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EDITOR'S LETTER

First, let me congratulate all the winners of the 2020 AM Awards and also praise those whose entries were shortlisted by the panel of experienced judges. I love the ability of our awards evening to celebrate successes and create a positive mood at a time when our industry is operating in tough and changing conditions.

Everyone spends so much time and energy in their working lives and I believe it is vital for employers to put forward the best for independent recognition.

On a sadder note, I can reveal that *AM* has ended its Best UK Dealership To Work For programme. In its three years it has provided a platform for motor retail employee engagement and has applauded great workplaces such as Chorley Group, Devonshire Motors, Drayton Motors, Peter Vardy, Roadside Garages and Swansway Group. From the results, we know there are franchised dealers with inspiring leaders, motivated staff, supportive line managers and perks or rewards that help them stand out.

But the Best UK Dealership To Work For programme has not attracted the number of participants needed to keep it going. When we scoped out the project we received assurances from major AM100 dealer groups that they valued and trusted their employees and would be keen to take part in the free initiative. We were expecting dozens and dozens of employers to take part.

Yet, it seems they've found too many barriers that blocked their participation.



MEET THE TEAM



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DEALERS TARGETED BY FRAUDSTERS

If your dealership falls victim don't expect too much help from police. They don't treat fraud as a priority, says senior NaVCIS operative

C rime-hit dealers and finance fraud investigators have issued a call for car retailers to exercise more stringent checks at the point of sale amid signs that an increasing number of used car traders are falling victim to credit and debit card scams.

A damning report published by ex-deputy Scotland Yard Commissioner Sir Craig Mackey in January found that fraudsters are operating 'with impunity' in the UK amid a perfect storm of soaring rates of fraud offences and police unequipped to investigate such cases.

Mackey's report found that, while

overall crime in England and Wales has remained "broadly static" over the past 12 months, the number of reported fraud cases had jumped by 500,000 offences, a rise of 15%.

It also found that fewer than 1% of officers nationally investigate fraud directly despite almost 2,000 fraud offences being committed each day – accounting for a third of all crime.

Calls to AM in recent weeks have indicated that car retailers are increasingly vulnerable.

MG Motor UK's Dudley franchisee, Summit Garage, faces the loss of £30,000 after two used cars were taken fraudulently using stolen debit cards in a single day.

Remote payment was taken from

trade buyers for the 16-plate Kia Sportage and 69-plate Vauxhall Insignia models on January 14, with drivers sent to collect the vehicles once the funds had cleared.

Summit's bank called in an attempt to stall the release of the cars – sharing suspicions that they had been bought on stolen Brazilian credit cards – but it was too late.

Now the business faces a 180-day wait to see whether the funds will be reclaimed with no recourse to claim on their insurance due to the "cyber crime" classification by their provider and a disappointing police response.

James Pittaway, sales manager at Summit, said he had been "staggered by the response of the police", adding: "They've been really, really unhelpful."

"A PCSO came out to see us the next day, but they refused to take the CCTV footage of the delivery drivers from us and all they gave us was something called a 'non-crime number'."

"Now we're in a state of limbo, just waiting to see if the funds are reclaimed by the bank."

Dissatisfied with the efforts of West Midlands Police, the team at Summit approached West Yorkshire Police to see if they could further their enquiries by tracking one of the vehicles' buyers.

Pittaway claimed the force had

been "surprised" that they had not had the case referred to them and visited the location of one of the traders involved in the alleged fraud. They were unable to locate the vehicle, he said.

A spokesman for West Midlands Police told AM: "This matter is being investigated by the West Midlands Police Economic Crime Unit. There have been no arrests to date, and victims are being kept updated."

Robin Luscombe, managing director at Luscombe Motors, Leeds, contacted AM in November having come close to being caught out by a near-identical scam.

A member of staff alerted Luscombe when a man arrived at the dealership to sell a 16-plate Suzuki at below market value. Further alarm bells rang when the log book showed the vehicle had been serviced by a Suzuki franchisee in the south just days earlier.

Luscombe called the dealer and discovered that the car had been bought that weekend for £15,000. Now the seller was asking just £11,000 to sell the car on.

"We called the police and when they came and interviewed the man who was trying to sell us the car it turned out that he didn't even have a driving licence," said Luscombe.

"He'd been dropped off with the car and an order to sell the vehicle on."





IT'S EASY TO BE CAUGHT OUT. BUT AT THE END OF THE DAY THERE ARE BASIC, OLD SCHOOL CRIMES THAT STILL CAN'T BE AVOIDED



NEIL SMITH, IMPERIAL CARS

He added: "It turned out that the car had been bought on what appeared to be a stolen Brazilian credit card and it fell to me to tell the Suzuki retailer down south that the cash would probably be re-claimed from their account."

Sharon Naughton, deputy head of unit at NaVCIS (the National Vehicle Crime Intelligence Service), said fraud was not seen as a priority by police forces and urged retailers to go 'above and beyond' to ensure they don't fall foul of such crimes.

She advised that fingerprint scanning, ultraviolet passport checks and a strict picture ID policy should be exercised.

"It's better to have that 'ah-ha' moment when you're sat with a customer than later when the finance is arranged or the car is sold and gone," she said.

"Sometimes we're aghast at the simple identity checks that can ensure that this doesn't happen."

She added: "I'm not sure people in dealerships are thinking 'just in case'. If you're accepting £20,000 you should at least ask for a picture ID. The honest customer should not be put off by extra checks."

Naughton said that car retailers should also pay close attention to their staff in order to avoid fraud.

She said: "There are enablers in

car dealerships and within brokers. Employers should be considering 'are we doing enough to protect our staff'. In my job, if I associate with someone who is a criminal and I don't raise that with my supervisor I get the sack."

Naughton said NaVCIS was tracking a single organised crime ring which had stolen 22 vehicles through fraudulent finance applications.

"There are huge groups making a lot of money out of fraud and that money is funding other organised crime," she said.

Neil Smith, operations director at Imperial Cars, conceded that his business was no stranger to crime,

but said that retailers who can "only do so much" to mitigate against "traditional forecourt car thefts" must do their utmost to avoid fraud.

He said: "We'll sell 2,200 used cars this month. Even at that, if we suffer a £23,000 or £30,000 loss due to credit card fraud that's going to take some time to make up with margins what they are right now."

Last year one of Imperial's vehicles was exported to Nigeria after being sold to a customer who used a stolen credit card.

Smith said: "We were lucky. The car was quite unique and the buyer thought something was fishy when they tracked it back to us. Amazingly, we got the car back."

But he added: "It's very easy to learn the hard way. It's easy to be caught out. But at the end of the day there are basic, old school crimes that still can't be avoided. To mitigate against the others, we have to play detective and carry out all the checks we possibly can when we're selling a car. It's the only way."

TOM SHARPE

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ADVERTISING FEATURE

Four great ways to create urgency

Make it subtle, believable and introduce it early, says Simon Bowkett of Symco Training



How good are your salespeople at creating urgency in customers? There are four things in particular that I want my salespeople to talk about – servicing, MOTs, road tax and tyres – to create a natural sense of urgency.

Next service

Many people decide to change their car when they've got a major service coming up. So, by asking them, "Hey, that next service – is that the major service?" we can create some natural urgency.

MOT due

"Is there anything you don't think will pass on that next MOT test?" Salespeople need to be asking this question every time. Customers will always say, "no, it will sail through," but in the back of their mind they'll be thinking about that chip on the wind-screen or those tyres that need replacing. And that is going to create some urgency.

Tax due

Around the world, most authorities send a reminder four to six weeks before the tax is due. For customers who've been thinking about changing their car anyway, it's often what gets them started on the process. Don't deliver this one as a threat, introduce it in a non-confrontational way: "Mr Customer, bear in mind that if there's any unspent tax, you're going to get a refund from the DVLA."

Replacement tyres

Make sure salespeople carry a digital tyre gauge that customers can easily read. "How many miles a week are you doing? That many? Just to let you know, your front tyres only have 0.4mm of tread left before they're illegal. To put that into perspective, 0.4mm is the bumps on a credit card. The only reason I mention it is that the Government has changed the maximum fine to £2,500 – per tyre." Again this will create a sense of urgency.

Conclusion

Ask your salespeople about these four key catalysts for change at the first review stage. They will end up asking customers and building the urgency you seek. And don't forget to watch my new sales training video on the AM website this month too (www.am-online.com/symcotraining, or at www.symcotraining.co.uk), to really get to grips with the problem of creating urgency in all your customers.

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THIS MONTH'S NEWS HIGH

JAN

20

MG AIMS TO BUILD ON RECORD YEAR

MG Motor UK revealed plans to follow-up a record 2019 with 130% volume growth to 30,000 new car registrations. Speaking at its annual conference, Daniel Gregorius, MG Motor UK's head of sales and marketing, said: "With a second fully electric car to be launched this year, MG's dealers are geared-up for a busy and profitable year."

21



LEVEN
SPECIALIST CARS

MORE THAN 100 JOBS SAVED

Cambria Automobiles and Vertu Motors saved 101 of the 139 jobs put at risk by Leven Car Company's slip into administration with the acquisition of five of its former dealerships. Cambria acquired Leven's Aston Martin and Rolls-Royce Motor Cars franchises in Edinburgh while Vertu added Leven's Kia, Suzuki and Mitsubishi leasehold multi-brand dealership site in Edinburgh to its Macklin Motors division.

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VANTAGE ANNOUNCES PROFITS DIP FOLLOWING ITS MBO

Vantage Motor Group published details of a 14.3% decline in profit before tax in a set of financial results published a month after its acquisition in a management buy-out (MBO). The business saw pre-tax profits decline to £1.3m as turnover rose 1.6% to £284.7m in the period ending December 31, 2018.

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TORDOFF COMPLETES ATLANTIC ROWING CHALLENGE

JCT600 Vauxhall Bradford dealership manager James Tordoff (pictured, left) and friend Chris Nicholl completed a gruelling 3,000-mile trans-Atlantic rowing challenge. Tordoff, the nephew of JCT600 chief executive John and grandson of group founder Jack, arrived in Antigua on January 25 having completed the Talisker Whisky Atlantic Challenge in 44 days, 21 hours, 58 minutes.



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PENDRAGON PERFORMANCE 'SIGNIFICANTLY IMPROVED'

Pendragon reported "significantly improved" H2 2019 performance in a trading update, but conceded its underlying profit before tax would still be "around the bottom end of current expectations". The group had announced in January that it would close several Evans Halshaw Vauxhall dealership locations.



TRIO OF APPOINTMENTS AT ASTON MARTIN

Aston Martin made a series of leadership changes as a consortium led by F1 race team owner Lawrence Stroll acquired 17% of the British sports car maker. Former vehicle line director, Andy Haslam, was appointed as vice-president and chief sales officer, Peter Freedman became vice president and chief marketing officer and Oliver Turner stepped into the role of regional president – sales and aftermarket.

BAN ON SALES OF ICE CARS BROUGHT FORWARD

Prime Minister Boris Johnson announced the Government's plan to ban the sale of all hybrid, petrol and diesel cars from 2035 at the launch of the COP26 United Nations climate summit. A week later Transport Secretary Grant Shapps told BBC Radio 5 live it would happen by 2035, "or even 2032", adding there would be a consultation.

ASE RoS FIGURES WORST FOR EIGHT YEARS

ASE's monthly profitability data revealed that car dealers achieved their lowest return-on-sales (RoS) figure since 2011 of 0.81% in 2019, rounding off the year with a £1,700 loss in December. ASE chairman Mike Jones said the result reflected "the tough year retailers have had to endure".

FORD CONSIDERING SCALING BACK DEALER NETWORK

Ford was said to be in talks with its franchised partners as part of a bid to scale back its UK dealer network. Speaking to AM at the unveiling of the Mustang Mach-E, Ford of Britain managing director, Andy Barratt (pictured), said the brand had tried to drive throughput by reducing dealer numbers, adding: "That's only via natural process."



HEYCAR SNAPS UP CONSUMER ADVICE WEBSITE

Heycar brought HonestJohn.co.uk out of administration with a deal to acquire the consumer advice website. The move gives heycar access to an audience of more than 25 million Honest John site visitors. Mat Moakes, the chief executive of heycar in the UK, said the acquisition would "bolster heycar's growth and industry presence."



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FEB

04

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ADVERTISING FEATURE

Connected cars can boost retention

By Alistair Horsburgh, CEO, CitNOW



The volume of data produced by vehicles is immense, but also currently underused. The race is on to harness the information to further improve motorists' lives and open additional revenue streams.

Not surprisingly, connectivity and digitisation was identified as the number one automotive trend in the 20th KPMG Global Automotive Executive Survey (GAES). Increased digitisation and connectivity provide the opportunity for manufacturers and their partners to provide customers with timely, relevant and personal communications.

Capitalising on their direct connection with motorists via the vehicle's systems offers OEMs and their network numerous opportunities to forge stronger relationships with customers such as tracking mileage and alerting the driver and dealer when a vehicle is due a service. Analytics such as how the car is driven – country roads rather than motorways or vice versa, means aftersales promotions can be tailored to individual driving styles.

This will be especially important for franchises. An SMMT report found independent dealerships were meeting the aftercare needs of 64% of the 30 million vehicles on the road – and were set to net 70% of the market by 2022.

Meanwhile, research from Accenture reveals almost half of motorists would rather avoid visiting a workshop in person. Nearly three-quarters (74%) are willing to pay for a so-called 'invisible service', whereby the entire process is managed remotely via websites or apps.

Far from diluting the customer relationship, if the process is smooth, efficient and convenient, such services will boost retention and loyalty. Using video keeps the customer informed at every stage of the car's journey to and through the workshop, as well as at different times during the car ownership cycle, such as when a finance agreement ends. Retailers could also meet consumer demand for information about servicing and maintenance – with apps, guides and videos increasing engagement minus the hard sell.



NEW CAR MARKET

VW PLAN SLOTS INTO PLACE BUT OTHERS FIND IT TOUGH

Bigger segments get stronger while the smaller ones become increasingly insignificant

In terms of segmentation, 2019 was a year of consolidation, as the bigger segments continued to grow, and the smaller ones continued to slide (some towards oblivion).

The headline figure is that three of the market's 10 segments accounted for a record 81.4% of total sales, up from 79.2% in 2018. B-segment (super-mini) shrank slightly, C-segment (lower medium) grew fractionally, and SUV (large and premium models, rather than B- and C-segment crossovers) steamed ahead. Before looking at the major segments, let's look at what happened elsewhere.

The A-segment (city cars) had another torrid year, with market share down exactly 1.0 percentage point at 6% – half a dozen more years of that, and it would cease to exist. The situation is unlikely to improve, as many manufacturers are planning to pull out: Vauxhall will drop the Adam and Viva, Ford will drop the Ka, and even the segment-leading Fiat 500 (down 16.5%), may be moved to the B-segment, according to comments from CEO Mike Manley.

The long-term issue is

city cars are too cheap to electrify cost-effectively and, counter-intuitively, don't really help companies meet their CO₂ targets.

Those targets take the weight of each model into account and a lightweight petrol-engined city car just means the manufacturer has a harder overall target to achieve. Even VW has said publicly it is hard to see a future for this sector.

The D-segment (large family saloons/estates) has almost ceased to exist, with registrations down 25.1% and a market share of just 1.8%. Not a single model sold more than 10,000 units, and the once ubiquitous Ford Mondeo could not even reach 5,000 sales. The D-segment's posh brother, Compact Executive, fared better with registrations down only 5.0%, and market share at a respectable 5.2%. However, it is an extremely polarised segment: the three

German

brands account for more than 75% of total sales, and Tesla accounts for another 9%, which does not leave much for Volvo, Jaguar, Alfa Romeo and Lexus to share.

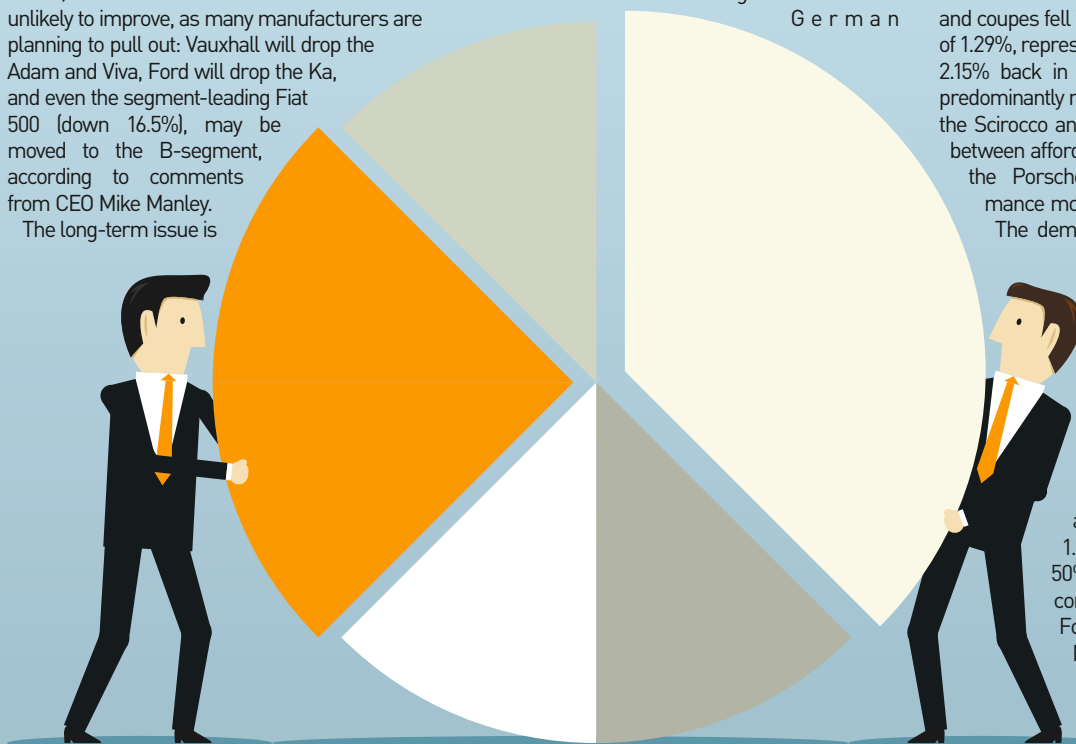
The Executive segment, also did reasonably well, with registrations down 10.9% and market share at 2.9%, close to its historical average.

Again, the German brands dominate with 80.8% market share. Volvo has a respectable 9.9%, but Jaguar XF sales were down 44.6% to just 3,400. Jaguar had even more bad news in the F-segment (luxury saloons): incredibly Rolls-Royce sold more cars than Jaguar sold XJs. It should be said Rolls-Royce do not split sales by model, so their total will include some Cullinans, but even Rolls-Royce saloons will have been close to the number of the Jaguar XJ – once the model which dominated.

Of the two other minor segments, sports cars and coupes fell to a historically low market share of 1.29%, representing an inexorable decline from 2.15% back in 2011. The segment used to be predominantly made up of affordable models like the Scirocco and MX-5, but it is now split 50/50 between affordable models (up to and including the Porsche Boxster), and luxury/performance models (Porsche 911 and upwards).

The demographic that once bought Ford Capris now focuses on crossovers. The luxury models were down only 4.8% – it is the affordable models whose sales are collapsing.

The last segment is full-size MPVs, which has effectively ceased to exist, in that there are very few cars designed for this sector. Overall registrations are down 8.4% to a new low of 1.1% market share, but more than 50% of sales were models based on commercial vehicles. Only VW and Ford still make dedicated large MPVs, and that is a situation unlikely to last much longer, as current sales hardly justify replacement designs.



