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Boat Buyers are Frustrated

Sales skyrocketed during the pandemic, but dealers now have a problem with the customer experience

WANDA KENTON SMITH · OCT 27, 2020

I had a major meltdown. After navigating my bank's automated phone system to resolve a problem, I experienced multiple contact redirects and endless holds, plus a highly frustrating disconnect that required a total restart. Each time, I again and again explained my problem, recited a litany of account data, and tried to communicate with individuals who grappled with basic comprehension.

My request remained unresolved, and I became enraged. I unleashed a scream worthy of a horror movie. My blood pressure soared. After nearly 30 years of banking with the same organization and enduring yet another atrocious customer experience, I decided it was time to take my money elsewhere.

Yes, I know, the Covid-19 pandemic has caused personnel shortages, shifting workforce logistics and all kinds of additional stressors, challenging even the best businesses. But if a major bank I've stayed with for three decades can lose my business now, all of us in the marine industry need to be thinking about the customer experience we are providing to new and longtime boaters alike.

Customer Experience Concerns

The marine industry held a golden ticket this year as the pandemic unfolded: Boating provided an escape for families. Boat buyers stormed our dealerships in epic numbers, buying up available inventory. The flurry of activity exhausted boat sales and overwhelmed service departments.

And yet, as we collectively toasted our sales and service bounty, many dealerships spiraled out of control. Marine Retailers Association of the Americas president Matt Gruhn says the industry's retail Customer Service Intelligence scores took a huge hit from April through June, dropping from a high of 96.7 to 90.4 — an unprecedented drop in three months' time.

Dealers attempting to restock inventory encountered manufacturer slowdowns due to supply chain constraints, quarantine mandates or government-mandated restrictions. And today, these sales and service issues rage on. We're perched on a dangerous precipice. We're the fortunate beneficiaries of a sales jackpot that includes new boat buyers, many of them in the coveted younger demographics, but our ability to deliver an excellent boating experience hangs in the balance.

How we respond to this situation — whether we ensure that great customer experiences follow all of the sales — will directly affect the future of our industry.

"When we talk about welcoming first-time boat buyers, it's not only about helping them buy their first boat; it's about making them feel welcome throughout their boat ownership experience," says Ellen Hopkins Bradley, senior vice president and chief brand officer for the National Marine Manufacturers Association. "When customer experience is at the center of all we do, and we support them at every turn — from the moment they begin their search for their first boat to their ongoing access to healthy, navigable water — the customer wins and the industry wins. How a boater feels about every element of ownership determines our industry's future."

Becky Thompson, president of CSI Inc., whose 32-year-old firm is a leader in customer satisfaction monitoring in the marine and RV industries, agrees it's time for dealers to be more proactive in this regard. "I think all dealers tried their absolute best to service customers," she says, "but even though dealers stepped up, adapted and got those service departments open, the customers' expectations were unwavering. They still wanted the parts today, not in six weeks. Customers were not all forgiving, which means they are already looking at another dealer for their needs next year."

Managers may not even realize a customer is frustrated, she says, because only 4 percent of customers bring complaints to the dealer. "Dealers need to be proactive in making sure that every customer interaction with an employee has some kind of quality-control measure built into the process and the equation," she says. "This will ensure that the new boaters of 2020 will continue in 2021."

The top concerns Thompson's firm tracked nationally were poor communication and lack of timely follow-up by sales and service departments. Shortened demo times for new-boat sales left customers unprepared to use their boats properly, while secondary complaints included a lag in parts deliveries, and either no or slow response to phone calls and emails.

Communication is Job No. 1

It's been reported that 40 to 50 percent of boat customers never hear from their dealer after the sale — during normal conditions. Customer follow-up is showing up as a concern in Thompson's tracking not because it's a new problem in the marine industry, but because the pandemic buying spree exacerbated it.

"We need to elevate this conversation because, as a whole, our industry is not following up," Gruhn says. "We need to actively listen to our customers and give them the care and attention they deserve. We need to become their allies so we can foster a world-class customer experience."

Gruhn says every customer at every dealership needs to be personally called and contacted, particularly the 34 percent of new boat owners now completing their inaugural season. How was their boating experience? How was their dealership experience? What help do they need? How can we serve them and help prepare them for the season ahead?

MRAA produced a 50-page document providing great resources, insights and ideas on the customer experience, including step-by-step protocols and telephone scripts for follow-up calling campaigns.

Another alternative is to pay a modest fee and tap the newly launched Virtual Business Development Center, a joint resource and professional call center produced by the MRAA and CSI Inc. The center is available for customer follow-up calls and interviews. It provides instant alerts about hot-button issues, "wow reports" for great performers, plus performance summaries and dealership trends.

"An objective third party making the calls provides a safe haven in your customers' eyes, allowing them to answer questions honestly," Thompson says. "Customers worry about giving negative remarks to a dealer's employee about someone they have to deal with again at the dealership."

Sales staff also can produce basic operational videos featuring the top 10 boats sold at the dealership. Videos or a Zoom session on any number of relevant topics might be welcomed and could range from basic operations to off-season protocols, winterization and boating safety. The service department could promote off-season repairs. While some dealers downsize in the off-season, Thompson says, retaining techs in the winter would allow dealerships to catch up and get ahead of the next season.

Norm Schultz, in a recent Trade Only Today blog, cited a Harvard Business Review statistic that it costs five to 25 times more to acquire a new customer as it does to retain one. Thompson also says the probability of selling to an existing customer is 60 to 70 percent, versus 5 to 20 percent when selling to a new prospect. A typical customer will spend 67 percent more during months 30 to 36 of his relationship than in the first six months.

There is unmistakable benefit and profitability associated with taking care of customers. Let's quit talking about it and make those calls.

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