Deloitte.

2019 Dealership Benchmarks

Motor Industry Services

Cars | Australia

Profit*focus*™

The 2019 Deloitte Motor Industry Services Dealership Benchmarks

We are delighted to present the 2019 Deloitte Motor Industry Services Dealership Benchmarks for the Australian car market.

The starting point for these benchmarks is the data uploaded to the eProfitFocus system by more than 900 dealers in the Australian market in the 12 months leading up to the benchmark period. The actual results of the top 30% of dealers in each key department (new, used, parts, service and finance & insurance), as well as the top performers overall, are taken as the reference point for these benchmarks.

This ensures that the benchmarks are always tied to actual levels of performance that are achievable in the prevailing market. This raw data is then reviewed in the light of current industry circumstances and long-held best practices, to derive a set of benchmarks that can be used as a guide to building a sustainable, long-term business.

The benchmarks are split into three categories: the Volume Market, the Prestige Market and the Luxury Market. This segmentation reflects the different business models that dealers operate in their quest to earn a profit. While the business models in each segment are intrinsically impacted by the brands that dealers carry, the benchmarks are not a commentary on the positioning or esteem of those brands.

In this booklet, you will also find Customer Retention Management (CRM) benchmarks. CRM benchmarking is an excellent method for dealerships to monitor and set goals towards effective acquisition, satisfaction and retention of customers.

We are always happy to discuss any aspect of these benchmarks, so please feel free to contact a member of the Deloitte Motor Industry Services team using the details provided at the back of this booklet or at **www.eprofitfocus.com**

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Volume Market

Volume Market benchmarks

The Deloitte Motor Industry Services dealership benchmarks help dealers assess their performance against a hypothetical high performing dealer running a similar type of business operation.

Dealers who fall into the Volume Market segment tend to focus on the volume side of the volume/margin equation.

In 2018, weaker new car volumes across the industry put direct pressure on the new car profitability of dealers in the Volume segment. In addition, these lower volumes had flow-on impacts for the used department and F&I. While there were gains in fixed operations, they were not enough to offset the softening in the front end of the business. As a result, full year net profit in the segment declined.

For these dealers, the "Big 5" metrics to focus on for 2019 are:

1.	Net profit as a % of sales	2.7 - 3.1%
2.	Selling gross profit per new vehicle sold	$939
3.	Total gross profit per used vehicle retailed	$2,500
4.	Parts & Service Absorption	50 - 55%
5.	Overheads as a % of dealership gross profit	46%

A note about these benchmarks

Benchmarking is an excellent method of monitoring performance and setting goals. These benchmarks are a measure of 'best practice' drawn from the top 30% of dealers in the eProfitFocus database - a dataset of more than 900 dealers.

The intention of the benchmarks is to provide a 'guide' for dealership performance. Some dealerships, due to certain geographic or demographic circumstances, cannot achieve all the guidelines.

For further clarification and interpretation of these benchmarks please contact us at:

www.eprofitfocus.com

Total dealership

Trading summary	
Net profit as % of sales*	2.7-3.1%
Days to dealership breakeven**	25

* This compares to the NP%S of the average Volume dealer of 1.0%

** Based on a full month i.e. 30 days

Dealership structure	Orientation	GP %
New	36%	7-9%
Used	13%	9-11%
Parts	14%	21-25%
Service	37%	62-66%
	100%	12-14%

Front end (vehicle operations)	49%
Back end (fixed operations)	51%
Finance and insurance income	13% of total gross
Other income and incentives	14% of total gross

Orientation = Where does the gross come from?

GP% = How strong are my margins?

Note these orientation benchmarks provide a guide for achieving above average results in the market today. However, businesses that deliver sustainable results over a longer time frame tend to have a slight front-end bias to their operations.

