

YARD & GARDEN

Dealer Success Guide

Kubota

PARTS &
ACCESSORIES

Is Your Parts Department

ONLINE?

3 STEPS
to Determining
Your Online Parts
Sales Strategy
and Goals

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Use Testimonials
to Grow Your Business
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Manufacturing and Small Business: Making a Difference

Dear Servicing Dealer,

While the economy shows signs of recovery, the Bureau of Labor Statistics reports that there are still nearly 13 million people unemployed in the U.S. We can expect U.S. employment to remain in the headlines and be a significant issue for the 2012 presidential election. Two areas touted as having high potential for job creation are manufacturing and small business, both of which STIHL can influence positively, either directly or through our distributors and dealers.



We at STIHL Inc. in Virginia Beach are proud that we employ more than 2,000 people nationwide and export to more than 90 countries from our U.S. manufacturing facility. In fact, the majority of STIHL products supplied to the world are made here: "German engineered, American made."*

In addition, we are currently undergoing a 53,000-square-foot expansion that will increase the manufacturing jobs in our blow molding operation in the U.S. And, we have recently acquired an 850,000-square-foot building on 62 acres adjacent to our guide bar manufacturing facility here in Virginia Beach. This acquisition is part of an overall strategic plan for growth to maintain the long-term strength and viability of the company.

STIHL is the number one selling brand of chain saws and cut-off machines in the world, as well as the number one selling brand of gasoline-powered handheld outdoor power equipment in America.** This is the combination of innovative engineering, quality manufacturing and the dedication of our unique distribution network of servicing dealers that helps maintain our leadership position. I'd like to extend my appreciation to our entire distribution network with the full understanding that our collective efforts are indeed making a difference in support of the nation's economic recovery.

Sincerely,

A handwritten signature in black ink that reads "Fred Whyte". The signature is stylized and cursive.

Fred J. Whyte
President
STIHL Inc.

*A majority of STIHL products are made in the United States from domestic and foreign parts and components.

**"Number one selling brand" is based on syndicated Irwin Broh Research (commercial landscapers) as well as independent consumer research of 2009-2011 U.S. sales and market share data for the gasoline-powered handheld outdoor power equipment category combined sales to consumers and commercial landscapers.



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How to Use Testimonials to Grow Your Business

Testimonials are a great way of influencing others to feel comfortable about buying your equipment and utilizing your service department.

Which are you more likely to believe: a company representative telling you how great their product or service is, or a recommendation from another person about how it worked for them?

If you're like most people, the words from a fellow consumer pull more weight than even the best written ad copy. That's why you need to use testimonials from satisfied customers in every ad and marketing piece you create for your dealership.

One of the main reasons why people don't buy something is that they're fearful of making the wrong decision. So when they see that a product or service is endorsed by someone else—someone in their same situation or community—that fear is minimized. Testimonials are a great way of influencing others to feel comfortable about buying your products or services.

Unfortunately, few business professionals actively seek out testimonials from their customers and clients. They mistakenly wait for people to give them testimonials, and when they do get them, they don't know how to use them effectively. In reality, getting and using a list of strong testimonials is easier than you think. The following tips will help you get testimonials to increase traffic in your dealership as well as your profits.



How to get them

Choose satisfied customers who represent your target demographic.

The best testimonials are written by people who are similar to your ideal customer. Therefore, be specific about who you solicit a testimonial from. Look over your customer files and choose the people who exemplify the best-case scenario for your product or service. This may be a contractor if you have a large commercial customer base or a homeowner if it is more consumer-heavy.

Say to the customer, "I'd love for you to share your experience with this product/shop service. Would you please write a short testimonial?" Most people will cheerfully say yes.

Since you want more happy customers just like these, let their words sell for you.

Offer to write the testimonial for them. Often, if someone declines your request to write a testimonial, it's because they're too busy or feel they don't have adequate writing skills. In that case, offer to write the testimonial for them. Simply say, "I'll be glad to write the testimonial for you. Just tell me what you'd like to say about the product. You can review what I write and we can use it as is or you can change it." Most people will leave the testimonial as is, happy they didn't have to take the time to write it, and glad to assign their name to the comments.

Look through your past notes and correspondence. Chances are you're sitting on a pile of testimonials and don't even know it. Go back through your past emails and correspondence from customers and clients. Are there a few nice sentences in some of those messages? If so, ask the person if you can use their words in your marketing materials. They'll often agree.

How to write them

Show results. Whether you write the testimonial or your customer does, it needs to specifically show what results the person experienced from the equipment or service. A testimonial that simply says what a wonderful company you have or how nice you are is not saying anything meaningful for the reader. A specific testimonial will speak to results. Use testimonials that talk about how a piece of equipment saved the customer time and money.

The more specific a testimonial is, the stronger it sells for you. Specific testimonials take away the fear of making the wrong decision and help people feel safe about making the purchase.

ute to the meaning. Often, the more words you take out, the stronger the testimonial becomes. Also, it's easier to read and will stand out more.

Include a name and title when possible. Rather than attribute your testimonial to "John S., Nebraska," use the person's real name, company name, title, and/or location whenever possible, as in "John Smith, owner of Smith Landscapes," or "John Smith, Madison, WI."

This makes your testimonial more believable. Most people will be happy to include their full name and other information, because the strongest human desire is to feel appreciated and recognized. Getting their name in print somewhere fulfills that need and is often perceived as fun. Landscape contractors will also appreciate the opportunity to get their business name out there.

How to use them

Include a testimonial or two in your ads and marketing pieces. Whether you're doing a print, online, radio or TV ad, be sure to include some testimonials. For print, it's best to have testimonials stand alone from

website, brochures, direct-mail pieces, postcards, billboards, newsletters, and even social media updates.

Create a book of testimonials. Each time you receive a kind letter from a customer or client, highlight the key parts (the parts that state benefits to the customer), put the letter in a clear plastic sleeve, and compile it in a big binder.

Keep this book or binder of testimonials in your store or office for customers to browse through while they're waiting. Or, create a page on your website where you feature all your testimonials. There's no limit to how many testimonials you can include in your book or on your page.

Frame your best testimonials. Frame some of your best testimonial letters and post them on the showroom walls and behind the sales or service counters. Again, highlight the best parts so your customers can easily see the benefits. If you have outside salesmen calling on larger clients, put the best testimonial letters in your "leave behind" kit—the package of information you leave behind for the prospect.

The ultimate sales tool

The next time you're writing copy for an advertisement or marketing piece (and struggling with what information to include), simply go to your past testimonials. It's always better when someone else sings your praises, so let your customer sell for you. The sooner you start using testimonials in every marketing message you create, the sooner you'll realize that testimonials really are the ultimate sales tool. ■

About the Author

Pam Lontos is president of Pam Lontos Consulting. Pam consults with businesses and experts in the areas of sales, marketing and publicity. For more information on her consulting services, call (407) 522-8630, email PamLontos@gmail.com, or visit PamLontos.com.

One of the main reasons why people don't buy something is that they're fearful of making the wrong decision. So when they see that a product or service is endorsed by someone else—someone in their same situation or community—that fear is minimized.

Keep it short. Each word of the testimonial should have value. Therefore, if someone writes you a page-long testimonial, edit out any words that don't directly address the end result from your service or product. This doesn't mean you change the meaning of what someone writes; you simply edit out the parts that don't contrib-

ute to the meaning. Often, the more words you take out, the stronger the testimonial becomes. Also, it's easier to read and will stand out more.

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Include a testimonial or two in your ads and marketing pieces. Whether you're doing a print, online, radio or TV ad, be sure to include some testimonials. For print, it's best to have testimonials stand alone from

the text rather than try to weave them into the ad copy. For radio and TV, either the announcer or an actor can recite the testimonial, or if your customer is agreeable, have him or her appear in your radio or TV spot to give the testimonial personally. Other marketing pieces that should feature your testimonials include your

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illennials



Convincing this next wave of home-buyers to purchase your goods and services requires a more personal approach that replaces slick selling with honest dialogue.

The Green Industry blew up on the backs of Baby Boomers—a massive market that continues to represent loads of opportunity for dealers and landscape contractors. Going forward, though, Generation Xers will have to be the main driving force behind a housing recovery. Not to be forgotten are the Millennials—a young, hip, tech-savvy consumer segment that will force a change in the way dealers and other service providers market and sell.

