



Marchex Automotive Study Reveals the Cost of Saying “No” to Customers Over the Phone

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SEATTLE--(BUSINESS WIRE)--Jun. 14, 2018-- [Marchex](#) (NASDAQ: MCHX), a leading provider of call analytics that drive, measure, and convert callers into customers, today released findings from a new study based on more than 1.8 million calls placed by consumers to nearly 5,000 stores of auto service providers across the country. The data reveals the significant financial impact of saying “no” to customers.

Using the Marchex script tracking tool, which helps companies understand what transpires on a call between agents and customers, the Marchex Institute measured 50 phrases and variations that implied a negative response to customer questions and how frequently those phrases were communicated. For example, if a store representative said a part was “out of stock” or that a store location had “no appointments,” customers typically reacted negatively. Key findings include:

- **As an industry, auto service providers are losing \$110 million per year by saying “no” to their customers.** On average, the analyzed auto service stores lost nearly \$23,000 in annual revenue per location just by saying “no.” For an auto service provider with over 100 locations, that means an average of \$2.3 million annually.
- **Agents say “no” nearly six percent of the time.** In fact, some say no to as many as one out of every ten customers. The good news is brands say “yes” most of the time, and while six percent may seem small, shops are losing business most often because they aren’t staffing or stocking optimally.
- **Agents tend to say “no” more often on the weekends.** Agents say they don’t have appointments available on weekends 17 percent more often than during the week, and they say they are closed on weekends 24 percent more often than on weekdays. This may be attributed to the fact that auto service brands tend to lighten staffing and shorten hours on the weekends, therefore leaving them unable to meet customer demand on Saturday and Sunday.
- **Agents say “no” more often as the week progresses.** During weekdays, agents tend to say “no” on an average of 6 percent of calls. That number rises to more than six percent on the weekends, resulting from fewer staff and the inability to order parts from manufacturers over the weekend.
- **Agents say “no” more often throughout the day.** One reason for this is that inventory for requested parts and accessories decreases as sales are made throughout the day. In addition, businesses tend to staff stores more lightly in the evening, resulting in less appointment availability and saying “no” to customers more often.

“These types of insights are critical to identifying problem areas across a business and can be the first step toward a solution,” said Matt Muilenburg, SVP and Head of Automotive at Marchex. “Companies need to take a closer look at why they’re saying ‘no’ to their customers, consider the revenue loss that results from that, and determine what steps they can take to say ‘yes’ more often.”

Building off these insights, there are a few ways service centers and their frontline agents can improve customer engagement:

- **Avoid negative phrases.** Marchex data from a [previous study](#) shows agents with lower sales rates say “no” twice as often as top performing agents. Avoiding common negative phrases, such as “No, I don’t think I can” or “No, that’s not right,” can help.
- **Increase weekend hours and staffing.** Increasing weekend hours and staffing results in additional appointment availability and will enable brands to say “yes” to their customers more often.
- **Stock up on parts.** Having the right inventory on hand decreases the number of times a business says “no” to a customer as the day progresses.

Visit the [Marchex blog](#) to learn more about the Marchex Institute “Cost of Saying No” study.

About Marchex

Marchex understands that the best customers are those who call your company - they convert faster, buy more, and churn less. Marchex provides solutions that help companies drive more calls, understand what happens on those calls, and convert more of those callers into customers. Our actionable intelligence strengthens the connection between companies and their customers, bridging the physical and digital world, to help brands maximize their marketing investments and operating efficiencies to acquire the best customers.

Please visit the Marchex [blog](#) or @marchex on Twitter (Twitter.com/Marchex), where Marchex discloses material information from time to time about the company, its financial information, and its business.

Source: Marchex, Inc.

Marchex, Inc.

Investor Relations

Trevor Caldwell, 206-331-3600

ir@marchex.com

or

Media Inquiries:

Edelman

Jessie DiMariano, 206-268-2289

jessie.dimariano@edelman.com