

# OPINION

## FROM THE EDITOR

# All indicators point to an inept sales force

Three wide-open rows in the front of a packed grandstand moments before the start of a motorcycle dirt race were heaven-sent.

Traffic had been at its typical Friday night crawl in Southern California, meaning any chance of finding a decent seat at the Lake Perris oval track seemed all but hopeless. But there they were, wide open rows with room to spread out comfortably, unlike the apparent fools who were wedged in shoulder-to-shoulder toward the back of the grandstand.

The euphoria lasted about 20 seconds, the time it took to sit down and watch the riders get to the third turn on the oval, where they splattered copious amounts of mud all over those glorious — and previously dirt-free — front-row seats. Not to mention me.

So following the masses can be a safe move whether it's at a dirt track or in the equally dangerous curves the business world presents. It's certainly easier to follow the footsteps of others, square your shoulders and try to eek out as much room as possible in the little space that's present.

That feat has been repeated over and over in the powersports industry, where entrepreneurs



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find an area kicking out profitable numbers and in essence, settle down and begin trying to create their own elbow room. And as much as that process lacks anything resembling American ingenuity, it has proven effective enough to be repeated. Over and over.

That's why dealers find themselves in a precarious position: They're anxiety-ridden over a market that on most fronts is not

only healthy, but growing. Oh there are certainly sore spots — declining ATV sales among MIC-reporting manufacturers, a snowmobile industry that appears crippled and a custom cruiser market that seems, at least for now, to have lost its momentum.

On the other hand, as you'll discover in this edition of *Powersports Business*, overall dealer sales appear to be up year-over-year, and the all-important on-highway segment is growing at a healthy pace. Plus the parts, accessories and apparel business appears to be booming, with the industry's largest distributors reporting double-digit sales growth, if not more, during the past year.

But eclipsing all that are soaring costs,

with dealer flooring expenses being triple, or worse, than they were a year ago. And, the escalating costs of employee benefits is such a burden on dealers that in a national survey for *Powersports Business* last spring it was listed as the top concern.

All of these expense increases turn from being a nagging worry to a full-bore anxiety attack for dealers because of the follow-the-masses routine. Less elbow space after all, means a splitting of the area revenue pie.

And it's for that reason the results of two very important surveys have landed on the past two *Powersports Business* covers: first, the annual J.D. Power & Associates' customer satisfaction survey on the Jan. 22 edition, and now the first-ever Pied Piper Satisfaction Index. Both point to one huge industry misgiving: Our sale staffs are inept.

Too strong a judgment? Perhaps, but it's the type of shoulder shaking that somebody needs to give the industry after the conclusions of these key surveys. Consider the following:

- All four major Japanese OEMs received the worst rating in J.D. Power and Associates' sales category, which largely measures how new bike buyers viewed their sales experience.

- Three of the four Japanese OEMs had

below industry-average scores on the Pied Piper Index.

- And before anybody accuses me of picking on dealers housing major metric OEMs, the industry as a whole should have serious misgivings about some of the industry averages in the Pied Piper survey, including the fact that only 35 percent of salespeople provide reasons to buy from a specific dealership.

The easiest, follow the masses-type reaction to those findings is to simply begrudge them with the thinking that your sales staff is different, and better. That your staff actually asks for contact information more than the industry average — a paltry 37 percent of the time.

What's harder is to acknowledge that your sales staff and its procedures are less than what they could be, perhaps drastically so. And then do something about it.

Don't make it a resolution or a goal that's added to a handful of others. It's way too important for that. After all, there are few other viable and less costly ways to eek out more elbow room in this crowded arena. **PSB**

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