



AUTOMOTIVE MANAGEMENT

www.am-online.com

August 2021 £8.00

GET SET FOR MOT SPIKE / P4

DVSA MOT extensions will lead to a surge in September tests

EXPECTATIONS TOO GREAT / P8

Sales for the first half of the year fail to match up with SMMT projections

CHOOSE YOUR SUPPLIER / P29

Our 37-page supplement looks at the latest deals, newest technologies and best advice from key supply sectors

'THE ULTIMATE REALISATION OF DIRECT SALES'



GENESIS ON THE START LINE OF ITS PREMIUM SECTOR ASSAULT / P18

EDITOR'S LETTER

There's plenty to feel good about this summer. Sports fans are being allowed inside stadiums again, theatre shows are back on and dealerships still report demand for cars is outstripping supply.

The feelgood factors will surely enhance motor retail's opportunities to do business in the weeks and months ahead. Many consumers have already committed to not taking a foreign holiday while the pandemic continues to make forward planning a challenge, so tempt them to treat themselves in other ways, such as with a change of car.

While OEMs' new vehicle production issues may hold UK car sales back from a September record, there's huge opportunity in the aftersales market that month (see page four) that needs preparing for now so that you can claw in workshop profits.

The next issue of *AM* magazine will reach you in September, with a bumper edition which will include the AM Awards* coverage. Until then, keep abreast of motor retail's news and intel at AM-online.

*** Don't forget the 2021 AM Awards gala dinner at Birmingham ICC takes place on September 8. Come and join us for some fun and networking. Book your tables at <https://awards.am-online.com/booking>**



OUR WRITING TEAM



Tim Rose
Editor



Tom Sharpe
News and
features editor

CONTENTS

04

September's
MOT spike

MECHANIC UNDER THE BONNET LISTOCK37969288.511 NDR ET

UP FRONT

- 4 News insight
- 6 News digest
- 8 Market intelligence
- 14 Opinion

TALENT

- 70 People on the move
- 71 Eight questions to...
group property
director Mark Taylor
of JCT600

SHOWROOM

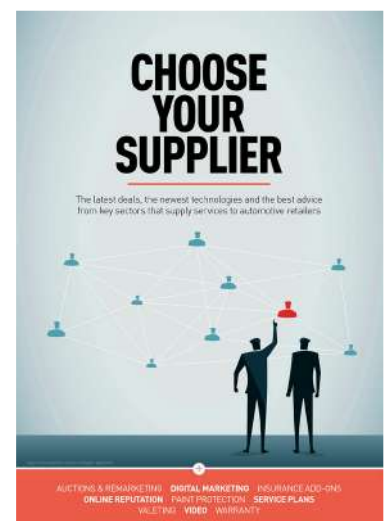
- 66 Genesis GV80
- 69 Long-term report

INSIGHT

- 17 5 minutes with...
Craig Grant
WMS Group commercial
director Craig Grant joined
the business three weeks
before the initial lockdown.
He outlines the progress
that has been made
- 18 Brand values:
Genesis Europe
Hyundai's online-only
up-market offering has a
'crawl, walk, run' approach
with no volume targets,
says managing director
Andrew Pilkington
- 21 The new customer
journey
As many social distancing
measures are removed and
restrictions are eased, we
ask how many pandemic-
accelerated new ways of
working are with us to stay?

CHOOSE YOUR SUPPLIER

- 30 Auctions and remarketing
- 34 Digital marketing
- 38 Insurance add-ons
- 42 Online reputation management
- 46 Paint protection
- 50 Service Plans
- 54 Valeting
- 58 Video
- 62 Warranty



CAUGHT IN AN MOT TSUNAMI

Workshops face a testing time in every sense as DVSA's pandemic-prompted extensions look set to increase MOT demand by 580,000 more than normal

Car retailers battling vehicle supply shortages must prepare for an MOT-driven September after-sales surge that could help forge the foundations of a strong second half of 2021.

That is the message from sector analysts, suppliers and retailers who are already adapting their businesses to be ready for a new seasonal spike which will see dealerships and garages faced with an estimated 580,000 more MOTs than in a normal September.

The sudden flow of vehicles into workshops follows the Driver and Vehicle Standards Agency's (DVSA's) COVID-prompted MOT extensions.

And a failure to rise to the challenge could pose a risk to the future of dealerships' aftersales volumes for years to come, according to eDynamix strategic account director Steve Ure.

"Last September some dealerships struggled to get back up to speed in time for the glut of MOT demand and fast-fits benefitted from that as customers looked for an alternative," he said.

"This time around franchised dealerships should be making it a priority to ensure they have the capacity to cope with what's on its way and – more than that – an

offering to ensure that they reclaim that lost business."

NEW SEASONAL NORM

GiPA UK general manager Quentin Le Hetet said: "We're seeing a new seasonal norm for MOTs that means a lot of trade in September. It's not ideal and could prove a big headache for some businesses, but, after what was a very quiet Q1 for many, there should be an excitement and desire to make the very most of it you can."

While Le Hetet is hopeful that dealerships might be able to entice customers to bring forward their MOT with consumer offers – leading to a softening of the high-stakes September "boom" period – he conceded that the process would take time.

Ure agreed and re-asserted that businesses should be working hard to capture all the aftersales work they can in what will be a chaotic September for workshops.

He said: "50% of the MOTs that would normally have been due in March are now due in September.

"What that means is that next year – in the early part of 2022 – dealers are going to be very quiet on MOTs.

"This isn't a trend just for the short-term, this is also about the next 36-to-60 months. The MOT extension is going to have a lasting effect over a number of years."

According to GiPA, 56% of all MOT tests performed in 2019 were carried out with extra work.

Ure said that, according to data held by eDynamix, the average additional customer spend on an MOT visit was £85.

Ure suggested that car dealerships with regularly cleansed, and DVSA-aligned, MOT data and a customer contact strategy would have an advantage in preparing for September.

"That way you have control of your customer base and don't run the risk of losing trade at what is now the key month of the year from an aftersales perspective," he said.

"Without sight of when your customers' vehicles are due for an MOT, you don't know what capacity you need."

EMBRACING THE OPPORTUNITY

TrustFord aftersales director Stuart Cresswell said he was looking

GiPA MOT AFTERSALES REPORT 2021 VS 2021 EXPECTED



GiPA reported that aftersales activity in the UK had been 14.9% up in Q1 for franchised car retailers. Its projection for the remainder of 2021 clearly shows Q3's anticipated MOT and servicing peak.



“WE’VE RIPPED-UP THE INSTRUCTION BOOK EVERY DAY SINCE MARCH LAST YEAR

STUART CRESSWELL, TRUSTFORD

COVID EASING BOOST TO SALES

September’s aftersales surge could be timed perfectly for car dealers looking to entice customers into a new car purchase in the key numberplate change month.

The combination of an aftersales surge and July 19’s scheduled return to normal trading conditions should deliver the sector’s largest month of showroom footfall and a retail opportunity the likes of which sales executives have not seen since before the pandemic.

Swansway Group director, Peter Smyth, said he doubted the easing of lockdown restrictions would further boost sales which were “already at a very high level”.

But he was keen to see the return of an enhanced customer service proposition.

“It will be nice to shift from a position of trying to get

customers in and out as quickly as possible to having that enhanced experience again,” he said. “Of course that comes with added retail opportunities.”

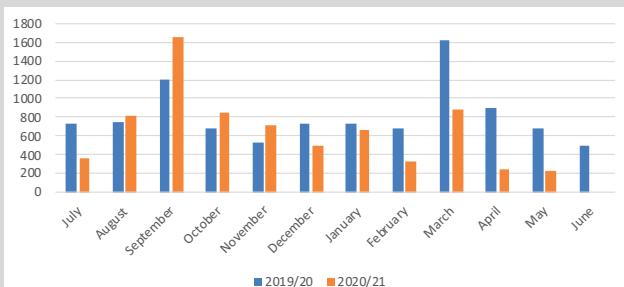
Turner agreed with the sentiment, but said that Chorley Group had already shifted to make the most of the car retail opportunity presented by its aftersales customers.

She said: “We’ve already been employing waiting appointment over courtesy cars.

“The showrooms are big enough to accommodate social distancing, so we actually opened up our wait-in appointment from around six-a-day per site to 20.

“It’s been a tough period, but having people in the facility where possible gives us an opportunity to maintain relationships and perhaps sell them a new car.”

EDYNAMIX DEALERSHIP MOT AFTERSALES



edynamix shared MOT data from a 14-site franchised car retail group to show how the volume of aftersales work had shifted due to the DVSA’s MOT extensions.

forward to the opportunity presented by September after a “cracking Q1” and a Q2 where the AM100 group successfully rode the storm 12 months on from the UK’s first COVID-19 lockdown.

“We’ve ripped-up the instruction book every day since March last year,” Cresswell told AM.

“We’ve already seen the trends established in 2020 knock on into this year.”

Cresswell said TrustFord’s MOT volumes were down around 70% in April and May, but the average monthly volume of around 6,000 for June recovered to around 4,500.

He added: “The real surge will come in August and September. I

look at the DVSA data regularly and it shows 110,000 more MOTs to be done in August and 580,000 in September compared with a normal year. It doesn’t concern me; we’ve just got to put plans in place.”

Cresswell said he felt efforts to encourage customers to book MOTs early would find limited success.

“A £10 or £15 campaign on MOTs isn’t going to cut it if they took advantage of the three- or six-month extension and they think they’re losing a few months of MOT,” he said.

“It’s been a really trying one attempting to figure out exactly what’s going to work.”

TrustFord’s plan to accommodate more aftersales work includes the

return of extended opening hours – 6am until 10pm at some sites – along with Sunday opening.

The business has also increased its number of technicians already to facilitate its mobile servicing offering and – thanks to July 19’s expected ditching of COVID-19 social distancing regulations – is set to bring back its ServiceNow express aftersales service.

Cresswell said: “The changing COVID regulations mean we can have two technicians on a car again and properly market that offer of 60-minute servicing once more. That’s a huge bonus for us.

“Altogether, I’m feeling positive about the second half of the year.”

PREPARING FOR A ‘TSUNAMI’

Chorley Group aftersales director Pauline Turner said that, April to September, the Lancashire-based group’s MOT volumes looked set to rise by 574%.

She said: “September is a big opportunity. I keep calling it the tsunami that’s going to hit us. In aftersales terms it’s been quiet, we’ve seen the tide go out, but it’s coming, and we have to be ready.

“COVID lockdown and the DVSA extension have had an impact on the spread over the year. Month-on-month MOT volumes go up 69% in May, 72% in June, 4% in July and

then a 6% dip in August before a 96% increase in September.”

Turner told AM that the group is already in the process of boosting its aftersales capacity and MOTs are at the heart of its strategy.

She said that – as it currently stands – MOT ramps with a capacity for between eight and 10 tests per day would have to handle 17 in September to meet demand.

While she conceded that some MOTs would be outsourced, with any servicing or remedial work retained by the group, efforts are being made to boost capacity.

“There are two additional MOT bays under construction in a new standalone aftersales and vehicle preparation centre being created as part of the development of our new MG dealership in Chorley,” she said.

“We’ve also trained more technicians on MOTs and we’re extending the hours they’re offered ahead of September in line with the shifts we already employ at two of our sites.”

Turner said that Chorley Group had also been offering 20% off repairs to customers who brought forward their MOT in recent months, in a bid to soften the impact of the spike in demand.

“It worked, but we’re questioning whether to do it again for September, because August is already looking busy.” **TOM SHARPE**

ADVERTISING FEATURE

Take control with BCA

By Dene Jones,
group chief marketing & data officer



BCA has launched a suite of digital tools, offering a range of self-serve solutions that its customers can access 24/7, 365 days a year across all platforms, making it even easier to do business with BCA.

Giving buyers better clarity and control over their day-to-day buying, the MyBCA dashboard gives customers immediate visibility of their search, bidding, buying and post-purchase activity.

Via the MyBCA dashboard, customers can quickly view their saved searches and tracked vehicles, manage their active bids and clearly see the status of their purchases, including invoices and online payments.

Post-sale processes have been optimised through the development of Click & Collect, meaning buyers can book collections safely online at a time to suit their needs from BCA locations nationwide. Buyers can also book delivery for eligible vehicles via the MyBCA dashboard.

An enhanced help and support centre provides video guides, FAQs and technical help, so BCA buyers can conveniently self-serve to find the answers they need.

These new enhancements to the MyBCA dashboard make it even easier for customers to do business with BCA. The new self-serve tools provide significant efficiencies for buyers and can be conveniently accessed via BCA Online or the BCA Buyer app whenever they are needed.

BCA is committed to improving and enhancing the digital experience for its customers by delivering a consistent and user-friendly service on both mobile and desktop platforms. These latest enhancements to the MyBCA dashboard will help buyers control every stage of their stock acquisition with BCA, saving time and driving efficiencies into the digital sales process.



THIS MONTH'S NEWS HIGH

JUN

11

OEMS FACE ALLEGED DIESEL FRAUD CHARGE

Stellantis joined Renault and VW with a summons to court in France over allegations of consumer fraud in connection with the sale of Euro 5 diesel vehicles. Peugeot was the initial target of the investigation – relating to the sale of diesel vehicles in France between 2009 and 2015 – but Citroën and FCA had also been summoned. Stellantis said Peugeot was “in the process of assessing its defence options”.

14



SPEEDWAY GIVES BCA/CINCH EXTRA STOCK CAPACITY

Constellation Automotive revealed plans to expand the used car stocking and preparation capacity for BCA and Cinch with the £80m acquisition of Rockingham Motor Speedway. It will create 500 jobs through the development of a “mechanics academy”, adding capacity to prepare more than 100,000 vehicles a year and store 50,000-plus.

15



SPOTICAR LAUNCHED

Stellantis launched what claims to be the first multi-brand approved used car programme in the UK. SPOTICAR allows consumers to reserve approved used cars from the Vauxhall, Peugeot, Citroën and DS Automobiles brands, from a stock listing of more than 12,000 vehicles. Fiat and Alfa Romeo brands will be added by Q1 2022.

CARWOW ACQUIRES WIZZLE

Carwow will provide car retailers with an opportunity to bid on privately-sold used vehicles after acquiring car buying comparison site Wizzle. It will allow buyers to sell their current car as soon as they've configured a new vehicle on carwow, rather than negotiating a part-exchange with a car retailer.



22

MARSHALLS REWARDS LOYAL STAFF

Marshall Motor Group revealed it would be issuing 4,000 staff a one-off cash “loyalty” bonus and a backdated pay review. The commitment followed a vow to repay £4m in Government support and came before a trading update forecasting a record underlying profit in 2021. Marshall later continued its 2021 acquisitions with the addition of Nissan Leicester from Renault Retail Group.



VERTU REMUNERATION PLAN UNPOPULAR WITH MANY

Close to a third (32.4%) of Vertu Motors shareholders voted against the remuneration and bonuses of the PLC's leadership team. The group said executives had initially waived their entitlement to a bonus but its remuneration committee elected to award reduced bonuses following its 'significant progress'. Vertu's 2021 pre-tax profit forecast was upgraded to £28m-to-£30m on June 23.



24

PROFITS SWING POST BERMAN BONUS BATTLE

Significant Pendragon shareholder Anders Hedin, the CEO of Swedish car retailer and distributor, Hedin Group, once again questioned bonus payments to chief executive Bill Berman in an open letter. A day later Pendragon forecast a £45m-to-£50m 2021 underlying pre-tax profit in pre-close update. It anticipated a £30m first half profit, a swing from a £31m loss in H1 2020.

29

LOOKERS RIDES OUT 'PERFECT STORM'

Lookers reported revenues down 23% to £3.69bn (2019: 4.81bn) but a statutory profit before tax of £2m (2019: loss of £45.7m) in its 2020 financial results. The result came in a year which saw the group battle COVID-19, legacy issues which delivered a fraud investigation and a temporary shares trading suspension, a board restructure, the closure or consolidation of 12 dealerships and 1,500 staff redundancies. CEO Mark Raban (pictured) said it had been a "perfect storm".



1

CARSHOP'S PLANS FOR WOLVERHAMPTON SITE

CarShop revealed its plan to create its 14th used car supermarket site with the redevelopment of an Autoworld dealership in Willenhall, Wolverhampton. The acquisition of the 4.6-acre site came just weeks



after AM reported on its planning application to transform a former Showcase cinema in Derby.

5

DOZEN DEALERSHIPS CHANGE HANDS

Group 1 Automotive added nine car dealerships to its UK operation with the acquisition of Audi, Seat, Škoda, Volkswagen and Seat franchisee Robinsons Motor Group. The previous day, Yorkshire's DM Keith confirmed it had acquired Leeds-based Ford and Kia franchised car retail business Ringways Group – adding three new dealerships and two new brands.

6

ADVERTISING FEATURE

How online warranty sales can help maximise unit profits

By James Tew, CEO, iVendi



At a time when stock shortages mean that profits on every car and van sold have potentially taken on a renewed importance, new research we've just completed at iVendi highlights a missed revenue opportunity that could produce instant results.

Our analysis shows that, in the 12 month period ending in June, only 21.9% of dealers included aftersales products within propositions they sent to potential used vehicle buyers using our Digital Deal product. However, over the same period, 32.3% of those consumers opted to buy at least one product where they were included.

This seems, to us, like an easy win. Integrating products such as warranties, GAP insurance, paint protection, tyre insurance and MOT insurance within all of the digital propositions that a dealer issues can be done easily and effectively using our technology, helping to increase unit profits.

Digital Deals are part of iVendi's TRANSACT product, which was launched in April 2020, near the start of the pandemic, and has since been widely adopted by iVendi's customer base. Its ethos is to allow a tailored proposition to be created and sent to a potential buyer as the basis for an online negotiation designed to replicate the subtleties of an in-person dialogue.

The key lesson for the success of aftersales options in this digital context, we have found, is to introduce them near to the start of the sale. Customers are interested in buying these products, but they are often treated as an afterthought by the dealer, offered at a point when weariness with the whole sales process has set in.

However, presenting them right at the beginning has a very definite effect on sales penetration. Car and van buyers see the entire purchase as a package, and ensuring that package is fully formed as early as possible in the sales process appears to be crucial.

Visit www.ivendi.com, e-mail enquiries@ivendi.com or call 0345 226 0503.



RECOVERY FAILS TO MATCH UP TO SMMT EXPECTATIONS

Ford takes a battering from Asian and German rivals

The first half of 2021 showed an overall recovery of 39.2%, which was slightly below the level the Society of Motor Manufacturers and Traders (SMMT) had expected.

The SMMT reckons that registrations for the second quarter of 2021 were about 9,000 units lower than anticipated at the start of the year, partly thanks to the effect of the global semiconductor shortage. Nevertheless, the rise in the overall market in June of 28.0% is broadly in line with the slow recovery expected for this year.

The biggest sign of changes in the market came from Vauxhall: just as the monthly figures for June were announced, the company said it would change Ellesmere Port production from Astras to mainly electric vans (and some electric cars). That means Vauxhall will have two factories making vans in the UK, Luton being the other, of course.

This reflects the fact that companies cannot make vans fast enough. The van market had its third best-ever period in the first half of 2021, and larger vans (2.5-3.5 tonnes) had their best first half registrations.

Meanwhile, back in the car market, VW has extended its lead over Ford to 9,000 units. If Ford can recover from that deficit, it will be as impressive as Switzerland coming back from 3-1 down against France at the Euros. Just to add insult to injury, Audi managed to outsell Ford in June. Year-to-date (YTD), in market share terms, Audi is closer to Ford than Ford is to VW.

Given that sales increases or decreases can be hard to put into context when the total market is up by nearly 40%, it is worth looking at the growth rate of manufacturers after taking into account the overall market increase. The table below shows the sales figures for 2020 and what the sales figures would have been for 2021 YTD, if each manufacturer's market share remained the same. Comparing that calculated figure to the actual sales for 2021 shows more clearly who is doing well and who is doing badly.

The best-performing major brand has been Hyundai. That is partly due to increasing sales of the new Tucson, plus the Kona and Ioniq, but also due to a recovery from a couple of very bad years

for the brand. Behind Hyundai is MG, which is now a significant brand, not simply a small brand that is growing from a low base. Most of the growth is coming from the HS, which is now neck-and-neck with the Peugeot 5008 in small family crossovers.

The fact that Audi has grown in 2021 is less impressive than the fact it is outselling direct rivals BMW and Mercedes-Benz. Audi was always going to recover from the WLTP-related product shortages it experienced in 2018-2020, but there was nothing inevitable about it becoming the leader among German premium brands.

Similarly, the increases at Kia and Volvo are more impressive than the numbers suggest. Both companies have been growing for many years, and it is harder to maintain momentum than to recover from poor years in the way that Peugeot and Mazda have done. All mainstream car brands are cyclical to some extent, based on the age of their models, but Kia and Volvo have achieved underlying growth well beyond the effect of individual new models.

Among the biggest declines are the aforementioned Ford and, more surprisingly, Mini. The One/

2020/2021 MANUFACTURERS GROWTH RATES*

Growth rate over 10%	2020	YTD 2021 Expected*	YTD 2021 Actual	Real-term growth rate
Hyundai	17,701	24,649	31,342	27.16%
MG	7,712	10,739	13,594	26.59%
Audi	40,405	56,264	67,842	20.58%
Peugeot	21,450	29,869	34,748	16.33%
Kia	28,970	40,341	45,277	12.24%
Mazda	8,746	12,179	13,603	11.69%
Volvo	17,698	24,644	27,143	10.14%

* If 2020 market share was repeated in 2021

Decline over 10%	2020	YTD 2021 Expected*	YTD 2021 Actual	Real-term growth rate
Ford	59,874	83,375	74,698	-10.41%
Mini	18,276	25,449	22,624	-11.10%
Nissan	30,109	41,927	36,688	-12.50%
Lexus	5,971	8,315	7,161	-13.87%
Fiat	9,242	12,869	10,990	-14.60%
Jaguar	10,551	14,692	11,854	-19.32%
Honda	11,439	15,929	12,618	-20.79%
Renault	15,269	21,262	15,712	-26.10%
Mitsubishi	4,708	6,556	4,562	-30.41%
DS	918	1,278	858	-32.88%
Dacia	7,433	10,350	6,900	-33.34%
SsangYong	669	932	615	-33.98%
Alfa Romeo	940	1,309	734	-43.92%

SPONSOR'S COMMENT



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

At time of writing, it's midsummer's day already. Even more frighteningly, the halfway point of the year will

be well and truly behind us before you are reading this column (in August's *AM*). With the weeks blurring by and time still firmly set on evaporating as we cram even more into our working days, it's increasingly difficult to break out of the headlong cycle and take time to reflect, rest and recuperate.

But it's critical that we all do this, even if it's only to stop and remind ourselves what we all do this for. Covid has produced a symmetry between the need to take time to enjoy the environment more locally and the sustainability agenda which focuses on improving this environment.

As a group, we are committed to a greener future through our 'Growing Together' initiative with Woodland Trust and our commitment to planting 10 million trees over 10 years. A forest is more than a nice place to take a walk, or home for creatures great and small. It's a place to calm our minds, breathe cleaner air and put our picnic blankets down for a good catch-up. Even more critically, with transport being the number one source of CO₂ emissions in the UK, it's somewhere to store our carbon – up to 2.5 million tonnes of it over the lifetime of these trees.

With the current pace of change and at this point of the year, it's easy to start thinking about dark nights and poor weather and lose focus on some of the hugely positive things we have accomplished and will go on to do. It's really important to reflect and appreciate our achievements, so I do hope you enjoy a good break this summer and come back ready to face the challenges of the rest of 2021.

**WE ARE
COMMITTED TO A
GREENER FUTURE
THROUGH OUR 'GROWING
TOGETHER' INITIATIVE
WITH WOODLAND TRUST**

Cooper has just been facelifted, so that might have some beneficial effect in the second half of the year. Nissan is also hoping for a major boost from a new model: in this case, the third-generation Qashqai, Nissan's most important UK launch for many a long year.

The same applies to the Qashqai's sister model, the Renault Kadjar, which will enter its second generation later this year. Renault has dropped to 1.7% market share, which is well below a realistic aspiration of 3%, let alone the 7% share it once took of the British market. Its French compatriot, DS, is faring even worse, and has almost disappeared from view in the new car market.

One can't help feeling that, for a brand which has only ever succeeded with stylish super-minis, its latest model – the executive DS9 – seems a very strange answer to the question of what to do with the DS brand.

As if DS was not enough of a problem for Stellantis, its Italian sibling Alfa Romeo is one of the few brands to perform even worse. Presumably, the development costs of the Giulia and the Stelvio were quietly written off as part of the PSA/FCA merger, as there is no chance of getting the money back given current sales. Bizarrely, Alfa Romeo's European sales

in 2020 (50,000 units) were actually slightly lower than its sister brand, Lancia, which is only sold in Italy. Lancia only has one model, the 10-year-old Ypsilon. That was once sold as the Chrysler Ypsilon in the UK, where "once sold" is a fair reflection of its total registrations. Even SsangYong has performed less badly, and that is a company which has gone into court receivership (again).

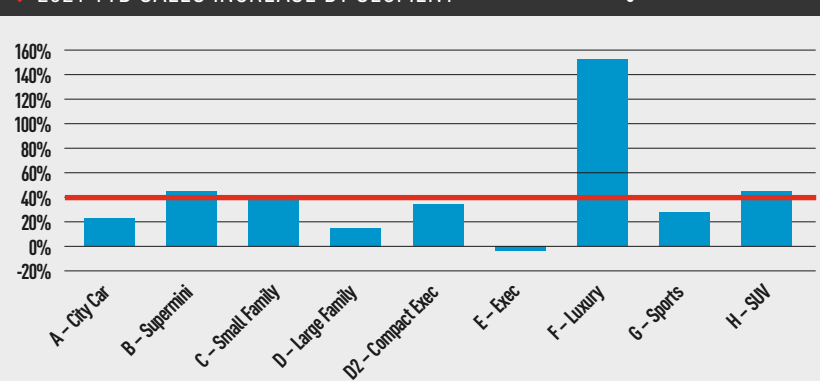
The other under-performer in the table, Dacia, is the brand most likely to appear at the other end of the table next year. Dacia only has two models (Duster and Sandero) and the Sandero is being replaced now, so Dacia sales should start to recover in the second half of the year.

To end on a brighter note, June did see positive news for the long-term future of the UK car industry. Nissan committed to using British-made batteries (what we think of as the Nissan Sunderland battery factory is actually owned by Envision AESC of China), and Vauxhall will be assembling European-made batteries into UK-made battery packs.

Those are relatively small steps compared with the vast battery capacity being built in Germany but, as the saying goes, "a journey of 1,000 miles starts with a single step".

DAVID FRANCIS

2021 YTD SALES INCREASE BY SEGMENT



IS AROUND THE CORNER.

blackhorse.co.uk/abetterway

NEW CAR REGISTRATIONS

Microchip shortages prompt sales shortfall

New vehicle supply issues were blamed for June's UK new car market total which remained adrift of pre-pandemic levels.

Society of Motor Manufacturer and Traders (SMMT) chief executive Mike Hawes says the global semiconductor microchip shortage is affecting the manufacture of certain cars and is "restricting the automotive recovery".

The SMMT says total registrations for Q2 2021 (up 39.2% at 909,973) had fallen short of industry expectations by around 9,000 units.

But as 186,128 new cars were registered in June – up 28% year-on-year, but down 16.4% on the month's 10-year average – the industry body reported strong customer demand and optimism ahead of the further lifting of COVID-19 restrictions.

June's retail sales grew by 30.6% year-on-year and fleet registrations grew by 47.8%.

National Franchised Dealers Association (NFDA) chief executive Sue Robinson says June's increase "builds on the continued strong momentum in auto retailing".

She adds: "Retailers are seeing robust consumer demand and continued outperformance of the UK retail new and used car market. Franchised dealers are optimistic for trading over the summer albeit there will likely be a tightness in supply of new cars ahead."

1 VOLKSWAGEN

Its fleet orders were up 85% on June 2020, and private sales rose 25%. The T-Roc and ID3 drove much of the volume increase in the corporate market and Polo sales rose with both private and company buyers.



2 HYUNDAI

Its fleet floodgates have opened. Corporate registrations were 208% up year-on-year, while private sales rose 51%. Demand was strongest for its i10, Tucson and Kona models.



