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Vince Bond Jr.

Marketing/Digital Dealer

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How dealerships can fix 'underselling' right away

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Photo credit: DAVID PHILLIPS

Changes in auto retailing can take effort and time. Lots of time. Think of changing consumer attitudes towards a brand, increasing foot traffic or moving a dealership to a new location.

But on the sales floor, change can occur immediately. There are numerous things dealerships can do fairly quickly to improve their sales processes and boost the satisfaction of potential buyers, says Fran O'Hagan, CEO of Pied Piper, a company that deploys mystery shoppers to stores across the country to critique them and help maximize performance.

Cutting down on salespeople "underselling" consumers who aren't interested in buying a vehicle right away is one thing that stores can repair easily. It takes just a couple tweaks to their sales approach, he

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says.

It's a trap even the most seasoned salesperson can fall into.

Not interested?

A salesperson spends some time with a prospect only to realize they're not interested in buying that day. The temptation is to hurriedly push them out of the door to get to the next prospect, but O'Hagan says that's the last thing a salesperson should do.

"From the manufacturer's perspective or the dealership's perspective, that's terrible," O'Hagan told *Automotive News*. "Even if you don't buy today, you'll buy some time. Or even if you don't buy, you'll talk to somebody else who'll come to my store and buy."

To counteract this behavior, O'Hagan said stores should own their sales process and implement a series of steps for salespeople to follow to make sure consumers who aren't immediate buyers are handled correctly. Salespeople, he said, "don't get to disqualify people."

'Curators'

In other cases, a salesperson simply may not be aggressive enough for any number of reasons. Maybe they could be afraid of coming off as too pushy, for example.

Whatever the reason, O'Hagan said some salespeople -- instead of pursuing a deal -- tend to act as "museum curators." They are friendly with consumers and will answer all of their questions, but they won't say anything about a possible sale.

Not asking for the sale, O'Hagan said, is one of the things that dealership management tends to jump on immediately when they find out about it.

While underselling is still a problem for some, Pied Piper's Prospect Satisfaction Index says dealerships are gradually erasing this behavior. Ten years ago, around 20 percent of stores were underselling, but that was cut to just 10 percent in the most recent study.

Own the process

O'Hagan said, "You make yourself stand out as a dealership by owning your sales process and saying, 'Here at X Motors, this is what we do. If a customer is willing to spend time with us, these are the three or four or five steps we're going to do every time.'"

Another quick fix for salespeople is to put an emphasis on getting the contact information for consumers who decide not to purchase a vehicle.

O'Hagan said around 80 percent of consumers who walk into stores will leave without buying anything. But they could still be a strong lead down the line.

O'Hagan said, "You need to get their contact information to be able to call them up and say, 'What I promised to look into for you? I found a silver one.'"

You can reach Vince Bond Jr. at vbond@crain.com -- Follow Vince on Twitter: <http://www.twitter.com/VinceBond86>

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