The Road to the Sale

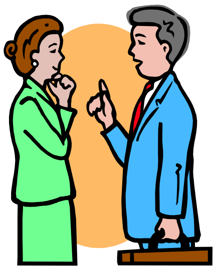
Your advertising and marketing programs are expensive! Getting a customer to your door has taken a lot of money and effort. When approaching a customer it is important to follow a proven procedure each and every time. There are three major reasons for this:

1) ***There are only a finite number of sales opportunities that come through your door during the course of every business day, so it makes sense to make the most of each opportunity.***

2) ***It is cheaper and easier to sell additional needed services to someone who is already a customer than it is to find additional prospects.***

3) ***It costs a lot less to get and keep a new customer than it does to win back a lost customer. (And it costs very little to make things right with a customer when things go wrong.)***

Sales, truly is one of the oldest professions. Thankfully, you can draw on the experience of those who have gone before you. In many ways, it really doesn't matter what you are selling. Whether you're selling appliances, used cars, funeral plots, or automotive service, the technique is the same. Selling is more about people than product.



Over the years, a proven method has been developed that helps to ensure you are making the most out of every opportunity. Of course there are no guarantees, but the success of those who have used and proven these techniques tells us that you stand a far greater chance of closing a sale if you employ and follow the formula of The Five Basic Steps.

THE FIVE BASIC STEPS

Let's list the Five Basic Steps on the road to the sale:

1. Be ready with a friendly greeting.

2. Listen and learn.

3. Explain the Features and Benefits.

4. Ask for the Sale.

5. Follow-Up.

These look pretty simple, and they actually are basic and fairly straightforward. The trick is in consistency and execution. Let's examine each step in detail.

Step 1: Be Ready with a Friendly Greeting

"A friendly greeting" has several components:

- Have a smile on your face.
- Make an immediate greeting.
- Extend a sincere gesture of welcome – nothing "canned" and overused.
- Get out from behind the counter – meet the customer without a barrier (counter) between you.
- Introduce yourself by name.
- Ask for and remember the customer's name, use it often.
- Always wear a name tag.
- Maintain eye contact.
- Always be polite and professional.
- Project a neat and clean appearance.

First impressions are everything in the sales process. Try as you may, it might be impossible to recover from a bad first impression. In fact, extensive analysis of the sales process has shown that the customer makes a portion of the decision to buy or decline within the first ten seconds of the introduction.

The sale is not a rational process. It is a combination of gut reaction and emotional response, plus an evaluation of everything the customer has experienced up to that point (including things like facility appearance). A friendly greeting is a big part of the process because it sets the tone for everything that will follow.

Discussion Items

1. How do you rate yourself or your employees in greeting the customer?

2. What do you find works best when greeting customers.

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Facility Appearance – How do you want to be perceived? Does your shop project technical competence, organization and concern for customer satisfaction? Or is the shop a pigpen that conjures up images of a big beer drinking brute pounding on a carburetor with the wrong end of a screwdriver?

You can be the most technically competent shop in your area, but if your shop is an eyesore, the customer assumes your skill with a wrench is no better then your skill with a mop. Remember, you sell the sizzle, not the steak!

Your shop's technical skills can't be measured at first glance. You have to make the sale first before you can prove to the customer that you have the skills, knowledge and expertise to do the job right.

In today's automotive market, consumers are more demanding than ever. Customers expect a clean, comfortable, waiting room and clean bathrooms, with a baby-changing table. They want technicians who are neatly dressed, well groomed and courteous. They expect polite, knowledgeable, and professional Service Advisors in a clean facility. A General Motors' customer survey found that "neat and clean service area" was listed first by a large percentage of respondents. Consider it an important part of your image.

A clean and well-organized repair shop instills the customer with confidence in your ability to solve their problem. This cleaner image makes it much easier for you to convince your customer that you have the knowledge to solve their problem the first time and the expertise to justify the amount of money you'll be charging them.

If you or your technicians are ASE Certified, belong to local or state trade associations, or have other certificates of training, you should proudly display them in a very conspicuous place within your shop – somewhere the customers are bound to notice them.

For example: place them on the wall directly behind the service counter. This way, while you're making the sale, your customers will see that you and your technicians have validation to be able to solve their problem right the first time. ASE certification is a great confidence builder. Keep only current employee certificates in view – an employee who hasn't been re-certified since 1992 isn't going to promote confidence in today's repairs!

One additional point: when you hang these things on the wall, don't staple, thumbtack or duct tape them up. Spend the time and the money to have them framed. These certificates mean a lot to your technicians and your customers. Treat them with the respect they deserve.

Countless surveys show that the ASE symbol is reassuring to customers. Make sure your shop displays the ASE logo and other state association logos in the window or on the front of your building.

Personal Appearance -- Personal appearance and attitude also sets the tone of how you and your employees will be perceived. Well groomed, cheerful and courteous employees help relax customers and give them the feeling that you truly will be able to help them with their problem.

