

ShopTalk



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Align Your Shop for Profit

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What Takes the Most Time in Your Shop?

Brian Hunnicutt, ATI Coach

After being on the front line for 25 years and coaching for the last eight years, it has become very apparent to me that time is slipping away too fast. Why do we not get the things done we intend to every day? Time is the number one issue. There is just not enough of it to go around.

What takes the most time in your shop's day-to-day life? Is it acquiring parts? Is it fixing cars? Those pesky courtesy checks? Finding qualified people? Cleaning? Answering the phone? Book work? Training? The list of the things that require time is almost endless.

But the thing that takes the most time in your shop's day-to-day routine is Not Making the Sale!

Think about it, you spend how many hours marketing your business to make the phone ring? All of the meetings with advertising companies, creating content on Google Plus and Facebook. The phone finally rings, and you have to answer it properly and sell the person on coming into your store for an appointment. Then they show up and you have to build a great relationship with them, going out to their car and showing interest in them and their car. You have to start it and make sure the warning lights go out and get the mileage. Based on the time and mileage, you have to educate them on what you are going to do with them and for them, making sure that they never feel like you have done anything to them. Write it all up in the computer.

We then give the ticket to a technician and they have to perform a complete courtesy inspection before doing any other work except a no-start. We get the courtesy check back and we build an estimate that has all the maintenance, and anything that we found. We have to check history in the cases of returning customers, and hopefully go through the maintenance from other shops that we found in the glove box after the relationship and education part when they dropped it off. We then have to bring them out to show them the car or call them on the phone and hold the line on the sale to make it important that they buy.

They do not buy. We finish changing the oil or whatever they brought it in for and pull it out front. They show up and we cash them out, letting them know what is coming in future events plus trying to schedule the work that they declined. We exit schedule them and then have to do all the service after the sale.

Hit repeat and try to get them back in and do it all over again. If they had bought, then it really did not take time did it? If they bought, then the process worked and everyone is busy making money and the customer is taken care of. What takes more time than not making the sale?

Here is a sales technique that has worked for me on selling shocks and struts. Ask if the customer has ever walked a mile. How long did it take? Most miles are walked in about 20 minutes at a good pace. Have them think

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about the roads around you and have them pretend to walk down one of those roads for that 20 minutes noticing all the bumps and holes and ripples. Especially by the side of the road. Now ask them to drive down the same mile and how many times did the shocks go up and down in that mile? Most will say some huge number when pressed. Ask if it would be fair to say that there were 20 significant up-downs in the mile, and most will agree that there were. At 50,000 miles that would be one million significant up-downs that the shock or strut had endured. Would it be fair to say that they might be weaker now than when brand new? Would there be any reason why we could not put those on for you today?

Get better at selling, and you get better at not wasting your day due to time!

Sam's Corner

ATI Expands 20 Group Program

We are proud to announce that in response to the exponential growth of the 20 Groups, we have hired a full-time 20 Group Facilitator. We have been lucky to bring on board Kevin Green, a 37-year veteran of the automotive field. Kevin will be opening several new groups here in Maryland, as well as multiple remote groups. These remote locations will be placed to provide the best coverage for the clients across North America.

Kevin comes to the position with a wealth of knowledge, from running shops large and small in multiple markets. He has shown the ability to make failing stores profitable, whether they are general auto repair, tire stores or both. He has risen through the ranks with several companies and has served as a district manager with one of the national chains covering the Baltimore market. In addition, Kevin is an experienced coach here at ATI and is looking forward to his new duties.

Kevin believes "that getting thoughts and ideas shared among a group, helps the group achieve greater goals, insight and results than one person alone can do. I look forward to helping shop owners rise to the next level. ATI's 20 Group program has a proven track record and I believe we can take this success to a whole new level."

C. L. Frederick

-Chubby



For Father's Day, I bought you something nice with your money.



\$100 for speeding and \$250 for misleading the public



The Coach's Corner

Pit Stop Lessons

Rick Johnson, ATI Coach

Don't get crazy — get creative!

I was traveling across Kansas the other day and found myself in need of a restroom. I stopped in a small town at a Sinclair gas station. The shop was nice and clean and the bays were empty. So after I finished my personal business, I decided to visit with the owners to see how business was. (I know — I never stop, right?) Anyway, they proceeded to tell me how slow it was and how off business was. After a few minutes I left. Then about three blocks from the shop I decided to turn around and have them replace a burned-out turn signal bulb that I had been meaning to replace for about three weeks. They were nice people and I wanted to give them some business.

