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## Is it time for a change?

Either the CSI survey or  
our fear of it needs to change.

*The views expressed in this article are those of Ed Wallace and do not necessarily reflect those of AmeriCredit.*

It was almost a decade ago when I began to believe that J.D. Power and his customer satisfaction index (CSI) were starting to do our industry more harm than good. Admittedly, he probably helped us focus on ensuring careful handling of potential car buyers when his surveys on how well we do our jobs came out in the early 1980s. During that same period, remember, Tom Peters extolled the virtues of those who give the most for their customers in his "In Search of Excellence" books. And most of us back then took great pride in welcoming many of our customers back to purchase from us again. However, today customer satisfaction is a shell game, one that can't be won by the dealers nationally — and most assuredly not by their employees — for several reasons.

### Ignoring human nature

First, customer satisfaction surveys lead the public to believe that 100% customer satisfaction is possible. That's patently false; it doesn't take human nature into account. In reality, 10% – 15% of the people we do business with typically aren't happy no matter what level of care they receive in purchasing or servicing their automobiles. They can't help it; they go through life complaining about everything, including people they work with, service in restaurants, the political party in office and, yes, buying a new car. The difference is that the media, typically looking for another negative car story to feed their nightly audiences, zeroes in on new car sales and the resultant CSI scores.

Joining in this foolishness are the manufacturers, who also claim that customer satisfaction is their No. 1 goal. Manipulatively, they

use the media and its negative perceptions of those selling their products to cast themselves as the white knights in the public's mind.

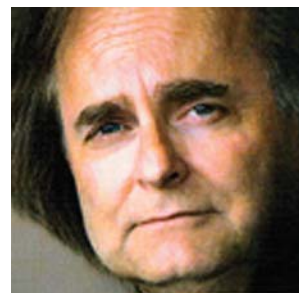
Of course, one needs only to study how a CSI survey is worded to see how a manufacturing problem with the car itself appears to be the fault of the dealer for failing to spot the problem and fix it before delivery. That's unfair. When it's the product at fault, CSI surveys should assign blame directly to the manufacturer, not to the person who sells the manufacturer's product. Do customers blame the Wal-Mart cashier when their new toaster malfunctions?

Speaking of superstores, J.D. Power's son, Junior, said recently that we needed to pattern our industry on a Wal-Mart scheme. That, my friends, should have been taken as an insult of the highest order. We don't sell Chinese cars at super-discounted prices. Yet.

### R-E-S-P-E-C-T

Let me pull up my rocking chair and whittle while I relate a far simpler time in the auto industry. Back in the good old days, when we had real respect for what we did for a living, the many exceptional car

## ON THE EDGE



by Ed Wallace  
automotive analyst  
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# the 'evil twin' syndrome

## Keeping consumers safe from identity theft

College senior Brad Brown has been eyeing the cherry red Land Rover on your lot for three months. He knows what he's willing to pay, and he already decided which warranties to buy. There's just one obstacle keeping Brad from the car of his dreams — his terrible credit. No problem! Brad's older brother, Brandon, can help. After retrieving Brandon's Social Security card, driver's license and insurance information from his wallet, Brad is ready to buy a car — and he's headed for your dealership.

Don't be fooled by people like Brad. To avoid fraud, ask yourself the following questions about each deal:

### 1. Does the customer's application information differ from the data in the credit bureau file?

Compare the following:

- Name (Many identity thefts occur between family members. Watch for subtle name differences, such as "Jared Jenkins Jr." and "Jared Jenkins Sr.")
- Social Security number
- Date of birth
- Address

### 2. Does the customer's pay stub information (name, Social Security number, date of birth and address) coincide with his or her application and credit file?

**3. Take a look at the date the credit file was created. Does it seem unreasonable given the customer's age?** For example, a 35-year-old woman cannot have 40 years of credit history.

### Quick tip — Revoking a 'license to steal'

Is your customer using someone else's driver's license to buy a car? Stop this fraudulent deal by ensuring the information on the license matches the information on the application. Pay special attention to the state and birth date, and make sure the photo looks like your customer. If the customer gives you a photocopy of his or her license, ask for the original and make a copy yourself.



**4. Does the credit file list multiple names for a specified Social Security number?** Other than marriage/divorce name changes, multiple names are suspicious.

**5. Does the credit file list multiple Social Security numbers for a specified name?**

**6. Does the credit file show a Social Security number alert or fraud statement?**

If you answer "yes" to any of these questions, don't let the car leave your lot until the issue is resolved. For further assistance, contact your local AmeriCredit branch.

## A snapshot of ID theft in 2003

- The Federal Trade Commission received more than 500,000 identity theft and fraud complaints.
- Using someone else's identity to open a new account, each thief bought about \$10,200 worth of goods and services. This resulted in an estimated \$33 billion loss to businesses and financial institutions.
- The total cost of identity theft was nearly \$50 billion.

## Is it time for a change?

*Continued from front*

salespeople earned twice the average income. And when we pros got that certain customer — you know, the one we couldn't win over no matter how nice or professional we were or how cheaply we sold the car — should that customer continue to be rude or abusive, we'd simply ask him to leave. No one should have to take abuse for doing their job well. And no one should have to starve in order to say, "Well, I gave that customer a good deal."

But we didn't have to dismiss many customers, because other car salespeople were doing the same thing. So while customers were still afraid of being taken on a new car deal, there wasn't a great deal of antagonism toward us — at least none we couldn't overcome with exceptional salesmanship.

### Nothing to fear but fear

There's a reason that Mercedes pulls a higher average CSI score than Honda does. It's because the profits are higher; thus, mooches — who want to buy at invoice-plus — can't make the deal they want. As everyone in the industry knows, the higher the profit, the more likely the seller is to get a positive score on a CSI survey. If you don't sell the invoice buyers, they never get a survey in which to vent at you. That's reality.

Everyone is afraid to challenge this system for fear of seeming non-responsive to the public's needs and desires — maybe even politically incorrect. That needs to end. Most dealers and most of their salespeople are decent, hardworking people; you just can't tell that by looking at national satisfaction scores for car purchases.

In the 1950s, when Congress investigated consumer complaints about car sales, they laid the blame on auto manufacturers. Congress found they were building far more cars than the public could absorb, forcing dealers to use high-pressure tactics to move the metal off of their lots. That situation hasn't changed to this day; it's just that we've rolled over and allowed the blame to fall on us.

Personally, I think it's long past time that changed.

*Ed Wallace is a weekly columnist for the Fort Worth Star-Telegram and has been a contributing writer for Car and Driver, Auto World and American Way. Additionally, he hosts the talk show "Wheels" each Saturday from 8 a.m. to 1 p.m. on 570 KLIF in Dallas and can be heard internationally at [www.klif.com](http://www.klif.com). You can e-mail him at [ed-wallace@charter.net](mailto:ed-wallace@charter.net).*