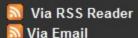
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By FRAN O'HAGAN - PRESIDENT, PIED PIPER MANAGEMENT CO.

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## 'You really don't want to buy that brand'



A consumer arrives at a dealership interested in a certain motorcycle but when he speaks with a salesperson, the salesperson mentions advantages of another brand instead. In the end, the shopper is convinced to buy a different motorcycle. How often does this scenario happen? How often does a shopper asking about a Honda CBR ride off the lot on a Suzuki GSX-R, or vice versa?

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The facts say industry-wide, salespeople try to push 13 motorcycle shoppers out of every 100 to a brand different from the one they requested. For some brands it happens as much as 45 percent of the time (Aprilia), while for others it happens less than 5 percent of the time (Ducati, Harley-Davidson).

Imagine the frustration of an OEM manufacturer who spends millions developing new products and millions more on advertising and promotion, only to lose out when the customer walks into a dealership. On the other hand, from a multi-line dealership's perspective, isn't all fair in the guest to maximize dealership profit?

Clearly one answer that applies to both OEMs and dealerships is to offer unique products that sell on attributes other than just price, and generate good profitability for the dealerships. From a dealership's perspective, maybe you are trying to move over-age inventory or you're trying to build up your business with a certain brand, or maybe one brand has less local competition. But be sure your salespeople are acting in a way that is also in the dealership's best interest.

The risk is that instead of closing a deal, by pushing a new brand the salesperson may introduce uncertainty and indecision.

How often are your dealership's shoppers pushed to a different brand?