I went back in and told them I needed the bulb replaced. They ran my truck right in and he took the lens out and replaced the bulb. He had me try it to confirm that it worked, and it did. At that point he backed my truck out and we went up front to settle up. I am thinking it would be \$20-\$25 — when he said \$2.16 I could not believe my ears! I told him that I can't pay just \$2.16 and he said, "Well, that's what it is." I paid him more than that and thanked him and left.

Now here is a shop that is slow and business is off and I got all the usual excuses, bad weather, people waiting on tax returns, no one wants to spend any money, etc. And what is their plan to make it better? Install a bulb on a traveler's vehicle and charge \$2.16? They did not get my name or my number or even make a ticket. They did not offer a courtesy check and heaven knows they had time! I do need my tires rotated and balanced and would have done it if they had asked. I could maybe understand charging a great customer \$2.16 to replace a bulb and saying, "I'll catch you next time." But to not at least charge a good mark-up on the bulb and book time labor on a traveler's vehicle??? Now that's CRAZY!

How much better if they were creative? Get my name, get my phone number, offer a courtesy check and maybe even ask if there is anything else I may need on my truck? Again, heaven knows they had time. I mentioned to them that I drive through their town a couple of times a month. Heck, with just a little effort they could at least take a shot at trying to get me to be a customer, right?

I am sure at the dinner table that night the conversation went something like this: "Well, honey, how was business today?" He says, "It's slow, weather is bad, people waiting on taxes and no one wants to spend any money." She says, "No vehicles in the shop, huh?" He says, "Well, this one guy from Nebraska stopped in and all he wanted was a bulb replaced..."

So how are you doing? Are you replacing bulbs for \$2.16 and blaming taxes and weather and whatever else? Are you giving away your labor and parts margins in some kind of crazy marketing campaign? Or are you shaking hands, getting people's names, and

building relationships? Doing courtesy checks and pulling maintenance schedules and asking for the sale? Not just going through the motions — I mean top notch customer service? If so, I would bet your dinner conversations are a lot different than the one in that small town in Kansas.

Have a great weekend. Pull out that 2014 year-end review I sent you on December 31 and fill it out and fax it back to me if you haven't already. And if you have, be prepared to go over it in the next several weeks, and let's turn the no's into yeses.



"Someone calling themselves a customer says they want something called service."





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Review: "The Compound Effect" by Darren Hardy

By Eric Twiggs, ATI Coach

If you were given the choice between \$3 million in cash right now and a single penny that doubles in value every day for 31 days, which would you choose? This is the profound question that Darren Hardy poses on page 10 of his book "The Compound Effect." It seems like a no-brainer to choose the \$3 million, right?

Hardy writes that if you chose the \$3 million and your friend chose the penny, you would come out way ahead after the first 20 days. Based on the math, your friend would only have \$5,243 compared to your \$3 million. On day 29, you would still be ahead because she would only have \$2.7 million in pennies. On day 31, your friend would have \$10,737,418 and be over \$7 million ahead of you! He concludes that the decision to pursue the quick fix would cause you to lose in the long run.

Your ATI journey is like the compounding penny. You may not see an instant jump in gross profit the day after you update the portal. Your bank account may not double the week after your coaching call. You will not become a millionaire the month after you start making thank-you calls. There may not be any noticeable changes in your business after two months of doing these little things. However, a consistent weekly commitment to the portal entry, coaching and thank-you calls over 30 months can produce life-changing results. As with the penny illustration, you will lose in the long run by approaching ATI looking for the quick fix. This is why I recommend that you read this book.

In addition to focusing on the good habits, Hardy effectively presents the consequences of repeating bad habits over time. He mentions how the absence of an immediate disaster resulting from the habit, lulls you into thinking that everything is OK. He uses the illustration of the frog in slowly boiling water to make his point. He explains that if you placed a frog in a pan of water and slowly turned up the heat, the frog wouldn't jump to safety, because the change in temperature would be too gradual to notice. It would stay put thinking that everything was OK. In time there would be a boiled frog on the menu!

You don't experience an immediate disaster when you miss your scheduled ATI class. You don't feel a sudden pain when you choose to make a parts run instead of taking your coaching call. You aren't struck by lightning when you miss a week of portal entry. The absence of an immediate consequence tricks you into thinking that everything is fine. In reality, these bad choices will keep you from making the leap to your dreams.

The overall premise of Hardy's book is that both good and bad habits, no matter how small, have a compounding effect. Where you are today is the result of what you repeatedly do. Reading "The Compound Effect" will inspire you to ask yourself the following question: Are my daily and weekly habits aligned with the goals that I have set for the business?

