



# THE 6 DEFINING AUTOMOTIVE PHONE TRENDS OF 2020

*& The Impact on Your Dealership in 2021*

## 6

**DEFINING  
AUTOMOTIVE****PHONE  
TRENDS**

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*Drop in Call Connection  
Performance*

2

*Decrease in Inbound  
Call Volume*

3

*Persistent Peaks in Call  
Volume Across Day of  
Week and Time of Day*

4

*Rise in Appointment  
Invitations and Firm  
Appointments Booked*

5

*Top Dealerships Focused  
on Accountability  
See Spike in Set  
Appointments*

6

*Fewer Customers Willing  
to Call Back When Initial  
Call is Missed*

Like most industries, automotive dealerships were dramatically impacted by the effects of COVID-19 in 2020. In fact, most dealerships are still adjusting to the new norm of selling vehicles in such a volatile business environment. In the process of doing so, one tool in particular is now being relied on more than ever to maintain strong revenue lines, capture more leads, and achieve top-notch customer experience — the phone.

By examining nearly 700 million inbound and outbound phone calls from more than 3,000 dealerships across North America, Car Wars is able to make significant conclusions about how phone metrics have shifted during 2020. The resulting data study presents the six defining automotive phone trends of 2020 when compared to 2019, shares specific data points to evaluate how your dealership's phone metrics stack up against industry averages, and offers straightforward recommendations to improve your phone handling and capture more revenue in 2021. Furthermore, this study analyzes the unique impact COVID-19 had on dealerships' phone processes and performance, and presents transparent data to make informed decisions regarding where to allocate your time and resources.



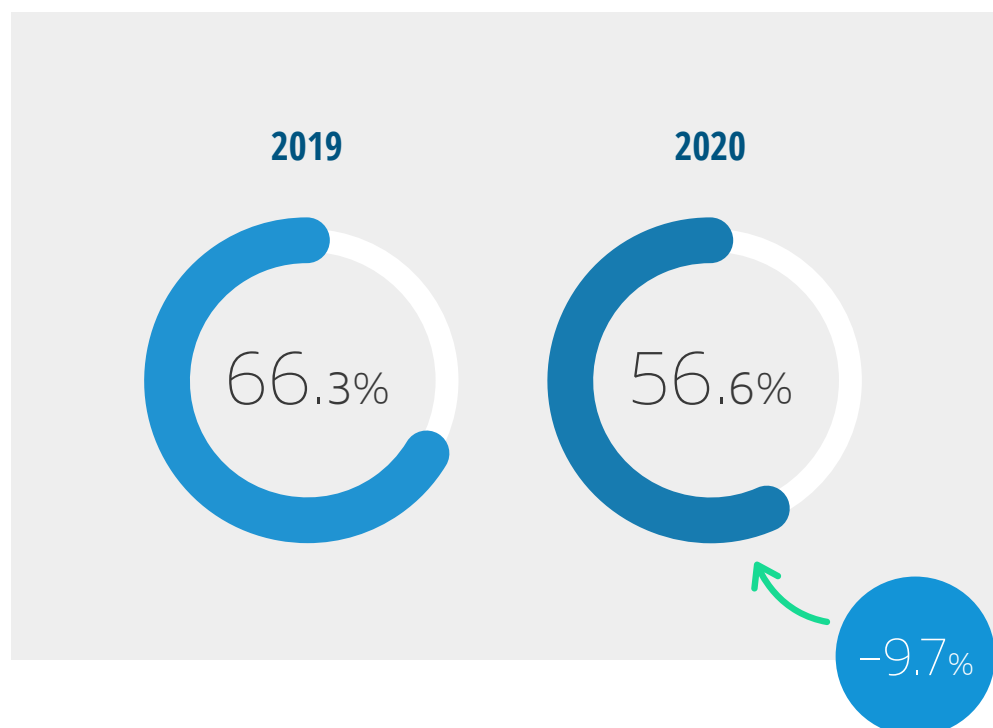
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## DROP IN

# CALL CONNECTION PERFORMANCE

Between 2019 and 2020, the rate of callers connected to someone who can help them at a dealership dropped from 66.3% to 56.6%. This means, in 2020, customers who tried to contact a dealership were unable to reach a qualified agent who could help them on 43.4% of their calls. That's a significant number of potential buyers never reaching someone who can help or even having the opportunity to speak with the appropriate employee.

