

# CONNECT

MAGAZINE

Winter 2011



**Volks Folks**  
Demonstrating empathy  
to customers.

**Theory into  
Practice**  
Interview with  
communication expert  
Dr. Michael J. Cody.

**Featured  
Dealership:**  
**H.A. Boyd Volkswagen**  
Building relationships  
with customers.



## Letter from the CEO, Jonathan Browning

A helping hand when we needed it...

A co-worker who took the time to answer our questions...

A mentor who has always been available to give advice and help guide us on our career path...

We've all benefited at some point from the support of others. And every day we have opportunities to help others—both customers and co-workers—in similar ways.

While we at Volkswagen are pleased to be known as a company that loves cars, we also want to be known as a company that cares about people.

Our ability to assist and support co-workers and customers at the corporate level, in the field organization, and in Volkswagen dealerships demonstrates that we truly understand their situation, value their business and time, and want to help them.

This issue of *Connect* provides many practical examples of how dealers and Volks Folks are already providing great support. It also provides an outside perspective about support and empathy from a respected communication expert, including how to practice it in a business setting.

As always, we hope you find the information interesting and useful. Most importantly, we ask that you look for opportunities to use the ideas and insights provided to make a difference in your relationships with co-workers and customers every day.

Best regards,

**Jonathan Browning**

President and CEO, Volkswagen of America, Inc.

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Please connect with us by emailing your thoughts to [CustomerExperience@vw.com](mailto:CustomerExperience@vw.com), and let us know how we're doing.

# A Question of Empathy...

## Both Sides of the Story

There frequently are two ways to look at a situation—two sides to the story—the customer’s and ours. Please identify which hypothetical Sales and Service Consultant’s story might be the “other side” of each Customer’s story below.

### The Customer’s Side of the Story:

The following are actual customer comments from recent Customer Experience Surveys:

1. “Unacceptable. Paperwork was rushed through without providing adequate time to review. Additionally, further sales pressure was placed to up-sell other items.”

2. “[Finance person] was ridiculous, complained to me about having to be there an extra 5 hours that day because the biggest sale of the year was commencing that night...after I waited patiently for three days for the car!!”

3. “Didn’t always call back when he said he would. I understand that things took longer than he thought and he didn’t really have any news to share when he said he’d call, but still, if a call was promised at a certain time, I would expect one, even to say that ‘we don’t know anything yet.’”

4. “WAY TOO LONG. I spent 4 hours there.”

### The Sales/Service Consultant’s Side of the Story:

The following are hypothetical examples of what the Sales and Service Consultants might have been thinking for each of the customer situations.

A. “I’ve got at least 10 customers to take care of every day. I let them know I’ll call them when I have something more to tell them. I give them an estimated time I’ll call but I certainly don’t have time for calls if I have nothing to tell them—and I doubt my customers do either.”

B. “On busy days, I might be working with two customers at a time. I might do a test drive with one while the other is in Finance. Sometimes they have to wait a little while but I keep them informed so it’s no big deal.”

C. “After about the third time I’ve gone through the process, I’m on auto-pilot. Especially if the customer won’t buy anything extra—I just want to get them out the door and get on to the next one—hopefully someone I can make a little money on.”

D. “What a day! We have this big sale going so I worked almost a double shift. Each customer acts like they’re your only customer of the day.”

## Summary Questions

Answer the following questions based on the insights you gained from reading the comments on this page.

- A customer’s evaluation of the service we provide and whether or not we’re empathetic is based on:
  - Their perception of the situation
  - Our intentions in the situation
  - Our actions, which speak for themselves
  - Whether they think they are getting a good deal on the car/the service is covered under warranty
- What was the focus of the Sales and Service Consultants in the hypothetical examples that were provided above?
- Based on your review of the positive customer comments to the right, what seems to impress customers the most?

## A Positive Perspective

Here are some positive comments recently received on the Customer Experience Survey.

“Brad took a lot of time to make sure I knew how to work every feature—from the defrost to the DVD players. He even got the kids set with their headsets and a movie before I pulled off the lot.”

“My salesperson saw me in the waiting room and made a point to come over and talk to me. He asked about my car and how I was liking it. I appreciated that he remembered me and what I bought.”

