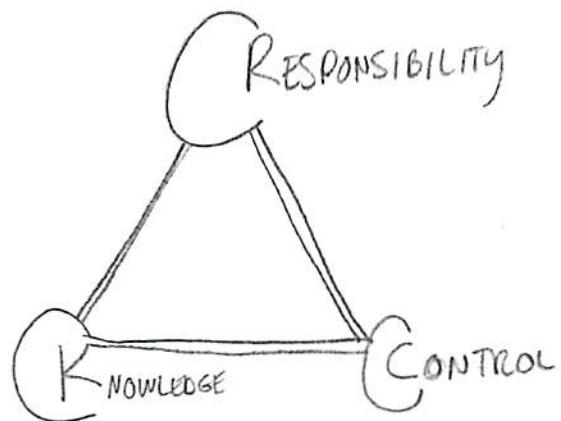


Section VI

Knowledge-Responsibility-Control

Knowledge

"Knowledge is more than data; it is also the ability to draw conclusions."



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Responsibility

There are many definitions of *responsibility*. Here, being responsible means acting without guidance or superior authority.

"Being the source or cause of something."

"Able to be trusted or depended upon; reliable."

Everyone in your shop is fully responsible for their specific activities and results.

IF PEOPLE ARE NOT TAKING RESPONSIBILITY FOR SOMETHING,
They CAN START TO CRITICIZE THE THING.

IF SOMEONE IS BEING CRITICAL, FIND OUT IF THEY
ARE NOT TAKING RESPONSIBILITY FOR IT.

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Control

"Control consists entirely of starting, changing and stopping. There are no other factors in positive control. If one can start something, change its position in space or existence in time and stop it, all at will, he can be said to control it, whatever it may be."

"Even mechanical failures are attributable to a lack of control. It will be discovered that an individual who cannot easily control a machine is quite likely to have considerable difficulties with that machine. The machine itself suffers sometimes in nearly inexplicable ways. Motors run for some men and do not run for others. Some machinery will go on for years in the hands of a mechanic, but when the mechanic leaves it and another takes his place who is not adept, the machine may be found to break down and experience difficulties never before noticed in it."

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Knowledge, Responsibility and Control

"It is difficult to be responsible for something or control something unless you have KNOWLEDGE of it.

"It is folly to try to control something or even know something without RESPONSIBILITY.

"It is hard to fully know something or be responsible for something over which you have no CONTROL...."

The concepts of knowledge, responsibility and control go hand in hand. They fit together to form a triangle, called the K-R-C triangle. It is referred to as a triangle because the three points of **Knowledge**, **Responsibility** and **Control** act together as one complete entity.

By increasing one's knowledge of something, automatically one's responsibility and control will be increased (in that activity or subject).

Understanding the relationship and interaction of the K-R-C triangle is extremely important when it comes to managing your shop. It will help you to better understand your employees' productivity (as well as your own). It also gives you a starting point to work from in order to increase any one (and therefore all) of the points on the triangle.

For example, if one of your employees cannot control his job, you will immediately know that he needs to improve his knowledge and responsibility for the area. Find out which point is the problem, remedy that and you have the formula for success.

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Cause

"PEOPLE WHO GET THINGS DONE ARE AT *CAUSE*."

At *Cause* or being *Cause* describes someone who takes action, handles everything associated with it and assumes responsibility for it.

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Effect

Effect is defined as the "receipt point and what is received at the receipt point."

A person who is chronically at effect is confronted by life, he does not confront it.

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Problems

The definition of a *problem* is intention versus intention or two or more opposing and conflicting views on the same subject.

The "first consequence of a problem is indecision."

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Solutions

A *solution* is something which solves a problem, it causes a problem to disappear.

In order to handle a problem one must be able to confront the situation.

When a group member has the data, the only reasons he would not implement it would be "his own disagreement with the group succeeding or, more frequently, his inability to confront things."

GET TEAM PARTICIPATION - MAKE THEM AT CAUSE - INCREASES RESPONSIBILITY

HAVE TEAM WRITE DOWN:

PROBLEM -

DETAILS -

SOLUTION -

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Skills List

The capabilities of the shop's technicians must be known, in order for the dispatcher to be as effective as possible. The use of the Skills List will make this easier to do.

The shop owner should review and update the Skills List routinely (at least once each quarter). A separate list is done for each employee. Both the dispatcher and shop owner would have the latest copy.

