

**How You Can Make
\$100,000
Per Year in Auto Sales**

**A Blueprint for Becoming
a Sales SuperStar**

by **Mike Whitty**



How You Can Make \$100,000 Per Year in Auto Sales

©MichaelLearningGroup

All rights reserved. No part of this program can be reproduced in any form. The sole license to use this program belongs to the purchaser, and may not be shared.

Michael Learning Group

Warren, Michigan

Web Site: www.autosalestraining.net

Author: Mike Whitty

Editor: Irene McDonald, Ph.D.

Manufactured in the United States of America

Disclaimer

This book is written in the masculine gender for ease of writing. Michael Learning Group or the author have absolutely no bias to age or sex, and believes that any person who applies himself to the study and practice of automobile sales can and should be successful.

Section 1
The SALES Side of Selling New and Used Vehicles

TABLE OF CONTENTS

Chapter 1	Philosophy of an Automobile Salesperson	Page 23
Chapter 2	Philosophy of an Automobile Customer	Page 25
Chapter 3	How to Get Started	Page 29
Chapter 4	Greeting	Page 35
Chapter 5	Qualifying Customers	Page 41
Chapter 6	Inventory Walk	Page 45
Chapter 7	Product Presentation	Page 49
Chapter 8	Competitive Analysis	Page 53
Chapter 9	Demo Ride	Page 55
Chapter 10	Negotiation	Page 61

— over —

TABLE OF CONTENTS (cont)

Chapter 11 Objections and Closes	Page 69
Chapter 12 Closing Techniques	Page 75
Chapter 13 If You Don't Sell the Car	Page 83
Chapter 14 If You Do Sell the Car	Page 87
Chapter 15 Pre-Delivery Inspection	Page 91
Chapter 16 Delivery Procedure	Page 93
Chapter 17 Switching to a Used Car	Page 97
Chapter 18 Paperwork	Page 101
Chapter 19 Organization	Page 108
Chapter 20 How To Sell To Women	Page 111
Chapter 21 How To Handle A Slump	Page 115

Section 2
The BUSINESS Side of Selling New and Used Vehicles

TABLE OF CONTENTS

What is Automotive Salesperson, Inc.?	Page 125
Money: Do You Know How To Make It?	Page 127
Your Road To Success	Page 129
Step ① Evaluate Your Qualities As A Business/Salesperson	Page 133
Step ② Determine Your Current Financial Situation	Page 139
Step ③ Develop A Business Plan For A Strong Foundation	Page 143
Step ④ Determine Strategies For Your Major Companies	Page 173
Step ⑤ Develop Yourself A Marketing Strategy	Page 197
Step ⑥ Write A Daily Plan	Page 203
Step ⑦ Organize Yourself For Increased Productivity	Page 207

— over —

TABLE OF CONTENTS (cont.)

Step ⑧	Gain That Competitive Advantage	Page 213
Step ⑨	Follow-Up To Develop Future Business	Page 219
Step ⑩	Use A Computer To Develop Your Business	Page 235
	Finale	Page 241

Section 3
The INTERNET Side of Selling New and Used Vehicles

TABLE OF CONTENTS

Chapter 1		
	Understanding Internet Technology	Page 247
Chapter 2		
	Internet Leads and Lead Providers	Page 251
Chapter 3		
	Understanding the Internet Customer	Page 255
Chapter 4		
	Developing an Internet Business Plan	Page 259
Chapter 5		
	The Internet Specialist	Page 263
Chapter 6		
	The Power of Email	Page 269
Chapter 7		
	Understanding the Selling Process	Page 277
Chapter 8		
	Email Direct Marketing	Page 283

Preface

In every dealership, there are professionals who earn over \$100,000 or more per year and there are those who are starving. Often, the difference between sales superstars and average salespeople does not come down to good looks, better education, more product knowledge, or even knowledge of more sales techniques. It comes down to a professional mind-set and a solid work ethic. Those who are proud of what they sell, the services they provide, and what they do are vastly more successful than all others in the automotive industry.

In most dealerships, all salespeople receive the same training and learn the same sales techniques. Given all of these similarities, how are some salespeople able to become sales superstars and make \$100,000 per year, while so many other salespeople struggle just to make their draw? The success of sales superstars goes beyond having good cars to sell, knowledge of those vehicles, and knowledge of sales techniques.

\$100,000 per year. Isn't it amazing how many people throw that figure around in normal conversation. You're asked how much money you want to make this year, and you respond, "I want to make over \$100,000 per year. Like \$100,000 per year is that magic figure that everyone strives for, yet few people in the auto sales industry attain.

According to the latest figures, the average income for an auto salesperson is between \$35,000 and \$42,000 per year. Now this is in an industry where you can conceivably make unlimited income, sky's the limit. Well, where is all this unlimited income? I'm here to tell you, it's out there. Someone is making it. Your job is to ask yourself, "why isn't it me, and how am I going to do it".

A Business Without Any Investment

When you were hired into the dealership, they gave you a free desk, a free phone, a free telephone answering service, a free advertising budget, and a million dollars worth of inventory without any investment on your part. All they asked you to do is go over to your desk and run it just like it was your own business. That got to be the problem. Most salespeople don't know how to run a business. More importantly, most managers who hire salespeople don't take the time to teach them how to run it like a business. Many managers don't know how themselves.

But you're surely not reading this to see how you can make \$40,000 per year. If you purchased this book based on the title alone, you're obviously wanting more. And you should! After all, you work in an industry where the hours are long, the rejection is high, and the pay is unstable. With all that going against you, you deserve to make \$100,000

per year.

But here's the hard truth - most salespeople won't reach that income pinnacle. Not because they're not nice, honest people, not because they don't have the skills and talents, not because they weren't trained and motivated, it's because of one simple fact - they won't do the big work. If you want to make the big bucks, you have to do the big work.

Work Ethic is the Key

I was training in a dealership that had a salesperson working there for 14 years, making \$45,000 per year. And I asked him, "if I could show you some easy, no stress ways of making more money, would you consider doing them?" And his response was, "Well, it all depends on how much more work it will take me to do it." And his response was typical of many salespeople in our industry.

The typical salesperson will put in an average of two to three hours of productive work each day. And by productive, I'm talking about "profit-generating" work. I started thinking, what if I could get a salesperson to do four or five hours of productive work. Could I get this person to make more money? My response was, "Yeah, he'd almost have to." I truly believe that a salesperson with a strong work ethic can make as much, if not more money than a salesperson with a lot of talent. Talent is like knowledge. You can know everything there is to know and have all the talent in the world, but if you never use it, what good is it. I've seen many talented salespeople making \$45,000 per year because they just didn't have the work ethic to back it up. I consider them "a waste of good talent".

