



## Divide and Conquer With Data

Statistical Survey's Research Data Helps Dealers Optimize Inventory and Profit

By Cean Burgeson

When it comes to seeing how a dealership ranks in its market, data provided by Grand Rapids, Mich.-based Statistical Surveys Inc. can be invaluable. Founded in 1958, Statistical Surveys built a reputation as a premier provider of market intelligence to the marine, manufactured housing, RV-motorized and RV-towable industries.

"There's a whole host of things that would show dealer health," says Scott Stropkai, national RV sales manager of Statistical Surveys. The data the company provides is more than just a scorecard of dealer health in the market. Their 18 employees work diligently to provide metrics that can help a dealer to stock the right brands and models and better target their marketing to reach the best audience to be more successful.

"They only statistic we don't know about them is their profit margin, but our job is to help dealers improve that," Stropkai says. "We can help a dealer who's maybe third in their market by giving them or their marketing firm the data to help them

become second or first in their market." Or in some cases, can help a dealer to hold their No. 1 place in the market.

Only a small percentage of the dealer body subscribes to Statistical Surveys's data. "Dealers need to understand that this data is available and that we can show them how to best use it," he says. "Whether you're a big dealer or a small dealer, the data is there for you to take advantage of."

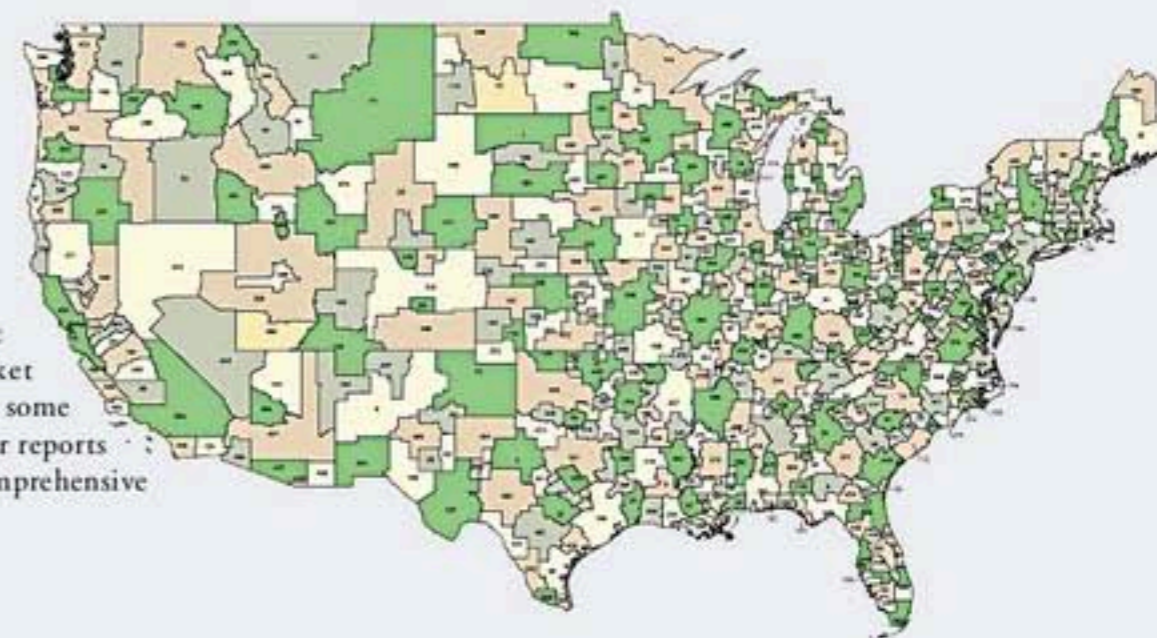
### How It Works

In a nutshell, StatisticalSurveys tracks retail sales in the RV industry, Stropkai says. When someone buys an RV, they register it—whether it's in Minnesota, Maine, Massachusetts or Canada.

"We purchase all of that placement data from all 50 states and Canada. We bring the data in-house, and we have a coding staff that decodes the VIN numbers, and from that can determine the manufacturer and model information."