Employees in uniforms with company insignias and nametags make it easier for customers to identify the person they need to talk to. Uniforms should have the following information on them: employee's name, company logo, and title (Manager, Assistant Manager, Shop Foreman, Service Advisor, Technician, ASE, etc.).

These are technicians and this is a dirty job. No one expects your crew to be in Armani suits, but make sure their uniforms are in good condition and clean. And make sure everyone has enough to always have a spare uniform available, in case of a particularly dirty job.

Discussion Items

1. How could you improve your shop's appearance without spending a lot of money?

2. Would you be comfortable waiting for a couple of hours in your waiting area?

3. Do you have an "appearance code" for your employees?

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Step 2: Listen and Learn

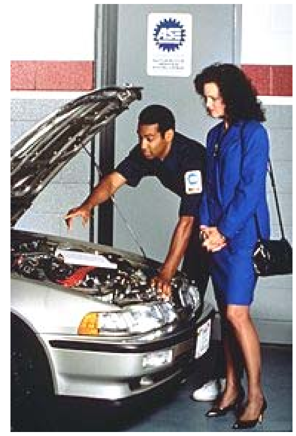
Listen! Really listen, because it is the only way you can learn about your customer. Everybody is used to being talked to because so few of us really listen. Set yourself apart; listen to what your customer is telling you. This can be difficult if you enjoy hearing yourself talk. However, listening is the key to establishing trust and confidence in your ability to help. Here are a few tips to help you be a better listener.

- Listen. Don't interrupt. Let the customer finish completely.
- Take copious notes. This eliminates mixed messages later.
- Ask open-ended questions (when does it happen, under what conditions, at what speed, when did it begin, how long has it continued, did you do anything differently?).
- Listen to the answers!
- Listen to their questions!
- Repeat the information you've gathered to be sure it's what they said.

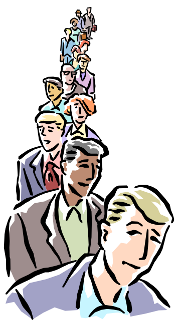
Listening is an active process. It is not passive silence until you can speak again. It is a focused, attentive awareness of what has been said. It is also an evaluation of the voice inflections and body actions that will either confirm or modify what has been said.

Don't make the mistake of depending exclusively on the equipment in your shop to arrive at a diagnosis. The best diagnostic tool available to you is still the customer who has experienced the problem. Listen closely. The customer will tell you what's wrong with their car or at least where to start looking.

If possible, go to the vehicle with the customer and let them show you what they think is wrong, or try to re-create the symptoms while the customer is standing there. These will give you a good indication of where to start looking and will instill confidence in the customer that you understand the problem. The more time you spend gathering the customer's information and making good notes on the repair order, the less time a technician will need to spend under the hood.

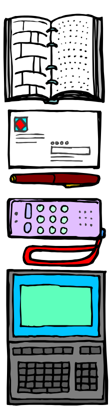


You're thinking that the suggestion isn't practical. Your biggest problem getting information is, "I don't have enough time, all my customers come in at once, and I need to get through them as quickly as I can". You HAVE to listen; therefore, you have to change your routine so each customer receives the time and attention they deserve.



Here's one approach to heavy customer traffic. Plan for maximum counter help during the heavy times, when customers are dropping their cars off or picking them up. Train more employees how to use your shop management system to pull up customer data and create a work order. They can listen for you and make the appropriate notes in the working file.

Train a general service tech (an hourly employee) to help at the counter during these periods but make sure it's someone with some customer skills – an employee who understands the importance of customer service.



Another solution to "morning madness" is to make appointments. If your customer base requires immediate or walk-in type services, then allow time for that, but schedule the bulk of your work by appointment. Give your business card to each customer, and encourage pre-scheduling of all work when possible.

Stagger your drop off times. “Mr. Jones, I have an appointment for you at 8:10 tomorrow morning and we’ll have your brakes inspected by 10:00am”, or whatever works for you. Let’s not forget the goal here. The goal is to allow enough time with each customer to gather the needed information.

Pay attention during this crucial listening step and you’ll know a lot more about what the customer wants, what they expect from you, what they need, and what they are willing to do (or spend) to have the vehicle running properly.

Discussion Items

1. What works best when you're gathering information from your customer about a problem.

2. Do you train your employees in the art of listening?

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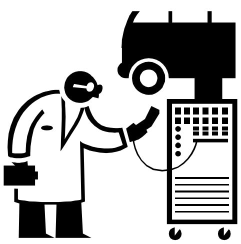
Step 3: Explain the Features and Benefits

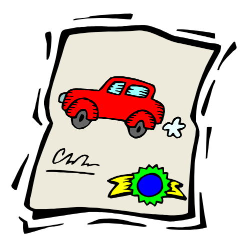
Let's continue along the "road to the sale". Now it becomes your turn to talk. You have important information that the customer needs to know. Essentially you are communicating to the customer that they made the right decision by bringing their vehicle to your shop.

Some examples of features: Ask the customer if they know how many of your technicians are ASE certified. If they don't know, show them all the certificates that are framed and prominently displayed. You may find it helpful to add up all your staff's years of experience and the total number of certifications. In an average shop you may find you have 40 ASE certifications and 60 years of experience – very impressive numbers! What are your shop's numbers?