Marque	June					Year-to-date				
	2021	% market share	2020	% market share	% change	2021	% market share	2020	% market share	% change
1 Volkswagen	19,454	10.45	12,431	8.55	56.50	85,409	9.39	58,933	9.02	44.93
Audi	14,446	7.76	8,099	5.57	78.37	67,842	7.46	40,405	6.18	67.90
Ford	14,234	7.65	13,622	9.37	4.49	74,698	8.21	59,874	9.16	24.76
BMW	14,227	7.64	10,635	7.32	33.78	65,324	7.18	46,580	7.13	40.24
Toyota	12,061	6.48	11,709	8.05	3.01	52,156	5.73	39,360	6.02	32.51
Vauxhall	10,129	5.44	9,104	6.26	11.26	53,443	5.87	37,576	5.75	42.23
Kia	9,176	4.93	5,501	3.78	66.81	45,277	4.98	28,970	4.43	56.29
Mercedes-Benz	8,984	4.83	9,569	6.58	-6.11	58,867	6.47	45,683	6.99	28.86
2 Hyundai	7,734	4.16	3,643	2.51	112.30	31,342	3.44	17,701	2.71	77.06
Škoda	6,737	3.62	5,272	3.63	27.79	32,906	3.62	23,112	3.54	42.38
Peugeot	6,229	3.35	5,168	3.55	20.53	34,748	3.82	21,450	3.28	62.00
Nissan	5,927	3.18	5,884	4.05	0.73	36,688	4.03	30,109	4.61	21.85
Seat	5,668	3.05	4,090	2.81	38.58	26,080	2.87	20,267	3.10	28.68
Mini	5,151	2.77	4,921	3.38	4.67	22,624	2.49	18,276	2.80	23.79
Volvo	4,802	2.58	4,374	3.01	9.79	27,143	2.98	17,698	2.71	53.37
Land Rover	3,797	2.04	4,691	3.23	-19.06	36,216	3.98	25,624	3.92	41.34
Mazda	3,447	1.85	1,464	1.01	135.45	13,603	1.49	8,746	1.34	55.53
Citroën	3,248	1.75	2,067	1.42	57.14	16,894	1.86	11,617	1.78	45.42
Honda	3,205	1.72	1,617	1.11	98.21	12,618	1.39	11,439	1.75	10.31
Fiat	3,091	1.66	1,818	1.25	70.02	9,680	1.06	8,328	1.27	16.23
Renault	2,940	1.58	4,720	3.25	-37.71	15,712	1.73	15,269	2.34	2.90
Suzuki	2,888	1.55	1,431	0.98	101.82	10,770	1.18	7,813	1.20	37.85
MG	2,834	1.52	2,025	1.39	39.95	13,594	1.49	7,712	1.18	76.27
Jaguar	2,369	1.27	1,712	1.18	38.38	11,854	1.30	10,551	1.61	12.35
Lexus	1,527	0.82	1,359	0.93	12.36	7,161	0.79	5,971	0.91	19.93
Dacia	1,074	0.58	2,093	1.44	-48.69	6,900	0.76	7,433	1.14	-7.17
Cupra	1,062	0.57	0	0.00	0.00	3,158	0.35	0	0.00	0.00
Mitsubishi	1,017	0.55	771	0.53	31.91	4,562	0.50	4,708	0.72	-3.10
Porsche	772	0.41	1,056	0.73	-26.89	5,836	0.64	4,073	0.62	43.29
Jeep	458	0.25	437	0.30	4.81	2,111	0.23	1,532	0.23	37.79
Abarth	376	0.20	212	0.15	77.36	1,310	0.14	914	0.14	43.33
Subaru	215	0.12	44	0.03	388.64	811	0.09	306	0.05	165.03
DS	189	0.10	153	0.11	23.53	858	0.09	918	0.14	-6.54
Alfa Romeo	180	0.10	234	0.16	-23.08	734	0.08	940	0.14	-21.91
Polestar	163	0.09	0	0.00	0.00	1,642	0.18	0	0.00	0.00
SsangYong	151	0.08	159	0.11	-5.03	615	0.07	669	0.10	-8.07
smart	138	0.07	146	0.10	-5.48	820	0.09	426	0.07	92.49
Bentley	80	0.04	102	0.07	-21.57	607	0.07	531	0.08	14.31
Maserati	69	0.04	50	0.03	38.00	337	0.04	239	0.04	41.00
Genesis	27	0.01	0	0.00	0.00	27	0.00	0	0.00	0.00
Alpine	25	0.01	16	0.01	56.25	102	0.01	57	0.01	78.95
Other British	211	0.11	140	0.10	50.71	1,269	0.14	860	0.13	47.56
Other Imports	5,616	3.02	2,838	1.95	97.89	15,625	1.72	10,832	1.66	44.25
Total	186,128		145,377		28.03	909,973		653,502		39.25



Beyond finance

"I'm more like a consultant, taking time to understand the dealership so that we can add real value to their business."

Watch Aimee's video to see how:
blackhorse.co.uk/beyondfinance

Aimee Winder
Account Manager
North East Region

A better way of doing business

blackhorse 

FINANCE OFFERS

Hefty incentives behind Korean brands' growth

As the industry passed the halfway point of 2021, it's time to take stock of some of the offers that are helping to boost positive performances and help the market return to pre-pandemic levels.

Hyundai has led the recovery so far with a 77% increase in volumes for the first six months.

There is 0% available on selected Tucson, Kona Hybrid and i20 and continued financial support to discount models across all but one model in the range (the new Tucson misses out). But, elsewhere, there are deposit contributions ranging from £500 for the i10, up to £1,750 off the Ioniq and Kona.

The standard representative examples for Hyundai run with a 4.8% APR rate and some relatively high deposit examples. As a result, the monthly costs across the majority of model ranges are less than £300 a month, with even more premium models like the Sante Fe priced below £400 a month.

There's a Korean trend for the manufacturers posting positive volumes so far this year.

Kia has posted a 56% increase in registrations and is pushing ahead in Q3 with a suite of offers to help support retailers.

This includes its G0% Hybrid campaign that offers 0% APR, two years of free servicing and roadside assistance across selected plug-in and mild hybrid models.

Other 0% offers are only available when taking vehicles on a PCP for a two-year contract.

That is in addition to the scrappage scheme offer that continues in Q3 with up to £2,000 off the new Picanto and new Rio or up to £2,500 off the Stonic.

The Korean brand is also offering 'refer a friend or family member' incentives worth £200 with tech bundles including an Echo Show 5 smart assistant and an Amazon Fire HD 10 tablet for any referral that goes on to purchase a new Kia.

Elsewhere there is a 4.9% APR deal running across the range with minimum deposit requirements.

The Kia XCeed Loyalty campaign also continues to provide a £500 saving to existing Kia owners looking to switch from any model to that particular crossover.

Audi has also posted some strong growth over the first half of the year and one constant in the German brand's retail offers has been big deposit contribution support.

Other than on outliers like the Q4 e-tron and R8 supercar, that don't get any discounts, customers can expect reductions on every model, ranging from £250 for entry models like the A1, to as much as £16,000 off an A8.

The average deposit contribution across the range is just less than £3,500.

When trawling manufacturer websites for the

TOP FINANCE DEALS FOR RETAIL BUYERS

Model	Finance type	Deposit	Term	Monthly payment	Final payment	APR	Offer ends
Kia							
EV6 GT-Line 77.4kWh lithium-ion RWD EV Automatic	PCP	£4,389.50	36	£648.43	£20,632.50	4.90%	30/09/2021
Picanto GT-Line 1.0 Petrol Manual (4 Seat)	PCP	£1,385	36	£212.06	£5,061.60	4.90%	30/09/2021
Rio 2 1.0 Turbocharged Petrol Manual	PCP	£1,705	36	£255.70	£6,127.20	4.90%	30/09/2021
Ceed 3 1.5 Turbocharged Petrol Manual	PCP	£2,339.50	36	£327.19	£8,813.74	4.90%	30/09/2021
Ceed Sportswagon 3 1.0 Turbocharged Petrol Manual	PCP	£2,305	36	£319.06	£8,769	4.90%	30/09/2021
ProCeed GT-Line 1.5 Turbocharged Petrol Automatic DCT	PCP	£2,618	36	£356.86	£10,567.20	4.90%	30/09/2021
Ceed Sportswagon Plug-In Hybrid PHEV 3	PCP	£3,054	36	£476.97	£10,456.20	4.90%	30/09/2021
e-Niro 3 Long Range EV Automatic	PCP	£3,375	36	£561.82	£16,006.20	4.90%	30/09/2021
Soul EV First Edition Long Range EV Automatic	PCP	£3,494.50	36	£428.75	£15,762	4.90%	30/09/2021
Stinger GT S 3.3 Turbocharged Petrol Automatic	PCP	£4,265.50	36	£636.19	£16,916.40	4.90%	30/09/2021
Stonic Connect 1.0 Turbocharged Petrol 48V Mild Hybrid Manual	PCP	£2,165	36	£308.40	£8,591.40	4.90%	30/09/2021
Sportage GT-Line 1.6 Diesel 48V Mild Hybrid manual	PCP	£2,792	36	£363.53	£12,123.65	4.90%	30/09/2021
Sorento Plug-In Hybrid 2 1.6 Turbocharged Petrol Plug-In Hybrid Automatic ALL-Wheel Drive 7 Seat	PCP	£4,524.50	36	£687.13	£19,380.60	5%	30/09/2021
Hyundai							
i10 SE 1.0 67PS Petrol 2WD Manual	PCP	£4,000	48	£110.55	£4,475.52	4.80%	30/09/2021
i20 - SE Connect 1.0 100PS Petrol Manual	PCP	£5,700	36	£110.60	£8,253.96	4.80%	30/09/2021
i20 N 1.6 204PS Petrol 2WD Manual	PCP	£7,500	36	£236.02	£11,686.08	4.80%	30/09/2021
i30 - SE Connect 1.0 120PS Petrol Manual	PCP	£6,400	36	£177.25	£7,636.80	4.80%	30/09/2021
i30 Tourer SE Connect 1.0 T-GDI 120PS Petrol	PCP	£6,600	36	£207.67	£7,960.92	4.80%	30/09/2021
i30 Fastback N Line 1.5 T-GDI 159PS Petrol	PCP	£7,800	36	£273.18	£8,697.96	4.80%	30/09/2021
Ioniq Hybrid Premium 1.6 Petrol 141PS	PCP	£7,800	36	£195.53	£10,216.44	4.80%	30/09/2021
Ioniq Plug In Premium 1.6 Petrol 141PS	PCP	£9,200	36	£272.35	£10,829.16	4.80%	30/09/2021
Ioniq Electric Premium Electric Motor	PCP	£6,200	36	£341.85	£13,741.80	4.80%	30/09/2021
Ioniq 5 Premium Electric 73 kWh RWD 217PS	PCP	£12,600	24	£376.08	£22,874.88	4.80%	30/09/2021
Kona Premium 1.0 T-GDi 48 Volt Hybrid	PCP	£7,200	36	£185.20	£9,195.24	4.80%	30/09/2021
Kona Hybrid SE Connect Hybrid 1.6 GDi 141PS	PCP	£7,200	36	£159.91	£10,278.60	4.80%	30/09/2021
Tucson SE Connect 1.6 TGD 150ps 48 Volt MHEV	PCP	£9,200	36	£207.28	£13,133.52	0%	30/09/2021
Santa Fe Premium SE 2.2 CRDi 200PS Diesel 4WD	PCP	£13,600	36	£380.16	£18,341.64	4.80%	30/09/2021
Santa Fe Hybrid Ultimate Hybrid 1.6 T-GDi HEV 6AT 230PS 2WD	PCP	£13,400	36	£255.31	£21,449.64	4.80%	30/09/2021
Bayon SE Connect 1.0 Petrol T-GDI 48 Volt Mild Hybrid 100PS	PCP	£6,100	36	£162.56	£8,951.04	4.80%	30/09/2021
Audi							
A5 Coupe S line 35 TFSI S tronic	PCP	£5,794.95	48	£419	£13,858.60	2.90%	30/09/2021
A6 Avant S line 40 TFSI 204 PS S tronic	PCP	£5,261.94	48	£439	£17,845.75	2.90%	30/09/2021
Q2 Sport 30 TFSI 110 PS 6-speed	PCP	£4,259.49	48	£259	£10,724.55	2.90%	30/09/2021
Q5 S line 40 TDI quattro 204 PS S tronic	PCP	£7,284.27	48	£459	£19,958.55	2.90%	30/09/2021
Q5 S line 50 TFSI e 299 PS S tronic	PCP	£8,245.87	48	£519	£23,371.90	2.90%	30/09/2021
A1 Sportback Technik 25 TFSI 95 PS	PCP	£2,365.92	48	£199	£9,569.35	4.90%	30/09/2021
A3 Sportback S line 40 TFSI e 204 PS S tronic	PCP	£7,006.61	48	£350	£16,361.85	4.90%	30/09/2021
A4 Saloon Sport Edition 35 TFSI 150 PS S tronic	PCP	£5,684.96	48	£389	£11,232.80	4.90%	30/09/2021
A4 Avant Sport Edition 35 TFSI 150PS S tronic	PCP	£6,150.88	48	£399	£11,844.60	4.90%	30/09/2021
A7 Sportback S line 40 TDI 204 PS S tronic	PCP	£7,953.38	48	£489	£18,039.55	4.90%	30/09/2021
A8 Black edition 50 TDI quattro 286 PS tiptronic	PCP	£9,904.29	48	£849	£20,005.10	2.90%	30/09/2021
Q3 S line 45 TFSI e 245 PS S tronic	PCP	£7,035.72	48	£419	£17,966.40	4.90%	30/09/2021
Q4 e-tron 40 Sport 203 PS Automatic	PCP	£6,182.29	48	£529	£20,232.15	5%	30/09/2021
Q7 S line 55 TFSI e quattro 381 PS tiptronic	PCP	£9,157.00	48	£679	£31,745.20	4.90%	30/09/2021
Q8 S line 55 TFSI e quattro 381 PS tiptronic	PCP	£13,580.95	48	£729	£34,236.10	4.90%	30/09/2021
TT Coupe S line 40 TFSI 197 PS S tronic	PCP	£5,150.05	48	£369	£14,625.25	4.90%	30/09/2021
R8 Coupe V10 RWD 540 PS S tronic	PCP	£27,915.79	24	£1,299	£69,825	6.10%	30/09/2021

latest representative examples, I found Audi has been highlighting five models in particular, rather than boasting about any sales campaign for Q3.

There is a push on the A5 Coupe, A6 Avant, Q2, Q5 and Q5 TFSI e plug-in hybrid. Each of these models is available at a lower APR rate of 2.9%,

compared with the most of the range which is running at 4.9%. **TOM SEYMOUR**



SEARCH FOR FINANCE OFFERS

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



EMaC.

Your aftersales partner

Lifetime Warranty

Combining the benefits of:

- **Warranty**
- **Annual Servicing**
- **Breakdown Cover**

Payable by a single, monthly Direct Debit instalment

Speak to EMaC today about our innovative range of maintenance and repair plans.

Call our friendly team on 0330 099 6826

EMaC Limited

EMaC House | Crewe Business Park | Crewe | CW1 6GU

Email: support@emac.co.uk | Web: www.emac.co.uk | Tel: 0330 099 6826



ADVERTISING FEATURE

Doing things differently with new technology

By Michaela Gunney, Executive Sales Director



SECURE valeting group has developed new technology and software to accelerate the process of vehicle preparation, video capture and digital imaging. Our customers can now get their stock online quicker than ever.

SECURE ONLINE

Our Secure Online (SOL) system is a cloud-based portal providing financial data to control costs and to simplify the booking of valets. SOL can be accessed from any PC by customers using their own login details and a full back-up of all vehicles cleaned is available at any time.

AUTO IMAGING, the app

Auto Imaging's app is market-leading technology providing instant upload during the capture process, digital backdrops and stock web video with personal enquiry/handover video. Live QA, automatic stabilisation, optional branding and real-time feedback are all available.

OWNERSHIP and COMMITMENT

All key directors of SECURE are now shareholders in the business with a "can-do" approach and the commitment to deliver strong levels of service across the UK. Our senior management teams have been with us for many years and are among the most experienced people involved in vehicle preparation.

WHY OUTSOURCE VEHICLE PREPARATION?

The greatest benefit is the flexibility of labour SECURE can provide. With 50-plus mobile units on the road we can mobilise operators to manage volume peaks for dealerships, auction sites and fleet distribution centres nationwide. Quality chemicals and equipment can be supplied and our "barrel for life" solution minimises on-site waste.

For more information call 01480 216700 or visit www.secureplc.com



VIEWPOINT



HYBRID DEALERSHIPS AND A NEW WAY OF THINKING

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



Over the past couple of months some commentators have suggested that most of the manufacturers are at various stages of considering, and in some cases implementing, a move to an agency arrangement within their distribution networks.

Some are reputedly pushing ahead with a full agency arrangement while others are thinking through a dual structure with electric vehicles (EVs) being sold direct though an agency model while other vehicle sales remain in the current framework.

Legally, it is not possible to run two systems unless there is a clear business differentiation and, at the time of writing, this has yet to be fully tested.

The reaction from the dealership world remains divided with some contending that the balance sheet benefits outweigh the restrictions that the agency model places on the organisation's operations.

One of the major benefits of the agency model is the potential integrated use of data that comes with embedded technology and connected cars.

The challenge that is yet to be confronted is the ability of the retail network to restructure to accommodate a new way of working. My view is that the change from franchise to agency will have a profound impact on the way in which dealerships are configured and also the type of staff that they need to employ.

A move to full agency will undoubtedly change the culture within the retailer network. For the past hundred years sales people have been incentivised to sell based on the transactional

need to make sales and hit targets set by manufacturers.

Remuneration packages will need to be re-evaluated. The information flows between the manufacturer and the retailer will be greater and more dynamic with real-time information being shared about both vehicles and customers.

One industry consultant argued that there would need to be a clear division between 'front and back of house' operations with 'behind the scenes systems' being a lot more sophisticated and, potentially, employing more people than before to handle the ongoing logistics.

At present there does not appear to have been much work done on how this transition will take place and over what timescale. It is a fundamental shift and changes the nature of the business. Staff will need re-orientating and new roles will be created.

All this is not impossible, but, from my perspective, the challenge will be made increasingly complex if the agency model is used for the sale of EVs while another system is able to run legally parallel for the rest of the operation. It is wrong to underestimate the difference in mindset between the two.

This is not something that can simply be trained into people, it requires a broader perspective and understanding of the thinking behind the agency model.

To date, staff have behaved in a particular way and have been promoted and had success under one system. The challenge will be whether these same people can adapt, not only to a new way of working, but also a different way of thinking.

Take advantage of the lowest online buyers fees anywhere in the UK with Auction4Cars

Auction4Cars is one of the country's largest independent trade-only online vehicle auction websites, supported by a network of collection points across England, Scotland and Wales.

Launched in 2008 by Motorpoint to exclusively sell its part-exchange vehicles, today it helps traders purchase more than 30,000 vehicles a year throughout the UK.

HUGE CHOICE OF MAKES AND MODELS

Led by General Manager John Hood and his highly experienced team, Auction4Cars lists hundreds of vehicles daily from up to 30 different manufacturers, including Audi, BMW, Ford, Mercedes-Benz, VW and Volvo.

All vehicles are appraised, photographed and HPI checked by a team of experts before being listed online so traders can bid and buy with total confidence 24/7. They are also presented in trade condition to ensure a true representation at all times.

LOWEST FEES ANYWHERE

What really separates Auction4Cars from its competitors, though, are its low fees. Not just how competitive they are – prices range from £30 for vehicles worth up to £1,000 through to £125 for vehicles more than £20,000 – but the fact that its fees are up to eight times cheaper than those of its leading competitors for the same value vehicle.

Auction4Cars has been busy studying the respective fees that customers pay when purchasing trade-only vehicles. And, it has discovered that prices vary by as much as 834% more for the same value vehicle than they would when buying from Auction4Cars.

For instance, a VAT-registered customer bidding for a vehicle below £5,000 would pay only £50 in fees at Auction4Cars compared with £467 from a leading competitor. The same customer buying



100 vehicles a year for less than £10,000 each from Auction4Cars would save more than £50,000 per year alone in buyers fees – enough to pay for five free vehicles on their forecourt.

John Hood explained: "We have always prided ourselves on our extremely low auction fees, backed by great customer service, but it was only once we started comparing our fees against those of other leading online used vehicle auction brands that we realised we weren't just talking a few pounds.

"In some instances, such as vehicles for sale online below £10,000, we are talking a saving of more than £500 for the same value vehicle, which is quite staggering. When you multiply that over a year for an average trader buying 100 trade vehicles from Auction4Cars, those savings run into tens of thousands of pounds, savings, of



course, which they can then pass on to their customers – benefitting everybody in the process."

FINANCIAL SUPPORT

One of the additional benefits of buying from Auction4Cars is the easy access to vehicle funding through its relationship with NextGear Capital.

Their Stocking Plan allows buyers to purchase the stock they require while freeing up the cash to invest in other areas of the business.

The NextGear Capital approach to funding is uncommon. They fund 100% of the vehicle price from Auction4Cars plus any auction and delivery fees free of charge. This means settling your invoices is simple. One-click on the Auction4Cars website and the vehicle is yours, no delay.

Vehicles are funded for up to 150 days, with repayments made over the course of the plan to aid cashflow.

Plus, you only pay for what you buy, whether you are buying one or a hundred vehicles, while there are no reciprocal terms or restrictions on when you buy.

Liam Quegan, Managing Director of NextGear Capital, added: "There is a common trait among the most successful dealers I meet. They are working their capital wisely and not overexposing themselves.

"NextGear Capital helps them in that respect. They can use our Stocking Plan not just as a source of capital, but as a way of simplifying their stock buying through Auction4Cars as our plan offers additional flexibility compared with other alternatives in the market."

To find out how you can join Auction4Cars for free and benefit from the lowest online buyers' fees anywhere in the UK visit www.auction4cars.com/register or call 0845 4133 133



2021: The Year of Digital Transformation

Bluesky Interactive's ability to evolve means more innovative solutions than ever before

Digital transformation is the name of the game in today's highly competitive dealer marketplace – and that applies to the specialist partners in the industry too. Leading automotive digital marketing and web design agency, Bluesky Interactive, shares why 2021 is a year of change for its innovative company – and why that change is going to make it an unrivalled choice for your digital activity.

Bluesky Interactive was established in 2008 and the company is no stranger to growing, adapting and changing – as its success over the challenging months of lockdown goes to show.

Launching the most flexible automotive eCommerce platform on the market (AutoTransact), generating more innovative solutions than ever before, and growing its team substantially are just three of the exciting areas that keep Bluesky at the top of its game.

INCREASED CAPACITY

Bluesky Interactive is in a period of impressive growth across all of its digital teams.

Whether in the design team, where more front-end designers and developers than ever before produce completely bespoke, template-free automotive websites; or in the in-house development team where cutting-edge technology, products and solutions are continually innovated, you'll find Bluesky has more resource than ever before.

Importantly, the client services and digital marketing teams are also growing significantly, with substantial investment to ensure that success breeds satisfied customers – and that Bluesky's famous quality relationships with clients are always at the focus of the company's strategy.

What does that mean for you? Whether it's



a Bluesky website, a stand-alone eCommerce solution, or digital marketing services you will have dedicated support and account management contacts, all the latest tech and true transparency on results.

BRAND NEW PRODUCTS

Increased resource means an impressive pipeline of new technology for its motor trade clients. Bluesky has boasted a continual schedule of new technology, more integrations than any other competitor, and regular upgrades, new features and developments on both the website platform and their website back office. Thanks to these software-as-a-service releases, dealers don't have to wait for new versions, instead picking and choosing what they want to take advantage of as technology is available.

Some of the latest innovations include:

- **Flexible Vehicle eCommerce** – AutoTransact is an incredible

eCommerce platform exclusively for car dealers. It can easily flex to meet the needs of all your dealership locations, individually, and is more flexible than any other solution.

- **AI-Driven Website Personalisation** – AutoEdge allows dealer websites to automatically change how they look to different visitors – resulting in a significantly higher conversion rate as your website is more relevant.
- **Finance Calcs & Deal Stackers** – Unique solutions combining bespoke finance, PX calculators and more into one engaging deal-stacking functionality – an ideal step before checkout.

As you can see, 2021 heralds a new era at Bluesky – with more resource, capacity and innovation than ever before.

If your dealership is looking to work with a digital agency that is as brilliant at client support as it is at producing websites that match your unique brand, then get in touch for a no-obligation demo today.

01926 651000

www.blueskyinteractive.co.uk





MINUTES WITH...



Craig Grant, commercial director, WMS Group

Since WMS Group was bought by Opteven, the second largest mechanical breakdown insurer in Europe, what has changed?

Opteven acquired the business on February 1 last year, I joined on March 1, and on March 23, of course, we all had to go home. So that was an interesting time. I had to spend time remotely getting to know the wider team. My responsibilities are sales, marketing and products, and the strategy is to grow market share from our traditional heartland of independent dealers, which are still very important for us, with a wider range of products and services that are compliant and relevant to a broader business-to-business customer base.

I've been in the industry 28 years now, latterly with BMW Group Financial Services. With larger customers there is a higher expectation. To meet those expectations, we've been recruiting experienced individuals. We want to challenge the status quo, and those individuals need to know how to operate with the larger organisations and meet their expectations.

With our clients such as The AA, Aston Barclay, and more broadly across Opteven in the UK we have Volkswagen Financial Services, the way we look after those is different to the way our business is traditionally done.

Do you see particular opportunities there that others haven't?

Traditionally, warranty is warranty. But our parentage in Opteven, and the wider experience and product set that is there, will help us look at how can we build the right propositions. With certain dealers warranty is quite transactional, they need the warranty to fulfil standards obligations, but some other groups see opportunity for upsell and revenue generation. My team and I have ideas we want to develop, but we want to talk to larger groups to understand what solutions they need.

IT DOESN'T REALLY MATTER WHAT YOU'RE SELLING, YOU SHOULD DO IT IN A REALLY PROFESSIONAL MANNER

CRAIG GRANT

Isn't some work required to take the WMS brand to large dealer groups though?

WMS was a well-respected business in the independent sector that was very entrepreneurial and fleet of foot. In trying to broaden that appeal, we clearly need to build the relevant procedures and governance. We are on a journey. We are talking to larger businesses that feel more comfortable about what our aspirations are, what we're doing now and where we'll get to. We are getting very good feedback.

But there will be growing pains.

If you think you know WMS, do please think again. Some of the larger franchised groups in the AM100 don't necessarily know who WMS is, and that's something we need to work on.

What else will being part of Opteven mean?

We are going through an IT integration for its base system which was designed in-house; it's what Volkswagen Financial Services use and is already in the German market. It will help us provide a more robust process for our prospective customers to use. At the moment, all the dealers can make claims online, automated in many instances for payments to be made, but there will also be a customer interface where they can make a claim too, speeding up that process.

There's a wider product suite at Opteven – for example service plans are a big part of the portfolio in France. We want to

move away from just transactional product to provide solutions that take the pain away from large organisations. I now own all the WMS and Opteven UK relationships. Traditionally, that was managed out of Lyon but we've recruited people locally. We've about 20-odd OEM insurer partners in Europe that, again, we can work with more closely in the UK.

We've an independent and financially strong parent to help us continue our growth aspirations and to provide the comfort and confidence for large partners.

The FCA has had general insurance in the spotlight for some time. What has that meant for the market?

There are organisations that really embraced it and have worked with it. There are others that think they're okay at the moment. We're trying to stay ahead of the curve to tell customers that in all sorts of areas there will be further scrutiny... there are certain things that will need to be done, and we want to help.

Where I come from, it doesn't really matter what you're selling, you should do it in a really professional manner. I expect the consistency of delivery of service to be the highest it should be. And, given my training background, I think it's important our people are equipped to do exactly that.

How can motor retailers improve warranty sales?

We deal with lots of businesses where it is part of the sales process, the owners see the value in it. There are others that clearly feel warranty is just covering their obligations and they focus more on selling the metal. We have to strike a balance. There's an opportunity to build trust and loyalty and help drive greater value for the dealer. We are working on initiatives where we can help. As part of our research we know customers understand the generality of warranty, that it makes sense to have the peace of mind of that protection, but it's still quite complex to understand. **TIM ROSE**

FACT FILE

COMPANY:
WMS GROUP
HEADQUARTERS:
THAME

PRODUCTS:
WARRANTY, GAP,
SMART REPAIR
INSURANCE, MOT
INSURANCE, TYRE
AND WHEEL
INSURANCE

GENESIS MOTOR EUROPE



Hyundai's online-only up-market offering has a 'crawl, walk, run' approach with no volume targets, reports **Tom Sharpe**



Andrew Pilkington
switched from Polestar UK
to Genesis in June 2020

With seven new car launches in 12 months, at first glance Genesis Motor Europe's entry to the UK market appears to be an all-out assault on the premium sector.

UK managing director Andrew Pilkington told *AM* that Hyundai's online-only up-market offering is determined to pursue a "crawl, walk, run approach" which gauges public response to determine the rate of growth, however – insisting it has no volume targets.

Its Korean parent company will no doubt be expecting a return-on-investment from the brand that expanded into Europe in June, having sold 130,000 vehicles in its existing markets (US, Canada, Russia, the Middle East and Australia) in 2020.

But Pilkington insists that establishing the brand and making potential customers aware of its unique direct sales offering was the priority... for now.

"Let's be honest, nobody knows about Genesis," Pilkington told *AM*. "Our challenge right now – and it's an exciting one – is taking the brand to market and getting customers to understand our proposition and the 'Genesis Promise'.

"We don't need to push cars into the marketplace because that's not part of the strategy.

"If we were working in a traditional sense we'd be saying at this stage 'we want x percentage of that market share' but, honestly, that has not been in our vernacular at all."

DIRECT SALES' ULTIMATE REALISATION

Pilkington joined Genesis from a post as managing director of Polestar UK in June last year at the same time as David Parkin, who left a service quality manager role at Jaguar Land Rover (JLR) to become head of aftersales.

In an interview with *AM* at the launch of the first two Genesis models into the UK market, the G80 Saloon and GV80 SUV (see page 66), Pilkington described his new employer as "the ultimate realisation of the direct sales concept".



Inside the Genesis Studio at the Westfield shopping centre

Unlike Polestar, which partnered with Endeavour Automotive and Lookers to open its first Polestar Space high street stores, Genesis will operate its Genesis Studios and aftersales proposition completely independently.

Pilkington says: "I learned such a huge amount in recruiting the team for Polestar UK and, just as we brought it to market and were about to launch, Genesis came to me and said 'this is our model and we'd like you to lead it in the UK'.