The idea of auto salespeople making more money has become a very important issue to me because I've realized, and I'm sure you've realized the same thing, that selling skills alone will not necessarily take a salesperson from one financial level to the next. I mean, let's face it. Once you've been in the business for at least six months, you should pretty much know all of the selling skills you'll need to sell a vehicle. And, if you haven't realized it yet, all of our customers know our selling skills too. They know they're going to come into the dealership and get greeted by a salesperson, you're going to take them over to your desk to ask them a few questions, show them a vehicle, take them for a ride, come in and negotiate it, close it, deliver it, and hardly ever follow-up with them. Not only that, internet customers are becoming a lot more prevalent. How much selling skills does it take to sell an internet customer? They already know about the vehicle, and have your invoice price. They know the concept of 2% over invoice. Your current customer knows the concept of \$100 over invoice. With all of this happening, how are you going to make the type of money you desire?

The rule in our industry is, most salespeople get used to living on the money they make,

instead of making the type of money they want to live on. If you're currently making \$35,000 per year, you get used to living on \$35,000 per year. You buy or rent a \$35,000 home, drive a \$35,000 per year vehicle, eat at \$35,000 per year restaurants, and go on \$35,000 per year vacations, if you can even afford to go on a vacation without worrying whether the electric bill is going to get paid that month. The fact is, there's so much more money to be made out there. And to get it, it's not going to necessarily take more skills, but it's definitely going to take more work. How many of you would be willing to do a little more work if you could make an extra \$1000 per month? Well, here's something I can guarantee you. If you make an extra \$1000 per month, you'll know how to spend it.

Money Motivation

I want salespeople to be able to purchase all the things in life that money can buy. Someone once said, "Money isn't everything," but it was probably said by someone who didn't have much in the first place. One of the reasons you got into car sales is because someone told you that if you got into auto sales, you'd have the opportunity to make unlimited income, sky's the limit. And if you've been in the business for any length of time, you already know someone, maybe even in your dealership, who is making six figures. Your whole concept needs to be, "why shouldn't it be me, and how am I going to make it?"

If you really want to make more money, you can. But not everyone wants to make more. Some people can live very meagerly. As long as they can pay their bills, and have enough left over for a movie once a month, and maybe a night out at a decent restaurant, they're happy. These individuals will have absolutely no use for information on how to make more money. But if you're the type of salesperson that likes "things", this is the program for you. Making more money means you need to become money motivated. You need to love the money, and all the things it can buy. In fact, you should be working to buy things, not just to pay bills. If you're working to pay bills, you're basically working to survive. I don't want you to just survive. I know that money won't buy happiness, but believe me, money will buy you a lot of things that will make you happy. Ask yourself this question: Is there something that you want right now that you can't have because you don't make enough money? If there is, you can have it. And it's not going to necessarily take more skills, but it's definitely going to take more productive (profit-generating) work.

It's Going to Take Change

Let's begin your new thought process with this basic fact. If you're currently making \$40,000 per year and you want to increase it to \$60,000 per year, something in the way you're currently doing business has to change. Because you can't keep doing business the same way as when you were making \$40,000 and expect to increase your income. It's like a baseball player batting an average of 250 and wants to get up to 300. Something in his swing has to change because he can't keep swinging the bat the same way as he was

batting 250 and expect to get up to 300.

So, what can you change in the way you do business that can increase your sales and your income? Here's 10 to start with. Many of these will be discussed in greater detail further on in the book.

Take more showroom customers (ups)

The worst thing a salesperson can do is pre-qualify a customer when he walks through the door. I learned this early in my career when I let a customer walk by me because he didn't look like he could buy a car. Another salesperson sold him and made a big commission. From that point, I waited on everyone. Aside from pre-qualifying, take more ups. How many more? That will be determined when you develop your business plan in the Business Section.

Set more appointments on phone-ups

My rule on phone-ups is: if you're not going to handle phone-ups properly, don't take them at all. Taking phone-ups is a privilege, not a right. Dealerships spend thousands of dollars per month just to get people to call. If you choose to take a phone-up, your main goal should not be to just give information, but to set an appointment.

Write-Up everyone

If a customer comes in for a brochure, write them up. Or if someone is just looking around, write them up. It's a proven fact that the more write-ups, the more sales. And even if they're not ready to buy, you will have all the information you need for future follow-up.

Work at getting more repeat and referral business

After 3 years of selling at the same dealership, your goal should be 60% repeat and referral business. And I say after 3 years because two and three year leases will be coming to an end, and you want them to re-lease with you. That means you need to nurture your customers throughout their ownership period to virtually guarantee your success.

Sell more used vehicles

If you are a new vehicle salesperson, you need to incorporate at least two used vehicles in your goals every month. Since a used vehicle will generate more gross profit, this could conceivably account for a third of your monthly income.

Become an expert

People like dealing with experts. And why would a salesperson who derives their income based on product and competitive knowledge not want to be an expert? All it takes is

study and memorization to know everything about your vehicles, and everything about your competitors.

Networking for business

For as long as you've been selling vehicles, could you conceivably have friends and relatives who don't know you sell cars? How about people on your bowling leagues or soft-ball teams, anyone there don't know you sell cars? How about people you do business with like your dry cleaners, your grocery stores, your gas stations, your pizza parlors, your insurance agents, anyone there don't know you sell cars? And if they don't, why don't they? You should want everyone out there to know you sell cars. After all, you can provide them with the type of service they'd never receive anywhere else.

Learn to become a better negotiator and closer

When you look at your selling process, you don't get paid for doing a greeting. You don't get paid for doing a qualifying. You don't get paid for doing a product presentation. You don't get paid for doing a demo ride. What's the only thing you get paid for? Closing the sale. Yet negotiating and closing is the least area salespeople study and practice. A typical salesperson will close 20% of his customers. That means 80% of his customers will not buy for whatever reason. That's quite a high percentage to not consider that maybe their closing skills might not be up-to-par.

Practice, practice, practice

Tiger Woods is undoubtedly the greatest golfer in the world. He had the best swing in the world as a Junior golfer. So when he became a pro, what did he do? Change his swing. Because he knew that his childhood swing no matter how good it was would not sustain him as a professional. After winning the 2000 Masters by 20 strokes, he changed his swing again. Why? Because he knew that no matter how good he is, he can always be better. When he finishes a round leading by 10 strokes, instead of going to the lounge to have a drink with some friends, he goes to the driving range and putting green to practice. Why? Because he knows that there's always some little details to work on to keep him sharp. If Tiger does all this when he's already the best, shouldn't you approach your career in the same way? I know many salespeople who will go to the driving range and hit a thousand balls to lower their score on the golf course. But for their own financial security, they won't practice at all? This doesn't make sense to me. Repetition is the single most important factor in becoming good at anything. So, practice, practice, practice!!

Sell more aftermarket products

This is another income source that you'll learn about in the Business Section. If your dealership allows all aftermarket sales to go into the gross profit, this will become an addition-

al income generator for you. I've seen many salespeople take a small deal and turn it into a large deal by merely selling additional items that the customer probably already wants.

So, now that you have an idea on what it will take to increase your sales, let's take a look at what you will learn in this book:

Section 1 - The SALES Side of Selling New and Used Vehicles

To begin your rise to superstardom, it wouldn't be right if you didn't start with the basics of auto selling. The first section of this book will take you through the entire process, from the moment you step onto the showroom floor, to how to handle a slump, and everything in between.