SPONSOR'S COMMENT



By Richard Jones,
managing director,
Black Horse

2020 promises to be an exciting year as we face into some significant headwinds:

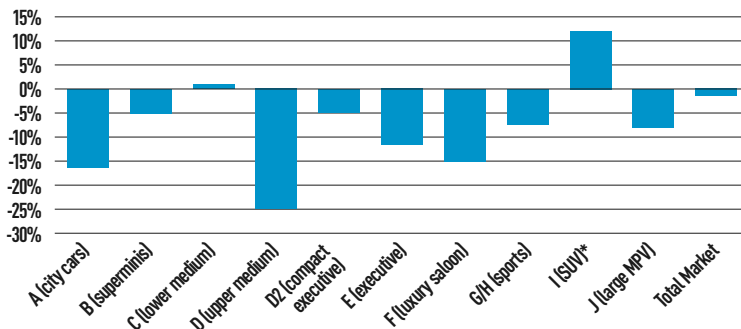
- We have now left the EU, but uncertainty remains a key risk with our industry expected to be one of the most affected, with particular disruptions from tariffs/trade barriers, supply chain issues and adverse investment and regulatory developments. Furthermore, from a demand perspective, any reduction in spending and the higher costs of imports could switch interest away from new vehicles.
- Climate change awareness is growing rapidly and fuel choices remain a customer concern. New diesel car registrations have fallen by 21.8% (2019 vs. 2018, source, SMMT). And we have seen both diesel and petrol used car values decline as consumer confidence has been eroded. The Government recently announced it is bringing forward the date at which it will ban the sale of all new diesel and petrol vehicles from 2040 to 2035.
- Globally growth has slowed, particularly in China where tax cuts and government incentives have fallen away. Across Europe, there is an increasing shift away from diesel and this trend will continue as cities take action on older diesel vehicles.
- Our sector also faces potential technological and behavioural disruption over the next few decades as market and consumer behaviour is evolving with a number of dominant technologies emerging and the mix of vehicle stock adapting accordingly.

Despite the challenges, the automotive sector will continue to be important to the UK economy and is the UK's largest manufacturing exporter, supplying vehicles to more than 160 countries worldwide. Our industry employs more than 800,000 people across its diverse and extensive supply chain and is invaluable to the UK economy.

I hope you see 2020 as a great opportunity, as I do, to support customers in making the right decisions and to support the country with ambitious sustainability targets and economic growth.

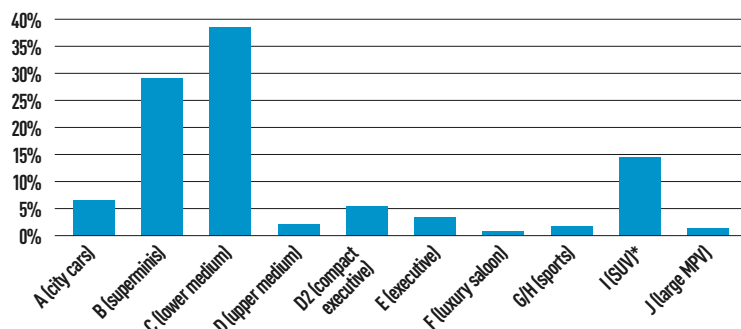
GROWTH BY SEGMENT 2019

* Does not include B- and C-segment crossovers



MARKET SHARE BY SEGMENT 2019

* Does not include B- and C-segment crossovers



Turning to the three segments that really matter in the UK market, superminis fared worst, declining 4.8%. Hatchbacks were down 9.4%, mainly because the Fiesta declined by 18.8%. While the Ford Ecosport is doing reasonable business, combined sales of the two Ford models of 103,000, are massively below where the Fiesta was by itself in 2015 (145,000). The B-segment is 65% hatchback and 35% crossovers, so a rise of 6.4% in crossover sales cannot compensate for a fall in hatchback registrations.

In the C-segment (up 0.3%), sales are 50% hatchbacks, 45% crossovers and 5% MPV. Hence, crossover sales (up 6.6%) compensated for falling hatchback sales (-4.7%). The VW Golf stayed just ahead of the Ford Focus to keep segment leadership, with the Mercedes A-Class in third place, and the Nissan Qashqai in fourth but the difference between the Golf and the Qashqai was less than 7,000 units. The best-selling C-segment car in the UK has been a hatchback ever since the 1980 Ford Escort, but it may become a crossover in the next two or three years.

In the SUV segment, the largest part of the market is made up of compact premium models (eg Mercedes GLA, Audi Q3), which account for 38.7% of all crossover sales. This sub-segment rose by 23.2%, helped by the new Range Rover Evoque (up 33.7%) and Volvo XC40 (up a remarkable 125.6%). The other part of the SUV market that grew strongly was large non-premium models like the Hyundai Santa Fe (up 21.6%). This has undergone a transformation in the past couple of years. Previously a bastion of Hyundai and Kia, it is now dominated by Škoda and Seat, whose Kodiak and Tarraco took 69.1% of registrations. With Audi being premium and VW secure in its unique semi-premium position, the last part of VW's masterplan seems to be falling into place. Seat and Škoda have been value brands for many years, but the message now seems "these are not value brands, they are VW value brands." The slightly classical, sharp-edged styling gives both cars an air of quality that means people don't look like cheapskates for not buying a premium brand.

DAVID FRANCIS

NEW CAR REGISTRATIONS

Hybrid registrations soar – but industry urges Government to end ‘confusion and instability’ after 2035 announcement

UK sales of new hybrid cars climbed by 20.6% in January as demand for diesel fell for the 34th month.

The January new car market suffered a 7.3% decline year-on-year to 149,279, as almost 12,000 fewer models were registered.

The private segment was down 13.9%, almost 10,000 units, and the fleet segment also suffered a drop of 2.2%, or 1,885 units.

Only the business segment was in growth, up 4.2% or 120 units.

Society of Motor Manufacturers and Traders (SMMT) data showed growth in registrations of hybrids and battery-electric cars – excluding mild-hybrids. These lower emission, alternatively fuelled vehicles accounted for 11.9% of January's total new car sales.

Sales of hybrid electrics rose 20.6% to 8,491, plug-in hybrids rocketed 111.1% to 4,788 registrations, and battery electric vehicle sales surged 203.9% to 4,054 units.

The data was published a day after the UK Government announced plans to ban sales of new cars with internal combustion engines, including hybrids, from 2035, which led the SMMT to criticise its lack of clear short-term policies to encourage electric vehicle uptake.

The plug-in car grant, which subsidises battery electric cars, is due to end this spring.

In the January market update, Mike Hawes, SMMT chief executive, said: “The new car market is a key driver of the UK's overall economy, so another month of decline is unsettling. Consumer confidence

is not returning to the market and will not be helped by the Government's decision to add further confusion and instability by moving the goalposts on the end of sale of internal combustion engine cars.

“While ambition is understandable, as we must address climate change and air quality concerns, blanket bans do not help short-term consumer confidence.”

Sue Robinson, director of the National Franchised Dealers Association, said: “The Government's clean air policies must be consistent, and motorists need to receive further support, especially if the UK is to meet the 2035 deadline for the sales of new petrol, diesel and hybrids. This includes maintaining the plug-in car grant.”

Robinson said the January new car market was “disappointing” but followed a strong December when consumers could benefit from a wide range of manufacturer offers.

“When planning future policies, it is crucial that the Government recognises the investments that will be required by franchised retailers and those that have already been made to meet the fast-changing consumer demand,” she said.

“Additionally, we urge the Government to reconsider its plans to ban the sales of new plug-in hybrids by 2035, considering the growth that this segment is experiencing.

“We will continue to work closely with our franchised dealer members and industry partners to inform consumers and help them select their ideal car, while supporting the transition to EVs.”

1 FORD

The market leader remains well ahead of second placed Volkswagen, even though its January 2020 total of 16,377 units was down year-on-year. Fiesta accounted for 6,087 of that total, continuing its reign as the UK's best-selling new car. Focus wasn't far behind, with 5,287 registrations.

2 NISSAN

The Qashqai is due for replacement later this year, but demand for the current model is holding up. It was January's third best-selling new car, with 4,608 registrations.

3 MERCEDES-BENZ

Although down 9.1% year-on-year, it's off to a fast start in 2020, with A-Class becoming the most popular premium brand car in January, with 3,214 sales. That left it 782 units ahead of its nearest rival, the BMW 1 Series.

4 KIA

2020 will be a year of electric cars for Kia, with increased supply of E-Niro (just awarded AM's New Car of the Year) and the Soul EV. However, the Sportage SUV remains its most popular model, with 2,457 registrations in January, more than a third of the brand's total.

January					
Marque	2020	% market share	2019	% market share	% change
1 Ford	16,377	10.97	16,629	10.33	-1.52
Volkswagen	13,197	8.84	13,224	8.21	-0.20
3 Mercedes-Benz	11,130	7.46	12,249	7.61	-9.14
BMW	10,078	6.75	9,553	5.93	5.50
Audi	9,760	6.54	8,632	5.36	13.07
Vauxhall	9,236	6.19	12,250	7.61	-24.60
2 Nissan	8,251	5.53	6,969	4.33	18.40
Toyota	7,903	5.29	8,575	5.33	-7.84
4 Kia	6,284	4.21	8,328	5.17	-24.54
Land Rover	5,613	3.76	5,601	3.48	0.21
Seat	5,201	3.48	5,522	3.43	-5.81
Peugeot	5,129	3.44	5,653	3.51	-9.27
Škoda	4,966	3.33	5,402	3.36	-8.07
Volvo	4,107	2.75	4,079	2.53	0.69
Hyundai	4,005	2.68	5,778	3.59	-30.69
Honda	3,190	2.14	3,700	2.30	-13.78
Citroën	3,050	2.04	3,887	2.41	-21.53
Renault	2,904	1.95	3,365	2.09	-13.70
Jaguar	2,325	1.56	2,121	1.32	9.62
Mini	2,232	1.50	3,251	2.02	-31.34
Mazda	2,025	1.36	2,724	1.69	-25.66
MG	1,846	1.24	754	0.47	144.83
Suzuki	1,794	1.20	3,006	1.87	-40.32
Fiat	1,711	1.15	1,676	1.04	2.09
Lexus	1,454	0.97	1,007	0.63	44.39
Mitsubishi	1,413	0.95	1,213	0.75	16.49
Dacia	1,222	0.82	2,475	1.54	-50.63
Porsche	639	0.43	581	0.36	9.98
Jeep	472	0.32	372	0.23	26.88
DS	285	0.19	253	0.16	12.65
Abarth	220	0.15	260	0.16	-15.38
Alfa Romeo	202	0.14	299	0.19	-32.44
Bentley	178	0.12	130	0.08	36.92
SsangYong	103	0.07	208	0.13	-50.48
Maserati	71	0.05	83	0.05	-14.46
Subaru	49	0.03	174	0.11	-71.84
smart	25	0.02	490	0.30	-94.90
Alpine	10	0.01	16	0.01	-37.50
Lotus	9	0.01	7	0.00	28.57
Chevrolet	0	0.00	0	0.00	0.00
Infiniti	0	0.00	32	0.02	0.00
Other British	217	0.15	278	0.17	-21.94
Other Imports	396	0.27	207	0.13	91.30
Total	149,279		161,013		-7.29

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FINANCE OFFERS

Affordability boost ahead of plate change

Car manufacturer finance houses and dealer networks have got off to a strong start in 2020 with finance continuing to be more affordable for the past three quarters in a row, according to the latest analysis from AM.

The analysis of 286 manufacturer representative example retail offers from their websites in Q1 2020, shows the average monthly payment was £344, a 1.9% decrease quarter-on-quarter.

That lower price point will be a welcome aid in the run-up to the March plate-change to help set up dealers for the rest of the year.

The retail finance offer data shows that 45 out of the 286 deals are below the average £344 price point in Q1 this year. This is much fewer than last quarter's 163 offers below the average.

The price reductions for Q1 continued with the average monthly deposits falling by 2.3% to £5,851 compared with Q4 2019. This marks two consecutive quarterly drops in the amount of money manufacturers are asking to be put down to access their retail offers.

Average APR rates have also come down slightly from 4.3% to 4.2%.

While there have been reductions across the board in many areas for Q1's finance offers, a trend from Q4 has continued with the average balloon payment continuing to increase from £13,305 to £14,269.95. The number of 0% offers has also dropped from 59 to 51.

The lowest priced offer is from Dacia on the Sandero at £109, with a deposit of £1,093, although this has gone up by £10 a month when comparing with the same offer last quarter.

Škoda's Fabia is the most affordable 0% offer at £139 a month after a £2,919 deposit.

The Citroën SpaceTourer continues its position as having the highest APR rate out of any model at 9.9% and it also costs £880 a month, making it one of the most expensive non-sports or premium brand products in the table.

With the Government's recent announcement about bringing forward the petrol, diesel and hybrid ban from 2040 to 2035, there is going to be an even greater focus on pure EVs.

AM's data shows almost half of the most affordable EVs on the market fall below the Q1 average

TOP FINANCE DEALS FOR RETAIL BUYERS

Model	Finance type	Deposit	Term	Monthly payment	Final payment	APR	Offer ends
Top 10 most affordable by monthly payment							
Dacia Sandero Essential SCe 75	PCP	£1,093.00	48	£109.00	£2,723.00	6.90%	31/03/2020
Hyundai i10 – SE 1.0 67PS Petrol 2WD Manual	PCP	£3,200.00	36	£128.93	£4,612.50	4.90%	31/03/2020
Citroen C1 Flair VTi 72 Manual	PCP	£3,185.08	48	£139.00	£3,208.00	4.90%	31/03/2020
Dacia Duster Access TCe 100 4x2	PCP	£816.00	48	£139.00	£4,714.00	6.90%	31/03/2020
Dacia Logan MCV Essential SCe 75	PCP	£838.00	48	£139.00	£3,372.00	6.90%	31/03/2020
Peugeot 108 TOP! Active 1.0L 72 5dr	PCP	£1,278.22	48	£139.00	£3,420.00	5.90%	06/04/2020
Škoda Fabia Hatch Colour Edition 1.0 TSI 95PS	PCP	£2,918.50	48	£139.00	£5,188.50	0.00%	01/04/2020
Hyundai i20 Play 1.2 84PS Petrol 2WD Manual	PCP	£3,700.00	25	£146.59	£7,315.40	4.90%	31/03/2020
Hyundai i10 SE 1.0 67PS petrol 2WD Manual	PCP	£2,900.00	25	£148.01	£4,467.95	4.90%	31/03/2020
Dacia Sandero Stepway Essential SCe 75	PCP	£520.00	48	£149.00	£3,763.00	6.90%	31/03/2020
Top 10 most affordable by 0% offer and lowest monthly payment							
Škoda Fabia Hatch Colour Edition 1.0 TSI 95PS	PCP	£2,918.50	48	£139.00	£5,188.50	0.00%	01/04/2020
MG3 Excite 1.5 DOHC VTI-tech	PCP	£1,276.50	48	£149.00	£2,966.50	0.00%	31/03/2020
Honda Jazz EX 1.3 i-VTEC Manual with Solid Paint	PCP	£4,089.74	36	£165.00	£7,730.40	0.00%	31/03/2020
MG ZS Excite 1.5 DOHC VTI-tech	PCP	£943.50	48	£169.00	£4,989.50	0.00%	31/03/2020
Toyota AYGO x-play 1.0 VVT-i Manual	PCP	£169.00	48	£169.00	£3,311.25	0.00%	31/03/2020
Toyota Yaris Y20 Petrol 1.5 VVT-i Manual	PCP	£3,684.00	42	£169.00	£5,422.50	0.00%	31/03/2020
Renault Clio Play SCe 75	PCP	£2,685.00	24	£179.00	£7,714.00	0.00%	31/03/2020
Toyota Yaris Y20 Hybrid Petrol 1.5 VVT-i Auto	PCP	£4,769.00	42	£189.00	£7,087.50	0.00%	31/03/2020
Mini 3-door Hatch One Classic	PCP	£2,000.00	48	£199.00	£5,852.95	0.00%	31/03/2020
Renault Captur Iconic TCe 90	PCP	£500.00	48	£199.00	£5,749.00	0.00%	31/03/2020
Top 10 highest APR rates by highest monthly payment							
Citroën SpaceTourer Flair BlueHDi 180 S&S Automatic	PCP	£1,254.00	48	£880.02	£13,466.00	9.90%	31/03/2020
Subaru Forester 2.0i e-Boxer XE 5dr Lineartronic	PCP	£6,429.00	48	£399.00	£15,500.00	6.90%	31/03/2020
Subaru Levorg Tourer 2.0i GT 5dr Lineartronic	PCP	£8,675.00	48	£379.00	£11,028.00	6.90%	31/03/2020
Subaru Outback 2.5i SE Lineartronic	PCP	£8,160.00	48	£349.00	£12,046.00	6.90%	31/03/2020
Subaru XV 2.0i e-Boxer SE 5dr Lineartronic	PCP	£6,029.25	48	£329.00	£13,321.00	6.90%	31/03/2020
Subaru BRZ 2.0 SE Lux	PCP	£9,037.00	48	£309.00	£11,788.00	6.90%	31/03/2020
Subaru Impreza 1.6 SE 5dr Lineartronic	PCP	£5,788.25	48	£299.00	£9,160.00	6.90%	31/03/2020
Subaru XV 1.6i SE Lineartronic	PCP	£8,000.00	48	£259.00	£10,655.00	6.90%	31/03/2020
Suzuki Swift Sport 1.4 Boosterjet 5DR	PCP	£2,923.67	48	£229.00	£6,178.00	6.90%	31/03/2020
Suzuki Vitara 1.0 Boosterjet SZ-T	PCP	£1,884.82	36	£219.00	£7,213.00	6.90%	31/03/2020
Top 10 EV models by lowest monthly payment							
Škoda Citigo iV SE L 61kW (83PS)	PCP	£2,435.63	48	£239.00	£7,772.40	4.90%	01/04/2020
Nissan Leaf 40KWH 150PS Acenta	PCP	£4,162.07	36	£266.64	£14,260.32	4.99%	31/03/2020
Renault Zoe Play R110 Z.E. 50	PCP	£1,995.00	24	£269.00	£16,023.00	0.00%	31/03/2020
Hyundai Kona Electric Premium Electric 64 kWh Battery 204PS	PCP	£8,800.00	36	£330.42	£17,663.45	4.90%	31/03/2020
BMW i3	PCP	£5,089.00	48	£349.00	£11,457.00	4.90%	31/03/2020
Vauxhall Corsa-e 5 Door Elite Nav Electric 136PS AT	PCP	£4,878.11	48	£349.00	£10,476.00	4.90%	02/04/2020
Nissan e-NV200 Combi 40KWH 80KW VISIA 5 Seat	PCP	£7,271.09	36	£369.00	£11,273.98	5.99%	31/03/2020
Kia Soul EV First Edition 64kWh lithium-ion battery auto	PCP	£3,379.50	36	£555.52	£14,422.45	5.90%	31/03/2020
Jaguar I-PACE SE EV400	PCP	£13,431.00	36	£599.00	£36,158.00	5.90%	31/03/2020
Audi e-tron 55 quattro 408 PS	PCP	£12,147.97	48	£699.00	£34,257.95	5.90%	31/03/2020

monthly price point of £344. This shows that manufacturers are positioning their EV products on a level playing field when comparing against internal

combustion equivalents. Of those models, perhaps only the Kona is slightly more out of reach for some customers with a deposit of £8,800, but this could be achieved with a customer that is trading out of a premium product to go EV.

The BMW i3, new Vauxhall Corsa-e and Nissan e-NV200 Combi are all pretty close behind in terms of affordability at £349, £349 and £369 respectively.



SEARCH FOR FINANCE OFFERS

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

Q1 2020 AVERAGES FROM AM'S RETAIL OFFERS DATA

- Average deposit £5,851
- Average term 43.8 months
- Average monthly payment £344
- Average optional final payment £14,270
- Average APR 4.2%
- 285 offers in total
- 51 0% offers
- 45 offers priced at the average monthly level or below

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VIEWPOINT



LESSONS FROM THE MIDDLE EAST

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



The Centre for Automotive Management at Loughborough had the privilege of starting a management development programme with Al Futtain of Dubai in January. Such occasions give the opportunity to look at our sector from a different perspective and see how automotive retailing differs in various parts of the world.

I have always marvelled at the vastness of the operations car dealerships have in the Gulf States. The logistics of running a 150-bay workshop and managing staff from a variety of ethnic backgrounds presents a challenge we don't often face in the UK. The countries are relatively small and only have one dealership for each franchise.

For most car retailers in the UK this would seem fantastic with no in-franchise competition. They do, however, face other challenges. As we arrived, tension in the region was running high with the shooting down of the Ukrainian airliner by the Iranian military. This meant flights were redirected with Iran and Iraq becoming no-fly zones. It's interesting that, when tensions in the region rise, car sales fall. When I said that we had political problems with Brexit they were less than convinced that this was really a

problem by comparison to having a near neighbour on a war footing.

One of the most interesting discussions with the Al Futtain delegates was around how customer loyalty can be achieved.

Many Emiratis will buy five or six cars, often from a range of manufacturers. Some will be driven by servants, others by family members. How do you build loyalty when there is a disconnect between the buyer and the driver?

It is almost as if you are dealing with someone who is a small fleet buyer. For some luxury franchises not having a vehicle suitable for servants means they can only build relationship within the confines of their product range.