The dispatcher will use this to decide what work to accept, and how much of certain types of work the shop can handle in a given day or week.

The shop owner would work out a step by step program for each employee, using this as a guide, to direct his employees to become skilled to Master Technician level, one skill at a time.

The shop owner would prioritize the list based on profitability and demand.

Also the Skills List should be used whenever a new technician applies for work with the shop. He would fill out the list, along with the usual job application form.

A sample list is on the following page. Each shop should make up their own specialized list, to accurately reflect all of the skills required to become a Master Technician in that shop.

Sample
Skills List

Technician's name..... Review date.....

SKILL (or type of repair)	APPRENTICE Untrained (<u>must</u> be supervised)	JOURNEYMAN Needs further training/experience (will require some supervision)	MASTER Skilled (can do within book time or less, with <u>no</u> <u>comebacks</u>)
LOF	X	X	X
Rotating tires	X	X	X
Transmission servicing	X	X	X
Brake relining		X	X
Brake hydraulics			X
Brake refacing		X	X
Front end alignment			X
Oil seal/gasket replacement		X	X
Drivability diagnostics			X
Air conditioning repair			X
Vehicle inspections		X	X
Maintenance services		X	X
Suspension component replacement		X	X
Radiator flushing	X	X	X
Body electrical repair		X	X
Engine electrical repair			X
Climate control repair			X
Fuel injection repair			X
Computer diagnostics			X
Engine R & R		X	X
Engine rebuilding			X
Transmission R & R		X	X
Transmission rebuilding			X

Note: 'X' indicates that technician is currently rated to that level for that type of work

CONSIDER WHAT JOBS ARE MORE PROFITABLE. TRAIN THOSE FIRST.

Skills List

Technician's name.....

Review date.....

SKILL (or type of repair)	APPRENTICE Untrained (must be supervised)	JOURNEYMAN Needs further training/experience (will require some supervision)	MASTER Skilled (can do within book time or less, with <u>no</u> comebacks)

Section II

Concepts of Management and Leadership

The Purpose of Management

The total and complete purpose of managing *anything* is to guide and direct its activities in order to achieve its fullest potential. This is true for your shop, yet it is equally applicable to any other area of your life.

As a manager, you constantly handle both good and bad situations. The current situation in your shop (whatever it may be) could be referred to as the existing scene.

As a manager, you must always have a clear concept of the objectives (intended direction) for your shop.

Your responsibility as a manager is to ensure that the existing scene *improves*. In fact, the sole responsibility of management is to understand how and why good or bad situations exist and to then bring the scene closer to the ideals which have been envisioned.

Management is a science governed by specific principles and procedures which, if properly applied, will greatly improve your current existing scene resulting in a highly successful shop.

CONTROL =

START - CHANGE - STOP

SMOOTHLY

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Speed of Service

The prosperity of a business is directly proportional to the speed of flow of its particles (messages, customers, parts, vehicles, etc.).

- ❖ For a business to prosper, service must be as close to instant as possible.
Anything which stops or delays the flows of a business or delays or puts a customer or product on WAIT is an enemy of that business.
 - ❖ Good management carefully isolates all stops on its flow lines and eradicates them to increase speed of flows.
- Speed of service is just as important as quality of service, and where exaggerated ideas of quality exist they must become secondary to speed.

Only then can a business prosper.

THINGS THAT SLOW THE SPEED OF SVC:

- DISTRACTION (TALKING, CELL PHONES)
- WRONG PARTS / WAITING ON PARTS
- POOR OR INADEQUATE TECH NOTES
- LOW TONE

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Never Interfere with Production

One of the first concepts of achieving high production is never interfere with a production line.

Rule: Anything that slows or interferes with production should be eliminated.

The ideal scene on production is there should never be a stop or interference with people involved in production.

A mechanic should never have to wait to find out what he should do next. He should always be working. Management's job is to speed up or eliminate anything that slows your production people down. Lots of time (which equals money) is wasted because shops are not set up to move cars efficiently through the shop. They create their own problems and slow production.

Examples:

1. Three service writers promising customer delivery times.
2. All communication about what is to be done on the cars is done verbally instead of on paper.
3. Owner comes in and takes control for an hour and then leaves.
4. Owner wants to hold meetings with employees and the service writer in the middle of the workday.
5. Owner handles three customers, pulling the mechanics off of work that they have, to go to handle his jobs and then leaves.

