October 23, 2013

Subject: Mazda6 Door Latch Mounting Screws Safety Recall 7013I

Attention: Dealer Principals, General Managers, Sales and Service Managers:

An announcement is scheduled for the week of October 28<sup>th</sup> for the release of the 2009-2013 Mazda6 Door Latch Mounting Screws Safety Recall (7013I). While we regret the inconvenience this causes customers, this does present an opportunity to provide an exceptional Customer Experience, one that is effortless and establishes confidence in your dealership.

Additionally, we anticipate you will experience an increased number of customers coming into your dealership that currently do not service with you. This provides a tremendous opportunity to **reclaim** these customers by impressing them with your facility, your staff, and your customer-first culture. Typically it is the small details that drive customer satisfaction and their intention to return to your dealership. In addition to your technical expertise, simple things like a car wash for the busy owner, a polite and engaging welcome, a knowledgeable explanation of the work performed and checking in on the waiting customers in your lounge are things that help bring customers back to your dealership. Focus on your customer's experience and they will have no reason to go to the independent. Take this opportunity to make the right impression. In the end, that translates to more profits and greater likelihood of a repurchase.

Please reference the attached Recall Process /Thought Starters Guides and review the communication with your entire team to ensure that they are familiar with the recall and are able to answer customers' questions. The Recall Process Guides provide ideas and the needed processes to ensure an exceptional experience. Ultimately, our goal is to create Mazda brand advocates that will boost loyalty and service retention while establishing Mazda as a brand that rivals premium brands. By working together we can accomplish this goal.

Finally, MNAO is extending the *Shift To Sales* bonus points for customers in for the recall that purchase a new Mazda.

Should you have any questions please contact your District Service Manager or District Sales Manager.

Best Regards,

Yoji Maekawa

Vice President, Customer Service Operations

Ron Stettner

Vice President, US Sales Operations

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## Mazda6 Recall - Customer Handling Thought Starters

### **Background Information:**

- All 2009-2013 Model Year MAZDA6 vehicles included in the recall
- This recall will impact 160,900 vehicles in the US
- 28% of these owners are currently "Inactive" in our service departments.
- 28% equates to 45,000 owners that have lost touch with their Mazda dealer (e.g., lost to independent repair shops, etc.)
- Of the 160,900 impacted:
  - o 100% are immediate traffic opportunities for the dealership
  - o 100% qualify for the \$500 or \$1,000 Owner Loyalty/Owner Appreciation on our various carlines that's potentially \$160,900,000 incentives dollars!!
  - 100% of these individuals own vehicles that make for excellent used/CPO sales opportunities.

To help prepare for the potential sales opportunities this creates, please review the below information, brainstorm with your team, and implement the strategies that you feel would be most effective to deliver a Mazda experience beyond their expectations.

#### Thought Starters - Building Traffic and Preparing for Traffic

- You will have the ability to download a complete list of impacted owners via MX Connect's Web Report system. **NOTE:** Should you develop an email/mail campaign communicating their involvement in the recall, you may not directly combine such communications with a sales or promotional message.
- Develop a call process through your BDC, service department, or even sales department to contact these customers. You may even feel your Sales Consultants to be the best people to call inactive customers as they may be the last people from Mazda to have had a relationship with the customer.
- Develop fliers that highlight the benefits of the dealership's sales and service experience; have them on hand at the cashier's counter, customer lounge, attached to the RO, etc.
- Set appointments with customers whenever possible. Offer appointment scheduling through the dealership website for convenience and be sure to have a process via the website, phone, or in person to capture/update customer data.
- Use DealActivator on Service Appointments to determine equity position and identify a new vehicle sale with no money down for equal or lower payments.

#### <u>Thought Starters – Point of Sale (In Dealership)</u>

- Stock brochures in attractive display for consumers to look through.
- Have retail and/or product oriented footage running in the Customer Lounge.
- Have a pristine customer shuttle/service loaner available for their convenience.
- Have an appointment board highlighting the customer's arrival ("name in lights").
- Have a separate board indicating "Used Cars Wanted" in the customer lounge or write-up area.
- Create/provide a flyer of available incentives for your Customer Lounge/Cashier's counter.
  - o Draw specific attention to the Owner Loyalty/Owner Appreciation incentive available.
  - o Mention how the excellent residual value brings them top dollar for their trade.
  - Make clear that current Used/CPO sales are creating great demand for their trade.