People	
Gross per employee per month	$9,300
Net profit per employee per month	$2,300

Vehicle operations

Product	New	Used
Gross per unit*	$3,000	$2,500
Used/new ratio (retail)	n/a	0.4
Days supply	65-75	55-65
Stock turns p.a.	5-6	6-7
Gross ROI**	50%	60%

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

** Gross as a % of cost of sales x turns p.a.

People	New	Used
Units per sales staff per month	11	12
Gross per salesperson per month	$33,900	$30,000

Finance and Insurance (F&I)*

F&I Product	New	Used
Finance penetration	31-35%	29-33%
Finance income per contract	$2,550-$2,750	$2,700-$2,900
Finance per retail unit sold	$900	$850
Insurance per retail unit sold	$110	$100

F&I selling gross per vehicle retailed	$800

People	
Vehicles retailed per F&I staff per month	45-50
Salaries and commissions as a % of income	22%
F&I income per dept employee per month	$47,200

*The F&I Benchmarks reflect the top performances in the current market. With significant regulatory change in late 2018, many dealers are looking to restructure their F&I processes. In particular dealers are looking to lift new finance penetration to over 45% in order to offset expected declines in revenue per contract.

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	4%	23%
Wholesale/trade	22%	17%
Workshop	29%	34%
Warranty	22%	10%
Internal	23%	21%
Total	100%	22%

Operational benchmarks	
Days supply	40-50
Stock turns p.a.	8-9
Monthly sales per employee	$91,100
Monthly gross per employee	$20,000
$ Sales per $ salary	$23.00

Service department	Sales mix %	GP %
Labour		
– Retail	54%	78%
– Warranty	18%	75%
– Internal	28%	79%
Total labour sales	100%	77%
Sublet sales		10%
Total gross profit (% sales)		65%

Operational benchmarks	
Performance index (productivity x efficiency)	95-105%
Monthly labour sales per technician	$18,300
Monthly labour gross per technician	$14,100
Parts/labour ratio	$0.63
Ratio of chargeable to non-chargeable	1.2-1.6
Parts and service absorption	50-55%
Retention – relative service size**	$1,650

**Labour sales per new retail unit sold per month

Department profitability

	New		Used	
Vehicle operations	**% Gross**	**$/Unit**	**% Gross**	**$/Unit**
Gross*	100%	3,000	100%	2,500
Sales staff salaries and comms	20.7%	621	20.3%	508
Manager salaries and comms	8.0%	240	9.4%	234
Other salaries	5.5%	165	4.0%	100
Pre-delivery costs	9.7%	291	–	–
Free service/policy	2.1%	63	–	–
Used warranty	–	–	1.3%	33
Advertising	7.8%	234	9.0%	225
Training	0.5%	15	0.5%	13
Floorplan	11.0%	330	3.5%	88
Demonstrator expenses	3.4%	102	3.6%	90
Selling gross	**31.3%**	**$939**	**48.4%**	**$1,209**

Selling gross per salesperson	$10,600	$14,500
Selling gross per employee	$5,400	$8,250

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	21.4%	23.1%
Advertising and promotion	0.4%	0.6%
Training	0.2%	1.3%
Policy/freight	0.9%	1.6%
Tools and supplies	0.1%	0.5%
Equipment and vehicle maintenance	1.3%	3.2%
Sick/holiday – technicians	–	5.1%
Selling gross	**75.7%**	**64.6%**

Selling gross per technician	–	$9,100
Selling gross per employee	$15,100	$6,500

Dealership overheads

	% Gross
Administration and salaries	8.2%
Training	0.1%
FBT (net of contributions)	0.4%
Payroll tax	3.2%
Superannuation	5.1%
Long service leave	0.4%
Rent (or mortgage interest)	11.8%
Rates and taxes	1.4%
Property maintenance/outside services	3.1%
Telephone	0.7%
Insurance (including workers compensation)	2.1%
Office supplies/stationery	0.6%
Professional fees	0.7%
Data processing	1.7%
Bank charges and taxes	0.4%
Interest (overdraft/working capital)	0.6%
Bad debts	0.1%
Depreciation	1.8%
Electricity	1.0%
Travel and entertainment	0.5%
Miscellaneous	2.1%
Total fixed expenses	46%

Overheads are shown as a percentage of total dealership gross profit. This includes gross profit from the New, Used, Parts and Service departments (but excludes net F&I income which is brought into dealership profit at a selling gross level).

Prestige Market


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Prestige Market benchmarks

The Deloitte Motor Industry Services dealership benchmarks help dealers assess their performance against a hypothetical high performing dealer running a similar type of business operation.

Dealers who fall into the Prestige Market segment tend to focus on finding a balance in the volume/margin equation.

In 2018, the dealers in the Prestige Market faced declining new car volumes. This put direct pressure on new car profitability and had significant flow-on impacts for the used department and F&I income. While there were gains from the service department, they were not enough to offset the softening front end of the business. This left net profit in the segment lower than the previous year.