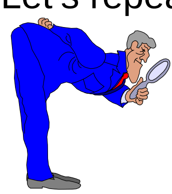
Also be sure to mention that your business has all of the latest pieces of high-tech equipment and diagnostic tools, as well as the training necessary to use them. Here's where you can explain the need for, and requirements of, diagnostics to make sure you're doing the job right (there's more about this in a later section), but take the opportunity to cover it while selling features and benefits.



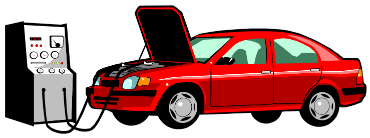
Ask them if they know about your warranty program, and explain it if they don't already know. Refer to the quality parts you use. In every case, help them feel that they've come to the right place. Help them understand why doing business with your shop is a wise decision.



Now back to the sale process. Never diagnose a car at the counter. Let's repeat that. NEVER DIAGNOSE A CAR AT THE COUNTER! When you do, you create a no-win situation. If your diagnosis is wrong your customer loses confidence. If you are right, you have just eliminated the need to bill for the technician's diagnostic time.



“Why are you charging me for a diagnostic fee when the guy at the



counter already said he knew what the problem was?” Instead, start at the beginning and only sell the diagnostic or inspection time and related or scheduled maintenance.

By the way, charge for complete inspection packages. If the customer balks at paying for a complete maintenance inspection, then you know this customer may only be interested in price. Don’t do the inspection. Instead, perform the needed repair promptly and professionally and move on to greener pastures. Maybe his confidence in you will improve after you “fix it right the first time”.

One more thing, when you charge for inspections, do it and do it well. Your customer has already proven their willingness to pay for your expertise, live up to that trust. If they comeback to pick up the car and you don’t have anything other than a repair invoice with one line on it, the customer feels ripped-off. Have your technicians make comprehensive and legible notes about what they found during the inspection. It will take only a couple of minutes extra and will provide a wealth of information, confidence, and value to the customer.

Selling Pain or Pleasure? – When working on sales, keep in mind there are only <u>two things</u> that motivate people to take action – pain and pleasure. Pain can be interpreted as a <u>need</u>, while pleasure is seen as <u>want or desire</u>.

Common examples of pain/need can be:

- My tooth aches.
- My car doesn’t start.
- It’s too hot in here.
- There’s a fuel smell inside the car.
- I lost my wallet.

Examples of pleasure/desire could be:

- Buying a new television.
- Going on a trip.
- Buying a new car.
- Going out to dinner.

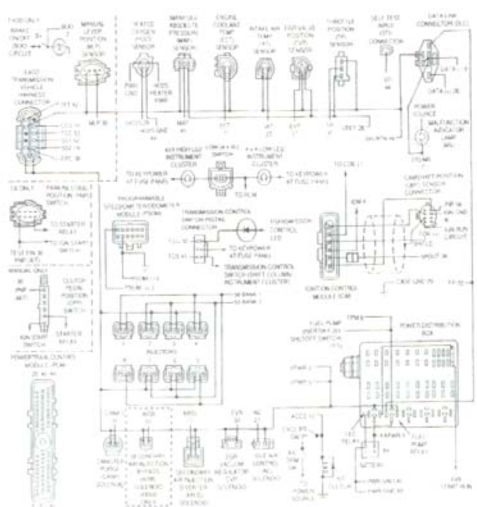
How effective you are at explaining features and benefits will often determine whether you make the sale. The degree of their pain/needs will determine exactly how much detail you'll have to go into when explaining the features and benefits.

Features and benefits are the primary ingredient of a successful sale. When you learn all of the features and benefits for every product or service you offer, it will make selling much easier.

Selling Professionalism – Sell the features and benefits of your technicians – their specialties, their certifications, and their years of

experience. Also take the opportunity to blow your horn for the automotive industry regarding the tremendous advances in technology.

