OPERATIONS PROFIT MATTERS

HOW DO YOUR NUMBERS LINE UP?

HELP YOUR CUSTOMER SAY YES

A PURCHASE DECISION IS BASED ON THE VALUE THEY PERCEIVE

BY CHRIS "CHUBBY" FREDERICK | CONTRIBUTOR

want to help our customers see the value of investing in their car. I overheard ATI coach Mike Bennett teaching a client exactly how and when to sell value. I have also included a link to the ATI Service Advisor Checklist to help you and your staff present estimates better. Mike began: "Man, it's just that time of the year; it's tax time; it's the weather; it's the holidays. We just can't get anyone to say, 'Yes.'" As a coach, I hear one of these "justifications" a couple dozen times a week. But justification? Maybe a better word would be excuse. Let's make one thing clear. When we are talking about selling, it's more about customers buying. The key is to present the very real needs of the customer so they can make the informed decision to maintain their vehicle.

I understand that there are times of the year when a customer's willingness to invest in their vehicle may seem to go down. But perhaps it is more true that their need to feel and understand value has gone up. To understand our customers we need to understand that a purchase decision is not based on just price. It is based more on the value they perceive in what you are presenting. There are times when it may seem their perceived willingness goes down. However, it's more accurate that, because of whatever is going on in life their need to feel value - their value threshold - has gone up.

Our presentations do not change a whole lot from day to day or season to season. We present an estimate the way we present an estimate. What



changes is that there are times when a customer's decision-making threshold, or the value they have to perceive to make the approval, goes up.

Talk to the customer's value level

Assume your standard presentation has a value level of 7 on a scale of 1-10. If a customer is getting ready for vacation or their child is about to take the car off to college, their "need for value" threshold is, say, a 6. So, your presentation at a level 7 will certainly be enough to satisfy their value threshold, and you will likely make the sale.

Now, imagine it's February. There are no travel plans anytime soon. The Christmas credit card bill has arrived and the youngest was just at the dentist who is talking braces. This customer's value threshold just jumped from a 6 to a 9. So if you're making your standard sales pitch at a value level 7, chances are you are not going to get the sale today!

So, the opportunity is to take a critical look at our sales presentations and figure out what we can do to make every presentation a 10! Are we communicating the value of our service? Have we established the vehicle value to make the value of investment we are asking them to make seem appropriate and sensible?

When working with service advisors, I stress a couple things when reviewing the elements of the value presentation. 1) Great sales persons are not born. The skill is developed

"WHEN YOU EXPLAIN AN ESTIMATE TO THE CUSTOMER, SHOULD YOU SAY THIS IS YOUR COST OR PRICE? I LIKE TO USE: YOUR TOTAL INVESTMENT IN YOUR CAR TODAY IS..."

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and honed. Practice and preparation makes perfect. 2) Believe in what you are selling. If you don't believe it, neither will the customer. The very best salespeople passionately believe in their product. Below is a list of what I see as the important elements of a sales presentation.

Summary of the estimate presentation

• Don't just dial the phone. Be prepared with the key points to cover. Have your descriptive analogies ready and make sure you understand what you're talking about.

• Take a breath. Be prepared to communicate with control, energy and passion. Bring emotion and a dynamic voice to the conversation.

• Lower the walls. When they answer the phone and realize it's you, they are instantly apprehensive. Their initial thought is likely, "How bad is it? What's this going to cost me? And, is the vehicle even worth it?" Your opening statement should be about building value in the vehicle. Help them start from a point of feeling good about the vehicle rather than launching into what you found and all the negatives related to what is broken or needed. "We've had a chance to evaluate the concerns you mentioned, as well as give the vehicle a thorough inspection. Overall the vehicle is in really good condition, and it is clear you've done a good job of maintaining it."

Follow a four-point presentation model for each item, system or recommendation. This is simple and should not be drawn out or deeply technical.

1. What is it, and what does it do? Give a simple explanation of what component or system you're referring to, how it works and why it is important.

2. What goes wrong? Give an explanation of the factors that can cause the condition and what happens when it goes bad.

3. What are you going to do to fix it? You're the professional. Explain what you're recommending and why.

4. What is the value? What is the

customer going to get from the repair? Why should they want to approve the repairs and what is the win for them?

"An oil pump's job is to circulate engine oil through an engine just as a human heart would circulate blood throughout the body. When the oil pump wears out, just like a weak heart, it (the pump) can't circulate enough oil to keep metal-on-metal parts well lubricated and eventually those components will wear out. What we are going to recommend is to replace the oil pump and clean the screen that feeds the oil to the pump. Doing this will not only fix the tapping noise, but it will also return the lubrication system to as good as new, so the system will have the same capacity and function as it did the day the engine was new, and that means the engine should last for a long, long time and give you good and reliable service." This should not take more than a minute or two.

This is not a monologue. Make sure the conversation is a two-way conversation. Ask questions that they can acknowledge and respond to with a yes. "Mrs. Jones, have you been noticing that the steering wheel has been shaking for a while when you hit the brakes?" YES. "OK, I assume that condition has been getting progressively more noticeable then?" YES. (Remember to praise them. Let them know that they've done a good thing by bringing the vehicle in and having the situation addressed.) "Well, Mrs. Jones, it is a good thing you brought the vehicle in for us to inspect. The condition is certainly not going to improve, and it is getting to a point where it could affect the reliability of the brakes in a panic situation." Getting a customer to say yes three to five times in a conversation increases the likelihood of a positive response to the close question.

• Wrap the presentation up and ask for the close. Review the plus points of the vehicle and reiterate the value you've already built into the recommendations. "And as we have discussed, your Chevy is in really good shape. You've done a great job keeping up with the maintenance. We are going to get these couple of items addressed and handled so the car should be back delivering the solid reliability you'd expect. The price for everything I have reviewed including sales tax is \$XXX. We can get this done for you today by five o'clock. Is there any reason why we can't get started on this for you?" Some people are wired to say NO instinctively. Phrasing the close in this way allows them to say YES by saying NO.

• Once you have asked for the sale, shut up! If you have done your job using the techniques above, the only logical response the customer should be able to give is: "Yes, let's get it done." The golden rule of sales is: "He who speaks last, loses." You've made your pitch and presented every benefit for why it should be done. Once you've given them the price and asked for the approval, be quiet. Any additional conversation on your part just gives them time to talk themselves out of the approval.

Since selling is not like riding a bicycle, it always helps to have a checklist in front of you before you call the customer. You can receive our ATI Service Writer Checklist to help you and your staff present better estimates — try it free for a limited time by going to www.ationlinetraining.com/2015-07 7



Chris "Chubby" Frederick is the CEO and founder of the Automotive Training Institute. ATI's 108 associates train and coach more than 1,250 shop owners every week across North America to drive profits and dreams home to their families. Our associates love helping shop owners who are having the same struggle as many of them have had, and who are looking for the same answers — and in some cases looking for a lifeline. This month's article was written with the help of ATI Coach Brian Hunnicut.

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