



**CAPRICORN**

*...it's just easier!™*

No other resources available for step 4p:

•

## Keeping customers loyal

by Geoff Mutton

Repeat customers are the best. Why? They have a higher level of trust of your abilities and your advice, and it is cheaper for the business to look after them than it is to go out hunting for new customers.

There's no doubt that keeping regular customers is the surest way to ensure the workshop is always full of cars, and to consistently reap a higher average price per job.

The net result of encouraging customer loyalty will be to exponentially increase the workshop's profits.

But like every other business promotion, be prepared to invest some time and effort.

### **Make the transaction personal**

It is well known in the industry that the majority of car owners prefer to adopt aftermarket workshops because of the personal service they receive and knowing they can talk to the boss. Taking a car to a dealership is much more impersonal.

Being friendly and greeting with a smile is obvious, but to make the transaction personal you need to use the customer's name and engage them in conversation, no matter how brief.

If you can get the customer to call you by name, you will likely have them for life. Wearing a name badge and introducing yourself is the most effective way to achieve this.

### **Clean the customer's car**

If this is planned properly as part of your service routine, it won't eat into senior technician's time or profits. Surveys prove that customers really look forward to picking up a freshly cleaned car and are always impressed that it can be done without having to ask for it, or seeing it listed as an 'extra' on the bill. It has to be seen by the customer as a goodwill gesture and a thank you for trusting the workshop with their car.

A quick wash and vacuum does take a little time, but its value in customer goodwill is worth every bucket of suds. You can make it viable by ensuring that your service price includes enough time for this to be done without unduly eating into service profitability.

And don't have the highly paid diagnostic technician washing the car, delegate the chore to a lower skilled staff member.

### **Customers need to feel you saved them money**

Most customers don't like spending money on their vehicle, but they like to think that they saved some money; how do you achieve this without discounting?

Present your customers with options.

For example, after servicing the car you identified that it needs a repair for legitimate reasons and you quote \$700 for the job. That's not news the customer was expecting, so don't expect them to be overly excited.

For jobs requiring parts, there are always two options - genuine and quality after-market.

Your quote for the repair using genuine parts might be \$1000.

Being able to offer a repair option using good quality after-market parts, the \$700 quote starts to look like a good deal.

The customer ends up spending a fair amount for the repair, but this is offset by their sense of satisfaction that you went out of your way to save them money.

### **Keep in front of their minds**

It takes more than occasional service reminders to keep your business front of mind with your customers.

Once every six months you should engage in a mass communication with your entire customer database. It might be a news of an important update, or perhaps a special you can run. Maybe it's as simple as thanking everyone for the business and wishing them a happy Christmas or whatever.

Social media is a great way to keep your brand in front of your customers. Giveaways and prizes seem to suit the social media environment.

### **Educate customers that you can service new cars without voiding warranty**

You might find this surprising, but most consumers still believe that to maintain their new car warranty they need to get their car serviced at the dealership they bought it from. All sorts of service packages are offered with new car sales in order to lock customers into a long term relationship with the dealership.

That's a fair enough ploy, but aftermarket workshops are able to counter this by educating their customers before they consider replacing their vehicle, that by law, customers can choose which workshop they want to look after their servicing, and their warranty will stay intact.

Signage spelling out this truth should be on the waiting room wall, and flyers are available from the Australian Aftermarket Automotive Association (AAAA) for distribution to customers.

### **Set next appointment timeframe**

One of the simplest ways to ensure your customers return is to confirm their next service appointment before they leave the workshop, just like your dentist or other professionals will do if they are in repeat cycle businesses.

A six-monthly service reminder might not suit everyone, so adapting it to what is best for the customer will help the relationship no end. A low-mileage customer might appreciate a service reminder for 12 months rather than six. You can set the date now, but follow up with a reminder much closer to the time.

### **Send appointment reminders.**

It follows that the next step is to ensure that reminders for the next visit are sent as promised. These can be done via letter, SMS or email. Engage whatever communication method is automated within your point of sale software. This way you hardly have to think about it.

Maintaining customer loyalty is not a given. It is earned through good customer service, informative sales techniques, education and effective follow-up procedures.

The place to start is [www.tatbiz.net.au/capricorn](http://www.tatbiz.net.au/capricorn)

*Just go for it!*