

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

**A Blueprint for Becoming
a Sales SuperStar**

by **Mike Whitty**



Salesperson, Inc.

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

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Disclaimer

This book is written in the masculine gender for ease of writing. Salesperson, Inc. 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.

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The SALES Side of Selling New and Used Vehicles

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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 you're 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 softball 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 additional 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 now 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.

And you should to. So, let's get started!

Section 1

The SALES Side of Selling New and Used Vehicles



Salesperson, Inc.

Section 1
The SALES Side of Selling New and Used Vehicles

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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 got them there in the first place - the basics.

Chapter 1

Philosophy of an Automobile Salesperson

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

— **Frank Hubbard**

Your 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."

—Sales Scrap Book

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.

Chapter 3

How to Get Started

Be not afraid of growing slowly, be only of standing still.

— Chinese Proverb

I really believe my greatest service is in the many unwise steps I prevent.

—William Lyon McKenzie King

I can still remember the very first day I walked into the dealership as a salesperson. I had studied all the brochures the weekend before, gathered as much information as my head could hold, and dressed up in my finest suit. I was ready to step into a new career that would offer me unlimited financial potential with no investment whatsoever. **What a deal!** And then it hit me. What if someone asks me a question I can't answer? What if my mind goes completely blank and I don't remember a thing I studied? So many options, so many engines, so many different car lines to remember. Being the perfectionist I was, the embarrassment would be more than I'd want to endure. I could feel the butterflies churning in my stomach as I realized, at the ripe old age of 30, I was the new kid on the block again having to work my way up the ladder of success.

At that point, I became very hesitant to wait on customers, and so I went back into my office to hide. Everything was fine up till then because there were other salespeople who could handle the traffic in the showroom during the slow time of the day. But then came the moment of truth — **TRAFFIC OVERFLOW!** I was forced to show myself to the public and attempt to impress a customer with my knowledge and good looks. So I walked over to the first person I saw who looked as lonely on the outside as I did on the inside.

“Can I help you?”

Obviously being new, I wasn't versed on how to greet a customer to my advantage, so he came back with the comeback response his father probably taught him,

“No thanks, I'm just looking.”

Where was I to go from here? I was a little relieved that he didn't have a question for me, but at the same time, I was already on the floor and wasn't about to hide again. I had to say something to give this customer some idea that I was interested enough to pursue his business, so I blurted out,

*“Well, let me look along with you,
I could use the practice”*

And that's exactly what we did. I took him out to the new car lot, showed him the line of cars he was interested in, and the next day closed the deal for a \$363 commission. I remember thinking to myself how easy that was. All I did was remain friendly throughout his visit, showed him what he wanted, and decided on a fair and equitable price.

Needless to say, all of my sales haven't been that easy. But if I had to have an ice breaker, I'm glad it was that one. The first step toward a customer is always the hardest one. But once you do it enough times, it really does get a lot easier.

I've made a list of suggestions to help you get through the beginning stages of your career in automobile sales. Follow each one carefully, and you'll gain the confidence needed to succeed.

- **TALK TO CUSTOMERS EVEN IF YOU'RE AFRAID**

It doesn't even have to be auto related, just say anything to get you into the habit of being on the showroom floor and having a one-on-one conversation with someone. Service customers are an excellent way to break the ice. They have already purchased a car, so the pressure of having to sell something is gone. They're probably in your showroom waiting for their car to be serviced and just want to see how the new models differ from the one they own. This is where you can start relaying a few facts with which you feel comfortable. Every time you say it aloud, it becomes embedded in your memory. And who knows? You might just get lucky and sell a car!

- **NEVER BE AFRAID TO SAY “I DON'T KNOW”**

It's not a crime not to know every fact and figure about automobiles. There is a

tremendous amount of knowledge you'll need to gather that only time and study will help. If you're asked a question that you're not sure of, simply say that you don't know and will look it up. This shows your willingness to answer the customer's question and gives you one more fact to occupy that vast library upstairs.

If you want to lose your credibility and become totally embarrassed, try lying about a fact of which you're not sure and have the customer catch you at it. Believe me, the customer won't think you're stupid if you don't know an answer, but he will if he catches you in a lie.

Many times customers feel more comfortable dealing with a new salesperson. As soon as you tell customers you're new, the guard they put up before they entered the dealership seems to drop, because now they don't feel that they'll be confronted with this high-powered salesperson who knows every trick in the book, and will continuously try to slam them into a car they don't even want at a price they can't afford. I have seen salespeople use the *"I'm New"* technique for years just to put customers at ease. The basic reason is that customers don't always want to be sold. Many times they feel more comfortable selling themselves on buying a car and would like to assume they know more about what they need than you do. That's where a new salesperson has the edge, he'll just let them feel that way.

- **GET EVERYONE TO TAKE A DEMO RIDE**

The best way to show customers your product is to get them physically involved in it. Just explaining it to them on the showroom floor takes away from the excitement they will feel by actually driving your product. Even if they're not planning on buying today or in the near future, getting them into the car and going for a ride gives them that feeling of what a new car is again. Those firm seats, the lack of noise, that new car smell, these are senses they haven't felt since they bought their last car. And it might just trigger the sensation you're looking for to turn them into buyers now. The very least that's going to happen is that you will get more practice selling your customers during the demo ride, which is all important in creating the sale, and you will learn more about your product. I'll discuss more about the demo ride in another chapter.

- **STUDY PRODUCT INFORMATION DURING SLOW TIMES**

Update your product knowledge when there are no customers in the showroom and you're just sitting around. There are three sources in your dealership that will supply you with all the information you need:

— **Brochures**

These have all the facts and figures a customer needs to make a good buying decision. When I won the *National Walkaround Competition* for Mazda, I didn't use any other piece of literature in our dealership. The brochure had virtually all the facts I needed.

— **Video Tapes**

Almost all dealerships carry a good supply of video tapes that cover product knowledge, competitive analysis, and even some tapes on how to sell. Watch these any time you need to freshen up on your facts.

— **Master Product Book**

This book has complete documentation about your car line.

The more you study your product, the more confidence you will have when dealing with a customer. It could mean the difference between making or losing a sale. Customers like to deal with salespeople who are knowledgeable about their business. It's embarrassing when a customer asks you a question and you don't know the answer, especially when it's about the car you're trying to sell him. Knowing your product gives you an energy that you're not likely to see in someone who doesn't have that type of knowledge. It gives you a sense of direction and a plan of attack that will make your presentation a successful one.

• **BE FRIENDLY**

It's been said that people buy cars from friends even if they're not good salespeople. When you're working with customers and you're new in the business, the very least that should happen is that you try to make friends with them. Don't worry so much about the presentation and the sale, but concentrate more on gaining a rapport with them. Talk about things that interest them. One of the best ways to get customers to communicate with you is to get them talking about themselves. It could be anything from sports to grandchildren. Try to establish some common ground with them. If they feel that the salesperson they're dealing with is a lot like them, they're more likely to buy from him than from someone who comes across as high-powered and totally business-like.

• **WORK CLOSELY WITH MANAGEMENT**

Your manager is there for a reason. It's his responsibility to guide, train, and motivate his sales staff to produce as many sales as possible. So use him to get the results you're

looking for. The one thing you should never do as a new salesperson is to let your customer leave without introducing him to your manager. He will be able to ask the proper exiting questions to make sure that all the bases were covered, which in the long run will earn you more money. Listen to him and learn. If he's a good manager, and if his income relies on your sale, you can bet that he'll want to get involved with every customer to maximize his chances of a higher paycheck.

Chapter 4

The Greeting

A man without a smiling face must not open his shop.

— **Chinese Proverb**

Knowledge is of two kinds. We know a subject ourselves, or we know where we can find information on it.

— **Samuel Johnson**

Warning — Customers are perishable.

— **Store Sign**

Have you ever encountered sales clerks or cashiers in department stores who were unpleasant or who ignored customers? I know I have. Each time this has happened to me, I've wondered why such individuals were hired into jobs that require courteous treatment of customers. By retaining such personnel, the store will surely lose money.

Therefore, **greeting** your customer correctly should be the single most important point to learn. This is the time when these standards are attained:

- **Value judgments are made.**
- **Trust is formed.**
- **Mood of the sale is created.**

A customer not only wants, but deserves to feel special. **Remember, you need customers more than they need you!** They are going to determine whether or not you get paid for your time.

The actual **greeting** begins before you even approach the customer. It starts the moment you lay eyes on him. How you respond the instant you come in contact with the customer will determine the outcome of your relationship with the customer. It's at this time that both you and the customer will either form a like or a dislike for one another. While you are prejudging him, he will also be prejudging

you.

Since you don't want the customer to react negatively toward you, you must "**psyche**" yourself to be the best possible salesperson this customer has ever met. You are going to make a sale and you're going to have fun doing it.

However, even if you sense a dislike for this individual, you still **must** be the **friendliest**, most **courteous** salesperson he has ever met. Your goal is to make this prospective customer want **YOU** for his salesperson.

I have divided the greeting into four important steps. Remember that these steps are not the only ones that you will use. By reviewing these, you will have the basics to start learning what form of greeting is right for you.

- **SMILE, SMILE, SMILE**

Regardless of whether you are a newcomer or a veteran auto salesperson, always remember that a smile will set the tone for a wonderful relationship. I use the word **relationship** because this is what you wish to have with your customer. This will be the beginning of a glorious union that will last for years.

Isn't this reason enough to put on a happy face when you first meet? There will be times when smiling will not come naturally. We all have bad days when nothing goes right and the furthest thing from our minds is being nice to someone. But you must realize that in this business, you are not only a salesperson but also an actor. When times are rough, you must put all your personal problems behind you and approach the customer as though you just won the million dollar lottery. By faking your way through this initial stage, you'll find yourself getting caught up in the excitement and soon you'll become happier too. The opposite will be true with your customer. If he has had a bad day, your smile may be just the catalyst he needs to turn it around.

Happiness is infectious. Someone once said,

...You never get a second chance at making a good first impression.

Start the first impression with a **smile**.

- **SHOW A LOT OF ENERGY AND ENTHUSIASM**

Your own body language will determine the way your customer will perceive you. For example, let's assume you approached your customer with a negative posture: shoulders drooping, head down, frown on your face. If your customer reads into your negative body

language, it will most likely cause him to respond negatively also.

In other words, when greeting your customer, don't look like death warmed over. **Run out to that customer!** Let him see that you are interested in doing business with him. Show him that you are excited about your automobile, your dealership, and that it's great to be alive. Give him the impression that doing business with him is the best thing that ever happened to you. Here are some movements that will help you achieve this:

- **Use a lot of hand gestures.**
- **Talk a little faster.**
- **Raise your voice an octave.**

All of these actions will help you increase your level of energy and excitement.

• **CAN I HELP YOU?**

This greeting has been banned from sales books because the typical response is,

“No thank you, I'm just looking.”

I remember when I first started in auto sales, I wasn't sales oriented so I didn't know any of the “power greetings.” I just said what felt most comfortable to me. And I think that's the operative word, “comfortable.” Each time my trainers tried to convince me to use another type of greeting, I had a difficult time making it sound like something I would say. *Can I Help You?* is discouraged because it gives the customer an opportunity to say, *No Thank You, I'm Just Looking.* When most salespeople are confronted with this reply, they simply walk the other way and the sale is lost. Since I felt comfortable using this greeting, I had to come up with some response that would take me beyond the normal reply. When the customer would say, “No Thank You, I'm Just Looking;” my reply would be,

“Well, let me look along with you, I could use the practice.”

or

“I know where everything is, so if you will tell me what you're looking for, maybe I can point you in the right direction.”

Both of these responses gave me the opportunity to gather more information and show the customer that I was interested in helping him further. The point I'm trying to make is, you must seek out ways that will help you become a successful salesperson. In my

situation, everyone told me that this phrase wasn't the proper greeting to use, but since I felt comfortable, I discovered responses to overcome the customer's objection. No matter which greeting you use, make sure you always welcome the customer to your dealership, give your name, and ask for his. A typical greeting should sound like this:

“Welcome to ABC Motors. My name is Mike Whitty. What is yours? How can I be of service today?”

As you go through your greeting, hand him a business card, and if you have problems remembering your customer's name, write it on the back of another business card so you can refer back to it whenever necessary. It's difficult carrying on a conversation when you have forgotten the person's name. I know I was always embarrassed whenever I had to ask a customer to repeat his name.

The most important parts of the greeting will always include the following:

- ***Be friendly.***
- ***Have a lot of energy.***
- ***Show some enthusiasm.***
- ***Make friends with your customer.***
- ***Try to be yourself.***

• **COLLECT AS MUCH INFORMATION AS POSSIBLE**

After you have gone through your formal introduction, try to pull your customer away from the distractions of the showroom floor so you can gather more detailed information.

Once I finish my introduction with a customer and learn which vehicle he is interested in, I invite him into the privacy of my office. The reason I prefer to ask my questions there instead of on the showroom floor is because I want to separate the customer from the main stream of traffic. During this time, I don't want any interruptions from other onlookers or from other salespeople. You never know when someone may say something derogatory within earshot of your customer. Such comments can possibly lose a sale for you.

While making the customer comfortable in my office, I take out a worksheet and begin writing down details such as:

- ***What options is the customer looking for?***
- ***Will he trade in his old vehicle?***
- ***Will he pay cash or finance?***
- ***What will his downpayment be?***
- ***What monthly payment can he afford?***

Writing this information down at this point gives the impression that you're trying to do a complete job. It also gives you the opportunity to get the customer's correct name, address, and telephone number, so in the event that you don't get into a closing situation, you will have all the information necessary to follow-up with later.

If I had decided to ask these detailed questions while still on the showroom floor and if the customer decided he was not ready to negotiate a deal, I would have lost the opportunity to record this valuable information for future follow-ups.

Chapter 5

Qualifying Customers

Never judge a book by its cover.

—Anonymous

*A little bit of quality
Will always make 'em smile;
A little bit of courtesy
Will bring 'em in a mile;
A little bit of friendliness
Will tickle 'em it's plain;
And a little bit of service
Will bring 'em back again.*

—Anonymous

THE WRONG WAY TO QUALIFY

QUALIFYING — if ever there was a word that got too many salespeople into trouble, this is the one. Learning how to guide customers into the right vehicle is a technique that is necessary to make the sales procedure successful. But, whenever a salesperson takes it upon himself to pre-judge a customer for whatever reasons, he takes the chance of losing some very important sales.

I can remember how eager I was when I first started selling cars. I pursued every customer I came in contact with, regardless of what they looked like, what kind of car they drove, or how they were dressed. Consequently, I was busy demonstrating a car to someone virtually every available minute I had. As a result, I was averaging about one sale for every three customers I spoke with, which was pretty good for a beginner. By the end of each day, after working so hard, you can imagine how tired I was. I started to become discouraged and frustrated whenever I put all my energy demonstrating to a customer who, in the end, wasn't qualified to buy a car. Even though I was making a lot of sales, and earning a nice sum of money, I somehow decided to become "educated" in the fine art of "**CUSTOMER QUALIFYING.**" I figured that if I could pick and choose the customers I felt comfortable

demonstrating to, I could make as much or more money waiting on fewer people.

So one day as I stood by the door waiting for my ideal customer to walk through, I noticed a shabby looking man approaching the dealership. His clothes looked like they came out of the trash bin. He wore a dirty cowboy hat, his hair was long and scraggly, and he looked kind of sickly. Needless to say, I let this customer walk right by me without any further consideration. I felt I was educated enough to identify the buyers from the non-buyers, and this man did not fit my scenario. In fact, I can still remember how surprised I was when my good friend, John Neumann, took him as a customer. John didn't discriminate. He would wait on anyone. Well, as the story goes, John sold this gentleman a car. The customer paid cash, drove away in it that same day, and John made a handsome \$800 commission. How could this happen to me? ***Why was I so naive?***

This is not an isolated story, and I'm embarrassed to admit, it wasn't the only time it happened to me. I wasn't smart enough to see that qualifying a customer in this manner was not the right way to do business. But I soon learned that you can never judge a book by its cover and still expect to make a good living in auto sales. Periodically, some customers will come into a dealership dressed shabbily on purpose, just to confuse and play games with the salespeople, but these are isolated instances.

By now you must realize that there are two ways to qualify a customer: the ***right way*** and the ***wrong way***. I'm sure I don't need to tell you which way I handled my qualifying efforts. ***It was dead wrong!*** Don't ever think you can pick and choose your customers and expect to make a better than average living. Your responsibility to yourself and to your dealership is to take care of everyone who comes in, regardless of how they look. Here are three reasons why it's important to run your business in this manner:

– The appearance of a person may have little bearing on whether or not he can afford a car, be financed for one, or be able to pay cash.

– By picking and choosing your customers, you may find yourself standing around a lot. This is not good for your confidence or your motivation. By staying busy, you keep yourself sharp and alert. The very least that can happen is you might get lucky and sell a car.

– Although the person you demonstrate to may not buy a car from you, he might be able to recommend a friend or relative who will. Being nice to a customer is the least you can do to promote your business.

I'm sure as you study the example I gave you at the beginning, you'll be able to think of many more reasons why it's wrong to qualify customers before you learn the facts. When

it comes to making money and selling cars, keep in mind that you need these customers more than they need you.

THE RIGHT WAY TO QUALIFY

To utilize “**QUALIFYING**” as an artform, you have to understand what it actually is. Qualifying is a series of questions you ask your customer to obtain the information you need in order to create a “**selling presentation**” as compared to a “**telling presentation.**” It is this method that allows you to determine the strategy you are going to use to approach the sale. For example, as you bring your customer into your office, ask these types of questions:

- *What’s important to you about buying a car?*
- *What’s important to you about the whole buying process?*
- *Have you ever purchased a car in your own name?*
- *Was the last car you purchased new or used?*
- *Was your last car financed, or did you pay cash?*
- *What kind of monthly payment can you afford?*
- *What price range did you want to stay within?*

These types of questions obviously are meant to determine not only the financial stability of your customer, but also what’s important to your customer. These will also help you plan your strategy of how to sell to your customer when it comes time to close. If your customer replies, “*I’ve been through a bankruptcy,*” or “*I’ve never financed a car before,*” or “*I can only afford \$120 a month,*” qualifying has then saved you a lot of work by determining the price range vehicle to demonstrate. It doesn’t mean you simply discontinue the demonstration process or form a negative attitude. It is not your job to form a final opinion on the financial stability of your customer. This responsibility belongs to your sales or finance manager. They are better qualified to make these types of decisions. You’ll be surprised at some of the miracles they can perform.

Chapter 6

Inventory Walk

Funny how people generally can do more than they think they can, and almost do less than they think they do.

—Anonymous

It's a proven fact that you'll increase your selling capabilities if you know your inventory well. And knowing your inventory means not only studying your printed file, but also walking your lot regularly. There are two types of inventory walks a salesperson should be concerned with: the **Fact Finding Walk**, which he takes by himself, and the **Customer Walk**, which he takes with his customer. Both types are very important, and should be utilized to their fullest advantage.

FACT FINDING WALK

Find time each morning to walk through the entire inventory. Although the reasons should be obvious, very few salespeople take advantage of this fact finding mission. New and used vehicles arrive and are sold at your dealership daily. How else would you know about them if you didn't walk your lot and study your inventory catalogs?

The data in the *inventory catalog* is most helpful when you are searching for a specific car for a specific customer. The walk, however, has distinct advantages over the catalog. It allows you to actually see, all at one time, which *models*, *option packages*, and *colors* you have in stock and it refreshes your memory on vehicles your customers

may want. Many times a car you are looking for may come off the truck late at night. Unless you take your inventory walk in the morning, you'll never know it has arrived. The car can very well be sold by another salesperson before the paperwork and inventory card have been completed and filed. So to protect yourself and also increase your business, walk the lot as often as possible.

Knowing your **Used Car Stock** is also important. The Used Car Lot is consistently ignored by New Car Salespeople. A salesperson who primarily sells new cars should also familiarize himself with the used car stock. So often a well maintained used vehicle will suit your customer's needs better than the new models you have been showing him. If you can't find a new car for your customer, before you let him leave, try to interest him in a used car. Allowing your customer to leave without suggesting a used vehicle is a negligent loss of income for both the salesperson and the dealer. You should carry your "**Want List**" with you to refresh your memory for cars your customers want.

CUSTOMER WALK

Make the inventory walk you take with your customer a significant part of your sales presentation. Now is the time to gather valuable information such as:

- ***Customer's occupation***
- ***Lifestyle***
- ***Buying habits***
- ***Financial status***
- ***Vehicle preference***

Knowing these facts early on will not only save you much time and aggravation, but they'll also help you plan your marketing strategy to sell this customer a car.

Following are some of the questions to ask and reasons that support asking them:

• WHAT WILL THE NEW CAR BE USED FOR?

This question will help you determine whether the customer is buying the vehicle for work or for home. If the customer is married, will this car be driven by him or by his wife? Will this car be the primary or the secondary vehicle in the household? How large is the family? Will the car be used for vacations or for errands around town? Answers to questions such as these will determine the amount of use this car will get.

- **IS THERE A TRADE-IN?**

Will the customer be trading in his vehicle? What is the make, age, and condition of his current vehicle? Having answers to these questions will guide you in your sales approach and will also help you screen the serious buyers from the casual shoppers. You can learn a great deal about a person by knowing the type of car he drives and how well he maintains it. For example, a customer who keeps his cars for several years will make different buying decisions from the customer who changes cars frequently. Also, if the older vehicle has been well maintained, this same customer, for sentimental reasons, will probably expect a high trade-in value.

- **WAS THE VEHICLE PURCHASED NEW OR USED?**

The customer who always bought used cars in the past may not be aware of today's new car prices, so he'll have to be educated. Don't let sticker shock scare this customer away. On the other hand, a customer may be forced to buy used vehicles because his credit rating is inadequate for a new car purchase. Rather than spending the time looking at new cars, try to locate a good used vehicle he can afford.

- **WHAT IS THE CUSTOMER'S OCCUPATION?**

If the customer is purchasing the vehicle primarily for his business, knowing his line of work will help you guide him to the right vehicle that will meet his business needs. For example, if the customer works as a real estate agent, he might need a car with a larger trunk area or a hatchback to make it easier to carry those large "FOR SALE" signs. Or, if his occupation requires him to transport his goods from one client to another, maybe a station wagon or van would be in order. Finding these needs will help you better counsel your customer towards a logical buying decision.

- **WHAT DOES THE CUSTOMER LIKE OR DISLIKE ABOUT HIS CAR?**

I strongly feel that if more salespeople concentrate on asking this question, they will sell more cars. Finding out what your customer likes and dislikes about his current vehicle will give you the chance to create more closing statements than you ever have before. While you are showing your vehicle, make it a point to emphasize strongly the things he liked about his vehicle and how he will enjoy yours even more. But, also remember the things he didn't like about his car and emphasize how your car will relieve him of the grief he once knew. For example:

"Mr. Customer, remember when you told me how hard it was to steer your present car? Can you see how the steering system in our vehicle will help make it easier for you to steer, with much less effort?"

Study how to use this question to your advantage. I guarantee it will help you make the sale.

- **WHAT OPTIONS DOES THE CUSTOMER WANT ON HIS NEW CAR?**

As you and your customer walk toward the inventory, begin asking what type of options he wants on his new car. How closely do these options compare to the ones he has on his present car? Is he upgrading more than what he is normally used to, or downgrading to save money? Is he looking for a car with an option package that might hurt his resale value? (Example: wanting a power package without air conditioning.) Finding out this information will help you select the proper car more efficiently. If you've walked your inventory this morning, you'll probably know exactly where the car of his choice is located.

- **WHAT PRICE RANGE AND MONTHLY PAYMENT IS HE INTERESTED IN?**

The answer to this question will quickly broaden or narrow the choice of vehicles to show this customer. If your customer is planning to finance his new car and trade in his current one, the only thing you may need to know is what type of monthly payment will fit into his budget. A good salesperson will be able to correlate a monthly payment with a sticker price enabling him to choose a car for his customer even before they enter the inventory lot. This saves you from trying to demonstrate a car your customer may want but cannot necessarily afford.

Chapter 7

Product Presentation

*If you want to persuade people,
show the immediate relevance
and value of what you're saying in
terms of meeting their needs and
desires.*

—Herb Cohen

*He who has a thing to sell
And goes and whispers in a well,
Is not so apt to get the dollars as
he who climbs a tree and hollers.*

—Anonymous

Having won the *Mazda National Walkaround Competition*, I strongly believe that correct product presentation is one of the most important parts of the selling sequence.

Many times a salesperson will conduct the inventory walk acting as if the customer knows everything there is to know about the vehicle he is looking at. The salesperson will just stand there and hardly say anything while the customer looks over the vehicle. This is no way to sell a car! You are a salesperson, not a tour guide. Your job is to sell your product to the best of your ability, the operative word always being sell. And the way to sell successfully is to have an organizational plan for demonstrating all aspects of the vehicle.

But before we begin our product presentation, allow me to review some important points.

— Always know more about your product than the customer and always have a good grasp of your competitor's products.

— Be able to identify all models sitting on your lot and be able to answer technical questions about them.

— Make accurate notations about features and options your customer is interested in, so you can emphasize them during the demonstration.

After all, you are the *expert*, the *specialist*, and the *counselor* who will guide this customer into making the correct buying decision. Demonstrate your vehicle with confidence and with pride.

The best and most consistent method for demonstrating a vehicle is the **Six Step Walkaround System**. As the salesperson leads the customer around the vehicle, he is able to thoroughly explain and sell each portion of the car. By walking around and selling every aspect of your car, you not only confirm the excellence of your vehicle, but you also establish the fact that you are knowledgeable about your product.

For convenience, the vehicle is divided into six major areas of importance:

- 1. The Sticker**
- 2. The Driver's Side**
- 3. The Hood**
- 4. The Passenger Side**
- 5. The Trunk**
- 6. The Interior**

During your demonstration, make sure to sell the features that relate to each one of these parts. And again, I emphasize the word "**sell.**" The demonstration you give should not only be a fact finding mission for the customer, but also an exciting, persuasive sell of what interests the customer. So before you begin your walkaround, find out exactly what your customer is looking for in a vehicle. This way, when you come to that area of the demonstration, you can sell your customer on its advantages.

For example, within each area you will want to sell these features:

The Sticker

- Standard Features**
- Optional Features**
- Gas Mileage**
- Base Price**
- Suggested Retail Price**

The Driver's Side

- Moldings and Mirror**
- Tires and Wheels**
- Front Suspension**
- Brake System**

The Hood

- Aerodynamics
- Front Grill and Lights
- Engine Compartment

The Interior

- Features Front and Rear
- Warranties

The Passenger Side

- Fit and Finish
- Corrosion Warranty
- Passenger Entry
- Gas Tank
- Rear Brake System
- Rear Suspension

The Trunk

- Size
- Ease of Entry
- Rear Defogger
- Spare Tire
- Rear Light System

If you want to sell your customer completely on your vehicle, never shortcut your demonstration. Realize that a thorough product presentation will take approximately twenty minutes to complete. And because you will have to know every feature of every carline in your dealership, continue to study your brochures and fact sheets. Then role play with another salesperson to make your demonstration as complete and professional as possible.

Chapter 8

Competitive Analysis

There be those that can pack the cards, and yet cannot play well.

— Francis Bacon

IS IT REALLY NECESSARY TO KNOW YOUR COMPETITION?

This is a question that can only be asked by someone who isn't interested in becoming a professional automobile salesperson. A **real pro** has to understand that with the number of different makes and models in the world, a customer isn't going to be looking only at your product line. So it stands to reason that when a customer comes into your dealership, he has looked at, studied, and compared several other cars in order to make a logical decision. It becomes embarrassing when the customer knows more about what's on the market than his salesperson. So, if this is true, let me ask the question again.

IS IT REALLY NECESSARY TO KNOW YOUR COMPETITION?

If your answer is **yes**, you're probably on your way to becoming a well-rounded salesperson. Knowing your competition can be the difference between winning and losing a sale. It will instill confidence in your presentation, and show the customer that you are knowledgeable and professional. By educating your customers properly, you offer a service that they can appreciate and admire. If you didn't take this part of the job seriously, how will you know that your vehicle has more horsepower than the competition? Or that

your interior room is greater? Or that your base price is less and still offers more options? The only way you can learn this information is to study as much, if not more, than your customer has.

Present day customers are more knowledgeable about buying a car than ever before. They take the time to examine all the facts before they buy. By knowing these facts yourself, you can be better prepared to answer all questions and to make logical comparisons, so that the customer will want to buy your product.

Here are four ways in which you can become more familiar with your competition:

- **VISIT OTHER DEALERSHIPS**

During slow periods of the day, ask your manager if you can visit other dealers. This will give you the opportunity to examine other carlines closely and to make visual comparisons.

- **STUDY THEIR BROCHURES**

When you visit your competition, make sure you pick up as many **brochures** as you feel comfortable taking. By having these brochures at your desk, you can easily refer to them when needed.

- **ATTEND AUTO SHOWS**

Generally at these shows, all of the carlines are displayed in one large arena, thus making it easier for you to examine the differences simultaneously. Make sure you pick up as much available **literature** as possible for your files.

- **SUBSCRIBE TO AUTO MAGAZINES**

This is an excellent way for you to get information regarding future changes. These magazines will usually have the news before your manufacturer relays it to you.

Therefore, do take the time to become familiar with the competition. This may be the secret to winning sales away from other dealerships as well as from other salespeople at these dealerships.

Chapter 9

Demo Ride

Command is getting people to go the way you want them to go - enthusiastically!

—General William Westmoreland

Nothing is more satisfying than when timing and delivery occur in perfect sequence.

—Anonymous

Look after the molehills and the mountains will look after themselves.

—Raymond Hull

Do you recall when you last tried on a suit or a dress in a clothing store and you weren't quite sure whether or not you liked it? Then, suddenly, someone remarked how great you looked in the outfit and you went home with a purchase. All you needed were those reassuring, complimentary remarks to help you make your decision.

Selecting a car is a very major decision for most people. It would only seem logical that the customer would want to test drive the vehicle he is considering buying. But this isn't always the case. Customers frequently come into your dealership simply to get price information, pick up a brochure, or maybe just to look around at the inventory. Because they may not be ready to make a buying decision, they think it's an intrusion of your time to request, or even accept, a demonstration ride.

Well, in our business, we all know that taking your customer for a demo ride has been the "**clincher**" for many a sale. The reassuring feelings and comments that you can impart during this time might be all that is needed to convince this person to buy your product.

From the very beginning, my main objective as a salesperson was to take as many demo rides as I possibly could. I wasn't selective as to whom I

asked. Sometimes it was a service customer who was waiting for his car, or sometimes it was a walk-in customer requesting some literature. My motto was, ***“If he had the time, then I had the time.”*** The more people I took for a demo ride, the better my presentation became. I tried to make each demo presentation better than the previous one in overall knowledge, quality, and excitement. As my explanations improved, my chances for making sales improved. And isn't that what sales is all about? Practice does make perfect. As you become more proficient in your techniques, you gain a confidence that's needed for survival in any selling business. And the more confidence you have, the more exciting your product becomes.

Taking a demo ride isn't just letting your customer drive the car while you sit there in fear of an accident. It involves more than the mere mechanics of operating a vehicle. It includes a series of calculated questions, comments, and valuable product information that will make it easier for you to eventually close the sale. Your sales presentation actually begins with the inventory walk. Remember all the qualifying questions you asked your customer to determine how to plan your demonstration? You kept answers to these questions in the back of your mind to use at the most strategic times, to help you set up your closing tactics. For example, when you asked your customer what he disliked about his present car, and he said the “visibility” was poor, when the time comes, make sure you emphasize that your product is far superior in this area.

Remind him how he complained about the poor visibility in his present car and explain how he will be much happier with this one. This method is always followed by a **“trial-closing question.”** For example,

“Can you see how having better visibility will make it safer to drive for you and your family?”

This is why it's so important to start the inventory walk with questions instead of comments. The answers your customer gives will allow you to plan a stronger sell during this part of the demonstration. You will never have a better opportunity to sell the customer on your product than now. He's in the car, he can smell the newness, experience the comfort, and he's excited. Why wait until you get back to your office before you try to sell the car? Do it now!

Follow these easy steps to get your ride off to a smooth start:

- **SALESPERSON DRIVES THE CAR FIRST**

There are several good reasons why it's best for the salesperson to drive the car first:

– *You can establish which route to take. The customer has enough things to worry about without determining where to drive. It also allows you to warm up the car, in case you're in a cold climate, so that the car runs smoothly once your customer takes the wheel.*

– *You can explain the options on the car while you're driving. This gives the customer a chance to just sit and listen without worrying about driving.*

If you find it awkward trying to persuade the customer to sit on the passenger side, try using these comments:

“Why don't you let me drive first so I can explain all of the options to you.”

or

“Our insurance company would like us to drive the car off the lot, so why don't you let me drive first.”

