



# NFDA

NATIONAL FRANCHISED DEALERS ASSOCIATION



## Dealer Attitude Survey

Summer 2021

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## Introduction

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Dear Colleague,

Welcome to the latest **NFDA Dealer Attitude Survey**.

The National Franchised Dealers Association (NFDA), which represents franchised car and commercial vehicle retailers in the UK, has been conducting the Dealer Attitude Survey (DAS) continuously since 1989.

The survey now takes place twice a year and the summer 2021 edition attracted a response rate of 56.8% with a total of 2,468 responses from 32 participating dealer networks.

The DAS summer 2021 was conducted in July 2021 and asked franchised dealers a series of questions covering key business issues affecting the relationship with their respective manufacturers. Responses are scored from 1 (extremely dissatisfied) to 10 (extremely satisfied).

Despite the significant challenges faced by the automotive sector over the past months, franchised dealers showed rising satisfaction levels with the relationship with their respective manufacturers across most business areas.

Positively, dealers continued to demonstrate high levels of satisfaction with the support received by respective manufacturers during the COVID-19 crisis. Additionally, respondents were particularly upbeat about their total margins on used cars and the quality of their manufacturers' training. Another area of satisfaction increase was OEMs' alternative fuel vehicle offering which rose, resulting in one of the highest scores at 6.8.

A number of networks expressed dissatisfaction with their manufacturers' new car targeting process, returning one of the lowest ratings at 5.7; however, this average score was higher than six months ago.

Overall, dealers' ratings to most questions saw an improvement from six months ago and the 'average score across all questions of the survey' grew from 6.0 earlier this year to 6.3.

This report is a summary of the results of the NFDA Dealer Attitude Survey summer 2021. It gives an overview of the findings through the charts and the analysis of the main questions. A full version of the report is available on request.

The survey was analysed by the National Franchised Dealers Association (NFDA). For further information and comments, please email [nfda@rmif.co.uk](mailto:nfda@rmif.co.uk)

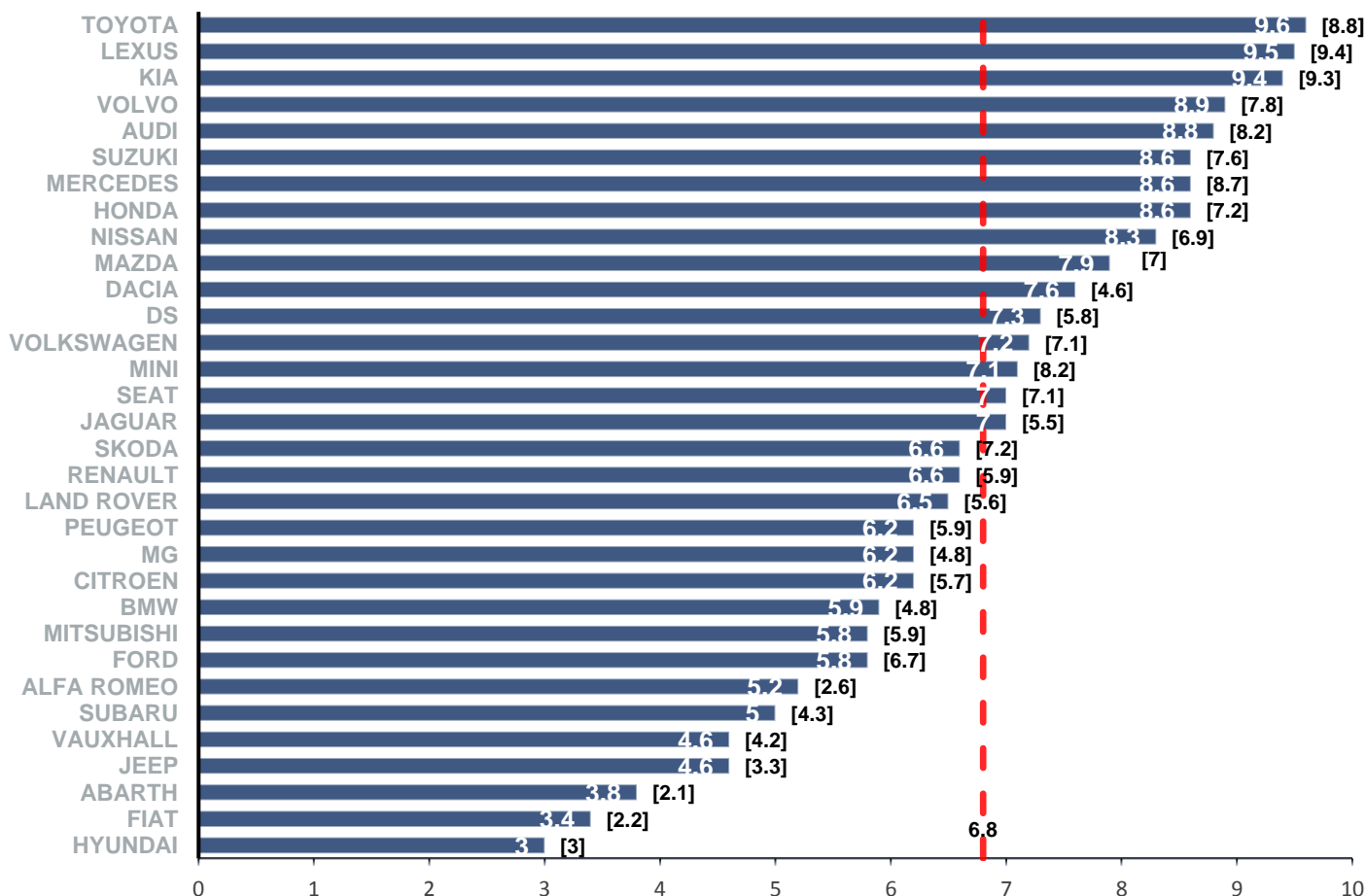
**Sue Robinson**

Director, National Franchised Dealers Association



## Manufacturer support

How satisfied are you with the level of your manufacturer’s support throughout the COVID-19 crisis?



Figures in white = Summer 2021

Figures in black = Winter 2020/2021

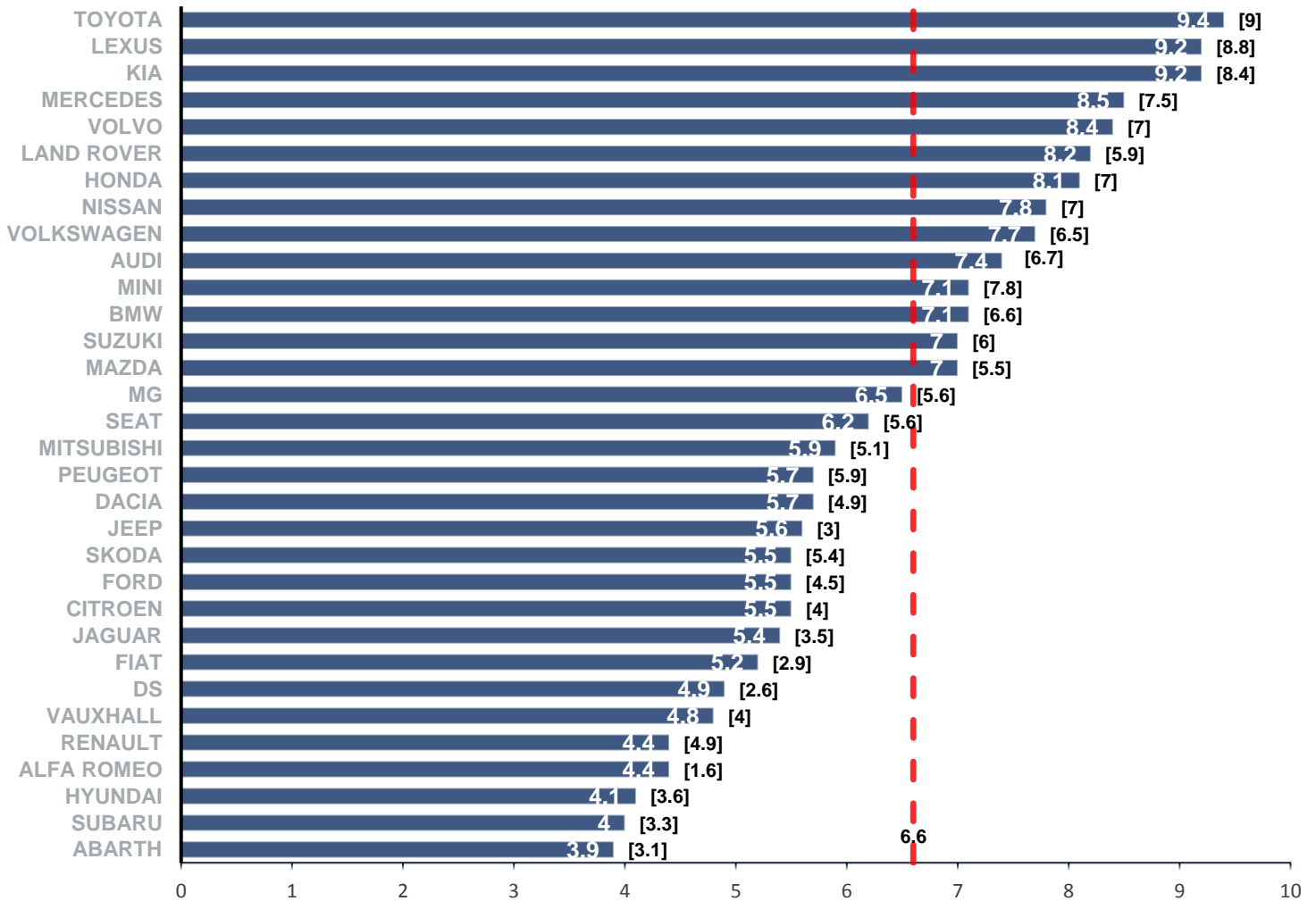
<b>Biggest improvement:</b>	Dacia	+3.0 points
<b>Largest decline:</b>	Mini	-1.1 points
<b>Average score:</b>		6.8 points
<b>Previous average:</b>		6.4 points

### Summary

Average dealers’ satisfaction levels with the support received from their manufacturers throughout the pandemic improved further to 6.8 out of 10 points from 6.4 in the winter edition of the survey. Out of all respondents, 25 experienced increased satisfaction levels, 1 remained the same and 6 decreased; 27 dealer networks scored above 5.0 points, with 5 networks attaining marks below.

## Profit return

How satisfied are you with the current profit return from representing your business?



