

Increasing Automotive Sales Training ROI Effectiveness

by Jerry Rosen

Today there is increased demand by dealership management for accountability in automotive sales training. But if sales training is to be taken seriously ... as an investment in human capital rather than a major expense ... sales training evaluation is serious business too. But when it comes to determining automotive sales training ROI, it's essential to focus on what's truly important and not just on what's been done in the past or what's most apparent.

Traditionally automotive sales training ROI evaluation concentrated on cost factors and potential cost savings. Things like travel/living expenses for attending new vehicle launches and sales trainer salaries. However, this is just the first level of sales training ROI.

To maximize the effectiveness of automotive sales training ROI, focus metrics on what are, for your organization, the most significant indicators. At the same time, be open to non-traditional success measures.

ROI Examples

Below are just a few examples of bottom-line attainment measures that reflect the true impact of automotive sales training. Use them to jump start your own thinking.

- **Return on perceived competency.** This is the time it takes people to feel comfortable about their abilities to perform. ("It used to take sales consultants weeks to become thoroughly knowledgeable about our hybrid vehicles and their underlying technologies. Now they're ready to discuss these products and their benefits with customers in half the time.")
- **Return on achieved competency.** This is the time it takes people to directly contribute to profitability. ("It used to take some new hires almost two months to close their first truck deal. After training they do it in four or five days. And sell additional truck accessories too.")
- **Return on competitive advantage.** These are ways in which effective sales training helps you stay ahead of the pack. ("Sales consultants who've completed our basic sales training program are seeing, on average, 20% higher compensation in commissions. We're using this fact to help recruit additional more experienced sales personnel.").

There are other useful measures too, like impact on customer satisfaction, retention, and loyalty.

At the same time, don't cast your net too wide. Don't get bogged down trying to evaluate everything. For example, it may be advantageous to know the average amount or time required to sell a truck versus a car. However, it may not be something you want to track as part of your sales training metrics.

And finally, don't evaluate what isn't critical to your larger sales training goals. Keep your strategic focus clear and unambiguous. Continually ask yourself the key relevant question, "How can sales training improve the overall performance of our sales force and bring greater value to our customers?"

For More Information On Sales Training ROI

For a broader/deeper perspective on these and related topics check out my books:

- Using Sales Training Best Practices To Increase Sales
- Developing Performance-Based Sales Training To Increase Sales

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