Connect is one of the most fundamental and crucial metrics dealerships can take control of — it's a customer's first impression and sets the tone for the rest of his or her buying experience. Your dealership likely spends hundreds

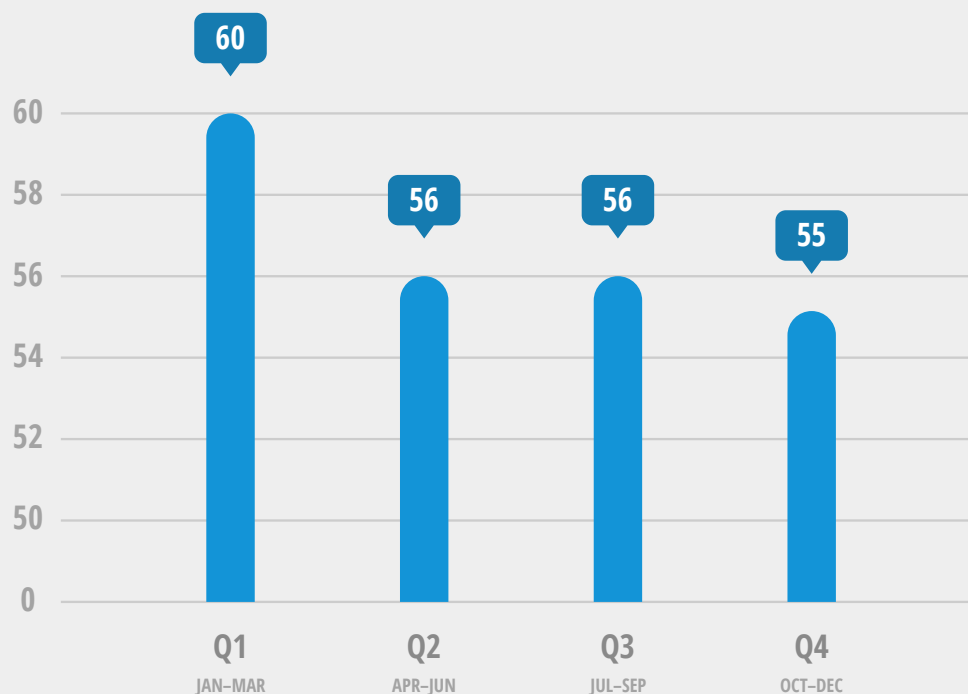


of thousands of dollars on advertising each year to generate phone calls. It's alarming to think that 43.4% of those calls you worked so hard to generate never got connected to their intended party.

At first glance, you might chalk up this drop in connection performance to dealerships being closed during particular periods of 2020 due to COVID-19. States like California, for example, experienced extended periods of closure, especially in the spring. However, when we look closer at this metric, we can see that call connection experienced an initial drop from the first quarter of 2020 (January – March) to the second quarter (April – June) from 60% to 56%. That said, connection

performance consistently remained low throughout the remainder of 2020. In fact, connection performance reached its lowest point during the fourth quarter of 2020 (October – December), when it plummeted to an average of 55%.

In 2021, it's necessary that dealerships work aggressively to resolve this connection challenge. Often, we see success with dealers who want to turn around their connection performance by **implementing a phone bridge** (also called a phone tree or IVR). This is the automated greeting you hear that says, *"Thank you for calling ABC Dealership. Press 1 for Sales, 2 for Service, and 3 for Parts."* A phone bridge gets customers connected to



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their intended party faster and also frees up your receptionist to handle only the callers who need his or her additional assistance.