Section 2 - The BUSINESS Side of Selling New and Used Vehicles

Next, you'll be introduced to Automotive Salesperson, Inc., where you'll continue your education by learning how to "run your business like a business". Here you'll get an in-depth look at how to create your own company right from your desk, and develop the skills that every businessperson needs to become successful.

Section 3 - The INTERNET Side of Selling New and Used Vehicles

And last but not least, with Internet technology becoming a huge part of the auto selling business, you'll be introduced to the best practices of converting internet leads into sales, email marketing, and more.

So, welcome to your success in automotive sales. Your financial future is right at your fingertips. All you need to do know is make it happen.

Let's start with the Basics

The 10 steps to the sale has not changed much over the years. But the one thing that has been the difference between the superstar and the average salesperson is an expertise in the fundamentals of selling.

When Tiger Woods first came on the tour, he already had wonderful fundamentals. Today, Tiger's fundamentals are almost perfect. Does that mean he doesn't need to work on them? Just the opposite. Tiger works on the fundamentals all the time.

Section 1

The SALES Side of Selling New and Used Vehicles



Section 1
The SALES Side of Selling New and Used Vehicles

TABLE OF CONTENTS

Chapter 1		
Philosophy of an Automobile Salesperson		Page 5
Chapter 2		
Philosophy of an Automobile Customer		Page 17
Chapter 3		
How to Get Started		Page 21
Chapter 4		
Greeting		Page 27
Chapter 5		
Qualifying Customers		Page 33
Chapter 6		
Inventory Walk		Page 37
Chapter 7		
Product Presentation		Page 41
Chapter 8		
Competitive Analysis		Page 45
Chapter 9		
Demo Ride		Page 47
Chapter 10		
Negotiation		Page 53
Chapter 11		
Objections and Closes		Page 61

TABLE OF CONTENTS (cont)

Chapter 12		
	Closing Techniques	Page 67
Chapter 13		
	If You Don't Sell the Car	Page 75
Chapter 14		
	If You Do Sell the Car	Page 79
Chapter 15		
	Pre-Delivery Inspection	Page 83
Chapter 16		
	Delivery Procedure	Page 85
Chapter 17		
	Switching to a Used Car	Page 89
Chapter 18		
	Paperwork	Page 93
Chapter 19		
	Organization	Page 97
Chapter 20		
	How To Sell To Women	Page 103
Chapter 21		
	How To Handle A Slump	Page 107

Introduction

“There are two kinds of people, those who do the work and those who take the credit. Try to be in the first group; there is less competition there.”

...**Indira Ghandi**

Step-by-Step Sales

Walking from my car to the office recently, a thought entered my mind — whether figuratively or literally, to get from Point A to Point B you move one step at a time. For example, to get from my desk to the copy machine, I have to move back from my desk, stand, walk through a hallway, open a door, and walk into the office toward the machine. I have to do it precisely in that order or I can’t arrive at my destination. It’s impossible to do it otherwise. It’s impossible for me to walk through the hallway without first moving back from my desk and standing; I can’t walk into the office without first opening and walking through the door.

Closing a Customer is the Same Thing

For every sales opportunity in your dealership, a sale advances around a consistent process of selling steps. Sure, every sales opportunity is a little different from another, however, the overall process is always similar within the automotive industry — especially when you look at the major steps. For example, you can’t qualify a customer until you first greet them. You can close a customer until you first write them up. For each step there is common criteria

used to determine if you've completed the current step and are ready to move forward with the next sales opportunity. Different tactics are often used to accomplish each step, however, the progression of steps rarely changes. Generally, the next step is fixed — a greeting, qualifying, product presentation, demo ride, close, etc. We know what it takes to complete each successive step and as such, this becomes a great way to determine and measure the probability of your close.

Your Roadmap to Success

Do you have each sales step mapped out clearly? Do you have a plan thought through on why each progressive step is necessary to close the sale? Do you know the procedures, tactics and psychological methods typically taken to accomplish each step and the reasons why they need to be accomplished in that order?

If you can't truly understand the steps necessary to get from where you are in the sale to where you ultimately need to be, the chances of getting there are just that — chances. Each step in the process is necessary to accomplishing your goal of selling a vehicle. If you take one step out of this proven equation, that step can become like the weakest link in a strong chain.

The Weak Link

For example, every salesperson knows that going on the demo ride with the customer is an important part of the process. It allows the salesperson to continue on with the selling motivation needed before going into the close. This motivation and enthusiasm began with a warm greeting, followed by a caring qualifying, then an inspiring presentation, now an exciting demo ride to get the prospect wanting more and to see how the vehicle will fit into their budget.

But let's say the salesperson did the warm greeting, the caring qualifying, the inspiring presentation, and let the customers go on the demo ride themselves. What happens now? The motivation and enthusiasm stops, the salesperson becomes unaware of what discussions are taking place on the ride, the salesperson's adrenalin has lowered, the customer comes back from the demo ride and all the salesperson can say is, "Well, how did you like it?" He doesn't know because he wasn't there. And now the entire crescendo has to be built all over again. And, it's usually not. So he and the customer go into the close at the lowest peak of motivation. The demo ride became the weak link in the chain.

The longer a salesperson stays in the business, the easier it becomes to shortcut the presentation. And that's way many salespeople's income never increase. They forgot what

Chapter 1

Philosophy of an Automobile Salesperson

"Look out for the fellow who lets you do all the talking."

— Frank Hubbard

"Our reputation is determined by what others are not thinking about you."

— Tom Masson

Being an automobile salesperson brings with it many responsibilities, as well as rewards. Whether you are thinking of making this your career, or whether you've been an auto salesperson for years, you will realize that there is more to doing this job than the average salesperson pursues. The whole purpose of this book is to educate you on the proper sequence of doing business.

So, what are the major objectives of the salesperson? Simply stated, they are:

- **TO SELL CARS AND MAKE MONEY**

The primary reason and motivator for taking any job, or starting a career, is to earn money. After all, it would be difficult to purchase the necessities of life without it. And, if you didn't desire a better than average lifestyle, you would probably be satisfied to settle for a 9-to-5 job earning minimum wage. But, this isn't the case. You've decided to enter a career where the hours are long, the rejection is high, and the pay is unstable. If I haven't painted a pretty picture thus far, it wasn't my intention. Realize, however, that along with the downside of this profession, comes the opportunity to earn a tremendous amount of money. It has always been my philosophy that, if I am willing to work a lot of hours and if I am willing to take a lot of rejection,

then I **want** to be earning a lot of money. And, where else can you virtually run your own business without any capital investment? Auto sales is one of the few occupations where an individual can have millions of dollars worth of inventory, office space, a telephone answering service, and an advertising budget—with no investment whatsoever.

- **TO REPRESENT THE COMPANY IN A PROFESSIONAL MANNER**

Professionalism is not a word that should be taken lightly. When you become involved in a “people business,” you have to make sure that the way you portray yourself reflects kindly on your employer. The way you look, act, and handle your affairs both inside and outside the dealership will determine the type of salesperson you will become.