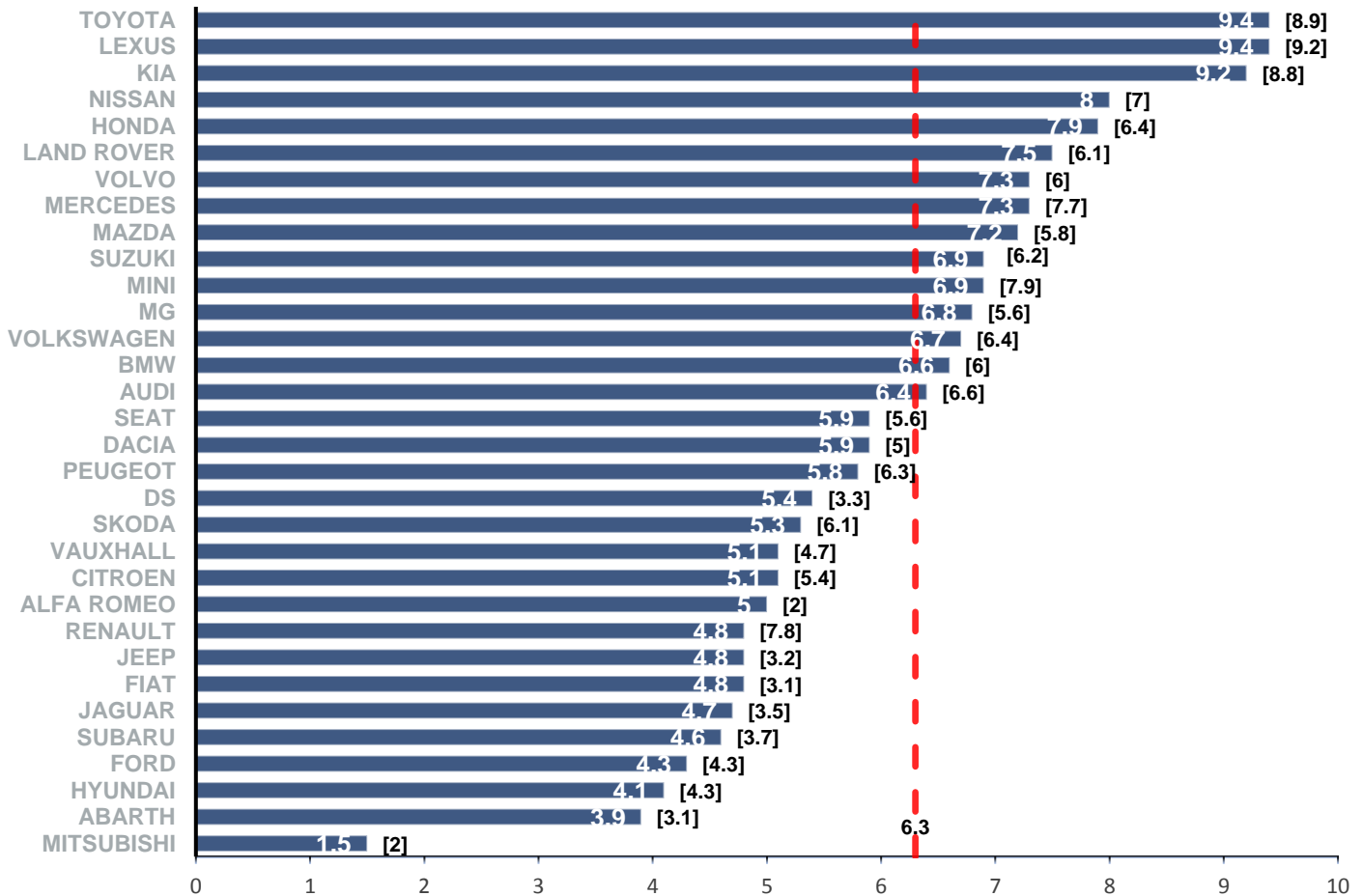
<b>Biggest improvement:</b>	Alfa Romeo	+2.8 points
<b>Largest decline:</b>	Mini	-0.7 points
<b>Average score:</b>		6.6 points
<b>Previous average:</b>		5.7 points

### Summary

The average dealers' satisfaction with their current profit return saw a significant increase of 0.9 points to 6.6 from 5.7 in the previous edition of the survey and 5.1 a year ago. A large majority (29 networks) had an improved satisfaction rate with the remaining 3 declining. 7 networks supplied scores below 5.0 points, with 25 above.

## Profit return

**How satisfied are you with the future profit return from representing your business?**



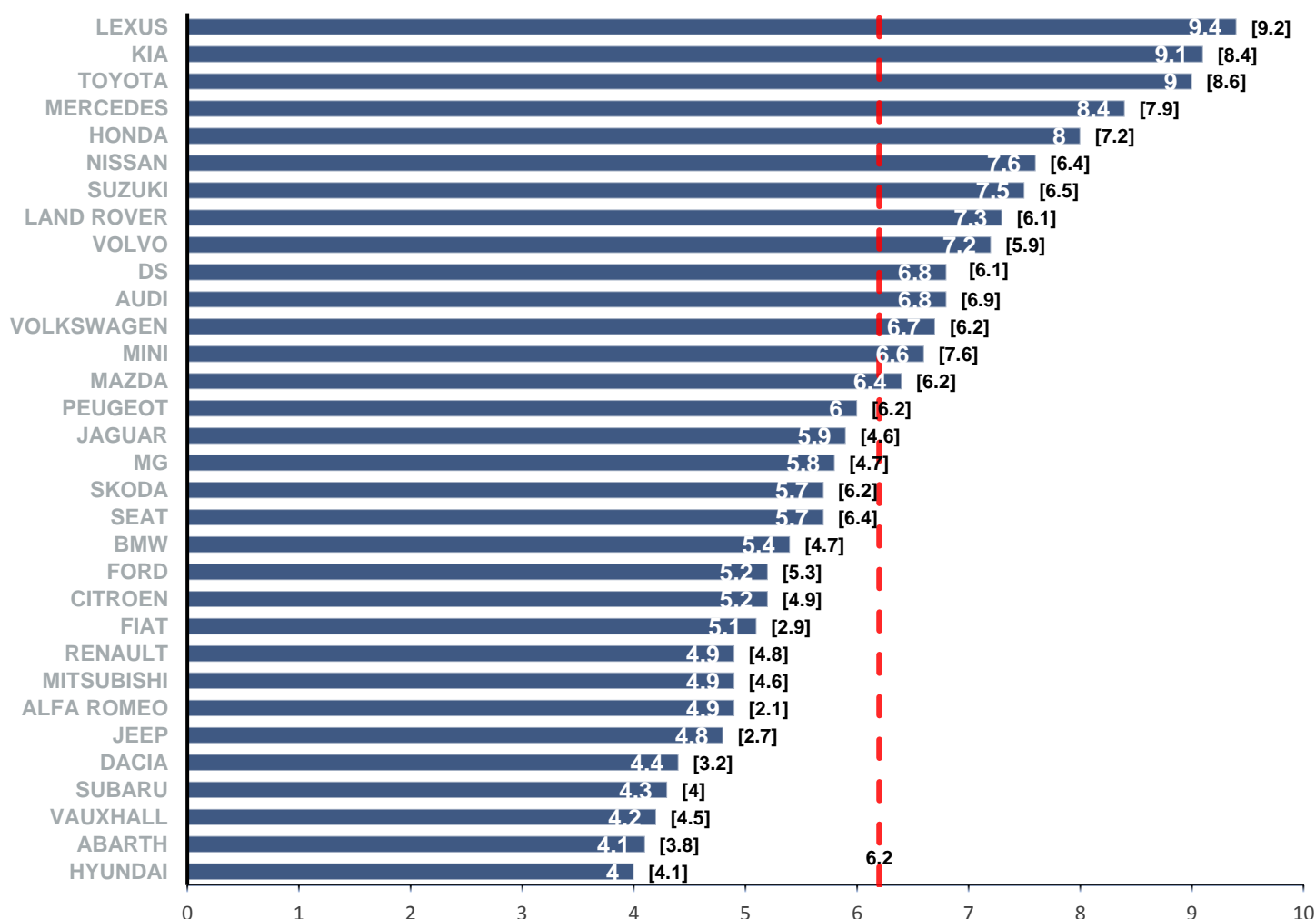
<b>Biggest improvement:</b>	Alfa Romeo	+3 points
<b>Largest decline:</b>	Renault	-3 points
<b>Average score:</b>		6.3 points
<b>Previous average:</b>		5.9 points

### Summary

Dealers' satisfaction levels with their predicted future profit return increased to an average score of 6.3 points, up from 5.9 six months ago and 5.3 in the summer 2020 survey. 22 networks saw an increase of their satisfaction levels, while 9 decreased and 1 remained the same; 23 networks scored above the 5.0 mark, whilst 9 were below.

## Profit return

How satisfied are you with your total margin on new vehicles?



