

**mediahawk**

**AutoTrader**

# Mind the gap

Managing the gap between customer  
behaviour and retailer experience

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- On average it takes only five days for an Auto Trader enquiry to convert to a lead
- 2% of phone enquiries to a dealer take place between 6 pm and 8 am
- 44% of Auto Trader visits take place between 6 pm and 8 am

How do you mind the gap?



## Introduction

To have the best chance of your stock being seen it needs to be in the places where people are searching. With the growth of the internet and mobile technology, how consumers see and interact with your stock has changed dramatically over the years. In this white paper we look at what this change means for retailers and how it impacts the structure of their business. Using data from Auto Trader to show search trends, and overlaying this with telephone call data from Mediahawk highlights a huge opportunity for those who are prepared to grasp this changing retailing world.

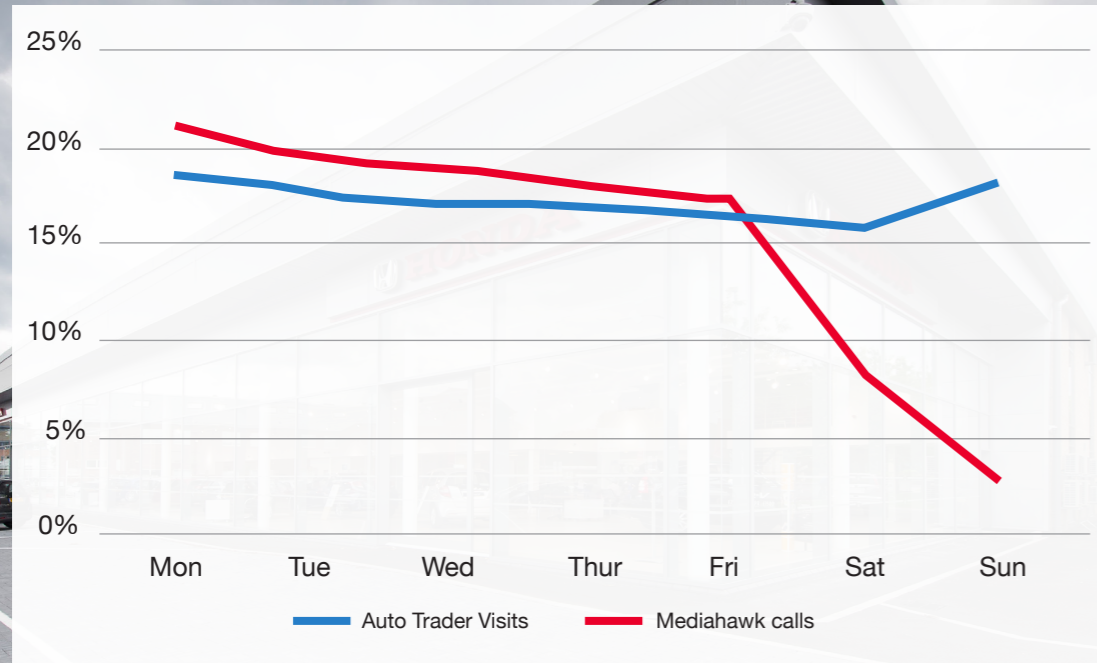
## Interpreting the data

As the largest car portal for new and used vehicles in the United Kingdom, Auto Trader is in the privileged position of having a strong understanding of how the modern car buyer interacts with a retailer's stock. Auto Trader can access a wealth of detailed data, including which models are being searched, and most importantly, when people are looking for vehicles. We can then monitor how and when customers prefer to interact with retailers from the site, either by telephone, enquiry forms or Live Chat.