– *Halfway through your demonstration, let the principal buyer drive the car. This will give him the opportunity to test the handling, experience the comfort, and sell himself on your product. If there is someone else riding along with your customer, suggest that he also take part in the demo ride. He may have a say in the buying decision. But even if he doesn't, your kind gesture may gain you a future sale.*

Because options will vary from vehicle to vehicle, your sales presentation will differ for each customer. However, always make sure to emphasize the following items to everyone:

- **COMFORT**

The “horse and buggy” days are gone. More than ever before, customers look for comfort when choosing a car. It's imperative then to learn to push certain “hot buttons” to sway your customer to your carline and away from your competitors. Imparting a feeling of comfort to your customer while riding will give him a good impression about your car. Stressing certain feelings about a product is a psychological approach that works very effectively when trying to make a sale. Instead of sending your customer away with a lot of facts, send him instead with good feelings about your vehicle. For example, rather than saying, **“This car has air conditioning,”** which is promoting the air option, sell him instead on the feeling he will receive from it. Try this,

“Remember last summer when we had three weeks of really hot weather and you felt as though your air conditioning unit just wasn't cooling your car?”

Well, this air conditioning will provide more than enough comfort for you and your family.”

This psychological maneuvering will be discussed in a later chapter, but I wanted to show you its effectiveness during the demo ride, when you’ll need it most, by using closing questions like,

“Can you feel how comfortable this car rides? Imagine how great it will feel when you take your first trip!”

This statement of feeling will affect your customer much more than a mere comment or fact. When he drives your competitor’s vehicle, what he will remember most is the feeling he developed from driving your car. This feeling will become embedded in his mind. Remember to sell the feeling and not the statistical aspects of the options.

• **RIDE AND HANDLING**

When you show a car to your customer, you will probably choose a car that includes the options he’s requested. Because they were requested items, he presumably knows how they work and what they’re for. So selling the options themselves won’t be a problem. But again, reinforcing the feeling he gets from these features will be your selling tool. It may have been a while since this person felt or even thought about the ride and handling of his present car because he’s become accustomed to the way it performs. Your job is to make him notice how your vehicle rides and handles. He should be made to feel the

difference between his car and yours. Statements like,

“Did you notice how stable the car felt as you went around that corner?”

and

“Isn’t it amazing how wonderful these new cars ride?”

are feelings you must impress upon your customer. These assertions will strengthen your demonstration and make it easier for you to help him fall in love with your car.

• **SPORTINESS**

If your customer chooses a sporty car to buy, make him feel sporty. Every ***vigorous, youthful, flamboyant*** comment you can think of should be stressed to make your customer want your car now. You won’t have to sell him on the engine producing 200 horsepower if you can give him the feeling of the open road, driving the Autobahn, precise handling

and response; these are what the sports car driver wants to feel. You may get a customer who wants to know the technical aspects of the car, but then he probably knows them already. The true sports car enthusiast will have them memorized. He just needs a good salesperson to sell him the car. And in this case, a good salesperson would be the one who gives him the feeling of ownership. After all, how can you sell him on something he already knows?

- **ERGONOMICS**

This is a big word that simply means ***“where everything is situated in relationship to the driver.”*** Are the wipers and cruise control easy to reach? Can you see the gauges clearly through the steering wheel? How easy is it to change the station on the stereo? These are items that should be featured in your presentation. They will determine the importance your company places on the technology used to make it easier on your customer to drive your car.

- **VISIBILITY**

Safety is becoming a major factor as to which car your customer will buy. Try to place emphasis on the visibility of your vehicle. If you can make your customer feel that by purchasing your car his family will be safer, it might make the difference between a difficult and an easy sale. Make this statement with enthusiasm:

“Isn’t it amazing how much visibility you have with this car? I imagine that’s a very important factor in determining which car you want your family to ride in! I’m sure you can see that this car will give you all of the security you’re looking for.”

- **REAR SEAT COMFORT**

If there is someone riding in the rear seat, make sure you mention how comfortable it is to ride back there. Even if it might be a little cramped, make him feel like he’s got more room than he needs. The feeling you give him is more important than the facts. Even if there is no one sitting in the back seat, mention that all of his passengers will feel comfortable riding with him. It may be an important point even if he’s alone.

- **SAFETY FEATURES**

You should have a list of safety features a mile long memorized for your demonstration. Especially if the buyer is a family man, one of his major concerns will be the safety of his relations. Never underestimate the power of the ***“emotional close.”*** Hit home with this

statement:

“I’m sure you’re the type of person who wants to keep your family safe at any cost. Can you see how this car will help make you feel secure while your family is riding in it?”

As you were taking your inventory walk, you should have already asked questions concerning the likes and dislikes of his present vehicle. Do not forget what they were. The demo ride will be the place where you can bring these out to your advantage. If your customer remarked that one of the things he didn’t like about his car was that there wasn’t enough power in the engine, hit hard on that point when you come to that part of the demonstration. For example,

“Mr. Customer, remember when you said that your car didn’t have enough power for you? I saw the look on your face when you accelerated from the stoplight. Can you see how the power from this car will help you get on and off expressways and in and out of traffic quickly? This is actually a safety feature.”

The most important part of a product demonstration is the demo ride. Make sure you take as many as you possibly can. It will keep your mind sharp to perfect your already excellent presentation.

Chapter 10

Negotiation

*Let us never negotiate out of fear,
but let us never fear to negotiate.*

— **John F. Kennedy**

*It is hard to believe that a man is
telling the truth, when you know
that you would lie if you were in
his place.*

— **Henry Louis Mencken**

The final outcome of the negotiation process is dependent upon how well you have performed your duties to this point. **I want to emphasize that if you didn't do a good job in the preliminary stages of your demonstration, the negotiation part of your sale will be even harder.** Before you begin talking price with your customer, let's review this checklist to see if you are ready to handle talking price and monthly payment:

- *Did you greet the customer properly?*
- *Do you feel you've made a friend?*
- *Do you remember your customer's name and does he remember yours?*
- *During your inventory walk, did you find out all the information you'll need as discussed in Chapter 5?*
- *Did you take a demo ride? During your demo ride, did you do a proper selling job as outlined in Chapter 7?*
- *Have you sold the customer on yourself, the car, and the dealership?*

– Do you have a strategy ready to be able to sell your customer on the price of the car and the monthly payment?

If you've done a poor job on any of these seven points, you might experience a difficult time closing your customer on the car he is considering. Occasionally, a customer will walk in and purchase a vehicle on the spot without bothering to negotiate. But these easy sales are few and far between. The object of doing a proper selling job is to be consistent with every customer so you can fine tune each and every demonstration you give. If you become sloppy and shortcut your demonstration, you'll probably lose sales, become disillusioned, and quit, thus contributing to the already high turnover in this industry.

If you want to make your job a career, realize that there is no shortcut to success. The successful salesperson works hard to become the best he possibly can be. Success doesn't come naturally, it has to be studied and worked at constantly.

Let's assume you've done a wonderful job convincing your customer that this is the car he wants to buy. Now comes the hard part. You have to sell him on paying the price for the car that you think is fair as well as sell him on a monthly payment he can afford, or at least he thinks he can afford. Remember, the figures he gave you originally might not be the figures he will accept in the end. Many times a customer will tell you the most he can afford is a \$250 monthly payment, but then he'll walk out of your dealership with a payment much higher.

A phrase that has been used in auto sales for a long time is **"Buyers are Liars."** This is not to say that all customers are malicious in the way they treat salespeople, but they know how to play the game just as well as we do. The customer knows that his position in the negotiation process is to start low and yours is to start high, at least I hope that's your strategy. Don't ever be afraid to play the game this way. The very least that can happen is that your customer might accept your high offer. As a result, you'll make a very handsome commission. ***If you start too low on your first offer, you might not have any place to go at the end!***

So let's start a step-by-step process for working a successful negotiation.

- **GET ALL PERTINENT INFORMATION ON PAPER**

Do not commit anything to memory! Make sure that everything that you and your customer are negotiating winds up on your purchase agreement or workpad. The most important items you should start with are:

-
- *Name, address, city, state, zip code, home and work phones.*
 - *Type of car, stock number, color, vehicle number, options, accessories.*
 - *Type of trade-in, appraisal amount, his asking price.*
 - *Amount of down payment, monthly payment.*
 - *Any promises made by the salesperson or customer.*

These are the most important pieces of information you should have before you even attempt to negotiate. If you are lucky enough to obtain additional personal information such as a driver's license number, social security number, and insurance information, you will be far ahead of the game.

- **GET TRADE-IN APPRAISED**

Have the vehicle to be traded-in appraised before you start the negotiating process. You have to know where you stand on the appraisal of his trade-in because it will act as leverage when you're placed in the bargaining position. Do not let your customer see the actual appraisal. The three things a customer will be most concerned with are:

- *How much will the car cost?*
- *How much will his monthly payment be?*
- *How much will he get for his trade-in?*

Your duty as the salesperson is to find out which one of these concerns is most important to him. Negotiating the sale will then become much easier if you don't have to handle each one of these concerns individually. By asking your customer, "**Which one of these is most important to you?**" allows you to put your eggs in the basket that will help you close the sale and satisfy your customer's needs. When I am negotiating with a customer, if he is planning to finance the car, I always try to convince him that the monthly payment is our greatest concern and it is. He has to understand that he's really not buying a car, he's buying a monthly payment. The amount of the payment is what he'll see every month when he writes the check. He will probably forget what he bought the car for, or how much you gave him for his trade-in, but he will never forget what his monthly payment is.

When you get the appraisal back from the Used Car Manager, if at all possible try to offer the customer less money than what's stated. This will give you the opportunity for one of the following:

- ***Give him more money for his trade if he needs it.***
- ***Give more of a discount on the new car if he needs it.***
- ***Give yourself a bigger commission!!!!***

Although many people attach a sentimental value to their vehicle, the car will very seldom be worth what the customer expects. When the time comes to tell your customer what his car is worth, be ready to justify your offer. Take a good look at the car and point out, with the customer along side you, all of the repairs that must be done. So when you offer your customer \$1000 less than what he asked for, you will have a good reason to justify your appraisal.

If there is a trade-in involved in the deal, you may want to give him the price as a “difference figure.” This simply means that the price of the car, including tax and the trade-in, is given as one figure instead of separate figures. For example:

Price of car including tax:	\$15,759.00
Appraisal of trade-in:	- \$ 3,500.00
Total difference:	\$12,259.00

If there is still money owed on the trade-in, give him the total difference “plus payoff.” This will initially make the amount you are giving him for his trade-in seem much lower. To gain a better insight on how to perfect this process, see your sales manager. He will be able to give you ideas on how to relay this to your customer so that you’ll feel comfortable and confident.

- **ALWAYS START HIGH**

The first and most important part of negotiating with your customer is to start high. Chances are good that your customer has bought a car before and understands the negotiating process. He probably looks forward to it and is just as prepared as you are. So why not start high?

The worst that can happen is that he’ll laugh in your face and tell you you’re crazy. It hasn’t hurt you so far. If he starts to walk out of your office, ask him to please sit down. The only way you’ll be able to conduct your negotiations is if you have total control of the situation. Don’t put the customer in the position of control because you may lose a lot of money in the deal and the remaining process may become very frustrating. Remember, you can always come down if you have to, but who knows, you may just get lucky and close him on your first offer. You’ll never know unless you try.

The first time I closed a deal on my first offer was one of the greatest thrills I have ever experienced. My customer wanted to buy a 1983 Pontiac Trans Am. He had a 1979 Firebird to trade in. He was a 38-year-old college graduate with a wife and three children, held a professional job, and lived in a very nice neighborhood. I could have been intimidated by his demeanor and could have taken for granted that a man in his position would never settle for paying full price for anything. But I had just made a sale that morning and I was felling pretty “cocky.” I offered him \$500 less than he wanted for his trade-in, quoted the new Trans Am at sticker, and closed the sale on the first offer. There was no dickering, no discussion whatsoever. The sale was a breeze. He just signed the purchase agreement, gave me a deposit, filled out the credit application, and picked up the car the next day. This type of sale will happen more often than you think, but it won’t happen always. The point is, you never really know with which customer it will happen. You just have to ask for this kind of sale as often as possible, and hope for the best. But again, you will never know unless you try.

- **ASK FOR AN OFFER**

If your customer doesn’t accept your first offer, don’t be surprised on the inside, but act surprised on the outside. Let your surprised expression convey that you don’t understand why he didn’t accept such a fine proposal. It looks good to you! You’d make a lot of money! So why won’t he accept it? Nevertheless, this is not the time to act very seriously with your customer, especially if he’s been sitting at your desk wondering what kind of deal you’re going to give him. Anticipating that all salespeople are crooks, your customer probably doesn’t expect a fantastic deal from the start. He more than likely has his initial comments already prepared before you even make your offer. So when he nervously says, **“You’re crazy”** your rebuttal should be on the light-hearted side. This initial reaction of yours will set the stage for the remaining negotiation. If you give him reason to be too serious, you may have a difficult time. **Remember, “the more they laugh, the looser the pocketbook!”**

If your customer doesn’t accept your first offer, try to find out why he rejected it. A lot of times, the reason he may give you might not be the one you’re expecting. So it wouldn’t be smart to assume what the customer is really feeling. As a salesperson, your job is to try to minimize as many objections as you can, so you can learn what your customer’s true objection is. If the objection can’t be handled without revising the deal, ask him to propose a new offer. The price offer the customer makes is more than likely the price he will agree to purchase at. Close this segment with the following statement:

“If I can somehow get my manager to approve your offer, which I’m not sure he will, will you take delivery of the car today?”

By using this closing question, you will determine the following:

- *Is the offer a serious one?*
- *Is he prepared to take delivery today if your manager approves his offer?*
- *Have all his objections been answered?*
- *Suggesting to take the offer to your manager may raise some doubt in your customer's mind that his offer will be accepted, thus allowing you to raise his sights to a counter offer.*

• TAKE YOUR OFFER TO THE MANAGER

Whether you close your deals yourself or whether you are on a “**desk system**” whereby your manager becomes involved in the negotiating and closing process, it will be wise for you to leave your office for a few moments at this point. More than likely, you and your customer have gone back and forth on what each of you thinks is a fair deal. There might be some tension that is building between the two of you. Now is a good time to let things cool down and give each of you a chance to catch your breath.

If you are responsible for closing your own deals, merely go to an area that is out of your customer's view and plan your next strategy. The reason I like to tell my customer that I'll need to take his offer to the manager is that it takes the burden off my shoulders and places it on a higher authority. It makes the customer feel that I've done all that I can do on my own and now I have to get permission from the **boss**. The boss now becomes the **heavy** thus permitting me to take the role of customer support. My job now is to try to get the best deal for my customer that I possibly can. **I am no longer the enemy, I am his friend!!** I get paid no matter what the dealership makes, so why not get the best deal for the customer? This is the impression your customer should have of you. If he feels that you are working for him, the wall that separates the two of you will slowly crumble and your chances of making the sale will increase.

If your system requires you to take your deal to the manager, try to explain, in detail, the events that have taken place to this point. Do not omit anything. You have to remember that the sales manager is only as good at creating a deal as the information he receives from his salesperson. You have spent the last couple of hours with your customer, so no one knows him better than you do.

If you leave out any important details, the sales manager will write the deal according to what you've told him. As a result, he may make the wrong decision on how to structure your deal. For example:

Your customer placed a great deal of emphasis on getting top dollar for his trade-in. But when you took the deal to your manager, the only information you provided him was the monthly payment the customer wanted and the price he was willing to pay for the car. The manager then structured the deal accordingly, giving a good discount on the new car. Unfortunately, the amount offered for the trade-in was highly insulting to the customer and he became very discouraged. Whenever a lot of profit is taken from the new car in the form of a discount, there might not be enough bargaining power left to satisfy your customer's needs for his trade and you could lose the deal.

Don't allow yourself to be put in this position. Listen carefully to your customer's needs and relay them to your sales manager so he can structure your deal correctly and make you as much money as possible. It's to his advantage to get all the information because when you make money, he makes money.

The negotiating process takes a lot of study in order to be highly effective. You not only have to be an excellent salesperson, but also a psychologist, guidance counselor, and most of all, a friend. You must become a tactician who plans the attack and a soldier who carries it out. Your main goal is not merely to win the battle, but eventually to win the war. The only way you can accomplish this is by wearing all these hats and executing your plan to the best of your ability without ever giving up. The war will be won when you finally deliver the vehicle. Hopefully, this customer will return to buy other vehicles from you as well as provide you with referrals who buy. This is where you ultimately want to be.

Chapter 11

Objections and Closes

Your most important sale in life is to sell yourself to yourself.

—Maxwell Maltz

To be persuasive, you must be believable.

To be believable, you must be credible.

To be credible, you must be truthful.

—Edward R. Murrow

You must put the worm on the hook before the fish will bite.

—Anonymous

Learning to become a successful closer does not happen overnight. It takes many years of experience to be able to predict and know how to handle every possible objection a customer might voice. Not only do you have to attain the **knowledge, technique,** and **skills** necessary for closing the sale, you must also learn how to remain confident throughout the selling process. Entire books have been written on this subject, so I can't very well expect to teach you all you need to know in one chapter. But what I can do is give you the basic premise to make it easier for you in the attempt. The rest will take much learning and years of practice.

• LISTEN BEFORE YOU SPEAK

First and foremost, a good closer has to become a great **listener**. You must train yourself to ingest every word the customer speaks in order to plan your strategy correctly. Using pressure tactics to close sales are no longer the acceptable practice, particularly since customers are becoming more educated in buying cars. The important prerequisite mentioned throughout this book is to make sure you obtain all the information necessary to close the sale before the objections arise. By doing so, you will be able to predict what the objection might be and plan for it accordingly. This is accomplished by listening to your customer's wants, needs, and desires, instead

of barging head first into the sale.

- **ASK QUESTIONS INSTEAD OF MAKING COMMENTS**

A good closer does not immediately become involved in showing the customer how much he knows. There will be plenty of time for this later. Your main responsibility is to show the customer that you are sincerely concerned with what he wants to buy, not with what you want to sell him. The chances are good that your customer has already done his homework and is trying to decide which car he wants. In order to do your homework, you need to find out what the customer already knows. It is much easier to determine what further information you need to divulge when both you and the customer are communicating on the same level.

Asking questions is the best way to handle the situation. Too often, after the salesperson finds out which model the customer is interested in, he then spends the next hour giving the customer facts and figures that might not be important. At the time, you might feel that everything you tell the customer is important. But if you continue to tell your customer how fast your model is, when he is more concerned with gas mileage, you may lose the sale completely. The only way you can learn his feelings is to ask. Even though your car may be fast, you will need to rephrase the factual information in a way that will be more in line with what the customer wants to hear. For example:

“Mr. Customer, you will be surprised how fast this model is. It will do zero to 60 in seven seconds. Isn’t that exciting?”

If the customer’s primary interest is speed, this information might be exciting for him. However, this customer happens to be more concerned with gas mileage. So even though he would like this particular model, your job is to cater to his wants and needs, and explain how economical this car really is to drive. It might be better stated in this manner:

“Mr. Customer, I know that you are very concerned about gas mileage. Well, you’ll be happy to know that even though this model offers you the quickness of a sports car, it has the highest gas rating in its class.”

Now you have sold the customer on what he wanted. Unless you had realized this in the beginning, you would not have been able to plan what to say. As you can see, this is also a closing statement. Since you have satisfied your customer’s need for gas mileage, you have closed him on his objection.

- **ANSWER A QUESTION WITH A QUESTION**

This is the most logical way for handling an objection. When someone asks you a

question like, *“Does this car come in blue?”* There are two ways to handle it. The first is to answer the question, *“Yes, this car comes in blue.”* However, by answering the question this way, you have not allowed yourself the leverage to close the sale on this question. You have to remember that a close can come anywhere in the selling process. You don't have to wait till you finally get into your office before you start hammering away. The rule has always been,

If you have to close hard at the end, you didn't do a very good job in the beginning.

So when the customer asks you if this car comes in blue, your response should be, *“Would you like this car in blue?”* By posing your response in this manner, you give the customer the opportunity to commit to buying this car if it comes in blue. Otherwise, all you really did was to respond to his question in an informative manner.

These are called **“Trial Closes”** because they give you the opportunity to close the customer on that particular question. A close does not have to be the final word in the sale. The more often you can get your customer to say “yes” throughout the demonstration, the easier it will be to close the sale at the end.

Here are some other questions to handle in this manner:

Customer: *Can I get this car for under \$300 a month?*

Salesperson: *I'm not sure if it's possible, but if I can somehow arrange for you to purchase this car for under \$300 a month, will you consider buying it today?*

The purpose of this response is to instill some doubt in the customer's mind that you might not be able to handle his want. Then, when you do get his payment under \$300 a month, he is so happy that he buys the car. What you have also done is to make the customer commit to the car once you are able to handle his question.

Customer: *I'll need to talk it over with my wife!*

Salesperson: *Since your wife will be involved in the buying decision, let's drive the car over to where she is so she can see the car you will be talking about.*

In the previous example, if the salesperson involved is not a good closer, he will probably respect the customer's wish and let him leave the dealership without any further commitment. You should pursue the sale in such a way as to not appear pushy but concerned. If the customer were to say, *“All right, let's go show the car to my wife,”* you will have a much better chance for making the sale than you would if you simply let him go. The point is, you will never know unless you ask.

Customer: *Your price is too high.*

Salesperson: *If I can get my manager to lower the price, will you buy the car today?*

Most people feel that if the manager is going to be involved, the negotiation process has become serious, and they will now be dealing with the boss, instead of a lowly salesperson. Even if you close your own sales, leave your office at this time. Go get a drink of water so you can plan your next strategy, and then come back to the customer with a new offer.

Customer: *I can't afford it.*

Salesperson: *If you could afford it, would you consider buying this car today?*

The customer really doesn't know whether he can afford it or not. Your job is to make your customer commit to buying the car if you somehow find he can afford it.

Customer: *I can't afford it.*

Salesperson: *Which part can't you afford, the downpayment or the monthly payment?*

By asking this question, you are trying to isolate the objection that is most important to him. This way, all you have to try to handle is one objection at a time instead of all the objections at the same time. But if you don't instill this idea into the customer's head, you may go around in a circle and frustrate both of you. Now when he decides which is most important to him, you can pose the question, "I don't know if it's possible, but if I can get my manager to get you a smaller monthly payment, will you buy the car today?" Or, "If you didn't have to put so much money down, would you buy the car today?" Then simply handle that objection.

Customer: *Give me your best price.*

Salesperson: *What criteria will you use to determine the best price?*

If you do not find out this information, you will not know what the best price might be. What exactly does he mean by "**best price?**" Will he take the best offer of five different dealers, or will it be so much over invoice? This question will never be answered unless you find out his criteria for determining the answer.

Customer: *Does this monthly payment include life, accident, and health insurance?*

Salesperson: *Did you want life, accident, and health insurance?*

If the customer says no, and you already have it included in your quotation, you can go back to your finance manager and possibly include an extended warranty for the same monthly payment and let the finance manager sell the insurance to the customer.

The main point I'm trying to show you is that you really don't need to have all the answers at once to handle objections. What you need to learn are the techniques for solving them. By following these three guidelines, you will be better equipped and you'll have more confidence in yourself when an objection does arise. Here is a very simple system you can use:

RESTATE THE OBJECTION

"I think I understand what you are saying. What you're trying to tell me is that you can't afford the monthly payment, is that right, Mr. Customer?"

By restating the objection in the customer's words, you are letting the customer know that you totally understand what he is saying.

ISOLATE THE OBJECTION

"Is that your only objection, that you can't afford the monthly payment?"

By isolating the customer's objection, you have created a situation where there is only one objection to handle and that is the true objection. Remember, not all customers will immediately give you the true objection. If they were to say, *"Well, it's not just the monthly payment, I really don't have enough money to cover all of the downpayment,"* suddenly you know that the monthly payment wasn't the true reason why they can't buy the car now. So you can reply with, *"So it really isn't the monthly payment that bothers you, it's the downpayment, right? Is that your only objection?"* The whole purpose of continuing is to narrow all objections down to one objection. And you will continue using this process until the customer says that this is the only and true objection.

COMMITMENT

"If it wasn't for the objection, that you can't afford the monthly payment, would you be buying this car today?"

Now that you have narrowed down the objection, you must get the customer to commit to buying the car if he didn't have that objection.

HANDLE THE OBJECTION

“If I can show you how you can afford the monthly payment, will you buy the car today?”

What you are about to do is to catch your customer in a possible fib. If you have looked him straight in the eye during the entire closing process, and if you have been as sincere as you can be, you will find out at this point whether he is a serious buyer or just wasting your time.

The only problem with closes is that a salesperson has to have the courage to use them. No matter how many answers I give you to handling objections, if you do not practice them consistently, they will not be effective. Being a strong closer is simply a matter of ***technique***, ***sincerity***, and ***consistency***. If you don't use any system whatsoever, the number of sales you earn will be determined by luck and not by skill. In order to be a true sales professional, you have to rely on skillfully attaining the title.

Chapter 12

Closing Techniques

In business, you don't get what you deserve, you get what you negotiate.

— **Chester L. Karrass**

My father said: "You must never try to make all the money that's in a deal. Let the other fellow make some money too, because if you have a reputation for always making all the money, you won't have many deals.

— **J. Paul Getty**

The most important trip you may take in life is meeting people half way.

— **Henry Boyle**

To successfully close more sales, be able to determine your prospect's situation, understand the prospect's attitude toward your presentation, and be prepared to select instantly a closing technique based on your prospect. For example, suppose you profiled the prospect as having a big ego, so you planned to use the compliment closing technique. You find the prospect is eager to buy, but is undecided about the model, so you switch to using your standing-room-only closing technique. By changing to a closing technique that fits the situation, you can speed the sale and keep your customer satisfied.

All closes are not created equal. In our industry, high volume salespeople realize that every customer has specific needs and every situation demands its own close. The main reason customers say "no" is a fear of making a decision. They may say "no" even if they want to buy from you. So, when a customer says "no," you must re-sell with more benefits and close again. In order to do this, you must have more than one close to use. Otherwise, they will leave and go buy from your competitor.

While you may have found certain closes work better than others, that shouldn't deter you from using a variety of closes depending on the situation. You don't necessary sell someone, you make them want

it. So, the close is the natural ending of a good sales presentation.

- Alternative-Choice Close
- Assumptive Close
- Compliment Close
- Summary-Of-Benefits Close
- Continuous-Yes Close
- Puppy Dog Close
- Hot Button Close
- Power of Suggestion Close
- Invitational Close
- Sharp Angle Close
- Minor-Points Close
- Balance-Sheet Close
- Scarcity/Expiration Close
- Probability Close
- Negotiation Close
- Switch Place Close
- Switch Vehicle Close
- Testimonial Close
- “Just Suppose” Close
- The Readiness Close

Alternative-Choice Close

If used correctly, the *Alternative-Choice Close* is an effective closing technique. It provides a choice between items, never between something and nothing. By presenting a choice, you either receive a “yes” decision, or uncover objections, which if successfully met, allow you to come closer to making the sale.

- “Which would be better for you, payments at 24 months or 36 months?”
- “Would you rather have the ES model, or simply the base?”
- “Can you take delivery today, or would tomorrow be better.”

The Assumptive Close

With the *Assumptive Close*, the salesperson assumes the prospect will buy. If you’ve done a great job of selling throughout the presentation, you should assume that the prospect’s only alternative is to buy from you. The best way to accomplish this is to come across as totally positive and enthusiastic. You need to earn your prospects trust to such an extent that you purchase the vehicle for them.

- “Just OK the order here, and we’ll have the vehicle ready for you tomorrow.”
- “Now that you’ve driven the vehicle, let’s see how it fits into your budget.”
- “Why don’t you park the vehicle in the sold row.”

The Compliment Close

Everyone likes to receive compliments. The *Compliment Close* is especially effective when you talk with a prospect who is a self-styled expert, who has a big ego, or who is in a bad mood. Would-be experts and egotistical prospects value their own opinions. By complimenting them, they will listen and respond favorably

to your presentation. The prospect with low self-esteem also will respond favorably to a compliment.

- “I really respect an educated buyer. You make my job a lot easier.”
- “It’s nice to see that you did your homework.”
- “You look like the type of person where time is important, is that right?”

Summary-Of-Benefits Close

During the sales presentation, remember the main features, advantages, and benefits of interest for the prospect and use them successfully during the close. Summarize these benefits in a positive manner so that the prospect agrees with what you say, then ask for the order. The *Summary Close* is possibly the most popular method to ask for the order. This technique is useful when you need a simple, straightforward close rather than a close aimed at a specific prospect’s personality.

- “The vehicle you are interested in purchasing, aside from the standard features, has the V6 engine, the power sunroof, and the upgraded stereo. Along with these extra items, the vehicle comes with a bumper-to-bumper warranty, and payments that fit well within your budget. I can have this vehicle ready for delivery tomorrow, just OK it right here.”

The Continuous-Yes Close

The Continuous-Yes Close is similar to the Summary Close. However, instead of summarizing product benefits, the salesperson develops a series of benefit questions that the prospect must answer. What you want to accomplish is to start getting your prospect accustomed to saying “yes.”

Salesperson: “Now Mr. Jones, you stated that you wanted a vehicle with a V6 engine, is that right?”

Customer: “Yes, that’s right.”

Salesperson: “And you also wanted us to add the power sunroof?”

Customer: “Yes.”

Salesperson: “And you were also very impressed with our bumper-to-bumper warranty, that’s also correct?”

Customer: “Yes.”

The Minor-Points Close

It is sometimes easier for a prospect to concede several minor points about a product than to make a sweeping decision on whether to buy or not to buy. Big decisions are often difficult for some buyers. By having the prospect make

decisions on a product minor points, you can subtly lead him into a decision to buy. The *Minor-Points Close* asks the prospect to make a low-risk decision, usually a low-cost element of a single product such as delivery dates, optimal features, color, or payment terms.

- “Would you like the red one, or the blue one?”
- “Would taking delivery today or tomorrow be better for you?”
- “Would you be considering leasing or buying?”

The Balance-Sheet Close

The *Balance-Sheet Close* is based on the process that people use when they make a decision. Some trainers refer to it as the Ben Franklin Close. The object is to come up with more reasons to purchase your vehicle, than to not purchase. If the pros outweigh the cons, then the prospect should feel that this is a good thing to do, and the proper decision. If the prospect makes his own list, the *Balance-Sheet Close* is more convincing.

— BALANCE SHEET —	
<p>WHY YOU SHOULD BUY</p> <ul style="list-style-type: none"> — The right color — Fits your needs — Trade-in is run-down — Great power — Wife likes it — Lots of interior room — Great warranty — Can take delivery tomorrow 	<p>WHY YOU SHOULDN'T BUY</p> <ul style="list-style-type: none"> — Monthly payment too high

Scarcity/Expiration Close

What happens if someone tells you that you cannot have something that you would like to have? You instantly want it even more. When you face an indecisive prospect, or you want your prospect to purchase today, indicate that if they do not act now, they may not be able to buy in the future. Motivate the prospect to act immediately by using the Standing-Room-Only Close. However, it should only be used honestly.

- “I’m not sure if the interest rate will be available next month.”
- “I’ll have to check to see if there are any of these vehicles still around.”
- “This is our most popular model, and the demand is very high.”

The Probability Close

When your prospect gives the famous, “I want to think it over” objection, or some variation, try saying, “Mr. Jones, that would be fine. I understand your desire to think it over, but let me ask you this — when I call you back next week, what is the probability, from 1 to 100%, that you and I will be doing business?” Then pause, and don’t say another word until the prospect speaks. The prospect’s response will be from three possible categories:

- 1. More than 50%, but less than 85% for buying** — If your prospect responds in this range, ask what the remaining percent is against buying.
- 2. Above 85%, but not 100% for buying** — If they’re in this range, it’s pretty sure they are going to buy. Try to convince them not to wait, and purchase today.
- 3. Less than 50% for buying** — This is a signal that there is little, if any, that you’ll close this particular sale. You may have to start reselling.

The Negotiation Close

Every sale is a negotiation. Most sales negotiations focus on two major themes: value and price. Prospects often demand more value and lower prices. In their quest for more value at a lower cost, prospects often resort to unfair tactics and put heavy pressure on the salesperson. The purpose of a good sales *Negotiation Close* is not to haggle over who gets the larger slice of the pie, but to find ways for everyone to have a fair deal. Both the buyer and the seller should win.

- “If we could find a way to get your payment in an area that would be comfortable, and still make my dealer satisfied, would you be happy with this arrangement?”

Puppy Dog Close

This close gets its name from the pet store closing technique of letting customers hold the animal they want, to make it harder to resist. This close lets your prospects see for themselves your vehicle’s quality and excitement. Once they have experienced it, it will be easier to get them to buy.

