

# AMM

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Pandemic has prompted retailers to step up their e-commerce offerings

**THE VOLKSWAGEN ID3 / P40**

Much rests on its shoulders as new stable of VW EVs launches

## EVERYTHING YOU NEED TO KNOW ABOUT



**Automotive  
management  
LIVE  
VIRTUAL**

INSPIRATION AND IDEAS TO HELP YOU RUN YOUR GROUP, DEALERSHIP OR DEPARTMENT BETTER / P37

## PREPARING FOR 2030

HOW ARNOLD CLARK REACTS TO ICE SALES DEADLINE / P18

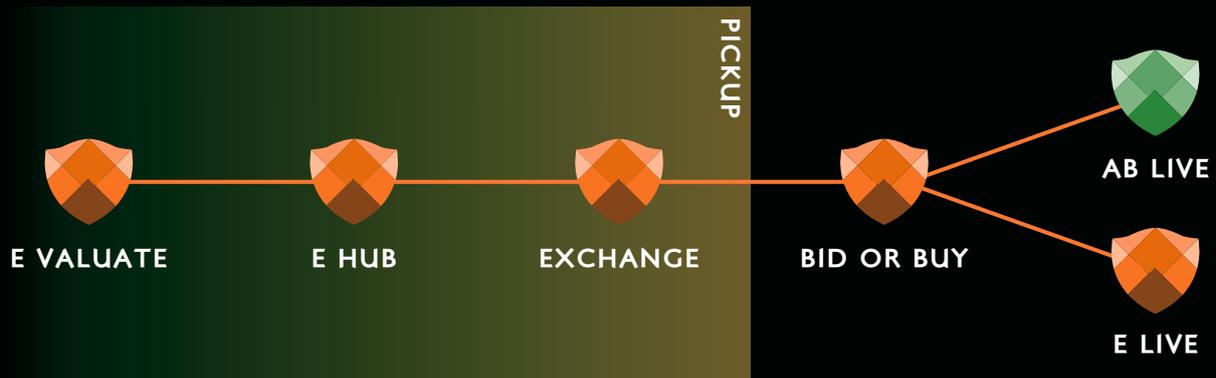




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# EDITOR'S LETTER

# W

hat a start to 2021. Week one and straight into lockdown. Thanks COVID for bringing us back down after the EU trade deal was thankfully secured.

The upside is that this year can only get better. As more people get vaccinated we will be able to slowly kiss goodbye the threat of such tough restrictions. A more stable working life will return. There'll be postponed sales opportunities to recover. There might even be business meetings with handshakes and hugs again.

There's already a ray of sunshine looming in the form of our online, two-day, festival of motor retail best practice for dealers and OEMs – Automotive Management Live Virtual.

With 18 speaker sessions and case studies from more than a dozen dealer groups on January 20-21, I can guarantee you'll log out afterwards with inspiration and ideas to help you run your group, dealership or department better. You can network virtually with peers too. Find out more on pages 37-39 or go to [www.automotivemanagementlive.co.uk](http://www.automotivemanagementlive.co.uk) for the exact timings and agenda.

Whether you're in work or on furlough, the time you can devote to Automotive Management Live Virtual will be wisely spent. All presentations are being recorded and will be available on-demand for 28 days afterwards, provided you've registered.

See you there!



## MEET THE TEAM



**Tim Rose**  
Editor



**Tom Sharpe**  
News and features editor



**Stephen Briers**  
Editor-in-chief



**Jeremy Bennett**  
Head of digital/  
associate editor



**DO IT 4  
BEN**

## **Breakout for Ben**

**Get your trainers and bikes at the ready  
and Breakout for Ben this February!**

Join us in a huge virtual event walking, cycling and even swimming the distance of famous Motor Circuits across the UK. Get involved to raise much needed funds for Ben and the vital work that we do supporting automotive people.

Our industry partners have donated the first £500k, so this is your chance to show your support and help us reach our £1 million target. Get on the Road to £1m and Breakout for Ben.



Ben – Motor and Allied Trades Benevolent Fund.  
A charity registered in England and Wales No.  
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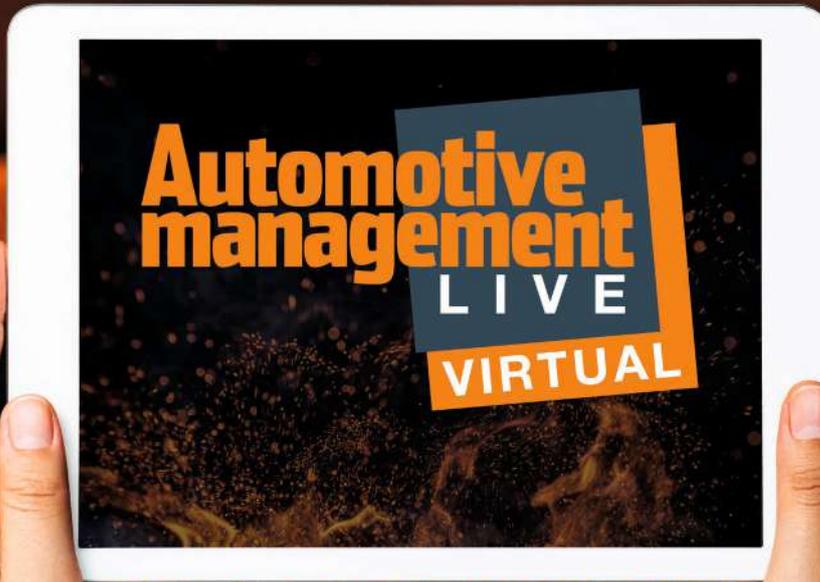
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Support for life

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What's in store at the first Virtual AM Live on January 20-21



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# PANDEMIC REMAINS BIGGEST THREAT TO 2021 PROFITABILITY

But dealers expect higher EV and petrol car sales to help their recovery now a Brexit deal has seen off the threat of EU tariffs

**I**rrregular spikes and slumps in demand could define the car retail environment in 2021 as the UK's battle with COVID-19 continues, with some warning of a year punctuated by "several lockdowns".

After an EU trade deal delivered at the 11th hour as a "Christmas gift" from Prime Minister Boris Johnson buoyed the sector, the return of COVID-19 lockdown restrictions on January 5 tempered hopes of a resurgent start to the new year.

With the tariff-free delivery of vehicles to UK retailers secured, retailers' concerns are now keenly focused on the ongoing impact of COVID on consumer demand.

It looks likely the current closure of dealerships across the UK will impact the key March plate change for a second year.

Jayson Whittington, chief editor at Glass's and a director of the Vehicle Remarketing Association (VRA), anticipates a stop-start sales outlook for 2021 as a whole, despite the Government's immunisation push.

"It's going to take several months, if not more than 12 months, and we are going to see several more lockdowns through the year," he said.

## PROTRACTED RECOVERY

Trustford chairman and chief executive, Stuart Foulds, was also among those who believe that Government's ambitious bid to immunise two million people against COVID-19 each week would still deliver a protracted recovery.

Foulds said: "Logistically, I understand that it's likely to take to the end of this year to get the population immunised. I very much doubt we're going to return to normal trading conditions at the end of Q1."

The results of AM's Outlook 2021

Survey showed that, even before the EU trade deal was finalised, retailers across the UK feared the impact of COVID more than anything else.

Although the sector evolved rapidly towards online sales and established ways to work in leaner fashion during 2020's near three-month lockdown period in H1, 66.7% of franchised car retailers told AM that COVID remained the main threat to the profitability, compared with 25.6% which cited Brexit.

Among independents, 62.3% cited COVID-19 as the biggest threat, with 25.9% prioritising Brexit concerns.

AM's survey was conducted between December 11 and January 7.

After the turn of the year – and with the relative security of the EU free trade deal – all dealers responding to the survey cited COVID-19 as their key concern.

Speaking to AM after January 4's announcement of a return to lockdown in England and Scotland, Vertu Motors chief executive Robert Forrester said the prospect of the new lockdown measures running into March meant retailers would have to come up with strategies to retain volumes now.

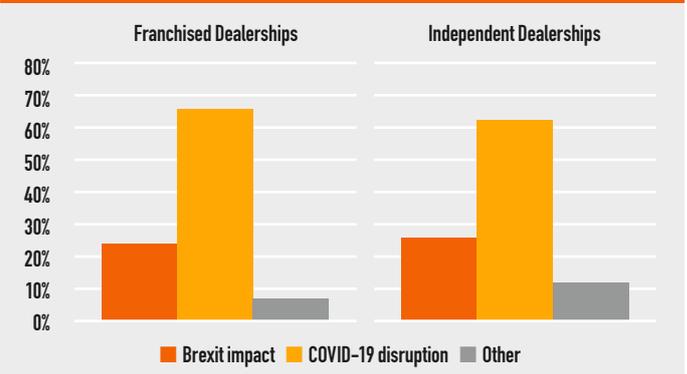
"The industry's going to have to get its head round the issue of new cars in March and building order banks is going to be a priority despite the new restrictions," he said.

Foulds agreed. He said: "Clearly the end of Q1 will bring the usual plate change pressures and there will be a number of people reaching the end of finance agreements to deal with, as there is every year.

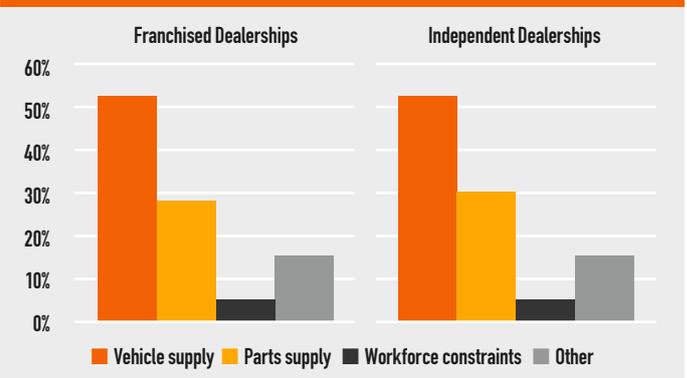
"Our teams will be working hard on our databases in the weeks ahead to make sure we are able to fulfil as many sales as possible."

Responses to the 2021 Outlook Survey indicated that 59% of franchised car retailers and 48.2% of

## WHAT DO YOU SEE AS THE BIGGEST THREAT TO YOUR DEALERSHIP'S PROFITABILITY IN 2021?



## WHAT DO YOU EXPECT TO HAVE THE BIGGEST EFFECT ON YOUR BUSINESS FOLLOWING THE UK'S DEPARTURE FROM THE EU?



“THE INDUSTRY'S GOING TO HAVE TO GET ITS HEAD ROUND THE ISSUE OF NEW CARS IN MARCH AND BUILDING ORDER BANKS

ROBERT FORRESTER,  
VERTU MOTORS



independents remained confident of growing turnover despite the continued headwinds.

However, just more than a third (35.9%) of franchisees and less than half of independents (44.4%) anticipated that would translate to an increase in profitability.

Franchised dealers adapting to the new Financial Conduct Authority (FCA) regulations on commissions saw used cars as the bigger opportunity in the finance sector, with 59% anticipating growth, compared with just 35.9% for new car finance.

A total of 55.7% of independents also anticipate an increase in used car finance.

A third of franchised retailers (33.3%) anticipate a further decrease in new car sales in 2021, despite 2020's 29.4% decline and the prediction from the Society of Motor Manufacturers and Traders' (SMMT) of a two million-plus market this year.

A registrations recovery was predicted by 43.6%. However, the same proportion suggested an increase in pre-registrations, while 76.9% of franchisees expect used cars growth.

Among the independents, 66.7% expect volumes growth, with just 18.5% fearing a decline.

### BREXIT'S JAB IN THE ARM

The issue of new vehicle supplies – highlighted by both used and independent retailers as a key concern for 2021 – has partly been alleviated by the Brexit deal.

But Brexit has brought a major used car supply issue for traders in Northern Ireland.

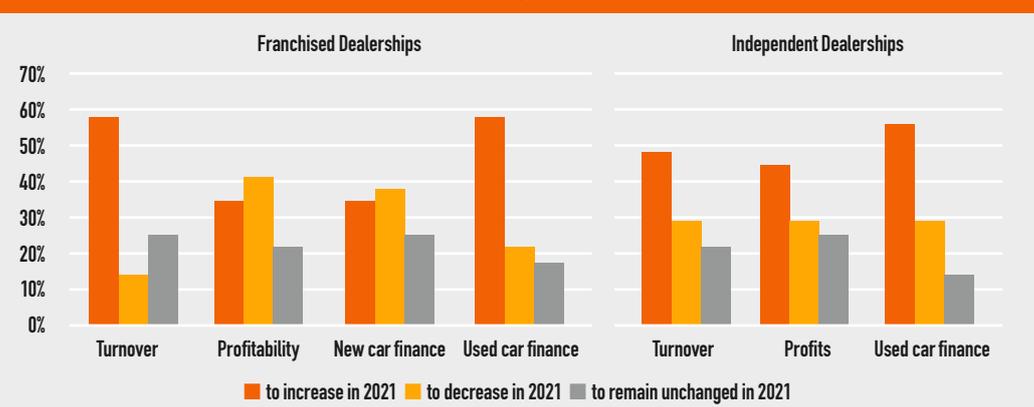
Tariff-free imports should guarantee UK franchisees a flow of new product once again mitigated only by manufacturers' concerns about a requirement to meet ever-more stringent EU fleet emissions targets. These demanded an average 95g/km of CO<sub>2</sub> for 90% of the vehicles in 2020, increasing to 100% this year.

A total of 51.3% of franchisees cited limited supplies as their biggest Brexit concern, compared with 51.3% independents, closely followed by parts supply at 28.2% and 29.6%.

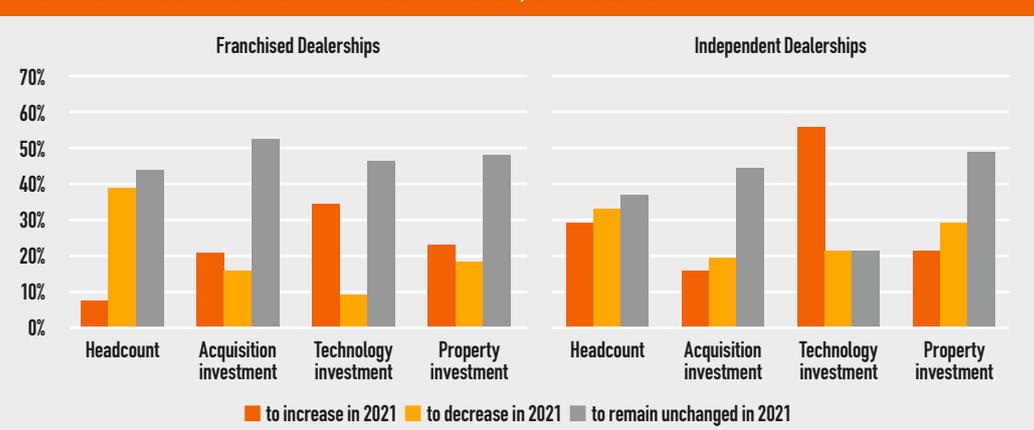
National Franchised Dealers Association (NFDA) chief executive, Sue Robinson, said: "It is positive that the UK Government has reached a Brexit deal with the EU that avoids tariffs on vehicles and vehicle parts.

"As an industry, we now have further clarity, which will enable greater investment into the sector and support consumer confidence."

### FINANCIAL PERFORMANCE: COMPARED WITH 2020, DO YOU EXPECT:



### BUSINESS PERFORMANCE: COMPARED WITH 2020, DO YOU EXPECT:



Of more concern on a domestic front will be the supply of used cars with reduced fleet business due to the COVID-19 pandemic's impact on vehicle movements.

Cazana's Rupert Pontin fears further COVID-19 lockdowns and the end of the Government's Coronavirus Job Retention Scheme (CJRS) in April will impact the ability of remarketing channels and logistics providers to keep pace with shifting peaks and troughs in consumer demand.

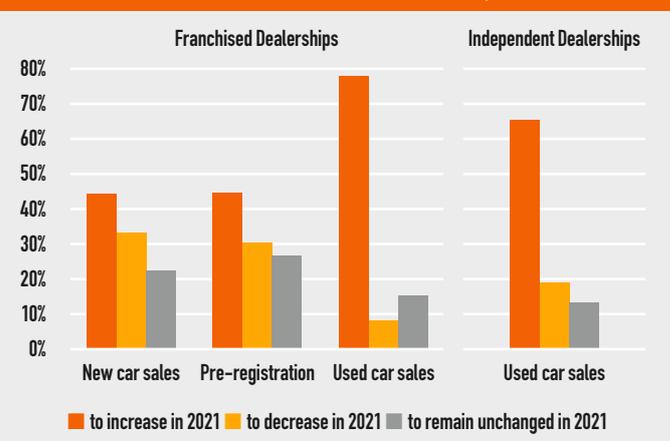
Pontin said: "How the sector balances supply to demand in what could be a very volatile year is a key concern. It could be a very spiky journey, particularly in early 2021.

"Some logistics firms that have begun to operate very leanly in 2020 may struggle to find drivers in the periods of higher demand.

"I just hope that 2021 sees the motor sector benefit from the high levels of confidence that it saw during 2020."

In Northern Ireland, a major VAT issue will also hamper the sale of used cars imported from the UK

### SALES PERFORMANCE: COMPARED WITH 2020, DO YOU EXPECT:



mainland – a stock source accounting for around a third of the market's sales.

Sytner, Lookers, TrustFord and the NFDA have lobbied MPs on the issue which results from the country's continued positioning within the EU's customs union.

It means cars imported from the mainland are now ineligible for the margin scheme, making them

subject to a 20% VAT increase.

VAT expert Glyn Edwards, from MHA MacIntyre Hudson, told AM: "The NFDA is pursuing possible solutions, but it's not an issue that is simply going to go away. It's a huge headache for retailers in Northern Ireland."

**CONFIDENCE DESPITE COVID** Praise was directed towards

the car retail sector from many corners of UK automotive following the SMMT's announcement of registrations that had declined by almost a third last year (see also page 14).

SMMT chief executive Mike Hawes and the NFDA's Robinson led the plaudits for a sector that mitigated the impact of COVID-19 through the rapid development of a digital sales capability, allowing continued sales via click-and-collect.

The sheer pace of the change was reflected in responses to the survey.

Asked what digital mediums their franchised car retail group would be able to embrace in 2021, following their introduction last year, 76.3% said end-to-end online retail, 81.6% live video vehicle tours and 73.7% home delivery.

A further 79% had introduced electric vehicle (EV) charge points as 87.2% anticipated a rise in the sale of alternative fuel vehicle (AFVs).

The independents have kept pace, but to a lesser extent, with 56% saying they had introduced end-to-



**“WE AREN'T WHERE WE WERE AT THE START OF THE FIRST LOCKDOWN. WE KNOW WHAT WE CAN DO AND I KNOW THAT THE ATTITUDE OF OUR STAFF IS TO GET ON WITH SECURING THOSE CLICK-AND-COLLECT SALES**

**SHAUN FOWEATHER, STONEACRE MOTOR GROUP**

end online sales, 48% live video vehicle tours and 72% home delivery.

Just 12% had installed EV charge points, despite 77.8% anticipating an increase in AFV sales.

**UPBEAT ABOUT PROSPECTS**

Daksh Gupta, the chief executive of Marshall Motor Holdings, Shaun Foweather, managing director of Stoneacre Motor Group and Darren Ardron, MD of Perrys Motor Sales, were upbeat about their 2021 prospects in light of changes made in their business.