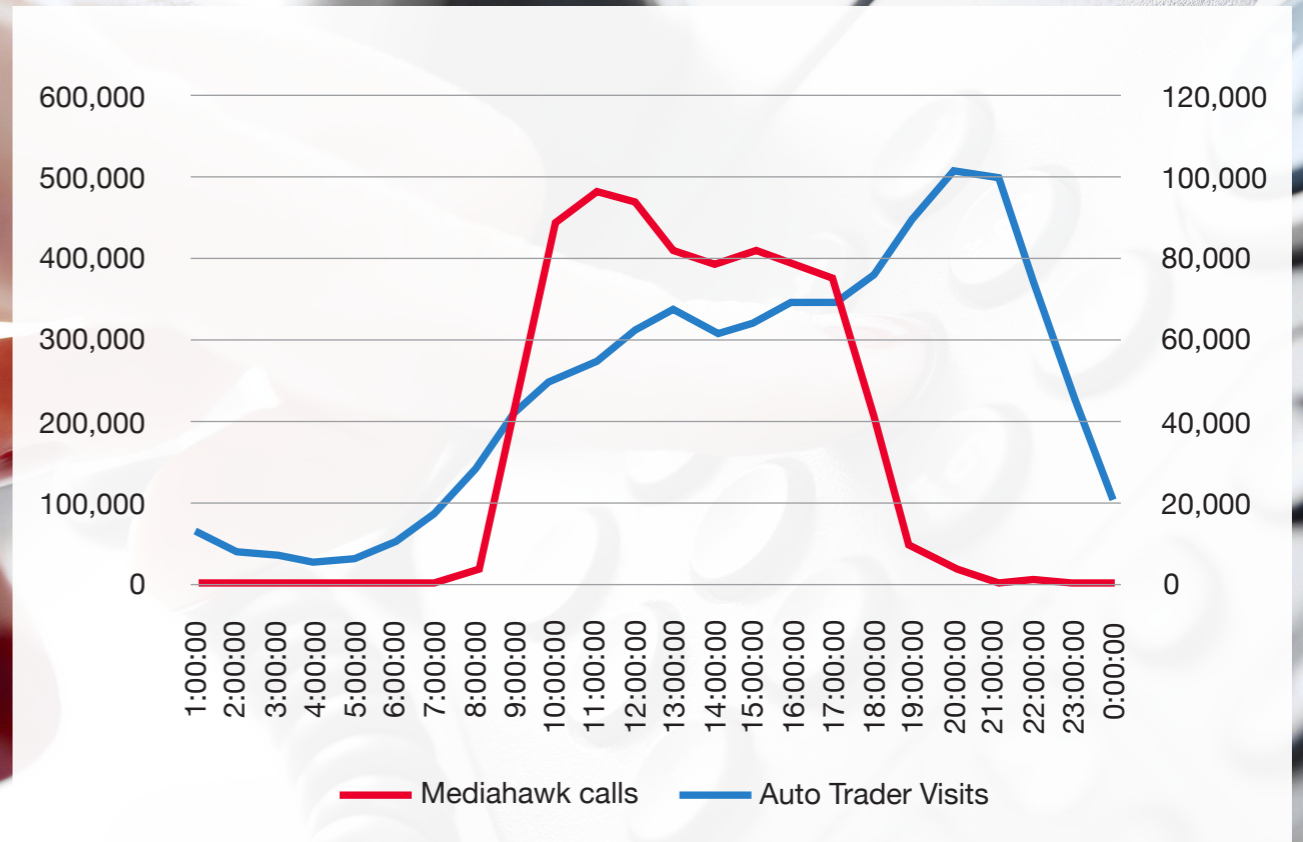
Although enquiry forms and Live Chat are an important and growing part of customers' response, the telephone remains the most important communication method used by customers when interacting with a retailer before a visit. Mediahawk, the leading telephone tracking specialist in the automotive retailing sector, has analysed more than 3.5 million phone calls across 100 dealerships during a three year period. Mediahawk has then overlaid this with the Auto Trader search data to show when people are likely to ring a dealership, compared with when they are actually searching and looking for vehicles. This data has been broken down by day of the week and by hour, and the results show some surprising trends. The methodology is shown in the appendix.