For these dealers, the "Big 5" metrics to focus on for 2019 are:

1.	Net profit as a % of sales	2.6 - 3.0%
2.	Selling gross profit per new vehicle sold	$1,246
3.	Total gross profit per used vehicle retailed	$2,550
4.	Parts & Service Absorption	55 - 60%
5.	Overheads as a % of dealership gross profit	46%

A note about these benchmarks

Benchmarking is an excellent method of monitoring performance and setting goals. These benchmarks are a measure of 'best practice' drawn from the top 30% of dealers in the eProfitFocus database of more than 900 dealers.

The intention of the benchmarks is to provide a 'guide' for dealership performance. Some dealerships, due to certain geographic or demographic circumstances, cannot achieve all the guidelines.

For further clarification and interpretation of these benchmarks please contact us at:

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Total dealership

Trading summary	
Net profit as % of sales*	2.6-3.0%
Days to dealership breakeven**	26

* This compares to the NP%S of the average Prestige dealer of 1.1%
** Based on a full month i.e. 30 days

Dealership structure	Orientation	GP %
New	36%	8-10%
Used	13%	9-11%
Parts	14%	21-25%
Service	37%	66-70%
	100%	13-15%

Front end (vehicle operations)	49%
Back end (fixed operations)	51%
Finance and insurance income	11% of total gross
Other income and incentives	14% of total gross

Orientation = Where does the gross come from?
GP% = How strong are my margins?
Note these orientation benchmarks provide a guide for achieving above average results in the market today. However, businesses that deliver sustainable results over a longer time frame tend to have a slight front-end bias to their operations.

People	
Gross per employee per month	$10,650
Net profit per employee per month	$2,400

Vehicle operations

Product	New	Used
Gross per unit*	$3,500	$2,550
Used/new ratio (retail)	n/a	0.4
Days supply	65-75	60-70
Stock turns p.a.	5-6	5-6
Gross ROI**	55%	60%

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I
** Gross as a % of cost of sales x turns p.a.

People	New	Used
Units per sales staff per month	10	13
Gross per salesperson per month	$35,700	$33,400

Finance and Insurance (F&I)*

F&I Product	New	Used
Finance penetration	32-36%	28-32%
Finance income per contract	$2,300-$2,500	$2,600-$2,800
Finance per retail unit sold	$830	$790
Insurance per retail unit sold	$110	$110

F&I selling gross per vehicle retailed	$760

People	
Vehicles retailed per F&I staff per month	45-55
Salaries and commissions as a % of income	22%
F&I income per dept employee per month	$49,500

*The F&I Benchmarks reflect the top performances in the current market. With significant regulatory change due in late 2018, many dealers are looking to restructure their F&I processes. In particular dealers are looking to lift new finance penetration to over 45% in order to offset expected declines in revenue per contract.

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	4%	25%
Wholesale/trade	26%	17%
Workshop	31%	34%
Warranty	24%	11%
Internal	15%	19%
Total	100%	22%

Operational benchmarks	
Days supply	55-65
Stock turns p.a.	6-7
Monthly sales per employee	$103,800
Monthly gross per employee	$22,800
$ Sales per $ salary	$22.00

Service department	Sales mix %	GP %
Labour		
– Retail	55%	81%
– Warranty	21%	77%
– Internal	24%	75%
Total labour sales	100%	77%
Sublet sales		12%
Total gross profit (% sales)		68%

Operational benchmarks	
Performance index (productivity x efficiency)	95-105%
Monthly labour sales per technician	$17,950
Monthly labour gross per technician	$13,800
Parts/labour ratio	$0.70
Ratio of chargeable to non-chargeable	1.2-1.6
Parts and service absorption	55-60%
Retention – relative service size**	$1,700

**Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New % Gross	New $/Unit	Used % Gross	Used $/Unit
Gross*	100%	3,500	100%	2,550
Sales staff salaries and comms	20.1%	704	19.7%	502
Manager salaries and comms	7.1%	249	9.0%	230
Other salaries	5.4%	189	5.0%	128
Pre-delivery costs	7.4%	259	–	–
Free service/policy	1.1%	39	–	–
Used warranty	–	–	1.0%	26
Advertising	9.1%	319	9.0%	230
Training	0.5%	18	0.5%	13
Floorplan	10.1%	354	3.1%	79
Demonstrator expenses	3.5%	123	4.0%	102
Selling gross	**35.7%**	**$1,246**	**48.7%**	**$1,240**

