

**Instinct** speaks to the thousands of decisions you make based on your personal experience. For example: what coffee to order in the morning

or what socks to wear – a lot of these decisions are so automatic you may not even realise you are making them. In the automotive industry, just one example is the years of experience that enable a dealer to know that a particular car is a good car. If we take the question: “It’s November, what car should I buy?” the answer might be: “I will buy this type of car because it always sells well for me.” In other words, instinct is your gut.

**Intuition** is the next step along the Insight journey, where that experience is combined with data held in reports, and/or aggregated into key performance indicators

(KPIs). It’s the count of how-many-vehicles-sold-for-how-much-money last month. Decisions are driven by data about past performance, coupled with instinct. For the question: “It’s November, what car should I buy?” the answer might be: “I will buy this type of car because I sold more of them in October than any other type of car.”

**Intelligence** is next – this is where the data no longer strictly counts or provides averages of what happened in the past, but where it is analysed for trends, patterns, and correlations. For the question: “It’s November, what car should I buy?” the answer might be: “I will buy this car because while they didn’t sell for me as well as in October, I know that the market for this type of car gets stronger every November.”

**Prediction** is the next stage. This is where historical data is used to predict the future, whether it is how long it will take a particular vehicle to sell or for which price. The maths get more complicated and the data requirements increase. For the question: “It’s November, what car should I buy?” the answer might be: “I will buy this car because the model predicts it will sell quicker than any other car, which aligns with my experience.” Experience remains important, as it helps inform which data should be inputted into the model, and can help validate the results of the outputs.

**Optimisation** is the final stage, where historical data is used to determine the best decision, given a particular objective and set of constraints. For the question: “It’s November, what car should I buy?” the answer might be: “I will buy this car because doing so will maximise my annual profit.” Using historical data, the model would be configured to maximise a particular goal (in this case, maximise my annual



# “Are you using data to make smarter decisions that drive your bottom line?”

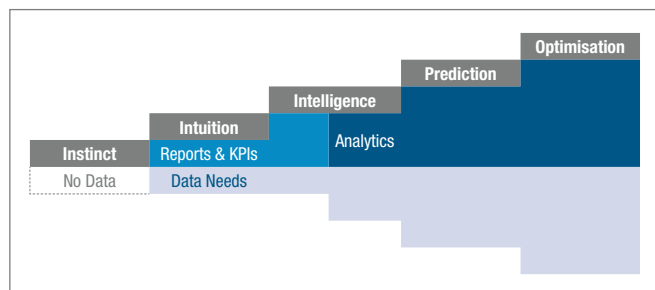
profit) and a set of constraints (for example, you are a Peugeot dealer near Birmingham with 80 spaces on your forecourt, eight of which need to be filled with new stock).

## Why is this important?

We find that businesses further along the Insight journey tend to sell more cars faster and for more profit. These more sophisticated

**Operational Capabilities** form the foundation of the pyramid. This includes the appropriately skilled resources, with the right tools and technologies to bring data together. Legal and compliance requirements also fall under this category.

**Communication and Education** is the middle layer of the pyramid. As data is introduced into operational workflows, it is important that the users have the right understanding and training to make sure that the full value of data is being realised. This may involve hands-on training sessions, online courses or webinars.



organisations typically have access to and use better market insight about pricing, supply and demand, which enables them to make better decisions to outperform competitors.

## But where do you start?

The first step is to understand the business process or decision that needs to be improved. Once that is determined, three things are required for success:

**Actionable Insight** is the top of the pyramid. These are the meaningful results of analysis, where data is transformed into important attributes used to drive decision-making. It is essential to not race to the top of the pyramid, because without the operational capabilities and communication and education in place, it will be extremely difficult to benefit from any insight produced.

It is important that this is a pyramid; it isn't a linear process. As data capabilities expand within an organisation, we find that the size of the pyramid grows.

We find that organisations that are at instinct and intuition typically have limited data and analytic capabilities in place. They are best placed to use tools which make it easy to visualise and understand data assets; this can be done on a trial basis with a small number of users to prove the concept and gain confidence in the data.

We find that organisations at intelligence and starting to move into the prediction stage have typically made some investments in data, often with a small number of analysts using tools like Excel to analyse their own data. For these customers, we provide analysed spreadsheets, which can be easily combined with an organisation's own data to inform decision-making.

Organisations that have moved into predictive analytics and are working towards optimisation typically have analytics and data science teams, as well as dedicated IT resources. Investments have been made in the analytics platforms which automate the aggregation of data from multiple sources. For these clients, automated feeds of market data accessed either transactionally in real-time or on a scheduled daily basis tends to be the preferred deployment option.

Cox Automotive Data Solutions helps clients progress along the Insight Journey, working with customers to develop their analytics capabilities while providing data at the right point in time and in the right format to be used operationally for decision-making.

Dealers who use data effectively gain advantage over the competition, selling more cars more quickly for more profit.



Cox  
AUTOMOTIVE™  
DATA SOLUTIONS

# What would you do with an extra £155,000 a year?

Vehicle transportation can be a nightmare, not just from a logistical perspective, but from a financial one too. In fact, speaking with some of the top 25 dealer groups, we know that one of the main costs and worries associated with running a dealership is associated with the movement of vehicles. And when you're transporting upwards of 5,000 vehicles a year, it's not surprising.

Based on an average journey distance of 78 miles, the approximate cost of moving a vehicle between sites is £110; which means 5,000 movements a year could be costing you in the region of £550,000. And for fleet and customer handovers, that cost could be even greater. Based on an average journey distance of 140 miles, the approximate cost per move is closer to £185.

Of course, when it comes to determining the actual price of transporting your stock between sites or directly to your customers, it's not simply about the agreed cost per mile. It's important not to underestimate how inefficiency can impact your bottom line; the logistics marketplace is a challenging environment to navigate in a cost-effective manner. A number of challenges have been historically difficult to overcome:

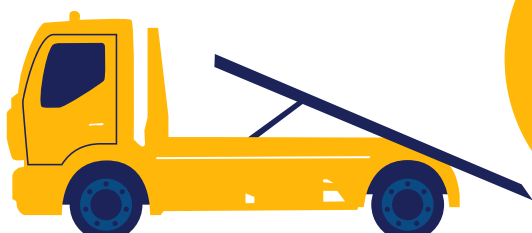
- No suppliers directory: making it impossible to compare or validate suppliers in one easy place.
- No price transparency: often resulting in added or hidden costs to what is an already significant expense.
- No standard service levels: which means you have to manage varying levels between suppliers, which either requires time to negotiate every time a new supplier is used, or risk an unsatisfactory service.
- No data: makes it challenging to optimise the best routes between collection and delivery, the quickest time, or the lowest tariffs.

At Motor Trade Delivery, which is now powered by Auto Trader, we offer a unique service that brings together just about every element of the motor trade that requires vehicle moving: serving car dealerships, lease companies and rental companies. By providing a platform that allows logistics companies to bid on your individual delivery requirements, we offer our customers an efficient one stop service for moving each vehicle at the **current market price**. What's more, on Motor Trade Delivery, you can:

- **Build and monitor your own network of suppliers**
- **Assign jobs to the best bidder, regain control of your spend**
- **Improve the speed and service of your vehicle movements**
- **Plan, track and report on all your suppliers**

So what does this mean for you? Well, simply put, you can **move stock faster, more efficiently and, most importantly, cheaper**. Using the greater efficiency offered by the Motor Trade Delivery platform, you could save an average of £31 per movement – that's £155,000 per year (based on 5,000 movements).

So the question is, what would you do with an extra £155,000 in savings? Why not try Motor Trade Delivery and find out.



**Build and monitor your own network of suppliers**



**Assign jobs to the best bidder, regain control of your spend**



**Improve the speed and service of your vehicle movements**



**Plan, track and report on all your suppliers**

# What have you done to protect customer data?

AM speaks with dealers and manufacturers to see what steps they have taken to prepare for GDPR

**D**ealers have until May 25 to get ready for the new general data protection regulation (GDPR).

GDPR will give the UK's regulator, the Information Commissioner's Office (ICO), the power to impose fines of up to €20 million (about £17.5m) or 4% of a company's global turnover for breaches of the rules. The current maximum fine is £500,000.

The ICO can also bar a business from handling any customer data at all, which could put some dealerships out of business.

## 1 CASE STUDY

### MARSHALL MOTOR GROUP

Madeleine Ansbro, head of compliance at Marshall Motors, joined the company in May this year and is specifically tackling areas such as FCA and GDPR compliance for the group.

She said: "We're doing a lot of groundwork and we're at the early stages. We formed an internal working party in July across HR, legal, compliance, IT, marketing and operations."

"GDPR is very wide-reaching and the tentacles reach into every area of the business."

Ansbro's first task was to bring awareness to directors and senior managers to give an overview of GDPR and how it would affect the business.

The next step was to start a data-mapping exercise. This looks at every area of the business and how data is being handled, where it is stored, who it is shared with and the security measures around that.

She said: "Everything has to be assessed properly. Every single system we use has to have a thorough analysis."

"We are still working on that because we are a large business and it's quite an intensive process, but it's a crucial first step."

Ansbro said one of the biggest challenges around obtaining consent was making sure

systems are able to evidence that consent. Marshall is still working on that in partnership with its suppliers.

She said: "We have to make sure consent is evidenced to the satisfaction of the regulator and how we do that across each department may vary. It's not a one-size-fits-all solution."

Ansbro said suppliers and manufacturers are at differing stages of preparations for GDPR. Marshall is looking at all supplier contracts to make sure there are clauses that cover GDPR.

Ansbro said: "This will be used to specifically state how we need any data that is being passed on to be treated and the consequences of not adhering to GDPR regulations."

Ansbro has taken on the position of data protection officer (DPO).

"We want to make sure we have a robust stance on GDPR and I think having a DPO sends a positive message about how the business views its responsibilities."



**IT'S IMPORTANT THAT TRAINING IS JOB-SPECIFIC FOR EACH ROLE AND OFFERS PRACTICAL ADVICE ABOUT WHAT YOU CAN AND CANNOT DO**

MADELEINE ANSBRO, MARSHALL MOTORS



"Having a DPO gives the business a central point of contact if anyone has any issues or needs any advice on how to proceed."

Training for staff is still being finalised, but Marshall is likely to put together an e-learning course for all employees. Ansbro has also created a compliance newsletter that goes out internally to update the business. The first of these went out in September.

Ansbro said: "It's important that training is job-specific for each role and offers practical advice about what you can and cannot do. I want people to feel confident about GDPR and how this is all going to work."





## 2 CASE STUDY

### PEBLEY BEACH

Dom Threlfall, managing director at two-site group Pebley Beach, started work on GDPR compliance in October 2016, prompted by an article in *AM*.

He also attended an NFDA seminar. Threlfall said GDPR could leave those unprepared for the changes with a customer database that is essentially valueless.

He said: "Some dealers have been getting ahead of this, but I'm sure there will be some that will carry on as usual and then react when someone is made an example of next year."

Pebley Beach is speaking to customers as they come in for a service to explain about seeking explicit permissions to contact them.

He said: "Typically, you would want to see all of your customers through a 12-18 month period."

"We're getting permission on the job card they sign in the aftersales department."

Threlfall nominated himself to be Pebley Beach's data officer. Larger dealer groups are likely to have a dedicated data controller.

Both Pebley Beach's franchises, Hyundai and Suzuki, have GDPR working groups, which have been communicating what they are doing on compliance.

The company's dealership management system provider has already updated its systems to be GDPR-compliant and Threlfall said the company asked its data host provider to make sure everything is held in the UK.

Threlfall said: "In some cases, it means that instead of [a document having] four lines explaining about data protection, it's now gone to eight lines."

"Ironically, the more detailed and complicated it becomes, the less likely it is a customer is going to read it. We have got everything checked



by our solicitor, who luckily is also a data protection specialist, to make sure we are compliant."

In Threlfall's opinion, as MOTs are essential, reminding a customer that one is due should fall outside the GDPR's requirement for specific consent. He said: "We have been getting ahead of this, so our customers aren't left in a position where they're not getting reminders for MOTs. If we didn't send out reminders, we would have thousands of unhappy customers that rely on us to remind them."

## 3 CASE STUDY

### HENDY GROUP

Hendy Group attended the NFDA's GDPR seminar and has been working on a "detailed action plan" for the past six months. The company has a working group with 13 members and has been working on a 'gap analysis'.

Mark Busby, Hendy Group commercial director, said: "It's been a significant bit of work and we're hoping to be in a fully compliant position before the end of this year. That will give us a few months to test what we've done and make any tweaks that we need to."

Some of the preparations include revisiting the businesses' privacy statements and creating forms at the point of sale in the showroom where customers can opt in.

He said: "The hardest part is going back to people that are already in your database and then seeking permission there."

"We have an internal compliance manager that is

working on making sure everything we're doing is in line with the legislation and we are also checking that with an external provider we have on retainer.

"We're taking the approach that every time we speak to a customer, we're re-establishing consent at that point ahead of the May deadline."

Once consent is given, it is recorded in Hendy's DMS so teams know whether a customer has given consent to be contacted and the question isn't asked again and again.

He said: "There has to be a positive reason to give consent, so there has to be a focus on what's in it for the customer."

Busby said the dealer group is ahead of some of its suppliers in terms of being GDPR-compliant, but he is confident they will be ready before May.

He said: "It's a process of sitting down and going through an audit of our relationship with suppliers in terms of what they're doing with the data."



Where are their servers? Things like that."

Each of Hendy's staff members will go through a two-hour workshop on GDPR and every new member will have GDPR training as part of their induction. There will also be an e-learning module each staff member throughout the group will take each year.

Busby said: "We're keeping a close eye on the legislation in the run-up to May 2018 as it's not all finalised and nailed down, so it's important we can be fluid with what we are planning so we can adjust if we need to."

# 4 CASE STUDY

## MAZDA



Mazda is currently going through the process of reviewing its data capture processes and systems to make sure they are compliant with GDPR.

A spokesman for Mazda said: "We would only communicate to those that we either have consent for or have legitimate grounds to contact.

"We would recommend that the dealer network also carry out the same process of reviewing their data capture processes to ensure compliance for May 25."

Mazda is planning to issue specific guidance for its network before the end of this year.

The spokesman said some of its dealers are

actively working with their DMS and CMS providers to help to make sure systems are compliant, but the main burden on dealers falls outside the functionality of systems.

He said: "According to Article 32, data processors must be able to evidence 'appropriate technical and organisation measures to ensure a level of security appropriate to risk'. Therefore, as a minimum, DMS/CMS systems must provide functionality that can achieve this, but dealer attitudes to GDPR implementation, conduct and ongoing processes/working practice are far more important factors for retailers to consider in achieving overall compliance with GDPR."

Mazda's spokesman said the training of staff on GDPR ultimately falls with retailers, although the subject may be addressed with its guidance if it is raised as an issue of concern towards the end of this year.

He said: "We will complement our existing internal training programme on data protection to raise awareness of changes and will undertake impact assessments to review the risks for any new projects involving data."