- “Rub your hand along this fender. Can you feel the quality of the paint?”
- “Can you feel how the leather seats wrap around your body?”
- “Doesn’t the handling of this vehicle give you a feeling of security?”

Hot Button Close

You can warm up your customers by pushing their hot buttons — emphasizing those benefits you know they find irresistible. In the following script, the salesperson uncovers price as one of the customer's hot buttons, and emphasizes that the high price represents high quality and less aggravation in the long run.

Customer: "I like this vehicle, but it's pretty expensive."

Salesperson: "Less expensive vehicles tend to cost more in the long run. The quality of this vehicle will give you much more enjoyment, as well as save you money."

Power of Suggestion Close

Help your customers to see themselves using your vehicle. Speak to them as though they already own it, and tie-in a hot button benefit to its use.

— "When you're driving to work, you'll get the performance you've wanted."

— "When it's hot outside, you'll be cool as a cucumber with our air conditioning."

— "On your next vacation, this power seat will give you much more comfort."

Invitational Close

If you want the sale, you'll have to ask for it. Don't just wait for the customer to say, "I'll take it." Make a persuasive argument for your vehicle, including the reasons your customer should buy, then invite them to do it.

— "Why don't you give our dealership a try? Go ahead and buy it!"

— "This vehicle will give you the quality you want. Let's write it up!"

— "I think this is the vehicle for you. Let's see how it fits into your budget."

Sharp Angle Close

The Sharp Angle Close uses the customer's questions and comments to help you get them to buy if you can provide them with what they want. Instead of immediately assuring your customers you can meet all of their wants and needs, ask them if they'll buy from you if you do meet them.

Customer: "Can I get this vehicle for \$400 per month?"

Salesperson: "If I could get you this vehicle for \$400 per month, would you consider purchasing the vehicle from me?"

Switch Place Close

When all else fails, ask you prospect to tell you what he would do to make the sale. You might get a quick lesson, not only on how to sell this prospect, but on how to sell more effectively to your other prospects.

Customer: "I just don't know if I should buy this vehicle today."

Salesperson: "Mr. Customer, I'm having a hard time understanding where you're coming from. If you were sitting in my seat, what would you do to convince me to buy this vehicle from you today?"

Switch Vehicle Close

The Switch Vehicle Close gets them used to the idea that if they can't come to terms on a new vehicle, they would consider a used one.

Customer: "I'm looking for a new Dodge Intrepid."

Salesperson: "If I could save you several thousands of dollars on one with some miles on it, would you also consider that one?"

Testimonial Close

To build credibility and reassure your customer that she's making a wise decision, tell her about the success other people have had with your product. Collect letters or stories and share them with your customers to eliminate buying anxiety.

Customer: "I'm not sure whether I should buy this vehicle."

Salesperson: "All of these individuals have made the decision to purchase, and have been happy ever since. You'll feel the same way they did."

"Just Suppose" Close

In this close, the salesperson asks customers if they would buy if their objections didn't exist. This tactic also helps you uncover and address hidden objections.

Customer: "Your price is too high."

Salesperson: "Just suppose our price was fair. Would you consider buying the vehicle then?"

Readiness Close

This close checks the prospects "buying temperature." With it you can also find out if you are on the right path with your presentation, or if you need to change your course. The great thing about this close is that it doesn't end your presentation, but

- “Does this make sense to you?”
- “How do you feel about this so far?”
- “Is this what you wanted?”

Whatever your carline, good selling depends on good preparation. The more closes you know, the better you're prepared to face that moment of truth at the end

Chapter 13

If You Don't Sell The Car

When a person tells you, "I'll think it over and let you know" — you know!

—Olin Miller

It ain't over till it's over."

—Yogi Berra

After you've gone as far as you can with the negotiation process, you might be amazed to find out that your customer is ready to leave your office and you still haven't sold the car. Times like this can be very frustrating and emotionally difficult to handle. You've probably just spent over three hours with this customer, given the best demonstration ever, used all the closing techniques you were taught, and you still weren't able to sell the car.

But what you have to realize is that the sale isn't over yet. Don't let your customer's lack of commitment to purchase at this time drag you down, and certainly don't take it personally. Just because you didn't close your customer on the first try doesn't mean you've lost the sale entirely. First time closes are becoming less frequent as time goes on. Customers are becoming more sophisticated regarding the negotiating process. They still play one salesperson against the other, maybe shop five dealers instead of two, and if money is really tight, they take extra time to think about this major buying decision. Understanding these facts ahead of time should ease your disappointment. So you're probably asking, what's a salesperson to do?

Realize that even though you failed to close the deal at this point, your customer still hasn't purchased a car not from you, nor from anyone else. This is no

time to get discouraged. You still have a lot of work ahead of you. When your customer first arrived at your dealership, your intention was to make his car buying experience an enjoyable one. You don't want to burst his bubble now by outwardly showing your disgust at his most unpopular decision. Continue to play the game. Make him feel like the challenge has just begun. You have hopefully gained his confidence by showing your **professionalism, product knowledge, and understanding** of his predicament. You have educated your customer and given him the knowledge to make a logical buying decision. And most of all, you have reassured your customer that you are the best salesperson he has ever had and that your dealership will stand behind his every need. If you haven't accomplished these things, then you'll probably lose the sale.

Since a customer will usually buy a car within three days after he seriously starts shopping, you'll increase your chances to gain the sale quickly if you follow these guidelines.

- **LET THE CUSTOMER LEAVE WITH A GOOD FEELING**

I know you're disappointed. I know you feel like you've wasted valuable time. Perhaps you're wondering why you're even in the business of selling cars. Get over these negative feelings quickly! You still have other ways to recover. **Remember, one of your major responsibilities is to continue to make your customer's buying experience a pleasant and happy one.** It's a fact that car buying has become less enjoyable because of all the hassles a customer goes through. His reluctance to make a hasty decision may be due to an unpleasant experience with his last salesperson, or the car he now owns is a lemon, or maybe he had a bad day at work. Perhaps this is the day this person could use some extra pampering. He wants someone to understand his wants and needs. He's looking for an unselfish, caring individual to make him feel like he's someone special. **So let him leave your dealership with a good feeling!** Let him feel that you recognize and appreciate all the problems customers go through when buying a car. You may have to respect his wish to talk it over with his wife, or his desire to think about his decision for a few more days. Maybe he'll come right out and tell you he's going to shop your price all over town and take the best offer even if you did spend three hours with him. What can you do? If you press too hard, you may appear too aggressive and lose the sale altogether. If you don't press hard enough, you still may lose the sale. It seems you're in a difficult situation no matter what road you take. Just maintain a happy, positive attitude while you're contemplating your next move. There will be other ways to secure the sale once your customer leaves your office.

- **MAKE SURE HE HAS A BUSINESS CARD AND BROCHURE**

Make sure your customer receives all the available product literature before he leaves your office. We have to take for granted that an educated buyer is an intelligent buyer. You

want him to remember you among all the other salespeople he will come in contact with. If you have given him your business card, it's proper to ask for his. If he doesn't have one, make sure you have recorded all the pertinent information to be able to follow up with later. Before you hand him the brochure, open it up and quickly review the features you want him to remember. This will reinforce in his mind everything about the vehicle that was most important to him.

- **LET YOUR MANAGER EXIT HIM**

Turning the customer over to the sales manager is a new approach that is becoming more widespread throughout the country. It shows the customer that the dealership is concerned that he is properly taken care of, not just by the salesperson, but also by management. It also gives the manager another chance to close the sale. Whenever a manager exits a customer, he should ask the following questions:

- *Did the salesperson treat him properly?*
- *Did he get all the information he was looking for?*
- *What was the reason he didn't buy now?*
- *Is there any way he can put a deal together today?*
- *Will he please consider our dealership in the future?*
- *If he shops other dealerships, will he give us the last opportunity to earn his business?*

Allowing the manager to exit the customer in this fashion gives the manager the opportunity to tell your customer that he appreciates his visit to your dealership and that he will take a personal interest in seeing that his needs are met.

- **24-HOUR FOLLOW-UP CALL**

A friendly follow-up call within twenty-four hours is highly recommended. Keep the conversation light so as not to scare your customer away. I always like to use this approach:

“Hi, Mr. Customer, this is Mike Whitty from ABC Motors. How are you doing today? I was just calling to see if there are any other questions I might be able to answer for you. I know we covered a lot of material and you might

have thought of something on the way home that you forgot to ask.” After all the questions are answered: “By the way, have you had a chance to take a look at any other cars since we visited last?” After you’ve talked about this: “Is there anything I can do to persuade you to buy your next car from me? I would really like to earn your business, so if you would at least give me another opportunity, I would greatly appreciate it. By the way, would you happen to know if any of your friends are interested in a new or used vehicle? Thanks for taking the time to talk with me.”

This whole conversation should take no more than five to ten minutes. You certainly don’t want to impose on his private time, but you do want him to know that you will take care of his needs now and in the future. If you noticed, at the end of the conversation I asked for a referral. It doesn’t hurt to ask and you might get lucky and get a name or two.

- **SEND HIM A THANK YOU LETTER**

Once your customer leaves your office, if you don’t have another customer waiting for you, take 10 minutes to send him a “Thank You Letter.” This is just another means of getting your name and message in front of your client. It should be mailed promptly, so it gets to him as soon as possible. The note should mainly thank the customer for allowing your dealership the opportunity to earn his business. **Remember to include the main points regarding your vehicle that impressed him the most, as well as reaffirming the fact that you want to earn his business.** It’s wise also to include a short sentence requesting referrals. I can almost guarantee that you’ll have an advantage here because very few salespeople will follow up with their customers so proficiently.

Don’t become disillusioned if you don’t get the sale immediately. The reasons that are preventing your customer from making a buying decision now might not be obvious. You’ve put a lot of time and energy into earning the customer’s business. Don’t forget about him just because you didn’t close him the first time. I was always taught that you follow up with a customer until the day he dies or until he tells you never to call him again. The small amount of time it takes to make the call and to send out the letter will reap you many rewards in the future.

Chapter 14

If You Do Sell the Car

There is no such thing as “soft sell” and “hard sell.” There is only “smart sell” and “stupid sell.”

— Charles Brower

I was successful because you believed in me.

—Ulysses S. Grant

CONGRATULATIONS!!! You have reached the start of your stairway to success. And I emphasize the word, **“start”** because this is just the beginning of a hopefully long and lasting relationship with your customer. But don’t get too excited yet. You still have a lot of work to do on your job well done.

Once a salesperson closes a deal, his greatest concern is to get the customer out of the dealership before he changes his mind. However, if you’ve done a proper job so far, you shouldn’t have to worry about this happening. Let’s concentrate on solidly wrapping up the deal and making some extra money.

- **HAVE YOUR CUSTOMER SIGN THE OFFER**

This deal is not complete unless you and your customer have thoroughly gone over all the details on your work sheet, have agreed on the figures, and have included any additional customer requests on the purchase agreement. Once all this information is written down, have your customer read it for clarity and accuracy. Signing the deal is the customer’s word that he will take your car at the agreed terms. It doesn’t mean that he is bound by law to take it, but it does put the responsibility firmly on his shoulders since a person’s signature is regarded as his word of honor. His signature will protect you from any verbal misunderstandings that could arise after your

customer has left your office.

- **GET A DEPOSIT**

Unless your dealership has some other rule regarding deposits, \$100 or more is usually an accepted amount. A deposit is merely a faith offering to psychologically take your customer out of the market. Unless it is stated otherwise on the agreement and signed by your customer, a deposit is refundable regardless of what anyone says. You cannot keep money, by law, for a transaction that is not complete. So, if your customer were to come back the next day asking for his deposit, unless you can convince him to change his mind, you have to give it back to him. If you are not comfortable with the term “deposit,” you can substitute the term with “partial payment.” This will give the customer the idea that he is putting this money towards the price of the car and not merely to take it off the lot.

- **GET ALL NECESSARY INFORMATION**

Make sure that your paperwork is complete before your customer leaves your office. It takes so little time to get the information now, saving you a call the next day. If you have to call for additional information, this might give your customer the ammunition needed to cancel the deal for whatever reason. Make sure you obtain the following before the customer leaves:

- *Driver’s license*
- *Registration*
- *Proof of insurance*
- *Home and business phones*

This is all the information you’ll need to complete your deal. It will also allow you to verify your customer’s insurance with the insurance company before the car leaves the dealership, which in most states is the recommended practice.

- **SELL AFTERMARKET PRODUCTS**

The amount of money you can make does not stop with the sale of the car. Your customer is at his highest peak of excitement, so now is the best time to sell such items as:

- *Rustproof Packages*
- *Upgraded Stereos*
- *Extended Service Contracts*
- *Sunroofs*
- *Alarm Systems*

These are just a few of the many aftermarket items that will earn you additional income. If you give the customer a large discount on his vehicle, you will probably earn a very small commission. You, therefore, want to supplement your income by trying to sell these additional items. Build a lot of value into them as well as the excitement the customer will gain by having them. If a list of all aftermarket products isn't made available to you, create your own. A good visual presentation to your customer is like money in the bank.

- **SET A DELIVERY DATE AND TIME**

If you are busy, try to plan the delivery around your agenda. This will allow you to get as much business done that day as you can. However, it's very important to accommodate your customer's schedule, so arrange a time that will be agreeable to both of you.

- **INTRODUCE CUSTOMER TO THE FINANCE MANAGER**

The finance manager's responsibility is to obtain all credit information as well as to sell Extended Service Contracts if you have failed to do so. But always check with your sales manager first to learn which responsibilities belong exclusively to the finance manager. It is wise to work very closely with your finance manager because in most instances, you will receive additional income from other sources, such as the sale of credit life, accident, and health insurance.

- **LET YOUR MANAGER EXIT YOUR CUSTOMER**

Allowing your manager to exit your customer is a nice touch that helps make your customer feel that he's appreciated. Too often, managers don't take the time to meet every customer who has helped earn his income. Exiting the customer allows the manager to thank him for his business and also assures the customer that if he needs anything, the manager will always be available to help him.

Making the sale will probably be the most exciting part of your day, but don't forget to finish it properly. It will save you a lot of grief in the long run.

Chapter 15

Pre-Delivery Inspection

Whenever you see a successful business, someone once made a courageous decision.

— Peter F. Drucker

Once you've sold the vehicle, and before the customer can take possession of it, there are several orders of business that must be taken care of. To help ensure a smooth delivery and avoid both salesperson and customer frustration, logically estimate the length of time it will take to perform these jobs before you arrange for a pick-up time. Then go to work! Immediately notify your manager and all involved personnel of your impending delivery and work cooperatively with them to avoid errors and delays. Here's a checklist to follow:

- **MAKE SURE ALL PAPERWORK IS READY AHEAD OF TIME**

Causing your customer to wait for forms to be typed and possibly retyped, before he can sign them makes for a very uncomfortable situation, particularly if the customer is on a limited time schedule. To avoid such hectic situations, it's important to have all forms and contracts prepared and typed in advance. This gives you the opportunity to review them and to make necessary corrections before your customer arrives. Make sure the following information is correct:

- *Customer's name and address*
- *Cost figures*
- *Vehicle Identification Number*
- *Correct monthly payment*
- *Trade-in information*

By checking these items for accuracy, you give yourself a better than average chance that the contracts won't have to be retyped, thus avoiding unnecessary delays.

- **MAKE SURE CAR IS READY**

Before your scheduled pick-up time, thoroughly look over the interior and exterior of the vehicle for any defects and/or sloppy cleaning. Such obvious flaws will stick out like a sore thumb and cause you much embarrassment. When a customer takes delivery of his vehicle, he expects to see a perfectly cleaned, flawless work of art. After all, if you were spending \$20,000 on a car, you'd expect the same return on your dollar.

- **HAVE AFTERMARKET WORK COMPLETED**

As soon as your car is approved for delivery, and sometimes even before, arrange to have any additional options and accessories installed and/or coatings applied. Periodically, specialty jobs are performed by vendors outside the dealership, so account for the extra time that will be involved. Completing all installations and applications before the scheduled delivery will save your customer the grief of having to return at a later date. If for some reason more time will be required to complete this work, politely notify your customer and reschedule your delivery time.

- **GET INSURANCE VERIFICATION**

Insurance must be verified before the customer can take possession of the car. Checking with the insurance company beforehand for proper coverage protects both the customer and the dealership and avoids misunderstandings. Occasionally, I've seen customers arrive in the evening to take delivery of their car and were shocked when the sales manager wouldn't permit the car to leave the lot because the insurance hadn't been verified. What if a car, financed by the bank you do business with, were involved in an accident? Without proper insurance coverage, your dealership might be liable. So, always make it a rule to verify coverage before the customer arrives.

Executing these pre-delivery procedures properly and efficiently will ensure a smooth delivery and high customer satisfaction, thus increasing your chances for repeat and referral business.

Chapter 16

Delivery Procedure

The business that makes nothing but money is a poor kind of business.

—Henry Ford

What we have to learn to do, we learn by doing.

—Aristotle

The moment has come. A proud day in the life of both the salesperson and the customer. If the delivery procedure is successful, the salesperson will earn a handsome commission and the customer will drive away in a shiny new car. He will be the envy of his neighborhood as he slowly drives back and forth past the houses of his favorite friends, while you take your commissions to the bank and feed yourself for another day. **A proud moment indeed!!**

But, if you're not careful, it could also be your worst nightmare! I've seen deliveries go so badly that the customer actually refused to accept his new car. A refusal means the salesperson is now in big trouble with both the manager and the customer. Large amounts of time have been wasted by the office staff, service department, body shop, finance company, insurance company, and the customer himself. The dealership, sales manager, finance manager, and salesperson have lost immediate income. The service, parts, and body shops have all lost future business.

This is an over-dramatization of a real problem. I've seen it happen and it doesn't make for a very rewarding experience. However, there are ways to avoid these delivery hazards. The first begins with **Chapter 15, "Pre-Delivery Inspection."** If you make sure that the four orders of business I talked

about in that chapter are done, your chances of having a successful delivery will increase tremendously. But it doesn't stop there.

The delivery should be the most memorable experience a customer should have. The delivery should be exciting, comprehensive, and fulfilling for the customer. I've seen salespeople add a bit of flare by doing some of the following:

- ***Tying a huge bow around the car.***
- ***Taking a picture of the customer with his new car.***
- ***Giving flowers to the ladies.***
- ***Uncorking champagne in celebration.***

The whole objective is to make the delivery striking, monumental, and unforgettable. It will be the last thing your customer remembers when he drives away in his new car. For this reason, I always try to do my own deliveries so that when it comes time to give referrals, I want the customer to remember me, not some other salesperson. My face should be the last one he sees. And I'd better make it the happiest face I can put on.

Here is a procedure that will make your delivery the best among the best:

- **THOROUGHLY GO OVER THE CAR WITH YOUR CUSTOMER**

If you've looked over the car thoroughly before your customer arrives, you should have no problem inspecting it again with your customer beside you. It gives the customer a little more confidence knowing that his salesperson will review it with him. That's why it is so important to make sure the car is cleaned properly. You definitely don't want to see any streaks in the paint, dirt in the door jams, or lint on the carpet. You might think I'm overreacting, but I guarantee that the customer will notice it. And if he brings it to your attention, it tarnishes your delivery and causes you embarrassment. Extra measures like these will separate a good salesperson from one who takes shortcuts.

- **TAKE ANOTHER DEMO RIDE**

Now that your customer is ready to take delivery of his car, a review of his new vehicle is in order. He probably has forgotten some of the explanations you gave during your preliminary demonstration ride because his mind was focused on so many other details. So this is an excellent opportunity for the review. It also shows the customer that the car runs properly and everything is in fine working order.

- **SIGN ALL THE PAPERWORK**

I know this sounds like a matter-of-fact item to bring up, but it's commonly known that paperwork is the number one nemesis of the automobile salesperson. Hardly anyone likes to do it and if he could have someone do it for him, he'd be more than grateful. But paperwork is one of those necessary evils that you might as well become proficient at. You can only have a customer come in so many times to re-sign paperwork that is wrong, or items you forgot to have signed. The best way to overcome this problem is:

- *Have a "PAPERWORK CHECKLIST."*
- *Check all the paperwork before your customer arrives.*
- *Put a check mark beside each line requiring a customer's signature.*
- *Sign all the places requiring a salesperson's signature before your customer arrives.*
- *Arrange all forms to be signed in the same order every time you deliver a car.*
- *Try to understand what each signature means.*

If you follow these to the letter, I guarantee your paperwork to be completed superbly every time.

- **COLLECT ALL MONEY DUE**

You will never see a Sales Manager "*on your back*" faster than if you let a customer leave with his new car without collecting the money for it. Once, during the hectic pace of the delivery, I forgot to collect the payment before my customer drove away and I'll tell you the truth, I was a total wreck until I reached him the next day to get the money. If a customer is paying cash, he could conceivably say he gave you the money and you didn't give him a receipt. Now where is the \$20,000? Did he give it to you, or didn't he? Did you steal the money, or did the customer steal the car? Who's to know the truth? Now granted, most customers will admit if, in their excitement, they forgot to give you the money, but I don't want to be the salesperson who got the customer that did!! **COLLECT THE MONEY AND DOCUMENT IT IMMEDIATELY!!**

- **REVIEW ALL WARRANTIES**

Customers generally need assistance to fully understand the terms of their warranties.

However, when the **Customer Satisfaction Index** ratings come out each month, this category seems to be the lowest rated category of the group. There must be a reason why a salesperson would choose not to review a warranty with a customer. Either he is shortcutting his delivery, or he doesn't know what the warranty means himself. A salesperson must know what his warranty is from front to back and then take the time to open the book in front of the customer to review items like:

- *Time period of warranty and what it covers.*
- *Corrosion warranty.*
- *Tire warranty.*
- *Maintenance schedule.*

If you learn these well, you will be able to cover this area in fine fashion.

- **DO A SERVICE WALK**

When I was a sales manager, one of the requirements of a delivery was to introduce the customer to the service manager and to the service write-up personnel. These individuals are always more than happy to take a moment and meet their future business. In addition, the customer should become acquainted with the following:

- *Locations of the Service Department, Parts Department, and Body Shop.*
- *The Service Department hours.*
- *How to leave the car for service when the dealership is closed.*
- *If your dealership provides “shuttle service?”*
- *If your dealership has a “loaner program.”*

If you cover these items with your customer, and perhaps even give him a checklist before he leaves, you will be doing your customer a great service.

- **LET YOUR MANAGER EXIT THE CUSTOMER**

This is just another way of saying Thank You. It never hurts to show your customer as much appreciation as possible. After all, we need him more than he needs us.

Whatever procedure fits your needs, make sure you've thought it out completely so that all your deliveries will be as complete and rewarding as possible.

Chapter 17

Switching to a Used Car

It is no disgrace to start all over. It is usually an opportunity.

—George M. Adams

If you want to persuade people, show the immediate relevance and value of what you're saying in terms of meeting their needs and desires.

—Herb Cohen

Each year, domestic and foreign auto manufacturers entice us with sleek designs, new colors, and option packages that make our present vehicles seem obsolete. And of course, when customers come into your showroom, their fantasy is to drive away in one of these attractive new versions. But purchasing a brand new model may not be possible and practical for everyone, particularly for the customer who sets his sights higher than his lifestyle will allow.

Many times during your demonstration, numerous reasons will surface to indicate why this customer cannot afford the new car. Some of these are:

- **Monthly payment is too high.**
- **Not enough downpayment.**
- **Insufficient credit.**

A normal response for the salesperson who encounters one of these or other similar excuses is to abruptly end the demonstration and say “**good-bye.**” It’s hard to handle these objections and at the same time maintain high spirits to continue to sell this customer a car. But remember, it’s not your job to qualify this customer’s financial status and capabilities for purchasing a car. This responsibility belongs to your sales manager or finance manager. You’d be surprised at some of the sales that can be put together even after your customer voices some of

the above objections. However, once you do learn that this customer's finances exclude him from a new car purchase, **don't let him leave without trying to switch him into a used car.**

As salespeople, your main job is to sell cars and to make money for yourselves and for the dealership. The only way you can accomplish this is to utilize all the avenues available to you. One of these is making use of the Used Car Department. If you've been in the business for a while, you know that successfully switching a customer who doesn't qualify for a new car into a used car can result in all of the following:

- A used car will normally net more profit, which means a larger commission for you.**
- You will accumulate one more sale towards your monthly goal.**
- You will add one more satisfied buyer to your totals, which will gain you more referrals.**

But how do we go about switching this customer to a used vehicle when he had his heart set on a new one? Believe me, it becomes much easier once you're able to convince him that any car can be a new car. If it didn't sit in his driveway before, it will be new to him. It doesn't have to come right off the assembly line to qualify. A well maintained, previously owned vehicle just may be more attractive and possess more features, at a lesser cost than the brand new model the customer is considering.

After shopping around, most customers will know whether or not they can afford to purchase a new car at this time. If they can't, all that needs to happen is for the salesperson to say,

“Would you have any objections if I showed you a good used car?”

Or,

“Follow me! I think I have just the car that will fit into your budget.”

By taking this route, you are at least showing the customer that you are concerned with his buying needs and are trying everything you possibly can to fit him into a car. And not just any car, but a car that he will love until he can afford to buy a brand new one.

Realize that while you are showing your customer the new car inventory, you have him at a peak of interest that you might never have again. You must continue to keep him at this highly interested and excited state. Don't let him get down merely because some obstacle

stands in his way. **YOU ARE THE PROFESSIONAL!** Your job is to counsel your customer into a correct and logical buying decision. He wants a car now and your job is to satisfy his needs and make him happy. Don't send him away with the chance that he'll visit another dealership, staffed by a more aggressive salesperson who will sell him a good used car.

One instance comes to mind when I was a salesperson for a particular dealership. The customer I was working with wanted a brand new Mazda RX7 Turbo. He claimed he had the money to pay cash, but would probably finance most of it. When I heard this, all logic virtually left my mind. All I could think of was that I had to sell this person an RX7 Turbo. The sale was negotiated at sticker, which should have started me thinking right away. If you've been in the business for awhile, you tend to become suspicious of sales that come that easy. Nonetheless, without hesitation, I took him to my finance manager. After he filled out the credit report, we found out that he really didn't have any money to put down at all. Because his credit rating was average, the finance company was willing to buy him if he could put a substantial amount of money down. You can imagine how I felt knowing I had just lost a large commission. I continued to follow up with him trying to get more money down, but with zero results. About four days later, he returned to retrieve his deposit and I noticed he was driving a used Trans Am. My jaw just about dropped when he smiled and told me that this other dealer got him into this car with very little money down. I had a car on my lot that would have fit his needs just as nicely, but I failed to show it to him because my mind was set on trying to get him into the car he originally said he wanted.

We all make these mistakes once in a while. The object of learning is to try to make as few of these mistakes as possible. Even though your primary responsibility may be to sell new cars, do not forget that both you and the company need to make money and sell cars, both new and used. Always have it in the back of your mind that if there is the slightest

Chapter 18

Paperwork

Not every bullet kills.

—**Alphonse Daudet**

*Doing little things well is the way
towards doing big things better.*

—**Anonymous**

If salespeople could eliminate all the paperwork involved on selling a car, it would make for some very happy campers. I happened to be very competent when it came to filling out forms and contracts correctly, but I've known many salespeople who have struggled for years with this chore. Ask anyone in your business office how frustrating it is typing contracts with the wrong information only to have to retype them.

Not having the correct information to begin with wastes valuable time for the office staff and money for the dealership. It becomes embarrassing when the salesperson involved has to telephone the customer for information he should have correctly obtained before. What's even worse is making your customer return to the dealership to re-sign papers and taking the risk of losing the deal altogether. Suppose you made a mistake on the original paperwork that was in the customer's favor. After you found and corrected the mistake, the customer refused to re-sign the papers.

All of these nightmares make it difficult for everyone concerned and should be avoided at all costs. So, if you feel you are deficient in this area, do not, I repeat, do not hesitate to ask your sales manager for help! He will be glad to accommodate you, especially if it will save him and the dealership future aggravations.

Here are some helpful tips that will make your paperwork ventures tolerable:

- **HAVE ALL THE CORRECT INFORMATION FROM THE START**

By training yourself to systematically and consistently obtain the correct information while the customer is present, you will find that your paperwork will flow more smoothly and will contain fewer errors.

- **UNDERSTAND WHAT EACH PIECE OF INFORMATION IS FOR**

Just mimicking a task over and over will not guarantee success in this area. Try to understand the significance of all information needed to complete the deal.

- **DOUBLE CHECK ALL VEHICLE IDENTIFICATION NUMBERS**

It is vital that all the numbers involved in the paperwork are correct. Being that the vehicle number is the major source for identifying the car, you want to take extra time to double check this area.

- **HAVE A “PAPERWORK CHECKLIST”**

If your problems continue to exist, make yourself a step-by-step checklist of all items you need to obtain, places requiring signatures, and monies you have to collect. Checking each one individually will guarantee that your paperwork is completed correctly.

- **PLACE CHECK MARKS BESIDE ALL PLACES REQUIRING A SIGNATURE**

Before your customer arrives to take delivery of his vehicle, sign all the places necessary to be signed by the salesperson and place a checkmark beside the areas needed to be signed by the customer.

- **ARRANGE ALL DOCUMENTS TO BE SIGNED IN THE SAME ORDER EACH TIME**

This is an excellent way to form continuity in signing the paperwork.

- **HAVE ALL PAPERWORK TYPED AHEAD OF TIME SO YOU CAN BECOME FAMILIAR WITH IT BEFORE THE CUSTOMER ARRIVES**

Refer to the section on **“Pre-Delivery Inspection”** in **Chapter 15**.

Among all the forms confronting you, there are several complicated documents that require more in depth understanding. Make sure you take the time to study each one

carefully. These are:

- **Application for Title.**
- **Finance Contract.**
- **Odometer Statements.**
- **Insurance Verification Forms.**
- **Registration Certificates.**
- **Warranty Books.**
- **Lease Agreements.**
- **Appraisal Slips.**

Don't become overwhelmed with the mounds of paperwork facing you. Learn how to master it rather than letting it master you. The best advice I can give you is to understand the reasons for the paperwork, why you have it, and what each signature represents. By comprehending this in its entirety, you will have the best possible chance of mastering a job that most salespeople deplore.

Chapter 19

Organization

Order marches with weighty and measured strides. Disorder is always in a hurry.

—Napoleon Bonaparte

Organization is a word that falls into two main categories within automobile sales. The first has to do with the way you organize your time away from the dealership, and the second consists of a systematic process of doing business. Both are very important and should be studied as well as practiced.

Why is it important to be organized? I must admit, in the years I've spent in auto sales, I have on occasion encountered salespeople who had sloppy business practices, seldom made follow-up calls, and still managed to earn a decent living. But I assure you, these are isolated cases and exceptions to the rule. The most successful people in any profession are individuals who have good organizational skills.

To be organized means to be systematic, to plan ahead, and to use your time at home and at work efficiently and effectively.

Organization gives your life purpose and direction, and the structure and raw energy needed to succeed. The more organized you are, the more confident you'll become, and the more alert and sharp you'll remain. Because life has become so fast paced, it's important to have a system to help make your days,

weeks, and months flow more smoothly. Organization has become so important, we now can hire companies to come into our homes to organize our closets.

As you read through the following paragraphs, see how much of your life is really organized. Do you have a plan to get through each day, or are you just floundering in a world where you take everything as it comes? Why not try putting some of these suggestions to use and see if they make a difference in your life.

ORGANIZE YOUR TIME AT HOME

Because it often becomes very difficult to isolate the pressures of your job from your personal life, it's important to make organization an inherent part of your daily routine. Make a conscious, systematic effort to increase the pattern of organization that enters into your business life. This should start before you go to sleep each night.

- **ALWAYS REMEMBER TO SET YOUR ALARM**

When I was a sales manager, one of my pet peeves was a salesperson coming to work late. I've always felt that an employee's first responsibility to his company is to come to work on time. So before you end your day, take a few moments to think about some of the business you wish to take care of the next day, and then set your alarm accordingly. Give yourself plenty of time to wake up so that you don't have to rush to work. It's important that you start your day on the right foot. When you wake up, allow a portion of the morning for exercise. By stimulating your body and your mind, it's a proven fact that you will be more refreshed and more capable to handle the day's business. Have a small, healthy breakfast to nourish your body. It will give you the energy needed to take you through the morning, the time of day where most of your mental work takes place. Make sure that your clothes are properly pressed to give you that neat and professional appearance. And as you leave the house, mentally go through a checklist to make sure you have all the materials you need for work: pens, nametags, books, etc. It's very easy to forget these things, or details like turning off the lights and coffee pot, if you don't take the time to go through this type of checklist.

