

Internet leads: Better, but still not good enough

BY JON MOHR

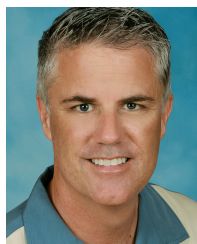
When it comes to how quickly marine dealers respond to Internet leads, the good news is that progress is being made at a rapid rate. The bad news is that there is still a lot of work to be done, and many potential customers are still falling through the cracks, which translates into lost sales opportunities.

Data collected through the beginning of March indicates that response times have shown steady improvement over the last couple of years, and big gains recently. That data was pulled from a Secret Shopper Study ARI conducts on an ongoing basis for various manufacturers, 20 Groups and industry events.

In the first few months of 2011, the dealerships secretly shopped by ARI have responded more quickly and in greater numbers to the e-mailed requests for information used to gauge how they handle online leads than previously. Just over 60 percent of the dealers ARI was able to reach via e-mail (293 dealers didn't list an e-mail address on their websites or provide a way to be contacted by e-mail) responded to the request for information in some fashion, as shown in the upper most accompanying chart. This number was up from 53 percent during the third quarter of 2010, which itself was up from 46.4 percent for all of 2009.

"I'm pretty excited," says Bob McCann, director of education for ARI. "Right now, as an industry, we're at a 60-percent response rate. And, a lot of people would say, 'Holy smokes, that means 40 percent have not been responded to.' But you had to have been in my shoes all these years ... We're not where automotive is. We're not where real estate is at this point. But we're certainly doing a better job."

In addition to improved response rates, McCann says the average response time for dealers to get back to online leads via e-mail or phone is down from 30.5



BOB MCCANN

TOTAL

Attempts	1,996	
Leads	1,703	85.32%
Total Resp.	1,022	60.01%
Email Only	504	29.59%
Phone Only	227	13.33%
Email + Phone	291	17.09%
Avg Hrs	26.49	

DEALER

Attempts	741	
Leads	448	60.46%
Total Resp.	326	72.77%
Email Only	177	39.51%
Phone Only	67	14.96%
Email + Phone	82	18.30%
Avg Hrs	23.95	

OEM

Attempts	1,255	
Leads	1,255	100%
Total Resp.	696	55.46%
Email Only	327	26.06%
Phone Only	160	12.75%
Email + Phone	209	16.65%
Avg Hrs	27.68	

Source: ARI Secret Shopper Study

hours last fall to 26.49 hours thru early March. It's no surprise that the industry's top dealers are leading the way, with response times measured in minutes rather than hours.

Picking up the phone

Although the percentage of dealerships that respond to online leads, and the pace at which they do so, is improving, ARI also noted some areas that, while getting better, are lagging. One is the percentage of dealerships that reply to an online lead with a phone call. As you can see in the top chart, dealers who responded by phone, or by both e-mail and phone (which ARI recommends), comprise slightly more than half (30.42 percent) of the total who got back to the leads.

"We really think it's important to

phone," McCann says. "If you add the 17 percent [e-mail plus phone] and the 13 percent [phone only], you're now up to 30 percent of the leads that dealers attempt to call. That's horrible. E-mails going back and forth, it's such a crowded space now to try and get into somebody's e-mail box and get some attention. You've got to phone these people, and they're not taking that opportunity. So that's our big push for education now is to get the dealer to see the value of the phone."

Responding to leads

ARI's study has also identified significant differences in the way dealers handle online leads they receive from their own websites as opposed to manufacturer's websites. The "Dealer" chart tracks response rates, times and methods from e-mail requests made directly on a dealership's website, while the "OEM" chart tracks how dealers handled those same requests when the shopper used the manufacturer's website.

The response time is greater and the response rate is lower, as are all the percentages, for leads that originated from a manufacturer's website rather than the dealer's own site. McCann says dealers in the boating industry are not unique in this regard. He observed the same thing when he worked in the auto industry.

"Anytime a lead is on a piece of inventory, something that's tangible, dealers seem to react more quickly to it," he says. "A lot of OEM leads are just someone requesting a brochure, who some dealers consider to be higher in the [purchasing] funnel. Maybe, in general, they are. But there's an occasional one who is right down at the bottom of the funnel. You just don't know who they are, so you have to get on all of [those leads] quick."

Of course, the elephant in the room remains the fact that 40 percent of the leads ARI generates for its Secret Shopping Study go unanswered. Given the continued growth of the Internet, this is unacceptable for those businesses that expect to succeed in the years to come. But McCann doesn't think it will take a lot to change the attitudes of those who still resist doing business online.

"To get them going in the right direction, they need to understand that this is a viable opportunity," he says. "Once they do that and get the wins, they realize that, 'Wow, this is like shooting fish in a barrel.' It becomes their best lead source at some point." 🐟