# 5 CASE STUDY

## HONDA



The ICO has already shown its teeth ahead of GDPR rule changes after it fined Honda Europe £13,000 in March this year.

An investigation found that between May 1, 2016, and August 22, 2016, Honda had sent 289,790 emails entitled "would you like to hear from Honda?" to clarify the recipients' marketing preferences. The email was sent to those individuals on the database for whom no "opt in" or "opt out" information was held. Following receipt of the email, an individual made a complaint to the ICO.

Honda believed the emails were not classed as marketing, but instead were customer service emails to help the company comply with data protection law. Honda explained that it had sent the email, not with the purpose of marketing, but as a service email, to ensure it was maintaining its compliance with the data protection principles relating to the retention of personal data and direct marketing.

However, the ICO said Honda couldn't provide evidence that the customers had ever

given consent to receive this type of email, which is a breach of Privacy and Electronic Communication Regulations (PECR).

A Honda spokesman told AM: "We are keenly aware of GDPR and the penalties for non-compliance.

"Honda is currently reviewing internal data protection policies and procedures. In addition, Honda will conduct a review of its agreements with third parties, including dealers, where such contractual relationships involve the processing of personal data."

The manufacturer had already provided a detailed 'briefing note' to its dealer network, aimed at helping them to understand the key compliance requirements under GDPR and how the regulation may affect direct marketing to customers.

However, Honda has also advised its network that each dealer is ultimately responsible for its own compliance.

The spokesman said: "We recommended that each dealer seeks independent legal

advice from a reputable law firm in order to fully understand the GDPR and how it may impact on their own businesses."

Steve Eckersley, the ICO's head of enforcement, said: "Honda Europe sent emails asking for consent to future marketing. In doing so, it broke the law. Sending emails to determine whether people want to receive marketing without the right consent is still marketing and it is against the law."

The ICO recognises that companies will be reviewing how they obtain customer consent for marketing to comply with the GDPR.

Eckersley said: "Businesses must understand they can't break one law to get ready for another."

He said any company unsure of the best way to prepare for the change in consent under GDPR should contact the ICO for advice.

■ To download the ICO's guidance document for direct marketing compliance, visit: [am-online.com/GDPRguidance](http://am-online.com/GDPRguidance)

**TOM SEYMOUR**

# Bespoke Responsive Websites for Franchise Dealers

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The background of the entire page is a dense pattern of grey hands of various sizes, some open and some closed, reaching out in different directions. In the center, there is a large, rounded orange shape with a distressed, speckled texture. Inside this orange shape, at the top, are three hands: a large white hand with fingers spread, a medium orange hand with fingers spread, and a small white hand with fingers spread, all overlapping. Below these hands, the words "HELPING HANDS" are written in a bold, sans-serif font. "HELPING" is in dark grey and "HANDS" is in white.

# HELPING HANDS

An AM commercial supplement showcasing motor retail  
suppliers' advice on how to prepare for the forthcoming  
General Data Protection Regulation (GDPR)



# Why simplicity is the key to GDPR

Dealers do not need to panic, but they do need to be sensible, says iVendi CEO James Tew

**W**henever a new piece of legislation comes into effect, you can bet there will be a degree of scaremongering across the motor industry. The General Data Protection Regulation (GDPR) is no different, and with non-compliance penalties of up to 4% of global turnover, you can see why some dealers may worry.

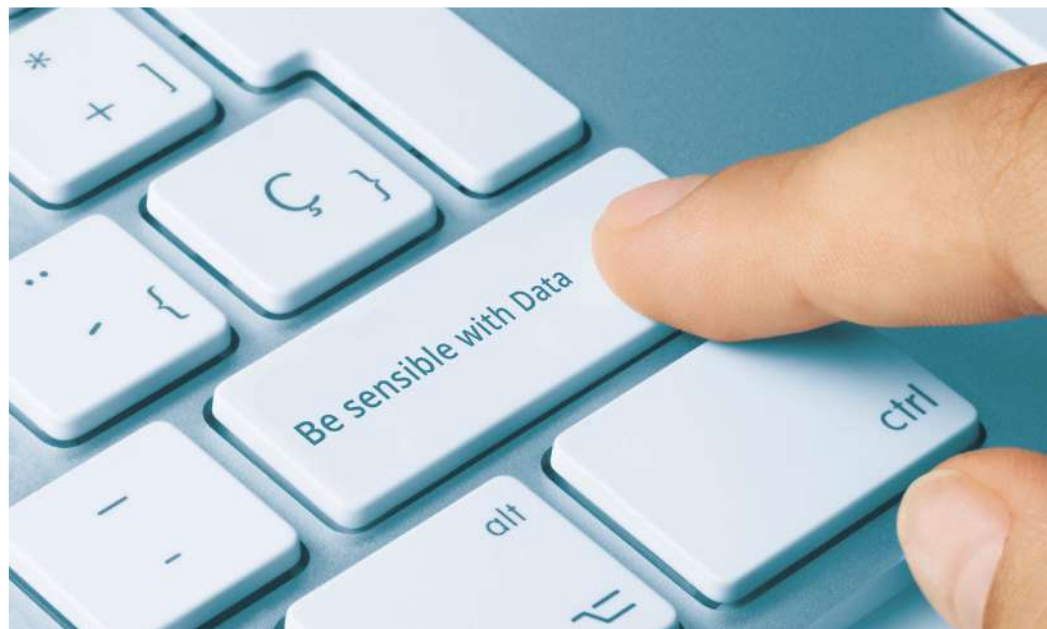
But I have good news – if you are being sensible with how you store and use data, you are unlikely to have any problems.

What do I mean by “sensible”? Well, there are a number of points you need to tackle, but none of them should cause well managed dealers too many problems.

Fundamentally, you need to break the issue down into a handful of questions:

- Can you justify why are you keeping hold of customer data?
- Do you have permission to use it in the way you want?
- Is it being stored securely, and anonymised where necessary?
- What measures are in place to ensure data is kept up to date?
- Can you effectively remove customer data from your systems?
- Are your systems set up to reflect these points?

An excellent place to start answering these question is the Information Commissioner's Office website – [ico.org.uk](http://ico.org.uk) –



which provides guidance that, to our mind, strikes a good balance between thoroughness and brevity. If you need to know the fundamentals of the GDPR, visit there now. There is little point in me repeating it here. Instead, I would like to talk about our specialist area at iVendi – online systems and how they may be affected by the GDPR.

We believe the biggest danger area will be duplication of data across different systems. If, like ours, all the data for different parts of your online activity are stored in one place, then you will be fine. However, some

**“You will need watertight procedures to ensure that any change to data in one place is duplicated in others”**

dealers use a piecemeal approach, with customer data potentially duplicated in two, three or more systems.

This undoubtedly creates a host of problems and you will need watertight procedures in place to ensure that any change to data in one place is duplicated in others, and that the way the GDPR applies to one use of the data on one platform also applies to others.

There is no easy way to do this other than through fairly laborious manual processes that are prone to error or avoidance, or by creating routines that will automatically

duplicate the data. The latter could be quite time-consuming, expensive and difficult.

This, we believe, is where dealers will need professional help and advice – either to make their existing duplicate systems compliant or to look at new ways of handling their online activity to remove the need to store information in more than one place.

We would, of course, be pleased to help and offer guidance to existing iVendi customers and others facing these issues. In the meantime, good luck with implementing the GDPR.

## ABOUT IVENDI

Founded in 2009, iVendi makes e-commerce solutions that make vehicle selling easier for dealers, vehicle buying easier for buyers, and vehicle finance easier for all. With offices in Manchester and Colwyn Bay and products connected to more than 7,000 dealer locations in the UK, iVendi believes in innovating to deliver results.

To find out more, visit [ivendi.com](http://ivendi.com), email [enquiries@ivendi.com](mailto:enquiries@ivendi.com) or call 0345 226 0503



# How to ensure your prospects' data is safe

Dealers need to be transparent in how they process and store their customers' personal data

## What is GDPR and why is it important?

The General Data Protection Regulation (GDPR) is a European Union regulation, governing the way businesses must protect and handle customers' personal data. GDPR comes into effect in the UK from May 25, 2018, and, despite the fact it is based on EU law, we already know it won't be derailed by Brexit.

"Dealers need to be transparent in how they process and store personal data for customers and prospects," explained James

Hill, operations director at Dealerweb. "Under GDPR, businesses need to be able to justify why they are holding customer data, and prove that a customer gave them consent to do so in the first place.

"In addition, many dealers use third-party data handlers to manage customer data, but the onus now falls on dealers to make sure those suppliers also comply with the new regulations. The dealer's liability cannot be divested."

Dealerweb's cloud-based 'Showroom' platform operates at the sharp end of many dealers' customer interactions,



## THE GDPR CHECKLIST – HOW TO COMPLY

As well as implementing a robust showroom management system such as Dealerweb Showroom, dealers can make changes to their own processes to ensure they do not fall foul of the new regulations:

### Handling current data

- Make sure you are aware of the data you hold
- Know how the data is managed and processed
- Be aware of suppliers who process data on your behalf

### Develop best practices

- Collect data lawfully and transparently
- Secure proof of consent from prospects
- Ensure systems can facilitate prospects' 'right to be forgotten'

### Monitor and train

- Determine new processes and practices

### ■ Make sure staff

- understand new data processes
- Set up a staff training schedule on handling customer data

### Create safeguards

- Apply safeguards to protect against human error
- Implement a GDPR-compliant enquiry management system – Dealerweb Showroom prompts staff to ensure data is collected and stored lawfully and in compliance with GDPR

Any dealer failing to comply with the new regulations puts their business at risk of large fines. However, GDPR presents an opportunity for dealers – by making their data handling processes more transparent, they can win the trust of customers and prospects.

so it's entirely appropriate that the company takes a lead in facilitating GDPR compliance. It is updating its technology in the following ways:

### ■ Managing customer records:

Making it simpler for dealers to update and permanently delete customer records

### ■ Extended audit logs:

Allowing for the easy identification of who updated what and when

### ■ Marketing preferences:

Updating prompts to ensure prospects are always asked to

provide consent to receive marketing communications

### ■ Lawful data handling:

Prompting and signposting users to follow a GDPR-compliant process.

In addition, Dealerweb is working towards achieving the ISO 27001 standard for information security management. This standard can put dealers' minds at rest, as it plays a key role in ensuring Dealerweb's own systems and processes comply with GDPR.



"Under GDPR, businesses need to be able to justify why they are holding customer data, and prove that a customer gave them consent to do so in the first place"

James Hill, Dealerweb

Web: [Dealerweb.org](http://Dealerweb.org)

Email: [info@dealerweb.org](mailto:info@dealerweb.org)

Telephone: 01392 247 477





# Prepare for GDPR, but don't forget other data law

Codeweavers offers guidance on GDPR, the new Data Protection Bill, and ePrivacy legislation

**T**he General Data Protection Regulation (GDPR) becomes law on May 25, 2018.

Inextricably linked to the new Data Protection Bill announced in September, it will be joined by new ePrivacy regulation, scheduled to come into force at the same time – the details of which have yet to be announced.

The GDPR has 99 articles setting out the rights of individuals and the obligations placed on organisations covered by the regulation. That is too many for this article, but here are some tips and insights to help you prepare for the changes ahead.

## Individual rights

Consumers will have new rights in respect of their data. These will include a right of access and a right of data portability, to facilitate a switch in supplier.

Customers will also have the right to be forgotten. Now is the time to check your database and securely delete those customers who have had no contact with your business for an extended time.

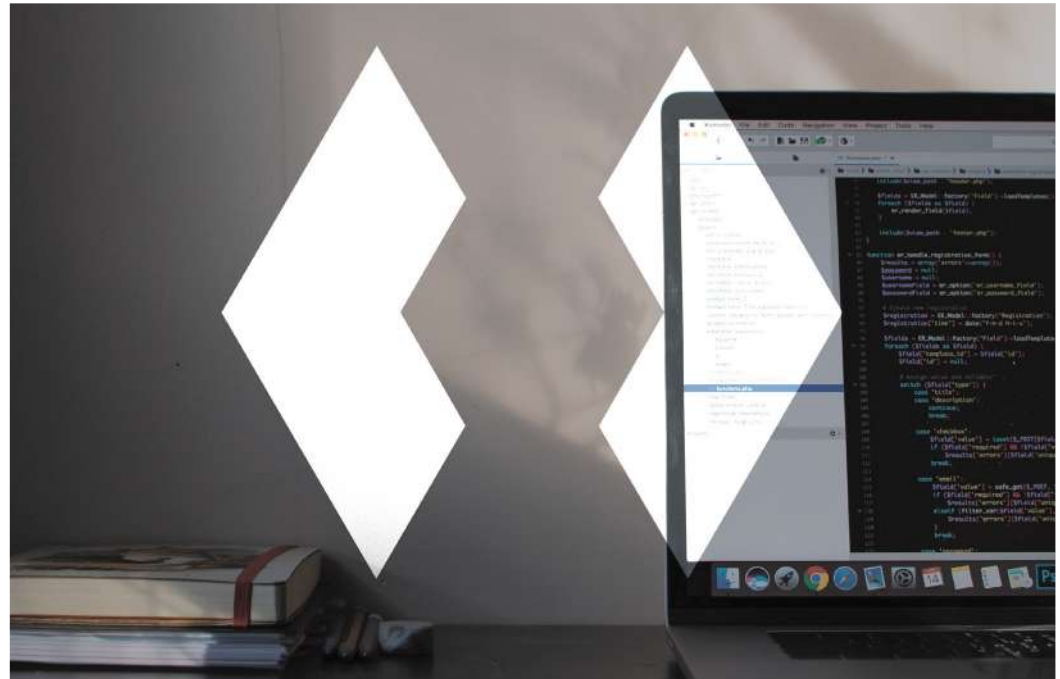
Having looked at a number of databases, the impact here may be significant, but what will be left is a more accurate database.

## Awareness

Ensure business leaders and customer-facing staff are aware of the GDPR, how it will affect your business, the role they play and the processes and controls that must be followed to comply.

## Data you hold

You should document what



**“You need to distinguish whether, as a business, you are a data processor or a data controller, or both”**

personal data you hold as a business, where it came from, and who you share it with. You may need to organise an information audit.

## Privacy notices

You need to be transparent about your use of data with the customer and ensure they are aware of any organisation (by name) with which data will be shared. The most suitable way to do this is through a concise, transparent privacy notice, written in plain English.

## Consent

You should review how you seek, record and manage customers' consent to use/

record their data and whether you need to make any changes. Refresh existing consents now if they do not meet the GDPR standard.

If you rent customer lists for direct marketing, it is your business that will be responsible for ensuring consent has been given by the consumer. This could be very hard to prove.

## Data controller or processor?

You need to distinguish whether, as a business, you are a data processor or a data controller, or both. Deciding this is highly important as each has certain obligations under the GDPR regulations. If you have a

company that processes the data on your behalf, but you control the data, you need to ask them what measures they are putting into play to minimise the risk of data loss and breach.

## Data breaches

You need processes in place to detect, report and handle a data breach and you must notify the Information Commissioner's Office (ICO) within 72 hours.