Let's back up for a second. What are Generation Xers and Millennials? Definitions vary, but generally speaking:

- Gen Xers were born between 1965 and 1976, putting them in the 36-47 age range—an immediate target market for dealers.
- Millennials were born between 1977 and 1998, putting them in the 14-35 age range. Thus, consumers in their late-20s and early-30s also represent an immediate market opportunity.

How Millennials are different

Millennials share many similarities with their elder generations. However, there are several distinctions which marketers must take into consideration.

Millennials are a more ethnically diverse group. For instance, roughly 61% of adults under the age of 30 are white, compared to 70% of adults over the age of 30.

Technical literacy is the characteristic that most distinguishes the Millennial generation. They grew up on computers and are avid mobile phone users. While 59% of Americans use text messaging, 88% of Millennials do. Millennials are also much more likely to engage in social media. Furthermore, unlike with previous generations, the Internet rivals TV as the main source for news.

Millennials aren't as openly religious, and are less likely to serve in the military. They value self-expression

and are highly analytical. They are arguably the most educated generation ever.

Millennials are more likely than previous generations to identify as liberal, even though they are also just as likely to identify as conservative. Generally speaking, they are much less critical of the government than older generations. In fact, many look to the government to play a more active role in solving societal problems.

How Millennials are not so different

There are other characteristics of Millennials that are not so different from Gen Xers or even Baby Boomers. For instance, Millennials are interested in "going green," but not any more so than older generations. Likewise, Millennials have a yearning to volunteer and give back to the community. They respect their elders and believe that they have a responsibility to care for them (i.e. parents). Family matters



most, and being a good parent is what they want most out of life.

Millennials are a bit more wary of human nature in general, but are no more suspect of “big business” than older generations. In fact, a slightly higher proportion (nearly half) believes that large corporations do a decent job of balancing profit and public interest. Millennials are no more inclined to participate in “consumer activism” via boycotts, etc. than older generations.

Millennials do place a high value on work ethic, but view it differently than Xers and Boomers. For instance, Boomers say work ethic is the top defining characteristic of their generation. Xers say it is the second most defining. Millennials do not list work ethic in their top five. (Both Millennials and Xers cite the use of technology as their most defining characteristic.)

How Millennials make buying decisions

Think about some of the traits we’ve been outlining. It’s easy to see that Millennials are prolific researchers. They get online and peruse websites. They initiate and/or participate in social media discussions about a given product, service or brand. They talk to their friends.

Corporate reputation and/or brand

name are slightly less important to Millennials, although they do expect companies to give back to society in some fashion.

Millennials do not respond very well to “slick salesman” tactics. Rather, they desire a tailored approach and personal touch. They want to be involved in the process and help the person or company they are buying from to succeed.

What you can do

Millennials demand fast, reliable service. Responding to customer inquiries as quickly as possible must become a priority. If you have a “contact us” feature on your website, you have to check email every day and/or night and respond promptly.

Speaking of websites, you better have a nice one these days.

Get involved in your community with donations, special projects, educational efforts, etc. This scores big points with Millennials—so be sure to get involved, and then promote your community outreach.

Millennials respond well to group in-

volvement. Consider programs such as referrals clubs and loyalty incentives. Testimonials are as important as ever. In addition to the standard written testimonials, talk to your happy customers about doing video testimonials which you can post on your website

and social media pages.

Speaking of social media, this is where Millennials are—so you have to be there

too. Many dealers have established successful Facebook pages. Twitter accounts are a close second. LinkedIn also can come into play. YouTube channels are underutilized. Consider all of these approaches.

Most importantly, maintain a consistent message. Inconsistency in message, reliability and overall professionalism will lose the trust of a Millennial. Millennials do like the “sizzle,” but it can’t overshadow the “steak.” ■

Sources: Kleber & Associates, Pew Research Center

Millennials demand fast, reliable service. Responding to customer inquiries as quickly as possible must become a priority.

Becoming a Priority

Helping customers to reach their goals and meet their needs will position you as a priority in the buying process.

As many dealers located near big box stores have learned, people need mowers but they don't necessarily need to buy them from you. A lot of people will turn to the big box stores as they consider the best price to be a priority when making a purchase. Dealers need to change the mindset of customers, teaching them that the services you provide with the sale should be their number one priority.

It's wrong for dealers to assume that customers rely on them. It is really the other way around. The only way dealers can take advantage of the customer's needs is to meet them as best as they can, offering more solutions than the big box store down the street.

Your products and services cannot become a client's number one priority until you understand the customer's needs. There are a couple of things you can do to move buying from you up on the customer's priority list without having to offer a financial incentive like the gimmicks or low prices at the big box store.

Holding steady on price

Many organizations create a sense of urgency or move up the priority list of their customers by slashing prices—and also their margins. A salesperson must create a sense of urgency or become the customer's priority when shopping for equipment, but you should stay away from trying to be the cheapest.

Selling on price alone devalues the products and services you provide. Independent dealers should sell the value and benefit of shopping with

them, and not the price alone.

When you start to focus on becoming a priority to the customer and meeting their specific needs, your "relationship" has more staying power. When you focus on the priority in the beginning by asking the right questions, you are able to influence the customer to buy now without resorting to desperate tactics. They should generally be more comfortable with the decision overall and trust you with their next purchase decision.

Becoming a priority

So how can you get customers to view buying from you as a priority? When developing your questions for qualifying the customer for the right product, develop questions that will allow you to understand the goals and current priorities of the prospective customer. The better you understand the customer's goals and priorities, the more likely it is that you will be able to show how you will help them to meet them.

This is a lot more than asking open-ended questions or leading questions. Ask questions to truly understand the prospect's lawn care and management responsibilities until you've gained enough knowledge to directly show what equipment, parts and service can help them with their immediate goals or needs.

By doing this, the prospective customer knows they need to buy now. A good sample question is, "What are your top three lawn care priorities this season and this year?" Ask this to truly understand the "why" and the "how" of those priorities. The

better you understand the customer's perspective, the more likely you are to help them make an immediate and beneficial decision.

Selling on price alone devalues the products and services you provide. Independent dealers should sell the value and benefit of shopping with them, and not the price alone.

Many times a salesperson only asks questions based on the equipment. They ask questions about how the customer is currently using it and what they like and dislike. These questions are a good starting point, but too standard to really show your expertise and understanding.

By asking the right questions, you're able to determine how your equipment and service capabilities can make doing business with you a top priority.

You can close more sales when you focus on the needs of the customer, not just the benefit of your equipment and service. When you understand the prospective customer's needs, you will be able to become the customer's priority. ■

ABOUT THE AUTHOR

Nathan Jamail is the author of "The Playbook Series," a motivational speaker, entrepreneur and corporate coach. For more information, visit NathanJamail.com.

Winning Customers Over With Your Actions

Showing customers your value, and how you provide services that meet their individual needs, makes price less of a factor in the buying process.

As a distributor, I have learned a lot from the dealers I interact with on a daily basis. They have taught me a lot about what it takes to beat out the big box competition and excel in the industry. Doing both requires selling your worth as a dealer not just with words, but also your actions.

Our company motto is “Facta Non Verba”, which is Latin for “Deeds Not Words”. We have always believed it is best to show and not tell. We all need to lead first by example.

It’s important for dealers to work to provide excellent service, so they don’t have to spend much time telling potential customers about the value of their services. Too often, when we tell someone what we offer, it creates a possibility for us not to meet their expectations. Demonstrating your abilities should be done in a way that targets your market audience and clearly shows your strengths.

Selling to the commercial user

Dealers who deal primarily with commercial users consider other dealers their primary competition. For these dealers, it’s all about service. The end users who have been in business a while know that service after the sale is the key to their own profitability. Their crews become a cost center rather than a team of revenue producers if their tools aren’t working.

Dealers should demonstrate to these commercial customers the extensiveness of their parts inventory and the quality of their service department. Show them how you will be able to keep their business running and profitable.

The best way to do so is to take the time to show the customer your inventory. I know dealers who actually march customers through their parts inventory and explain everything to them. They tell customers how they order, what they stock, and how quickly they can get parts from their suppliers. You can also share which brands have the best parts service.

When you are done in the parts department, walk them through the service department and highlight the technology and capabilities of your service department. Tell them about training schools attended by technicians and how it calculates into quicker diagnostics and shorter downtime.

Selling to the homeowner

Dealers dealing with consumers generally consider mass merchants their primary competition and frequently deal with new customers. It’s crucial that your floor people know the product and have the skill to identify the shopper’s wants and needs, as the two may differ.

The floor person must be able to

confidently take the customer to the display and put the right product into their hands. This is the kind of treatment that the customer won’t get at the mass merchant. Employees need to be trained to qualify new customers for the right products. It’s important to play the role of an educator without making customers feel as though they are unknowledgeable.

