

Five Steps to Five Stars

How Great Online Reviews Accelerate Car Sales

“ Thanks to rapid advances in digital technology, your reputation will become ubiquitous, permanent, and available worldwide—whether you like it or not.” *

* Michael Fertik, *Welcome to the Reputation Economy*

What do your buyers say online about their experience? How much do online reviews and star ratings affect walk-ins, unit sales and recurring service revenue?

Whether you ask for feedback or not, car buyers share their experience online. **Customer reviews** play an increasingly **vital role in the reputation and financial success** of auto sales and service organisations. Reviews can either convince buyers that you offer the right cars and level of service, or lead them to take their business to another dealer with better reviews.

- **90% of new car buyers use the internet to research cars before making a purchase decision.** ¹
- **Car shoppers are 5 times more likely to convert to a lead when a dealer has an overall 3.5-star or higher online review rating.** ²
- **One negative review can cost your business 30 customers.** ³

As an automotive professional, one of the single most important things you can do for your business is develop an online review generation and monitoring program.

Here are 5 steps you can follow to:

- **Help customers find you**
- **Improve your rating scores**
- **Enhance customer experience and satisfaction**
- **Increase dealerships' walk-in traffic, unit sales and service revenue**

¹ J.D. Powers

² Datium & DealerRater

³ According to published reports



Step 1. Develop a system for generating reviews from satisfied customers

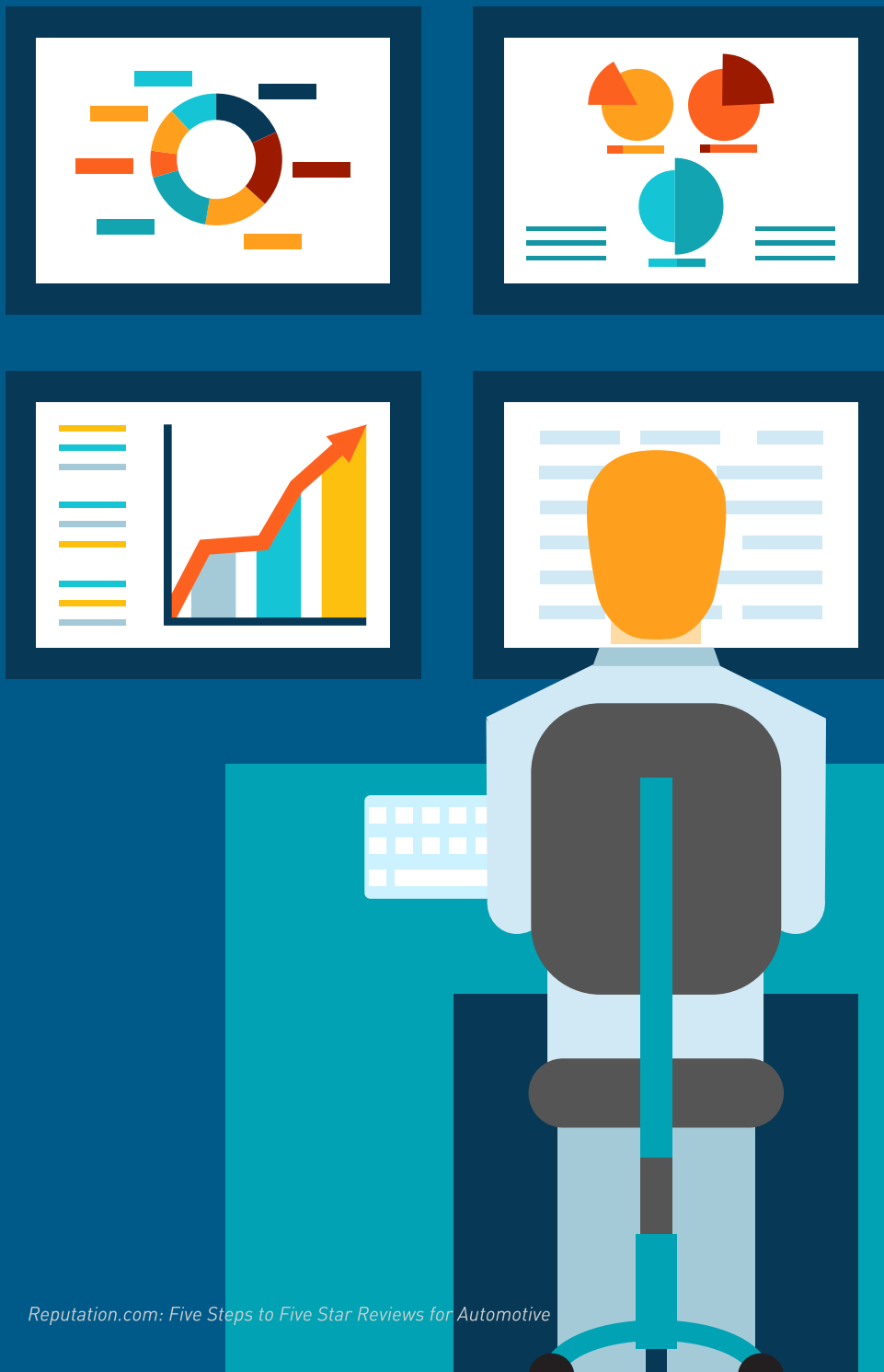
An abundance of good reviews gives your prospects a positive perception of your dealership and helps ensure you get a fair shake online. It's important to **generate reviews on a scalable and scheduled basis** — not all at once. Both your prospects and search engines want to see that you've earned accolades for the quality of your sales and service over a period of time.