## Daily comparison of Mediahawk phone calls vs Auto Trader in percentage terms



## Hourly comparison of Mediahawk phone calls vs Auto Trader – volume



From this graph it can be seen that the busiest call period for a car retailer is on a Monday, with the weekend having the smallest number of calls (Saturday 7.7% and Sunday just 2.1% of calls!). However, when looking at the visits on Auto Trader it can be seen that visits are fairly consistent throughout the week (varying between 15 – 18% per day). Sunday is consistently in the top two of most visited days.

Interestingly, not only is Sunday the least called day at a dealership, but it is also the day when retailers find it hardest to answer the phone, due to being short staffed. On average, a retailer misses 4.5% of calls, but on a Sunday this figure shoots up to nearly 15%.

Call patterns show that customers have been so well trained to understand a retailer's opening hours that they are unlikely to call outside the hours of 8 am and 6 pm. Conversely, the most visited time on Auto Trader is between 7 pm and 11 pm. Customers are therefore searching for and interacting with a retailer's stock when the retailer is closed. This is clearly illustrated by looking at the percentage of calls versus visits received at different times of the day

- during opening hours (8 am to 6 pm), in the evening (6 pm to 12 pm) and the rest of the night (12 pm to 8 am):

	Auto Trader visits	Mediahawk calls
8 am -6pm	56%	98%
6 pm -12pm	38%	2%
12 pm -8am	6%	0%
	100%	100%



## Implications

By overlaying call data into a large retailer group with visit data from Auto Trader, it can be seen that there is a considerable mismatch between when customers call a dealership, compared with when they are actually researching and looking for vehicles. The challenge that today's dealerships face is how to interact with customers when they are looking at their stock but do not expect the dealership to be open. The answer is to use Live Chat which is a non-intrusive way of giving a customer the opportunity to talk to a retailer even when they believe the dealership is closed.

The challenge with using Live Chat is that it requires a completely different approach to how a dealership is staffed. It will require employees to work outside their traditional working hours. Furthermore, Live Chat requires different skills to those of the average salesman. In particular one has to be careful not to respond to Live Chat by going straight to a close. In many cases the Live Chat enquiries will be made to gather information, and a hard close response - such as "What's your number? I'll call you back." - could put the customer off altogether.



## A gentle approach is required

The advantage of Live Chat is that it can be conducted anywhere in the world. Employees do not have to be within a dealership, therefore one person can cover more than one conversation, reducing the overall need for out-of-hours staff. Dealerships implementing Live Chat will find themselves ahead of their competition because they have already engaged the customer before they pick up the phone. One retailer group with over 20 sites, which uses both Auto Trader and Mediahawk, now has 6,000 Live Chats per month and can directly correlate these conversations to over 30% of their sales.

## The changing consumer - speed of response

Mediahawk is able to link telephone calls to actual sales, helping retailers understand their return on marketing investment. The Mediahawk analysis of calls from the Auto Trader website shows that, on average, it takes only five days for an Auto Trader call to convert into a sale. Thus, if it takes half a day for a retailer to respond to an Auto Trader call they are effectively reducing their time to trade by 10%. An interested buyer (especially one calling from Auto Trader) is used to, and expects, an instant response. The longer it takes to receive a response, the more likely a customer is to go elsewhere.

## Conclusion

In this modern interconnected 24/7 world where the mobile is removing the search costs for consumers, car retailers must make sure they are available whenever the customer is looking at their stock in order to survive and thrive. This requires a different mindset to what has happened in the past, and will require personnel with different skills. Are you up to the task?



## About the authors

Harry Bott is a Director of Mediahawk, the leading call tracking specialists within the automotive sector, providing call tracking services to over 20% of the AM 100 and numerous manufacturers.

Nick King is the Market Research Director at Auto Trader, the leading automotive classified website in the UK with over 380,000 stock listings each month.

## Research methodology

The data for Auto Trader is based on one week's worth of search activity on the Auto Trader website. The hourly visits were based on those during a typical Monday on the Auto Trader website.

The Mediahawk data was based on the marketing calls for a large retail group with over 100 sites and 11 brands (from niche to volume), over three years. Mediahawk has also undertaken the same process with a volume manufacturer and the results support the output outlined in this white paper.



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