We hope you find this guidance useful – if you work with Codeweavers and you would like information on how we are gearing up for GDPR, please email us on: [cqc@codeweavers.net](mailto:cqc@codeweavers.net)

# An integrated approach to securing customer data

Three suppliers are joining forces to make the GDPR transition easier for franchised dealers

**T**he introduction of a new data management regime, under the EU General Data

Protection Regulation (GDPR) in 2018, is looming large over automotive retail. The ability to contact customers and prospective buyers is essential to doing business, but getting it wrong could lead to big fines.

The good news is that leading providers of digital services GForces, enquiryMAX and Marketing Delivery, are working together to ensure that the transition is seamless and enhances the customer experience.

The three companies are co-operating on an operational framework to support compliance, and are building data solutions to guide sales advisers through the process.

By integrating the companies' systems and taking a joint approach to GDPR compliance, the necessary changes will be easier for the dealer.

All three providers have in place (or are introducing) ISO 27001, an international standard for handling data. It provides a framework that looks at technical elements and advises procedures around data security, physical security, and employee behaviour.

The best practice will be implemented into enquiryMAX operations. Users will be guided through gaining the necessary permissions to meet GDPR and FCA Treating Customers Fairly requirements.

Integration is a key element of the enquiryMAX development strategy. It is built around making its platform as easy to



**"We would strongly advise all retailers to invest in a software and training programme that ensures best practice"**

Simon Upton, GForces

use as possible for dealers. A joined-up approach by three leading digital players will help make the transition to working under the GDPR as easy as possible.

GForces is working with dealers to help them fulfil their obligations under the new legislation and ensure they are protected. The company argues that many dealers assume a third party, such as their web provider, will do this for them and conform to tight operational standards. While that is not always the case, suppliers are on hand to make it as easy as possible.

A renewed focus on the collection of customer data could be a good thing, said

Marketing Delivery. In a recent study, more than a third (34%) of sales and service records held by franchised dealerships lacked accurate details on the customer and their vehicle.

The company found that the customer's email address was the individual detail most commonly absent – in 18% of all cases. The problem affects the entire sector – even the best-performing dealership had email addresses missing in 8% of its records.

If organisations fail to comply with the GDPR, repercussions may include audits, public warnings and fines. Regulators can levy a fine amounting to 4% of a company's global turnover from the previous year.

With so many data processes being completed on software provided by outside suppliers, DMS and CMS providers will need to guide their customers through the GDPR minefield during the coming year.

"The importance of the new data management regulations really cannot be overstated," said Simon Upton, commercial director at GForces. "The penalties for not complying with the new GDPR standards could be severe, so we would strongly advise all retailers to invest in a software and training programme that ensures best practice regarding data security."

Dealers of all sizes need to consider the risks from all points. By acting now and working with data and digital partners, a smooth transition can be ensured. The upside is a more transparent, trusting relationship with the customer, which will support sales.

**Marketing Delivery**  
DATA DRIVEN MARKETING

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www.gforces.co.uk

 enquiry**MAX**

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sales@enquirymax.com  
www.enquirymax.com

# The 'all-you-need' GDPR compliance package

Dealers would rather be selling cars, so they need a good partner to help with their data

**D**MS Navigator is working with dealerships and manufacturers – through webinars, seminars and one-on-one sessions – ensuring they are GDPR-ready. Contact Navigator by email at [GDPR@dmsnavigator.co.uk](mailto:GDPR@dmsnavigator.co.uk) for details. Meanwhile...

## Don't panic!

GDPR comes into force in May 2018, threatening huge failure-to-comply fines (4% of turnover or up to £20 million), so dealers must get ready. Don't panic: You can get ready by working with Navigator and its legal team.

## Remain calm, Navigator is here to help

"The first thing dealers should do is nominate a GDPR tsar", said Navigator managing director Simon Verona. "A dealer's champion working with Navigator can get every aspect ready in time."

Navigator has a crack team of techy experts and legal boffins to deliver an authoritative, free 'how-to' guide. For details, contact Navigator by email at [GDPR@dmsnavigator.co.uk](mailto:GDPR@dmsnavigator.co.uk).

The simple messages are:

- a) Understand GDPR and its ramifications;
- b) Understand how to comply;
- c) Compliance is not a one-off: GDPR will require you to prove, prove and prove again that you have your customers' permission to use their data and that this permission is for the exact use to which you are putting it.

## Get legal, stay legal

Verona said: "Once your DMS helps you obtain your customers' permissions, you



must – every month – repeat the process. Of course, you would rather be selling cars and services, so Navigator does that for you.

"This way, you stay up to date and within the law."

## Keep it clean

Jon Byles believes Navigator customers will benefit from its new GDPR 'data-cleansing' service.

"This removes from dealers the huge burden of ensuring their customer data complies with the new EU regulations and keeps the data useable and up to date," he said.

"The data-cleansing will be an automated monthly process, reviewing customer and vehicle databases, updating contact details, cross-referencing against permissions and checking any customer opt-outs. In addition, it provides the all-

## THE LAWYER'S VIEW

Solicitor Peter Wright, a leading authority on GDPR and managing director of DigitalLawUK, said: "GDPR redefines 'personal data' and dealers must ensure that personal data is collected, stored, transmitted, retained and deleted securely and demonstrate compliance to the regulator, the Information Commissioner's Office (ICO).

"Things like number plate registrations, email addresses, home addresses or insurance information would be classed as personal data, also photographs of individuals, CCTV footage and the backup of any sales system.

"Also, 'bulk' consent, with one tick box before emailing someone for the next decade, will not be permissible."

important audits proving GDPR compliance, giving evidence that data in use is up to date and has the relevant permissions.

"All Navigator users will receive the GDPR-compliant system as a free upgrade to their existing DMS as part of the next scheduled system update."

## We are the champions, my friend

The fact that dealers are appointing their own in-house GDPR champions makes the process a lot easier to manage and Navigator is able to then trickle down all the vital steps and information through these individuals. For more, contact [GDPR@dmsnavigator.co.uk](mailto:GDPR@dmsnavigator.co.uk).

Contact Navigator at [GDPR@dmsnavigator.co.uk](mailto:GDPR@dmsnavigator.co.uk) for further details.  
Dealer Management Services, Navigator House, 12 O'Clock Court,  
Attercliffe Road, Sheffield, S4 7WW  
Tel: 0845 686 2300  
Email: [jon@dmsnavigator.com](mailto:jon@dmsnavigator.com)







# GDPR: Your practical checklist for compliance

New data protection rules will challenge many dealers – start your process with these steps

**T**he requirements of the General Data Protection Regulation (GDPR) present challenges in terms of people, process and technology – compliance cannot simply be 'bought'.

Rather, meeting the needs of the GDPR will require a considered approach across many areas of your organisation. Because details of how it will be implemented are still being published by the Information Commissioner's Office (ICO), it is by no means clear where to start your compliance journey.

However, there are practical things you can do to stay on track for the May 2018 deadline relating to both awareness and appropriate processes, including transforming how you work with your deal files.

#### Call to action

By now, we all know that the GDPR is coming. With the reliance of all dealerships on the use of personal data, now is the time to act to avoid negative

effects come May 2018. As a first step, getting documentation in good order, particularly deal files, through effective implementation of an electronic document management solution, such as mstore, is a step in the right direction. Reworking essential workflows will help you to stand up to scrutiny, protect your business, and enable a robust and timely response.

**View our webinar, 'Practical insights on the GDPR for car dealerships' and download our essential guide to the GDPR by visiting [arenagroup.net/automotive](http://arenagroup.net/automotive).**

#### About Arena Group

Arena Group has been involved in the GDPR for more than five years. Sector and software experts have developed systems and process around secure print and digitisation of workflows, including the deal file sales process. We already work with two of the top six dealer groups and many others in the top 100.

#### Check out our top tips:

- The ICO's 12 steps are recommended as a template for creating an action plan to help with good project management and demonstrate that you are taking reasonable measures.
- Share responsibilities appropriately across the organisation and secure a high-level sponsor – companies that delegate all of the responsibility to a compliance officer or marketing manager may find their responses to the regulation fall short.
- Ensure mechanisms are fit for purpose to manage consent (you can no longer rely on opt-out), and respond to the individual's right to be forgotten and subject access requests (SARs).
- Relying on an existing paper-based system could prove near impossible to address with any rigour or efficiency. Technical

solutions, such as the implementation of specially configured mstore software, will simply make those processes practical and efficient.

■ Review your IT infrastructure and work practices, including printers and copiers. Many data breaches are internal, such as leaving sensitive documents on a device. Correctly configured device software, such as follow-me printing, will help to minimise that risk.

■ There are multiple partners involved in purchasing a vehicle, so you need to work together on correctly addressing the regulation as non-compliance could penalise you and other parties.

■ Stay on the ball and work with trusted partners as well as legal counsel – the details are still being ironed out and good benchmarking of practice is hard to find.

1

## Consistency

First impressions of a used vehicle are everything. In any online listing, if the images of a vehicle are not broad or comprehensive enough, prospective buyers will simply click on a different vehicle.

Many retailers have adopted a standardised approach, always taking the same handful of pictures from the same angles, with a system familiar enough to sales staff that any vehicle can be quickly processed.

Video should not be treated any differently. Adam Price, managing director and founder of AutosOnShow, said: "Just like your image set needs standards, your initial video should have standards that show enough to generate the interest."

However, the consistency of videos in presenting used cars can vary considerably. Price's experience is telling: "Dealers would do a full video walk-around: you had a big circle and you filmed the car in the centre of that circle. Then we found that

customers didn't have the room, so we then had a figure-eight walkaround, through the cabin. That kind of worked, but then customers were saying they could see too much of the background and that they still didn't have that much space on their lot.

"The standards varied from poor to just above poor. They might rush two thirds of the car in the first 10 seconds, and then you'd have 50 seconds of just ambling around. It didn't look good for the customer."

With this in mind, AutosOnShow developed a system that took the guided image process and, with a pause function, evolved it into a guided video system.

"It gives you a screen-in-screen guide that shows you, as you're doing it, exactly what you should be doing and when. So you end up with a smooth, paused video that is blended together to give you a consistent 60-second view of any vehicle."

Whether aimed at increasing sales, boosting conversion rates or engendering trust, videos can make your dealership more money, writes [Andrew Evans](#)

# FOUR

## YOUR DEALERSHIP CAN PROFIT FROM



# RWAYS VIDEO

2

## Branding

Video in motor retail does not necessarily have to be all about the cars. Rather than extolling the virtues of their stock, dealers can use it to build awareness of themselves.

Robin Luscombe, managing director of Luscombe Motors, said: "One of the things about used cars is customers want to be able to trust where they're buying it from. There's got to be a degree of confidence.

"Video works better because it brings faces and personalities into play – it makes people realise that this is a dealership with a face and a human touch, and something that's different."

Building the familiarity before customers step through the door cannot be overplayed. It's where social media comes into its own, of course. But that has its own peculiar requirements.

Luscombe added: "We do some brand stuff on social media where we try to be a bit more entertaining – if they're going on social media they have to be entertaining. People watch the first three or four seconds on Face-

book, and there's no point making a two- or three-minute video if no one's going to be watching."

"We use video more for brand awareness, to get over the culture of the business, more than to sell a specific vehicle.

"One of the problems of doing a bespoke used car video is to get the quality good, if you're doing a video for every used car. So we do an introduction video, with short extracts of customer testimonials for the trust and confidence. If someone makes an enquiry about that car, we do a video for that car and that person."

With creative use of local landmarks, it's possible to connect with buyers in a more personal way, too. Luscombe Motors recently experimented with a video superimposed over a digital billboard in central Leeds.

Luscombe said: "People locally know where the billboard is. Two of our members of staff said they didn't even know we had a billboard, and if our own staff are thinking that..."



## COMMERCIAL PARTNER COMMENT

By Andrew Howells, founder, CitNOW



Good service and customer satisfaction can be a key differentiator for car dealerships – in the showroom and the workshop – and personalised video can be a big part of that.

Understanding what your customers think about video is essential for developing strategy, delivering exceptional customer service, identifying best practice and highlighting issues that need to be tackled.

CitNOW incorporates a five-star rating system called Rate this Video (RTV), so the video viewer can leave a score and feedback after watching their personalised video.

We have analysed some of the comments from the past year to highlight some of the common pitfalls to avoid:

- Poor audio. This is the number one issue, with many customers reporting not being able to hear what was being said
- Talking too fast. Garbled commentary was as undecipherable as poor audio
- Attention to detail. Videos of the wrong vehicles were sent, they addressed the person by the wrong name or sent the video to the wrong customer
- In the workshop, customers complained the video simply showed their car on a ramp, or just their number plate
- The car's the star. Some sales executives forgot this, instead featuring themselves heavily, or they failed to highlight key features
- Pilot error. Check you are using your equipment correctly to avoid mistakes such as blank screens.

Take heed of some of these common mistakes and your video quality will instantly improve.

Finally, if you share customer responses with your team, also include the positive comments and compliments, which form the overwhelming majority of the feedback.

■ To find out more, visit us on Stand D28 at Automotive Management Live, at the NEC on November 9



CitNOW is a commercial partner of our Dealer Masterclass programme, and will be sharing more inspiration at Automotive Management Live in Birmingham's NEC on November 9.

Next issue's dealer masterclass: Live chat





**SALES**



**WEB**



**WORKSHOP**



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\* Statistics from the CitNOW Consumer Opinions on Automotive Video survey, April 2017.



3

## Service and repair

Opinion is somewhat divided on video in the workshop environment. Some feel technicians' time is best spent with the vehicle rather than making videos. Lyn Howdon, the head of CitNow's academy, could not disagree more.

"It gives customers peace of mind. Even if there's nothing wrong with the car, a technician provides them a condition report on tyres and brakes to let them know that everything has been checked. Obviously if there is any red work that needs doing, we highlight the urgency of the repair to the customer on the day."

CitNow believes video can allow the customer to make a personal connection with the person actually doing the work on the car. Their assurance that everything has been checked, and any remedial work noted and flagged, means customers are therefore more likely to authorise repairs.

Howdon said: "With our workshop application, it's about the increased conversion of red work and amber work. Every dealer aftersales department is measured on the effectiveness of their red and amber work conversion. We have done studies that have taken data from dealers and manufacturers and looking at their rates prior to them having video and since having video – they have increased conversion as a result."

This increased conversion offsets the time spent on the video and builds face-to-face trust in a traditionally less customer-facing environment.

A similar process can apply to bodywork repair. There are tight margins on these repairs, as bodyshop work is commonly paid for by insurance companies rather than customers. Howdon said: "We've got a bodyshop application that provides a condition report to the customer. This highlights any non-claim-related damage. With non-claim damage identified, the bodyshop can upsell retail work back to the customer."

Ultimately, she said, it comes down to improving customer satisfaction, with customers who receive a condition report video scoring dealers higher than those who do not.