“We have little kids—he got us out quickly!”

“Recommended additional service appropriate for the age of the vehicle that greatly improved its performance!”

“I came in unannounced, and Berto got everything done for me within an hour, including having the shuttle take me to work out while I waited. How cool is that?!”

(Answers: 1-C, 2-D, 3-A, 4-B, 5-A, 6-Their self-interest, 7-How the Sales or Service Consultants took care of their needs and made them feel important.)

# Volks Folks

Volks Folks from several dealerships around the country describe how they demonstrate empathy to their customers and co-workers by making them feel valued, being sensitive to their circumstances, and sincerely trying to help them.



**June "JuneBug" Schille**—Receptionist

*"I'm the dealership's handshake when people come to Campbell-Nelson Volkswagen!"*

"Immediately after my first page over the intercom on my first day at the dealership 22 years ago, Bob Campbell, the owner, called me, saying, 'June, I can't hear you smiling.' I think of that every time I answer the telephone or pick up the intercom."

"When customers walk through the door, I see them as interesting people first—how old they are and maybe an indication of where they're from. If I have time, I try to get to know them a little bit,

commenting on something they have or are wearing to start the conversation—jewelry, beautiful eyes, their hair."

"If an upset or angry customer comes past the reception area, they tend to open up to me. I try to be empathetic and put myself in their place. I know who is here from management and who can handle different situations, so I try to get someone to talk to them before they leave. If I need to take some time with the customer, I get someone to cover for me."

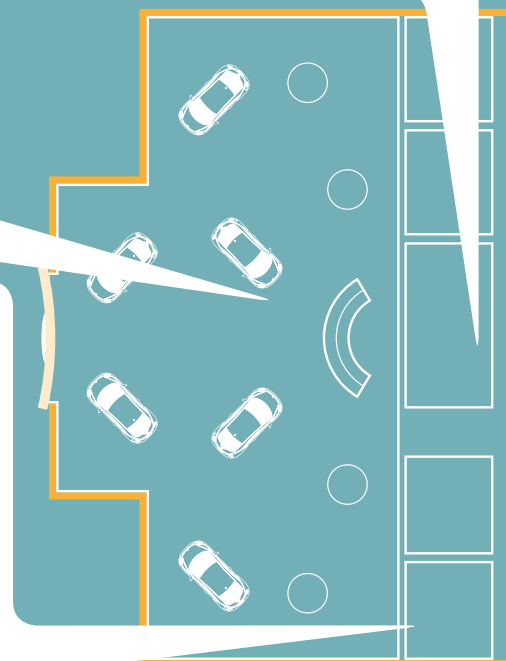
"The owners make you feel like part of the family. They frequently ask my opinion of things because I have my finger on the pulse of what customers are saying."



**Amanda Hartung**—General Manager

"In the eleven years I've been at the dealership, I've done every job so I can (and have!) written tickets, looked up parts, and washed cars—whatever it takes to take care of the customer."

"You can't fake empathy. We're honest. We look out for our customers. We're not parts replacers just so our techs can make time. That's part of the reason we have so little turnover."



**Kevin Dooris**—Finance Director

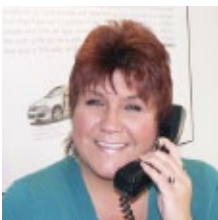
"We have a Finance presence at the sales desk 95% of the day. This gives us an understanding of each customer's unique situation and buying habits and avoids a lot of preliminary questions about the deal when the customer gets to Finance."

"Our goal is to introduce customers to the Finance Manager within 10 minutes of saying

'Yes'—not necessarily in the office, but introduced. Before the customer leaves the sales desk, the Sales Consultant and Sales Manager have input and confirmed the customer's information."

"We tailor the time spent in the Finance office to the customer. Some customers want to spend time chatting about their first Beetle; others want to move quickly. Of course, we're still going to cover what's necessary and not skip steps, but we do it in a way that relates to their pace."

## The Dealership's Handshake



**June "JuneBug" Schille**, Receptionist, Campbell-Nelson Volkswagen, Edmonds, Washington, 22 years tenure

In her 22 years at Campbell-Nelson Volkswagen, June "JuneBug" Schille has become an integral part of the customer experience the dealership provides. Hers is the "smiling" voice of the dealership when customers call, the friendly face when they enter the dealership's reception area, and an empathetic ear when they are upset.