If it doesn't help the production of the shop, then it should be scheduled at a time that will not interfere with or slow the production work. **Don't interfere with your production people. Help them!**

Helping the Person in Charge

Most shops have a service writer whose job is to sell the work and get it routed through the shop. Often times, the owner comes into the shop and sees that he is super busy and decides to help him with the customers or routing of work. Unfortunately, his attempts to help turn out to hurt the service writer and the overall operation.

The reason for this is that he doesn't know the big picture and so he does things that are out of order and create more confusion, not less. Most of the time, the owner would be better off if he went home instead of *helping*.

If an owner really wants to help his service writer, then he needs to go to the service writer and ask him, 'What thing can I do to help you.' The service writer can have him handle a job for him. But the key here is the service writer keeps control of the operation and routing of the work and the big picture.

Example: Road check the Buick for a possible brake problem. Let me know what you find.

Here the owner becomes an employee and is under the direct control of the service writer. He is not to drive the car and then pull it into the shop and pull a mechanic who is working on a critical job that has to go by 2:00 to do the inspection of the brakes for him. He checks with the service writer and makes sure that he is doing exactly what the service writer wants him to do.

If an owner is unwilling to become an employee under the control of the service writer, he is better off not doing anything to *help* him.

SA KEEPS CONTROL OF THE FRONT.

Leadership

"In all great leaders there is a purpose and intensity which is unmistakable. Plus there is a certain amount of courage required in a leader.

"A man who merely wants to be liked will never be a leader. Others follow those who have the courage to get things done even though they *say* they follow those they like. A broad examination of history shows clearly that men follow those they respect. Respect is a recognition of inspiration, purpose and competence."

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Bad Leadership

"Leadership is one of the most misunderstood subjects in man's dictionary. But it is based almost solely on the ability to give and enforce orders." Q

"So if one issues *no* orders, a group will remain a group of individuals, out of agreement with each other, will do little and will remain small or at least nonexpanding."

"Bad Leaders:

- "1. Issue no or weak orders,
- "2. Do not obtain or enforce compliance.

"Bad leadership isn't "grouchy" or "sadistic" or the many other things man advertises it to be. It is simply a leadership that gives no or weak orders and does not enforce compliance."

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Good Leadership

"An order or directive is necessary to bring about coordination of function and activity without which there could be disagreement and confusion."

"If a group is led by someone whose programs and orders are very positive, then the group has a chance of going into agreement with one another; and so their affinity improves and so does their communication and reality."

"What it needs are positive orders leading to a known accomplishment. Many obstacles can exist to that accomplishment, but the group will function."

"All leadership is, in the final analysis, is giving the orders to implement the program and seeing that they are followed."

"Good Leadership:

"1. Works on not unpopular programs,

"2. Issues positive orders,

and

"3. Obtains or enforces compliance.

"These facts are as true of a governing body as they are of an individual."

"And you can be sure that an executive or governing body that formulates or adheres to not unpopular programs, that issues positive orders and that obtains or vigorously enforces compliance, will have up statistics."

Orders, Cooperation and Understanding

It is exasperating to work with employees or associates who have no initiative and who constantly require orders from you before they get anything done.



"*Orders* become necessary only when COOPERATION fails.

"Cooperation fails by lack of understanding of the scene and the tech [*] to make things go right. When people do not keep themselves informed of what's going on at the time, they don't understand the scene." [Additionally, if you don't communicate the scene then others of course won't know and understand the scene.]

"Thus they begin to demand orders.

"Cooperation is senior to orders at all times. But 'CO' means *together*. There isn't any together where there is no understanding of what's occurring. So cooperation depends upon being able to see and grasp the scene. And the tech to make things go right.



"When I am asked for 'orders' I know at once that understanding is missing. Therefore initiative cannot be practiced – orders take its place."

* *tech* is short for *technology*.

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Intention

Intention is the idea that one is going to accomplish something. If you intend something to happen, it happens.

It is important to understand that verbalization is not the intention. The intention is the carrier wave which takes the verbalization along with it.

Strong leadership (and good management) requires intention.

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Counter-Intention and Other-Intention

A *Counter-Intention* is an intention which directly opposes some other intention. Counter-intention appears in your shop whenever there exists a determination to follow a goal (or goals) which conflict with the known goals of your group.