**IT'S GOT TO  
BE PERSONAL  
– YOU DON'T  
WANT TO  
OVERPRODUCE,  
YOU DON'T  
WANT A  
FILM-SET  
SCENARIO  
WHERE  
EVERYTHING  
IS PERFECT. IT  
ALL HAS TO BE  
GENUINE**

**DOMINIC  
THRELFALL,  
PEBLEY BEACH**

4

## Personalised video

When it comes to used cars, customers have almost endless choice. If your stock does not engage with the buyer, they can head to any other number of alternative outlets – or private sales – instead.

Dominic Threlfall, managing director at Pebley Beach, said: "You've got to give the customer a reason to come and buy from you. If you're looking at a three-year old car, you can go to a car supermarket, or a franchised dealer, or a back street garage. We've got to make the customer feel comfortable that we are completely honourable and trustworthy."

An online enquiry is no less valid than a walk-in, so Pebley Beach gets its sales staff to send a 30-second personalised video for online leads. Threlfall continued: "When an enquiry comes in on a specific car, what we then ask the salespeople to do is just send a quick video email back. We have an app for it that's part of the DMS system, so it all ties into the CRM process."

"You just say 'Hi, my name's Justin, and I'm having a quick walk around the car you're interested in'. We try and get in there that we have been here for a long time, we have won numerous awards and so on. It's 'welcome to us' stories, to set you apart from everybody else."

Some scripting may be necessary, as there are points that need to be covered every time, but Threlfall cautioned against producing videos that are too generic.

"If it ends up being too scripted, it doesn't come across naturally."

"It's got to be personal – you don't want to overproduce, you don't want a film-set scenario where everything is perfect. It all has to be genuine."

It has become such a part of the way used cars are sold that it now forms part of Pebley Beach's interview process.

Threlfall said: "When people apply for jobs, we ask them to do a video email. If we're asking our staff to do video to our customers, why wouldn't you do a video interview? We want to see how they come across on the camera."





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## AN AM PROMOTION



# BUILDING A MOTOR AUCTION HOUSE FIT FOR THE FUTURE

Aston Barclay aims to double its sales and quadruple its customers by marrying state-of-the-art auction sites, the latest digital technology and smart recruitment processes

**T**he UK's motor auction sector has long been dominated by two large, international corporates, BCA and Manheim, ahead of a long tail of privately owned, often small, regional auction houses.

It is in that difference in scale that Aston Barclay Vehicle Remarketing sees opportunities for growth. From its foundation in the 1960s by Les Scarborough, by 2015 it had already become the third-largest motor auction company, with four sites at Chelmsford in Essex, Leeds in Yorkshire, Westbury in Wiltshire and Prees Heath in Shropshire, selling 70,000 to 80,000 vehicles a year.

Les Scarborough passed the business to his sons, David and Glenn, who stepped down following a management buyout (MBO) in spring 2017, led by motor industry veteran Neil Hodson. With multi-million-pound backing from private equity house, Rutland Partners, the MBO was a catalyst for change. ➔

## AN AM PROMOTION

With the new team come new ambitions. Aston Barclay aims to double sales to 160,000 and quadruple its customer base to 8,000 within five years.

"It's a three-pronged investment strategy, focused on the physical expansion of our sites and services, driven by a digital-first approach and delivered by the best talent we can identify, promote and recruit," said Hodson.

### ON TRACK FOR GROWTH

One of the most visible changes was expansion into the East Midlands. Aston Barclay has taken a long lease on premises at Donington Park and created its fifth auction centre there. With covered storage for 400 vehicles, a valeting and imaging area and two auction lanes, it began trading at the end of September. It is currently on a six-acre plot, but this will expand to 18 acres next year when a neighbouring business departs.

Hodson, now chief executive of the group, said the multi-million pound investment at Donington gives the company a broader UK footprint, with the right premises and locations to trade across England.

"We do not want dozens of locations, but we needed a major site to serve the Midlands and after spending months researching the market, this was the absolute stand-out," he said.

"We were on the left and right hand sides of the country with nothing in the middle, which was a weakness. Strategically, we've resolved that, by

opening in Donington Park by an airport, beside the M1 motorway, with fantastic access and 22 acres of land upon which we can expand.

"And there's something cool about being by a racetrack – as the buyers are standing in the auction hall, you can hear cars on the track, and it adds a real ambience to it."

Hodson said being in the heart of motorsport at Donington Park, which holds high-profile races including the British GT Championship and the British Touring Car Championship, means there will be opportunities to do motorsport events with clients, and Aston Barclay has invested in a box at the track in which to entertain buyers.

In the past two years, the group has invested £500,000 upgrading its five-acre Leeds site, plus about £750,000 each at the eight-acre Westbury site and its headquarters in Chelmsford. A refurbishment is under way at Prees Heath, which already has undercover storage for 300 vehicles, to expand its footprint by 6.5 acres.

In 2016, Aston Barclay also invested £700,000 in a new fleet of vehicle transporters and inspection turntables.

Despite the physical developments, Hodson said his team is not focused on examining how traditional car auctions work. Instead, its reference point is Amazon and the ways it has made online shopping so easy and effective.

Hodson believes people think of digital interaction as simply how consumers engage with their

websites. He said: "That's only 10% of it in my opinion. We are looking at the whole journey of interaction, looking at where the challenges sit for our customers today, in two years' time and try to figure some of that out."

"I think digital is about any of our platforms and devices, but it's about our engagement with customers and about being able to transact seamlessly. So we've spent a lot of time figuring out how we can make a really smart journey."

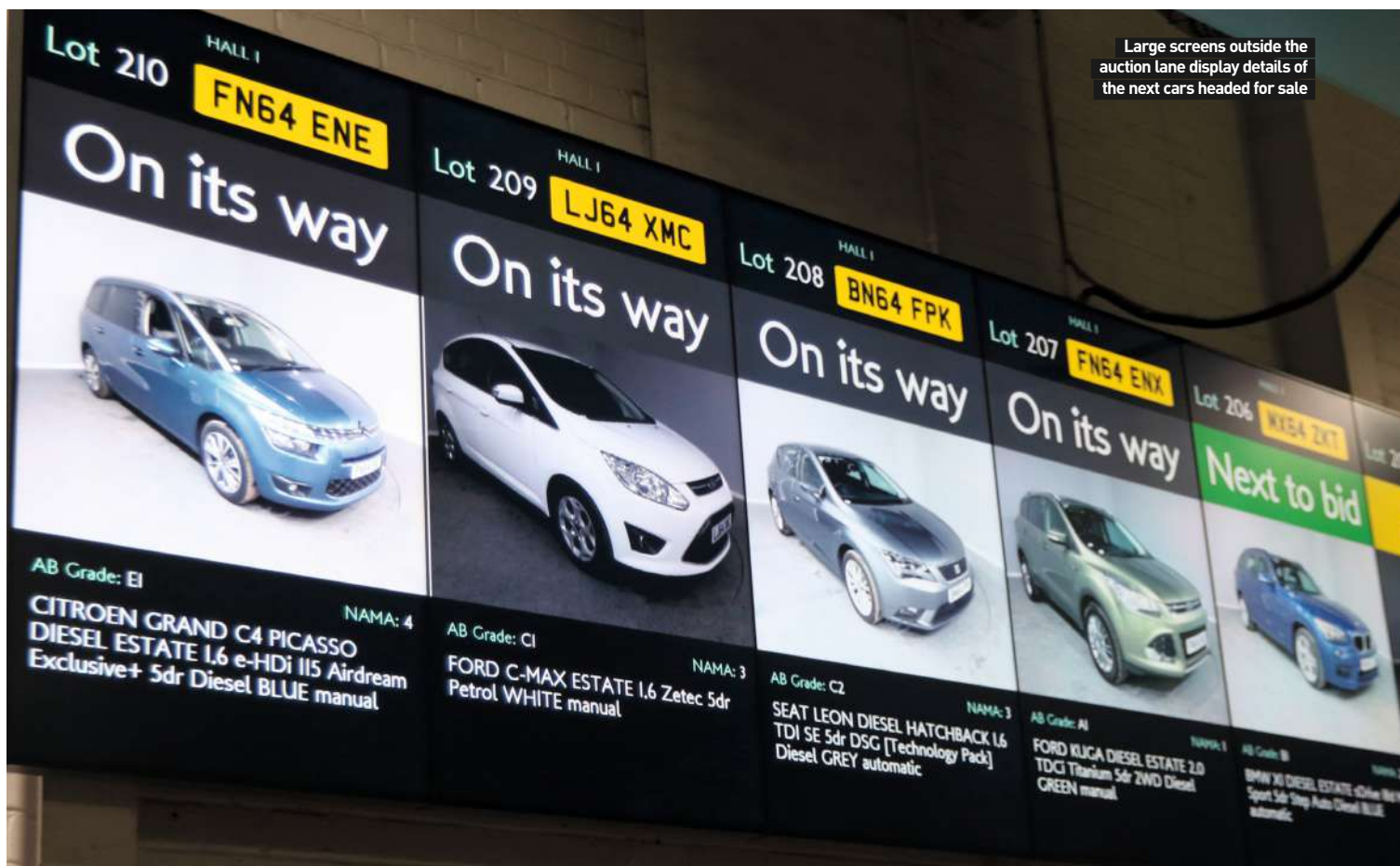
Hodson cites Uber and Amazon as key influences. For example, if a buyer is bidding on a car in one of Aston Barclay's auction lanes and misses out, Hodson believes they should be informed automatically of other suitable cars yet to be sold.

He is fascinated by cognitive software, which will learn from a user's behaviour and enable them to make their choices more easily and more effectively.

Aston Barclay's IT director, Stewart Ford, heads a team of in-house programmers, who have been recruited since the MBO. The company deliberately recruited app developers from colleges and schools, so it can react quickly to feedback.

Hodson said another benefit of the partnership with Rutland is that it brings experience and insight from other sectors – such as retail, hospitality with Pizza Hut and its automotive experience with Millbrook Proving Ground – which gives Aston Barclay a fresh perspective.

"There's a lot of different thinking here. We get







**“WE WANT TO WIN IN THE GAME BY DOING A BLOODY GOOD JOB IN OUR SITES, IN TECH, AND IN BEING GREAT TO DEAL WITH NEIL HODSON, ASTON BARCLAY**

boxed off too easily in our world of automotive.”

Hodson said Rutland saw the opportunity with Aston Barclay because of the dominance of BCA and Cox Automotive, and he knew there was evidence that buyers and vendors wanted an alternative choice.

“The auction market has been dominated by the same two large corporate players for years, and their business model and service levels simply have not kept pace with the technological revolution.”

#### BRINGING TECH INTO THE SELLING HALL

Hodson did acknowledge that Aston Barclay had lagged behind the launch of online live auctions by BCA and Manheim. However, he added that Aston Barclay has always been well run and profitable and adopting a digital model now will allow it to reach a new level.

“We very much recognise that the physical car auction is here to stay for the foreseeable, but we don’t need 27 of them. We just need the right places, with the right scale and the right facilities, but at the same time we want to embrace technology and bring that into our selling halls.

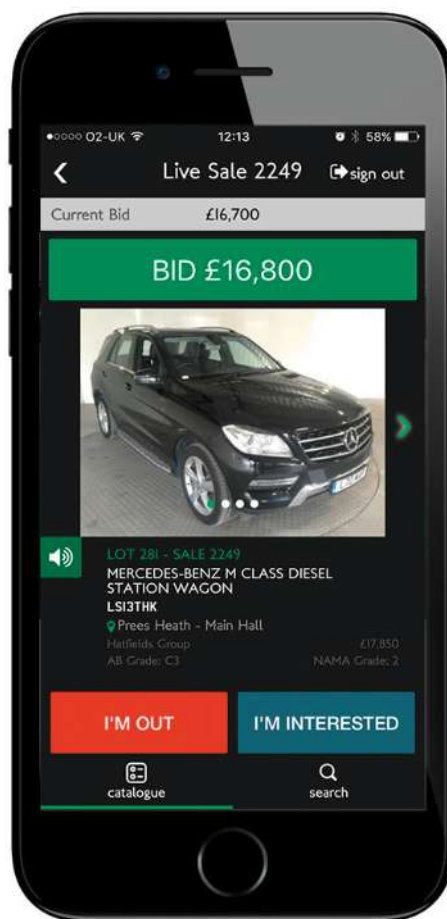
“Why shouldn’t we make the journey so much better for our buyer, let them search for cars, see retail-quality images, look inside the car and interact with us in completely different ways, and transact with us wherever they want to be? Some will want to come to us, some won’t.”

He believes growth will come through increasing the volumes received from existing vendors and persuading new vendors to commit – Aston Barclay has already announced new contracts from Peugeot Citroën Retail Group, which trades as Robins & Day, and Hatfields Group, to remarket thousands of their unwanted part-exchange cars a year.

Acquisitions of other auction houses is also crucial to the growth strategy. Hodson said the company is “actively looking for opportunities”.

“It’s about the right time, the right opportunity, and the right place for us. There is no race here for us at all. We are owned by private equity, we are where we are in the market, and we want to expand. Today, the dust has got to settle at Donington, I want to get that tech journey going, but we will have our eyes on any opportunity.”

Many of the small motor auction companies lack the “firepower” of the larger operations, said Hodson, so he is confident there will be some



looking to exit, while others may settle for specialising in old cars and classics.

For the moment, though, Hodson is focused intently on the impact of Aston Barclay’s buyer app, launched for Apple and Android users in the summer.

“We can now connect buyers to vendors and create seamless links between the physical auction and online bidding,” he said.

Hodson said Aston Barclay’s systems are “not far away” from enabling it to use data and technology to push alerts to trade buyers who have downloaded the app as they arrive on the premises. These alerts will notify them of upcoming stock that relates to their previous buying patterns,

and is therefore more likely to be of interest to them. Alongside showing images, details and videos of suitable stock, it will enable buyers to bid easily, and have vehicles delivered if desired.

Branded vendors will be able to use Aston Barclay’s system in a similar way, to better market their stock and raise buyers’ interest.

Hodson said: “We want to win in the game by doing a bloody good job in our sites, in tech, and in being great to deal with. That’s the way we’re approaching this. At the moment, we’re delivering everything we said.”

Aston Barclay now has ‘digital eagles’ on the auction floor, who are able to assist buyers in downloading the app and setting it up to their own requirements. Beside the auction lane sit ‘digital hubs’, with tablet PCs and charging points for buyers to charge their smartphones and use free Wi-Fi. Screens outside the auction lane display details of the next cars headed for sale.

A third of the group’s customers downloaded the app in its first six weeks, and Hodson said new features are added every two to three weeks.

“We are constantly fine-tuning our model, and of course, everything else has to be right for it to work effectively, but you can see it’s already helping buyers as you walk around the auction halls.”

A vendor app is also being trialled and should go live in December, offering both profit calculations and reporting on key performance indicators (KPI) in real-time. Both apps were the brainchild of the group’s new IT director, Stewart Ford.

Hodson said: “When I was the managing director of HPI, the business was driven by technology and Stewart was its IT director. He launched the HPI app, and when I was invited to lead the Aston Barclay MBO, I knew he was the one to drive our digital strategy.”

#### DEALERS AT RISK OF FALLING BEHIND

Hodson and Ford are convinced that the potential of new technology has yet to be realised by their competitors in the remarketing sector, and by dealers in general. To them, many companies in the motor trade are paying little more than lip service to it and are in danger of being left behind.