There are countless books on how to sell, yet the biggest mistake salespeople make is depending on their natural sales ability. That won’t work well. Just like someone who is naturally athletic doesn’t automatically make a good football player, salespeople must train.

Probably the first and easiest step is to answer open-ended questions, questions for which the answer isn’t a simple yes or no. For example, ask what the customer will be using the product for. Don’t ask the customer about the specific product they are eyeing up to purchase, ask them about what they intend to do with the product.

There are many opportunities for dealers to attract customers that don’t involve price cutting. This is great news since the big box prices are impossible to match. Simply stating the unit price is a start. Too often consumers assume the small dealer has high prices because of lack of buying power. Get a website and promote your vast line of products at

entry-level prices. People go to mass merchants for selection as often as they do for price. Every dealer should have a website and a facebook, taking steps to get their company name and offering in the eyes of consumers.

Bring customers back with services

A true metric for knowing how you stack up to the competition is difficult, but a good technique is to ask your customers what they think. The question will harvest good information while forcing the customer to think about the comparison. During the conversation, ask the customer which

services are most important to them and tell them how you provide those services.

It seems that the most common need is easy access to the dealership while pulling a landscape equipment trailer. So, the dealer needs a place for the customer to pull in and be able to maneuver a trailer.

Tailoring your business to their needs shows them that their business is appreciated. When they know their business is appreciated, they will be more likely to return. Price doesn't seem to be the primary factor once the business is earned.

Offer the customer a chance to

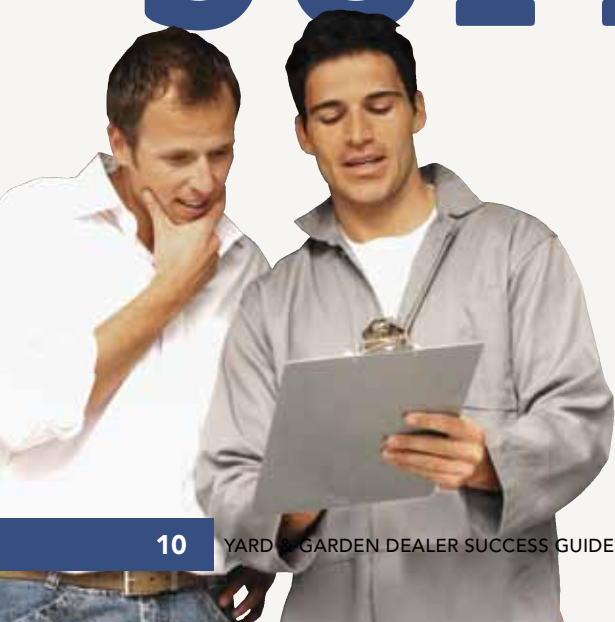
provide feedback and give them a reason to return. The only way to ensure customers will come back is to assure them that you will continue to meet their needs again and again in the future. ■

About the Author

Stan Crader attended the University of Missouri School of Business. He is the president of Crader Distributing and Blue Mountain Equipment. He is also a past president of OPEESA. For more information, visit stancrader.com.



Would you like to SUPERSIZE that?



How to successfully structure a menu pricing system that increases sales and consumer comfort at the point of sale.

Most dealers already offer a set price for a certain repair in the form of flat-rate pricing. Going beyond flat rate pricing, menu pricing incorporates the cost of parts needed for the repair and gives dealers a chance to increase profits while making the customer's buying decision a more comfortable one.

Calculating menu pricing

The first thing you have to do in order to put menu pricing together is determine what your labor pricing is. Most dealers have set standard labor pricing for their shop and are already doing some menu pricing on annual services or tune-ups.

Take your common repairs that you already know the pricing for and use that as your baseline for menu pricing. Then it's just a matter of figuring out what parts you are going to need.

The cost of the parts will vary based on their manufacturer. Most dealers do have a general idea as to what the average cost for a part will be. Take a look at parts from different brands.

You want to calculate the average price of parts from mid-range to the highest price. If a part comes in prices of \$5, \$7 and \$10, take the average for the two higher numbers. You will come out with \$8.50 instead of the \$7.34 when considering all prices.

Take the average price for the parts and add it to the average time/labor price for completing the repair. You want to "beef up" your labor a little bit, the same way you did for parts when menu pricing.

Take your average time for a repair and add 1/10 of an hour per every half hour of time. If it's 7/10 of an hour, I might add 1.5/10 of an hour to that.

You are going to get burnt a little bit on those higher-priced items, but for the most part you will come out better because the lowest prices for parts and service are not figured into the menu pricing option.

Presenting pricing to customers

Customers love being able to walk into a business and know what the price of something is. It makes them more comfortable to know not just

the cost of labor, but also parts. When you say \$40 plus parts, they want to know how much the parts are going to cost them.

Once menu pricing is all figured out, your final step will be to present the items in a formal manner like a three-ring binder organized by equipment type. When a customer comes in asking about a repair, in a few page turns you can share some menu options.

Having a menu pricing book is also good because if the service counter is busy, anyone can turn the page and find the customer a price. Additionally, customers don't fight you as much on price when it is written in black and white and not just given off the top of your head.

In deciding what items to include in menu pricing, you should sit down with your lead technician and a common piece of equipment. Talk about the common procedures for that piece of equipment and go over the time and labor required.

Common things to include in your menu pricing binder are:

- **Annual service on all equipment – labor, sharpening, oil, plugs**
- **Blade sharpening and replacement blades**
- **Deck belt replacement (labor and materials)**
- **Tire repair (labor and materials)**
- **Spindle replacements (labor and materials)**

Some dealers will worry that offering menu pricing will lock them into one situation. It doesn't really pigeon hole you, but rather gives you a starting point.

I like to compare it to McDonalds' menu pricing. You walk in and see different menu-priced option on the board, but it is easy to make changes

to the options laid out for a small increase in price. I could have a milkshake instead of the medium soda, but it's going to cost me more money.

Having a menu pricing book is also good because if the service counter is busy, anyone can turn the page and find the customer a price.

So when you do menu pricing, you have to remember that menu pricing is a starting point for you. While most people that walk into McDonalds and order the number three value meal don't change it at all, there are some that want it supersized. If the customer wants to make a variation, you just add it on. Nine times out of 10 you are going to make more money if you menu price. ■

About the Author

Bob Clements is the president of Bob Clements International, a consulting firm that specializes in the development of high-performance dealerships. His organization works hands on with dealers throughout North America, helping them attain the personal freedom and financial wealth all entrepreneurs strive to achieve. For more information, visit bobclements.com.



The Homeowner ADVANTAGE



Once a landscape contractor, Doug Hampton became a dealer after fighting to find one that could support his needs. Now he uses his knowledge to attract and grow a vast customer base of do-it-yourselfers.

Before becoming a dealer, Doug Hampton was a landscape maintenance contractor who traveled 25 miles or more to get parts and receive major repairs. Putting the miles on driving to the nearest dealer, he saw a need for a servicing retailer in his area—and he became one.

But instead of catering to the market he knows so well, the professional landscaper, Hampton became the resident expert for the do-it-yourself rural homeowner. Previously offering landscaping services to the homeowner market, he used that knowledge to build relationships with the market and grow sales.

The homeowner's resource

Before opening the doors of Hampton Lawn & Garden in Marshfield, MO, Hampton was a successful landscape contractor providing lawn maintenance services to area residents. Those same residents began to turn to him as a resource for their outdoor power equipment needs.

The customer base that Hampton attracts has always been more consumer than commercial, with 90% percent of their equipment sales coming from

rural homeowners. He has used his knowledge and experience gained during his time spent as a landscape maintenance contractor to gain the trust and loyalty of customers.

A trusted dealer, Hampton isn't just pushing the high-margin buys, but the right buys for every customer's needs. **Getting customers the right product for their needs the first time can go a long way.** Hampton would rather rely on a large amount of low-margin purchases over an extended period of time than a one-time, high-margin buy from a customer not likely to return.

"My past experience helps a lot when advising customers on lawn care products and how to care for their properties," explains Hampton. "The homeowners appreciate our guidance and tend to be more loyal."

Along with his heavy stock of equipment and parts, Hampton also offers gardening supplies, hand tools, apparel, bulk garden seed, garden hoses, lawn care chemicals and mulch. As a one-stop shop for customers, the dealership enjoys a lot of add-on sales.