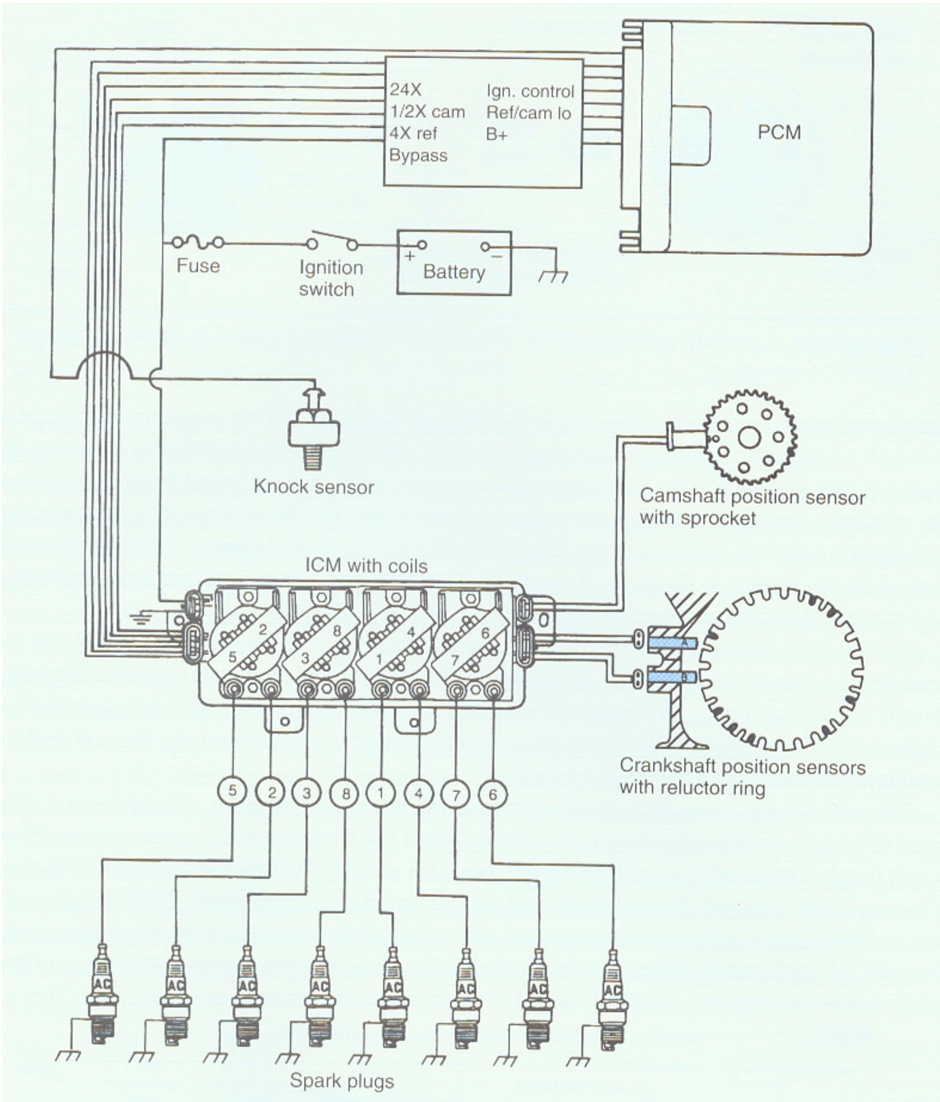
Current technology requires an amazing amount of expertise, technical knowledge, schooling, and experience. What you really want to emphasize is how diversely complex today's vehicles truly are.



There's a huge range of electronic components, computer-driven engine controls, computer-driven transmission controls, computer-driven braking, steering, heating/air conditioning, etc. You should have ready a handful of diagrams or wall charts that show precisely how computer technology, hydraulic technology, and more are demanding a very sophisticated level of training, tools, and expertise.

As a matter of record, today's automobiles have more on-board computers and electronics than early space vehicles. Automotive technicians are no longer "mechanics" or worse yet "grease monkeys".

Tell every customer (in person or with posters or brochures in the waiting area) that what you're doing really <u>is</u> rocket science (more detail on this in a later section).



Discussion Items

1. How much time do you spend on the features and benefits of your shop? How do you present them?

2. What features and benefits are most important in your shop??

3. Do you change your selling tactics when handling selling pain vs. pleasure? If so, how?

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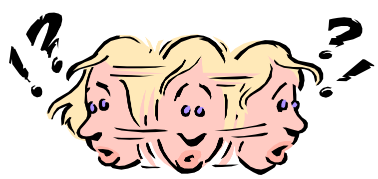
Step 4: Ask for the Sale

Having established the trust and confidence your customer needs to make a buying decision, it's time to ask for the sale. Welcome to step four.

There are two common mistakes when asking for the sale. Both of these will be addressed briefly.

Tech-Talk – The first one is "Tech-Talk" – the excessive use of technical jargon or industry specific abbreviations. An example:

> *"Ms. Jones, its appears you have an EGR failure causing high CO's on our DGA 1000. We looked up your VIN on our MOD and found that an OE replacement is available. That'll be $295.00."*



You know exactly what that means. But, does your customer know what you are talking about? Let's try it this way instead:

> *"Ms. Jones, good news. We found the reason why your car has failed emissions testing. The exhaust gas recirculation valve, an emission component, has failed and is causing unburned gas to exit the tailpipe. I've found the proper replacement part and it's on the way. We'll have your car running better and burning cleaner by the time you pick it up this evening. We also ran a check of your on-board diagnostic system to be sure there were no other trouble spots. You should pass the emission test with no problems. We'll install the new part, recheck your emissions and make all the necessary adjustments for just $295.00."*

Itemized Pricing – The second most common error is itemized pricing. Do not over-explain, over-analyze or over-emphasize your pricing. Here's an example:

"Mr. Smith, I've got a set of Super Grip EX Radials for your car. The tires are $72.00 each. The valve stems are $4.00 each. $8.00 a wheel for balancing and the road hazard warranty is another $10.00 each and then there's the disposal fee of $2.00 for each old tire plus $4.00 per wheel for mounting." Then there's Federal Excise Tax of $1.23 per tire and sales tax of $21.77.

