

"We Make You Profit"

Facts About Auto Sales

What you think vs.
What is real





Percentage of Customers that Decided that They Were Going to Buy a Vehicle Before Leaving Home



Percentage of Customers that Decided that They Were Going to Buy a Vehicle Before Leaving Home





Percentage of Customers Considering Fewer Than 3 Makes of Vehicles Prior to Shopping



Percentage of Customers Considering
Fewer Than 3 Makes of
Vehicles Prior to Shopping





Percentage of Customers Who Told a Sales Person They Were "Just Shopping"



Percentage of Customers Who Told a Sales Person They Were "Just Shopping"



Percentage of Customers Who Told a Sales Person They Were "Just Shopping"

So how do we meet 'em and greet 'em?

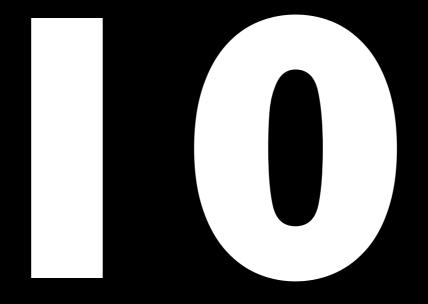




Number of Actual Hours The Average Customer Spends Shopping for a New Vehicle (Including Internet)



Number of Actual Hours The Average Customer Spends Shopping for a New Vehicle (Including Internet)







Average Number of Actual Shopping Days a Customer Spends A Dealerships



Average Number of Actual Shopping Days a Customer Spends A Dealerships







Average Number of Days a Customer Takes From First Dealer Visit Until Purchase



Average Number of Days a Customer Takes From First Dealer Visit Until Purchase







Percentage of Customers Who Buy On First Visit to a Dealership



Percentage of Customers Who Buy On First Visit to a Dealership



Percentage of Customers Who Buy On First Visit to a Dealership

About your closing ratio?





Percentage of Customers Who Bought Within 3 Days From the Day They Began Looking



Percentage of Customers Who Bought Within 3 Days From the Day They Began Looking





Percentage of Customers That Come With 3rd Party Information...WHY?



Percentage of Customers That Come With 3rd Party Information...WHY?



Percentage of Customers That Come With 3rd Party Information...WHY?

So what would be the next question we ask them?





Number of Dealerships The Average Customer Shopped Prior To Making a Purchase (Including Internet)



Number of Dealerships The Average Customer Shopped Prior To Making a Purchase (Including Internet)





Percentage of Customers Not Followed-Up When They Left Dealerships Without Making a Purchase



Percentage of Customers Not Followed-Up
When They Left Dealerships
Without Making a Purchase





Percentage of Customers Who Will Become "Be-Backs" With a Good Follow-Up Program



Percentage of Customers Who Will Become "Be-Backs" With a Good Follow-Up Program





Percentage of Customers Who Return to the Store (Be-Backs) Who Purchase a Vehicle



Percentage of Customers Who Return to the Store (Be-Backs) Who Purchase a Vehicle





Number of Customers The Average Sales Person Sees and Talks Face to Face Each Day



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Percentage of Selling Situations the Sales Person *Properly* Established Rapport, Qualified and Controlled the Prospect



Percentage of Selling Situations the Sales Person *Properly* Established Rapport, Qualified and Controlled the Prospect







Percentage of Customers Who Did Not Feel They Got a Good Product Presentation and Demo Ride



Percentage of Customers Who Did Not Feel They Got a Good Product Presentation and Demo Ride





Percentage of Customers Who Want to Drive the Vehicle Before They But It



Percentage of Customers Who Want to Drive the Vehicle Before They But It







Percentage of Customers Who Purchased Within 4 Hours After Shopping at the First Lot



Percentage of Customers Who Purchased Within 4 Hours After Shopping at the First Lot





Percentage of Customers Who Purchased

On The Spot When They Did Receive a

Good Product Presentation

and Demonstration



Percentage of Customers Who Purchased

On The Spot When They Did Receive a

Good Product Presentation

and Demonstration





Percentage of Customers Who Had No Specific Plan to From the Same Sales Person or Dealership



Percentage of Customers Who Had No Specific Plan to From the Same Sales Person or Dealership





Percentage of Customers Who Could Not Recall Sales Person's 12 Months After the Sale



Percentage of Customers Who Could Not Recall Sales Person's 12 Months After the Sale





Percentage of Average Dealership's Total Vehicle Sales Made to Customers New to That Dealership



Percentage of Average Dealership's Total Vehicle Sales Made to Customers New to That Dealership





Percentage of Owners Contacted About Purchasing Another Vehicle After Delivery



Percentage of Owners Contacted About Purchasing Another Vehicle After Delivery



Percentage of Owners Contacted About Purchasing Another Vehicle After Delivery

90% Not followed-up with...sound familiar?





Percentage of Time the Average Sales Manager Spends Working Directly With The Sales Force



Percentage of Time the Average Sales
Manager Spends Working Directly With
The Sales Force



Percentage of Time the Average Sales
Manager Spends Working Directly With
The Sales Force

So what's the last question to ask the customer?



What is Happening in Our Showrooms?



What is Happening in Our Showrooms?

- Only 20% Will Buy on the First Visit to a Dealership - 80% Won't. What's your closing ratio again?
- But 33% Will Return to the Dealership (be-backs) With Good Follow-up
- And 67% of Customers Who Do Return (be-backs) Will Purchase



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Average Sales Manager Spends Only



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Of the Day Working Directly With the Sales Force!



Closing Ratio - 3 Best Questions

- I. Are you just shopping?
- 2. Are you looking for the best deals?
- 3. Can I introduce you to our Sales Manager?



Follow-up - What is 5% Worth?

Take Total Retail Sales - Ex.: New + Used = 100

20% Closing Ratio - Multiply by 4 = 400 Unsold

 $400 \times 5\% = 20$ units

 $20 \times ATG $2,000 = Additional $40,000$

 $$40,000 \times 12 = $480,000$ annually

Ex.: 100... your sales as a % x the \$480K?



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Ex.: 100... your sales as a % x the \$480K?

What if your closing ratio is less than 20%?



What if we don't close a sale today? This 80%!

- When should we follow-up?
- How should we follow-up?
- Who should follow-up?
- Why? Because...



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