



DATA STUDY

HOW THE RISE IN **SERVICE DEPARTMENTS** IMPACTS THE PHONE

5 PHONE TRENDS

SERVICE DEPARTMENTS NEED TO WATCH

- 1** *Steady Increase in Inbound Call Volume* **PG 3**
- 2** *Decline in Inbound Call Connection Performance* **PG 5**
- 3** *Ongoing Improvement in Appointment Requests & Firm Appointments Booked* **PG 7**
- 4** *Decrease in Outbound Call Volume* **PG 9**
- 5** *Fewer Outbound Calls for Status Updates Being Made* **PG 10**

In 2021, many dealerships made the decision to put greater emphasis on their Service Departments as vehicle inventory levels remained scarce. This intentional shift to Service has encouraged dealers to drive more opportunities and phone calls to their Service drive, but has also exposed holes in the operational resources needed to support this shift. Phone processes aren't able to keep up with the growing demand of Service-driven revenue. Furthermore, customer service is falling behind as customers experience longer hold times, lack of communication, fewer status updates, and limited follow-up.

To illustrate this growing area of concern and opportunity, Car Wars compiled phone insights and trends from hundreds of Service Departments to determine five distinct areas of phone handling that require attention from managers. These phone trends suggest there are certain areas Service agents are improving on the phone, but also expose gaps in processes that, when fixed, would allow dealerships to capture additional revenue and improve customer experience.