We also recommend dealers implement a **warm transfer process**. A warm transfer is when the receptionist first checks to see if the caller's intended party is available before blindly transferring the caller over. If the intended party is not available, the receptionist does everything possible to help the caller or escalates the call to a manager. As a last resort, the receptionist takes a live message and sets expectations for a return call.

Furthermore, when only 26% of unconnected callers leave a message or voicemail, it's important to take a proactive approach to contacting each and every missed opportunity with a return call. Intentional outreach goes a long way in demonstrating top-notch customer service and gives your dealership a second chance at a potential lead.

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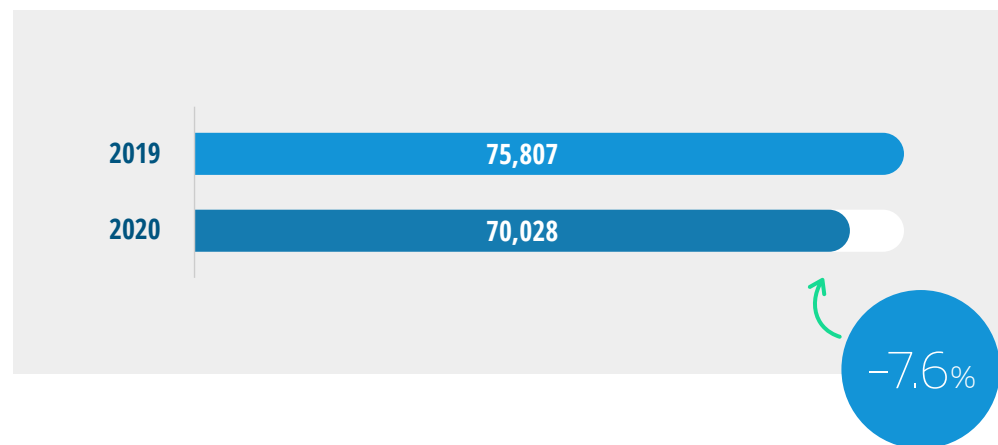