Foweather said he remained “buoyant” despite the new lockdown. “It’s not ideal, but we coped well in

November, so we’re reverting to that way of operating again,” he said.

“We aren’t where we were at the start of the first lockdown. We know what we can do and I know that the attitude of our staff is to get on with securing those click-and-collect sales.”

Foweather said most of Stoneacre’s dealerships had been operating under Tier 4 restrictions since the start of December and the effect of lockdown was to ramp-up their contactless sales efforts at the remaining 23 sites.

He added: “The people I feel sorry for in all this are the likes of Cazoo and cinch. They entered the market

hoping to disrupt things and it has been COVID that’s done that. Now every dealership in the country has the ability to sell online and deliver via click-and-collect.”

Ardron told *AM*: “I think the last nine months has taught us a lot. If we can hold on to the learning, new process and efficiencies that have been developed this year, then I think we can look forward very positively.”

Gupta conceded that many in the sector often accused him of being too positive, joking: “Happy new year, happy new lockdown.”

But he told *AM* that he saw the COVID-19 vaccines as “the light at the end of the tunnel”.

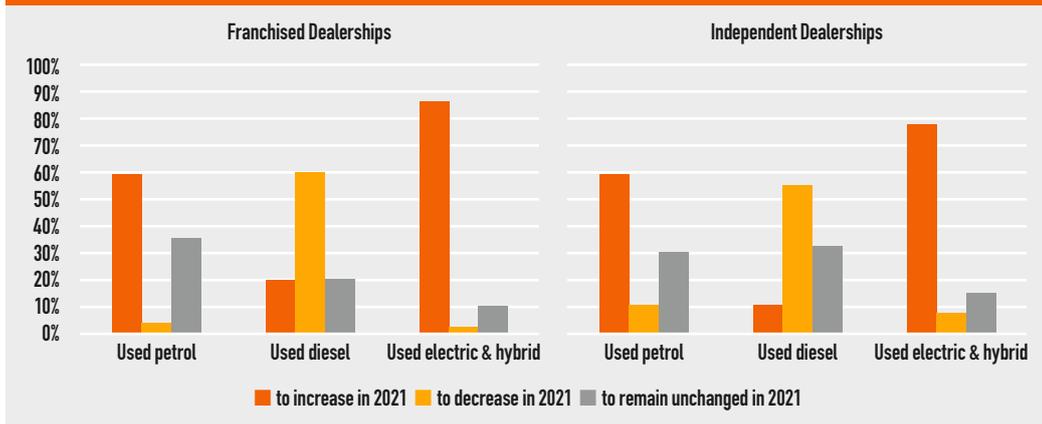
“If this lockdown continues to the end of March, as it could well do, then we will have been under restrictions for 12 months and I’d say to the sector that we have successfully weathered 75% of that already,” he said.

“Our aftersales businesses – the most profitable part of our operations – remain open and we can continue to sell cars wherever possible.

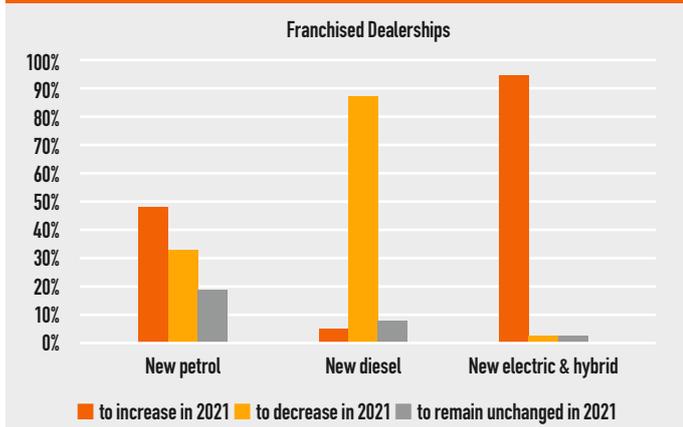
“There is an issue of constancy and the stop-start of all this on people’s mental wellbeing, however. It is tough, but we have looked after our colleagues well so far and we will continue to do so.”

**TOM SHARPE**

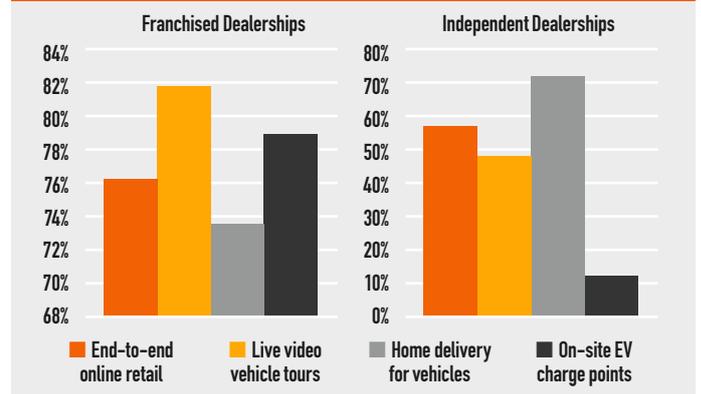
**USED CAR FUEL TYPES: COMPARED WITH 2020, DO YOU EXPECT SALES OF:**



**NEW CAR FUEL TYPES: COMPARED WITH 2020, DO YOU EXPECT SALES OF:**



**WHICH OF THE FOLLOWING WILL YOUR BUSINESS BE ABLE TO TAKE ADVANTAGE OF THROUGHOUT 2021 FOLLOWING THEIR 2020 INTRODUCTION?**



# Why ESG can have a positive impact on returns

**A**s we move into a new year, it is becoming apparent that the Environmental, Social and Governance (ESG) agenda is influencing the whole business roadmap, including the motor retail industry, with the pace and rate of change increasing significantly.

So what should dealerships be aware of and what steps can they take?

ESG is a position businesses are now having to take seriously, as it is seen as your licence to operate within your chosen marketplace. The concept is not just the preserve of large multi-national motor manufacturers as it starts to play more of a role in business decisions and day-to-day activity of all retailers.

## Environmental

The green agenda is not just about the range of electric vehicles that are available. It is now much wider in terms of demonstrating environmental traits on individual sites i.e. the way in which showrooms and workshops are constructed and how energy- and water-efficient they are. The capital allowances and R&D tax credit regimes recognise this and so, although a cost may be involved here, it can generate a return in tax savings and so, at least, be neutral and, in some cases, produce a positive return in the form of tax refunds or brand development.

*“The green agenda is not just about the range of electric vehicles that are available”*



Chris Bond,  
Tax Partner,  
BDO LLP

## Social change

This is no longer just about supporting a number of local charities, Social now covers a cultural change in terms of transparency around gender equality, diversity and staff policies across the board. The legislation that now exists means retailers have to publish their stance on these issues and be accountable for them.

## Good governance

The Governance agenda is increasing

on a year-by-year basis as more legislation comes into play. This has a cost impact on business as everyone tries to comply with things like GDPR and other digital-based regulations. Tax changes such as the Corporate Criminal Offences or the new IR35 regimes also allow HMRC to gain access to the inner workings of businesses to ensure that each is paying the right amount of tax.

## The bigger picture

But why is ESG important, especially to motor retailers? There is increasing research which suggests that good practice from an ESG perspective also transfers into increased returns.

If sales staff are highly trained on the environmental agenda they will be able to demonstrate the sustainable nature of a vehicle and how it has been made which will translate into brand loyalty.

If showrooms and workshops are more energy-efficient this reduces cost and so adds profitability through margin gains at a departmental level.

There is a lower cost of capital as funders look to reward and be associated with projects and businesses that support ESG.

Numerous national and regional grants are available for ESG projects all of which creates value such that this can be used within the business for the retention or development of current or future talent.

The staff of the future will be very ESG aware. To attract the best talent a clear policy and offering in this context helps demonstrate the whole culture of the business. Importantly, they will hold similar views as the customers they deal with, supporting better and more profitable client relationships.

IDEAS | PEOPLE | TRUST



ADVERTISING FEATURE

# Electric vehicles – the start of a quiet revolution

By **Stuart Pearson, COO BCA UK Remarketing**



BCA's experience is that the market is getting more receptive to alternative fuels with knowledge improving as more electric vehicles (EVs) reach the market.

There continues to be improving levels of demand from professional buyers for EVs. Knowledge and confidence in the product has definitely increased. However, an accurate valuation remains key in a dynamic market and it is important to use market insight to ensure the vehicle is optimised for sale.

BCA works with sellers to minimise issues like missing cables, keys and paperwork and ensure the vehicle is charged and ready for sale.

Ensuring EVs/PHEVs are supplied with the correct charging cable is critical as official replacements can cost several hundred pounds and buyers will factor this into their bidding if they are not present.

To help build buyer confidence, sellers should provide a comprehensive service history at the time of sale alongside any associated paperwork detailing the type of powertrain and battery specification.

BCA Valuations provides robust pricing intelligence that ensures vendors are aligned with market sentiment. The best prices will be achieved by targeting the right buyer base with the most detailed information.

Consider providing an independent mechanical condition report as well. BCA has developed a specialised BCA Assured report for self-charging, plug-in hybrid and EVs to build buyer confidence with checks on areas specific to these vehicles. This includes checks into charge port and leads, charging status and traction pack diagnostics.

Accurate exterior appraisal and vehicle grading is essential for buyers and if the vehicle is due an MOT soon after the time of sale, get it done early as this will help promote buyer confidence.



# THIS MONTH'S NEWS HIGH

DEC

15

## PENDRAGON SELLS CALIFORNIA OUTLET



Pendragon agreed to sell another of its Jaguar Land Rover dealerships in a £11.8m deal. The outlet, at Santa Monica, USA, will be sold to privately-owned dealer group Redwood Automotive. Pendragon said the proceeds from the sale "will be used for general corporate purposes".

## CITNOW ADDS SHOWROOM SOFTWARE EXPERTISE

Showroom software firm Dealerweb was bought by CitNOW in a deal which the video software expert believes will leverage innovation. Joint founder and current Dealerweb chief executive Martin Hill will become strategy director, with managing director James Hill assuming day-to-day management of the company.

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## BARCLAYS FINED £26M FOR CUSTOMER 'POOR TREATMENT'



The Financial Conduct Authority (FCA) fined Barclays £26m for failures in its treatment of consumer credit customers who experienced financial difficulties. Mark

Steward, FCA executive director of enforcement and market oversight, said: "Barclays's poor treatment of its customers risked making these difficulties worse." Barclays has redressed customers, paying more than £273m since 2017.

17



## CAZOO SNAPS UP DROVER

Cazoo announced a deal to acquire Drover, the UK's best-known car subscription platform, in a step set to boost its growth in the UK and into Europe. Cazoo founder Alex Chesterman said the acquisition would "enable Cazoo to rapidly expand into car subscriptions".



## MITCHELLS HUNGRY FOR MORE AFTER KERRIDGES DEAL

Award-winning Groupe Renault retailer Mitchells revealed it was courting new car franchises after acquiring Vauxhall specialist Kerridges.

Matthew Huke-Jenner (pictured, left), the owner and MD of Lowestoft-based Mitchells, believes the Halesworth used car operation holds great potential as a franchised site.



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## CAR RETAILERS PUT THEIR FAITH IN COVID VACCINES

Car retailers impacted by the latest COVID-19 lockdown restrictions were among businesses who told the BDO *Rethinking the Economy* survey they thought the incoming vaccine would deliver a "sharp recovery" from the pandemic. Close to two-thirds (65%) of businesses surveyed predicted a full recovery within six months of the vaccine being made available.

## SSANGYONG SEEKS RESTRUCTURE AFTER MISSING PAYMENT

SsangYong Motor Company (SYMC) applied for bankruptcy to South Korea's Seoul Bankruptcy Court a week after the manufacturer missed the repayment of 60 billion Korean Won to JP Morgan Chase Bank. A statement said SYMC had decided to apply for rehabilitation procedures allowing time to agree a company restructure.



JAN

## VARDY SWAPS VAUXHALL FOR USED CAR SUPERMARKETS

Peter Vardy will exit the Vauxhall Motors franchise by the end of June and transform six franchised dealerships into used car supermarkets as part a strategy that will see the group go head-to-head the likes of cazoo, carzam and cinch. Its new Carz operation aims to double used car sales while driving online retail using its SilverBullet platform.



04

## LOOKERS SHAREHOLDERS REVOLT AGAINST CEO'S PAY PLAN

Lookers said it will continue to "review the appropriateness of the remuneration policy" following a shareholders' revolt centred on the £450,000 pay packet of chief executive Mark Raban. In all, 28.91% of shareholders voted against the remuneration report at the PLC's general meeting.



05

## STELLANTIS MERGER DEAL IS GIVEN THE GO-AHEAD

Shareholders from Groupe PSA and Fiat Chrysler Automobiles (FCA) voted in favour of a merger to form manufacturer super group Stellantis. Both businesses agreed to a 50:50 merger that will form the fourth largest car maker in the world, expecting to sell more than 8.7m vehicles each year.

## ADVERTISING FEATURE

# Why online motor retail is becoming both simpler and more complex

By James Tew, CEO, iVendi



Probably the key online motor retail trend we've seen at iVendi last year was car retailers gravitating towards one of two quite different approaches.

The first is paring back the act of car purchasing to what you might call the simple model – the customer

chooses a vehicle, clicks 'buy' and the only other choice will generally be whether to opt for some form of motor finance.

The other is much more complex and attempts to replicate some, or all, of the features of a traditional, showroom-based used car purchase in a digital form, with price negotiation, part exchange valuation, and a number of value-added products to consider.

Our view is that these retail experiences are really aimed at different types of buyers.

One is happy to make a car choice and buy entirely online with little or no physical interaction with the dealership. The other, which in our experience represents the majority, takes a less direct path to car buying and desires a proposition that is tailored to their particular needs including test drives, part-exchanges, vehicle asset protection and more.

iVendi provides technology for both of these models although the solutions required for complex transactions are, inevitably, more sophisticated and it is here that the real advances have been made.

In April, we introduced our TRANSACT product which includes something we call a Digital Deal, a communication tool designed to replicate the subtleties of complex, face-to-face conversation.

It's been remarkably effective over the course of the past few months and, since launch, has been used to generate sales of more than £82m.

At a time when the used car market has been volatile, figures such as these have made a real difference to many retailers.

Visit [tellmemore@ivendi.com](mailto:tellmemore@ivendi.com) or call 0300 229 0028.



BATTERY TECHNOLOGY

# ARE BATTERIES GREEN OR BLACK?

The debate rages over whether electric vehicles are actually better for the environment or not. So what's the answer?

**A** few months ago, we mentioned a fairly obscure study by British engineering consultancy Ricardo, that suggested that it takes 15,000 miles for an electric car with a small 30KW/hr battery to reach "break-even" against a petrol car, and about 35,000 miles for a 100KW/hr electric car to do so. That rather niche discussion between engineers subsequently broke out into a fairly major Twitter spat (not involving Ricardo, it should be said), so it is worth trying to get to the bottom of the argument.

The basic idea is that batteries take a huge amount of energy to manufacture. That much is unarguable – for example, battery gigafactories can only be sited in places which have direct access to the 400KV backbone of the electricity grid (a bit like putting a logistics hub next to a motorway junction). Hence all battery electric vehicles (BEVs) start off with a CO<sub>2</sub> deficit against a petrol car, the question being how long it takes before the BEV produces

less overall CO<sub>2</sub> than its petrol rival. To answer that, you have to know the amount of electricity used to make the two types of cars, the amount of CO<sub>2</sub> in the grid electricity (very low in nuclear-powered France, catastrophically high in coal-dependent Poland), and the CO<sub>2</sub> produced by the petrol alternative.

Polestar marked their recent launch in the UK with a very honourable explanation of how long it took their Polestar 2 BEV to reach break-even against a conventionally-powered Volvo XC40. Their conclusion was that, with the average European power mix, the answer is 48,000 miles and, with wind power alone, it would be 31,000 miles. They did not give a precise figure for the UK, but our grid is cleaner than the European average (mostly due to electricity from offshore wind), so the likely figure for the UK is 40,000-45,000 miles

This high-minded debate was undermined last month by a row concerning Aston Martin, of all companies. The allegation was that Aston Martin,

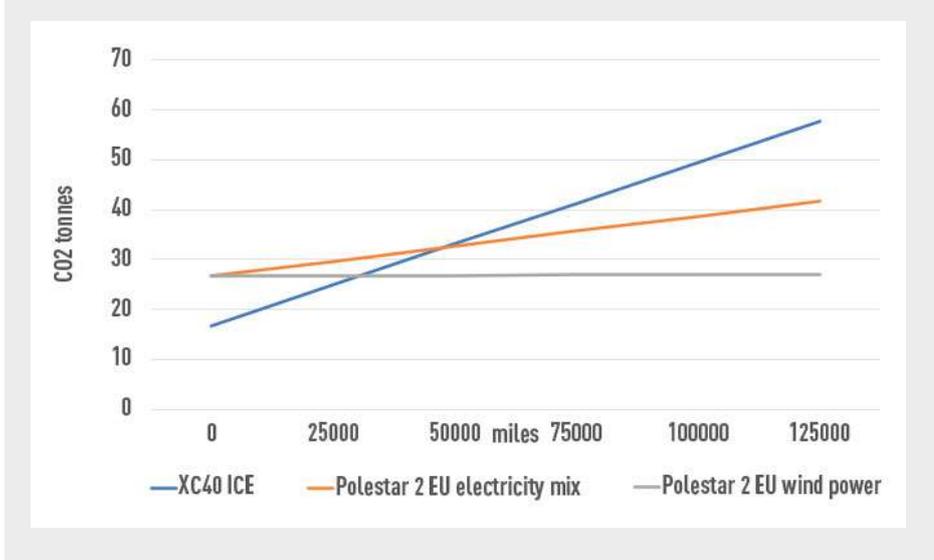


ISTOCK.COM/ALESSANDROPHOTO

plus a number of other car companies, had commissioned a separate report to give a worst-case scenario for the break-even point of BEVs. The companies were alleged to have written the report and had it published via a company set up by the wife of Aston Martin's director of global government and corporate affairs. Then the media started quoting "experts" who claimed the BEV break-even point was far lower. One widely quoted source was a researcher in the Netherlands, Auke Hoekstra, who claimed the figure was only 16,000 miles for a Tesla 3 compared to a Mercedes C220d. However, he reckoned the Mercedes emits 217 g/km of CO<sub>2</sub>, which equates to 34.5 mpg. Apart from driving along an Autobahn at top speed, it is hard to believe anyone gets only 34.5 mpg from a C220d.

This might all sound a bit academic, but it does relate to actual greenhouse gas emissions. Most people would agree that climate change is the most important long-term problem we face, so we need to be pretty sure that any environmental measures produce the maximum benefit, and that we don't fall victim to the law of unintended consequences. Currently, buyers want an EV to have a similar range to a car, even though many only need that range for perhaps 10% of their journeys. Experience has shown that there is no point telling buyers that a 120-mile range is good enough for most of their journeys. Consumers spend a lot of money on a car, and expect it to cover all their reasonable motoring needs, not 80% of them. As smart found with the fortwo, the argument that on most days people only need two

CO<sub>2</sub> BREAK-EVEN POINT: POLESTAR 2 vs VOLVO XC40



SUPPORTING DEALERS, **WHATEVER**

## SPONSOR'S COMMENT



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

February always feels like a really productive month. We are all back and firmly

focused on our business objectives and making sure we deliver a strong start to plan.