- **TO CONTINUE LEARNING YOUR TRADE**

A salesperson was asked, *“How many years of experience do you have selling cars?”* and his reply was ten years. Then the question was posed, *“Do you have ten years of experience, or one year of experience ten times?”* What happens to many salespeople is that whatever they learn during their first year in the business is all they care to learn for the rest of their career, and so they remain stagnant. It should not be like this. Times change, people change, the economy changes, and cars change. With all of these changes taking place, the salesperson should take it upon himself to constantly upgrade his education in the career he is pursuing. It stands to reason that if a person wants to become more proficient, he should never stop learning.

There are, of course, many other philosophies for doing business such as, **“treat others as you would want to be treated,”** but the main point to remember is that **“success means growth and growth means change.”** Always strive to be the best salesperson that you can be, and you will reap the rewards of your efforts.

Chapter 2

Philosophy of an Automobile Customer

“A salesperson, tired of his job, gave it up and joined the police force. Several months later, a friend asked him how he liked being a policeman. “Well,” he replied, “the pay and the hours are good, but what I like best of all is that the customer is always wrong.”

“A consumer is a shopper who is sore about something.”

—Harold Coffin

“No customer can be worse than no customer.”

—Leopold Fechtner

There are many things a salesperson needs to know about a customer. But, the one basic fact that remains constant is, **you need him more than he needs you.** The sooner you realize this, the better your attitude will be on how important each individual customer is.

Because the automobile industry has changed dramatically over the years, car buying has become more complex. In the past:

- ***The customer had fewer cars to choose from.***
- ***There was less technology to understand.***
- ***There were fewer dealers to visit.***

As a result, this customer had an easier time choosing and buying a car. He could be loyal to a particular salesperson longer because he had the tendency to stay with the same carline, a courtesy that was passed down from generation to generation.

Now there are many more automobile companies than before, increasing both the competition and the number of choices. Virtually every item on the car has become computerized and consequently more intricate than in previous models. So, as the number of buyers has increased, the sophistication of these

buyers has also increased. It is rare for the automobile buyer today to make a choice without studying every aspect regarding his buying needs. And with the price of cars continuously climbing each year, buying a car has become a major household decision.

It is understandable, that car buying has lost a lot of its glitter. With all of the technical information the buyer must study, and with all the product lines to consider, the fun is literally gone. The moment the customer steps into the dealership, he becomes apprehensive regarding the pressure tactics some salespeople use. And because auto salespeople have unfavorably been described as being “*crooks*,” customers always feel like they’re being cheated. They’ll doubt you when they see a “*true invoice*” price because they think you’ve altered the figures. You can see why the customer is so confused.

So, let’s try to keep it simple and identify what customers really want.

CUSTOMERS WANT:

- **TO BE TREATED WITH RESPECT**

No one likes to be treated like a second-class citizen. Regardless of age, sex, or physical appearance, make certain you greet every customer who walks through the door with enthusiasm, warmth, and respect. Being made to feel special seems to break down many barriers.

- **TO BE EDUCATED ABOUT YOUR PRODUCT**

With as many vehicles as there are on the market, one reason the customer shops around is to find out what the differences are between the various carlines. Your responsibility then is to educate this customer to the best of your ability. Give him as much positive information as he can absorb, so that he can make the correct buying decision.

- **TO BE GIVEN A FAIR DEAL**

It certainly would be nice if we could sell every car for the amount appearing on the sticker. But that kind of deal doesn’t seem to interest very many customers. Therefore, while you are negotiating price, continue to build value into your carline. This strategy will help you earn as much profit as is feasibly possible.

- **TO RECEIVE GOOD SERVICE AFTER THE SALE**

In order for you to get repeat customers and referrals, you have to make sure this customer is cared for long after you have made the sale. Most of these ways will be learned as you read further.

If you study these four items carefully, you are on your way to understanding how a customer thinks and what a customer needs and expects.

Because it's difficult to always prevent a slump from occurring, I'll provide some proven ways that will help you get out of one once you're there.

- **GO BACK TO THE BASICS**

The longer you are in this business, the greater the temptation is to take shortcuts in your sales technique. Taking shortcuts repeatedly can cause you to lose sales, a situation that will undoubtedly affect your morale and financial status. So, pretty soon, you start getting down on yourself, and the next thing you know, you're in a slump. Nothing goes your way and you start feeling very insecure about your ability to sell cars. When you get to this point, go back to the basics.

- **TAKE MORE DEMO RIDES**

When salespeople shortcut their presentation, they'll often eliminate taking a demonstration ride with the customer. But what makes us think that we can sell cars without ever letting customers test drive them first? I remember becoming so overconfident at times that I thought all I had to do was quote the customer a price, and I would sell the car. **NOT TRUE!!** You still have to do a complete job to be a complete salesperson.

- **FOLLOW-UP WITH PAST CUSTOMERS**

Following-up is that busy work we do when there are no customers in the showroom. I'm well aware that, when you're depressed, you'd rather spend your free time socializing with other salespeople and talking to friends over the phone. Instead, use this time to get in touch with the people who made money for you in the past. It will keep your mind on your work, and you might just get lucky and get a referral.

- **WALK THE INVENTORY**

Walking the inventory daily will familiarize you with all the cars your dealership has in stock. You will also learn the locations of the variously equipped models. So when a customer asks for a particularly equipped model and color, you'll know exactly where to find it.

- **TALK TO AS MANY PEOPLE AS POSSIBLE**

When we go into a slump, our first reaction is to stay away from customers. It takes every ounce of effort for us to leave our office for fear of experiencing more rejection. To get through this hurdle, don't even sit in your office unless you are making follow-up or prospect calls. Remaining on the floor gives you the opportunity to talk with as many

people as possible. Approach people in the showroom as well as service customers waiting for their cars. Talk with anyone who will talk with you, so that you can overcome your conversational fears more quickly.

- **CHANGE YOUR PHYSICAL APPEARANCE AND MENTAL ATTITUDES**

A sloppy personal appearance, low self esteem, and negative attitude often accompany depression. The old saying “*misery loves company*” comes into play. We want to look and feel bad, and form our own “*pity party*.” And, the more people we can recruit to help us remain miserable, the better we like it. When you get up in the morning, take a good look at yourself in the mirror. Is this the person you want to have ride into work with you? Are you really happy with the way you look and the way you feel? It’s within your power to change your appearance and behavior whenever you want to. I have found through readings and seminars on this subject that a person generally stays in these types of downers because he wants to. And the same is true about getting out of them. By forcing yourself to take on the attributes of a positive, exciting, energetic salesperson, you will find that your current composition will change in no time at all.

- **MORE PROSPECTING**

I know you hate to hear this, but prospecting will keep your mind on your business, and maybe you’ll get lucky and make a sale. You have to remember that successful people get that way because they put **100%** effort into what they are doing. If you get into a slump, ask yourself what percentage of your time are you utilizing profitably while you’re at work. If it’s considerably less than 100%, then your chances of earning a decent living will be slim. Out of an average nine-hour work day, a salesperson will normally put in about three to four hours of solid working time. This leaves a balance of five hours, part of which can be spent on prospecting methods. Just remember, the more you sit around and feel sorry for yourself, the less chance you’ll have of breaking out of your slump, and the less money you’ll earn.