The one thing that did come across was how seriously they took management training. It was widely stated by senior people in the organisation that in the next five years there would be more change in their business than in the previous hundred. Some of those changes will be similar to those in the west but many of the others will be unique to the Middle East and it will require top quality managers who can embrace that change and respond that will allow their business to flourish. Maybe that is a lesson we can learn from them.

RIGHT TO REPLY - GROUPE PSA RESPONDS TO PROF SAKER

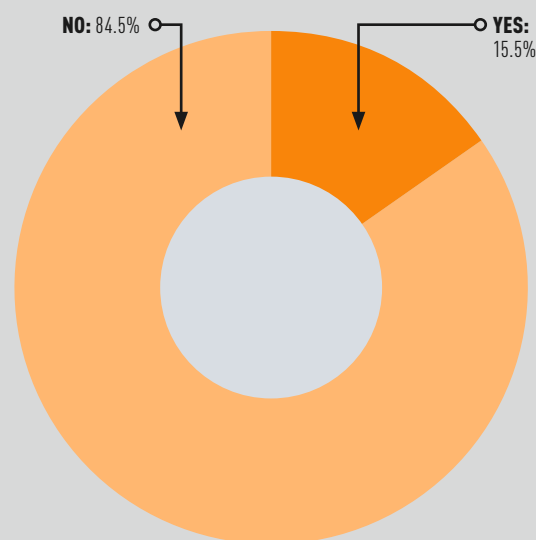
In an opinion article by Professor Jim Saker (in AM's previous issue) on the proposed Groupe PSA-FCA merger, he says "where will the savings be made? Looking at things rationally, the logic will be to shut production in the UK". We refer the professor to the Groupe PSA statement issued on December 18 in which we said that the "merger will deliver approximately €3.7 billion estimated annual run-rate synergies with no plant closures resulting from the transaction".

Saker adds: "The one under most threat has to be Vauxhall. Why would a joint Italian/French organisation invest in a uniquely UK brand." Vauxhall is one of the five vehicle brands under Groupe PSA and has its own strategic plan for the UK market where, in 2019, it sold nearly 200,000 cars and vans achieving a market share of 7.3%.

Jeremy Townsend, UK communications director, Groupe PSA

AMPOLL

SHOULD PRE-EURO5 CARS BE TAXED PUNITIVELY TO ENCOURAGE OWNERS TO CHANGE TO NEWER, MORE EFFICIENT CARS?



Use of the carrot but not the stick is the approach favoured by AM-online users who voted in their droves against the concept of high taxation of cars aged nine or older.

Cars and light commercials first registered since January 2011 comply with the Euro5 emissions standard at least (and Euro6 since 2015). Clean air zones, such as those coming for Birmingham and Leeds this summer, will impose charges on drivers using diesel vehicles not complying with Euro6 standards and petrol cars below Euro4.

Participants in our AM-online poll opposed fines or taxes for several reasons. Some believe scrappage schemes and subsidies would be effective. One stated: "Why not offer a no-cost incentive to switch - rather than punishing people who at the time, were purchasing the cleanest, most efficient available?"

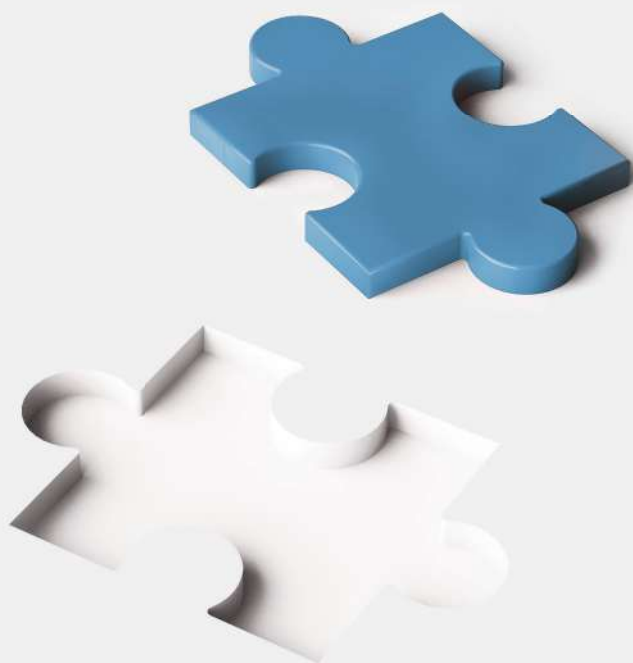
A few suggested that, to best protect the environment, drivers should be encouraged to keep their cars for longer, to reduce the need for materials and manufacturing.

"We need to take a holistic view at the net gain or loss. The environmental harm done by scrapping one car and building a new one far outweighs the incremental benefit realised by running a Euro5 or older car for thousands of miles," said one voter.

One voter warned against stigmatising certain vehicles: "This same move has been financially devastating to German owners and dealers where it has been introduced. Values of vehicles and dealer inventory have become almost worthless."

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*Used Car Retailing: No More Silos Anymore, Albeda, 2019

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OUR SUCCESS HAS
COME FROM, HAVING
THE RIGHT PEOPLE AND GIVING
THEM OPPORTUNITY TO GROW
JONATHAN GRAVELL, GRAVELLS**

GRAVELLS 

FACE TO FACE: GRAVELLS

'DOING THE RIGHT THING'

This ethos has helped Gravells to gain returns which more than double the industry average. It's a group that understands and supports the community. **Tim Rose** reports

Gravells is a multi-generation family dealer group that continues to serve multi-generation families of customers. And one of the secrets to its success and expansion across South Wales is its 'do the right thing' culture.

Managing director Jonathan Gravell said the group's focus has to be on fostering loyalty and repeat business because of the largely rural geography and mostly static population of the territories Gravells operates in, from Abergavenny in the south-east through Bridgend and Swansea to Kidwelly and Narberth in the south-west.

The dealer group has long been part of the community and Gravell sees that ethos of doing the right thing extending from making investments in its local organisations to ensuring it has Welsh speakers at its dealerships.

"I think our customers do enjoy that, because it's showing we're interested in recognising the language," said Gravell, who is also bilingual. "Welsh people don't expect you to be perfect, it's more the fact that you make an effort."

He said switching to Welsh in conversations even seems to soften occasional tense situations, as customers seem to relax and talk more openly about their concerns.

The business spends around £100,000 annually in sponsorships and support of local sports teams, choirs, children's groups and community organisations. "You do a lot of work to support what you think is required, and that's appreciated. It's difficult to judge the full effect of those things beyond doing it because it feels like the right thing to do, but I think people do respect the effort you make," he said.

The culture extends to empowering Gravells' staff to help individual customers in their hour of need. "I think the staff

appreciate the opportunity to decide, and, similarly, customers know they can always ask."

"When you need help, you come to us, and if we can help, we will," he said. That can mean loaning a car for a funeral or wedding. On one occasion, when a customer's six-year-old Kia Sorento broke down just before he went off on a caravanning holiday, Gravells loaned him a brand new £40,000 Sorento demonstrator to ensure he got away. He'd bought his car from new and returned to Gravells for services every year, so why should the business risk annoying him and losing his custom.

"It's a silly little thing, but it's listening to the customer. You know you can't fix every one or do everything, but where people work together you'll be okay," said Gravell.

Gravells' staff have to consider tomorrow just as much as today. Its managing director said he's been asked previously how they drive a customer to choose a new or used car, to which he responded that it must, truthfully, be down to what the customer requires and what the deal is at the time. He doesn't want salespeople pushing buyers in a certain direction simply because there's a bit more profit in it. He has the security of knowing Gravells is soundly profitable anyway – its return on sales has been more than double the industry's 1% average since 2014 – so the customer must come first.

Gravell added: "The mindset is I'm not selling the one car, I'm going to be selling the second, third and fourth. So you're really trying to put the customer into the best position. From a skillset perspective, you're just trying to filter what's best for them, and it's their choice."

He said Welsh family members tend to live near each other, so there's the danger that if the business upsets one, it will upset many.

Unlike some dealers which hire specific

used car salespeople, at Gravells the same staff sell both new and used stock and salespeople get the same percentage profit reward no matter what they've sold. He said everyone also has to understand that new vehicle sales and used vehicle sales have to be successful, the business cannot have one without the other. It has learned lessons from decades ago when there was too much focus on earning new car volume bonuses, and cashflow issues were common.

Among its sales teams there's a mix of long-serving and junior staff, so some are on higher basic with small commission and others get lower basic but higher potential commission, and the business enables them to choose the plan which suits them best. He said the group's low staff turnover means they know they'll have an opportunity to get repeat business from customers.

An in-joke at Gravells is that someone with 10 years' service is almost a new joiner. It has a fleet business manager who'll retire this year after 49 years with the group. Its general managers have worked up from the sales floor, including his brother Ian, who heads one of the Kia dealerships. Many of its service managers were once its apprentices.

Such longevity means the culture only gets stronger, and the same staff are selling to children and grandchildren of customers, and there's a trust that Gravells will look after the whole family.

"As long as we're competitive and the product is appealing, then there isn't a reason to leave us for a competitor. That's really where our success has come from, having the right people and giving them opportunity to grow."

The group gives salespeople control of their own sale from start to finish. Gravell doesn't like the old practice of the sales manager 'second-facing' the customer to get the deal signed. "It

“C doesn’t fit from a good service perspective, in my mind,” he said. The Gravells method is a simpler way of selling, keeps the customer’s attention and is more satisfying for the salesperson. Its sales managers sell too.

Of course, this puts pressure on the business to ensure it has the right people, because it has to trust them. Gravells holds personal reviews with individual salespeople to ensure they’re doing the right deals and upholding the company’s culture, rather than validating every single deal.

So what drives Jonathan Gravell? “I feel an obligation to keep this business going, to keep people’s jobs safe and provide security for the long term, give people a chance to develop. It’s ensuring we can deliver an appropriate level of profit to ensure we can invest and sustain.”

And his inspirations? Kia’s UK boss Paul Philpott is one, in the way he sees opportunities, has a long-term vision and keeps business simple.

Others include businesses with a clear proposition, such as Premier Inn. It sets customers expectations, has well-trained, enthusiastic and warm staff, charges a reasonable price and delivers a consistent, good service.

It’s reflected in Gravell’s proposition. “Here we don’t charge a lot for what we do, but we do provide a good service in clean, presentable dealerships and the staff enjoy it,” he said. “Let’s set up this business so we don’t do things that make it difficult.”

One example of this is Gravells’ central administration function. It’s designed to make the salesperson’s job easier, maintaining communications with the customer. It becomes a team effort.

The questions Gravell ponders are what steps can his team cut out if it’s complicated, what paperwork can be reduced, what doesn’t create value. Mistakes should

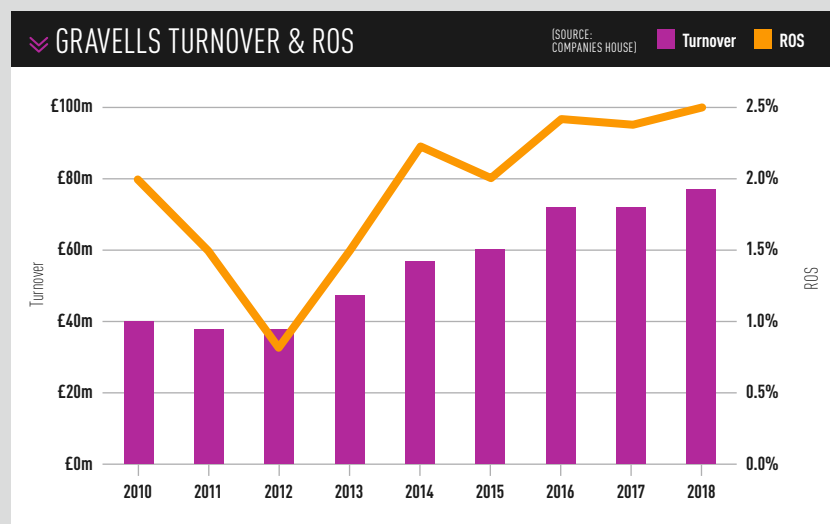


be lessons, and the business can always look for improvements.

In the 1970s Gravells represented Volkswagen at Neyland and Renault at six locations. Gravell said his father had been encouraged by Renault to expand westwards, which proved to be a mistake as the small customer base and 1980s’ recession led to multiple closures, consolidating the group into the one large Renault dealership at Kidwelly, the group’s headquarters.

In 2007, Gravell left a career in IT and outsourced management consulting to join the family firm and enable his father to retire. Recognising that some of its processes were reliant on his father’s memory, Gravell steadily began to improve the way the business was organised, implementing new processes and reporting, to ensure he and his managers could clearly monitor its performance.

He said there were instances of



employees doing tasks with no defined output, and although the business was performing well and giving great service to customers, it had "a man for every job". Over time, as a few people left Gravell tested whether the business could continue without them, so bringing down the overheads and improving efficiency. Headcount is now appropriate for the business.

"I was trying to recognise the balance of being in a part of the world that requires customers to travel to us so we have to be competitive and aggressive with our offers, but we have to find a way to cover the cost to the business," he said. It's particularly critical as competition is fierce in the region, thanks to having franchised dealers CEM Day, FRF and Sinclair Group nearby and the used car supermarket group Trade Centre Wales looking for growth from its sites at Neath, Abercynon and Merthy Tydfil.


Currently, Gravells has no group sales or

after-sales functions – Gravell takes these responsibilities on himself as necessary. While nothing is falling through the gaps, he'd rather not risk bringing in people and actually creating a problem, if it leads to conflict among the staff. Asked whether this is difficult, given there's a 90-mile gap between Gravells' easternmost and westernmost dealerships, he said it is "a reasonable management challenge" but going beyond that would be hard.

Another chapter in the company's history came in 2008 when it took on a Kia franchise in Kidwelly. Within 11 years Kia became its main partner, occupying six dealerships, and its representation of Renault and Dacia is confined to Kidwelly. In 2019, Gravells gained its fourth brand, Seat, through its acquisition of Raymonds Garage in Pontyberem, whose owner was retiring after more than 20 years with the franchise.

Gravell said Kia is pragmatic and consistent

in its approach, which fosters confidence among its franchisees, and he has been pleased to expand with the brand. Next to come is a new showroom in Kidwelly to relocate the Seat business to. And, while expanding with another Seat opportunity would make sense in the future, the company has no burning desire to keep expanding. The group runs "quite thin on overheads for the management team", he said, and it would need to add in a group tier to have the resources to open or acquire more dealerships, which, inevitably, means increased costs and headcount, so the profit opportunity would need to be significant to make the case for it.

In fact, Gravell believes the company is probably in the "sweet spot" now. Its 2019 revenue reached £84 million, and he is sure the dealer group can continue to increase sales for Kia and Renault while building up the Seat operation too. 

Gravells is Renault's oldest UK dealer, but Kia is now its biggest partner

I FEEL AN OBLIGATION TO KEEP THIS BUSINESS GOING, TO KEEP PEOPLE'S JOBS SAFE AND PROVIDE SECURITY FOR THE LONG TERM

JONATHAN GRAVELL, GRAVELLS



Gravells does well with Dacia also. It was the first UK dealer to open a standalone Dacia showroom, and this reliability achieves between 450 and 550 sales yearly. Gravell has found Dacia's keenly priced new cars attract both typical used car customers and non-Renault customers, many of which don't realise Renault owns it.

Some 80% of Gravells' used car sales are franchise cars, mostly brought into stock as part-exchanges or bought from its brand partners' approved programmes. This policy emphasises to sales staff that new car sales are key to create used car stock, so the business can optimise both opportunities.

Its dealerships typically sell up to seven-year-old stock, and the forecourts often have a few other-makes cars, to give local customers a good choice at different price brackets.

Gravells' own bodyshop keeps the used vehicle preparation in-house, and Gravell said the group typically allows up to £500 spend on body conditioning before the profit margin in the used car risks becoming too slim.

Gravell suspects that his largely rural marketplace will be a later-adopter of new mobility and EV powertrains.

"In this part of the world it'll hit us a bit later. We all have to be ready for it." Gravells noticed an increase in sales since Q3 2019 of the Kia Niro, in mild hybrid, plug-in hybrid and pure electric form, and that it's the older generation that is switching to it, which he credits to electrified cars being more expensive. He believes affordability will determine the speed of consumer acceptance.

Gravells' Renault dealership has been selling electric cars for six years, so he has no concerns about staff's skillsets and sales abilities.

More of a challenge is persuading older customers who like small cars that fit their lifestyle to buy larger models because many manufacturers, in fear of EU fines for exceeding CO₂ emissions, are withdrawing low-cost A-segment models due to the disproportionate cost to electrify them. "It doesn't make sense, because people think 'hang on, the towns are congested yet we're stopping sales of the smallest car. Really?' I think that's going to be an interesting dynamic for consumers. Take the Seat Mii Electric, it's now about £20,000 when the entry Picanto (petrol) is £10,000 and versus the top Picanto it's still £3,000 to £4,000 more. You've a big difference in your entry point for customers."

Gravell predicted a strong demand for used A-segment cars over the next



couple of years as a result, and hoped state support will make EVs affordable for retail buyers and encourage more charging points to be installed in Wales. Consumers' feel they'll need to charge anywhere, he said, so the Government and the car industry must create confidence. "When people are considering their next car, you want to take away the reasons not to buy it. Otherwise you're making the salesman spend time trying to explain the merits of it, when really they're obvious."

If sales of new cars drop due to the EU fines threat and premium price tags of new models, Gravell said the franchised dealer sector must look properly at how it balances costs versus income, so dealers are sustainable.

Electrification will give dealers challenges, but, fundamentally, they're providing a form of transport and provided they adapt they will cope, he said. "We're not talking of a massive change in consumer behaviour. Certainly, in our part of the world, public transport options are not credible."

FACTFILE

TURNOVER £77m (2018)

PBT £2.05m (2018)

FRANCHISES Kia (6), Renault (1), Dacia (1), Seat (1)

LOCATIONS Abergavenny, Bridgend, Fforestfach, Kidwelly, Narbeth, Pontyberem, Swansea

NO. OF STAFF 130 approx

“WHEN PEOPLE ARE CONSIDERING THEIR NEXT CAR, YOU WANT TO TAKE AWAY THE REASONS NOT TO BUY IT

JONATHAN GRAVELL, GRAVELLS

For now, his eyes are looking at cost and profitability. One example is that all Gravells' sites have had solar panels installed. He said the investment is recouped in less than five years – the Kidwelly site alone saves around £15,000 annually from a £70,000 investment – so it's "a no-brainer". For six or seven months of the year the dealerships operate without buying electricity. The next step for the group will be to trial energy storage systems at a couple of sites this year.

It's an unending quest for efficiencies that will ensure the group continues to have the financial resources to help its customers and to adapt in the years ahead as some other dealers will close or fail. Gravell is determined to keep the family name at the heart of its communities; to keep doing the right thing.

"My opinion is that every business will fail. Our job is to extend the life to that failure, so we are as good as we can be to really maximise our life. That approach is standing us in reasonable stead at the moment."



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LOTUS

Lotus puts plans in place for an expanded product portfolio and growth as its 80th birthday looms large, reports **Tim Rose**

Investment at Lotus Cars is set to give its franchised dealer network a chance to boost their sales and profits in the 2020s.

There will be an expanded model range to bring hundreds of new customers into the brand. But its 165-strong worldwide dealer network will need to combine their passion and expertise with the processes and systems required to retail in higher volumes, global director of sales and after-sales Geoff Dowding told *AM*.

It's all part of the Vision 80 plan for Lotus that has been developed since it was bought in 2017 by Chinese group Geely, which also owns Volvo Cars, Polestar, London

Electric Vehicle Company and Lync & Co.

Vision 80 is a strategy to achieve industrialisation growth, an expanded product portfolio and commercial growth to coincide with Lotus's 80th birthday in 2028.

Dowding said underpinning that is Lotus's route to market through its dealers, who globally achieved 1,630 new car sales in 2018, of which 274 were in the UK.

"An underlying part of that is that we have to look at retail infrastructure globally and our market activities on a world scale and maximise those as much as possible."

Vision 80 will deliver "exponential growth in the future" for Lotus retailers, Dowding said, so his team is now examining the brand's global retail infrastructure to identify what improvements will be necessary in the coming years.

Since Dowding joined Lotus in April, the former Bentley, Porsche and Harley-Davidson executive said he has been amazed by the "level of passion and depth of knowledge of the brand, its history and

its products" among its franchised network.

He has concluded the brand will need to be more accessible for consumers, however. The UK network of 16 dealerships may expand slightly, with significant representation in the top five cities plus 20-25 nationwide serving other cities. Also, Lotus's retail footprint in international markets such as China and USA will grow accordingly with the "huge opportunities" there.