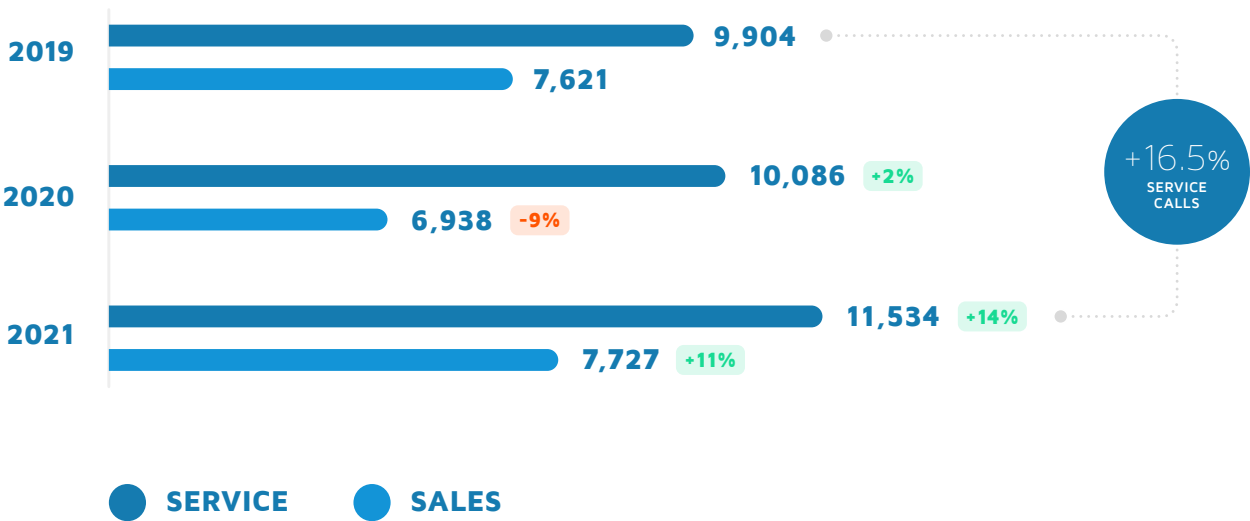
TREND #1

STEADY INCREASE IN INBOUND CALL VOLUME

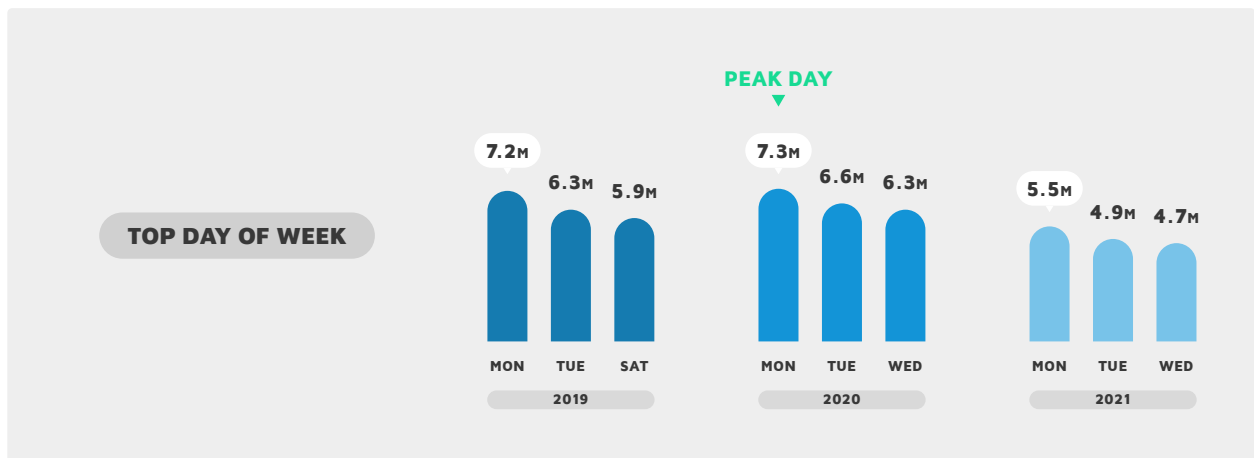
Between 2019 and 2021, monthly inbound call volume per Service Department increased from an average of 9,904 calls per month to 11,534 calls. That represents a 16.5% growth in inbound call volume in just two years. Even in 2020, when COVID-19 impacted nearly every industry, inbound call volume in Service remained strong. In fact, between 2019 and 2020, average monthly call volume *grew* by 2%. Dealers continued to emphasize Service throughout the pandemic and have increasingly urged customers to keep up with regular vehicle maintenance.

This trend is in stark contrast to Sales Departments, however, which experienced an overall decrease in inbound call volume. Particularly in 2020, inbound calls for Sales dropped by 9% compared to 2019 call volume. While Sales call volume has started to make a recovery in 2021, inventory shortages have encouraged dealerships to promote their Service Departments and the outcome of that effort is transparent.