Bonus Tip:

The way you ask customers to write reviews makes a big difference. You want to generate several reviews per week by sending requests in a steady trickle. Request reviews from customers who are in a position to say something meaningful about their experience. Honor their trust by asking for their honest feedback. Authentic, longer reviews posted over time are considered the most trustworthy.

Example:

After a US based auto retailer (with over 290 new vehicle franchises in 15 states) began a comprehensive review generation program, they were able to more than triple their review volume from 1,200 per month to 4,000 per month - and enjoyed a 65% increase in their overall reputation score.



Step 2.

Monitor review sites and look for ways to improve customer experience and support

Online review sites are one of a marketer's best listening resources. Systematically monitoring gives you important data about the quality of your sales, service and common concerns. Conversely, without continual and thorough monitoring, you're left with a serious blind spot. **Reviews contain a wealth of customer experience data**, which can help you uncover and address recurring issues quickly.

Bonus Tip:

Consider all feedback constructive. It's often valuable advice. Sometimes negative comments are warranted and you can use the information to improve sales, service and support. While getting great reviews is a primary objective for marketing, **the real goal is enhancing the customer experience** in order to improve your bottom line.

Example:

In a recent analysis of the online reputation of one leading auto maker, locations that saw improvement in their reputation scores (as measured by star ratings; number, quality and relevance of rating site; length of reviews and responses to them) were 5% more likely to see a seasonally adjusted rise in sales and service.



Step 3. Respond quickly and appropriately to reviews

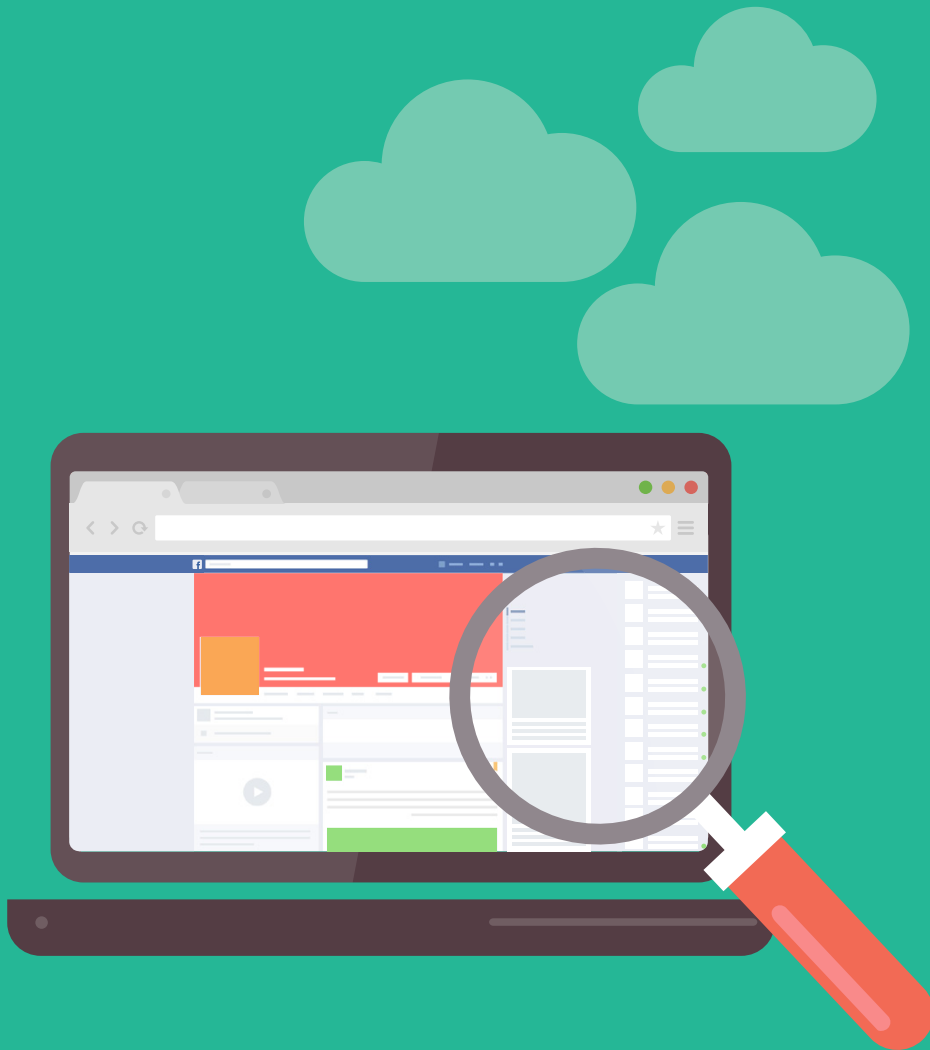
You don't need to respond to all positive reviews, but **when you see negative reviews, make sure you address concerns promptly.** People post complaints because they want a quick response and because they want other people to see how you handle the situation.

