



2020 Dealership Benchmarks
Motor Industry Services

Cars | Australia

Profit*focus*[™]

The 2020 Deloitte Motor Industry Services Dealership Benchmarks

We are delighted to present the 2020 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) guidelines. Focusing on the various elements of CRM is vital for dealerships seeking to improve the satisfaction and retention of their 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

Contents

Volume Market benchmarks	1
Prestige Market benchmarks	11
Luxury Market benchmarks	21
CRM benchmarks	31
Contact us	39

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 2019, the continued softening of new car volumes across the industry maintained the pressure on the new car profitability of dealers in the Volume segment, as well having implications for the used department and F&I. However, a combination of higher new car incentives and dealership-wide cost saving meant that net profit in the Volume segment remained unchanged for the year.

For dealers operating in the Volume segment, the "Big 5" metrics to focus on for 2020 are:

1. Net profit as a % of sales	2.6 - 3.1%
2. Selling gross profit per new vehicle sold	\$1,115
3. Total gross profit per used vehicle retailed	\$2,600
4. Parts & Service Absorption	50 - 55%
5. Overheads as a % of dealership gross profit	48%

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*	2.6-3.1%
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	35%	8-10%
Used	15%	9-11%
Parts	14%	21-24%
Service	36%	66-68%
	100%	12-14%
Front end (vehicle operations)	50%	
Back end (fixed operations)	50%	
Finance and insurance income	11% of total gross	
Other income and incentives	15% 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	\$11,100
Net profit per employee per month	\$2,400

Vehicle operations

Product	New	Used
Gross per unit*	\$3,100	\$2,600
Used/new ratio (retail)	n/a	0.5
Days supply	65-75	55-65
Stock turns p.a.	5-6	6-7
Gross ROI**	50%	70%

* 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	\$31,000	\$33,000

Finance and Insurance (F&I)

F&I Product	New	Used
Finance penetration	33-37%	25-30%
Finance income per contract	\$2,700-\$2,900	\$2,450-\$2,650
Finance per retail unit sold	\$980	\$700
Insurance per retail unit sold	\$90	\$100

F&I selling gross per vehicle retailed	\$850
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People

Vehicles retailed per F&I staff per month	35-40
Salaries and commissions as a % of income	22%
F&I income per dept employee per month	\$41,600

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	4%	27%
Wholesale/trade	18%	16%
Workshop	34%	33%
Warranty	23%	10%
Internal	21%	22%
Total	100%	21-24%

Operational benchmarks

Days supply	40-45
Stock turns p.a.	8-9
Monthly sales per employee	\$90,600
Monthly gross per employee	\$20,000
\$ Sales per \$ salary	\$22.30

Service department	Sales mix %	GP %
Labour		
- Retail	56%	79%
- Warranty	15%	73%
- Internal	29%	76%
Total labour sales	100%	77%
Sublet sales		11%
Total gross profit (% sales)		66-68%

Operational benchmarks

Performance index (productivity x efficiency)	95-105%
Monthly labour sales per technician	\$20,000
Monthly labour gross per technician	\$15,400
Parts/labour ratio	\$0.77
Ratio of chargeable to non-chargeable	1.1-1.5
Parts and service absorption	50-55%
Retention – relative service size**	\$1,900

**Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New		Used	
	% Gross	\$/Unit	% Gross	\$/Unit
Gross*	100%	3,100	100%	2,600
Sales staff salaries and comms	19.5%	604	20.0%	520
Manager salaries and comms	7.5%	232	10.1%	262
Other salaries	5.6%	174	4.5%	117
Pre-delivery costs	9.1%	282	-	-
Free service/policy	2.0%	62	-	-
Used warranty	-	-	2.0%	52
Advertising	7.2%	223	8.6%	224
Training	0.3%	10	0.5%	13
Floorplan	9.8%	304	3.1%	80
Demonstrator expenses	3.0%	94	3.4%	88
Selling gross	36.0%	\$1,115	47.8%	\$1,244
Selling gross per salesperson		\$11,100		\$15,800
Selling gross per employee		\$5,800		\$9,000

