

## ***Feast or Famine? Not If You Know How to Prospect!***

In the automotive business, a good salesperson knows how to ride economic waves. They know exactly how to take a group of “ups” and build them into a loyal base of prospects and clientele who return time and again for vehicles, parts, service and accessories; who bring in referrals; and who increase the potential to close a deal by as much as 500%. But good salespeople typically do not share their secrets!

### **I. A Positive Mindset Generates Positive Actions**

Salespeople are driven by commissions. So imagine if they viewed every customer who walked into a dealership as a commission? In today’s business, the very lingo of the automotive retail business – referring to individuals as “ups” – thwarts this perception and reduces the odds for a potential sale.

The word “up” has no relevance in the sales world, yet the second an individual walks into a showroom, he or she is called an up. This creates a counter-productive mindset. If salespeople viewed every person entering a dealership as a customer – someone who plans to purchase – a car, parts, service, accessories, etc., the sales potential increases dramatically. This seemingly simple change in mindset makes a world of difference in sales, commissions, and profits.

Ups, customers, clients or clientele – it’s not about words, but about the attitudes they drive. Simply changing the words sales teams use can change their attitudes and drive an increase in closing ratios and bottom line profits. For example, instead of referring to every individual who walks into a showroom as an “up,” sales teams should call him or her customers. A customer has purchasing power and is likely to buy, while “up” is simply a direction and really has no place in a salesperson’s vocabulary. While this is an important first step, ultimately the goal is to convert customers to clients -- people who engage the professional advice or services of another over time.

To be effective in changing a mindset, the process must be driven by management and fully embraced by sales teams. Much like professional sports teams, managers or coaches must start by focusing on the overall goal – winning the Super Bowl. Working from that goal, they must formulate a strategy and game plan, and create opportunities for their team to practice, play and win.

1. The importance of team. In professional football the winning team is not always the biggest, fastest, or best, but the one who goes in with a well-practiced game plan (hours weekly for a one-hour game) and execute the game plan.
2. Change the mindset. Change the vocabulary – salespeople must view each individual who enters the showroom as a customer with the ability and intent to purchase and as a potential client.
3. Assign a value to each customer. The average commission (**CUSTOMER**) is worth \$250.00 to \$300.00 per vehicle (**PURCHASE**), paid upon delivery to the salesperson.

4. Find more than three who say yes. Instead of playing the 10-7-3 game – of 10 prospective customers, seven say, “can’t, won’t, don’t,” and three say “yes” – a salesperson with a game plan that creates and brings in qualified clientele is likely to close much more than the 30% those who just work the walk-in traffic will close.
5. Convert some of the seven to yes. When teams approach each individual as a customer, the likelihood is that the 10-7-3 game will change to 10-6-4, 10-5-5; because a positive experience leads to a positive decision.

## **II. Building Clientele**

Creating a mindset that perceives every individual who comes into the showroom as a customer is one of the first steps in driving sales and increasing commissions and profits, and a mandatory step toward building clientele. It is a proven fact that when a customer comes into a dealership and specifically asks for a particular salesperson, the closing percentage jumps to 60% or higher – a 400% to 500% increase in the potential to close a deal. This is the essential difference between a customer who simply walks into the dealership and a client, a person who has a relationship with a particular salesperson.

Salespeople build clientele through ongoing personal communication. Personal communication allows salespeople to get to know their clients and to build a sense of trust. It’s this trust that makes clients comfortable asking the salesperson for advice. It’s this trust that creates an opportunity for the salesperson to close higher value and volume sales, and to secure referrals.

- After the sale – when the vehicle is delivered – is the best time to extend the personal communication beyond the showroom floor. Yet many salespeople don’t make the follow up call, simply because they don’t know what to say, and while they’ve been told to make the call, no one has taken the time to train them in how to do it successfully. The thriving salesperson takes a positive attitude and chooses his or her words carefully before each call in order to guide the conversation to a positive outcome. Never ask a question unless you know the answer.

A positive mindset always results in positive actions. Nowhere is this more important than in automotive retailing. If a salesperson sees a glass half empty, they will not succeed. But, if they see the glass half full, they will always have the ability to realize a positive outcome, no matter what challenges they encounter. By starting on a positive note, not only is the conversation easier, but it can be guided to a successful conclusion.

Training teams to develop clientele generates tangible and exponential returns. Clients rely on their salesperson (and by default the dealership) to help them make decisions for all their transportation needs, from new cars, to additional vehicles for family and friends, and for service, accessories, and other products. All this leads to higher sales, higher commissions, and larger bottom line profits.

## **III. Prospecting – Reviving A Lost Art**

How do salespeople bring in clients who ask for them by name? There is only one answer – prospecting, a nearly lost art in the automotive business. Today, salespeople rely on dealers to bring in nearly all of their traffic. In reality, dealers should provide approximately 30 first-time customers to each salesperson monthly, while each salesperson should bring in a minimum of 10, qualified first-time customers. This creates a pool of 40 first-time customers, of which the salesperson should bring back 50% of those unsold as be-backs, increasing the pool to 56, increasing the potential to close without increasing marketing expenses.

To revive the art takes an unwavering commitment from managers to teach, train and become a role model to their salespeople -- explaining how to prospect, physically demonstrate in the field, and coach telephone prospecting. While there are many approaches, discussion will focus on personal prospecting, which requires a salesperson to come face-to-face with the prospect. Personal prospecting never stops. A good prospect can be found anytime, anywhere: enjoying picnics, parties, family gatherings, and yard sales; attending sporting, entertainment or educational events; participating in civic groups, religious organizations, or health clubs; and frequenting neighborhood stores, coffee shops, cleaners, or airports. Then, be sure to follow these prospecting pointers.

1. Listen. Once you get a prospect talking, you might find someone who has a five-year-old car and is ready to trade up. Or, someone tells you, "I drive a lemon, it's in the shop for the umpteenth time." Before long, you will be sliding over your business card, offering to introduce them to your service department, showing them what's new, getting an opportunity to deliver a vehicle, or asking for the referral.
2. Tell people what you do in broad terms. "I am in the transportation business." Even if you work for a Ford dealership, you can get any type of transportation – every dealership sells pre-owned cars, and every dealer knows other dealers they can deal with.
3. Always get the referral. Ask for an immediate referral and tell prospects to keep you in mind for friends or family. Offer to help them with any type of transportation question, and be ready to do so.

With a positive mindset and the commitment, your dealership personnel will have what it takes to build a pool of loyal clientele through prospecting and personal relationships.

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