Does this sound familiar? Let's talk to Mr. Smith again and see which presentation would sell a set of tires.

"Good Morning Mr. Smith, I have your set of Super Grip EX Radials ready to install. We're going to remove the old tires and dispose of them for you, install the new tires with new valve stems, we'll use our high-speed computer spin balancer to make sure you get the smooth ride you expect. We'll also hand torque each wheel to manufacturer's specifications. Of course, the new tires will come with our comprehensive road hazard warranty and our free rotation policy. Best of all, we'll have it ready for you by lunch time, all for just $450.00."

Which set of tires would you be more inclined to buy?

By the way, if you did the math, the second set of tires was about $25.00 more, but did it hurt the sales presentation? You'll notice price was mentioned only one time. This is actually an example of something called Menu Pricing.

Remember to keep it simple. Present one price for the entire repair including sales tax, shop supplies and anything else that you may need to include. You may want to allow a few dollars extra in the estimates. This allows for any unexpected fasteners, or other small items you might overlook. It provides a small cushion so that when Mr. Smith comes in to pick up his car, he pays less than he was quoted. Even if it is only by a dollar or two, the psychological benefit can be astounding. The customer perceives a bargain and it goes a long way toward establishing customer confidence.

The Importance of Estimates – It should go without saying, never exceed your estimate. Exceeding an estimate by even a few dollars does irreparable harm to your relationship with the customer.

Something we need to make absolutely clear at this point: you need to be sensitive about the general public's perception of the automotive service industry and its ethics.

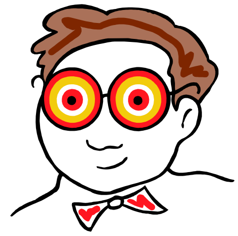
Realize that one out of four of your customers would rather be at the dentist than dealing with an automotive repair. No one will benefit if incorrect, unnecessary, overpriced, or improperly performed work is forced upon a customer.

Here are a few more ground rules to prepare for the moment of truth, asking for the sale:

Understand What You are Selling – Talk to the technician or service manager. Make them explain the needed repair to you. If you don't understand it, you are selling your confusion. Customers will not purchase confusion.

Be Prepared – Have all of your numbers in front of you before you make the call or presentation. Every time you put your customer on hold or can't answer a question promptly, your percentage of successful sales decrease dramatically. Know all of your pricing, parts availability, warranty parameters and time frames.

Believe in What You are Selling – Confidence is everything. Obviously, you never want to sell unneeded services. Check out your gut feeling before you talk to the customer. Make sure you're confident that the repair you're recommending will solve the customer's problem. Every sale should be a win-win scenario. If you have doubts, go talk to the technician again. Resolve your doubts and concerns. There is a good chance that the customer has the same concerns, and you'll be better equipped to resolve them.

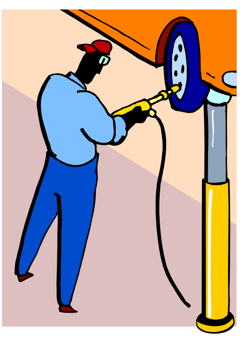


Give the Customer Your Undivided Attention – Whether the customer is in front of you or on the phone, make sure you can manage the time necessary for a discussion without distractions or interruptions. Don't interrupt a customer to take a phone call or put a customer on hold to handle another customer.

Closing the Sale

OK, let's go over some of the ways to close the sale. Car salesman and other sales professionals have hundreds of different closing techniques, but that really isn't necessary in this line of work.

Vehicle repairs are not considered an optional or elective purchase. If features and benefits are used to identify required services and the explanations are professional and thorough, then very little "closing" or high-pressure sales tactics should ever be required.



On the other hand, maintenance and manufacturer's scheduled services might require a bit more selling skill. Maintenance sales are more of an elective repair and are not based on broken vehicles. So let's cover a few of the simpler closing presentations that have proven to be extremely effective.

The Assumptive Close - A favorite close is the "Assumptive Close". Simply put, this is assuming the sale is acceptable and there is no need to directly ask for the sale. The idea is to take the customer beyond the buying decision to a decision that occurs after the sale is concluded. Here's an example:

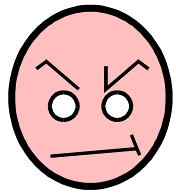
> *"Mrs. Watkins, we've found the problem with your Buick. The water pump has failed. What we'll need to do is replace the water pump, thermostat and related gaskets. Then we'll flush the cooling system and replace the anti-freeze to make sure you have no further trouble with your car overheating. Today's repair will run $396.00. Would you*

like to pick it up tonight or tomorrow morning?"

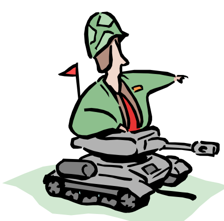
You'll notice at no point was she asked if she wanted the repair to proceed. The only decision she needed to make was when to pick up her car.