- Be sure that they are on hand in the customer lounge, at the cashier, and possibly even attached to their RO for their review.
- Perform "complimentary" vehicle appraisals and "complimentary" Full Circle inspections.
  - Attach to the customer's RO the desirability of their trade in as well as the assessed value. Be sure to include an estimated payment plan with a reasonable down payment, information on our featured leases, and the Owner Loyalty/Owner Appreciation incentives. Compare available payments to the customer's existing payment.
  - Have Sales Consultants ask for 5 minutes of the customer's time to explain the desirability of their vehicle for the Certified Pre-Owned lot, its value, and the opportunity to get that customer into a newly redesigned model.
- Have a new 2014 Mazda6 positioned in/around your Service Drive.
- Offer a Service Loaner of a new 2014 model.
- Where possible, have new products positioned near the customer lounge.
- Have the vehicle clean, open, brochures with business cards for the Sales Manager.
- Place appropriate POS materials in/on/around the vehicle.
- For waiters, offer them a desk/office with internet access, and offer a ride to the theater, to the mall, etc. in a new model year product.
- Offer free test drive offers while customers wait for repairs (e.g., \$5 Starbucks card, free lunch at a nearby restaurant, discounts on routine maintenance).
- Have sales consultants offer to take the customer out for coffee or breakfast/lunch and have the customer drive a 2014 Mazda6.
- When the repair is complete, be sure their car is washed, clean inside, and in better condition than when they brought it there.
- Put sales information in the vehicle (e.g., brochures, mirror danglers, magnets) highlighting sales offers or product highlights (e.g., safety features, new model year enhancements, residual value vs. prior model years, competitive advantages, etc).
- Create a game/raffle/something to draw fun and attention to the vehicle, this can also allow the
  customer to feel more comfortable. For example, a "Guess how many ping pong balls are in the
  Mazda6" contest. If the customer has children there with them consider a Mazda6 scavenger hunt
  where they need to "Follow the clues and find the Avatar" clues placed in/around the vehicle all with
  educational tidbits on the 2014 enhancements.

These are all great opportunities to engage and surprise and delight customers who may not have had an experience with us in many months or years. This is our opportunity to turn this visit in the best possible experience, build relationship, and build value into their time at the dealership.

# Customer Satisfaction Process Guide For Recalls

#### Goal

To provide recall customers with an **Effortless**, **Confident** and **Personalized** service experience that exceeds their expectations.

### **Opportunity**

When Mazda releases a recall will your dealership be prepared to handle the increased volume of customers? Many recall customers may have defected to aftermarket service providers for their vehicle maintenance needs. A recall notification will bring these customers back to your dealership, so it's imperative that you provide a truly exceptional customer service experience. Your ability to highlight your service capabilities to your inactive customers, will potentially build your base of loyal service customers.

It is important to understand why many of these customers have defected to the aftermarket so when they return you can exceed their expectations. The top 5 reasons customers defect from a dealership's service department are:

- 1. Service Advisor honesty and respect
- 2. Total quality of work performed
- 3. Fairness of charges for the services (often related to #4; was not completed)
- 4. Lack of thorough explanation of the work and charges
- 5. Lack of Service Advisor knowledge and ability to answer questions

Remember, the best incentive you can give your customers to come back to your dealership, is to deliver a customer service experience that demonstrates; doing business with your dealership is **Effortless** by making it easy to schedule the recall repair; they can be **Confident** the recall is done correctly; and every visit is **Personalized** to their needs by picking up their vehicle or providing alternative transportation. Go the extra mile to deliver a superior recall service that will impress customers and make them want to return for a future service visit.

## **Keys to Delivering a Successful Recall Visit:**

- ➤ Appointment Setting plan well and coordinate the flow of recall customers with recall parts availability. Use a solid service appointment process to ensure that parts are available on customer arrival.
- Service Hours add extended or weekend service hours to accommodate customer scheduling and shop capacity issues
- ➤ Parts Ordering Order timely, and use VIN information when requested to place a specific order for the recall parts at time of customer contact
- Prepare plan ahead and train all service personnel (refer to action items checklist)
- > Train ensure all service personnel are well informed and prepared to satisfactorily answer customer questions
- > Time take measures to minimize the time customers will be out of their vehicles
- **Repair Status** keep customers informed of their vehicle's repair status
- ➤ Vehicle Inspections conduct a quality inspection of the recall repair as well as a complimentary Full Circle service vehicle inspection to promote value to customers
- Facility ensure that your customer waiting area is clean, comfortable, and offers amenities that customers will appreciate
- Make a New Customer deliver an Effortless, Confident and Personalized experience
  - Always be courteous and respectful. Address the customer by their name. Be attentive and engage in active listening. Let them know they are important.
  - Make it easy to have the recall performed. Pick up vehicles, have additional loaner vehicles available or perform the recall at the customer's location when possible.
  - Provide the customer a through explanation of the work performed to build their confidence in your dealership.
  - Make it easy to pick up the vehicles. Valet the vehicle to the customer if possible. At the very least, escort customers to their washed, recall completed vehicles.
  - Deliver the WOW factor.
- ➤ **Follow Up** contact recall customers post-repair to inquire about vehicle status and ask about their service experience. If they had a positive experience at your dealership, suggest a future maintenance visit.