**Biggest improvement:** Alfa Romeo +2.8 Points

**Largest decline:** Mini -1 points

**Average score:** 6.2 points

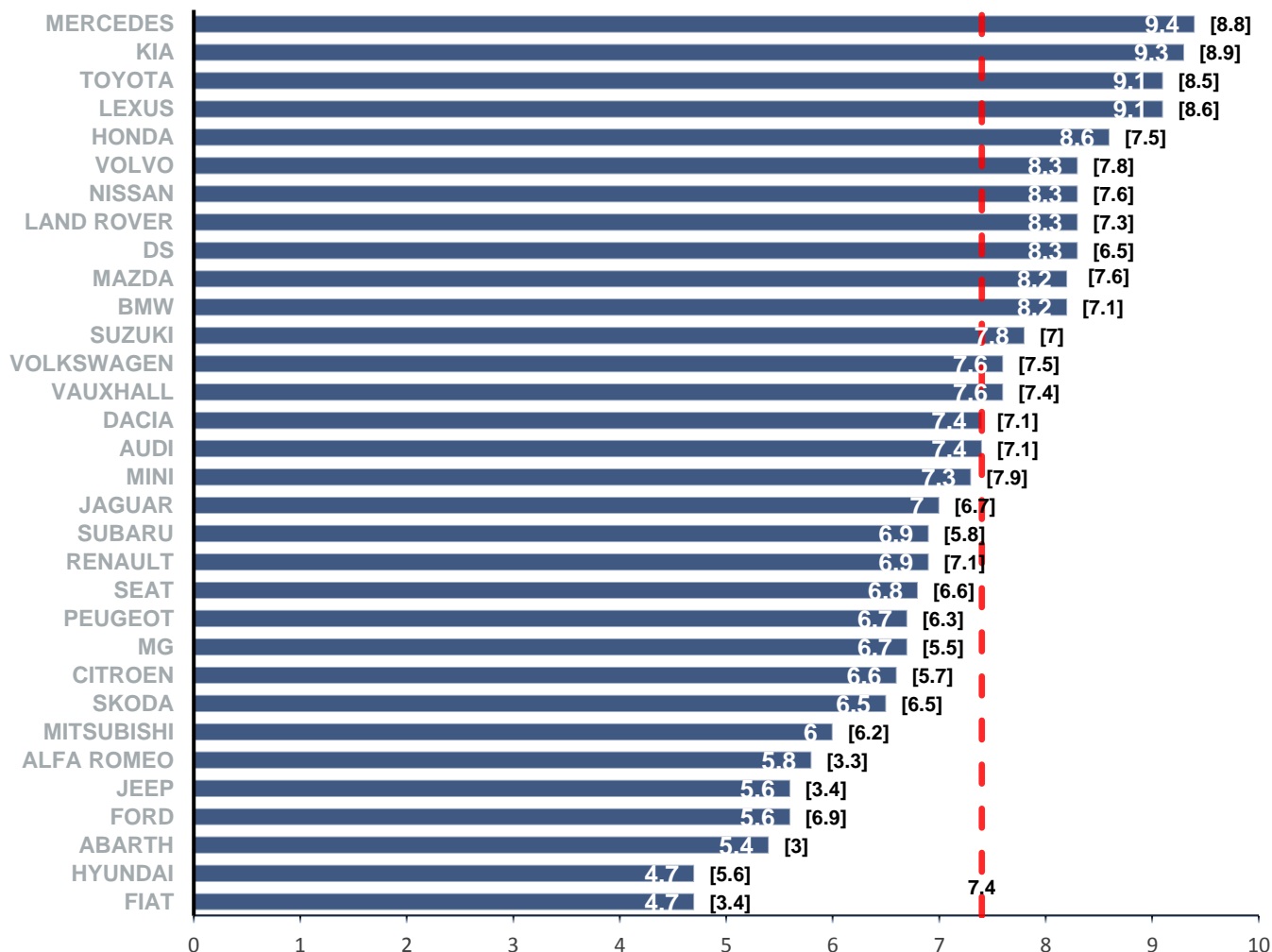
**Previous average:** 5.8 points

### Summary

The average dealers' satisfaction with total margins on new vehicles went up by 0.4 points from the winter survey to 6.2 points and up by 0.8 points from the same time last year. There were 9 responses which scored below 5.0, with the remaining 23 above; 25 networks increased their level of satisfaction, whilst 7 declined.

## Profit return

How satisfied are you with your total margin on used car sales?



<b>Biggest improvement:</b>	Alfa Romeo	+2.5 points
<b>Largest decline:</b>	Ford	-1.3 points
<b>Average score:</b>		7.4 points
<b>Previous average:</b>		7.0 points

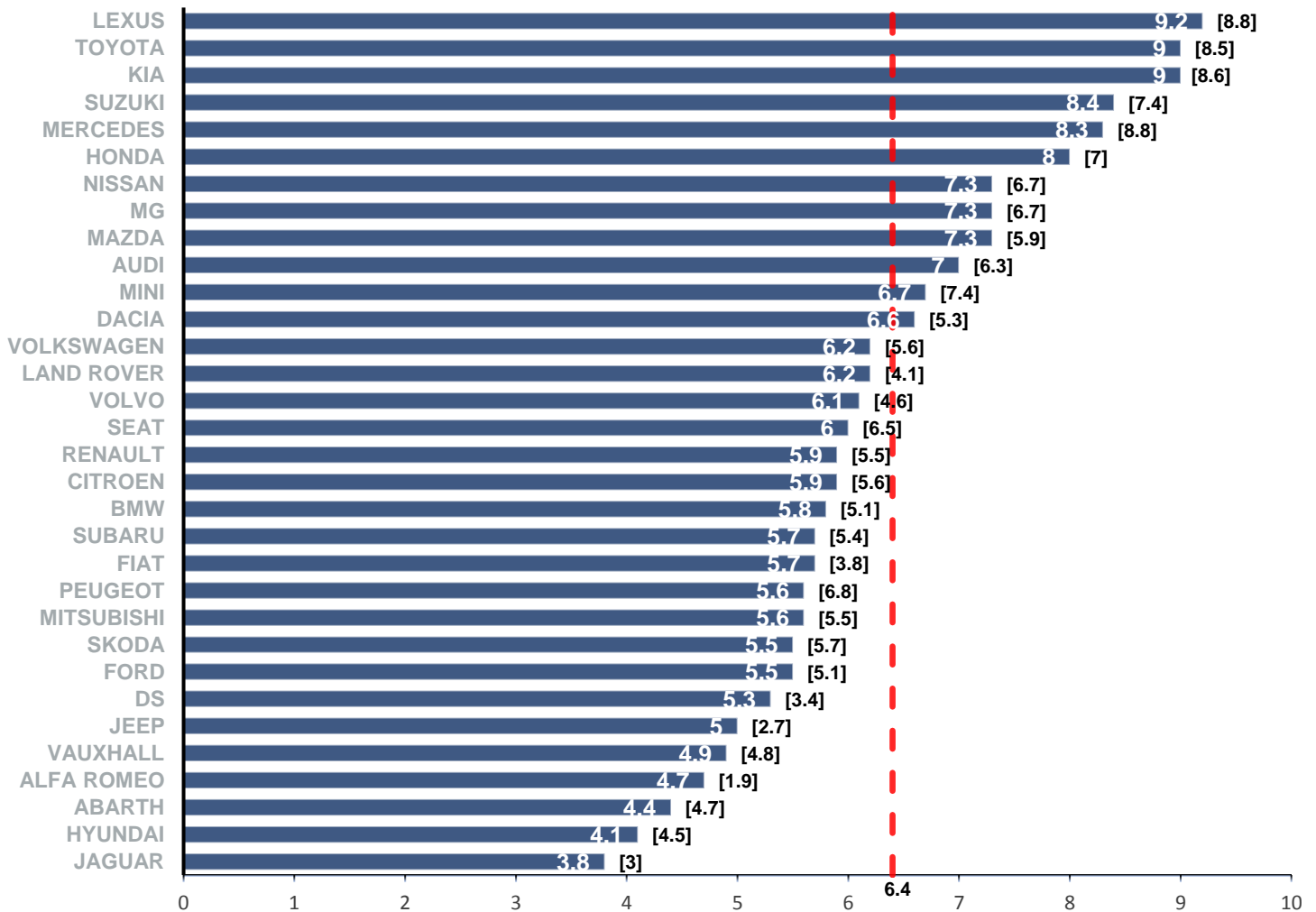
### Summary

The average score given in response to dealers’ satisfaction with their margin on used car sales was the highest across the whole survey at 7.4 points, up by 0.4 from six months ago. 26 networks increased their score, 1 remained the same and 5 decreased; nearly all scores (30) were greater than 5.0 points.



## Return on investment

How satisfied are you with the required level of capital investment?



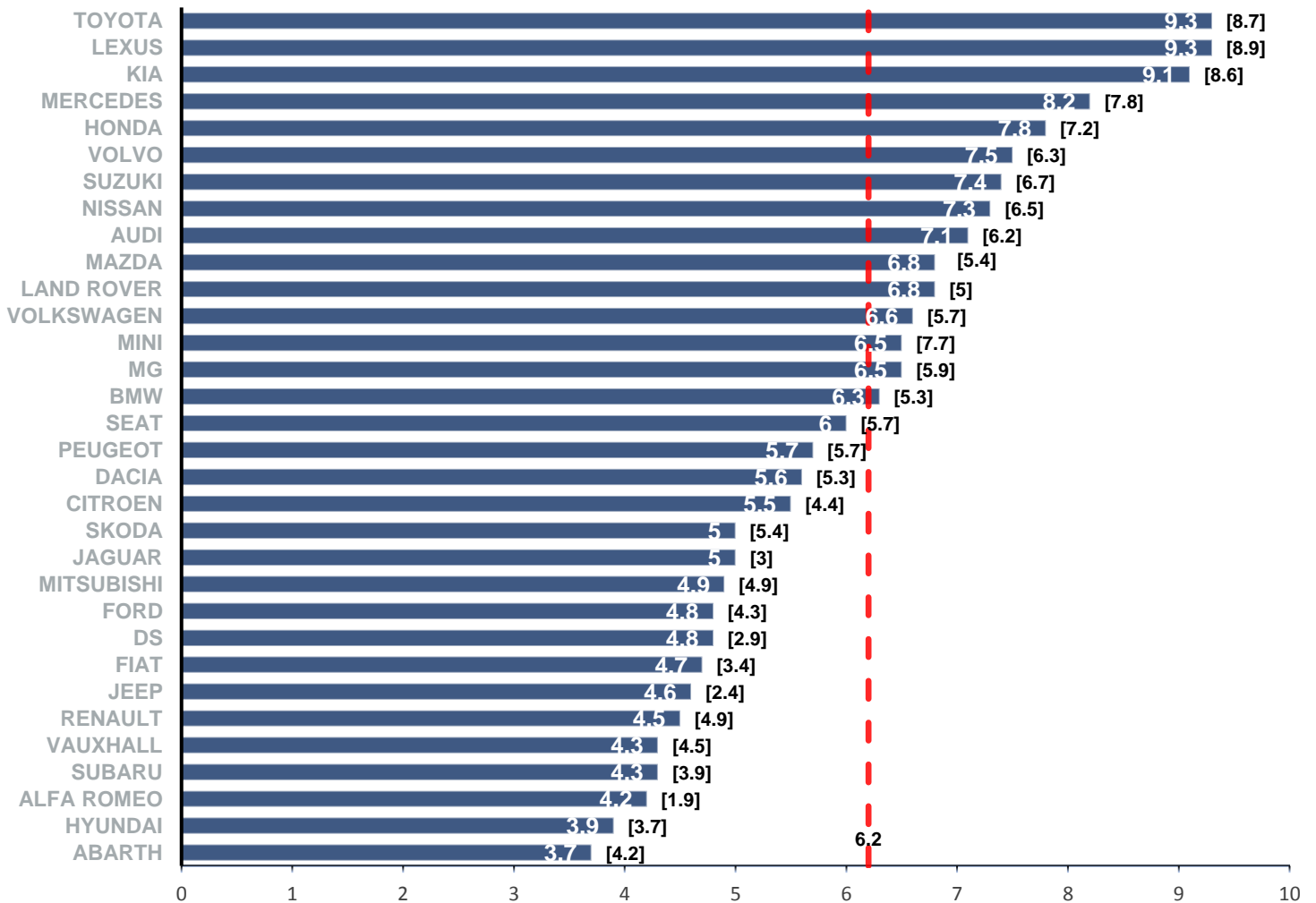
<b>Biggest improvement:</b>	Alfa Romeo	+2.8 points
<b>Largest decline:</b>	Peugeot	-1.2 points
<b>Average score:</b>		6.4 points
<b>Previous average:</b>		5.9 points

### Summary

Average dealers' satisfaction levels with the required level of capital investment grew by 0.5 points from the winter survey to 6.4 points. A year ago, the average was 5.5. Out of all average scores, 7 experienced a decrease compared to six months before, while 25 increased; 27 ratings were above 5.0 points.