Other-Intention describes intentions which do not directly oppose the goals of the group, however, they do not align with the intentions outlined for that group. They serve to distract and diminish the forward progress of the group.

Example: Suppose you pay your service writer bonuses on the dollar sale amount, but your 'bonuses' come from overall profitability. The system you have in place might CREATE some unnecessary other-intention from your service writer.

Example: Suppose you want to train more technicians, but one of your existing technicians fears that he could lose out in some way so he puts up a great deal of resistance towards hiring and training new technicians. This is an example of counter-intention.

Example: Suppose you need to invest money into your shop in order to get it into a condition where it is really rolling, but some other influence causes the money to be spent on something that doesn't help the shop. This is an example of other-intention.

If you want to have a smooth-running shop which consistently delivers high quality products in a profitable manner ... if you want to realize the true potential of your business and its personnel ... then it is mandatory that you effectively address counter-intention and other-intention whenever it appears.

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Can't You Give Me a Ball Park Price?

Handle # 2: Apply this handle if they still want a ball park price after applying handle #1.

Question: "Let's say I gave you a phony ball park price of what was wrong with your car, how would that solve your problem?"

Again, listen to the response. You will be able to determine whether or not the person you are speaking with is a qualified customer you can handle or a real maniac.

Depending on the response, you follow that up with:

Follow Up: "If it is really the problem you are trying to solve, then the only real solution to that problem is to bring the car into our shop. We will find out what is really wrong with your car and give you an accurate assessment of what it will cost you to solve the problem."

I Am Shopping Around for Some Prices

Sometimes, she will insist on a price, because her husband told her to get one. She has received other prices over the phone and does not understand why you are unable to give her one.

Here, you have to explain your procedure and why you can't give her prices over the phone. Often times, you can turn her around if you do a good job of really communicating with her.

Handle #2:

"Why don't you bring it in to us and have us go through our complete diagnostic procedure. We will be happy to call your husband and answer any of the questions that he might have."

Go for the appointment!

"We have several openings today! Which is better for you, this morning or this afternoon?"

My Friend Says That I Need . . .

This is an example of where you have a "supposed expert" involved. The problem is he is not the one you are trying to sell. The potential new customer believes everything the expert says. Handling this type of customer is very hard, because he will not want to do the normal steps.

If you try to do your normal **Steps of Phone Selling** procedure, the potential customer will want to cut you off.

The key to handling this type of customer is to get him to recognize that he needs to bring it in for a proper diagnosis, without making his "expert" friend look foolish.

Levels of Price Shopper Handlings

Introduction

Usually, price shoppers fall into different levels of persistence in terms of demanding a price from you.

Once you go through your full Steps of Phone Selling and tell them that they will need to bring their cars into your shop for a complete diagnostic check in order to give them a price, most new customers will be willing to do so.

Most customers understand that they can't get a price out of their doctors or any other professional who requires a full diagnosis or analysis of their problem first. So most will be willing to bring their cars into your shop to get them checked out. ↙

Identifying Price Shoppers

There are some new customers who may want a price before they will bring their car anywhere.

1. Customers on limited budgets who want to know how much it is going to cost before they have the work done.
2. Customers who want to make sure that they are not paying **TOO** much for something.
3. Customers who really like shopping and playing the game of getting the lowest price possible.
4. Customer who are **NOT** willing to spend any money to fix their cars properly.
5. Customers who are calling around for prices for someone else.

All of these are legitimate reasons why customers want a price before they bring their cars into your shop.

These customers will have resistance to your insistence that they have to bring their car in for a diagnosis in order to get them a price. If you know the basic price objection handlings you will get most of these types of customers into your shop for a diagnosis. The reason for this is that the customer really wants his problem handled.

Customers are like kids who test you in order to find out if what you say is true. If you handle them well, they will begin to trust you and feel that you are not going to lie to them and they will bring their cars to you.

I Need a Price

"I need a price" is a common opening statement by new customers, who are really asking "Can you help me solve the problem with my car?"

Normally, the customer will be easy to handle when you go through your **Steps of Phone Selling** procedure. Of course, there are always the few who need more convincing.

Handle:

"I would love to give you a price, but in order to do that I need to know what is wrong with it. When can you bring your car in, so that we can run it through our standard diagnostic procedure? After we have checked it thoroughly, we will be happy to give you a price. We have several openings today. Are mornings or afternoons better for you?"