Of course, this year there is the additional overhang of COVID and the uncertainties of Brexit. But, inevitably, we need to return to the essential things that help customers and drive sales.

Following excellent work ensuring we are all ready for the new rules on finance commissions and disclosures, it's now a great time to focus on training and development plans for all customer facing staff.

Simplification and transparency are the watch words for improving customer experience of motor finance. And digital interactions really help too – in and out of the showroom. But, even with simple products and clear information, customers still have questions and very much value the help and reassurance that properly trained staff can bring.

At Black Horse, we provide a range of training solutions including our award-winning LetsULearn site. We have taken this a step further in the past 12 months with online classrooms. These provide first class training in addition to helping people to learn from each other. And all of this without the inconvenience of having to travel. From regulation to better customer conversations there is something for everyone, so please ask your Black Horse account manager for more information.

Investing in the development of our people not only builds customer satisfaction, it builds their satisfaction with us as employers. Which can only be good for the strongest possible performance in 2021.



seats is squashed flat by consumers replying: "But on some days I need four."

The argument as to which powertrain gives the lowest overall CO<sub>2</sub> impact is extremely complex and will not be settled by PR campaigns or political speeches. The best solution for CO<sub>2</sub> reduction is clearly not a petrol-only car or a conventional hybrid, but it may not be a car with a 100KWH battery pack either. A 30KWH battery pack might give big advantages in terms of lifetime CO<sub>2</sub> (less battery to manufacture, less weight to cart around), but then the question is what provides the power for the annual holiday or trip to distant relatives? A petrol engine running as a generator at constant speed to power the battery will produce less CO<sub>2</sub> than a petrol engine driving the wheels: it is the "transients", as engineers call speeding up and slowing down of the engine, that waste the most fuel. However, such a car would not be zero CO<sub>2</sub>, unless the engine were burning synthetic fuel or hydrogen (and hydrogen has to be produced via green electricity to be clean).

There are a host of possible solutions, perhaps the most radical approach being a powertrain for dump trucks developed by Williams Advanced Engineering (spun out from Williams F1). It is a fuel cell-battery hybrid, with the on-board fuel cells using clean hydrogen from a solar farm to charge the battery pack, which then drives the wheels.

It may be that, for many types of vehicle, there

ALTERNATIVELY FUELLED VEHICLE REGISTRATIONS		
	YTD Nov 2020	YTD Nov 2019
Petrol	63.40%	66.10%
Diesel	20.10%	26.80%
BEV	5.80%	1.50%
PHEV	3.90%	1.40%
HEV	6.80%	4.30%
Total	100.00%	100.10%

is no one simple answer, or rather the simple answer was petrol/diesel, but that is now off the agenda. To duplicate the convenience of oil, while minimising CO<sub>2</sub> emissions, may require some combination of battery/fuel-burning generator/fuel cell. The exact mix will depend on the mix of driving (perhaps battery-only for a small car, and hydrogen-only for a 40-tonne truck, but a combination of battery plus either a fuel cell, or an engine burning synthetic fuel, for a large SUV).

The solution will certainly include batteries, at least for the foreseeable future. However, we really need to figure out if batteries should be combined with other solutions, and there is very little discussion of that topic by governments. It is a difficult question, but few environmental questions are solved by ignoring them.

DAVID FRANCIS

NEW CAR REGISTRATIONS

# Lowest registrations for close to three decades, says SMMT

The UK's franchised car retailers have been praised for their ability to adapt and meet the challenges of the COVID-19 pandemic after the Society of Motor Manufacturers and Traders (SMMT) reported a 29.4% decline in new car registrations during 2020.

Reacting to the SMMT 2020 data, National Franchised Dealers Association (NFDA) chief executive, Sue Robinson, said the sector's efforts had mitigated the impact of the pandemic, adding that it was "well placed for growth" despite this week's return to lockdown.

The data showed that the UK new car market dropped 10.9% during December, to 132,682 units, as the market ended 2020 with just 1.63 million registrations – the lowest total since 1992.

The SMMT said the 680,076-unit decline was equivalent to £20.4bn in lost revenues.

But the figures came against the backdrop of a pandemic which brought about the near-three-month closure of showrooms from March and a second lockdown in November.

Pure electric vehicle (EV) sales rose 185.9% in 2020 to 108,205, and plug-in hybrids (PHEV) grew 91.2% to 66,877. One-in-10 of new cars registered in 2020 was a plug-in variant.

**1 MG**

The only brand, except for Tesla, to increase sales in 2020, MG was buoyed by demand for its keenly-priced plug-in cars, the ZS EV and MG5 EV.



**2 CITROËN**

A 45% fall in year-on-year registrations left the French brand with its lowest market share in decades. Its three-year 'Advance' plan is designed to drive its recovery.



Marque	December					Year-to-date				
	2020	% market share	2019	% market share	% change	2020	% market share	2019	% market share	% change
<b>1</b> MG	1,421	1.07	1,702	1.14	-16.51	18,415	1.13	13,075	0.57	40.84
Chevrolet	0	0.00	0	0.00	0.00	0	0.00	62	0.00	0.00
Cupra	107	0.08	0	0.00	0.00	162	0.01	0	0.00	0.00
Infiniti	0	0.00	0	0.00	0.00	0	0.00	292	0.01	0.00
Polestar	242	0.18	0	0.00	0.00	850	0.05	0	0.00	0.00
Porsche	2,180	1.64	1,740	1.17	25.29	14,284	0.88	15,257	0.66	-6.38
Lexus	749	0.56	745	0.50	0.54	13,727	0.84	15,713	0.68	-12.64
Toyota	5,711	4.30	4,726	3.17	20.84	91,793	5.63	105,192	4.55	-12.74
Bentley	144	0.11	186	0.12	-22.58	1,337	0.08	1,595	0.07	-16.18
Volvo	4,541	3.42	3,941	2.65	15.22	46,408	2.85	56,208	2.43	-17.44
Škoda	4,881	3.68	5,799	3.89	-15.83	58,693	3.60	75,053	3.25	-21.80
Nissan	7,124	5.37	5,309	3.56	34.19	71,932	4.41	92,372	4.00	-22.13
Audi	7,435	5.60	8,701	5.84	-14.55	107,842	6.61	138,924	6.01	-22.37
SsangYong	65	0.05	72	0.05	-9.72	1,488	0.09	1,930	0.08	-22.90
Land Rover	4,548	3.43	4,316	2.90	5.38	58,505	3.59	76,546	3.31	-23.57
Jeep	534	0.40	373	0.25	43.16	4,639	0.28	6,193	0.27	-25.09
Volkswagen	15,635	11.78	14,687	9.86	6.45	148,338	9.09	200,771	8.69	-26.12
Kia	3,589	2.70	4,980	3.34	-27.93	70,537	4.32	97,323	4.21	-27.52
Renault	1,799	1.36	4,701	3.16	-61.73	42,740	2.62	59,132	2.56	-27.72
Mini	4,101	3.09	6,123	4.11	-33.02	46,109	2.83	64,884	2.81	-28.94
Jaguar	3,386	2.55	1,855	1.24	82.53	25,513	1.56	36,069	1.56	-29.27
Peugeot	5,386	4.06	5,719	3.84	-5.82	57,186	3.51	80,851	3.50	-29.27
Abarth	162	0.12	165	0.11	-1.82	2,349	0.14	3,448	0.15	-31.87
BMW	10,305	7.77	14,117	9.47	-27.00	115,476	7.08	169,753	7.34	-31.97
Seat	4,176	3.15	3,693	2.48	13.08	45,419	2.78	68,798	2.98	-33.98
Ford	11,479	8.65	15,030	10.09	-23.63	152,777	9.37	236,137	10.22	-35.30
Mercedes-Benz	7,480	5.64	9,623	6.46	-22.27	110,883	6.80	171,823	7.43	-35.47
Fiat	902	0.68	1,833	1.23	-50.79	19,253	1.18	29,890	1.29	-35.59
Maserati	59	0.04	52	0.03	13.46	585	0.04	933	0.04	-37.30
Honda	1,391	1.05	2,796	1.88	-50.25	27,297	1.67	43,913	1.90	-37.84
Alfa Romeo	285	0.21	202	0.14	41.09	2,107	0.13	3,413	0.15	-38.27
Alpine	7	0.01	9	0.01	-22.22	105	0.01	171	0.01	-38.60
Dacia	363	0.27	2,357	1.58	-84.60	18,918	1.16	30,951	1.34	-38.88
Vauxhall	7,283	5.49	6,212	4.17	17.24	95,444	5.85	159,830	6.92	-40.28
Hyundai	3,366	2.54	3,801	2.55	-11.44	47,507	2.91	83,284	3.60	-42.96
Mazda	1,275	0.96	2,327	1.56	-45.21	22,742	1.39	40,148	1.74	-43.35
Suzuki	1,279	0.96	2,767	1.86	-53.78	19,838	1.22	35,065	1.52	-43.43
Mitsubishi	531	0.40	793	0.53	-33.04	9,076	0.56	16,199	0.70	-43.97
DS	243	0.18	676	0.45	-64.05	2,379	0.15	4,299	0.19	-44.66
<b>2</b> Citroën	1,717	1.29	2,901	1.95	-40.81	28,059	1.72	50,806	2.20	-44.77
smart	89	0.07	38	0.03	134.21	1,377	0.08	4,022	0.17	-65.76
Subaru	128	0.10	708	0.48	-81.92	951	0.06	2,997	0.13	-68.27
Other British	184	0.14	349	0.23	-47.28	1,938	0.12	3,183	0.14	-39.11
Other Imports	6,400	4.82	2,873	1.93	122.76	26,086	1.60	14,635	0.63	78.24
<b>Total</b>	<b>132,682</b>		<b>148,997</b>		<b>-10.95</b>	<b>1,631,064</b>		<b>2,311,140</b>		<b>-29.43</b>



# Whatever's next, let's do it together

When the world changes quickly, it can feel hard to know what your next move is. That's why our Account Managers take the time to really understand your business. With their knowledge of customer service and innovative solutions, they can help you simplify finance and keep your business moving forward.

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**blackhorse**



FINANCE OFFERS

# Ford continues with its 0% APR policy

**W**ith the dust still settling on the Brexit deal, it's worth looking at how some of the big volume brands in the UK are setting out their stall for 2021.

Ford is continuing, as expected, with its 0% APR offer and it is also offering deposit contributions of £1,000 on popular models like the Fiesta and Focus.

When looking at Ford's offering quarter-on-quarter, there have been some slight tweaks to models like the Fiesta, Focus and Puma to make them slightly more affordable in 2021 by up to £30 per month.

Volkswagen has slightly reduced its APR rate on its representative examples across the majority of its models from 5.4% down to 4.9% in Q1. The lone 0% deal is for the Touareg SUV, which also comes with one of the deposit contribution discounts at £4,250 off.

There are deposit contributions across VW's PCP offers, with £1,250 off popular models like the Golf, £1,500 off the Polo and up to £1,600 off its crossover SUV models like the T-Cross and T-Roc. The average deposit contribution for VW's range in Q1 is £1,500.

The new ID3 electric vehicle (see Showroom First Drive, page 40) is only available through a personal contract hire (PCH) deal, but it makes access to VW's latest EV affordable at £376.82 a month.

BMW's offers are available at 2.9% APR across its range, continuing its strategy from Q4 2020.

There is some big discounting across BMW's range, averaging out at £5,579, ranging from £821 on a 1 Series to as much as £21,796 on the 745e hybrid saloon.

BMW was one of the manufacturers that said it would be increasing prices in 2021 regardless of whether there was a trade deal in place between the UK and EU.

It appears those increases have been introduced when comparing quarter-on-quarter, going from an average monthly price for a BMW of £477 in the last three months of 2020, to £564.08 or £87 per model on average in Q1 this year.

It was revealed by *AM* sister-publication *Fleet News* in November that the i3 EV would get a £3,000 customs duty-related increase.

The i3 can be bought on finance at the same 2.9% APR rate, but there was no representative example information on BMW's website when *AM* went to press, with customers instead directed to enquire at their local dealership.

Full details of how vehicle pricing and finance offers will be affected will likely be revealed over the next few months.

Retailers will hope price increases won't further negatively impact already fragile consumer confidence ahead of the all-important March plate change.

## TOP FINANCE DEALS FOR RETAIL BUYERS

Model	Finance type	Deposit	Term	Monthly payment	Final payment	APR	Offer ends
<b>Ford</b>							
Fiesta Edition 1.0 EcoBoost 95PS 5 door	PCP	£5,108	36	£165.00	£5,992.00	0%	31/03/2021
Puma ST-Line 1.0 EcoBoost Mild Hybrid (MHEV) 125PS	PCP	£5,817	24	£240.00	£11,663.00	0%	31/03/2021
Focus ST-Line 1.0 EcoBoost Mild Hybrid (MHEV) 125PS	PCP	£5,140	36	£250.00	9,670	0%	31/03/2021
Kuga ST-Line X 2.0 EcoBlue Mild Hybrid 150PS	PCP	£5,773	36	£335.00	£14,767.00	0%	31/03/2021
Kuga Titanium Edition 1.5 EcoBlue 150PS Diesel	PCP	£5,773	36	£285.00	£12,577.00	0%	31/03/2021
Mondeo Titanium Edition HYBRID Electric 2.0 TiVCT 187PS Auto	PCP	£6,202	36	£285.00	£11,783.00	0%	31/03/2021
Tourneo Custom Titanium L1 H1 2.0 EcoBlue 130PS	PCP	£11,990	36	£325.00	£13,509.00	0%	31/03/2021
Transit Custom Limited PHEV 340 L1 H1 1.0 EcoBoost 126PS FWD	PCP	£12,730	48	£355.00	£9,879.00	0%	31/03/2021
Ranger Raptor 2.0 EcoBlue 213PS	PCP	£14,497	36	£319.00	£20,129.00	0%	31/03/2021
<b>Volkswagen</b>							
Golf 8 Life 1.5 TSI 130PS manual	PCP	£5,605	48	210.00	£9,804.60	5%	31/03/2021
Polo Match 1.0 80PS manual	PCP	£3,370	48	175.00	£5,750.10	5%	31/03/2021
ID.3 Life Pro Performance 204PS 1-speed automatic 5 door	PCH	£2,261	36	376.82	N/A	N/A	31/03/2021
up! 1.0 3dr 65PS S/S manual	PCP	£2,413	48	145.00	£4,345.20	5%	31/03/2021
T-Cross SE 1.0 TSI 110PS 5spnd manual	PCP	£4,660	48	199.00	£7,904.70	5%	31/03/2021
T-Roc SE 1.5 TSI 150PS 6spnd manual	PCP	£3,354	48	285.00	£10,083.60	4.90%	31/03/2021
T-Roc Cabriolet Design 1.0 TSI 115PS manual	PCP	£6,238	48	245.00	£11,006.10	4.90%	31/03/2021
Tiguan Life 1.5 TSI 130PS manual	PCP	£3,875	48	299.00	£9,961.20	4.90%	31/03/2021
Tiguan Allspace Match 1.5 TSI 150PS manual	PCP	£5,208	48	325.00	£11,314.80	4.90%	31/03/2021
Touareg SE 3.0 TDI 231 PS 4Motion DSG	PCP	£8,526	48	390.00	£14,853.60	0%	31/03/2021
Golf Estate 8 Life 1.5 TSI 130PS manual	PCP	£2,838	48	275.00	£10,037.70	4.90%	31/03/2021
Passat Saloon SEL 2.0 TDI 150PS 4 door	PCP	£4,587	48	339.00	£8,445.60	4.90%	31/03/2021
Passat Estate SEL 2.0 TDI 150PS 5 door	PCP	£5,582	48	345.00	£9,660.60	4.90%	31/03/2021
Arteon Elegance 2.0 TDI 150PS DSG	PCP	£3,553	48	485.00	£11,663.10	4.90%	31/03/2021
Arteon Shooting Break Elegance 2.0 TSI 190PS DSG	PCP	£7,412	48	390.00	£12,159.90	4.90%	31/03/2021
Touran SE Family 1.5 TSI 150PS manual	PCP	£5,061	48	290.00	£10,942.20	4.90%	31/03/2021
Sharan SE Nav 1.4 TSI 150PS 6spnd manual	PCP	£4,120	48	375.00	£11,946.60	4.90%	31/03/2021
<b>BMW</b>							
118i M Sport	PCP	£4,849.00	48	279.00	£11,367.33	2.90%	31/03/2021
218i M Sport Gran Coupe	PCP	£3,580	48	299.00	£12,077.73	3%	31/03/2021
320i M Sport Saloon	PCP	£4,209	48	379.00	£14,856.43	2.90%	31/03/2021
320i M Sport Touring	PCP	£4,469	48	399.00	£15,493.75	3%	31/03/2021
420i M Sport Coupe	PCP	£4,139	48	449.00	£15,272.68	3%	31/03/2021
520i M Sport Saloon	PCP	£4,749	48	409.00	£15,074.73	2.90%	31/03/2021
520d M Sport Touring	PCP	£4,899	48	469.00	£15,668.58	2.90%	31/03/2021
530e M Sport Saloon	PCP	£4,749	48	559.00	£17,540.78	2.90%	31/03/2021
745e M Sport	PCP	£6,309	48	799.00	£22,534.85	2.90%	31/03/2021
840i Gran Coupe	PCP	£6,499	48	699.00	£26,361.58	2.90%	31/03/2021
X2 sDrive18i Sport	PCP	£4,859	48	329.00	£12,113.80	2.90%	31/03/2021
X1 sDrive20i Sport	PCP	£4,849	48	379.00	£12,982.38	2.90%	31/03/2021
X3 sDrive20i M Sport	PCP	£5,449	48	379.00	£17,824.75	2.90%	31/03/2021
X4 xDrive20d M Sport	PCP	£6,069	48	499.00	£20,740.35	2.90%	31/03/2021
X6 xDrive30d Sport	PCP	£5,199	48	679.00	£27,392.95	2.90%	31/03/2021
X5 xDrive30d xLine	PCP	£4,999	48	699.00	£24,793.70	2.90%	31/03/2021
X7 xDrive40d M Sport	PCP	£4,809	48	949.00	£32,858.78	2.90%	31/03/2021
Z4 sDrive20i Sport	PCP	£4,909	48	419.00	£14,138.63	2.90%	31/03/2021
M3 Competition	PCP	£4,999	48	807.34	£28,523.30	2.90%	31/03/2021
M4 Competition	PCP	£3,329	48	817.34	£28,523.30	2.90%	31/03/2021
M5 Competition	PCP	£8,109	48	1,149.00	£36,106.45	2.90%	31/03/2021

*AM* will be tracking what happens to average monthly finance offer pricing, percentage APRs and deposit contributions as we get further into Q1.

Stephen Hadrill, director general of the Finance and Leasing Association (FLA) said, that as always with trade talks, the devil will be in the detail. But

he is cautiously optimistic about what the Brexit trade deal could mean this year. **TOM SEYMOUR**



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# VIEWPOINT



## 2030/35 NEEDS MORE THAN SOUNDBITES

**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



Sir Winston Churchill is highly regarded as a wartime leader and in no way do I wish to denigrate his historic standing – but if the truth were known he was a disaster as a strategist. What he had was an ability to speak in public in a desperate situation. President Kennedy, in granting him honorary US citizenship in 1963, stated: "He mobilised the English language and sent it into battle." Churchill's soundbites resonated with the British public and provided a basis for understanding the threat that the UK faced during the Second World War. It did not provide the basis of the strategy, it created a vision that people could buy into.

