



AM readers recommend their top suppliers

The greatest form of marketing is via word-of-mouth referrals, and recommendations are priceless.

A business may have excellent products, but referrals and recommendations are ultimately given as a result of outstanding customer service.

AM's annual 'Dealer Recommended' programme allows our thousands of readers to have their say about the companies they believe offer the best service.

We have gathered opinions via a research programme conducted among AM's audience.

The automotive business sectors highlighted for 2019 are GAP insurance, auctions and remarketing, warranty, service plans, finance, and paint protection.

The GAP insurance sector saw AutoProtect recommended by AM readers.

AM DEALER RECOMMENDED >>>>

GAP/RTI insurance – get it right and it's more than just a profit opportunity

AutoProtect is on a mission to change the way people think about GAP/RTI insurance. This change of thinking is equally valid for people in the showroom and for car buyers. When dealers get it right, the benefits are:

- **Increased sales.**
- **Greater trust.**
- **An enhanced customer experience.**
- **A better informed customer, who bought a product they understood and valued.**
- **A deeper long-term customer/dealer relationship.**

In today's increasingly competitive car and van retailing environment, dealers must look to every opportunity to delight the customer and to differentiate their proposition. Mike Macaulay, AutoProtect's head of corporate sales, said: "It's time to ensure there is a quality GAP product in your service."

All GAP/RTI policies are not the same

If you read trusted consumer guidance websites such as The Money Advice Service and Moneysavingexpert.com, it is easy to understand why people often believe all GAP-type products are the same, but they are not. These sites do recognise that there is a difference between the cover afforded by GAP and RTI, but guidance falls short of highlighting that terms and conditions and the breadth of cover often varies. Mis-selling – or 'mis-buying', for those consumers looking to buy online – could so easily be the unwanted outcome.

All GAP/RTI policies are not the same, even if the principles are. A current

and very relevant example is that GAP cover for customers with a PCH finance agreement should be lease-specific, or the customer may not be fully covered.

However, even at finance GAP level, cover can vary. The breadth of cover is an essential aspect when helping the customer, said Macaulay: "All too often, online guidance for GAP/RTI overlooks the importance of understanding the breadth of cover. This detail may only be relevant when a claim becomes necessary. Only then, if 'gaps' appear in the GAP/RTI cover, will the damage be realised. If a dealer opts for a lighter cover, it is essential that they and their team are well aware of the exact level of protection they are providing for the car buyer."

In recent weeks, dealer personnel understanding and communicating the key features of all insurance policies became even more important, with the introduction of new Insurance Distribution

Directive (IDD) compliance standards on October 1 – see below for more information on this key change.



All GAP providers are not the same – AutoProtect TrustPilot rating: 8.6/10

The culture, values, processes and controls of the people who will serve a dealer's insurance customers are not the same. Yet the experience of those customers, should they make a claim, opt to cancel, seek further information, or simply change details, such as their address, reflect upon the dealer who opted to promote their services.

Choose a partner whose approach and ethos is highly customer-centric



"Dealers are and should be the GAP experts that customers trust"

Mike Macaulay head of corporate sales, AutoProtect



and the important values of satisfaction, retention and advocacy can be enhanced.

The evidence of great customer experiences are clear from the market-leading 8.6/10 TrustPilot ranking from customers – it is a nice reassuring item to share with customers in the showroom.

IDD-compliant for the October 1 launch

The new IDD compliance standard for general insurance went live on October 1.

IDD, which replaced the Insurance Mediation Directive, affects everybody within the general insurance sector, whether or not insurance is their full-time role. For motor retailers, it has meant a significant increase in regulation to improve customer protection.

In summary, the IDD general principles say that:

- Firms must act honestly, fairly and professionally in accordance with their customers' best interests (the 'best interest rule').
- Firms must communicate in a way that is clear, fair and not misleading. Marketing materials must be clearly identifiable as such.
- Remuneration of a firm or its employees, and performance management of employees, must not conflict with the duty to act in

accordance with their customers' best interests.