There will be a new corporate identity, but it will be "flexible and adaptable and appropriate to every location" and Dowding said Lotus cares much more about the treatment of customers than it does about the kind of floor tile in the dealership.

"There's no palace structure," he added. Outlets serving the UK's largest cities will naturally reflect the brand's premium position and the strength of their local marketplace, but there is still a place for the "small, amazing little businesses" that are willing to grow with the brand.

"The people side of it is really important. My job is to create that balance between what's needed with bigger volumes, with greater levels of accessibility for customers so facilities, processes and systems cope with that in a modern and contemporary way, against the enthusiasm people experience when they talk to somebody who's involved with the brand.

"We believe if we can get that blend right, we'll have something quite special."

He accepts that getting to that will be quite a challenge. But Dowding said Lotus can take its time and do it progressively. "We're not fully locked down into a particular footprint or situation, because every one of our retailers today is incredibly different, in size, scale. So we have the ability to be flexible and adaptable and be appropriate in each location. We don't have square metreage and number of work bays and specific parts departments in mind. Quite the opposite, we have in our minds a set of brand values, some visual representation and some people requirements."

Brand-dedicated sales staff will be a



The stand at the Guangzhou show in China gives a hint of Lotus's revised corporate identity



Geoff Dowding was appointed executive director, global sales and after-sales, in April 2019.

His responsibilities include overall commercial management and development of the Lotus business, including sales planning and performance, and engagement and development of the retail network.

Dowding joined Lotus from Al Habtoor Motors, one of the largest automotive distributors in the United Arab Emirates where he was chief operating officer.

In a 40-year automotive career Dowding has held a variety of senior roles with global brands including Volkswagen, Nissan, Porsche, Harley-Davidson and Bentley.

During his 18 years with Bentley he played a pivotal role in the redevelopment of the specialist Mulliner business, and in establishing the brand's expanding retail network around the world, especially China.

KEY PRODUCTS



Elise

It's an old design, but still delivers thrills thanks to its lightweight structure and engine upgrades. A pure sports car and the entry point to new Lotus ownership.



Exige

This is effectively a road-legal race car, available in coupe or roadster form. Lightweight, yet with a 3.5-litre supercharged V6 engine, it's capable of 175mph and 0-60mph in 3.7 seconds.



feature for dealers in future, however. Dowding said with Lotus the buying experience can be just as exciting and pleasurable as ownership, so retailers must get it right. Equally, Lotus understands buyers want flexibility to do more online research if they so desire, so another challenge is bringing the online experience and the physical experience with the dealer together as much as possible. Dowding said this is "some way off yet" for Lotus.

Visible evidence of Lotus's Vision 80 so far includes a rebranding – the Lotus roundel has been simplified and modernised – and a ramp up of spend on raising brand awareness, such as through its large presence at the 2019 Goodwood Festival of Speed, which Lotus Cars chief executive Phil Popham said would "go down in Lotus history as one of the most memorable and exciting". Popham said Goodwood was a great opportunity to meet so many customers and fans of Lotus, to celebrate its unique heritage and give a glimpse of the future with a teaser of the forthcoming Lotus Evija 'hypercara'.

Construction work across the car manufacturer's Norfolk base during AM's visit in December was also evidence of the invest-

“A LOT OF THE PEOPLE HERE (AT LOTUS) ARE BUILDERS, WE'RE MOUNTAIN CLIMBERS RATHER THAN THE PEOPLE WHO SIT AT THE TOP AND ADMIRE THE VIEW”
GEOFF DOWDING, LOTUS CARS

ment being made in Vision 80. This will create a new small sports car assembly hall plus a production facility for the £2.2 million, 2,000PS fully-electric Evija which dealers are now taking deposits for. Only 130 of the Evija will be built.

"That's a huge statement about our future intentions in terms of the technology we wish to work with," said Dowding. "It's not a mainstream product for us, of course, but it's put our name on the map in a very big way within the industry and within the world's marketplaces. And a lot of people have shown huge affection towards Lotus as a result of seeing that in the market."

He said Lotus has a great heritage and history, and is a niche sports car manufacturer in a very small segment of the market. But it needs to build on that and develop a broader range of cars "on a progressive basis over the coming years", he added.

In 2021 there will be a new sports car, an addition to the current range, which will appeal to a broader customer base and give an immediate boost in sales volumes. It is likely to be more refined than the current, extremely sports-focused Lotuses, competitively priced and will have a hybrid powertrain.

It will be "a platform for future growth and success", Dowding said, after which Lotus will look at other segments, be they sports cars or others. Asked about whether Lotus desires a trendy crossover SUV in the range, Dowding would only say that nothing is being ruled out for the future, but whatever Lotus creates will be true to its DNA: lightweight, high performance and thrilling to drive.

AM challenged Dowding on why Lotus franchisees should have confidence to invest, when they've heard broken promises in the past. The since ousted chief executive Dany Bahar led a fanfare launch of a five-car recovery plan and designs for new prestigious dealerships in 2010 that completely failed to materialise after Lotus went under new ownership of DRB-HICOM of Malaysia in 2012. DRB then sold Lotus in 2017 to Geely Holdings Group.

He answered that dealers can look at the transformation of Volvo Cars, bought by Geely in 2010, which under its Chinese parent has become a true premium rival to Germany's dominant brands. And Lotus chief executive Phil Popham, the global operations veteran who previously drove Jaguar Land Rover's growth, ➔



◀ Evora

Lotus doesn't really do sedate and luxurious, but the Evora GT is as close as it comes. It has two extra seats in the back, suitable for young children only, and touchscreen infotainment with sat-nav.



◀ Evija

Yet to go into build, Evija costs buyers £2.2m but for that they'll get the world's most powerful production car – a limited edition, battery electric flagship Lotus with 2,000PS and a 250-mile range.

➤ joined the team in Hethel, Norfolk, in 2018 after thoroughly scrutinising Geely's ambitions for Lotus and the support and investment that would underpin them.

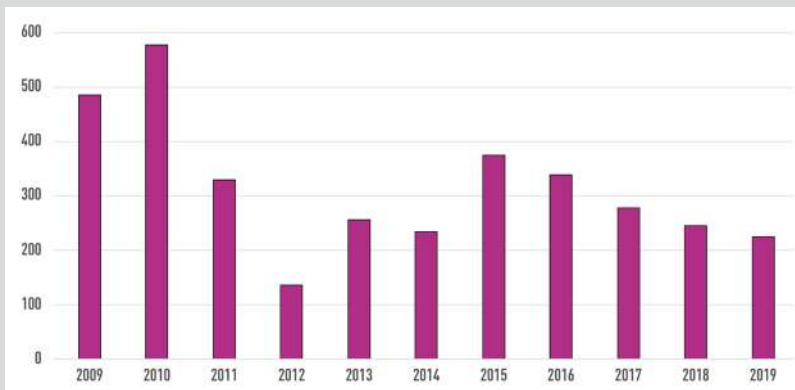
Dowding told AM: "We have a very firm business plan in place which is fully signed off and bought into, integrated with one of the fastest growing car groups in the business today."

Dowding spent 18 years at Bentley before joining Lotus. He rejoined Bentley a year after Volkswagen bought it and was part of the senior team that drove the Crewe-based luxury carmaker's sales growth following the launch of Continental GT, which took Bentley into a new market sub-segment and attracted younger, wealthy customers.

"There's nothing more satisfying than building something," he said. "I'm very lucky because I've now the second opportunity in my career to go down a similar path. A lot of the people here are builders, we're mountain climbers rather than the people who sit at the top and admire the view."

Currently the UK is Lotus's largest market, accounting for about 15% of its sales volume, followed closely by France and Germany. Dowding said the company needs to mirror its European successes in the large markets of China and the USA. Smaller markets such as South Africa and

➤ LOTUS ANNUAL UK NEW CAR REGISTRATIONS



The shortage of completely fresh products is evident in Lotus's new car sales performance in the UK which is its largest single market

New Zealand, where there's no Lotus business but there are owners, also need addressing.

AM asked Dowding what experience Lotus customers should receive at the culmination of Vision 80, when Lotus will mark its 80th anniversary in 2028. He said it's difficult to answer, "because we don't know what we don't know about what will be available in 10 years' time". However, like many in the industry, he believes there'll likely be different ways of owning cars, of

enjoying cars, even on an ad-hoc basis.

And on aftersales and customer service, "we all have to up our game in that substantially", he said, because the connected car will change how brands and dealers update and upgrade products and communicate with customers.

"Don't forget we're part of a group now and we have resources available to us which Lotus has not enjoyed in the past. Unquestionably, we will take advantage of the opportunities."

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MINUTES WITH...

Matthew Briggs, chief
executive, Autoprotect Group



Some people might know Autoprotect itself, but perhaps not the wider scope of the Autoprotect Group (APG). Can you outline the businesses it currently encompasses?

The re-organisation of the motor assets of Correlation Investments (CIL) in December 2018 brought Autoprotect, iComply, Smart Insurance and Shine Repairs together under the Autoprotect Group umbrella. In November, DealTrak was also brought into alignment with the group structure. I sit above all those businesses and we have a really cohesive leadership team. With the closer integration of the DealTrak business (former managing director) Martin Hill has taken on a new role with APG as director of strategic partnerships. He will help oversee the strategic direction of our automotive portfolio. Smart Insurance came into Autoprotect this year. Shine Repair still has a web presence of its own but we migrated all the clients to APG. That Shine Repair website will disappear and be subsumed by Autoprotect. iComply was already part of Autoprotect and is based in the same building. Shine was formed in the early 2000s and, as such, it doesn't have a direct to consumer offering but that may well change over time. DealTrak formed the final piece of the jigsaw.

What was the motivation behind bringing DealTrak closer to the group management structure now?

This is a common sense move because our target audience, perhaps with the exception of Shine which is mobile vehicle repairs, features a lot of overlap. A lot of the time they should all be communicating with the same audience. If we can

“OUR FUTURE AIM IS TO GAIN GREATER PENETRATION ACROSS OUR PORTFOLIO OF BUSINESSES WITH THOSE 4,000 ROOFTOPS THAT WE CURRENTLY SERVE
MATTHEW BRIGGS

have several conversations at the same time, and offer several potential solutions to various requirements, then that makes life easier for the customer and, hopefully, presents greater opportunity for APG at the same time. If the new integrated nature of the business starts to offer better value for customers and better commercial benefit for us then it's been a success. I've been out talking to businesses myself, that's a central part of my role. I only joined the business in November and to get out and meet really driven, entrepreneurial leaders behind the sector's retail operations has been a great experience so far.

Will DealTrak remain in its current base, the former Google Digital Garage building at Leeds Dock?

Leeds is a place with a lot of technical and development talent. Harlow is APG's head office and we have insurance underwriting, claims and the iComply team all based in Harlow, but our tech hub is in Leeds and it will remain there. Derby is our service centre, which is the Shine business, and then we also have

our contact centres in London and Southend.

How big is APG in terms of its workforce and the number of businesses it serves?

Join the various locations together and we employ 400 people across the group. We have some sort of trading relationship with about 4,000 rooftops. Our future aim is to gain greater penetration across our portfolio of businesses with those 4,000 rooftops that we currently serve. It's about leveraging what we've already got with the key objective of making dealers' lives easier and ensuring that they stay the right side of the Financial Conduct Authority (FCA) by maintaining their compliance. DealTrak has its own compliance capability and iComply can also help retailers with that. Together, those two businesses should cement our trusted advisor status.

Compliance is clearly a core component of the APG offering. What insight from your background in other sectors can you bring to those you're now meeting in car retail?

The FCA isn't going away. I have worked in the regulated environment for the past 25 years and I know first-hand the impact that regulators can have. I was part of the Retail Distribution Review (RDR) back in 2012 and that prompted consolidation of around 20% of the financial advice sector. People that were ready for it and had prepared for it were able to embrace the changes and that's very true of this market as well. Some operators at the moment may be taking it seriously, but others may feel that they can duck and dive. Those businesses have to under-





stand that they live or die by their actions. I do think there'll be consolidation (in automotive retail) as a result of the compliance demands, but it might be hard to identify as such. There's bound to be fallout – other dealer groups (beyond the ongoing investigation into Lookers) will fall under the FCA's spotlight – but we will arrive in a more compliant world that better serves customers at the end of it all.

What part can APG play in helping retailers meet their compliance obligations?

iComply is the physical compliance solution, if you will. The team will go into your business and carry out an audit, so there's a hands-on element that offers its own levels of reassurance. DealTrak has a well tried and tested compliance model that has the stamp of approval from a number of organisations and compliance specialists and – for the online journey – it can play a strong part. It's not a mandatory part of our offering – people can mix and choose to have a relationship with anyone part of APG and no other – but it's an element that's not profit-driven and it doesn't cost very much to the retailer, so why wouldn't you use it? It can be set up on a subscription or transaction basis. We're looking at the pricing structure right now and having it closely aligned to the rest of the group has allowed us to be able to offer a little more flexibility in that

“WE'RE NOT A CHARITY, BUT WE WANT TO BUILD AS MANY RELATIONSHIPS AS WE CAN THEN LOOK AT THE OPPORTUNITIES. WE HAVE TO EXPAND THOSE RELATIONSHIPS”

MATTHEW BRIGGS

respect. Because compliance is such a fundamental area for us to be operating in we want to give a really affordable solution to dealers and that plays to our aim of being considered a trusted advisor. We're not a charity, but we want to build as many relationships as we can then look at the opportunities. We have to expand those relationships. At the moment, DealTrak processes around 3.5 million deals a year. We have the largest lender panel in the UK. Our job is to integrate every lender that adds value.

Now you're at the helm and the restructuring of the business and its leadership team has been completed, what are the goals of the business?

We're looking at various technical innovations, always with the aim of trying to give the retailer access to data that they don't

have already but will add value. Our development capability is one of our key assets. We have aspirations to look at other territories outside the UK. Currently we have business in Poland, a presence in Germany and we are looking to explore Japan. An opportunity arose for a large commercial vehicle manufacturer out in Japan – in terms of our warranty product – and that really opened our eyes to the opportunity of the region.

Automotive retail is undergoing change which could prove far more fundamental than those in financial regulation. How does APG view the future of the sector?

In 40 years' time will we be travelling to the dealership on the local industrial estate to buy a car? I think not. We're starting to see brands come into the volume marketplace such as Cinch, Cazoo and Carwow and that will increasingly cater for how people want to transact. We're alive to that. We can offer our services just as effectively to the online car retail sector and I think we can be part of the process that helps to build consumer trust in the internet as a reliable place to buy a car. We simply have to make sure that we are across these trends so we are able to play our part. All that online sales journey needs to be compliant, so we need to be promoting that.

TOM SHARPE

FACT FILE

COMPANY:
AUTOPROTECT GROUP
HEADQUARTERS:
HARLOW, ESSEX
BUSINESSES:
AUTOPROTECT, DEALTRAK, ICOMPLY, SHINE REPAIRS AND SMART INSURANCE
STAFF: 400
ROOFTOPS SERVED: 4,000
MARKETS: UK, POLAND AND GERMANY



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Winners all! Trophy-holders line up for a group photograph at the AM Awards

This year's AM Awards gala dinner was an incredible opportunity to recognise and reward the strengths of numerous business and individuals in UK motor retail.

The event was the final, most glamorous stage of a process in which dozens of you submitted entries. Many of these were dealer categories requiring auditing by our partner BDO.

The 2020 AM Awards judges were Professor Jim Saker, the director of Loughborough University's Centre for Automotive Management; Steve Nash, the chief executive of the Institute of the Motor Industry; Steve Young, managing director of the ICDP; industry veteran and former Perrys managing director Ray Sommerville; industry consultant Piers Trenear-Thomas; *AM* editor Tim Rose; *AM* head of digital Jeremy Bennett and *AM*

editor-in-chief Stephen Briers.

Supporting the judges were AM Awards auditors Steve Le Bas, James Evans, Chris Bond and Malcolm Thixton from BDO's motor retail team, and Ben Gault from Google was our digital advisor.

On the night, we were joined by TV presenter Louise Minchin and comedian Rich Hall.

Over the next 45 pages you can learn what made our winners stand out.





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AM PEOPLE INVESTOR

Winner: Jardine Motors Group

Jardine Motors Group emerged as the winner in the AM Awards 2020's AM People Investor category after lengthy deliberations over three of this year's strongest entries.

The AM100 group, which acknowledges that "people are our most valuable asset" employs more than 3,500 staff across 68 UK sites and has succeeded in cutting annual staff turnover from 33% to 23% in four years by focussing on retention, recognition and reward.

During the same period, the number of women in leadership positions has jumped from 5% to 30% and there has been a 50% increase in childcare voucher uptake and a 10% take up of its annual leave trading scheme as equal opportunity and staff wellbeing also became lead issues.

Employee benefits at Jardine include an option to take advantage of an additional leave provision, enhanced family leave and improved maternity and paternity leave.

Staff also get their birthday off, while the My JMG Rewards scheme has generated £1 million in purchases of discounted goods through the likes of Tesco, Currys and Marks & Spencer.

Wellbeing and career support has been ramped up significantly, though.

Jardine's Online Learning Innovation (Oli) multi-platform training system not only gives colleagues flexibility in the way they develop within their roles, but training on more holistic topics such as mental health and mindfulness. Also, working with the charity MIND, more than 80 people have undertaken training to become colleague support mentors.

All Jardine managers now attend MIND training courses as part of the awareness programme.

Jardine has driven a culture of opportunity, promoting from within and paying close attention to the offer of equal opportunities to female employees.

As a result, the group recently had 13 colleagues named in Autocar's Top 100 Female Rising Stars and nine winners out of 30 in the Automotive 30% Club's Inspiring Women Awards.

In recognition that anyone in the business can make a difference Jardine has also introduced its #Jobswagger Champions Cup.

The award recognised the impact made by someone who embodies its values of 'judgement, ownership, leadership, integrity and passion' and does the small things exceptionally well.

HIGHLY COMMENDED

Citygate Automotive
TrustFord

FINALISTS

Citygate Automotive
Jardine Motors Group
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THE BRIGHT SPARK AWARD

Winner: Chorley Group, Miles Roberts

Chorley Group recognised the electric vehicle (EV) market was rapidly evolving so decided to position itself as a source of critical information on the subject, reaching way beyond its Lancashire base to sell EVs as far afield as Croydon, Edinburgh and Leicester.

EV mentoring was the idea of the five-site, four franchise business's innovation development manager Miles Roberts, who saw the opportunity to "cut through the noise" to offer customers a simple, informative and confidence-inspiring service.

He took up the role of a dedicated hybrid and electric vehicle specialist, leading a programme with staff across the group's franchises, allowing

on-the-road and workshop training, including on the new electric MG ZS, simulating, as far as possible, the ownership experience.

With the backing of the business he worked with every employee to allay fears and showcase the rapid growth of EV technology, enabling them to become an advocate to customers of the technology.

Roberts works without a sales commission and acts as an impartial mentor to buyers, working with them to build trust and allow them to accurately understand every aspect of EV ownership. He also delivers vehicles across the UK, recharging on the way, before carrying out the handover. Roberts is then available for follow-up questions and concerns.

Furthering the business's reach, social media and forums are used to promote EV and hybrid ownership, share knowledge and answer questions on EVs in the Nissan, Hyundai, Kia and MG ranges.

It means EV and hybrid sales have resulted from recommendations from customers and across a wider motoring community.

Chorley Group has seen hybrids and EVs make up as much as 10% of new car registrations in a quarter.

The judges said Chorley Group, and Roberts, epitomises the requirements of this new award category – an idea or innovation from a dealer's member of staff that simplifies processes, saves time or money or exploits an opportunity.

HIGHLY COMMENDED

Helston Garages

FINALISTS

Chorley Group's electric vehicle advocate
Helston Garages' key tag maps
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Patrick McGillicuddy, head of sales, Volkswagen UK (centre) collected the trophy from Philip Morrison, head of corporate sales, Car Care Plan

USED CAR OF THE YEAR

Winner: Volkswagen Golf

The Volkswagen Golf won the favour of AM readers and judges to claim the AM Awards 2020's Used Car of the Year title – ending a four-year run of success for the Kia Sportage.

Offering a breadth of engine types, trim levels and even the fully electric e-Golf EV, the leading German hatchback delivers a potential breadth of appeal capable of attracting a wide range of used car customers onto a dealership forecourt.

With the all-new, eighth generation Golf set to arrive in UK car showrooms in the first quarter of this year and the MkVII accounting for around a third of Volkswagen's 200,771 UK sales in 2019, the supply of used cars into the market looks set to remain plentiful.