AVERAGE MONTHLY INBOUND CALL VOLUME (Per Rooftop)



INBOUND CALLING ACTIVITY



One trend that has remained consistent throughout the years is the time of the day customers tend to contact Service Departments. Regardless of time zone, 11:00 AM is the most common hour for a customer to contact a dealership for Service inquiries. This is closely followed by 10:00 AM and then 12:00 PM, respectively. With this in mind, it's important to staff your team appropriately during these hours. If your Service bays are flooded and you don't have enough staff available to handle calls during this time, perhaps you consider additional team members or an overflow option for calls to ensure each customer calling in is helped quickly.

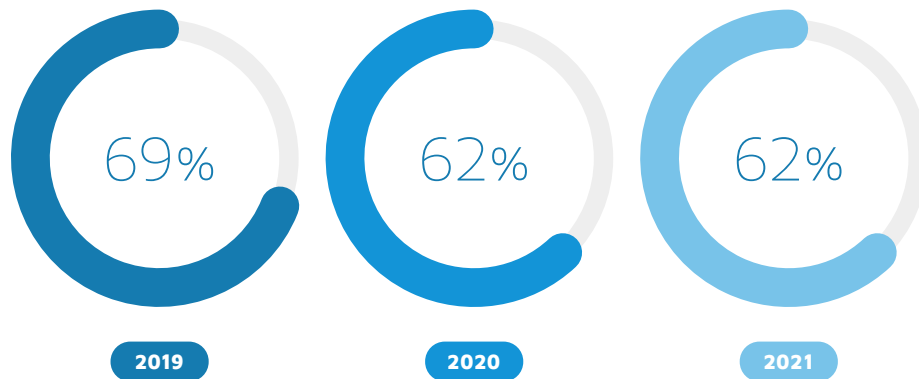
Similarly, the days of the week that experience the greatest inbound call volume have had only minimal shifts since 2019. Mondays and Tuesdays, respectively, received the most inbound calls from Service customers. Wednesdays received the 3rd highest call volume in 2020 and 2021, replacing Saturdays which held the 3rd highest slot in 2019.