I Need a Price

Handle #2:

"This may sound silly, but how is knowing a price going to help you?!"

They may respond that their husband asked them to shop around and get prices. Or they may say they would like to know how much they are going to have to spend so they can know whether to fix it or not. There are several possible answers they may give you.

Whatever their answers might be, you need more information to find out what type of customer this is and the best way to handle their questions.

If they don't respond with some standard type of objection, then use the following handle:

"Let me explain the purpose of my question. You see, I am confused because it is impossible to give you a price without knowing what is wrong with the car. In order to give you a price, I need to be able to run it through our complete diagnostic procedure, so that I can accurately tell you what is wrong with your car. When I know what is wrong with the car I will be able to give you a price to fix it."

Can't You Give Me a Ball Park Price?

This is another common price question.

HANDLE:

Tell him that any price you give him would not be at all accurate because you cannot diagnose what is wrong with his car over the phone.

"In order to give you an accurate price, first, we need to find out exactly what is wrong with the car. In order to do this, you will have to bring the car into our shop so that we can do our standard diagnostic checkout procedure." (This includes whatever your standard diagnostic checkout procedure is).

"Once we know what is wrong with your car, we will be able to give you accurate information on what it will cost to have the repairs done on your car."

Can't You Give Me a Ballpark Price?

Handle # 3: If they still want a price!

"Sir, one of the biggest consumer complaints customers have is the practice used by dishonest automotive shops called 'bait and switch'!"

"This is the practice of quoting a phony, cheap price for repairs over the phone. When the customer comes into the shop he is assured that it will ONLY cost what was quoted over the phone. Once the customer authorizes the initial repairs, the customer will get a call back from the shop explaining that there's a lot more wrong with the car than they first thought. So, the shop ends up wanting a LOT more money to fix the car.

"Usually, this means a lot more than what a legitimate shop would charge! Since these other shops know they can not compete with the legitimate shops, they resort to this practice of 'BAIT & SWITCH' over the phone. The 'BAIT & SWITCH' means to give unreasonable and phony prices just to get the customer into the shop. This type of shop does not even know what is wrong and if the car really needs the repairs quoted over the phone.

"Often, this type of shop may go ahead and do the full job even when it was something minor that could have been fixed easily and inexpensively.

"This is why most legitimate shops will NOT quote you a price over the phone because they do not know what is wrong with the car."

"We need to know for sure what is wrong so that we can give you an accurate price of what it will cost to fix the car."

Switching Price to Cost

One good trick to make customers aware that phone prices are not accurate is to ask:

"Tell me, is it the price that you want to know or the cost of the repairs?"

They will be confused by this and ask, **"Aren't they the same thing?"**

You tell them that a price is a number that someone gives you over the phone. It is a number which isn't real. It isn't necessarily what you are going to pay after the car is fixed.

"The cost is the amount of money that you are going to owe after you have the repairs done. The only way I can give the cost of the repairs is to find out what is really wrong with your car. You have to bring your car into my shop, where we have the equipment to check out your car thoroughly. Then, we will be able to give you an accurate cost."

What Is the Most It Will Cost Me?

This is another example of a price question.

Handle:

"That would depend on what is wrong with your car. The most that it can cost you is about 15 minutes of your time (or the amount of time it takes to do your diagnostic procedure). Once we complete our diagnostic procedure, we will be able to give you an exact price to fix your car."

"We have several openings today! Is mornings or afternoons better for you?"

[IMPORTANT NOTE] The above works well when you do not charge for the inspection service.

One of the best ways to deal with the average price shopper is to convert price into time. Most of the time, they will bring the car into your shop without further objections.

Of course, the hard core price shopper will ignore what you have just said and will continue to grind on you.

What Is the Most It Will Cost Me?

Handle # 2. If the car is drive-able.

"The most it could cost you would be about \$_____ dollars. If every part needed to be replaced. Of course, the car wouldn't be functioning. It is still working, isn't it? (wait for reply) So obviously, it won't cost you that much!"

"I know about 6 or 7 things that can cause that type of problem and in order to give you the REAL cost of fixing your car, you need to bring it in for a quick check."

Go for the appointment!

What Is the Most It Will Cost Me?

Handle # 3. If the car is not drive-able.

