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Price comparison websites

by Geoff Mutton

The recently released Capricorn State of the Nation 2020 Report revealed that 24% of members are worried about the impact price comparison websites could have on their business.

This statistic is not surprising given the passionate opinions many workshop owners have on the subject. Some workshops are happy with the service and flow of new customers while others passionately argue that it is only going to drive down profitability in an already tight industry.

Love them or hate them, agree or disagree, these platforms exist and are here to stay. Rather than focus on the potential negative workshop operators need to learn from these platforms and see if they can translate what they do well into their own business.

Strong online presence

Price comparison websites don't have a physical workshop presence so they can't rely on drive-by traffic to keep them busy. They understand that 75% of all transactions commence with an online search, so for customers to find their preferred workshop, the price comparison websites are well built, and they invest heavily in search engine optimisation (SEO) and search engine marketing (SEM).

Jump on Google and type in a few different search terms like '*Mechanic in your suburb*' or '*Car service in your suburb*' to see how your business ranks. In simple terms, the closer your listing is to the top of the page, the more clicks it will get. If your ranking is well down the list, and you need more business, maybe its time to engage a professional to improve your online presence.

Online booking

These days, just about everything can be booked online – a haircut, physio appointment or gym sessions. Five years ago, booking for one of these would have been a novelty. Now it is just expected.

Price comparison websites understand this and provide a seamless process to enable customers to book their car in for a service.

Feedback from those workshops that do offer a proper online booking process reveals that about 30 per cent of their bookings are made online by both existing and new customers. It can be guaranteed this number is only going to increase.

Online reviews

Love them or hate them, independent online reviews carry a lot of weight for new customers. It's estimated that around 80 per cent of new customers will read a review before completing a transaction.

Price comparison websites understand the importance of online reviews. They work extremely hard to collect reviews from customers and then make sure they can be read by prospective customers.

Independent workshops should follow their lead. First, you need to set up a process for proactively asking customers for online reviews. Second, you should embed the review feed in a prominent position on your website so that they can be easily found by prospective customers.

Payment options

Over the last few years there has been an emergence of after-pay style finance providers. Examples include Openpay, ZipPay, Humm and GoPay, all of which deal with aftermarket workshops.

These days, it is very rare to find a retail shop that does not offer some form of payment option.

These payment options have become second nature for the younger generation. Price comparison websites understand this and prominently market payment options, knowing that many independent workshops do not offer these services.

The application and approval process for these platforms has become simple, so it might be time to consider providing a payment option for your customers.

Keeping in contact

Most workshops routinely send service reminders. Unfortunately, many think that one service reminder is enough. If the customer ignores the reminder, it's likely they will drop off the workshop's communication system.

Once again, price comparison websites know that sending just one service reminder doesn't cut it. Their process communicates with the customer regularly once they are listed in the database.

There's one price comparison website that has my personal contact details and in a nine-month period they communicated with me 15 times. Personally, this is overkill, but it highlights the fact that independent workshops need to do more than just send one service reminder.

Legitimate opportunities to communicate with your database could include service reminders, 24-hour booking reminders, registration and WOF reminders (location dependant), specials and seasonal messages.

Competition is always a good thing because it forces businesses to pull their socks up. So learning the ropes from price comparison websites can greatly improve your business and customer experiences.

You can read the full Capricorn State of the Nation 2020 Report at

<https://www.capricorn.coop/-/media/project/csl/capricorn/articles/resources/state-of-the-nation-2020.pdf>

ENDS

The place to start is www.tatbiz.net.au/capricorn

Just go for it!