"When you have created something it's like watching your babies growing up, but this was an offer that I could not turn down. What we have here, with Genesis, is so unique. We are looking after the customer from end-to-end, taking full control of that with no agents, no dealers. It's down to us, which is really exciting.

"The big vision is there; the big question is how do you deliver that? That's the challenge and what's truly exciting."

Genesis' first UK outlet – staffed by salaried pressure-free Genesis personal assistants (GPAs) – has already opened at Westfield shopping centre, in London's

FACT FILE

UK MANAGING DIRECTOR:

ANDREW PILKINGTON

PHYSICAL LOCATION:

SHEPHERD'S BUSH, LONDON

MODELS: G8, GV80

EMPLOYEES: 53

SALES: 130,000 GLOBALLY (2020)

Shepherd's Bush, and aftersales will be handled at the Genesis Operating Centre (GOC) at Hayford Park, Upper Hayford, Oxfordshire.

A GPA is appointed at the time of a car sale and is intended to be a customer's single point of contact throughout the ownership of their car, liaising over the sale and ongoing aftersales enquiries.

As part of every Genesis car's Five-Year Care Plan – including home delivery, warranty, servicing, roadside assistance, a like-for-like courtesy car, mapping and over-the-air software – customers' vehicles will be picked-up and taken to the GOC on a covered lorry for servicing.

UNDER-PROMISE, OVER-DELIVER

Pilkington insists that Genesis sales and aftersales services could be delivered nationally from day one.

The brand's promise of home test drives and – once a customer has bought their new car – as many GPA-conducted hand-over and familiarisation appointments as are required, will only be offered in the south-east initially, Pilkington concedes.

"At this moment we're adopting a crawl, walk, run process," he says. "What I mean by that is that at launch we're going to have test drive offer in the south-east – effectively East Anglia all the way round to Southampton – and the we're going to extend that during the coming months

"It will be very transparent in all the marketing communication.

"Part of the strategy around this is making sure that we don't over-promise and under-deliver and that we under-promise and over-deliver.

"That's about us being humble, not biting off more than we can chew and making sure that we deliver.

"But to add to that we're embarking on an events programme which is being formulated right now.

"At the start this is in the south-east. We're at the Goodwood Festival of Speed and, in September, we've further events and those are then going to proliferate out.

"I'd rather be transparent and honest with a customer and say 'look, test drive will come to you, but it is going to take a little bit longer'."

Pilkington says that a mix of stock G80s and GV80s is already available for UK customers to buy.


Lead times on customer-specified models will be between four and five months, he says.

To handle sales, Genesis currently has 30 GPAs on its books, recruited from hospitality – rather than sales – roles.

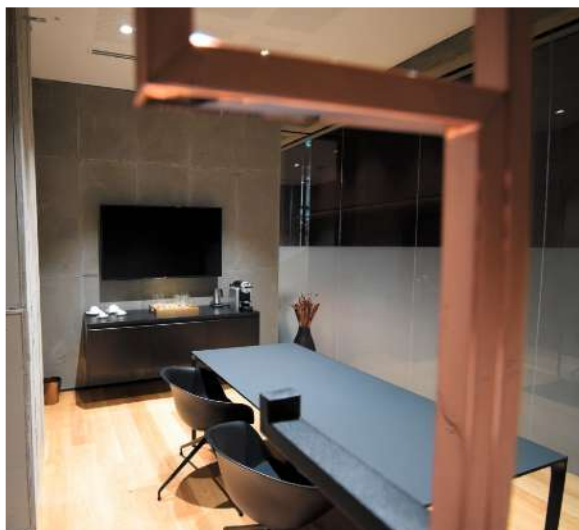
Eight of the GPAs are regional operatives working from home, with the latest recruits based in Norwich and Ipswich.

As an organisation, Genesis Motor UK employs a further 13 people who will be based at a 3,000 square-foot head office, along with a 10-strong headcount fulfilling its aftersales function.

Pilkington says he wants his team to be close to customers, saying those in office-based roles will be encouraged to visit both Genesis Studios and GOCs on a weekly basis.

Plans for the expansion of the Genesis Studio network will be dictated by customer demand, Pilkington claims, 





While the “black box” GOC aftersales model can be “easily replicated” in locations across the UK. The black box referred to is an unbranded industrial building, as opposed to a glitzy dealership site designed for customer visits.

The brand also has a plan to deliver mobile servicing to those who want in as part of a bid to accelerate the scope of its aftersales provision.

PRODUCT-LED PUSH

There’s no need for an acceleration of the brand’s planned product launch strategy.

Its G80 and GV80 SUV will be followed by the launch of a G80 electric vehicle (EV), the more compact G70, G70 Shooting Brake and GV70 SUV models and two further new EVs in the next 12 months.

The incoming G80 EV claims a zero-emission range of 265 miles on a single charge and the ability to charge from 10% to 80% battery capacity in just 20 minutes.

All models are available on personal contract purchase (PCP) or personal contract hire (PCH) provided by Genesis Finance and will be offered as part of a Genesis Flexibility subscription offering, which has a minimum term of six months.

“LET’S BE HONEST, NOBODY KNOWS ABOUT GENESIS. OUR CHALLENGE RIGHT NOW – AND IT’S AN EXCITING ONE – IS TAKING THE BRAND TO MARKET AND GETTING CUSTOMERS TO UNDERSTAND OUR PROPOSITION AND THE ‘GENESIS PROMISE’”

ANDREW PILKINGTON

In a US interview Genesis marketing chief Jeri Yoshizu told *Forbes* magazine: “We’re in product-launch fantasy right now for a marketer. We’re in that place where the products and our brand cachet will pretty much set the tone for years to come.”

At the launch stage, however, Genesis has had to go without an EV in Europe and its launch cars’ high emissions may deter some prospective customers. It invokes memories of Infiniti, which launched with left-hand drive petrol cars in a UK right-hand drive car market then dominated by diesels. After a decade battling to grow sales Infiniti quit the UK in 2020.

Asked whether the brand would have liked to launch in its new European market with an EV offering from day one, Pilkington says: “Our opportunity is much wider than a single model with an electric drivetrain.

“We have to have a strategy around EV. Today we’re launching the brand with petrol and diesel, but very quickly we’ll be launching with G80 EV and then two other EV models within the first 12 months.

“That gives us the opportunity to launch the brand, present the brand and then very quickly grow the brand.

“People still demand more choice than simply electric. There are issues with real-world range anxiety.

“What we can say is that when you are ready, we will be ready.”

From launch, Genesis expects the bulk of its sales to be in retail, with its launch models featuring turbocharged petrol and diesel engines with CO₂ emissions ill-suited to a low benefit-in-kind (BIK) tax rate.

Pilkington says that the bundled nature of its customer-centric offering – only insurance is not included, but a white-labelled offering will be offered online – may appeal to company car user-choosers, but he says: “We’re not targeting that part of the market.”

The Genesis team is working on a used car portal for its online retail website but, at the time of the *AM* interview, no residual values had been set to determine the cars’ future value or the monthly payments of its finance offerings.

“We’ve been working very closely with Cap,” says Pilkington. “The people we’ve been working with have said that, for a new brand to the market, residuals are very strong and part of that is that the customer is buying directly from Genesis, we’re genuinely service over sales and they see that by looking after the customer we will generate demand.”

BUILT FOR THE FUTURE

Despite Genesis’ claim that sales volumes and market share aren’t a concern, the introduction of a new brand to the UK requires large investment and generating demand will be the early priority of Pilkington and his team.

But his excitement at launching a new brand, in a unique way, is matched by a confidence that Genesis offers something that some premium sector customers have been waiting for and, more importantly, a growing number will increasingly turn to.

“We’re setting up the business today for the future,” he says. “Customers want a stress-free purchase experience, they want to buy online, some will buy completely online.

“Some will go into a studio and have a test drive. They want people that are genuinely interested in them and their needs, and that’s where we turn to our GPAs.

“There are lots of good products out there today, but it’s about the experience and that’s what’s missing today.

“Take a look at what’s happening over the next 10 years, we’ll see a huge transition to people buying online and that’s why we’re saying here’s the business model launching today, but it’s a model that’s fit for the next 10 years.”

Pilkington adds: “No one invited another premium car brand to the UK. If we weren’t audacious in our approach, we’d just be doing what everybody else has done.

“Our research suggests that’s not what the customer wants. We’re building a product around the customer.

“Just doing what everyone’s done in the past is not going to serve us in the future.”



Genesis G70 Shooting Brake makes its debut at the Goodwood Festival of Speed



HABITS FOR A LIFETIME

By the time you read this, it is hoped many social distancing measures may no longer be in force. But how many pandemic-accelerated new ways of working are with us to stay? asks *Tim Rose*

The coronavirus pandemic accelerated the pace of change in the UK's motor retail industry and some observers now question whether many of the new habits will

stick with consumers when everyday freedoms return.

Many dealers are keen to bid farewell to the plastic screens and face coverings that have been imposed on the front line of motor retailing. Yet some consumers still

lack the confidence they'll avoid the coronavirus if all measures are swept away. For example, a Transport Focus survey this month found 59% of people would still not use confined public transport if masks were not being worn. And the World Health

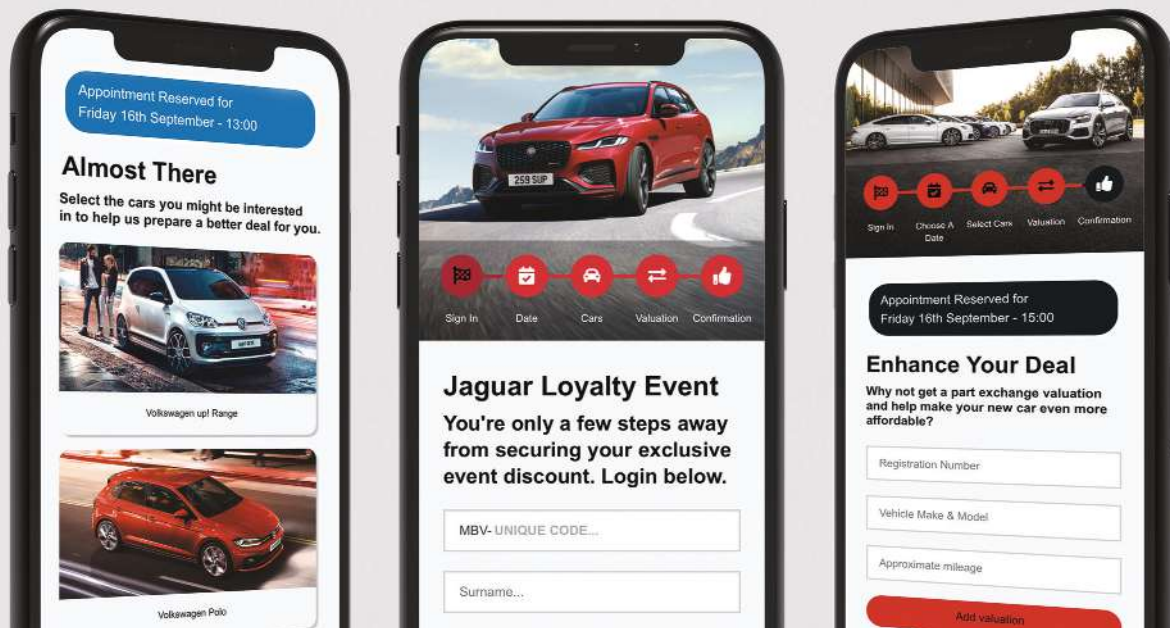
Organisation continues to advise mask use, ventilating indoor spaces and maintaining hand hygiene habits.

Even before the pandemic, the industry was aware that by the time a consumer walked onto the forecourt they were ready to



MB Showroom Event Platform V3

The pandemic has changed everything, including our event solution



V3 now boasts a brand new mobile first design

With 80% of bookings made via a mobile, V3 has evolved to align to your customers' digital journey



Average
Invitation
Response



Appointment
Show Rate



Sales
Conversion

- Live-time online appointment system
- Automated invitations and reminders
- Dealer portal and results dashboard

Find out how we have evolved the platform to optimise response.
Book your V3 demonstration now!

We're an award-winning, full-service automotive agency that you can trust to deliver the ultimate car showroom experience. Get in touch and let's out-perform your competition together.

Trusted by manufacturers and dealers across the UK



Clicks Emails Chats Calls Creative Visits



MB Advertising & Marketing Ltd
MB House, 248 Shepcote Lane,
Sheffield S9 1TP

Tel: 0114 244 6060



enquiries@mbadvertising.co.uk

www.mbadvertising.co.uk/pages/showroom-events

ADVERTISING FEATURE

Are You Ready for the Impact of the Pandemic on Your Q3 New Car Showroom Event?

Here are 5 positive changes that we've seen in the new-car-buying journey, that all dealers should embrace.

01

Digital event solutions are the most effective

You might ask how can we be so sure the consumer has shifted away from traditional or even partial online events? The kind of event where a letter is sent that then relies on the customer to call and wait 'on hold' to speak to someone who can help them during their busy working lives? Simple, because as a full-service agency for the automotive sector, we run all types of events and measure all the results. The data shows the growing shift to self-serve digital events providing the easiest route through for customers, with even more now showing up for appointments than pre-pandemic levels.

Self-appointed online



Appointments made from a mobile device



Bookings when dealerships are closed



Appointment show rate



Pre-pandemic Post-pandemic

02

Customers now want full control of their event experience

Post-pandemic there has been a significant shift in consumer behaviour around showroom event response. Pre-pandemic, our data showed that self-appointed bookings were around 67% but this has now increased to 84%. Only 11% of all appointments were made by the customer ringing the dealership. Interestingly, 64% of all appointments happen when your dealership is closed. This data shouldn't be a surprise to any of us, as many pre-pandemic shopping experiences like grocery shopping to doctor appointments have now moved to self-serve online ones. Covid has accelerated the departure from old methods to newer, easier to use online systems.

03

Mobile now drives over 80% of all appointments

Aligned with the digital shift is the growth in engagement from a mobile device; a 22% increase in appointments in the last 18 months. So, what does this data tell us? Firstly, it tells us that any digital journey should cater primarily for mobile experience and not just IOS and Android users and building a website that works on every type of mobile device is absolutely key, as they contribute to 34% of traffic. Secondly, it tells us that mobile friction (where the site doesn't work intuitively) will have a costly effect on your result and investment.

04

Electronic invitations now drive 81% of all response

We now have a much clearer picture of which part of your marketing works best, and can guide you accordingly to achieve the very best return on investment. Direct mail invites are still very effective, but only as part of a channel mix and when led with electronic invitations. We can tell you exactly how your database responds to each invitation channel, valuable data insight that minimises costs and optimises responses for future campaigns.

05

Day and time have massive impacts on invitation response

Do you know the best day and time to send your SMS invitations? Don't worry, we do. The power of having the response data from over 300,000 new car customers booking appointments using our solution, is that we can see exactly which days of the week and what times of the day work best, then apply those insights to your event. Selecting the correct day of the week for emails increases response by 34% and the correct 30-minute segment of time can improve response by 18%. These aren't small marginal gains; they are huge gains, and these trends are changing constantly.

We've been tracking customers' behaviour and how they respond to new car showroom events, well before the pandemic.

V3 tracks every invitation by channel, performance, response and conversions into appointments plus the appointment show rates. Our success is data driven, enabling improvements at every step of the journey to establish a pattern of continual marginal gains and increased cars sales for our clients.

Our data insights are derived from over 2,000 car dealer showroom events which invited just over 8 million new car buyers in the last 5 years.

Don't leave your new car sales event success to chance!

Car showroom events are a huge commitment in terms of resource and financial investment, so why take the chance of not fully optimising your event potential by choosing a solution that isn't driven by the data? Continuing with pre-covid marketing approaches or alternative software is unlikely to give you the response you need to hit your targets in this digitally accelerated world.

Partner with us and let's out-perform your competition together

We'd love to show you exactly how we can help you be more successful in Q3. Contact us today to arrange a full demonstration of V3 and we guarantee you will be at least impressed, if not amazed, by how smart and simple it is to use.



MB Advertising & Marketing Ltd
MB House, 248 Shepcote Lane, Sheffield S9 1TP
Tel: 0114 244 6060
www.mbadvertising.co.uk/pages/showroom-events
enquiries@mbadvertising.co.uk

Contact: Bevan Wilkinson, Client Services Director - 07715 121223



CARSHOPPING ONLINE_IStock-843079144_JOZTAR



➔ test-drive and buy in most cases. Eight-in-10 had done their research, whittled down their consideration list, may have even sought a part-exchange valuation and were ready to face a sales executive.

COVID-19 lockdowns led dealers to switch rapidly to selling remotely through web platforms, video and phone calls or email. Offering home delivery or click-and-collect has become part of 'business-as-usual' for many dealers.

Being transparent about vehicle history and condition, and publishing money-back guarantees, has given some buyers more confidence. Facebook consumer research has found that one-in-two prospective car buyers now expects to be able to do so online.

"We're at the tipping point where consumers' expectations are now way ahead of the e-commerce offering of the automotive industry," warns Catarina Arven of Facebook.

This, plus the onset of electrification, the introduction of new market players, such as Tesla, Polestar and Genesis (see page 18), and advances in the connected car are paving the way for a revolution in service delivery and how consumers will interact with not only automotive brands, but businesses across the automotive

supply chain.

ZeroLight chief product officer François de Bodinat says: "It's clear that a return to business-as-usual is not the solution for our industry; brands must become customer-centric entertainers to grab attention and conclude sales."

"At the end of the day, the customer's physical location is not important. Online or offline, the principle – and technology – remain the same, with one unwavering goal: to deliver the most interactive, engaging and consistent shopping experience."

The pressure is on manufacturers and dealer groups to make it simple for consumers to buy, whether they do that in a showroom or remotely.

Arvato CRM Solutions UK sales and solutions director David Morton says: "The complexity of customer relationships in the automotive sector is a big challenge from a customer experience perspective. There are so many touchpoints – the manufacturer, the dealer, the finance company, the insurer, the service and maintenance company – making it very difficult to put the customer at the centre."

"Wouldn't it be great if we could give



the customer a single portal where they could access everything? Of course, that will mean much greater joined-up working – but it could be the only way to compete with the likes of Tesla."

Auto Trader consumer research found that 42% of buyers actively looking for a vehicle are unsure if they would continue with the online process because of the complexity and time required. It found that if the car buying cycle was just 10% quicker that could equate to a million more car sales for the industry each year.

"The three core pillars to build consumer confidence in car buying are: trust in the vehicle; trust in the retailer and trust in the price. When it comes to supporting the digital car retailing process, there's a fourth pillar which helps equip consumers with the confidence they need to buy their next car digitally – trust in the process."

"By embracing these four pillars, retailers can take advantage of the opportunities presented by digital retailing," says Auto Trader chief executive Nathan Coe.

Arven of Facebook says customer choice is the new competitive advantage. If motor retailers try to force customers down one channel, they risk alienating some of them. There are 65 friction points in the customer journey to car purchase – typically a six-to-13 week

process – and the prospective buyer is always one click away from going to a competitor.

But it's not necessarily a gloomy outlook for dealer profits.

Facebook has found online customers upsell themselves by more than £600 on average. "In person upsells can be a bad user experience, but when shown as an option on your website, many people tick the box," Arven says.

At e-commerce consultancy Drivvn, its head of commercial Jacqui Barker agrees the transition between the online customer journey and physical dealership experience needs to be "seamless", citing an Uber-style process for maximum ease of use.

"Breaks in the process or a poor experience will result in lost sales," she says.

"It's key that these connections evolve robustly as more of the vehicle purchase journey is completed online."

Barker says consumers expect big automotive brands by now to be able to deliver just as well as other retail verticals.

"A frustrated customer will buy from a retailer that can get it right and they're prepared to pay for the experience," she says.

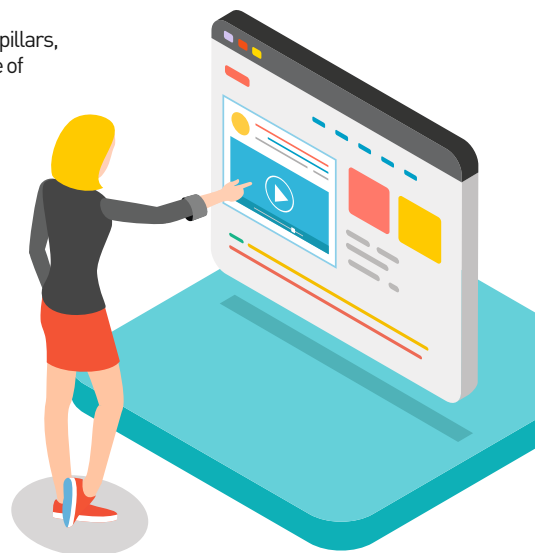
Ivendi chief executive James Tew agrees, adding that retailers must consider their physical and digital showrooms as "one big sales floor". With the majority of buyers falling into the 'hybrid' category – neither exclusively online nor in-showroom – he says "there can be no artificial separation of the two".

At Dealerweb, director Martin Hill says it will be vital to provide a superior experience throughout the purchase process, and giving buyers



“BY EMBRACING THESE FOUR PILLARS, RETAILERS CAN TAKE ADVANTAGE OF THE OPPORTUNITIES PRESENTED BY DIGITAL RETAILING

NATHAN COE, AUTOTRADER





the choice to complete all or part of the purchase online is key.

Dealerweb's research shows that 49% of buyers are more likely to complete a vehicle purchase if they receive a response to an online enquiry within one hour. A quarter of buyers say they expect a dealer to respond in less than 30 minutes.

"Greater personalisation of the buying experience will become the norm. Customers expect retailers to anticipate their needs and provide service that is proactive. It seems hard to give each customer a bespoke experience without ever meeting them, but using the available data can create a more meaningful relationship," he says.

Hill doesn't predict the role of showrooms will disappear from the customer journey, not as long as retail remains one of Britain's favourite pastimes. "Shopping for a new car is still a retail event for the family and dealers can attract customers by ensuring everyone who walks onto the forecourt feels valued," he says. "Dealers provide a greater choice

of stock, a wide range of finance options, nationwide delivery and experienced aftersales. It's hard to see where the competitive advantage sits with new, online-only, market entrants that provide a limited choice of stock."

In the years ahead car buyers will experience subtle improvements that will help them choose and buy more quickly, thanks to data science and machine learning. In turn, this will streamline the processes for dealers and OEMs, reducing the cost of sale. From predictive marketing based on demographic lifestyle data and typical buying habits, to

around-the-clock artificial intelligence (AI) capable of answering queries immediately and supporting a customer with an online purchase, motor retailers will be poised to drive efficiencies. GForces estimates a



GREATER PERSONALISATION OF THE BUYING EXPERIENCE WILL BECOME THE NORM. CUSTOMERS EXPECT RETAILERS TO ANTICIPATE THEIR NEEDS AND PROVIDE SERVICE THAT IS PROACTIVE

MARTIN HILL, DEALERWEB

potential £950m annual saving for the industry from wholly online transactions.

Auto Zebra senior partner Tomas Honz says: "The customer behaviours that really matter are captured in the data OEMs already have.

"Scientifically interrogating the data will tell them precisely which audiences buy each model, trim and engine and, more crucially, why."

Morton at Arvato points out that businesses across the sector must marry expert knowledge with data-led customer service solutions. He agrees that OEMs and dealer groups must pull together the huge volumes of information that drivers create across a growing number of touchpoints to achieve this. He says the

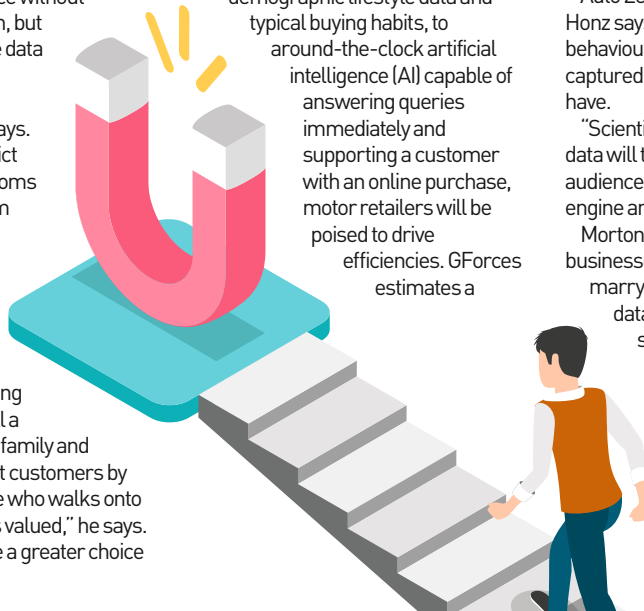
opportunity presented by EVs, linked with connected car technology are – quite literally – wired to continuously generate data on vehicle health, from tyre pressure and engine temperature to air con faults and battery health. They also collect information on drivers – everything from media preferences, favourite locations, energy use and even driving patterns and behaviour.

Platforms underpinned by AI technology are already being used to collate this data and create a 360-degree view of the customer, he says. By continually updating driver profiles round-the-clock with the latest information, dealerships, manufacturers and aftercare providers can all access the same information at every stage of the customer journey. Advisors can receive updates on customers' preferences or needs in real time, allowing them to tailor communications through positive, proactive dialogue.

"Whether we are vehicle manufacturers, leasing businesses, insurance providers, breakdown organisations or external partners that support across the customer journey, each part of the sector is committed to the same thing – ensuring it continues to improve services for customers and adapting models to meet their needs."

Arvato business development director Richard Husband adds: "As customers become more comfortable interacting with brands online, and as the popularity of contract purchase and hire deals reduces the financial significance of

car buying, more and more of the contact will happen digitally. People might still want a physical test-drive, but the ability to do everything else at your leisure really appeals to customers."



COUPLE IN CAR _ISTOCK-1057965708_NASTASIC



The lead management system that's a perfect fit for your business.



The ultimate enquiry management tool



The ultimate lead response tool

For over 15 years, Dealerweb has been instrumental in transforming the lead conversion rates of franchise dealers across the globe.

In this past year alone, we are proud to have helped over 13,000 users successfully process over 3 million leads in over 1,500 dealerships globally.

Contact us now and find out how we can help make 2021 your most profitable year yet -
01392 247477 | dealerweb.org

Drive dealership success with the UK's most trusted showroom lead management system



The retail automotive industry is facing an unprecedented period of change. To thrive in this challenging environment dealers and OEM's need technology partners who are reliable, agile and innovative, reacting quickly to drive efficiency through the sales process.

Dealerweb has invested in its people and technology ensuring they continue to lead the industry in sales lead management. The all new showroom platform is built on the very latest technology and deploys the features, useability and integrations you would expect from people with over 15 years' experience in developing lead management solutions.

The new system is fully responsive and has been designed to work on all mobile devices, including both Apple and Android, as well as traditional desktop and laptop machines, thus enabling users to maximise their interaction with customers.

As a trusted and experienced partner, Dealerweb have put their customers' success at the heart of its business and enjoys strong and long-lasting relationships with dealers large and small as well as many OEM's.

Dealerweb's core Showroom product is modular and scalable, enabling all shapes

and sizes of sales departments to manage leads effortlessly and effectively. Ongoing customer contact is supported throughout the sales funnel, whilst integrations with a wide variety of other systems from DMS's and Compliance Providers to Finance Providers improve efficiency and saves costs.

Reporting is a key strength of Dealerweb with accurate, reliable, real time reports covering all aspects of sales activity and performance. The Dealbooks module provides detailed and accurate DOC profit reporting, allowing a comprehensive, real-time analysis of the business, driving volume and profit improvement.

Dealerweb's React lead response tool is an innovative multi-platform system that captures 100% of leads from any digital source. It allows an immediate, personal, and professional response from the sales team, either by email or mobile call. Incoming lead notifications are sent to either a native

mobile app or by email and the fastest finger first then picks up the lead and chooses the most appropriate response for the customer. We all know that incoming leads need to be responded to quickly and professionally, React is tailor made to make this as easy and effective as possible, increasing the conversion rates on these fast growing digital lead sources.

Combining Dealerweb React and Showroom provides the dealer with the most powerful, reliable and effective sales tool in the market today. Dealerweb provides full end to end visibility of the customer journey, from enquiry to conversion, maximising sales volumes and profitability, whilst enhancing efficiency and compliance.

With the sales process in one ecosystem and cutting-edge technology, levels of useability, functionality and integration, Dealerweb continues to lead the industry in helping dealers sell more vehicles, more profitably.

If you would like a demonstration of how Dealerweb can help your dealership then visit **www.dealerweb.org** to book your demo.

IT'S BACK AT THE NEC

Automotive management LIVE

Brought to you by



In association with



NFDA
NATIONAL FRANCHISED DEALERS ASSOCIATION

SAVE THE DATE **NOVEMBER 11 2021**



Put it in your diary – and keep up to date with announcements by registering your interest here: www.automotivemanagementlive.co.uk/register-your-interest-2021

CHOOSE YOUR SUPPLIER

The latest deals, the newest technologies and the best advice
from key sectors that supply services to automotive retailers



EXECUTIVES POINTING_ISTOCK-1177765501_ERHUI1979



AUCTIONS & REMARKETING **DIGITAL MARKETING** INSURANCE ADD-ONS
ONLINE REPUTATION PAINT PROTECTION **SERVICE PLANS**
VALETING **VIDEO** WARRANTY



REMARKETING BOUNCES BACK FROM PANDEMIC

For several auction houses it's a story of growth or new or extended contracts as they adapt to new trading conditions

The past 12 months have been challenging and transformative for the auctions and remarketing industry across the UK. Suppliers had to make sure their digital houses were in order and the industry needed to adapt quickly as the pandemic forced dealership closures and then a pivot to click-and-collect services.