## Finance and "The Un-dealer"



**Kevin Dooris**, Finance Director, Capistrano Volkswagen, Capistrano, California, 4 years tenure

By involving Finance early in the sales process, Capistrano Volkswagen shortens the wait for customers to get into and out of Finance. The dealership tracks and reports to customers the elapsed time between when the Sales Manager signs off the deal and when the Customer enters the Finance office. Because they do things differently at Capistrano Volkswagen, they refer to themselves as "The Un-dealer."



**Frank Torres**—Parts Manager

“I’ve developed relationships with the Techs who have been here a long time. They have confidence I’ll make something happen—I’ll exhaust every avenue to find obsolete or discontinued parts. I try to pay it forward as much as I can.”

“If we don’t have a part in stock for a customer who needs it immediately, I know who might have it and I have friends I trust around the state who will pick up the part for me and drop it off the next day. Or I’ll have someone leave early to pick up the part and bring it in the next morning.”

“The local dealers do favors for each other. If I help another guy who needs a part, he’ll help me the next time.”



**Pete Manger**—Technician

“I look at a customer’s car as if it were my own or a family member’s. We have a checklist we use to prioritize what needs to be done on a vehicle by color: red, yellow, green. Of course, we always put safety first.”



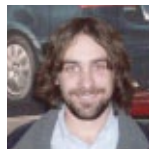
**Bill Simmons**—Service Manager

“We schedule two customers every 15 minutes. This allows us to spend 10 minutes with each customer so we can do a proper meet and greet and vehicle

walkaround. Some customers throw you the keys and have to leave. In those cases, we call them later when they have time to discuss their service needs.”

“We put notes about customer needs and preferences on our computer system. When we type in their name, the notes show on the screen. Adding customer notes to the daily log allows us to provide a customized experience for our regular customers so they’re ‘wowed’ every time.”

“When you remember customers’ names, it really makes them light up. If you’re able to do that, customers will cut you some slack when things go wrong.”



**Raymond James**—Service Consultant

“We’re customers too. If I brought my car into the shop and it needed several thousand dollars worth of work done, I couldn’t pay for it all at once either. I keep this in mind when working with a customer facing a large repair bill. The Technician, Bill, Frank, and I work together to help out the customer.”

“We see each other as family and work together as friends. If I see my partner is tied up with a customer and I’m available, I’ll take care of his next customer.”

## A Team Effort



From left to right:

**Pete Manger**, Technician

30 years tenure

**Raymond James**, Service Consultant

6 ½ years tenure

**Frank Torres**, Parts Manager

17 years tenure

**Amanda Hartung**, General Manager

11 years tenure (4 ½ as GM)

**Bill Simmons**, Service Manager

30 years tenure

Cherry Hill Volkswagen

Cherry Hill, New Jersey

Members of the Service and Parts team at Cherry Hill Volkswagen know what it’s like to be a customer. Keeping that in mind helps them empathize with their customers who are facing a large repair bill or the need for an emergency repair. Their first priority is always taking care of the customer.

# Theory into Practice:

## Interview with Communication Expert Dr. Michael J. Cody



*Connect* interviewed Professor Michael J. Cody, Ph.D., USC Annenberg School for Communication & Journalism to discuss empathy—what it is and its role in a business setting.

### What is empathy?

Empathy is defined as deeply sharing the customer's feelings and concerns. It runs deeper than sympathy,

because empathy requires genuine sincerity when working with customers. What we hear time and time again from customers is that places they need to do business with are wasting their time. It's critical for any business to do a better job of showing customers and potential customers that they value their time and their business.

### What communication behaviors are involved in demonstrating empathy toward another person?

Often we are careless when taking in information from others, especially strangers. Active listening, a component of empathy, can help prevent this. Active listening requires that you are tuned in and listening to the other person's message so you are able to repeat back to them a summary of what they just said, and do so accurately.