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

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	21.3%	22.7%
Advertising and promotion	0.5%	0.5%
Training	0.2%	1.3%
Policy/freight	1.3%	1.2%
Tools and supplies	0.1%	0.5%
Equipment and vehicle maintenance	1.2%	3.2%
Sick/holiday – technicians	-	5.1%
Selling gross	75.4%	65.5%
Selling gross per technician	-	\$10,000
Selling gross per employee	\$15,100	\$6,825

Dealership overheads

	% Gross
Administration and salaries	9.1%
Training	0.1%
FBT (net of contributions)	0.5%
Payroll tax	3.1%
Superannuation	5.1%
Long service leave	0.6%
Rent (or mortgage interest)	11.3%
Rates and taxes	1.4%
Property maintenance/outside services	3.2%
Telephone	0.7%
Insurance (including workers compensation)	2.5%
Office supplies/stationery	0.5%
Professional fees	0.7%
Data processing	1.9%
Bank charges and taxes	0.6%
Interest (overdraft/working capital)	0.7%
Bad debts	0.1%
Depreciation	2.1%
Electricity	1.0%
Travel and entertainment	0.5%
Miscellaneous	2.0%
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.

Prestige Market



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 2019, for dealers in the Prestige Market, the industry-wide drop in new vehicle volumes was coupled with declining margins. A similar scenario also played out in their Parts and Service departments. As a result, even the strong actions taken by Prestige dealers to adjust their cost base could not prevent net profit for the segment from sliding during the year.

For these dealers, the "Big 5" metrics to focus on for 2020 are:

1. Net profit as a % of sales	2.6 - 3.1%
2. Selling gross profit per new vehicle sold	\$1,187
3. Total gross profit per used vehicle retailed	\$2,400
4. Parts & Service Absorption	50 - 55%
5. Overheads as a % of dealership gross profit	48%

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*	2.6-3.1%
Days to dealership breakeven**	25

* This compares to the NP%S of the average Prestige dealer of 0.9%

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

Dealership structure	Orientation	GP %
New	34%	7-9%
Used	14%	8-10%
Parts	15%	21-24%
Service	37%	67-69%
	100%	13-15%
Front end (vehicle operations)	48%	
Back end (fixed operations)	52%	
Finance and insurance income	10% 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	\$9,900
Net profit per employee per month	\$2,100

Vehicle operations

Product	New	Used
Gross per unit*	\$3,200	\$2,400
Used/new ratio (retail)	n/a	0.5
Days supply	65-75	55-65
Stock turns p.a.	5-6	6-7
Gross ROI**	50%	65%

* 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	\$32,000	\$31,200

Finance and Insurance (F&I)

F&I Product	New	Used
Finance penetration	32-36%	25-29%
Finance income per contract	\$2,500-\$2,700	\$2,300-\$2,500
Finance per retail unit sold	\$885	\$650
Insurance per retail unit sold	\$90	\$100
F&I selling gross per vehicle retailed	\$800	

People	
Vehicles retailed per F&I staff per month	40-45
Salaries and commissions as a % of income	22%
F&I income per dept employee per month	\$43,500

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	4%	25%
Wholesale/trade	21%	18%
Workshop	35%	32%
Warranty	26%	10%
Internal	14%	20%
Total	100%	21-24%

Operational benchmarks

Days supply	45-50
Stock turns p.a.	7-8
Monthly sales per employee	\$103,100
Monthly gross per employee	\$21,900
\$ Sales per \$ salary	\$24.20

Service department	Sales mix %	GP %
Labour		
– Retail	58%	79%
– Warranty	18%	73%
– Internal	24%	74%
Total labour sales	100%	77%
Sublet sales		12%
Total gross profit (% sales)		67-69%

Operational benchmarks

Performance index (productivity x efficiency)	90-100%
Monthly labour sales per technician	\$19,900
Monthly labour gross per technician	\$15,300
Parts/labour ratio	\$0.81
Ratio of chargeable to non-chargeable	1.1-1.5
Parts and service absorption	50-55%
Retention – relative service size**	\$2,000

**Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New		Used	
	% Gross	\$/Unit	% Gross	\$/Unit
Gross*	100%	3,200	100%	2,400
Sales staff salaries and comms	21.7%	695	20.4%	490
Manager salaries and comms	7.8%	248	9.4%	226
Other salaries	5.8%	185	4.0%	96
Pre-delivery costs	6.3%	203	-	-
Free service/policy	1.4%	45	-	-
Used warranty	-	-	1.0%	24
Advertising	7.7%	247	7.0%	168
Training	0.4%	13	0.5%	12
Floorplan	8.6%	274	2.0%	48
Demonstrator expenses	3.2%	103	4.0%	96
Selling gross	37.1%	\$1,187	51.7%	\$1,240

Selling gross per salesperson	\$11,900	\$16,100
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Selling gross per employee	\$6,300	\$9,200
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* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	19.7%	22.4%
Advertising and promotion	0.2%	0.7%
Training	0.2%	1.2%
Policy/freight	1.2%	1.1%
Tools and supplies	0.1%	0.2%
Equipment and vehicle maintenance	0.9%	3.0%
Sick/holiday – technicians	-	4.8%
Selling gross	77.7%	66.6%

Selling gross per technician	-	\$9,600
Selling gross per employee	\$17,000	\$5,700

Dealership overheads

	% Gross
Administration and salaries	8.6%
Training	0.1%
FBT (net of contributions)	0.5%
Payroll tax	2.9%
Superannuation	4.9%
Long service leave	0.5%
Rent (or mortgage interest)	11.0%
Rates and taxes	1.5%
Property maintenance/outside services	3.3%
Telephone	0.7%
Insurance (including workers compensation)	2.4%
Office supplies/stationery	0.6%
Professional fees	0.6%
Data processing	1.7%
Bank charges and taxes	0.6%
Interest (overdraft/working capital)	0.5%
Bad debts	0.1%
Depreciation	2.1%
Electricity	1.0%
Travel and entertainment	0.6%
Miscellaneous	3.4%
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.

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.

New vehicle sales had begun to decline earlier in the Luxury Market than the rest of the industry, so 2019 was a year of relative respite. There was still some decline in vehicle volumes, however dealers were able to rebuild some margin in their vehicle departments. Together with cost savings across all areas of their business, Luxury dealers actually saw a slight improvement in net profit for the year.

For these dealers, the "Big 5" metrics to focus on for 2020 are

1. Net profit as a % of sales	2.4 - 2.9%
2. Selling gross profit per new vehicle sold	\$1,515
3. Total gross profit per used vehicle retailed	\$2,600
4. Parts & Service Absorption	55 - 60%
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*	2.4-2.9%
Days to dealership breakeven**	26

* This compares to the NP%S of the average Luxury dealer of 0.9%

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

Dealership structure	Orientation	GP %
New	33%	9-10%
Used	13%	8-10%
Parts	16%	20-23%
Service	38%	67-69%
	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	\$11,100
Net profit per employee per month	\$2,250

Vehicle operations

Product	New	Used
Gross per unit*	4,600	2,600
Used/new ratio (retail)	n/a	0.6
Days supply	70-80	45-55
Stock turns p.a.	4-5	7-8
Gross ROI**	45%	75%

* 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	8	15
Gross per salesperson per month	\$36,800	\$39,000

Finance and Insurance (F&I)

F&I Product	New	Used
Finance penetration	37-41%	27-31%
Finance income per contract	\$2,600-\$2,800	\$2,300-\$2,500
Finance per retail unit sold	\$1,055	\$695
Insurance per retail unit sold	\$130	\$70

F&I selling gross per vehicle retailed	\$950
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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	\$37,600

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	6%	22%
Wholesale/trade	27%	15%
Workshop	32%	33%
Warranty	24%	11%
Internal	11%	21%
Total	100%	20-23%

