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Dealer Profile

Dana Pratt III, Ecommerce Director, Bill Marsh Automotive Group



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Although Dana Pratt III wasn't initially sold on selling cars, you might say success at Bill Marsh Automotive Group is in his blood.

"As the story goes, my great grandfather traded two horses for a Model T Ford in 1913. He had a Chevrolet dealership, and from that point until 1994, it went from Ford to Chevy," Pratt says. "I just kind of shunned the car business, and then I got back into it. Lo and behold, I have a knack for it."

Although Pratt brought extensive sales experience with him when he signed on at Bill Marsh Saturn in March 2001, he had never sold a car. Still, he says, he was the No. 1 salesperson for the entire company four of his first five years. With that track record and his interest in technology – Pratt had developed his own CRM system that helped him consistently average monthly sales of 25 to 30 cars – he was not surprised to be promoted to ecommerce director in 2006.



Dana Pratt III
Bill Marsh
Automotive Group
Ecommerce Director

"I happen to have a technical ability, and I also happen to have a sales ability," says Pratt, who earned a master's degree in telecommunications and international business. "When I sold temporary services, I felt like I was making the most impact in people's lives. With car sales, it's the same thing because people are, for the most part, very passionate and sometimes very emotional about buying their car. That aspect of car sales is probably the thing that I most like about the business."

DealerADvantage recently spoke with Pratt to learn more about Bill Marsh's internet initiatives and how those strategies are helping to drive sales. The northern Michigan dealer group operates six rooftops representing eight brands and records monthly sales of approximately 450 to 550 vehicles.

DealerADvantage: How does online advertising fit into your overall media strategy right now?

Pratt: In the past couple of years, I've been steadily increasing the online spend that we've been doing, and we've probably hit a good point to be at right now. We're right about where we need to be at with being able to list all of our used-car inventory. And then, of course, we list all of our new inventory and subscribe to third-party leads for new cars as well.

DealerADvantage: Do you think it's more important than ever to be online right now?

Pratt: Right now, a lot of dealerships are figuring out whether they're going to be here in the next couple of years. And those dealerships that are still saying to themselves, "I don't know that the internet is really that important to me," those are probably the dealerships that are more at risk of closing their doors than the people who get how to do marketing online. We figure that the display of our vehicles online is as important as how they're displayed on the lot, if not more important at this point.

DealerADvantage: You said that you're spending approximately one-fourth of your advertising budget online. How do you see that changing over the next five years?

Pratt: I think that the mass media is becoming more and more diluted. When I meet once a month with each one of the sales managers for our monthly marketing meetings, they're just not as satisfied spending all the money that they have in the past on TV. And they're not as satisfied spending all the money that they have in the past on radio. We're always going to have a presence in each one of these, but the landscape is changing and they're turning to me and they're saying, "You're the guy that knows the internet. If we've got some dollars to spend, where's the best place to spend them?"

DealerADvantage: What are you telling them?

Pratt: I'm telling them to do a combination of vendor selection and proper presentation of the vehicles themselves. In the past year, we've set up an indoor studio to take pictures of all of our used cars. It's important for us to do that in northern Michigan because

who wants to see a picture of a car that's got snow in the background in May or June? Little things like that are important. We have not started taking pictures of our new cars, but that's something that I'm going to tackle in the spring. We're going to start out by taking pictures of our new cars outside, and eventually we're going to have our new car pictures taken in the studio, just like our used. I've got to start somewhere, but it's these type of things that I'm talking to sales managers about, to try to leverage the dollars that they do have to spend.

DealerADvantage: How do you operate your BDC?

Pratt: The BDC is responsible for responding to all internet leads, and it is responsible for following up on all unsold walk-ins. It is responsible for making sure that all the customers who are in our lease portfolio are contacted in a timely manner. Also, we consider an inbound phone lead to be exactly the same as an internet lead – they're both just communication toward us, and we're communicating back to the shopper on the phone. So we're in the middle of converting all of our inbound phone traffic to go to the BDC.

At this point, BDC reps are primarily setting an appointment for either direct sales or a floor salesperson. We're developing the direct sales channel, and we have two people that do not take any floor traffic whatsoever. They only take appointments from what they can set for themselves and what we can set for them. At this point, we're able to keep them busy to the point where we're thinking about adding on another couple direct salespeople.

The second part of the BDC is we want to add outbound marketing calls for service and also set up a portion of the BDC that will take inbound service appointments. We're not scheduling the work back in the shop but setting up the appointments for the advisors so the advisors can do the job that they do best.

DealerADvantage: How are leads managed through your BDC?

Pratt: An internet lead will come in, and I have one person who is designated as the lead traffic cop. You can get fancy and use lead routing, but it works better if you have somebody who makes sure that leads get distributed evenly. Once we decide who gets the lead, then we make that initial call or that initial email contact right away. Generally, it was within 15 minutes, but now, with us being centralized, it's more like between 5 and 8 minutes that we're on the phone with or sending a personal message back to the shopper.