Despite the challenging market conditions, Cox Automotive says it continued to grow its business in the UK. Its Manheim subsidiary agreed new remarketing contract extensions with outfits such as Perrys, CarShop, Heritage Automotive, and Auction Plus. Meanwhile, new contracts began with Carzam, Baylis Vauxhall, John Grose and Santander Consumer Finance.

BCA continued to secure renewals and business wins with five-year contracts with LeasePlan UK, Lex Autolease and Black Horse, which secured some big fleet volumes.

Johnsons Cars, Listers, Vertu Motors, Group 1 Automotive and TrustFord led some of the largest new dealer group business, with seven other groups also signing with BCA over the past year.

BCA now has a 65-acre 'mega-centre' in Bristol ready to support its new contract wins with the capacity to handle more than 120,000 vehicles a year.

BCA also made the move to direct-to-consumer used car retail through cinch and acquired Rockingham Motor Speedway to boost its preparation and storage capacity. It has sold 45,000 vehicles a year since launch in 2019 and has been growing 45% month-on-month.

Meanwhile, Aston Barclay won a renewal with Santander Consumer Finance (SCF) for a further three years until 2024. It means the business will continue to handle SCF ex-finance, voluntary terminations, PCP returns, repossessions and more specialist high-end vehicles.

Sytner Group's CarShop division also signed with Aston Barclay in early 2021 to support the sale of part exchanges across its 11-site network.

Other wins for Aston Barclay include a remarketing partner deal with Sascron Car Supermarket and becoming an auction partner of the Independent Motor Dealers Association (IMDA).

The deal means the IMDA's 600 members have

access to Aston Barclay's auction centres with IMDA stock being branded as part of weekly dealer sales held at each site.

CD Auction Group continued to build on its digital auction heritage to create online marketplaces for dealers to trade and source stock.

The appointment of new managing director Andy Pearce in April 2021 followed record trading for CD Auction Group as the industry emerged from lockdowns. Auction volumes increased by 72% in the first quarter of 2021 against the same period in 2020, while active buyers rose by 10%.

HIGH DEMAND

Jonathan Holland, managing director at digital remarketing specialist Adesa UK, says that with car dealerships closed to the public throughout Q1 in 2020, the business had high demand from retailers operating click-and-collect services, specifically for Grade 1 and 2 vehicles, rather than vehicles needing to be worked on.

He says: "This demand increased in the run-up to Easter and has continued, with dealers now choosing to source stock irrespective of condition. As a result, some clients have seen 100% conversion rates with values performing ahead of Cap."

With the shortage of stock across the wholesale sector well documented, the biggest challenge for the remarketing industry has been supply.

Holland says: "With retail sites reopened, there is

THE LOCKDOWNS HAVE ALSO SEEN A DROP IN DAILY RENTAL ACTIVITY



JONATHAN HOLLAND,
ADESA UK



high consumer demand for used cars.

"We're also seeing the impact of the semiconductor supply issues in the new car market, which is forcing some manufacturers to temporarily halt production and this is impacting supply as new car sales are needed to generate used car stock.

"The lockdowns have also seen a drop in daily rental activity, with fewer new cars being sourced and subsequently feeding into the used car market. "Combined, these factors are impacting supply and demand in the wholesale sector."

While the pandemic meant the entire automotive industry leant more heavily on its digital capabilities, a recent survey of 582 used car buyers by Aston Barclay says 84% do want to return to physical auctions.

However, car manufacturer, ex-fleet and leasing sales will remain digital for the foreseeable future.

Physical sales have been introduced gradually, with buyers able to attend dealer part exchange, Motability and light commercial sales to view vehicles and stand and bid in the auction halls across Aston Barclay's network of six locations.

Justin Lane, Aston Barclay's chief operating officer, says: "We have been in constant discussion with our buyers and, not surprisingly, at the lower



BCA offers a huge range of technical services for new and used cars

value end of the market and they requested a return to on-site pre-sale inspections and being able to bid in the auction hall."

Since the new auction schedule started, Aston Barclay has noted its sales have received a 17% uplift in physical attendance, with the online attendance remaining consistent. Of the vehicles sold, 50% are bought by buyers in the halls compared with 100% online a month earlier.

EXTRA SUPPORT AND NEW LAUNCHES

Cox Automotive provided extra support during the pandemic with its Manheim Auction Services' Accelerate package, which gave dealers free vehicle collections from auction sites and suspended online buying fees.

The company launched its Movex App in March 2021, which aims to simplify vehicle movements and logistics and also extended its digital retail capabilities with the acquisition of Codeweavers in March 2021, all part of its plan to double the size of the total business by 2034.

BCA updated its website with a new vehicle details page offering a simpler layout and more detailed images for desktop and mobile devices.

Recent enhancements to the BCA Buyer app

include the digital Sale Day catalogue, proxy bidding capability and access to MyBCA online management tools.

CD Auctions launched its Vehicle Tradex dealer-to-dealer platform. Dealers seeking to sell cars can choose to list the vehicle from their own forecourt, and an independent inspector will appraise and image the vehicle within 48 hours. Dealers benefit from free listing, free inspection, free imagery, and no sellers fees on the platform.

The company's salvage operations also launched Salvage Remarketplace, a platform that enables specialists to list their own stock and trade with each other.

In addition, CD Auctions launched its own rival to Movex, which helps dealers manage their transport moves and administration on one app-driven platform.

The app manages end-to-end transport moves using an audited network of plated drivers, transporters and inspect-and-collect services.

Users access a national network of suppliers who bid for each move based on the best time and cost.

The company also made a new investment in charging infrastructure at its sites across the country as it prepares to handle a rapid increase in

the volume of electric vehicles.

Andy Pearce, managing director at CD Auction Group, says: "We have focused on giving dealers the flexibility they need to source and trade stock.

"Our platforms now mean you can buy and sell stock from our location, your location or any location."

DEAL WITH THE AA

One of the most recent developments in the industry is Aston Barclay partnering with the AA since March 2021 to provide buyers with vehicle checks before making their stock purchase.

As part of the agreement, AA Assured vehicles will have a review carried out by a dedicated AA technician which covers 13 additional inspection points compared with the current offering.

In addition to giving customers more guidance when making a purchase, vehicle buyers will also have the added benefit of access to an independent purchaser guarantee.

Lane says: "In the new normal we're currently operating under, more people are purchasing vehicles in the digital space. So, having a high level of trust that the vehicle has been assessed by an expert is more important than ever."

CHOOSE YOUR SUPPLIER SPOTLIGHT

BCA – powering the used car sector in 2021

BCA understands that now more than ever, to be successful, retail operations have to be flexible and be able to respond quickly to shifting consumer demand

BCA is energising the end-to-end wholesale supply chain to offer greater flexibility and help dealers sell more vehicles. A focus on accelerating the time to retail and supporting dealers throughout the entire process makes BCA the leader in its field.

BCA is at the heart of the UK motor industry, with a complete range of vehicle buying and selling services, sophisticated digital remarketing platforms, logistics, storage and vehicle refurbishment.

BCA continues to enhance and improve its suite of digital products to make it even easier for customers to do business with us. A number of enhancements have been made to the BCA website aimed at developing functionality for the digital buyer audience. The new Vehicle Details page is more intuitive and user friendly, with a simpler, more informative layout, more detailed digital images and improved functionality across both desktop and mobile devices.

BCA's online Recommendation Engine for buyers utilises an enhanced CRM (customer relationship management) capability and support from BCA's in-house Decision Intelligence Team.

Post-sale processes have also been improved through the development of the MyBCA dashboard, giving buyers the ability to self-serve. The launch of Click and Collect services meant buyers could safely book and collect vehicles from all BCA locations meeting the needs of their retail customers.

BCA continues to enhance the Buyer app, making it even easier for our professional buyer customers to acquire stock safely, efficiently and profitably. The BCA Buyer app is the most widely used transactional mobile app serving the wholesale used vehicle sector, delivering a



range of benefits for buyers and generating significant additional demand for sellers.

BCA Buyer app

The BCA Buyer app is a highly successful addition to BCA's suite of remarketing tools creating an incredibly easy digital platform to support buyers.

The app generates insight that helps BCA meet the needs of its buyer customers, creating additional buying power by ensuring that buyers never miss the vehicles that they are interested in and helping buyers bid on any vehicle being sold, wherever their location.

BCA regularly updates the app to meet the changing needs of customers who are increasingly operating digitally.

Recent enhancements include the digital Sale Day catalogue, proxy bidding capability and access to MyBCA via the Buyer app, new functionality that makes it easier for buyers to do business with BCA.



BCA IS AT THE HEART OF THE UK MOTOR INDUSTRY, WITH A COMPLETE RANGE OF VEHICLE BUYING AND SELLING SERVICES, SOPHISTICATED DIGITAL REMARKETING PLATFORMS, LOGISTICS, STORAGE AND VEHICLE REFURBISHMENT

BCA Valuations

BCA Valuations predicts the final hammer price on vehicles sold at BCA and uses fully automated machine-learning algorithms to calculate fair and unbiased valuations, based on more than 200 distinct data points across five million real transactions. It is the most accurate automated way to predict final sale prices at BCA auctions.

The pricing model is updated daily using the latest auction results for BCA customers using the BCA Dealer Pro system and underpins a range of pricing services BCA provides for the used vehicle sector. Uniquely, BCA Valuations also provides future auction values, allowing dealers to make informed decisions on retail customers' part-exchange vehicles today that might not come back into their network for sale for several weeks.

BCA Dealer Pro

With so many part-exchange appraisals being carried out remotely, it is now – more than ever – critical to make sure dealer processes are fit for

purpose to avoid any nasty surprises on the vehicle handover day.

BCA Dealer Pro is an easy to use vehicle appraisal app that allows for the part-exchange process to be managed quickly and efficiently, whether in the showroom or out. Using a simple guided process to appraise and then accurately value part-exchange vehicles, Dealer Pro helps to ensure that dealer sales teams capture all the information needed to enable remote deals to be done with confidence.

BCA DealerPro also links seamlessly with ConsumerPro, which provides PX valuations direct to online customers, linking together the customers online and offline journeys. This service is now used by a number of major dealer groups and manufacturers.

BCA Partner Finance supports dealers as demand increases

With many dealers changing their business models in recent months and introducing new processes, sourcing vehicles, getting them prepared and onto the forecourt as quickly as possible is essential to meet the increasing demands from retail customers.

During lockdown, dealers managed inventory levels according to their retail sales activity, with those that were able to offer a full on-line consumer solution maintaining their stock at pre-lockdown levels.

Dealers are now building stock levels in line with increased consumer demand and BCA Partner Finance is there to help.

BCA Partner Finance has seen a noticeable increase in requests for increased stock funding facilities from both new and existing dealers as they look to respond to increased retail sales and implement business expansion plans.

Traditional stock funding is being utilised to a much larger extent with demand enhanced further as some dealers look to repay business support loans taken during lockdown.

BCA opens major new development in Bristol

The new BCA Bristol remarketing centre is now open for business, having staged its first online sale on May 29, 2021, and is offering thousands of vehicles at every price point via BCA Online and the BCA Buyer app.

BCA Bristol creates a new standard within the industry, utilising the latest



digital technology to deliver a range of multi-channel remarketing, logistics and technical automotive services to meet the needs of BCA's customers.

In a key strategic location with easy access to J18 of the M5, BCA Bristol is a fully on-line remarketing centre, with the capacity to handle more than 120,000 vehicles per annum.

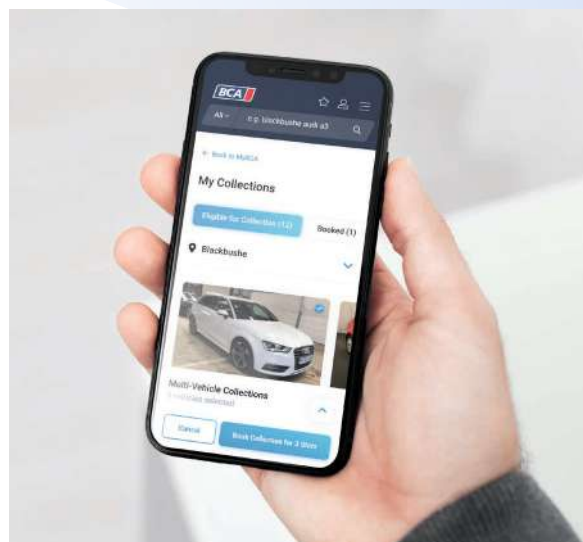
BCA Bristol operates 24/7, delivering a full range of BCA's suite of services – defleet and logistics, cosmetic and mechanical preparation, vehicle remarketing, imaging and retail-ready preparation.

The new centre, with the capacity to store 10,000-plus vehicles on the ground at any one time, forms a strategic part of the group's growth plans and delivers on BCA's stated intent of driving further efficiencies for customers across the used vehicle supply chain.

cinch transforms the way consumers buy used cars

cinch, is the UK's fastest growing online used car marketplace. It is transforming the way consumers buy used cars by enabling them to carry out the entire process online across thousands of vehicles. From first click to purchase in minutes, with delivery to the consumer's door from the tip of Scotland to Land's End seven days a week and within two-hour booking slots.

cinch also offers 'cinchCare', a subscription that offers peace of mind



to cinch car buyers for less than £35 a month. Covering routine servicing, all warranted parts and labour costs, as well as premium roadside cover.

cinch reached annual sales of more than 45,000 vehicles less than eight months after launch, growing at 45% month-on-month demonstrating how much consumers love its value proposition.

Uniquely, cinch not only sells cars it owns but also provides a fully integrated digital marketplace to its trusted partners such as dealers, car manufacturers or leasing companies to reach new consumers and sell their cars directly to them online.

Visit bca.co.uk to keep up to date with the latest online sales, products and services





CHOOSE YOUR SUPPLIER: DIGITAL MARKETING

DIGITAL MARKETING TAKES A GIANT LEAP FORWARD

Advances were made out of necessity during the pandemic, but it looks like the new order is here to stay

The pandemic upended all sectors and motor retailers responded overwhelmingly by stepping up their digital marketing activity. The increased reliance on digital may have been thrust upon dealers but it shows no sign of slowing as these suppliers testify:

BLUESKY

The past year has been one of growth and rejuvenation at Bluesky with resource growing by 15% across all key departments – development, design, client services and digital marketing.

A number of new product developments have taken place, accelerated by higher demands for digital solutions as a result of the pandemic. AutoTransact is Bluesky's e-commerce platform which provides reservation, full purchase, end-to-end finance application, part-ex valuation and value-added product sales capabilities. Launched just before the pandemic struck, Bluesky now has around 60% of its dealer websites utilising AutoTransact eCommerce checkout, way above anticipated uptake and, in just more than a year since the platform's release, approaching £50 million of stock has been sold through the platform.

Head of product and marketing Lauren Cooke says: "The most dramatic change in the past 12 months has been the take-up of our

e-commerce solution. It equips customers to be able to do whatever they want online. We launched AutoTransact in November 2019 but the pandemic led to an acceleration of planned developments including finance and part-exchange integrations. I would estimate we are 50% further down the line as a result.

"Another big change has been the showcasing of physical new car stock online, generating interest in cars the dealers have on site."

Further developments have been made to its innovative AutoEdge website personalisation solution which allows dealer websites to automatically change for different visitors – resulting in a significantly higher conversion rate as the website is more relevant. Average stats for AutoEdge shows conversion rate increases by 13% with many dealers seeing conversion rate-to-enquiries of more than 25%. Bluesky has seen a 200% growth among clients taking up the product, and it is continuing to grow in 2021.

Finance integrations utilising the Codeweavers API now deliver custom finance layouts based on dealers' needs and requirements, including part-ex functionality and deal stackers.

Its Electric Car Calculator is a clever plug-in that allows customers to see how an electric car would meet their journey needs. Contract wins

include Cornwall-based Helston Garages' new website, while Bluesky has also re-signed a number of existing clients.

Bluesky has benefitted from the wider adoption of digital tools and Cooke says: "It feels like it's a permanent change."

AUTOWEB DESIGN

After providing free support, a free e-commerce upgrade and free chatbots to help dealers enhance their digital toolset during the worst of the pandemic, Autoweb Design has upped staffing levels to meet increased demand. The project management team has doubled, customer support has increased by 25% as has the account management team.

Product innovations which have taken place over the past 12 months are extensive and include Autoads, its automated PPC advertising platform for new and used car stock, a new vehicle configurator, the launch of an e-commerce plug-in which allows for configuration and purchase of vehicle deals online whether on Autoweb websites or someone else's, and its fraternity platform for quick and flexible deployment of franchise and independent websites. New websites have been launched with growth in both the franchise (including the AM100) and independent sectors.



“DIGITAL ENQUIRIES ARE NOW STRONGER THAN PRE-COVID LEVELS, WHICH SHOWS THAT CUSTOMERS ARE ALSO EMBRACING THE CHANGE”

MARK CRYANS, MARKETING DELIVERY

Managing director Peter Fairfield says: “We’ve seen the real benefits in the way we do business with our clients. As a result we, and our clients, have come through this period of time with technology and innovations that will put us at the forefront of the industry going forwards. I would like to publicly thank our amazingly talented team which has demonstrated its commitment to Autoweb Design and our clients.”

GFORCES

In just 24 months, 1,651 UK franchised retailers – approximately one third of all UK retailer sites – have switched to the GForces e-commerce platform, NetDirector Auto-e, contributing to a record increase of 1,228% of new and used car purchases made through the platform in the past 12-18 months.

In 2019, 2,199 cars were bought using GForces’ platform, increasing hugely in 2020 to 29,209, worth more than £500 million overall.

The number of car buyers looking at car model pages globally on its Auto-e platform rose from 10.7 to 26.8 million.

A partnership with JLR saw the launch of NetDirector Auto-e at 1,046 retail locations, across 79 markets, and in 39 languages, in just 16 weeks.

GForces has also delivered its e-commerce platform to the European market, including piloting an omnichannel solution for Kia in the Netherlands.

Software updates to the NetDirector Auto-e software platform has improved the customer journey including a more seamless integration with finance product details.

Updates included becoming the first to market to offer payments via Apple and Google Pay, automated basket abandonment email alerts, commercial

vehicles end-to-end sales and Google My Business review integration.

Numerous third-party integrations and software customisations include its partnership with Scandinavian software developer Phyrion to allow dealers to include revolutionary AI-powered automated videos for every unit of stock, saving both time and money.

GForces, with offices in the UK, Australia, Dubai and Vietnam, works with 20 car manufacturers in 65 countries, is forecasting the number of UK car transactions it will handle throughout 2021 to double to 58,000, before growing to 72,000 in 2022.

MARKETING DELIVERY

Marketing Delivery has helped many dealers adapt to an omni-channel, customer-focused approach. Its team of in-house developers has worked ‘tirelessly’ to expedite the release of new software that was in the pipeline pre-pandemic that simplifies the sales journey through lead management and highly targeted digital marketing solutions.

Aftersales has been supported with services such as its MOTBox product, released earlier this year. By running customer records through the DVSA database, MOTBox has helped workshops access £1,000s in potentially lost revenue by synchronising dealer data following the government-led MOT extensions.

Joining the Keyloop Partner Programme has further enhanced the capabilities of its software, establishing a two-way flow of information to streamline processes and offer further opportunities for managed automation.

In February, Mark Cryans joined the team as business development

director, implementing strategic growth plans and adding new accounts to the company’s portfolio while staff levels have gradually increased to support company growth.

In the short- to medium-term, Marketing Delivery is working on updates to its existing software with a focus on working alongside clients to sustain the momentum in digital transformation while complementing personal interaction.

Managing director Jeremy Evans says: “Digital enquiries are now stronger than pre-COVID levels, which shows that customers are also embracing the change. Our research shows that this is especially true of younger buyers.”

Longer term, Marketing Delivery will help workshops in the quest to attract customers to new revenue streams with the shift to electric vehicles.

ARMCHAIR MARKETING

Armchair Marketing is a specialist automotive marketing consultancy founded by Lee Manning and Tanesha Stafford, who formerly led digital marketing at AM100 dealer group Perrys. The company specialises in advanced Google and Facebook advertising to maximise local dealership sales and conquest competitor business.

Armchair has worked in partnership with a portfolio of international clients, ranging from UK AM250 car dealer groups, to well-known global brands such as eBay, Toyota (Switzerland), AutoTrader (South Africa), The Emil Frey Group AG (Germany), eBay Motors Group, Motors.co.uk (UK) and Peugeot (Europe).

In 2020 Armchair introduced its own ‘Audience Insights Shopper Data Library’ which customers can use to filter the buying behaviours and demographics of millions of UK & European shoppers. **DEBBIE KIRLEW**



CHOOSE YOUR SUPPLIER SPOTLIGHT

How automation becomes personal

Delivering the right message to the right person at the right time

Personalised communications are now a customer expectation and, as automation develops, Marketing Delivery is leading the charge in harnessing dealer data from multiple sources to deliver the right message to the right person at the right time while reducing the need for human intervention.

Using data from the dealer's DMS, showroom and aftersales systems, Marketing Delivery creates and distributes personalised, carefully timed, mobile-optimised customer communications – including email, SMS and social media messages.

The combination of ever-more sophisticated technology, integrations between suppliers now more efficient, secure and widespread than before, and seemingly disparate data sets which can now be compared and cross-referenced, consumer engagement has been boosted even further.

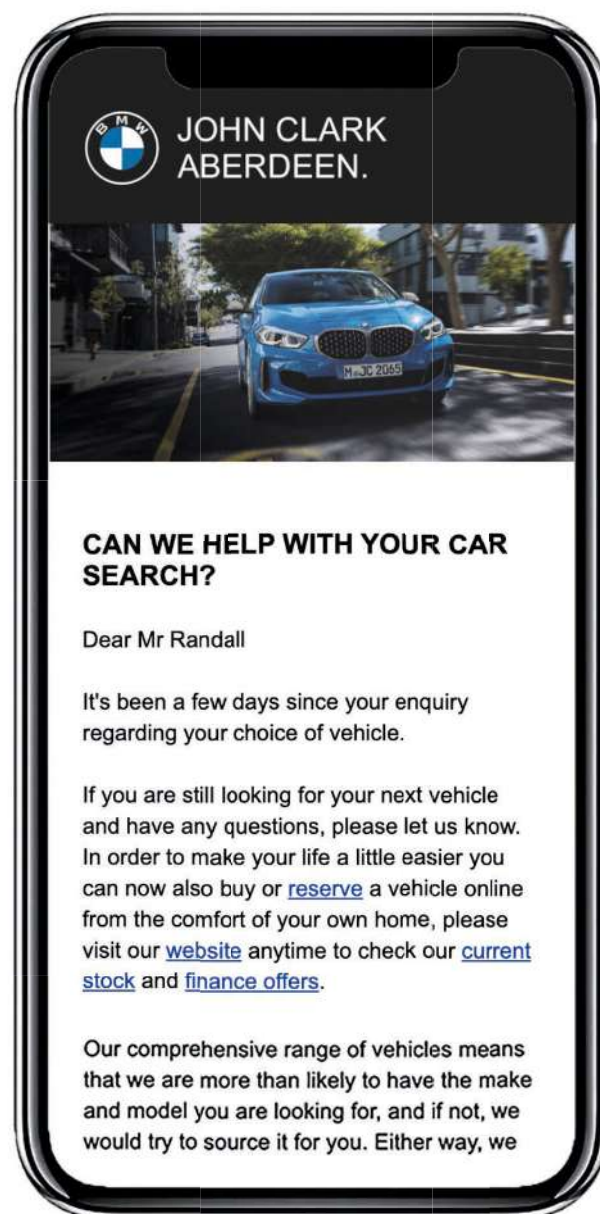
Managing director Jeremy Evans said: "By using proven software which automates many of the communication processes and also compares data sets to ensure customers receive information that's meaningful to them and, crucially, duplicated messaging is avoided, we increase personalisation while, at the same time, dramatically reducing the need for manual input. Providing the personal touch without automation at scale is impossible, but by combining the power of technology with oversight from experts, dealers enjoy the best of both worlds.

"This 'managed automation' means the legwork is done by the system but, ultimately, there are still real people who understand automotive retail analysing the data and maintaining the personal touch with customers."

Marketing Delivery's solutions enable dealers to engage with customers and prospects throughout the buying and ownership cycles. Tailored eCRM sales and aftersales campaigns are deployed via mobile-responsive email and SMS, reaching a wide audience in a highly productive, cost-effective and measurable way.

The benefits of automation are numerous including keeping enquiries warm, freeing up time for staff, keeping customers up-to-date with information including alerts on new vehicles matching their criteria, putting customers in control of their contact preferences ensuring dealers communicate on their terms thereby increasing retention and satisfaction, and dealers can be confident they are GDPR-compliant.

Take Marketing Delivery's latest data project whereby MOT due dates from the DVLA are overlaid with the dealer's database following the Government's MOT extension during the lockdown. Many dealer databases will now be out of date. So, by comparing the data sets, Marketing Delivery's systems can highlight and resolve any discrepancies between dealer data and DVLA data enabling them to communicate accurately with customers.



“WE INCREASE PERSONALISATION WHILE, AT THE SAME TIME, DRAMATICALLY REDUCING THE NEED FOR MANUAL INPUT

JEREMY EVANS, MARKETING DELIVERY MANAGING DIRECTOR

 **VoiceBox**
By Marketing Delivery

All updates are automatically fed back into the dealer DMS where two-way integrations are in place such as with the sector's largest DMS provider Keyloop, improving data quality and eliminating duplications.

Evans said: "The days of double-keying are fast coming to an end. We are not there yet with all automotive suppliers, but our partnership with Keyloop is showing dealers what's possible, not to mention, the increased benefits and efficiencies.

"We are now moving to a point where the elusive overall view of the customer is in sight. Having long been the bane of dealers' lives due to the number of unconnected systems operating in a dealership, the ability to view a customer's entire history and contacts with the business has been a pipe dream for years, but it will soon be a reality."

As Marketing Delivery paves the way for the single view of the customer, it continues to evolve its communications concept with the launch of the latest generation of its eCRM system. Launched in January and piloted throughout Q1 and Q2, Voicebox Sales and Voicebox Service is now being rolled out to existing clients while new sign-ups will be launched on the new system.

Marketing Delivery has improved functionality such as incorporating a 'preference box' feature enabling consumers to select their preferred method of contact which also updates the customer record on the dealer DMS.

Evans said: "Voicebox is the next stage in the evolution of eCRM. It allows dealers to put their content together once and distribute through various channels including social media as well as turning it into a personalised email communication to relevant customers."

He added: "While we continually develop our systems and improve automation and integrations to achieve the one view of the customer, the pandemic forced all of us to rely much more heavily on our digital applications to operate, resulting in a much higher demand for faster and more sophisticated services. Many of

the dealers who have come on board during the past 12 months had run their digital communications manually, but recognised the benefits and efficiencies of migrating to an automated and outsourced system."

The proof, as ever, is in the pudding.

Redline Specialist Cars enjoyed its best sales month ever in June last year following the first lockdown by maintaining communication flows with would-be car buyers through Marketing Delivery's automated system, even when staff were furloughed and with only a skeleton team in place.

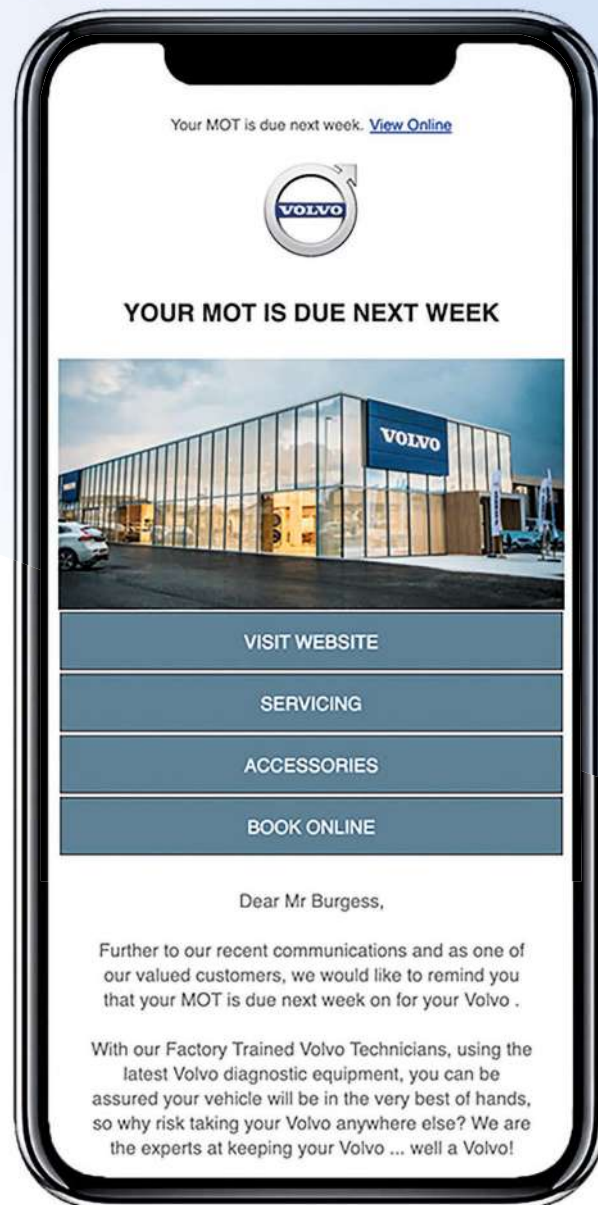
The independent prestige, performance and supercar dealer in Knaresborough, continued to receive the same level of enquiries (around 600-800 per month) but with most of its team furloughed and the showroom closed, the business was in danger of losing sales.