- **CHECK OUT OF WORK HABITS**

What occurs outside your work environment has a direct effect on your work attitude. If you feel this is responsible for your slump, you may want to review these items:

- **ARE YOU HAVING FAMILY PROBLEMS?**

- If you find yourself arguing with your parents or wife a lot, this may carry over into your business life. Often, money problems may be the cause of the argument, so get back to work so you can make more of it.*

– **DO YOU GET ENOUGH SLEEP?**

Being a “party animal” and keeping late hours may not always be the best thing for a successful business person. Make sure you get enough sleep so your body will be ready to handle a full day’s work.

– **ARE YOU EATING PROPERLY?**

I know what salespeople eat, and we’re all guilty of not taking care of our inner self. The idea, “you are what you eat” isn’t just a quotation made by dieticians. Choose a sensible program that will offer you all the nutrients necessary to maintain a well-balanced diet.

– **GET ENOUGH EXERCISE**

Physical activity is also important if you want to maintain a healthy mind and body. Try to find a routine you can adhere to and exercise at least three to four times a week. I like to do my exercising in the morning before I go to work. Even though I was a professional athlete most of my life, I do not like to exercise. I do it because I have to, and the sooner I can get it over with, the better I like it. Anyway, I’m usually too tired when I come home from work.

• **WORK CLOSER WITH MANAGEMENT**

During these times, don’t shy away from your sales manager. He’s there to help you with any problems you may have that can affect your business. When I was a sales manager, I always tried to help my salespeople maintain a good self image of themselves. The easier it was for them to sell cars, the more money I made. I hope your manager feels the same way!

• **READ POSITIVE ATTITUDE BOOKS**

I was never one who liked to read, but I did find great value in books that positively affected my attitude, and filled me with more excitement. I could read a quotation by Zig Ziglar and it would set the stage for the rest of the day. I tried to read at least one chapter a day. Afterwards, I would write down the concepts that affected me the most. That way it was easy to review them when I felt I needed some motivation.

• **LISTEN TO MOTIVATIONAL TAPES**

Just about every new model car has a cassette deck as part of its stereo system. We as business people don’t always utilize this piece of equipment as profitably as we can. When you’re on your way to work, pop in a tape that will motivate you to do the best job

possible. There are many of them on the market, and as far as I'm concerned, if it has to do with motivation, it's a good one.

These are just some of the ways to help you get out of a slump, and increase your awareness of the pitfalls you can get into. Keep in mind, that, you have to have the desire to get out of your slump and the ambition to work at it. ***“Lip service” does absolutely nothing to help your cause. Don't just talk a good game, do it.***

Section 2

The BUSINESS Side of Selling New and Used Vehicles



Section 2
The BUSINESS Side of Selling New and Used Vehicles

TABLE OF CONTENTS

What is Automotive Salesperson, Inc.?	Page 125
Money: Do You Know How To Make It?	Page 127
Your Road To Success	Page 129
Step ① Evaluate Your Qualities As A Business/Salesperson	Page 133
Step ② Determine Your Current Financial Situation	Page 139
Step ③ Develop A Business Plan For A Strong Foundation	Page 143
Step ④ Determine Strategies For Your Major Companies	Page 173
Step ⑤ Develop Yourself A Marketing Strategy	Page 197
Step ⑥ Write A Daily Plan	Page 203
Step ⑦ Organize Yourself For Increased Productivity	Page 207

— over —

TABLE OF CONTENTS (cont.)

Step 8	Gain That Competitive Advantage	Page 213
Step 9	Follow-Up To Develop Future Business	Page 219
Step 10	Use A Computer To Develop Your Business	Page 235
Finale		Page 241

WHAT IS AUTOMOTIVE SALESPERSON, INC?

Thought:

The best way to predict the future is to make the future happen.

Automotive Salesperson, Inc. is a program that teaches salespeople to become better business people. Many salespeople simply run their business by “hit or miss.” They come to work in the morning, take whatever the dealership, the economy, or the manufacturer has to give them, then leave the dealership at the end of the day. But throughout that day they never do anything to actually develop their business, and run their business as if they actually owned it.

This is not a selling skills course.

Salesperson, Inc. has determined that increasing a salesperson’s selling skills alone will not give this individual the tools necessary to attain that next level of success. Once a salesperson learns the basic fundamentals of selling, or the “10 Steps to the Sale”, additional business will come from understanding the business aspect of sales; all of those areas above and beyond the basics that salespeople need to learn.

What if salespeople thought of themselves as business people?

So I started looking at these salespeople sitting at their desks and I asked myself, “if they had

overhead to pay, if they had employees to pay, if they had to make sure their company profited every single month, would they run their businesses differently, then if they thought of themselves as mere salespeople?" And the ultimate response was a resounding, yes!! They'd have to.

Your own business with no investment whatsoever!

When salespeople get hired into a dealership, they get a free phone, a free desk, a free telephone answering service, a free advertising budget, and a million dollars worth of inventory, with no investment on their part whatsoever. All they have to do is run their business from their desks just as if it was their very own business. Well, that becomes the problem. Most salespeople don't look at it as a business. They look at themselves as salespeople, and it's the dealership's responsibility to get them business.

Salespeople need to develop their own business.

Even if it is the dealership's responsibility to bring in business, if salespeople want to increase their sales and profits above and beyond their current production, they need to begin looking at the details of their business, aside from selling skills.

Business people need to know the numbers.

For years, salespeople have been told that sales is a game of numbers. The more numbers you do, the more sales you make. The problem is, no one ever taught salespeople how to do the numbers. If a salesperson set a goal of 14 sales and \$4000 per month, he never really knew whether he reached the goal until the end of the month. He also never had a plan of attack on how to reach the goal. So the result was, this salesperson seldom reached his/her goal. It doesn't have to be this way. By keeping accurate statistics, real life numbers, a salesperson can conceivably predict exactly what needs to be done in order to reach his goal — because the numbers don't lie.

Salespeople need to run their business like a business

So Salesperson, Inc. developed **Automotive Salesperson, Inc.**, which teaches salespeople to run their business like a business, as compared to running their business by "hit or miss." As you read through this manual, you will find everything you'll need to start thinking and acting like a business person. Once you focus your mind in this direction, the sky will be the limit.

MONEY: DO YOU KNOW HOW TO MAKE IT?

Thought:

*Money won't buy
happiness, but it will
buy you a lot of things
that will make you
happy!*

Thought:

*The person who said
money isn't everything,
probably didn't have any.*

MONEY — It's been the focus of every salesperson who ever worked on a commission basis. I've never known another word that respects so much attention, that we've virtually based our whole life on it. And no matter how much you make, it never seems to be enough. The latest statistic I've read says that the average auto salesperson across the United States earns an average income of \$32,000 per year. This is in an industry that claims you can make unlimited income. If this is true, why then do most salespeople make so little money?

MONEY — You make it and spend. You save it and invest it. It is the cause of stress, frustration, and divorce. You need it to eat with, to drive your cars with, to heat your homes with. You're criticized when you don't have it, and envied when you do have it. Someone once said that money isn't everything, but it was probably said by someone who doesn't have any. You surely can live with much less, but then you wouldn't have searched for employment in an industry where the hours are long, the rejection is high, and the money is inconsistent. If you wanted a lesser lifestyle, you could have taken a job at McDonalds, received \$6.00 per hour, be guaranteed \$240 every single week, and live off of that. But that must not have been good enough. You wanted to

make more. So you became an auto salesperson because someone said you could make unlimited income. Then, how are you going to do it?