“It is expensive to invest in the best talent, and it’s also an expensive and time-consuming process to develop products and services designed around the latest digital technology,” said Hodson.

“We have taken the time to ensure that our software is intuitive, because there are few things more frustrating than software which isn’t user-friendly. We recognise too that an app is just an access platform, so there’s so much more which has to be delivered after the launch.

“I was at our Chelmsford centre the other week, and just by walking through the auction areas, you could see that around a third of the people there were on their phones, using our app, to look for cars. It was very pleasing to see, because it means our plans to take the pain out of auctions are already having an impact.

“We appreciate that not all customers will embrace it as we have, but one of the key benefits of digital connectivity is that our staff will have more time to work with them, so everyone wins.”



AN AM PROMOTION

# ON A MISSION TO MODERNISE THE MOTOR AUCTION PROCESS

How Special Forces training helps Aston Barclay staff to transform and grow the business

**B**efore joining Aston Barclay to lead its management buyout, Neil Hodson had spent 25 years in the industry, including senior management roles with Experian Automotive, Manheim and HPI.

He has since used his experience to cherry-pick new recruits and promote existing talent from within the group's operations.

To ensure everyone is ready for his ambitious expansion strategy, Hodson brought in Break-Point to deliver SAS-inspired training to key Aston Barclay staff. He has also given vendor and buyer partners the chance to take part if they make a commitment to using Aston Barclay.

The corporate training agency is headed by Ollie Ollerton – one of the stars of the TV programme, *SAS: Who Dares Wins* – who designs courses to push people to their limit.

"We already have a great reputation for our service culture, but I wanted something different, which would disrupt the ways in which people

**“ COMMUNICATION IS JUST AS CRUCIAL TO SUCCESS IN AN AMBITIOUS AND FAST-GROWING BUSINESS, AS WHEN YOU'RE ON AN SAS MISSION NEIL HODSON, ASTON BARCLAY**

thought about working as a team and about developing mental strength," said Hodson.

"This isn't about running around in the mud, it's about how the SAS prepare themselves for their missions, and about how they adopt a mindset which leads to completing those missions successfully."

The two-day course was a combination of classroom-based theory and team-building activities.

Among the first to take part in the sessions were recent recruits to Aston Barclay, including group account manager Ellie Phoenix, who heads the customer service team, group buyer services manager Zoe Sutton, and recently promoted national group sales manager Rob Wittridge.

Others destined to complete the course include David Rouse and Gordon Cockle, who have joined from Manheim as operations manager and group auctioneer, respectively, at the new Donington Park centre, and Harriet Butler, previously of Cap HPI, who is now a business analyst helping to drive the group's digital strategy.

"These sessions are partly about team-building, of course, but more importantly, they are designed to underline the importance of preparation, research and planning, of taking your team on a journey and of completing your mission successfully," said Hodson.

"Our 'digital eagle' concept came from one of these SAS-inspired courses, and that's already proved itself a tremendous benefit to customers, especially those who are visiting one of our centres for the first time."

Every six months, Hodson and his management team will go to talk to every employee throughout the business, in order to hear their feedback about the changes taking place, and also hear their thoughts on how the business could improve further, he said.

"Communication is just as crucial to success in an ambitious and fast-growing business, as when you're on an SAS mission, and that's one of the core messages Ollie and his team are delivering to our people during these sessions."

"Our ethos is based on providing excellent service to all our customers; to make the buying experience more enjoyable and more efficient for the trade and for individuals, to help our dealership partners turn cars into cash more quickly, and to create auction houses which reflect the modern era."

"We'll always be a people-focused business, and realise that digital technology isn't for some, but for the many people who use mobile devices and apps every day, we'll transform our business to meet their needs."



Aston Barclay's management team get put through their paces by Break-Point, which is run by ex-SAS soldiers

For more information, visit [www.astonbarclay.net](http://www.astonbarclay.net), call 01245 450 700 or email [info@astonbarclay.net](mailto:info@astonbarclay.net)

# Automotive Outlook

# 2018 AND BEYOND

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*Steve Yianni, ex-chief  
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**The impact of transport  
devolution on the  
automotive industry**  
*Stephen Joseph, chief  
executive, Campaign  
for Better Transport*



**Are we there yet?  
Why the era of mobility  
is drawing near**  
*Richard Cuerden,  
director, TRL Academy*



**The impact of Brexit  
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*Darren Jukes, leader of  
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Alfa Romeo is looking to register  
about 4,000 Stelvios in a full year



# ALFA ROMEO STELVIO: CAN ITS DEBUT SUV DOUBLE ALFA'S REGISTRATIONS?

**P**redicting that the latest addition to your model line-up has the ability to almost double your brand's registrations is a bold claim

– especially if it is your debut in a segment.

But that is the potential that Alfa Romeo country manager Andrew Tracey sees in the Stelvio, the Italian manufacturer's first SUV.

At the UK launch of the Stelvio – a rival to the likes of the Jaguar F-Pace, Mercedes-Benz GLC and Volvo XC60 – Tracey told *AM* he felt it could achieve 4,000 annual registrations. Alfa Romeo achieved a total of 4,881 registrations in 2016, according to the SMMT.

Fulfilling that ambitious prediction may placate Alfa Romeo's 55 UK dealers, who scored the brand 3.4 overall (average: 5.6) in the NFDA's Summer 2017 Dealer Attitude Survey (see our manufacturer interview with Tracey on Page 30).

Like its saloon sibling, the Giulia, the Stelvio has already hit the headlines. In September, the performance-focused Quadrifoglio variant (a 510PS twin-turbocharged 2.9-litre V6 – due in UK showrooms next year) set the fastest lap by an SUV at the Nürburgring (seven minutes, 51.7 seconds).

For now, the range appearing in UK showrooms features more practical powertrains – 180PS and 210PS 2.2-litre turbodiesels and 200PS and 280PS two-

litre turbocharged petrol engines – all fitted with an eight-speed automatic gearbox.

Rear-wheel-drive – branded as Q2 – is available on the standard Stelvio and 'Super' specifications, in conjunction with the lower-powered diesel model, with the Q4-badged all-wheel-drive system standard on all Speciale and Milano Edizione trim levels.

Prices start from £33,990 for the 180PS Stelvio Q2 turbodiesel, up to £45,390 for the 280PS Milano Edizione Q4.

Alfa Romeo's representative PCP offer at launch was a 6.9% APR agreement, with £439 monthly repayments on a Stelvio Super 180PS Q4 (£37,690) following a customer deposit of £5,999, £1,000 manufacturer contribution and £500 from the dealer.

Cap HPI gave a residual value forecast of 40%-44% of list price after three years and 60,000 miles.

Standard equipment on the outside of the entry-level Stelvio includes 17-inch alloys, LED rear lights and twin chrome exhausts. In the cabin, there is dual-zone climate control, a 3.5-inch TFT colour cluster instrument panel, and the UConnect 8.8-inch infotainment system with DAB radio and Bluetooth connectivity.

Super trim adds 18-inch alloys and front parking sensors, a 3D satnav system, a seven-inch TFT instrument cluster and a two-tone leather dashboard and leather and cloth upholstery.

Speciale features 19-inch alloys with red brake calipers, bi-xenon



£33,990 -  
£45,390



180PS AND 210PS  
2.2-LITRE  
TURBODIESEL;  
200PS AND 280PS  
TWO-LITRE  
TURBOCHARGED  
PETROL



0-62MPH 5.7-7.6  
SECONDS, TOP  
SPEED 130-143MPH



EIGHT-SPEED  
AUTOMATIC



33.6MPG-60.1MPG



124-161G/KM CO2

## KEY RIVALS



Jaguar F-Pace

✓ GREAT STYLING AND  
FRUGAL DIESEL

✗ PRICES, INTERIOR



Mercedes-Benz GLC

✓ LUXURIOUS CABIN  
AND COMFORT

✗ NOT AS ADEPT  
DYNAMICALLY



Volvo XC60

✓ SMOOTH RIDE, CLEAN  
SWEDISH DESIGN

✗ SHORT ON DRIVER  
ENGAGEMENT

## REVIEW RATINGS

AUTOCAR



CAR MAGAZINE



TOP GEAR



THE KEY  
THING IS  
GENERATING  
AWARENESS  
AND GETTING  
PEOPLE INTO  
SHOWROOMS

ANDREW TRACEY,  
ALFA ROMEO



The automatic SUV comes with aluminium gear shift paddles



Every Stelvio variant scored a five-star rating in Euro NCAP's safety

headlights, heated leather seats and aluminium shift paddles on the steering column, while the range-topping Milano Edizione delivers uprated leather trim and sound system, 20-inch alloys and keyless entry among its premium perks.

Every Stelvio variant scored a five-star rating in Euro NCAP's safety tests.

This came as a result of the inclusion of what is billed as a "segment-first" brake-by-wire braking system. This delivers ABS without the usual fluctuation in pedal feel, as well as autonomous emergency braking with pedestrian detection, blind-spot monitoring, collision warning and lane departure warning systems.

Alfa Romeo has gone to great lengths in developing the Giorgio platform that underpins the Stelvio and the Giulia.

A carbon-fibre drive shaft – which may be something more expected in the FCA Group's Ferrari brand – combined with aluminium doors, bonnet, boot, suspension and sub-frames, all contribute to a stated kerb weight of 1,659kg – 116kg lighter than the F-Pace.

The result, according to Alfa Romeo, is impressive performance. The most powerful Stelvio can reach 62mph in 5.7 seconds and has a 143mph top speed, while the entry level 180PS diesel manages the same acceleration benchmark in 7.6 seconds.

The entry-level model is the most frugal, with a claimed fuel efficiency of 60.1mpg and CO<sub>2</sub> emissions of 124g/km. That makes it cleaner than the F-Pace and GLC on paper, but the new XC60 diesel delivers 62.8mpg, according to Volvo, while the T8 plug-in hybrid is capable of an unlikely 134mpg.

Dynamically, though, the Stelvio feels more akin to the F-Pace out on the road.

## Q&A



ANDREW TRACEY,  
COUNTRY MANAGER  
ALFA ROMEO AND JEEP

**Expectations appear to be high following the generally warm reception that the Giulia saloon has received. What are your expectations for the Stelvio?**

Stelvio is in a bigger segment than Giulia, so I think we're looking at about 4,000 units over a full year and into 2018, but I also think it's got the potential to really take off in terms of demand and we do have open production so we can meet that demand, but we won't push. We don't need to.

**Which trim level do you expect to be the biggest lure to potential buyers?**

With the Giulia, the Speciale trim is the heartland of the car. Even though we expect to sell 60% of Stelvios in the top two trims, [Speciale], realistically, is the corporate sector's main car.

As of September, that trim (in the Giulia) has the best RV in the segment, better than Jaguar, BMW, Mercedes-Benz or even Audi, which is a standard ahead of everyone else in terms of RV.

To go into the market number one is a real credit to the way the car has been managed and the way the volumes are being managed.

I think that's an advantage over competitors. We may be a million miles away from them in terms of volumes, but we certainly aren't in terms of product and our RVs now reflect that.

**When did retailers get their first taste of Stelvio and what has their reaction been?**

The car was shown at the LA Motor Show last year in Quadrifoglio form – that's when the dealers were first shown. We then had a big Geneva reveal, a media drive in St Moritz and the dealers were invited to Goodwood to see the official UK reveal of the car. Then we rolled out a process of technical and sales training.

In early August, they had technical training, which saw 500 people go through a four-day course. They spent 99% of the time in the car, driving it alongside its key rivals, and they were blown away by it.

**What is the biggest challenge that retailers face as Alfa Romeo enters a totally new sector?**

Clearly the key thing is generating awareness and getting people into showrooms.

The experience sales departments had behind the wheel during their training was essential in reflecting what we need to do with consumers, and that is get them into the car.

IT'S GOT THE POTENTIAL TO REALLY TAKE OFF IN TERMS OF DEMAND AND WE DO HAVE OPEN PRODUCTION, SO WE CAN MEET THAT DEMAND **ANDREW TRACEY, ALFA ROMEO**

Fundamentally rear-wheel-drive, 100% of the power is sent to the rear wheels until the Magneti Marelli electronics detect a loss of traction, at which point it can deliver as much as 50% to the front.

Like the Giulia, the Stelvio's steering is quick and responsive. Its accelerative and stopping abilities are sure to impress test-driving customers given the chance to explore the car properly.

An over-abrupt initial braking phase and limited feel through a left pedal that has no mechanical link to the calipers might prove an acquired taste, however.

The Stelvio's interior is less of an acquired

taste. The same neatly integrated touch-screen and paddle shifters as the Giulia are among the highlights that set it apart from the German and British competition.

A stylish, clutter-free feel is further enhanced by the optional Lusso pack (priced between £1,900 and £3,500 depending on trim). It is typically Italian and again has an appeal to which customers are likely to warm if retailers can get them behind the wheel.

As Tracey put it: "[We need to] get them into the car." If they can do that, the Stelvio may hit Alfa Romeo's lofty volume aspirations after all. **TOM SHARPE**



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# Making up for lost time

**S**mall delays can add up to big costs, especially if they are replicated daily by a large workforce. Technicians at Lookers' Audi dealership in Camberley, Surrey, used to spend a combined 75 minutes a day looking for lost keys, at a cost of £100 per day, or about £30,000 a year.

Camberley is the largest Audi site in the south of England and with 400 cars split over three sites, it is certainly among the most complex. The site employs 21 technicians and services about 50-60 vehicles a day.

The dealership said its volume of cars is rising month-on-month, and with it the number of sets of keys. Michael Wrigley, head of business at Camberley Audi, was determined to find a way to move cars through the pre-delivery inspection (PDI), servicing and sales areas more quickly.

He calculated the time and cost associated with recovering misplaced or missing keys, and took action to reduce both by installing Traka Automotive systems last year.

The system enables all new vehicle details to be transferred automatically from the dealership's CDK dealer management system (DMS) to the new electronic key management system as soon as they arrive on site, a process that takes less than a minute.

New sets of keys are then attached to an 'iFob', which holds all the vehicle information linked to those keys.

"We've been able to eliminate key losses because of the ability to trace the last person who had the missing keys and the time they took them out," said Wrigley.

"Before we had the system, we were losing between eight and 12 sets of keys per year and had to order replacement keys. At a costly average of £300 per key, we expect to see a huge saving."

However, reducing the bill for replacement keys is not the only saving. Camberley Audi's aftersales department has seen a return on its investment in less than four months since it installed the system, as technicians no longer need to hunt for misplaced keys.

Wrigley said: "We estimated that each of 15 Audi-trained technicians in Camberley (at that time) was previously wasting at least five minutes per day looking for keys."

"That's 75 minutes being lost per day across the whole team, or just over £100 – given their value and cost to the business."