### How does empathy influence a person's success in a business setting, like in an automobile dealership?

Whether you work in the showroom, the Service and Parts department, or in the office, empathy is essential to both long-term friendship and healthy business relationships. Active listening, sharing concerns, and genuine understanding of others are cornerstones of any professional success.

### What happens if we're not empathetic to customers?

If we lack empathy, we come across as uninterested in the customer and self-centered—only interested in making the sale for our reasons. The opposite of empathy is narcissism. Narcissistic individuals are preoccupied with their own sense of "self" and never think of others—beyond what others can do for them or how others can be used. This mentality is behind much of the jargon used for customers in the retail automobile world, which refers to rejecters in negative terms.

## Feeling a Lack of Empathy

This comment from the Customer Experience Survey illustrates how customers feel when we fail to be empathetic to their situation:

"I felt extremely unvalued and taken advantage of.

I was promised [the vehicle] would be done the same day it was dropped off, then they said it would be the next morning. And the next morning I never received a call that it wouldn't be done until the next day."

## Letting Customers Know the Real You

To really understand another person—their circumstances, wants and needs, etc., they must be willing to share *appropriate* personal information with you, which requires a lot of trust. Sometimes the best way to encourage someone else to open up to you is to let them know more about you.

The act of sharing *appropriate* information about yourself that other people wouldn't otherwise know about you is called self-disclosure.

In a business setting, that may include information about where you live, places you've visited, things you've done, activities and hobbies you enjoy, groups to which you belong, people you know, personal circumstances (e.g., Pete in Volks Folks telling customers he couldn't afford a several-thousand-dollar repair bill on his personal car)—even emotions and thoughts. Oftentimes, telling a relevant personal story is a good way to share information.

By disclosing *appropriate* information about

yourself, you make it easier for others to relate to you as a real human being, with faults and strengths and thoughts and emotions just like them. When people see you as someone like themselves, they are more willing to share their information with you.

Of course, the information you share needs to relate to the topic of discussion and be appropriate for the particular relationship. Also keep in mind that you don't want to overwhelm the other person with too much information about yourself. Sharing too much information about yourself or information in which the other person has no interest makes you appear selfish and self-centered. There should be a sharing back and forth of information.

By letting customers know more about you, you increase the opportunity to find common ground and build rapport—both of which help you demonstrate empathy.



## Interviews with Volkswagen Experts

Three Volkswagen experts relate Professor Cody's comments to a Volkswagen dealership environment: Diderico "Didi" Lazarus, a 34-year sales veteran at Northtowne Volkswagen in Kansas City, Missouri; Tom Strahs, an In-Dealership Coach; and Melinda "Mindy" Prentice, an associate at the Volkswagen CARE Center in Rochester Hills, Michigan.

### How do you define empathy in a dealership environment?

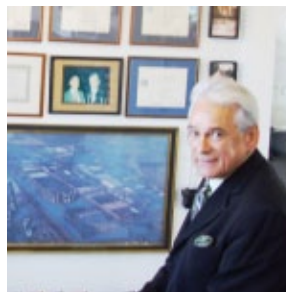
**Didi Lazarus:** "Helping someone out. For example, I had a good customer, driving a Beetle with less than 20,000 miles on it. It was just past the warranty period and the customer paid the bill to have a window regulator replaced. This shouldn't happen on a car with less than 20,000 miles on it. We contacted Volkswagen and after confirming the repair, Volkswagen paid for it. (A month later, this customer traded in a Toyota pickup on a Jetta SportWagen.) When a customer has a problem, help them out."

"I've had several customers pay to replace the batteries in their Volkswagens while the vehicles were still under warranty. I helped them send their receipts to Volkswagen to get their money back." (Note: Didi has a personal account in the Service department to help pay for some of his customers' repair bills out of his own pocket when he feels it is appropriate.)

**Tom Strahs:** "In the auto industry we are infected with what I call 30-day ADD (Attention Deficit Disorder). The new challenge is to serve today's Internet-savvy consumers in a way that earns both the sale and their long-term loyalty. Otherwise, we're selling 'uphill' to strangers, over and over again, with far lower commissions and diminished sales results. Empathy is what allows us to develop long-term relationships."