At the time of writing three challenges face the UK car industry: the COVID-19 pandemic, Brexit and the 2030/35 ban on the internal combustion engine. The Brexit debate was dominated by soundbites including 'claiming back our borders' while the Vote Leave red bus proclaimed an extra £350million a week would be spent on the NHS. Although this was later denied by the politicians, ironically the pandemic has forced their hand on the NHS spending. Liam Fox's claim that a free trade agreement with the EU should be 'one of the easiest in human history' rang hollow given the protracted negotiations.

The COVID-19 soundbites including 'hands-face-space' have been coupled by ever-changing

guidelines over masks, tiers and social mixing. The opening and closing of shops, determining whether something is essential or non-essential and whether travel is permitted or not seem to be a pick and mix approach to strategy.

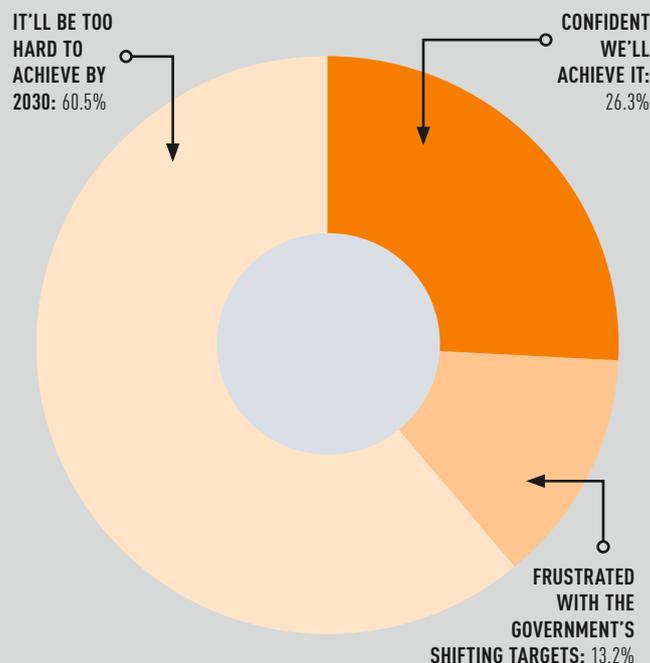
One of the fears is the 2030/35 objective for cutting emissions is going to be conducted in the same way. A sweeping statement, followed by the decision that the future is electric, presents immense challenges. The last time a Government started to tell the industry what powertrain should use was Tony Blair's promotion of diesel which as we know led to major problems. In last month's AM, Mark Lavery of Cambria Automobiles said: "What you have is a metropolitan elite who've come up with a political soundbite to make us look green."

I totally agree. It would be wrong for the OEMs to just concentrate on electric and ignore the role that hybrid, hydrogen and synthetic fuels will potentially play in the UK's drive towards a 'net zero' future. The future of the planet is too important to be dictated by political soundbites; the evaluation of the environmental credentials of a powertrain based on batteries should be based on scientific evidence not short-term political expediency. I know 'following the science' has become a hackneyed phrase in the pandemic, but when it comes to the 2030/35 objective it should be underpinning the strategy.

**"THE FUTURE OF THE PLANET IS TOO IMPORTANT TO BE DICTATED BY POLITICAL SOUNDBITES"**

# AMPOLL

## HOW DO YOU FEEL ABOUT THE 2030 RULE FOR HYBRID AND ELECTRIC NEW CARS ONLY?



Motor retailers have long appreciated the need for a 'green' agenda in the UK but there is considerable frustration at the Government's surprise deadline shifts.

What was once a 2040 objective for all new cars to be EVs shifted initially to 2035, and has now become 2030, albeit with an extra five-year period of grace for plug-in hybrids capable of "a reasonable distance" under solely zero tailpipe emissions, so electric power. That reasonable distance is likely to be around 70 miles, which is a capability well beyond our current generation of PHEV cars.

Only a quarter of the voters in this poll of AM-online's audience believe the UK's new car markets – and consumers' mindsets – will be ready by 2030 to stop buying new cars with internal combustion engines. One cynic suggested it might become possible only through a significant drop in the number of new cars sold annually. Some consumers might swap to buy used cars, others might embrace the Government's push for public transport and 'active travel' – cycling or walking.

Nevertheless, dealers will be in the front line, educating consumers of the alternative fuel options available, so their partnership with manufacturers, who'll need to secure supplies, becomes more critical than ever.

**NEXT MONTH: WHICH ASPECT OF YOUR BUSINESS WILL REQUIRE MOST FOCUS IN 2021?**

**VOTE NOW AT AM-ONLINE.COM/POLLS**



## FACE TO FACE: ARNOLD CLARK AUTOMOBILES

# PREPARING FOR DEADLINE 2030

Arnold Clark will be well-placed to meet the challenges posed by the Government's green targets – and it wants to educate the public. **Jim McGill** reports

**S**ales of new petrol and diesel cars and vans will stop in the UK from 2030, as part of the Government's "green industrial revolution". The new date is 10 years before the original deadline of 2040. The impact will be huge for drivers across the country. But how will it affect Europe's largest privately-owned dealer group, Arnold Clark?

"I think, genuinely, given the versatility of the motor trade and motor manufacturers, meeting the Government's new 2030 deadline for stopping the sales of new petrol and diesel cars and vans in the UK is achievable," said Eddie Hawthorne, Arnold Clark chief executive and group managing director.

"It will be hard, but it will be achievable. But will we have anything to plug electric cars into? That's the bigger question."

Hawthorne, who guides what is one of the AM100's most profitable retail groups, a genuine 'one-stop shop' motor retailer with a turnover of £4.46 billion last year, is in no doubt that the lack of a recharging infrastructure across the UK is one of the biggest hurdles impacting on the sales of new EVs.

"There's no denying that currently the infrastructure is not there. Bringing the ban on sales of new petrol and diesel vehicles forward by 10 years is going to be a huge challenge for the manufacturers," Hawthorne said. "They have production plans and development schedules which

are planned well in advance, so bringing it forward 10 years may give them a bit of a headache.

"But it's more the infrastructural side of recharging the electric vehicles where I think we need to make sure there's a joined-up approach. At the moment there doesn't seem to be."

The Arnold Clark boss is an advocate for a universal charging system to be introduced to deliver blanket coverage across the UK. He sees that as one of the biggest challenges to rapid electric vehicle uptake among a consumer base which is accustomed to pulling up to identical fuel pumps no matter where they are.

"Legislation was passed earlier this year or last year which basically said that all public charging points should be accessible to everyone. Well it's not really the case at the moment.

"It's not easy for everyone. There are different levels of access. Different levels of membership. Different mechanisms in place for charging.

"So generally, as an industry, and if we really want to achieve this level by 2030, I would push for a kind of chip and pin system for charging. No matter what your bank is, the chip and pin would work with any card. I think that's where we really need to try and get to as an industry."

### COMMITTED TO DECARBONISATION

Hawthorne too is quick to stress that he and everyone at Arnold Clark — which employs

more than 11,000 people across more than 200 dealerships, 150 service centres, 40 accident repair centres and 13 parts centres — is fully behind the push towards a new 'green industrial revolution'.

"We at Arnold Clark are definitely committed to decarbonisation," he stated. "But to achieve the decarbonising of road transport, it really requires the need for a combined approach across the various sectors."

And while he acknowledges the other principal dealership groups across the UK will also support the plan, he confirmed the Government made no contact with the UK's major automotive groups before making its latest announcement.

He said: "The Government certainly hasn't been speaking to any of the large dealership groups that I'm aware of. Was the announcement a shock to me? No; probably not. I think this drive towards decarbonisation has been on the agenda for quite a while, and I think it's something for everybody to strive towards."

There is a natural concern though that the changes which are focused on 2030 will impact across UK dealerships. But Hawthorne is not concerned that the fast-tracking of the new ban will directly impact on Arnold Clark.

"We've set ourselves up as a transport provider. If it moves, I'll sell you it, lend you it or lease you it. It doesn't really matter what the powertrain is for me. We're very much into making sure that people have the mobility they require, and we can provide that transportation, or that mechanism of transport that they choose to come to us for.

"So from an Arnold Clark perspective, we'll be set up and ready for 2030."

### NEW INNOVATION CENTRE

Hawthorne and his team are also committed to ensuring all Arnold Clark customers are ready for the transition. And with currently only around 

**“IT WILL BE HARD, BUT IT WILL BE ACHIEVABLE. BUT WILL WE HAVE ANYTHING TO PLUG ELECTRIC CARS INTO? THAT'S THE BIGGER QUESTION**

**EDDIE HAWTHORNE, CEO, ARNOLD CLARK AUTOMOBILES**

1% of all new car sales being pure EVs, the company has recently opened its new Innovation Centre in Glasgow.

"I'm often asked what I believe is required to persuade new car buyers to switch to EVs. The answer is simple: education. That 1% will definitely grow. But again there are a lot of myths and misconceptions about EVs. And this is something we as an industry need to educate our customers about, which is what we're trying to do."

So the group has invested "well over £5 million" in its Alternative Fuel Vehicle Innovation Centre in Glasgow. It's not a site from which Arnold Clark will sell anything; it's specifically an innovation, information and educational centre, and it has the backing of the government's Office for Low Emission Vehicles (OLEV).

"Arnold Clark customers will know we use 'product genies', and I have five specific genies who man that site, which displays alternative fuel vehicles from all the manufacturers we represent, plus some we don't. We currently have — or will have very shortly — 60 vehicles onsite. These include fully electric, plug-in hybrids, hybrids, and commercial vehicles that are also alternatively-fuelled.

"We've also decided to partner with a number of experts to get the facts over to our customers, so we've partnered with Transport Scotland, OLEV, Scottish Power, Energy Savings Trust and Go Ultra Low. We're working with them to get the right information to our customers when they purchase, or when they consider one of these alternatively-fuelled vehicles."

The focus is helping consumers under-

stand what they really need and what would be the best vehicle and package to fulfil that need. It also educates them about the process of charging a plug-in vehicle, the public infrastructure being developed and where they could charge it.

"What we're trying to do at the Innovation Centre is just showcase everything that's out there, and it's not just about electric vehicles."

#### PCPS AND CONTINUING SALES OF HYBRIDS

Hawthorne also welcomed the Government's decision to continue to allow the sales of new hybrids by five years to 2035.

"That decision is absolutely essential," he stated. "This goes hand-in-hand, and it's back to that aspect of a joined-up approach. Where we have vehicles with extended battery range, then that will be fine, but I think hybrids bridge the gap to us actually getting that product range for everybody.

"For your average customer who is doing 8,000 miles per year and only 20-30 miles a day, an electric vehicle is perfect for them. For someone who's doing 100 miles a day, then we're getting into the realms of it being a challenge to switch to an EV."

And he acknowledges work needs to be done to ensure new EVs are affordable to buyers, with a growth in the use of PCPs one of the likely outcomes.

"There's no doubt about it — the cost of an alternative fuel vehicle compared with a normal ICE car is more expensive. PCP will be the way to make it more manageable for a lot of people. But we still have to narrow the gap. And we have some way to go to narrow that gap.



"That's why I think the Government's support is still necessary for customers."

Does he think 'green tax discounts' on the purchase of EVs should carry on right through to 2030?

"I would love to see it, but I don't think that would be economically possible because of everything else the Government has currently got to face.

"While the green agenda is getting more money put behind it, I think providing the current 'kickstart' programme into alternatively-fuelled vehicles is important. But once that momentum starts to grow I would far rather see the money being put into the infrastructure network, so that people have the confidence to buy EVs."

#### GROWTH OF ARNOLD CLARK DIGITAL MARKET

That confidence to buy not just EVs, but both new and used cars at Arnold Clark, has not abated over the lockdown periods caused by COVID. But what it has done is significantly





“ IF IT MOVES,  
I’LL SELL YOU  
IT, LEND YOU  
IT OR LEASE YOU IT

EDDIE HAWTHORNE, CEO,  
ARNOLD CLARK AUTOMOBILES

swell the growth of digital activity and sales.

“Over the last five months our digital business has grown exponentially,” Hawthorne explained. “We’ve been pushing ahead with the digital journey for the last three or four years, but I would have to say I have probably advanced five years’ planned growth in five months, with customer acceptance of it.

“Perhaps it took a national lockdown and a pandemic for customers to fully accept that this is a valid way of shopping, or browsing. But it has definitely accelerated as more customers become more and more used to the new way of having to shop.”

Since July 2020, 93% of the company’s sales had online elements, with customers creating an Arnold Clark account and agreeing documentation online. The company has also had 170,000 downloads of the Arnold Clark mobile app since November 1, 2019.

Since May 2020, more than 41,000 customers paid their £99 reservation fee on ArnoldClark.com.

“There has been a 126% increase in our Deal Builder enquiries, which are essentially personalised online quotes, over the four-month period between August 1 and November 22 this year, compared to the same period 12 months ago,” Hawthorne continued. “Plus we have purchased 30,027 part-exchanges digitally after customers appraised their own vehicle using our new valuations tool.”

**THE FUTURE OF USED CARS**

Used cars, of course, have been the bedrock of the company, which was established in 1954 when Arnold Clark bought a Morris Ten Four for £70 and sold it for a profit. Post-2030, it’s crucial to remember, there will still be a used car market.

“To be fair, sometimes in the media — and I’ve picked up on it several times — they’ve said petrol and diesel vehicles will be banned by 2030,” Hawthorne smiled.

“They’re not banned. It’s true that new

petrol or diesel vehicles will not be able to be sold after 2030. It doesn’t mean to say used petrol or diesel car won’t be able to be sold after 2030.

“There will still be petrol/diesel cars going round for at least 10 years after 2030, probably even longer. They will require reselling and servicing, and we at Arnold Clark will also continue to do that.”

∨ **FACTFILE**

**TURNOVER** £4.46 billion (4th in AM100)  
**PROFIT BEFORE TAX** £117 million  
**NO. OF SITES** 193  
**FRANCHISES** Abarth, BMW, Citroen, Dacia, DS, Fiat, Ford, Honda, Hyundai, Jeep, Kia, Mazda, Mercedes-Benz, MG, Mini, Mitsubishi, Peugeot, Renault, Seat, Skoda, smart, Toyota, Vauxhall, Volkswagen, Volvo



# 5 MINUTES WITH...

Jason Cranswick,  
cinch retail director



**What is the premise of cinch's move into the position of consumer-facing online retailer?**

The cinch proposition is designed to help our dealer partners generate revenues. Moving into the online retail space is both hard and expensive and those are just two reasons why many retailers might not have been able to do that, as they may have liked to, in 2020. We've got the customer experience right at the front end – putting something in front of consumers that is both attractive and compelling – but also the ability to organise the supply and logistics, which are very expensive parts of the equation. Our confidence is that the cinch proposition adds these things together effectively for our dealer partners. I feel passionately that this is a value-add that helps dealers accelerate their digital agendas.

**What is the scale of the cinch team?**

We have a proven management team, experts from classifieds and e-commerce and UK-based developers employed 'in-house'. This is a business born out of the current COVID situation, however, and we are growing all the time. We started with a team that was essentially a couple of handfuls of employees and now have well in excess of 100. We're upscaling and increasing our resource both in terms of marketers and developers. Everyone is home working and that seems to be working well.

**How has cinch been received among automotive retail leaders?**

For the last two months I have spoken to senior leaders and, to be candid, when we have taken time to think and speak about it and answer questions, we have been able to leave that conversation in a very positive place.

**How would you address suggestions that cinch turns car retailers into a funding stream for its used car stock?**

I think you have to take that question and

**“OUR PROMISE IS DELIVERY IN AS LITTLE AS 22 HOURS AND WE ARE ALREADY REACHING OR EXCEEDING EXPECTATIONS**

JASON CRANSWICK, CINCH

look at it the other way round. Cinch is a success-based model rather than a subscription model and we're able to take retailers' products to a marketplace and a consumer type that's minded to buy their cars online. We buy the stock before selling it on to the consumer and we charge a modest level of commission by comparison for doing it, when you look at the delivery to home and the provision of drive-away insurance and warranty cover.

**Is the dealer partner identified at any part of the sale?**

This is a cinch sale to a cinch consumer type that wants to buy online. There are no identifying branding elements to identify the dealer partner who is also involved in the sale. The dealer partner controls their retail pricing and the inventory they sell on to the consumer.

**Can retailers advertise stock held on their forecourts via cinch?**

Our initial offering is for our dealer partners to buy retail-prepared stock via the BCA Buy Now platform and that ensures high quality and high consistency of the vehicles and the overall proposition. Since launch we have had enquiries asking whether we would consider other stock types and that is something we look at on a case by case basis. This is a very flexible solution. I'd like to think we're an understanding partner.

**AM was told retailers are compelled to advertise a vehicle exclusively with cinch for 60 days. Is this correct?**

It's not possible to 'double sell' the car. The stock is stored in our environment, ready for fulfilment, and we need them for a period to take them to market, sell them and complete the handover transaction. For a certain period you cannot market the car elsewhere. The dealer might determine that period is 30 days.

**How important will marketing be?**

How you drive customers to that online inventory is critically important. The cost of doing that is equally as challenging as building a consumer platform. I've been really pleased with the cinch television adverts with Rylan (TV host Rylan Clark-Neal). They've resonated with people and that benefits all our dealer partners. It's hard for a mid-sized dealer group to get that kind of traction. We had more Rylan ads over the Christmas period. What needs to be recognised is we see this as a long-term thing. If this is to be viable to the partners it's something that we simply have to promote.

**And that nationwide promotion brings national scale for cinch's partners?**

Absolutely. The cinch consumer can be anywhere in the UK. They are buying that vehicle on the premise it will be delivered to their home. Our fee structure is the same no matter where the customer lives, with no extra cost to customer or dealer partner. Our customer promise is they could have delivery in as little as 22 hours and, as you will see from TrustPilot reviews, with a 4.7 rating, it is already reaching or exceeding expectations. The final delivery process is conducted by cinch delivery drivers, who hand over in fully COVID-secure fashion. It's that logistics back office that really allows us to make savings for our partners. To put that infrastructure in place from scratch would be very arduous and expensive.

TOM SHARPE

FACT FILE

COMPANY:  
CINCH

ESTABLISHED:  
JULY 2019

EMPLOYEES:  
OVER 100

CAR INVENTORY:  
4,105

# SPOTLIGHT: E-COMMERCE



## Stepping on the digital gas



### REGIONALS IN ON THE ACT

NATIONAL SCALE ISN'T EVERYTHING IN INTERNET CAR SALES. NOW SMALLER GROUPS ARE FIGHTING THEIR CORNER

PAGES 24-25

### A SLICE OF THE E-COMMERCE PIE

AS NEW PLAYERS SPEND MILLIONS ON MARKETING THEIR DIGITAL OFFERING, WHAT LESSONS ARE THERE FOR TRADITIONAL OPERATORS?

PAGES 28-30

### A RAPID PROGRESSION

SOME RETAILERS HAVE ADVANCED THEIR ONLINE PRESENCE BY SEVEN YEARS IN AS MANY MONTHS

PAGES 35-36

# Regionals grasp an online future

National scale isn't everything in internet car sales. Now smaller groups are fighting their corner



**O**nline selling in the automotive industry is something that has been spoken about for many years, but COVID-19 has seen many businesses push forward with introducing their own e-commerce solutions.