"We have a lot of customers come in just for mulch and will wander over to the equipment and start checking out the mowers," explains Hampton. "It

works both ways, and having such a wide product offering just adds to the floor traffic. The more you have the better."

Hampton also educates his customers on how to do simple maintenance at home, reserving the service hours in the shop for repairs that bill higher. The take-home tips he offers are usually accompanied by a parts purchase.

"We stay on top of what parts are most commonly needed by our customers and are sure to keep them on hand," says Hampton. "We want to help those that are in a bind to get their repairs done quickly."

In the winter months, the dealership runs specials on preventative maintenance to keep the shop staff busy and the business profitable. He has five full-time staff members and three additional part-time employees in the peak season.



With their sales growth, the majority being from homeowner sales, they were able to add 3,000 square feet to their showroom in 2008 and 1,000 square feet to the service department in 2010. The company website (hamptonlawnandgarden.com) was also revamped. ■

FOR RENT:

Finding Success in Rental

When managed properly, equipment rental can offer dealers an opportunity to supplement sales.

For some dealers, offering rental equipment is a viable option for their business. If they do choose to take on rental, the right products and proper management goes a long way.

Offering rental equipment can bring more traffic to the showroom floor. Customers who come in to rent a product, like a tiller for weekend use, could end up leaving with a product like a mower that would see regular use.

Products to offer

Dealership showrooms are often already stocked with the same products suitable for a rental fleet. Working with brands you are comfortable with, and the service department is knowledgeable on, is a good approach to taking on rental.

"I think it is natural for outdoor power equipment dealers to rent most of the same equipment that they sell," says Jim Meyer of United Hardware. "This is something that heavy equipment dealers have always done. They can then use the rentals as a vehicle to sell the equipment and also offer rent-to-purchase options, adding to profits on those sales."

Proven Power in Oconomowoc, WI,

has been renting out equipment for at least 10 years. The largest part of their rental revenue comes from commercial users trying to save on the cost of buying and maintaining equipment.

"Items like stump grinders, sod cutters and small tractors are very popular items that we can count on from our regulars for recurring rentals," says Lonny Andersen, parts manager at Proven Power. "We only carry about 100 units total, but would add more if we had the space."

Proper management leads to success

Like any area of a dealership, proper management of the rental side can lead to profitable opportunities. Anne Salemo, president of Charter Software Inc., warns that dealers put themselves at risk if they don't manage their rental fleet properly.

"Carrying costs of floored rental fleet, lack of utilization and breakdown costs due to poor tracking can seriously impact the profitability of the rental department," explains Salemo. "Interest accruing on units that are not renting creates unnecessary overhead. Keeping up on routine maintenance of the units will reduce

breakdown costs while out on rent. With careful management, the dealership can have the right equipment at the right time at the right price."

Many business management system providers offer software features to help users better manage rental fleets. Some offer dealers many tools to track equipment depreciation and service dates, monitor rental trends, track availability, as well as schedule and record repairs and maintenance.

Using an integrated system for management of equipment sales, repairs and rental puts all customer information in one place for easy access and maybe even more sales.

"Maintaining separate rental and accounting systems creates more work and duplication of effort for the dealer and can result in inaccurate record keeping," says Salemo. "Because Aspen's Rental Component is part of a fully integrated business management system, information related to the rental unit is easily accessible. Knowing all facets of a customer's business with the dealership empowers all of the departments to work together to meet the customer's needs." ■

Grow Sales and Relationships With Consistent Follow-Up

Work together as a team to develop a plan of action for sales follow-up that ensures every customer is contacted and every sales rep is held accountable.

Following up after the sale maintains relationships and could mean higher numbers in the shop and on the show floor.

It's not news that the overall success of your dealership relies on your customers. The more return customers you have, the more stable your business.

Whether they are returning to have their equipment serviced or to purchase something new, creating a lifelong partnership with customers can go a long way. Building off their first visit to the dealership starts with a follow-up after the sale.

Why bother with the follow up?

If a customer's initial experience with the dealership is a positive one, the follow-up will further enhance their opinion of your business and the quality of service you provide. Additionally, if the customer has a bad experience, the follow-up can repair that relationship.

"I greet my customer with confidence and sell them the right products for their needs, even if it isn't for the highest margin," says Dan Hall, sales manager at Nord Outdoor Power

in Bloomington, IL. "If I give that customer a bad experience or the wrong product the first time, there is a good chance I won't get a second opportunity."

Reaching out to customers is a good way to increase your chances at that second opportunity—and future sales and service dollars. Scott Jardine, 2010 STIHL-sponsored Dealers in Excellence Award winner and owner of Arn's Equipment Ltd. in Calgary, AB, Canada, recently saw they were missing opportunities by not following up after sales and service received.

"For a long time we were missing opportunities for extra sales and service work and customers were going elsewhere," explains Jardine. "We realized we needed to remind them of necessary maintenance. By bringing them in for service we get that extra work for the shop and another opportunity to sell them parts, accessories or maybe another unit."

Following up with customers to get them in the shop can also increase their level of satisfaction with the equipment purchased. Bringing in equipment for regular maintenance can extend the life of the product

Three Keys to Follow-Up Selling

1. Always be selling products and services — In this competitive market, it's important to consider every interaction a potential sale. Don't rule out a follow-up with a customer who just came in for a small sale or repair.
2. Make yourself available to the customer — Maintain consistent contact with the customer and continue to develop the relationship that started with the initial sale.
3. Become a resource for the customer — Inquire about how products they have purchased are working for them and teach them about new products and technologies that may suit their needs.

considerably. Hall says he thinks a quality piece of equipment is what brings customers back. Jardine agrees and says proper maintenance lets a quality product shine through.

"We have heard from several customers about certain pieces of equipment they think aren't lasting long enough," says Jardine. "We have to be the ones to tell them they are missing the necessary maintenance needed to get full life out of their machine. We were feeling like we weren't offering good customer service because the unit didn't perform as well or give them the longevity and value for their money."

Mastering the follow-up

Having a system for how to follow up with customers ensures that it is done properly. Being consistent in your efforts to maintain those relationships means more, and stronger, partnerships. Jardine has recently decided to take a more serious approach to follow-up after the sale.

Each of Jardine's salespeople has a list of customers for whom they are responsible for managing the follow-up. They are responsible for building those relationships and ensuring that customers have received everything they need as far as service and product. A written dialogue was developed to guide staff in completing their follow-up calls.

"We had the staff sit down and write out a dialogue so at least the first 30 seconds of every conversation is consistent," says Jardine. "If they can start out with a planned dialogue, then we can make sure the important stuff is covered, and from there see where the conversation goes. The most important thing is that it makes them more comfortable."

Once the scripts were created, employees practiced the dialogue with each other. Having written it

themselves and practiced together, the script now feels less "scripted" when they give customers a call.

Currently, sales staff is tracking their calls manually with a checkmark and date after each account. In the future, Jardine will be using his business management system for customer relationship management.

While Jardine is focusing on keeping in contact with customers through phone calls, there are several approaches you can take. Hall uses a multi-pronged approach. "I follow up with Christmas cards, thank you notes, and of course phone calls. We also have customer appreciation days that receive good reviews," says Hall. "We want to do whatever we can to gain their trust and confidence. That way, not only do they return for service and products, but they tell their friends to come see us, too."

Jardine wants not only the customers' trust and confidence, but also to keep track of their doings so he can learn how to improve how he conducts business, and know that he is doing all he can to get the sale.

"We want to be involved in everything that's going on in the industry," says Jardine. "I want to know if a customer is looking for a mower and if they

bought from a competitor. I want to know that we talked to him, showed him our offering, and that we were in the game and had a chance. I want to have a chance at every sale and that's where I am hoping these relationships will lead." ■

Show You Value Customer Input

A survey can be a good way to stay connected to customers and show you value their opinion while learning how you can improve. The survey can be mailed to the customer after the sale or distributed with materials at the point of sale. Below is an example of a simple customer survey.

Dear Valued Customer,
To assist us in determining how we may better serve you, please complete this survey.

Your name _____

Company name _____

Phone _____ Date of visit _____

Please respond to the following by checking the appropriate response.