**Figures based on available data from Jan – Aug 2021.*

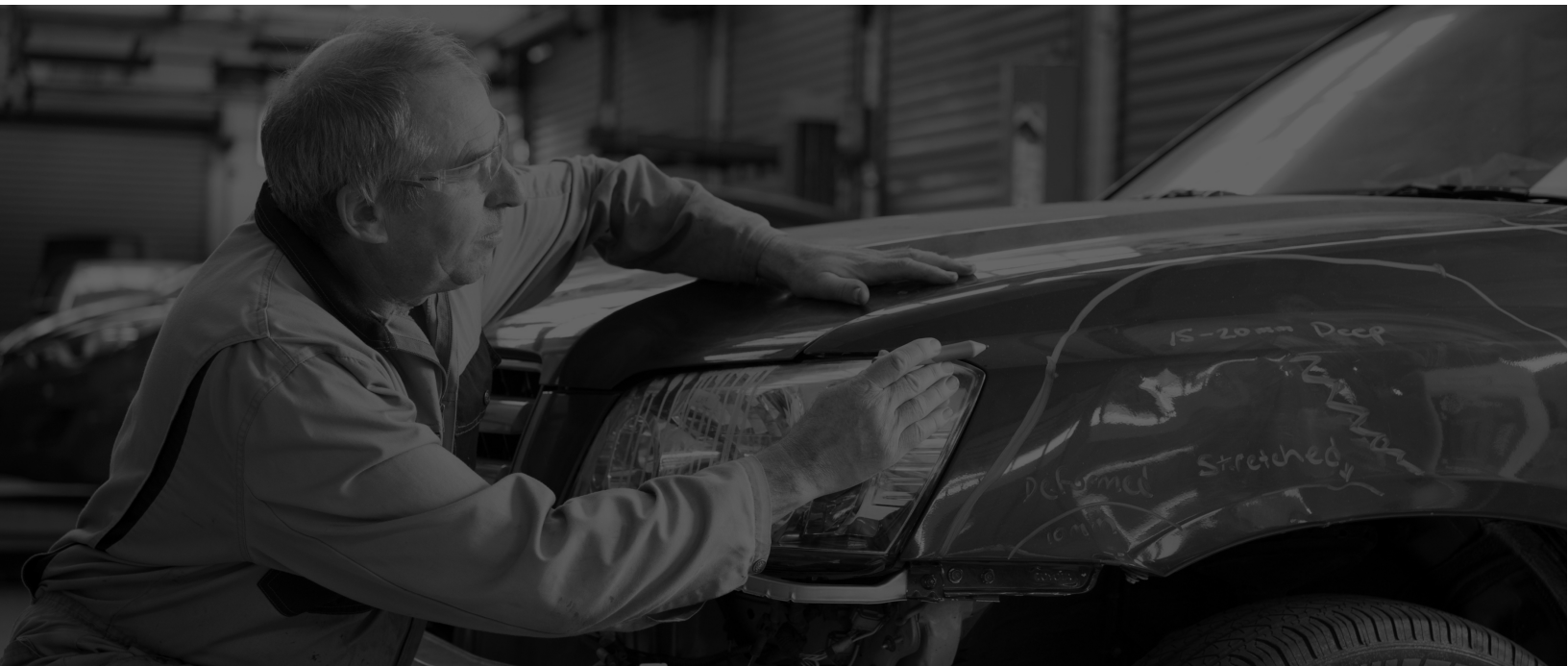
TREND #2

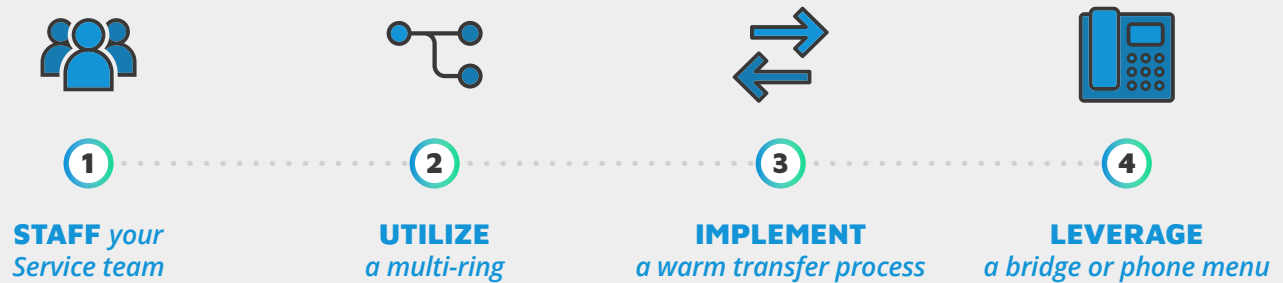
DECLINE IN INBOUND CALL CONNECTION PERFORMANCE

While dealerships are encouraged by the notable increase of inbound calls being driven to Service, there has also been a noticeable drop in call connection since 2019 that is hindering overall growth. One of the top challenges Service Departments have on the phone is simply connecting callers to someone who can help them.



Between 2019 and 2020, call connection in Service dropped from 69% to 62%, on average. Furthermore, average call connection has remained at 62%, on average, in 2021.



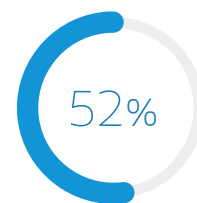


The road to improvement starts when you properly staff your Service team. That way, there's always someone available to pick up the phone. Even when you have enough people, conflicting schedules or a lack of process can cause calls to slip through the cracks. Consider utilizing a multi-ring, which allows you to ring multiple phones at the same time. The first qualified Service rep who answers is connected through to the caller.

Car Wars also recommends implementing a warm transfer process to avoid blindly transferring callers — often to voicemail. Instead, the receptionist first checks to see if the caller's intended party is available. If not, 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. Make sure no customer gets sent to an advisor's voicemail unless specifically requested.

According to Car Wars data, 52% of callers will not call back if their initial call isn't answered. The number one reason a customer's call isn't connected is due to being sent to voicemail. It's important that when a customer leaves a voicemail, you call them back as soon as possible. Bridges (also called phone trees or phone menus) can help reduce bottlenecks in reception and direct callers immediately to their intended party, improving connection, reducing the occurrence of voicemails, and providing a more seamless caller experience.