Most OEMs either had an e-commerce platform in place before the pandemic or they have quickly launched one to cater for all eventualities in an uncertain market.

Similarly, the likes of Cazoo, Carzam and Cinch have launched their own nationwide free home delivery online used car buying services, while big retailers such as Vertu Motors and Arnold Clark also have their own solutions.

But how can regional dealer groups keep pace in this online environment?

There are supplier solutions which can help to turn any dealer group's website into an online showroom, and the likes of RRG Group and Vindis Group have done just that.

Cameron Wade, managing director at SilverBullet, the e-commerce specialist backed by regional dealer group Peter Vardy, said: "The nice thing about e-commerce is it doesn't know or need to respect scale or geography. With e-commerce capabilities, smaller dealers can have an enhanced footprint and more than ever can challenge the status quo of larger dealer groups."

He said that while national organisations have the bricks and mortar footprint that smaller

dealer groups don't, e-commerce can leverage on this cost benefit to give greater digital exposure "at a significantly reduced cost of sale".

RRG Group got in there early, launching Buy Online in November 2018 after initially partnering with GForces to help develop and test their NetDirector Auto-e offering before it was launched to other dealer groups.

Functionality includes part-exchange valuations, being able to complete finance online remotely and being set up to sign all documents and complete paperwork digitally.

Vindis Group started working on its omni-channel retail strategy three years ago.

Peter Toop, Vindis Group sales and marketing director, said: "It's been rather complex to make it happen, particularly for new cars. But partnering with Roadster, who have already tackled this in the US, gave us confidence we could make it work."

Some of the complex challenges included feeding in all finance offer data, finance quotes, the sales qualification process, new car configuration, part exchange valuations and finding a partner to help deliver the technology needed and adjust it to fit Vindis' brief.

The solution also needed to be integrated across the businesses' different departments, such as the used car sales team, to help manage the part exchange valuation process, for example.

Partnering with Roadster as the first UK dealer group to use the platform means that Vindis

played a pivotal role in helping Roadster adapt their solution to the UK market.

Toop said that while the group was disappointed not to have launched in time for the first lockdown, Express Store went live in June 2020 for summer trading, through the second lockdown and to date.

He added: "While there are a number of solutions that offer online reservations, it was really important to us to be able to offer a full end-to-end journey for the customer on used cars, new stock cars and new built-to-order vehicles.

"We wanted to create a system that would allow us to truly join up the digital and physical parts of the buying journey, providing a seamless customer experience. With this approach, customers can decide on how they want to buy a car from fully online with home delivery to fully in the showroom with everything in between."

Adam Turner, Chorley Group managing director, said working with GForces was vital to launching an e-commerce solution.

He said: "We knew what we wanted to do but dealers simply don't have the internal skillset or tools to deliver e-commerce platforms efficiently on their own."

Chorley, which represents Nissan, Hyundai, Kia and MG, was the first multi-brand user of NetDirector Auto-e.

Turner said the initial investment was "sizeable", but the monthly expenditure to offer online sales is "manageable".



**“ IT'S ABOUT BEING TRANSPARENT WITH THE CUSTOMER AND MAKING SURE THEY ARE AWARE OF THE COSTS EARLY ON IN THE TRANSACTIONAL JOURNEY**

**CAMERON WADE, SILVERBULLET**



**“ WE’RE ALL AWARE HOW IMPORTANT IT IS TO HAVE YOUR DIGITAL SHOWROOM IN ORDER AND WE THINK IT’S IMPORTANT TO BE READY AND DIGITISE YOUR BUSINESS**

**JONATHAN ROYLE, RRG GROUP**

While Jonathan Royle, RRG Group marketing manager, is adamant automotive retailers should be moving towards an omni-channel approach to empower customers to dip in and out of the buying process online or in person, he made it clear that the appetite for online retail end-to-end is still not massive yet.

Royle said: “We’re all aware how important it is to have your digital showroom in order and we think it’s important to be ready and digitise your business, but there is still a massive demand for touching and feeling the vehicles – even now, after two lockdowns.”

RRG has seen year-on-year growth in its online traffic during the pandemic and while the digital side of the business is strong, Royle said customers still want to come to the showroom.

He said: “If we do get a customer at further distances we will of course honour delivering the vehicle to them.”

But in RRG’s experience, even if a customer is buying online, they still want to be close enough that if there’s a problem they can go back to the dealership, particularly for servicing.

That also means that while it’s possible to invest marketing spend to target customers nationally – and RRG has done distance selling with customers – Royle would prefer to target local customers to develop an ongoing relationship.

He said: “It’s better to future-proof your business than not and I think there will be growth in

**“ WHILE THERE ARE A NUMBER OF SOLUTIONS THAT OFFER ONLINE RESERVATIONS, IT WAS REALLY IMPORTANT TO US TO BE ABLE TO OFFER A FULL END-TO-END JOURNEY**

**PETER TOOP, VINDIS GROUP**



online end-to-end sales in the future. We are currently tracking at 3.7% of used cars sold online at the moment, and the predictions of a 20% market share within the next five years are quite bullish. I think it’s more likely to be between 5-10%.”

Meanwhile Vindis does not have specific targets in place to increase its end-to-end online sales across the group.

Toop said: “In my mind, offering this functionality isn’t about the number of online sales, it’s about truly setting up your business to be omni-channel and for customers to interact at any stage of the buying process, digitally or physically.”

Toop said Vindis’ rollout of Express Store, powered by Roadster, will be in three levels.

The group is already in level one, which is launching the e-commerce capability and having it available for customers to use and interact with, assisted (where the customer wishes) by a digital sales team.

Vindis is currently working on level two which is about actively encouraging customers to interact with Express Store and introducing elements of the system where it can improve their experience – for example, by using the part-exchange tool to appraise a car before visiting a showroom.

Toop is looking to introduce a new video explainer for customers to show them just what Express Store can do.

He said: “There are those that will discover on their own, but for some, it can be difficult to know everything that can be done online through the new platform, so we’re looking to be more proactive with how we communicate that to customers.”

The final stage will be to understand further how the Express Store can link to the customer relationship management (CRM) for use both online and in the showroom.

#### HOME DELIVERY

Royle did acknowledge that Cazoo’s offer of free home delivery has gained a lot of traction with consumers and that it will become something that consumers expect.

**“ WE KNEW WHAT WE WANTED TO DO BUT DEALERS SIMPLY DON’T HAVE THE INTERNET SKILLSET OR TOOLS TO DELIVER E-COMMERCE PLATFORMS EFFICIENTLY ON THEIR OWN**

**ADAM TURNER, CHORLEY GROUP**

RRG currently offer delivery services as part of their online purchase journey and have increased marketing spend to specifically promote its Buying Online platform.

Vindis does offer home delivery, but only within 50 miles. This is how it can currently factor in the costs involved with hiring drivers to deliver stock.

Toop said that if more online sales are completed at greater distances, this would change the model and would see Vindis adjust its operations accordingly to factor for those costs.

Wade said factoring in the cost of home delivery is all about speaking with customers to obtain a better understanding of their needs.

He believes that in many cases customers will still travel to have a bespoke handover and will appreciate that for the right car there may be a cost levied for national delivery.

He added: “It’s about being transparent with the customer and making sure they are aware of the costs early on in the transactional journey.”

#### UNDERSTAND THE CAR BUYING JOURNEY

Wade said for those dealer groups that are new to end-to-end car retail online, the important thing is to retain the human touch, even if that’s at a distance.

He said: “The key to success is to have the systems and processes to understand when the customer wants to join and end their e-commerce journey, and when they may want that additional reassurance of interacting directly with a team member. Buying a car online is new to many consumers but we can already see that the willingness to engage in this way is growing exponentially. COVID-19 has only accelerated this adoption this year.”

To those dealer groups that are looking to establish their own e-commerce solutions, Toop said one of the most important things is to be ultra clear about what it is the business is actually trying to achieve.

He added: “Don’t expect to be able to use a white label or third party solution and for it to be perfectly suited to what you need straight out of the box, certainly for new cars.”

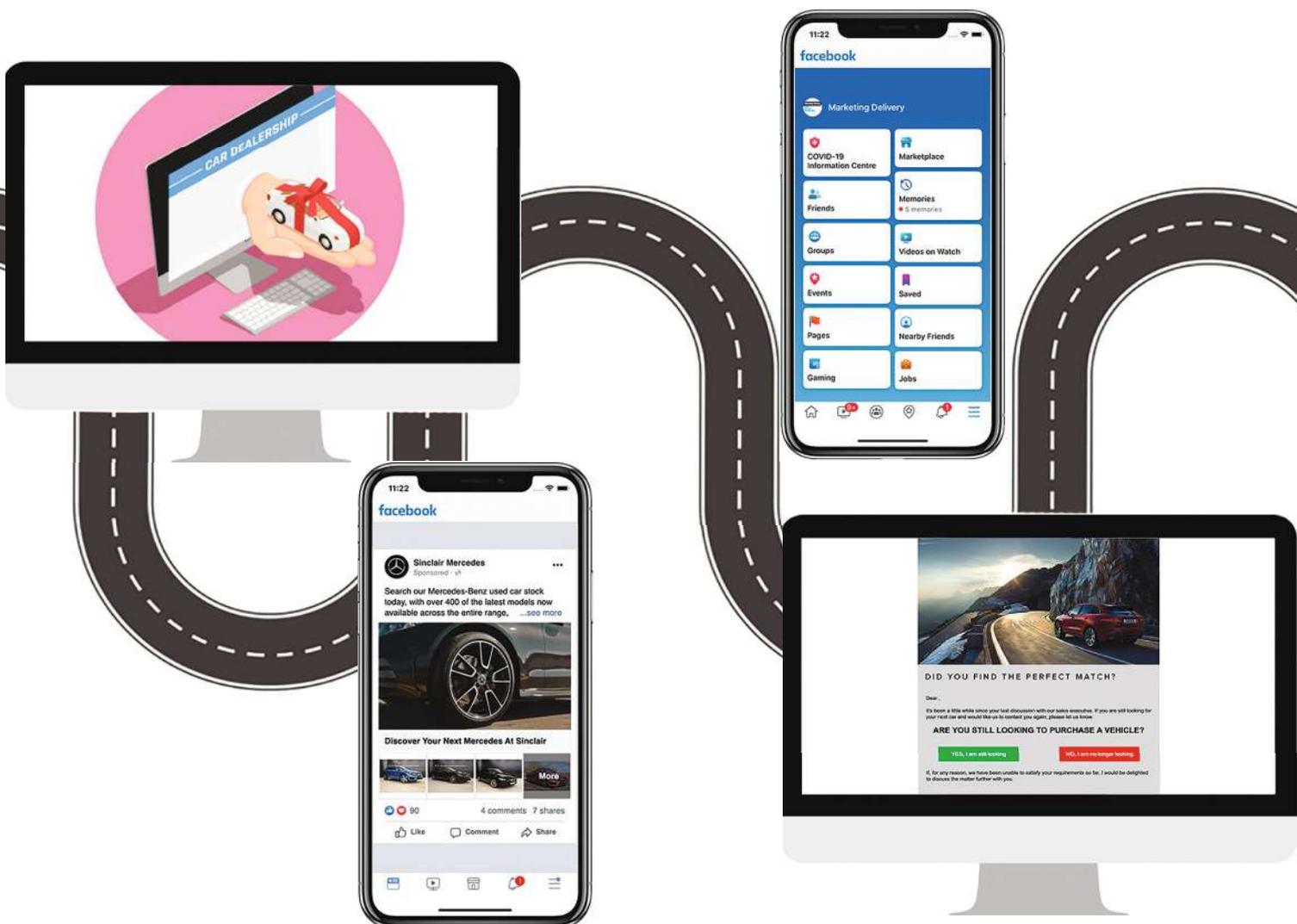
**TOM SEYMOUR**

# Marketing Delivery

DATA DRIVEN MARKETING

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# Go virtual for customers that won't visit a physical dealership

40% are now less likely to visit a showroom – but you can still keep them

**M**aintaining contact with current and prospective customers has always been crucial for dealers to secure business over the long term. But the way consumers think about their relationships with dealers is changing.

Recent Marketing Delivery research indicates that, due to Covid-19, 40% of customers say they are now less likely to visit a physical showroom while researching a car purchase.

Increasingly, the best way for dealers to attract buyers to their virtual showroom is via social media outreach and programmatic emails to update potential customers on stock relevant to an initial online enquiry. The aim should be to create seamless interactions with the growing number of customers who seem

increasingly comfortable with conducting much of their sales journey online.

Dealers need reliable data and a dependable process for engaging digitally with prospects. This starts with digital lead management tools that collect, cleanse, process and prioritise customer information, and ensure appropriate communication consents are captured and stored.

This can then underpin highly effective programmatic email campaigns, for both sales and aftersales. Email remains the ideal channel to maintain contact with customers, and automating communications with systems such as Marketing Delivery's 'Sales eCRM' (electronic customer relationship management) reduces the time and effort required by sales staff to keep prospects engaged.

Accurate customer data makes it easy to tailor these communications to reflect a customer's prior contact history with the dealer. This simplifies contact with customers whose car may be due a service, or used car buyers looking for a specific vehicle.

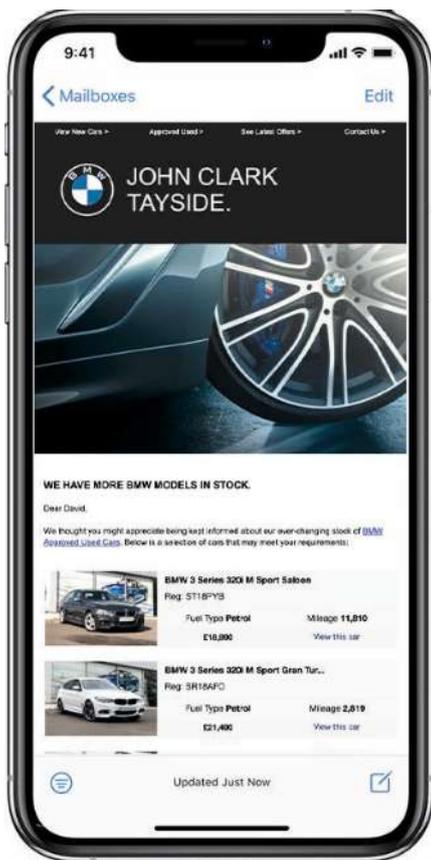
Social media is also growing in importance. Marketing Delivery's SocialStock enables dealers to automatically update stock lists to more easily populate targeted Facebook adverts, for instance.

Virtual showrooms also minimise the number of 'lost' leads. Research by Marketing Delivery has found that 36% of customer prospects registered as 'lost' leads by dealer sales staff are still looking to buy a vehicle. Of those still looking to buy, vehicle availability is cited by 39% as the primary reason for them not progressing to a sale with a particular dealer. Dealers can maximise their chance to re-engage these customers by updating them about relevant new stock arriving at the dealership. Marketing Delivery's Car



Alerts system simplifies this, helping dealers send automated communications to prospective customers with details of in-stock cars that match their original enquiry.

Knowing how best to manage customer interaction during these uncertain times can seem daunting. Marketing Delivery harnesses social media, digital automation and programmatic email to enable sales and aftersales teams to better align their communications with changing customer preferences. The key is to maintain the timely, personalised and friendly interaction that customers now expect – whether they're in the showroom, or browsing from the comfort of their own home.



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**Marketing Delivery**  
DATA DRIVEN MARKETING



# Grabbing slices of the e-commerce pie

As new players spend millions on marketing their digital offering, what lessons are there for traditional operators?

**W**ith so-called 'disruptors' seeming to emerge continuously in the online automotive retail space, dealers embracing e-commerce have little to be afraid of and everything to gain.

Carzam went live in December offering customers a 'hassle-free' way to purchase a used car online with contactless delivery to the door. Meanwhile, other online-only retail operations are investing in aggressive advertising campaigns to woo buyers eager for a different experience. Cazoo, for example, launched a series of new TV and radio adverts along with outdoor sites and branded taxis in September as part of its ongoing multi-million-pound marketing campaign.

If there's one thing the global pandemic has taught the sector, it's that online retailing is entirely possible and there's a growing appetite for it among consumers.

While calling for dealers to embrace end-to-end online retailing including home delivery, incorporating distant selling regulations with its

14-day cooling off period, the sector's well-established e-commerce providers are confident there's enough business for everyone.

## NOTHING TO FEAR

If dealers align their offering to fully embrace e-commerce – and not just the facility to take a deposit or reserve a car only to receive a message that a sales executive will call in the morning – there's nothing to fear.

Paul Stokes, head of e-commerce at GForces, said: "My personal opinion is what the likes of Cinch, Carzam and Cazoo are doing for the industry is really positive. Are they disruptors? I think they are seeing an opportunity in the marketplace for the consumer who wants to transact in a completely different way.

"The car market is 7.5-8 million vehicles a year so there's plenty of opportunity to go round, and forward-thinking dealers with the right digital strategy will prosper."

Operating its Jaguar Land Rover store at Westfield Stratford, East London, provides

omni-channel retailer Rockar with insights to refine its end-to-end online sales platform and understand the online car buyer.

Managing director Martin Sewell welcomes the big marketing campaigns: "We have been pushing online for the last seven years. It's interesting when you get the likes of Cazoo spending tens of millions of pounds in television advertising as it is normalising online retail. It's doing us a great favour."

## DO DEALERS MATCH UP?

As James Tew, CEO of online retail platform iVendi, said: "I think the likes of Cinch and Cazoo should act as a benchmark for dealers to compare their own digital representation."

Tew believes dealers should pay close attention to the online-only car sellers from watching their adverts and dissecting their messaging to understanding each stage of the process and ensuring they offer the same services while underlining the dealer's ability to blend online and physical.



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Peter Haynes, Managing Director, Howards Motor Group

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**C** He said: "You will see so much of it is do-able if the dealer wants to do it. They need to create 'me too' solutions. Dealers need to think how consumers are thinking. Those who don't will find themselves in a 'Kodak' moment."

A trend GForces is seeing is the increased use of functionality on the showroom floor such as sales executives creating a 'my account' area (where consumers can save vehicles, generate finance quotes and part-exchange valuation) on behalf of customers. The customer can then access the information in their own time, a critical point since 45% of all transactions hosted by its platform are undertaken out of hours.

Stokes said: "Dealers should not be concerned but they do need to review their own digital retailing strategy to ensure they are on a level playing field. We see a lot of clients push back from home deliveries because they are nervous about the distance selling regulations, but they have got to start embracing that. They should be confident in the product they are selling, the preparation those vehicles have gone through, and that it's backed up with a used car warranty. There's a misconception in the industry that if a vehicle is delivered to a customer at home, if it's not 100% quite right, they will send it back. While

we don't know the number of returns for the likes of Cazoo, I imagine it's low."

Sewell agreed: "The proposition Cazoo has is that it offers an easy and uninterrupted journey. If you want the car you just check out, and if you don't like it you can return it. It's a distance sale, they embrace that and we embrace that and you shouldn't be afraid of that if you have described the car properly in the first place."

However, Stokes warns dealers not to confuse the ability to take a reservation via their website with true online retailing.

"This is more like online lead generation, not e-commerce," he said. "For many car buyers it's still a broken journey."

### ADVANTAGE DEALER

Dealers also have several advantages compared to their online-only counterparts, so by combining what they already do well with a strong online offer, there's every opportunity to outshine the new kids on the block.