You can achieve the same results in dozens of different ways. "Would you like me to order the parts?" "Will you need a ride home?" Use any question that presents the sale as a completed decision and the question of convenience or time is the only remaining unfinished business.

There is never a need to be deceptive. Carefully explain the repair, answer any questions the customer has and present the total cost of the repair. Don't be intimidated about stating the price. Customers can sense hesitation and their trust will slip if you hesitate. When you provide excellent work, you provide value, which is what they feel good about when they make a purchase.



The "Uniting Against a Common Enemy" (or the "Third Party") Close – Uniting Against a Common Enemy or the Third Party close can be equally effective in overcoming objections. It is a way of communicating to the customer that you're on their side.



Typically, the common enemy is another entity or person. If you've ever purchased a new car from a dealership, you've been on the receiving end of this particular close.

Remember when the salesman kept getting up to check with the evil sales manager? He'd comeback with his head hung low and you'd up your offer a little until you and your new best friend finally were able to overcome the objections of Satan-in-a-three-piece-suit.

In this business, it's a big mistake to make any member of your organization the "bad guy", but the theory is still valid. You'll just need to find a different common enemy.

Try a statement like,

"Today's automobiles are very complex; the equipment, skill, and time required for repairs is very different from what was needed just a few years ago."

The "common enemy" in this case is the complexity of the automobile itself or some obscure engineer (who probably deserves to be pummeled anyway).

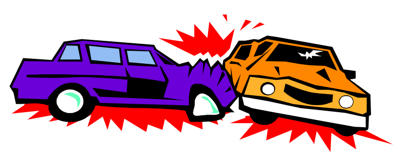
Perhaps a better example is using mileage as common enemy:

> *"Well Mr. Jones, with all the miles on your car these services have become absolutely necessary, but we'll keep your car running like new".*

Both of these closes are examples of soft sales techniques. Customers are more sophisticated and have grown more and more resistant to hard sell or high-pressure tactics.

Never use scare tactics:

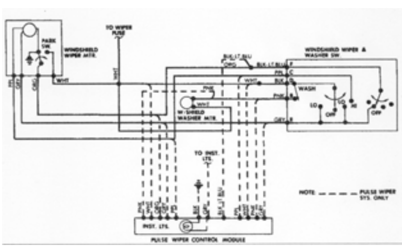
> *"If you don't fix these brakes, you're going to have an accident and maybe kill somebody."*



These tactics are counterproductive and reinforce the general distrust of the industry. They're also illegal in most states.

Show-and-Tell – One of the most effective methods of selling is "show-and-tell." Adding <u>visual</u> and <u>tactile</u> components to the sale make it far easier for the customer to understand exactly what you're going to fix.

Take the customer into the shop and show them the leaking shock absorber or the bald portion of the right-front tire. If the customer can see the broken component, they'll have a much better idea of what you're talking about.



Use your computerized information system (Alldata, Mitchell or other). Pull up wiring diagrams, exploded views, technical service bulletins, and diagnostic charts to show the customer the complexity of the repair. They may not understand it all, or be able to read it all, but the visuals are very impressive and support the validity of what you are doing.

You may even find a <u>recall bulletin</u> on your customer's car that they can use to go back to the dealer for other no-cost repairs, and you'll wind up being the hero!

The other benefit of show-and-tell is <u>establishing trust</u>. Even if the customer is not in your shop, invite them to see the broken part. Most of the time they won't come in, but the effect is the same. Customers automatically assume you are telling the truth if you want to <u>show them</u> the failed component. <u>Overcoming distrust</u> is a huge step toward making every sale easier.

Offering to <u>save the old parts</u> for the customer's examination when they pick up their vehicle has the same effect. Keep replaced parts labeled and near the counter for the customer's examination when they arrive (put them in the box the new part came in). Don't clean them. You want them in their natural state: old, disgusting and most importantly - broken.

Discussion Items

1. How do you normally ask for the sale?

2. Can you remember any of these sales tactics being used on you as a consumer?

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A Glimpse Into the Mind of a Customer

Let's take a little side trip here and see if you can gain a better understanding of what it's like to be on the customer's side of the service desk.

Talking It Over – After you have presented your close, shut-up! It is important to give the customer time to analyze all of the things you presented. They may have liked everything about your presentation. Usually they have no objections to the actual repair, but they may still have a lot of things to think through:

- Is this a good time to do the work?
- Can I get by without my car right now?
- How important is it to do the work now?
- Do I have enough money in my checking account?
- Do I have enough credit left on my credit card?
- Will paying for the work interfere with other financial plans?
- How much longer do I really intend to keep this car?

Whatever you do, never interrupt a customer's thought process. When you do this, you will lose the sale every time!

When a customer presents objections, remove them point-by-point. It is important that you always answer their questions as briefly as possible. Be direct.

If they object to the first feature or benefit, ask them what they did not understand and only explain away that concern. Be sure to explain any additional features and benefits and be sure they understand them. Then become silent. Wait for the next question.