Despite its prevalence in the market, residuals remain strong and the Volkswagen brand continues to draw potential buyers.

Auto Trader's near-14,000 Volkswagen Golf listings at the time of writing range from a £250 2003 GT TDI with 135,000 miles on the clock, to a 1,000-mile nearly-new 300PS Volkswagen Golf R for £44,995.

From the ability to deliver close to 70 miles per gallon fuel economy to that of reaching 62mph in less than five seconds, the range has broad appeal.

The sheer range of Golfs available attributed to its ranking as Auto Trader's most viewed vehicle during 2019.

The online classified website commissioned the

'UK's Most Popular Cars 2019' report – a survey of 2,000 UK drivers with search data from ad views on Auto Trader's website and app to reveal the most popular makes, models and features on the new car market – and found that the Golf had generated 1.3 million ad views last year.

In second place was the Ford Focus (846,212), with the UK's best-selling new car, the Ford Fiesta, in third place with 721,306.

The eighth-generation Golf will dispense with the e-Golf – which was run as a long-term test vehicle by AM in 2018 – as the new ID3 reaches showrooms.

In the light of this, used versions of the EV could prove to be one of the Golf line-up's big winners in 2020 as a result.

FINALISTS

Hyundai Tucson
Kia Niro
Kia Sportage

Mazda3
Peugeot 3008
Volkswagen Golf

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Car Care Plan
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Simon Hetherington, commercial director, Kia Motors UK (centre) picked up the trophy from award sponsor Supagard UK national sales manager Craig Hepworth

NEW CAR OF THE YEAR

Winner: Kia e-Niro

Kia's e-Niro electric vehicle (EV) emerged as the winner of the New Car of the Year award after the votes of readers and judges were correlated to select an outright winner.

Claiming a 282-mile zero emissions driving range, and argued by many to be the first affordable EV to genuinely trouble the 300-mile mark in real-world use, the Korean crossover proved a winner with *AM* readers as it generated headlines and footfall for Kia franchisees.

On sale since early 2019, the e-Niro is priced at £32,995 (after the £3,500 plug-in car grant) and offered only in Kia's flagship '4' trim level.

But a 2020 update of the car has not come as

the result of waning popularity as the brand battles to meet consumer demand amid limited supply.

AM reported back in March last year that Kia Motor UK's initial allocation of 700 cars sold out in just three weeks, presenting dealers with a challenge they may not have experienced before.

The arrival of the updated version has seen the brand secure additional supply of the e-Niro to clear the 3,000 back orders it has accumulated – all orders, it says, should be honoured by the end of July – by the time deliveries of the new car are due to commence.

Key to the e-Niro's appeal is its plentiful standard specification and the practicality of its crossover

dimensions, which deliver a 451-litre boot some 71 litres larger than the plug-in hybrid version.

Leather upholstery, a heated steering wheel and front seats, adaptive cruise control, wireless mobile phone charging and an eight-speaker JBL sound system are all included.

The new e-Niro also introduces Kia's UVO Connect telematics system, which allows owners locate nearby charging points.

Retailers appear to be happy with Kia's electrified vehicle offering.

The franchise scored an average of 7.63 out of 10 across all questions to finish second in the National Franchised Dealers Association's third bi-annual EV Dealer Attitude Survey rankings.

FINALISTS

Audi E-Tron
Kia E-Niro
MG ZS EV
Tesla Model 3

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Supagard



Simon Hetherington, commercial director, Kia Motors UK (centre), collected the trophy from AM editor-in-chief Stephen Briers

FRANCHISE PARTNER OF THE YEAR

Winner: Kia Motors UK

Kia Motors UK has claimed the Franchise Partner of the Year accolade for the third time in the past four years. Suzuki GB broke up the run in 2018.

The Korean carmaker, whose registrations rose 1.63% from 97,323 to 95,764 in 2019, made it into the reader-voted shortlist before judges selected it as this year's overall winner.

Its success follows strong performances in the National Franchised Dealers Association (NFDA) bi-annual Dealer Attitude Survey and Electric Vehicle Dealer Attitude Survey.

The brand finished joint top of the Dealer Attitude Survey rankings when franchisees were asked to

rate their manufacturer partner from one-to-10 (8.1) and top for profitability with a score of 8.4.

In the Electric Vehicle Dealer Attitude Survey it averaged 7.63 across all questions to finish second with a fast-evolving alternative fuel vehicle range.

Last year the brand also won the Best Customer Satisfaction Strategy Award from The Institute of Customer Service for its 'Family-like Care' strategy.

Judges of AM's 2020 awards praised Kia's continued flow of new product after 2018, with the launch of the new Ceed and Optima, the first full-year of sales for the Stonic and flagship Stinger saloon and a facelift for the Sportage SUV.

The introduction of a 48v Sportage mild hybrid

and the new XCeed crossover followed in 2019 as retailers benefitted from their first full-year of sales of the brand's debut EV, the E-Niro.

In 2020 Kia dealers will get a range of new AFV product including an updated E-Niro, the new Soul EV and plug-in hybrid versions of the Ceed and XCeed.

Speaking to AM at the launch of the XCeed in September, long-standing Kia Motors UK chief executive Paul Philpott said the new models will propel Kia to further UK growth.

"I'd love to achieve 100,000 sales but we have a long-term plan without a deadline on it. I think we can get to 120,000 in the UK without materially changing our strategy," he said.

FINALISTS

Ford of Britain
Hyundai Motor UK
Kia Motors UK

Mazda Motors UK
Peugeot UK
Volvo Cars UK



One Voice Report

An examination of the key issues affecting the used car marketing in 2019, according to dealers.

Topics include:

- Profitability margins, digital retailing trends, stock location, speed of sales and lead management
- Margin retention falls in 2019 but 2020 outlook is positive
- 13.6% of dealers have sold cars online in 2019
- Online finance systems top digital investment plans
- Stock location increasingly difficult for dealers

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Dylan Nykolyszyn, web developer, Sandiccliffe Motor Group (centre) was handed the trophy by Conor O'Sullivan, senior sales manager, CarGurus

BEST ONLINE CONSUMER EXPERIENCE

Winner: Sandiccliffe Motor Group

Input from Google was taken into consideration when the judges were evaluating one of the most competitive – and important – categories in the AM Awards. They agreed with the tech giant's assessment of this East Midlands' group.

Google noted the positive focus on mobile optimisation of sandiccliffe.co.uk, with the adoption of customer 'personas', the way the digital staff at the 11-site group had adapted their ways of working, introducing 'agile' thinking into the department to perform weekly tasks in sprints – a common way of working in the technology industry. It has boosted the team's visibility in the business and its efficiency.

The judges said the group's social content included a significant number of conversations with customers, not just marketing material.

In 2019, Sandiccliffe redeveloped its website navigation, taking inspiration from Groupon and eBay, introduced a three-column layout on vehicle detail pages, along with 'dials' which give users a 'clear' indication on how well some key stats compare for each vehicle and improved the presentation of finance examples. A 'conversion box' now presents all calls to action in one place. The result – goal conversions have increased 162%. In September, a record 2,500 leads were generated via the website.

Search engine optimisation and user experience

improvements have contributed to an increase in stock/product page views by 27% from April to October, compared with the previous six months – resulting in organic impressions increasing more than 2,700%.

In its social campaigning, using Facebook, Twitter, LinkedIn and Instagram, Sandiccliffe runs 18 profiles across its multi-franchise business. In 2019 followers have increased across all platforms, particularly on Instagram where they are up 200% and user engagement up by 2,799%.

"For a business of its size, Sandiccliffe's online customer experience is on a par with what would be expected of a much larger group," the awards' judges concluded.

HIGHLY COMMENDED

TrustFord

FINALISTS

Buyacar.co.uk
County Garage Ford

Rockar
Sandiccliffe Motor Group
TrustFord

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Stuart Foulds, TrustFord chief executive (centre), collects the award from Phill Jones, head of ebay Motors Group

BEST MARKETING STRATEGY

Winner: TrustFord

TrustFord's acknowledgement that as a Ford dealer there was little chance to differentiate its offering based on the brand, it needed to find innovative ways to engage with customers and base marketing around its people. The concept 'people buy from people', resonated with the judges.

They agreed with TrustFord's statement the business had "unlocked the power of this purpose, using our people, by development a marketing strategy to promote its purpose".

Not only is TrustFord winning and retaining its customers, it is improving staff wellbeing and satisfaction, concluded the judges.

In recognising the transformation in car retail with the emphasis on speed and ease of

communication, TrustFord took the opportunity to create a new fast purchase and delivery service.

The starting point was to offer the customers the ability to see the car they wanted, buy it and drive it away within an hour, using social media as the lead, plus, radio and digital advertising, dealership point of sale, website content and PR. It was encapsulated in the TrustFord Now strategy.

This has been extended to aftersales with Service Now with the same 'always on' approach.

TrustFord drives personalisation and relevance with improved one-to-one communications, propensity modelling and targeting through the use of artificial intelligence tools, as well as events and exhibitions including four Ford Store, 15 Parts Plus and Quick Lane openings

For its people the group is developing a new benchmark standard in retail excellence that will be used to train and assess general manager performance, to help them strengthen the customer experience in dealerships, drive stock turn and improve profitability. Each site has to pass a test to be accredited.

Despite a challenging 2019 market, marketing results have been strong.

The number of customers driving away on the day of purchase from a TrustFord dealership reached 5,029 in the first quarter of 2019; the group's passenger car market share is up from 14.7% to 15.9% year-on-year (up 6% on Ford's national position), and service reminder hours delivered improved more than 4% in the same period.

HIGHLY COMMENDED

Rockar

FINALISTS

MB Motors
Rockar
TrustFord

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motors
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John O'Hanlon, CEO of Waylands Automotive (centre) was handed the trophy by Lance Boseley, marketing director of award sponsor Diamondbrite

BEST DEALER GROUP (UP TO 10 SITES)

Winner: Waylands Automotive

This dealer group works extremely hard to recruit the most appropriate people and instil the right culture in the workforce.

The AM Awards judges were impressed by this young business, formed in 2017 through acquisition of Volvo franchises for Reading, Newbury, Oxford and Swindon. Waylands Automotive is already in the top quartile of Volvo's dealer network for profitability and individuals within its businesses have already won several quarterly awards from the Swedish brand for their performance.

Under the leadership of former Ridgeway chief executive John O'Hanlon this four-site dealer group has a winning ethos – staff are highly valued

and have the tools they need to do their jobs well, customers get the right experience and the business tackles challenges head-on and celebrates everyone's successes.

The judges agreed with Waylands' entry that it is run like a larger organisation in terms of the controls and processes, such as daily management information and weekly stock control, forecasting and working capital meetings, yet O'Hanlon allows and encourages an entrepreneurial approach from each of the dealerships.

"Staff are encouraged to work for the good of the company as well as the customer and there is a genuine focus on family, respect and values," said Waylands' submission.

"Directors see all staff regularly, visiting one site per day. Face-to-face time is key to understanding the challenges experienced by the team."

Profitability and sales continue to grow, and Waylands is investing accordingly. Volvo corporate identity upgrades are ensuring staff have a modern, well-planned workplace with refreshed IT for everyone. A small aftersales contact centre was added in 2019 and is set to expand into sales contact also in 2020. And its marketing manager has quickly established Waylands' presence online and in social media and is investing in building the brand.

The judges agreed this is already a strong business and there is yet more growth to come.

FINALISTS

Cartime
Rygor
Waylands Automotive

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Russell Borrie, group franchise director, Arnold Clark Automobiles, picked up the award from Karen Hilton, chief commercial officer, heycar

BEST DEALER GROUP (MORE THAN 10 SITES)

Winner: Arnold Clark Automobiles

Merging the online offering and physical experience for customers is a challenge this dealer group is resolutely tackling through investment in digital technology and fresh thinking.

Arnold Clark Automobiles has the scale and profitability (£4.2 billion revenues and 2.7% return on sales) that most other motor retailers can only dream of and this gives it the capability to trial new ideas and develop solutions to the problems its employees and customers encounter in the car purchase and repair processes.

Its submission detailed numerous examples of how the dealer group is driving forward. Since 2018 it has trialled an app, which lets customers

get an Arnold Clark price for any car and manage their finance information, documents and service reminders after purchase.

It has trialled a priority check-in service for aftersales, created an online 'deal-builder' finance tool delivering rapid quotes from four lenders, linked online service booking into internal diaries to let customers book at their convenience, and launched EasyPay interest-free payment plans for when big repair bills crop up.

It's not all about technology, of course. The group invests in giving its 13,000-strong workforce the skills it needs for modern motor retailing, takes staff wellbeing seriously, and it has improved communication and collaboration between

different parts of the business. Everyone is encouraged to 'Think Customer'.

Arnold Clark's entry stated: "We work smarter, not harder, to save time, money and speed up processes. We work together to improve the customer journey and experience and help each other out without internal politics. We do everything we can to make it easier for the customer to transact with us and create a seamless experience for them."

The AM Awards judges said Arnold Clark is "so structured, so comprehensive and is constantly evolving, with great strategic vision" that this kept it ahead of the two highly commended entrants in a category full of strong entries.

HIGHLY COMMENDED

Marshall Motor Group
Steven Eagell Group

FINALISTS

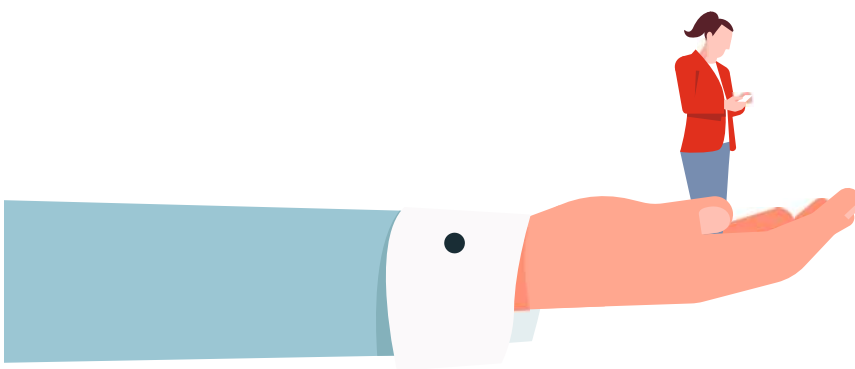
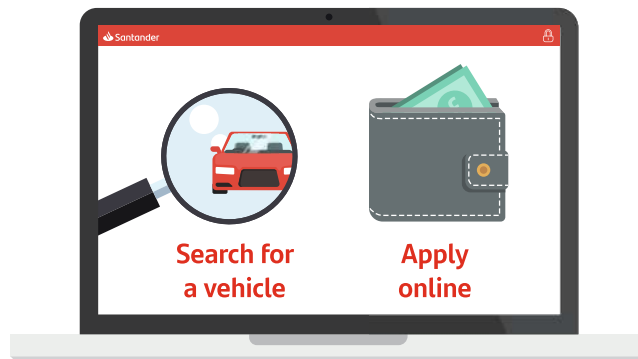
Arnold Clark Automobiles
Marshall Motor Group

Steven Eagell Group
Swansway Group
TrustFord

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Ben Brown, general sales manager, Alexanders Prestige (centre), received the award from sponsors' representative Stewart Grant, commercial director, Santander Consumer Finance

BEST USED CAR DEALERSHIP (INDEPENDENT NON-FRANCHISED)

Winner: Alexanders Prestige

Luxury used car specialist Alexanders Prestige has built an impressive reputation with its customers and this has helped the business boost average margins per vehicle by nearly 30% over the past 12 months.

The business has a group stock of around 125 vehicles at any one time made up of prestige supercars and saloons, from Ferraris to Bentleys.

Return on sales has increased to nearly 2% for the 2018/19 financial year, with steady increases in profitability over the past three years.

The ability of Alexanders Prestige to increase margins and profitability is attributed to the value proposition it has developed in servicing its

customer base at the higher end of the market.

The judges were impressed with the extremely positive customer feedback across Google (4.8/5 over 301 reviews) and Trust Pilot (4.8/5 over 272 reviews), with many customers coming from repeat business. This is particularly impressive for a market where premium and prestige customers have high expectations.

Central to the strong reviews is the dealership's core values known as "Alexanders Way". This process underpins the customer service ethos.

The team at the dealership are close-knit and the customer sales journey is clearly defined with a flow chart that aids sales executives to understand and identify client needs. This tool was

devised collaboratively and has become an integral part of the sales process since it was introduced in 2017.

The business has a dedicated experienced buying team led by a group buyer who sources each car individually. The majority of the dealership's vehicles are sourced through existing relationships, previous customers and referrals, rather than through auctions.

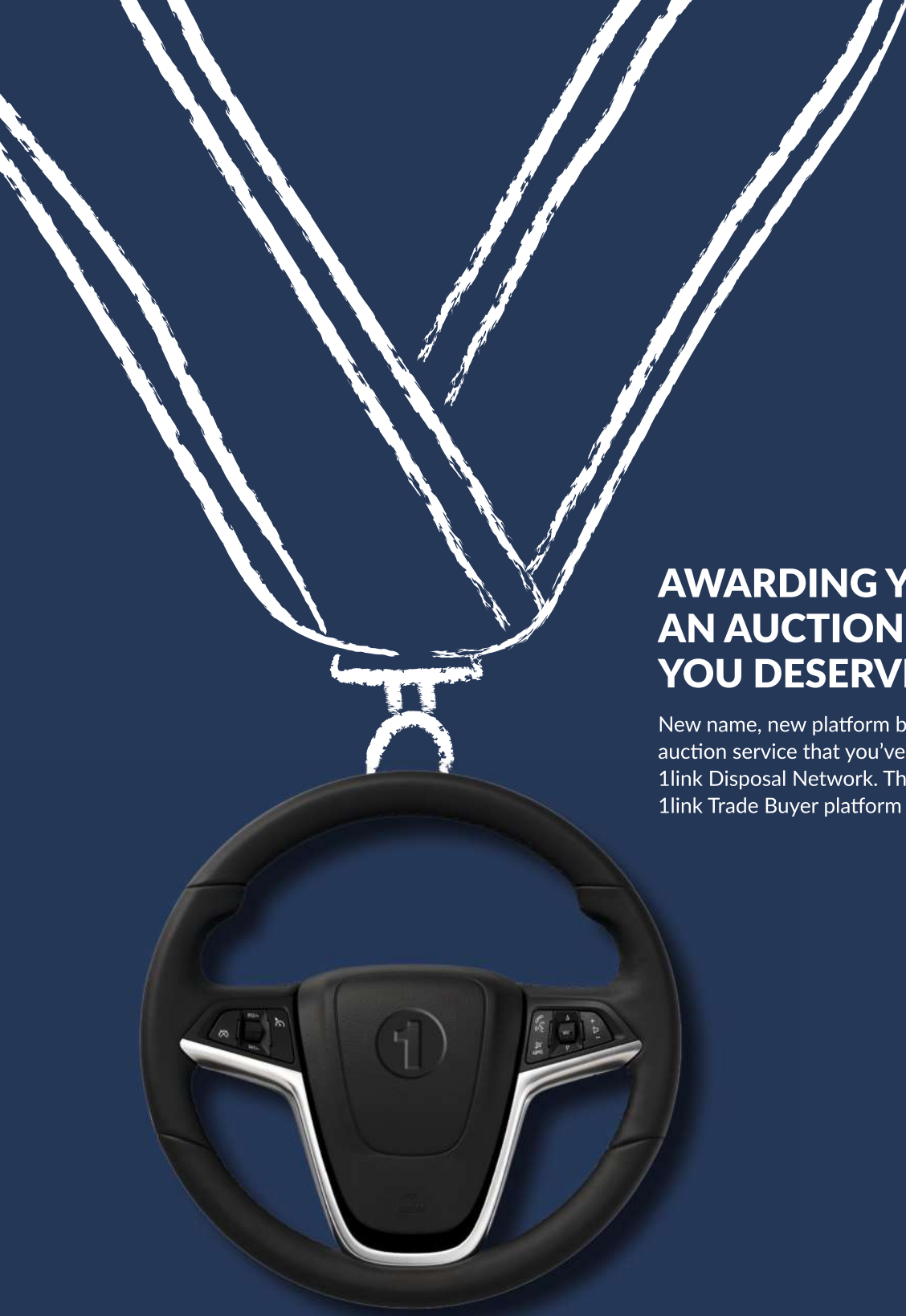
The focus for the business over the next 12 months is to build on the expertise of its newly appointed head of marketing to further leverage its growing presence and use of social media to help extend its reach in the prestige used car market.