Callers who do not call back



TREND #3

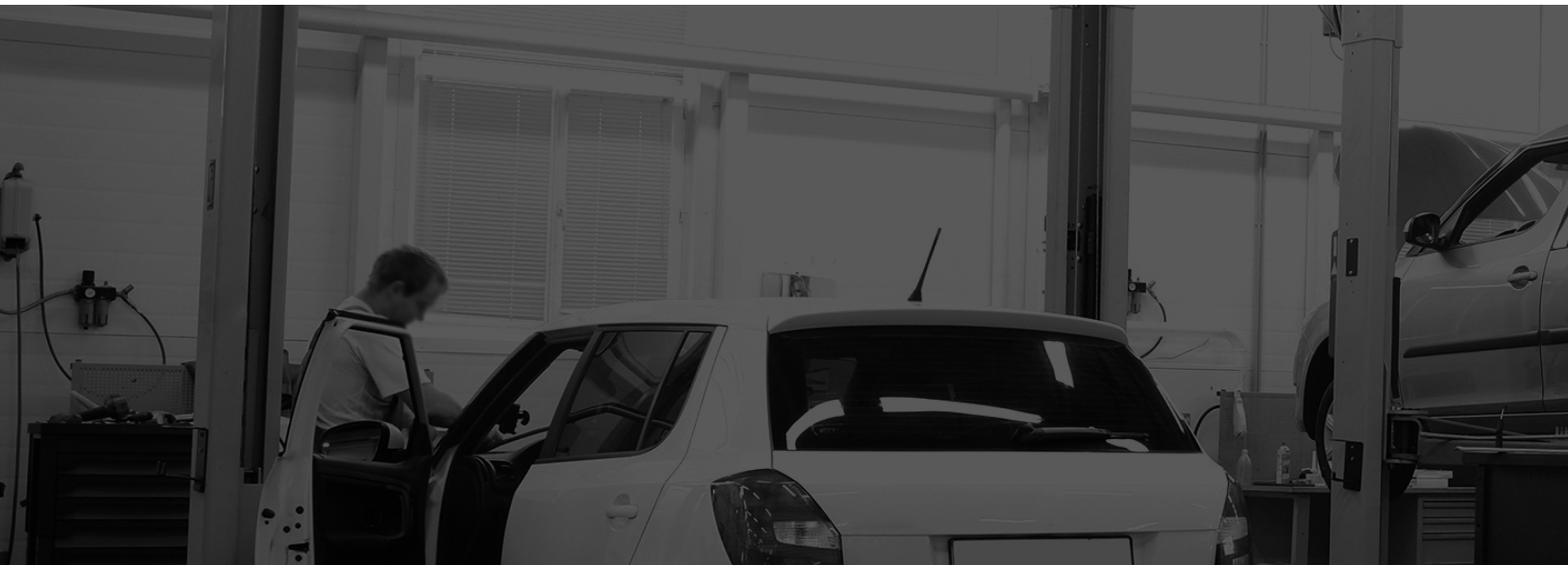
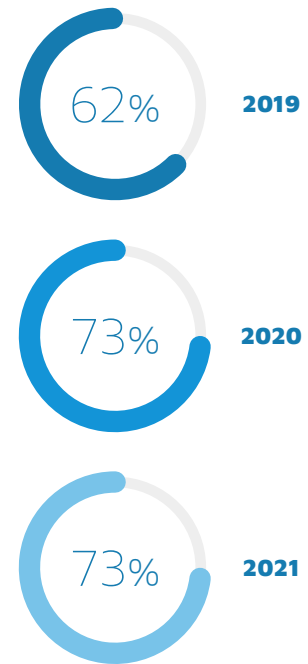
ONGOING IMPROVEMENT IN APPOINTMENT REQUESTS & FIRM APPOINTMENTS BOOKED

One area Service Departments have made noticeable improvement is in requesting the inspection on every opportunity. We know the vast majority of vehicles serviced are first booked for an appointment over the phone. *So what is the most important thing you can do on a phone call?* Sell the appointment and avoid the pitfall of price quoting or attempting to handle detailed inquiries over the phone.

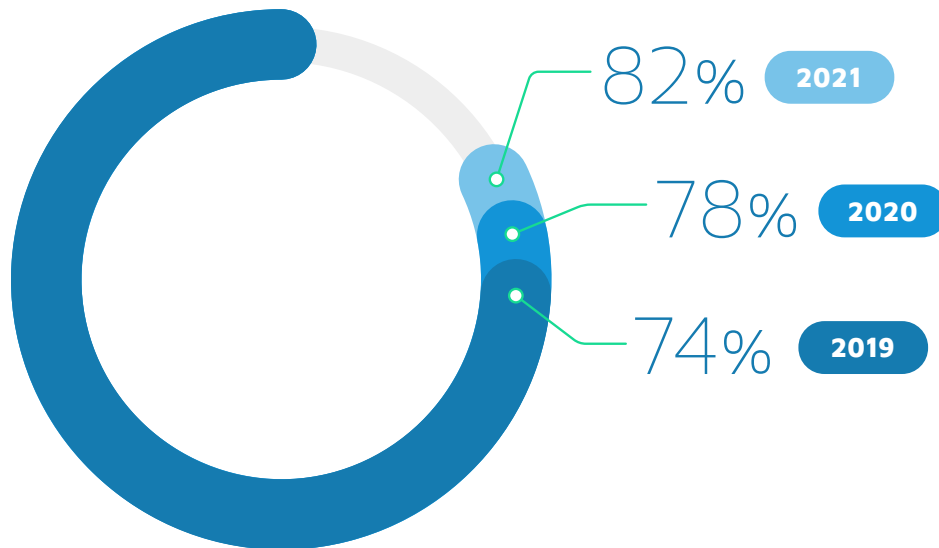
In 2019, Service reps only requested the inspection on an average of 62% of all Service opportunity phone calls. By 2020, however, that number grew to 73% and remained at 73% in 2021. Often, customers are shopping for the best price to service their vehicles. Take time to listen to the customer's questions, comments, and concerns when he or she calls you. Assure him or her the best way you can assess the vehicle and provide verified recommendations and pricing is by making an appointment with a factory-certified technician at your dealership.

