



CAPRICORN

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There are no other resources in step 5d:

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Selling major repairs and diagnostics

The selling process starts well before the customer even contacts you or drives into your driveway.

If your presence in the market place, through advertising or your street view is not of a high standard, you will attract cheap customers.

Customers who believe, rightly or wrongly, that you are a workshop that offers cheap work, the challenge of selling your repairs or diagnostics for what you believe is a fair price is made so much harder. Make your marketing decisions about who you want your car service and repair customer to be, and only then, you will attract and deliver those customers.

You've got to create a strong memorable market presence – be there with the right image and message. You need to give the right people a powerful image, a level of comfort, an instant recognition of what you do, and that you do it extremely well – better than anyone else. Once you have achieved this, the selling process nearly looks after itself.

The reality is that we all have to deal with customers who don't want to spend money on their motor cars, even if they have money. So what are some of the tips to make the selling process easier?

Presenting a professional image

This can't be emphasised too much. Look cheap and attract cheap customers – look professional and attract professional customers.

You need to present a professional image so that the customer feels comfortable that your workshop has the skills to solve their problem.

How much time for free

Each workshop needs to have a pre-determined time that they will give a customer for free. Some workshop owners say no time, some say 15 minutes or more. Some have it as a flexible figure depending on a number of circumstances.

All staff should be aware of the workshop's stance on this because many workshops have little idea how much time is being given away for free. Remember that customers who want you to work for free are not the customers you want.

Obtaining a budget

With all jobs, customers should be well aware of how much of their money you are spending before any repairs, quoting or diagnostic work is done. Especially with older cars, sometimes the budget is determined by the value of the car. Ask the customer questions so you can determine their feelings on the problem and gauge what kind of money they want to spend. Always obtain a commitment for a certain figure before proceeding with any repairs or diagnostic work.

Dealing with customers who have already had their car looked at by another workshop

If dealing with a customer who has already had their car looked at or quoted by another workshop you can't just assume they are just another price shopper. There might be many reasons they are continuing to ring around so what you need to do is ask where they had it looked at and why they are not getting it repaired there. This will allow you to deal with their objection. Remember, people don't buy because it's expensive. They don't buy because they didn't see value in what you were trying to sell.

Presenting a quote or estimate to the customer

A word of warning on quoting. When a workshop quotes for a repair, it quotes on the work it believes needs to be done. The customer believes the quote is to fix the problem, whatever that takes. In this situation the workshop and the customer are not on the same page.

You need to ensure 100% clarity between you and the customer. So many problems arise from this issue alone in our industry.

Do you charge for a estimate or quote? Some workshops do and some just wear the costs. There is no hard and fast rule here and it would depend on your conversion rate of the quotes or estimates. If your conversion rate is very high, charging a small or no fee may be justified. If your conversion rate is low, a charge is more than justified.

Presenting your customers with options

Customers love buying, but hate being sold to. One way to give your customers the feeling that they are in control and not being sold to, is to present them with options. Options are also a great way to present value.

An example of this would be for repairs to, say, front suspension. You can have the options of genuine, branded, aftermarket or even second-hand parts. The genuine would, in most cases, be fairly expensive. Branded, say Monroe, would be next and then a general after-market with the cheapest being second-hand.

Another selling tip is to always present these options, including which one you would do if it were your own car, again steering the customer to an option of highest profit. If you believe that the customer is a real price shopper, you need to make sure that the cheapest option still delivers you a reasonable profit and return. You would price up these options to ensure maximum profit on the most likely option that the customer will take.

Handling overruns on a quote or estimate

From time to time, you will be completing a major job or service that you have quoted a customer on and your time and expenses will start to blow out. Nothing annoys a customer more than turning up to find the bill larger than they were quoted. This is a sure way to lose a customer. If this occurs it is essential that you communicate this with the customer ASAP. It is much easier to justify why the job is blowing out during its progress than at the end of the job when it has been completed.

If you can explain why this has happened, in most cases you will be able to salvage some of the lost time. This is why communication between the technicians and the service manager is critical.

'Hi Mrs Jones, its John from TaT Service Centre. Have you got a minute to have a chat about your car? We are about halfway through your service and there are a couple of issues that we need to discuss. We have found XXX which is causing us issues. The job is more than likely going to take going to take one hour longer than we first expected. When we quoted you we assumed that this issue would not arise. This means the final cost will be around XX. Are you happy with us to proceed?'

Selling diagnostics

Any great doctor knows that they can't diagnose over the phone. If they get it wrong they can be in serious trouble. Many technicians on the other hand think that by diagnosing over the phone they are doing the right thing by their customer. However, if you truly care about your customers and want to give them the best advice you need to inspect their car – just like the doctor.

Most diagnostic work now involves electrical and electronic circuits and components. The diagnostic process is an unknown amount of time and the repair time in a lot of cases may be a very small amount of time. Therein lies the problem.

Most customers don't understand this situation and incorrectly think that vehicles should be easy to fix and therefore cheap. The most important thing here is communication. Quite often the news or information you need to tell the car owner is not what they want to hear, but you need to be upfront and honest about the process of diagnosing problem cars and the costs to repair them.

There are essentially two approaches to selling a diagnostic. If you are busy you might consider charging for the diagnostic.

"OK Bill, based on what you have just told me there could be a number of things that could be causing the light to come on. In order to diagnose what is wrong with the car we really need you to drop it off and leave it with us for one hour so we can perform a diagnostic inspection. This way we can plug our scan tool into the car and perform a series of tests. From there we should be able to tell you what's wrong with the vehicle and what your options are to get it fixed. Your total commitment for the diagnostic inspection is \$90. We could squeeze you in right now or Friday morning. What time suits you best?"

If the workshop is a little quiet you might consider performing the diagnostic inspection free.

"OK Bill, based on what you have just told me there could be a number of things that could be causing the light to come on. In order to diagnose what is wrong with the car we really need you to bring the car of for us to perform an inspection. This way we can plug our scan tool into the car and perform a series of tests."

From there we should be able to tell you what's wrong with the vehicle and what your options are to get it fixed. That service would normally costs \$90.00 but we would be prepared to do that for no charge for the diagnostic inspection. We could squeeze you in right now or Friday morning. What time suits you best?"

There is no written rule on which option to use. Each workshop and vehicle owner is different. Try to have a set procedure or system to use for how you charge for diagnosing vehicle. If you have a set fee and procedure in place it is much easier to stick to, rather than adlibbing each time.

So here's the challenge. Over the next month at least draw up a procedure for everyone in your workshop to follow which sets down a clear policy for selling major repairs and diagnostics..

The place to start is www.tatbiz.net.au/capricorn

Just go for it!