### Professor Cody stressed active listening. What are some examples of active listening from your experience?

**Mindy Prentice:** "Day after day, we hear the same questions, and it's easy to jump in before listening. I slow myself down and show the customer I've been listening by repeating everything I've been told. The same approach works in the retail world. By making customers feel they are being heard, dealership sales and service staff can prevent concerns from escalating."

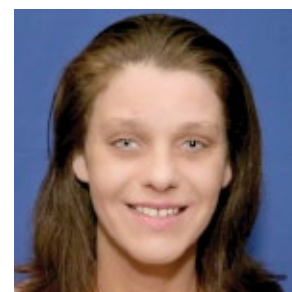


**Diderico "Didi" Lazarus**  
Northtowne Volkswagen, Kansas City,  
Missouri



**Tom Strahs**  
In-Dealership Coach

**Tom Strahs:** "Mornings are tough on service advisors. It's easy to get caught up in the process and forget about people. During the service write-up, repeat back what you've heard the customer say to show that you have listened, including acknowledging any observations, such as unusual noises."



**Melinda "Mindy" Prentice**  
Volkswagen CARE Center, Rochester  
Hills, Michigan

**Didi Lazarus:** "If you are told the wife or daughter is going to be the primary driver, focus your eyes and ears on her. The husband of one customer told me, 'I want to thank you for being the only salesperson who actually talked to my wife.'"

### Based on your experience, what else is involved in demonstrating empathy to customers?

**Didi Lazarus:** "I see a lot of Sales Consultants who say, 'Here are your books,' but they don't go over them with the customer. You have to be more personal and involved with the customer. Present the books; highlight important information in them. Also, I always put a flower where the windshield meets the dash on the passenger's side at delivery."

**Tom Strahs:** "Before the service write-up, step out of your stall, greet the customer, and make them feel comfortable. If the customers must wait, invite them to your service waiting area and offer coffee, pastries, or water, if available."

### The bottom line

**Mindy Prentice:** "All dealers want to meet and exceed their customers' needs. Empathy puts you at an even higher level and moves you a step closer to earning that customer's long-term loyalty."



## Featured Dealership: **H.A. Boyd Volkswagen**

H.A. Boyd Volkswagen in Lebanon, Pennsylvania, has been selling and servicing Volkswagen vehicles since 1955. The dealership has developed a unique way to demonstrate empathy toward its customers by delivering service loaner cars to customers where they live or work. Not just occasionally, but regularly.

When it comes to having empathy for its customers, H.A. Boyd Volkswagen in Lebanon, Pennsylvania, has written a new chapter if not a new book. General Manager Scott Ortenzio started loaning cars to service customers some 25 years ago, and since then, the dealership has grown a repeat and referral new-car sales business that is simply off the charts. (Boyd's loyalty numbers were 53% and 49% the first and second quarters of 2010.) And the twist is it's all because they are empathetic to the needs of their *service* customers.

In 1985, Scott Ortenzio had the idea to loan a car to a customer whose vehicle needed servicing. The practice began with a unit borrowed from the used-car lot, but ultimately progressed to a fleet of 13 new loaner Volkswagen vehicles that service customers may freely use whenever they drop their own cars off. What's

### One Happy Customer

On the day Katie Yoder bought her first car, a Volkswagen Rabbit, from H.A. Boyd back in 1980, no one could have predicted that the relationship would span 30 years and a half-dozen vehicles. But since that time, the oncology nurse went on to lease five more Volkswagen vehicles—Jettas and Passats—including her latest Jetta, her sixth H.A. Boyd Volkswagen vehicle in total.

"I have never bought or leased anything but a VW from H.A. Boyd," Katie says. "I think it is very nice that they pick up my car for service, and nobody else I know does that. The Jetta is a great car, but the service makes all the difference in the world."

more, Ortenzio, his Sales Manager, Service Manager, and one Sales Consultant take empathy a step further by *delivering* the loaners to service customers who are pressed for time or live in the same area.