With Marketing Delivery's 'Sales CRM' and 'Car Alerts' electronic customer relationship management (eCRM) software in place, Redline's communications were already automated so customers continued to receive the same level of responses as when the business was fully operational.

John Graeme, finance director at Redline Specialist Cars, said: "The lockdown put us in a position where high-quality automation of customer contact suddenly became incredibly important to us. The vast majority of our customers already communicate with us over the phone or via email, rather than visiting the showroom, and many have a clear idea of the exact car and specification they're looking for. For those customers who were unable to find their perfect car, we used the Car Alerts software to sign these prospects up to automated, GDPR-compliant email updates."

By maintaining its communication levels, Redline achieved a record 200 cars sold in June last year compared with its 150 cars a month average while its 4.9-star Google rating remained intact.

Graeme added: "Marketing Delivery's systems shouldered a significant burden for us, keeping



 **MOTBox**
By Marketing Delivery

customers interested and engaged throughout the lockdown period. By focusing more on the use of digital tools and personalised, automated communications, it meant we were in a really strong position when we opened doors again in June."

Website: marketingdelivery.co.uk
Email: get.in.touch@marketingdelivery.com
Telephone: 01892 599 917

Marketing Delivery
DATA DRIVEN MARKETING



INSURERS HIT RESET BUTTON TO DEVELOP NEW PRODUCTS

Ever-changing needs of customers are being addressed as insurance industry responds to the 'perfect storm' of Brexit and the pandemic

The insurance add-on market almost ground to a halt over the past year as the COVID-19 pandemic took hold. With fewer vehicles on the road during the various lockdowns, demand dropped right off.

Added to that, insurance firms have come under increasing pressure from the Financial Conduct Authority (FCA) over concerns that existing customer prices have been continuing to rise at renewal, with new rules clamping down on the practice introduced in September 2020.

But many suppliers have used the downtime to reset and develop new products better suited to customers' ever-changing needs.

Add-ons can include, but are not limited to: protected no claims discounts, uninsured driver cover, windscreen cover, legal expenses, courtesy or hire car, breakdown (UK/European), personal injury cover, personal belongings cover, key cover and wrong fuel cover.

QBE Insurance has been at the forefront of the market. Over the past 18 months it has been focused on building its existing manufacturer partnerships, by realigning current initiatives and routes to market, and launching new ones.

"We have had to come to meet the marketplace where it is today," says Simon Fletcher, head of sales and development UKI – automotive protection division at QBE Insurance. "Because we are always looking to find the new way forward and had put

the right foundations in place, we were already ahead of the curve.

"The past 24 months have been the perfect storm with first the disruption caused by Brexit and then a global pandemic. But, as we emerge from it all, we are starting to see some movement and in the next six-to-12 months we'll start to see the market open and a change in direction in terms of how it interacts with the end customer."

ONLINE TRAINING

QBE has maintained its well-established specialist workforce as well as continuing to provide them with the required remote online training to keep them on the cutting edge. The insurer has also leveraged its digital platforms to support both its manufacturer partners and dealer network in direct B2B transactional sales to increase retention.

"Much of the past 18 months has been around ensuring that customers are at the forefront of everything that we do," says Fletcher. "The next 18 months is about digital interaction and there's going to be a change in the way that these products are sold, communicated and marketed into the end user. That's very much the space we're working towards as a business."

Among the other market leaders, Assurant has extended its partnership with RAC Dealer Network by five years, up until 2029. The new deal includes a full suite of cosmetic insurance products for dealers including scratch and dent insurance,

combined alloy wheel and tyre insurance, and alloy wheel insurance, which covers minor damage to bodywork, tyres and alloys.

Designed to be sold at point-of-sale under the Assurant brand, white-labelled or as the RAC brand, all of the products include 12-, 24-, 36- and 48-month cover periods. They also enable policyholders to access a national repair network to fix chips, dents, scratches and scuffs caused by everyday driving.

For all three policies, the claims process is designed to be as easy as possible, with information and images submitted through a range of channels including digital, with no need to complete a claims form. Repair can take place at a location of the customer's choice or the vehicle can be taken into a workshop.

Dealers can use an online dashboard to track sales of the products, as well as for Assurant's guaranteed asset protection (GAP) insurance products. The supplier also provides training and marketing support to help them promote their benefits and make them an integrated part of their sales process.

"Working with the RAC, we've created three

“THE NEXT 18 MONTHS IS ABOUT DIGITAL INTERACTION AND THERE'S GOING TO BE A CHANGE IN THE WAY THAT THESE PRODUCTS ARE SOLD, COMMUNICATED AND MARKETING INTO THE END USER. THAT'S VERY MUCH THE SPACE WE'RE WORKING TOWARDS AS A BUSINESS. SIMON FLETCHER, QBE INSURANCE





products that are, we believe, market-leading in terms of the protection and value-for-money that they offer," says Kellie Grocott, RAC director of sales at Assurant. "They are designed to fulfil and exceed the high expectations that consumers rightly have when buying RAC-branded products and services.

"They're intended to be offered by the RAC Dealer Network as an option within any car sale they make, enhancing the overall proposition and tailoring it to individual customer needs. Interest has already been impressive from dealers and car buyers."

Elsewhere, AutoProtect has been focused on developing and extending its SMART product. Drawing on its UK-wide mobile repair team, Shine!, the offering links claims and repairs, helping dealers to provide a better customer experience.

The product's success has been borne out in the figures, with 50% of all customers having made more than one successful claim. Additionally, feedback rating for claims experience from more than 2,500 of its customers was 4.9 out of five.

"Continuous improvement is part and parcel of our approach and this has been evidenced by the extension of our SMART with the addition of Lease

SMART, a product option developed to reflect the increasing appeal and distinct nature of personal leasing," says Stephen McCombe, head of sales at AutoProtect. "We were convinced that SMART represented a high integrity growth opportunity for dealers that would enhance their reputation and retention, and this has proved to be spot on.

"It is the linking up of the customer journey that has made such a difference. Now, we are working to share the good news with more dealers."

ONE-STOP SHOP

WMS has also been developing its new GAP insurance and service plan products as part of its Safe&Sound range. This one-stop shop provides dealers with all they need to give the customer peace of mind that their vehicle is covered for its in-life service, maintenance and repair (SMR) needs through monthly payments.

In the event of a write-off, the amount of compensation is covered by the customer's GAP insurance.

Car Care Plan has also been gearing up to tackle the untapped potential of insurance products designed specially for used vehicle buyers. Among its target markets have been buyers of newer used

cars with alloy wheel insurance and cosmetic repair cover.

Take up by dealers has been strong so far. After satisfying the FCA that these products have a high claims frequency, many dealers have made them primary products in their sales portfolios alongside extended warranty and MOT test cover.

Their value is reflected in the growth in customers with vehicles on personal contract purchase (PCP) who make claims on their cosmetic or wheel repair cover towards the end of their finance agreement to ensure the car is returned in good condition.

There have been several significant deals by smaller players too. Honcho announced in June that it had partnered with SilverBullet to provide insurance services as part of the online car buying journey.

Dealers using the SilverBullet platform will now be able to offer insurance products to online car buyers at the point of sale.

SilverBullet enables dealers to manage their stock and handle the full new and used car sales journey, including the management of finance applications and the end-to-end sales, purchase and delivery processes. **ALEX WRIGHT**

CHOOSE YOUR SUPPLIER SPOTLIGHT

Optimising retention and lifetime value

Re-imagining the roles of added value services

The car retailing landscape has changed significantly over the past year. The COVID-19 pandemic, the subsequent shift to omnichannel retailing, new Financial Conduct Authority (FCA) rules for motor finance, the emergence of online used car retailing brands, the increasing presence of alternative fuelled cars and the trend by OEMs to agency models all stand out.

Against this backdrop, the motor retailing community has demonstrated its ability to survive and, indeed, thrive. Inherent to the sector's success has been a capacity to adapt. New technologies, working practices and a greater focus on cost control have paid off, but dealers need to stay ahead of the curve and sustain the change momentum.

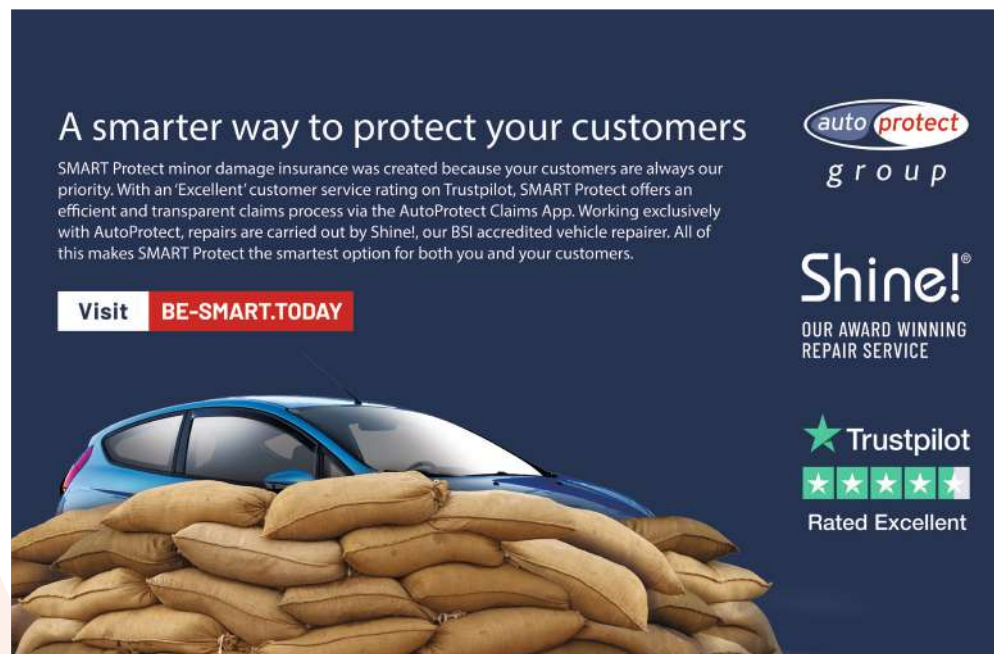
Every process, product, price and promotional approach in motor retailing has, and will continue to, come under scrutiny. Among these will invariably be:

- Retention
- Lifetime value/cost of acquisition
- Reputation

Inherent in all of these is customer-centricity. It points to a strategic shift and a longer-term view of the traditional dealer model. It also points to the value of collaborating with partners who will share support and contact with customers on their ownership journey long after they have driven off the forecourt.

The value of 'great fit' collaboration in added value services

Just ahead of the changes in car retailing created by the pandemic, KPMG published a paper on the future of car retailing. It noted: "Finance and insurance, where new online, alternative finance companies are already competing against the OEM captives and major banks



A smarter way to protect your customers

SMART Protect minor damage insurance was created because your customers are always our priority. With an 'Excellent' customer service rating on Trustpilot, SMART Protect offers an efficient and transparent claims process via the AutoProtect Claims App. Working exclusively with AutoProtect, repairs are carried out by Shine!, our BSI accredited vehicle repairer. All of this makes SMART Protect the smartest option for both you and your customers.

Visit **BE-SMART.TODAY**

auto protect group

Shine!
OUR AWARD WINNING REPAIR SERVICE

Trustpilot
★★★★★
Rated Excellent

through better terms and customer experiences, will also heat up. Collaborating with these players, rather than seeing them solely as competitors, will be critical for the survival and success of OEMs and dealer partners."

Arguably, collaborating with businesses who have invested in their digital capabilities to offer a compelling customer experience which understands the motor retailing and regulatory landscape and which is proud to be a proactive and authentic consultative voice makes sense.

Added value services can have a critical role in the ownership/usage journey for many customers. The success, or otherwise, of the relationship, which can be tripartite, can significantly impact retention, lifetime value and the dealer's reputation. Get it wrong, and the



OUR GOAL IS TO SUPPORT AN EVEN BETTER BUYING EXPERIENCE THAT CUSTOMERS APPRECIATE, CENTRED AROUND INTEGRITY

MATTHEW BRIGGS

long-term relationship can fall apart and damage a dealer's reputation. On the other hand, get it right and the ticks are all far more likely to be in the positive boxes.

It is a philosophy that drives AutoProtect Group's approach, as Matthew Briggs, its CEO, observes: "All added value service providers, their products, processes and reputations are not the same. Our commitment to customer-centricity is deeply embedded into our culture. In turn, this is evidenced in our products, processes and the authenticity with which we work hand-in-hand with our dealers."

Matthew is also clear that dealer's choice of added value service providers should gain increased focus as the car-buying public moves towards electric vehicles (EVs), noting: "Service, maintenance and repair (SMR) activities have been mainstays

www.be-smart.today • linkedin.com/company/autoprotect/ • sales@autoprotect.net

KEY CONTACTS

of dealer profitability and customer contact for many years, but it is set to change. Battery EVs are expected to reduce SMR requirements by 40-60% compared with petrol/diesel vehicles. Added value services can help dealers to start bridging this gap, most notably in enhancing reputation and retention now."

Creating a compelling added value service experience

The reputation of an added value service provider should be seen as a crucial metric. AutoProtect Group has an overall ranking of 'Excellent' from 4,590 consumers. The data makes it the market leader.

While all added value service providers are not the same, nor are their products and processes. AutoProtect has invested in digitising its claims process. Claims apps are making claims faster and slicker, helping both the car buyer and repairer. Such claims success only happens when the product meets the customer's needs. This relies heavily on the specification and scope of each product and the transparency with which it is promoted.

To help its dealer partners, AutoProtect has developed a 'pincer movement' approach. Plain English documentation, a suite of tools to explain the products in the showroom and online and a continuing commitment to training in showrooms across the UK.

Matthew says: "Our goal is to support an even better buying experience that customers appreciate, centred around integrity. We want people to choose products that meet their needs based upon an understanding of what is covered and how the claims process works. There is no substitute for good training."

The increasing role of a portfolio philosophy

A focus on a selected product is unlikely to optimise the long-term role available from added value services. In a customer-centric dealer, success is most likely to come from helping customers to match their needs to the products on offer.

Building upon this philosophy, it also stands that some customers may choose more than one product. AutoProtect Group has seen this philosophy working effectively when the dealer's promotional approach switches to make it easier for customers to decide to buy rather than the more traditional sales push.

"The 'make it easy to buy' approach places the customer in control. Any perceived pressure is taken away and the customer can reflect on the appropriateness of each option," adds Matthew.

A smarter SMART choice

Central to the high satisfaction rating with AutoProtect's SMART Repair cover is the unique joined-up approach between AutoProtect and its national network of minor damage experts at Shine!

Shine! offers a team of fully-employed, highly-trained mobile repair experts across the UK. Aston Martin, Ford, Mercedes-Benz, Lexus, Toyota and Vauxhall use the team's expertise. The quality of the team's work has seen Shine! accredited by the IMI, the first mobile repair company to be presented with this prestigious recognition.

When a claim is made and a repair booked via the dedicated app, your customers can be confident that a Shine! expert will bring their skills to the claimant's home or work address and that, with a service-level agreement (SLA) of 14 days, the work will be completed superbly and quickly.

SMART insurance has an increasing role in reassuring and delighting customers according to all the data from AutoProtect's unique end-to-end SMART model.

Promoted online and in the showroom, AutoProtect's SMART insurance proposition is helping to delight and retain customers for dealers by delivering good outcomes.

**A 4.9/5
SMARTTrustpilot
rating from more than 2,500
customers for AutoProtect's
SMART Insurance, supported
uniquely by the business'
UK wide Shine! mobile
repair business**

**50% of
customers
make more
than one
claim**



Matthew Briggs,
Group CEO



Steve McCombe,
Head of Sales
smccombe@
autoprotect.net



James Barr, Corporate
Business Development
Director
james.barr@
autoprotectgroup.
co.uk

A few product highlights:

Smart Repair – welcome to the Shine! difference

Central to the high satisfaction rating with AutoProtect Group's Smart Repair cover is the unique joined-up approach between AutoProtect and another group company, minor damage experts Shine!

Shine! mobile repairers

Shine! offers a team of fully-employed highly-trained mobile repair experts across the UK. Shine! is accredited by the IMI, the first mobile repair company to be presented with this prestige status.

GAP & RTI insurance

A comprehensive product range including a specific option available for PCH finance.

Warranty

Rather than simply offering a 'good' warranty, AutoProtect has gone several extra steps forward by developing an industry-leading warranty with a new level of control and support to make the claim's process remarkably easy and fast – iClaim.

Alloy wheel insurance

Another product customers appreciate if purchasing a car with alloy wheels. Highlighting the possibility of alloy wheel insurance should be seen as a natural step every time. Alloy Wheel Insurance from AutoProtect is designed to keep alloys in 'as new' condition should a mishap occur – and we all know it can!

Tyre

The AutoProtect Tyre Insurance can provide a fast, convenient service which covers both accidental and malicious damage.

Paint protection

When your product carries the Williams name, which is so synonymous with high performance in the world of F1 motor racing, that high performance has to be reflected in the sales, utilisation and post-sales support.





SENTIMENT AND EMOTIONS OF MANAGING BRANDS ONLINE

Understanding the nuances of the language used will grow in importance given that the passion for online reviews accelerated during lockdowns and shows no sign of relenting

Billionaire investor Warren Buffett once warned that a reputation carefully built over 20 years could be destroyed in five minutes. The time frame has shrunk in these digital times, so it's surprising to hear that not everyone in automotive has fully embraced the importance of managing their online brand.

"Kia, Mazda, Toyota, Lexus and Nissan were very quick to understand CX (customer experience), but some OEMs, particularly from Germany, thought brand trumped everything, although that's visibly no longer the case," suggests Feefo's head of marketing, Keith Povey.

"I've been on virtual lecterns for months telling people they have to listen to their customers properly, not simply congratulating themselves if they've got 4.8 stars out of 5.0.

"If you only take the score, you are missing that little element. Listen to the data. Most big brands are taking their data, analysing it, better understanding their customers and then folding it back into what they do."

The increasing length of online reviews (up almost 20% in the last year, according to Feefo) presents one challenge for dealers trying to monitor what people are saying, but language is by far the most important.

"Managing your reputation is about identifying sentiment and emotions, so when you run reviews through our programme, it will pull out words used in both a positive and negative sense, otherwise you can easily miss something amid a very positive review," says Povey.

"The CX strategy will be different for every OEM, but for instance, we've been working with Mazda to discover how best you can move people from the virtual showroom to the real one, and how people



WE'VE SEEN A SHARP INCREASE IN TAKE-UP FOR OUR REVIEW INSIGHT PACKAGE BECAUSE, IF YOU HAVE HUNDREDS OF REVIEWS COMING IN EACH MONTH, YOU HAVEN'T TIME TO SCROLL UP AND DOWN THEM TO SEE WHAT PEOPLE ARE SAYING

NEIL BAYTON, TRUSTPILOT UK

feel about the length of their test drives etc."

Another intriguing shift during COVID saw Vauxhall decide to use pictures of real customers on their social media platforms to personalise the content.

"Both dwell time and engagement time rose about their previous average. I think user-generated content also offers reassurance and credibility," says Povey.

"We all love gazing at stunning images of cars on the Amalfi coastline, but buyers spent more time looking at customer pictures. There'll always be a place for aspirational movie-style photo-shoots, but dealers and OEMs need to understand CX in all its evolving forms."

PASSION FOR ONLINE REVIEWS

Trustpilot's UK partnership director, Neil Bayton, notes that the passion for online reviews which accelerated dramatically during lockdown shows no sign of diluting.

"In the first half of 2021, we signed up an average of 100 new automotive businesses every month, and during Q2, we saw an average of 82,000 reviews left for dealerships on our platforms, up from the Q1 total of 68,000."

The number of customers using Trustpilot to check on the reputation of dealers, judged by visits to their profile pages, also continues to rise.

"During May 2021, we had the highest total for the past 18 months, 764,000 views, which represented an average of 1,500 views per dealer," says Bayton.

As people who initially thought the 'dash to digital' was a transient blip rather than long-term trend realise they must enhance their online presence, Trustpilot has seen an influx of mid-market group dealers.

"Traditionally, we'd operated at the upper echelon of the market, but we broadened our focus when the first lockdown began and it's paying off," says Bayton.

"I think we'll see more mid-tier dealerships increasing their use of digital technology, moving towards a model of end-to-end e-commerce or, at the very least, taking deposits online.

"We've also seen the classified ad platforms, such as cinch, coming on board, because trust is paramount to their model. As the cost of having an online presence continues to fall, I think even small dealers will use reputation management services to establish a competitive advantage."

Like Feefo's Povey, Bayton believes it's essential for dealers and manufacturers to look at the sentiment behind the headline scores, and clearly their message is being heeded.

"We've seen a sharp increase in take-up for our Review Insight package because, if you have hundreds of reviews coming in each month, you haven't time to scroll up and down them to see what people are saying," he says.

"It made sense to highlight key topics. We chose servicing, new car sales, customer experience, test drives and delivery, so reviews which mention





those topics are categorised under each subject which is increasingly popular with dealers.”

At JudgeService, managing director Neil Addley says its Reputation Manager service will be relaunched in September – and with a more intuitive feel.

“Previously, dealers could only access reviews from JudgeService. But, in the future, they’ll be able to access them from anywhere. Dealers can also use reviews as a marketing tool and create social media content from within their own system,” he says.

“Saying that, reviews are a by-product of what we do, rather than the essence of what we do, which is to help improve customer service levels. Where we’ve really invested time and money in the past year is in much more extensive training, engagement and reporting with the dealers.

“We went to clients and said we can do more, and they’ve said ‘yes please’. We’re also working on a new customer retention programme. We did secure new business during lockdown, but our main focus was on not losing anyone.”

UNEXPECTED PRESSURES

JudgeService’s data indicates that dealers have significantly improved their digital offering under the unexpected pressures of the pandemic.

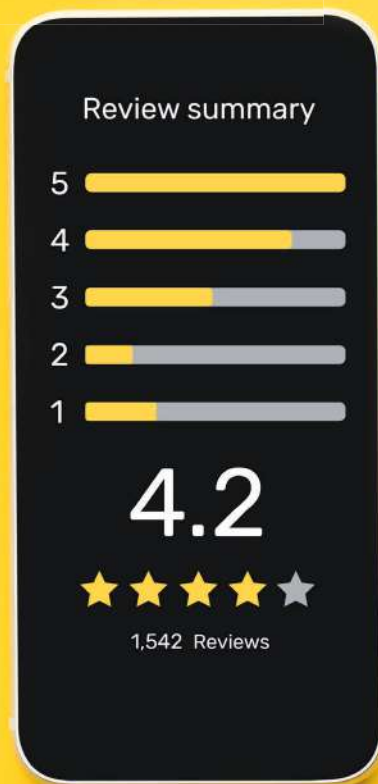
“At first, the customer experience was very mixed, but the scores for buying online are now running at pretty much what you’d expect from an in-person purchase,” says Addley.

“That said, as soon as showrooms were able to open, the return to ‘normal’ was very quick, with one caveat. Our research to the end of June showed that social distancing was still the third most important element of buying. The first was the sales person, and the second was the handover.”

While the rapid uptake and enhancement of digital technology is well documented, JudgeService’s research also identified a shift to buying local.

It’s too early to assess if that mindset retains its lure after COVID restrictions are finally lifted, but it is clearly an influence to watch out for during the second half of 2021.

However, Reputation’s director of automotive – EMEA, Andy Wand, believes some dealers and



OEMs have still to factor in the huge impact of digital technology on society.

“I find it puzzling that in all sectors, some major brands still try to engage via questionnaires posted to customers’ homes, or NPS (net promoter scores) online to help gauge the strength of their brand and the satisfaction level of their products or services,” he says.

“I’m not saying that everyone has a smartphone, but most do and you’d expect any purchaser of a new vehicle to have access to one.

“It seems so obvious now that you should always try to engage with customers ‘in the moment’, but it probably took five or six years before that became common practice.

“Now, the engagement is at a more intense level, but the core principles are the same and it’s critical for dealers to make sure all their contact is personal, relevant and timely.

“We’re probably two or three years away from the tipping point when every OEM and every dealer finally recognises the need to up their game to match consumer expectations, but the ones who

do get it are leaving the others behind because they are adopting digital products and services.”

Wand also has concerns that the automotive sector has yet to fully take on board the strength of the ‘people like us’ mood on review platforms.

“It became very clear during the pandemic that customers were choosing (for instance) a supermarket because others made very positive comments about them,” he recalls.

“If I put preferences into a search engine, let’s say I use ‘Mini Cooper’ and ‘test-drive’ and ‘dealer near me’, then I’ll see a list of reviews for that brand, I’ll start reading them and their opinions will become relevant and important to me.

“However, unless that dealership knows about these reviews and is monitoring them, they can’t track them and engage with them.

“Organisations need to understand that (say) Audi competes with Mercedes at a local dealership level, but the ease of engagement I have with Audi compares to Amazon and Google, not to Mercedes, and they need to be aware of that mindshift.”

IAN HALSTEAD

Taming 'data in the wild' will smooth path to sales

Andy Wand, Director of Automotive – EMEA, at Reputation explains why dealers must fully embrace the digital era ... or risk being left behind



For decades, a customer's journey across the automotive landscape was a linear experience.

Yes, it took time to visit dealers, collect catalogues, discuss different brands with family and friends, have test drives and make the final decision, but the process was always very much from A to B.

In these digital and inter-connected times, though, the journey is far more complex and convoluted.

Would-be buyers Hoover up information from a myriad of sources, read dealership reviews, visit motoring platforms and consider lists of 'likes' and 'dislikes' before making their decision.

Andy Wand spent 15 years accumulating experience and expertise in the European automotive industry before joining Reputation in March 2021 as Director of Automotive – EMEA. He says mobile technology has made the research process continuous for everyone, regardless of sector.

"We can spend months making holiday plans, only to be influenced in the days before we book by reading

about an amazing place on TripAdvisor and seeing how highly it's rated. Car purchase decisions are impacted in exactly the same way," he says.

"You may have chosen your Brand A vehicle because it had a five-star safety rating and that was the most important element within your decision-making process, although you preferred Brand B for all of its other features.

"However, just as you're getting ready to sign your PCP agreement, another dealer, offering Brand B, texts you to say their latest rating is also five star, and you walk out of that showroom.

"Making purchasing decisions is now impacted by so many influences that it places a premium on the ability of dealers to identify how potential buyers are making their journey – and understand how to influence each stage of their decision-making."

Equally, Wand says dealers must be intensely aware of a customer's emotional mindset, and of its crucial importance in the final decision.

"When people buy a new car, it's usually emotional rather than functional. We know from years of

“

THERE IS ABSOLUTELY NO REASON NOWADAYS, GIVEN THE AMOUNT OF AVAILABLE DATA, NOT TO TAILOR A PERSONAL RESPONSE WHICH IS SYMPATHETIC AND EMPATHETIC

ANDY WAND

data that around 85% of purchases are down to emotions and perceptions, often because people associate certain brands with a particular lifestyle.

Wand says: "It's been really interesting to see how perceptions about what matters have evolved in recent years. At its most basic, everyone needs to realise that you can no longer understand a customer's journey from a purely VoC (voice of the customer) perspective.

"Some aspects are obvious and tangible – and always have been. That smile, that welcome, maybe something as seemingly inconsequential about offering someone a cup of freshly-brewed coffee while they're waiting for an appointment.

"However, the most powerful influences today can't be immediately seen. You need to collect and analyse the data which is impacting customer decisions about both brand and dealership.

"We often talk about the existence of 'data in the wild' which needs to be harvested. If you can understand the data which impacts your customers, you're in a much better position to

KEY CONTACT



**Andy Wand, Director
of Automotive - EMEA**

establish a rapport, complete a sale and build a relationship."

In the era of A-B customer journeys, when CX (customer experience) analysis was in its infancy and feedback was typically via paper questionnaires, the accepted methodology for judging satisfaction was via Net Promoter Scores (NPS).

"When NPS was conceived almost 20 years ago, it was a breakthrough moment. The idea of using a scale from zero to 10 was simple to explain, and the concept that higher scores led to referrals, repeat business and additional revenue was immediately compelling," recalls Wand.

"However, the onset of the digital era in parallel with the evolution of sophisticated CX strategies has left NPS behind, in the way that we no longer watch TV on Sony Trinitrons which need two burly individuals to carry them across our front rooms.

"NPS can still provide one measure of the customer experience, but its fatal flaw is that it lacks context. Looking at the scores and seeing that you were picking up lots of 7s and 8s was a great feeling, but it soon faded when you realised you had no idea what was working – and what wasn't."

One of the guests at Reputation's online forum in June raised the issue of 'being found', and Wand says that has

become a core element of digital models.

"You need to know how customers engage with your brand and see into their individual decision-making process much further back along the purchasing journey. Getting found and being chosen is crucial."

The pandemic has accelerated adoption of digital technology in all its forms, and more people now expect to be heard on social media, as opposed to simply expressing their views.

"Reviews are increasingly important as opposed to the very simplistic old-school metrics from NPS. You need to allow customers space and freedom to express their views and then you can search for your key words, create action points and respond," says Wand.

"When you do engage with customers or potential customers, it's vital to remember that sending a generic response isn't good enough. There is absolutely no reason nowadays, given the amount of available data, not to tailor a personal response which is sympathetic and empathetic.