Bonus Tip:

When someone complains—whether because of a long wait, trouble with a car or a misunderstanding—you owe it to them and your business to respond. It may be necessary to take the discussion offline to resolve the problem or keep an argument from escalating. And remember that the best response to a negative review is the presence of a lot of positive ones.

Example:

Reducing negative reviews is as important as increasing positive ones. By responding appropriately to negative reviews and making operational changes, a major dealership in America reduced its percentage of negative reviews from 53% to 15%.



Step 4. Create a social media advertising strategy to boost your online presence

Social media networks are much more than a channel to connect with friends and family. They're also great tools for brands to engage with customers. Dealer groups have realised that social media gives them an opportunity to meet their customers where they spend the most time – on Facebook. In fact, Facebook reports that it has an average of 1.4 billion daily active users (slightly more than the population of China –1.36 billion people), making it the largest social network in the world.

This makes it imperative for your dealership to create a Facebook Advertising strategy that puts your posts in front of a captive audience and expands your community.

Facebook Advertising allows you to “boost” your social media posts so that you can target your content to people who like your page and their friends.

When creating a strategy, consider boosting posts that will do the following:

1. Promote good customer reviews about your dealership or service
2. Drive traffic to your website
3. Increase awareness about a limited-time campaign
4. Improve engagement
5. Strengthen a sense of community with your customers

Bonus Tip:

When using Facebook Advertising, make sure the post you choose to boost complies with the social network's Ad Guidelines. All boosted posts still have to be approved by the network before appearing higher on users' News Feeds.

Step 5.

Use great reviews to get great reviews

Many people like to see what others have written before writing their own reviews. Plus, often loyal customers who see positive reviews are inspired to add their own. **Consider promoting them on your website and social media pages.** Most review sites allow you to quote reviews, as long as you reference them. When you quote reviews online, link back to the originals. This not only drives prospects to the review sites to view more positive reviews but it also adds more authenticity to the reviews.

Bonus Tip:

When you ask for feedback in your waiting areas, consider investing in tablets to collect reviews and publish them instantly to your website or social media pages. Customers can also be directed to post on specific review sites, such as Google and Facebook.

Example:

After launching its review generation program, a USA auto retailer saw significant improvements in each of its dealerships. In several locations their star rating went from 3.1 to 4.5 stars. Positive review volume increased by 1564% in another location.



A difference of one “star” in the average rating can lead to a 5-9% difference in revenue.

Harvard Business Review

Conclusion:

Following these five steps is the beginning of an effective strategy and system to help you take control of your customer reviews. Your efforts will pay off. In the past several years, automotive dealer groups with active programs have not only enjoyed increases in their star ratings and search ranking. They’ve used the feedback to improve customer experience, and have seen the results in their bottom line.



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