- **ORGANIZE YOUR TIME IN THE CAR**

On your way to work, mentally review what you wish to accomplish during your business day. If you own a cassette player, listen to motivational tapes. The difference between an \$18,000-a-year salesperson and one who makes over \$50,000 is the amount of time and effort he puts into his business. I find it very helpful to listen to a motivational tape before I start work. It gives me something to concentrate on, maybe a famous quote, or

something to think about when I'm depressed. Getting your head straight before you walk through those doors will set the tone for the rest of the day. It stands to reason that if you start work with a sluggish, negative attitude, that's pretty much how the day will be. But if you're uplifted, sharp, and ready to work, nothing will stand in your way.

Keep in mind that no one ever said it was going to be easy. Getting organized does take a conscious effort and a lot of practice. It took me a long time to realize how important being organized is and even longer to practice putting it to good use. There are always going to be days when getting out of bed will be a major operation and exercising will be simply out of the question. The routine doesn't have to be perfect, but if you understand how important it is to have one, I'm sure you will realize that the efforts of your labor will help you start the day properly.

ORGANIZATION AT WORK

I remember when I was first promoted to a sales manager, I was having a difficult time keeping track of the little things I had to do. So I went to my general manager and asked him to teach me how to become better organized. There were days when I had dealer trades come in and never remembered setting them up. I had no plan of attack for each day. I was just taking care of everything as it came along. I found that the more work I had to do, the more important it was for me to have an organizational plan. It's very easy to make one, but it does take a lot of effort to adhere to it on a daily basis, particularly if you're not used to it. I'm sure that if you follow this plan, you will find the task to be very rewarding.

MATERIALS NEEDED TO START

Getting organized at work doesn't have to cost a lot of money. Every form you will need can be prepared on a typewriter and duplicated on the company's copying machine.

• ORGANIZATIONAL PLAN BOOK

An organizational planner can be purchased from any office supply and will take you through the whole year. The pages should be large enough so you don't have to squeeze a lot of information into a small area. I like to use a "**Professional Group Practice**" organizer which has four columns, with the time of the day along one side. I use the first column for any appointments I have scheduled for that day, the second column to keep track of all customers I speak with, and the third and fourth columns for things I must do that day. This system gives me an overall view of all activities for the day at a glance. The cost of this planner is under \$20.

If you can't afford to buy one at this time, you can easily prepare one on a typewriter. If

you are going to make all of your organizational formats, I suggest using a typewriter instead of making handwritten forms. This makes the forms appear very neat and professional.

- **PHONE-UPS LIST**

If you can't afford to buy a planner like the one I use, the next few lists can be easily prepared on a typewriter and then duplicated on the copier. A "phone-up" is a customer who calls the dealership and wants to speak with someone in sales. He may be calling for any number of reasons, but the primary one is that he is looking for a car. I prefer to keep all of these phone-up customers separate, because it gives me an idea on how active I am at getting customers to come into the dealership after they call. Because it's important to follow through with these customers, having an official form makes it easier than just writing their name and telephone number on scrap paper.

- **WANT LIST**

There will be many times when a customer requests a car that you don't have. When you come in contact with a lot of customers, it becomes difficult to remember all of the information discussed unless you write this information down. A "Want List" keeps track of cars you are looking for, and it should be reviewed daily.

- **THINGS TO DO LIST**

If you can't afford a professional organizational planner at this time, a "Things to Do List" can be made very easily. It is important that you have one, and it should become part of your selling career.

These are items you should keep on top of your desk at all times. You do not want to hide them inside your desk, or place them under some other papers. They are part of your organizational bible. They will help to earn you a lot of money over the years. Having these lists handy allows you to review them anytime, and keeps your mind on your work.

Organization doesn't stop here. After completing the necessary requirements for the top of your desk, we now have to be concerned with what happens inside your desk. Your files will become very important for keeping your papers in order. Almost every desk has a drawer that holds *Pendaflex Hanging Folders*. These are those green folders with wire hangers that sit on metal posts. You should keep all of your contracts and business forms separately organized, with tabs at the top so you can easily find them. Other categories to be concerned with are:

— **Dead File**

This is a file that contains all of your customers whose sales you couldn't close and whom you feel there is no need to follow-up with any longer.

— **Hot File**

These are customers you might be able to close at a later date. Review this file often.

— **Information File**

In this file, keep any news articles or anything news worthy that pertains to your carline. If your dealership sells more than one carline, keep a separate file on each.

Create a file for anything that you use often. Remember, when your desk is organized, it makes it a lot easier to run your business. It becomes very embarrassing when you have a customer sitting at your desk and you have to rummage through mounds of papers to find something. **Be professional, be organized!**

SYSTEMIZE YOUR TIME AT WORK

Now that you have all the materials needed for a workable organizational plan, we need to start putting them to use. It's not enough to have all your files in proper order, you have to make sure you use them to your advantage.

Your planning book or your ***“Things to Do List”*** will be the means for keeping your day in order. This is where you start preparing for the next day's business. At the end of each business day, set some time aside to go through your list and review the following:

- **What appointments do I have for the next day?**
- **Which cars must be prepped for delivery?**
- **What aftermarket products are to be installed?**
- **What deliveries do I have?**
- **What dealer trades are to be done?**

— **Which customers should remain as follow-up calls?**

These six questions should be considered before you leave work. I realize that there will be days when you are rushed to leave, and there won't be a lot of time to plan for the next day, but at least check your plan quickly for things you must do the next morning. You don't want to be unprepared for that 9:00 a.m. appointment. After you arrive to work and get your morning cup of coffee, don't waste time talking with friends. Instead, take your coffee to your desk and review your plans for the day. Since your motivation is high after listening to your cassette tapes on the way to work, you should keep your mind on your business. There will be plenty of time for chit-chat. As you look at the day's plan, remember that there will be very few, if any, customers in the showroom in the early morning. This will be the prime time for you to do the following:

— **Make sure your cars are ready for delivery.**

— **Have all the paperwork prepared to check.**

— **Send out follow-up letters.**

— **Make your follow-up phone calls.**

— **Try to locate all your dealer trades.**

— **Call prospective customers.**

As you can see, there are plenty of things to do in the morning to take advantage of your valuable time. Everything you do, no matter how small or insignificant it may seem, should be written in your planning book. When the task is completed, take a yellow accent marker and cross it out. This will allow you to keep track of everything you have done, and will allow you to double check your work. In the past, there were numerous times when I couldn't remember whether I made the follow-up call, or sent out a letter. Since I started using this system, I can always go back and check my work.

Don't be afraid to become organized. It may seem like an enormous amount of work, but I promise, you won't be sorry. If you are having any problems with your organization, approach your sales manager. I'm sure he'll be more than happy to assist you.

Chapter 20

How To Sell To Women

A lady is known by the product she endorses.

—Ogden Nash

Every human being has a vote every time he makes a purchase. No one is disenfranchised on account of age, sex, race, religion, education, length of residence, or failure to register. Every day is election day... Moreover, minorities count.

— W.T. Foster and W. Catchings

At the writing of this book, women comprise **40%** of the automobile buyers in the United States. This means that ***four out of every ten customers*** who visit your showroom will be women. And this 40% will be able to make the buying decision without anyone's consent.

In the past, women were seldom taken seriously whenever they walked into a dealership to look at a car. Salespeople automatically assumed that they were merely gathering information to take home to their working husbands, who would then look over all the statistics and quotes before making their final decision on which vehicle to buy.

Unlike previous years, women today have a greater say in the decision-making process. So whenever you see a man and a woman walk into the dealership together, the worst thing you can do is to place all of your attention on the man and treat the woman as if she isn't even there. Don't take it for granted that the man is the sole buyer of this vehicle. Instead, expect that the woman will have just as much influence over which vehicle is ultimately selected. In many instances, the couple may be purchasing a car for the wife, or they may be looking for a second car for general family use. Consequently, if you haven't done your preliminary questioning, you may be selling to the wrong person.

I'm sorry to say that I've had to work with salespeople who regarded women as second-class citizens. Whenever one of these salespeople saw a woman walk through the door unattended, he would ignore her completely. Behaving in this manner is totally uncalled for and unprofessional. All patrons should be recognized with equal respect. Your main job, as an employee of the dealership, is to take care of everyone who walks through the door, regardless of their age or gender, and regardless of whether they are a casual shopper or a serious buyer. In this business, courtesy is paramount!!

There are several publications on the market dealing with **"How To Sell To Women."** Check with your local library and bookstores for exact titles. In the meantime, I have compiled a few suggestions of my own that might help you avoid the pitfalls:

- **ALWAYS ACKNOWLEDGE WOMEN AS SERIOUS BUYERS**

Even if a woman comes into your dealership and tells you she's just gathering information for her husband, treat her as you would a man. Take the time to educate her on the model she is looking at, and make her realize that she has a vote in the decision-making process. I can guarantee you that if you treat her poorly, she'll let her husband know about it and you won't get the sale anyway. After all, she may not enjoy doing all the leg work for her husband, so your treatment of her may make the difference in the ultimate sale.

- **NEVER TELL WOMEN TO "JUST LOOK AROUND"**

When I say, *"Spend time with your customer,"* that means remain right by her side. I've heard salespeople tell women to *"Just look around, and if you see something you like, come back and tell me."* I've never heard anything so ridiculous in my whole life. This indifference tells me that this salesperson is lazy and has no respect for people in general. I don't want to have salespeople like this on my showroom floor. They will lose business for themselves and for the company, and they will damage the reputation of the dealer.

- **NEVER TELL HER TO "COME BACK WITH YOUR HUSBAND"**

Even though she may need her husband to make the final decision, let her decide this issue. This is a very demeaning statement, and will do nothing but cause hard feelings between you and her, as well as between you and women in general. If you need to find out the answer to this question to determine your strategy, simply ask the question, *"Will anyone else be involved in the buying decision?"* If she says yes, then try to arrange a convenient appointment for both of them. Never give the impression that her opinion isn't the most important one.

- **NEVER UNDERESTIMATE HER KNOWLEDGE ABOUT AUTOMOBILES**

My Editor, Irene McDonald, knows as much about cars as I do. When she bought her car, on her own, she not only knew what she wanted and how much she wanted to pay, she also understood the technical features of all the cars she was looking at. She compiled all the information on these cars, studied each vehicle carefully, and went into the dealership as an *“educated buyer.”* You will find that most women who have the buying decision will be more educated than men.

- **NEVER CALL HER “HONEY!”**

I don't think I need to say much regarding this. You will never turn a woman against you faster than by calling her *“Honey.”*

If you take these examples to heart, you will not have a problem in this area.

Chapter 21

How to Handle a Slump

If your spirits are low, do something. If you have been doing something, do something different.

— E. Hall

In certain trying circumstances, urgent circumstances, desperate circumstances, profanity furnishes a relief denied even to prayer.

— Mark Twain

Webster defines a slump as ***“a decline in activity.”*** But a slump is much more than that. People don't like to talk about it much because of its negative connotations. It's not something we welcome, and it has caused the decline of many good salespeople. Some of the common symptoms to look for are:

— ***You become depressed because of the lack of activity, fewer sales, and lower earnings.***

— ***You begin to lose your desire to go to work, as well as your desire to wait on customers while you're there.***

— ***Your attitude becomes negative, which can very well affect the people around you.***

Eventually, every salesperson will experience a slump. How long the slump lasts, however, will depend upon how each individual salesperson handles it. But one thing is for sure, the more you comprehend how to get out of one, the less likely the chance will be of it affecting your sales career.

I don't think we need to understand how we get into a slump, because I don't feel that this type of information will prevent you from falling into one. Reasons could include illness, laziness, personal problems, and countless others beyond your control.

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 “*miser 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



Salesperson, Inc.

Section 2
The BUSINESS Side of Selling New and Used Vehicles

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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.

Step 1

EVALUATE YOUR QUALITIES AS A BUSINESS/SALESPERSON

Thought:

Insanity is doing the same things over and over again, and expecting a different result.

Making money takes a lot of thought, as well as a lot of work. You must make a commitment that once you start your business, you will do whatever it takes, legally, morally, and ethically to make it succeed. This will start with how you feel about yourself as a businessperson.

Many salespeople have no desire to evaluate themselves, and their performance. Because once they go through an evaluation process, then they need to become responsible and accountable to make the necessary changes, or improvements to achieve that next level of success.

We all enjoy living and working in a “comfort zone.” Let’s face it, it’s a lot easier to live that way. But it’s like a baseball batter who’s batting a 250 average, and wants to get up to 300. Something in that swing’s going to have to change. Because this batter can’t keep swinging that bat the same way when batting 250 and expect to get up to 300. If changes need to be made, it may make you a little uncomfortable. But focus on the positive results, and it will make it all worthwhile.

So, let’s determine if you have the fortitude to be a successful businessperson. Answer the questions on the next page, and be honest. After all, you can’t fool yourself.

-
- | | | |
|---|------------------------------|-----------------------------|
| ● Are you a self-starter? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Are you entrepreneurial by nature? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Can you motivate yourself on a daily basis? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Will you do whatever it legally takes to make money? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you enjoy learning new ideas? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you give up easily? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Are you really motivated by money? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you strive to win no matter what you do? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Are you willing to take controlled risks to get what you want? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Are you an organized individual? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Will you work whatever hours it takes to make money? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Will you take work home with you if needed? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Will you learn to work a computer to be successful? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you like to keep busy throughout the day? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you read business books, cassettes, go to seminars, etc.? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you eat right, and keep yourself physically and mentally fit? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you set goals with written plans? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Will you get to work early, and stay late if needed? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you take advise well? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Will you seek advise to make your business succeed? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you have a strong work ethic? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Are you friendly to other people? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you like to have fun in whatever you do? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you like to buy things? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you normally make enough money to buy what you want? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Are you the sole income producer in your family? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● If not, do you and your spouse make enough to live like you want? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you have a retirement account? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| ● Do you have a college fund for your children, if applicable? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Now that you've completed this evaluation process, let's take a look at some of the attributes that will help you become, not just an excellent businessperson, but also an outstanding salesperson. While the answers of your evaluation are fresh on your mind, you may want to write your thoughts on the Business Development page.

For as long as there have been salespeople, there have been "good" ones and "bad" ones. For just as long, dealerships have been looking for the perfect salesperson — the person who not only meets sales goals, but who cooperates without being a prima donna. Managers look for the salesperson who will loyally stay with the dealership for years, all of the years being highly productive in sales and profits.

Your company should have this same philosophy for its employees — namely you!

Based on observations of top-flight salespeople, they possess the following characteristics:

A strong drive to be successful

The top-flight salespeople dislikes periods of inactivity. They always need to be doing something productive, and the activity is normally in the area of producing future business. They have persistence and tenacity that helps them succeed over the long-run.

High levels of energy

The real pros take care of their health. They exercise regularly, watch their weight, eat properly, and maintain themselves in excellent physical condition. They know their high energy level contributes to their success.

Anticipation of success

They have positive expectations of results. They realize that their attitude and mental outlook have a great deal to do with the results they create.

Sensitivity, combined with assertiveness

Top-flight salespeople have a keen awareness of where the prospect is relative to buying, as well as the assertiveness to guide the prospect towards doing business. They know when to back off, as well as when to move forward. They possess the delicate balance of empathy and ego drive.

Ability to think and act quickly

They're spontaneous in their thoughts and actions. They know their prospects, their vehicles; so they're more relaxed and comfortable than the salesperson who can only perform well if the prospect should just happen to want to buy. Their spontaneity and openness build credibility and trust with prospects.

High self-esteem and independence

Top performers don't need to look to others for emotional support. They can function well if left alone to plan and work their prospects, and follow-up with their clients. They're self-starters. Others admire their self-esteem.

Skills in the art of persuasion

They quite naturally want to persuade prospects and clients to move forward and make buying decisions. They capture attention quickly, arouse interest, listen well to clients wants and needs, and make presentations based on both the logical and emotional wants of their prospects. Their human relations skills enable them to develop positive relationships with everyone.

A need to succeed

Top performers thrive on challenges. Their driving ambition is to “win.” Because they recognize that establishing “win/win” relationships is the key to creating more long-term profitability, they constantly seek ways to solve problems for clients so both parties actually win.

Focus on goals

Top performers set goals which challenge them to stretch and grow professionally, and they’re persistent in their drive to achieve and surpass their goals. They also realize how important it is to have a plan attached to their goals to maximize their chances for success. They don’t easily quit.

Honesty with themselves

They constantly strive to know themselves totally, and they admit and accept their limitations. Self-evaluation enables them to maximize use of their inherent and learned talents, while not being unrealistic in their expectations of success.

Optimism

They anticipate achievement of their goals, almost to the point of having a “vision.” They avoid negative thoughts, destructive pessimism and cynicism. Positive expectation of success enables them to overcome obstacles along the way toward their goals.

Comfort with the title “Salesperson”

The best salespeople see themselves as true professional salespeople. They don’t hide behind titles like: vehicle consultant, product specialist, etc. The real pros have a strong belief in sales as an honorable profession.

Belief in their product and services

Because persuasive communication requires congruent expression of words, tone of voice, and nonverbal messages, total belief in their product enables these special salespeople to produce at high levels. If there is any doubt or hesitancy in the sales message or any lack of belief in the value being offered, the sales opportunity may be lost.

Now that you have a basic idea of what it takes to be a successful business/salesperson, complete the worksheet on the next page to fine tune yourself.

BUSINESS DEVELOPMENT WORKSHEET

What do you feel are your strengths as a businessperson?

What are your strengths as a salesperson?

List some improvements that need to be made to fulfill your goals.

How do you want your clients to perceive you?

Step 2

DETERMINE YOUR CURRENT FINANCIAL SITUATION

Thought:

Most salespeople get used to living on the money they make, instead of making the type of money they want to live on.

Before you begin determining how much money you need/want to make, and how you're going to do it, let's figure out how much money you have available, versus how much you owe every month. This becomes a good way to get your mind straight on your current status.

The first step requires you to get organized. If you currently have your bills in a shoe box or stuffed into a drawer, you may want to get them all together now. Understanding your financial situation isn't that hard, but being organized will be your first important step. You'll need to have all your bills you pay monthly, quarterly, semi-annually and annually. Many people forget about the occasional bills and just worry about them when they come due. You'll make your life easier by planning all expenses so you don't have to worry.

Now that you have all your bills in front of you, fill out the worksheet on the following page:

MONTHLY INCOME STATEMENT WORKSHEET

Primary Monthly Income: \$ _____
 Secondary Monthly Income: \$ _____
 Other Monthly Income: \$ _____
 Total Monthly Income: \$ _____
 Money in Savings: \$ _____

MONTHLY DEBT STATEMENT WORKSHEET

(Add any additional monthly expenses you have)

Mortgage/Rent	\$	Utilities (gas, water, elec, etc.)	\$
Car Payments	\$	Credit Cards	\$
Gasoline/Maintenance	\$	Newspaper/Subscriptions	\$
Car Insurance	\$	Groceries	\$
Life Insurance Premiums	\$	Entertainment	\$
Vacations	\$	Alimony/Child Support	\$
Retirement Plans/Stocks	\$		\$
	\$		\$
	\$		\$
	\$		\$

Total Monthly Income: \$ _____
 Total Monthly Expenses: \$ _____
 Net \$ _____
 Additional Income per Month Desired \$ _____

Great! Now that you have an idea on your current financial situation, you can begin to determine how you're going to make the income necessary to sustain the lifestyle you desire. Remember: You'll want to have everything in life that money can buy.

BUSINESS DEVELOPMENT WORKSHEET

Is money important to you? Yes No

Why?

If you had more money, what would you do with it?

Step 3

DEVELOP A BUSINESS PLAN FOR A STRONG FOUNDATION

Thought:

If you don't know where you're going, any road will take you there.

Thought:

A goal without a plan isn't a goal at all – it's merely a wish.

Realize that there is usually a critical difference between those businesses that succeed and those that fail. Many times the difference is the quality of a simple business plan. Without a plan, a business can easily get off course.

For an auto salesperson who wishes to become successful, a well-prepared business plan will serve at least two critical functions:

Getting your business started off right

A business plan serves as the foundation for any new business. It will help your business get off to the right start and help it stay on track. If you are already in business, a business plan will help you determine where you are at this point in time, where you want to go, and how you're planning on getting there. Putting together this business plan forces you to think strategically about your business, as compared to running your business by "pot-luck", which basically means, whatever happens, happens.

A blueprint to keep your business on the right track

A blueprint is as essential to building your business as a blueprint is for building a house. In fact, a business plan is the blueprint for your business and its growth. It details your

business objectives and how you intend to accomplish them. It shows you clearly where you need to focus your time and energy — in writing. It gives you a convenient way to monitor your success, and compare your actual results with your plan.

In its most general sense, business planning is all about taking your dream of financial security and turning it into reality. A business plan then becomes the document you create where you work through all the factors that will have an impact on the successful startup, and/or the management of your business. Smart businesspeople plan, not because accountants or business advisors tell them to, but because they understand that it increases their chances for success. Sure, there are successful business people who fly by the seat of their pants and never create a written plan. How much better might they have done had their good ideas been coupled with some solid planning? A good plan will provide a blueprint and step-by-step instructions on how to translate your good ideas into a profitable auto selling business.

Writing a business plan may seem like a lot of work, which is why so few salespeople actually write one, and why so few salespeople actually attain the type of success they desire. To make it easier for you to get started, we've developed a simple way to put together a business plan called **Automotive Salesperson, Inc.**. ASInc. takes you out of the role of salesperson, and makes you your own corporation, with every income producing area within the sales department as a separate company under the corporation. When you start developing your business plan, the six areas of focus, or your six major companies under your corporation, will include:

- **Ups Company** (prospects who walk through the door)
- **Phone-Ups Company** (prospects who call on the phone)
- **Referral Company** (prospects who are referred to you by someone)
- **Repeat Customer Company** (customers who buy another vehicle from you)
- **Networking Company** (prospects you bring in on your own)
- **Aftermarket Company** (selling additional items not installed from the factory)

Physically putting a business plan together requires you to translate your thoughts about how you're going to run each one of these companies, into a format that is easy to follow, and easy to manage.

As a salesperson, and now a business owner, you must realize that your business will be as productive and prosperous as your ability is to set effective goals. You need to set clear objectives for your business and to have a strategy for accomplishing these objectives. Since goal setting involves looking into the future, you must plot a course, in advance, for all the activities that you anticipate will take place to yield the results you

are looking for. Of course, you won't always know what the outcome will be, but you can make a very good prediction by reviewing what has happened in the past and what is happening presently.

Well-written goals will also enable you to check your progress in order to see if you're on the right track. By comparing your actual results to the desired results, you can determine whether or not you need to make improvements in your original plan.

As a business owner, your initial visions may exceed your abilities, or your capabilities. Don't run your business by the seat of your pants and don't become discouraged. Understand that goal setting should be as realistic as your talents and the resources within your sales department. This is not to say that you cannot go beyond your current level of experience to accomplish your goals. However, without a strategy, most goals have little chance for success.

TIPS TO KEEP YOURSELF ON COURSE:

Put all goals in writing.

The reason most salespeople won't put their goals in writing is if they don't write them down, they have nothing to be accountable for. Your first commitment to reaching your goals is to put them in writing, then sign your name to them.

Have both long-term and short-term goals.

If you keep in mind that everything you do today directly affects your business two and three years from now, you will understand the value of setting long and short-term goals. By being proactive in your business and looking ahead, you will develop goals and plans that will help you accomplish your dreams of financial independence.

Break up larger goals into smaller, more manageable goals.

This becomes the basis for **Automotive Salesperson, Inc.** By taking your large sales goals, and dividing them into your separate companies, your chances of achieving, and exceeding your goals will increase dramatically.

Monitor your goals.

Don't just wait till the end of the month to see if you've reached your goals. By tracking your numbers daily, you will have a good idea on how close you are to reaching and exceeding your goals.

Reward yourself for your successes.

As you would if you had employees, reward yourself for doing a good job. After all, nobody deserves it more than you.

Now that you have a general idea on what a business plan is for, it's time to begin developing one. **Automotive Salesperson, Inc.** was designed to be totally customizable for every salesperson regardless of experience in the business. So, the first step is to get a general idea of what you've done in the past, so you can determine what needs to be done for the future. Your job right now will be to set up your six major companies, so follow the format on the next pages, and you should have no problems.

STATISTICAL AVERAGE WORKSHEET

OBJECTIVE:

The purpose of the **Statistical Average Worksheet** is to analyze your previous work experiences in order to determine a starting point for setting your goals and tracking your numbers. Your goals should be set according to your strengths and weaknesses.

If you are a new hire, and have 0 months experience selling vehicles, you do not need to complete this sheet. You will begin keeping track of your numbers starting with the **Daily Tracking Sheet**. If you have one or two months of experience, record your totals as they apply per each category on the **Statistical Average Worksheet**, then divide by the number of months of selling to get your current average. If you have worked three months or more as a vehicle salesperson, review the last three months of business, and complete the **Statistical Average Worksheet**.

•INCOME FOR MONTH

Compile your last three months' total income and divide the total by 3 to get your current monthly average. However, if you had a month that wasn't indicative of an average month, ie: vacation, illness, holiday, substitute another month to get your average.

•TOTAL SALES FOR MONTH

Record all sales new and used for each month.

•UPS (WALK-INS)

Record all prospects you waited on who walked through the door. We consider an **Up** as anyone who has given you a name and phone number for follow-up purposes. If you wrote a deal, record that number in the **Write-Up** column. And, if you made a sale from a prospect walking through the door, record that number in the **Sales from Ups** column.

•PHONE-UPS

If you take a telephone call from a prospect calling the dealership for information before coming in, record that number in the **Phone-Ups** column. If you set an **Appointment** with the prospect, record the number of appointments set. Also record the number of **Appointments Kept** and all **Sales made from Phone-Ups** customers. Treat all **Internet** inquiries, appointments and sales as **Phone-Ups**.

•SALES FROM REFERRALS

If someone refers a prospect who then buys a vehicle from you, record this number in the **Sales from Referral** column.

•SALES FROM REPEAT CUSTOMERS

If a customer of yours returns and buys another vehicle from you, record that number in the **Repeat Customer** column.

•SALES FROM NETWORKING

If you sell a vehicle to someone you recruited by your own efforts, such as a friend, relative or acquaintance, record that number in the **Sales from Networking** column.

•CLOSING RATIOS

Closing Ratios will determine how well you are doing. Fill in the appropriate numbers and perform the calculations. Your goal is to increase your **Closing Ratios**.

Once you have completed this sheet in its entirety, continue on to the **Automotive Salesperson, Inc. Flowchart**.

STATISTICAL AVERAGE WORKSHEET

Example

	1st Month	2nd Month	3rd Month	Totals	AVG.
Income for Month	\$1500	\$2500	\$2000	\$6000	\$2000
Total New Sales	10	7	6	23	8
Total Used Sales	1	2	1	4	1

Ups	39	47	40	126	42
Write-Ups	18	29	28	75	25
Sales from Ups	4	6	5	15	5

Phone-Ups	20	28	22	70	23
Appointments	16	11	10	37	12
Appointments Kept	12	8	7	27	9
Sales from Phone-Ups	3	1	1	5	2

Sales from Referrals	1	0	0	1	1
Sales from Repeat Cust.	2	1	1	4	1

Sales from Networking	1	1	0	2	1
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Closing Ratios (Use 3 month avg. numbers)

Sales Ratio = Sales from Ups (5) ÷ Ups (42) = .12 x 100 = 12%

Sales Closing Ratio = Sales from Ups (5) ÷ Write-Ups (25) = .20 x 100 = 20%

Phone-Up Ratio = Phone-Up Sales (2) ÷ Phone-Ups (23) = .09 x 100 = 9%

Phone-Up Appt. Ratio = Phone-Up Sales (2) ÷ Phone-Up Appts. Kept (9) = .22 x 100 = 22%

STATISTICAL AVERAGE WORKSHEET

	1st Month	2nd Month	3rd Month		Totals	AVG.
Income for Month						
Total New Sales						
Total Used Sales						
Ups						
Write-Ups						
Sales from Ups						
Phone-Ups						
Appointments						
Appointments Kept						
Sales from Phone-Ups						
Sales from Referrals						
Sales from Repeat Cust.						
Sales from Networking						

Closing Ratios (Use 3 month avg. numbers)

Sales Ratio = Sales from Ups ___ ÷ Ups ___ = ___ x 100 = ___%

Sales Closing Ratio = Sales from Ups ___ ÷ Write-Ups ___ = ___ x 100 = ___%

Phone-Up Ratio = Phone-Up Sales ___ ÷ Phone-Ups ___ = ___ x 100 = ___%

Phone-Up Appt. Ratio = Phone-Up Sales ___ ÷ Phone-Up Appts. Kept ___ = ___ x 100 = ___%

STATISTICAL AVERAGE WORKSHEET

	1st Month	2nd Month	3rd Month		Totals	AVG.
Income for Month						
Total New Sales						
Total Used Sales						
Ups						
Write-Ups						
Sales from Ups						
Phone-Ups						
Appointments						
Appointments Kept						
Sales from Phone-Ups						
Sales from Referrals						
Sales from Repeat Cust.						
Sales from Networking						

Closing Ratios (Use 3 month avg. numbers)

Sales Ratio = Sales from Ups ___ ÷ Ups ___ = ___ x 100 = ___%

Sales Closing Ratio = Sales from Ups ___ ÷ Write-Ups ___ = ___ x 100 = ___%

Phone-Up Ratio = Phone-Up Sales ___ ÷ Phone-Ups ___ = ___ x 100 = ___%

Phone-Up Appt. Ratio = Phone-Up Sales ___ ÷ Phone-Up Appts. Kept ___ = ___ x 100 = ___%

AUTOMOTIVE SALESPERSON, INC. FLOWCHART

OBJECTIVE:

The major objective of the **Flowchart** is to determine where the bulk of your business will be derived from during that month. For example:

— You have been selling vehicles for only 1 year. Since you don't have a lot of **Repeat** and **Referral** business yet, you have determined that the bulk of your sales will come from your **Ups Company** and your **Phone-Ups Company**.

— You have been selling vehicles for 4 years, and have developed a strong, loyal clientele. Since you receive much of your business from your **Referral Company** and your **Repeat Customer Company**, you won't be taking many Ups.

— This month, your dealership will be spending a great deal of money on advertising for a sale, therefore, the dealership will be receiving many phone calls. You may decide to make your **Phone-Ups Company** your major source of business for this month.

STEP ① GOALS:

Determine how many sales and how much income you want for the month. Your starting point should be your **Statistical Average Worksheet**. Do not set your goals too high. Be realistic. Stay within your comfort zone and try to do a little more each month. Start with a goal of 2 sales higher than your average. Use the same strategy with your income. Determine your closing ratio based on any deals you have written ÷ total sales.

STEP ② COMPANIES

Based on which companies are your strongest, and which are your weakest, spread your total sales goal among the five companies. Make sure that each company has a sales goal. If you just don't feel comfortable with a certain company, like the **Networking Company**, you may want to eliminate it for now. Once you gain more experience, you can reactivate it at a later date. What you're trying to do is take your total sales goal and divide it into smaller, more achievable goals. Once you have divided your sales amongst your companies, it's time to determine how much work you need to do in order to reach your sales goal. Remember, the numbers don't lie! This can be accomplished by taking your **Sales Goal** and multiplying it by your **Closing Ratio**. Example:

Ups Company — Desired Sales (8) x Closing Ratio (20% or 1 out of 5) = (8 sales x 5)
40 Ups

Phone-Ups Company — Sales (3) x Closing Ratio (1 of 5) = (3 sales x 5) **15 Appointments**
(You determined it would take you about 30 Phone-Ups to achieve 15 Appointments)

STEP ③ AFTERMARKET COMPANY

Write in which aftermarket products you are planning to sell, and how many of each.