"Dealers must realise that the expectations of customers have changed, and that if they don't engage, and engage correctly, they

will lose significant numbers of prospects."

The messages of the past 18 months about online reputation management seem evident, but Wand admits they still have to reach everyone.

"BMW, Hyundai, Kia, and Renault are the OEMs who really get it. Among the dealership groups, Pendragon stands out. Half of the AM100 Top 20 use Reputation. They are all at the leading edge of where customer experience is going, how they measure it, how they lead it and how it fits into their wider sales strategy," he says.

"Some brands are still lagging though, and it's interesting how some OEMs who claim that customers are at the heart of their model don't engage with the digital tools which would enable them to deliver on their promises.

"Buying a new car is usually the second largest financial decision of our lives, and as consumers increasingly rely on digital technology to underpin and shape their journeys, dealers and OEMs simply have to engage with them on their chosen platforms."

Reputation



Email: emea-info@reputation.com • Call: 0800 066 4781



PAINT PROTECTION INDUSTRY EXPANDS INTO POST-COVID FUTURE

The paint protection industry suffered alongside franchised dealers during the COVID pandemic. But the shoots of recovery are beginning to show, as *Craig Thomas* discovered from some of the leading companies in the industry

When franchised dealers were forced to close their doors at the start of the COVID-19 pandemic, it wasn't only cars that they stopped selling: associated industries such as the manufacture and supply of paint protection products also suffered.

Thankfully, with the easing of lockdown, the automotive retail industry is picking up – and, according to some of the leading companies in paint protection, so is their business.

The COVID pandemic will have long-lasting effects for all of us, in many different ways, but the paint protection industry has been adapting from the very start of the crisis.

As Jewelultra marketing director Lance Boseley tells us: "When it was announced that we'd go into full lockdown, that meant we lost virtually all our business, because 90% of it is UK franchised car dealers and independents."

"The first thing we did, though, was switch all our manufacturing to making sanitising products. Because we're a chemical manufacturer, it's not that difficult to switch formulations around. The alcohol in sanitising products is isopropyl or ethanol, which went into a lot of our products such as glass cleaner. We just switched everything over and started supplying the NHS, local authorities, doctors, schools and hospices. And we donated some to those people, as well."

This ability to pivot towards developing and manufacturing new products is one the industry is used to, so the interruption to business merely served as a reminder of the potential for innovation. A number of paint protection products that are currently on the market, or due to be launched, will demonstrate the extent of that innovation.

For example, AutoProtect Group has a new

offering in the increasingly popular ceramic coatings market. As AutoProtect's Alex Youngs tells us: "We're due to launch a new ceramic coating to the market, perhaps in quarter four this year, or quarter one next year. It's the evolution of paint protection. Paint protection has never really covered stone chips or slight scratches. We're now looking at self-healing ceramics, a new generation of coating."

Reep Group managing director Chris McDonald spoke to us about the new products we are seeing at dealerships. He says: "We partner directly with Gtechniq, with a lot of the dealerships that we're now working with offering both Gtechniq Platinum ceramic and PPF (paint protection film). We've created a product called Halo with Gtechniq, which is a PPF-specific ceramic."

"We're also doing wrapping and personalisation touches like gloss black, carbon fibre touches. The technology has come on so much in the last couple of years, the products are fabulous."

"We're also seeing developments in 3D patterning and we're also looking at paint protection spray very carefully. We looked at that two or three years ago, but it wasn't ready. We're still not convinced it's a direct competitor to PPF, but it is certainly something that we are looking at."

Jewelultra is also busy developing a ceramic coating product, but has a new approach to applying it, as Boseley explains: "Ceramic's a bit of a buzzword, but a problem with a lot of ceramic products is they are difficult to apply. Our Diamondbrite product is a two two-stage chemical that goes on paintwork."

"The good thing about that is it's pretty much idiot-proof. It's not going to sit to a point where you can't get it off. You can leave it on for 24 hours and it will still come off."

"Because we manufacture the stuff, we've been



playing around with different formulas. And we think we found the solution to the application problem that has been around with ceramics for a while. We're working on it right now and should be ready within the next two or three months."

It's fair to say society has become more conscious of hygiene measures, thanks to COVID, and, with paint protection being a chemicals industry, new cleaning products are also being developed.

Supagard has developed Supagard Grit, for instance, a sanitising solution for the workshops with an accompanying barrier cream that is competing with Swarfega.

Supagard UK national sales manager Craig Hepworth, describes its use, saying: "We've got this product that does pretty much what Swarfega does, in terms of cleaning oil and dirt and grime off hands. And then we've got a barrier cream. You normally have a three-stage process for hand cleaning in a workshop. We've got the grit that cleans and then the barrier cream is like a two-in-



**“WHEN IT WAS
ANNOUNCED THAT
WE’D GO INTO FULL
LOCKDOWN, THAT MEANT WE
LOST VIRTUALLY ALL OUR
BUSINESS... THE FIRST THING
WE DID WAS SWITCH ALL
OUR MANUFACTURING TO
MAKING SANITISING
PRODUCTS**

LANCE BOSELEY, JEWELULTRA

one. So, instead of having three products on a washroom wall, you only need two. We really see a future in it, because workshops will always have people washing their hands.”

While a quarter of the paint protection industry’s business was lost in 2020, there has been no shortage of business wins and opportunities for expansion in the last year.

Reep, for example, might operate at the more niche luxury and premium end of the market, but business is booming, as McDonald says: “We’re doing a lot of work with the big dealer groups and, now, manufacturers, so we’ve signed an exclusive deal with Ferrari as their UK support network for paint protection film.

“We also signed Sytner, which is now our biggest single client, nationally, working with all of its specialist dealers, offering PPF. We’re working with the guys at Parks Group, on Lamborghini and McLaren. We’ve got five sites now, with another opening in the middle of July near London. We’re

also looking at Leeds and Manchester/Cheshire, at the moment.”

The paint protection companies are also expanding beyond franchised dealers, though, with Supagard having won a contract with online retailer Cazoo and rebranding its products CazooGard.

At the same time, Jewelultra is embracing e-commerce, which has coincided with a spike in sales of its B2C products. Boseley says: “I think what the pandemic has done is that people working from home or on furlough had a lot of time on their hands. A lot of them have decided to use that time to clean their car, caravan, motorbike, whatever it might be. During the pandemic our retail sales – through our web shop, Amazon, eBay and Euro Car Parts – were up between 300% and 400%.”

Could the pandemic mean that we’re seeing a return of home car cleaning?

And what of the future?

Despite the shock of 2020 and early 2021, all the executives we spoke to in the paint protection

industry seemed to be hopeful and looking forward to a revival of the car market.

The path isn’t necessarily straightforward, though, especially in the short term. Hepworth says: “Dealer supply is going to be the problem for the next six-to-12 months. New car stock levels seem to be behind where the dealers would need them to be. Production had been scaled back anyway, but then there’s this microchip challenge for manufacturers, which is causing some production issues for them, in terms of volume.

“Nobody can plan right now as to what is going to be the retail demand for a car – or for anything. You just don’t know. The way consumers are behaving, at the moment isn’t normal. Will all that money that’s apparently been saved up be spent on a new car, or will it be spent on a new house or an extension to the house, or a big holiday?”

We’re all looking forward to a resumption of normal business, but it looks like COVID will continue to hang over us for some time yet. **CRAIG THOMAS**

CHOOSE YOUR SUPPLIER SPOTLIGHT

The appliance of science

Science and sustainability are the motor industry's driving forces as it emerges from lockdown – and Supagard typifies the new mindset.

Its latest product launches also underline the transformative power of innovative research and the crucial importance of embracing customer feedback.

James Smyth, the Glasgow-based company's long-term technical director, almost overflows with passion as he describes the evolution of the latest additions to its product range – a heavy-duty hand-cleaner and a hand barrier cream.

"I was originally working on a new ozone-based treatment for cars which could take lingering odours out of the interior, particularly for removing the smell of stale smoke from pre-owned vehicles," he recalls.

"Then, when Covid arrived, and the focus was more on chemical products to protect people, we were able to tweak some of our existing technology and create an advanced formulation to help remove dirt and grime from hands and a cream that would help sanitise and restore the skin safely.

"One brand has dominated the market for years, but in the post-pandemic environment, no one will want to dip their hands into a large tin of gloopy gunge which has previously been used by others.

"We were determined to create a solvent-free product which could be dispensed safely and efficiently, so we worked with a specialist company to design a secure container which could easily be wall-mounted."

The impetus for the development of the barrier cream came from customers, particularly body-shop technicians and auto engineers, who rapidly began using multiple products during their working day under the restrictions imposed to tackle Covid-19.

"We received feedback from dealerships about staff using one product to clean their hands, another to act as a barrier against germs and then a third at the end of each day to repair the damage done by so much washing and cleaning," says James. "It took months to develop creams which sanitised, moisturised and added a barrier to the skin in one.



KEY CONTACT

James Smyth
Technical and
Purchasing Director
e-mail: James.Smyth@supagard.com
Tel: 0141 633 5933
Mobile: 07584 053553

"I don't think anyone, especially in a busy workplace, wants to be using several different products each day, but this is a complete package in just two products. Our heavy-duty hand cleaner can be used on either wet or dry skin, so you can use tissues if you prefer them to water and it leaves a lovely smooth feeling.

"A crucial element for both the cream and the cleaner during our research was the speed at which they acted. Companies often claim their products can kill 99.9% of germs, but never say how long they will take to do so. These act instantly."

NO ONE WILL WANT TO DIP THEIR HANDS INTO A LARGE TIN OF GLOOPY GUNGE WHICH HAS PREVIOUSLY BEEN USED BY OTHERS

JAMES SMYTH



A philosophy that delivers

It's two years since Craig Hepworth became Supagard's sales manager for its UK operations, and it took no time at all for him to appreciate the company's philosophy.

"I obviously knew the brand, its history and its reputation, but, until I arrived in Glasgow, I hadn't realised what I think should be its biggest claim to fame," he admits.

"We might take time to devise a product, test it and then bring it to market, but you can absolutely guarantee that it will do what it says. The research and the science leads the marketing here, which really makes this business stand out."

Craig was equally impressed by the speed at which Supagard adapted its long-term business model when the pandemic hit the UK.

"For more than 30 years, everything had been about creating products to protect paints, fabrics, leather and glass, but the focus is now also on protecting people," he says.

"The events of the past 18 months have really made everyone realise that sanitisation is paramount in the workplace, especially in automotive dealerships and workshops where oil, grease and solvents are always present.

"What you can't see has become the most important aspect and these new products take out bacteria, oil, grease and grime like nothing I've ever seen. The barrier cream which James (see facing page) created is smoother than expensive cosmetics."

Craig even put the new Grit hand cleaner through its paces at home after a long and wearisome session of gardening.

"I'd been digging and pruning and just happened to have a tube near the sink. I squeezed a little onto my hands and rubbed them under the tap to see what impact it would have," he says.

"I was amazed. They were absolutely clean at the first go and there was no residue, which never happens with the usual hand-cleaning products.

"I tried it again after I'd been fixing my bike-chain, when my hands were covered in oil and tiny bits of gravel and had the same results.

"I was telling everyone, even before



KEY CONTACT

Craig Hepworth
UK National Sales
Manager
e-mail: craig.hepworth@supagard.com
Tel: 0141 633 5933
Mobile: 07557 684 320

our field team took the new products out in June, that this was perfect for technicians, valeters, the reception staff and anyone else in dealerships who wants to be certain that their hands are bacteria-free."

Craig is also confident that the new products are pitched at the right price-point, which has been strengthened by the feedback from customers.

"Staff at every dealership and technicians in every workshop are cleaning their hands several times a day, often using expensive products and tied into a long-term contract," he says.

"We wanted to create something which in terms of quality and speed could match anything on the market, but also at a price point which made them affordable and excellent value."

EVENTS OF THE PAST 18 MONTHS HAVE REALLY MADE EVERYONE REALISE THAT SANITISATION IS PARAMOUNT IN THE WORKPLACE

CRAIG HEPWORTH

Email: info@supagard.com
Visit: www.supagard.com

Supagard®



SERVICE PLANS MUST ADAPT TO THE SHIFT IN POWERTRAINS

Sales of ICE vehicles are set to 'melt' over the next decade as 2030 ban looms, so service plans will need to evolve in line with the changing face of car retail

The UK service plan market is going through a reinvention following the travails of the pandemic that forced a downturn in sales. As the showrooms closed, vehicle sales dipped and service plan volumes went down with them.

It's telling that many service plan providers declined to comment when approached to be included in this feature.

There has been some recovery since the market has reopened, but, as eDynamix strategic account director Steve Ure explains, it will be difficult to regain what was lost over the past 12 months.

He tells *AM*: "It's no surprise that the various lockdowns have affected dealers and there has been a knock-on effect on service plans.

"We'd had consistent growth year-on-year until early 2020. The dealers being completely closed at the start of the pandemic had an effect on service plans and sales went backwards by 39% compared with the first five months of 2019."

Service plan sales never really recovered in 2020 and they are still down by 29% for eDynamix, so Ure says the industry definitely has some catching up to do to get back to pre-pandemic levels.

Despite the challenges of the pandemic, eDynamix continued work with Toyota on launching its online service platform in September 2020. And in June 2021 it launched Kia's real-time online service booking platform.

The business didn't make use of the Government's furlough scheme and has not made redundancies

during the pandemic. Ure says: "We are still growing in other areas of the business, with our core being the workshop management suite we offer, so we're expanding and recruiting all the time."

While Ure says eDynamix continued to recruit during the pandemic, rival EMaC also made some new hires. Michael Cooper became national sales manager for warranty and Anupom Deypurkaystha is supporting EMaC's ability to integrate its services with other systems.

Cooper joins from AXA and has worked across Europe supporting manufacturers and retailers with their retention strategies.

EMaC also made some promotions, with Laura

Cartwright stepping up to operations director in June, while Liam Finney was made director of commercial partnerships.

EMaC introduced its Aftersales Academy in 2019, which offers free training for dealers with on-site workshops, webinars, incentives, hosted events and awards for star performers.

Unfortunately, the academy was paused in 2020 due to the pandemic, with around 150 delegates from various dealer groups due to begin training.

EMaC managing director John O'Donnell says: "We are keen to recommence the academy as soon as COVID-19 restrictions allow, hopefully the end of this year."

EVOLUTION OF THE INDUSTRY

Ure believes service plans will have to evolve as a proposition, particularly as electric vehicle (EV) sales continue to grow in the future.

The opportunity for servicing is different for EVs as they have fewer moving parts and so the aftersales proposition is quite different to internal combustion engines (ICEs).

All the revenue for EV servicing is from labour for the dealer, but there's very little for the manufacturer in the way of parts sales.

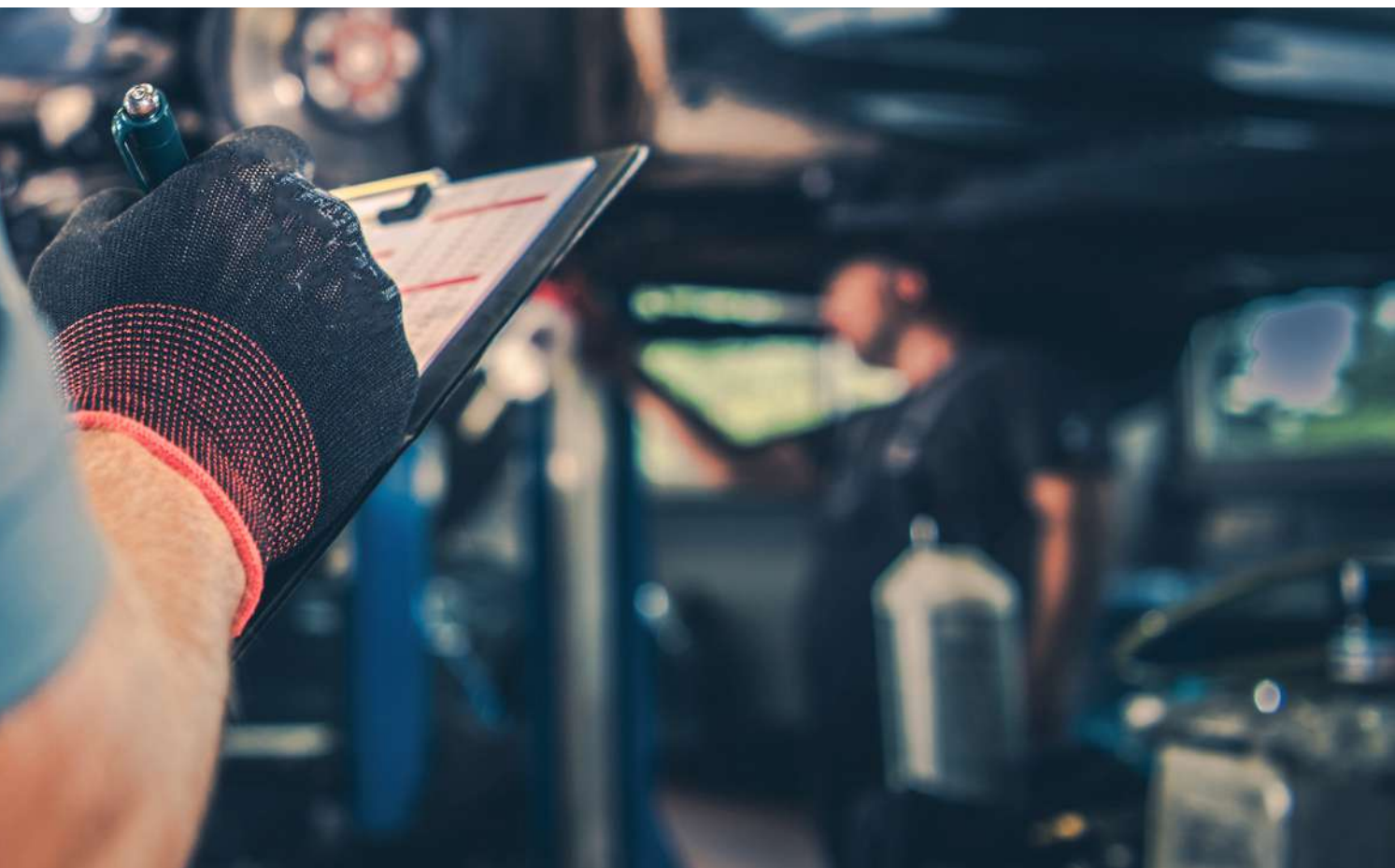
Ure predicts service plans are likely to be replaced over the next two-to-three years with manufacturer-led subscription packages and this will be first introduced on EVs.

This will coincide with many manufacturers looking to switch to an agency style model, where

THERE WILL STILL BE A PLACE FOR SERVICE PLANS, BUT SUBSCRIPTIONS IS WHERE IT WILL MOVE TO



STEVE URE, EDYNAMIX



ISTOCK.COM/WELCOMIA

dealers are paid a set fee for each handover and this is already happening with EV products, where car brands are selling direct to consumers online.

Some EVs are sold with features they can activate through an app, but manufacturers are looking to offer upgraded services to used EV customers in the future, including offering total cost of ownership subscription solutions.

A subscription could bundle in the kind of services like charging management, battery status and remote locking and unlocking, alongside things like roadside assistance and maintenance.

So, instead of working as a service plan, where customers build up a pot of money at a fixed cost to cover their maintenance, the subscriptions would work much more like Netflix, where it can be switched off at any time.

Ure says: "There will still be a place for service plans, but subscriptions is where it will move to. Traditional service plans aren't going to disappear, but there will be a transition over the next few years."

"If manufacturers take more control over after-sales for EV with more of a direct relationship, there will be a bit of a power struggle and the dynamics of that aftersales relationship will change."

Statistics from eDynamix show that 40% of new car customers that have a service plan return to repurchase a new vehicle, compared with just 21% without a service plan.

So it's clear service plans play an important role in retention.

Customers with a service plan return to the

dealer's workshop 97% of the time, compared with 61% for those customers without.

The evolution for EV subscriptions could include bolt-ons like MOTs, enhanced roadside cover and additional warranty and insurance protections.

Ure thinks this will likely be tiered offers at different prices, "like with Netflix whether you want high definition or a 4K subscription".

EASY RENEWAL

The latest development in service plans at eDynamix is automatic renewals, which is currently in pilot and due to go live in Q3.

Ure says: "It's not like insurance renewals where you have to ring up to cancel, customers get a link where they can easily manage their options and opt out if they want to."

"More importantly, we were getting feedback from dealers that they wanted to make it easier for plans to roll on for customers."

Other developments include the ability to create a maintenance fund where money can be deposited to use as a safety net for repairs, as well as a website refresh that went live in June that highlights all the new products and services eDynamix offers.

The business has also launched payment plan functionality integrations with 'buy now pay finance later' companies Bumper and Payment Assist.

Ure says: "It's very popular with customers and dealers. We've integrated them into our health check system and we're about to integrate into our service plan system too."

"It's for customers that want a service plan, but they also need to fund a service now as well. It's a way of bundling that into a single process online. So they can finance the service and take a plan for subsequent years."

"That will be ready in the next few weeks."

Bundling services has definitely appeared as a trend for service plans, with EMaC launching its own Lifetime Warranty product, which combines warranty, service plan and breakdown assistance in one monthly payment.

O'Donnell says: "Offering a Lifetime Warranty makes a major quality statement about a dealer's vehicle stock and provides consumers with convenience and peace of mind."

"It generates more revenue for the dealer, increases retention and builds a longer-term relationship with their consumers."

Lifetime Warranty is now EMaC's lead product in its portfolio.

O'Donnell says EMaC has been delivering "world class" customer service and post-sales care for dealership customers, which is why the company is rated as 'Excellent' on Trustpilot.

Rated by consumers, EMaC has received a 4.7 out of five. Yet new rivals are emerging from the warranty sector. With Car Care Plan now diversifying into service plans, and WMS Group also looking at the broad portfolio of its European parent Opteven since its acquisition, the incumbents will have even more to adapt to.

TOM SEYMOUR

EMaC's new 'all-in-one' aftersales care package, Lifetime Warranty, offers servicing, warranty and breakdown

The automotive retail sector's largest service plan provider – EMaC – is helping dealers deliver the ease and convenience consumers crave with an all-in-one aftersales package covering warranty, breakdown assistance and service plans.

EMaC launched its Lifetime Warranty earlier this year after working with pilot dealers to develop its warranty offering over the previous two years.

Lifetime Warranty enhances retention given that servicing in line with manufacturer recommendations is required to validate the warranty on an annual basis.

Together with service plans and breakdown assistance, dealers are able to offer customers three key peace-of-mind products to keep their vehicles on the road and in the best condition for an average £35-£45 per month dependent on the make, model, age and mileage of the vehicle.

John O'Donnell, EMaC managing director, said: "Consumers are looking for convenience and peace of mind. One direct debit at a reasonable cost covering servicing,

lifetime warranty and breakdown assistance makes sense.

"A key selling point for today's consumers, particularly, millennials, is the ease of meeting needs in one place. Motoring aftercare can be a minefield for consumers and this package of products allows dealers to offer all aftersales care in one monthly payment from one trusted provider at a price that's akin to a gym membership."

A Lifetime Warranty product was a natural next step for EMaC which has 15 years' experience working with the sector and now accounts for 80% of the outsourced market for service plans.

EMaC partners with 15 manufacturers supporting their respective franchised dealer networks and provides its products and services to more than 70% of dealer groups in the AM100.

O'Donnell said: "Even though we're a B2B business, our name is synonymous with service plans. We are trusted by both dealers and motorists. Service plans and warranties sit very closely together so it was a logical step for us to develop

“

IT IS A PACKAGE THAT IS A GOOD OFFERING IN THE BEST OF TIMES, BUT IS PARTICULARLY PERTINENT IN THE CURRENT UNCERTAIN CLIMATE WE ALL FIND OURSELVES IN

JOHN O'DONNELL

a suite of products that complement each other, delivers added value to the consumer and provides dealers with an additional revenue stream while further boosting retention at the same time."

With a live book of 1.9 million service plan customers, EMaC drives an aggregated £250 million of aftersales revenue into the UK network annually through its range of solutions and, with the addition of Lifetime Warranty, that's set to grow even further.

O'Donnell added: "Manufacturers have been quick to see the benefit of their network being able to offer complete aftersales care as one package and feedback from dealers already utilising the offering is very encouraging.

"With our extensive service plan infrastructure, we had the processes, systems, support, manpower and expertise in place to offer warranty products at scale. However, we wanted to be absolutely certain our warranty products and our behind-the-scenes processes were fit for the franchised sector so we have invested the time in working with our pilot group of dealers to ensure we can deliver the same exacting standards that dealers and customers enjoy with our service plans."

While the infrastructure, including technology that can efficiently and expediently manage complex processes and compliances, and an experienced workforce to handle enquiries, claims and payments, has been the foundation for developing and launching its warranty products, EMaC's drive has been the needs of the consumer.

O'Donnell said: "We put ourselves in the shoes of the consumer and thought about the flexibility and convenience they expect. In so doing, we are confident we have created a package that also delivers the retention and customer loyalty dealers seek. Our evidence shows customers are responding really well to the concept of having their





offersales needs taken care of in one payment. It is already emerging as a key differentiator and is helping to eliminate some of the disorientation customers can often feel when it comes to thinking through their vehicle's future maintenance requirements."

Although EMaC's Lifetime Warranty was not officially launched into the market until earlier this year, together with breakdown and service plans, the three-pronged package has increased service retention by more than two-fold in the testbed dealers. On average, dealerships that were previously selling 10 Service Plans per 100 cars are now selling 26 - so there is demonstrable evidence of quantative business benefit.

O'Donnell added: "It's a very effective way of keeping the customer engaged in your business. Service plans are a proven retention tool and motorists appreciate the value for money and the ability to spread payments. Lifetime Warranty provides another incentive to ensure customers return to maintain their vehicles to the highest standards. The combination of a service plan and lifetime warranty is the basis for a long-term relationship between the dealer and the customer.

"Lifetime Warranty is also transferable when it's time for a customer to change their vehicle and, together with the full-service history, it will help protect its future value."

Consumers and dealers do have a wide range of suppliers to choose from since the UK's warranty sector is both mature and reputable so O'Donnell is under no illusion of the task ahead. But he is confident that offering the three stable aftercare products as a bundle will resonate and continue to gather momentum.

"Warranty relationships between dealer and suppliers are quite entrenched, but we have ambitions over the next three-to-five years to become a major warranty player," he said.

Having partnerships in place with more than 2,500 of the UK's dealerships, EMaC is confident its warranty products will strengthen those relationships even further. Meanwhile, its additional services such as the 0% credit facility, Drive Now, Pay Later+, offer a further incentive for customers to utilise its services through their dealer.

EMaC's Drive Now, Pay Later+ product allows dealers to offer customers consumer finance in store to pay for repairs and vehicle accessories, interest-free.

The flexible monthly instalment plan of up to 12 months, combines



an easy credit application process with real-time decision-making.

O'Donnell said: "We are continuing to evolve our products and services to provide dealers with additional revenue streams and consumers with value-added products and this is an opportunity to stand out from the crowd. Our Lifetime Warranty product combines the essential pillars of motoring aftercare into one, extremely reasonable monthly payment. It is a package that is a good offering in the best of times, but is particularly pertinent in the current uncertain climate we all find ourselves in."

Visit: www.emac.co.uk
Call: 0330 099 6826
Email: support@emac.co.uk

EMaC.



CHOOSE YOUR SUPPLIER: VALETING

NEW EMPHASIS ON HYGIENE SUITS VALETING COMPANIES VERY WELL

After a tough 18 months, the valeting industry has emerged from lockdowns with a renewed focus – but staffing could be an issue further down the line

Valeting companies have generally been on an upward trajectory in recent years as they've diversified and embraced technology to help them win new business.

But then COVID struck and valeting was subject to the same lockdown restrictions as the rest of industry in the UK.

However, unlike many car industry suppliers, valeting was able to offer services that benefitted dealers and other customers. As we all got used to additional hygiene practices and procedures, the valeting industry merely shifted to incorporate increased sanitisation into its processes.

As Martin Peters of Autoclenz says: "We reacted very quickly for our clients, in terms of sanitisation of vehicles. And that vehicle sanitising became part of our every day – and still is to this day. Whether it's for the service department or the sales department, it's just part of the norm now. And I suspect it probably will continue to be, going forward."

It was a similar story with another leading company in the sector, Secure Valeting. After the first lockdown in spring 2020, dealers reopened and contactless sales processes became the new normal. As a result, the demand for additional sanitisation services in showrooms escalated rapidly, with dealers having to implement the Government's strict COVID regulations. As is the case with Autoclenz, demand for more intense sanitisation of vehicles following a service, test drive or as part of the vehicle preparation process, continues to thrive.

Secure sales director Michelle Gunney tells us: "Secure is providing customers and dealers with the confidence they require to transact, whether that's sales or service. It is something we have taken very seriously: we have devised our new sanitisation services to meet stringent hygiene standards and, wherever possible, included this within our existing charging rates. This will be

something that will be here to stay, as we all adjust to life post-COVID, with our heightened sense of cleanliness and sanitisation."

Sanitisation of vehicles is, of course, an additional service that valeting companies can offer to existing customers. But they haven't relied on that alone to expand their client rosters, as we heard from a number of the executives we spoke to.

OPPORTUNITIES TO GROW

Approved Valeting is a good example. Despite not being one of the biggest players in the valeting business, it has taken advantage of the opportunities that have presented themselves in the past 18 months to grow. National business development manager Adele Henry relates some of the recent successes.