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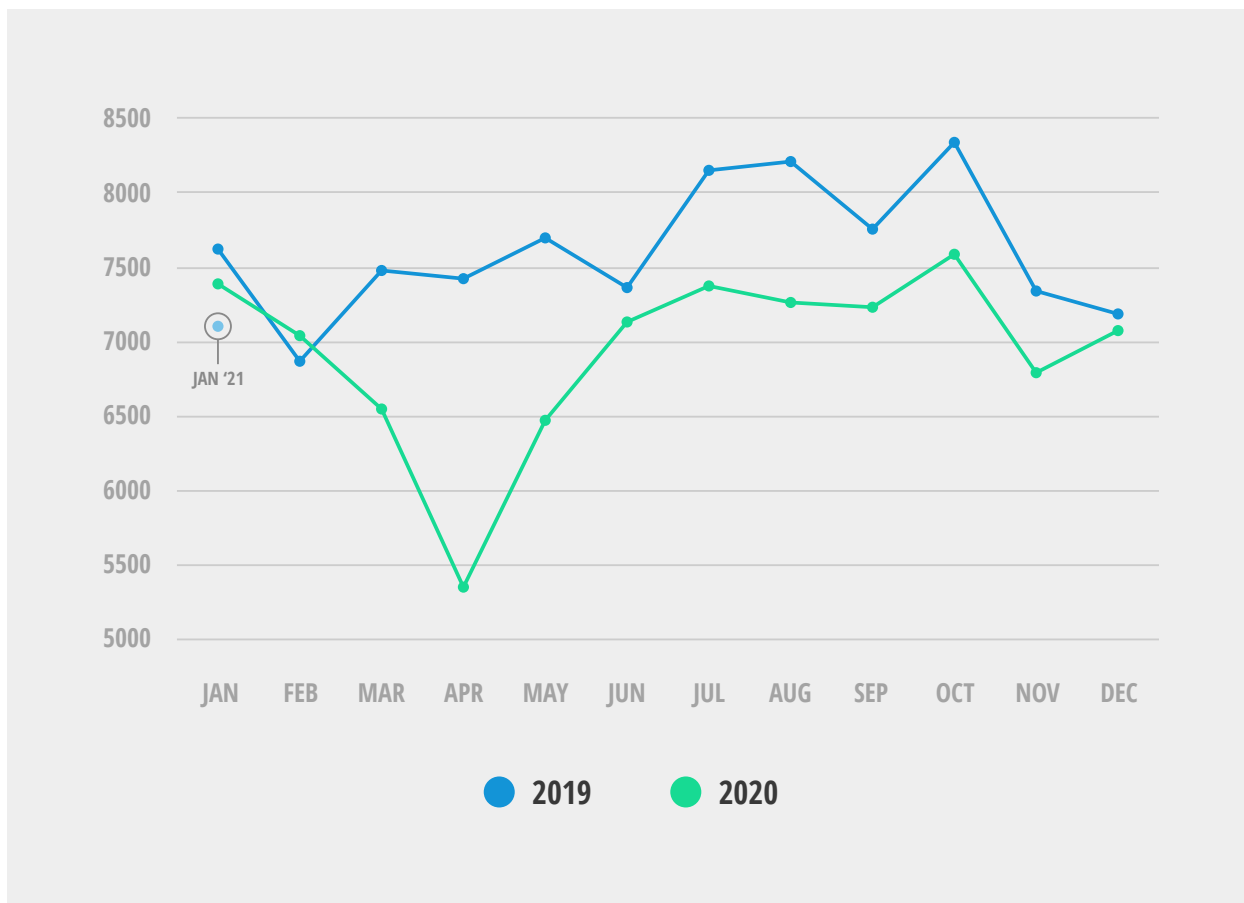
## DECREASE IN INBOUND CALL VOLUME

Similar to connection performance, we saw a decrease in overall inbound call volume when comparing 2020 to 2019. Per dealership rooftop, there was a 7.6% average decline in inbound call volume, from 75,807 inbound calls during 2019 to 70,028 inbound calls in 2020. That's 5,779 fewer potential leads calling your dealership in 2020.



This drop in call volume was largely due to the effects of COVID-19 in the spring of 2020. Call volume started off strong in January and February of 2020 with similar volume numbers to that of 2019, but volume dropped off in March. By April, we saw a drastic plunge in call volume as various states closed dealerships entirely or paused in-person operations. There was a slight uptick in call volume in May, but still overall lower volume for the remainder of the year.

What's worse, when you consider inbound call volume in January of 2021, we're still starting below the average volume of calls that came in during January of



2020. This indicates that volume has yet to return to pre-COVID-19 levels. While some of that is still due to dealership closures or partial closures, cautious marketing spend, or other COVID-related reasons, that doesn't mean dealerships should ignore this reduction in call volume. Instead, it's more important than ever to stay ahead of the competition and make that most of every single lead that calls your store — if you don't, other dealerships will.

In 2021, your team needs to take a proactive approach to generating leads; you can no longer just sit at your desk and wait for the phone to ring. Leverage the contacts in your CRM, follow up with every missed caller, and handle every customer conversation as if it's the most important phone call of the day.



## 3

# PERSISTENT PEAKS IN CALL VOLUME

## ACROSS DAY OF WEEK AND TIME OF DAY

One metric that persisted throughout 2019 and 2020 is the peak days of the week and times of the day that dealerships received the most inbound phone calls. In particular, Mondays received the highest volume of calls, followed by Tuesdays and Wednesdays. Furthermore, the 10:00 AM hour received the most calls on average for dealerships during both years, followed by 11:00 AM and 12:00 PM, respectively. These consistent metrics allow you to more adequately staff your team, understand when you may need additional help on the phone, and ensure your sales team is prepared to handle expected inbound call volume.