### Basic Trade Areas are a Cornerstone of Data

Basic Trade Areas (BTAs) are used by the RV industry to gather and represent data in all of the surrounding counties where a dealer is located. Different from other marketing geographic data such as Designated Market Areas (DMAs) that may exclude some counties, Stat Surveys bases their reports on these more complete and comprehensive demographic zones.



In 34 U.S. states, Statistical Surveys is able to obtain dealer information. This information takes the form of a placement ZIP code. So, in those states, StatisticalSurveys is not only able to get the registration ZIP code of a customer, they can also obtain the ZIP code of the dealer.

"The placement data is the most important data," Stropkai says, "because that's the data that shows you how much possibility exists in a certain market." By possibility, Stropkai means the opportunities to sell a specific type of RV at a specific price point. Their data shows the ZIP code in which the unit was registered, regardless of where the unit was purchased. This means that an RV buyer can go and purchase their travel trailer or fifth wheel in a city or state other than where they live, but they will still register it in their home market.

Dealers can use this information to see how many RVs of a certain make, size, price point and brand are purchased by people living in the geographic market area they sell to. "The dealers who sell in the market where the RV was registered might discover that they missed out on a sale that occurred elsewhere using our research," he says. "In short, the placement data shows you how much sales activity is actually in your market as a dealer."

Using this data and a dealer's knowledge of the local market, Stropkai says it isn't difficult to surmise which dealers among the competition might have sold a unit, if indeed the consumer did buy it in their home market.

"A huge misconception is that all these huge Internet dealers are selling everywhere, and some actually do," Stropkai says. "But our research shows that most people buy their units locally."

### How to Access and Use Data

Dealers who subscribe to Statistical Surveys's market research can access reports via a Web-based portal. "We recommend that they use this data all of the time," he says. "That usage could vary depending on who they are. The most powerful data is the ZIP code information, which can be used to target Google ads, their Bing ads, or direct mail and print ads. The dealers we work with who use this information to better target their marketing have reduced their marketing expense because they are targeting it more effectively, or they spend the same amount on marketing but get more leads from it because it's more efficient."

Data reports that previously might have required hours or days to manually assemble can be accessed in a short amount of time through the portal. Users can filter information to precise groups or categories of interest. Report formats are flexible and can be generated quickly. The system is also easy to learn, with most users getting up and going in a matter of minutes, Stropkai says.

"The type of data we are able to obtain has remained the same over the years, but the software we produce for our OEM and dealer customers is much more powerful than when I started. It allows them to get every piece of information they need outside of the VIN of a unit. This includes ZIP code, price and even length information. Everything except the floor plan."

### Real World Examples

Stropkai shared one success story to illustrate the power of market research data. A large dealer in a competitive market (name and actual market withheld) had always stocked the same



categories of RVs. There was a certain price point that they had never explored, because they thought they knew what types of travel trailers and fifth wheels appealed best to their market from years of experience.

After subscribing to Statistical Surveys' data, they realized that they were missing out on potential sales to one higher-end, higher-priced category and began stocking models in that price point. After a few months, they were seeing turns for models in that new, previously untapped market.

Conversely, Stropkai says there was another dealer who went to Louisville years ago and purchased several motorized diesel coaches because they got a great price on them. These units sat on their lot for several months, after which they contacted Statistical Surveys for help.

"We did a quick analysis for them of the 15-20 counties surrounding them, and among those counties, only five Class A diesel units had been registered the previous year. So not only can our data help dealers to put the right inventory on their lot, it can also protect them from putting the wrong inventory on their lot."

**Effects on Industry Health**

Right now, the RV industry is healthy, according to Statistical Surveys's data. It's currently above 2005 post-Katrina levels, Stropkai says.

"This is as healthy as the industry's been in a long time. If more dealers use the data, it's a huge advantage for them, but it can help the entire industry, because more products are going to turn. More customers are going to come through the door. Everybody gets better — dealers as well as manufacturers."