	New	Used
Selling gross per salesperson	$12,700	$16,300
Selling gross per employee	$6,500	$9,300

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	22.2%	24.6%
Advertising and promotion	0.3%	0.8%
Training	0.2%	1.3%
Policy/freight	1.5%	1.4%
Tools and supplies	0.2%	0.6%
Equipment and vehicle maintenance	1.2%	3.5%
Sick/holiday – technicians	–	4.7%
Selling gross	**74.4%**	**63.1%**

	Parts	Service
Selling gross per technician	–	$8,700
Selling gross per employee	$17,000	$5,100

Dealership overheads

	% Gross
Administration and salaries	8.2%
Training	0.1%
FBT (net of contributions)	0.6%
Payroll tax	3.0%
Superannuation	4.9%
Long service leave	0.3%
Rent (or mortgage interest)	11.9%
Rates and taxes	1.6%
Property maintenance/outside services	3.0%
Telephone	0.6%
Insurance (including workers compensation)	2.0%
Office supplies/stationery	0.5%
Professional fees	0.5%
Data processing	1.6%
Bank charges and taxes	0.5%
Interest (overdraft/working capital)	0.6%
Bad debts	0.1%
Depreciation	1.8%
Electricity	1.1%
Travel and entertainment	0.5%
Miscellaneous	2.4%
Total fixed expenses	46%

Overheads are shown as a percentage of total dealership gross profit. This includes gross profit from the New, Used, Parts and Service departments (but excludes net F&I, income which is brought into dealership profit at a selling gross level).

Luxury Market

Luxury Market benchmarks

The Deloitte Motor Industry Services dealership benchmarks help dealers assess their performance against a hypothetical high performing dealer running a similar type of business operation.

Dealers who fall into the Luxury Market segment tend to focus on the margin side of the volume/margin equation.

In 2018, the Luxury Market experienced a second year of declining new car volumes. This left the average dealer with cost challenges in the new car department which were exacerbated by the impact the lower volumes had on F&I income. While there were some small gains from Fixed Operations, they were not enough to prevent net profit for the Luxury Market from declining from the year before.

For these dealers, the "Big 5" metrics to focus on for 2019 are

1. Net profit as a % of sales	2.1 - 2.5%
2. Selling gross profit per new vehicle sold	$1,151
3. Total gross profit per used vehicle retailed	$2,750
4. Parts & Service Absorption	50 - 55%
5. Overheads as a % of dealership gross profit	48%

A note about these benchmarks

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The intention of the benchmarks is to provide a 'guide' for dealership performance. Some dealerships, due to certain geographic or demographic circumstances, cannot achieve all the guidelines.

For further clarification and interpretations of these benchmarks please contact us at:

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Total dealership

Trading summary	
Net profit as % of sales*	2.1-2.5%
Days to dealership breakeven**	26

* This compares to the NP%S of the average Luxury dealer of 0.8%
** Based on a full month, i.e. 30 days

Dealership structure	Orientation	GP %
New	34%	7-9%
Used	12%	7-9%
Parts	17%	21-25%
Service	37%	67-71%
	100%	12-14%

Front end (vehicle operations)	46%
Back end (fixed operations)	54%
Finance and insurance income	9% of total gross
Other income and incentives	19% of total gross

Orientation = Where does the gross come from?
GP% = How strong are my margins?
Note these orientation benchmarks provide a guide for achieving above average results in the market today. However, businesses that deliver sustainable results over a longer time frame tend to have a slight front-end bias to their operations.

People	
Gross per employee per month	$12,800
Net profit per employee per month	$1,900

Vehicle operations

Product	New	Used
Gross per unit*	4,350	2,750
Used/new ratio (retail)	n/a	0.50
Days supply	70-80	50-60
Stock turns p.a.	4-5	6-7
Gross ROI**	40%	55%

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I
**Gross as a % of cost of sales x turns p.a.