### TOP 3 HOURS OF THE DAY

2019

SUN	MON	TUE	WED	THU	FRI	SAT
	19.7M	17.8M	16.0M			

2020

SUN	MON	TUE	WED	THU	FRI	SAT
	17.9M	16.1M	15.5M			





For many dealers, Mondays or Tuesdays tend to be their “weekend” days off after being on the lot and closing deals on Saturday and Sunday. Given the high call volume received on Mondays and Tuesdays, however, you still want to ensure your team is sufficiently staffed at the beginning of the week to handle calls. If your marketing efforts are raking in phone leads at the beginning of the week but no one is available to book firm appointments to come into the dealership, you’re missing out on significant revenue opportunities.

The peak times of the day for receiving calls likely don’t come as a surprise to most dealers. Late morning between 10:00 AM and 1:00 PM tends to be the most common block of time for receiving customer calls. That said, late mornings are the time to ensure your team is fully staffed, near their phones, and focused on prioritizing fundamental phone handling skills and providing callers top-notch customer service.

### TOP 3 DAYS OF THE WEEK



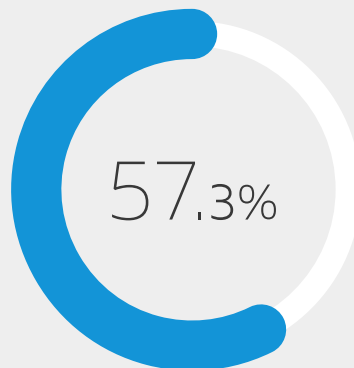
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## RISE IN APPOINTMENT INVITATIONS AND FIRM APPOINTMENTS BOOKED

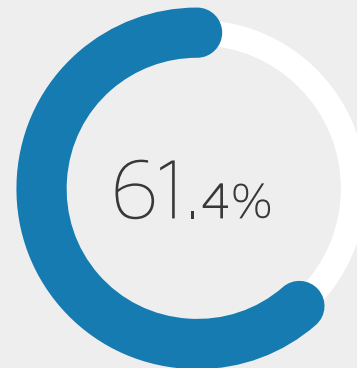
Two metrics Car Wars is excited to see improved in 2020 were the percent of phone leads who received a verbal invitation to come into the dealership, as well as the percent of firm appointments booked versus soft appointments. Between 2019 and 2020, appointment invitations rose from 57.3% to 61.4%, on average. Similarly, firm appointments set increased from 42.2% in 2019 to 49.2% in 2020 when compared to soft appointments booked.