Let's list some of the most common reasons that I've heard over the years why a salesperson couldn't make unlimited income:

- The economy is down.
- Too many salespeople in the dealership.
- Not enough advertising.
- Not enough customers.
- Not enough cars.
- No rebates being offered by the manufacturer.
- Pay plan is terrible.
- My manager isn't strong enough.
- The dealer is mean.

And I'm sure there are many more. But the fact is, none of these reasons have anything to do with the individual salesperson. There's always something or someone else to blame for the fact that a salesperson doesn't make enough money. Some of these reasons could be valid. But I've never heard a salesperson blame himself for not making enough income. That fact is, a salesperson could be to blame. It could be that the salesperson was lazy, wasn't responsible and accountable for his own income, didn't learn the correct way to earn unlimited income, didn't invest in his own career, didn't want to do anything more than the basics. If this is the case, unless this person was handed sales on a silver platter, the chances are he/she wouldn't make it.

This model is dedicated to the individual who is concerned about long-term success, and not just short-term gain. Many of the things I'll talk about would not be of interest to the short-term salesperson. It takes a lot of work and persistence in order to become a professional salesperson who has the potential of earning \$100,000 per year. And in most cases, it is possible despite the dealership, the town, the carline, the management, or even the economy. The most important fact is that it takes a lot of work.

If you are willing to put in the time and effort to be successful, this is the program for you. **Automotive Salesperson, Inc.** can get you thinking and acting like a highly successful businessperson. Even if you didn't do everything within this program, keep in mind that it's the thought process that will make you successful. As long as your mind is always thinking about what to do, what to change, how to get better, how to get results, you're going to have a better than average chance of getting where you want to go. If you accept mediocrity, that's exactly what you'll get. So, make it happen!

YOUR ROAD TO SUCCESS

Thought:

Successful people do all of the things unsuccessful people don't want to do.

What is success?

Success has been defined as *“the progressive attainment of a worthy goal”*. While this is a good general definition, each one of us has our own specific idea about what success means to us. So, what does success mean to you? For some people it means status, prestige, and respect; for others it means power — the ability to influence and command others. But for most people, their definition of success includes financial independence and security.

What is financial independence?

Like success, financial independence means something different to each of us. A better question might be: *“What amount of income would make you feel financially independent?”*

For some salespeople that might be \$25,000 per year, for others it might be \$100,000. The important thing isn't the amount of money itself. What really matters is how will you make enough money for you to feel financially independent.

Understanding how an auto salesperson's business works is one way to make sure you don't become just another statistic. In order to succeed in auto sales, you have to do what unsuccessful salespeople didn't

want to do, that is, acquire the knowledge that successful auto salespeople had learned through trial and error.

And you don't even have to go through the costly, painful process of trial and error learning. You can prepare yourself for business success by learning all the activities that go into making your business successful, and by making sure each of them is handled properly.

The other key that determines business success is energy. Energy for business comes from self-motivation. Highly motivated people are successful because their enthusiasm for what they're doing has a positive influence on everyone around them. A high-level of motivation also creates excitement, giving salespeople huge amounts of physical energy, enabling them to accomplish even more.

It's important to have the right attitude

You need to know the business side of auto sales to become successful, but it isn't the only thing you need. The right attitude is equally important — and in my opinion, even more important. Each of us is somewhat different. We each have our own opinions, beliefs, likes, and dislikes. Yet one thing that all successful business people have in common is their attitude. They are highly motivated. They know they can get the job done, and they know they'll succeed. That makes them very positive about themselves and their business.

How you can get the right attitude

The right attitude is the one that winners have. It's the "can-do, never give up" attitude. In order to get the winners attitude, here are some things you need to do:

- **Expect success**

Experts in motivation say that 85 percent of success is based on your attitude, so keep your attitude positive. Look for opportunities in every situation. View setbacks as stepping stones rather than obstacles. Keep working your plan based on realistic goals, and don't become discouraged by setbacks.

- **See yourself as successful**

Form clear mental picture of yourself attaining your goals. See yourself enjoying the kind of success you want. And try to experience the feeling you'll have when you meet your business and personal goals.

- **Prepare yourself for success**

Stay informed about what's going on in the automotive business. Read positive books and magazines. Listen to success oriented tapes at home and

in your car. Attend seminars and workshops to upgrade your education.

- **Associate with positive people**

Spend your time with winners and eliminate the losers in your life.

- **Act like a winner**

Positive thinking and positive thought, to yourself as well as to others, are the ways to stay mentally healthy, just as positive health habits are the ways to stay physically healthy. Get motivated and stay motivated.

Habits are the key to success

Everyone has habits. The difference between someone who succeeds and someone who fails is the kind of habits they have. Bad habits are easy to form, but hard to live with. Good habits are harder to form, but they will ultimately lead to success.

Failures generally find it difficult to sacrifice the immediate pleasure bad habits may offer. That's why they don't accomplish much. Successful people, on the other hand, realize that success depends on them. They're willing to put their long-term goals ahead of short-term pleasures by cultivating the habits that lead to success.

The major difference between winners and losers is inconsistency. Winners are consistently just a little bit better. They keep at it and they keep trying to improve. So strive to become just a little better each day. Keep at it and don't be discouraged by setbacks. The amount of persistence will measure your belief in yourself.

I know you can do it

It all boils down to how motivated you become, and how much business sense you attain. You can measure your motivation by your commitment to your business. If you're committed to making your business successful, and you make the effort to prepare yourself with the necessary business skills, you're bound to succeed — provided you stay with it.

So get yourself ready for business success. Be clear about your goals and get motivated to accomplish them. Learn as much as you can about the auto selling business. And do something every day toward making your dreams come true.

Now that you have an idea of the nature of this program, let's begin a step-by-step process that will get you started toward your financial dreams.

Section 3

The INTERNET Side of Selling New and Used Vehicles



Section 3
The INTERNET Side of Selling New and Used Vehicles

TABLE OF CONTENTS

Chapter 1		
Understanding Internet Technology		Page 247
Chapter 2		
Internet Leads and Lead Providers		Page 251
Chapter 3		
Understanding the Internet Customer		Page 255
Chapter 4		
Developing an Internet Business Plan		Page 259
Chapter 5		
The Internet Specialist		Page 263
Chapter 6		
The Power of Email		Page 269
Chapter 7		
Understanding the Selling Process		Page 277
Chapter 8		
Email Direct Marketing		Page 283

Chapter 1

Understanding Internet Technology

Quick Thought

“What exactly is the Internet? Basically, it is a global network exchanging digitized data in such a way that any computer, anywhere, that is equipped with a device called a ‘modem’, can make a noise like a duck choking on a kazoo.”