"The most it could cost you would be about \$ _____ (whatever would be about 5 times more than it could possibly cost), if every part needed to be replaced. Of course, in 10 years of doing business, I have never seen a car that needed everything.

But really, at this point I don't even know if(whatever repairs that they are asking for a price on) is wrong with the car.

I know about 6 or 7 things that can cause that type of problem and in order to give you the REAL cost of fixing your car, I will have you bring it in for a quick check. Once I know what is really wrong, I will be glad to give an accurate price of what it going to take to fix your car."

Go for the appointment!

I Am Shopping Around for Some Prices

This is a common situation where the wife is assigned the job of calling around for some prices, while the husband is at work. Unfortunately, in this case, she is not the final decision maker so it makes it very hard to close her.

Handle:

1. Follow your standard **Steps of Phone Selling**. In the process of asking more questions about the problems they are having with the car, most of the time, it will be obvious that she doesn't have enough information to answer all of your questions about how the car is working.
2. Tell her the best solution is to bring the car in for a complete diagnostic checkup. After completing the diagnosis we will be able to give you an accurate price. "**We have several openings today! Which is better for you, this morning or this afternoon?**"

My Friend Says That I Need . . .

Handle #1: The key step here is to get the customer's agreement that he needs to bring the car in to get an accurate diagnosis.

You must find out how much the "expert" or friend really knows and how thoroughly the friend actually checked it out, without making the expert look foolish.

To find out whether the friend or expert really did any diagnostic work, you say:

"You know, he is probably right, but I would like to ask you a couple of questions."

1. "Do you know if he used any diagnostic equipment?"
2. "Does he have access to a diagnostic computer?"
3. "Did he pull the wheels off and check the brakes?"
4. "Did he put the car on a rack and check the clutch adjustment or the linkage on the transmission?"
5. "Did he pull the pan on the transmission? Did he use any pressure gauges to determine if the pump pressure was normal?"

The key is to find out if he really did any diagnostic work. You do this by asking questions about how much diagnostic work he did or how much equipment he has or used in determining what was wrong with the car.

Depending on the type of problem the customer claims to have with his car, you ask him about the procedures and equipment that would fit the situation.

Once you have established that the friend or expert has not done everything you would and does not have the equipment necessary to diagnose the car correctly, it will be easier to get the customer into the shop.

You want to make the customer realize that while his friend has good intentions, he is not a professional and that the customer is better off bringing his car in to get an accurate assessment of his problems.

My Friend Says That I Need . . .

Handle # 2: If the customer is still fighting you, you need to continue to get the background on his expert or friend to find out how much the expert or friend really knows.

Again, you do this by asking questions.

"Let me ask you, is your friend a professional mechanic or has he just done a lot of work on cars before?"

"Let me ask you, is your friend a certified technician and does he have all the latest diagnostic equipment?"

Your aim is to establish that while he has good intentions, his friend may not have done a good job of diagnosing the problem.

You must get a clear picture of the expert's background and how much technical equipment he has before you try to put doubt into the customer's mind. You need to have all the data necessary to have a good plan of attack.

You do this by asking questions. Once you have the information you need you can start putting doubts into the customer.

"You know, I have been doing this for 10 years. Often times, I think I know what is wrong with a car but after putting the car onto the computer and running a complete diagnostic procedure it turns out to be something else."

"You know, I had an example of that two days ago. A customer brought in his transmission because it was acting up and after doing a complete computer analysis, we found that it was a bad brake sensor that was causing the computer to send the wrong signal to the transmission."

"Don't you think it might be in your best interest to let us take a quick look at the car so that we can know for sure what you need?"

Go for the appointment!

They Have Talked to Other Shops

The key thing to remember is although they have spoken to other shops they did not take their cars to any of them. So obviously, the other shop did not develop enough trust and confidence with the customer to make him willing to bring the car to them.

1. Do your normal **Steps of Phone Selling** procedure.
2. After finding out that they have talked to other shops over the phone, it is important to ask the customers **WHY** they did not take their cars into one of the other shops.
3. A high percentage of the time, if the customers are good and sensible, they will tell you the truth. You will normally be able to close them easily for an appointment once you have this information.
4. If they are not willing to tell you, they are probably playing some kind of game with you and you probably would not want them as a customer anyway.

They Have Talked to Other Shops

Handle:

Apply this handling if you still cannot get the customer to make an appointment without quoting a price. Only do this after trying everything else in your sales arsenal to get this new customer to bring his car into your shop for a diagnostic check.