**“THE QUICKER CARS CAN BE PROPERLY PRESENTED ONLINE ON AUDI.CO.UK AND AUTOTRADER.CO.UK, THE QUICKER THEY SELL, AND THE FEWER DISCOUNTS WE HAVE TO OFFER TO SHIFT THEM**

**MICHAEL WRIGLEY,  
CAMBERLEY AUDI**

"Multiply £100 by some 300 working days per year and you have a minimum annual cost of £30,000 for this wasted productivity."

"Based on this number, we worked out that ROI in this site alone was achievable in just four months."

Alongside the rapid ROI and key organisation, the system also helps to keep the dealership's physical and digital stock in order.

With the majority of tech-savvy consumers visiting online classified sites such as Auto Trader before viewing the physical vehicle, having cars presentable and photographed can be paramount to making a sale.

Wrigley explained: "Our digital stock is very important. We have fewer than 10 people per day visit the forecourt without looking online beforehand. Whereas on autotrader.co.uk, we have 100 people visit our digital forecourt per hour."

"It helps keep cars moving. The quicker cars can be properly presented online on audi.co.uk and autotrader.co.uk, the quicker they sell, and the fewer discounts we have to offer to shift them."

"To keep our digital presence up-to-date, we must be prepping it, pricing, photographing and uploading listings to key sites without delays."

The Camberley operation extends across



# is the key to good ROI



multiple sites, one of which is a 200-vehicle compound owned by a third party.

Wrigley said Traka's system removes the need to give staff at the storage compound extended notice when moving a vehicle.

"Before we had the Traka system in the compound, we used to have to give staff there an hour's notice before going to pick up a specific car," he said.

"We had to give them enough time to find the relevant set of keys and move that car to the front of the line so it could be driven away by one of our drivers.

"Now that they are using the Traka system, they can locate the requested car much more quickly.

"The key will be attached to the iFob slot that Traka's interface tells them it is in, rather than working through large rings of keys with plastic tags on each as they used to do.

"With the time-related savings Traka has provided, it gives our staff more time to actively sell and ensures our technicians are focused, as opposed to hunting for keys or waiting for a vehicle to arrive."

Following the success of the new system, nine other Lookers Audi dealerships are soon to follow suit. The sites, in the north of England and in Scotland, will implement the same Traka Automotive system, with the addition of insurance-approved roller shutters for added security.

Wrigley added: "Now the Traka system is fully adopted here, we rarely have to ask where a key has gone. If it isn't in the key cabinet, then the system will tell you."

He said this helped in getting staff on board across Camberley Audi's sites, as the system identifies not only who has the keys, but how many other vehicles they booked out.

"If a technician has moved, say, six cars in a day, and we are missing a set of keys, we can guarantee they are in one of those six cars. The system logs the movements so we can locate the misplaced keys quickly.



"The main area of the business that has benefited from the Traka system is servicing. A car may move up to four times a day during the servicing process – tracking key movements is invaluable to our technicians."

**Contact number:**  
0845 225 2910

**Address:**  
30 Stilebrook Road,  
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**traka**  
**ASSA ABLOY**



# AM PORTFOLIO

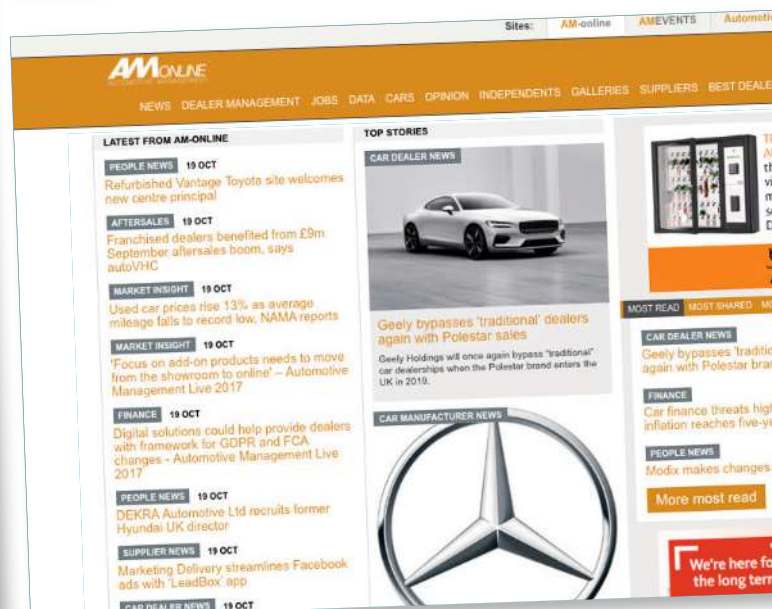
WHAT WE DO IN YOUR INDUSTRY

## AM magazine

Your monthly publication, in print and digital form, brings the latest news insights, market intelligence and in-depth interviews with franchised dealers and the heads of manufacturer national sales companies. Every issue also tackles a specific topic of dealer operations and gathers inspiration for readers from sector experts.

## Independent Dealer magazine

Essential reading for anyone managing an independent used car retailer, Independent Dealer is published every spring and autumn. The spring edition brings you the ID50 rankings and analysis of the largest used car retailers in the UK. The autumn edition shares best practice to help readers understand where the growth opportunities lie.







## AM Awards

More than 1,000 people gather each year at the ICC in Birmingham to see the UK's best in motor retail rewarded with a prestigious *AM* Award. More than 20 trophies are presented during the gala dinner, in categories for dealers and carmakers. Every winner is celebrated, culminating in the headline awards of Retailer of the Year, Business Leader of the Year, Manufacturer of the Year and Hall of Fame.

## AM EXECUTIVE BREAKFAST Club

This free-to-attend networking and business improvement club is exclusively for directors of franchised dealer groups. Its meetings are quarterly, confidential, and always bring inspiration from a non-automotive guest speaker. Past presenters have included a director of customer service at John Lewis, a head of HR at the BBC, a co-founder of budget airline BMI Baby and a head of event services at the London 2012 Olympics.



Profitability, growth and acquisitions are regular subjects of conversation at the annual *AM100* gala dinner in London. It is here that *AM* presents the latest *AM100* rankings of the UK's largest franchised dealer groups, and previews its *AM100* supplement, complete with analysis of the trends.

## AM conferences

Inspiring case studies, sector specialists' advice, peer networking and interactive problem-solving workshops all feature in *AM*'s conferences designed to support motor retailers in their thirst for knowledge. Our recent conferences have tackled critical areas such as people and skills, digital marketing and technology, customer service and regulation of F&I.



## AM-online

A daily source of UK motor retail news, insight and opinions for franchised and independent dealers. Register to receive our daily newsletter direct to your email inbox, and on Saturday a digest email brings you the most important news of the week.

## Automotive Management Live

The success of our newest event, combining an exhibition hall packed with more than 60 exhibitors with best practice workshops spanning important aspects of dealer operations, has prompted a decision to move it to the National Exhibition Centre at Birmingham in 2017. As ever, it will remain free for all franchised and independent dealers to attend.



## MERCEDES-BENZ C220D SPORT ESTATE

REPORT  
PROGRESS



### MERCEDES TREATS THIS USED 'BUYER' AS NEW

**T**he addition of a 16-month old Mercedes-Benz C-Class to AM's long-term test fleet was the perfect opportunity to assess the experience used car buyers get from premium brands.

The one-owner estate, first registered in June 2016, has covered 11,000 miles and is backed by Mercedes' Approved Used scheme. Mercedes is running TV, radio and online marketing campaigns – with the strapline 'Used, but not what you're used to' – to drive prospective buyers to its dealer network. The scheme offers a quality-checked car, a 30-day exchange policy, free key insurance and a year's warranty and roadside assistance, plus a promise to cover the cost of a service if it falls due within three months or 3,000 miles of purchase.

Mercedes-Benz of Peterborough arranged to give us the same vehicle handover any buyer would experience. After meeting me with a coffee in the showroom's customer lounge, star expert Amy Bines conducted the grand unveiling from one of its two handover bays.

She spent about 45 minutes showing me around the C-Class's systems, from how to store my electric seat settings and connect a phone, to giving verbal commands to the satnav and engaging its Parktronic self-steer parking system. Bines finished with a presentation pack and said all customers can phone or drop in if they are unsure of anything and Robinsons, which owns Mercedes-Benz of Peterborough, contacts them at three and six months into ownership to ensure all is well. **TIM ROSE**

- ✓ PREMIUM BADGE, FUEL ECONOMY, SOLIDLY BUILT
- ✗ DEPRECIATION, RELATIVELY COMMON

#### KEY RIVALS

BMW 3 Series Touring

- ✓ BEST-IN-CLASS DYNAMICS
- ✗ REPUTATION FOR MISERLY STANDARD EQUIPMENT

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- ✓ HIGH-SPEC, HUGE BOOT
- ✗ LACKS BRAND CLOUT, DOESN'T STAND OUT



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64.2MPG



114G/KM CO<sub>2</sub>

## SUZUKI VITARA

REPORT  
PROGRESS



### INTELLIGENT PRICING 'KEY TO VITARA CONQUEST SUCCESS'

**S**uzuki hasn't overpriced the car and then put stupid discounts on it to attract customers into the showroom." According to a successful brand dealer, that is one of the key reasons behind the success of the Vitara, to which AM bids adieu this month.

The model, he said, is winning conquest business from all but the prestige brands – in particular Kia (customers choosing it over the Sportage), Hyundai (IX35) and the Nissan Juke.

Price, combined with the "appearance and level of spec" mean the Vitara gets on customers' shopping lists before they "work out how much it is going to cost them a month", the dealer said.

The S model, he said, with its 1.4-litre petrol engine, was a positive, lower-priced addition to the range.

The dealer sold about 700 Suzukis last year, about a quarter of them Vitaras. He maintains about 20 in stock: "We now have a good blend of three to four attractive products in the range, all selling reasonably well."

However, one note of caution was in Suzuki's wish to win corporate fleet business: "We will start having to compete with brokers. Competing with another dealer is fine as we're on a level playing field. But with brokers in the mix, we're likely to get customers being offered a car for £10 less a month from someone working on the telephone in an office somewhere.

"For dealers this has a strong negative emotional effect," he said. **JEREMY BENNETT**



REGISTRATIONS YTD  
9,613  
(SOURCE: SMMT)



SEGMENT SHARE  
4.88% (SUV-B)  
(SOURCE: SMMT)



PCP/PCH PAYMENTS  
PCP EXAMPLE (ALL MODELS EXCEPT SZ4):  
SZ-T, £279 PER MONTH WITH NO DEPOSIT AND 0% APR - 37 MONTHS; SZ-T £199 PER MONTH WITH £2,849 DEPOSIT - 36 MONTHS. 0% APR.  
PCH EXAMPLE (ALL MODELS EXCEPT SZ4):  
SZ-T WITH DUAL-TONE PAINT, £179 PER MONTH. SCRAPPAGE SCHEME HAS BEEN EXTENDED UNTIL THE END OF THE YEAR.

- ✓ NOT AS UBIGUITOUS AS THE SPORTAGE AND JUKE
- ✗ SAT NAV OUT OF DATE ON CHANGES TO THE M1, A14 AND M6 JUNCTION NEAR RUGBY

CURRENT MILEAGE 1 2 6 2 3

START MILEAGE 1 1 1 8 7

CURRENT MILEAGE 0 9 4 0 0

START MILEAGE 0 4 5 3 8

### ≡ GUESS THE CAR COMPETITION

THIS MONTH'S WINNER



Anthony Moore, sales director of Bob Gerard Suzuki in Great Glen, Leicestershire, correctly named the Berkeley T60 in last issue.

See if you can identify this month's model for your chance to win a £20 John Lewis voucher. Email [am@bauermedia.co.uk](mailto: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 10.





# Why collaboration is key in the digital customer journey

David Green, CDK Global vice-president France, UK, Ireland, Middle East and South Africa, looks at the challenges dealers face when managing vehicle leads that originate from manufacturers

**M**any car buyers start researching their next purchase on brand websites before being directed to their nearest dealership's website. The brand and identity of the manufacturer needs to be reflected in every consumer interaction with the dealership, from the very first 'moment of truth', while the manufacturer has a responsibility of initiating a seamless customer experience, from online to offline.

To manage and measure this, manufacturers and dealerships will have a service level agreement (SLA) they need to adhere to. However, it is in the interests of both parties to collaborate and ensure complete efficiency in the sharing of data – and it is vital that the retail network has the integrated IT infrastructure to do so.

## Delivering a seamless customer journey

This is why CDK Global takes a pioneering and collaborative approach to connecting all parties and third-party software applications and data. This enables end-to-end (e2e) automotive commerce and a seamless customer experience that is tailored to the needs of the customer.

The first step in providing exceptional customer service is to deliver a quick, personalised response that reflects the brand identity. To deliver ongoing consistency in the customer experience, dealers need an integrated dealer management system (DMS) to collate customer information and manufacturer vehicle data and present this in a single customer record, shared across all departments.

In addition, standardised processes are required to achieve service level expectations and ensure that the



manufacturer's brand identity is reflected at all points of contact. A dealership's DMS should therefore integrate with manufacturer workflow processes and ensure customer contact is maintained. For example, an integrated DMS can enable dealership staff to approach customers with confidence and respond quickly to new enquiries, using exact car and customer data to deliver a personalised service.

## Personalised service

The verified data held within the DMS also allows dealers to deliver

personalised marketing campaigns, targeting customers with offers based on their history with the dealership and their previous purchase history. This helps to keep customers engaged with the dealership and encourages them to consider returning in future.

Software providers need to ensure that there is as little friction as possible in the processes applied between manufacturers, dealerships and customers when managing and maintaining new leads. Having a DMS integrated across the retail network and across multiple software programmes can help retailers deliver a personalised customer experience across the entire dealer network and throughout the ownership cycle, boosting profitability, customer satisfaction and, ultimately, retention.



**"Software providers need to ensure that there is as little friction as possible in the processes applied between manufacturers, dealerships and customers"** David Green, CDK Global



For more information, please visit [www.cdkglobal.co.uk](http://www.cdkglobal.co.uk)



## ADVERTISING FEATURE

# EXECUTIVE PANEL

# Industry professionals share

**K**nowledge 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.

## AUCTIONS

### Efficient auctions are a win-win sales route

By Simon Henstock, BCA chief operating officer, UK remarketing



Although commentators report a dearth of good-quality used stock across some channels, the auction sector is ripe with both volume and choice this autumn. BCA alone was showing more than 23,000 units on our Auction View online catalogue at the time of writing.

Physical auction is the most efficient and effective channel to liquidate large volumes of fast-depreciating stock and get the proceeds back on the seller's balance sheet. When it works hand-in-hand with digital channels, such as BCA Live Online, to reach remote buyers, it really is a win-win situation.

The industry across the board is hugely competitive and this is generating ever improving standards in vehicle appraisal, imagery and video, pre-sale preparation and data science applications.

Getting the data right is critical and BCA has been investing significantly in facilities that allow our staff to appraise and value vehicles as accurately as possible. This is the data that allows our buyers to search for stock with confidence and plan their buying well in advance. This is the data that brings buyers and sellers together and creates the most efficient marketplace.

That is showing in ever decreasing time between vehicles being deflected and going on sale, fulfilling the needs and demands of both buyers – who want stock quickly – and sellers with depreciating assets. That has been a real remarketing revolution in the past few years, as the supply chain for used vehicles gets slicker and the churn in the marketplace improves.