This bit of strategic brilliance does more than just endear Volkswagen drivers to the H.A. Boyd Service Department. It sells cars. For instance, last winter Ortenzio loaned a demo Tiguan to five different people in a single week. Two of those customers soon bought new Tiguans of their

own, and a third bought the demonstrator. Such successes have allowed the dealership to ride out rough patches in the economy with relative ease, compared to other automotive dealerships in the area. The practice also keeps the service department busy. "We have never sent Service people home early in my 32 years," Ortenzio says. Boyd's success has been driven by recognizing the simple fact that sometimes it's difficult for customers to bring their vehicles to the dealership for service.



## Lessons from H.O.G.

In the entire automotive segment, no company may enjoy a more loyal following than the Milwaukee, Wisconsin, based Harley-Davidson Motor Company. If you want proof, just look at the biceps of many riders, which sport real-life tattoos of their favorite motorcycle brand.

In 1983, "The Motor Company," as Harley-Davidson is affectionately known, launched a customer group called, fittingly, the Harley Owners Group®, or H.O.G.® for short. Offering its

own newsletter and dozens of events and rallies annually around the country, the group helps to connect over a million members in a giant worldwide social mosaic.

Since a H.O.G. chapter can't exist without a local dealership sponsor, the program provides a means for dealership personnel and their customers to get to know each other as Harley enthusiasts. Talk about empathy!

What do you do to engage customers? Email us at [CustomerExperience@vw.com](mailto:CustomerExperience@vw.com)

# Through the Eyes of the Customer

Demonstrating empathy for our customers requires that we be able to look at the sales and service experiences we deliver *through their eyes*. This issue of *Connect* focuses on the Sales experience. The Spring issue will look at the Service experience.

Both the J.D. Power Sales Satisfaction Index™ (SSI™) study and our internal Customer Experience Survey (CES) can help dealers track their performance and identify improvement opportunities.

The new customer comment feature available in CES is a particularly powerful enhancement to the tool. It's one thing to look at statistics. It's something entirely different to hear customers voice their frustration with specific processes.

*"I was just sitting there for over 1 hour, and no one even acknowledged me. I simply felt forgotten."*

*"Your Dealership operates in a very traditional manner—everything must run through a Sales Manager, who is trying to squeeze every last dollar out of the sale, rather than build a relationship of trust and confidence."*

## Volkswagen Customers' Sales Experiences

Based on the feedback we've received, making improvements in the following three areas will allow us to significantly impact our customers' perceptions of their Sales experiences:

- Response time to email inquiries
- Time between agreeing on price and getting into F&I
- Pre-setting features to customer preferences

## Response time to email inquiries

According to Ralph Ebersole of cars.com ("You've Got Sale—Responding to emails: 10 best practices that make the sale"), "61% of cars.com shoppers who contact a dealership via phone or email buy a vehicle. And 41% buy within 30 days." However, the Internet has created the expectation of instantaneous communication. Customers who send your dealership an email inquiry expect a prompt response. Take too long to respond and the customer will get their information elsewhere.

### How are we doing?

According to J.D. Power, 34% of Volkswagen shoppers cite Internet information or an online referral as the reason they visited a Volkswagen dealer, compared to an average of 22% for our competitive segment. However, customer satisfaction with the timeliness of the Volkswagen dealer response is among the lowest in the industry.

*"I said I need information on the sign and drive and the man said he would email information to me. I gave him my email address and I never received anything from him."*

CES results indicate that 36% of inquiries take more than one business hour to

*"I posted it late at night and the salesman called me at home the next day. Very Impressed!! No other dealership called me."*

receive a personalized response. Worse yet, 4.5% of inquiries take more than eight business hours to receive a response.

### How can we improve?

According to Ralph Ebersole of cars.com, you should aim to "respond to customers with an actual, personalized email within 10 to 15 minutes." Other best practices include having a designated Internet Sales Consultant to respond to Internet inquiries, responding with an automatic response when no one is available—and telling the customer when a personalized response will be sent. When you do respond, answer the customer's specific questions or provide the information requested.

## Time between agreeing on price and getting into F&I

Once they've made their purchase decision, the thing customers want most is to drive their new Volkswagen vehicle. This means ensuring the remaining time spent at the dealer, including the potential wait to get into F&I, is used efficiently.