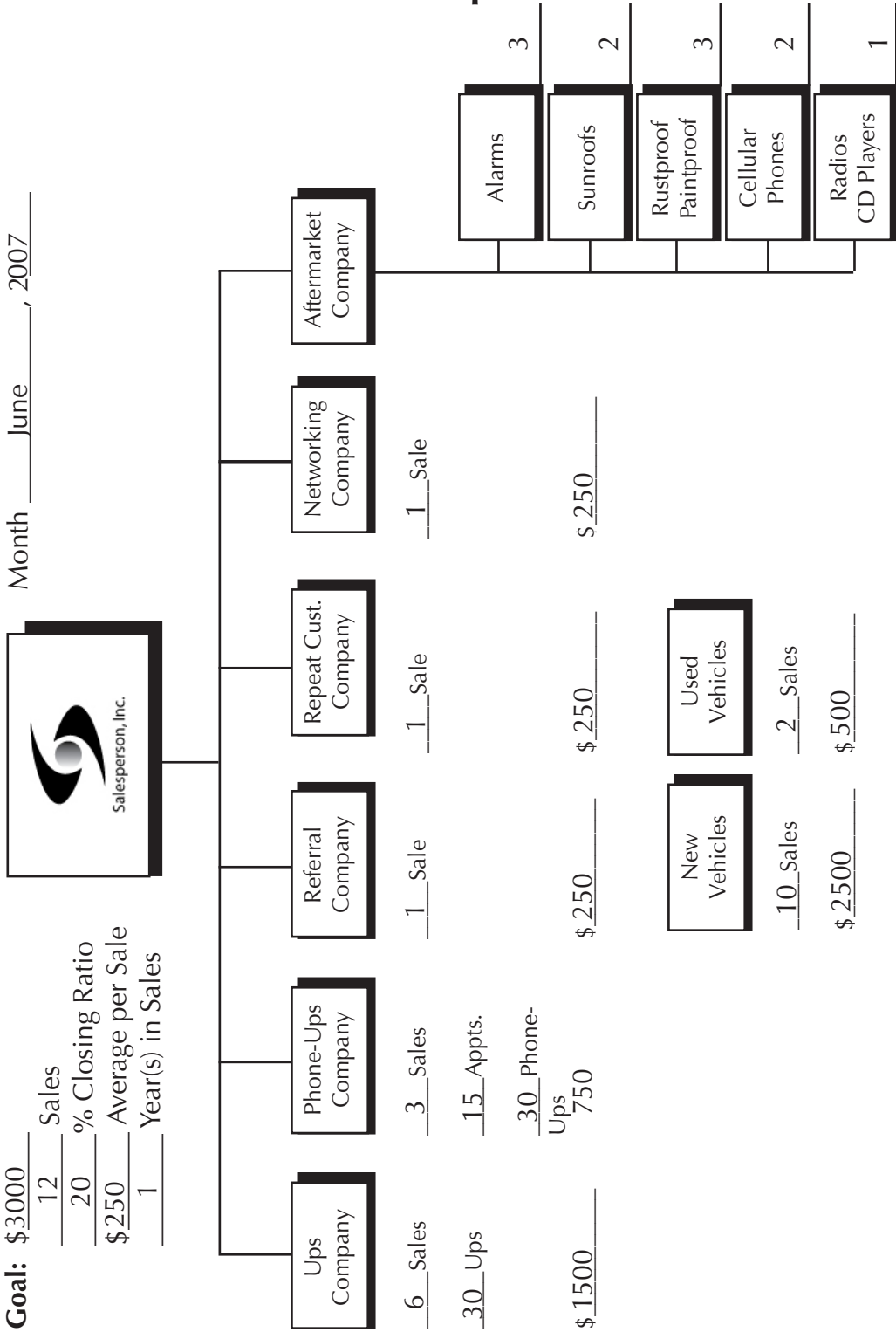
STEP ④ NEW AND USED VEHICLE SALES

Determine how many new and used vehicles you want to sell. If you are a new car salesperson, and are allowed to sell used vehicles, you must try to sell at least 2 used vehicles every month.

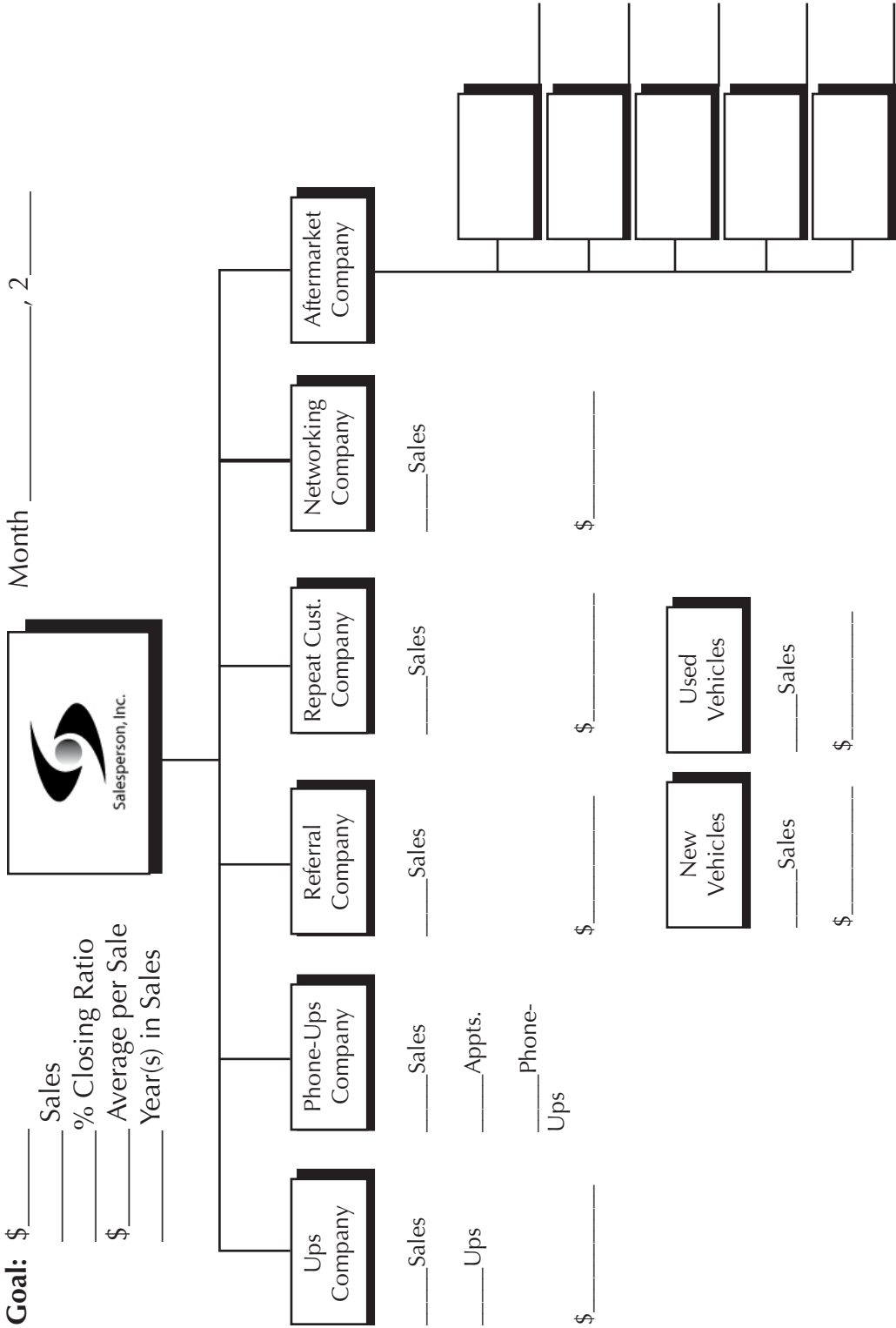
This becomes your plan for the month. Now, turn to the **Weekly Tracking Worksheet**.

AUTOMOTIVE SALESPERSON, INC. FLOWCHART

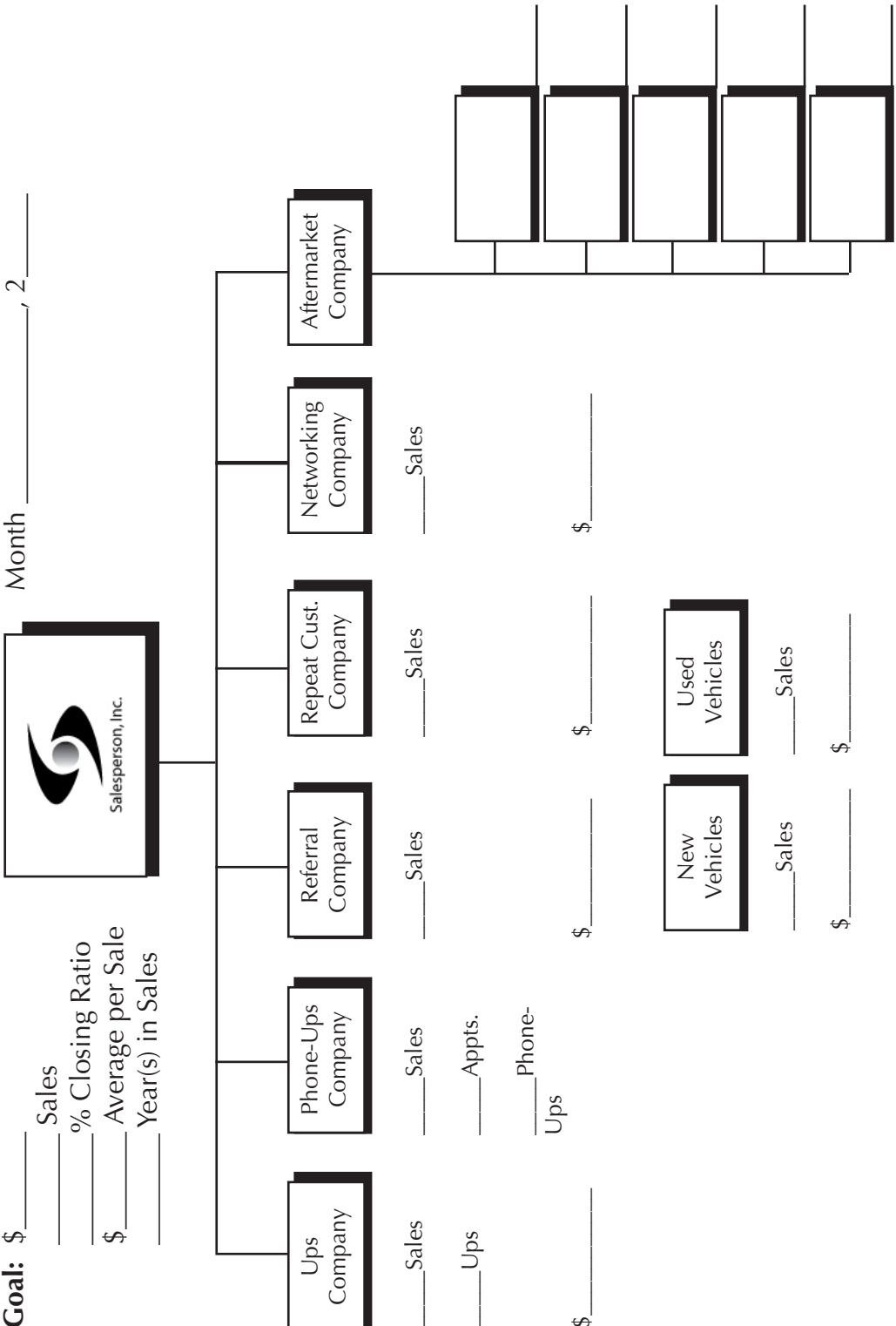
Example



AUTOMOTIVE SALESPERSON, INC. FLOWCHART



AUTOMOTIVE SALESPERSON, INC. FLOWCHART



WEEKLY TRACKING WORKSHEET

OBJECTIVE:

The purpose of the **Weekly Tracking Worksheet** is to:

- divide monthly goals into more manageable weekly goals,
- monitor actual weekly figures against weekly goals, and
- adjust weekly goals as needed to meet or exceed monthly goals.

STEP ①

After you have forecasted your total sales and income for each “company”, transfer your figures from the **Automotive Salesperson, Inc. Flowchart**, to the totals column on the **Weekly Tracking Worksheet**.

STEP ②

Divide the totals for each “company” by the number of weeks for that month, to obtain a weekly average goal for each “company”. Place those numbers in **Week 1** under the Goal section. Do not fill in the goals for the rest of the month because the numbers may vary. If you didn’t meet your goals for this week, you will need to adjust your goals for the next week. Your strategy is to exceed the numbers for each week, since this will also increase your chances of exceeding your goals.

Step 2 ↘

	Week 1	
	Goal	Actual
Income	\$750	\$500

Step 1 ↘

	Week 2	
	Goal	Actual
	\$950	

STEP ③

If you reached your goal for the week, carry over the same goal to the following week. Example:

- Your **Ups** goal for Week 1 was 8, and you reached 8. Your starting goal for Week 2 would then be 8.

If you didn’t reach your goal for that week, add on whatever the deficit was to the following week.

Example:

- Your **Income** goal for Week 1 was \$750, but your actual was only \$500. Your starting goal for Week 2 becomes \$950 ($\$750 - \$500 = \$250 + \$750 = \950)

Ups	8	8
-----	---	---

8	
---	--

	Week 1	
	Goal	Actual
Income	\$750	\$500

	Week 2	
	Goal	Actual
	\$950	

STEP ④

When you’ve completed the month, add your totals in the Totals column, and get ready to determine your goals for the next month.

You keep track of these numbers by utilizing the **Daily Tracking Worksheet**. Continue to the next section.

WEEKLY TRACKING WORKSHEET

Example

	Week 1		Week 2		Week 3		Week 4		Totals	
	Goal	Act	Goal	Act	Goal	Act	Goal	Act	Goal	Act
Income	750	500	950	1628	750	1400	750	1700	3000	5228
Ups	8	8	8	14	8	18	8	17	30	57
Write-Ups	7	6	8	10	7	12	7	10	25	38
Sales from Write-Ups	2	1	3	2	3	3	3	3	6	9
Phone-Ups	8	8	8	14	8	18	8	17	30	57
Appointments	4	7	4	10	4	12	4	5	20	34
Appointments Kept	4	5	4	9	4	10	4	4	15	28
Phone-Up Sales	1	2	1	2	1	2	1	1	3	7
New Vehicles	3	3	3	4	3	6	3	3	10	16
Used Vehicles	1	0	1	2	1	0	1	2	2	4
Repeat Customers	1	0	1	1	1	0	1	1	1	2
Referral Customers	1	0	1	0	1	1	1	0	1	1
Aftermarket										
Alarms	1	1	1	2	1	2	1	1	3	6
Sunroofs	1	0	1	1	1	0	1	1	2	2
CD Players	1	1	1	1	1	2	1	0	1	4
Cellular Phones	1	0	1	0	1	1	1	1	2	2
Networking	1	0	1	1	1	1	1	0	1	1

WEEKLY TRACKING WORKSHEET

	Week 1		Week 2		Week 3		Week 4		Totals	
	Goal	Act	Goal	Act	Goal	Act	Goal	Act	Goal	Act
Income										
Ups										
Write-Ups										
Sales from Write-Ups										
Phone-Ups										
Appointments										
Appointments Kept										
Phone-Up Sales										
New Vehicles										
Used Vehicles										
Repeat Customers										
Referral Customers										
Aftermarket										
Networking										

WEEKLY TRACKING WORKSHEET

	Week 1		Week 2		Week 3		Week 4		Totals	
	Goal	Act	Goal	Act	Goal	Act	Goal	Act	Goal	Act
Income										
Ups										
Write-Ups										
Sales from Write-Ups										
Phone-Ups										
Appointments										
Appointments Kept										
Phone-Up Sales										
New Vehicles										
Used Vehicles										
Repeat Customers										
Referral Customers										
Aftermarket										
Networking										

DAILY TRACKING WORKSHEET

OBJECTIVE:

The purpose of the **Daily Tracking Worksheet** is to track your numbers on a daily basis. This way, you will always know where you stand toward your ultimate goals. If you start falling behind, you can immediately see where you need to increase your work output. If you get ahead, you have the momentum necessary to exceed your goals, which in turn will increase your sales and income.

STEP ①

Once you determine your goals and record the first week's activities on your **Weekly Tracking Worksheet**, it then becomes a simple matter of keeping track of your numbers on a daily basis.

STEP ②

At the end of each day, or the start of the next day, review the day's work and record the appropriate numbers.

STEP ③

At the end of the week, add up the totals and record them in the **Totals Column**. Then transfer these totals to the corresponding week on the **Weekly Tracking Worksheet**.

DAILY TRACKING WORKSHEET

Example

Week 1

	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total
Income	0	0	180	0	0	320		500
Ups	2	1	1	2	1	1		8
Write-Ups	2	0	1	1	1	1		6
Sales from Write-Ups	0	0	0	0	0	1		1
Phone-	3	1	2	1	3	0		10
Appointments	2	0	1	1	3	0		7
Appointments Kept	0	2	0	0	2	1		5
Sales from Phone-Ups	0	0	1	0	0	1		2
New Vehicles	0	0	1	0	0	2		3
Used Vehicles	0	0	0	0	0	0		0
Repeat Customers	0	0	0	0	0	0		0
Referral Customers	0	0	0	0	0	0		0
Aftermarket								
Alarms	0	0	1	0	0	0		1
Sunroofs	0	0	0	0	0	0		0
CD Players	0	1	0	0	0	0		1
Cellular Phones	0	0	0	0	0	0		0
Networking	0	0	0	0	0	0		0

DAILY TRACKING WORKSHEET

Week 1	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total
Income								
Ups								
Write-Ups								
Sales from Write-Ups								
Phone-								
Appointments								
Appointments Kept								
Sales from Phone-Ups								
New Vehicles								
Used Vehicles								
Repeat Customers								
Referral Customers								
Aftermarket								
Networking								

DAILY TRACKING WORKSHEET

Week 1	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total
Income								
Ups								
Write-Ups								
Sales from Write-Ups								
Phone-								
Appointments								
Appointments Kept								
Sales from Phone-Ups								
New Vehicles								
Used Vehicles								
Repeat Customers								
Referral Customers								
Aftermarket								
Networking								

STATISTICAL SUMMARY SALES WORKSHEET

OBJECTIVE

To be able to compare:

- this year's figures to-date against this year's projected goals, and
- this year's figures against the same time period for last year.

STEP ①

Record your totals for the month just ending in column 1. Make sure you total your sales for each aftermarket product separately and place these figures under the **Aftermarket** category.

STEP ②

For simplicity, the fiscal year runs from January 1 through December 31.

To obtain **Running Totals**, add your totals for the month just ending to the totals from the previous months starting with January. (i.e. **Running Totals** through January = January Totals + February Totals)

If you are just starting out, you probably won't have any **Running Totals**, so skip this step and leave column 2 blank.

STEP ③

If you have been keeping statistics for 1 year or longer, you have the option of comparing:

- your current running totals against last year's running totals for the same time period, or
- your month just ending against last year's corresponding month.

Record in column 3 the figures you feel are more important to compare.

In the example given we're comparing this year's monthly total against last year's monthly total.

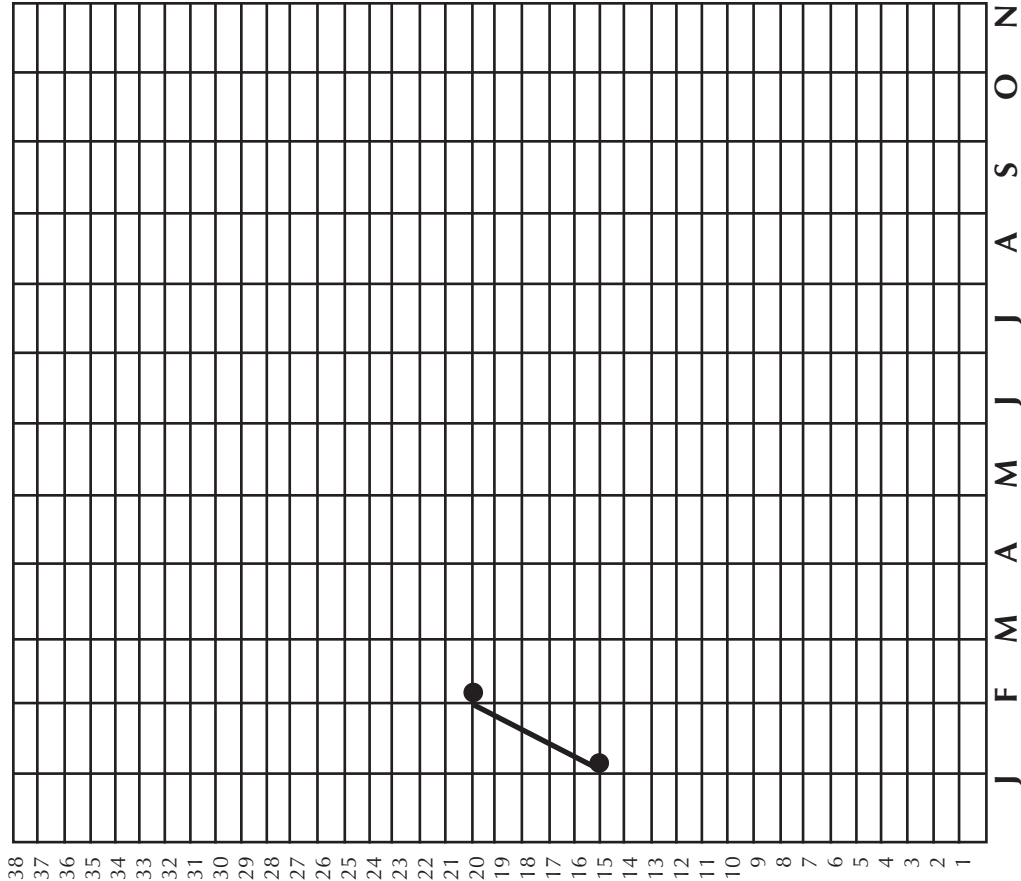
If you have less than 1 year experience, skip this step and leave column 3 blank.

MONTHLY STATISTICAL SUMMARY

Example

Income	Monthly Totals \$5228	Running Totals \$8638	Last Year \$4176
Ups	57	99	43
Write-Ups	38	60	39
Sales from Ups	9	16	8
Phone-Ups	44	82	38
Appointments	34	66	29
Appointments Kept	28	57	17
Sales from Phone-Ups	7	12	5
New Vehicles	16	28	12
Used Vehicles	4	7	4
Referral Sales	2	3	1
Repeat Cust. Sales	1	2	1
Aftermarket	6	11	4
Alarms			
Sunroofs	2	3	4
CD Players	4	6	2
Cellular Phones	2	4	2
Networking	1	2	1

PLOT YOUR TOTAL SALES EACH MONTH



STATISTICAL COMMISSION SUMMARY SHEET

STEP ①

Plot your commissions on the grid each month. You may want to compare each month with the previous year's commissions to determine if you are ahead of last year's income. You can accomplish this by using a different color pen for each year.

STEP ②

Compute your closing ratios:

Sales Ups ratio is used to determine the percentage of sales based on the number of prospects you talk to.

This ratio is useful because it will tell you if you are talking to a lot of prospects, but not actually writing a deal. If the percentage is low, you need to write more deals.

Sales Write-Ups ratio is used to determine the percentage of sales based on the number of prospects you actually write a deal for.

This ratio is useful because it will tell you how proficient you are at closing the sale once you sit the prospect at your desk and write the deal.

Phone-Up Sales Phone-Ups ratio is used to determine the percentage of sales based on the number of prospects you talk to on the phone.

This ratio is useful because it will tell you how many Phone-Up sales you make in relation to the number of Phone-Ups you take. If the ratio is low, you probably need to set more appointments.

Phone-Ups Sales Appointments ratio is used to determine the percentage of sales based on the number of Phone-Up Appointments kept.

This ratio is useful because it will tell you how many prospects you close once you get them into the dealership. If the ratio is low, you need to improve your qualifying, presenting and closing skills.

Internet Sales - All sales and vehicle inquiries generated through the Internet should be included with the Phone-Ups.

- add Internet inquiries to Total Phone-Ups.
- add Internet appointments to Phone-Up Appointments.
- add Internet sales to Phone-Up Sales.

Commissions Deliveries ratio is used to determine your average commission per delivery.

Your goal is to increase the amount of income per delivery. You can accomplish this by:

- improving your qualifying, presenting and closing skills.
- starting higher on your first offer.
- not giving in to the customer's offer too soon.
- selling more aftermarket products.

MONTHLY STATISTICAL SUMMARY

Example

CLOSING RATIOS

Ups Closing Ratio

Sales 9 ÷ Ups 57 = .16 100 = 16%

Sales 9 ÷ Write-Ups 38 = .24 100 = 24%

Phone-Ups Closing Ratio

Phone-Up Sales 7 ÷ Phone-Ups 44 = .16

x 100 = 16%

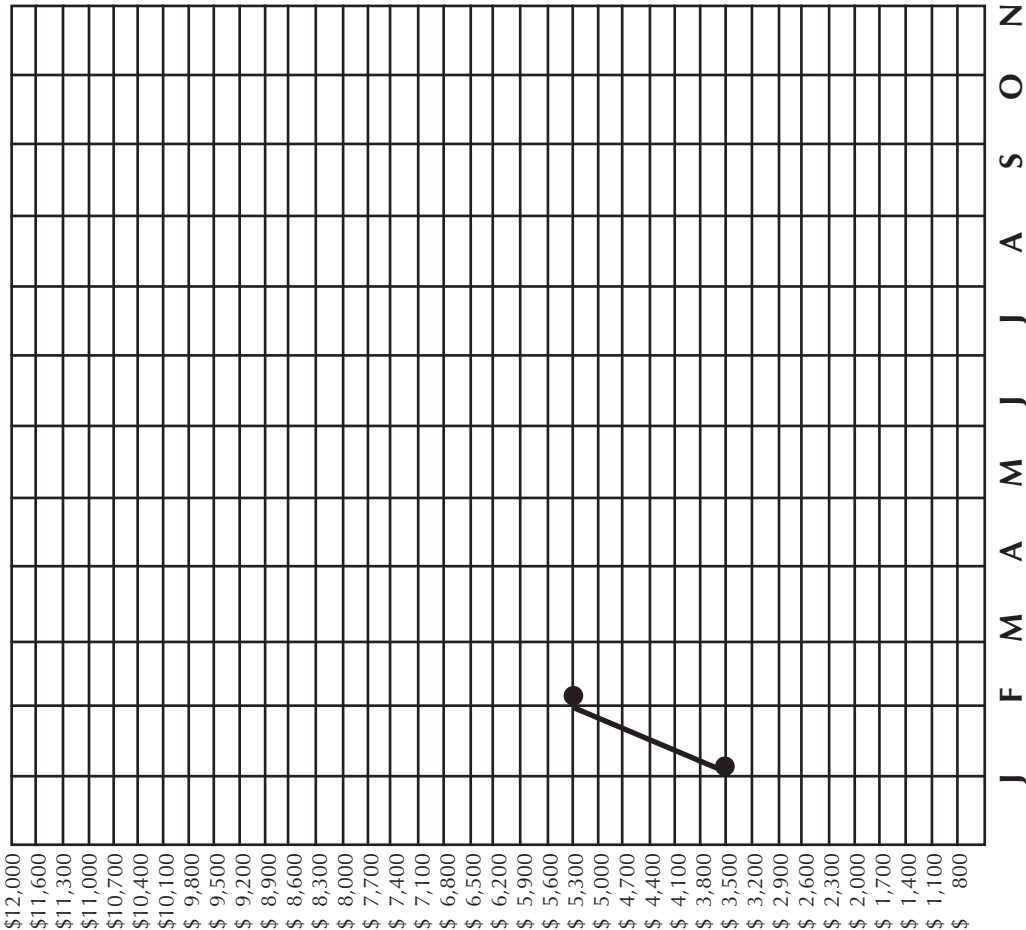
Phone-Up Sales 7 ÷ Appts. Kept 28 = .25

x 100 = 25%

Average Commission per Delivery

Commissions \$5228 Deliveries 20 = \$ 261

PLOT YOUR TOTAL COMMISSIONS EACH MONTH



MONTHLY STATISTICAL SUMMARY

CLOSING RATIOS

Ups Closing Ratio

Sales ____ ÷ Ups ____ = ____ x 100 = ____ %

Sales ____ ÷ Write-Ups ____ = ____ x 100 = ____ %

Phone-Ups Closing Ratio

Phone-Up Sales ____ ÷ Phone-Ups ____ = ____

x 100 = ____ %

Phone-Up Sales ____ ÷ Appts. Kept ____ = ____

x 100 = ____ %

Average Commission per Delivery

Commissions \$ ____ Deliveries ____ = \$ ____

PLOT YOUR TOTAL COMMISSIONS EACH MONTH

\$12,000																							
\$11,600																							
\$11,300																							
\$11,000																							
\$10,700																							
\$10,400																							
\$10,100																							
\$ 9,800																							
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\$ 1,700																							
\$ 1,400																							
\$ 1,100																							
\$ 800																							
	J	F	M	A	M	J	J	A	A	M	J	J	A	S	O	N							

Step 4

DETERMINE STRATEGIES FOR YOUR MAJOR COMPANIES

Thought:

The best way to achieve your major goals is to break them down into smaller, more manageable goals.

Thought:

Every moment spent planning saves three or four moments in execution.

Now that you've developed your business plan, it's now time to determine your success strategies for each of your major companies. As a reminder, your major companies include:

- Ups Company
- Phone-Ups Company
- Referral Company
- Repeat Customer Company
- Networking Company
- Aftermarket Company

The beauty of Automotive Salesperson, Inc. is that you don't have to make your income off of one company, which is typically called "sales." You now have six separate companies to get business from, all with their own goals and strategies for success. So, if you want each of these companies to flourish, you need to develop a plan for how you will run each company.

The following pages include some ideas to start. At the end of each section, feel free to add to the list.

UPS COMPANY

Every salesperson has the opportunity to wait on prospects walking through the door. However, the majority of the walk-ins will be serviced by new salespeople because they have the fewest numbers of repeat and referral customers, making the Ups Company their primary source of business. Nonetheless, even salespeople who have been selling vehicles for a long time should utilize the Ups Company to expand their existing customer base. Regardless of your experience level, never shortcut the process.

Greet prospects enthusiastically

The individuals who walk through the door are very important to you. They could have visited any dealership, but they decided to visit yours. And they will determine whether you get paid for your time. So, make them feel like you're really glad to see them. Thank them for taking the time out of their busy schedule just to give you the opportunity to show them a vehicle. And above all, smile! After all, you never get a second chance to make a good first impression. The greater the impression, the better your chances of selling them a vehicle.

Perform the "social courtesies"

Most people like to be waited on, especially when they are about to give someone their hard-earned money. The size of the tip given in a restaurant is normally in direct proportion to the amount, and quality of service given. The more you can make your prospect feel special, the bigger the tip you'll receive. Here are some ways to show your prospects you're willing to serve them:

- Whenever possible, open the door for them as they walk into the dealership.
- Pull out the chair for them at your desk.
- Help them off with their coats.
- Offer them refreshments.
- Keep the following items in your desk, and offer them as needed:
 - * cigarettes and matches for the smokers.
 - * gum, candy and/or cough drops.
 - * coloring books and crayons for the children.
- Become attentive to what your prospects are interested in.

Take one prospect at a time

Once you are involved with a prospect, don't be concerned about any other people who come into your dealership. Your total focus should be to give the prospect your full and undivided attention.

Don't shortcut the sales process

Larger commissions are not attained by shortcutting the sales process. Here are some tips to make each part of the routine effective:

— **Greeting**

Smile when you greet prospects. Make them feel like you are really glad to see them, and make their stay in your dealership as pleasurable as possible.

— **Gather Information**

Qualifying is a series of questions you ask your prospect, in order to gather information for you to develop a “*selling*” presentation, as compared to merely a “*telling*” presentation. When you ask a question, write the answer down to show your prospect their responses are important.

— **Product Presentation**

Show some enthusiasm when you are presenting your vehicle. After all, if you can't get excited about your vehicle, how will you expect your prospect to get excited.

— **Demo Ride**

Take a lengthy demo ride with your prospects. The longer you can keep them involved with the vehicle, the easier it will be for them to take mental ownership. Get them excited to go back to the dealership to start negotiating.

— **Negotiations**

Most people do not like to negotiate. They feel that unless they do, they won't be content with the deal you offer. Try to make the negotiating process more pleasant, with less tension. The more you can control the tension, the more relaxed the prospect will be to make the buying decision.

— **Delivery**

Make the delivery process memorable. This will be the last time your customer will see you for a while. Let your customer leave with a wonderful experience to remember you by.

Follow-up with your prospects and customers

Your ability to persuade your prospects to return to your dealership to purchase, and to get your customers to help build your referral and repeat business, will be determined by your follow-up program. The more sincerity and concern you show for your prospects and customers, the more future sales you'll earn.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ideas you can use to develop your Ups Company

PHONE-UPS COMPANY

Your ability to handle phone-ups professionally will be the determining factor for gaining additional sales per month. Individuals calling for information on the phone should be handled just like a prospect walking through the door. How you deal with their questions and concerns will be the determining factor for getting an appointment. Here are some strategies that will help make taking a phone-up more profitable:

Treat every phone-up like a walk-in customer

In the past when there were fewer carlines and business was booming, prospects were flocking to the dealerships by the busloads. Salespeople didn't have to take phone-ups as seriously as they need to now. Today, when people call the dealership, it's because they are usually very busy, and need to gather information before they spend their valuable time shopping around. Treat these individuals with the same respect as you would prospects walking through the door.