People	New	Used
Units per sales staff per month	9	14
Gross per salesperson per month	$38,280	$39,700

Finance and Insurance (F&I)*

F&I Product	New	Used
Finance penetration	34-38%	28-32%
Finance income per contract	$2,700-$2,900	$2,400-$2,600
Finance per retail unit sold	$1,020	$750
Insurance per retail unit sold	$130	$75

F&I selling gross per vehicle retailed	$850

People	
Vehicles retailed per F&I staff per month	40-45
Salaries and commissions as a % of income	25%
F&I income per dept employee per month	$40,400

*The F&I Benchmarks reflect the top performances in the current market.
With significant regulatory change in late 2018, many dealers are looking to restructure their F&I processes. In particular dealers are looking to lift new finance penetration to over 45% in order to offset expected declines in revenue per contract.

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	8%	22%
Wholesale/trade	25%	16%
Workshop	31%	35%
Warranty	24%	11%
Internal	12%	20%
Total	100%	23%

Operational benchmarks	
Days supply	55-65
Stock turns p.a.	6-7
Monthly sales per employee	$108,500
Monthly gross per employee	$25,000
$ Sales per $ salary	$24.00

Service department	Sales mix %	GP %
Labour		
– Retail	55%	79%
– Warranty	21%	76%
– Internal	24%	82%
Total labour sales	100%	76%
Sublet sales		12%
Total gross profit (% sales)		70%

Operational benchmarks	
Performance index (productivity x efficiency)	95-105%
Monthly labour sales per technician	$23,400
Monthly labour gross per technician	$17,800
Parts/labour ratio	$0.80
Ratio of chargeable to non-chargeable	1.2-1.6
Parts and service absorption	55-60%
Retention – relative service size**	$2,575

**Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New % Gross	New $/Unit	Used % Gross	Used $/Unit
Gross*	100%	4,350	100%	2,750
Sales staff salaries and comms	21.0%	914	17.0%	468
Manager salaries and comms	7.6%	331	8.7%	239
Other salaries	5.2%	226	3.0%	83
Pre-delivery costs	8.0%	348	–	–
Free service/policy	1.0%	44	–	–
Used warranty	–	–	0.5%	14
Advertising	11.0%	479	7.0%	193
Training	0.7%	30	1.0%	28
Floorplan	11.0%	479	2.9%	80
Demonstrator expenses	8.0%	348	7.0%	193
Selling gross	**26.5%**	**$1,151**	**52.9%**	**$1,452**

Selling gross per salesperson	$10,100	$21,000
Selling gross per employee	$3,450	$11,400

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	19.8%	24.6%
Advertising and promotion	0.3%	0.5%
Training	0.3%	2.2%
Policy/freight	1.8%	1.7%
Tools and supplies	0.1%	1.2%
Equipment and vehicle maintenance	1.5%	5.6%
Sick/holiday – technicians	–	4.3%
Selling gross	**76.2%**	**59.9%**

Selling gross per technician	–	$10,700
Selling gross per employee	$19,100	$6,200

Dealership overheads

	% Gross
Administration and salaries	8.0%
Training	0.1%
FBT (net of contributions)	0.6%
Payroll tax	2.8%
Superannuation	4.3%
Long service leave	0.5%
Rent (or mortgage interest)	12.9%
Rates and taxes	1.5%
Property maintenance/outside services	2.4%
Telephone	0.6%
Insurance (including workers compensation)	2.2%
Office supplies/stationery	0.7%
Professional fees	0.7%
Data processing	1.5%
Bank charges and taxes	0.6%
Interest (overdraft/working capital)	0.8%
Bad debts	0.1%
Depreciation	1.8%
Electricity	1.2%
Travel and entertainment	0.5%
Miscellaneous	3.8%
Total fixed expenses	48%

Overheads are shown as a percentage of total dealership gross profit. This includes gross profit from the New, Used, Parts and Service departments (but excludes net F&I income which is brought into dealership profit at a selling gross level).

CRM

CRM benchmarking your dealership

In contrast to the generally accepted opinion, CRM is more than just a software solution. The best dealerships across the nation address the four pillars of comprehensive Customer Relationship Management equally.

The four pillars of CRM

People	Processes	Tools	IT Solution

For benchmark dealers, CRM is a combination of the marketing, sales and service department activities of effectively acquiring, satisfying and retaining customers. CRM benchmarking is an excellent method of monitoring the relevant operational performance and setting transactional goals in dealerships.

