



**CAPRICORN**

*...it's just easier!*

**Other resources in step 5b:**

- **Sample selling benefits list**

## Upselling extras

The definition of an upsell is to persuade a customer to buy something additional to what they had planned, or to buy a more expensive accessory or service item than they planned.

By definition, upselling doesn't sound very nice but practiced ethically it is a must in the vehicle repair industry, not only for profitability but for customer safety. For example, if a customer wanted a set of tyres and it was noticed that the brakes were completely worn and the workshop did not tell the customer about the brakes, it follows that the workshop is putting the customer's safety at risk.

Upselling of extras is most common, but not limited to, vehicle services.

Brakes, brake fluid flushes, tyre rotations and balances and cooling system flushes are common examples. These are imperative to vehicle safety and reliability but are also good profitable sales with high margins. More money will be made on these than getting bogged down with large, complicated diagnostics where it can be difficult to charge all labour time. This is why many franchise and dealerships focus on this type of work and avoid many of the more complicated jobs.

It must be understood that when upselling to customers in the auto industry, no one, unless they are a car enthusiast, wants to spend money on their car. Who gets buyer satisfaction from a brake fluid flush? Nobody.

All this means is that reliance cannot be placed on the product selling itself. It's what you say and communicate to a customer that will determine the outcome of the sale. If the customer understands how the workshop's recommendations will benefit them, as well as looking like a good deal, more often than not they should say yes.

When upselling to customers ensure that:

1. They understand why they need to get the service or repair carried out
2. It looks like a good deal.

### **Educating customers on why they need to get it repaired**

The fatal mistake when educating customers on why they should get a job done is to get too technical and try to sell them the parts and labour of the job. Understand the difference between what they will pay for, and why they buy.

Most customers know very little about modern day cars so trying to educate them on the technical aspects of the process is not going to help them understand why they should get it done. Some technical information in certain circumstances can be good a thing but if that's the total focus it will most likely confuse them.

The primary focus should be on the benefits to the customer if they opt to take the workshop's advice.

In the world of selling this is called focusing on the product benefits.

The benefits related to specific services or repairs can be grouped into three broad categories:

1. Safety – if not carried out, the safety of themselves and their family is at risk.
2. Reliability – if not carried out, the reliability of the vehicle is compromised.
3. Future cost – if not carried out, further damage may result, costing more money in the long run.

For example, assume that after a service is done, the workshop recommends a brake fluid flush.

How is this explained, or justified?

Try this: 'We recommend a complete brake fluid flush and bleed that will cost \$95. We'll change and remove the old rear drums and clean down and adjust the rear brake shoes.'

or

'We recommend a brake fluid flush because the car manufacturer recommends it be done every two years and it's now due. A brake fluid flush will extend the life of your brakes and help avoid long term brake damage that can be very expensive to repair. The cost is \$95 but it will be saving you money in the long run. It will also help your braking performance and brakes are the most important safety item on the motor car'.

In the first example the service advisor has tried to sell the customer by telling them what they are going to buy. The second example was about selling the benefits of getting this work done.

It's important to note that different customers will have different reasons for buying.

For example, a mother with a young child would naturally put a high priority on safety whereas a delivery driver would put a higher priority on reliability.

### **Presenting upselling as a good deal**

In addition to understanding why the recommended job needs to be done, customers also need to see that it's a good deal.

A great way to present the recommendation as a good deal is to elaborate on the possibility of high, unscheduled repair costs if the job isn't done.

With most common upsells there is always a future cost-saving aspect. Most people will spend money today if it's going to save them money in the long run. The more price conscious the customer, the more important presenting value to the customer becomes.

### **Training staff**

This may sound like commonsense, but it is essential that where more than one staff member might be required to handle customers, that a consistent and scripted approach is followed.

Don't assume every staff member knows how to upsell well.

In many cases, staff will lapse towards selling the parts and labour, and not the benefits.

To help train staff an example benefits list is available for download from this month's strategy.

In the list, a basic starting price is suggested, together with a broad description of what it includes. Go through the list and ensure it reflects your business policies, and print it out, laminate it and display it for staff reference.

So here's the challenge. Over the next month ensure that all staff have been trained in upselling. Your customers' safety and vehicle reliability depends on it and your bank balance will welcome it.

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

*Just go for it!*