Follow this technique with every question or objection that is brought up. When you do, the sales process moves along smoothly.

Don't Anticipate – Never anticipate the next question and give them more information than needed. This could jeopardize the sale. Don't be elusive when answering their questions, just be direct.

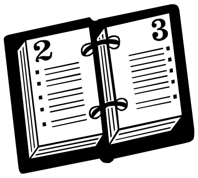
When all of their questions have been answered and they are satisfied with your information, the final obstacle will be the cost. The difficulty of this obstacle will depend on how well you have explained the features and benefits, and how you handled their objections and questions.

The better the preparation, the less likely that price will be an obstacle. When presenting the price to the customer, be upbeat, honest and direct. When presenting the price, present the total price. Don't identify parts and labor or other services. Don't ballpark a price by saying, *"Oh, about $175 for everything."* Just give the total cost for the complete service. In actuality, that's all your customer really cares about anyway.

The Eyes Have It – At this point carefully watch the customer for facial expressions and body language. If you sense rejection or resistance and you feel you've done all you can do to explain the features and benefits of the service, you may want to reopen the discussion with, *"by the way, you don't have to have all of these services performed at one time".*

Explain to your customer how you can work together to prioritize important work to do now and schedule the remaining services in a manner that works for the vehicle's needs and the customer's budget.

Prioritize in a logical fashion. Obviously safety related items always come first. If they agree, help the customer prioritize their needs and then ask: "Which of these services would you like to have performed today?"



If they reply that they are not interested today, offer an appointment for a later time. If they fail to set an appointment, you've probably lost the sale.

Remember to never take these rejections personally. The customer's reason for not buying may have nothing to do with you or your presentation. However, when you do lose a sale, take a few moments to reflect and learn from the experience. What would you change if you had to do it again?

When No Means No – If you were unable to close the sale by using all the tools we've discussed, don't let the customer walk away until you determine if they understand the reasons for the repair or service and the benefits from completing it. Coach the customer thoroughly about the benefits of the service to be sure they understand.

As a general rule, if your customer says "no" three times, it means no. If you can't sell the job in three tries, let it go and try again on the customer's next visit. Thank them for their time and encourage them to call or comeback if they have any further questions, or if they change their mind.

Don't Give Up – The customer may just need more time to think about the services they need. You should ask if you can schedule an appointment, or make a reminder telephone call. If you sense they are getting frustrated, let it go and simply send a reminder letter. This is known as the Follow-up and it's the basis for Step 5.

Discussion Items

1. What common customer objections give you the most trouble?

2. What is your normal reaction when a customer says “No”?

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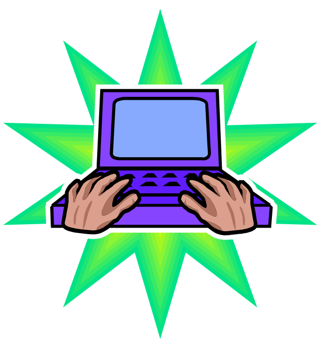
Step 5: Follow-up

Good follow-up is <u>critical</u> to the long-term success of any business. Just because a customer said “no” today doesn’t mean he or she is permanently unwilling to give you their business. Their rejection could be a result of their current situation, completely unrelated to how you have presented the sale.

<u>Successful follow-up</u> involves a few different techniques, but the <u>most important</u> is keeping good customer records.

Every time this customer comes in, you have a <u>new opportunity</u> to make that sale, but you have to keep dependable records: what was done to this customer’s vehicle previously? Is the vehicle ready for a recommended service? Is there something in the <u>previous recommendations</u> that has not been completed?



Keep a Service History – It’s critical to have records of the customer’s <u>service history</u> and the recommendations or repairs you’ve performed in the past for each of his/her vehicles. Fortunately most of the shop management software available today does this quite well. This is especially important if the customer calls you. With a <u>computer-managed customer database</u>, you can quickly pull up the customer’s file as you talk. This gives you reminders of what transpired previously and let’s you speak from a position of strength.

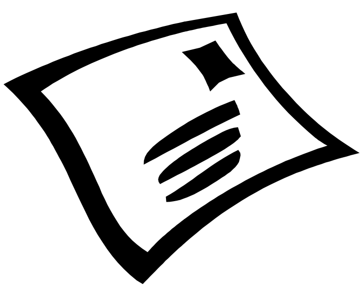
If your shop still isn’t utilizing computers for customer invoices and creation of databases, then you will have to manually keep files on everyone and have them available when the customer arrives for their next appointment. This is very time consuming. But, with or without the aid of computers, it is well worth the effort.

You Need Repeat Business – Every successful business depends on repeat business. Other businesses use customer information and marketing programs to increase their repeat business. This is just as vital for automotive repair facilities. This is best accomplished through accurate and consistent information regarding the customer and the needs and condition of his/her vehicle.

You hurt your credibility if any part of the information does not apply to that customer's vehicle. How confident would you feel about a business whose records include:

- Out-dated customer information.
- Incorrect test procedures.
- Different names for the same procedure.
- Ordering the wrong part.
- Being unable to recall prior work recommendations that have already been performed.
- Inconsistent information about the manufacturer's maintenance intervals.