Answer the phone with enthusiasm and create a sense of urgency

People on the other end of the phone can't see what you look like. All they know of you is how you sound. So, when you answer the phone, sound like you're glad they called. Now comes the important part. You need to give them a sense of urgency to come into the dealership. You can accomplish this by saying the following:

Salesperson: *Thanks for calling. This is Mike, how can I help you?*

Prospect: *I'm calling to see if you have any "X-Cars" in stock?*

Salesperson: *Oh, are you calling on the "X-Car" sale/promotion?*

Prospect: *No, but what is the "X-Car" sale about?*

Salesperson: *For the next several days, we're offering some of the finest deals on virtually every "X-Car" in stock. Would this be something you'd be interested in?*

Have a fluid, steady paced presentation

I believe that if you want to be more successful, you need to start scripting your presentations. Most salespeople don't like canned presentations because they sound like they're reading them off the page. The only reason they sound canned is because salespeople don't practice them. The more you practice, the more fluid they become. If you want to make more money in sales, you can't just say whatever comes out of your mouth

and expect it to work. You need to have a planned presentation for each situation that produces results.

Remain in control by asking questions

Your prospect has an agenda when he/she calls on the phone, and will likely want to stay on that agenda for fear of being taken advantage of by the salesperson. You can gain the control back by asking the prospect questions. This keeps the prospect involved and at the same time gets you the information you need to do your job professionally.

Strive to set an appointment with everyone

Do not answer the phone just to provide information, or to act as the liaison between the prospect and the dealership. If you're going to take the time to answer the phone, go that extra step and try to set an appointment. If you can convince your prospect to come in and see you, you have moved one step closer to making the sale. Now, I've had salespeople tell me, "Mike, I don't have trouble setting an appointment, I have trouble getting them to keep the appointment." Once you've set the appointment with your prospect, solidify the appointment with these three questions:

1. *Now, is there any reason why you wouldn't be able to keep this appointment?*
2. *Will you be writing this appointment down in your appointment book, or would you like me to call you ahead of time to remind you?*
3. *If for some reason you can't keep this appointment, would you at least give me the courtesy of a call so I can put someone else in your time slot?*

Offer to take the vehicle to their place of employment

If your prospect can't come into the dealership because of time constrictions, offer to take the vehicle to where they work. They can see what they're interested in without the pressure of buying, and maybe some of their co-workers also will want to look, which may gain you additional business.

Log every phone-up

When you take a phone-up, you should log information on every prospect you talk to. At the very least, you should obtain a name and phone number for follow-up purposes. Then every morning, review all phone-ups to see what deals you may be able to put together.

Follow-up by phone within 24 hours

No matter what the situation is, you should follow-up with every prospect within 24 hours. Keep in mind that if the prospect called you, he/she may be calling other salespeople at other dealerships. If you have a name and phone number, this prospect is yours. You're the one who wants the sale. So, don't let this person get followed-up by another salesperson first.

Send a follow-up letter

If you were assertive enough to also get an address, send the prospect a 24 hour follow-up letter. This may just be what separates you from every salesperson he/she calls. An example of this letter can be found on page 232.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ideas you can use to develop your Phone-Ups Company

REFERRAL COMPANY

There is a natural tendency among people to share their positive experiences with others. We see a great new movie and we recommend it to our friends. We discover an excellent new product or a new store, and we tell others about our positive experience. We meet a salesperson who exemplifies the type of person we want to deal with, and we tell our friends. As long as you continually exceed customer satisfaction, you can expect to receive some referrals. However, you need to have a strategy for building your repeat and referral customer business. Here are some suggestions you can use to make this happen.

Build partnerships through lasting relationships

The major source of referral business is derived from satisfied customers. If you are perceived as a genuinely sincere, trustworthy, caring, helpful and an honest salesperson, the rapport you build with every buying customer can pave the road for future sales. Remember, customers will share positive buying experiences with others. If you create relationships, and true business friendships, each side of the partnership will continually work to serve the other.

Manage the tension in the sale

One of the greatest obstacles to effective selling is tension between the prospect and the salesperson. If you can reduce the tension by making the buying experience enjoyable, you will increase the likelihood for referral and repeat business.

Remind your customers to give you referrals

Even though your satisfied customers may intend to tell their friends and relatives what a great salesperson you are, what a great dealership you work at, and what a great car they bought, it may not be foremost on their minds. Your role is to continuously remind them that your income is primarily based on referral and repeat customer business.

Train your customers on your referral process

It's not just enough to casually ask for referrals. You need to be specific. For example:

- Identify the kinds of prospects you are looking for to help the customer think of specific people, such as:
 - * People needing a new car.
 - * People needing a used car.
 - * People whose vehicles have just been in an accident.
 - * People whose leases may be coming due.
 - * Children who are attending college and need a good used vehicle.

- * Children who are celebrating a 16th birthday.
- * People whose vehicles are experiencing high repair bills.
- Explain the benefits to both the customer and the prospect, such as:
 - * The guarantee that the referral will receive the same type of outstanding respect and service you gave the customer.
 - * The opportunity to eliminate the dual stress of shopping for a vehicle and a salesperson.
 - * The guarantee that the salesperson is trustworthy.
 - * A nice gift of appreciation if the referral buys a vehicle.
- Determine the customer's preference for getting in touch with the prospect.
 - * Customer gives name and number, and salesperson calls.
 - * Customer gives business card to referral.
 - * Customer telephones referral.
 - * Customer provides information but requests that salesperson sends an introductory letter before making the call.

Ask for referrals at the appropriate time

The best time to ask for a referral is at the peak of satisfaction and excitement, such as:

- When your customer is taking delivery of the new vehicle.
- When you call to follow-up after delivery.
- When the customer has just praised you for something you have accomplished.
- When you've been informed that the vehicle is performing well.
- When the service department has been praised.

If you're going to ask for referrals, make sure you've earned the privilege.

Contact your referral in a professional manner

If you are going to be calling the referral by phone, try to learn as much as you can about the individual to help *"break the ice"*. The call should include this sequence of elements:

- Clearly identify who you are, and the dealership you are calling from.
- Indicate that you are calling at the suggestion of the current customer.
- Pause and give the prospect an opportunity to respond.
- If the prospect does not jump in at this point, describe in a general sense how you have assisted your current customer and how you would be happy to help the prospect as well. Keep your mention of the current customer very general, such as: *"I have had a wonderful working relationship with Mr. Jones, and he suggested you may also need my assistance with the purchase of a vehicle."*
- Move to an investigation of the prospect's needs.

Don't forget to follow-up with your original customer who gave you the referral

The last step in the referral process is to thank the customer who provided you with the referral. This can be either a phone call or a letter in which you say to the customer:

- You have contacted the prospect.
- It appears that you will or will not be able to assist the prospect.
- You appreciate the referral.
- You are willing to do anything you can to continue to meet the customer's needs, and
- You reassure the customer that strict confidentiality will be maintained.

If your referral buys, remember to honor your commitment of a referral gift. This follow-up ensures a continuing stream of referrals, and strengthens the customer's commitment to you and your dealership.

Use your "Circle of Influence" to attract more referral business

By networking with friends and acquaintances, who have their own circle of friends and acquaintances, you can expand your potential for referral prospects. Here are just a few places to start promoting your referral business:

- Churches and social groups
- Community service groups (Lions, Elks, etc.)
- Educational or self-improvement groups
- Local business organizations (Chamber of Commerce, etc.)

Let these people know that you sell cars/trucks and that you would like to meet their friends. Remember, people prefer to buy their vehicles from salespeople they know and can trust. Don't overlook the many opportunities that await you.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ideas you can use to develop your Referral Company

REPEAT CUSTOMER COMPANY

It's not just enough to only sell one vehicle to your customers, because taking fresh-ups all the time is a hard way to earn a living. To secure your income, you want your customers coming back. You also want to earn their families' and friends' business as well. How do you make such a good impression on people that makes them want to continue doing business with you? You go above and beyond the normal customer/salesperson relationship and give them the kind of service they could never experience elsewhere. Here are some tips that will help you make that lasting impression with your customers.

Express thanks with a personalized letter

After making such an important sale, don't respond with a preprinted "Thank You Card." In my opinion, these cards do nothing towards building strong future business relationships. All they actually say is, *"Thank you for your purchase — here's my business card. If you know of anyone interested in purchasing a vehicle, please send them my way."* Instead, send a personal message that expresses how much you enjoyed doing business, reminders about operating and caring for the vehicle, and the desire to continue to be of service to them. Since continuous follow-up is important for developing repeat and referral business, you need to devise other reasons to remind your customers that you will always be there for them.

Develop "ground-rules" for building customer loyalty

Within your thank you letter, you should also lay down the **ground-rules** for doing business in the future, such as:

- *"If you need to bring your car in for service, call me first."*
- *"If you need a ride home or to work from service, check to see if I'm available to drive you."*
- *"If you're interested in purchasing another vehicle, new or used, call before coming in to set an appointment with me."*

You need to define these and other ground-rules because customers often interpret loyalty as merely returning to the same dealership and not necessarily to the same salesperson within the dealership. You want your customers to think of you as their **"Car-Guy/Gal"** which means that they don't make a move regarding their vehicle without consulting you first.

Create additional reasons to follow-up

Traditionally, salespeople follow-up with their customers 3 days and 30 days after the sale. This, virtually, is all the follow-up they do. The excuse is that they have no other reasons for following-up other than to inquire about the vehicle. Here are

some ways to follow-up with your customer:

- Call in 3 days
- Send a 3 day thank you letter
- Call in 30 days
- Call in 90 days
- Call in 6 months
- Call in 1 year
- Call customer and spouse on their birthdays
- Call the children on their birthdays
- Call the customer and spouse on their anniversaries
- Call to sell additional aftermarket products
- Mail your customers a newsletter
- Call to ask for referrals
- Call to remind your customers of lease expirations
- Call to remind your customers of retail contract expirations
- Call to see if anyone in the family needs a used vehicle
- Call to remind your customers of service appointments
- Call to inquire of other vehicles in household

Send your customers a newsletter

After closing out the previous month's business, take some time to develop a newsletter. If continuous calling makes you uneasy, a monthly newsletter will serve the same purpose by keeping your name alive. Ask your dealer to pay the costs. After all, the dealership benefits when these customers return to buy again. Here are some items you can include in your newsletter:

- pertinent information about you and your family
- new vehicles arriving soon
- new interest rates
- used vehicles on your lot
- special offers on aftermarket products
- car-care tips
- announcements of customers' birthdays
- recipes
- coupons to redeem at your customers' businesses

A sample copy of a newsletter can be found on page 233. It was created from a template that can be found in any popular page-layout program.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ideas you can use to develop your Repeat Customer Company

NETWORKING COMPANY

Although the word *networking* or the outdated term, *prospecting* makes most salespeople twinge when they hear it, they twinge even more when they have to do it. But soon you'll learn that all successful salespeople have some method of networking that works for them. Here is a list of ideas that might help you earn extra income. Just learning about them won't be enough. You'll have to at least give some, if not all of them, a try. And when you do, don't do them with the attitude that they're not going to work. Go in with all the enthusiasm you can muster to make them work.

Calling from the phonebook

When you're making calls from the phonebook, what you say is not as important as making the call itself. You simply want to get lucky and find an individual who needs a vehicle. Keep this type of perspective to help alleviate the pressure of turning every call into a sale. You don't want to appear as if you're trying to force this person to buy a vehicle from you over the phone. Someone's going to purchase a vehicle soon, you're just trying to be there when they do.

Service calls

One of the easiest ways to prospect is to work cooperatively with your service manager to obtain the "hard copies" of service work being performed. When you notice a vehicle with high mileage or a large repair order, you can give this customer a call as a representative of the dealership and inquire whether they would be interested in trading their vehicle in on a newer one.

Orphan files

Stuck in the back room are files from years back. An easy way of networking is to call customers who purchased or leased their vehicles more than two or three years ago from salespeople who are no longer there. These customers are prime candidates for new vehicles since most people trade in their vehicles before their finance contracts are paid off or after their leases expire.

Referrals from present customers

Whenever you talk with one of your customers, for whatever reason, try finishing your conversation with, "*By the way, do you know of anyone who might be interested in purchasing a new or used vehicle?*" If you have done a great job of making friends with your customer, he/she will be glad to give you referrals. People always feel more comfortable when they're referred to, or by, another friend.

Pass out business cards

Passing out cards is an indirect method of networking as compared to talking with someone firsthand. Make sure you hand your business card to everyone you come in contact with. Put a business card: • in every bill you mail; • in the fish bowl at the restaurant for a free lunch; • on every cork board you pass by. The more cards you pass out, the more people will know that you're in business to sell a car.

Business and social clubs

A club is simply a gathering of people participating in a specific function. The more people you know and become associated with, the more opportunities you'll have to sell cars. Many business dealings are performed within these types of assemblies. You may as well become involved in some of them.

Visiting businesses

When times are slow, with the permission of your sales manager, personally visit the businesses in your surrounding area. These are excellent candidates for leasing and referrals. It's always a good idea to carry brochures and business cards with you in case they are interested in a certain vehicle. Any questions they may have should be responded to as quickly as possible, since that's the way they will want to do business with you. Give their needs special attention because business people prefer to buy from salespeople who are referred to them.

Mailout program

Since I owned a computer, one of my favorite ways to network was through a mail-out program. Each time I chose a different area, and I would state in the letter that I would follow-up with them in three days. This gave them an introduction to me and also paved the way for my call so it would not be a surprise. The idea for this type of program is to make it easier to make a cold call. It's not meant just to send out a letter with no follow-up call. This would not be very productive.

Newspaper advertising

From time to time, I have seen salespeople place small, business card type ads in local newspapers with their photograph included. This type of advertising, when done on a consistent basis, will get a lot of people to become familiar with you and possibly consider you for their next purchase. Of course, this type of networking will depend on how much money you have and how much you want to spend. My advice is to keep your investment to a minimum since you'll want to consider longevity more than flash.

Calling on specific groups

Certain groups will tend to buy specific types of vehicles. For example, lawyers will lean towards the higher priced, luxury vehicles as compared to the smaller, inexpensive models. So, for example, if you are selling luxury vehicles, you might want to spend your time contacting the groups of individuals who would normally buy this type of vehicle. Be ready to take your car to their business if they show an interest, since these individuals are usually restricted by time. Whatever help and personalized services you can provide them will make it easier for you to get the sale.

Remember, whichever method of networking you use, the most important thing is to be consistent. This keeps your mind on your work which will help you stay sharp and positive.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ideas you can use to develop your Networking Company

AFTERMARKET COMPANY

There is a million dollars worth of aftermarket inventory for a salesperson to sell, and yet most salespeople hardly sell any aftermarket products at all. I've heard excuses like:

- *“It’s hard to sell aftermarket products on a lease.”*
- *“I asked, but they didn’t want anything.”*
- *“They were already at the monthly payment they wanted.”*
- *“The vehicle already had some aftermarket products on it.”*

I'm sure you've heard some other excuses yourself. But the fact is, aftermarket products can turn a small deal into a much larger one. If money is important to you, then you must become really good at selling aftermarket products. Here are some tips that may help you:

Set your goals and create your plan

It's not enough to just want to sell aftermarket products, you need to set goals for how many aftermarket products you want to sell, and then track these numbers every week. Don't just leave this additional income to "pot-luck." Instead, have your goals, and a plan-of-attack on how to reach these goals, and your chances for making additional income per sale will increase dramatically.

Once you take the deposit and give the receipt, open your Aftermarket Company

Your Aftermarket Company is a different mind-set than selling the vehicle. Many salespeople want to exit their customers quickly fearing they'll change their minds. But if you've done your job properly, built tremendous rapport and have your customers at their peak of excitement, you should not be afraid to sell aftermarket products. I've seen many customers buy a truck, for example, and a month later come back with \$1000 worth of accessories from the auto parts store. Why didn't the salesperson sell those accessories? It's your job, as their automotive consultant, to recommend additional products that will give them more enjoyment, or make their lives easier.

Have an “Aftermarket Binder”

It's one thing to talk about a product, it's another to show a picture. Have a binder filled with every aftermarket product you can sell, and review it with your new customer. If you don't have any pictures, you can call the product's company directly and ask them for one. I'm sure they will be glad to oblige. Place the pictures in a plastic insert so they'll look professional. Remember, a picture is worth a thousand words.

Quote all of your prices in monthly payments

If your customer is financing or leasing the vehicle, don't quote them the price of the aftermarket product in total dollars, quote them the cost in monthly payments. After all, the customer will not be giving you \$400 for a pop-up sunroof, the customer will only be paying \$15 per month. Have your payments in 24, 36, 48 and 60 month increments for both retail buying and leasing. That way they'll always be readily available without having to compute them in front of your customer.

Don't ask, suggest

If you truly are their sales consultant, and your job is to counsel them on the purchase of their vehicle, then don't ask them if they want a certain aftermarket product, suggest that they get it. Listen to these examples from two different salespeople:

Salesperson #1 *"Would you like a sunroof on your vehicle?"*

Salesperson #2 *"Mr. Customer, you know what would look good on this vehicle? A sunroof! Why don't we go ahead and have one installed. It will only cost you another \$15 per month."*

Script your presentations

If you want to become really strong at selling aftermarket products, you should script your presentations. You don't want to take the chance of losing additional income by giving your customer a presentation that's unprepared. Once your presentation is scripted, then practice it so that your voice, eye contact, facial expressions and hand gestures are so good, your customer will have no choice but to buy from you.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ideas you can use to develop your Aftermarket Company

Step 5

DEVELOP YOURSELF A MARKETING STRATEGY

Thought:

Your customer has a free choice, and only by supplying what the customer wants, and not by your efforts to impose your product, will you get your maximum share of the market's potential.

Now that you have a business plan, it's time to determine how you're going to market yourself into more sales and commissions.

If you're going to be a successful businessperson, you'll need to become an excellent marketer of yourself – not of your vehicle or your dealership, but of yourself. To start your thought process, ask yourself this question: For as long as you've been in auto sales, could you conceivably still have these people who don't know you sell vehicles?:

- Family
- Friends and acquaintances
- People on your sporting teams
- People in your church
- People you do business with like your dry cleaners, grocery stores, gas stations, insurance agents

And if they don't, why don't they? Auto sales is your livelihood – it's the way you make your money. The fact is, you're not just selling basic transportation, or expensive pieces of metal, you're selling dreams. You should want to tell everyone you sell vehicles.

The key element to winning in the business of auto sales is the same as in sports — preparation. Winning teams don't just start playing, they have a game

plan before they step onto the field and they know what they're going to do before the game even starts. The same is true for successful salespeople. They have a game plan too — a business plan. Both of these plans lay out what needs to be done in order to be successful.

A marketing plan is an integral part of any business plan. What you're trying to determine through your marketing plan is how you're going to get your business started, keep it going, and continue to make your business grow. In order to determine this you need to set your objectives, develop your strategy, evaluate your results, and then, on the basis of how you did, set new objectives for the coming year.

This plan isn't going to be based on wishful thinking, but on facts. This is a major reason why you must understand the numbers of your business. These numbers will give you much of the information you'll need to develop a successful marketing strategy. Once you know the numbers, you're then ready to start developing your plan. Here are some areas to consider:

Objectives — What do you want to accomplish?

Preparing for success in your business begins with knowing what it is you want to accomplish. It may be an increase in sales and commissions, selling more after-market products, or networking for additional business.

Strategy — How will you achieve your objectives?

Once you know what you want your business to accomplish, you're ready to plot your strategy. You can begin by determining what other salespeople are doing in their businesses, and setting your standards higher. By also evaluating the strengths and weaknesses of yourself and your business, you can begin to see areas of opportunity that you can benefit from.

Tactics — How will you play the game?

Having a winning strategy won't lead to success unless it's put into action. Your tactics will be your day-to-day actions, the steps necessary to implement your strategy.

Evaluation — Keeping score.

It's time to determine if your strategy is working. This is done by monitoring the results you've achieved, and comparing them to your objectives. If what you're doing is working, keep it up. If it's not, even if you're comfortable with it, consider making any changes necessary to get where you want to go.

Never throw away unsold prospects

If a prospect buys from another dealership, the typical salesperson will just throw this prospect away. But realize you have something just as important as a sale, – you have information. This information gives you the opportunity for follow-up, because the rule is: *Just because the prospect doesn't buy from you today, doesn't mean he/she won't buy from you tomorrow.* What if their salesperson doesn't do a good job, and you were to consistently follow-up. Could you have the opportunity to get her business when her lease or retail contract comes do? Not only that, there may be other opportunities before the expiration date:

- the vehicle gets stolen
- the vehicle is involved in an accident
- the family needs a second vehicle in the household
- the 16 year old wants a used vehicle for his/her birthday
- the 18 year old needs a used vehicle for college
- the client has a referral

So put these prospects in your database also, and follow-up with a newsletter on a monthly basis, just the same as you would your current clients.

Develop a business card program

Business cards are an excellent marketing tool. I've heard of salespeople who would put 20 business cards in their pocket, and would not go home until all 20 are passed out. Here are some other ways to use your business cards:

- put one in the fish bowl at the restaurant for a free lunch
- put one on every bulletin board you see
- put one in every bill you send to your creditors
- give several to your clients when they take delivery
- have a referral program printed on the back of each card
- pass out business cards at a networking event

Call prospects in 30 days if they purchase from another dealership

Once you learn that your prospect has purchased from another dealership, put that individual in your 30 day file, and make a 30 day follow-up call. It should sound like this:

"Hi Mrs. Jones, this is Mike at ABC Motors. How are you today? Mrs. Jones, I know you purchased a vehicle from another dealership, but I was just thinking about you today, and thought I'd give you a call to see how you're doing. Is everything OK with your vehicle? Are they taking care of your needs? Well, if you should ever need anything, please feel free to give me a call."

The reason I make this call is that there's always the possibility Mrs. Jones' sales person might not make the call. And if she has a referral to give, maybe she'll give

Develop relationships with businesses in your area

When times are slow, don't be afraid to take some brochures and business cards to local businesses, and talk to them about purchases and fleet sales. You'll never know when someone is ready to purchase.

BUSINESS DEVELOPMENT WORKSHEET

List some other ways to develop a Marketing Strategy

Step 6

WRITE A DAILY PLAN

Thought:

Most people don't plan to fail, they just fail to plan.

Thought:

People who are goal conscious don't spin their wheels. Their purpose is not to look and feel busy, but to achieve.

Your daily plan will be just as important as your business plan. It will help you determine how you'll occupy your time throughout a typical day to be more productive.

A typical salesperson will do 2-3 hours of productive work per day. And when I use the word "productive" I'm always talking about *profit generating* work. What if a salesperson did 5-6 hours of productive work per day. Could this individual make more money? The ultimate response would be an astounding **yes!**

For example – let's say that it rains all day today, and the chances are low that the dealership will be getting much traffic. What will you do? Will you lean against one of the vehicles on the showroom floor looking out the window, waiting for the one magical person to walk through the door who will make your whole day? Or will you have a daily plan ready to develop your business? The difference between the two will determine how successful you become.

On the following page is a list of many areas of work that can be accomplished on any given day. Review each one, then begin to develop a plan that will ac-

DAILY LIST

- Write a "things to do" list.
- Take my "want list" on an inventory walk for both new and used vehicles.
- Review my previous phone-ups to see what sales I can put together.
- What appointments do I have for today?
- What deliveries need to be done?
- Review my "hot file" to see what sales I can put together.
- What aftermarket products need to be installed?
- What dealer trades need to be done?
- What follow-up calls need to be made?
- What mailouts do I need to send?
- What networking will I do today?
- What vehicles do I need to get ready for delivery?
- Send out follow-up letters.
- Do my ASInc. numbers at the end of the day.
- Take vehicles over for prospects to view.
- Clean up my database.
- Straighten up my desk.
- Study my product knowledge.
- Practice my presentations.
- Write scripts for objections and presentations.
- Complete my "pre-delivery" checklists
- Make some "relationship building" calls.
- Move the inventory around.
- Practice my demo ride presentation.
- Straighten the key rack.
- Work the service aisle.
- Call some "orphan files".
- Visit another dealership.
- Create a newsletter for my prospects and clients.
- Send out birthday cards or faxes.
- Check my paperwork for errors.
- Get items to complete my paperwork.
- Verify insurances.

EXAMPLE OF MORNING PLAN

- Come into work and get a cup of coffee.
 - Take my coffee with my “want list” and walk both new and used inventory.
 - Come back and call prospects if I find a vehicle to sell.
 - Check my phone-ups to see which deals I can put together.
 - Check my “hot file” to see which deals I can put together.
 - Get vehicles ready for delivery.
 - Make my follow-ups calls.
-

NOW, DEVELOP YOURSELF A DAILY PLAN

Step 7

ORGANIZE YOURSELF FOR INCREASED PRODUCTIVITY

Thought:

If you're going to want to do more business, you'll need to become more organized.

Now that you've had some time to develop your business plan and marketing strategy, let's begin looking at your organizational practices.

Organization is a word that falls into two categories within vehicle sales. The first has to do with the way you organize your time away from the dealership, and the second consists of a systematic process of doing business. Both are very important and should be studied, as well as practiced.

Why is it important to be organized? I must admit that I have encountered salespeople who had sloppy business practices, seldom made follow-up calls, and still managed to make a decent living. But these are isolated cases and exceptions to the rule. The most successful people in any profession are individuals who have good organizational skills.

To be organized means to be systematic, to plan ahead, to use your time at home and at work efficiently and effectively.

Organization gives your life purpose and direction, and the structure and raw energy needed to succeed. The more organized salespeople become, the more confident, alert and sharp they remain. Because life

has become so fast paced, it's important to have a system to help make your days, weeks, and months flow smoothly.

Paper Organizers

There are many organizers on the market. If you go to any office supply store, you will find general organizers that are basically expensive things-to-do lists and appointment calendars. These are fine if this is all you want. But if you want to become really productive in your organizational efforts, and by productive I mean "profit generating", then you'll need an organizational planbook that is strictly geared toward automotive sales.

Computerized Organizers

Computerization is here to stay. It is a valuable tool for any salesperson who wants to get maximum productivity in the workplace. Being able to manage a customer database, calendar and word processor all in one piece of software will take your business to the next level. Though the learning curve may be a little high for the computer neophyte, the results will far outweigh the initial efforts.

But before you decide on the type of organizer, you need to determine what it is you need to organize in order to make your business more productive. Organization for the sake of keeping things straight may not be enough. And if you don't want to go through the expense right now, there are some lists you can keep that can make your organization "income producing."

Phone-Up List

The customer who calls your dealership by phone is like money in your pocket. Many salespeople simply write the valuable information received on the back of a business card, on a scrap piece of paper, or somewhere on a desktop calendar. To make this process more rewarding, you should have a separate phone-up list. This list should be looked at every morning to see what deals you can put together. You should treat this prospect just like the one coming through the door.

Want List

A want list is a list of vehicles your customers want that you currently don't have. The moment you come into the dealership in the morning, get yourself a cup of coffee, and take your want list on an inventory walk, both new and used. New vehicles arrive daily, and used vehicles are taken in on trade that you are not aware of. By taking this inventory walk, you can compare your want list with new arriving vehicles, and develop business that you wouldn't have without it.

Follow-Up List

Following-up with your prospects and customers is done for one reason — to develop future business. This makes your follow-up list a very important tool for your future earnings. If you run your business with the idea that everything you do today directly affects your business two and three years from now, your goal is to develop deep business relationships with your prospects and customers. This can only be accomplished with an effective follow-up program.

These three lists have a direct bearing on your income, so they should be taken very seriously. But there are several other lists that will make your business run smoother.

Things-To-Do List

Even if organization may not be a priority, the very least you should do is create a “things-to-do list.” Every morning when you come into the dealership, or before you leave work in the evening, write down all the things you need to accomplish the following day. You may also want to prioritize them according to *most important* and *least important*, so you can take care of those tasks that require your immediate attention. Once a task is completed, cross it out with a yellow highlighter, as compared to scribbling it out with a pen.

Ups List

Keep track of information received from anyone that walks through the door. As a successful business person, you should gather as much information as you can about your future customers. You never know when this information can be used to develop a sale.

These lists are your organizational plan for the top of your desk. You also need to be concerned about files inside your desk. Here a few to consider:

Hot File

Your hot file includes prospects who are planning on buying a vehicle within the next 6 months. You should review this file every morning to see what deals you can develop.

Sold File

You may want to have several sold files — possibly one in alphabetical order and one by months. The only time you should have redundant files is if you need them to increase your organizational efforts, and make you more productive.

Dead File

If you don't make the sale for whatever reason, whether you can't get them financed, or they purchased a vehicle from someone else, you never throw papers away. Put these prospects in a dead file, because you'll never know when this file will come to life.

Information Files

Any information you find on your vehicles or your competitors, you should keep in an information file. This will not only increase your knowledge, but may be used to make a sale.

Organization is not the easiest thing to accomplish, and may take your full attention at the beginning. Till you reach the point of *organizational nirvana*, at least ask yourself these six questions before you leave work. This will start your thinking in the right direction:

- What appointments do I have for the next day?
- Which vehicles need to be cleaned for delivery?
- What aftermarket products need to be installed?
- What deliveries do I have?
- Which dealer trades need to be done?
- With which customers do I need to follow-up?

Organize Your Time at Home

Because it often becomes very difficult to isolate the pressures of your job from your personal life, it's important to make organization an inherent part of your daily routine. Make a conscious, systematic effort to increase the pattern of organization that enters into your business life. This should start before you go to sleep each night.

When I was a sales manager, one of my pet peeves was a salesperson coming to work late. I've always felt that an employee's first responsibility to his/her company is to come to work on time. So, before you end your day, take a few moments to think about some of the business you wish to take care of the next day. Give yourself plenty of time to wake up so that you don't have to rush to work. It's important that you start your day on the right foot. When you wake up, allow a portion of your morning for exercise. By stimulating your body and your mind, it's a proven fact that you will be more refreshed and more capable to handle the day's business. Have a small, healthy breakfast to nourish your body. It will give you the energy needed to take you through the morning, the time of day where most of your mental work takes place. Make sure that your clothes are properly pressed to give you that neat and professional appearance. And as you leave the house, mentally go through a checklist to make sure you have all the materials you need for work —

pens, nametags, books, etc. It's very easy to forget these things, or details like turning off the lights and coffee pot, if you don't take the time to go through this type of mental checklist.

- **Organize Your Time in the Car**

On your way to work, mentally review what you wish to accomplish during your business day. If you own a cassette player, listen to sales, business and motivational tapes. The difference between a \$20,000 per year salesperson and the one who makes over \$50,000 is the amount of time and effort put into his/her business. Getting your head straight before you walk through those doors will set the tone for the rest of the day. It stands to reason that if you start work with a sluggish, negative attitude, that's pretty much how the day will be. But if you're uplifted, sharp, and ready to work, nothing will stand in your way.

Keep in mind that no one said it was going to be easy. Getting organized does take a conscious effort and a lot of practice. The routine doesn't have to be perfect, but if you understand how important it is to have one, I'm sure you will realize that the efforts of your labor will help you start the day properly.

Complete this checklist of supplies to get you started:

- | | |
|--|---|
| <input type="checkbox"/> Pencil tray organizer | <input type="checkbox"/> Calendar |
| <input type="checkbox"/> Scissors | <input type="checkbox"/> Organizational planbook |
| <input type="checkbox"/> Paper clips | <input type="checkbox"/> Business cards |
| <input type="checkbox"/> Stapler | <input type="checkbox"/> Business card holder |
| <input type="checkbox"/> Staples | <input type="checkbox"/> Laptop computer |
| <input type="checkbox"/> Pens and Pencils | <input type="checkbox"/> Dealership letterhead |
| <input type="checkbox"/> Ruler | <input type="checkbox"/> Dealership envelopes |
| <input type="checkbox"/> Manilla folders | <input type="checkbox"/> Post-It notes |
| <input type="checkbox"/> Hanging folders | <input type="checkbox"/> Scrap paper |
| <input type="checkbox"/> Dealership forms | <input type="checkbox"/> Gum and candy |
| <input type="checkbox"/> Change for drinks | <input type="checkbox"/> Coloring books and crayons |
| <input type="checkbox"/> Cigarettes and matches | <input type="checkbox"/> Gameboys |
| <input type="checkbox"/> Scotch Tape and dispenser | |

BUSINESS DEVELOPMENT WORKSHEET

Make a list of areas that need to become more organized.

Step 8

GAIN THAT COMPETITIVE ADVANTAGE

Thought:

The ability to learn faster than your competition may be the only sustainable competitive advantage.

Thought:

It is not the increasing competition; it's going back to working hard that most of us complain about.

Your business will flourish if you find ways to gain a competitive advantage over your competition. Many salespeople base their entire selling process on three things:

- The Price
- The Vehicle
- The Dealership

If you are basing your sale on these, it may not be enough to give your prospects enough reasons why they should buy from you. So before you let your prospect leave the dealership without buying from you, ask yourself this question:

“What makes me different from every other salesperson out there?”

Because let's face it, if you're not doing anything different than other salespeople, why should they buy from you? It's not going to be because of the vehicle, because everyone has nice vehicles. It's not going to be because of price, because no matter what price you give them, everyone can beat it. It's not going to be because of the dealership, because most people will either buy close to home or close to work. It's not going to be because of safety, because all vehicles have plenty of safety features.