Stokes said: "Dealers have an advantage with their existing customer database to continually tap into. That's a big plus as well as experience in the used car market including buying vehicles at the right price and how to prepare that vehicle cost-effectively. They already have the relationships with lenders and third-party suppliers such as warranty and GAP providers, whereas new entrants are trying to build those relationships."

Tew thinks the online-only retailers have a major disadvantage in that they appeal only to a minority.

He said: "If you are willing to pay the offer from the likes of Cinch and Cazoo, that's great and the demand exists, but it's not for the majority. Cazoo has 4,500 cars on sale out of a market of around half-a-million vehicles at the moment. There's a market but it's not that big."

"There are a lot of complexities in the transaction that's managed between the retailer and the customer which the online process can't accommodate, and probably the online sites don't want to accommodate. This provides an opportunity for the dealer. They have been selling cars and

generating leads from a variety of sources for years, they have the premises and the customer service to offer the traditional way of buying a car – they just need the digital alongside."

Dealers also need systems which can manage the add-ons such as GAP, paint protection, the extended warranty and a service plan.

Tew added: "I expect the take-up rates of these types of products is much lower than any dealer would find acceptable. Dealers can't afford to lose any of them. Some of our clients enjoy 100% penetration with extended warranty online. It's the way it's done that makes the difference and this will be a big area for us next year."

Sewell said: "The biggest challenge for the online sellers is inventory acquisition; franchised dealers have a great source of used cars and knowledge. If they can adapt their proposition, they will not only have the supply but happy customers."

### PANDEMIC IS THE CHANGE ACCELERATOR

Change is most definitely in the air but this has been evolving for several years before the pandemic pushed the fast-forward button.

The completion of finance applications has grown significantly for iVendi. Comparing a rolling seven-day average in December 2020 to 2019, online finance applications hosted on its platform doubled. By December, finance applications were at 89% of 2019's but showroom applications were at 81% of 2019's. In total, 9% of all applications in December 2019 were generated online but in December 2020 it increased to 17% despite the decline in finance applications overall.

GForces experienced an 'insurmountable' demand for its e-commerce product fuelled by the pandemic, with the number of transactions hosted by its platform now in the thousands each month. Home delivery demand was up to 14% of transactions in April although it's levelled out again to 8-9%. From March to June, GForces put more than 130 dealers live with its e-commerce solution and while the majority were already web clients, there were also new business wins among them.

Traffic to Rockar's website during April was 'through the roof', according to Sewell: "As a result of the pandemic, e-commerce has become more than just a buzzword. There was a realisation among dealers that what they had in their websites in terms of functionality and structure was all about lead generation. They were caught shy and they realised they needed something that gave the customer the choice."

During November, Rockar sold 7% more vehicles online than November 2019, without a test drive. An ongoing trend with a year-on-year decline, the current uptake of a test drive of all sales is just 8% while 88% of customers selected home delivery in the last quarter.

DEBBIE KIRLEW



## Advertising feature

# A website that is a sales tool – not just a brochure site

Artificial intelligence unlocks more sales and a better customer experience



**C**aboodleCode is the first of its kind, an artificial intelligence website that delivers tailored content together with state-of-the-art customer tracking technology. In short, it lets you know who is on your site and what they are doing.

Launched during lockdown, this cutting edge web platform has already helped numerous dealerships, with many sites now live and performing very well – especially in these times.

Karl Rahmani, managing director of The Whole Caboodle, a full-service digital agency based in Harrogate with more than 26 years' experience in the motor industry, said: "This is the future of

websites. Everyone will soon be using AI sites, it's the next generation. Why commission a new site with yesterday's technology when you can have tomorrow's technology right now? Your customers aren't the same, so why give them the same online experience?"

Tailored content is proven to increase conversions by around 20%. The customer gets a better online experience and the retailer increases sales.

Karl explained that, through the intelligent use of data tracking, analysis and content tailoring algorithms, CaboodleCode influences what the customer sees. It displays relevant content to each visitor, making the site easier to navigate, increasing conversions and lowering marketing costs.

And the hard work doesn't stop there. CaboodleCode's unique insight focuses all future communications to ensure messages and offers are properly personalised – this is done automatically and is built into the core capabilities of the site. CaboodleCode has a user-friendly, real-time Lead Centre that uses

a visitor quality scoring system that can identify "just browsing" and "in-market customers". And incredibly it also identifies each visitor by name!

You can see a visitor's entire viewing history, most recent search parameters and all the vehicles they have viewed. Flags can also be set to alert a dealer when a chosen customer returns to the site and allows dynamic and relevant digital interventions to be implemented, such as offer road blocks or price reductions alerts while browsing.

CaboodleCode, which is fully e-commerce enabled, gives your data real value and is a really hard-working website. And it's proven to work.

The Whole Caboodle has also deployed this technology into online sales events and has recently launched a highly effective virtual sales event for dealers wishing to maximise Q1 sales opportunities.

"It's highly resilient to lockdowns and can offer a significant enquiry and sales boost," added Karl.



To find out more or to arrange an online demo, visit [www.thewholecaboodle.com](http://www.thewholecaboodle.com), call: 01423 523000 or email [hello@thewholecaboodle.com](mailto:hello@thewholecaboodle.com)

**the**  
**whole**  
**caboodle.**

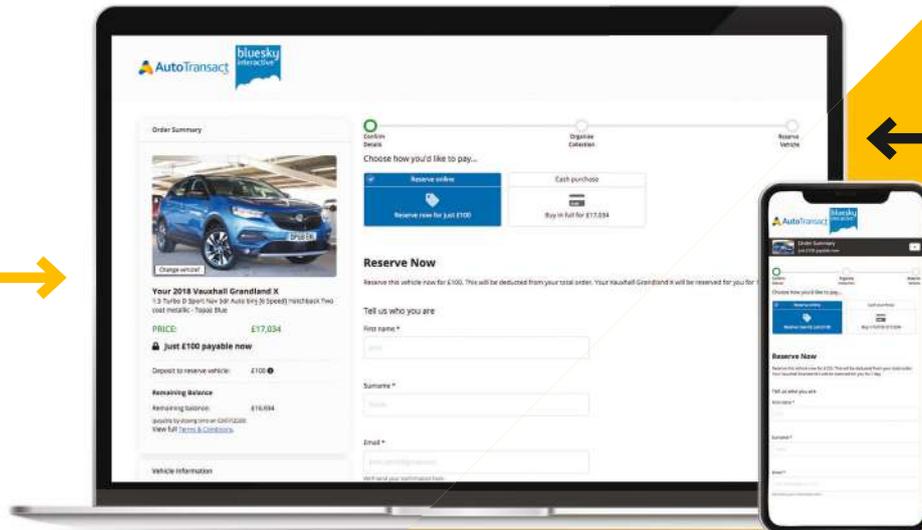


## Power Online Sales with Adaptive eCommerce

The AutoTransact eCommerce system is built to meet your dealership's needs from the ground up. Experience true flexibility.

Industry-leading flexibility

Exceptional value-for-money



Multiple partner integrations

01926 651 000  
www.blueskyinteractive.co.uk



# True e-Commerce flexibility doesn't need to break the bank

Bluesky Interactive's AutoTransact platform has flexibility baked in

**E**-Commerce has never been more relevant for the UK dealer marketplace and, as the automotive marketplace continues to move online, specialist digital marketing agency Bluesky Interactive know that it's only going to grow more important. Thankfully, its automotive e-Commerce solution, AutoTransact, is here to help.

"Dealers want flexibility in how they sell their cars," says Tony Hilton, Operations Director at Bluesky. "We know that getting dealership buy-in to online sales relies on the system being able to adapt to varying dealer processes, needs and preferences."

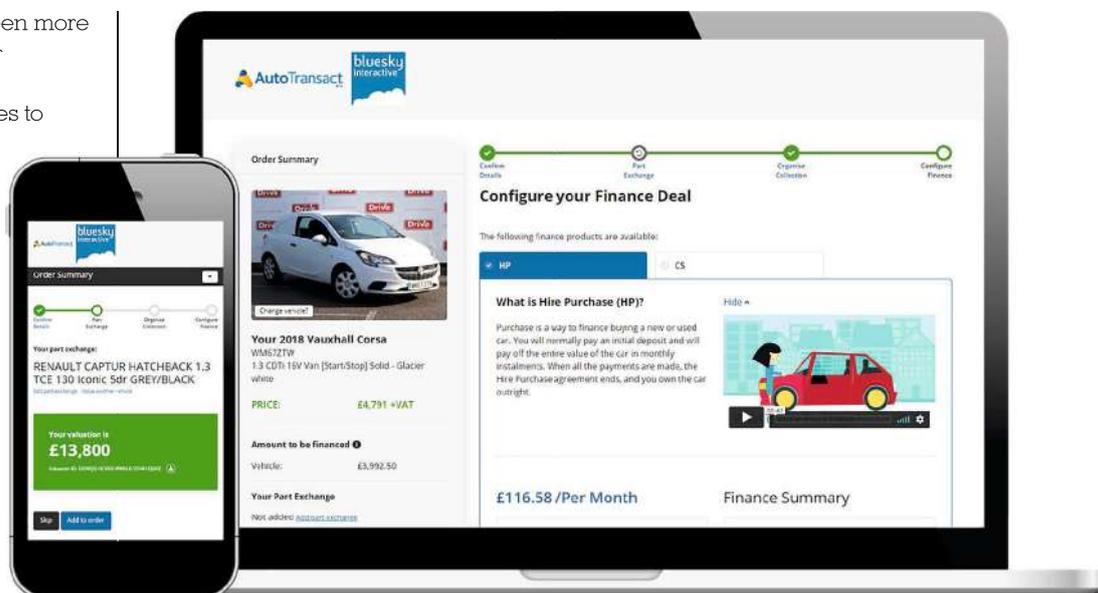
To this end, the AutoTransact platform has flexibility baked in. From extensive options around dealership transfer and delivery through to the ability to charge different fees and offer different types of checkout based on rules, the platform is designed for dealers who want more than just basic reservations and part exchanges!

The AutoTransact platform features three key customer journeys to vehicle purchase...

- **Reservation:** Paying a deposit to reserve a vehicle;
- **Full purchase:** Paying for a vehicle outright in cash; and
- **Finance:** Stacking a finance deal, and either reserving or completing an end-to-end application online.

With options around payment providers (the system currently supports PayPal, Stripe, Retail Merchant Services and JudoPay), various purchase modules available for easy activation and advanced valuation capabilities built in, AutoTransact is a very cost-effective way to embrace e-Commerce.

"We deliberately don't charge per lead for this functionality," says Tony. "We don't think dealers should be punished for selling cars online."



## Easy to add AutoTransact to your current website

Perhaps most excitingly, AutoTransact isn't only available for dealers with existing Bluesky Interactive websites – it's available as a widget for integration onto any dealer site.

"The AutoTransact system can be implemented on any automotive website via a convenient suite of tools,"

says Tony Hilton. "This way we can help dealers to sell stock online in increasingly challenging times, without requiring a full Bluesky website first."

Having delivered thousands of transactions across millions of pounds-worth of vehicle stock, AutoTransact's performance speaks for itself.

"We need to support online car sales and car dealerships especially in these challenging times."

### KEY AUTOTRANSACT FUNCTIONALITY INCLUDES

- Dealer-location level settings to facilitate process across dealer groups and franchises – including vehicle delivery and transfer;
- Full purchase, finance, reservations and in-built part exchange – all with incredible flexible customisation available as required;
- Fully modular – turn features on and off as needed – this allows AutoTransact to grow and evolve as dealership

processes adapt;

- Automated rules engine – apply sophisticated rules and criteria as needed to ensure the system works for your needs
- Available on both new and used cars – the system facilitates online checkout for "new available now" stock as well as standard used inventory.



CDK ePayments. Developed for Dealers.

# Peace of mind for customers. Smart decisions for your dealership.

Give customers the contact-free payment solution they need, streamline your accounting processes and enjoy the advantage of accurate data with CDK ePayments, powered by Worldpay.



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Paul Parsons, Aftersales Director, Steven Eagell Group

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# Seven years' progress in as many months

The impact of COVID-19 has obliged many motor retailers to rapidly improve their online capabilities. But, for some, it was a case of just stepping on the accelerator

**M**otor retailers have accelerated their e-commerce offering over the past year in response to the COVID-19 pandemic.

As a consequence of lockdown, more consumers have been buying online than ever before and that includes purchasing their latest vehicle.

Larger dealerships have been at a distinct advantage in this digital race, given their access to greater resources and investment.

This is supported by a recent McKinsey study which found that car retail had advanced technologically by seven years in the space of just seven months as many dealers have switched focus to digital sales.

Prior to initial lockdown, John Clark Motor Group had a successful lead-generating website which attracted more

than 450,000 unique visitors per month. Then, in January 2020, it went live with its GForces e-commerce platform, enabling customers to carry out the entire buying process online.

"It gave us an end-to-end solution and the ability to propose and accept finance online through two of our providers," said Chris Clark, group managing



**CHRIS CLARK,**  
JOHN CLARK  
MOTOR GROUP

director at John Clark Motor Group.

"In addition, we brought iStoreDOCS on board through enquiryMAX to enable the customer to e-sign in a way that's fully FCA-compliant, freeing up our sales executives to focus on explaining the features and benefits of the vehicle to them."

The group had also just moved over to a new Microsoft platform as well as migrating its phone system to a cloud-based model in the fourth quarter of 2019, so when the pandemic struck, staff could engage with customers and colleagues from day one.

It subsequently operated using remote sales hubs during lockdown, while its team of digital product experts has been building a stock of images and videos, which have been deployed over the past 12 months.



ISTOCK.COM/JZ\_WEI

“Used car volumes were at about 70% on the previous year in May and in June we actually sold more vehicles remotely than for the same period in 2019 when all our sites were open,” said Clark. “Unit profit was also higher than in previous years.”

He added: “This year has been a real turning point for us and we’re certainly not going back on several significant changes we have made and gained tangible benefit from. We have further measures planned for implementation in 2021 that will mean a change in structure, roles and responsibilities as well as additional resources needed to support online digital engagement at the front end, such as beefing up our live chat capability.”

“However, we also realise that the remote relationship, while highly effective, only goes so far – at the end of the day people want to deal with people and customers appreciate being able to put a face to it, so we don’t want to lose that part of the journey.”

Pendragon was also in the fortunate position of having started the move to online before the pandemic struck. That meant migrating all its individual websites onto one platform to enable transactions to be done online.

“We already had an idea about what direction we wanted to take the company and the steps we needed to take to become more digitally focused,” said Pendragon chief marketing officer Kim Costello. “So we had started putting a lot of these processes in



**THE MAIN LESSON WE HAVE LEARNED IS THAT WE CAN ADAPT TO ANY SITUATION. GIVEN THE RIGHT TOOLS AND TAKING ON BOARD CUSTOMER FEEDBACK, WE CAN – AND HAVE – ADJUSTED TO THE NEW NORMAL**



**KIM COSTELLO, PENDRAGON**

place before lockdown happened and were therefore able to implement the technology much quicker than we would have done previously.”

Throughout both lockdowns, Pendragon provided home delivery and click-and-collect services as well as the option to complete the end-to-end purchase of vehicles digitally using its Pinewood dealer management system. Because of its nationwide footprint, it is able to deliver cars quickly and easily to most parts of the country.

The AM100 retail group has also changed the way it interacts with customers using virtual tools to do everything from answering enquiries to doing a test drive and a walk-around of the vehicle by video.

In a September London Stock Exchange announcement, it unveiled a new growth strategy driven by digital innovation aimed at delivering an underlying profit before tax of £85-90 million by 2025.

Costello added that e-commerce has increased to 20% of overall sales. But she cautioned that it was important to keep all buying channels open, given different customer needs and preferences.

“Lockdown has moved the whole industry along a step further in terms of technology implementation and the way we offer products to the end user,” said Costello. “That has only accelerated over the past year as more customers have turned to online for their purchasing journey.”

She added: “The main lesson we have learned is that we can adapt to any situation. Traditionally the automotive industry has been a bit slow to adopt technology, but we have proven that, given the right tools and taking on board customer feedback, we can – and have – adjusted to the new normal.”

ALEX WRIGHT



# Automotive management

# LIVE

# VIRTUAL

Brought to you by **AM** In association with **NFDA**  
NATIONAL FRANCHISED DEALERS ASSOCIATION

## 20th-21st January 2021

**E**ffective marketing and CRM, profitable car sales and workshop efficiency will be among the critical subjects at Automotive Management Live Virtual, ensuring dealers get 2021 off to a great start.

The virtual event, which runs over two days (January 20 and 21), will also share

learnings and case studies from more than a dozen UK motor retail groups.

In total AM Live Virtual will feature 18 seminar sessions offering visitors insight, advice and guidance to improve their strategic planning and their day-to-day operations.

Attendees will also be able to meet in the virtual networking lounges, quiz the

experts in their live Q&A sessions, view virtual stands and arrange private virtual meetings without needing to go anywhere.

AM Live Virtual is only for dealer and vehicle manufacturer personnel.

To get into this insightful automotive event for free, register in advance at

[www.automotivemanagementlive.co.uk](http://www.automotivemanagementlive.co.uk)

## SESSIONS ALREADY CONFIRMED:

### WEDNESDAY, JANUARY 20 SESSIONS

**AM100 group Marshall's hopes and priorities for 2021 – interview with chief executive Daksh Gupta**  
Interviewed by Tom Sharpe, AM news and features editor  
(Sponsor – CDK Global)

**Connecting the ecosystem; making automotive commerce faster, better and smarter**  
Presented by CDK Global, CitNOW, GForces, LSH Auto UK and Group 1 Automotive UK  
(Sponsor – CDK Global)

**Leadership in a virtual world**  
Presented by Dr William Holden, chairman of Sewells and Katie Saunders, HR director of JCT600  
(Sponsor – Real World Analytics)

**Insight and reviews drive away the winter blues – Beat the bug and smash your budget in 2021**

Presented by Mark Busby, commercial director, Hendy Group, and Neil Addley, founder, JudgeService  
(Sponsor – JudgeService)

**Easy wins to boost your aftersales retention**  
Presented by Karl Davis, Coachworks Consulting  
(Sponsor – GTechniq)

**A post-Brexit economic outlook for UK automotive**  
Presented by Sarah Noble, director, Deloitte Consulting  
(Sponsor – MotorDocs)

**The acceleration of digital communications in automotive**  
Presented by Jeremy Evans, managing director of Marketing Delivery  
Sponsor – Marketing Delivery

### THURSDAY, JANUARY 21 SESSIONS

**AM100 group Peter Vardy's opportunities in 2021 – interview with chief executive Peter Vardy**  
Interviewed by Tim Rose, AM editor  
(Sponsor – CDK Global)

**Saved cost, saved time, saves space – getting digital done**  
Presented by Neil Maude, director of technology, Arena Group  
(Sponsor – Arena Group)

**Driving engaging customer experiences**  
Presented by Alistair Horsburgh, chief executive, CitNOW  
(Sponsor – CitNOW)

**Motor retail property: Efficiencies now and evolution tomorrow**  
Presented by Robert Stephens of RS & Co, and Richard Adams of Accendia

**Steer your dealership to online success and turn feedback into action**  
Presented by Phil Capper, enterprise sales manager, Reputation.com  
(Sponsor – Reputation.com)

**The future of aftersales – how to take market share of the largest vehicle parc in UK history**  
Presented by Gavin Ruddick, consultant and former aftersales director of Stratstone and Lookers  
(Sponsor – Book My Garage)

**Dealer sustainability**  
Presented by Steve Young, managing director, ICDP  
(Sponsor – CDK Global)

**Connecting with consumers in a digital world**  
Presented by CarGurus' account directors Dan Delderfield and Nathan Quayle  
(Sponsor – CarGurus)

**Data powering actionable insights for the automotive industry**  
Presenter TBC  
(sponsor – Experian)

Register now to attend FREE – [automotivemanagementlive.co.uk](http://automotivemanagementlive.co.uk)

## AUTOMOTIVE MANAGEMENT LIVE VIRTUAL – EXHIBITORS

**Arena Group and Fujitsu PFU**  
Digitised deal files, aftersales and paper processes dealership-wide give mstore users an advantage by

working flexibility, remotely, efficiently and securely. Recent analysis has shown that mstore has reduced admin time by 33%+, saved £25k per year on paper dealfile costs alone, delivered annual ROI of 1,400% - all significantly impacting the bottom line.