Once we do that, we let them know that we're not in sales; we're just there to provide them all the information that they might need before they were to visit the dealership. Some people want their credit run. Some people want to know about how much their trade might be worth. Some of these people might want to know what incentives are available on a particular car. All our BDC reps are knowledgeable about all the new-car makes that we sell and our used-car inventory, so we may have several conversations back and forth. We may have to get a salesperson involved if they're running some complicated lease numbers. From there, we'll try to set an appointment.

If we set an appointment, fine. If we don't, then we will put them on a work plan. We will try somebody two to three times the first week, twice the second week, once every week for a month and then once every month for a year.

DealerADvantage: What happens after a year?

Pratt: They drop off because we've got plenty to do. And when I say they drop off, that doesn't mean they drop off of our marketing. They might drop off of our outbound calling efforts because our time is better spent on opportunities that are going to have a better chance of setting an appointment than somebody that's a year away. So we'll put them on the e-newsletter list, and we might send them a direct mail piece if they were interested in a certain vehicle. So they'll certainly still be part of our marketing but not really as much with the calling. Unless somebody says, "Hey, I'm down and out this year. Can you call me next year?" We'll probably call them six months later.

DealerADvantage: How do you train within your BDC?

Pratt: Once a week, we have a training session with the reps. Mostly it has to do with how we're handling customers on the phone. Sometimes we'll get into how to leave a second voicemail and how to send proper emails. What I've noticed is, the more we're on the phone, the better we get at it. The people that we talk to on the phone, even if we don't set an appointment for them or we don't sell them a car, we want them to leave that conversation thinking that they're a friend of ours. We want them to think of us or have us be top of mind the next time they may need to call about a car.

DealerADvantage: Do you monitor calls or listen to the recordings?

Pratt: We have the call centers set up so that I can listen to recorded calls, but, actually, in this office, I can hear them anyway. If I hear something good, I'll go out there and I'll talk to the rep about it. Or if I hear something that may need an adjustment, I'll go out there and talk to them about that.

DealerADvantage: What kind of results are you seeing through your BDC?

Pratt: If we can get a person to show up at the store, we know that 47 percent of the time, at least at this point in the game, they're going to buy a car.

DealerADvantage: How are you using emerging tools such as online chat in your BDC?

Pratt: We just got it up and running a couple of months ago, and every single day since then we've had at least eight or 10 significant chat conversations with people who want to come in to either look at cars or set service appointments. It works very well with the BDC.

DealerADvantage: When you work with your online advertising partners, how do you measure their performance? What matters most to you?

Pratt: To me, there's lots of metrics, but you've got to use something as a comparison. What I use as a comparison is the number of unique visitors. For the month of December, I can tell there were 3,325 unique visitors from Cars.com and there were 3,164 from AutoTrader.com. And then we're looking at the number of calls that were generated.

DealerADvantage: Are you holding gross with your internet customers?

Pratt: Our entire operation is a one-price facility, and we brand ourselves and market ourselves that way – and have for years. When somebody brings up the whole price issue, we have what we call a concept conversation. We have a phone version of it, and we have a floor version of it. We explain to the customer why we have decided to go to one price. Back in 1982, when Bill Marsh started the operation, we polled our customers and 60 percent of those people found that the negotiation process was distasteful. So at that point, we clearly marked the price of our vehicles, and that makes it easy for everybody. Our salespeople – I'm giving you the spiel here – are paid not on a commission but they're salary based. They get a salary with a bonus based on volume, so it just makes it easy for everybody. If I sell you a \$45,000 Acadia or if I sell you a \$20,000 G6, I'm going to get paid the same. It's a nice way to do business, and you can check our prices against Kelly Blue Book, and you can check our new-car prices against anyone in the area. You can find that sometimes they might be a little bit higher and sometimes they might be a little bit lower. But really, when people are looking to price their cars in this area, they go to our website to find out how to price it. They know that we set the bar and we're just out to be a business that's fair about it.



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3 Responses »

1. *Mom* on **[February 18th, 2009 at 1:55 pm:](#)**

Hi Dana.....Loved the article! How about delivering the spiel in person the last week of March in Tampa? I'm so darn proud of you. Love ya, Mom

2. *Glynn Rodean* on **[February 19th, 2009 at 10:33 am:](#)**

Great article! I had the pleasure of working with Dana in a BDC & E-Business Management Workshop at the end of last year. His progressive grasp with technologoy and effective leadership and communication skills continue to be a pleasure to be associated with. - Glynn Rodean, President & CEO, New Vision Sales Inc., <http://www.NVSBDC.com>.

3. *Steve Keen* on **[February 19th, 2009 at 12:44 pm:](#)**

Dana, I love the profile. It's great to find a 'Car Guy' that gets it!
No, the internet's not a fad, and yes if you aren't in the game, your competitor is selling you customers.
Keep up the great work!

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