Furthermore, it's important for Service agents to book appointments for a firm date and time. Doing so ensures your Service bays are fully utilized, creates accountability for the customer to show up on time, and communicates to the customer that the vehicle will have your technician's full attention. Service Departments have caught on to this important metric and have greatly improved firm appointments booked since 2019.

INSPECTION REQUESTS



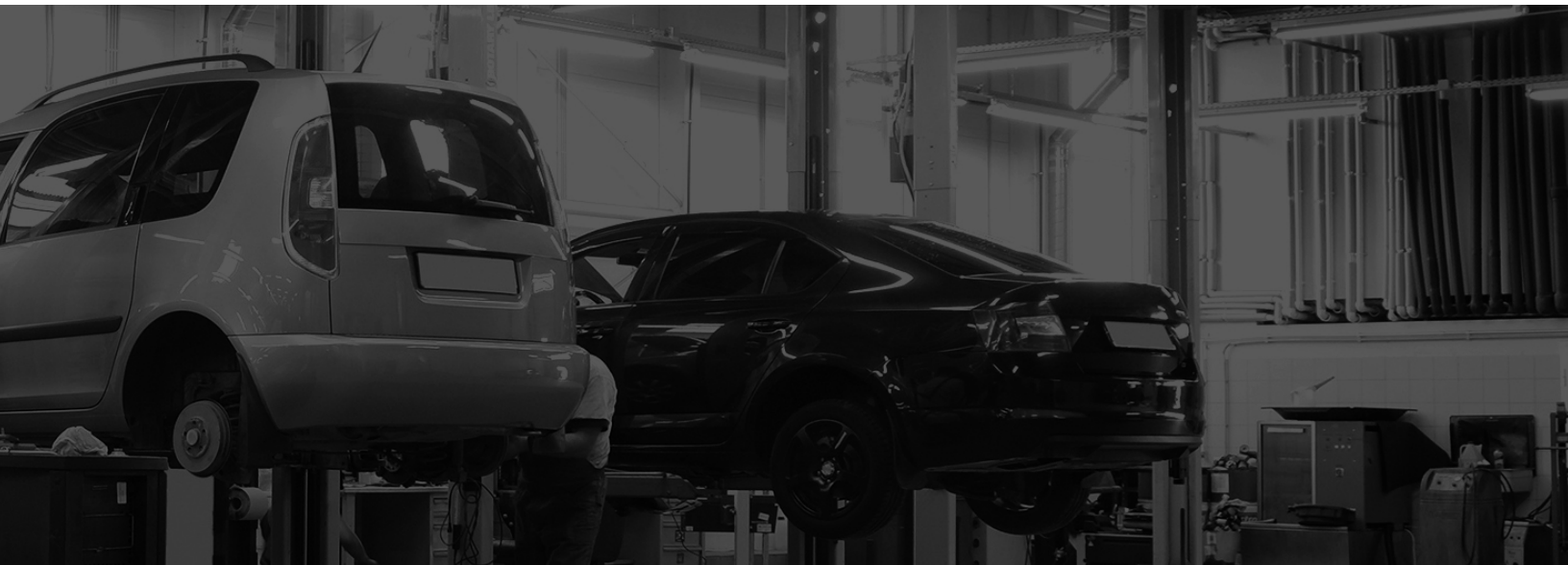
FIRM APPOINTMENTS BOOKED



From 2019 to 2020, the percent of appointments booked for a firm date and time increased from 74%, on average, to 78%. That number jumped again in 2021 to an average of 82% of all appointments being booked for firm time slots.

That's an 8% increase from 2019 to 2021!

Soft appointments often result in the most coveted times of the day and week packed with customers trying to get an oil change or issue assessed. Wait times build up and customers get impatient. This leads to hits on CSI as customers are frustrated by having to wait, even when they were warned about the possibility. Put a new policy in place: All appointments must have a firm date and time, even if the customer intends to drop his or her vehicle off.



