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Dodge launches Web chat to woo customers

Brand is latest to use feature on site to answer questions with goal to get buyers into dealerships.

Josee Valcourt / The Detroit News

Automakers may have found a way to use the Internet to lure customers to their showrooms -- and ultimately boost sales.

Chrysler Group's Dodge brand, the fifth-largest U.S. nameplate, is the latest carmaker to use a chat feature on its Web site to answer consumer questions with the goal of encouraging them to visit dealerships and buy cars and trucks.

Shoppers perusing the Dodge Web site click on a link that takes them to a live chat page for a one-on-one conversation with a customer service representative, who quickly answers questions from a call center in southeast Michigan. And anyone surfing the site for a certain amount of time will receive a prompt asking them if they'd like to engage in a live chat.

"This is all part of a marketing initiative," said Chrysler spokesman James Kenyon. "It can help boost showroom traffic. It's to make the shopping process more informative and ultimately the goal is to help increase sales."

Right now, the live chat service is limited to Dodge's new Avenger sedan, launched last month, and the Nitro SUV, introduced last year. Chrysler is testing customer response to those products before making any decision to expand the service to other vehicles.

Some 5 million visitors go to the Dodge Web site every month.

Industry watchers say the growing use of live chat features by the auto industry could be an effective tool to capture buyers.

"It's a great way to use the Web on both the (automakers') and dealers' end," said Jim Irving, vice president of strategic media development for the San Francisco-based [Jumpstart Automotive Media].

Consumers can shop and ask questions without feeling the pressure they often feel to buy a car at a dealership.

"The response of a live chat is just as good as a lead," said Irving, who helps dealers develop online strategies. "It pushes the product interest along."

Service is very popular

So far, Dodge's live chat service, initially installed by LivePerson Inc. as part of a three-month test on the Nitro page, has fared well.

Ninety percent of participants surveyed rated the feature as "excellent," and 60 percent asked in-depth questions. The service, said Robert LoCascio, CEO of LivePerson, "is very popular."

The New York City firm has worked with the General Motors Corp. brand Saturn and Ford Motor Co. and non-auto companies like Bank of America and Verizon. Among the latter, LivePerson found that 25 percent of those who participated in live chat made a purchase.

LoCascio said the auto industry has grappled for years about how best to use the Internet to boost sales and should see results from the chat service. However, he said the number of shoppers moving from chat to purchase might not be as high as with other businesses.

"We found the conversion rate of chatter to buyer is very high," said LoCascio, adding that the more questions potential consumers ask, the more likely they are to make a purchase.

"It guarantees that if the consumer is on the site that you have a chance to get them into a dealership," he said.

Questions answered quickly

Though the number of actual sales as a result of live chat is unknown at Saturn, GM reported that 70,000 chat sessions took place during a year-long pilot last year. Saturn said in February that the feature would be a regular tool on its Web site.

Ian Malbon, vice president of Web services and new media at Troy-based The Quell Group, said the chat technology allows carmakers to get consumers' questions answered more quickly.

"The idea here is to make it as useful and as short of a process for users," Malbon said. "Nobody who's shopping for a vehicle wants to go on a site and spend more time than they need to." "

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