## Return on investment

How satisfied are you with the return on capital for your dealership?



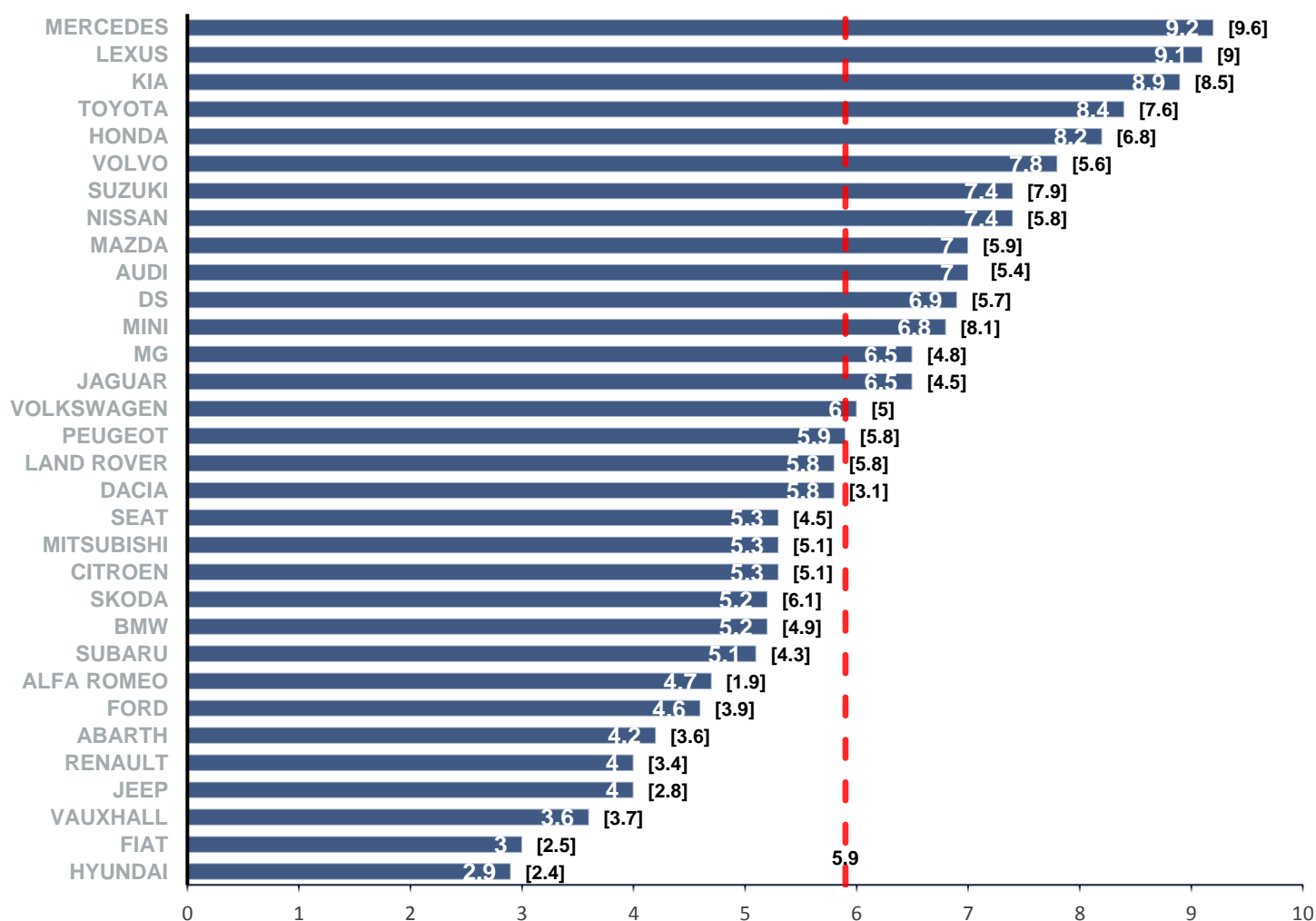
<b>Biggest improvement:</b>	Alfa Romeo	+2.3 points
<b>Largest decline:</b>	Mini	-1.2 points
<b>Average score:</b>		6.2 points
<b>Previous average:</b>		5.6 points

### Summary

The average score for networks' satisfaction levels with the return on capital for their dealerships rose by 0.6 points from six months ago, from 5.6 to 6.2; compared to twelve months ago, the score grew by 1.2 points. Responses showed that 25 dealer networks experienced an increase, while 2 stayed the same and five dropped. There were 21 ratings above 5.0 and 11 below.

## Targets

Are the volume target aspirations of your manufacturer realistic?



**Biggest improvement:** Alfa Romeo +2.4 points

**Largest decline:** Mini -2.6 points

**Average score:** 5.9 points

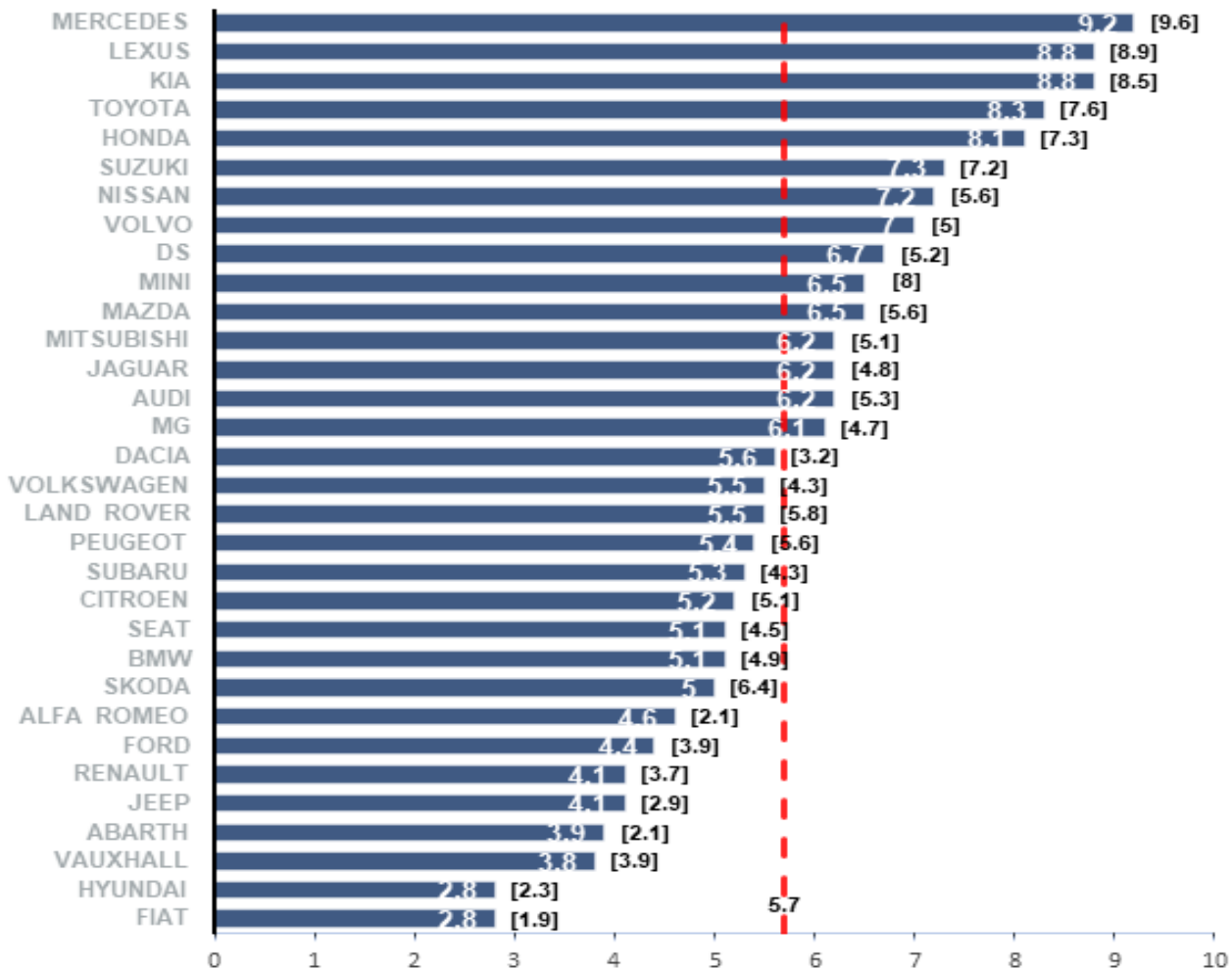
**Previous average:** 5.3 points

### Summary

Average dealers' satisfaction levels with their manufacturers' target aspirations improved by 0.6 points from the winter survey and by 0.8 from a year ago, the rating now stands at 5.9. Compared to the previous survey, only 5 networks saw a reduction in their satisfaction rates, one stayed the same and 26 rose; 8 ratings were below 5.0 points with the remaining 24 above.

## Targets

How satisfied are you with your new car targeting process?