She says: "We've been successful more in import centres. When the vehicles come in from the ships, we're working directly with the manufacturers, which is a great opportunity for us. We've also expanded into the rental market and invested in new business, because we're about investing and evolving with the company. So, we've just invested in two vans, kitted them all out with everything that we need for us to clean rental vehicles."

Secure has also expanded its business in the past 15 months, helping the company to grow by adding around 100 new customers in that period. The

group also provides services to fleets, vehicle auction groups and bodyshops, as well as having strong relationships with dealer groups nationwide.

There are a number of reasons for this expansion, including working closely with operators and dealers to minimise costs and ensure that all the necessary compliances are in place. At the same time, its franchised business model has meant its workforce was well supported during the pandemic – so they could return to work as soon as the economy began reopening, post-lockdown.

Gunney adds: "Unfortunately, we have also gained business as a result of some competitors sadly going into administration. At the height of the pandemic, I took a call from one dealer group which suddenly found itself without a valeting partner. However, Secure was able to successfully launch this group along with an average 15 other new accounts per week."

The diversification of recent years has also not been derailed by the pandemic, as Peters explains Autoclenz's experience: "What has been a very big growth market for us, launching with two significant groups, is our logistics business. That's the movement of dealership vehicles, whether that's internal stock transfers or home delivery. We've grown that in the past 12 months by nearly £2 million."

And just as we all became used to conducting business via video call, so the valeting industry took



THE STABILISATION OF LABOUR IS CRITICAL, BECAUSE IF YOU HAVEN'T GOT PEOPLE TO CLEAN CARS, THEN VALETING DOESN'T EXIST

MARTIN PETERS, AUTOCLENZ



advantage of the hiatus to beef up its technological capabilities.

Approved Valeting, for example, created an app platform for its customers in order to ensure that all the due diligence had been completed and all the required compliances were in place. In addition, the app also records CSR scores and enables risk assessments.

A company as large as Secure Valeting Group has, unsurprisingly, had a secure online booking system as part of its offering for a number of years, but it was still able to undertake some significant upgrades during the pandemic.

Aimed at improving functionality and efficiency – such as automatically avoiding duplications, on occasions when different departments may upload the same car – the system helps dealers to control their costs, as they can upload vehicle requirements that will determine the number of operators that will be required on site.

Gunney says: "This means that dealers are able to have full control and oversight of their valeting requirements. This strong partnership, I believe, gives a guarantee to all clients that they will receive the best service possible."

The elephant in the room in these discussions with valeting executives, however, is staffing, an issue that could have a significant impact on the

sector in the next few years.

Henry is proud of the low churn rate of valeters working for Approved. "We've got about 300 valeters and our turnover is about 10%. We retain staff because we pay them right and we treat them right. We'll buy them lunch and we'll take in radios, so they don't use the vehicle radios and upset the customer because they've changed the channel. It's the little things – and because we look after the little things, we don't lose our valeting teams."

NEARLY BACK TO 100%

However, this isn't necessarily the picture across the industry, with Peters telling us: "I think we're pretty much back up to nearly 100% of where we were in pre-COVID trading. But in April 2020, the majority of our staff were not employees, they were subcontractors, self-employed people who didn't have furlough available to them."

"Those people didn't have any income, so they found other roles, moved into some of the growth areas such as driving vans delivering parcels. And it's been quite challenging trying to lure them back

into the world of valeting when they've been doing that for a year."

Autoclenz's solution to this staff shortage is to launch a new valeting IMI level one qualification, in partnership with Burton and South Derbyshire College, teaching young people valeting skills. There are currently 54 students on the course, learning practical skills that will give them a career.

Is this the solution for an industry that has been heavily reliant on migrant labour in recent years? Possibly. But, as Peters says: "The stabilisation of labour is critical, because if you haven't got people to clean cars, then valeting doesn't exist."

This doomsday scenario is unlikely to come to pass soon, but if the UK's immigration policies continue in the current vein, we could find the valeting sector withering through lack of staff.

CRAIG THOMAS

Secure Valeting Group emerges stronger

As Secure Valeting Group enters its 24th year, the company has emerged in a much stronger position from the pandemic than before the first lockdown was established.

When the nation's households and businesses began to batten down the hatches, the automotive sector closed its physical doors and began focusing on its virtual showrooms.

Secure's professional valeting, driver hire and auto imaging services were utilised by around 350 dealerships. Over the past 15 months, Secure has continued to grow, gaining around 100 customers in that time.

The group also provides services to fleet businesses, vehicle auction groups and bodyshops as well as having relationships with dealer groups nationwide including many in the AM top 10.

It currently has 2,500 franchised valeters, known as operators, working in the field with around 1,000-1,500 actively working this week alone (June 9, 2021).

UK executive sales director

Michaela Gunney, one of the group's seven directors which formed part of a management buy-out (MBO), in 2019, pinpoints a number of reasons for its growth.

They include working closely with its dealer partners and operators to best manage costs and ensuring compliances are in place while its franchised business model meant its workforce remained well supported during the pandemic, enabling them to return to work quickly when the economy began reopening.

Gunney said: "Unfortunately, we have also gained business as a result of some competitors sadly going into administration.

"At the height of the pandemic, I took a call from one dealer group which suddenly found itself without a valeting partner. However, Secure was able to successfully launch this group along with an average 15 other new accounts per week."

Secure Valeting Group is now operating at more than 90% of its pre-pandemic levels on a like-for-like basis, while the additional sites, the

surge in used car sales and the demand for new services such as intensive vehicle sanitisation has seen activity in April and May increase even further.

The company had enjoyed an average growth of around 7% since its inception with a particular spurt in 2009/10 when growth topped 16%. Since the MBO, the business has been growing steadily year-on-year at around 7% albeit impacted by the pandemic in 2020.

New services

As showroom doors reopened and a contactless sales process became the norm, the demand for increased sanitisation services skyrocketed as strict COVID-19 infection regulations were implemented. Even now, the demand for more intense sanitisation of vehicles following a service, test drive or as part of the vehicle preparation process, remains high.

Gunney said: "Secure is providing customers and dealers with the confidence they require to transact, whether that's sales or service. It is



SECURE IS PROVIDING CUSTOMERS AND DEALERS WITH THE CONFIDENCE THEY REQUIRE TO TRANSACT, WHETHER THAT'S SALES OR SERVICE

MICHAELA GUNNEY

something we have taken very seriously, we have devised our new sanitisation services to meet stringent hygiene standards and, wherever possible included this within our existing charging rates.

"I think this will be something that will be here to stay as we all adjust to life post-COVID with our heightened sense of cleanliness and sanitisation."

Additional services

The company set up its imaging arm in 2017 when it became apparent that the ability to capture digital assets – images and video, to market a used vehicle online immediately and effectively following its prep and valet made sense, saving dealers time and improving efficiencies. Auto Imaging became a standalone company in 2019 as its services were in demand from dealerships in addition to those utilising its valeting facility.

Secure Valeting's field operators use the Auto Imaging app to capture digital assets of vehicles with nearly 10% of its dealerships taking advantage of this service. A further 20% of its dealership client base also use Auto Imaging although prefer its own sales team to capture vehicle photographs and video. Overall Auto Imaging sales were increasing each year by 70% (pre-pandemic) yet still increased by more than 30% in the pandemic year.

Secure's Driver Hire service provides drivers nationwide to help dealers meet the logistics of moving vehicles around the country including collection and delivery for bodyshops. This service is different from our normal franchised operator arrangement as it's based on an employed contract to be in line with HMRC status rules.

Partnership

The franchised business model devised by Secure Valeting and approved by HMRC since its inception, provides the flexibility demanded by operators and the security of a reliable valeting workforce for dealers with the ability to scale up and down according to requirements. The model also means complications surrounding IR35 rules are negated as it sits outside the scope of IR35, providing assurances to clients.

Gunney said: "Our customers are



confident that our valeters are paid in line with the market. At the same time, our agreement with HMRC eliminates any issues surrounding employment status under IR35 and our compliance procedures ensure operators have legal status to work in the UK."

She added: "Mostly, valeters work at the same dealership and become an integral part of the dealer's team."

"However, our system allows flexibility, enabling us to deploy operators where needed to both reduce capacity and meet volume demands elsewhere while creating a higher level of income for individual operators. We see ourselves in strong partnerships with both our franchised operatives and our customers."

Investment in technology

Secure Valeting's secure online

KEY CONTACT



Michaela Gunney
Executive Sales
Director
Tel: 01480 216700

booking system has formed a part of its offering for a number of years but the company made significant upgrades during the pandemic to improve functionality and efficiency such as automatically avoiding duplications on occasions when different departments may upload the same car.

The system enables dealers to control their costs since they can upload vehicle requirements determining the number of operators required on site.

Gunney said: "This means that dealers are able to have full control and oversight of their valeting requirements. This strong partnership, I believe, gives a guarantee to all clients that they will receive the best service possible."

Visit: www.secureplc.com • Call: 01480 216700





CHOOSE YOUR SUPPLIER: VIDEO

VIDEO IS PICTURING A BRIGHTER FUTURE

Video is playing an ever-more important role in improving the customer experience. Instead of a 'nice to have', this tool has become key in the communication process

Video is playing a critical role in bridging the online to offline experience for car buyers, even more so as contactless sales have accelerated in the wake of the pandemic. We spoke to some leading companies in this sector:

CITNOW

CitNOW produced a record three million videos in the first quarter of 2021. More than 1.2 million videos created in March alone reflects its recent consumer research that 84% of car buyers who received a video as part of their car buying process in the past 12 months saw it as a valuable part of their purchasing journey. In addition, 93% of retailers polled viewed video as an important tool.

Continual improvements have been made to CitNOW's suite of apps with new feedback-led features introduced. The launch of Live Video to help retailers replicate 'face-to-face' interactions from the existing Sales and Workshop apps was accelerated last year. During the latest national lockdown, the daily average number of live video sessions surged by 244%.

The new platform enriches key touchpoints including vehicle walkarounds, feature demonstrations and live handovers, boosting engagement and increasing the likelihood of a sale. It also allows workshop operatives to hold two-way conversations with customers to explain diagnostic reports and discuss any required work in real time.

Last year CitNOW introduced an industry-first audio video enhancement feature, Clarity powered by Dolby.io, which boosts the audio quality of retailer videos, such as reducing background noise in the workshop, further improving the customer experience.

CitNOW has experienced increased demand over the past year. For example, its Web application was rolled out across Drive Motor Retail Group's 16 locations. A substantial expansion of an existing partnership, the group produced in excess of 15,000 videos in March 2021, with video use in sales up 374% on the same period in the previous year.

CitNOW is part of the CitNOW Group, which has grown its footprint through the acquisition of

Dealerweb, a leading provider of showroom management systems. CitNOW Group has recently launched Tootle, a new online sales platform, to simplify the part exchange process for retailers and customers.

CitNOW CEO Alistair Horsburgh says: "We have been working hard to enhance our platforms based on user feedback to help sales staff and dealerships respond quickly to individual customer enquiries with a level of detail and emotional connection comparable to visiting a dealership. It's clear to see that video will remain a key communication tool in bridging the gap between the digital and physical world."

MODIX 360 COX AUTOMOTIVE

With continuing traction in the UK, further growth opportunities are expected overseas as Cox Automotive's Modix 360° product is taken to international customers. Modix 360° has also expanded into the motorcycle sector.

A number of enhancements developed over the past 12-18 months include the ability to add a vehicle into Modix 360 before being added to the stock list for speedier marketing of vehicles; the introduction of VIN scanning whereby VIN information can be added even if the vehicle hasn't yet been added to the stock list; and 'video hotspots' can now be added, highlighting more detail and information in video format rather than taking multiple images to highlight key selling points. The spin technology itself has been improved including stabilisation and spin capture enhancements while its full reporting dashboard now has enhanced tracking.

When integrated into a dealer's website, Cox has found interactive images and video increases the time spent on vehicle web pages by up to 56% and the intent to buy by up to 42%. Meanwhile, 85% of people are more likely to purchase when video or interactive content is available while the average retention rate of personalised video is 35% higher than non-personalised videos.

VEHICLE VISION

A significant number of new system integrations are now live, including: Keyloop, Infomedia and

Bumper, with further strategic integrations and partnerships in the pipeline. Through the Keyloop International Partner Programme, Vehicle Vision's aftersales software integrates with Keyloop's Autoline dealer management system (DMS) allowing the dealership to provide customers with a fully personalised video experience. With one click, data is transferred between Vehicle Vision and the DMS, providing increased efficiencies while reducing the potential for errors.

Sophisticated use of an API (application programming interface) with Infomedia's Superservice Triage software, has created a simple, intuitive and full 360° personalised video integration within its digital vehicle health check (VHC) system.

Vehicle Vision's system includes 'pay now' and 'pay later' options (alongside pay at the dealership and requesting a callback option). This has been adopted by 66% of the Audi UK network.

Its most significant product development is Vehicle Vision Assist, enabling the customer to capture video footage and send it to their dealership sales or service department. Customers capture video footage in their web browser, providing first-hand evidence for dealers. One dealer has seen a



saving of 94% on car buying costs in a month, in comparison to auction costs. Vehicle Vision Assist LIVE facilitates a live video appointment between the customer and dealer, providing engagement in real-time within the web app.

Managing director Steve Dean says: "We've been on a significant journey over the past 12-18 months. The shift in how retailers are having to do business and what consumers now expect is staggering. Our view is that the change in consumer behaviour and expectations was inevitable, the coronavirus pandemic simply speeded up the process and, in doing so, we've had to accelerate our roadmap of product development to meet those demands."

VEHICLES IN VIDEO

As a product genius for a BMW dealership in Scotland, Danny Cooksey was using some of the latest automotive video products on a daily basis. However, Cooksey felt the products available were time-consuming and impractical so set about outlining his vision for how the product could be improved and the process speeded up while maintaining the personalisation demanded by customers and brands.

Vehicles in Video was born in 2019 although the pandemic delayed the launch of the company and its product. Cooksey, with the backing of his investor father and co-founder Mark and a Virgin start-up loan, has spent the past 12 months fine tuning the

“IT'S CLEAR TO SEE THAT VIDEO WILL REMAIN A KEY COMMUNICATION TOOL IN BRIDGING THE GAP BETWEEN THE DIGITAL AND PHYSICAL WORLD

ALISTAIR HORSBURGH, CitNOW

company's offering and tweaking the video app and will utilise AM Live in November to expand the product's reach.

One south-east-based specialist automotive retail dealership has been working with Vehicles in Video for the past year, enabling extensive testing to take place. The pandemic enabled Cooksey to both

develop the app and put the infrastructure in place to support video production including providing a video platform and dashboard. Already this year, Vehicles in Video has appointed a number of independent dealers which are now using the app.

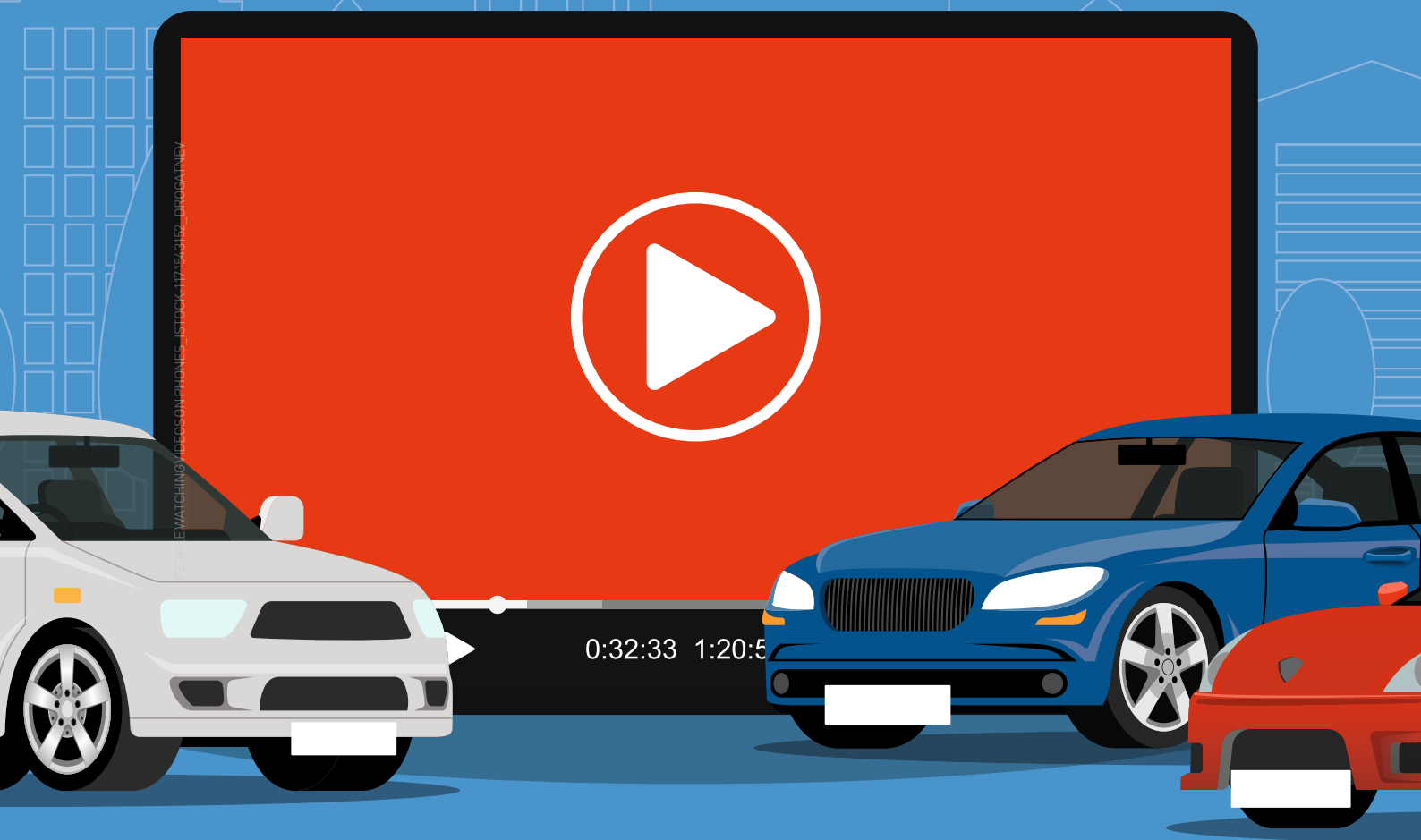
The Edinburgh-based company already has a small team in place while a sales team of four will be fully operational in the next few months.

SPINCAR GARDX

GardX has added new clients to its Spincar service over the past 12-18 months, growing its dealer client base by around 300% in four new countries while at the same time instigating OEM app introductions. The development team has also been expanded by 300% and more customer service representatives have been appointed.

Melissa Thorpe, marketing and business development manager, says: "In just a few months, the COVID-19 crisis has brought about years of change in the way companies do business. Consumers have moved dramatically towards online channels, and dealers have responded. This has not just been in sales videos, but also the need for dealers to have a value added product lifeline. Payment partners and flexibility is also crucial. We have seen a massive increase in customers directly reserving a vehicle and making payment from the video page in both sales and VAPs."

DEBBIE KIRLEW



CHOOSE YOUR SUPPLIER SPOTLIGHT

Video is a valuable selling aid, not a 'chore' to avoid

Danny Cooksey was working within the retail motor trade as a product genius with various brands including BMW, Vauxhall, Kia, Fiat and Ford where he gained experience using personalised video solutions.

During this time he encountered a number of shortcomings with the personalised video solutions that were both frustrating and not conducive to a productive sales process for either the customer, the sales person or the dealership.

Danny thought there had to be a better way and developed his own ideas for improvements that would enhance the customer experience as well as providing tangible benefits to the car dealership.

Having developed the ideas he approached his father Mark, who had also experienced other personalised video solutions and agreed with Danny's observations and ideas and Vehicles In Video was born.

The problems we solve

It was clear that the dealership, sales person and the customer would benefit greatly from a quicker, smoother and smarter video delivery and engagement process:

- Customer engagement and retention during the sales process is absolutely key and Danny saw numerous lost sales opportunities due to a slow enquiry-to-engagement process that actually alienated the customer as opposed to enhancing their experience. The promise of a video to the customer was often delayed or not sent at all and this 'over-promise and under-deliver' scenario was commonplace.

- Presentation of the vehicle and the salesperson is vital to gaining good first impressions and the video solutions being used often created impenetrable barriers to achieving this.

- Research conducted by Danny showed that an inordinate amount of time was being wasted by sales teams in the video production process with an average time between the customer enquiry and video delivery being in excess of five hours!

- There was no capability to engage with customers outside of normal business opening hours.

- A high degree of reticence to use the video solution by the sales teams was a constant issue with many people being uncomfortable in its operation and viewing it as a chore

“

FEEDBACK FROM OUR EARLY ADOPTER CUSTOMERS IS HIGHLY ENCOURAGING WITH REPORTS OF INCREASED UNIT SALES AS A DIRECT RESULT OF USING OUR SOLUTION BEING PARTICULARLY IMPRESSIVE AND TESTAMENT TO THE WHOLE CONCEPT OF OUR APPLICATION



that had been mandated as opposed to regarding it as a valuable sales aid. This only serves to dent team morale, the effectiveness of the video solution and the return on investment for the dealership.

- Damage to premises or vehicle stock was an ever-present risk as the vehicles were often required to be moved within the confines of a busy and tightly packed forecourt, presenting the dealership with increased vehicle preparation costs and another reason why sales teams were nervous using the video solution.

Developing the solution

Leading software and application developers who understood and owned the project brief were identified to develop VIV's solution. Our engagement and partnership with them has resulted in an innovative and unique personal video solution that:



- Engages with customers in minutes rather than hours so their first impressions lead to enhanced retention in the sales process.

- Dramatically increases the effectiveness of the salesperson's time so they are available for more prospecting, customer engagement, test drives and other productive tasks that lead to more unit sales.

- Improves the quality of video production.

- Provides 24/7/365 and remote video delivery capability.

- Encourages rather than deters sales and service teams to use the solution.

- Boosts team confidence and morale.

- Eliminates the risk of asset damage.

- Allows video delivery by a third party which is unique and an

essential tool for when a salesperson is unavailable to take a customer enquiry.

The road so far

Stephen Parkes joined us as Chief Operating Officer and we launched the application in Q3 of 2020. Our developers are working on the next revision which will be available in the coming weeks and will bring an even greater level of innovation and applications.

Keith Moyes joined to lead the sales and customer engagement effort and feedback from our early adopter customers is highly encouraging with reports of increased unit sales as a direct result of using our solution being particularly impressive and testament to the whole concept of our application.

We have developed our back office team and processes and are currently engaged in a recruitment drive to enhance the existing team and prepare us for our next phase of growth which will coincide with a fund-raising programme to ensure we can continue to develop future innovations.



Phone: 0800 470 0998 • email: info@vehiclesinvideo.co.uk **VEHICLES IN VIDEO**



CHOOSE YOUR SUPPLIER: WARRANTY



WARRANTY SUPPLIERS ARE NOT HEADING FOR COVER

Trading conditions have been tough, but warranty suppliers have taken the set-backs on the chin and are looking to respond positively with new products and improved partnerships

2

2020 was an unprecedented year for warranty suppliers. The pandemic and subsequent lockdowns has severely restricted trade for many car dealerships and their finance and insurance partners.

And demand has decreased, with fewer vehicles on the road at the outset.

Yet some suppliers have emerged from the crisis stronger as they have been able to pivot to meet ever-changing customer needs.

WMS Group has been focused on increasing its global footprint, with plans to operate services in Denmark, Ireland and Austria in the near future. Moving forward, it will also develop its products for a range of vehicles, particularly alternative fuel models.

The group successfully implemented a landmark contract to deliver a unique proposition for all of Volkswagen Group UK's brands. Volkswagen All-In provides used vehicle owners with a two-year warranty cover, two year's roadside assistance, two year's servicing and two MOTs.

In February 2020, WMS launched a long-term partnership with the AA to develop a suite of used vehicle warranty products for UK dealers, branded AA Warranty. The offering is a total refresh and will

be delivered through its B2B and B2C channels. The group has also secured several large service contracts supporting automotive partners within the auction and logistics sectors.

"Our core business, providing services to car dealers, remains very strong," said Craig Grant, commercial director at WMS (see Five Minutes With... on page 17).

"Our network has grown substantially. We have seen growth with both non-franchised independent dealers and franchised dealer groups."

WORKFORCE INVESTMENT

Since being acquired by Opteven Group in January 2020, WMS has invested heavily in its workforce. It has also continued to employ new talent across the business and didn't have to furlough any employees.

Among the key hires was the appointment of Neil Monks as the group's new head of retail sales in March 2021. With vast experience in manufacturers, fleet and leasing, including overseas markets, he has been charged with re-energising and growing its retail business.

The company has also made several senior sales and account manager appointments. In addition, it has established a new customer sales and service team headed by Katherine Denman, who joined

from Mercedes-Benz Trucks UK, while Alan Gear, formerly of Alphabet GB, and Donna Cloke have joined the corporate sales team.

In terms of product developments, WMS has forged a landmark partnership with Aston Barclay on its AA programme to provide buyers with high-level vehicle checks and a guarantee before making their next purchase. As part of the offering, the AA will ensure vehicles reach an agreed standard and receive the official seal of approval before going to auction. As well as giving customers more guidance when making a purchase, customers will have the added benefit of access to an independent buyer guarantee, provided by WMS.

The group has also developed a new warranty offering within its Safe&Sound product range. An example is its new specialist motorhome warranty, which enables retailers to upsell two levels of cover.

"Earlier this year, we conducted some industry-leading research of 2,000 consumers and 150 dealerships to better understand the attitudes and motivations of retailers in selling warranties to customers and measure behaviour and attitudes towards warranty," says Grant. "The quantitative and qualitative research generated a large number of fascinating results, which we are now collating into regular mini-reports for dealers, with the first one



focusing on how businesses have been affected by the pandemic and identifying key future growth opportunities – from digital transformation through to the UK's transition to electric powertrain vehicles."

Another company that has been making big strides is Assurant. The supplier has extended its RAC Dealer Network partnership, which dates back to 2008, by five years, up to 2029.

The new deal covers a range of well-established RAC-branded automotive warranty and aftersales products, delivered and supported by Assurant and available across the network. These offerings include extended warranties, electric vehicle (EV) warranties and service plans.

LONGER WARRANTY PERIODS

Within this, the company has trialled a new Make the Switch from Three to Six campaign to encourage customers to move to a longer warranty period. It gives a greater degree of confidence in the vehicle being sold, protects the dealer from unforeseen costs if a fault comes to light between 30 days and six months, and improves the potential for retention by increasing customer touchpoints.

Assurant has also joined forces with London Electric Vehicle Company (LEVC) to provide an extended warranty solution for its electric commercial vehicles. LEVC One covers LEVC electric TX black cabs and VN5 electric van models.

Assurant's programme will manage day-to-day claims. LEVC One also comes with a standard five-year warranty and 150,000 miles for the vehicle, and eight years and 150,000 miles for the battery, as well as an extended warranty of six years and 200,000 miles for the vehicle, and eight years and 200,000 for the battery.

The company has also appointed Lee Coomber to the new role of RAC client director. He will be responsible for agent relationships across the 1,300-strong RAC Dealer Network, working alongside Kellie Grocott, RAC director of sales, and reporting into Sean Kent, UK automotive director.

At the cutting edge, Assurant has launched what

OUR USED CAR CUSTOMERS CAN BE QUITE CONSERVATIVE IN THEIR BUYING CHOICES



SEAN KENT, ASSURANT

it believes to be the UK's first specialist used EV warranty. EV One can be provided under the Assurant brand, white-labelled or as RAC Electric Vehicle Warranty, for any used EV or hybrid up to eight years old and with 80,000 miles on the clock at time of purchase, with a coverage period of up to 24 months.

"There is huge public interest in these vehicles, but used car customers can be quite conservative in their buying choices," says Kent. "The product provides a comprehensive level of cover and gives drivers moving away from petrol and diesel more confidence to do so."

Allianz UK has enjoyed similar success, having been appointed new supplier of approved used car warranty for Fiat, Abarth, Fiat Professional, Alfa Romeo and Jeep in 2020. Working with Fiat Chrysler Automobiles (FCA, which is now part of Stellantis) UK, Allianz launched a new, fully online, approved used warranty system, bringing together sales, claims and accounts within one solution.

The development of a new, more user-friendly website has reaped instant rewards too. User and transaction numbers are already up 61% and 18%

respectively over the past year, compared over a six-week period.

AutoProtect has been actively investing in new and existing talent. It has also appointed a new head of product strategy, head of development and programme manager to support its new operating platform, as well as increasing its business development team.

"While the last year has been one of challenge, it has not stopped us from extending our reach with dealers and OEMs," says Stephen McCombe, head of sales at AutoProtect. "The area in which we are most proud of our progress has come from increasing our product portfolio within existing relationships."

"Dealers, impressed with our products, technology and management information have added additional products and services to their roster. That says a lot about our capabilities and consultative approach to partnerships."

Warrantywise has been busy with recruitment too, hiring a new marketing director plus former Car Care Plan CEO Tim Hargreaves as a non-executive director. It's also recruiting 30 new sales staff and has expanded its dealer customer care department to ensure all of its partners have a dedicated claims handler.

Among key product developments, the company has made its trade-to-trade platform available to car dealer partners. Take-up, so far, has been strong.