Easy, accessible and with something for everyone, auction remains the best choice for dealers looking for stock. Come on down or log in online...



## FINANCE

### Looking at the latest finance trends

By Shaun Harris, sales director, Codeweavers



The latest figures are taken from Codeweavers' own statistics, generated by calculators situated on dealer websites. They showed that 2,695,855 unique car buyers viewed a finance quote last month and 1,041,932, almost 40%, went the extra step of personalising a finance quote, which shows real interest.

#### Focus on car finance trends in Bristol

In Bristol, 14,713 unique car buyers personalised a finance quote from our dealer website sample. Of these, 77.6% were male and 22.4% were female. The most popular age group personalising finance quotes was 25-34, followed by 35-44.

The gender balance may help online stock targeting. Similarly, we encourage dealers to look into the age bandings further and monitor what cars and finance they are interested in. With this insight, stock buying, marketing and finance offers can all be more targeted to achieve more sales.

Wednesday at 7.00 pm was the most popular day and time that Bristol car buyers personalised a finance quote. Having staff available at this time to support car buyers is a natural step to extra sales. Also, try adding time-specific special finance offers on your website on this day and time. Remember 'Car of the Week' on the forecourt? These days, you should think 'Car of the Hour' online to create added urgency.

Finally, some averages. The average deposit entered was £2,000; requested term 48 months; and ideal monthly payment £200. Affordability is what customers want – basing your website calculators' default parameters on the needs of your customers will prove hugely beneficial.

We hope this proves useful.



FOR THE LATEST INFORMATION FROM  
DEALER SUPPLIERS VISIT:  
[am-online.com/news/supplier-news/](http://am-online.com/news/supplier-news/)



## VIDEO

### Speed is a key driver of profitability

By Adam Price, MD and founder, AutosOnShow.tv



All the indicators are pointing to a used car market that is heating up. Reports from BCA auctions of record sales through August and September point to strong demand for used vehicles from dealers.

As the new car market cools from historically high levels, retailers see an opportunity to boost profit from the used market and some reports indicate a record year for used sales topping 7.7 million vehicle sales.

The speed with which a used car is sold to the consumer from purchase is the key to profitability. This fact is driving higher prices for better quality, retail-ready stock and the need to minimise days in inventory for that vehicle.

AutosOnShow understands these pressures and has designed a system that is quick and easy to use. A vehicle can be imaged to a high standard and uploaded online within minutes. The platform checks the vehicle's registration plate and pulls in relevant data to ensure it is ready to be shared and support search engine optimisation.

The automated process also makes the vehicle's video and images display easily on sites such as Auto Trader at the push of the button. AutosOnShow believes the high level of automation and integration with other digital platforms makes it easy to use and promotes easy adoption.

Buyers are increasingly walking on to forecourts having selected the car they want to buy. Good images and accurate data have never played a more important role in selling a used car.

■ To find out how AutosOnShow can help you, visit [AutosOnShow.tv](http://AutosOnShow.tv).

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## VALETING

### Go beyond price to control valeting spend

By Martin Peters, sales director, Autoclenz Group



It's tendering time of year again, when many dealers are benchmarking their current valet supplier as budgets are set. While the outcome can often be triggered due to unresolved service issues, it will always focus on pricing, or, more to the point, spend.

On its own, competitive pricing is not the key to controlling your spend. Quotations with very sharp pricing will have to support this pricing in some way. Typically, that will result in multiple cleanings per vehicle, i.e. a car could receive numerous valets while in stock. In turn, this will affect your average per unit valet cost.

This will lead to scratching of heads by dealership accountants, who know they have a 'cheap' valeting deal, but cannot understand why their spend is spiralling out of control.

At Autoclenz, using our cloud-based Paperless Vehicle Management System (PVMS), we can "gatekeep" your spend, by vehicle, by department and by site, to ensure you hit your budget.

Our system is bespoke, so we can configure it to suit each customer's application, whether on a spend limit per vehicle, code allowance per vehicle or monthly cost. Along with its reporting suite, it has proven to be a very valuable management tool in the modern dealership.

Utilising this tool, along with pricing that supports legal, compliant and sustainable service delivery, your spend can be controlled to the penny, giving you the peace of mind to focus on your core business.

■ For more information on the difference that Autoclenz can make to your business, visit our website: [www.autoclenz.co.uk](http://www.autoclenz.co.uk)

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# 'The aim is placing quality people into quality businesses'

**N**ot many companies have a photograph of a dog in a tie at the top of their "meet the team" webpage, but then Spear Recruitment has made a point of being different from the start.

Former car sales manager Darren Street formed the family-run business in 2011 from his home, partly to address the faults he had found when dealing with other recruitment companies in his previous jobs.

Spear has since grown to a base of more than 70,000 candidates, has offices across the UK, from Edinburgh to its main headquarters on the Isle of Wight, and is also active in recruitment in estate agency, property, engineering, accountancy and fast-moving consumer goods. However, it still specialises in the motor trade.

Spear's aim is to place quality people into quality businesses across the UK. Recruitment fees are competitive and there is no fee to interview a Spear candidate.

"I spent a career in sales, car sales, then car sales management," he said. "I was receiving CVs on a daily basis from agencies and I would pick up the phone and ask about the person, their performance, how many units they sell and the agency wouldn't know.

"It made me think I could do this better. I sought to set out a transparent, friendly agency. We have no cloak and dagger of hiding a candidate's name. When we introduce a candidate, we do it with their consent.

"One clear message we want to get out to car dealerships is that we have a strict 'no contact' policy – no re-poaching of candidates that we place. Other agencies might ring the person three months down the line, asking if they are happy, offering something else. I would sack staff if they did it. We will never re-approach."

Among the benefits to a dealership of having an agency take care of recruitment is the high calibre of exclusive candidates, who know what kind of career they are looking for and are not keen on seeing their CVs spread thinly over a large territory.

"If a dealership just puts an advert out, they tend to forget that they are going to get

applicants with no industry experience," said Street.

"A real factor at the moment, a massive factor that's made us change the way we are working as a business, is that a lot of the job boards in the UK have gone out to many of the UK dealerships and tried to sell their advertising services. But a lot of the candidates now are being very savvy, knowing that their management and HR team have access to these job boards."

As a result, he said, Spear is finding fewer candidates register on UK job boards.

"We've adapted our business model with a completely new IT system and a mobile app, which has taken off," he said.

The Spear Recruitment app, available on Android and iOS, was downloaded more than 10,000 times in its first three months. Candidates receive a call from a consultant within hours of submitting their CV and have full access to Spear's team.

Another example of the company taking care of its clients is in offering a free service

in finding candidates for part-time vacancies of under 16 hours.

"It's another ethical approach that I take. We empathise that people have budgets and targets," said Street.

"In the automotive industry, whether you want a driver, a valet, sales executive, manager, even a head of business, we cover the whole remit. If a sales manager is there to manage a team, we allow them to do that job. Recruitment is very time-consuming and we're not as expensive as people think we might be.

"We post out cards to all clients and candidates after filling a vacancy as a token from us to say congratulations and thanks. Sometimes I worry we go over the top, but we like to be different and keep that personal touch."

As Spear grew, Lisa Street, Darren's wife, joined the business as finance director. The couple have five children, but say it feels like more than 30 because of the relationship they have with their office staff. And







the four-legged friend featured on the website is their family pet, Reggie, the "chairdog to the board", so named because its birthday, September 1, 2015, is the first day of the registration plate-change month.

"He's here with us every day. We get emails for Reggie. For every five people who send in an enquiry, one will copy in Reggie," said Street.

A successful recruitment agency changes the lives of its candidates and the fortunes of its clients. Street and his staff enjoy keeping track of the career progress made by people for whom they have found jobs.

"It's really rewarding work," he said. "I buy my local paper religiously as part of my routine and I read a lot of AM, wanting to know what's going on in the trade. Often,

**“RECRUITMENT IS VERY TIME-CONSUMING AND WE'RE NOT AS EXPENSIVE AS PEOPLE THINK**

**DARREN STREET, SPEAR RECRUITMENT**

we place someone and we can watch them grow through their career. We also get a lot of cards and emails or candidates coming back to say thank you.

"Equally, some of the management that we place then use us for their own recruitment because they know how professional we are."

Spear found technician Tomas Janionis his dream job at a dealership in Manchester after he arrived in Britain from Poland.

His family are now close friends with the Streets. Janionis said: "I have never known a better guy who keeps to his word than Darren. He has never let me down and always does what he promises. I appreciate him very much."

Street added: "I travel around the country a lot in my role and Tomas was insistent that I went up and met with him and his family. I arrived at six o'clock one evening to spend an hour with them and I was there until 1am. It was lovely. Next he's going to come and meet my family.

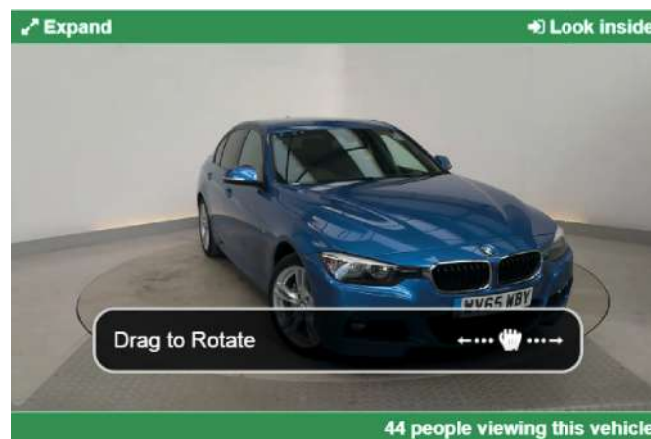
"We have had many success stories at Spear and Tomas is a fine example."

To find out more, contact 01983 564 880 or [enquiries@spearrecruitment.co.uk](mailto:enquiries@spearrecruitment.co.uk), visit [spearrecruitment.co.uk](http://spearrecruitment.co.uk) or download the Spear Recruitment app

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# REMOVAL OF FEES MAY EXPOSE DEALERS TO MORE TRIBUNALS

Dealers should act to limit potential damage from flood of historic claimants

**O**ver the summer, the Supreme Court ruled that the Government's introduction of fees for industrial tribunals was unlawful. The fees – requiring complainants to pay up to £1,200 to bring a case – were introduced in 2013, with the aim of reducing the number of malicious and weak cases. It certainly had an impact – 79% fewer cases were brought over the following three years.

However, for employees who feel discriminated against or unfairly treated, the fees have been seen as a barrier to justice. The Supreme Court found that the fees were set so high that they restricted people from enforcing their employment rights and discriminated against women and those with particular characteristics.

"Employers are going to have to think very carefully before taking actions which may leave them open to potential claims," said Emma Tegerdine, associate and employment specialist at Cleggs Solicitors.

Since the July ruling, disgruntled employees who feel mistreated by their employers are likely to bring a claim, whether or not there is a legal basis underpinning it. A compulsory pre-action conciliation procedure still remains, in order to reduce the number of cases that go to tribunal, but parties can refuse to take part in it.

"The bottom line is that we may see more claims brought by employees as there is no financial deterrent to them taking a punt after a falling out," said Nona Bowkis, solicitor at Lawgistics.

Camille Renaudon, a partner and employment specialist at Hibberts Solicitors, said motor retailers should consider the potential benefit of auditing their records to identify examples of "high-



**“WE MAY SEE MORE CLAIMS BROUGHT BY EMPLOYEES AS THERE IS NO FINANCIAL DETERRENT TO THEM TAKING A PUNT AFTER A FALLING OUT**

**NONA BOWKIS, LAWGISTICS**

risk" dismissals during the period when fees were payable.

Businesses should assess the potential numbers of historic claims that could now be brought by claimants, she said, and their records should indicate whether those are claims that were referred to the Acas early conciliation scheme, or not. If they were, those claims are more likely to now be revived, for a number of reasons.

"One key aspect employers should consider is how strong a position they will be in to defend such claims, should they materialise," she said.

HR teams must consider if records and documents have been kept, and whether relevant witnesses are still able to assist, if necessary.

It is expected that potential claimants who were put off by the fees may be allowed to submit a claim 'out of time'. Workers usually have a three-month time limit from the unlawful act. However, tribunals may decide that it is "just and equitable" to extend that limit.

Dealers can take action in advance, however. Peter Done, managing director of law firm Peninsula, said: "Employers need to ensure they are not only taking legal advice at tribunal, but are also taking steps to prevent them being taken to tribunal initially. Providing the right documents, having policies in place and following correct practices will reduce the likelihood of facing a claim."

"The reputational damage of ending up in front of an employment tribunal has become greater due to the introduction of decisions being published online. This lets anyone view the decision and the scrutiny of business practices normally carried out by a tribunal. Taking steps to prevent unlawful treatment in the business will reduce the many risks of going before a tribunal."

One positive aspect of the ruling is that dealers who have been taken to tribunal since 2013 will be able to recover sums incurred if they had been ordered to repay fees to a claimant, because those claimants should not have had to pay fees in the first place.

Ministry of Justice figures show that during the first half of 2017 more than 30,000 cases were brought under the Working Time Directive – 12,038 claimed unfair dismissal, and 10,467 for equal pay.

**TIM ROSE**

## RESOURCES

### ONLINE TOOL

ACAS, the conciliation service, has an ACAS Model Workplace tool, which employers can use to check how good their organisation is at people management and to gain guidance on maintaining good employment relations.  
[www.am-online.com/ACAS](http://www.am-online.com/ACAS)



### ADVICE GUIDE

HM Courts & Tribunal Service has a guide for employers in receipt of a claim to an employment tribunal. It includes a summary of the process and information on how the company should respond.  
[www.am-online.com/TribunalAdvice](http://www.am-online.com/TribunalAdvice)

### EMPLOYMENT TRIBUNAL DECISIONS

Cases, and the tribunal's findings, are now available for anyone to search and read, including the reasons for the findings.  
[www.am-online.com/TribunalDecisions](http://www.am-online.com/TribunalDecisions)



## ADVERTISING FEATURE

# A world first for iVendi

By James Tew, CEO, iVendi



We are making quite a big claim for a new development at iVendi, but we are pretty sure it is a) significant and b) true.

At the start of 2018, a new release of our platform will provide a world first – a complete, off-the-shelf, online

motor retailing platform. All dealers will need to do is simply plug it into their existing websites, whether they are major groups or small independents.

This is very much the holy grail of online motor retailing. Buying a car online is not like buying a pair of jeans. It is a process that requires everything from handling a part-exchange to motor finance.

Over the eight years that iVendi has been in existence, we have been working on each of the key elements of the process and we are now at the stage where we can incorporate a simple, but important, feature into the platform – a 'buy' button.

In the same way as a High Street retailer might move into online sales by using e-commerce technology, such as Shopify, on their website, dealers will now be able to use iVendi. It really is a genuine step change.

For most dealers, creating something this flexible, comprehensive and effective would be out of the question. It would cost millions upon millions of pounds and take years. Instead, we will be able to soon deliver it at a very attractive price.