**Biggest improvement:** Alfa Romeo + 2.5 points

**Largest decline:** Mini -1.5 points

**Average score:** 5.7 points

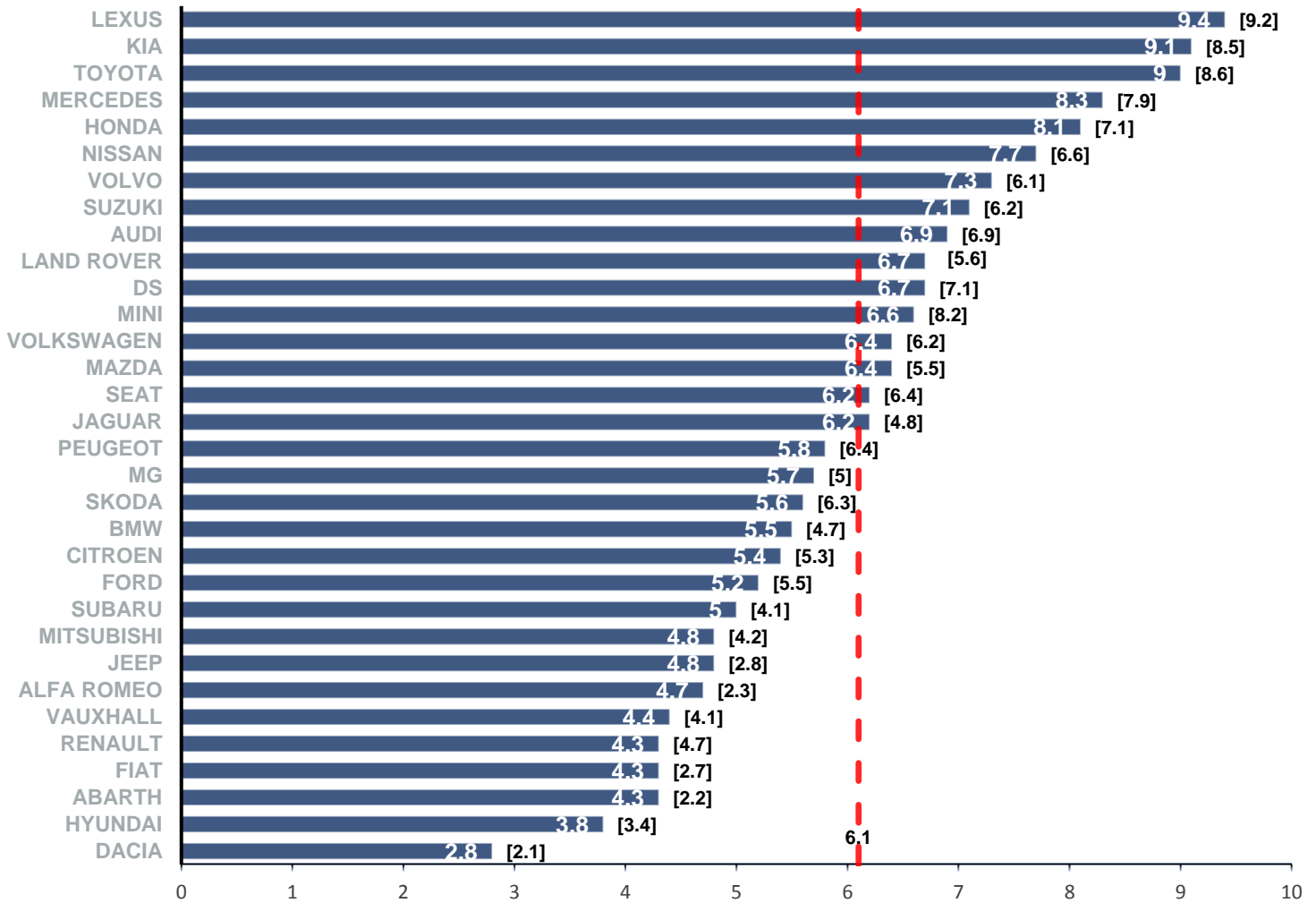
**Previous average:** 5.3 points

### Summary

Despite being one of the lowest average scores of the survey, dealers' satisfaction levels with their new car targeting process improved by 0.4 points, from 5.3 six months ago to 5.7 in the current edition of the survey. In summer 2020, the average was 5.0. 25 networks experienced an increase in score, with 7 decreasing; 8 responses were below the 5.0 mark with the rest of the scores (24) above that point.

## Incentives

How satisfied are you with your current bonus and rebate rates on new car sales?



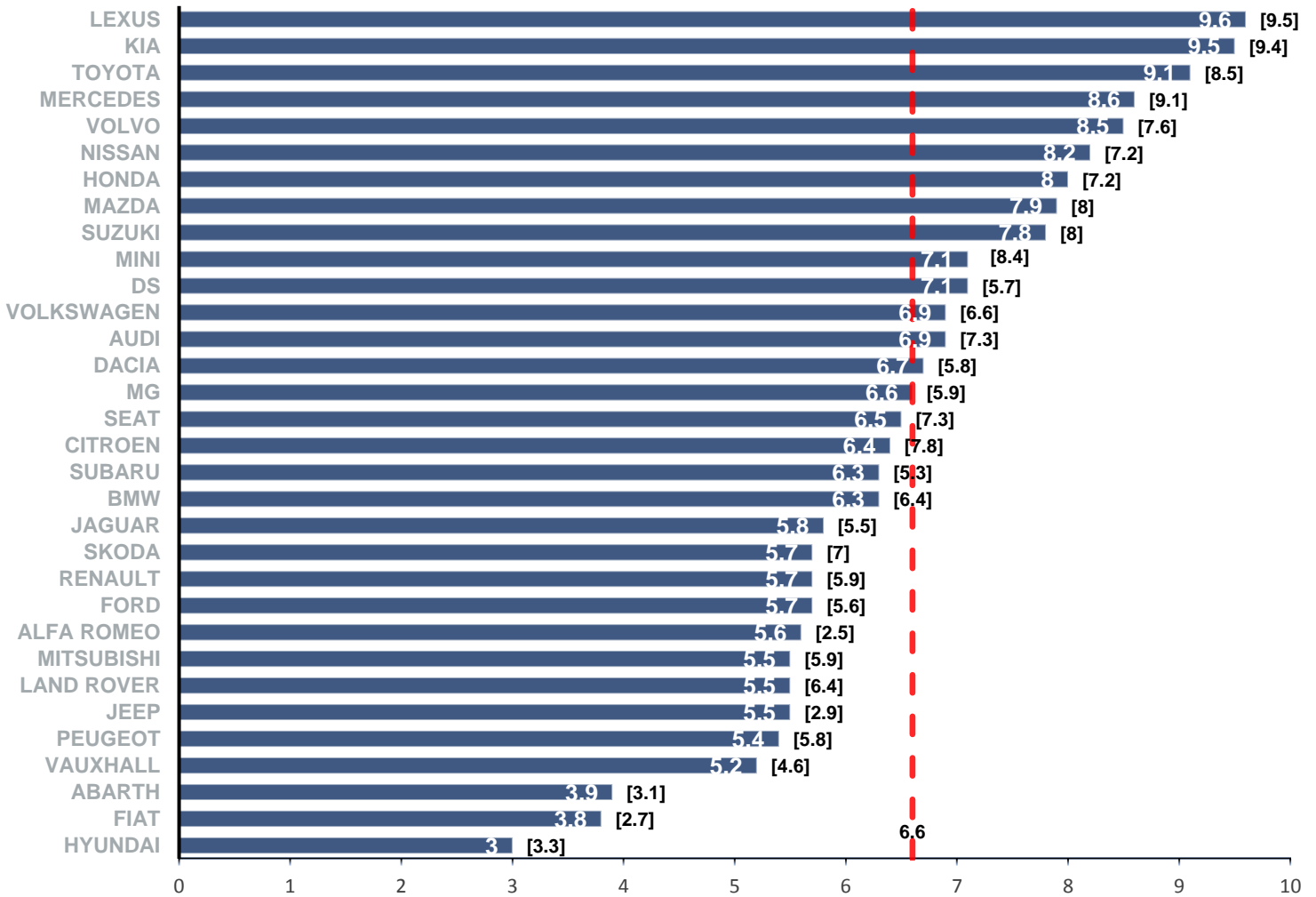
<b>Biggest improvement:</b>	Alfa Romeo	+2.4 points
<b>Largest decline:</b>	Mini	-1.6 points
<b>Average score:</b>		6.1 points
<b>Previous average:</b>		5.8 points

### Summary

Dealers are more satisfied with their current bonus and rebates on new cars than they were six months ago, with an average score of 6.1 points, up from 5.8 in the winter edition of the survey. A year ago, the average was 5.4. 23 networks produced scores above 5.0 points. 25 ratings improved from six months ago, with 7 decreasing and one staying the same.

## Day-to-day working relationship

How satisfied are you with your ability to do business with your manufacturer on a day-to-day basis?



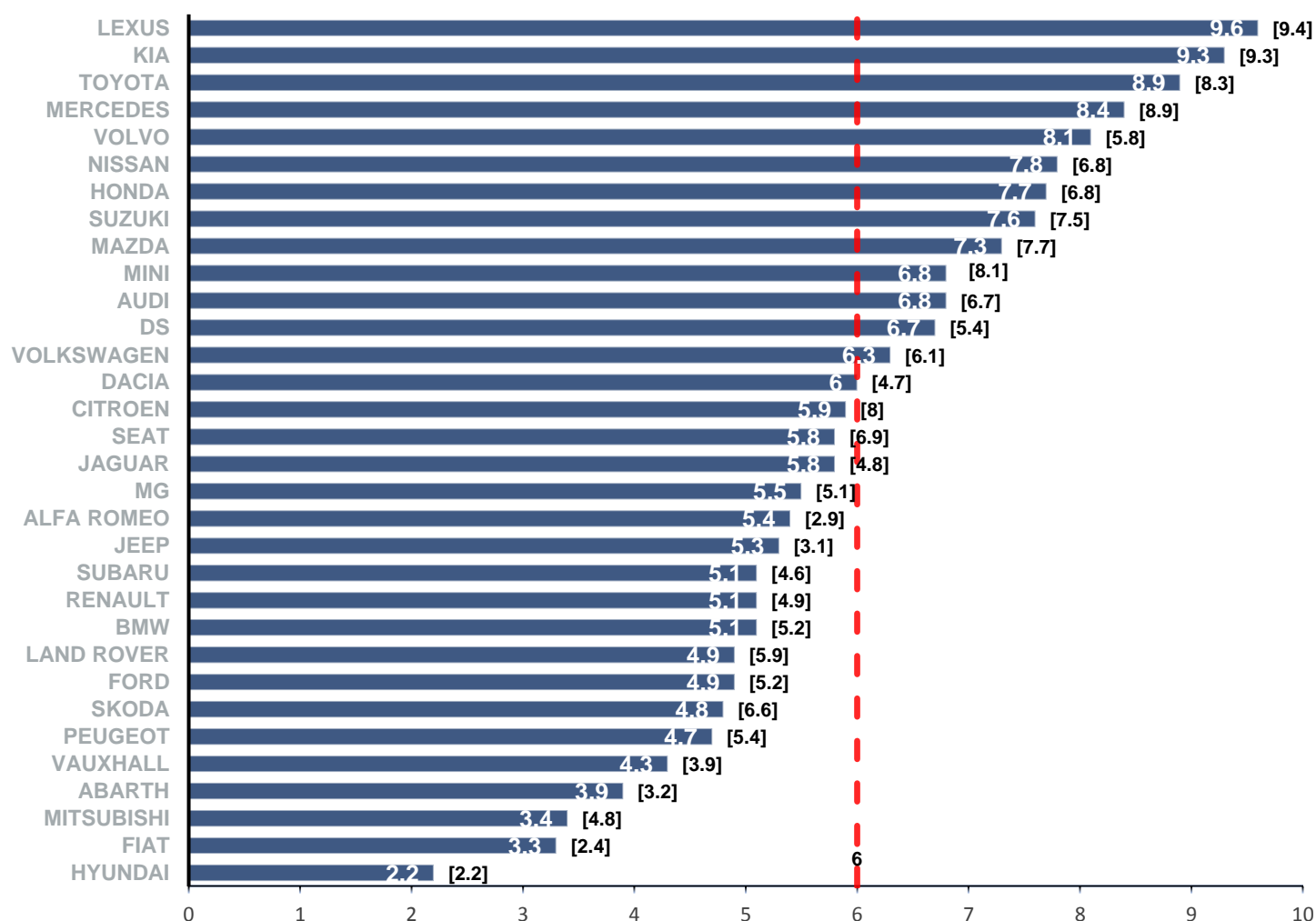
<b>Biggest improvement:</b>	Alfa Romeo	+3.1 points
<b>Largest decline:</b>	Citroen	-1.4 points
<b>Average score:</b>		6.6 points
<b>Previous average:</b>		6.5 points

### Summary

This edition of the survey saw a 0.1-point increase in dealers' average rating given to the ability to do business on a day-to-day basis with their manufacturer, up from 6.5 to 6.6 points. Overall, 18 manufacturers experienced an increase with 14 reducing; 3 ratings had a score of less than 5.0 points, with the remaining 29 having scores above that mark.