## **Process Steps**

Review your existing processes to see where adjustments need to be made to handle the recall service appointments. Following are some suggestions:

#### 1) Customer Contacts Dealership (Appointment Setting)

- Ensure that individuals answering the phones understand the recall and are prepared to answer questions provide them with a script and FAQ document
- Do not schedule more appointments than can be completed in one day

#### 2) Customer Arrival

 Ensure that greeters and Service Consultants know the recall information and are prepared to answer customer's questions

Sample Script: "For the recall service, we will be....... The repair should take about...... to complete"

- Provide a warm and prompt greeting
- Keep the tone of the conversation positive. Acknowledge that the recall is an inconvenience, but reassure the customer that their safety is Mazda's number one priority.
- Provide a realistic completion time-frame to customers and advise them that you will contact them with an update

#### 3) Update Customers

- You have provided the customer with an expectation for a status update so be sure to follow through on your commitment. Keeping customers informed will instill confidence in your dealership and raise their overall level of satisfaction
- For customers that choose to wait for their vehicles, ensure they receive 'front of the line' status in the service shop. Provide waiting customers with regular status updates.
- Educate customers regarding Full Circle Service inspection results. Don't pressure let the customer decide based on the **'value'** of information you provide. Do not sell unneeded items. Do not flush the customer back out of your dealership.

#### 4) Vehicle Re-Delivery

Provide a thorough explanation of the work performed

**Sample Script:** "Mr./Mrs. Customer, the power steering pump has been replaced in accordance with the recall procedure. Our technician has performed a quality check and confirmed that everything is functioning properly. Do you have any questions about the work performed today?"

Consider providing an incentive to inactive customers as means to get them back to the dealership –
offer a discount coupon for a future service visit

## **Have a Contingency Plan in Place**

Even with the best service processes; challenging situations can arise that will require extra effort to deliver a truly exceptional customer service experience. Ensure that your entire service team is prepared to handle all unexpected circumstances with knowledge and professionalism.

Following are examples of some potential scenarios and recommended actions:

# A. Customer calls your dealership and is not currently or has never experienced the issue related to the recall, but is concerned about vehicle safety

- 1. Refer to the Safety Recall notification for any specific instructions related to safe driving of the vehicles.
- 2. Explain the recall to the customer and reassure them to not be afraid to drive their car.
- 3. Schedule an appointment to have the customer bring the vehicle in at their earliest opportunity.

Or

If parts are not available yet, record the customer's information including VIN and let them know you will call them when the parts arrive to schedule an appointment. Explain to the customer if they experience the condition prior to their appointment, they should contact you or an authorized Mazda dealer right away.

#### B. Customer arrives without an appointment

- 1. If a customer arrives without an appointment and you have the parts to accommodate them that day, then do so. In situations where parts supplies are limited, be sure to place an order right away to replace the parts that you used, to replenish your stock.
- 2. If you cannot accommodate them that day, apologize for the inconvenience and work with the customer to find a convenient appointment time when you know parts will be available. Offer to pick up the vehicle on the appointment day to save them a trip back to the dealership.

#### C. Customer made an appointment, but when they arrive, no parts are available

- 1. Reviewing appointment schedules daily will help you to avoid this situation. If parts are delayed, call customers to reschedule their appointments.
- 2. If a customer is not contacted and they arrive at their scheduled appointment time, apologize to the customer for the inconvenience and work with the customer to find another convenient appointment time. Offer to pick up the vehicle on the appointment day to save them a trip back to the dealership. You should also offer them a discount coupon for a future service visit because of the inconvenience that was caused.

## **Preparation**

Preparation is the key to flawless execution. Your entire service department will need to be involved.