Operational benchmarks

Days supply	55-60
Stock turns p.a.	6-7
Monthly sales per employee	\$114,300
Monthly gross per employee	\$24,000
\$ Sales per \$ salary	\$26.00

Service department	Sales mix %	GP %
Labour		
– Retail	56%	79%
– Warranty	20%	75%
– Internal	24%	80%
Total labour sales	100%	78%
Sublet sales		14%
Total gross profit (% sales)		67-69%

Operational benchmarks

Performance index (productivity x efficiency)	90-100%
Monthly labour sales per technician	\$20,750
Monthly labour gross per technician	\$16,200
Parts/labour ratio	\$0.90
Ratio of chargeable to non-chargeable	1.2-1.6
Parts and service absorption	55-60%
Retention – relative service size**	\$2,650

**Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New		Used	
	% Gross	\$/Unit	% Gross	\$/Unit
Gross*	100%	4,600	100%	2,600
Sales staff salaries and comms	20.8%	955	18.0%	468
Manager salaries and comms	8.0%	366	9.0%	234
Other salaries	5.3%	243	3.0%	78
Pre-delivery costs	6.1%	282	-	-
Free service/policy	0.8%	38	-	-
Used warranty	-	-	0.5%	13
Advertising	10.7%	493	7.0%	182
Training	0.6%	27	0.5%	13
Floorplan	10.2%	471	2.9%	75
Demonstrator expenses	4.6%	210	6.0%	156
Selling gross	32.9%	\$1,515	53.1%	\$1,381

Selling gross per salesperson	\$12,100	\$20,700
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Selling gross per employee	\$6,275	\$11,200
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* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	18.7%	24.4%
Advertising and promotion	0.2%	0.5%
Training	0.4%	2.2%
Policy/freight	2.0%	1.6%
Tools and supplies	0.1%	1.0%
Equipment and vehicle maintenance	1.3%	5.0%
Sick/holiday – technicians	-	5.3%
Selling gross	77.3%	60.0%

Selling gross per technician	-	\$9,100
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Selling gross per employee	\$18,500	\$5,400
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Dealership overheads

	% Gross
Administration and salaries	8.2%
Training	0.1%
FBT (net of contributions)	0.5%
Payroll tax	2.7%
Superannuation	4.4%
Long service leave	0.5%
Rent (or mortgage interest)	12.6%
Rates and taxes	1.8%
Property maintenance/outside services	2.9%
Telephone	0.6%
Insurance (including workers compensation)	2.4%
Office supplies/stationery	0.6%
Professional fees	0.8%
Data processing	1.6%
Bank charges and taxes	0.6%
Interest (overdraft/working capital)	0.8%
Bad debts	0.1%
Depreciation	2.0%
Electricity	1.1%
Travel and entertainment	0.5%
Miscellaneous	3.2%
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	\$223	\$247	\$493
Average dealers	\$218	\$253	\$430

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*	73%	95%
Test drives*	48%	75%
Offers*	30%	58%
Sales*	25%	36%
F&I contracts*	8%	13%

Units per month (based on BM)	Volume	Prestige	Luxury
Test drives*	21	21	17
Offers*	16	16	13
Sales*	10	10	8
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

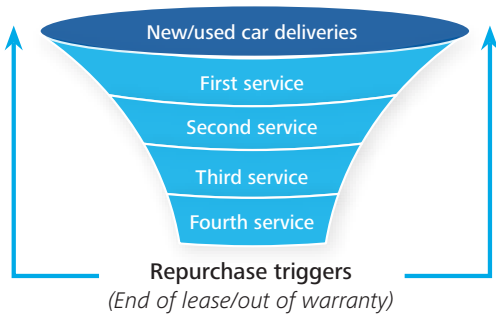
Service retention

Year after purchase	Metro	Rural
Handover/follow-up service	100%	100%
First year	92%	93%
Second year	81%	86%
Third year	65%	75%
Fourth year	48%	55%
Fifth year	40%	45%

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	135%
Repeat customers	185%

* 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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