If you are fortunate enough to be able to handle Internet leads, to do it right you must start with the proper tools. To maximize your sales efforts you must have the following:

- **Your own computer(s) with the proper software and the right number of people working it**

Do not expect to share a computer with another department or person. If you are seriously using the Net, it is a full time job. You must also have access to the computer anytime you need it. If you have an Internet Department, everyone must have access with their own email addresses. We have found that in very busy Dealerships (web traffic and leads) that the more reps they have following up and working the hundreds, in some cases thousands of leads coming in each month, the more cars they sell. Many Dealers are not doing as well online because they have one or two people trying to do the follow up and sales work of 5 or 6. One person can only handle so much.

- **Software you must have:**

(This assumes that you already have an Internet Service Provider (ISP) and Windows installed on the computer).

- A good Email program with the ability to receive and send email.
- A web browser for surfing the web.
- You should also have a lead tracking and follow-up database.

- **Digital Camera**

If you want to sell more cars online you need to email actual photos. Do not send canned responses with come on in, or call me pitches, and expect to do well online. Remember people online are in control of the buying process and if you expect them to do business with you, give them a reason. A good digital camera is about \$600 bucks and they are simple to use. Successful Internet Sales Professionals send both new and used photos to shoppers. Let them know what photos you sent because some online shoppers will not open a photo if they do not know who it came from. If you stand out above the rest online you will bring in more buyers

- **Your own direct phone line and department**

This should be in all your classified ads and your websites. Remember, when someone calls your main phone number about vehicles they see online they will probably be transferred to Sales and you will never deal with them. Streamline Internet shoppers to you or everyone else will benefit from your hard work.

- **Cooperation and endorsement of Management**

This is one of the biggest obstacles to overcome. Unfortunately there are many managers that absolutely hate the Internet and will do everything in their power to keep it down. To have a successful web program you cannot have people undermining you.

- **A Budget**

Too many Dealerships are putting very little money into their Internet departments. You must have a web site that gets good daily traffic, use several car buying services, and put your new and used inventory online with actual photos in different Classifieds. Inventory online with photos and prices brings in buyers. You must keep your inventory updated because people will not come in if the car is sold. If you do not use any online services, or have a good interactive web site, you will be sitting on the other side of a blank screen and will not sell very many cars using the Internet.

- **Digital pager**

These are great for receiving emails and leads as they come in. No matter where you are, as shoppers email you it will come to your pager and you can even follow up immediately. If you are the only person at your dealership doing the Internet, it is a must!

- **The willingness to learn**

Do not try to wing it. Get the proper training on both Internet sales and email programs. Learn how to use your computer and it will become a powerful sales tool.

There are many other tools that will help you use the Internet to sell cars. The ones we listed above are the most important.

Chapter 2

Internet Leads and Lead Providers

Quick Thought

“The Internet is so big, so powerful and pointless, for some people it is a complete substitute for life.”

As you become more adept at handling Internet leads, you may be asked to take it to the next level by either developing an Internet Department, or by increasing the number of leads the dealership receives. Using an online classified advertising company to generate quality vehicle sales leads is smart business. You can reach customers that would never have heard of your dealership otherwise. It's really a simple process. The Internet Lead Provider (ILP) generates a potential customer for your new or used vehicle by forwarding an e-mail inquiry or a telephone call to the dealership. An internet salesperson answers the e-mail or phone call and sets up an appointment for the customer to come and test drive and buy the vehicle. Sounds simple, right? All you have to do is reply to an e-mail or answer a “phone-up”. After developing several dealerships Internet departments, I realized that nothing could be further from the truth. There is a lot more to it.

How do you select an internet lead provider?

There's no doubt about it - there are a lot of Internet lead providers out there that promise to connect you with real car buyers. Without knowing these companies inside and out, how do you make a decision on which one, or ones, to go with? When selecting a provider, you should ask some key questions before

making your decision. By digging a little, you'll probably find some valuable information you never considered.

What Does It Cost?

This is probably the first thing you'll ask. Lately, I'm hearing from dealers that are getting offers for free leads. This sounds like a good hook, but we all know there's no such thing as a free lunch. What I wonder is - how can a provider give away free leads, or even inexpensive ones, when the best traffic sources out there sell quality leads to providers at a premium? When a provider comes to you with an initial offer of free leads, be sure to find out about any future costs and set-up fees. And be wary of long-term contractual agreements. Hidden costs and a "locked-in" relationship with a weak lead provider can eat away at your profits per unit sold. Another thing to consider when looking at the costs of a particular lead program is the level of flexibility with the pricing structure. For instance, do they offer cost per lead pricing and/or billing caps?

Flat-rates or Per Lead Pricing – Do the Math

Another thing we're seeing more of in the marketplace is flat rate offers. This might sound like you're getting a deal on leads. With any provider that offers a flat-rate for leads, you need to make sure they can guarantee a minimum number of leads each month so you don't end up paying very high costs per lead, such as \$20-\$30. I have seen some providers that start out supplying dealers leads at a decent volume for a flat rate, and then a few months later they reduce the lead volume dramatically.

What Are Their Average Close Rates?

What goes hand-in-hand with lead price is close rate. Who cares if you get leads at bargain prices if they don't close? A lead provider selling you leads at \$22 each that have an average close rate of 10% or better is far superior to a provider that sells you leads at, say, \$14 each that have a 5% close rate. In the first case, you'd spend \$2,200 to sell 10 cars. In the second scenario, you would have to spend \$2,800 to purchase 200 leads in order to sell 10 cars. In the end, any ISM would rather talk to fewer prospects than more prospects to sell the same number of cars. I believe lead quality is more important than price. Which brings up the next question:

How Do They Guarantee Lead Quality?

There are a lot of so called lead providers out there that are really just websites

with traffic. A lead provider needs to be more than a website. The lead business should be their core business. It's worth your while to find out what quality checks the lead provider has in place. Partnering with a lead provider that has a clear technology focus can eliminate a lot of headaches and wasted time on your end. The way the lead provider verifies the authenticity of its leads, prevents duplicates, completes missing information, and delivers them in a timely manner is at the core of lead quality. The best providers couple state-of-the-art technology with real people that back up that technology. It takes real people to email with and telephone consumers who submit those leads in order to ensure they're serious buyers.

Can They Guarantee Lead Volume?

When considering a lead provider, you need to find out what their volume is. Let's face it - you need a steady stream of leads in order to make your sales forecasts, based on the human resources you have available. Lead volume consistency and flexibility is essential. A good provider can deliver both – the amount of leads you need on a consistent basis, month after month, and the flexibility to increase or decrease your volume as needed.

In my experience, only the biggest, most established lead providers, can really offer the kind of reliable volume most dealers need. By contracting with the most established ones, you're most likely to get the majority of leads in your territory with minimal duplication. Another reason it's important to go with providers that can promise you volume is for operational simplicity. Wouldn't you rather just deal with one or two good providers than multiple ones for billing, technical issues, etc.? Most dealers would rather work with two or three lead providers that can offer them 100 leads each than 10 providers that can offer only 20 leads each.

What About Territory?

Part and parcel with lead volume is territory. The ideal situation is a high volume of leads from a close radius – better 100 leads from a 25-mile radius than a 75-mile one. The closer the lead is to where you are, the more likely they will be to buy from you. Some lead providers may make promises on volume but deliver leads to you from out of your desired territory – or even out of state.

