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THE MOTOR DEALER REPORT FROM AUSWILD & CO  
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## HAS THE CAR BUYING EXPERIENCE IMPROVED FOR WOMEN?

The tables have turned on conventional retail spending. Leading business researcher **IBISWorld** says female spending habits have undergone a massive shift, with women increasingly spending big on property investments, **vehicles** and electronics.

With an increase in their social, political and economic power, women are progressively buying more big ticket items such as **cars** and houses. IBISWorld data reveals single women are more likely to own a motor vehicle than men (75% versus 65%). In terms of vehicles, 40 percent of all private new car buyers are now women, and this increases to 70 percent when looking at the **small and medium sized car** market.

With such a distinct shift in gender spending habits in recent times, has the car buying experience for women improved in 2009? According to a survey conducted by US car retail giant **CarMax** during August 2009, women said that buying a vehicle is still a hassle. More importantly, what this survey highlighted was that there was no improvement in the way women were treated when it came to buying a vehicle since the last time the survey was conducted in 2006.

**Auswild** team member **Lee Payne** has just bought herself a brand new car. We asked her about her recent car buying experience and we will let you be the judge. Here is what she had to say:

"I was in the market for a small/medium car and had selected the Mazda 3 & Mitsubishi Lancer as cars that would suit my needs. A friend had also highly recommended the Holden Cruze – so I promised to check this out as well, although I was not overly keen on the Cruze."

After researching and comparing the cars on the internet, Lee set aside a Saturday to go and test drive the cars. The first dealership she went to was a Mazda dealership. Lee recalls the conversation with the salesman along these lines:

Salesman: "What are you looking for?"  
Lee: "A Mazda 3"  
Salesman: "What sort?"  
Lee: "What have you got?"  
Salesman: "We've got different models – so what do you want?"  
Lee: "Well why don't you tell me about them and then I can let you know"  
Salesman: "But what do you want?"  
Lee: "What exactly is it that you want to know?"  
(At this point Lee is getting frustrated – not her words!)  
Salesman: "Do you want auto or manual"  
Lee: "I don't mind – just tell me about them"  
Salesman: "But I need to know what you want!"

At this point Mazda has lost a potential sale.

Lee decides to go to a Holden dealership next (they also have a Mitsubishi franchise). She decides to try the same opening line just to see whether there is something wrong with her approach.

Salesman: "What are you looking for?"  
Lee: "A Holden Cruze"  
Salesman "We have two models – the CD and the CDX – let me tell you about them....."

After an hour or so of going through and explaining the features and taking a test drive Lee has decided on the Cruze (after an obligatory test drive of a Mitsubishi Lancer). Then came the haggling over price and after a while settled on a price she was happy with. The salesman and his manager, along with a couple of other salesmen, then tried to pressure Lee into signing on the spot – whereas she wanted to go away and think about it. As Lee explains, she had made up her mind but wanted to be sure that she was comfortable with the decision given that it was a significant purchase.

"They were not too happy when I told them this and they really put the pressure on – it was difficult to walk away, even for me, and I found I needed to ring a friend to get some moral support. They also tried to convince me that they had the car in stock – ready for me to drive away, and that therefore I shouldn't wait. I told them that this was not important to me as I was happy to wait a few weeks. This was the downside to my experience at this dealership."

In today's competitive automotive industry, buying a car should never become a battle of the sexes. After all, customer service is all about treating people as individuals, understanding their needs and meeting them. Just as important as understanding the vehicles sold, dealers (and their salespeople) must understand the needs and wants of today's customer, whether male or female – the customer who will not only be buying the vehicle, but also the finance, spare parts and service.

Dealers must also acknowledge women, (whether alone or as part of a couple), are demanding to be treated as customers in their own right and not as second-class citizens. It is up to the dealer principal to ensure that this culture is prevalent throughout the dealership.

Experts agree that there are four main areas that require attention:

**Focus on building a relationship.** Women need to develop relationships – they need to like, feel comfortable with and believe they can trust the salesperson and the dealership as a whole.

**Listen to the customer's needs.** If you are going to build a long-term relationship with a customer start by listening to the customer's needs. Ask questions about her work, her family, why she wants the car and so on. Take an interest in her opinion.

**Do not make assumptions, generalise or categorise.** Do not assume that the woman that comes in to inquire about a 'family' car is just a mother! She may be the CEO of a publicly listed top 100 company! Similarly, do not assume that the male who accompanies the female to the dealership is the decision maker – he may be just her "hand bag".

**Do not ignore or patronise.** Today's female customer is a whole lot more discerning and a whole lot more educated about their buying choices. If the customer doesn't like the way she is treated, they can and they will simply go elsewhere. Give her the respect she deserves.

IBISWorld's insight into Australia's gender spending trends certainly offers some food for thought. Dealerships in particular would do well to provide a transparent, customer friendly and easy car-buying process and in return will enjoy the benefits as they develop happier customers and staff.

**Footnote:** Lee is now the proud and happy owner of a Holden Cruze (which she purchased from an **Auswild** client) – a car she possibly wouldn't have really looked at if the Mazda salesman had bothered to help her.

A final word from Lee: "It goes to show that a good product needs to be backed up with good selling techniques to be successful."

For additional information, please contact your  
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