- ◆ Courtesy and helpfulness of sales floor staff
__ Excellent __ Good __ Fair __ Poor __ NA
- ◆ Courtesy and helpfulness of service department staff
__ Excellent __ Good __ Fair __ Poor __ NA
- ◆ Courtesy and helpfulness of parts department staff
__ Excellent __ Good __ Fair __ Poor __ NA
- ◆ Courtesy, attitude & appearance of overall staff
__ Excellent __ Good __ Fair __ Poor
- ◆ Quality and selection of products
__ Excellent __ Good __ Fair __ Poor
- ◆ Overall evaluation of your experience with us
__ Excellent __ Good __ Fair __ Poor
- ◆ Would you recommend our products and services to others?
__ Yes __ No

Comments

Power of Social Media

With ever-increasing frequency, consumers are looking to various social networks for information, advice and opinions before making purchase decisions, and as an organization, social media provides an opportunity to listen to, learn from and speak directly to consumers in real time, 24 hours a day. However, businesses should not leap in to this area just because it seems like everyone is doing it. It takes careful planning and dedication with clear focus on the business goals involved.

Here are some things to consider:

Social Media is a Two-way Conversation

Social media gives an organization and consumers the opportunity to talk about a message. Social media doesn't operate alone. It often works best when integrated across advertising, public relations and traditional marketing. The discussion around the message and the opportunity for the audience to interact can take place on social media. Often, not only is it better for the organization to coordinate messages across channels, but not doing so could cause the various messages to lose focus.

You're Going to Need a Plan

Before creating your first social media site, you need a plan. Just having a social media presence means absolutely nothing if you don't do something with it to meet your business objectives. Start the plan by evaluating what your business goals are and what you hope to accomplish through social media.

There should also be a straightforward policy that provides guidance on who can engage in social media on behalf of your organization and what is and what is not permissible when engaging. It's important to be clear on the purpose for the guidelines so everyone interacting on social media understands the business reasons for the policy.

Tips for Interacting on Social Media

- **Listen:** Understanding the value of listening is a key to getting started. If you want to know what your audience wants to talk about, just listen to what they're saying, or ask them, they'll tell you. You'll have to monitor mentions of your brand constantly and stay on top of what the social community is saying about you.
- **Give Them Something Useful:** A quick, effective way to get involved in, and gain the trust and respect of, a community that's talking about your organization is to answer the questions they're asking. As an official representative of your organization, you have the ability to provide information, guidance, recommendations, clarifications, corrections and more. In other words, by listening first and identifying good engagement opportunities, you have the ability to provide value with any of the content you put out. The key is to provide value for both the audience and your organization.
- **Your Audience Relies on You:** It's important to remember that in social media, conversations are happening in almost real time. In order to be a reliable source of information for the community, you've got to be an active member. Make sure you're able to dedicate the time it takes to update content, answer questions and offer information. When you speak, they will listen, as long as they know they can depend on you being there.
- **Don't Shy Away from Negative Comments:** One of the questions I get asked the most is, "What if someone says something bad about us?" Typically, I'll ask that person what they would do in that situation. "Just delete it, and block them," they often say. Many times, that's the wrong answer.



STIHL cross promotes its STIHL® TIMBERSPORTS® Series and STIHL Careers pages.

When you have a healthy dialogue, not everyone is going to agree. There are people who don't like you or your products and have no problem letting you and everyone else know about it. The conversations about your organization are happening with or without you, so why not look for opportunities to interact and turn negative comments into positives?

You may hear a complaint about how the new model of the product is not as good as the older version. Why not use that as an opportunity to highlight the improvements of the newer model? There are probably aspects of that new model that make it better. Maybe the horsepower is reduced, but the fuel-efficiency is better and the emissions are lower. Remember, when you share the update, you're sharing with the entire community. Again, the "value" of any piece of content is one that benefits both the community and your business.



This YouTube video shares that a majority of STIHL products are made in the United States from domestic and foreign parts and components.

There are instances where deleting the comment and blocking the user is appropriate. It depends on your site guidelines. If someone is being obscene or attacking or insulting to your organization or other community members, generally, that person isn't going to add a lot of value to your interactions. Consider what your site guidelines should be and make them clear to the community. Once you gain the trust and loyalty of the community, they will often address negative posts for you. As long as their responses are clean and within your guidelines, sometimes you can just sit back and watch.

Building Relationships Online

Social media is about relationships. One of the most difficult things for any organization to realize, is that the community has the true power. The audience decides how the conversation goes and you can just hope they will accept you and let you be a part of it.

Finally, remember to have fun with it. Your passion will come through in your interactions and, hopefully, will rub off on the entire community. With a good plan and proper execution, you can satisfy your business objectives and provide content of value to those consumers and experience the true power of social media.

Sources and recommended reading for anyone interested in social media:

- *Groundswell: Winning in a World Transformed by Social Technologies* by Charlene LI and Josh Bernoff
- *Social Media ROI* by Olivier Blanchard
- *Social Media Marketing* by Liana "li" Evans
- *Social Media SmartBrief*: <http://www.smartbrief.com/socialmedia>



Les Robinson, a 6-year veteran with social media, is the social media specialist for STIHL Inc.



Steps to Online Parts Sales Success

Ask yourself these three questions to determine your online parts sales goals and a strategy for successful implementation.

There are many different factors that lead to dealers being successful in online parts sales. It takes more than just simply putting the content up on your website and expecting the sales to follow.

Here are three questions you should ask yourself to determine the goals of your online parts sales business and how to enter into the new endeavor successfully.

Who are you selling to?

● In all areas of business it is important that you know your audience. In order to successfully sell a product, you need to know the market you are after. Once you know the market you are after, you can better tailor how a product is marketed and delivered.

"The first thing I advocate when someone is thinking about selling online is to identify their target audience and what their objective is," shares Brad Smith, product manager for ARI. "Of course, everybody wants to generate more revenue, but the question

is: Where do you see the greatest opportunity?"

Smith advises that you decide if you want to simply better serve your local and regional customers who are already connecting with your business. Your goal may be to offer them added convenience and extended hours

"If you want to do a really large volume of online sales and sell nationally, there is a whole lot more marketing activity to anticipate," says Smith. "You also have to consider more aggressive pricing and shipping strategies."

Most dealers have already chosen



"The first thing I advocate when someone is thinking about selling online is to identify their target audience and what their objective is. Of course everybody wants to generate more revenue, but the question is: Where do you see the greatest opportunity?"

Brad Smith, ARI product manager

through the online delivery service.

Selling to existing customers doesn't require much marketing as they are already familiar with the business. It will only require the basics in online sales, which is forming a strategy for pricing, shipping and management.

Choosing to strive for a larger volume of online sales sold regionally to a new and extended customer base requires a different approach.

which market they want to reach, and address it in the way they run their overall business. "If they have multiple locations and already do phone calls and mail order, as supposed to the local long-time family business where a lot of long-term relationships have formed, they are striving for volume," Smith explains. "Each target audience requires a different plan for your strategy."

2 Which products do you want to sell?

After you have identified your target audience, you need to decide which lines you are hoping to sell online that offer the greatest potential for your business and bottom line. Consider the amount of competition and the sales volume anticipated.

"If you are going to try and compete for Briggs & Stratton engine parts, it's important to recognize that there is a lot of opportunity but also a lot of competition," says Smith. "You are going to need to invest more in marketing and also likely sell at lower prices in order to compete. You are going to need to try and capitalize on the volume."

It all depends on the available resources of the dealership and what the business and staff can handle. It's important to ask yourself if you have the time and are willing to invest both that and money for a better chance at parts sales success.

"Alternatively, dealers may be interested in selling other parts for brands that are still strong, but not quite as ubiquitous as Briggs & Stratton," says Smith. "The volume may be lower, but so is the level of competition and the amount of marketing efforts you will need to do in order to push visibility. You can be viewed as a specialist in it as well, having serviced the line for many years."

Smith advises that a good approach is to offer a blend of both, but not all products available. Putting all of the parts you sell online doesn't offer customers the best buying experience or dealers the best opportunities.

"To have the best possible experience and the best possible investment, it's really useful to recognize those different patterns and which side you anticipate trying to market to a little bit more," Smith says. "Dealers who do recognize that and formulate

TAX NEWS - Internet Retailers Could Be Required to Collect Sales Tax

The National Retail Federation has urged the House Judiciary Committee to support legislation that would require Internet retailers to collect sales tax the same as local merchants, saying online sellers have a price advantage that is "stifling" Main Street stores' ability to compete.

"Different retailers have different strategies for going to market, but one feature is beyond a retailer's control: only some collect sales taxes," says David French, NRF senior vice president for government relations. "This disadvantage is not created by the marketplace, but by the current state of the law following the *Quill* decision, stifling retailers across the country.