### How are we doing?

Volkswagen performs below industry average on this SSI measure, which is a key driver of customer satisfaction. According to the CES, 28.5% of all dealers who received survey responses had at least one response indicating a wait of over two hours for F&I

*"They were extremely busy and were honest about that from the start so it really wasn't a problem. They took great care of us while we waited."*

*"I sat and sat and sat until it was finally brought to [the Finance Manager's] attention that he was not doing his job."*

Continued on Page 8

### How can we improve?

In Volks Folks, Kevin Dooris, Finance Director of Capistrano Volkswagen, described what that dealership is doing to shorten the waiting time to get into F&I and to manage customer perceptions of the amount of time involved. Additional ideas are available in the Sales Operations Resource Center (SORCe) at <http://www.vw-sorce.com>. This resource provides best practices, tools, and job aids for each of the seven steps of the Volkswagen sales process.



For ideas relating to managing the time between agreeing on price and getting into F&I, select “Step 5: Agreement and Transfer,” then select “Essential Tools,” and “Turnover Best Practices.” Best practices include introducing the Business

Manager to the customers immediately after agreeing on a specific vehicle and price, setting a time for the manager to meet with the customer, providing brochures about the products and services provided by the Business Office for customers to look over while they wait, and, as necessary, having the Sales Consultant begin the paperwork process before entering the Business Office.

### Pre-setting features to customer preferences

Customers appreciate it when we pre-set features like the radio and navigation system to their preferences. In addition, it's a real convenience for them if we pair their cell phone to the *Bluetooth*® system before they drive away from the dealership.

### How are we doing?

Both our SSI and our CES scores indicate that we're performing poorly in this area. In fact, in CES, the question regarding vehicle customization at delivery received the second lowest ranking of all sales survey questions.

### How can we improve?

Take the time to ask about the customer's preferences for radio pre-sets and customizable features for the navigation system during the sales process. This way, you can pre-set the settings while the customer is in F&I completing their paperwork. This creates a “Wow” factor when you tell them that you took the liberty of pre-setting the features for them.

*“They pre-set the Bluetooth and the nav for me, and I was extremely grateful for that.”*

*“We set up the Bluetooth together, which was good so I understand how it works.”*

Offer to pair the customer's mobile phone to the vehicle's *Bluetooth* system for them. The online *Bluetooth* module can be accessed from the home page of [www.vwwebservice.com](http://www.vwwebservice.com), and allows you to view, print, or email information for the various hands-free options that Volkswagen offers in model year 2010 and 2011.

Want to “Wow” your customers with what the system will do for them? Back at the main Bluetooth menu, click on “Resources” and select “Voice Recognition Commands.” This will provide you with a PDF of commands like “I'm Hungry,” which will bring up the closest restaurant. Print out the PDF and present it to your customers at delivery. (Even better, demonstrate it.)



Additionally, pre-setting features to customer preferences will also improve scores on J.D. Power & Associates' Initial Quality Survey.

### Consistency Is Key

The fact is that a number of Volkswagen dealers are already doing a great job on all three issues. What we lack is consistency. For example:

- Based on CES data from the first three weeks of 2011, we have discrepancies in some measurements among different areas of the Volkswagen network of more than 33 percentage points when it comes to pre-setting customer preferences (93.8% vs. 60%)
- In one region, 30.7% of all customers told us they waited five minutes or less for F&I. In another region, only 15.3% of all customers waited five minutes or less.
- In one area, 87.5% of all customers who submitted email inquiries received a personalized response within the hour. In another, only 38.1% did. Chances are, many more went elsewhere for answers.

By focusing on improving on these measures, we can turn them into competitive advantages. Customers will start sharing their positive experiences with others, and positively impact perceptions of your dealership and the Volkswagen brand.

# Connecting the Dots

Please tell us how we're doing. Connect is all about—and for—you. So, let us know your reactions to the topics featured in this issue and how they relate to what happens in your world. Also tell us what else you'd like to read about. Share your best practices and those of co-workers. Let's start the conversation!

