

The Menu Process of Selling

Step #5

Presenting the V.S.C. Value Building

To continue with our Selling Tips, the next step will be to present the V.S.C. We have planted the seeds, now the V.S.C. presentation is our lead into the Menu option packages. The presentation really does not change from the step sell. We start with the Factory warranty and lead in to the V.S.C. Here is an example of a Value presentation. Yours may differ, and that's fine, as long as the Value is built and all the steps are followed.

To start we need to QUALIFY the customer:

ASK: "Has the sales person explained the factory warranty?" (Go through and explain the warranty the vehicle comes with) Example: "Our vehicles come with a 3 year, 36,000 mile LIMITED warranty. It's limited to time and miles. Also limited to: wear and tear items, such as wiper blades, break shoes, etc. It is also your responsibility to maintain the vehicle according to the manufacturers requirements."

Ask: "As I mentioned earlier, most customers today are keeping their vehicles longer and driving a lot further. The average customer is keeping their vehicle for 5 - 7 years, How long do you plan to keep your vehicle? Also, people today are driving anywhere from 15-20,000 miles per year, how many miles per year do you plan to drive?" (Let's assume the customer plans to finance and keep their vehicle for 5 years, and responds to driving 15,000 miles per year)

Our next step is to create a need for our product, this step is called NEED AWARENESS. (People don't buy the product, they buy what the product will do for them. This step sets that up, and leads the customer to the conclusion that they need the V.S.C.)

Ask: "Who will be responsible for repairs after the factory warranty expires?" (Now you want to draw your time line. The bottom representing years of ownership and up the side representing 15,000 miles per year.) Show the customer based on driving 15,000 miles per year, they will be out of factory warranty in about 2 - 2.5 years. Respond: "So if you drive 15,000 miles per year, you will be out of factory warranty in about 2.5 years. After that time you will be responsible for the repairs?"

Ask: Why do you suppose most manufacturers limit the warranty to only 3 years and for only 36,000 miles?" (Return back to your time line and explain the limits)

Respond: " The first year is what the factory considers the adjustment period. Any squeaks, rattles, or water leaks are covered during this period. Up to the 36,000 miles is considered to be the GAS & GO period. But as the vehicle becomes older, and as you put more miles on the vehicle, what do you suppose happens to the chance of repairs occurring." (Illustrate by drawing a line showing the chance of repairs rise as vehicles get older) Respond: "As vehicles get older the chance of repairs are going to go up. It's not that this is a bad car, it's just like anything, the more we use it the older it gets, the chance of something going wrong will increase, and it would be very expensive for the factory to go beyond a certain time, so they leave this EXPOSURE period to the customers."

ASK: Wouldn't be nice to have coverage for the total length of time and miles you own your vehicle for?"

Respond: "We have a program that will do just that, and it's called EasyCare (If you are not writing EasyCare you would introduce your product at this time.) "Let me show you how it works." (Introduce your brochure, place mat, policy. Visual Aid)

Note: If you are writing EasyCare, you will want to also introduce in your time line the "Trade Cycle Management illustration. Let the customer know that it takes on the average for a 60 month contract about 48 months before they are in an equity position. During this time not only do they have to make their payments, but also will have to pay for any repair bills that may occur, and as we agreed, the chance of a repair increases as the vehicle becomes older. Wouldn't be nice, not to have to worry about the repair bills in the future?

Now go through the brochure. Don't rush through, take your time and highlight the important areas. Example: Go through some of the coverages, and reference a cost of a repair: "If your air conditioning compressor went out, do you have any idea how much it would cost to replace? Show the example. If that happened to you, and you were given this repair bill, wouldn't be nice if you only had to pay \$100? (Explain the deductible)

Next: Go through what's not covered. When explaining the interior and exterior exclusions, plant a seed for that product, if you have it available to sell.

Next: Cover the additional coverage's: Rental, Towing, Trip, Etc.

(Again, take your time, building value in your product. The two major reasons people DO NOT buy is because of cost, and because they do not understand it. Let's face it, if you don't understand the product, you are not going to see the value in paying for it. Make sure you highlight the RENEWABLE option. We than quote a shorter term, so we can bring the customer back to the dealership in 3 - 4 years, instead of 5-7 years. This would pertain to the EasyCare product. Many other products may not be renewable.)

Next: Respond: " Do you know what the best part about this is? The different options we have available. Based on the concerns I had mentioned earlier, we have put together four packages here for our customers, let me show you how they work."

Next Selling Tip: Presenting the Menu Option Packages