

Case Study:

Marsh Automotive
Traverse City, Michigan

Improving Sales and Service

Marsh Automotive in Traverse City, Michigan, is a multi-franchise dealer selling Chrysler, Plymouth, Dodge, Jeep, Buick, Pontiac, GMC, and Saturn vehicles. Founded by Bill Marsh in 1982 with nine employees, the business now has 181 employees and a one-price policy that has revolutionized the operation.

The Challenge: To better serve their customers and to develop repeat business, Marsh Automotive became one of about 5% of dealers nationwide to sell cars at a single price for each model, eliminating the traditional negotiations involved in car shopping. In doing so, the company experienced a complete change from a sales culture to a service culture. Sales people who were paid on commission now receive salaries.

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Kevin Foster
General Manager

Marsh Automotive, like many car dealers nationwide, already had a high rate of turnover in their sales force—as much as 200-300% a year. They had begun to use the Predictive Index (PI) to address the selection and retention of their sales staff. “With the change to one-price selling, we realized that we need a different type of individual for sales. Instead of high powered, persuasive types motivated by the sale and by money, we need individuals who can listen and who are interested in customer satisfaction,” said Kevin Foster, General Manager.

The Process: “The most valuable thing I’ve learned as a manager in the last 10 years has been how to use PI. It’s a very constructive tool for dealing with employees and other managers. PI helped me understand my own behavior on the job and has given me insight into how I deal with other people,” Foster said. “We have achieved a massive shuffle in staffing with the help of PI, and now we have a much better culture to work in.”

The Results: As a direct result of the new marketing strategy and the use of PI, Marsh Automotive made a highly successful transformation to a service organization and customer satisfaction is up. “Our customer service ratings jumped 15%; and over 50% of our customers returned to buy another vehicle from us,” Foster said.

Sales are better, too. In the last year, overall sales have gone up 26% and market share has risen 6%. “PI certainly has played a big role in our success,” Foster said.

The Predictive Index® is a unique, in-house management tool used by executives throughout the world for almost 50 years to develop leaders and build successful businesses. PI Worldwide is an international association of management consultants who help companies use PI to manage their most important resource—their people.