## Utilize the following checklist to prepare your service team for success:

Action Item	Complete
Schedule a meeting for <u>all</u> service personnel (include appointment coordinators, cashiers and parts department)to discuss the recall and cover the specifics	
Identify technicians who will be performing the recall service - ensure that all technicians are properly trained on the procedure	
<b>Prepare for an increased volume of service appointments</b> – evaluate the need for extended service hours and additional greeters on the service drive	
Evaluate your current service loaner program – ensure that you can provide a vehicle to <i>eligible customers</i> and are able to answer rental insurance questions	
Establish a parts supply communication plan with parts department and appointment schedulers – prepare for various scenarios	
Provide employees handling incoming calls with recall reference materials to answer customer questions	
Ensure sufficient supply of parts on hand for customers requesting additional services during their visit (oil filters, brake pads, batteries)	
Set up a parking zone within the lot to accommodate additional volume of service vehicles	
Create a log for tracking all recall customers – initial contact date, customer contact information, appointment date, date of part order, part ETA, last customer contact, completion ETA – to provide a quick reference when contacting customers with updates	
When parts are delayed, set up a process to contact and update customers daily/weekly regardless of progress – customers want to be kept informed	

## **Parts Inventory**

Ensure you have the fast-moving maintenance parts for the vehicle so your dealership can offer the convenience of maintenance service along with the recall repair. Keep plenty of stock of the following fast-moving parts for the vehicle:

Category	Part Number	Part Description	MPLP	MPA Level	Notes
Oil Filter	LF05-14-302B	FILTER,OIL	Yes	Α	
	L321-14-302A-9U	OIL FILTER	Yes	Α	
Genuine Oil	0000-G5-0W20-MQ	GF-5 0W20 W/MOLY (QT)		В	2011 - 2013 Mazda6 4-cylinder
	0000-G5-0W20-QT	GF-5 0W20 W/O MOLY (QRT)		В	2011 - 2013 Mazda6 4-cylinder
	0000-77-5W20-QT	SAE 5W-20 SUP PR MTR OIL		В	2009 - 2010 Mazda6 4-cylinder; 2009 - 2013 Mazda6 V6
Castrol Oil	0000-CB-0W20-EP	SYNBLEND 0W20 6GA EP 1=10		В	2011 - 2013 Mazda6 4-cylinder
		GTX 5W-20 6/1 QT CASE		В	2009 - 2010 Mazda6 4-cylinder; 2009 - 2013 Mazda6 V6
Battery	0000-80-6096-WB	BATTERY		Α	
Brake Pad	GPYB-33-23ZG	PAD SET,FRT CALIPER	Yes	Α	
	GPYA-26-43ZC	PAD SET,RR CALIPER	Yes	В	
	GPYB-33-28ZF	PAD SUB SET,FRT CALIPER	Yes	В	
	GPYA-26-48ZD	PAD SUB SET,RR CALIPER	Yes	В	
Value Products by Mazda		VPM, BRAKE PAD, FRONT	Yes	Α	
(VPM) Brake Pad	GPYA-26-48ZD-MV	VPM, BRAKE PAD, REAR	Yes	Α	
Tire	PK12-33-3000	Michelin ENERGY MXV4 S8 GRN X BW		В	Sport Factory Installed 16"
	PK84-17-2000	Michelin ENERGY MXV4 S8 GRN X BW		В	Touring Factory Installed 17"
	PK07-87-5000	Michelin PILOT HX MXM4 BW		В	Touring Plus & Grand Touring Factory Installed 18"
Air Filter	CY01-13-Z40A	ELEMENT, AIR FILTER	Yes	Α	
	L518-13-Z40A	ELEMENT,AIR CLEANER	Yes	Α	
Cabin Air Filter	GS3L-61-148	FILTER,AIR CONDITIONER	Yes	Α	
	GS3M-67-330B	BLADE(R), WIPER-FRONT	Yes	В	
	GS3L-67-330B	BLADE(L), WIPER-FRONT	Yes	В	
Value Products by Mazda	0000-67-024 -MV	VPM BLADE,WIPER-FRONT	Yes	Α	
(VPM) Wiper Blade	0000-67-018 -MV	VPM BLADE,WIPER-FRONT	Yes	Α	
	GP7Y-33-25XB	PLATE,DISC	Yes	Α	
	GK2Y-26-251H	DISC PLATE	Yes	Α	
Spark Plug	0000-18-L3Y2	SPARK PLUG		Α	