Car Care Plan has managed to retain and increase its workforce. It has also been providing refresher training for dealer group staff after furlough to get them up to speed on warranty sales.

The company has moved into the service plan market, with a product offering it says is on par with the market leader. It also offers monthly subscription for warranty and servicing.

Car Care Plan has also extended its customer portal to help retailers with aftersales. It enables the customer to look at the product line, videos and policy documents before buying it online.

ALEX WRIGHT

Warranties will clarify hybrid and EV cover



Car Care Plan is incorporating hybrid and electric components into its used car warranty standard wording to future-proof its dealer clients and give them an 'all-embracing' warranty programme that covers the mix of vehicles they'll be offering.

Following extensive market research with OEMs, dealer clients and consumers, Car Care Plan has agreed an electric vehicle (EV) section to be integrated into its standard warranty wordings so any dealer retailing a hybrid or pure EV can be sure what is covered.

And this wording has now been submitted to the Plain English Society, with the aim to obtain a Crystal Mark accreditation for clarity to consumers. This is because the company knows the average person won't have detailed knowledge of electric vehicles and the components unique to them, apart from the battery, that need to be covered under warranty.

It even covers battery range anxiety, where a customer is unable to recharge the vehicle during a journey by facilitating a roadside

breakdown and recovery event.

"Any client that currently uses us on warranty will now have a warranty that also embraces all that needs to be covered in an EV," said Car Care Plan head of products Mike Cowling.

In conjunction with new EV cover, all warranty and breakdown and recovery wordings are also being reviewed by the Plain English Society's accreditation process.

Long heritage

It's the latest development in a long heritage of supporting dealers with their used car programmes.

Despite the coronavirus lockdowns, Cowling's field development support team at Car Care Plan had no redundancies and even increased in number.

"It's in times like these that we need to be ready for recovery."

He said there has been huge appetite among dealer groups for refresher training for their staff after furlough, to bring them back up to peak performance in warranty sales.

A key message from Car Care Plan is that it won't let clients down. "We're proud of the company's

“

**ANY CLIENT
THAT
CURRENTLY
USES
US ON
WARRANTY
WILL NOW
HAVE A
WARRANTY
THAT ALSO
EMBRACES
ALL THAT
NEEDS TO
BE COVERED
IN AN EV**

MIKE COWLING

stability and financial robustness, which we feel we should emphasise during these uncertain times," said Cowling.

"Motors Insurance Company Limited (MIDL), the in-house insurance arm of the Car Care Plan Group, has recent been awarded an excellent A-rating by the credit rating agency AM Best, highlighting the financial strength of the business," he said.

"This rating now matches that of our group insurer, Amtrust Europe Limited (AEL). And, as a UK-domiciled insurer, it's also authorised and regulated by the Prudential Regulation Authority (PRA) which oversees solvency, as well as the Financial Conduct Authority (FCA)."

Cowling pointed out that a handful of non-UK-domiciled insurers have collapsed in recent years, which meant initially their customers claims couldn't be paid by administrators and they then suffered long delays while the process was transferred to the UK's Financial Services Compensation Scheme to get paid.

"That is why we pride ourselves

that all our business is now underwritten in-house through our group insurer, AEL and our own CCP insurer, MICL."

Cowling said this financial stability means dealer clients, who are all subject to the FCA's Senior Managers and Certification Regime (SMCR), can be assured of a whole additional layer of protection, further enhanced by the support of our dedicated conduct risk field team.

Another example of its support is the field team of auditors, all experienced engineers, who go into dealerships to investigate "out of kilter" loss ratios.

High levels of product quality

This ensures high levels of product quality and customer satisfaction in dealers' used car programmes.

"Given our experience, we pick up anomalies," says Cowling. "We have extensive experience of UK car stock across all franchises. With all our historical data, we've claims data on virtually every model in every franchise, so it allows us to provide that support to dealers. We're protecting them and seeking to ensure their CSI standards are not being compromised."

And there's support for warranty renewals too. Car Care Plan's own contact centre in Manchester underpins all point-of-sale product activity, backing dealers with a GDPR-compliant contract spanning SMS, email and phone calls.

Examples of its activity include supporting OEM warranty extension sales – Car Care Plan's team provides this proactive service to all

dealer clients selling new cars – and supporting dealers' approved used car warranty and roadside assistance renewals. As expiry nears, the team contacts a client's customers to verify they still own the car and to offer an extension for an additional 12 months. This can be accommodated on monthly payments, further attracting the younger subscription generation of buyers as well.

"In both cases, the dealer will be a beneficiary of commission from any sales we successfully do on their behalf," said Cowling. "And, unlike some outsourced call centres, this is our centre and it only sells our products. It's a service that, in our view, is unique."

Naturally, its contracts with dealers stipulate the need for full authorisation and GDPR compliance, and outline precisely what the dealer will earn from this activity. Dealers get a detailed report on the outcome from any contact with their customers, so they're aware, for example, if someone hasn't bought an extension because they've already changed car. Equally, if a customer contacts Car Care Plan to transfer a warranty because they're selling the car, that information can also be shared to the dealer as a sign that the customer is in the market, subject to customer consent.

He said many dealers see huge potential in the used car market now. Dealers typically provide 12 months' warranty in their approved used programmes, but there is consumer desire to buy



UNLIKE SOME OUTSOURCED CALL CENTRES, THIS IS OUR CENTRE AND IT ONLY SELLS OUR PRODUCTS. IT'S A SERVICE THAT, IN OUR VIEW, IS UNIQUE



MIKE COWLING

longer cover, so opportunities are there.

Alongside warranty, Car Care Plan is ready to help tackle the "significant untapped potential" with insurance products for used car buyers, Cowling said. Buyers of younger used cars are prime customers for alloy wheel insurance and cosmetic repair cover and, since these are high claims frequency products, many dealerships have made these primary products in their sales portfolios alongside extended warranty and MOT test cover.

Cosmetic and alloy wheel repair

Cowling said a sign of the value these products provide is the high claims frequencies these policies generate, coupled to the peace of mind customers receive knowing that the cosmetic or alloy wheel repair has helped protect the value of the vehicle. This is especially pertinent for PCP customers who are able to return their vehicles in a good condition.

And a significant development for Car Care Plan is its move into the "fast lane" for the provision of service plans in the market this year.

Cowling said that CCP now has a service plan platform second to none in the marketplace and, thanks to the strong relationships his team already has with their dealer clients, he sees this accompaniment to warranty as a wonderful opportunity for its dealers to further strengthen their customer retention levels over their periods of ownership.

The company is even gearing up for growth in vehicle subscriptions, by offering monthly subscription to warranty and servicing. Cowling hinted that in conjunction with prepayment terms, geared towards the new emerging subscription generation of car buyers, this would further ensure higher warranty sales penetration levels to its dealer partners, but wouldn't elaborate at this stage.

"My message on this to dealers is 'call me,'" he said.



Car Care Plan

An AmTrust Financial Company

• www.carcareplan.co.uk • 0344 573 8000



GENESIS GV80

Genesis Motor Europe has gone big with its debut new cars in the UK. The first of seven model launches over the next 12 months, the G80 saloon and GV80 SUV arrive in sectors that might not be the market's biggest selling, but they provide a perfect platform for the Hyundai spin-off premium brand to showcase its technology and intent.

Prices for the duo – part of an ownership package sold purely online – start at £36,100 for the G80 which has the BMW 5 Series and Audi A6 as rivals and £54,100 for the GV80.

Here, we'll focus on the Mercedes-Benz GLE-Class and Volvo XC90-rivalling GV80, which is available as a five- or seven-seater and is expected to be the bigger seller as it rides the European appetite for SUVs.

Available with a 278PS 2.5-litre, four-cylinder turbocharged petrol engine or an all-new 304PS three-litre in-line six-cylinder turbodiesel, all GV80s come with an eight-speed automatic gearbox and all-wheel drive.

Genesis has plans to launch an EV version of the G80 saloon later this year, and two new electric models in the coming year, but, for now, there's no electrification.

We drove the diesel, which is the greener of the two engines and is also £100 cheaper in both the GV80's Premium (£54,100 versus £54,000) and Luxury (£59,700 versus £59,600) trim lines.

Customers need preparing for GV80's running costs. It claims fuel economy of between 31.5mpg and 33.1mpg and CO₂ emissions of between 220 and 231g/km on the WLTP test's combined cycle, compared with 25.3mpg to 26.1mpg and 241g/km to

148g/km for the petrol. Such performance means GV80 is effectively retail-only, as its high emissions drops it in punitive BIK bands for any company car user.

The extra torque of the turbodiesel serves to make it the quickest to 62mph also, claiming to reach the benchmark 0.2 seconds ahead in 7.5 seconds.

Despite development at the Nürburgring, Genesis' focus is on "luxury, not lap times", according to UK managing director Andrew Pilkington.

Bentley-esque exterior styling (take a look at those wing vents) sets the tone for what is a comfortable and cossetting car.

At 4,945mm in length, the GV80 is shorter than the vastly more expensive Bentley Bentayga – shorter than an XC90 but longer than a GLE – but offers the choice of seven seats for an extra £500 or a sizable 735-litre boot in five-seat guise.

Step inside and there is an immediate sense of premium quality, with quilted Nappa leather, real wood trim and a leatherette dashboard covering subtly distinguishing the Luxury trim line from the less opulent Premium alternative.

All GV80s come with a 14.5-inch touchscreen infotainment screen and 12.3-inch TFT instrument cluster with 3D display.

A glass-topped rotary dial recognises handwriting to add an index finger as another option when inputting addresses.

As standard, there are: heated front seats, double-glazed front side windows, a nine-speaker sound system which facilitates the cabin's road active noise cancellation (RANC) technology; and an advanced Ride Preview system which scans the road ahead and adapts the suspension on-the-move.



£54,000-
£60,200



304PS 2.5L
PETROL; 278PS
3.0L DIESEL



0-62MPH,
7.5-7.7 SEC;
TOP SPEED,
143-147MPH



8SP AUTO



25.3-33.1MPG
(WLTP)



220-248G/KM
(WLTP)

Bentley-esque outside,
GV80 is also cossetting inside

KEY RIVALS

Volvo XC90	Mercedes-Benz GLE Class	Audi Q7
<div>✓ COMFORT, SAFETY, PHEV OPTION</div> <div>✗ NOT THE MOST DYNAMIC</div>	<div>✓ EYE-CATCHING INTERIOR, HYBRID AND PERFORMANCE OPTIONS</div> <div>✗ COMPLEX INFOTAINMENT</div>	<div>✓ BUILD QUALITY, DRIVETRAIN OPTIONS, GENUINE SEVEN SEATS</div> <div>✗ UNINTUITIVE INFOTAINMENT</div>

REVIEW RATINGS

AUTOCAR



AUTO EXPRESS



WHAT CAR?



GENESIS' FOCUS
IS ON LUXURY,
NOT LAP TIMES
ANDREW
PILKINGTON,
GENESIS MOTOR UK



All GV80s come with a 14.6-inch infotainment screen



The GV80 has Bentley-like exterior styling

➤ The GV80 is five-star rated under the stringent new Euro NCAP safety tests and the brand claims to be the first to introduce an airbag between its front seats as one of the 10 fitted to its flagship SUV.

The GV80's other advanced safety technology includes adaptive cruise control; lane following assist; lane-keep assistance; and a rear cross traffic and blind-spot collision avoidance system which will prevent the rear doors being opened once parked if an approaching vehicle is detected.

Hit an indicator and the GV80 also delivers a handy blind spot view of your chosen direction via the instrument binnacle.

Along with the interior trim changes already mentioned, Luxury trim upgrades 20-inch alloys to 22 inches and adds heated rear seats.

Customers can also choose from a range of three options packs, which start at £1,250.

Among the highlights of the options are a panoramic sunroof, a twin screen rear entertainment, 18-speaker Lexicon sound system, a 12-inch head-up instrument display and remote smart parking assist (RSPA).

RSPA – part of the most expensive (£3,900) 'Innovation' options pack – allows the car to be parked via buttons on the GV80's key fob.

While packed with innovation, the GV80 feels like an SUV offering a rather old-school approach to the premium

Q&A



JONNY MILLER, Genesis Motor UK head of sales

How do you plan to ensure Genesis stands out from established market rivals?

We aspire to create experiences for our customers and to always respect the greatest luxury of all – their time. Genesis will sell directly to our customers both online and through our retail studios – delivering the Genesis difference which is a complete end-to-end premium luxury car ownership experience managed by our team of Genesis 'personal assistants', who provide a dedicated point of contact. That is how we will stand out.

What features are central to that customer focus?

Everything about Genesis in Europe will be built around the customer and is designed to make life easier – whether that's home delivery, our Genesis Personal Assistant or across our digital

touchpoints. Our five-year care plan puts our customers and their needs first – five years' free warranty, servicing, roadside assistance, courtesy cars and over-the-air updates.

Is G80 or GV80 expected to gain most traction in UK sales terms and what split do you expect?

In line with the current trend and customer demand for SUVs, we are expecting the GV80 to be the lead model when it comes to sales.

What will be the key trim/engine choice?

Our cars come in Premium line and Luxury line, with the Luxury Line offering more benefits. We are expecting the Luxury line to be more popular and the petrol engine to take the lead.

What proportion of G80 and GV80 sales will be accounted for by fleet/business?

We are focused on the retail market for the initial launch, with fleet/business coming later.

Supply shortages have been well documented in the media. Do you expect this to be an issue for Genesis in the UK?

No, we do not.

“WE ARE FOCUSED ON THE RETAIL MARKET FOR THE INITIAL LAUNCH, WITH FLEET/BUSINESS COMING LATER

JONNY MILLER, GENESIS MOTOR UK

market though its prioritisation of comfort.

The suspension is supple and seems to soften-up and sit down a little into road imperfections. It's smooth and refined, but lacks the engagement of some firmer-riding rivals.

Genesis' interior mixes a range of surface materials in Luxury guise and looks the part.

Only the plastic nature of what on first contact appears to be machined aluminium switchgear feels like a compromise.

As a first offering to a challenging European premium market that rejected Infiniti and took Lexus many years to crack,

it looks and feels like a strong offering.

The real determining factor in the success of all Genesis' products, however, will be just how quickly the brand can gain marketing traction and how well premium car buyers embrace its online retail model.

For some its innovative Five-Year Care Plan – including warranty, servicing, roadside assistance, courtesy car, mapping and over-the-air software updates – will prove compelling.

Many others, no doubt, will continue to opt for a familiar premium brand and showroom-based buying experience. **TOM SHARPE**

CUPRA FORMENTOR E-HYBRID

REPORT
PROGRESS



FUEL ECONOMY ACCEPTABLE, EVEN IN PETROL-ONLY MODE

With Cupra set up to be a standalone, sportier brand in the Volkswagen Group many people will look to the Formentor, its first bespoke model, to set a standard. Indeed, it does. The top-of-the-range version packs a 310PS turbocharged petrol engine and will sprint from standstill to the UK's national speed limit as quickly as a Porsche Cayman.

But Cupra knows it won't survive by just winning over the small proportion of absolute petrol-heads in the UK's driving population as our road tax regime disincentivises high CO₂ emissions. So, the Formentor range includes both tamer versions and lower emission plug-in versions such as AM's long term test car.

Thanks to only starting its 1.4-litre petrol engine when its electric charge has been exhausted our Formentor e-Hybrid generates an eighth of that range-topper 310PS car's emissions. Yet, it'll reach that national speed limit just three seconds later – performance which was still the preserve of the sportiest Renault GT Turbos and Ford Sierra XR4is when I was dreaming about my first car in the 1990s.

Plus, our Formentor has a DSG automatic transmission with paddles behind the steering wheel, so I've had it in 'sport' mode lately for a few B-road runs acting like a racing driver.

An issue with my home charging point meant I also spent a week shuttling around Peterborough on petrol alone, but with the trip computer even then indicating 40-42mpg I remained fairly happy with its fuel economy. Now that issue has been fixed I'm back on zero emissions locally and seeing almost 200mpg.

TIM ROSE



CURRENT
MILEAGE

0 0 9 4 6

START
MILEAGE

0 0 0 5 6



ADAPTABLE, STAND-OUT STYLING



REDUCED BOOT SPACE



£38,155
(INCL £555
METALLIC PAINT
OPTION)



1.4-LITRE TURBO-
CHARGED PETROL/
ELECTRIC HYBRID,
204PS



0-62MPH
7.8 SECS, TOP
SPEED 127MPH



201.8-
217.3MPG



29G/KM
(WLTP)

≡ GUESS THE CAR COMPETITION

THIS MONTH'S WINNER



Steve Smith,
head of business
at Mon Motors'
Bristol Audi
dealership,
correctly
identified the
Alfa Romeo
Spider last issue.

See if you can identify this month's model for your chance to win a £20 John Lewis voucher. Email am@bauermedia.co.uk with 'Guess the car' in the subject line and include your job title and company in your entry. The closing date is August 20.



TALENT ON THE MOVE



CHRIS BROWNRIDGE,
BMW UK CEO

BMW UK has appointed Chris Brownridge as its new chief executive, following the retirement of Graeme Grieve.

Brownridge has spent more than 15 years at BMW UK and has held a number of senior roles, including marketing director and Mini UK regional sales director.

He says "I am truly proud and honoured to be taking over this role from Graeme. We have a high performance team in place and an impressive array of models coming to the market in the near future and beyond.

"It's a pivotal time for the entire industry as we become ever-more electrified and, as a sustainability leader, BMW Group is well placed to make the most of this opportunity. I am looking forward to leading the organisation at such an exciting time."

Grieve, who took the German premium car brand's top UK role in October 2014, started his

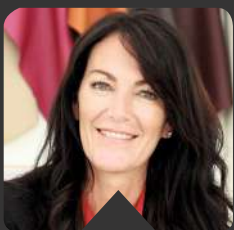
BMW UK career in 1990, when he joined the business as a regional manager.

He moved up through the ranks and became sales director in 2001, holding the post for four years before joining Rolls-Royce Motor Cars as the luxury car maker's global director for sales and marketing.

After that, five years working within the BMW Group followed, in roles including regional vice-president of sales, Mini vice-president of sales and BMW regional vice-president of sales.

Grieve once revealed that he had never thought of working for another car manufacturer since joining BMW.

Julian Jenkins, currently Rolls-Royce regional director for the UK, EU, Russia and Central Asia, will be taking over the BMW sales director position from Brownridge.



SARAH SIMPSON, CHIEF
EXECUTIVE OF PORSCHE
CARS GB AND PORSCHE
RETAIL GROUP

Sarah Simpson will become the chief executive of Porsche Cars GB and Porsche Retail Group on September 1.

Bentley Motors' regional director takes over from Marcus Eckermann, who is set to take up a new role within Porsche.

Simpson's career within the Volkswagen Group spans more than 20 years, with the past decade spent at Bentley.

Commenting on her move to Porsche, she said: "I am very much looking forward to getting started.

"The teams at Porsche – both in Reading and in our Porsche Centres across the country – have an excellent reputation."

Bentley's current global sales and network director, Richard Leopold, has been appointed as the brand's new regional director for the UK, Middle East, Africa and India.



JON EASTON,
OPERATIONS DIRECTOR
AT CARSHOP

CarShop has promoted regional director of operations Jon Easton to the role of operations director.

He has been with the Sytner Group's used car super-market division for almost a decade, having started his career at the former independent used car retail operation's Doncaster site back in 2011.

During his time with CarShop, Easton has held a variety of senior roles, including retail operations manager, head of business and head of business operations.

CarShop chief executive Nigel Hurley says: "Who better to lead our operations than someone who has worked his way through the CarShop business.

"Being able to empathise with colleagues through hands-on 'boots on the ground' experience is invaluable. And now (we look) to the future and structuring for growth."

MOVERS IN BRIEF



OWEN SHEPHERD, HEAD OF
AFTERSALES AT VOLKSWAGEN UK

Volkswagen UK has welcomed former Škoda UK head of planning and supply Owen Shepherd as its new head of aftersales, replacing Kevin Rendell.

Shepherd has spent 17 years with Volkswagen Group in the UK, including periods as Škoda's head of business, service and parts, group parts operations and planning and supply.



GEORGE BIGGS, COMMERCIAL EXECUTIVE
DIRECTOR AT McLAREN AUTOMOTIVE

George Biggs has joined McLaren Automotive as its new commercial executive director, to lead its global supercar sales operations.

He has been with McLaren for nine years and most recently was responsible for the company's sales, marketing and aftersales effort across 11 countries as managing director for Asia Pacific and China region.



ROB HOLDCROFT, HEAD OF FLEET AT
VOLKSWAGEN COMMERCIAL VEHICLES UK

Rob Holdcroft will take up a new role as head of fleet at Volkswagen Commercial Vehicles (VWCV), following the departure of Claire English to Audi UK (as reported in AM July Issue last month).

He has worked for VW Group UK's commercial vehicle division in sales operations since 2016, both managing the area sales teams, and in sales development roles.



DANIEL REEVE, CTO AT
EVOLUTION FUNDING

Evolution Funding has recruited Daniel Reeve as chief technology officer, as it hopes to accelerate its plans to lead digital change in automotive finance.

Reeve has previously held CTO roles at one of UK's leading car park management companies and Capita.

He was also technical director at Fraedom, part of Hogg Robinson Group.



LAURA CARTWRIGHT,
OPERATIONS DIRECTOR AT EMAC

EMaC has promoted Laura Cartwright to the role of operations director with responsibility for all operational aspects of its strategy as the business expands its product offering, which now includes warranty products.

Cartwright joined EMaC in 2004 and has worked in all areas of its operations.

EIGHT QUESTIONS TO AN...

GROUP PROPERTY DIRECTOR

Mark Taylor
JCT600



What are the main responsibilities of your role?

I'm an operational board director at JCT600, having been here 24 years. I head the property department and have ultimate responsibility for new developments, refurbishments, site acquisition and disposal, facilities management (including energy monitoring and management), building maintenance, property investment advice, property management, security plus health and safety. My fantastic, experienced team deals with the day-to-day running of the business, while I look after the longer-term property strategy and seek opportunities to develop and improve the business. Our maintenance division of qualified building engineers covers our 54 sites for reactive maintenance issues and we're constantly looking to expand and improve this important part of the service we offer to our sites. We also have an active property development/investment side to the business, which keeps me busy.

What are the most significant challenges ahead?

One key issue is the increasing and evolving requirements of our manufacturer partners regarding EV infrastructure. While we have multiple power upgrade applications in with electricity companies, predicting what will be needed in five years' time is a real headache. If we underinvest now, the business could suffer a power bottleneck; if we overinvest, we could be wasting thousands. We are having to make difficult decisions about what power supply, charging hardware and back office platforms will be required to meet future needs. There are also questions around what the long-term future holds for traditional motor trade facilities as motor retailing adopts a more blended model. Will we need our mega-dealerships in 10 years' time or will manufacturers accept a shift towards smaller or shared sites to protect dealer profitability?

How might these challenges be overcome?

I think the Government has a part to play in making sure policy keeps up with the real needs of industry and drives a unilaterally agreed direction. We all need to plan ahead wisely to avoid unnecessary duplication or over-investment. There are likely to be times when the local network capacity is stretched to the limit as DC car charging becomes the norm, but innovation in technology will have a huge part to play in balancing the network.

It's important that manufacturers look at all options to keep the retail network profitable and, therefore, viable. This will almost certainly involve the strategic review of the size and location of dealerships, with an increased use of technology resulting in smaller site requirements.

What attracted you to this area of expertise and how did you get to your current role?

I'd worked in various architectural practices for a number years prior to joining JCT600. Already knowing the directors at the company, I only really stepped into the role to 'help out' while a permanent solution was sought to looking after its increasing property needs. I ended up being that permanent solution. I'd previously worked on many large-scale retail projects, so motor retailing was a perfect fit. I joined the board in 2016.

What's the most important thing you've learned and how have you made use of it at your company?

Recruit and surround yourself with great people and give them the freedom to make decisions. There have been times when due to the sheer workload, my team has been given the autonomy to 'just get on with it' – and they continue to amaze me with what they achieve. This develops people at a great pace and gives them the confidence to tackle greater challenges. As the business has grown during my time, from less than 20 to more than 50 sites, it's become impossible to be involved in everything, so staff development and delegation is key.

QUICK-FIRE QUESTIONS

What drives you?

Striving to improve what we do, both at home and at work.

What's your favourite app?

Teamer – you have to be involved in grassroots football to understand! So simple, yet saves hours of admin.

How do you relax?

I'm a coach, committee member and trustee of a local junior football club that has more than 550 members – not exactly relaxing.

AM

AM, Media House, Lynch Wood, Peterborough PE2 6EA
Email: AM@bauermedia.co.uk

THIS MONTH'S QUESTION TO THE AM TEAM:

If you could reverse one decision what would it be?

EDITORIAL

Editor Tim Rose 01733 468266 tim.rose@bauermedia.co.uk • [ibam_editorTimR](https://www.facebook.com/ibam_editorTimR)

Selling my VW Corrado

News and features editor Tom Sharpe 01733 468343 tom.sharpe@bauermedia.co.uk • [ibam_editorTomS](https://www.facebook.com/ibam_editorTomS)

► 'Filing' a borrowed souvenir programme in a Porsche press pack folder for safe keeping. It was binned before I could return it

PRODUCTION

Head of publishing Luke Neal

► Not buying a Lancia Delta Integrale for £2,500 when I had the chance – £30k+ now

Production editor David Buckley

► Getting married on the rebound. Big mistake!

Senior designer Chris Stringer

► The decision to make a *Speed* sequel

CONTRIBUTORS

Matt De Prez, David Francis, Ian Halstead, Debbie Kirlow, Tom Seymour, Craig Thomas, Alex Wright

PROJECT MANAGEMENT

Head of project management

Leanne Patterson b2bpm@bauermedia.co.uk

Project managers

Kerry Unwin, Chelsie Tate, Niamh Walker

ADVERTISING

Commercial director Sean Childerley

Group advertising manager

Sheryl Graham 01733 366467

Account managers

Sara Donald 01733 366474

Kelly Crown 01733 366364

Kate Atkinson 01733 366473

Recruitment enquiries 01733 366473

EVENTS

Event director Chris Lester

Event manager Sandra Evitt 01733 468123

Event manager Kate Howard 01733 468146

Head of exhibitions Katie Gordon-Hill 01733 468289

PUBLISHING

Editor-in-chief Stephen Briers

Head of digital/associate editor Jeremy Bennett

CRM & marketing manager Lauren Annis

Managing director Tim Lucas

Managing director of Commercial,

UK Publishing Nicky Holt

Office manager Jane Hill 01733 468319

Chief financial officer Lisa Hayden

MD Automotive group Niall Clarkson

CEO of Bauer Publishing UK Chris Duncan

President, Bauer Global Publishing Rob Munro-Hall

Subscribe to AM

Visit: am-online.com/subscribe

Email: am-online@circdata.com • Call: +44 (0)1635 588494 • UK: annual £56.10

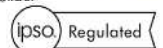
AM is published 12 times a year. Bauer Consumer Media Ltd is a company registered in England and Wales with company number 01776085, registered address Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA. VAT no 918561701. Bauer Consumer Media Ltd is authorised and regulated by the FCA (Ref No. 710067).

No part of the magazine may be reproduced in any form in whole or in part, without the prior permission of Bauer Consumer Media. All material published remains the copyright of Bauer Consumer Media and we reserve the right to copy or edit any material submitted to the magazine without further consent. The submission of material (manuscripts or images etc) to Bauer Consumer Media, whether unsolicited or requested, is taken as permission to publish that material in the magazine, on the associated website, any apps or social media pages affiliated to the magazine, and any editions of the magazine published by our licensees elsewhere in the world.

By submitting any material to us you are confirming that the material is your own original work or that you have permission from the copyright owner to use the material and to authorise Bauer Consumer Media to use it as described in this paragraph. You also promise that you have permission from anyone featured or referred to in the submitted material to it being used by Bauer Consumer Media. If Bauer Consumer Media receives a claim from a copyright owner or a person featured in any material you have sent us, we will inform that person that you have granted us permission to use the relevant material and you will be responsible for paying any amounts due to the copyright owner or featured person and/or for reimbursing Bauer Consumer Media for any losses it has suffered as a result. Please note, we accept no responsibility for unsolicited material which is lost or damaged in the post and we do not promise that we will be able to return any material. Finally, whilst we try to ensure accuracy of your material when we publish it, we cannot promise to do so. We do not accept any responsibility for any loss or damage, however caused, resulting from use of the material. ISSN 0953-8526.

Complaints: Bauer Consumer Media is a member of the Independent Press Standards Organisation (www.ipso.co.uk) and endeavours to respond to and resolve your concerns quickly. Our Editorial Complaints Policy (including full details of how to contact us about editorial complaints and IPSO's contact details) can be found at www.bauermedia.com/complaints.co.uk.

Printing: PCP, Telford



The text paper used in this publication is 100% recycled, produced from post-consumer waste

AM AWARDS : 2021

S E P T E M B E R 8 , 2 0 2 1



SAVE THE DATE

BOOK YOUR TABLE NOW

VISIT: WWW.AM-AWARDS.CO.UK FOR MORE INFORMATION

Thanks to our sponsors

 AutoTrader

 CarGurus

 PistonHeads



Car Care Plan
An AmTrust Financial Company

 carwow



 heycar

 keyloop



 RAPID RTC

 Santander
Consumer Finance



 VehicleVision
ENHANCING TRUST WITH VIDEO

For more information about booking a table at the AM Awards please
contact Michaela Brock at Michaela.brock@bauermedia.co.uk