### APPOINTMENT INVITATIONS

2019



2020



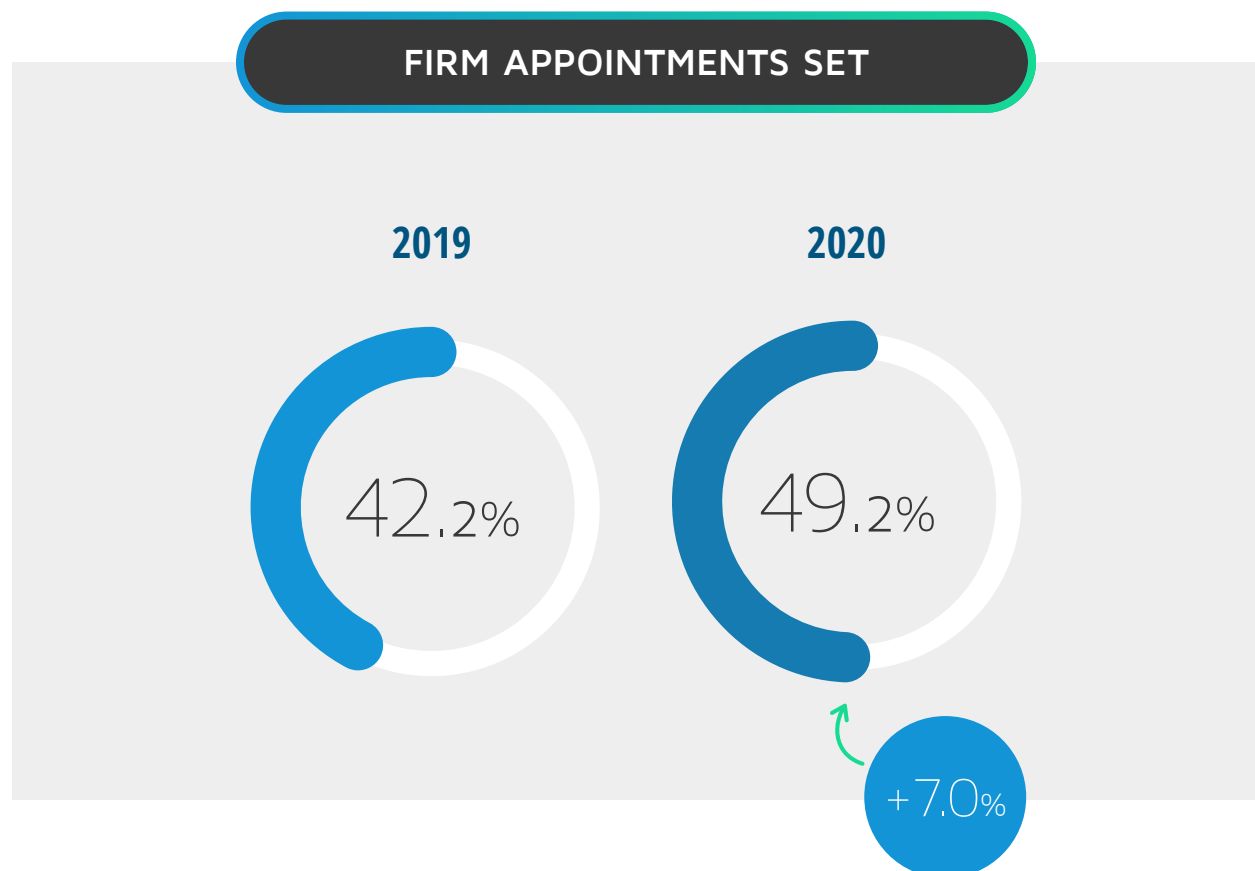
+4.1%

Looking further at appointment invitations, this metric is incredibly important for your sales team to keep top of mind on every phone lead. The more often you request an appointment and invite callers into the dealership, the better your chances at booking the appointment — if you don't ask, you won't receive. Despite a tough year in 2020, dealerships managed to prioritize this metric and increase their appointment invitations by 4.1% throughout the year.

Additionally, firm appointments saw a 7% increase in 2020, when compared to soft appointments. A *firm* appointment is when the caller agrees to come into the dealership for a firm date or time, such as Tuesday at 3:15pm. Conversely, a *soft* appointment occurs when a caller loosely agrees to stop

by the dealership, such as “swinging by this weekend.” Car Wars always urges dealerships to book firm appointments, as it instills accountability in the customer to show up and sets the stage for an intentional, planned visit to purchase a car.

