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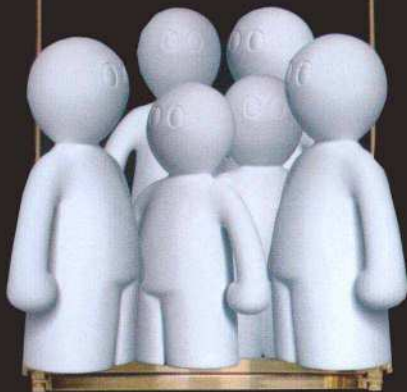
# ***Auto Dealer Monthly***

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# The Proper Balance of Technology & People

## Keys to Successful Dealer Web Site Chat

By Ted Rubin



**I** imagine for a moment that a customer walks onto your lot to see your inventory and maybe pick up a brochure. The prospect wanders around for 15 minutes kicking tires, peeking into some car windows, maybe even checking out a few window stickers for pricing information.

Now imagine that one of your sales staff approaches them to offer additional assistance. Then, after the customer peeks into the showroom and no one seems to care enough to say hello, they get back in their vehicle and drive away. They were obviously interested, but you now have no name, no contact information, nothing. When this happens to a store, I always find the Saturday meeting that follows very lively.

The question is, would you allow this to happen at your store? Having asked numerous dealers and general managers, I have never heard anyone say, "Why yes! That is what I expect." Of course, it is ludicrous to believe that anyone would want to allow this to happen, but it happens every day at just about every store, including yours. It may not happen often at

your physical store, but every minute of the day, it happens at your virtual store - your Web site.

Statistically, people shopping for new or pre-owned vehicles go to your Web site first to get a better understanding of what you have available in stock, and also to determine if you are a store where they want to do business. This is their first introduction to you and how you treat your customers. That is why it is so important to start building your relationship with the customer when they first visit your Web site.

We should all be able to agree that dealer Web sites are the virtual representations of physical dealerships, but there is a disconnect. According to a recent study, 96 percent of people who visit dealer Web sites do not submit

any contact information. Just imagine for a second that you failed to get any piece of contact information from 96 percent of the customers who walked into your dealership.

In one form or another, online chat has been around since the early days of the Internet. There are now essentially three levels of chat software. The first is un-intelligent chat. This is where the customers click a button to initiate a chat session. A live rep must be waiting on the other side and must react to the request, much like answering a phone call.

The problem is that response time must be within about four to five seconds or you will lose the customer. That is less than a quarter of the time that a rep would normally have to answer



a phone call. This type of chat is completely reactive and offers little insight to the interests of the customer prior to the conversation. Therefore, conversations can more tedious and lengthy.

Next is the rule-based chat. This version has the ability to automatically message customers if they take certain click paths through a Web site. This advancement encourages more of the Web site visitors to engage in a chat session because they are being invited to do so. The unfortunate part is that there are two major hurdles for most users of this type of system.

First, it requires more immediate response from the representative. Since the system is actually inviting the customer into a chat session, it is expected that the representative is right there and ready to chat. Many dealerships are not able to handle this type of

immediate response.

The second hurdle is that many users are not able to define effective rules. They base their designs on gut feelings or impressions, instead of statistical analysis. Often, this is because these systems do not offer an effective way to acquire the data necessary to do

the analysis.

The third and most recent iteration of chat is business intelligence interaction. This new option combines the first two versions of chat and includes statistical and behavioral modeling that lets you know which shoppers have

the highest probability to convert into leads. This version is revolutionizing online shoppers' experiences by providing the right message at just the right time during their shopping experiences. It is the most labor-intensive type of chat for the representative, but it is also shown to be clearly the most effective overall.

This is why it is important to always keep in mind that live chat is a service-driven system, not just a technology component to add to your Web site. If not used, properly, you could push more customers away from your site because of poor processes.

Live chat demands response to customer requests in five seconds or less. This "just-in-time" technology changes how you need to approach your online customer service business. Speed and messaging are critical to keep customers moving seamlessly through chat conversations. And a key point is collecting the pertinent information you need to put a name and face on your Web site's previously anonymous shopper.

You must either commit to using chat and dedicate the required resources or not use it all. There is really no in-between. The immediacy is a key component to successful chat. If you do not have people dedicated to it, you lose the immediacy and will probably be unsuccessful. Used properly, chat has the power to provide instant gratification to your site visitors by answering their ques-

knowledgeable people to manage your chat.

If you tried to handle chat within your dealership, you would need to have full-time staff devoted to continuously monitoring your site traffic. This means they could not also be fielding phone calls and responding to e-mail. This would also mean that they would have to be trained on the specific communication requirements of the medium.

Even if you had the time and could train your staff to manage chat, most people do not have the skills, the knowledge or the background to train in the medium. Different media require different skill sets. For successful chat, you must be fast and use proper grammar and spelling. People with these skills have to be carefully selected. Keep in mind that if you misspeak in chat, there is a written record and mistakes could be damaging. Chat conversations have to be specially modified from phone, e-mail and face-to-face communications. The dialogue must be fluid and adapted from best practices.

In addition to qualified, dedicated personnel to man the chat, you also need knowledgeable people to continuously analyze the methods that are working best. Unless you have a large, highly developed IT department, or plan to create one, you will not be able to do the analysis required to maximize your results. As simple as chat may seem at first glance, there

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**“ In addition to qualified, dedicated personnel to man the chat, you also need knowledgeable people to continuously analyze the methods that are working best. ”**

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tions and helping them with any issues.

Many dealerships have merely enabled chat software on their sites and told their existing (and already busy) salespeople to monitor it. This will not help you. You must have dedicated,

are potential pitfalls and qualified people must be devoted to it for success.

You can outsource chat services. However, you must be careful in selecting a vendor, and price should not be your only concern. Many dealers have had far less



than outstanding results from using low-cost call centers to handle chat. The problem is that the people operating chat must know what is happening at your dealership. They must keep up with your current specials or vehicles offered and have an intimate knowledge of your dealership staff so that the chat experience appears seamless to the customer.

Just using a person who knows how to type will not give your visitors better service or help your dealership. You must ensure that the vendor's staff members will have the knowledge and training to understand your dealership, your products and how you

conduct business.

For Web sites that utilize chat, InternetRetailer.com estimates that 15 percent of Web visitors accept proactive invitations to chat. Note that statistic was for "proactive invitations." Sites that merely have a "click to chat" button yield far lower engagement rates. Again, you have to let shoppers know that you are there to help them on your Web site, just as you are at your physical dealership.

E-Tailing Group's Mystery Shopper Survey last fall found that customers stay on chat for an average of 8.11 minutes, once engaged. Your site might not get rates this high

in the beginning, but just think about the potential. Even at low estimates, if your site gets 1,000 visitors per month and you chat with 10 percent of them, those are 100 more shoppers that your dealership had personalized communication with and the opportunity to begin building relationships with.

At minutes per chat session, your dealership acquired 800 minutes of "face time" that would not have happened without using chat. During this time, you can gain valuable information to help lead shoppers through the sales cycle. As the medium continues to evolve, the sky is the limit for increased engagement opportunities to turn browsers into buyers.

Used properly, chat lets your virtual dealership offer the same level of service you provide at your physical dealership to an increasing number of shoppers who might not make it to your bricks-and-mortar operation.

The key is to engage site visitors, get useful information about

them and move them into the sales process. With the emerging medium, however, you must make sure you follow best practices and dedicate the needed resources to effectively maximize chat opportunities and results. **ADM**

Ted Rubin is the co-founder of ActivEngage, Inc. based in Orlando, Florida. His is a leading expert on Business Development, Internet process and technology in the automotive industry.