The five goals of CRM

1. Increase vehicle and service sales
2. Improve vehicle and service gross profits
3. Improve service retention and repurchases
4. Generate advocate customers
5. Reduce marketing expenses

CRM benchmarks

These CRM benchmarks are a guide of Best Practices as identified in the Australian Motor Industry. The displayed figures represent the benchmark of what dealers need to aim for when implementing successful CRM operations.

Some dealerships, due to certain geographic or demographic circumstances, cannot achieve some of the benchmarks in practice. Nonetheless, we consider these CRM benchmarks to be realistic as 'a reference point' for a typical dealership in the Volume, Prestige and Luxury segments.

CRM and marketing

Every customer relationship begins with effective marketing.

Marketing effectiveness means:

1. Generate as many high quality Leads as possible
2. Increase return on every dollar spent in marketing
3. Improve customer experience

Lead origin

Channel and enquiry type	New vehicle	Used vehicle
Dealership website	31%	10%
Phone-ins (website phone number)	21%	5%
Walk-ins (website solicited)	25%	7%
Online lead providers*	12%	70%
Phone-ins (traditional media only)	6%	5%
Walk-ins (traditional media only)	5%	3%
	100%	100%

*Average of all lead providers

Marketing/advertising costs

Per new vehicle	Volume	Prestige	Luxury
Benchmark dealers	$234	$319	$479
Average dealers	$235	$269	$431

CRM and sales

How effective is your sales team at converting new market leads, referrals and repeat customers into sales.

Sales effectiveness means:

1. Maximise closing ratios and F&I penetration
2. Increase GP per sale and sales staff
3. Improve customer experience

The Road to Sale

Conversion ratios	AVG staff	Top staff
Enquiries/leads**	100%	100%
Appointments*	70%	92%
Test drives*	45%	73%
Offers*	33%	58%
Sales*	**22%**	**35%**
F&I contracts*	7%	12%

Units per month (based on BM)	Volume	Prestige	Luxury
Test drives*	24	21	18
Offers*	19	17	15
Sales*	11	10	9
F&I contracts*	4	4	3

* % of enquiries/leads

** All channels: internet, phone, lead-providers and traditional

Online lead handling	Response time
Benchmark sales staff	<10 minutes
Average sales staff	<2 hours
Minimum acceptable standard	same day

CRM and service

Once acquired, how do you retain customers in service?

Service effectiveness means:

1. Increase service retention
2. Increase vehicle repurchase probability
3. Improve customer experience

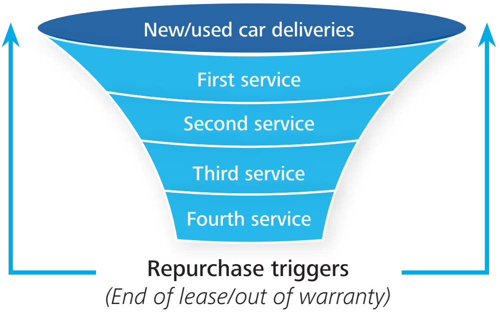
Service retention

Year after purchase	Metro	Rural
Handover/follow-up service	100%	100%
First year	91%	93%
Second year	82%	87%
Third year	68%	77%
Fourth year	49%	58%
Fifth year	40%	49%

How many customers, who bought their vehicle at the dealership have their car serviced at the dealership again?

The customer retention funnel

'Creating customers for life'



Repurchase intention

Customer type	Metro	Rural
All customers	33%	45%
F&I	50%	54%
Non-F&I	24%	37%

The Big 4 CRM measures

1. Customer orientation

New vehicle sales	Metro	Rural
Conquest customers (unsolicited)	62%	48%
Referral customers	13%	22%
Repeat customers	25%	30%
Total new vehicle sales	100%	100%

2. Customer profitability*

New vehicle customer profitability	National
Conquest customers (unsolicited)	100%
Referral customers	142%
Repeat customers	193%

* Customer profitability as % of conquest business (100%).

3. Dealership advocacy**

Customer	National
Advocates – positive word of mouth	80%
Indifferent customers	18%
Detractors – negative word of mouth	2%

** The dealership's ability to create advocate customers.

4. Customers' perception of effort in dealing with dealership

Effort	National
Customers who perceive low levels of effort	82%
Customers who perceive neutral levels of effort	11%
Customers who perceive high levels of effort	7%

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