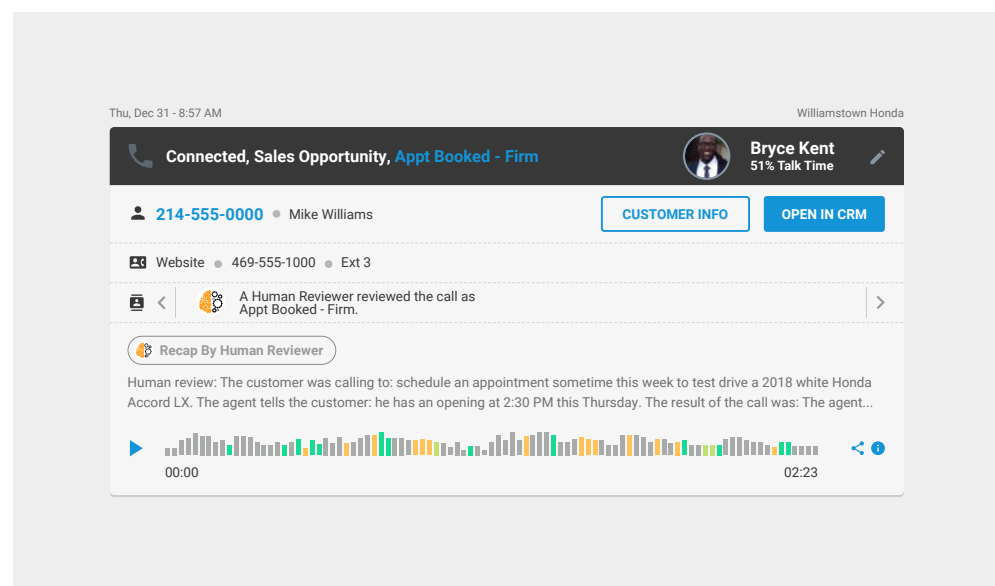
Both of these metrics directly correlate with an increase in your dealership's bottom line. Therefore, at Car Wars, we consistently preach on the importance of these two metrics and suggest dealerships track them over time and set goals for ongoing improvement. While both appointment invitations and firm appointments saw an increase in 2020, there's still room for growth in 2021 that will directly translate to more shown appointments and more sold cars.



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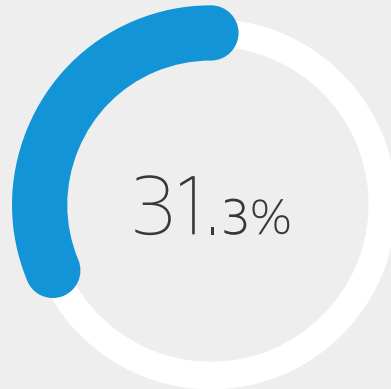
## TOP DEALERSHIPS FOCUSED ON ACCOUNTABILITY SEE SPIKE IN SET APPOINTMENTS

Another metric we stay laser-focused on at Car Wars is accountability and ensuring every agent's name is front and center next to every call he or she handles. This notion of accountability ties into the idea of "what gets measured, gets managed" — it's important to have a comprehensive view of each agent's phone handling performance in order to adequately assess phone skills and offer training opportunities. That said, top dealerships leveraging Car Wars booked significantly more appointments in 2020 when calls were assigned to the unique agents who handled them.

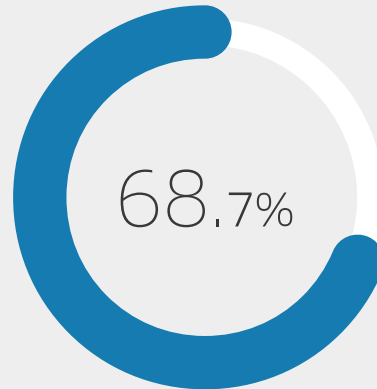


Diving into this statistic, we can see that when calls were *not* claimed by an agent in 2020, our top-performing dealerships only booked 31.3% of appointment opportunities for firm appointments, on average. Compare

## FIRM BOOKED APPOINTMENTS



*when calls are not claimed by an agent*



*when calls are claimed by an agent*

that to when calls *are* claimed by an agent and an individual knows his or her name will be listed next to that call — in this instance, appointment opportunities were booked for firm appointments 68.7% of the time, on average. That's a significant improvement of 37.4%.