IDD requires a higher level of process rigour in discussing insurance policies and a greater level of professionalism. Every person involved in promoting general insurance products must undertake a minimum 15 hours continuing professional development (CPD) training every year.

By October 1, every dealer and their staff working with AutoProtect in the sale of insurance products, such as GAP/RTI, had received training and guidance on how to comply with the new standards and had a training plan in place to ensure that they complied with CPD.

Macaulay said he sees IDD as an important and positive step for dealers: "A higher level of customer care and product understanding represents a step forward for dealers, helping to address the popular negative perceptions of car sales executives. In an increasingly digital operating environment, quality and care are what will reinforce the value of the dealer showroom."

"The new requirement for all sales executives to have an annual 15-hour CPD record is something we are delighted to support; the connection between training and greater success in sales and a great customer experience cannot be underestimated."

Why attention to detail matters

Macaulay concluded by pointing to the importance of detail in the promotion of GAP/RTI.

"Online assessments* of GAP/RTI have a tendency towards generalisms; the showroom can be specific and appropriate to the needs of the individual customer. While some consumer advice sites point to reasons why GAP may be inappropriate, their guidance may not be appropriate. For example, in the event of a total write-off, not all new car insurance policies offer a brand new car replacement approach and fewer still stretch this beyond the first 12 months of a policy."

"Similarly, a suggestion that GAP may be inappropriate for cars over two years old because they don't depreciate as much as a new car could be misleading. The structure of a PCP agreement and, as mentioned, a leasing agreement are two areas where customers could find themselves particularly exposed. Highlighting such issues represents great customer service."

"Dealers are and should be the GAP experts that customers trust. IDD helps and so does a high-quality supplier providing that extra level of support and reassurance for dealers and their customers. Perhaps that is why, once again, AutoProtect is the Dealer Recommended GAP/RTI supplier – thank you to all dealers for your confidence."

*Sources
<https://www.moneyadviceservice.org.uk/en/articles/do-you-need-gap-insurance>
<https://www.moneysavingexpert.com/car-insurance/gap-insurance/>

A BETTER APPROACH TO GAP/RTI WORKS

10 DEALER TIPS

AutoProtect's 'Trust-Building' Strategy is Winning the Support of Dealers and Car Buyers

- AM Dealer Recommended GAP/RTI Supplier 2018 and 2019
- Trust Pilot 4 Star – 8.6 ranking

AutoProtect is proud of an approach that embraces the creation of good outcomes for dealers and their customers. This is not simply a regulatory imperative, it is a deeply embedded cultural ethos.

AutoProtect has established a two-way approach to continuous improvement. As part of this, during the last 12 months, AutoProtect has continued to seek out feedback from dealers about what success looks like and how they have achieved it. Their comments have helped us to create the following updated Top Ten Tips in their own words; thoughts which AutoProtect hopes will help more dealers to improve the value that GAP/RTI adds to their business:

1 The starting point for success today is a values-led culture, in all added-value sales. This ethos is as important as profit.

2 A shared synergy in terms of customer care, compliance must be at the heart of selecting your GAP/RTI supplier.

3 "There is no 'silver bullet' for improving the value of services such as GAP. Instead, it is a series of showroom behaviours that raise awareness, create confidence and support credibility".

4 "Success is about a combination of quality matters; the product, pricing and the service offered by us and by our suppliers. If there were to be one single item I would point to it is this; if a business is happy to put its own name to a product, it needs to be certain it is working with the right partner to deliver it, and we feel we are".

5 Introduce GAP early and confidently in the customer dialogue, it means these products become a natural part of their buying experience.

6 Adopt a rigorous focus on quality in assessing the added-value options. This includes the products, level of cover, claims process (and the data to support it), dealer support and a flexible, collaborative working approach.

7 "A successful claim is a great advert for our business".

8 Breadth of product, quality, clarity and ease of documentation is crucial.

9 Striving to be best in class means having best in class products, benchmark products such as GAP – is it the best you can offer your customers?.

10 Look for a supplier who works side-by-side with you and which is a natural extension of your business.