FINALISTS
Alexanders Prestige
AW Carhouse

Just Nice Clean Cars
MB Motors
Motonet.com

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Brand manager Gary Wood (second from left) and sales manager Ash Shayestehroo (next to him) of Wrexham Volkswagen collected the award from sponsor Vicky Gardner,

BEST USED CAR DEALERSHIP (FRANCHISED)

Winner: Wrexham Volkswagen (Swansway Garages)

Buy right, prepare right, sell right. Wrexham Volkswagen's simple mantra has helped it rise to the top of the franchised dealer used car crop in this year's AM Awards.

The business has gone from strength to strength and its used car business has outperformed a difficult market in the UK with a franchise that has had a challenging past few years.

The dealership stocks 65 vehicles on site at any one time, including pre-registered, ex-demo cars and non-franchise used cars, the latter of which has provided a big boost to revenues.

The business has developed its VW relationship

to ensure a steady supply of product and uses Swansway group's used car brand, Motor Match, to resell used non-franchised cars. The team is stable, committed and led by Gary Wood who is a Swansway veteran. The team has also capitalised on having a Welsh speaker on the team which is providing a source of enquiries and sales from across Wales.

Strict digital processes have been a key component in the dealership's used car success with stock uploaded immediately with high quality images and video content.

Average used car margins per unit are strong and the dealership has impressive levels of used

car finance penetration and stock turnover. Finance renewals for used cars is also outperforming the top 25 VW dealers in the UK network.

Overall customer satisfaction scores for used cars are truly exceptional at 4.9% out of five, putting the dealership in the top 10% for VW in the UK.

The judges were impressed with the high level of return on investment the used car business has been able to produce.

Wrexham Volkswagen has shown what is possible by doing the right thing for customers and adapting to a local market with the team delivering robust profits 370% above target.

FINALISTS

Luscombe Leeds
Perrys Chesterfield FordStore
Vertu Honda Doncaster
Wrexham Volkswagen (Swansway Garages)

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Peter Vail, franchise manager, Arnold Clark Automobiles (centre), received the award from Martin Peters, sales director, Autoclenz

BEST USED CAR DEALER GROUP (FRANCHISED AND INDEPENDENT)

Winner: Arnold Clark Automobiles

Arnold Clark has been a used car powerhouse for many years and winning this category, which is new for 2020, cements its approach to how it manages its sizeable stock of 25,000 vehicles across its franchised and Motorstore used car dealerships.

Not only have used car volumes consistently grown over the past three years, with a 9.4% increase last year, but customers are clearly happy with their experience at the group's dealerships with 94% recommending Arnold Clark and 95% saying they would return to buy another vehicle.

Maintaining that level of service is seriously impressive when considering the volume of used vehicles going through the group.

Having its own rival to WeBuyAnyCar.com, Sell Your Car, remains a core component of its used car sourcing strategy and has demonstrated its sustainability after a 155% year-on-year increase in people who use arnoldclark.com to schedule a car valuation appointment.

This method of stock acquisition is just one way Arnold Clark navigates the complex used market, leveraging its own car rental business, alongside business and personal contract hire, 27 manufacturer franchised partners, Motability and internal defleet.

The judges were impressed with the level of discipline and structure in place to aid success, with a strict, self-imposed set of standards.

This includes response time benchmarks of within two minutes during operating hours, a best

deal guarantee that offers to beat any competitor's pricing, but also to give back double the difference and satisfaction surveys for each used vehicle customer to help maintain the Arnold Clark experience.

The judges were impressed by the group's sophisticated and granular digital advertising strategy too. Customers that have visited one of Arnold Clark's Motorstore branches are geographically targeted with teams able to react in real time to browsing behaviours that can signal changes in model or feature preferences.

The insights gained from this level of analysis are then used to inform a tactical approach to purchasing and pre-registering stock, allocating resources and minimising value depreciation across its used car stock.

HIGHLY COMMENDED

Citygate Automotive

FINALISTS

Arnold Clark Automobiles
Cartime
Citygate Automotive

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Luscombe Leeds MD Robin Luscombe (centre) collected the award from Chris Penny, brand director, Auto Trader

BEST DEALERSHIP

Winner: Luscombe Suzuki Leeds

Turnover and profits have been consistently on the up at Luscombe Suzuki Leeds for the past three years with return on sales at a healthy 3.2% and overhead absorption at 92.2%.

It may not be the biggest dealership in terms of pure turnover, but the judges were impressed by its ability to deliver exceptional customer service and execute an innovative retailing strategy.

Luscombe Suzuki Leeds gets the basics right, but also strives to keep improving little by little, forging its own path. It's why this showroom has already been recognised by Suzuki as the best in the UK at the Japanese brand's own recent National Dealer of the Year awards.

One of the critical areas that saw Luscombe Suzuki Leeds stand out from the pack for the judges is the dealership's digital forecourt.

The dealership's new and used car photography has been adopted as a benchmark standard by Suzuki and Auto Trader. It has rebuilt its website to better capture the way Luscombe operates face-to-face in the showroom and has forged its own path with video content.

The unique selling point for the company is its culture, driven by owner and managing director Robin Luscombe.

However, his big personality at the business was also seen as a potential issue as there was a risk it had become too reliant on one person.

As a result, MD Luscombe introduced a management team to the business to promote a sense of ownership and deeper contribution to performance.

He couldn't have known his preparations would be tested so soon after he was involved in a motorcycle incident that took him away from the business for nine months while he recovered.

Had it happened prior to establishing the management team, the business would have lacked strategic decision-making.

However, the team's ownership, responsibility and accountability resulted in success, posting its second best ever year, even though nine months of that period was without the MD.

HIGHLY COMMENDED

Citygate Volkswagen Ruislip

FINALISTS

Cartime
Citygate Volkswagen Ruislip
Luscombe Suzuki Leeds
MB Motors

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Helen Price, general manager, Johnsons Mazda Gloucester (centre), collected the award from Linden Thornton, OEM & franchise network sales manager, Petronas Lubricants Great Britain

GENERAL MANAGER / DEALER PRINCIPAL OF THE YEAR

Winner: Helen Price, Johnsons Mazda Gloucester

Helping the team make the most of a good opportunity comes naturally to this winner, who is heading a business that, although young, shows a great deal of promise.

Helen Price is in her first general management role and has taken Johnsons Mazda Gloucester from a start-up to a profitable dealership in a remarkably short period. Within 18 months the business is making returns above the industry's average, thanks to Price's commitment and the 20-strong team she has built around her.

With this her first general manager post, Price has been careful when employing to select the

right recruits and to hire talented teamworkers who want to "be part of something special". The environment she has built is supportive, motivational and celebratory, and she recognises that when the market gets tough good leaders must motivate their teams more than ever.

Heading a business ranked in the latest AM Best UK Dealerships To Work For, thanks to high scores in Best Companies' employee survey, Price is clearly respected and admired by her team. A recipient of an Outstanding Management Accreditation award from the Institute of the Motor Industry, she has always wanted a strong team that others want to be part of. After starting

trading in April 2018 with three people, a temporary showroom and a mobile office while a former Volvo dealership was being refurbished to Mazda's corporate standards, Johnsons Mazda Gloucester is now firmly established and set to grow.

In contrast to many established dealerships, the workforce is about 40% female, bringing it closer than usual to the UK's typical car buyer demographic.

"We are constantly monitoring what is working and what isn't, and which avenues customers come into the dealership from. This is a business we will work at to improve what we already do," said Price.

FINALISTS

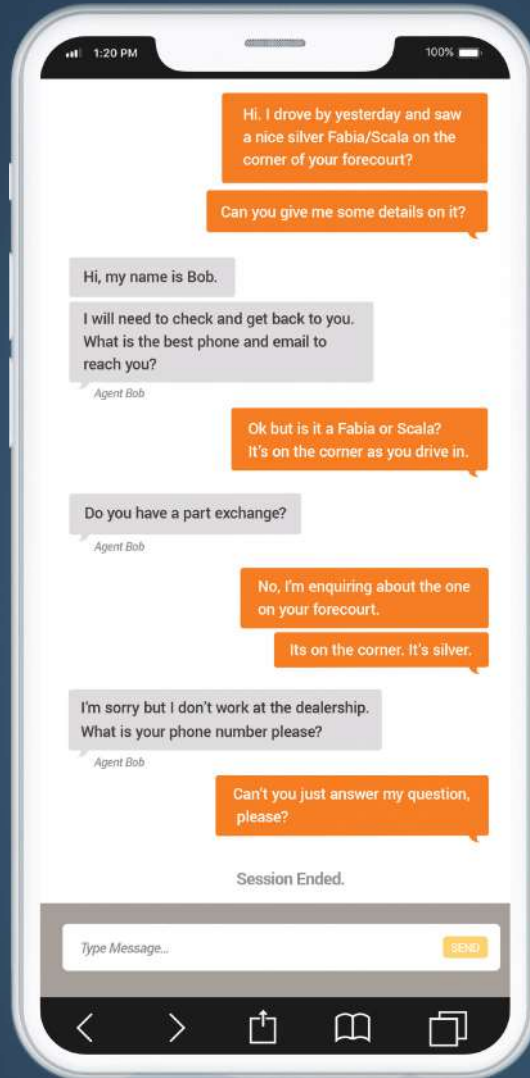
Helen Price, Johnsons Mazda Gloucester
Peter Titlow and Robert Titcombe, Citygate Seat Reading
Mohammad Vakili-pour, Citygate Volkswagen Ruislip

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Michael Latham, general manager, Perrys Mazda Canterbury (centre), was handed the award by Pontus Riska, vice-president sales & support – UK, RAPID RTC

BEST NEW DEALERSHIP

Winner: Perrys Mazda Canterbury

Perrys Mazda Canterbury has delivered profits from the word go with a brand new site that started sales in October 2018 and fully launched in April last year.

The group received little information from the previous franchisee for the city when it took on the franchise, so, it had a standing start.

Perrys engaged in a variety of marketing activities to help build a database of 2,500 customers. It captured details through its service team on safety recalls, invited customers to spend 10 minutes in the showroom for £10, in addition to

social media activity, marketing campaigns and free car washes on Saturdays for local customers.

The strategy worked and the dealership is now running at 2.7% return on sales. It has sold 110 new and 133 used cars since inception, as well as 201 service plans. It also increased its average service hours sold per month by 64% in its first full year to 243 hours. This has resulted in an impressive overhead absorption rate of 206%.

There are standout details that make this showroom different. It has a Zen-themed water feature at its front with a pond full of koi carp to tie in with Mazda's Japanese heritage.

It also features an integrated presentation screen that can be used by dealership staff, but also by local businesses and trade clubs, allowing the business to forge new relationships.

The showroom was launched with an interactive evening for customers and their guests with an origami workshop and an indoor putting green competition.

Perrys had also commissioned ice sculptures and offered Japanese sweets, alongside locally sourced food and drinks. A fireworks display finished off the celebrations, culminating in a joint Perrys and Mazda logo grand finale.

HIGHLY COMMENDED

Just Nice Clean Cars
Johnsons Mazda Gloucester

FINALISTS

Johnsons Mazda Gloucester
Just Nice Clean Cars
Mackie Motors MG
Perrys Mazda Canterbury

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CONGRATULATIONS TO THE WINNER OF THE

**'MOST IMPROVED
DEALERSHIP' AWARD 2020**



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BNP PARIBAS
PERSONAL FINANCE





Pictured with host for the evening Louise Minchin are (from left) Robert Titcombe, aftersales manager, Peter Titlow, head of sales, and James Feehan, Seat divisional director, all from Citygate Seat Reading, long with Andrew Brameld, managing director – Motor Finance, of sponsors BNP Paribas Personal Finance

MOST IMPROVED DEALERSHIP

Winner: Citygate Seat Reading

Investment in facilities and additional staff were at the heart of Citygate Automotive's turnaround story at Seat Reading.

Helping to secure the judges' vote was an impressive drive for change at the facility, which delivered a transformation of used car, parts and labour sales in the eight months following its acquisition in Q1, 2018.

The confines of the dealership's location on Peppard Road presented challenges but an investment of around £1.5 million to buy and refurbish the site created the foundations for success. Citygate's entry said the result was something that "looks and feels really special" and had helped it to attract both talented staff and conquest customers.

The workforce at the Seat Reading franchise grew from 12 to 17 under Citygate, with an additional showroom manager and the creation of aftersales manager, parts advisor, on-site operations manager and apprentice technician roles.

Efficiencies were also achieved through integration with Citygate's wider resources with staff training from its academy and operational support from its new and used car managers, body shops and preparation centres.

Citygate's communications expertise helped to overcome the issues presented by the a lack of a customer database, meanwhile, by developing a social media presence and hosting a four-day pop-up placement in Reading's Oracle shopping centre.

The business's entry said the strategy had

enabled it to "transition from a point of closure to becoming the No 1 retailer on Seat's Sales Balance Scorecard nationally".

During the eight months to September 30, 2019, Reading Seat reported a 27.3% year-on-year rise in turnover to £9,047,662 and a 32.2% rise in gross profit to £1,089,910.

New car profit rose 29%, while used car profit went up 140%; the service department increased 94%; and the parts department rose 62%.

In 2020, there are plans to grow the parts and labour sales by a further £300,000 by bringing throughput up to levels experienced by the wider group along with its vehicle sales volumes after investing in off-site used car storage.

Seat Reading also aims to achieve double Seat UK's network average ROI in 2020.

FINALISTS

Cartime
Citygate Seat Reading
Just Nice Clean Cars
MB Motors

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Kingham's of Croydon owner Keith Kingham (centre) was handed the trophy by sponsor Dominik Berry, head of marketing, Gtechniq

BEST AFTERSALES TEAM

Winner: Kingham's of Croydon

Even after 60 years of looking after Alfa Romeo customers it is refreshing to hear that you are still looking at ways to motivate your team and enhance the experience of your customers." This testimonial – from Fiat Chrysler Automobiles UK – summarised the conclusion the judges and auditors reached in deciding the class winner.

The loss of three sales franchises over the years meant Kingham's had to adapt or go under. However, through a series of internal and customer-facing initiatives a focus on aftersales means the business is booming.

The initiatives include improving communication between service adviser, technician and customer. Service advisers actively encourage a jargon-free review process with customers, who are sent descriptive accounts of service findings and a

CitNOW video. They follow-up immediately with issues – and "saying sorry is so important", Kingham's says.

Kingham's can demonstrate that good clear communication has enabled the service adviser team to upsell above the business plan. Labour sales increased from £665,000 to £722,000 through "targeted upsell of Land Rover throughputs", year-on-year. The basic service offering of £390 attracts the customer initially. But the video upsell accounts for the significant increase.

Twice a day a 'whiteboard meeting' is held with the technicians and the aftersales manager when each outstanding job is discussed and responsibilities allocated, customer contact agreed, target completion time, parts back orders, technical issues and work progress are discussed.

It has helped generate a culture of 'bothering to help each other out'.

And if any team member has been on a training course, it is mandatory they present a short summary, ensuring learnings are reinforced, and training time and expenditure not wasted.

Finally, all staff receive a monthly share of gross profit. Profit from labour sales, parts and sub-contract work are accounted for daily, along with individual technician times attended, hours sold and worked, plus team utilisation, productive efficiency and overall efficiency. A green light shows when profit projection is positive; red when negative.

"A comprehensive use of video as part of a strategy to simplify customer communications, an investment in people, a profit share scheme and a community feel in the business make this a clear winner," said the judges.

HIGHLY COMMENDED

Steven Eagell Toyota Chelmsford

FINALISTS

Hills Ford
Kingham's of Croydon
Mercedes-Benz of Preston
(Marshall Motor Group)

Steven Eagell Toyota Chelmsford
Stafford Land Rover (Swansway Garages)

Sponsored by

GTECHNIQ
PLATINUM



Andrew Axson, sales manager, Cambridge Garage Volvo (centre) was presented with the trophy by David Warren, commercial director at award sponsor, Motorclean

BEST SALES TEAM

Winner: Cambridge Garage (Havant Volvo)

The team at Havant Volvo took the positive sales results the manufacturer was experiencing in a competitive market in 2019 and ensured they got the maximum benefit for the business, using effective methods to outperform their network peers, concluded AM Awards auditors BDO.

New car sales were up 25% year-on-year and the centre's used car business up 33%, what the business believed is an "exceptional performance" in the highly competitive premium segment, with financial KPIs all showing a positive performance

and new and used CSI at 95% and 96% respectively.

And the performance is no 'flash in the pan'. Volvo's twice yearly top retailer award has been won by Havant on every occasion since 2017. And excellent management of advertising and marketing of stock has resulted in AutoTrader reporting the business has the highest response to online adverts in the Volvo network, five minutes on average.

A new diary management system and process for customer follow-up has been introduced, plus the team has revised the way offers are presented.

"I believe the cornerstones of our performance

include our working environment in which everyone has a great pride in what they do," said sales manager Andy Axson in his entry. He has seven years' experience in the business, but only three of the 10 members in the sales team have more than two.

So, Axson leads by example. Morning meetings are part business and review and part an "energised sharing of knowledge" alongside testing the sales team's understanding of current affairs and deal structuring. There are also regular team nights out and activities. It has led to a 100% staff retention in the past two years.

FINALISTS

Cambridge Garage (Havant Volvo)
MB Motors

Sponsored by





Jardine Motors Group HR director,
 Clare Martin collected the award
 from AM editor Tim Rose

THE COMMUNITY HERO AWARD

Winner: Jardine Motors

From cake sales to head shaving, marathon runs to taking time out to mentor in life skills, Jardine Motors' 3,500 colleagues have all stepped up to raise more than £1 million for charity.

The dealer group formed a strategic partnership six years ago with Whizz-Kidz, a national charity that has helped transform the lives of more than 20,000 disabled children and young people since 1990, by providing mobility equipment, life skills, training and support.

Every time a Jardine dealership opens its doors, it helps generate funds for the charity.

Each Motability vehicle sold sees £25 donated, each car sent to auction raises £1 and each completed retail job card contributes 10p. A vital

element to the partnership has been Jardine's determination to cascade the programme to all areas of the business and it does this in three ways.

The first was to create a network of Whizz-Kidz charity champions that own the relationship at a local level and are responsible for driving activity and meeting fundraising targets.

The second is giving central HR and group communications, with the support of senior management, the responsibility to lead the charity partnership and monitor progress.

The third is having a community-focused culture driven by chief executive Neil Williamson and group HR director Clare Martin, who, along with the dealership team, have embraced the charity partnership and become advocates for the business.

Senior management have supported the charity programme with a budget of £30,000 per dealership to help kick-start fundraising activities.

Colleagues can also use two days' paid volunteering allowance to help support clinics and clubs across the UK.

The partnership has helped to pay for 120 wheelchairs and pieces of equipment, 7,000 hours of mobility therapist treatments and 700 club places for disabled kids to have fun and enjoy time away from home.

The money has also been used to fund residential camp places for young people planning to become more independent, 20 work placements and two specialist vans to help transport more than 3,000 disabled young people to events and days out.

HIGHLY COMMENDED

Roadside Garages
 TrustFord

FINALISTS

Carshop
 Hendy Group

Jardine Motors
 Roadside Garages
 TrustFord

A dark blue stage with several spotlights shining down from above, creating a dramatic effect. A circular platform is visible at the bottom of the frame.

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Tim Hill, joint managing director, Hills Ford (centre) collected the trophy from Andrew Landell, managing director of award sponsor LTK Consultants

BEST IN CUSTOMER SERVICE

Winner: Hills Ford

Hills Ford has seen dramatic improvements in the service levels it provides to customers over the past four years at its Malvern site.

As a small family-run two-site dealer group it knows that its reputation for customer service can make or break the business.

After being ranked 53rd in the UK for service the dealership is now in second place in Ford's CSI rankings in 2019 with a near perfect rating of 96.8%.

It has also gone from 16th place on sales in 2015 to seventh place with a rating of 97.8%.

The business uses JudgeService for its internal

CSI scoring and is rated at 95% recommended in 2019.

Hills Ford has a customer-first policy that means their day should be brightened after visiting the dealership, rather than feeling exhausted by the customer journey. Customers are treated as people, rather than as just a potential sales figure and staff strive for excellence every day.

The dealership's customer retention rates have steadily increased as a result of this customer-first strategy. Despite being a Ford specialist, the dealership retains customers for servicing work even if they have switched to a different brand.

The approach to customer service is constantly

evolving and involves every member of the team, from the service washers to the managing directors and everyone in between.