"As retailing evolves and Internet sales become a more prominent portion of total retail sales, it is critical that Congress address the sales tax collection discrimination that exists between brick and mortar and remote retailers," French says. "Congress must resolve the Constitutional questions posed by the *Quill* decision in a fashion which promotes a level playing field between retail competitors."

French's comments came in written testimony submitted for a hearing on sales tax fairness legislation. The panel is scheduled to examine constitutional limitations on states' ability to require out-of-state sellers to collect tax on sales made to their residents.

Online sellers are already required to collect sales tax from customers in their own states, but congressional action is needed because of a 1992 U.S. Supreme Court ruling. The court ruled in *Quill v. North Dakota* that retailers are required to collect sales tax from out-of-state customers only if they have a physical presence such as a store, warehouse or office in the customer's state. The court held that the 45 state and 7,600 local sales tax systems across the nation were too complicated for a retailer to otherwise know how much tax to collect.

Three bills that would address the issue—the Main Street Fairness Act, the Marketplace Equity Act and the Marketplace Fairness Act—are pending in Congress. French says collection authority is a priority, but requirements included in each bill for states to simplify their sales tax systems are also key to ensuring sales tax reform. Twenty four states have already voluntarily adopted the simplification measures of the Streamlined Sales and Use Tax Agreement (SSUTA).

"Sales tax fairness requires all sellers, whether brick and mortar or remote, to collect sales taxes, but only after the states have simplified their collection requirements," French says. "NRF urges the committee to enact sales tax collection reform that will level the playing field between brick and mortar and remote sellers by granting states the authority to collect sales taxes from all sellers regardless of their distribution method."

For more information, visit nrf.com.

their strategy accordingly tend to do a little bit better."

3 What are your calls to action?

Deciding what products you want to sell, and who you are planning to sell them to, is a big part of the process. The next step is turning online con-

sumers into real-life customers. You have to be sure they can locate your site, and create a call to action that pushes them to purchase from you.

"It's just like having a brick and mortar business," says Smith. "Just because you are there, and have the parts in back, doesn't mean it's automatically going to translate into

a sale. It's important to determine the way you are going to promote your site and products."

In creating your site, you can pay for the service or take advantage of free websites that enable you to upload products and information. You can ask manufacturers for assistance in populating your online storefront, by obtaining parts data and images from their sites. Once the site is built, you need to drive customers to it.

"The trick is getting them to find you online. It's no different than picking an awful place to build a beautiful dealership," says Smith. "You might have every part stocked, the most beautiful atrium and the best service

people, but if the customers can't find you they won't be making a purchase."

There are multiple ways to promote an online store. Some options are paid ad clicks, your web address on all marketing materials, or search engine optimization. However you get the customer to your site, once they are there you need to develop a call to action to get them to buy from you.

"Unless you are selling something that very few other people carry, you need to compel the customer to buy from you," says Smith. "It may not always be selling the cheapest, but it can be offers like free shipping on purchases over \$20."

If you don't want to offer discounts

on price or shipping, speak to your strengths in service and promise quick shipment. It is important to appeal to the site visitors' desires as well as needs (the product). Doing so should prevent them from shopping any further after visiting your site and viewing the products available.

"Having the parts is good, but when other companies have them too, you want to be able to communicate what the advantage is of purchasing from you," explains Smith. "You don't have to hire full-time marketing staff, just think about what it is that you can do for customers. Every additional bit of planning done along the way helps to ensure success in the end." ■

Dealer Success Story

By Lisa Danes



Online and On Time

After working out some kinks in the early stages, Choo Choo Parts has proven successful in the online parts sales market.

Deciding to take on the online parts sales market is a huge commitment that requires careful planning. When done right, dealers can see a year-round increase in sales. When done wrong, you could have a large group of angry customers on your hands.

Choo Choo Parts came on the scene in September 2006. They

saw a few big challenges in the beginning, but have since mastered the online parts sales market. Maintaining a strong online presence and filling orders in a timely manner have helped them to grow an impressive online return customer base.

Being visible in the online marketplace

Online parts sales is a very competitive market for a dealer to get into. Search results alone for the words "Lawn Equipment Parts" brings up about 116,000,000 links in 30 seconds. It can take either a lot of time or a lot of money to build a strong web presence and grow your visibility online.

"With the strong competition that is in this field, it's hard to succeed on a shoestring budget," explains Tim LaRose of choochooparts.com. "Many dealers aren't willing to invest five years to build their presence—and when they do, it is tough work."

LaRose owns choochooparts.com and works in partnership with Danny Schofield, owner of Choo Choo Lawn Equipment in Plant City, FL. LaRose manages the online sales that are fulfilled through the in-store inventory.

"We made some changes on our site to become more visible online," explains LaRose. "Unless you have a budget of \$5,000 to \$10,000 a month, you have to take the long road and just build the site up with lots of content and repeat customers."

Meeting online demand

A vital factor in online parts sales success is inventory. Many dealers don't realize that a considerable investment in increased inventory is necessary in order to meet the demand of their new online customers.

"You need a lot of money to be able to fulfill these orders," warns LaRose. "Otherwise, you will be out within

the first season. We have had weeks where we have done three orders, and weeks where we did 300. You have to be able to treat all of them the same."

The relationship with the customer online is very different from the one in-store. They demand a quick turnaround and rarely accept excuses.

"The online customer is relying solely on your online marketing presence and they don't know you, your store, or your employees," says LaRose. "You will go from knowing a customer for 10

years to an unknown person who is taking a chance ordering with you. They have a lot less tolerance than the customer who comes into the store."

If you are unable to fulfill an order quickly, LaRose says you better be ready to refund it—and fast. Early in their endeavor, they faced that reality.

"Early on we couldn't hold up our end of the bargain," says LaRose. "There were many times in our startup that we had to shut the website down and refund everyone their money."

Taking baby steps

LaRose decided to take a step back and slow down their transition. Trying to offer too much too fast had prevented them from providing the quality of service that online customers demanded.

"We decided to take the long way around," says LaRose. "If you're brand new to online parts sales, it's going to take five years to get anywhere successfully."

A slow transition into the online parts sales business was the answer

to avoiding the dangers of unsatisfied customers. While investing more in your inventory right at the start would be ideal, it is often not a possibility for dealers on a budget.

LaRose started with mastering one section of parts and then slowly added on more products to offer customers. It allowed him to get a handle on

the workflow and slowly grow the inventory to meet demand.

"We started out with just offering protective equipment for chain-saws," he explains. "We picked a category and stuck to

it for 90 days until we became good at it, and then added another category."

Slowly over time, new sections were added every 90 days. Orders were easier to fill, having a limited offering and a better control on inventory.

They started by offering products through an eBay store, and once it grew large enough created their own website.

Choochooparts.com is for the customer who knows exactly what they are after, while choochoolawnequipment is for parts lookup. Today, choochooparts.com has a repeat customer base of 18%. Products are mailed for a flat-rate shipping price of \$8.95 for everything under \$100. Anything over that is shipped free with some limitations on heavy items.

Now, all the parts found in the store are also offered online. As a Florida dealer, they are also tapping into markets they can't reach through the store, like snowthrower parts. Parts sales online make up 50% of their overall parts business in the non-summer months and 15-20% in the summer season, successfully supplementing sales and growing their customer base. ■

Speaking in the Community to Boost Your Business

Build connections while growing your customer base by speaking at local community events on topics that interest and aid others.

Are you looking for an inexpensive way to promote your business? Have you ever wondered what a higher visibility in your community could do to increase business?

If you ever listened to a speaker at a service club like Rotary or Kiwanis and thought that you could deliver a better presentation, you may want to consider public speaking as an effective way to help build your business. Speaking at just one event could turn up many other opportunities as your visibility increases and attendees invite you to speak at their own events.

Why give a free talk?

Many service clubs will not pay a fee to have you speak to their members. However, you could consider that you are paid in a currency that is far more valuable than cash. You will experience increased visibility and be given access to new contacts that are part of the local community where you do business.

Talking about your business, charity

or major passion is exciting and provides great visibility. Your first talks to local service organizations could not only lead to many more invitations to speak, but draw potential customers to your dealership.

Even though your business may be unrelated to the topic you are speaking on, it will bring you recognition and eventual business. Even if you talk about your hobbies, interests or charity of choice, your introduction should mention your business. You will be networking and meeting new local business professionals each time you speak at an event.



What to talk about

What do you know that other people want to know about? What do you know that other people should know? What are the questions people ask you most often about your business, industry, hobby or interests?

Speaking at a service club or any

Topics to Talk On

In speaking to local community groups, you won't likely find yourself in a room full of lawn care enthusiasts. You may not want to speak specifically to outdoor power equipment, but rather general topics that could help attendees with their own businesses. Below are a few topics to consider.