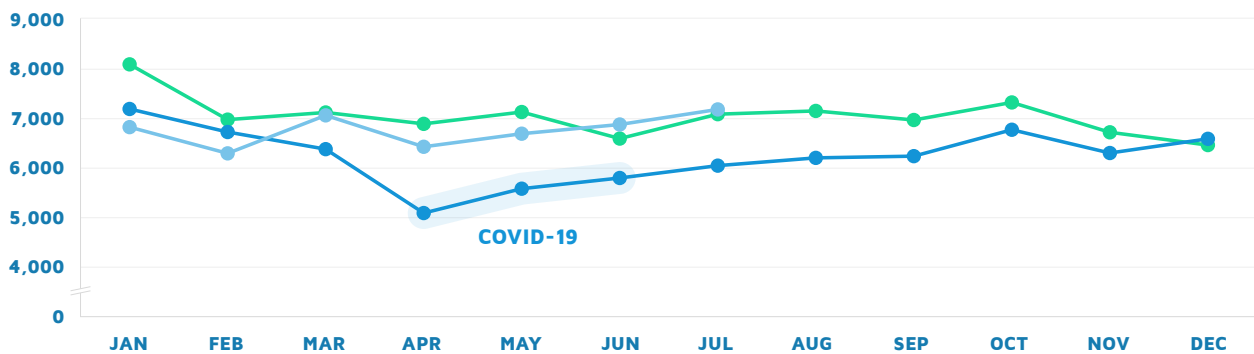
TREND #4

DECREASE IN OUTBOUND CALL VOLUME

Proactively picking up the phone and making outbound calls to customers is a necessary function of every effective Service Department. However, while we're seeing more customers calling Service Departments, outbound calls to customers have diminished since 2019.

Between 2019 and 2020, the number of outbound calls a Service Department makes to customers each month dropped by 11.3%, on average. That said, outbound calling was notably impacted by COVID-19 in April, May, and June of 2020. During these months, the number of outbound calls being made was about 85% of other months of the year. Even so, outbound calling has not yet recovered in 2021. When comparing 2019 to 2021, there is a 3.9% decrease in the number of outbound calls being made each month by Service agents.

AVERAGE MONTHLY OUTBOUND CALL VOLUME IN SERVICE *(Per Rooftop)*



That said, the ability for Service Departments to connect with the right person and have a live conversation on outbound calls remains a challenge. Outbound call connection has hovered around 23% to 25% throughout 2019, 2020, and 2021. As Service agents look at how to improve call connection, it's important to keep in mind customer communication preferences. If a customer isn't picking up the phone, perhaps he or she prefers a text or email. Note a customer's preferred method of communication when you initially speak with him or her.