## Volks Notes & Quotes

### • From the Industry...

#### **Volkswagen scores highest number of IIHS Safety Awards**

Six Volkswagen models earned 2011 *TOP SAFETY PICK* awards from the Insurance Institute for Highway Safety (IIHS). (Volkswagen/Audi had nine winners for 2011, the most by a manufacturer. Go to [www.iihs.org](http://www.iihs.org) for more information.) Winners include:

#### **Small Cars**

- Volkswagen Golf 4-Door
- Volkswagen GTI 4-Door

#### **Midsized Cars**

- Volkswagen Jetta Sedan
- Volkswagen Jetta SportWagen

#### **Small SUVs**

- Volkswagen Tiguan

#### **Large SUVs**

- Volkswagen Touareg

#### **Great news for Golf TDI!**

Golf TDI distinguished itself by winning the following recent accolades:

- Winner, 2011 Automotive Lease Guide (ALG) Residual Value Awards, Alternative-Fuel category. For more information, go to [www.alg.com](http://www.alg.com).
- Winner, 2011 KELLEY BLUE BOOK® Best Resale Value Award, Hybrid/Alternative Energy Car category. For more information, go to [www.kbb.com](http://www.kbb.com).
- Winner, Top Model for owner satisfaction with a 93% repurchase intent from current owners. (Leading consumer publication.)

### • From Our Customers

Gary Freire, a customer of Community Volkswagen in Santa Maria, California, was so impressed with the knowledge and professionalism of the Community Volkswagen staff that he sent a letter to the dealership, Volkswagen Group of America, and Volkswagen Headquarters in Wolfsburg, Germany. In addition to calling out the contributions of individual staff members, he said, in part...

"I would like to acknowledge the employees of Community Volkswagen. Each time I have had the opportunity or need to have my vehicle taken care of, your staff have been both professional and knowledgeable, and have taken care of me in an excellent manner. Thank you!"

### • From Us...

We updated our Customer Experience Survey in January. Volkswagen dealers had made great strides in 2010 in nearly all aspects of the survey, and it had become difficult for the top performing dealers to continue identifying opportunities for improvement. In addition to reworking the 2011 sales, pre-owned, and service questionnaires, the primary changes were the introduction of a 0-10 point answer scale, and the inclusion of the Non Issue Rate in the calculation of the Customer Experience Index (CEI). Both changes reflect our focus for 2011: Shifting from "are we doing this?" (which was captured well by the previous yes/no type questions) to "how well are we doing this?" (as reflected by the 0-10 point scales). In addition, it adds emphasis to issue prevention, to reflect the most accurate picture of customers' in-dealership experiences.

## Sales and Service Qualification Championship

In January, finalists from each category of the Sales & Service Qualification Championship—Sales Consultants, Service Consultants, and Technicians—met in Fort Lauderdale, Florida, for the final competition.



## And the Winners Are...

After a week of fun and competition, here are the top three competitors in each category—Nice flip-flops guys!



From left to right: David Xavier—2<sup>nd</sup> Place Sales, Jimmy Braener—2<sup>nd</sup> Place Technician, Casey Nimmer—2<sup>nd</sup> Place Service, Karl Norelius—3<sup>rd</sup> Place Sales, Scott Roberts—1<sup>st</sup> Place Technician, Malik Omerovic—1<sup>st</sup> Place Service, Daniel Maynor—1<sup>st</sup> Place Sales, Steve Larson—3<sup>rd</sup> Place Service, Brian Novotny—3<sup>rd</sup> Place Technician

About empathy, the recurring theme from our finalists was: "It's about really listening to your customers."



Empathy—it's not just for customers. In fact, it's vitally important in our relationships with our co-workers as well. Empathy is the ability to identify with and understand someone else's point of view. It allows us to "walk a mile in their shoes." Empathy with our fellow employees creates levels of trust and understanding that help us work better together as a team and leads to increased job satisfaction for everyone.

In the workplace, empathy demonstrates to others that we value them, understand their job-related and personal needs as appropriate, sincerely care about them, and want to help them succeed. Empathy might take the form of taking time to show a new employee how to do a particular task or helping them understand the organizational culture (e.g., "That's the way it works around here."), making sure a co-worker has the information and tools to do their job, or simply providing encouragement when they are having a bad day.

Happy employees lead to happy customers. By creating a supportive work environment in which people want to do their best and are empowered to do so, we lay the foundation for a satisfying customer experience as well.

**Mike Beamish**

Executive Vice President, Human Resources, Volkswagen Group of America