## Day-to-day working relationship

Does the management of your manufacturer take dealers' views and opinions into account?



**Biggest improvement:** Alfa Romeo +2.5 points

**Largest decline:** Citroen -2.1 points

**Average score:** 6.0 points

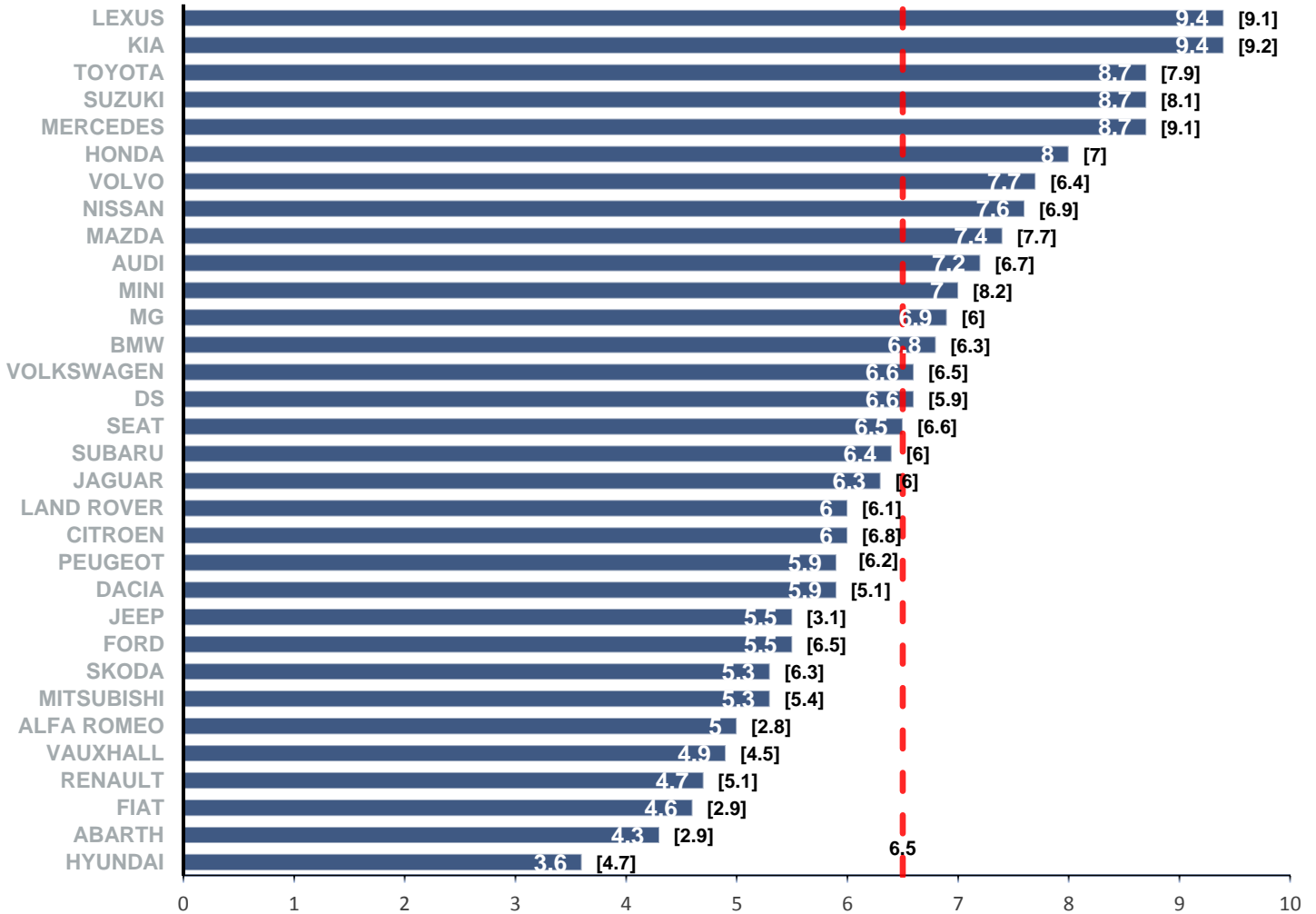
**Previous average:** 6.0 points

### Summary

Following a 0.3 increase six months ago, the average score about manufacturers' taking their networks' views into account has remained the same at 6.0 points. In total, 19 networks increased their scores from the previous study, with 11 decreasing and 2 remaining the same. 24 responses were above 5.0 points and 8 below.

## Standards and performance measures

Are your manufacturer's dealer standards fair and reasonable?



<b>Biggest improvement:</b>	Jeep	+2.4 points
<b>Largest decline:</b>	Mini	-1.2 points
<b>Average score:</b>		6.5 points
<b>Previous average:</b>		6.5 points

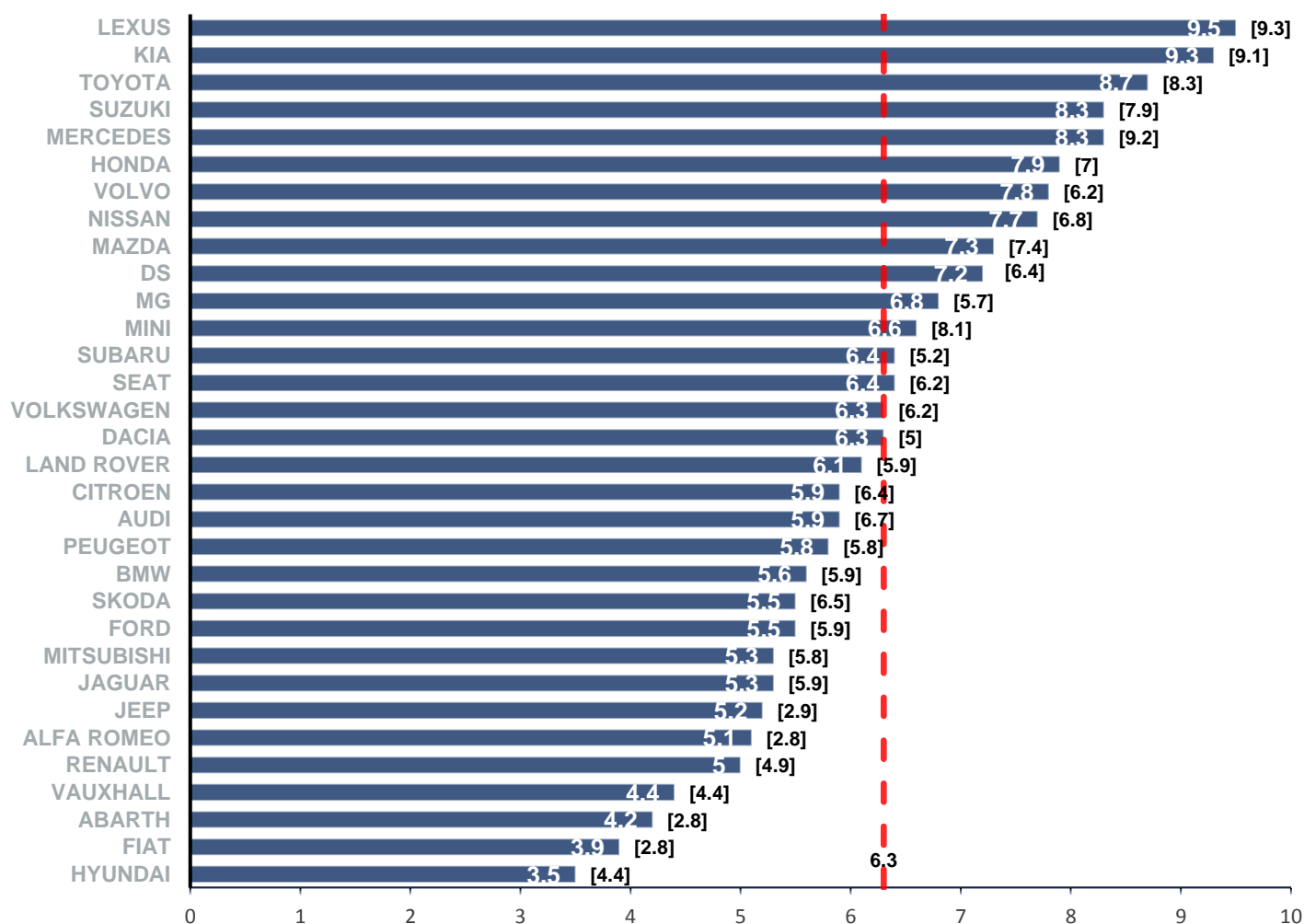
### Summary

The average score concerning dealers' satisfaction with manufacturers' standards did not change following the marginal, 0.2 points increase experienced six months ago. 20 dealer networks raised their score whilst 12 saw a drop; 27 responses were above the 5.0 point and 5 were below.