**Sample Data I: Comparing Overall Travel Trailer Sales and Individual Dealer Sales in Jacksonville**

The sample data shown below depicts the overall travel trailer percentage of sales by price point for the Jacksonville, Fla., Basic Trade Area (BTA) in the left column. The right column shows the actual percentage of travel trailer sales for a specific dealer at that price point.

In this example, the Jacksonville dealer is matching closely or beating the sales at every price point above \$25,000, but he is selling fewer units in the market at the price points lower than \$25,000. This means that there is an opportunity to sell more travel trailers at those lower price points in that market, especially at the highlighted \$15,001-\$20,000 category. This data could be used to put more models on his lot that meet that price point, or to focus more of his marketing efforts at selling that price point of travel trailer.

Price Group	Jacksonville, Fla., BTA	Jacksonville Dealer
\$5,001-10,000	0.82%	0.00%
\$10,001-15,000	9.62%	7.73%
\$15,001-20,000	16.38%	7.73%
\$20,001-25,000	23.79%	19.81%
\$25,001-30,000	13.25%	13.53%
\$30,001-35,000	10.53%	13.04%
\$35,001-40,000	6.81%	11.59%
\$40,001-45,000	3.27%	2.42%
\$45,001-50,000	3.36%	5.80%
\$50,000+	12.17%	18.36%

**Sample Data II: Comparing Overall Travel Trailer Sales and Individual Dealer Sales in Madison**

This next example shows the same price group data for the Madison, Wis., BTA and a specific Madison dealer. More than 53 percent of the travel trailer sales in the market occur at a price point that lies from \$15,001-\$25,000. However, this dealer is doing a great job at selling the price point between \$20,001 and \$25,000 (beating the market average), but lagging in the \$15,001-\$20,000 price point for sales.

Also important to note when comparing both markets (Jacksonville and Madison) is how each market has different trends in which price points sell best. In Jacksonville, more than 12 percent of travel trailers sold are in the \$50,000-plus range, while in Madison, less than 2 percent of the travel trailers sold are in that price range. If a dealer owned lots in these two markets, he should tailor marketing and sales efforts differently, according to this data.

Price Group	Madison, Wis., BTA	Madison Dealer
\$5,001-10,000	0.41%	0.00%
\$10,001-15,000	10.90%	6.25%
\$15,001-20,000	25.38%	7.29%
\$20,001-25,000	27.86%	37.50%
\$25,001-30,000	17.66%	22.92%
\$30,001-35,000	9.93%	9.38%
\$35,001-40,000	4.83%	12.50%
\$40,001-45,000	1.52%	3.13%
\$45,001-50,000	0.14%	1.04%
\$50,000+	1.38%	0.00%

**Sample Data III: Mapping Cyclical Sales in Markets by Seasonality**

The data example below shows the monthly percentage of sales for the Jacksonville and Madison BTAs for each market overall as well as for a specific dealer in each market. A dealer could use this data to map the cyclical sales in their market by seasonality, and to see which months they are under performing or over performing (note the red and green highlights).

This kind of data could be interpreted in a way that would influence buying habits by the dealer as well as help to target marketing efforts according to the times of the season in which they are busy or slow.

Jacksonville, Fla., BTA vs. a Specific Dealer												
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
% of Sales by month	5.17%	7.89%	12.07%	9.26%	9.26%	9.35%	9.80%	7.89%	9.26%	9.26%	5.44%	5.35%
% of Sales by Selected Dealer	8.33%	11.36%	3.79%	8.33%	10.61%	6.82%	10.61%	7.58%	10.61%	8.33%	6.06%	7.58%

Madison, Wis., BTA vs. a Specific Dealer												
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
% of Sales by Month	1.91%	3.83%	6.38%	12.87%	16.06%	15.53%	11.81%	7.77%	8.72%	6.81%	4.89%	3.40%
% of Sales by Dealer by Month	0.00%	5.26%	7.02%	11.40%	8.77%	14.91%	12.28%	14.91%	4.39%	7.02%	6.14%	7.89%

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