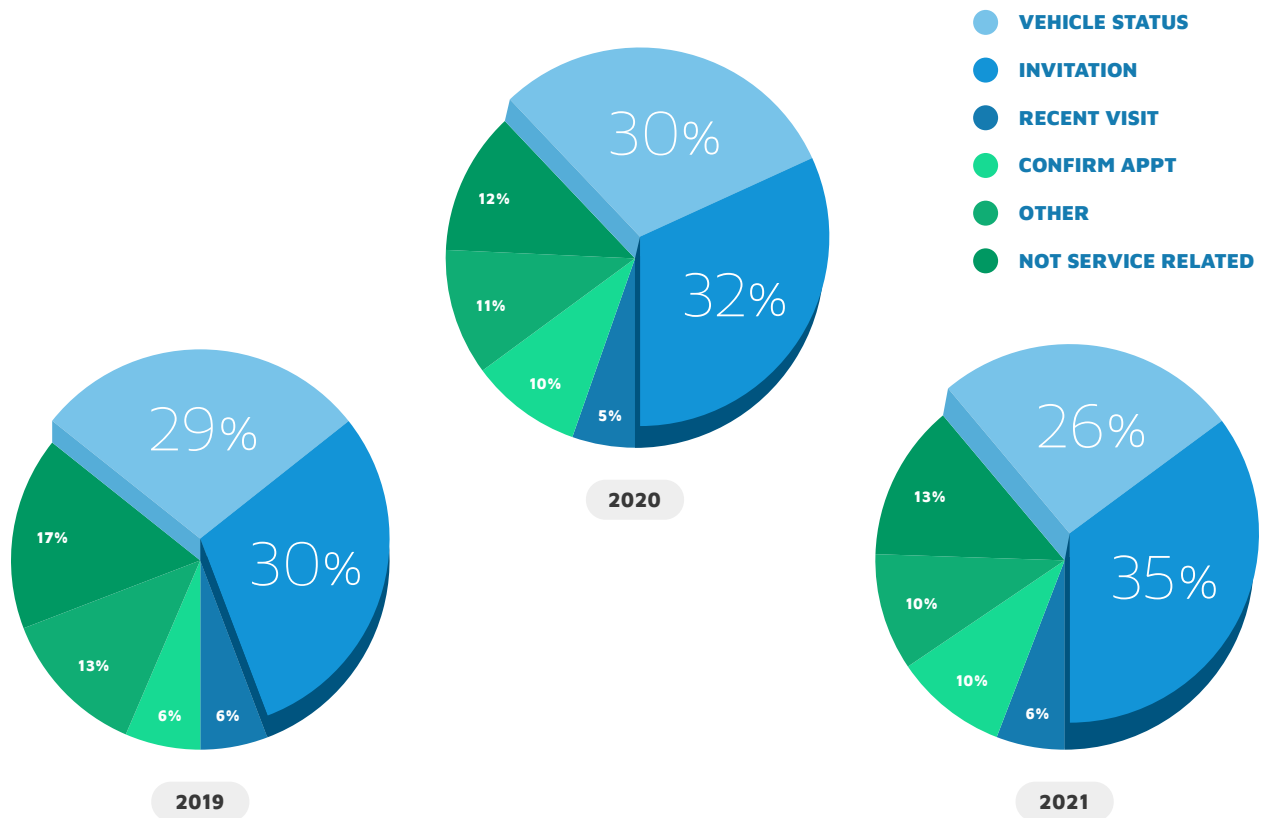
- 2019
- 2020
- 2021

TREND #5







FEWER OUTBOUND CALLS FOR STATUS UPDATES BEING MADE

When it comes to the reason for making an outbound call to a customer, Service agents are making fewer status updates and making more calls regarding scheduling a new Service appointment. Given the focus on Service most dealerships have right now, it makes sense that there's a push to get more appointments on the books. However, it's still necessary to provide a top-notch experience for current customers by providing regular status updates while servicing a vehicle.

In 2019, 29% of all outbound calls made by Service were for the purpose of providing a status update. That number rose to 30% in 2020. In 2021, however, that number dropped to only 26% of all outgoing calls. On the other hand, outbound calls made with the intent of booking a Service appointment rose from 30% of all outbound calls in 2019 to 32% in 2020, then jumped to 35% of all outbound calls in 2021.



As a Service Department, it's important to find a balance in the outbound calls being made that provides customers with an optimal experience. Your team should be proactively calling customers to:

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-  **SALVAGE** *declined Service requests or callers who weren't able to connect with a Service advisor*
 -  **REBOOK** *no-shows or cancellations*
 -  **CONFIRM** *upcoming appointments*
 -  **SCHEDULE** *first and second Service appointments after a recent purchase*
 -  **PROVIDE** *regular status updates for vehicles currently being serviced*
 -  **SCHEDULE** *overdue Service appointments*

These simple, low-risk outbound calls have a huge impact on your customer experience. Customers appreciate the minimal effort it takes to follow up on the status of their vehicle currently being serviced or provide a reminder for an upcoming appointment. Additionally, this helps your Service Department improve CSI, fill Service bays, and retain customers.



LOOKING AHEAD

With the inventory shortage in full swing, dealerships have put an increasingly strong emphasis on the ability of their Service Departments to capture more revenue and assist customers that want to keep their cars in tip-top shape. As many dealerships prepare for the inventory crisis to improve, however, it's important to continue to put your best foot forward with the customers you captivated by your Service Department. That starts on the phone.

Having the right metrics and processes to measure your communication efforts and hold your team accountable is where the game changes. Car Wars helps Service Managers gain visibility on their inbound and outbound calls, capture more Service opportunities, and improve CSI.

IF YOU'D LIKE TO LEARN MORE ABOUT CAR WARS, VISIT OR CALL:

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