## Standards and performance measures

**Are the performance measures used by your manufacturer on your business fair and reasonable?**



**Biggest improvement:** Jeep +2.3 points

**Largest decline:** Mini -1.5 points

**Average score:** 6.3 points

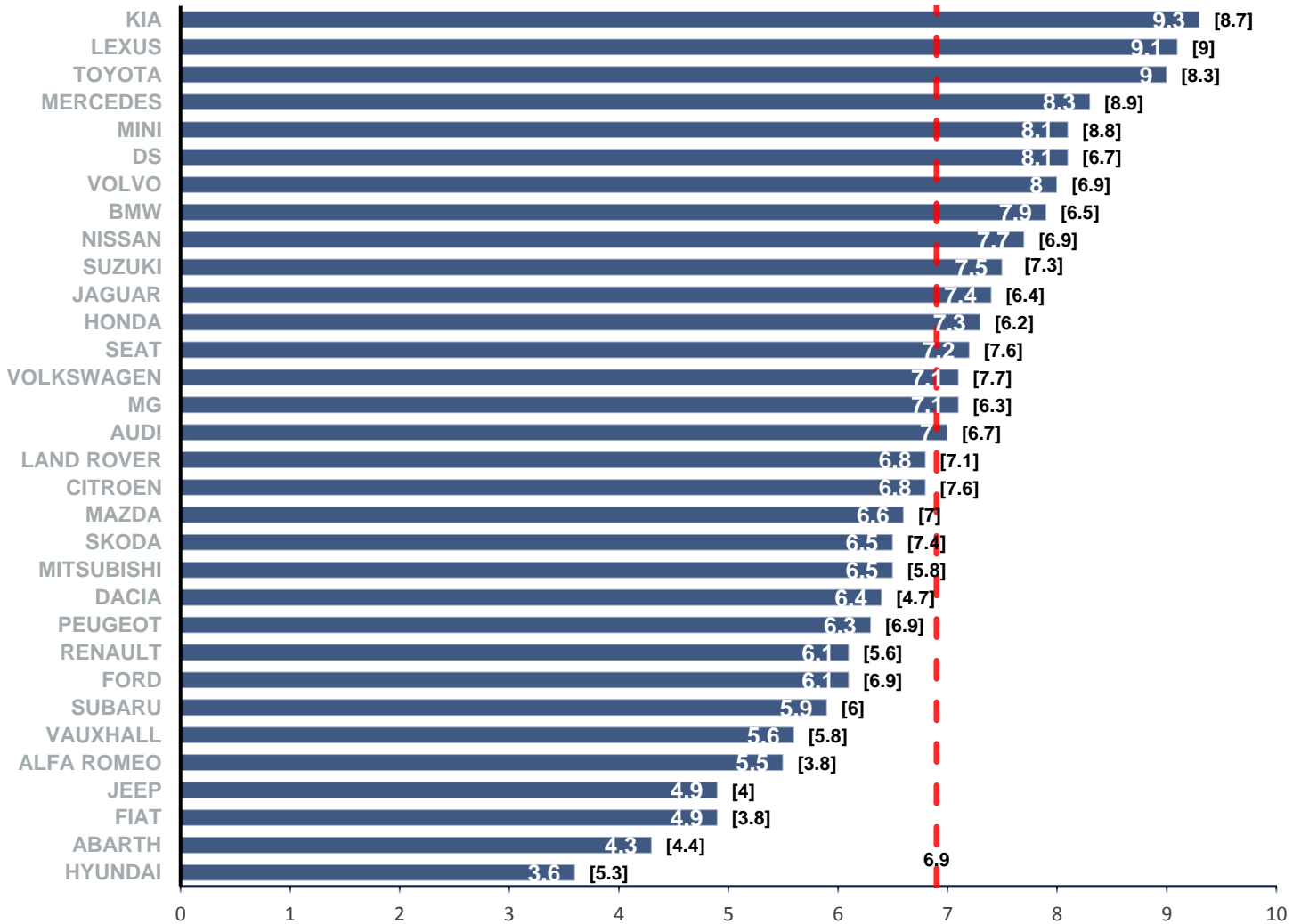
**Previous average:** 6.3 points

### Summary

Dealers' satisfaction levels with the standard and performance measures used by their manufacturers have remained the same as six months ago, with an average score of 6.3 points. A year ago, the average was 6.2. For this question 19 scores improved, 2 did not change and 11 decreased; 28 responses out of the total 32 were greater than 5.0 points.

## Training

How satisfied are you with the quality of your manufacturer's training?



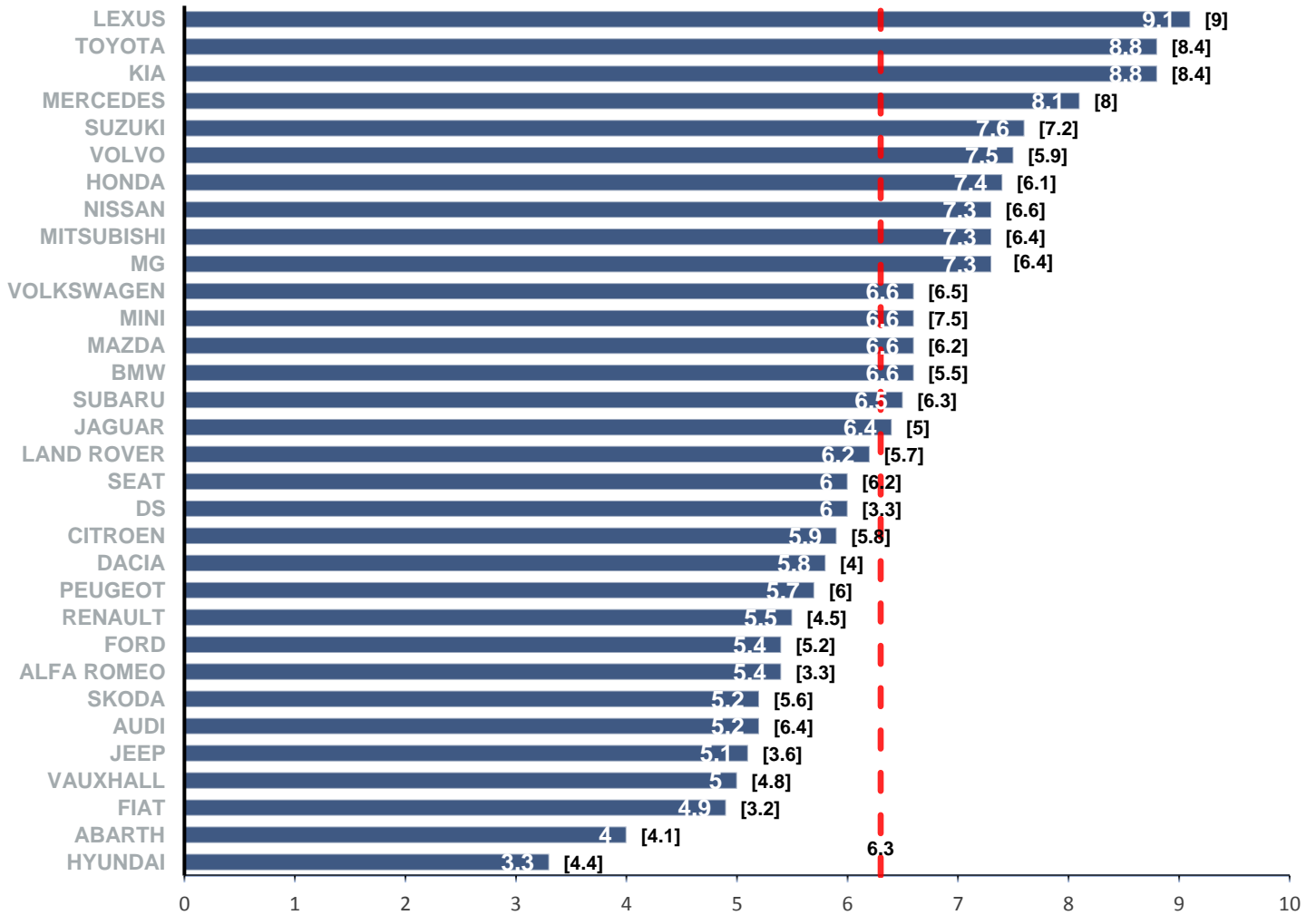
<b>Biggest improvement:</b>	Alfa Romeo	+1.7 points
<b>Largest decline:</b>	Hyundai	-1.7 points
<b>Average score:</b>		6.9 points
<b>Previous average:</b>		6.8 points

### Summary

Retailers continued to show high satisfaction levels with the quality of their manufacturers' training with the average score increasing to 6.9 points, up by 0.1 from six months ago and by 0.2 points from last summer. There were 28 responses above 5.0 and only 4 below. 18 scores improved with 14 experiencing a reduction in their level of satisfaction.

## Training

How satisfied are you with the cost of your manufacturer's training?



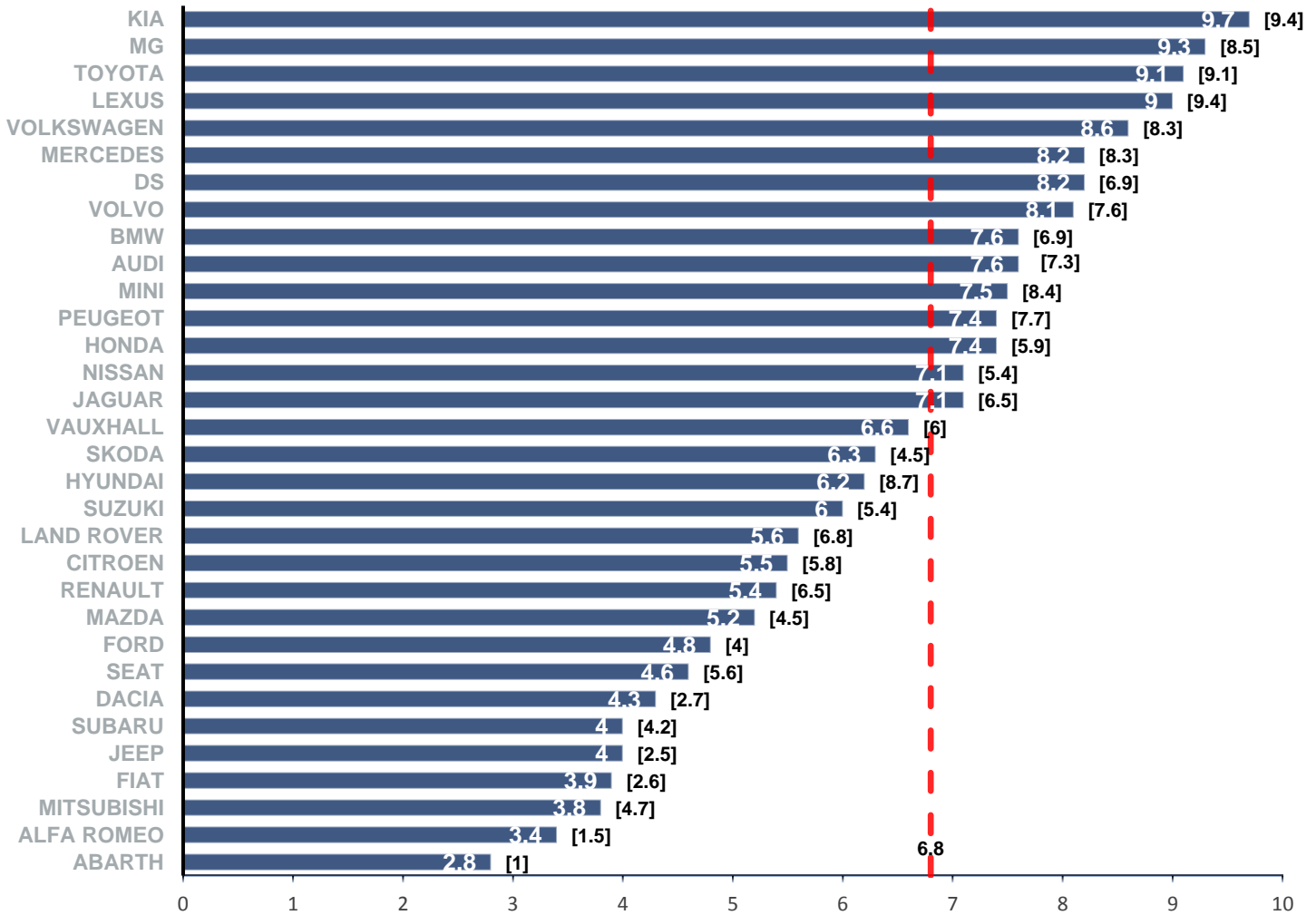
<b>Biggest improvement:</b>	DS	+2.7 points
<b>Largest decline:</b>	Audi	-1.2 points
<b>Average score:</b>		6.3 points
<b>Previous average:</b>		5.9 points

### Summary

Average dealers' satisfaction levels with the cost of their manufacturers' training (6.3) saw a 0.4 points uplift from six months ago and is 0.6 points higher than last year. 25 dealer networks increased their scores from the previous edition of the survey, whilst 7 decreased; 29 scores out of 32 were on or above the 5.0 mark.