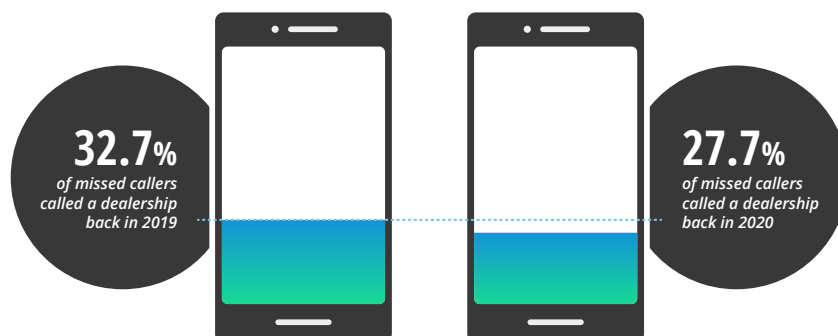
It's clear that accountability leads to improved phone performance and raises the bar for overall phone handling. Furthermore, ensuring calls are assigned to the individual agent who handled them gives you the opportunity to challenge your salespeople, praise them, and offer customized coaching to improve performance.



## 6

## FEWER CUSTOMERS WILLING TO CALL BACK WHEN INITIAL CALL IS MISSED

Finally, we also found that in 2020, 5% fewer customers were willing to call a dealership back when their initial call to the store was missed. Between 2019 and 2020, customers who weren't connected on their original call but called the dealership back dropped from 32.7% of callers in 2019 to 27.7% of callers in 2020, on average. That said, in 2021, it's more important than ever to not only connect your callers, but also make sure you're quickly following up with any callers who are not helped on their initial call to your store.



Callers are more willing than ever to call the competition down the road if you don't answer their initial phone call to your dealership — you can't rely on the customer for a call back. It's crucial to be proactive and carve out time at least once a day to call back every missed customer call. As mentioned earlier in this study, you're likely spending hundreds of thousands of dollars on marketing every year. Missing even one potential buyer's call could cost you significant revenue from your bottom line.

Furthermore, customer service has become even more of a priority for callers as a result of COVID-19. Customers expect prompt, open communication with the businesses they choose to purchase from, and dealerships are no exception. Ensure you're prioritizing every single call each time your phone rings, and dedicate the proper resources to returning missed calls promptly.



# LOOKING AHEAD

In 2021, it's important to understand where your dealership stands on these six phone trends and leverage this knowledge to improve your phone processes moving forward. While outlooks currently appear optimistic when it comes to COVID-19, the fact remains that we're still seeing many troublesome phone trends persist in 2021. In order to stay ahead of the competition and keep revenue strong, dealerships need to hone in on fundamental phone skills and prioritize exceptional phone handling.

Furthermore, as we look ahead, there are various phone trends we can expect to observe as phone processes continue to adapt and develop with the changing times. First, we expect there to be an even greater emphasis on outbound calls to customers as dealerships become more proactive in their approach to making sales. With the decrease in inbound call volume and many dealers still cautious to ramp up marketing spend, we expect to see more and more dealers reaching out to customers proactively to generate new leads.

Second, we anticipate the use of remote teams, work-from-home employees, and outsourced call centers will become the norm. That said, it's more important than ever

## PHONE HANDLING

IN 2021



*Greater emphasis  
on outbound calling*



*Normalization  
of remote work  
and outsourced  
call centers*



*Increased reliance  
on texting*



to have the right phone technology, tools, and reporting to provide a seamless caller experience for your customers and access in-depth insight into calls that happen both in the dealership and outside of it.

Finally, we also expect there to be increased reliance on texting as a primary form of communication. Customers are demanding more options that better match their communication preferences and more immediate response times. Texting has become widely adopted by dealers, and more and more dealerships are implementing individual agent texting solutions, such as Car Wars' **Individual Agent Lines**.

As you look to improve phone handling and capture more revenue in 2021 and beyond, Car Wars is here to help. If you'd like to learn more about how we're helping dealerships gain visibility on phone calls, capture more leads, and improve the caller experience, visit [carwars.com/home](https://carwars.com/home) or call 833-939-3205.