Who Are Their Traffic Partners?

Recently, I've heard that some providers are telling dealers they supply "all" or "90%" of the leads that another provider is simply re-selling to you. Their pitch is that they're eliminating a middle man. This is why the biggest lead aggregators are so important – they have a rich, diversified source of leads on the web and have

good relationships with multiple traffic partners. If a smaller website company represents themselves as the sole provider or major source of leads for one of the big guys, they're giving you a groundless sales pitch.

Are They Known for Good Customer Service?

Finally, you should ask yourself – are these people I can work with? Because car dealers know how important customer service is, you should demand this from your lead provider. Knowing your rep or account manager at your provider on a first name basis can really keep your sales process flowing smoothly. A good way to find out if the lead provider is top notch is to find out who else uses them and ask for references. Can they count large dealer groups as their clients? Can they provide references from dealers representing different franchises in any given market across the country? Is the rep you'll be working with proactive about calling you and available when you need them? Finally, do they understand your business and what you do every day?

In the end, a good lead provider should make your job easier... and a lot more lucrative.

Who are some lead services that prospects visit?

- carpoint.com - <http://autos.msn.com/>
- dealix.com - <http://www.dealix.com>
- cars.com - <http://www.cars.com/go/index.jsp?aff=national>
- autotrader.com - <http://www.autotrader.com/>
- autousa.com - <http://www.autousa.com/>
- ebaymotors.com - <http://www.ebaymotors.com>
- autobytel.com - <http://www.autobytel.com>
- carsdirect.com - <http://www.carsdirect.com/home>
- autos.yahoo.com - <http://www.autos.yahoo.com/>
- carsmart.com - <http://www.carsmart.com/>
- imotors.com - <http://www.imotors.com/>
- autovantage.com - <http://www.autovantage.com/>
- autos.com - <http://www.autos.com/autos?partner=gl&linktype=deep>

a period of history where technology will advance our society at light speed.

The Power of E-mail

A large but shrinking number of businesses underestimate the impact of e-mail. Imagine, trying to contact thousands of people with one message in a matter of seconds. Several years ago, the only way this was possible was to send a “blast” fax.

While most businesses have fax machines, this method of communicating is not effective at the consumer level. E-mail, however, opens up the lines of communication with consumers throughout the world. The list of opportunities is endless.

Imagine being able to contact all of your past and current customers with a customer appreciation message and special offer via e-mail. Imagine being able to build your service department traffic with a special e-mail campaign targeting your best service department prospects. How about targeting prospects who are interested in buying a new vehicle?

Today, e-mail is not being leveraged to its full potential. At best, it is being used only to respond to customer inquiries. Unfortunately, even that is being implemented marginally. As stated by John Holt, CEO of The Cobalt Group, a recent research study discovered that “19% of dealers never responded to shoppers’ inquiries at all.”

The biggest attraction of e-mail marketing is the cost. Compared with the traditional channels of marketing, using the Internet and e-mail to communicate your message with your prospects and customers is extremely cost effective.

Start building a database of e-mail addresses now

The first step to creating a marketing program via the Internet is to start collecting the e-mail addresses of your customers and prospects. They are your best potential source of future revenue. The number of consumers who have e-mail addresses will pleasantly surprise you. E-mail is not limited to the stereotypical young, computer savvy individual. For example, many grandparents send e-mail messages to their grandchildren to keep in touch more often.

You need to create various methods of collecting e-mail addresses. Once you start to create a database of e-mail addresses you can develop different campaigns to communicate with both your prospects and your customers. Look into the future. Five years from now you will have the e-mail addresses of virtually every person who has ever visited your dealership. Imagine the power of that database. The marketing potential is endless and the cost is next to nothing!. You don't need to spend thousands of dollars for mailing lists. It's all right there in your own database! You couldn't buy a more valuable database if you tried. Don't wait — start collecting those e-mail addresses now!!

How do I start collecting email addresses?

The first place to start is with your current prospects, sales customers and service customers. Anyone that you meet you should begin collecting email addresses. Here's what you can say:

“Can I get your email address so that we can communicate with you easily? This will give us an opportunity to send you special offers, recall info, and service reminders.”

What if they give me an objection?

As with any objection, you need to have an answer that you have scripted and practiced so you will attain the desired result - an email address. Here's a few you can use:

What do you plan to do with my email address?

Your email address will be kept completely private, and will only be used to communicate with you regarding your vehicle and dealership news. At any time, you may choose not to receive emails from our store.

Will you rent or sell my name?

We will never rent or sell your name to any third party. If this policy changes in the future, we will ask your permission first.

What if my email changes?

Please call us or send us an email, and we'll change it. If the email address "bounces," we'll simply stop sending messages to that address.

Then simply enter the information into your database or DMS system. It's that simple.

What can we do with the email addresses once we have them?

Over the last three years, email marketing has become an efficient and required component for businesses to communicate with and market to their customers and prospects. Here are some practices that have been developed and proven in conjunction with leading e-dealerships and groups across the country:

Generate major service work

The most profitable events for a dealership are to sell New or Used vehicles or to complete a major service repair. Identify those customers who are due for major service - they are often owners of older models and may also be interested in trading in. Offer them the ability to schedule the service, to get an appraisal online, or a service incentive.

Develop a lifetime customer

Start cementing a lifetime relationship with your new sales customers by reminding them, automatically via email, to come in for their first oil change. The initial oil change is a key component of developing valuable life-long relationships.

Get feedback from your customers

Polling: This easy-to-implement 'early warning system' will alert your store to any dissatisfied sales or service customer and is designed specifically to improve your factory CSI scores. This automated email process typically generates a response within 24 hours and allows dealerships to identify and address potential problems long before the manufacturer's survey arrives.

Survey: More in-depth than the poll, e-surveys elicit opinions from customers and prospects. This market research tool is flexible and can provide insight into any business matter that a Dealer Principal or General Manager is considering, such as dealer website satisfaction, advertising recognition, and opening another store, etc..

Increase sales of service contracts

Sell more high margin service contracts by targeting two segments to automatically message to:

- those customers who did not purchase at time of sale, and
- those whose factory warranties are about to expire.

Promote parts and accessories

Customers typically have a love affair with their cars for about 30 days after they buy. Email personalized, rich media parts brochures during this window and watch parts sales increase. Accessory promotions also work, and not just for the immediate period after the sale.

For example, promote ski racks during winter and bike racks in the summer; or cross-sell chrome exhausts or spoilers to the younger generation.

Online newsletter

Send your dealership newsletter to customers in electronic form. Track which customers are reading your newsletter, and which areas are most interesting to them (evidenced by click-thru). Give your customers the option of selecting their 'preferences', so that successive e-newsletters can be personalized just for them. Customers can also 'opt-out' of your direct mail piece, providing significant annual savings on production and mailing costs.

Factory promotions

Tell your customers about factory-sponsored sales events, even if they are announced mere days beforehand. Internet marketing campaigns can be developed within hours.

By using email marketing, you can generate revenue, cut advertising costs, and keep your customers loyal.

