

Ground Game Prepared Dealer for Tough Economic Times

APPLE VALLEY, Minn. — Every quarterback has a favorite play, and at Apple Valley Ford Lincoln Mercury, Shawn McCormick is no exception.

"When going through the sales process or any other business process, we ask ourselves if we are focusing on five values: What is good for the customer; what is good for our employees; being a financially responsible company; reaching for strong market share; and ongoing improvement," offered McCormick.

This game plan prepared the dealership for the sudden drop in the economy last year. With a primary focus on the customer, this five-step process has been the core of their operations for years. Their philosophy of sticking to the basics put them in a strong position for the market shift. When the market got tough, they were prepared.

Customer Focus Produces Profits

Bottom line: Apple Valley's 2009 business is up both in volume and in profits year-over-year.

McCormick reports that they try to "overly" take care of the customers. That loyalty translates into trust and ultimately repeat sales and service. Building long-term relationships produces solid return on investment and future-proofing.

For example, if customers are not happy with their purchase or suddenly lose their job, they can come back within 60 days and the dealership will take the car back. Regardless of whether they need to take advantage of this program, the offer is worth real money in terms of establishing trust with consumers.

Another strategy is to assure that pricing is competitive. The team at Apple Valley shops competitors every day and manages pricing accordingly, so that they know customers are getting a fair deal.

The team also compensates salespeople based on volume, not sales. They believe that with no incentive to up-sell, the sales staff is better able to keep customer satisfaction in mind. They want each customer to find a vehicle that meets their needs and their budget.

This consistent customer focus builds loyalty, and customer loyalty means repeat business. Loyal customers have provided Apple Valley with a solid trade cycle, so they have superior stock. It's a domino effect. And if their management team is not spending their time hunting inventory, it means they can spend their time on improving customer service.

The individual sales cycle is also improved with customer loyalty.

"When customers are repeat customers or come to us through a referral of a loyal customer, it means that they already know us and have some level of trust. That level of trust means a shorter and easier sales cycle — we don't need to spend as much time letting them know who we are and how we operate. The cycle is shortened and we can spend our time making sure that the customer gets the car he wants at a price he can feel great about," shared McCormick.

Going the Extra Mile

Value-added programs have also been helpful in this economy.

The dealership sells 40-50 percent of its cars with an extended warranty program like Easy-Care, understanding that this too builds loyalty. The service department loves it because it makes their job easier, according to McCormick.

People are more likely to bring their cars back to the dealership for repairs and don't get



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as upset when major repairs are needed, making a better relationship with the service staff. The stronger that those relationships become, the more likely the customer is to come back to the dealership for their next service and their next vehicle, McCormick noted.

Apple Valley Ford Lincoln Mercury also recently introduced the Motor Trend Certified Advantage program to enhance what they were currently doing, and to add another level of customer benefit.

According to McCormick, "The Motor Trend Certification helps the customer see the commitment and backing behind their purchase. It's a trusted third-party endorsement of our dealership and our vehicles that lets them relax knowing they are making the right choice. For the sales team, the more tools we can offer them, the more motivated and confident they are, and that carries into every interaction with every customer.

"We've seen that when the salesperson is confident that he is offering a great vehicle at a great value, the customer is confident, too," he added.

Choose to Not to Participate in the Turmoil

McCormick emphasizes that maintaining proper focus is critical to their success.

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The store regularly solicits customer feedback and continues to invest in core components like customer benefits, training for employees, marketing and inventory. In short, this quarterback has found that in the cur-

rently economy, the best defense is a good offense.

Apple Valley Ford Lincoln Mercury is a division of the Apple Auto Group and located in Apple Valley Minnesota. Its goal is to be an industry leader in providing unmatched quality automotive products and services and to constantly strive to meet the changing needs of customers. Each associate is committed to the mission to exceed customers' and employees' expectations and maintain their loyalty for a lifetime. Learn more at www.applevalleyford.com, or by calling (952) 997-5476.

Since 1984, EasyCare has been helping dealers like Apple Valley Ford Lincoln Mercury build their business by providing benefits that enhance the buying and ownership experience of their customers. Benefits are provided under the EasyCare brand, as well as on behalf of some of the most pre-eminent manufacturers in the automotive industry, including Jaguar, Land Rover, Mazda and Volvo. They consistently maintain a Better Business Bureau rating of A+, and have been honored with numerous customer service awards, including the 2008 Dealer's Choice Platinum Award. Visit the Web site at www.easycare.com.