It needs to be something you did to make them want to buy from you. Your prospect needs to be able to say, *"I know I got a better price from that other dealership, but I want to still buy from Mike, because of the way he made me feel, because of the time and patience he took with me, because of the way he made the experience enjoyable for me."*

So what can you do to set yourself apart from every other salesperson? Here are 20 ways to start your thinking on how to gain that competitive edge:

Start with a positive attitude

Attitude is everything. The attitude you have the moment you wake up in the morning will determine your mental and physical state for the rest of the day. Your attitude will be a powerful tool toward your success.

Set your standards high

If you had to create a 60 second advertisement to give to your prospect about yourself, how would you want to be represented? However it is, make sure you represent honesty, sincerity, loyalty, and always convey fair business practices.

Become friends with your prospect

Friends buy from friends, even if they're not good salespeople. We want to buy from people we feel comfortable with. Make friends with your prospect before you try to sell him/her a vehicle.

Be an expert

People love doing business with experts. It gives them a security they're not likely to find with an amateur. Are you an expert in your business? Do you know everything there is to know about your vehicles, as well as your competitors? Are you up-to-date on what your manufacturer is planning in the future. If you can give your prospect information other salespeople can't, it might give you the edge you need.

Make your prospect fall in love with vehicles again

The American people used to have a love affair with their vehicles. Over the years, this love affair has vanished, and people hate the process of buying. What would happen if a salesperson gave this love affair back? Could that cause their prospect to buy from him/her?

Write-up everyone

It doesn't matter whether your prospect is ready to buy now, coming in for a brochure, or planning to wait six months. Write-up everyone. The more write-ups, the more sales. You'll never know whether seeing the figures on paper will give your prospect a greater sense of urgency, and cause him/her to buy now.

Show your prospect common courtesies

We all want to be made to feel special. When you meet a prospect, go out of your way to make your prospect feel better than they could feel at any other dealership. Open the door when they come in, pull out the chair when they sit at your desk, help them off with their coats, offer them refreshments, chit-chat about things they want to talk about.

Be enthusiastic

When your prospect arrives at the dealership, act like you're really glad to see him/her. Remember, your prospect took time out of the day to visit or call your dealership. Make the prospect feel like you really appreciate it. Your enthusiasm will set the tone for the rest of the relationship.

Make your prospect feel like you really care

Someone once said, *"A person will never care how much you know, until they know how much you care."* Caring shows your prospect you're more interested in fulfilling their needs ahead of your own. In essence, you're not there to sell them a vehicle, you're there to help them buy one.

Be a consultant, not a salesperson

People are used to dealing with consultants more than salespeople. A lawyer consults with the client to recommend a course of action. A doctor consults with a patient and suggests a remedy. Consultants are respected much more than salespeople. Become a consultant to your prospect on purchasing a vehicle.

Get your prospect involved

You can get your prospect involved in several ways. Ask closing questions to get them to respond with a "yes." Have them touch the vehicle, open the doors, feel the seats. The more your prospect becomes physically and emotionally involved with your vehicle, the greater the chances for the sale.

Get excited about your vehicle, your occupation, and your dealership

Many people in the world have to settle for a boring job, and find life to be the same. They enjoy being around individuals who have a zest for life, love their jobs, and have a bright outlook. If you give your prospect a little excitement, maybe it will be just the thing that causes them to buy from you.

Show the prospect your testimonials

You likely have customers who love you, love your dealership, love their car. Ask for a testimonial to show your prospects. When they see other customers who are happy they bought from you, it might give them the necessary incentive to buy also.

Introduce your prospect to your manager

Introducing your prospect to your manager is not a sign of weakness, it's a sign of strength. People like meeting the boss. It makes them feel special to know that the manager would take the time out of his/her busy schedule just to thank them for coming in. He/she may also be able to ask some strategic exiting questions that may clinch the deal.

Tell your prospect you don't want them to shop you

When your prospect is ready to leave the dealership, tell your prospect you don't want them to shop around, and why. Even if they are still planning on shopping, it may show them you're sincere about getting their business, especially if you have good reasons why they shouldn't shop. They may just come back to buy from you.

Give them your bio

You learn a great deal of information about your prospect, but what do they actually know about you? If you're trying to build an equal relationship, give your prospect a bio of yourself. It will tell them who you are, and give them something to take with them as a reminder. A sample bio can be found on page 227-228.

Let your prospect leave with a good feeling

Even though you didn't get the sale right now, don't show your discontent. Let your prospect leave with a good feeling to show that you care more for him/her as a person, than you do as a sale.

Setup the follow-up call

If you want to make your follow-up call a success, set the call before your prospect leaves. This way it won't be a surprise, and the prospect will be expecting it.

Follow-up within 24 hrs. by phone

Don't wait 2-3 days before you make that first call. You have every right to know what the prospect is feeling, whether the prospect has visited other dealerships, etc. Without this information, you cannot plan what your next move should be.

Send a 24 hr. follow-up letter

If you want to set yourself apart from every other salesperson, send your prospect a letter the moment he/she leaves the dealership. Include in the letter the three most important benefits he/she liked about your vehicle. This will reinforce the positive aspects of your vehicle. A sample letter can be found on page 232.

BUSINESS DEVELOPMENT WORKSHEET

List ways that you can set yourself apart from other salespeople.

Step 9

FOLLOW-UP TO DEVELOP FUTURE BUSINESS

Thought:

In every instance, the best run companies stay as close to their customers as humanly possible.

Thought:

Treat your customers as an appreciating asset.

As you continue developing your plan on how you will run your business, remember that your ability to follow-up with your prospects and customers is the single most important thing you can do to develop future business. The following is a list of possible times and ways to follow-up successfully. You don't have to use them all in order to have a productive program. But if you decide to incorporate some of these into your business plan, make sure you approach follow-up in a consistent manner.

If you currently have a follow-up company develop letters for you, don't make this process the only follow-up you do. Mail keeps your name in front of your prospects and customers, it does not build relationships. If you want most of your business to come from referral and repeat customers, it will happen through *relationship building follow-ups*.

PROSPECTS WHO DON'T BUY

Make a 24 hour follow-up call

Once you let your prospect leave the dealership without purchasing from you, you must make a 24 hour follow-up call. Waiting three

days or more is too long since many prospects will make a decision to buy within that time. It becomes easier if you set up the call before the prospect leaves. Here is a sample presentation:

“Now, Mr./Ms. Customer, I’m going to be calling you tomorrow. And the reason I’ll be calling you is if you have any other questions after you leave here, I can be there to answer them for you. So even if you’re not planning on buying from me, at least I can give you all the information you need to be able to make a good decision. Can I go ahead and do that for you?”

When you make a totally caring statement like this, no one should not want you to call them.

Send a 24 hour follow-up letter

Once your prospect leaves, go back to your desk and send a follow-up letter. By doing this, you can positively reinforce the most important things your prospect liked about your vehicle or dealership. And if your prospect does shop other dealerships, chances are the other salesperson won’t send a letter, and it could be the very thing that makes the difference on who gets the sale.

Give them your bio

What better way to build the rapport necessary for a long-term relationship. In the bio on the following pages, you’ll give them a picture of yourself, a little about you and your family, philosophy of the salesperson/customer relationship, and a clean, simple worksheet to write the figures in. When they’ve shopped around and are ready to make a decision, your professionalism should stand out among the other salespeople, and give you a better chance of getting the sale.

Keep calling until they buy

Without being a pest, persistence in many cases does payoff. Many prospects will not make a decision quickly, and you need some way to keep in touch. Whether it be by phone or mail, you need to let your prospect know that you are truly interested in earning their business.

Make a 30 day follow-up call if they buy from someone else

The rule is, **“Just because they didn’t buy from you today, doesn’t mean they won’t buy from you tomorrow, or in three years when their lease comes do.”** If your prospect does buy from another salesperson, place this prospect in your 30 day file. Then, in 30 days, call your prospect and say something like this:

“Mrs. Jones, this is Mike from ABC Motors, how are you today? Mrs. Jones, I know you bought a vehicle from someone else, but I was just thinking about you today, and thought I’d give you a call to see if everything’s ok? Is your vehicle performing properly? Is the dealership treating you well?”

If her salesperson didn’t follow-up properly, and she does have a referral, you give her every opportunity to say:

“Well, I’d love to send you to my salesperson, but he didn’t even follow-up with me. And the salesperson who I didn’t buy from took the time to give me a call and see how I was doing. So why don’t you go see him. Because if he’ll give me this type of service when I don’t buy, imagine how he must treat his customer’s who do.”

CUSTOMERS WHO BUY FROM YOU

Make a 3 day follow-up call

This is fairly standard, and just about every salesperson will make this call.

Send a 3 day thank you letter

Most salespeople will either send a “thank you card” or letter from a follow-up company. But these may not be productive. What the letter should do is lay down the groundwork for the salesperson/customer relationship. The customer has probably purchased vehicles from other salespeople, and doesn’t know how you do your business. Giving your customer this information will eliminate many problems in the future, and begin to develop a stronger relationship.

Make a 30, 90 day, 6 month, 1 year follow-up call

Whatever your follow-up time frame will be after the 3 day call will be up to you. The most important consideration is to be consistent and productive. The purpose of follow-up should be to develop future repeat and referral customer business. Your success will be determined by how deep a relationship has been built.

Have them complete an information sheet

Gathering this information will help you follow-up with your customers for reasons other than to see how their vehicle is doing. If you are computerized, you can put all this information in your database, and pull it up when needed. Let’s say the Home and Garden Show is coming to town. You can go into your database and pull out all your customers who put gardening as their interest or hobby. Now your follow-up will sound like this:

“Hi Mrs. Jones, this is Mike over at ABC Motors. I was just thinking about you today, and I remembered that you were an avid gardener. Did you know that the Home and Garden Show is coming to town? Did you get your tickets yet?”

Now you have a way of following-up with your customer other than talking about the vehicle. These conversations build relationships.

Birddog Fees — This information can also personalize your birddog (referral) fees. Dealerships will normally send a check to a customer who gives you a referral that buys. A check may seem a little impersonal. By having your customer fill out the information sheet, the following can happen. Let’s say your customer is an avid gardener, you can send her a \$50 flat of plants, or an avid golfer, two green fees to a nice course, or an avid movie goer, four tickets to a local theater. Personalizing your referral gifts will definitely build stronger relationships compared to sending them a business check.

Call the customer and spouse on their birthdays

Everybody sends out birthday cards, and yours may get lost among the others. Not only that, once you have 1000 customers, birthday cards get a little expensive. Making a birthday call is less expensive, and will mean more to your customer.

Fax — Another way of building more business through follow-up is to fax a birthday greeting to the customer’s place of employment. Since most fax machines are communal, other employees may see your fax and want to do business with you.

Call the children on their birthdays

Is there anything more impressive to a parent than a vehicle salesperson calling the children on their birthday? Not only that, but won’t these children grow up and buy vehicles? You may as well start developing that business now.

Call the customer and spouse on their anniversaries

One of my favorite follow-up method was to call my male customers at their place of employment three days before their anniversary to remind them to get their wives something. You’d be surprised how many men do not remember important dates.

Call to sell additional aftermarket products

Many dealerships will pay salespeople for selling additional items after the vehicle has been delivered. This could be a great source of additional income.

Mail your customers and prospects a newsletter

One thing that concerned me was that the customer would forget my name. If the customer forgets your name, the chances of getting repeat and referral business decrease dramatically. So every month I sent them a personal newsletter. Even if they looked at the envelope and said, "Oh, it's from Mike Whitty" and threw it away, at least I knew that my name was on their lips every month. A sample newsletter can be found on page 233.

Call to ask for referrals

Most people have good intentions to give referrals, but they have their own lives, and we're not always first on their list. This is why they need to be reminded.

Call to remind your customers of lease and retail expirations

You should always contact your customer several months before their lease or finance contracts are ready to expire. You should initiate the purchase of their next vehicle instead of your customers coming to you.

Call to see if anyone in the family needs a used vehicle

Many new vehicle salespeople have what I call a "New Car Mentality." All they concentrate on selling is new vehicles, and forget that those same customers may need a used vehicle in the household. Children turning 16 years old get vehicles for their birthdays, kids going to college need good used vehicles, expanded families need second and third vehicles.

Call to remind your customers of service appointments

If you can get this information, it's a great way to offer your customers that personalized service.

PHONE-UPS

Make a 24 hour follow-up call to all phone-ups

Even if your prospects may not be ready to buy, at least call them after 24 hours to let them know you're interested in their business, and to see if they have any other questions. Keep in mind you may not be the only dealership they call, but if you're the only one that follows-up, you may get the business.

Keep calling phone-ups until they buy

This is a must. You should treat phone-up customers just like customers walking into the dealership. Many customers are too busy to shop dealerships, and look for salespeople who are willing to work with them on their terms.

ORPHAN FILES

Call files of salespeople who are no longer here

Ask your manager if you can call customers who purchased vehicles 2-4 years ago whose salespeople are no longer working at the dealership. These are easy to convert into additional sales since they are already the dealership's customers.

SERVICE CUSTOMERS

Call service customers with high mileage and high repair bills

If your Service Manager approves, look through the hard copies of service orders to see which customers have vehicles with high mileage or high repair bills. They may be interested in trading their vehicles in for a new one.

BUSINESS DEVELOPMENT WORKSHEET

List some additional ways to productively follow-up with your clients.

BIO STRATEGY

The current statistic is that 70% of your clients will be Be-Backs. That means they'll come into your dealership, you'll show them a vehicle, give them a price, then they'll leave the dealership and either shop around, talk it over with their spouse, or simply think about it for a while.

The Bio is given to the prospects just before they leave the dealership. It performs several important strategies:

PICTURE

You must assume that after they leave your dealership, they'll shop several other dealerships. The picture will help them remember what you look like, especially if they see several other salespeople.

BIO

When your prospects leave the dealership, you virtually know everything about them; their name, address, drivers license number, where they work, whether they have kids and where they go to school, how much money they make. But what do they actually know about you other than your name? This gives them an opportunity to become better acquainted, and may give you the edge you need.

WORKSHEET

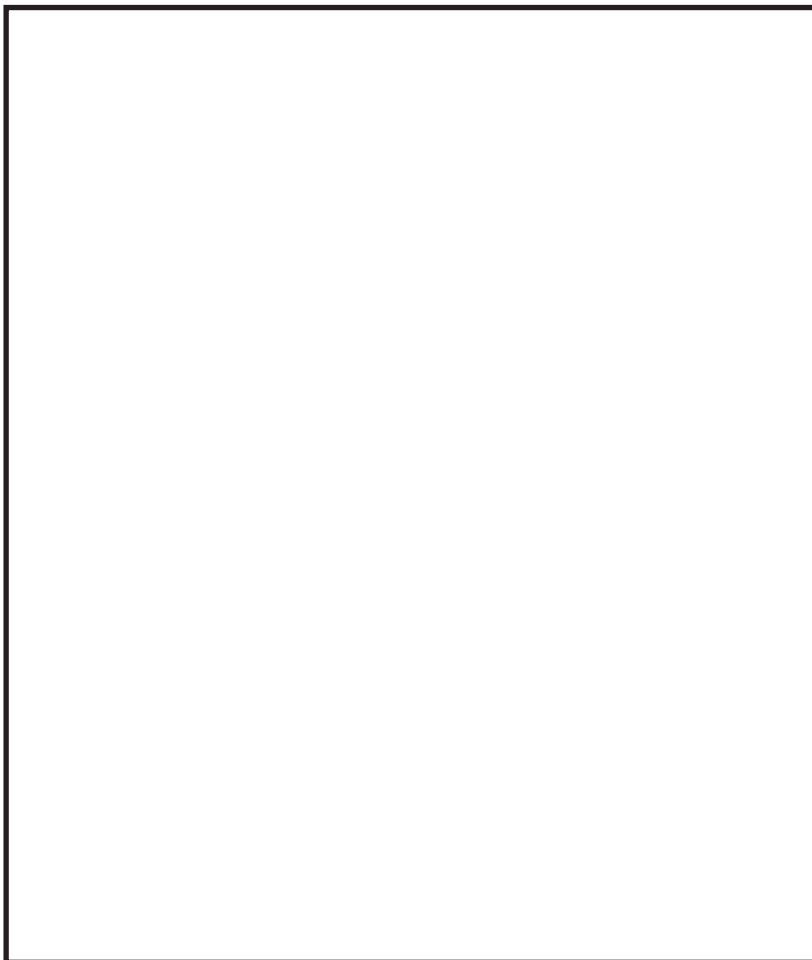
The worksheet is an excellent touch towards professionalism. You can put what ever information on the worksheet your dealership will allow. Let's say your prospect visits four dealerships total. They're now sitting around the kitchen table with all the information they've gathered to make a decision. On one corner of the table, a salesperson gave them the information on the back of a business card. On the other corner, a salesperson wrote the information on a scrap piece of paper from G&G Glass. Another salesperson gave them a scribbled copy of the worksheet. And then there's yours. Professionally done, picture, a little about yourself, and a neat worksheet. When it comes to professionalism, who do you think will get greater consideration for the deal?

The Bio is a very inexpensive tool to earn additional sales.

Mike Whitty has been selling new and used vehicles for over 18 years. His success is widely related to the way he takes care of his customers. Customer service stands at the forefront of his business.

New and Used Vehicle Salesperson

MIKE WHITTY



With over 68% of his business being referral and repeat customers, it stands as a testimonial to his longevity. After graduating from Murray State University in Kentucky with a degree in Education and Speech Communication, Mike taught Junior High School for two years, and then went on to become a professional tennis player. After a successful stint on the courts, Mike decided to become an automobile salesperson. His career started positive, and remains that way 18 years later. He has won awards with virtually every carline he has sold, and his business continues to grow.

Mike realizes that not every decision made by a customer is based around the price of the vehicle. Customers deserve to be treated with respect, and Mike makes sure that every one of his customers receives the type of treatment that keeps them coming back.

In the future, Mike would eventually like to manage a sales department, and grow from there to become a General Manager of a dealership.

— BIO —

CURRENT RESIDENCE

Southfield, Michigan

EDUCATION

Bachelor of Science, Murray State University, Kentucky
Education and Speech Communication

HONOR AND ACHIEVEMENTS

Graduate University of Automotive Management
National Walkaround Champion, Mazda Motors
Master Sales Guild, Mazda, Volkswagen, Pontiac, Oldsmobile
Salesperson of the Month 42 times
Salesperson of the Year 1984, 1987, 1989, 1992, 1993, 1995, 1998

HOBBIES AND INTERESTS

Golf, Tennis, Movies

BUSINESS PHILOSOPHY

I believe that every customer is the most valuable asset in my business life. It is for this reason that each individual I meet receives the utmost respect and the finest treatment I can give. This is the only way a business can succeed.

WORKSHEET

Type of Vehicle: _____ Price: \$ _____

Downpayment: \$ _____ Monthly Payment: \$ _____

Trade-In: _____ Appraisal: \$ _____

BUSINESS DEVELOPMENT WORKSHEET

Create an outline of valuable information to include in your Bio

INFORMATION SHEET STRATEGY

The best way to attain a large number of repeat and referral business is to build stronger business relationships with your clients. The personal follow-up call happens to be the best way to accomplish this, but most salespeople don't know what to say after the mandatory first call. This is where the information sheet comes in.

On delivery, when your going to get a receipt for their downpayment, you simply hand your customer this sheet with a pen, and ask him/her to fill it out. You'll have the customer at a high peak of excitement, so filling it out will not be a problem. Here are some ways to use this information:

BUSINESS FAX NUMBERS

Instead of sending out birthday cards to their home, I send a birthday fax to their place of employment. This way, more people get to see it, which creates more opportunities for additional sales.

CHILDREN'S NAMES AND BIRTHDAYS

There is nothing more special then to call the children on their birthdays. It impresses the parents, and the children will eventually buy vehicles. You may as well start building their business now.

ANNIVERSARY DATES

I used to call my male customers up at their place of employment three days before their anniversary to remind them to get their wives something nice. You wouldn't believe how many men forget important dates. I received many referrals from this follow-up call.

HOBBIES AND INTERESTS

The customer will write, "I'm an avid golfer, love going to the movies, love gardening", etc. I put this information into my computer. Now, the Home and Garden Show comes to town. I pull out all my customers who are avid gardeners, and call them. "Hi, this is Mike from Michael Automotive Group, how are you today. I was just thinking about you today, and remembered you were an avid gardener. Did you know the Home and Garden Show is coming to town? Will you be going this year?"



INFORMATION SHEET

Name _____ Date _____

Spouse _____

Address _____

City _____ State _____ Zip _____

Home Phone () _____ Email Address _____

Business Phone () _____ Business Fax () _____

Husband or Individual's Place of Employment _____

Spouses Place of Employment _____

Children's Name	_____	_____	_____
and Birthdates	_____	_____	_____
	_____	_____	_____

Anniversary Date _____

Hobbies and Interests

Spouse's Hobbies and Interests

Other Vehicles in Household



24 HOUR FOLLOW-UP LETTER

Dear Mr. Customer,

I just wanted to thank you for giving me the opportunity to sell you a vehicle. Unfortunately, we weren't able to come to terms at this time, but I just wanted to remind you of the most important features that impressed you about our vehicle:

- You liked the V6 engine, because you felt it was powerful enough to get you on and off expressways, and in and out of traffic quickly, which is a safety feature.
- You liked the trunk space, because you felt that you could get all of your groceries in, and all of your luggage on your next vacation.
- You also liked the power seats, because it would make it more comfortable to change driving positions on those long trips.

Please utilize my expertise to make it easier for you to make the final decision on the purchase of your next vehicle. I will be calling you within the next several days to see how I can be of assistance.

Sincerely,

Mike Whitty

This letter is sent to a prospect who leaves the dealership without purchasing. The value of this letter is that most other salesperson will not send one, and more importantly, it reminds the prospect of the three most important things he/she liked about your vehicle.

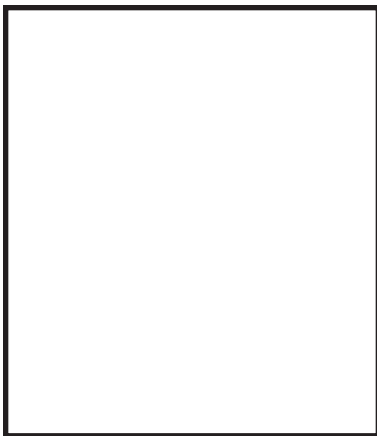
Mike's Newsletter

Michael Automotive Group, Inc.

Volume 1, January , 2007

In This Issue

- Huge used car sale brings in many low mileage vehicles
- Bank offers low 1.9% interest in February
- Learn how to keep your vehicle shining without waxing
- Buy a vehicle even if your credit is poor
- Watch for an exciting new vehicle coming this spring



Mike Whitty can handle all of your automotive needs. Whether it's new or used, I'll have something you'll love to drive.

Poor Credit Financing Offers Many Buyers a Second Chance

It's unfortunate that anyone would fall on hard times. We would never wish that on anyone. But many things happen that are beyond a person's control, and Bad Credit Bank has stepped forward to help.

If you're having difficulty purchasing a vehicle through normal channels, Bad Credit Bank can finance your vehicle. With interest rates ranging from 16%, and downpayments as low as 15%, you can be driving away in a new or previously owned vehicle today.

All you need to do is bring in your last two months of income statements, a utility bill, and five personal references. That's all it takes. And as long as you keep making your payments on time, you can reestablish your credit for the future. Call me today.

The New Regatta

The new Regatta will be the most exciting vehicle made as we approach the millennium. This vehicle has all the features of a luxury vehicle, without the luxury price.

It comes standard with the new high tech V6 engine which produces 200hp, and will go from 0-60 in just under 6 seconds.

The luxury starts with many standard features that are actually optional on many of our competitors. Leather seats, power door locks and windows, and a 10-changer CD Player just to name a few. Add to this 98 sq. ft. of interior room, and 14.9 cu. ft. of trunk space, and the Regatta will handle all of your family needs.

The Regatta should be flowing into dealerships this spring. We are already receiving product literature, so if you would like to learn more about this exciting addition, give me a call. I'll be glad to send you a brochure.



Regatta — The Car of the Future, Today!

Step 10

USE A COMPUTER TO DEVELOP YOUR BUSINESS

Thought:

A computer will not make a good salesperson out of a bad salesperson. But it will make a good salesperson "better" faster, and a bad salesperson "worse" faster.

Thought:

When you put powerful computers in front of employees, people will find new ways to make their companies work better.

When I was a speaker at the National Automobile Dealers Association Convention, there was another speaker doing a presentation on Mega-Trends, which revolved around, what we can expect as we approach the year 2000. He asked the audience, which was made-up entirely of dealers and managers, "how many in the audience have computers in your household?" And virtually everyone raised their hands. Then he asked, "how many of your children know how to work the computer better than you do?" And nearly everyone raised their hands. Then he finished by say, "are we going to be selling your children exactly the way we sold you?"

The fact is, technology is here to stay — it's not going away. You can dismiss it, you can fight it, or you can realize how much easier it can make your jobs. For some of you, the learning curve at the beginning will be a little high, and possibly a little frustrating. It will be no different than starting anything for the first time. But once you learn the basic fundamentals of your computer and software, you will be quite amazed at how productive you'll become. And remember, anytime I use the word productive, I'm talking about "profit-generating."

So, let's get started.

Have One Built or Buy Off The Shelf?

When you buy a computer from a retail store that's already built, it usually comes bundled with a lot of software already installed. For individuals just getting started who aren't that familiar with computers or software programs, this may be an excellent way to begin. Make sure you buy a name brand that's totally upgradable, with a good warranty right from the factory, and find out how to get it serviced, and how long it normally takes for service, if needed. The one thing you can be assured is that at some point, your computer will malfunction. If you know a lot about computers, and the components that go into making one, you may want to find an individual you can trust to build one for you. This is the route I take with my desktop. It's nice to know that one person knows my computer inside and out, and can service it at a moments notice. If I have any questions, he's just a phone call away. If I need to have it serviced, he's right around the corner. This is a comfort to someone who uses their computers as religiously as I do. Make sure that the builder is installing quality components, and will still be in business when you're computer needs servicing. Finding the individual who will be responsible for all of your computer needs may take some time, so be patient. Buying one off the shelf will always be an option.

Minimum Requirements

The one thing about technology is that it's always changing. When it comes to computers, the moment you buy one, there's another one being developed that's faster and more powerful. Don't get caught up feeling you have to upgrade your system every time a new one comes along. Once you have a computer that has enough power and speed to handle your current software programs, and it satisfies your business and personal needs sufficiently, you can stay with it for many years. Some of you may be like me. I like having the most up-to-date software and hardware. It's almost like a hobby for me to keep upgrading. But it's not necessary. These are the minimum requirements I think you should have to handle today's current software needs. Keep in mind this information was written in 1999, and these minimums could change as technology changes.

- **Laptop vs Desktop**

I've become a big fan of the laptop or notebook computer. You can take it to work, take it home, virtually carry it wherever you go. I don't know what I would do if I didn't have a laptop with me. I've become a lot more productive when I'm traveling. But I also have a desktop computer at the office. When I'm doing some intensive writing or desktop publishing, it's nice to have the bigger screen and keyboard to work on. I feel that if you will be using your computer

primarily for business, which means the kids at home won't be playing games on it, get a laptop. The prices have really come down making them very affordable. The one item on your laptop I would suggest getting is an active matrix screen (TFT), as compared to a passive matrix screen. It is a clearer, brighter screen.

- **Desktop vs Tower**

You can easily tell the difference between these two systems. A desktop lays flat on your desk, and a tower stands tall on its side. My recommendation would be a tower system because you can add more peripherals like extra hard drives, scanner cards, floppy disk drives, etc., when you need them. A desktop, because of its compact size, is limited to what it can accept. Because of this limitation, you can normally get some really good deals on a desktop. If you don't need all the extras, this may be a place to start.

- **PC or Macintosh**

Both the PC and the Apple Macintosh are excellent computer platforms. The Mac was always known for its graphic capabilities, and is still used by many printing and publishing companies. But for general use, I still recommend a PC. They are far more popular for general use, and companies still develop much more software for the PC than for the Mac.

- **2 Ghz Pentium Processor**

Currently, computer companies are building 3.2 gigahertz processors. They are fast, but expensive. You don't have to invest all your money in a computer right now. Processors can always be upgraded later. The entire computer, including printer and monitor, should run you about \$1200, as compared to \$3500 for the fastest one.

- **1 Gigabyte of ram**

Top business software needs a lot of ram memory. 1 gigabyte should be the bare minimum, but I've always felt more comfortable with at least 4 gigabytes since I use high quality programs. Analysts say that if you had a choice between more speed in the computer, or more ram, choose ram. To give you a little idea what ram is. Let's say you had a 1 quart jar (ram) and you had to pour 2 quarts of water in it (your software program). You would have to pour half of your water in the jar, dump it out, and then pour the other half in, which takes you more time. But, if you had a 3 quart jar (ram), you could

pour your whole 2 quarts of water at one time, speeding up the process. So in essence, your computer will function better by having more ram than speed. I hope this explanation helps you. If it doesn't and you need to know more, give me a call.

- **120 gig hard drive**

Your hard drive is what holds all of your programs in your computer. With software programs becoming so data intensive, it wouldn't hurt to have enough hard drive memory so you won't run out of space. This is another item that can be upgraded at a later date.

- **15" monitor**

Most computers are come standard with a 14" or 15" monitor. If you don't look at your computer screen for long periods of time, this may be adequate. My recommendation would be a 17" monitor. It's not that much more expensive, and will alleviate a lot of stress and strain on your eyes. If you're purchasing a laptop, the current standard is a 14" screen.

- **CD-Rom/DVD Burner**

It helps to have a fast cd-rom if your playing graphic intensive games. But if you're just using it to load your software into your computer, any speed will do. But do opt for a burner so you can save all your files on 4.7gig DVDs.

- **56k Modem**

A modem is necessary if you want to get on the internet, or exchange data between two computers by telephone line. The fastest modem available is 56k, and all phone lines can't handle this speed. If you wanted to upgrade to the faster, DSL or Cable will be your best choices.

- **Printer**

This is another item that has come down in price, making it very affordable to have a good one. There are two basic types of printers — laser and ink jet. The quality of the print is determined primarily by DPI (dots per inch). The more dots per inch, the crisper the letters will look. So, a 600 dpi printer will look twice as crisp as a 300 dpi printer. This should only concern you if you need your documents to have that finished, publishable quality. If you are just sending letters to your customers, a 300 - 600 dpi printer will suffice. I have a 600

dpi laser printer that I use for rough drafts, and a 5620 dpi color ink jet printer that I use for finished quality. Color ink jet printers are a real value if you don't need to make a lot of copies. As compared to laser toner cartridges which last longer, ink jet cartridges are smaller, more expensive and don't last as long. But this is the price you pay for color. Expense, by the way is determined by number of pages printed per cartridge. The higher the dpi, the more ink it takes to make the copy sharper. You can buy both laser and ink jet printers very inexpensively.

Software Programs

Once you have your computer, it's now time to determine which programs you will use to run your business. This is actually the fun part, because the software business is so competitive. There are thousands of products to choose from. Your job is to determine how involved your program needs to be. Do you need a word processor to just type letters, or one that you can create a newsletter with graphics. Is your database being used to keep names and addresses, or do you need one that can sort lots of information. These are just some of the questions you'll need to ask yourself when choosing your programs. The more powerful the program, the more it will cost. One nice thing the software companies are doing is developing programs called "suites." This is a program that has a word processor, database, spreadsheet, and organizer all on one cd-rom disk. Since they all come from one company, they all work together to exchange information, which is easier than having four different programs from four different companies. The three major suite programs are Microsoft Office™, WordPerfect Suite™, and Lotus Suite™. Purchasing this kind of program is very cost effective, and may come bundled with your computer if you purchase it from a retail store. Here are some programs you may need to do your job well:

- **Word Processor**

This is probably one of the most important programs you will need. A good word processor will merge the names in your database into a letter to make it look personalized, create mailing labels, help you design a newsletter with the aid of templates, print letters, and much more. You will find a good word processor in any one of the suites above.

- **Database**

This is a program that holds all the information on your customers and prospects. It allows you to choose any piece of information necessary for follow-up, birthday calls, etc. You can take the database one step further by purchasing a program called a Contact Manager,

which will remind you of your follow-up calls, keep information on your previous conversations, etc.

- **Organizer**

This is a program that will replace your paper version of an organizational plan book like Franklin Planners and DayTimers.

Any other programs you purchase will be determined by your current and future needs. You will be fairly complete at the beginning by purchasing one of the suites.

FINALE

Thought:

Every journey starts with a single step.

Thought:

Success is peace of mind which is a direct result of self-satisfaction in knowing you did your best to become the best you are capable of becoming.