Timeliness and Consistency – Being timely and consistent with your customer contacts is just as important as the accuracy of your



information. You send your customer a follow-up reminder about recommended services specifically for their vehicle. You then confirm that contact with the same reminder the next time the customer comes in. You ask the customer to schedule appointments for the recommended work. Guess what? Now they're beginning to believe that you know about their vehicle and its needs. It shows you care and are keeping on top of the customer's needs.

If a customer receives a generic reminder, for any type of vehicle, once or twice a year when business slows down, they believe you are simply looking for anybody's business. They don't believe you are looking out for them or their vehicle.

You need to educate your customers that they will have to spend money to keep their vehicles operational. That money can be spent on preventive maintenance that is scheduled and budgeted. Or, they can spend more money for towing and unexpected emergency repair work that may contribute to greater problems.

You should explain that because of the engineered interaction of components (low brake pads score the rotors, bad suspension ruins the tires), small problems could quickly become large expenses. This can be done in a follow-up mailing. If you want to take the time, you can be specific about that customer's vehicle and the types of system failures that may occur if problems are left untreated.

But there is much more to follow-up than generating additional sales opportunities. It is also a critical step in developing and maintaining customer relationships, marketing seasonal promotions, and quality control. In the interest of time, we'll focus on developing quality control in your follow-up system.

Quality Control – Here are some rather shocking numbers about quality of work and customer satisfaction. Only one out of every ten dissatisfied customers will ever return to you with a complaint. That means for every comeback you currently see, there are nine that you have never heard from. They simply took their business elsewhere.

In another study, of the customers that had a complaint regarding an automotive repair, 78% said theirs cars were not fixed correctly the first time. As it's been stated several times throughout this class, fix it right the first time!

With these figures in mind, let's return to the follow-up system.

Remember those nine unhappy customers you never knew about?

You're about to meet them. Call <u>every customer</u> within a few days of his or her service.

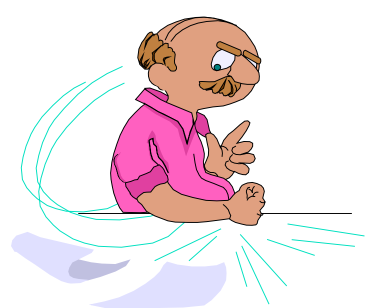
One of the <u>most effective</u> techniques is to have the <u>technicians</u> make the bulk of these calls. Let them take a few minutes at the end of the shift to call their invoices from a few days before.

Their instructions are to call each customer, introduce themselves, and ask only one question, *"Are you happy with the repairs I performed on your vehicle?"* If the answer is yes, thank the customer for their time and their business. If the customer had concerns about the service, this becomes a <u>priority situation</u> and you should arrange to have the customer return their car at their convenience, or you may want to go pick it up.

Why is this important? Because you're telling the customer you care about the level of service you provide and whether the customer is satisfied with giving you their business. Second, if there is a problem you have the opportunity to resolve it right away, before the customer becomes one of the unknown number of dissatisfied former customers who simply vanishes.

And keep in mind, when an unhappy customer goes away, they don't do it quietly. They will tell their sad tale to everyone who will listen. <u>Word of mouth</u> is one of the most effective advertising sources there is – don't be the recipient of negative word of mouth advertising.

Be ready for some unexpected and unpleasant responses. Everyone has unreported customer concerns, but it is better to know about your mistakes than to simply <u>lose</u> the customer. Having the customer return gives you the opportunity to correct the situation and possibly salvage a relationship with a valued customer.



When the customer reacts negatively, don't get defensive. Get on their side immediately by saying something like,

> *"I'm really sorry this has become a problem. Let's try to figure this out together so we can resolve it and get you on your way."*

Some people see the follow-up phone call as a <u>sales opportunity</u>. It is not. The purpose is to verify that the customer is <u>happy with the service</u> you provided. Once that is confirmed, end the call courteously and quickly.

Going into a sales pitch crosses the line and invades private time at home just like any other telephone solicitor. The industry's reputation is bad enough without that. Besides, calling to be sure your customer is satisfied seems to be a powerful tool for <u>future sales</u>. The customer understands that you genuinely care about the quality of the service you provided. That's a big step toward enhancing customer confidence and loyalty.

Another benefit to this follow-up call is <u>accountability</u>. If technicians know they will be speaking to their customers in just a few days, they take a little more pride in their work. Companies who have used this system discovered that comebacks are reduced.

Some technicians may not have suitable <u>verbal skills</u> or <u>tact</u> for these calls. If that is true in your case and it can't be corrected with a little coaching and guidance, have service writers or salespeople make the calls. If you expect trouble or if your facility has completed an especially complicated or expensive repair, <u>make the call yourself</u>.

Discussion Items

1. Do you have a follow-up system in place?

2. What kind of record-keeping system do you use?

3. What kind of follow-up programs do you have?

4. Do you hold technicians accountable for comebacks? In what way?

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