

# Everybody's a critic: How dealers cope with online reviews (Excerpt)

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It's bad enough when a disgruntled customer compares an auto dealership's service operations to a "cattle call." It's even worse when that opinion shows up on the World Wide Web.

That happened to Rallye BMW in Westbury, N.Y. But instead of dismissing negative online reviews by anonymous critics, the dealership took the complaints seriously. It added service employees and worked to write up repair orders more quickly.

The response evidently paid off. A more recent Internet review of Rallye BMW said: "The dealership and people they employ have got to be the best I have ever come across."

As Web sites that critique dealership sales and service operations proliferate, dealerships are using the reviews to improve procedures and win customers. At the same time, more dealerships are fighting back against online attacks they consider inaccurate or unfair.

Shaun Weissman, business development manager of Rallye Auto Group, which owns Rallye BMW, says the review sites "give us an opportunity to see unsolicited responses about what people think about our business. We take that information to heart."

Kevin Root, vice president of product strategy and marketing at Dealix Corp., calls dealer review sites "one of the most powerful marketing tools" available to dealerships. Dealix is a division of Cobalt Group, a marketing services provider in Seattle.

A 2007 survey of more than 1,500 U.S. consumers by Cobalt, R.L. Polk & Co., and the online company Yahoo found that nearly three-fourths of vehicle owners said they likely would consult online dealership reviews and rankings for future purchases.

About one-fifth of new-vehicle buyers in the survey said they changed dealerships because of online reviews they had read. "Today, the (shopping) experience is nearly as important as price," Root told *Automotive News*.

## Bouquets and brickbats

Operators of Web sites that publish reviews of dealerships say dealers can respond meaningfully to customers' criticism and praise by

- Saying thanks online for a good review
- Contacting reviewers when they can be identified
- Changing sales and service operations based on reviews
- Asking customers to write reviews

-- Asking Web sites to verify that reviewers actually are dealership customers

'No downside for lying'

Some dealers are more likely to swear at online reviews than by them. Bad online reviews, truthful or not, can harm dealerships.

Allegations that Nemet Auto Group, of New York, overcharged for repairs appeared on a Web site called ConsumerAffairs.com. The reviews became the basis of a class action lawsuit against the four-dealership group that ultimately was withdrawn, says company owner Tom Nemet. Nemet sued the Web site for defamation.

Last month, a judge dismissed the suit, ruling that the federal Communications Decency Act protected the site from liability for users' comments. The dealership group has amended and refiled its suit against the site.

Nemet assails what he calls the lack of accountability of online reviews. "There's no downside to them for lying," he says.

Randy Ammons, Internet manager at Honda of San Marcos in central Texas, says he doesn't read Web reviews of his dealership. One anonymous review dismissed the dealership's used-car manager as "a young know-it-all."

"I've got plenty to do without looking at those Web sites," Ammons says. "It's like the *National Enquirer*. They can run whatever they want."

Site safeguards

Some site operators say they take pains to identify false reviews, by consumers or dealers.

MyDealerReport.com, looks for phony reviews posted by dealerships themselves or by their competitors. The site puts a red flag by reviews it considers bogus, although it still posts them, says CEO John Isaac. The site identifies five or six such reviews each week, he says.

"Be careful of your marketing company," Isaac warns dealers. "We catch a whole lot of them trying to do bogus ratings for the dealer clients."

In addition, Isaac says, the site works with dealerships to reach customers and resolve problems.

(The above is an excerpt from the original article published on Automotive News.)