Well, there it is. Your 10-step approach to “running your business like a business.” If you’ll make the commitment to start thinking and acting like a businessperson, your success will be virtually assured. Have the confidence of knowing you possess the skills and talents to sell cars and trucks, and simply take that next step to develop a strong work ethic. The very least that will happen is you’ll make enough money to live the type of lifestyle you desire, and continue your rewarding career in vehicle sales.

Continued success.
Mike Whitty

Section 3

The INTERNET Side of Selling New and Used Vehicles



Salesperson, Inc.

Section 3
The INTERNET Side of Selling New and Used Vehicles

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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

- 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>

Chapter 3

Understanding the Internet Customer

Quick Thought

“The Internet is clearly about more than sports scores and email now. It is a place where we can conduct our democracy and get very large amounts of data to very large numbers of people.”

To effectively sell online customers you must first understand who they are, and how they are changing the Traditional Car Sales process.

Armed with a computer, an Internet connection, a comfortable place to sit, and plenty of information about you and your competitors products available 24 hours a day, 7 days a week, the online car shopper is in control of the buying process and can easily remove you with one click.

A common perception among Internet shoppers is that there are better deals on the Internet compared to just walking on your lot. In reality, the biggest difference is that the Internet shopper has access to loads of information about blue book values, and invoice prices that several years ago were hard to find. This shopper will usually want a better deal primarily because they possess that information. Compare the traditional “hit the streets and shop until you drop” buyer with the Internet car shopper that does most of his pre-shopping online, gathering information, and will already have a deal before leaving the house.

What are some of the biggest complaints customers have about shopping online?

Even though the internet is still considered new in the technological arena, more people are using it to do some of their shopping, especially for a vehicle. They can read the reviews, search for the vehicle of their choice, visit different dealerships, check pricing and financing, and look at photos all from the comfort of their home or office. Though the research is still fun for many internet shoppers, problems begin arising once they approach the next steps.

Here are the top five complaints from online shoppers:

- **Nobody bothered to get back to me at all**

Not responding with price quotes, inquiries about vehicles online, etc., is still the number one complaint. Even a lame canned letter is better than no response at all. In many cases, sales reps do not answer leads unless there is a phone number. The top internet sales reps are email pros and use it as their primary response tool. So if you want to increase your internet sales, this is the first place to start.

- **They would not answer my questions or give me a price**

Some managers will not let their salespeople give real prices. Some dealers are emailing back MSRP and then don't know why they are receiving little feedback. If you'll give them a fair price, be professional and prompt, the results you receive will be immediate.

- **Their email response was just a canned letter that was useless**

If an internet shopper asks for something specific, a carfinder lead, a new vehicle price quote, or pricing questions or any kind, and you send them back a canned response, it really upsets them. Usually the reason dealers use canned responses is because they don't have the time to respond to every lead. Even if their first response is an autoresponder, make sure you put some valuable information they can use, like current rebates, until you can respond with the exact information they need.

- **Nothing of any value on the web site**

Your web site is not merely an advertising venue, but also a sales tool. When

an internet shopper visits your site, they are wanting a little sizzle, not in the form of flashiness, but in meat. If you really want to turn people off, don't put prices on your used vehicles, or your current rebates and specials. The shopper will just go to the next site until they find what they need.

- **Salespeople at the dealership ignored all the information I had and were using the same old high-pressure tactics**

Many shoppers are not going to call you or drive down to see you for a price. These shoppers want ease of sale and information, and they'd like email to be their primary source of communication. Developing relationships by providing them with accurate information will bring in buyers. If they come in with printouts, you must be willing to deal with them on their terms, making it easy for them to do business with you.

Listening to what your customer wants will help you develop your business plan based on customer needs, not necessarily dealership needs.

The Click 'N' Order vs Click 'N' Brick vs Brick 'N' Mortar Customer

For the longest time, customers purchased items in one of two ways: either by walking into a store or mail ordering from a catalog. Well, in many cases, the store is still there, but the mail order catalog is slowly being replaced by the Internet. It's less costly and can be updated more frequently by providing this information on the web, then having our poor mail carriers lug these heavy catalogs around, and reproduce them with the high cost of printing and stamps.

So, to help you understand where your customer future lies in relationship to the Internet, I've placed customers into three main categories, and attempted to provide a description of each.

Click 'N' Order Customers

Click 'N' Order customers usually purchase items based on price, information, and service. A dealership appealing to Click 'N' Order customers usually needs to provide all three or be so superior in one facet, like offering special internet pricing, that they don't mind less concentration on the other two factors. In reality, many people don't expect to necessarily save money by shopping online, especially by the time shipping costs are factored into the final price. They do expect value-added sellers, and they love buying from the comforts of their home. For example, auto dealerships that have online parts and accessory pages on their websites provide a great deal of information, selection, and customer service through their website, and this can appeal to many Click 'N' Order

customers. Click 'N' Order customers expect their online experience to be fast and extensive, painless, with more options than Brick 'N' Mortar. If there are any problems with their online experience, they can immediately click away to another website. In a few words, Click 'N' Order customers expect speed, flexibility, and options~ they are generally very savvy shoppers. Plus, they just have a lot of fun buying things in their pajamas and having them delivered directly to their front door in just a matter of days.

Click 'N' Brick Customers

The Click 'N' Brick customer is on the way to becoming a Click 'N' Order customer, but hasn't reached the point of feeling comfortable doing financial transactions online. Though they find the Internet exciting and spend a lot of time surfing the web, they feel that putting a credit card online is unsafe. But they do love doing a lot of research to determine what and where to buy. The Click 'N' Brick customer will gather all the information on the vehicle of choice, print it out, and take it right to the dealership to begin the buying and negotiating process. It's this fact alone that makes the Click 'N' Brick customer feel more special than the Brick 'N' Mortar Customer when they come into your dealership. They just know more and feel they have the upper hand when it comes to buying the car or truck. It used to be that salespeople hated to see these customers come into the dealership (like with their Consumer Reports) since they were more knowledgeable with facts and figures than the typical Brick 'N' Mortar customer. Sometimes they may even know more about the features of the vehicle and its competition than the salesperson (which isn't a good thing!)

Brick 'N' Mortar Customer

Brick 'N' Mortar customers are a slightly different breed. They may not know how to search the internet, or may not even have a computer yet. If they do have a computer, they're afraid to use it. They can and will take more time enjoying the "shopping experience." A Brick 'N' Mortar customer is not as likely to leave an auto dealership because there are a lot of customers in the showroom, as an Internet customer will click off your site if they don't like the experience. A Brick 'N' Mortar customer at ABC Autos can't search 10 other dealerships in 10 other states just to verify that ABC Autos has the lowest price while they are in the showroom. Once a Brick 'N' Mortar customer receives personalized attention, it is likely they will come back to the same place again. Brick 'N' Mortar customers like to "touch and feel" and are more likely to pick up parts and accessories they didn't originally intend to purchase when they left home.

The descriptions for each might not be totally accurate with every customer, but I think you can see that there are differences with each, and they each have their own idea on how to shop. Since you already have a process in place for the Brick 'N' Mortar customer, it's time to begin concentrating on the other two for increasing your future Internet sales.

Chapter 4

Developing an Internet Business Plan

Whether you're handling Internet leads yourself, or you're developing an Internet Department, you need to have a Business Plan. Without a plan, how can you ever tell if you're succeeding if you don't know what you are measuring against?

Quick Thought

"There's a statistical theory that if you gave a million monkeys typewriters and set them to work, they'd eventually come up with the complete works of Shakespeare. Thanks to the Internet, we now know this isn't true."

The way most dealerships run their internet departments would be like a football team that randomly assigns players to their positions, rarely hold practices or meetings, has a team where no one knows the rules and have no playbook to study, has no coach, their equipment is old, and the front office doesn't spend a dime to market the team. This team will probably make very few touchdowns, on top of making the SuperBowl.

Unfortunately this is how many dealerships around the country, whether their dealerships are large or small run their internet departments - on a wing and a prayer.

The internet department needs to be run like a separate entity, and not considered as part of the typical sales process. The internet sales runs contrary to the traditional selling process, therefore needs a totally different business plan than you would create for the new or used vehicle departments.

So, before you jump head first into increasing sales within your department, let's take a look at some areas you should consider when writing your business plan:

- Define what you want to accomplish on the internet
 - do you want to just sell new and used cars?
 - do you want all your inventory online?
 - do you want to offer online credit approval?
 - do you want to sell parts and accessories?
 - do you want to offer service scheduling?
 - do you want shoppers to be able to contact you directly?

These are just some of the areas you'll want to consider. There are plenty more, but you'll want to keep your initial plan simple so you won't become overwhelmed.

- **What information do you want to provide on the internet?**

Now that you know you want to sell new and used vehicles over the internet, ask yourself some questions like: do you want to show MSRP, Invoice, e-Prices, rebates, mark-ups? You will need to do this for every area you identify that your dealership desires to incorporate into the online system.

- **Identify your staff**

Really try to understand what the staff will be responsible for, and what knowledge and traits they must possess or acquire through training. You may have some talent in-house that may fit your requirements, they may need to be professionally trained to the best internet practices, or you may have to consider hiring from the outside. I like the department to have both salespeople and a manager. Management is crucial to make sure the department runs smoothly and goals are attained.

- **Identify the tools you'll need to facilitate your plan**

- web site technology
- email lead management tools
- hosting for your web site
- types of reports
- computers
- logistics

- **Layout a comprehensive cashflow statement**

- salaries
- commissions
- hosting
- lead sources
- advertising
- training
- gross on vehicles, parts and service

- **Layout a comprehensive timeline**

Review your goals and milestones on a weekly basis. This includes number of desired sales, grosses, appointment set vs sales made, etc.

If implemented correctly, a good internet department can easily add \$30,000+ of additional profit to the bottom line in a dealership selling 150 new and used vehicles per month. So, run your department like a business and you'll see more sales than you ever imagined.

Chapter 5

The Internet Specialist

Quick Thought

“The Internet is a telephone system that’s gotten uppity.”

You may be a showroom salesperson who is being handed leads, or one who wishes to become heavily involved in Internet selling. Either way, it takes a special type of individual to be successful at Internet selling.

What types of salespeople are succeeding in online selling?

I’ve always felt that outstanding internet salespeople are different from typical showroom salespeople. The internet salesperson feels very comfortable selling on the phone, and has an above average knowledge of email, the internet, and the internet customer. These salespeople research other websites to compare against, develop solid plans for building their department, consistently learn new up-to-date techniques, and have a solid work ethic. They believe that the internet prospect is different than the traditional showroom customer, and treats them accordingly. They also understand that the process for providing them information through email and over the phone is different than having the prospect sitting across from them.

Here are several reasons why these individuals have success selling vehicles online:

- **They use email as a major means of communication**

Internet salespeople do not require a phone number before they respond to an internet lead. They realize that if they do not answer “email only” leads and inquiries, they will lose over 40% of their potential sales. This is known as “cherry-picking”. Most internet prospects will provide you with a phone number which gives your permission to contact them by phone. They have already received an initial email from you (autoresponder) so the next communication should be by phone. Emails will continue to the prospect in the form of newsletters and special offers.

- **They have excellent phone skills**

Though the internet customer enjoys the process of doing research on the internet and communicating by email, they still prefer to speak with someone regarding their vehicle purchase. Phone technique then becomes a major part of setting appointments for the prospect to view their vehicle, and ultimately buy.

- **The internet sales position is a full-time job**

Successful internet salespeople spend at least 4-6 hours daily online responding to leads and following-up with current and future customers by phone. All successful internet salespeople respond between 5 minutes to 1 hour of receiving a lead. They answer every lead and give direct answers to specific questions. They have outstanding follow-up skills and keep a running database.

- **They avoid canned responses**

Successful internet salespeople answer each lead as an individual response giving fair prices and accurate information. In order to answer all their leads, they must have time. A canned response doesn't work. It is the easy way to handle leads, but does not address the needs of the shopper. The only canned response they should receive is the autoresponder, which will still give them valuable information to review until you can respond to their request by email or phone. If you ignore an online shoppers request, he/she will ignore you.

- **They use numerous lead provider services and provide shoppers with their inventory**

Every good online sales rep welcomes leads. It is a numbers game and if they don't have access to hundreds of leads monthly, they will not sell enough to keep the internet program running.

- **They have the backing of management and the resources they need to sell vehicles online**

Successful internet salespeople understand that the online shopper already has a lot of information about your products and what they cost. They understand that the online shopper wants to be in control of the buying process and will go out of their way to provide the shopper with whatever they need. If there are Managers or co workers working against the internet program at your dealership, you will lose good internet sales professionals to your competitors. The biggest reason most internet programs fail is because they have the wrong people running it.

If you'll take these ideas to heart, you will begin developing a department you can be proud to call your own.

- **What should the qualifications and duties of the internet salespeople be?**

The internet salesperson must know how to use a computer, email programs and lead provider organizers. The main thing to stress is that traditional sales techniques do not work online. A common mistake at many dealers is to assign the Internet to a floor salesperson and then not train them properly. If you are selling cars online the traditional way, you are losing sales. Discard the traditional techniques when dealing with online shoppers. The internet buyer is in control and wants to stay that way.

You want reps that are open-minded, literate (most communication is by email), and have good follow-up skills. They must be willing to work numerous leads without cherry picking (taking only the lead they feel will buy), and be willing to go outside and shoot photos of your inventory to email back to online customers and upload to the website. If your dealership is just receiving leads and handing them out with no system, you will not succeed online. You want people that will do whatever is necessary to make their department successful.

- **How many Internet sales reps should there be?**

How many leads do you get each month from lead providers? How big is your dealership? Are you selling new and used online? What kind of traffic does your web site receive? These are factors that determine whether you need one or two people or an all out department. Many dealers started out with one person and evolved. The bottom line is that if you have hundreds of leads coming in monthly, the more reps working them the more cars you will sell. Do not expect one person to handle the entire program if you are receiving a lot of traffic. They will sell cars, but not as many as several reps would and many leads will go unanswered. The

average production should be 80 leads per internet salesperson.

Internet salespeople that will be there for a long time. We have seen too many dealers invest time into their Internet program only to lose the sales rep for many different reasons. Good people are hard to find and many dealers are now realizing the importance of the Internet and are recruiting good reps from other dealerships.

If you are an Internet sales professional or are learning to be one, it is very important that you choose a dealership that is seriously moving towards the Internet. If you get into a place where the Internet is just so much lip service, you may not get the cooperation and attention you need to succeed. There are now many dealers looking for good reps (we receive emails all of the time) so keep your eyes open. Those of you learning online skills stay with it, you are in great demand. Learn how to use email effectively and you will be very happy with the results.

- **Can a salesperson also act as the manager?**

If it's a small dealership, or a dealership that wants to start slowly, then yes, the salesperson can also act as the manager. But once you decide that you want a full fledged internet department with 3 or more salespeople, I feel it's imperative to have a manager who is separate from the showroom manager. The manager then will be exempt from selling, but instead will provide the following services:

- develop monthly quotas
- conduct daily department sales meetings
- distribute and follow-up with leads
- assist in writing deals and closing sales
- update the website with information and pictures
- help with writing autoresponders and newsletters
- work closely with the used vehicle manager
- write monthly reports

With all of these responsibilities, I think you can see how valuable an excellent manager can be in developing the internet department.

- **We have several dealerships. Can we run them from one site?**

With internet and networking technology, you could conceivably run all your dealerships from one site. This is assuming you will have all your internet leads

coming into one site, and they will either be distributed to the corresponding dealerships, or handled by a BDC (Business Development Center), where telephone experts would be responsible to contact the leads, set the appointments, then distribute them to the appropriate dealership. Whether you have each store handle their own leads or one department handle all the leads, each dealership should still have an internet department with dedicated salespeople and managers.

Chapter 6

The Power of Email

Quick Thought

“One of the Internet’s strengths is its ability to help consumers find the right needle in a digital haystack of data.”

The number one reason people log on to the internet is to send and receive email. The number two reason is to do research. Ignore the importance of a solid email strategy and you will fail on the internet.

The most important and often overlooked aspect to being successful on the internet is the power of email. Email is the most powerful application on the internet, and for good reason. When used properly it can communicate “one to one” to prospects with speed and reliability.

Research has found that sales reps effectively selling vehicles using the internet have email capabilities and are following-up on every lead. Dealers relying solely on the phone for follow-up are not even close in sales, because they are ignoring the numerous “email only” prospects. This doesn’t mean I don’t believe that phone follow-up isn’t effective, because I do. In fact, it can vary dramatically depending on certain areas and parts of the country whether email or phone follow-up is the most effective. I still feel that if your prospect provides a phone number in the lead, that’s giving you permission to call, and you should - quickly.

The number one reason sales reps give as to why they don’t follow-up on every lead they get is, “I just don’t have the time.” Top internet sales reps spend 4-6

hours every day online. If you are doing this business part-time, you will not do as well. Remember, the internet sales business is a business, and should be run like a business. It should not just be considered an addendum to the sales department. It should be a separate department.

Electronic communication, because of its speed and broadcasting ability, is fundamentally different from paper-based communication. Because the turnaround time can be so fast, email is more conversational than traditional mail 'snail mail' (mail that requires a stamp). With email documents, the shopper can ask questions immediately. Email thus tends, like conversational speech, to be much sloppier and more ambiguous. You will find that very few people when sending email are sticklers on proper grammar.

Some tips you can use to help make your email efforts more productive include:

Always hit the return button twice between paragraphs

This creates an imaginary line and makes reading much easier. Nobody likes to read straight text with no breaks.

DO NOT USE ALL CAPITAL LETTERS

Capitals look like you are shouting, and many people will become aggravated and disregard your message.

Follow-up immediately

If you are receiving the leads online, follow-up with 5 - 60 minutes if at all possible. If your leads are sitting for several days you will not be successful.

Treat each email as an individual

Try to personalize every response to that individual other than for the autoresponder. If you need to spend additional time finding their vehicle, let them know. If the prospect you are dealing with perceives you as interested in their problem and your follow-up is outstanding, you will have a better than average chance to earn their business.

Have a consistent price policy

If you are going to offer special pricing to internet shoppers, be consistent with every online prospect.

Setup lead folders in your email box

As you receive leads online you should file and track every lead. Think of your email folders as files and your email program as a filing cabinet. Staying organized allows you to account for every online lead you receive. This also allows you to track your progress and sales resulting from your follow-up.

More dealerships are using web-based lead management systems specifically designed for handling large amounts of leads. It is well worth the monthly investment to use this type of system as compared to a simple email program.

Beware of mass emailings

If you are thinking a mass emailing, or have gathered email addresses for email lists, be careful. Many people may not enjoy being contacted without their permission. The best way to create mailing lists in-house is to get online shoppers and current customers to give you their email addresses for a newsletter or monthly coupons. This allows them to control the email they receive. Also, give them a link that they can click to unsubscribe to their emails.

If they are submitting a lead through a popular lead procurement site, they have given you permission to follow-up with them, and mass mailings should be considered proper. Have a way for them to opt-out of these mailings in case they don't want you to consistently mail them.

Don't call if they want to be responded to by email

I waiver on this point if they include a phone number with their email address. If you follow-up by phone the moment the lead comes into your dealership, the call will be a welcome surprise since many dealerships will fail to call at all. If they only give you an email address, then email it is.

Use hyperlinks in your email

If you'd like to sent HTML email which has colors and graphics, some email servers will not allow these to be accepted the way you originally sent it. They may take the graphics out of the email and put them in a separate folder, distorting your beautiful creation. The best way to handle this is to have a statement at the beginning of your HTML email that says, "If this email is distorted, please click on the link below to view it on the web". That way they can view your HTML email in its entirety.

Don't use emoticons

Emoticons are these cute images of faces and symbols that you'll find in your typical instant messenger. Since this is a business email, using emoticons may not be proper.

Email is not private or protected

Since other people may be able to view your emails, don't say anything you wouldn't say to your mother.

Don't dismiss customers who are too far away

"CNW marketing Research found that internet customers acquired a vehicle about 11% further from home than customers who did not use the internet as an information source. They travel over 30 miles to reach the dealership of their choice."

Customers may use a fake name?

"Customers who enter suspicious sounding names might just be trying to remain anonymous until the moment they're ready to buy"

My email responses aren't closing many sales? What can I do?

Like many internet salespeople around the country, you are probably having a difficult time closing the internet leads that your receive from your lead providers, as well as your own web site. Some of this may be due to the deteriorating quality of leads that you are receiving, but I don't want to make any assumptions about why you aren't closing more of your internet leads. But I can share with you some powerful information that can help you close more leads by taking control of your prospects.

Making internet sales comes down to control, plain and simple. That doesn't mean you have to bully or overpower your prospects, but you do need to have a clear plan in place to handle and control the sales process for your clients. So the question is, how do we maintain control over customers during the buying cycle without losing them using email? Research has shown emails that pull responses adhere to a set of principles that will be discussed in this section. It is interesting to note that these same principles have been around for decades and are applied everyday in direct marketing and the direct response industry. I'm not talking about your typical direct mail type promotion, but about a much more effective way to lead customers to do exactly what you want, when you want.

Subject Line

The first item that needs to be addressed is the subject line. This is the first thing a prospect will see in their email browser when they go to look at your message. If you are like most people, you are hitting reply to the emails you receive and simply type your letter and send it back. By doing that you miss a great opportunity to get them excited about what they are about to read. Use your subject line to grab their attention. But make the subject line short so it is fast to read. Here are three examples:

- Using ABC Motors Internet Department could SAVE you thousands!
- Don't purchase your next vehicle until you read the following email!
- ABC Motors has enclosed a special offer on your requested vehicle!

These are just to get you thinking on how to get people to read your message before they hit the delete button.

Opening Statement

Once you have your subject line completed, it is time to move down to your opening statement. At this point, you have very little time to capture their attention and entice them to read further. So here's what you do.

If at all possible, personalize the response using your prospect's name in the opening line and again wherever you deem appropriate. Your opening needs to be the biggest benefit of why your prospect needs to do business with you. Shy away from using price as your biggest benefit for two reasons:

- if you can't give them the lowest price, you'll lose them
- every other dealer is going to use that angle, so be creative.

Here's an example:

Hi Pat,

Today is a great day to be shopping for a new vehicle at ABC Motors, and I want to share with you why. At ABC Motors we have created a unique offer for all our internet customers. You will not only receive a great deal on your vehicle purchase, but you will also receive any accessories you want for your next vehicle at our dealer cost. So you could add that 10-disc changer in your truck, or tinted windows, just for being an internet customer. We are making you this special offer for the next 72 hours for any vehicle purchase from

ABC Motors. Read on and let me tell you exactly how we are able to give such value to our internet customers.

The goal with the opening paragraph is to entice them to read further into your email message. Keep trying new offers. You will find that some will outperform others, and you will get a better feeling on what to write.

Body

Next comes the body of the message. The major point to make here is to give your prospect exactly what they requested. If they request a price, you should let them have the price they asked for. If they don't get it from you, they are likely to get it from one of your competitors.

Close

After you close, put a p.s. with another value added offer if they act quickly at the bottom of the letter after your name and dealership information.

I have reviewed hundreds of successful emails and they all tend to have these elements. Check these against your emails and see how they compare. Don't hesitate to try different emails to see what works in your area. In fact, test some of these new ideas on your co-workers, then on your prospects. But mainly, never quit experimenting.

Are there any other ways to communicate with customers other than email?

E-mail is becoming a crucial part of running a successful dealership. It is fast becoming the preferred form of communication that auto shoppers are using to get pricing, and in some instances, negotiate their entire automotive purchase. If you don't have e-mail at your dealership, you don't have a 21st century business.

But e-mail isn't the only way to communicate. Another hard-charging communication method comes courtesy of live chat services.

I've installed live chat on my own ecommerce sites, as well as other dealerships, and it really comes in handy when prospects want to speak with someone personally while their surfing your site.

By clicking on a chat button, your prospect can communicate with your dealership without picking up the phone. This provides the following benefits:

- you can give your prospect immediate attention and answer critical questions without the time-lag of email.

- you can see who's on your site and contact them personally in a non-threatening way.
- you can provide customer support for your current customers.
- you can use it to set up test drives, set service appointments or as your online help desk when shoppers want information.
- if you have multiple people in your Internet department, use it for them to effectively communicate with each other.

By placing the icon on each of your web site pages, you will give prospects every opportunity to do business with you.

What is an autoresponder?

Autoresponders are just that, they are programs set up to automatically respond with a designated email when a lead is sent to your email inbox.

Basically autoresponders are "email on demand" bots which make your information available to your prospects 24 hours a day, 365 days per year, and believe me when I say they can dramatically increase your sales.

All email lead management programs have an autoresponder feature. Here's the way it works. You create the message you want your prospect to get when they send you a lead. This gives the prospect immediate feedback and valuable information on how you will proceed next. By explaining your process for following-up on the lead, it takes away the fear and anticipation of the unknown. Also, you can do a lot of selling before the actual phone contact by providing them with current rebates, specials, etc.

You want your autoresponder email message to get them to want to contact you. This is why you should continually test your emails until you find the ones that work in your area with your clientele.

Chapter 7

Understanding the Selling Process

Quick Thought

“The Internet is like a gold-rush; the only people making money are those who sell the pans.”

Once your prospect comes into the dealership to view your product, the selling process for an internet customer remains virtually the same as for a traditional customer. The steps to the sale from the greeting through the delivery are unchanged. The only difference will be that the internet customer still feels like he/she has more control over the process because of the amount of information gained from the internet. The internet customer may also get more insulted if the negotiations start too high because many of them feel that by utilizing the internet, they will get a vehicle cheaper. But that doesn't mean you should not try to retain as much profit as possible. Just be more prepared to handle any price objections that may arise. So instead of concentrating on the “10 steps to the traditional sale”, which you should probably know already, let's focus on the “steps to the internet sale”.

But before we begin talking about the steps, let's make sure you have your email program organized, and a follow-up system prepared. Whether you're using a program like Microsoft Outlook, Act! or Goldmine, or you subscribe to a web-based email lead management program, you'll want to create folders to keep track of your email organization, and templates to help you respond quickly. Email follow-up will be the lifeblood of your future business, and will occupy the greatest majority of your time. And well it should.

Your competition is dropping the ball!

Most Internet sales reps will only respond once to a lead and will use canned responses. You should know that the average online prospect will take 3-4 weeks before purchasing. So all of the one time hit or miss sales reps out there are only going to get one shot, one month before he/she buys. There are a few sales that you will get using one time hit or miss follow-up, but the numbers are against you.

Here's a sample organizational plan you can use assuming you're having problems making contact:

Day 1

Make a phone call and send an email.

Day 2

Make a phone call and send an email

Day 3

Make a phone call

Day 4

Send an email

Day 5

Make a call

Day 6

Send an email

Day 7

Make a call

From this point, the prospect is either ignoring you, or out of town (yeah, sure!!) He/she may not be ready to make the commitment to talk with you, but that doesn't mean you throw him away. You will now place him in your Second, Third, and Fourth Week folders, and also place him in your Newsletter folder. Once he goes in the Newsletter folder, he will receive a newsletter from you every month as a way to keep in touch, and also get some referral business.

So, the basic folders you'll want to setup in your email program are:

Day 1 - Day 2 - Day 4 - Day 6 - Week 2 - Week 3 - Week 4 - Week 5 - Week 6 - Week 7 - Week 8 - Newsletter - Hot Leads

Your direct email marketing campaign should begin 24 hours after your prospect doesn't respond to you and continue for eight weeks or until the prospect removes himself from your list. This campaign will have a dramatic effect on the number of people you retain due to your persistent follow-up. You'll need to allow people to unsubscribe to your emails and newsletters automatically and track what people received what letters as well as allowing you to track when they dropped out. For example, if 35% of all people unsubscribe on letter 3, you might need to change the letter to make it more effective. The object is to

drive more people into your dealership - period. As an Internet consultant in a busy dealership it is impossible to follow-up on every lead effectively. But by building and utilizing a system that automatically follows-up on cold and non-responsive leads it allows you to focus your energy on the people who want to buy now without sacrificing good quality leads that just needed a little more time or information. To really get the most out of this system you need to track everything as you want to be able to uncover any chinks in the armor of your letters and address them immediately. This has been the most effective system we have ever tried and used to manage unresponsive leads.

Once you create your folders, you'll want to create some email templates you can use so you don't have to write a fresh email each time. Create a template for each one of your folders so you can simply input their name and send it out.

Some topics for email templates include:

- Are you still in the market?
- Did you get my email?
- I haven't heard back from you!
- I'm still looking, have you had any luck yet?
- I have what you are looking for!

These are simply recommendations. You may wish to create your own system, but what's important is that you make a system that you can follow. Don't just run your internet business by "pot-luck" which basically means, whatever happens, happens.

So, now that you have an organizational plan, let's begin with the sales process:

Email inquiry arrives

Once your inquiry arrives, you need to answer it quickly, either by email or phone. If you get a phone number, I suggest you make the phone call first, keeping in mind that you may not be the only one an inquiry has been sent to. When you make the call, one of two things will happen:

The prospect will answer the phone

If the prospect answers the phone, be upbeat and positive. Hopefully you're the first dealership that has responded and you need to make the prospect feel like you're glad he/she inquired. You need to see how serious the prospect is about purchasing a new vehicle. You can accomplish this by saying something like:

“Hi Mr. Jones, this is Mike calling from ABC Motors, how are you today? Mr. Jones, I’m calling regarding an inquiry you sent to our dealership regarding a new 2004 X-car, and I was just wondering when you’d like to come in and pick out your new car?”

From this statement, one of two things will happen:

- the prospect will give you a time he/she wants to come in, and you immediately set an appointment, or
- the prospect will hesitate on setting an appointment and begin asking you questions about the vehicle of interest.

If the prospect begins asking you questions, answer them honestly and to the best of your ability. If there are questions that need research like price and availability, don’t hesitate to offer to call the customer back with the correct information, as compared to giving wide ballpark answers that will upset the internet prospect. This will show your prospect that you’re willing to do the “good” work and provide your prospect with exact information.

The next type of opening statement can be more probative, where you’re trying to get your prospect more involved in the process by asking some questions first and getting your prospect to do most of the talking. It would sound something like this:

“Hi Mr. Jones, this is Mike calling from ABC Motors, how are you today? Mr. Jones, I’m calling regarding an inquiry you sent to our dealership regarding a new 2004 X-car. But before we begin talking about the vehicle, let me ask you a question. Why did you decide to go on the internet to shop for your vehicle? Do you do much research on the internet? Have you ever purchased anything on the internet before? Let me explain our process for purchasing an internet vehicle and then I’ll be glad to answer any specific questions you may have.”

And then proceed to set an appointment. Don’t be afraid to script different openings to see which ones work the best. Your ability to set more appointments will be determined by the amount of study and practice you do in the area of phone skills.

The prospect will not answer the phone

If the prospect doesn’t answer the phone, which is usually the norm if you’re calling during the day, then leave a message. The message should also be upbeat, and gives the prospect a reason to return your call. You’ll want to eliminate playing “phone-tag” as much as possible. The message may sound something like this:

“Hi Mr. Jones, this is Mike calling from ABC Motors regarding an internet inquiry you sent to our dealership regarding a new 2004 X-car. Mr. Jones, before I can give you the exact information you’re looking for, I need to ask you a few important questions. So if you’ll give me a call at 555-1212, I would greatly appreciate it. I’ll be here at the dealership until 9pm tonight and 6pm tomorrow. I really look forward to your call. Have a great day.”

Whether your prospect answers the phone or not, you’ll want to send an immediate email.

If your prospect answers the phone, the email will serve to summarize the discussion and reaffirm the appointment. If an appointment is made, you’ll want to put your prospect’s email address in your email newsletter folder.

The newsletter will be sent out to every prospect and customer you have in your database until they decide to opt-out.

If the prospect didn’t answer the phone, the email will inform the prospect you left a message at their home, and you need to gather some important information before you can give an exact quote. Your prospect may check his/her email during work hours, and will respond to you quicker.

Once you have made the initial call and email, follow-through with the organizational plan you developed at the beginning of this chapter.

Chapter 8

Email Direct Marketing

Quick Thought

“Like China, the Internet is a huge new market. It’s up to you to figure out what to do with it. Use it as a prospecting tool, make connections with people, add value for your existing customers.”

Marketing can be described simply as “creating more selling situations.” If you are not creating more selling situations, then you are not being effective at marketing.

Using the above definition, marketing is setting up your dealership with more opportunities to sell. Obviously, advertising is a marketing tool that is a mainstay in the automotive industry. Using a combination of radio, television, outdoor and print advertising, auto manufacturers, dealer associations and dealers continually strive to create more selling situations. In addition to these traditional media, auto dealers also use direct mail and special events to create more selling situations.

Creating these selling situations is not cheap. One of the challenges auto dealers always have faced is how to deploy their advertising dollar to generate the largest return on investment. Complicating the decision is the growth of the Internet and the opportunity it presents to reach your customer in new ways. The good news is that the Internet offers alternative methods of marketing for a fraction of the cost of traditional approaches. We are very fortunate to be living in

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.



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