

# Selling cars is a 'today' business



BY CHRIS SCHULTHIES

Selling cars is a "today" business. This almost sounds like a statement from a 1970's training manual, and many might view these words as old school. Today, however, nothing could be closer to the truth.

Before the advent of the Internet, car buyers would move through the following buying process when entering the market to purchase or lease a new vehicle:

#### THE ACTIVATING EVENT:

This was the circumstance that caused a person to decide to buy a new vehicle: their current vehicle broke down and needed costly repairs; their neighbour bought a new one; it was their regular trade cycle, etc.

#### VISUALIZATION:

This involved the buyer discussing the purchase with family and others, looking around and being more aware of the different vehicles on the road and more importantly, seeing themselves driving a new vehicle in their daily activities — driving to work, driving the kids to hockey, going on a summer vacation, etc.

#### RESEARCH:

Buyers entering the market would research their new vehicle purchase by reading consumer reports, newspaper and auto magazine reviews and by phoning manufacturers and having brochures mailed to their home. Research also involved seeking opinions from family, friends and co-workers and visiting numerous dealerships of different manufacturers to view the vehicles, learn about them, drive them and evaluate them.

#### CLARIFICATION:

Following dealership visits, buyers would narrow down their choices to one, two or three vehicles.

#### THE TELEPHONE CALL:

A high percentage of buyers would telephone dealerships with enquiries about vehicle availability, pricing information, further details about an advertisement. Telephone enquiries would also request trade value information and "best price."

#### THE VISIT TO THE DEALERSHIP:

Buyers would visit several dealerships. With the choice of their potential new vehicle down to just one or two selections, they would buy one.

Today, the process has changed. While the activating event and the visualization steps remain the same, the research is done primarily online and because of the amount and quality of the information available, many buyers completely skip visiting dealerships during the research phase and go right to clarification.

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Luxury brand salespeople and sales managers argue that because of the amount of money involved in a high-end purchase and the typical education level of their buyer, these people require three, four or even five visits to the dealership before a decision to purchase can be made.

When management encourages be-backs, does this not become a self-fulfilling prophecy, one that unfortunately often yields poor results? Does this not become a salesperson's justification for not selling a car today? And because so many salespeople are convinced that customers don't buy on their first visit, does this not set the stage for less urgency and enthusiasm for doing the complete job with respect to the dealership's prescribed sales process?

Over the past several months, our sales trainers and I have been conducting informal research at seminars right across Canada. We ask salespeople of all experience levels the following question: Assuming that you have spent quality time with your customer

And are these not the same objections that we've heard and effectively overcome for the past 25 years?

If the retail industry was not so fiercely competitive, perhaps we could rely on be-back business, but obviously this is not the case. Many successful dealerships view the be-back as a surprise or even a bonus customer.

This does not mean that these dealerships use high-pressure or mean-spirited closing tactics to close the sale. It simply means that these dealerships do the complete job by enthusiastically following their dealership's documented sales process with each and every prospect, who walks onto the lot.

Remember, because of the amount and quality of the information available on-line, vehicle photography, video, vehicle specs, pricing and even Black Book wholesale values, buyers are not only in the mood to buy, but are often willing and wanting to buy today.

We sometimes forget that when you get right down to it, a dealership is a

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Ironically, much of the retail automotive industry has convinced itself that most customers are not prepared to make a buying decision on the first dealership visit, believing that customers are still simply in the research steps of their buying process. In fact, since the buyer has conducted and gathered extensive research already, nothing could be farther from the truth.

Many salespeople, sales managers and even dealer principals feel that it is old school to ask for the sale on the first visit, citing that this puts undue pressure on the potential buyer and may cause them to flee.

An alarming number of salespeople even tell me that their sales managers often gently discourage the practice of asking for the sale today, suggesting that it exerts too much pressure on the buyer, is old school and that their dealership has an excellent "be-back" ratio.

building the relationship, qualified their needs in a new vehicle, presented the vehicle via a feature-benefit presentation and executed a well-planned demonstration drive, do you clearly, confidently, and consistently ask your customers to buy your vehicle today?

The overwhelming answer to this question has been "No."

I am not suggesting that every customer entering a dealership showroom is ready to make a purchase today. What I am suggesting is that many are simply not being asked to buy today, or if they are asked, are only being asked once in somewhat of a feeble or apologetic manner.

Customers will no doubt tell salespeople that they "want to go home and think about it," that they "still want to shop," that they "still want to look at another vehicle" etc. But are these statements not simply the first round of objections that customers use to improve their negotiation position and achieve a better price or trade value for a today purchase?

store and that most consumers are aware that the salespeople there work on commission. Hence, if a customer walks in during store hours, engages a salesperson, who is paid on commission, and as a customer has the resources to do extensive research before they enter your store, should we ever feel sheepish, apologetic or even old school for simply asking them to buy today?

When salespeople build a relationship with their customers and follow the steps to the sale, customers are very rarely offended when we professionally ask them to buy today. However, they are most certainly offended when we don't.

*Chris Schulthies is a senior partner with Wye Management. Wye Management trains salespeople, F&I managers, used vehicle managers and sales managers throughout North America. He also speaks at dealer conventions and 20 Groups.*