



Communicate to Fuel Results

By Bob Stewart



Most **dealership problems begin with poor communication**. At least, this has been my observation over the past 30 years of consulting.

Common Problem

In many of the dealer management meetings I've attended, the dealer or general manager communicated his/her goals, but departmental managers heard something else. After these meetings ended, I would ask the managers several questions about the meeting and received a

variety of answers.

For some reason, **dealer/general manager priorities rarely match manager priorities** in terms of work load, competition, time, and results desired.

Simple Solution

After a while, I began using a form in my consulting visits that my old boss used. It's called **the "Do It Today" sheet** or the DIT. Here's how it works:

- This DIT sheet **lists items the dealer or general manager wants done**, who should do them, and a completion date.
- During meetings, all managers **review this sheet and agree to completion dates** for their projects.
- At all subsequent meetings, managers **review these dates and times for completion**. If a manager fails to complete the assignment, he/she needs to explain why and see if any additional resources are needed to get it done.

Though basic, the discipline of writing down desired goals helps keep managers focused. It eliminates excuses for lack of completion and **concentrates everyone's energy in the same direction – toward profitability**.

The current business climate is challenging; however, there are still opportunities and a need to generate revenue in all departments. During discussions, ensure goals are understood and that tasks can be completed within the agreed time frame. **Effective communication with managers is where it all begins**.

Bob Stewart has over 30 years of automotive industry experience and has brought his expertise of fixed operations to Reynolds Consulting Services since 1996.

Marketing New Cars to Service Customers: Part 1

By Jeff Silverman



Marketing new cars to your service customers may seem **an obvious way to extend the customer life cycle and keep profits flowing**. Then why do so few dealerships actually do it? The concept is simple, but leveraging existing service customer relationships takes planning, tenacity, well-established processes, and ongoing management buy-in.

The suggestions in this three-part series can help you start planning and establishing these processes, so **marketing vehicles to your service customers becomes routine and profitable**.

Encourage Sales and Service to Work Together

If you want to target your service customers, why not enlist the help of your service employees? This process involves two basic steps:

1. **Sales shares lease end/note maturity information with service.**
 - Periodically give service advisors a **list of customers who are within six months of lease or note maturity**. Then they can compare the list to customers they see on the drive or who have upcoming appointments.
 - Advisors should also **engage customers who didn't buy from your dealership**. They can identify these customers easily by asking questions like, "I don't see your sales date in my database...when did you buy your vehicle?" They may then be able to engage the customer in a more in-depth **conversation that turns into a sales lead**.
2. **Service informs sales of new opportunities.**
 - Create an incentive program to **motivate advisors to refer these customers back to sales**. "Pay plan equals performance" is a cliché for a reason – it's true.
 - Break out of the old-school approach of only rewarding leads that end in sales. You'll have more success by paying **incentives for every legitimate lead** to the showroom – period.
 - **Prevent bogus referrals** by setting specific criteria: referral must be within six months of lease/note maturity, signed by sales management, etc.

Motivate your departments to work together and **watch your cross-departmental referrals skyrocket!**

Stay tuned for Part 2 of this series where I'll share an incentive program you can target at your service customers.

Jeff Silverman has been in the automotive business for over 13 years – 8 in retail and over 5 with Reynolds Consulting.