Honesty is always the best policy and on occasions where mistakes are made team members own up to it and open the lines of communication with customers to put things right with the minimum amount of inconvenience.

Managers will speak directly with the customer to help put a face of authority on a complaint.

The key for Hills Ford has been consistency by making sure customers are kept informed at all stages and to make sure they are never left feeling ignored.

HIGHLY COMMENDED

Luscombe (Suzuki) Leeds
Roadside Garages

FINALISTS

Alexanders Prestige
Buyacar.co.uk
Hills Ford

Luscombe Suzuki Leeds
Motonet.com
Roadside Garages

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Mark Mitchell, group managing director, Mitchell Group (second from right) collected his award from Marcus Costello, head of sales & development, Premia Solutions (right) and AM editor Tim Rose (left)

BUSINESS LEADER OF THE YEAR

Winner: Mark Mitchell, Mitchells of Chester

As indicators of a positive business culture go, a return-on-sales percentage which regularly outstrips that of staff turnover is hard to beat.

That's exactly what Mark Mitchell can claim of the business he founded and now steers with an encouraging, philanthropic hand while fulfilling a role as his county's High Sheriff – the Queen's representative in the region – alongside a Deputy Lieutenancy.

Mapping out his approach to business at Mitchell Group's multi-brand Mazda, Škoda and Lexus site at Cheshire Oaks in 2019, Mitchell told *AM*: "A happy team, all working for one another, is always going to be more productive."

Sunday closing, a salary sacrifice scheme to

support African children and the acquisition of a lodge at Snowdonia's Brynteg to provide employees and their families with a free-to-use rural retreat all lie at the heart of the business's caring philosophy which extends to staff and customers.

AM's visit saw the recreation of a team photo taken for *AM* 10 years earlier, giving a visual representation of the 4% annual staff turnover which results from such a culture.

At the time Mitchell was returning to the business gradually following a brain haemorrhage which, he said, "put things into perspective", but he added: "I love the business. I couldn't walk away."

In 2018, Mitchell's achieved 4.36% return-on-sales (2017: 4.2%) as the business continued to

improve on the near -4% figure posted a decade earlier.

The period saw turnover grow by 2.6%, to £49.49 million (2017: £48.24m), while pre-tax profit rose 6.5% to £2.16m (2017: £2.02m). The group's gearing percentage has been 0% since 2016.

The results are all the more impressive because they exclude a tithe of more than £230,000 into charitable projects – a pledge made as a result of Mitchell's Christian faith.

"Everyone in the business is aware that they work the last hour of every day to improve the life of someone less fortunate than themselves," said Mitchell of the annual donation.

"I think that brings my workforce an immense sense of well-being."

PREVIOUS WINNERS:

2019 Mark Lavery, chief executive, Cambria Automobiles
2018 Darren Edwards, chief executive, Sytner Group
2017 Andy Bruce, chief executive, Lookers

2016 Gary Savage, chief executive, Mercedes-Benz UK
2015 Ray Sommerville, managing director, Perrys Motor Sales
2014 Eddie Hawthorne, chief executive, Arnold Clark Automobiles



Beyond finance

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

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

Aimee Winder
Account Manager
North East Region

A better way of doing business

blackhorse 



Eddie Hawthorne, chief executive & group managing director, Arnold Clark Automobiles (centre) received the award from Richard Jones, managing director, Black Horse

DEALER GROUP OF THE YEAR

Winner: Arnold Clark Automobiles

This business takes every opportunity it can to make good profit and keep its customers satisfied, no matter what their motoring needs. The judges agreed it truly deserves the title of Dealer Group of the Year at the 2020 AM Awards.

Arnold Clark Automobiles regularly features among the motor retail elite, having won AM's top dealer award in six of the past 10 years.

Yet despite continually showing excellence in leadership, vision and financial performance this is not a group that stands still.

Involved in everything from car sales and rental

to corporate contract hire and tyre replacement, this dealer group's 'one-stop-shop' strategy is reflected in its profitability.

And today, reflecting the trends in consumer behaviour, Arnold Clark is working hard to meet buyers' expectations in the digital arena as much as within its physical dealerships. Its latest developments include apps, online platforms and the ability to view the entire group used car stock online and order for click and collect at a dealership or delivery centre.

It is developing its people, reviewing its processes and ensuring that its customers are treated well.

Over the past two years Arnold Clark has committed to increasing its female workforce by 5% through a variety of initiatives, including partnering with organisations such as Dare To Be Different and Womanthology and promoting 'daughter days' when employees' children can try STEM activities. Last summer it ran a 'Girls With Skills' programme to give females the chance to try workshop-based activities, and recruited 13 apprentices as a result.

It continues to expand its Motorstore used car supermarket division and aims to compete in regions where awareness of the brand is low.

FINALISTS

Waylands Automotive
 Arnold Clark Automobiles
 Jardine Motors Group

(Finalists are the winners of the Community Hero, People Investor, Best Used Car Dealer Group, Best Dealer Group up to 10 sites and Best Dealer Group more than 10 sites categories)

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blackhorse 



CitNOW global sales director
Gordon Grant (centre) collected the
award from AM Awards judge
Professor Jim Saker

SUPPLIER OF THE YEAR

Winner: CitNOW

CitNOW is a video technology and insight provider to 98% of the AM100, as well as 43 manufacturers, with its products supporting 3,898 retailers.

Nine million videos were created in the UK using the CitNOW platform last year, six million for vehicles sales, allowing the company to claim it 'touched' 50% of all new and used car transactions. The remainder were supporting dealers' aftersales work.

Eleven years after it was founded CitNOW offers four products.

The Sales app provides dealers with an easy-to-use video tool to save retailers time, build and maintain trust and boost sales with personalised messages (and get customer feedback).

Workshops allows technicians to keep customers updated on work progress and help them understand what's required, with customers able to approve work.

An 'amber follow-up' automatically reminds customers when deferred work may need to be done. One dealer group, Robinsons, has seen an 86% increase in work of this kind in its Škoda business.

Bodyshops helps staff to communicate with customers and insurers, using video, to speed agreement from all parties on necessary work. The app also identifies non-claim-related work for upsell.

Finally, the CitNOW Academy provides learning support, with resources to help retailers maximise

the benefits of its platform. A dealership e-learning platform and webinars offer face-to-face training, supported by roadshows and masterclasses.

A user panel also allows dealer feedback, playing a crucial role in development, remote testing and improvement suggestions, inspiring the work of CitNOW's 19-strong research and development team focused on incremental improvements in the platform.

CitNOW received by far the most votes from the AM readers in this category.

"The UK leads the way in the use of sales and aftersales video, with the biggest groups acknowledging the part it plays in building trust and boosting sales, and CitNOW is at the vanguard of this," said award judges.

FINALISTS

Aston Barclay
BCA
CitNow

Codeweavers
Cox Automotive
Edynamix
Emac

GForces
RAPID RTC
Santander Consumer Finance



Jack Allman (second left) and James Jackson (next to him) joint founders and directors of Auto Service Finance picked up the award from Jeremy Bennett, AM associate editor and head of digital, Bauer B2B

BEST NEW PRODUCT OR SERVICE

Winner: Auto Service Finance

With a reported 50% of motorists unable to pay a £500 repair bill and 83% a bill for £1,000, resulting in dealerships only selling half of identified repair work, a solution that tackles this for dealers and consumers is bound to have an impact.

The Auto Service Finance (ASF) solution is to allow the cost of repairs to be spread over monthly payments, interest-free.

Now, it claims to be working with nearly 2,000 dealerships and almost 10,000 service advisers. The best performing workshops are processing up to 100 transactions a month through ASF and its new-for-2019 business-to-consumer product.

90% of Audi dealerships are now signed up and promoting the consumer proposition.

The customer can complete the application away from the dealership, removing the need to communicate with a service adviser. They can search for ASF-approved dealerships on the ASF website, through which they can contact them and book servicing and repairs. This has led to more than 3,000 searches, 123 applications and almost £100,000-worth of repair work in the first 10 months since launch.

It saves the dealer time, helps reduce pressure during bottlenecks when customers drop off or collect cars, or when a car is on the ramp, work

has been identified and a customer needs to authorise the work. There is also the saving of a 2% card processing fee.

"Since launching our B2C product we have seen existing customers' loans increase as a proportion to our overall loans from less than 10% to 18%. They now contribute nearly £500,000 a month, up from just less than £300,000. Over the next 12 months we expect this product to generate an additional £3 million in transactions," said ASF.

Plus in the summer ASF launched an online payment portal allowing customers to buy accessories such as paint protection, GAP insurance and pay a deposit for a car purchase.

HIGHLY COMMENDED

Arena Group Cazana GForces

FINALISTS

Arena Group's mstore
Auto Service Finance's Online Payment Portal
BCA's Buyer App
Cazana's Companion

Click Dealer's ClickEngage
Dealtrak's compliance module
GForces' NetDirector Auto-e
Santander Consumer Finance's Apply Online
The Motorists Organisation's SecretService

carwow



Congratulations to Groupe PSA

AM Manufacturer of the Year 2020



Alison Jones, managing director UK & senior vice-president, Groupe PSA UK was presented with the award by Sepi Arani, head of OEM, carwow

MANUFACTURER OF THE YEAR

Winner: Groupe PSA

This is a vehicle manufacturer that some observers thought was running out of road a decade ago. It has faced numerous challenges, embraced new thinking, battled to improve efficiency and is now a strong automotive force.

Groupe PSA is now a significant consolidator of the automotive industry. Its acquisition of Opel Vauxhall in 2017 brought synergies and product development opportunities that all its brands are benefitting from. The AM Awards judges said Groupe PSA's ownership and leadership has freed Opel Vauxhall from the shackles of General Motors, empowered the business to refocus

alongside PSA's historic brands, develop good practices and, crucially, enabled it to turn a profit.

Like all in this industry, it is still not perfect. Our winner's desire to establish DS as a truly premium brand will need plenty of years to come to fruition. But its Peugeot and Citroën brands already have desirable, efficient, good value products and the group's focus is on profitable, sustainable growth.

In the first half of 2019 it made €3.34 billion (£2.86bn) operating profit thanks to its strong product mix and reductions in costs. Profitability reached record levels, at 8.7% operating margin.

At the time, boss Carlos Tavares stated: "We are ready for electrification and to embrace the

next technological challenges."

In its enlarged form, Groupe PSA is well placed to keep pace with changing consumer and regulatory demands.

Now it is planning a merger with Fiat Chrysler Automobiles, it hopes to leverage yet more efficiencies, accelerate development of new technologies and powertrains, and build a business with the fourth largest sales volume in the world and reputed brands in all major markets.

The group is cementing its position as a leading carmaker and a mobility provider, one which is adapting to ensure it will remain relevant and reliable for consumers in the years ahead.

FINALISTS
Groupe PSA
Mazda

Tesla
Volkswagen
Volvo

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13 YEARS No.1

SHELL GLOBAL LUBRICANTS SUPPLIER

Shell Lubricants has been named the No.1 global lubricants supplier, selling more lubricants than any other supplier in the world for the 13th consecutive year according to annual research study carried out by Kline & Company (2019).



Shell sales team lead, Katie Rugen (right), welcomes Graham Day into the AM Hall of Fame

AM HALL OF FAME

Inductee: Graham Day, CEM Day

There are some in this industry who revel in maintaining a high profile and celebrating every success loudly. There are others content to quietly do an astounding job running an astounding business. Our inductee is one of the latter.

Over numerous years in this industry Graham Day has driven the family-run AM100 dealer group CEM Day to grasp many opportunities for growth. As a qualified chartered accountant with a passion for numbers, our inductee ensured none of these opportunities have come at the expense of

significant profit. It has broadened its franchises, built strong leasing and rental divisions and its development into an astoundingly profitable 'one-stop shop' for motorists has set it apart from other dealer groups.

Today, the business is in its 94th year. CEM Day consistently features in the top six groups for profitability in the AM100. Our inductee, with the help of his family and experienced team, is keeping the group's focus on customer satisfaction in sales and aftersales while adapting to the latest technologies in a changing automotive industry. Its

fleet and rental operations are expanding and preparing for looming electrification and infrastructure changes.

Day says it has been "a joy and an honour" to have worked in the family business for more than 50 years, 35 of those as its leader.

But, echoing the words of the watchmaker Patek Philippe, he says he's just been looking after it for future generations.

We're delighted to welcome Graham Day, chairman of CEM Day, into the AM Hall of Fame in 2020.

PREVIOUS INDUCTEES

2019 Tony Whitehorn, Hyundai

2018 Jack Tordoff MBE, JCT600

2017 Michael Smyth, Swansway Group

2016 Mark Squires, Benfield Motor Group/NFDA

2015 Gerard Nieuwenhuys, Sytner

2014 Peter Jones, Lookers



Ford's newest addition has to attract customers away from established rivals

FORD PUMA: STEPS INTO COMPACT SUV SECTOR WITH BIG BOOTS

Unlike most cars that slope down to the front, we wanted a design that rose at the front end, appeared poised, head-up, ready to go...”, Ford of Europe design director, Amko Leenarts, told a press conference at the launch of the new Puma.

Even though its EcoSport enjoyed its best-ever year of sales in 2019 (up 10.5% at 25,451), the Ford range has been short of a more characterful, dynamic rival to the Nissan Juke and Volkswagen T-Roc.

The arrival of the Puma, therefore, had to herald something new and innovative. Name aside, Ford’s new creation has to attract customers from the now established C-segment SUV crowd.

While its sit-up-and-beg appearance may prove divisive, with its “friendly” wide-eyes and open mouthed smile, it is central to Leenarts’ design team’s drive to be different.

Elsewhere, a desire to offer best-in-class luggage space spawned the Megabox, an 80-litre water-tight well in the bottom of the boot (complete with a removable plug) which takes stowage to a class-leading 456-litres.

It also ensures that part of the boot offers a vertical load area of more than one metre, while Ford has also worked to ensure a boot width of a metre.

The added load flexibility of the Puma is going to be key to its sales appeal over the Fiesta and EcoSport (with their 292 and 356-litre boots).

Ford’s new compact SUV not only heralds the return of the Puma nameplate – a move said to be prompted by consumer feedback on the design – but part of Ford’s push towards electrification.

At launch the new model is offered with a choice of two turbocharged Ecoboost one-litre, three-cylinder engines, each featuring 48-volt mild hybrid system and cylinder deactivation to save fuel at a cruise by disabling one of the three cylinders.

The powerplants serve up 125PS and 155PS and are assisted by 50Nm of additional torque from the mild hybrid system – making 210 or 240Nm.

A diesel engine, offering CO₂ emissions from 117g/km, and the choice of an automatic gearbox will arrive in May. Until then, it’s an all-petrol line-up of engines mated to six-speed manual gearboxes.

The 125PS mild hybrid is the cleanest Puma at launch, although its 43.6mpg fuel economy and 124g/km CO₂ emissions on the WLTP test lags behind its ICE-powered rivals. The 125PS should reach 62mph in 9.8 seconds and a 119mph top speed.

The more powerful 155PS mild hybrid option, meanwhile, is the Puma’s quickest derivative at launch.

It should reach the same benchmark in nine seconds and a 129mph top speed, while still offering 42.8mpg economy and 126g/km CO₂ emissions.

During AM’s test drive on the mountain roads of Malaga there was



£20,545-
£22,895



1-LITRE, 125PS OR
155PS, 48V MILD
HYBRID



0-62MPH
9 – 9.8 SECONDS,
TOP SPEED
119 – 129MPH



6SP MANUAL



42.8 – 43.6MPG



124 – 126G/
KM CO₂

KEY RIVALS



Nissan Juke

✓ NEW DESIGN IS QUIRKY BUT LESS DIVISIVE THAN THE FIRST GENERATION.

✗ POORLY EQUIPPED ENTRY LEVEL TRIMS.



Volkswagen T-Cross

✓ PREMIUM-LEANING BADGE AND STYLING.

✗ CABIN FALLS SHORT OF BADGE EXPECTATIONS, EXPENSE.



Peugeot 208

✓ NEW MODEL SPOTTED ON THE SPANISH ROADS LOOKED FANTASTIC.

✗ WE’VE NOT DRIVEN THE LATEST GENERATION VERSION YET.

REVIEW RATINGS

AUTOCAR



TOP GEAR



WHAT CAR?



WE WANTED A DESIGN THAT ROSE AT THE FRONT END, APPEARED POISED, HEAD-UP, READY TO GO

AMKO LEENARTS,
FORD OF EUROPE



The well-equipped interior includes Ford's Sync 3 seven-inch infotainment system



The Titanium trim level has black plastic side skirts and wheel arches

C little to pick between the two mild hybrid powerplants. Perhaps that extra 50Nm makes more difference in the lower powered car, but both pulled strongly from low revs, the 155PS version's added power was only really felt as the pace rose.

Customers get to choose between Titanium (from £20,545), ST-Line (from £21,495) and ST-Line X (from £22,895) trim levels.

That makes it more expensive than the VW T-Roc, but the specification ensures there is no traditional 'entry level' in the Puma range.

Titanium delivers the more SUV-leaning Puma, with black plastic side skirts and wheel arches and a well-equipped interior, with Ford's Sync 3 seven-inch touchscreen infotainment system, massaging front seats, wireless smartphone charging, rear parking sensors, cruise control, lane keeping assistance and lane departure warning systems.

The ST-Line – expected to be the biggest seller – is marked out by sportier exterior styling, a flat-bottomed steering wheel, aluminium pedals and a 12.3-inch TFT instrument cluster.

ST-Line X models upgrade 17-inch alloys to 18 inches and add a B&O sound system, part-leather seat trim and carbon-effect detailing.

As well as featuring automated emergency braking across the range, the Puma also marks the debut of Ford's Local Hazard Information (LHI) telematics system.

Free for the first year of Puma ownership, it allows data related to airbag deployment, windscreen wiper activation or ESP activity to be transmitted to other similarly-equipped vehicles – sharing warnings of potential hazards ahead.

Despite being some 54mm taller than the

Q&A



LISA BRANKIN, UK
Passenger Vehicle Director,
Ford of Britain

Some would say Ford's 'true' Juke rival has been a long time coming. What are the expectations for the Puma?

That small utility vehicles and SUV segment has been growing in the UK year-on-year at the expense of other segments. Having Puma allows us to have another entrant in that segment. I think we will see customers coming to the Puma from our other models but we hope to be able to conquest. EcoSport had a record year in 2019 (25,451). I think we're realistic in expecting to sell fewer of those, but for customers who don't require the additional space of the Puma, it remains a good choice. The new Kuga arrives in May. We'll sell more Puma than EcoSport, but I won't say what the expectation is. Andy (Barratt) would say 'as many as possible'.

How will the Puma sales mix stack-up?

We expect the mix of drivetrains to be about 10% diesel when that arrives, with the rest being

hybrid. There's a good mix of trim levels but we'd expect the big seller to be ST-Line.

When can we expect to see Pumas leaving showrooms with their new owners?

Puma was arriving in the UK before Christmas but the majority are coming through now. In January 2,300 are on route to dealers and one dealer has been in touch already to say he sold five over the weekend. Given it's just the 13th/14th and they only started at the beginning of January, that's encouraging. So far we've been working with dealers on their digital and paper marketing materials to get customers to register an interest but the TV advertising doesn't start until January 20. Puma's not live for online sales yet, but it will be.

It seems a while since the Puma was announced. When did the retailers get their first look at the new model?

Puma has been tied into the electrification story of Ford alongside the Transit Plug-in and dealers first saw the car in Amsterdam back in April last year, so we've been trailing the Puma story for quite a while. Again, in November, retailers met with us, this time in Telford, to discuss what electrification meant for them. The world is changing this year. By this time next year we'll have a full range of EVs.

“THE WORLD IS CHANGING THIS YEAR. BY THIS TIME NEXT YEAR WE'LL HAVE A FULL RANGE OF EVs

LISA BRANKIN, FORD OF BRITAIN

Fiesta with which it shares a platform, on the billiard table-smooth twisting tarmac of Southern Spain, the new Puma quickly proved that it shares much of the smaller car's DNA.

A 58mm wider track clearly aids grip and stability and allowed the car – which sits some 30mm higher thanks to an increased ride height, taller seats adding a further 30mm of elevation – to remain agile without compromising ride quality.

On the evidence of our drive on the launch, it offers class-leading dynamics.

The Puma is not without its shortcomings, though.

That rather divisive head-up stance and

happy face is one thing. Rear legroom which seems confined even by Fiesta standards and rear headroom which discounts the comfort of passengers taller than 5ft 10ins – particularly in vehicles equipped with the panoramic roof – were another.