## Future directions

How satisfied are you with your alternative fuel vehicle offering?



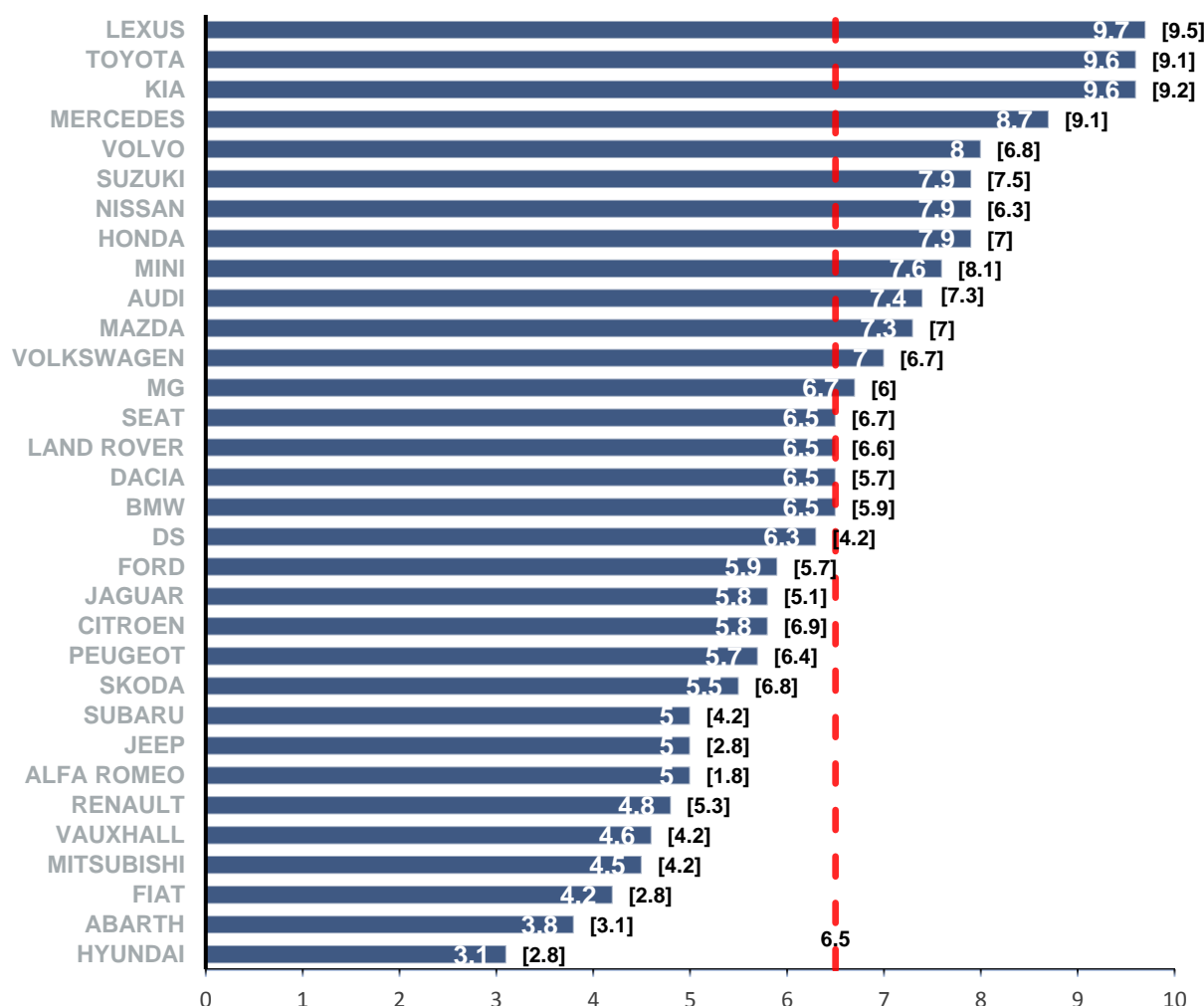
<b>Biggest improvement:</b>	Alfa Romeo	+1.9 points
<b>Largest decline:</b>	Hyundai	-2.5 points
<b>Average score:</b>		6.8 points
<b>Previous average:</b>		6.4 points

### Summary

The average dealers' satisfaction score with their manufacturers' alternative fuel vehicle offering rose significantly by 0.4 points, from 6.4 to 6.8. 9 dealers had scores of below 5.0 points and the remaining 23 were above that mark. 20 Responses increased from the year before, 1 remained stable and 11 dropped.

## Overall scores

How would you rate your manufacturer overall on a scale of 1 to 10?



**Biggest improvement:** Alfa Romeo +3.2 points

**Largest decline:** Skoda -1.3 points

**Average score:** 6.5 points

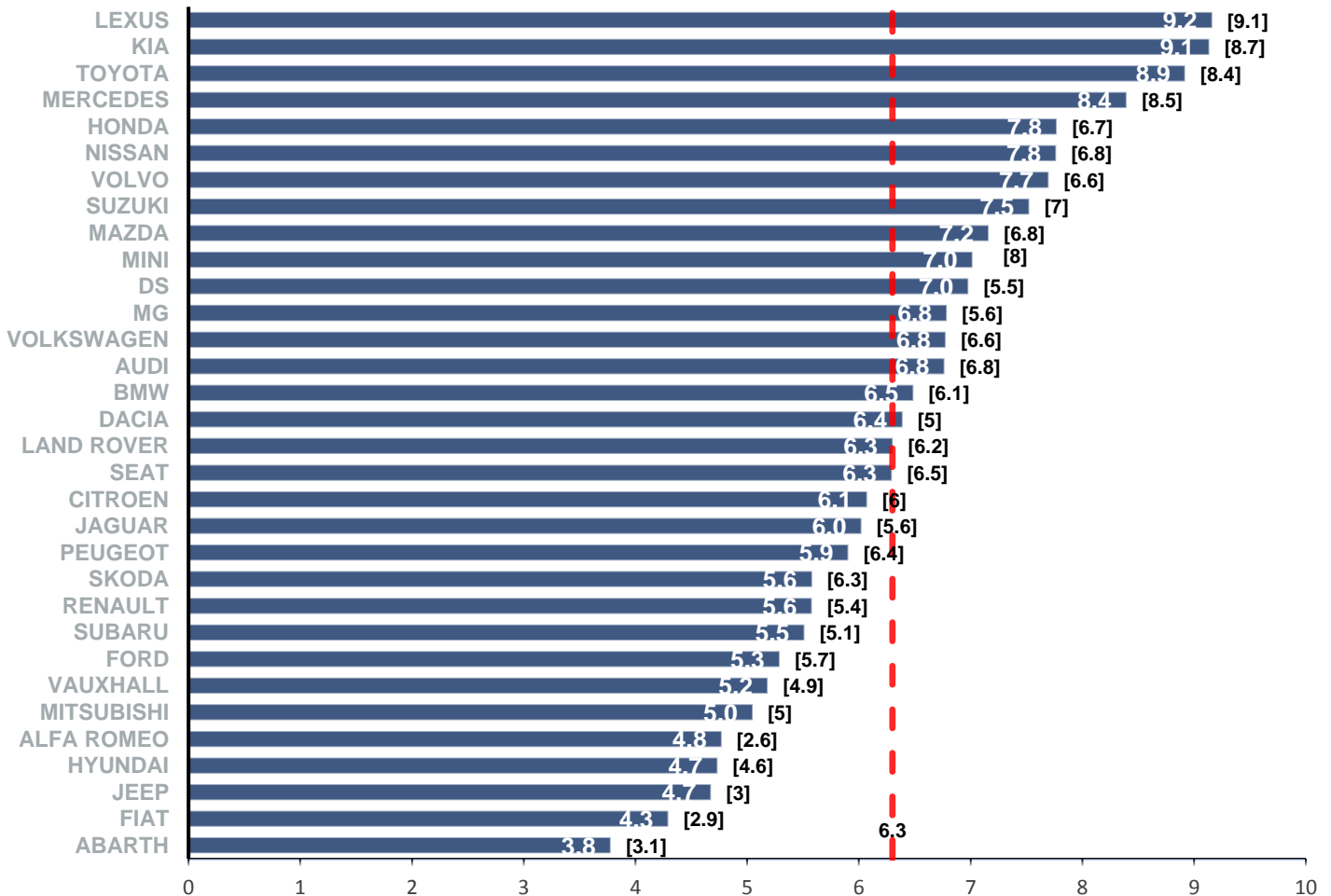
**Previous average:** 6.3 points

### Summary

The average score given to the all-important question ‘how would you rate your manufacturer overall?’ continued its upward trend, up by 0.2 points from the previous edition of the survey and by 0.5 points from last year. A total of 24 networks followed this increasing trend with 8 going the opposite way; 26 responses had scores above 5.0 points and 6 were below.

## Overall scores

### Average score across all questions



<b>Biggest improvement:</b>	Alfa Romeo	+2.2 points
<b>Largest decline:</b>	Mini	-1.0 points
<b>Average score:</b>		6.3 points
<b>Previous average:</b>		6.0 points

### Summary

The average score across all questions of the survey provides an accurate overview of the overall performance of each manufacturer. Across the survey, there was an average increase of 0.3 points compared to six months ago, to an overall average of 6.3 points. A year ago, the average was 5.9; 24 scores increased from six months ago, 7 decreased and one stayed the same. A total of 27 of ratings were above 5.0, with 5 below.



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