- Ethanol – potential problems and solutions
- Effectively serving a wide variety of customer types
- Managing cash flow in a seasonal business
- Expanding your business with new products and services
- Cultivating a culture of safety in your organization
- Operating a paperless business



local group is an excellent starting point for promoting your product or service. Remember, no one is eager to listen to a sales presentation. Your goal is to be interesting, informative, and even entertaining. This leaves audience members wanting to have an individual conversation with you. Each conversation could lead to friendship or a referral.

Get invited to speak

The first thing you need to accomplish on your way to public speaking is to develop your speech. Once completed, tell your friends, clients, associates and acquaintances that you are available and would love the opportunity to speak to local programs.

You can also search online for ser-

vice clubs in your area. In most cities, the local Chamber of Commerce will be at the top of your search. Find out who the program chairperson is and contact them. It is likely that they are always looking for new and interesting speakers. A well-delivered, entertaining and interesting talk on any subject is always very well received and could lead to more speaking opportunities.

Maximize the experience

Be easy to work with. Write your own short introduction, including the importance of the subject, and why you are the perfect person to deliver that message. Make your bio available to them well in advance for the group newsletter. As most organizations now

have websites that advertise their program, also send a quality photo and link to your website.

Go early to the event, and make sure you meet as many people as possible. Find the visitors from other organizations and offer to speak at their events. Hand out your business card to as many attendees as possible. Also mention before you close your speech that you are available to speak at other events.

Have a handout or flyer. Develop a one-sheet flyer detailing your key points and information on your topic. Offer a catalogue or brochure, if appropriate. If you've had an article published, make copies for the audience members. Make sure whatever you offer includes your contact information.

Collect business cards. If your goal is to develop business contacts, always collect business cards from the audience members. To get more business cards you can hold a drawing for a small prize such as a gift certificate for your business.

Drive traffic to your website or blog. If your audience is interested in the subject, where can they get more information? Add them to a mailing list and include links to your website or blog on all handouts and in the presentation.

Speaking before a group of strangers may be slightly intimidating at first. Just remember, this is the beginning of many long-term relationships that will likely benefit your business. Step up to the podium and profit from the experience. ■

About the Author

Patricia Fripp is a keynote speaker, executive speech coach and sales presentation skills trainer. She works with organizations and individuals who want to gain powerful, persuasive presentation skills. To learn more, visit fripp.com, call (415) 753-6556 and follow her on Twitter @PFripp.



Lean, Mean Servicing Machines

When profit margins are low, service demands and customer support are high priorities for these dealer brothers.

Business improvement and growth starts with assessing your businesses' strengths and weaknesses, and building upon and improving them. At Otten Small Engine Service in Sedalia, MO, it's a constant effort to improve.

The family-owned business has been in operation since 1972. In the years since they opened, many things have changed. The way dealers today do business is much different, and so is the way brothers Ron and Mark Otten manage their business.

They maintain a large focus on improving their service department profitability, as well as looking for new ways to provide for their customers.

Service matters

In recent years with the economy's turn for the worse, many dealers have been thankful for the business brought in by their parts and service departments. The key to many dealers having profitable years has been sales of high-margin parts, and technicians

having high billable hours.

For the Ottens, keeping the shop a comfortable place for technicians to work, along with giving them the right tools for use in the shop, has increased their job satisfaction as well as productivity.

"We have air-conditioned our service shop and invested in a Franzen Automated Chainsaw sharpening system," says Mark Otten. "It has improved working conditions in the shop, and relieves the need for frequent rest breaks in hotter months."

Otten explains that the Franzen machine was a clever and profitable investment. According to the machine's manual, it can pay for itself within six to eight months of use.

"The speed and efficiency of the Franzen is amazing," says Otten. "It allows each tech to sharpen chains and repair units at the same time."

A parts-cleaning machine purchased by the dealership also helps to increase productivity and customer satisfaction.



Brothers Ron (left) and Mark Otten.

For the last 10 years, the shop has been manned with five technicians. They have learned to use a business management system that interfaces the parts and service departments, helping them to manage customer repairs.

"We have installed a new Ideal Computer System, which has greatly enhanced the speed and efficiency in which we deliver to our parts customers and the service department," explains Otten.

The service department has continued to impress their distributor Kyle Cramer of Crader Distributing Company, who praises them saying in 2010: "They have one of the best service departments in mid-Missouri. As technologies change, the service department continues to educate itself through update schools as well as online testing and training."

Customer care and referrals

Otten Small Engine has a large base of returning customers. They value



their loyal customers highly, and go out of their way to show them that by providing services that keep them coming back. Their goal is to show customers that the success of the dealership depends on them.

"We have invested more quality time in serving our customers with our available service both before and after the sale," says Otten. "We spend less time and effort servicing the less-expensive 'box store' units, and more time on the equipment we have sold directly."

The fast, honest and reliable service they have continued to provide customers has led to many referrals. To further draw customers, the dealership has purchased a truck outfitted with graphics advertising their products and services. The truck is also used to aid customers in pickup and delivery service of new equipment purchases and repair orders.

To keep the service speedy, a large parts inventory is stocked. "We have

increased our parts inventory levels on selected fast-moving parts to avoid service backlog and delays," says Otten.

Commercial customers are able to stay in the field while equipment is in for repair thanks to the loaner program at Otten's. "We work with the Gravelly GAP program that allows us to have loaners on hand for lending to any commercial customer if we cannot fix their mower within 24 hours," says Otten. "We also have someone here at approximately 7 a.m. each day to service commercial customers."

They do not have a website, but customers are able to reach them through stihlusa.com and gravelly.com. They do, however, insist that a customer be present at the time of sale.

"The customer must pick up their order here or we must be able to deliver it to them directly," explains Otten. "We like to go over the pre-delivery checklist and demonstrate proper operation of the equipment to them."

Quality-only products

In an attempt to deal with the pressures of operating near big box stores and low-balling competition, the Otten brothers have experimented with products that promise higher margins. While it's good to look for new products and avenues for profit, it did not turn out as successfully as they hoped.

"We fell victim to cheap off-brand generators when we were looking for a way to increase profit margins,"

says Otten. "We want to supply our customers with quality products that meet their needs and have adequate support on our end."

When the product manufacturer started to get in the way of their promise of quality parts and service, the Ottens pulled back from working with the company. They wanted to maintain their focus on quality products, and also maintain the trust of their customers.

"Unfortunately, the companies we tried had dismal tech support and even worse parts availability," shares Otten. "One company did not even have an English-speaking person to answer our questions. We had to contact our supplier, and three or four days later we might get a call back with no parts available in the U.S."

The Ottens didn't want the poor support of the new product lines to get in the way of their long-standing relationships with customers. Since the days their parents operated the dealership, they have always promised to be fair and honest with customers.

"Since the passing of our parents, not much has changed in our business practices," says Otten. "They instilled real good core values and we have continued to live by them. Be fair to your customers, be honest with everyone, and be friendly. Everything else will take care of itself." ■



Sprayer and Spreader Must-Have Features

Value, versatility, quality results and ease-in-operation are top sellers in the sprayer and spreader market.

Homeowners and commercial users alike look for versatile sprayers and spreader products manufactured for high durability. Selling to the user's needs remains important as technological advancements are made in the sprayer and spreader market.

Improved technology, enhanced durability

One of the things both commercial and consumer customers are looking for in sprayers and spreaders is new technology that improves the ease in performing a job and the overall quality of the finished product. Attachments that allow users to take advantage of their existing equipment is also a bonus.

"More and more users are seeking products that fit existing equipment," says Bruce Carmichael, national sales manager for TurfEx. "It allows the end-user to maximize a piece of equipment already in their fleet, and it's much more efficient and effective than using a standard walk-behind spreader."

Operators are looking for products that are flexible, low-maintenance and high-performance. Optimal performance from a spreader means casting materials evenly over a large area.

"We engineer our spreaders with

specific gearbox ratios based on the particular wheel size. Both are very important points in having a spreader with an even spread pattern," explains Jeff Kendall, vice president of sales and marketing for Earthway Products Inc. "If the wheel is large and the gearbox is small, the impeller that spins the disk that spreads material will turn slowly and will offer poor results from a narrow spread width to a skewed spread to the left or right."

The improved construction of these products means they are durable and long-lasting on top of versatile, something customers are looking for in all of their products.