Unlike the big-selling EcoSport, however, the Puma succeeds in offering the best of the Ford formula, lining-up nicely alongside the Fiesta and Focus in terms of interior build quality, tractability and dynamic prowess.

For those reasons alone it looks set to become a top new contender in the compact SUV sector. Head-up and ready to go, it's a vehicle that looks poised to hit the ground running. **TOM SHARPE**

NISSAN X-TRAIL TEKNA 4WD

REPORT
PROGRESS



HOT ON X-TRAIL OF WINNING OVER YOUR BEST FRIEND

The X-Trail is the king of cars for canines. Do your sales execs make this point having asked about the uses the customer is looking to put their new car to and finding out they're dog owners?

It's worth mentioning to a potential buyer that in the autumn the car was awarded 'best dog-friendly car of the year' at the *Sunday Times* Motor Awards.

"More affordable than the Land Rover Discovery, a 'generous' 565 litres of boot space and it's available with extras such as a waterproof boot liner and a ramp to get in and out of the boot," the judges noted.

A Tekna X-Trail is on loan to AM for three months. Its standing in the Nissan range is important, but new models have stolen its thunder in the UK. Qashqai and Juke sales exceeded those of the X-Trail by some margin (52,532 and 19,250 respectively compared with 5,988 units). Sales fell for the three in 2019, for the X-Trail by 35%, more than any other Nissan model.

But what used to be the world's most popular SUV remains a compelling choice, aside from what it offers your dog! The facelifted model came out in September 2017 and saw upgrades entirely "with the customer in mind". Nissan claimed, all the enhancements were based on consumers' insight and feedback, evolving a car first on the market seven years earlier.

As X-Trail enters its 20th anniversary year I look out for celebrations from Nissan on this icon of an SUV.

JEREMY BENNETT



PRICED FROM:
£33,595



1.7 DCI 150 DIESEL



0-62MPH IN 10.7
SECONDS, 121MPH
TOP SPEED



6SP MANUAL



REGISTRATIONS YTD
5,988
(SOURCE: SMMT)



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WEATHERS AND ROAD TYPES



BUILT-IN NAVIGATION NOT
AS GOOD AS GOOGLE MAPS GO

CURRENT
MILEAGE

0 8 3 0 0

START
MILEAGE

0 6 9 0 0

MAZDA6 TOURER 2.2D SE-L LUX NAV+

REPORT
PROGRESS



D-SEGMENT BEST SELLER IS A DESERVED FAMILY FAVOURITE

Our six months with the Mazda6 have come to an end, with a tinge of sadness, as there's been so many reasons to respect this stylish workhorse. It has the technology, space and comfort to win over traditional customers who've not yet been drawn to the SUV trend, plus its price is competitive thanks partly to a £2,500 deposit contribution.

And it's frugal – on a recently 500-mile round trip to Wales it averaged 57mpg.

Last year was a decent one for the Mazda6, with sales up by 33% to 4,599 units. Mazda dealers sold 2,095 of those into the private market, where it is the biggest selling D-segment model, accounting for one in every four private purchases of a large family car.

It's a car optimised for a declining segment, yet there are some mixed messages online relating to the Mazda6. The brand's paid-for Google ad has a strapline of 'The Car That Families Love' for the Tourer. But if searching for the saloon it's become 'The New Mazda6 Luxury Saloon – The Ultimate In Refinement'.

I completely agree with the first one strapline. On the second, I can only assume it's designed to appear in online searches for 'luxury' because I'm unconvinced many car buyers would link luxury with a Mazda6. Near-premium would describe the Mazda6 perfectly. Potentially even executive.

Is it good-looking, good value and well-equipped? Absolutely. **TIM ROSE**



PRICED FROM:
£29,195



2.2-DIESEL, 150PS



0-62MPH
10.2SECS, TOP
SPEED 130MPH



6SP MANUAL



46.3 MPG



FINISHING A 240-MILE JOURNEY
WITH NO BACKACHE



UNDER-APPRECIATED
IN A SUV-MAD MARKET

CURRENT
MILEAGE

0 5 5 2 0

START
MILEAGE

0 0 6 0 6

» GUESS THE CAR COMPETITION

THIS MONTH'S WINNER



Liza Pattie,
senior service
advisor,
Beechwood
Derby, correctly
identified the
Daihatsu Terios
in our 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, March 6.



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AUTOMOTIVE OUGHT TO SHOUT ABOUT ITS PROGRESS ON D&I

That's the view of executive recruitment specialist Lynda Ennis

The automotive industry needs to shout out more about its successes in improving diversity and inclusion (D&I) in the UK.

That's the view of Lynda Ennis, founder and director of automotive executive recruitment specialist Ennis & Co.

She is passionate about D&I and her company is working to highlight more success stories involving its clients.

Ennis said: "Diversity and inclusion initiatives are transforming the automotive industry, breaking down traditional barriers and widening the talent pool to all sections of society, irrespective of gender, race, age, disability or sexual orientation.

"There are fantastic projects underway that are truly changing the D&I landscape – stories that need to be told. The only problem is, no one is really telling them."

The company is looking to highlight some of the work taking place.

Jardine Motors Group (JMG) is one of Ennis and Co's clients that is making big strides in improving gender diversity across its 65 locations and 3,000 colleagues in the UK.

The group, which has just been awarded the AM People Investor trophy, has created a digital Inspiring Stories 'book' – a document published on its website in which the lives of 100 employees of all levels of seniority are celebrated.

The company is constantly refreshing the '100 Inspiring Stories' with new themes, the latest being around those that support their mental wellbeing strategy and their charity champions, and further stories from underrepresented groups.

They include inspiring testimony from women who have advanced their careers at Jardine Motors, as well as advice to others about how to achieve their professional goals.

The project is just one of a range of initiatives, both internal and external, that has had a transformative impact on the company's gender diversity.

When Clare Martin joined the company as group HR director in 2015, just 5% of management roles were filled by women.

"This has now risen to 30%, which is amazing," said Martin. "But we are ultimately aiming for 50:50 gender parity at all levels of the business."

The group has seen improvements in gender equality for external job applications. A recent campaign to recruit an academy cohort received 10,000 applications for 10 roles, with a 50:50 male/female split.



**“WE ARE
ULTIMATELY
AIMING
FOR 50:50 GENDER
PARITY AT ALL
LEVELS OF THE
BUSINESS**

**CLARE MARTIN,
JARDINE MOTORS GROUP**

Martin said: "This is a huge step forward. When I started here we did a perception study in which 2,000 people from outside the industry were surveyed; only 2% of females said they would consider working in the automotive industry as a possible career."

Internally, one of the key challenges was to encourage more female colleagues to advance within the organisation. The company started a networking and mentoring programme called Women in JMG, supported by external mentoring from Women Ahead.

Jardine Motors wants to give female employees the confidence to aim higher and apply for promotions.

The group has seen that, where there is a gender balance, teams are high performing and often deliver better results.

Externally, involvement with initiatives such as Women Ahead, Speakers 4 Schools, Retail Week's Be Inspired and the UK Automotive 30% Club have helped Jardine Motors to promote its support for women in automotive.

Martin said: "The aim is to increase brand awareness to encourage more women to consider the automotive sector as a potential career."

"I'm determined to build on recent achievements with further initiatives that support colleagues while leading the way in changing perceptions of our industry." **TOM SEYMOUR**



Technical Sales Manager

Location: UK, Northern Ireland and Eire

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TALENT ON THE MOVE



Mark Raban has been appointed as chief executive of Lookers, having joined the business from Marshall Motor Holdings last August as chief financial officer. He will work alongside

Cameron Wade, who has been promoted to chief operating officer from his role as Audi franchise director.

Lookers started its search for a new chief executive and chief operating officer after Andy Bruce and Nigel McMinn stepped down from their posts following the start of an investigation into the business by the Financial Conduct Authority (FCA), back in November.

The group earmarked 15 sites for closure back in November, as part of its ongoing portfolio review, and has already sold four sites for £8.3 million.



**BILL BERMAN,
CHIEF EXECUTIVE,
PENDRAGON**

Pendragon has appointed Bill Berman as its chief executive.

Berman joined the top 10 AM100 dealer group as a non-executive director in April 2019, and, since October 2019, has performed

the role of interim executive chairman while it sought a chief executive.

Pendragon's long-serving leader Trevor Finn, who retired in early 2019 after 30 years as chief executive, was briefly replaced by Mark Herbert, but Herbert left last April after just three months.

Berman had previously served as president and chief operating officer of AutoNation, the largest motor retailer in America, where he led its 26,000 employees and the operational performance of more than 300 franchised dealerships. He has more than 30 years' experience in automotive retail.



**STUART HODSON,
EX-OPERATIONS
DIRECTOR, GLYN
HOPKINS**

Glyn Hopkin operations director Stuart Hodson has left the business to "pursue other opportunities", two years after taking up the post with the Romford-based retail group.

The group was aware of Hodson's departure back in November, when it restructured its board in with the appointment of Shab Chowdrey as sales director and Mark Goddard as service director.

Hodson joined the business in 1993, working his way up from trainee sales executive to his most recent post in 2017.



**ADAM FLINT,
MANAGING DIRECTOR,
PORSCHE RETAIL
GROUP**

Porsche Retail Group has appointed Adam Flint as its new managing director, following the retirement of Ade Smith.

The move was completed on February 1, when the former centre principal at Porsche Centre Guildford officially took up his new post.

Flint started his career with Ford Retail before moving to Lookers as general manager of its Jaguar Land Rover dealership at Park Royal, London, and moving on to become Harwoods Group's Audi UK head of business.



**EURIG DRUCE,
MANAGING DIRECTOR,
CITROËN UK**

Citroën UK has named Eurig Druce as its new managing director, replacing Karl Howkins who is leaving the French carmaker to start his own business.

Druce has held the position of sales director for Citroën UK since 2016.

He joined the brand in 2001 as a trainee and spent 14 years working directly with the network in field-based roles across both sales and aftersales, including director of parts and service operations for Peugeot, Citroën and DS Automobiles.

ADVERTISING FEATURE

The end of discretionary commission models?

By Andrew Brameld, managing director of BNP Paribas Personal Finance UK's motor division



Following the recent Financial Conduct Authority (FCA) consultation on proposals to ban discretionary commission models, it's not surprising there is some uncertainty about the future of motor finance

options among both dealers and their customers.

Although the industry is still waiting for the FCA's final policy statement regarding the new rules on commission, BNP Paribas Personal Finance UK supports any initiative which acts to make the market as clear and consistent as possible to our customers.

With the potential implementation of this policy, finance companies like ours will play an increasing role in evaluating the risk and terms for customers. However, it's important that dealerships act also to ensure customers understand what they're signing up to at the point of purchase.

It is vital that all products are clearly explained to your customers, so they have full transparency on their car purchase, this includes any additional products they are buying and any negative equity they are carrying forward.

With this will come increased confidence from your customers in the products they are buying, increasing the likelihood of them being satisfied with their purchase and becoming a repeat customer.

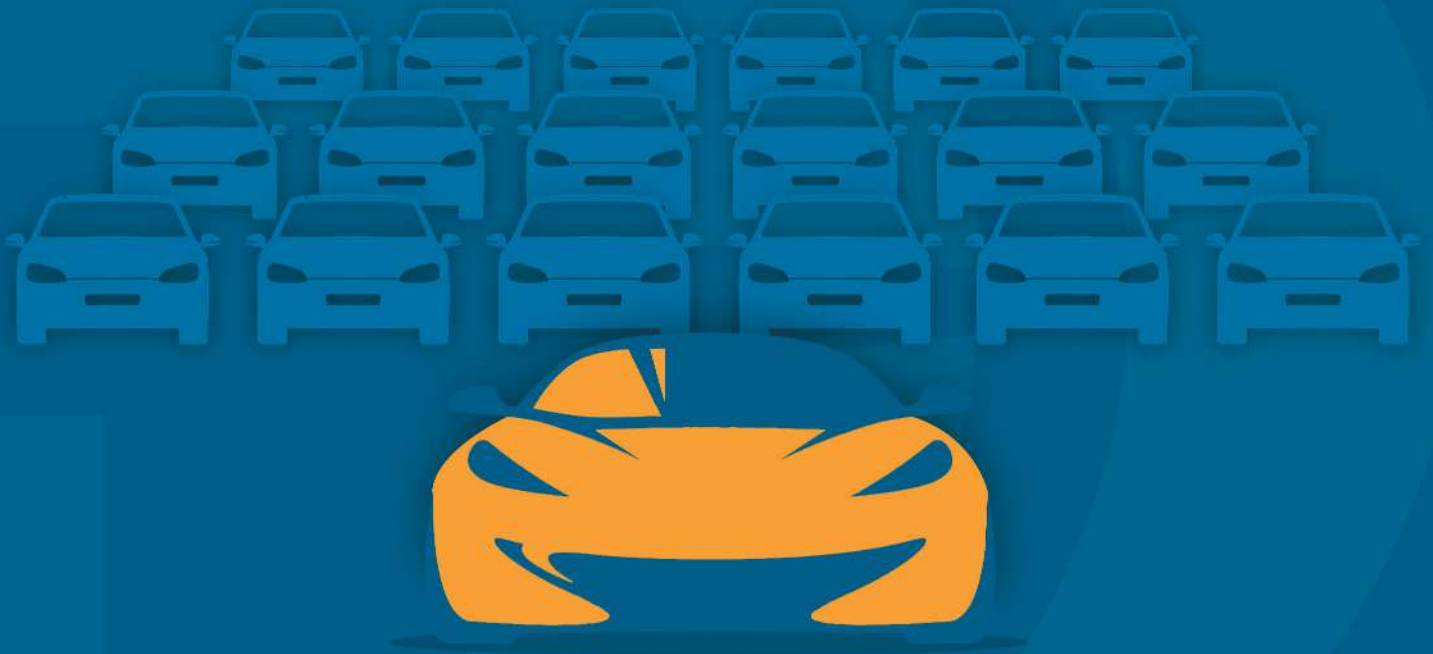
Ultimately, the way commissions are paid will continue to evolve to ensure they do not promote any customer or dealer bias in the showroom, which can only be a good thing for the motor industry as a whole.



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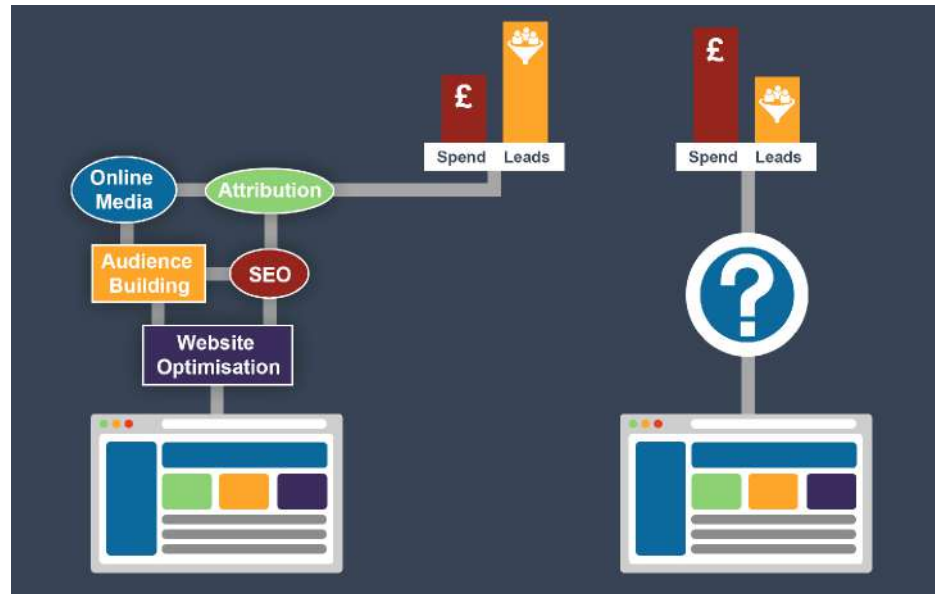
Beyond the last click

We work with our clients' lead and sales data to develop attribution models that assign the right amount of value to each touchpoint in a customer's interaction with the dealership online.

This allows our clients to make the right decisions on spending, particularly in brand awareness, which is often a difficult area to correctly optimise.

Audience building

We build marketing audiences based on the development of attribution models so our clients can see the value of an audience



member and develop the right marketing messaging to present to them at different points in time.

Media buying

Using our own models we help clients to understand the expected value of online media so that....

1. The correct amount is paid for a piece of media; and
2. The correct budget is assigned to it.

Website optimisation

We use A/B testing technology and online behavioural analysis to advise our clients on optimisations for their website including the use of third-party products. A key element of this is statistical significance. We help clients understand the sample sizes required to make judgements on optimisation plans.

Search engine optimisation

We provide analysis on expected lead and sales levels that different keywords can deliver (beyond looking at the basics of

"We work with our clients to make decisions based on what we know, not what we think"

search volume). This allows SEO spend to be put into the correct place.

Using these methods our clients can test new ideas, drawing inspiration from industries outside of automotive, we give them the confidence and capability to say whether an idea works or it doesn't.

All in all, we work with our clients to make decisions based on what we know, not what we think.

Autoweb Design is a full-service digital marketing and website design agency offering website development and e-commerce solutions as well as ongoing digital marketing consultation and delivery. The team currently works with a range of clients from independent dealerships to AM 100 dealer groups and manufacturers.

If you would like to learn more or discuss how we could work together, please contact the Autoweb Design team on enquiries@autoweb.co.uk or ring 01757 211700



**AUTOWEB
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Automotive Digital Solutions

EIGHT QUESTIONS TO A...

GENERAL MANAGER

Dean Aldous of Holden Honda Norwich shares the group's goals and values, which allowed him to 'get stuck straight in'



What are the main responsibilities of your role?

My role entails the day-to-day running of Holden Honda Norwich, from managing all 30 employees and overseeing the sale of nearly 1,000 cars per year, to overseeing the Honda workshop and MOT bay. I'm also responsible for ensuring health and safety standards are met, alongside driving staff and customer welfare. Our business is built on the four Holden values: 'Care' for others and ourselves, 'Deliver' and do exactly what we say we will; keep things 'Simple' and don't over-complicate; and 'Focus' on challenging goals and tenaciously achieve them.

What are the most significant challenges ahead in your field of work?

As with any business, the personnel element is key. It's important to get the right people in the right roles, who complement the current team and have the same ambitions and mindset. We can then look at the business shortfalls, areas of influence and where we need to aim our time, knowledge and commitment first. From that, we can then build a strong foundation for the future.

How might these challenges be overcome?

I have taken the Holden values and integrated them into every part of the business. Within the four pillars, we can ensure that we stay on the right track with customer service, loyalty and volume of sales for cars and service hours, ensuring the business stays profitable and sustainable.

What attracted you to this area of expertise?

I've always been passionate about the motor industry and this has grown over my almost 20 years working within it. My main background is in prestige brands. Before my role at Holden Honda Norwich, I was general manager for Cookes of Fakenham Volkswagen and,

prior that, brand manager for King's Lynn Mini. I've also held a range of roles working with other major car manufacturers, including BMW, Audi and Volvo. I was attracted to this role because, despite the business having a tough 2019, it was always a front-runner for the Holden Group and based on my wealth of knowledge and understanding of the industry, I am helping the business to become more sustainable and profitable. I also have a concurrent mindset and ethos to the Holden Group's own goals and values, allowing me to roll my sleeves up and get stuck straight in.

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

A lot of companies believe the 'hierarchy' or 'us and them' theory. I believe the opposite. We are one team, one business, one company. Everybody has an important role to play in making the business successful, from a car park attendant or cleaner to the senior management team.

QUICK-FIRE QUESTIONS

What drives you?

Praise, success, recognition.

What's your favourite app?

Facebook is my go-to app. Apparently, according to my eldest daughter, that makes me old. She tells me I need Snapchat!

How do you relax?

I love walking my dog, Max, either alone or with the family. I unwind by riding my motorbike or de-stress by going snowboarding.

AM

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THIS MONTH'S QUESTION TO THE AM TEAM:

When you retire, in which location would you like to live?

EDITORIAL

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► **Home is where your family, friends and football team are...**

PRODUCTION

Head of publishing Luke Neal
► **I'd like to travel the UK on a narrowboat first. Then maybe retire to Devon or Cornwall**
Production editor David Buckley
► **Thailand for preference, but, if restricted to the UK, somewhere in the Cotswolds**
Senior designer Chris Stringer
► **The Norfolk or Cornish coast. As far away from the hustle and bustle as possible**

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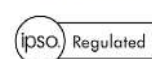
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