Dig deeper with dealership-led case studies at 10 am on day 2 in the seminar theatre followed by an extended Q&A.

Visit stand 2 hall 2 to explore going digital dealership-wide, meet experts and claim your tech goody bag. You could also win a Fujitsu scanner!

Visit [bit.ly/GetDigitalDone](http://bit.ly/GetDigitalDone) for information and updates.

**BookMyGarage SecretService**



SecretService makes it viable to take market share of the largest UK vehicle parc in history (accessing

and unlocking the true potential of Segments 2 & 3).

Partners can expect 70% of bookings to be conquest customers, achieving an 85% uplift from booking to final invoice values.

A minimum 200% ROI is guaranteed, and you'll automatically take even more market share when achieving 300%+. WhatCar? is now sponsoring the first three months' fees for all new partners (deadline February 28). SecretService enables you to transform your aftersales profitability, levelling the playing field with independents and fast-fits and restoring your absorption performance. To find out more, visit our virtual stand.

**CarGurus**

It's hard to overstate the impact COVID-19 has had on the UK market – on consumers and businesses in general, and on car buyers and dealers specifically. CarGurus' presentation, entitled

'Connecting with consumers in the digital world', will provide some valuable insights from its industry experts on how best to innovate your dealerships' approach to selling digitally. It will discuss some of the consumer trends and deep dive into the data, so you are armed with the facts on how to adapt and connect with buyers in the changing consumer landscape.

**CDKGlobal**

This year's event might be virtual, but you can still join CDK for a coffee! Register in advance to view any of its latest solutions, and the company will send you a coffee e-gift card to enjoy. Discover how its solutions can truly connect your dealership.

[www.cdkglobal.co.uk/amlive](http://www.cdkglobal.co.uk/amlive)

**Day one highlight**

Join CDK and expert retailers and partners who will discuss and debate how we connect the ecosystem to make automotive commerce faster, better and smarter.

**Day two highlight**

A keynote session on dealer sustainability. The future profitability of franchised dealer networks is dependent on the evolution of the traditional business model.

**CitNOW**

**CitNOW**

With consumer behaviours constantly shifting, businesses worldwide are helping to shape the next 'normal' - with digitisation at the forefront.

Visit CitNOW's virtual booth at hall 1, stand 3, to download its latest content piece, launching exclusively at AM Live, to discover its new consumer and industry research findings. CitNOW explores the 2020 catalysts for the 'new age' of retail, the impacts this has on customer sentiment and buying behaviours, and what you can do to meet evolving consumer needs.

It will also be sharing fresh insights live during its presentation, 'Driving engaging customer experiences', at 10:45 on January 21. Join CitNOW as it explores how video can be used to

drive engaging and emotional connections.

CitNOW will be on hand via live chat throughout the two days to answer all your questions or to arrange a product demonstration with one of its experts. It looks forward to 'seeing' you at AM Live.

**Gtechniq**  
**GTECHNIQ**  
PLATINUM

Gtechniq claims global

leadership in ceramic and other durable surface coatings. It says that Platinum offers a scientifically tested, nano-based system of protective treatments that outperform anything else.

In 2001, Gtechniq was formed out of dissatisfaction with aftermarket surface protection products for cars. Advances in chemical nanoengineering, combined with a rigorous laboratory and real-world testing regime, has allowed Gtechniq to create a range of innovative products that are continually improved for maximum performance.

**JudgeService**

**JudgeService**  
★★★★★

JudgeService Research is back! As specialists in automotive

industry insight and customer reviews, it aims to help businesses manage their online reputation and improve satisfaction scores. JudgeService enables businesses to identify weaknesses and strengths using its expert customer research analysis and provides valuable data for your benefit.

The research company says it is really looking forward to being able to showcase its products and services at AM Live in January, and it hopes you take the time to stop by its virtual booth to have a chat with the team and order your annual dose of JudgeService Pick 'n' Mix!

**Marketing Delivery**

**Marketing Delivery**

DATA DRIVEN MARKETING

Marketing Delivery will be showcasing the technology being used to keep dealerships in touch with their customers digitally. With case studies and insight from



consumer research, Marketing Delivery will be demonstrating its new messaging platform, data integrations with DVSA, CDK and others plus showing how Facebook advertising works for dealers.

Automating many dealer data and messaging functions in an era of lean staffing numbers, the company will be showing how to "digitally triage" customers and prospects to successful interaction in the sales and aftersales areas.

**MotorDocs**

**MotorDocs**

MotorDocs is committed to helping dealers transform performance through innovative and intelligent digital document solutions. It claims to lead the way in developing cloud-based platforms that improve efficiency, compliance, profitability, customer experience and environmental impact.

By introducing the full suite of MotorDocs products, sales and service departments can remove large volumes of paperwork from the dealership and introduce digital document workflows. By seamlessly collating information from multiple sources, it helps them unlock powerful business intelligence, realise immediate



cost savings and enable a contact-free customer experience.

Its award-winning iDealFile platform is in high demand – transforming post-sale efficiency and intelligence at more than 400 locations across the UK. MotorDocs' iServiceFile platform offers the same benefits to service and repair teams, with a specific focus on supporting more warranty approvals.

Contact its team on 01635 905985 or visit it at AM Live 2021 to see how its products can help you unlock the positive commercial benefits of fully integrated intelligent digital document management.

**Profit Box**



Heading up the digital sales creek without a paddle?

COVID has taken consumer buying behaviours to a different landscape.

Visit stand 10 in hall 1 and take ProfitBox's 60-second digital sense check to see if your sales teams are appropriately skilled or using yesterday's skills and philosophies with tomorrow's buyers?

**RAPID** RTC

RAPID RTC is a multinational digital communications company that specialises in automotive, serving 4,000 retail and manufacturing clients around the globe. Its focus is on improving businesses' digital communications and customer engagement practices by seamlessly connecting online shoppers in real-time, using their preferred channel, with salespeople who are not busy with showroom walk-ins. Rapid RTC's brand promise is to bring value to its clients by placing their customer at the core of everything it does. Through the right mix of technology and human interaction the company ensures a premium omni-

channel customer experience throughout the online purchase journey. RAPID RTC is headquartered in Winnipeg, Canada, with offices in Toronto, Paris, London and Dallas. It is part of the DMT Group of companies which was founded in 1996 and is privately held.

**RealWorld Analytics**



Real World Analytics provides a cloud-based business intelligence (BI) solution that helps you become a complete data-driven dealer group. By bringing all your data into one place and delivering actionable insights to different levels in the business, everyone has the right information at the right time to do

their job efficiently. The management will be presented with executive dashboards where they can drill down to the details for further investigation. Your managers in the outlets get reports such as DOCs delivered to them automatically so they can action issues on the spot. The solution is designed to help you stay on top of your business with all the information you need at your fingertips. To find out more, visit our stand at AM Live Virtual for a FREE Data Audit.

- Plus:**  
**Chrysalis Loyalty**  
**Diamondbrite**  
**Experian**  
**mstore**  
**Reputation.com**

**Four crucial reasons for dealers to log in to Automotive Management Live Virtual**

1. Prepare your business for a prosperous 2021 by understanding how your teams can engage with customers better, convert more enquiries into sales and build a more profitable aftersales parc.
2. Come together to learn from your peers and discuss future challenges and solutions with your motor retail community.
3. Discover the latest efficiency-driving opportunities presented by innovative and technology-related solutions.
4. Find fresh thinking and new ideas to manage your dealerships and teams from some of the most successful motor retailers of this era.

**Register now to attend FREE – [automotivemanagementlive.co.uk](http://automotivemanagementlive.co.uk)**

# VOLKSWAGEN ID3



Cool looks, but much responsibility for VW's electric ambitions rest on the ID3



**O**f all the cars launched in 2020, the ID3 is the one with the biggest weight on its shoulders. Not because it's particularly revolutionary – there are already electric vehicles (EVs) on sale that 'technically' offer the same thing – but, as the 'people's car', Volkswagen and the ID3 represents a lot more than just price, range and charging time.

The platform that underpins this humble electric hatch is the starting point for an entire stable of new EVs from the VW Group. If the ID3 fails to impress buyers now, it could sour the appetite for many new cars to come.

It's the figurehead of VW's new ID sub-brand, of which the car maker expects some three million registrations globally by 2025.

The good news is the ID3 certainly does not fail to impress. It's got cool looks, a funky interior, plenty of space for a family

and (current) prices start at less than £30,000 (inc grant).

Since arriving on UK roads, the ID3 has been named Carbuyer's Best Family Electric Car and Game Changer of the Year by TopGear.com.

There's all the usual amenities and driver assistance systems that you get in other VWs. It can sit on the motorway at a sensible speed unflustered and, most surprisingly, you can still have fun behind the wheel.

The model we have on test is the 1st Edition, which is powered by a 204PS electric motor and uses a 58kWh battery pack. It promises a 260-mile range and can go from 0-60mph in around seven seconds.

This year, the range will expand with cheaper options including a lower-powered 150PS motor and a smaller battery with a 205-mile range. There is also a long-range version with a 77kWh battery, which can travel up to 340 miles on a charge.

Power is sent to the rear-wheels – not



**VW NEEDS TO IRON OUT A FEW TECHNICAL NIGGLES, REFINE THE ERGONOMICS AND WAIT FOR THE ROLLOUT OF MORE EASILY ACCESSIBLE RAPID CHARGERS BEFORE THE ID3 WILL BE READY TO REPLACE THE GOLF AS ITS BEST-SELLER**

particularly common on run-of-the-mill family cars. It makes the driving experience much more engaging, although primarily this was done to maximise interior space.

The handling characteristics have been dialled in well and, combined with the instant torque from the motor, enables the car to make swift progress. The steering is livelier than we've experienced on other VW Group models, helping to give an overall feeling of lightness to the car despite its not-inconsiderable 1,800kg kerb weight.

Driven sensibly, the ID3 should achieve an efficiency of around 4mi/kWh – good for about 230 miles on a full battery. When it comes to charging, the car can achieve 80% capacity in 30 minutes – when using a 100kW rapid charger – but will take nine hours on a normal 7kW home charging unit.

In order to simplify the ownership experience, VW has kept things as minimalist as possible inside. The majority of functions are controlled via the touchscreen, which uses



The ID3 is rear-wheel drive to increase the interior space



The majority of functions are controlled via the touchscreen



£29,990 –  
£39,290  
(inc grant)



204PS electric motor



0–62mph:  
7.3 – 7.9  
Top Speed:  
99 mph



AUTO



Range:  
260 – 336 miles



0g/km

the same software as the new Golf. In front of the driver is a smaller display for speed, charge level and range, while all 'buttons' are actually touch-sensitive panels.

The gear selector is mounted to the right of the steering wheel and you simply push it forward to advance or back to engage reverse. There's also a single-stage regeneration mode that can be switched on or off, although the car will automatically apply the system to slow itself down if you're coasting and the car senses another vehicle ahead.

Is the ID3 the perfect electric car then? Well, it is very good and there's no doubt it will have mass market appeal.

It is considerably more modern and better to drive than a Nissan Leaf, however VW needs to iron out a few technical niggles, refine the ergonomics and wait for the rollout of more easily accessible rapid chargers before the ID3 will be ready to replace the Golf as its best-seller.

MATT DE PREZ

## Q&A



SARAH COX,  
HEAD OF  
MARKETING,  
VOLKSWAGEN UK

**What is the expected sales ratio of ID3 to Golf in the first full year of UK sales and do you anticipate that it will begin to outsell the Golf before 2030?**

For the immediate future the Golf is, and will remain, our best-seller across our entire range. What is important is that we are able to offer our customers the widest choice in the market, with benchmark vehicles in the compact family car segment, whether ICE/PHEV or a BEV on a dedicated platform. The two cars complement each other.

**Pre-configured versions of the ID3 are already available to order, but when will dealers be able to accept factory orders from customers and will much customisation be offered?**

We will continue to offer pre-configured models for the foreseeable future. Customers making factory orders are still able to specify interior and exterior colour, wheel design and opt for a heat pump, transport hitch (for cycle carrier) and choose from two exterior styling packs. These can be found on the

configurator. Currently one motor (204PS) is available to order, but a 145PS motor will be launched during Q1. The ID4 will also be launched as a 1ST Edition and subsequently be available in pre-configured trims.

**Will there be dealer-fit accessories or add-ons available and what do you expect to be the most popular?**  
Yes and most of these are already available.

**There were some software issues that delayed the ID3's arrival and resulted in some models not having certain features available at the point of delivery. Has this now been resolved and how do customers go about getting future software updates?**

When the ID concept was revealed in 2016 it was announced that the production version would be launched in 2020. The ID3 uses a new software architecture and is the most advanced vehicle Volkswagen has yet produced. In many ways it has more in common with a smartphone device, for example, than a traditional car in that it is smart, connected and – like most software-driven devices – can benefit from software updates many times during its lifetime. Indeed, the first of these is set to take place this quarter. Of course, if any customers are experiencing any issues with software in their ID3 they should contact their retailer.

## KEY RIVALS



Nissan Leaf



PRICING, SUPPORTS V2G CHARGING



DATED INTERIOR, DRIVEABILITY



Citroën e-C4



LOOKS



RANGE



Tesla Model 3



PERFORMANCE



PRICING

## REVIEW RATINGS

AUTOCAR



TOP GEAR



WHAT CAR?



# SUPPLIER SPOTLIGHT

In association with **JudgeService**<sup>®</sup>  
★★★★★

# Your window on your world

For online insight and review company JudgeService, 2020 has seen the business grow, new products be developed and substantially increased interest from the sector in its services.

While revenue is down as a result of discounts given to clients in April, May, June and November, both January and October showed a 10% year-on-year increase.

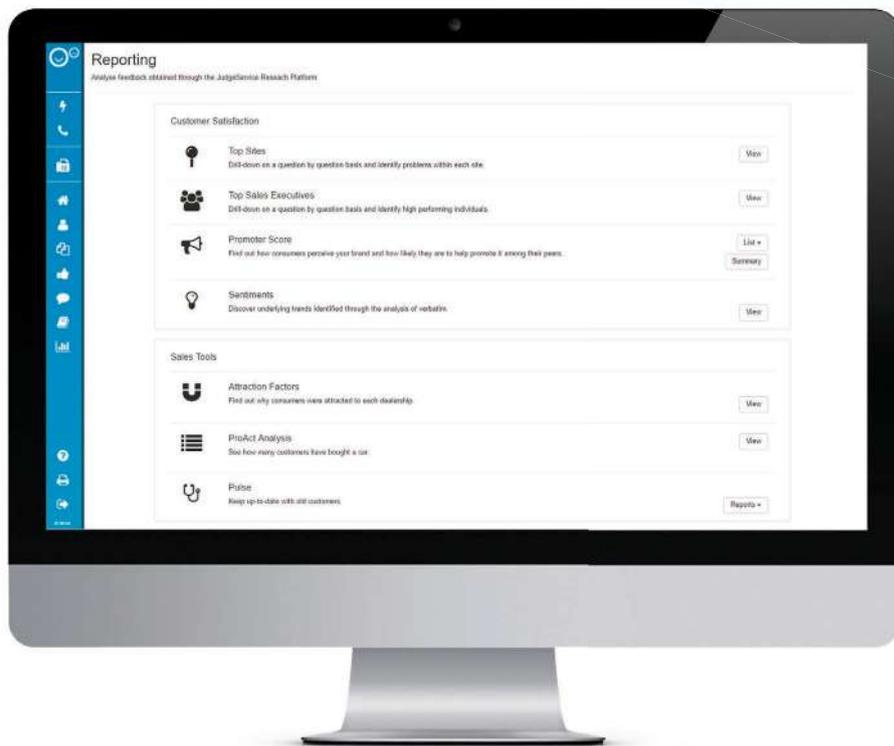
During lockdown, JudgeService increased its team by six in marketing and customer service roles, bringing its headcount to more than 50. Founder and managing director Neil Addley is confident of double digit growth every year over the next three years with an expectation of creating 15-20 new positions over this time.

Meanwhile, three new products are set to launch this year [2021] and new clients have come on board with the sales team busier than ever as increasing numbers of dealer groups recognise the need to boost their online presence and ensure their customer service is the very best.

Addley said: "It's been a strange year, but it has brought into focus the importance of client reviews as consumers are relying much more heavily on online content to make their buying decisions."

This year JudgeService has signed up Renault Retail Group and several Land Rover and Jaguar dealerships including Hatfields and Marshalls with more to come.

He added: "We are experiencing much higher levels of interest in our products and services as a direct result of the pandemic. Dealers are looking at ways to enhance their online presence and their customer satisfaction levels, which have become even more pressing in our current climate,



together with the impact of fewer colleagues in dealerships."

With its new products, JudgeService's portfolio will cover the entire ownership lifecycle.

**REPUTATION MANAGER** is its 'all-seeing' platform collating customer satisfaction and service levels from review sites such as Google across the internet.

"Tending the review garden is essential in maintaining an exemplary online reputation and allows issues to be dealt with promptly and effectively," said Addley. "If you tend those negative reviews, you can turn them into positive ones with a well-managed and timely response."

**PROACT** sees JudgeService's in-house team contact car buyers who are identified as loss leads. With around a third still in-market, Proact has a sales conversion rate of around 5%. Addley said: "Every lead has never been so important and with many dealerships not as staffed up as they were pre-lockdown, it is easier to outsource."

**REACT** is JudgeService's core customer satisfaction programme in use at more than 1,000 dealerships nationwide.

"It not only provides dealers with a means to enhance their online reputation but offers a window to their world allowing them to identify and put right any issues," said Addley.

The team has been hard at work during the pandemic to finalise and launch three new products later this year.

**OUR MISSION IS TO MAKE THE WORLD A BETTER PLACE ONE CUSTOMER AT A TIME WHETHER THAT'S ENHANCING CUSTOMER SERVICE, IMPROVING THE MANAGEMENT OF CUSTOMER SERVICE ISSUES OR SPOTTING UNHAPPY CUSTOMERS BY WHAT THEY HAVE POSTED ONLINE**



**NEIL ADDLEY,  
JUDGESERVICE  
FOUNDER AND  
MANAGING DIRECTOR**

T: 01423 225166 E: sales-enquiry@judgeservice.com W: business.judgeservice.com

**RENEW** has been designed to help dealers turn existing customers back into new prospects creating a defined process which is less fallible than relying on individuals in the business to undertake follow-ups.