One of the things both commercial and consumer customers are looking for in sprayers and spreaders is new technology that improves the ease in performing a job and the overall quality of the finished product.

"Materials are only part of what increases durability. Engineering durability into the product at the start is the best way to make a product durable," says Kendall. "No one wants a spreader or sprayer that weighs so much that it's a handful to operate. It would be durable, but not useful."

Materials like mild steel with epoxy powder coat chassis offer a long life at a good price—a high selling point when talking to customers.

The homeowner market's desires

Homeowners that utilize sprayers and spreaders are looking for versatile products that offer professional-grade features but are still affordable and easy to use.

"Flexibility in terms of what the spreader can spread and what equipment they can work with goes a long way in the mind of the end-user," says Carmichael.

Recently implemented technology allows certain spreaders to spread seed, fertilizer or bulk product. Going beyond the materials a sprayer and spreader can handle, the homeowner just wants to know they can handle operating the equipment. Introduce them to professional-grade features they can use with the knowledge of a novice.

"Homeowners want products that are easy to set up and operate and yield the desired result—green grass," says Kendall. "We have seen an increase in sales of our mid-range and upper-end homeowner models with pneumatic wheels, larger frames and capacity. Price is an important



Commercial users seek larger units with the ability to either tow the unit or fit it in the bed of a UTV.

consideration, but value, something that will last more than a year, is the real target.”

The needs of the professional user

Much like the homeowner market, professional users are looking for low-maintenance products that are easy to use. Accuracy is vital, as they need to promise customers the same desired finished product the first time around.

“The professional users need durability and accuracy. The pros don’t have time to have a product down

or to have to repeat an application,” says Kendall. “Each is key to maintaining a profitable operation.”

Commercial users seek larger units with capacities reaching 250 pounds with the ability to either tow the unit or fit it in the bed of a UTV or truck. Electric and remote-operated products are also a big seller with commercial applications.

“More and more professionals are looking for all-poly hoppers and electric-powered equipment with no hydraulics or gas engines,” says Carmichael. “One of our most popular models holds up to 11 cubic-feet of material, or about 900 pounds of product, but its popularity has a lot to do with its flexibility since it can spread such a diverse range of materials.”

Spreading the word

Manufacturers are focusing on helping dealers to promote sprayers and spreaders in their marketing and encourage sales by backing products with impressive warranties.

Take advantage of the manufacturer-provided online and print tools for a better understanding of equipment operation and improving the sprayer/spreader customer experience.

Another thing to make sure you take advantage of is any manufacturer-hosted dealer training and equipment demos. They offer several marketing and training tools from catalogs, flyers and layouts, to maintenance and assembly videos available on their website.

But for dealers, one of the best ways to market a product is to have it present on the show floor. Customers then have the opportunity to handle the equipment and witness its quality construction.

“No matter how good marketing materials are, nothing beats a dealer talking about and showing this equipment to a potential buyer,” says Carmichael. “That’s why it’s so important that dealers stock this equipment.” ■



Introduce Customers to Their Diesel Options

Help your contractor customers learn about the benefits and potential cost savings of diesel technology.

It's a constant goal of lawn maintenance contractors to find the most efficient and cost-effective ways

to maintain properties in order to remain competitive. Dealers add value to their offering when they can help contractors understand the benefits of diesel technology—and whether or not that technology makes sense for a contractor's operation.

Many manufacturers have, or will be introducing, diesel-powered mowers. Diesel could prove to be a cost-effective and powerful option for landscape maintenance.

"A switch to diesel can be done gradually without disruption to normal routines after doing some research.

Careful consideration to the product's design and the manufacturer's experience with

diesel power should be considered before conversion to diesel takes place," explains Ray Garvey, product specialist in the marketing division at The Grasshopper Company. "Less fuel consumption, fewer emissions and faster job completion times mean the sooner the switch to diesel is made, the sooner the user can begin reaping the rewards."

Fuel and product research

As an increasing number of mower manufacturers introduce diesel products, more information has become available about the technology and its benefits. Grasshopper says their diesel engines offer an increase in power and a longer engine life.

"Diesel satisfies customer needs at lower horsepower ranges due to the high energy density of the fuel, the way it is combusted, and the substantial torque power provided by the engine design," explains Garvey.

Dealers should contact mower manufacturers for more information on the diesel products they are considering offering customers.



Being more knowledgeable on the product helps you to consult with customers about the technology and emission restrictions.

Tightening restrictions on emissions is a focus for all gasoline and diesel mower manufacturers. Diesel engines specifically, between 25 and 74 horsepower, must be Tier 4 emission-compliant by 2013. Most diesel mower engines are on the low end of that scale and already meet said requirements.

"Diesel models emit only a fraction of the carbon monoxide of gasoline and propane models," says Garvey.

When the larger-horsepower engines are required to meet these emissions standards, it is assumed the cost of the mowers will go up. This doesn't necessarily have to mean added cost for the customer, who can easily complete a job with a lower horsepower unit.

Engine design

Diesel-powered equipment can be a good fit for many fleets. A variety of horsepower and deck options are available, and even more options could become available as this product segment's popularity grows. The mowers offer high performance in tackling tough mowing jobs. Many also power attachments your customers likely use.

"Often it's the condition of the property being mowed that warrants diesel power as much as the size of the property," explains Garvey. "If the grass is frequently tall or moist, diesel power is sometimes preferred to get the mowing done faster because the extra power delivers a quality cut at faster mowing speeds."

While commercial contractors prefer the extra power offered by diesel, contractors who maintain smaller properties are choosing diesel models to reduce emissions. Also highlight to customers how the diesel engines

feature simplified construction and easier maintenance.

"Diesel mowers have no spark plugs, plug wires or carburetor to maintain," says Garvey. "Less maintenance, combined with less downtime for refueling and faster job completion, allows users to mow at faster speeds while still getting a quality cut." Garvey adds that the diesel engine more efficiently transfers power to the deck than its gas and propane counterparts.

Return on investment

The initial purchase price of a zero-turn mower is understandably a big part in the contractor's decision-making process. The heavier construction of a diesel engine means the price of a diesel unit can sometimes come as a shock to new buyers.

"The interest among U.S. contractors is not as strong on diesel zero-turns as it is for liquid and air-cooled gasoline," says Brad Unruh, product manager at Hustler Turf. "I think the initial purchase price definitely has something to do with it, but there is higher fuel efficiency in diesel compared to gas."

While that initial cost of purchasing a diesel mower may seem high, the payback from the purchases can come quickly with regular use. Diesel fuel offers more energy in each gallon than in gasoline, and the engines have shown to have a longer life.

"At today's fuel prices, the reward for purchasing diesel-powered products occurs much sooner than before," Garvey assures. "The price difference between comparable gas and diesel models can be as low as 15%, which can be recuperated in

less than a year at some commercial operations. Beyond that, the diesel-powered mower can pay out years of dividends and positive return on investment."

According to Garvey, multiple sources have indicated that fuel savings can be 700 gallons or more per 1,000 hours of use. With current fuel prices, a contractor can break

even on his purchase in the first year of running the unit.

"If the extra billable hours and less downtime are factored in, ROI can be in positive territory as early as 200 hours of operation," explains Garvey. "From that point on, the savings and earning potential are phenomenal. A Grasshopper MaxTorque diesel model is earning positive ROI much sooner than comparable propane models, as those models cost essentially the same to purchase and use considerably more fuel while decreasing productivity."

Choosing fuel savings from a powerful mower that has shown to have an extended engine life sounds like an easy decision to make. While it can be the right decision for your contractor customer's fleet, you should help them carefully research the product so they can make a confident decision.

"The user needs to be confident after research that the diesel design is 'done right' and the unit is as smooth-running and handles like a gas-powered unit with all the extra power channeled to the implement drive," says Garvey. "Then the move to diesel can be made with confidence." ■

While that initial cost of purchasing a diesel mower may seem high, the payback from the purchases can come quickly with regular use.



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Nick Phipps
State Street Saw Shop
Salem, Oregon

“I became a business major the day my parents bought this store.”

Real-world experience has been a great teacher for Nick Phipps. Not only has business grown 600% since his family bought State Street Saw Shop in 2007, they’ve each done some growing of their own and Nick plans to take over when his parents step aside. As a STIHL exclusive dealership, the family takes advantage of all the STIHL support programs they can, including the

Marketing Advantage program, Powerchord dealer websites, STIHL iCademy®, STIHL MasterWrench® service training and more. In spite of the economic downturn, “we’re bursting at the seams,” says Nick. For the Phipps, it’s just business as usual.

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