A trial version of the platform has been in operation with up to 500 dealers since spring and is currently handling sales worth more than £2 million a month. To anyone who still says online motor finance does not have a role to play, we say emphatically that this is a genuine market satisfying genuine customers.

**■ The iVendi Platform provides a complete online motor finance solution for dealers, motor finance providers, car portals and manufacturers.**

To find out more, visit [ivendi.com](http://ivendi.com), e-mail [enquiries@ivendi.com](mailto:enquiries@ivendi.com) or call 0345 226 0503.



# TALENT ON THE MOVE



PAUL WILLIAMS,  
SSANGYONG

SsangYong UK wrote to its franchisees in mid-September to inform them that Paul Williams, the brand's chief executive, had resigned with immediate effect.

The letter, from Kevin Jones, chief executive of Bassadone Automotive Group, which owns the UK's SsangYong importership, stated: "The directors of Bassadone Automotive Group wish to thank Paul for his contribution to the sales growth of SYUK since 2011 and wish him every success in his new ventures."

"Bassadone Automotive Group remains committed to the success of SYUK and will immediately be taking steps to find a replacement CEO."

SsangYong had not announced Williams's successor before *AM* went to press. Prior to leading SsangYong's operation in the UK, Williams worked as managing director at Kia from 2002 to 2006. He had previously held the post of director of sales and marketing for Mitsubishi Motors UK – between 1999 and 2002 – and managing director of Daihatsu UK, from 1995 to 1999.

The same letter informed the network that Jim Tyrrell, who headed the UK's Mitsubishi importer last decade, had joined the business as non-executive chairman. Tyrrell also headed van brand DFSK UK from 2012 to 2016, when Bassadone took it over.



JUSTIN BENSON,  
KPMG

KPMG has made Justin Benson its UK head of automotive alongside his current role as Brexit lead for the firm's industrial manufacturing practice.

Benson, currently a KPMG director, succeeds John Leech, who has led the UK automotive practice since 2011.

Stephen Cooper, UK head of industrial manufacturing at KPMG, said Benson would bring "innovative thinking and significant operational skills to the fore at a time when the automotive sector is on the cusp of disruption from electrification, self-driving cars and mobility as a service."



BRETT WARD,  
IVENDI

Brett Ward, formerly marketing manager at Harwoods Group, has been appointed to the newly created position of head of online retailing at iVendi.

Ward's new role will be to help dealers and others adopt an end-to-end online retailing model using iVendi's newly released core platform.

His previous positions include regional digital account manager at Mannheim.

Ward said developments within iVendi would soon see the business "in a position to deliver an off-the-shelf car retailing platform that is suitable for everyone from major groups to independents."



ANDREW SELLARS,  
NISSAN

Nissan has appointed Andrew Sellars as its new UK sales director, replacing Darren Payne.

Sellars joined the business from Volvo, having recently returned to the UK from serving as the Swedish manufacturer's vice-president of commercial operations for the Asia-Pacific region.

Payne has been appointed to the position of sales director for Nissan's Middle East region, based in Dubai.

Prior to his role at Volvo, Sellars held a number of senior roles with Kia in the UK and Europe. He also has more than 18 years of operational dealer experience.



Mitsubishi Motors UK managing director Lance Bradley has announced that he will step down in 2018 after deciding that the time was right "to seek a new challenge" elsewhere.

Bradley, who has been at the Japanese brand for 17 years, initially as sales and marketing director and as managing director for the past nine years, will officially step down at the end of the financial year, on March 31, 2018.

He will take up the post of vice-chairman for 12 months to help his successor – who has yet to be announced – settle into their new role.

Bradley said: "Following 17 fantastic years here at Mitsubishi Motors in the UK, the last nine of which were as managing director, I have decided that the time is right for me to seek a new challenge.

"I have happily agreed to help find my successor and to stay around for a further 12 months as vice-chairman after the appointment of the new managing director to ensure a smooth handover."

A Mitsubishi spokesman said Bradley had put the company on a solid footing in the UK and had pioneered electric and plug-in hybrid sales while posting record profits through strong sales and streamlined business practices.

**The talent's out there  
The trick is finding it!**

**ACCOUNTANCY**

12451	Asst Financial Accountant	Hertfordshire	£22k + OTE +
12448	Asst Accountant	Warwickshire	To £32k
12441	Temporary Accounts Asst	Shropshire	To £20k
12440	Accounts Asst	Shropshire	To £20k
12439	Dealership Accountant	Staffordshire	£45k pa + Bns
12434	Dealership Accountant	W Midlands	£42.5k + Bns +
12431	Dealership Accountant	W Midlands	£45kpa + Bns +
12430	Accounts Asst	Berkshire	To £22k
12426	Asst Accountant	Cambridgeshire	£25k +
12421	Management Accountant	Lincolnshire	To £40k + +
12419	Cashier	Merseyside	To £19k
12417	Dealership Accountant	Gtr London	£52k + +
12449	Temporary Accounts Asst	Warwickshire	To £22k

**OPERATIONAL**

12447	MET Technician	Hertfordshire	£27k + OTE
12445	General Manager	Hertfordshire	£65k basic £100k OTE
12442	General Manager	Suffolk	£65k basic £100k OTE
12438	Vehicle Administrator	Shropshire	OTE £24k
12436	Service Manager	Oxfordshire	£35k bsc + 25%
12429	Warranty Consultant	Surrey	£45k
12422	Service Manager	Berkshire	£65k OTE
12414	Master Technician	Bristol	to £36k + OTE
12413	Transaction Manager	Berkshire	OTE £45k
12412	Sales Manager	Berkshire	OTE £65k
12408	Aftersales Manager	Herefordshire	To £35k + 25% bns
12357	Regional Manager	West Yorkshire	OTE £46k +++
12348	Key Account Manager	Lancashire	OTE £50k ++

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## ADVERTISING FEATURE

# Vehicle image backdrops for greatest impact

By Michaela Gunney,  
UK sales director Secure Group



Secure Group's Auto Imaging division can change the background of your vehicle photos to a backdrop image of your choice or from our standard stock. Dealer groups we work with can now maximise sales by using Auto Imaging digital backdrops to increase online viewings.

More and more dealers are turning used car stock faster by reaching customers online with quality photos and innovative backdrops from



Auto Imaging.

In addition to digital backdrops, our professional photography visits, high-definition video and 360-degree virtual tours are all available if required. Chris Gray of Auto Imaging has seen clients significantly increase market share with our creative online digital media. The partnership with Secure Group also offers a unified solution to include valeting, imaging, progress chaser portal and full support services. We have supported retail dealerships, car auctions and bodyshops for 20 years.

Our unique progress chaser portal is game-changing software for the valeting/imaging industry. Booking, automation and analytics provide dashboard reporting live on all vehicles through all departments, meaning dealership staff no longer need to book valet or image codes. Less data entry and more efficient workflows can produce real savings of time and costs. Jobs are only booked when cars are on site and available after workshop – the autonomous system both books and cancels jobs based upon feed data. The progress chaser software is provided free of charge to valeting customers.

**Secure Automotive and Auto Imaging provide a complete solution in valeting and digital media for the motor industry.**

To find out more, visit [www.secureplc.com](http://www.secureplc.com), email [sales@secureplc.com](mailto:sales@secureplc.com) or call 01480 216700



## EIGHT QUESTIONS TO...

# A PARTS AND CUSTOMER CARE DIRECTOR

Sebastiano Fedrigo, FCA service, parts and customer care director, on how urgency drives the best results and why he is still amazed by Spotify



### What are the main responsibilities of your role?

**FEDRIGO:** I am responsible for customer care operations, parts and service activities and the Mopar product portfolio for the UK and Republic of Ireland.

Mopar (a contraction of Motor Parts) backs up all brands within Fiat Chrysler Automobiles (Abarth, Alfa Romeo, Chrysler, Fiat, Fiat Professional and Jeep) and has just celebrated 80 years in business.

### What are the most significant challenges ahead in your field of work?

**FEDRIGO:** I can see two major challenges, one concerning the services we provide and the other related to the way consumers interact with their products and brands of choice.

In the next few years, we will see a close fight on everything concerning care, attention and customisation of the car; this competitive scenario will generate significant margins, much more than the 'metal' alone.

At the same time, the digitalisation of the way consumers interact with their products will accelerate the need for more connectivity between vehicle, brand and customer.

### How may these challenges be overcome?

**FEDRIGO:** Mopar is well placed to take advantage of these challenges. Customisation is in its history, not only on US products, such as the Jeep Mopar One presented at Geneva, but also in the history of what Fiat has done with the 500 family.

In terms of care, our results year-to-date show an increase of 12% in our NPS score nationally versus last year, but with the likes of the new Stelvio and Giulia for Alfa Romeo and the new Compass for Jeep, we need to improve even further.

As for connectivity, we are developing integrated ways of managing all customer touchpoints throughout the life cycle of a vehicle via an embedded platform connected with the car and available on all devices. The aim of this is to drive loyalty to the brand and dealer of choice.

### What attracted you to this area of expertise?

**FEDRIGO:** I have covered most roles within the commer-

cial operations in the automotive industry. From marketing and network development to sales and brand director for Fiat Professional, Fiat and Abarth.

Post-sales activities (aftersales) management allowed me to complete my experience giving me a 360-degree view of all commercial activities within the automotive business.

### What's the most important thing you have learned in your career, and how have you made use of it at your company?

**FEDRIGO:** Although it might sound obvious, I have learned pretty quickly that strategy without great execution is worthless. And to execute well, communication is fundamental.

Being able to share the vision, decline it into objectives and KPIs, timeframe it and constantly inform and receive feedback on progress, while maintaining the focus, is the hard work behind any success. I continue to apply it on any new task I have been assigned and any new team I have been working with.

This, coupled with speed and a sense of urgency in my view, drives the best results. To achieve great things in life, you need a plan and not quite enough time.

MATT DE PREZ

## QUICK-FIRE QUESTIONS

**What drives you?** Seeing the results of hard work. When I look back at when I was heading Fiat Professional and see the results in 2013-2014, the growth of the Abarth brand more recently and the great success of Fiat 500 in the UK, I really do get a kick. Plus I grew up in Monza and cars have been a passion since I was a kid.

**What's your favourite app?** Spotify. I am still amazed I can listen to anything I want anytime I want.

**How do you relax?** Family road trips, football, playing guitar, and the odd weekend with friends.

# AM

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### THIS MONTH'S QUESTION TO THE AM TEAM:

Have you ever had an injury that resulted in a visit to A&E?

#### EDITORIAL

**Editor-in-chief** Stephen Briers 01733 468024  
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► **Sprained ligaments in a pothole while running**  
**Editor** Tim Rose 01733 468266  
tim.rose@bauermedia.co.uk

► **Knocked out cold by an accidental kick in the mouth from a breakdancer**

**News and features editor** Tom Sharpe  
01733 468343 tom.sharpe@bauermedia.co.uk

► **Broken both hands, split my forehead and suffered a torn retina. Mostly football-related.**

**Head of digital/associate editor** Jeremy Bennett  
01733 468261 jeremy.bennett@bauermedia.co.uk

► **A heart problem with a Latin name**

**Web producer** Elizabeth Howlett 01733 468655  
elizabeth.howlett@bauermedia.co.uk

► **Hyperextended my thumb on a sliding taxi door and kissed pavement**

#### PRODUCTION

**Head of publishing** Luke Neal 01733 468262

► **No**

**Production editor** Finbarr O'Reilly 01733 468267

► **Injury? No. Uncontrollable nosebleed, yes**

**Senior designer** Erika Small 01733 468312

► **Passed out and hit my face on the pavement**

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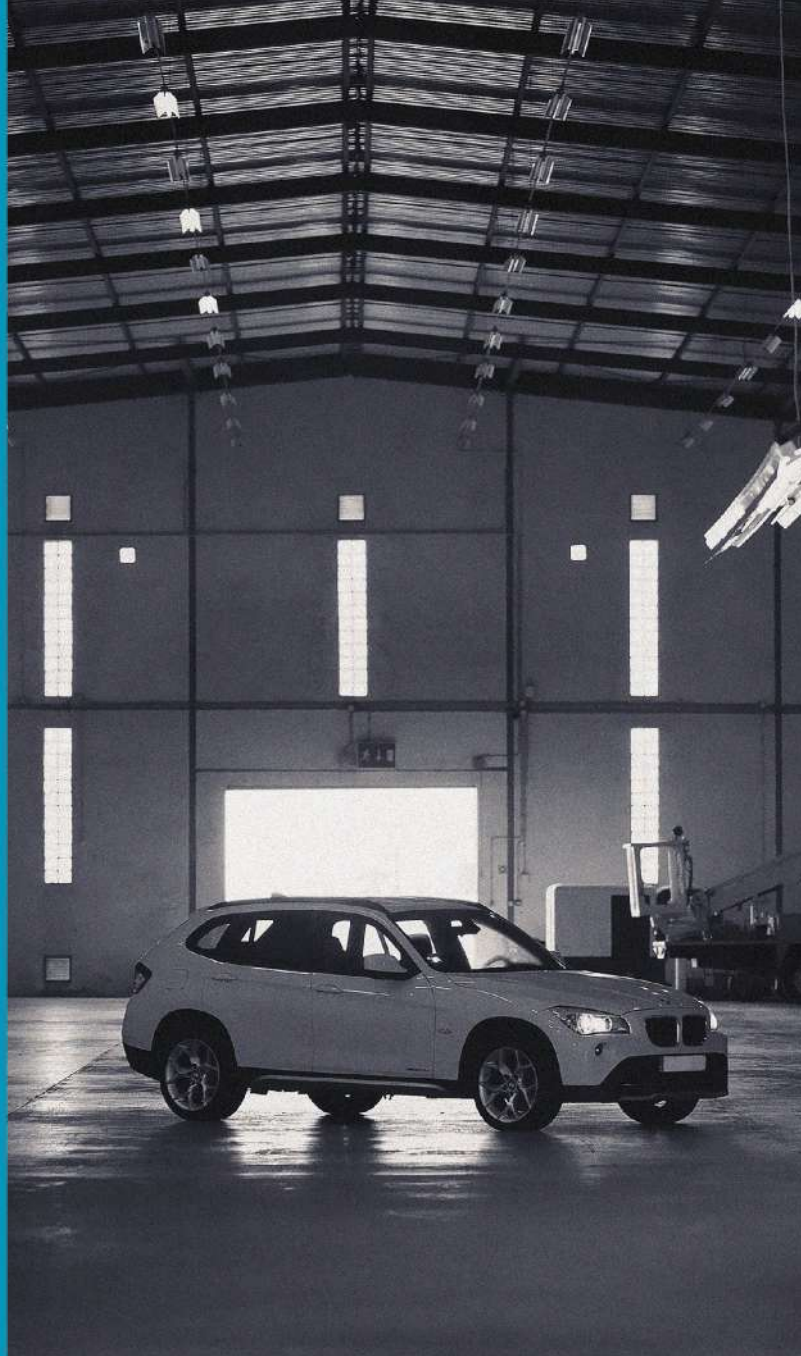
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