**RESOLUTION** manages customer service issues in aftersales by collating comments from online reviews and allowing employees to log complaints and comments.

**TOUCHSTONE** will be available towards the end of this year and is what Addley refers to as the 'ultimate referral product'.

He said: "It will out take the ambiguity of referrals so the process is managed properly, fairly and transparently as well as ensuring those customers who do make genuine referrals which result in a sale are justly rewarded."

JudgeService has also undertaken insight analysis to understand consumer sentiment as the country emerged from the first lockdown enabling it to predict a surge in demand for some of its key clients, including Brindley, FG Barnes, Hendy and Vertu Motors. It found COVID-secure measures were mostly impressive and reassuring and, although some discrepancies were identified, these tended to be isolated incidents which were tackled quickly.

Two specific car-buying trends emerged – customers were either buying locally, reluctant to travel outside their immediate area, or they were buying online nationwide. Crucially, sales across medium distances declined.

One area the pandemic focused all our minds was the environment as fewer vehicles on the road and hardly any flights overhead saw air quality improve. With that

**JudgeService** <sup>®</sup>  
★★★★★  
Independent customer reviews for the things that matter

**MACKIE MOTORS**  
www.mackiemotors.com

1,221 Total Reviews | 96% Overall Satisfaction | 100% Would Recommend

5 / 5 Star Reviews

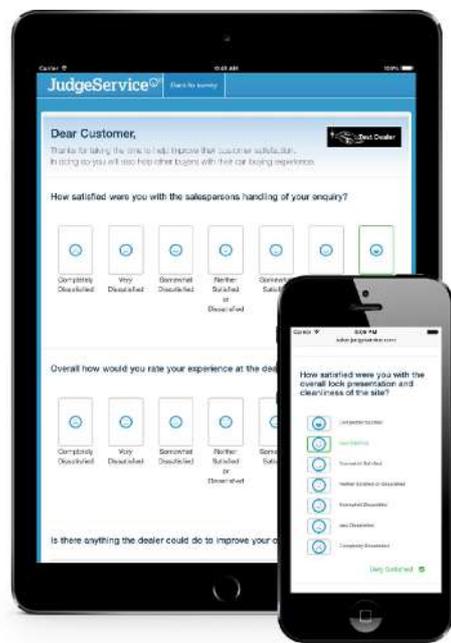
The Overall Satisfaction and Recommendation scores are based on the last 6 months of reviews

Find out what JudgeService can do for your business

These reviews were collected by JudgeService<sup>®</sup>, an independent review website.  
Mackie motors go the extra mile for their customers

★★★★★  
Mrs Jill Smithy, 23rd November 2020  
Mackie Motors Brechin

How satisfied were you with the overall look presentation and cleanliness of the site?	How satisfied were you with the promptness of the salesperson during your purchase?	How satisfied were you with the choice of vehicle?	Were you offered finance - yes	Did you find it easy?	How satisfied were you with the explanation of the paperwork and documentation?	How satisfied were you with the explanation of the finance packages available?	How satisfied were you with the advice displayed during your finance?	How satisfied were you with the interior and exterior cleanliness of the vehicle?	How satisfied were you with the mechanical condition of the vehicle?	Since delivery have you been contacted by someone from the dealership?	Overall how would you rate your experience?	How satisfied were you with the steps taken to ensure adequate social distancing?	Would recommend	Total
97.96%	92.06%	93.89%	89.71%	71.42%	97.96%	97.82%	97.86%	97.96%	97.96%	28.57%	95.02%	85.92%	100.00%	7
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	85.71%	100.00%	100.00%	100.00%	1
100.00%	100.00%	100.00%	0.00%	0.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	1
100.00%	100.00%	100.00%	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	1
91.84%	100.00%	91.84%	71.42%	71.42%	91.84%	97.86%	91.84%	91.84%	91.84%	71.42%	91.84%	91.84%	100.00%	7
92.86%	100.00%	92.86%	50.00%	50.00%	92.86%	92.86%	92.86%	92.86%	92.86%	100.00%	92.86%	100.00%	100.00%	2
97.96%	100.00%	97.96%	86.87%	50.00%	97.96%	97.96%	97.96%	100.00%	97.96%	50.00%	97.96%	97.96%	100.00%	8
100.00%	100.00%	100.00%	83.33%	33.33%	97.96%	97.96%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	8
92.86%	100.00%	100.00%	100.00%	50.00%	100.00%	100.00%	100.00%	100.00%	100.00%	50.00%	100.00%	100.00%	100.00%	2
100.00%	100.00%	100.00%	100.00%	50.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	4
93.24%	100.00%	100.00%	66.67%	66.67%	93.24%	93.24%	93.24%	93.24%	93.24%	33.33%	100.00%	93.24%	100.00%	3
100.00%	100.00%	100.00%	66.67%	66.67%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	3
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	2
92.86%	100.00%	100.00%	100.00%	75.00%	92.86%	92.86%	92.86%	100.00%	100.00%	75.00%	100.00%	92.86%	100.00%	4
100.00%	100.00%	100.00%	100.00%	62.50%	96.42%	96.42%	96.42%	100.00%	100.00%	96.42%	96.42%	96.42%	100.00%	8
100.00%	100.00%	100.00%	66.67%	100.00%	95.24%	95.24%	95.24%	100.00%	100.00%	95.24%	95.24%	100.00%	100.00%	3
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	1
<b>Temp Average</b>	98.88%	98.77%	97.82%	81.87%	82.30%	98.86%	95.41%	90.13%	97.89%	96.73%	79.13%	97.19%	97.66%	61
<b>Selected Average</b>	98.98%	99.77%	97.42%	81.87%	82.30%	98.96%	95.42%	98.13%	97.89%	96.72%	79.13%	97.19%	97.66%	61.00
<b>Average Overall Average</b>	95.17%	98.16%	93.92%	81.89%	56.77%	94.85%	92.38%	95.34%	93.91%	82.33%	67.25%	93.91%	95.05%	11317
<b>JudgeService Average (Top 35%)</b>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	2829



in mind, JudgeService asked motorists whether they would consider buying an electric vehicle (EV) and, while interest had increased, it was still less than 20%. Consumers put their choice of next vehicle in order with petrol coming top, diesel in second place and hybrid third with a tiny percentage saying an EV would be next.

Addley said: "There's a long way to go to end the internal combustion engine (ICE) in customers' eyes"

Interestingly, the research for south coast-based Hendy asked customers for their thoughts on off-setting the carbon footprint of acquiring their new vehicle with most massively overestimating the cost at around five times too much. With the off-set cost of a new vehicle typically £5-£10 a year, a carbon off-set product could prove popular.

JudgeService is undertaking further research on consumer reaction to the government's announcement of its plans to end new ICE vehicle sales by 2030 which is due for publication in January.

Addley is confident that, despite the year's setbacks, the outlook is bright.

He said: "There is a long-term trend for either centralising or outsourcing functions like this and that has been accelerated as a result of furloughing and redundancies as well as tightening up of processes.

"Our mission is to make the world a better place one customer at a time whether that's enhancing customer service, improving the management of customer service issues or spotting unhappy customers by what they have posted online. All these things are about helping clients look after their customers better and overall improve customer service on an on-going basis.

"We are seeing increasing demand for what we do and, despite the shock to the economy in 2020, we expect 2021 to be strong for us and dealers. People will want to buy cars, especially those who have saved money as a result of curbing their spending such as on holidays, and that's certainly what our research is telling us."

# URGENT APPEAL FOR BETTER EV TRAINING BEFORE IT'S TOO LATE

Industry warns of risk of death or injury if technicians aren't given assistance

**T**he Institute of the Motor Industry (IMI) is calling for urgent funding and a national workforce development strategy from the Government if there are to be enough trained technicians to support a 2030 ban on new diesel, petrol and hybrid vehicles.

The IMI said just 5% of current garages and dealerships are appropriately qualified to work on electric vehicles (EVs).

IMI chief executive Steve Nash and newly-appointed president Jim Saker both made the additionally important point that without the proper training, servicing electric vehicles risks "serious injury or death".

In an open letter sent to the Government, Nash and Saker said: "We urgently need a concerted, ongoing workforce development strategy.

"Embattled employers need support and incentives to get more of their technicians trained, and to re-ignite recruitment and apprenticeship plans.

"Electric is the right choice – for the environment, for jobs, for our children's futures. But like all revolutions, this one requires fuel. The fuel of skills. We have a generation that's wondering just where their future might lie."

Demand for the latest battery electric vehicles (BEV) surged by 228.8% in November 2020, with 4,652 registered in that month alone, while the market for plug-in hybrids rose by 34.8%, according to data from the Society of Motor Manufacturers and Traders (SMMT).

The IMI's estimates show there are between 13,000 and 20,000 technicians currently working on around 380,000 plug-in cars and vans.

If EV sales are to scale up over the next 10 years, the IMI said the technician capacity simply isn't there to support the



“IT WILL ONLY BE A QUESTION OF TIME BEFORE SOMEBODY PUTS A SPANNER IN A HIGH VOLTAGE AREA

GAVIN WHITE, THE AUTOTECH GROUP

transition the Government is aiming for. According to IMI data, around 6,500 certificates for working on EVs were issued last year, which would have been a pace that met the minimum number of qualified technicians needed by 2030.

However, in Q2 2020 certification numbers were down 85% compared to the same period in 2019.

Gavin White, chief executive at The Autotech Group, which offers EV technician training, said the industry is already past the point of hoping that a renewed focus on upskilling can manage with the current rate of EV adoption.

He said enquiries for EVs rose by 500% in the week following the news of the 2030 ban on petrol and diesel vehicle sales.

White said: "While there is sufficient training readily available to make vehicle technicians at the very least electric and

hybrid aware, it isn't regulated by the Government.

"This lack of enforcement means that many organisations are largely unwilling to send their employees on training courses for even a day, due to the loss of revenue through empty servicing bays and MoT ramps."

However, White said that many employers don't realise they will be liable if untrained employees are injured while working on high-voltage vehicles.

He said: "Ultimately, if technicians remain inadequately trained, it will only be a question of time before somebody, without the right knowledge, puts a spanner in a high voltage area."

In accordance with the Electricity at Work regulations, enforced by the Health & Safety Executive (HSE) all employers have a responsibility to ensure that employees are adequately trained.

Autotech will be offering training from basic awareness to Level 3 IMI-accredited EV courses, from within its Milton Keynes headquarters from January 2021, complete with an EV to deliver hands-on learning.

By the end of 2021, every contractor working full time within Autotech Recruit's network of temporary vehicle technicians and MoT testers will be trained to a minimum Level 2 Hybrid and Electric Vehicle IMI standard.

White said: "We have already seen an uplift in the number of enquiries for temporary vehicle technicians trained to service EVs.

"This is a big commitment from us in terms of investment, but we are dedicated to safeguarding our contractors and creating a strong, fully skilled network to support the entire industry."

TOM SEYMOUR

## RESOURCES

### THE IMI'S FULL OVERVIEW FOR EV TECHNICIANS

The IMI Accreditation Electric Vehicle route overview gives in-depth detail about the modules and knowledge requirements involved. [www.awarding.theimi.org.uk/LinkClick.aspx?fileticket=SvCYLgkBA34%3d&portalid=0](http://www.awarding.theimi.org.uk/LinkClick.aspx?fileticket=SvCYLgkBA34%3d&portalid=0)

### SALES SLOWDOWN WON'T HURT DEMAND

This McKinsey report predicts the EV market will see a recovery in Europe and will continue to increase, despite falling sales during the pandemic. [www.mckinsey.com/industries/automotive-and-assembly/our-insights/electric-mobility-after-the-crisis-why-an-auto-slowdown-wont-hurt-ev-demand#](http://www.mckinsey.com/industries/automotive-and-assembly/our-insights/electric-mobility-after-the-crisis-why-an-auto-slowdown-wont-hurt-ev-demand#)

### HSE GUIDANCE ON EVS

The Health and Safety Executive gives an overview for people working with electric and hybrid vehicles.

[www.hse.gov.uk/mvtr/topics/electric-hybrid.htm](http://www.hse.gov.uk/mvtr/topics/electric-hybrid.htm)

# TALENT ON THE MOVE



Peugeot UK has welcomed Jaguar Land Rover (JLR) experiential marketing director Julie David as its new managing director as part of leadership changes within Groupe PSA UK.

David, who has also held global franchise operations and retail

strategy director roles at JLR, has more than 25 years of automotive experience – spanning Ford, Audi, Volkswagen, Škoda and JLR.

Groupe PSA says that previous Peugeot UK MD David Peel had decided to “pursue his career outside of Groupe PSA”.

Other changes in the business include Mark Pickles’ move into the role of director for parts and service, following the retirement of Richard Dyson.

Pickles moves over from his current role as managing director of Free2Move Lease on February 1.

Replacing Pickles as MD for Free2Move Lease is DS Automobiles marketing director Mark Blundell.

Groupe PSA UK’s fleet and used car director, Martin Gurney, meanwhile, is leaving to pursue a career with another company.

Current head of fleet operations, Scott Westerby, will step up to run the fleet department.



Lookers has filled its vacant chief financial officer role with Anna Bielby, formerly of PwC and CFO of telecoms company KCOM Group.

A statement says: “Anna trained as a chartered accountant with

PwC, where she worked for 14 years specialising in retail and was an audit director.

“She brings PLC experience, having worked at KCOM Group for five years in a number of senior financial roles, latterly as chief financial officer.”

Bielby’s appointment follows December’s addition of former Yorkshire Building Society chief financial officer Robin Churchouse as an independent non-executive director and chair of Lookers’ audit and risk, remuneration and nomination committees.

Lookers says it will continue to “review the appropriateness of the remuneration policy” after a shareholders’ revolt centred on the £450,000 pay of CEO Mark Raban.

In all, 28.91% of shareholders voted against the remuneration report at the PLC’s general meeting.

**CHRIS MORGAN,  
MOTORPOINT CHIEF FINANCIAL OFFICER**



Motorpoint has named Chris Morgan as its new chief financial officer, following the resignation of James Gilmour.

The former Speedy Hire group finance director was set to assume his new position as CFO and a Motorpoint board member on January 11, four months after Gilmour’s departure was announced.

A statement issued by the used car supermarket says Morgan brings a wealth of a multi-site retail, financial and listed company experience, having previously held senior finance leadership positions at Go Outdoors and Tesco.

In December, Motorpoint reported that its half-year pre-tax profits had increased by 3% to £9.7m, despite the spring COVID lockdown, which hit its revenues hard as showrooms and preparation centres were closed between April and June.

**MARK GOODE, VERTU MOTORS  
MOTORCYCLE DIVISION BRAND DIRECTOR**



Mark Goode has been appointed brand director of Vertu Motors’ Motorcycles division following its acquisition of BMW Motorrad Sunderland.

He will take charge of the AM100 PLC’s three motorcycle sites in Grantham, Nottingham and Sunderland.

Vertu’s creation of the new post follows its December 7 completion of a deal to acquire 12 BMW, Mini and BMW Motorrad franchised motor retail outlets across five locations from Inchcape’s Cooper BMW division.

The Vertu Honda Nottingham motorcycle site will merge with the brand’s car showroom creating “a supersite” says the group.

Vertu chief executive Robert Forrester says: “Mark has been a committed colleague and I’m pleased to see his career go from strength to strength.”

**GARY CURRAN,  
LEASING AND RENTAL MANAGER AT KIA**



Gary Curran has been given a new role at Kia Motors UK as leasing and rental manager, following a stint as residual value (RV) and fleet operations manager.

The new position includes the responsibilities of his previous role and places the management of Kia’s leasing and rental programmes under Curran’s remit.

Curran has been with Kia UK for three years within the fleet team, predominantly responsible for Kia’s residual value optimisation, relationships with key industry RV influencers and the brand’s Motability operation.

Prior to Kia, he achieved success during his 27-year career in multiple other roles in the contract hire and fleet business.

## ≡ GUESS THE CAR COMPETITION

THIS MONTH'S WINNER



Pam Uppal, a customer advisor at Bristol Street Peugeot in Northampton, correctly named the Rover City Rover last issue

See if you can identify this month’s model for your chance to win a £20 John Lewis voucher. Email am@bauermedia.co.uk with ‘Guess the car’ in the subject line and include your job title and company in your entry. The closing date is Friday, February 5.



## EIGHT QUESTIONS TO A...

# REGIONAL AFTERSALES MANAGER

Phill Sargent,  
SsangYong Motors UK



### What are the main responsibilities of your role?

My main responsibility is to provide essential aftersales support for all authorised SsangYong dealerships in the south. My role can vary from assisting with customer support, providing technical advice, implementing staff training and development plans, identifying aftersales opportunities and supporting our dealer network in delivering outstanding customer service.

### What are the most significant challenges ahead?

There is no doubt electrification is on its way and SsangYong is deep into planning for the release of its first electric vehicle (EV) next year. Although there is already an increase in EVs on the road, the market still faces many challenges, such as infrastructure, charging speeds and accessibility. One of our significant challenges will be to ensure aftersales profitability remains consistent, given there are fewer serviceable components that make up an EV.

### How might these challenges be overcome?

We must ensure our SsangYong network continues to deliver exceptional customer service which will secure customer retention and increase aftersales revenue. We must also look at revenue opportunities such as a robust accessory programme, which will allow customers to personalise a vehicle to their individual needs. We need to ensure we create a culture that a customer would not think of any place to get their vehicles repaired other than a SsangYong dealership.

### What attracted you to this area of expertise and how did you get to your current role?

I am very excited about the future of SsangYong. Its vehicles keep going from strength to strength while its dealer network continues to grow and develop. I want to be able to look back in the future with pride and passion and say I was there at the start of this journey and be proud to see where we are today. I started off as an apprentice vehicle mechanic and was given some outstanding advice by my first aftersales manager, Mike Johns. He was an inspiration and a fantastic leader who I always had

“ WE NEED TO ENSURE WE CREATE A CULTURE THAT A CUSTOMER WOULD NOT THINK OF ANY PLACE TO GET THEIR VEHICLES REPAIRED OTHER THAN A SSANGYONG DEALERSHIP

the utmost respect for. He gave me great direction and showed me how to grasp every opportunity with both hands. We still share regular phone calls.

### What's the most important thing you've learned in your career, and how have you made use of it?

Manage a team of people through great leadership and coaching. Ensure you take time to become a great listener and use this effectively to understand how to improve something. I pick up the phone at every opportunity possible and talk to my colleagues daily, even just for a catch up. **MATT DE PREZ**

## QUICK-FIRE QUESTIONS

### What drives you?

My passion and competitive nature drive me forward, while my fiancée and children keep me in focus.

### What's your favourite app?

Sky Sports News.

### How do you relax?

Spending quality time with my family and friends, making the most of great company (usually over a beer or two).

# AM

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Email: [AM@bauermedia.co.uk](mailto:AM@bauermedia.co.uk)

### THIS MONTH'S QUESTION TO THE AM TEAM:

Name one thing you were unable to do last year which you are determined to do in 2021

### EDITORIAL

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### ► Lose weight

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### ► Visit Scotland

### PRODUCTION

**Head of publishing** Luke Neal

### ► Go on holiday abroad... fingers crossed

**Production editor** David Buckley

### ► Go for a holiday in Thailand though, given how things are, maybe it's a goal for 2022

**Senior designer** Chris Stringer

### ► Holiday abroad for my little brother's postponed wedding in Cyprus

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