1. Let Him Go Without Giving Him A Price!

Sometimes, you can get into a war with customers because you will not give them a price over the phone. Realize occasionally, you will find customers whom you cannot handle. When you realize you are no longer having a rational discussion, but a loony game of "give me a price, give me a price," stop it. You are wasting your time.

You need to move on to another customer who really wants service and will pay you for it.

Also, remember, when you are the only one who will not give him a price and after he calls four more shops and still has not decided to take his car into their shops, he will probably end up coming to your shop anyway.

If you give him the price that he wants, 99 percent of the time, he will still not come to your shop.

So don't give him a price! You lose if you do!

What Did the Last One Cost?

Usually, this price question is one that is used by the hard-core price shopper.

It is another way of asking for a price after you have just handled their last price objection with the standard response, i.e., you can't give them a price without having them bring it in for a complete diagnostic check.

If a customer is a hard-core price shopper, he will tend not to respond to your normal handlings and will keep pushing for a price.

One of the ways that he does that is he has 5 or 6 ways of asking for a price. When you handle one way, he switches to another way of asking for the price rather than fight your answer.

Hard-core price shoppers know that they can get most people to give them a price, if they are persistent. Their object is to wear you down until you give up and give them a price.

Of course at that point, they hang up and go onto the next shop. You lost them and they really haven't gained anything either.

Simple, foolish "ignorant"

But most good service writers and shop owners are nice people and **HOPE** that by giving them a price, the customer will bring his car to you.

If he didn't take his car to the last five shops he has called and gotten a price, how is you giving him a price going to cause him to bring it into your shop?

Don't give him a price.

What Did the Last One Cost?

Handle:

"I am not sure, but I do remember we had one two days ago where the customer had called other shops and had been quoted various prices for the repairs on his car, but because he was recommended by one of our good customers, he brought it in to us for a diagnostic checkup.

"After we had done a complete checkup on his car, it turned out that it was only a minor problem that cost him about \$25 to fix. It is amazing how many times that happens.

"Of course, that is why we have such a good reputation and have so many customers. We do good work and we treat people right."

You Must Be Able To Give Me a Price

"**You must be able to give me a price, you have done hundreds of them.**"

This is used normally by the hard-core price shopper. It comes right after you have just explained why you can't give him a price over the phone.

Of course, this is not what he wants to hear so he will try to get you to give him a price by basically ignoring your previous handling.

Handle:

Tell him that you have. Mention the number of years that you have been working on cars and you have found through experience that the only way someone can give you an accurate price is to first find out what is really wrong with the car.

Tell him that it will take about (whatever time it takes to check out his car) to find out what is really wrong with his car and then you will be happy to give him a price to fix the car.

You Must Be Able To Give Me a Price

Sometimes, he will argue with your first handling. He may continue to insist that you have to be able to give him a price.

Handling # 2:

"The real problem here is that *I DON'T* know what is wrong with your car. You are asking me to guess on a price for something that may not be the problem with your car."

"Let me ask you, "how is giving you a price really going to help you?"

Find out his response. The way he answers this question will tell a lot about him. If he is a good potential customer, he should give you an answer which should be fairly logical and easy to handle. If he is a tough one, he will either give you a false answer or get tricky on you.

If he gets tricky or challenges you, say "The reason I ask is that even when someone gives you a price over the phone, it is probably not accurate. You will not be able to decide anything UNTIL someone has checked the car out and finds out what is wrong with the car. At that point he will be able to give you an accurate assessment of what is wrong and the cost of the repairs necessary to fix YOUR car.

"So the only real way to know what it is going to cost to fix your car to bring it into our shop and let us run it through our diagnostic procedure. Then we will be in a position to give you accurate information so that you can make an intelligent decision on what you need to do."

You Must Be Able To Give Me a Price

After trying handle #2, you have to show him that he can easily make a mistake by operating off a price over the phone.

Handling # 3:

"Let me ask you a question. Let's say that you take your car into a shop that quoted you a price over the phone. You leave your car and authorize the repairs that were quoted over the phone. Later, upon checking the car out, the shop finds the car doesn't need all that work. It turns out the problem was something minor.

"Wouldn't you agree that you are running a risk of having work done on your car that it might not really need?

"Don't you think that it is in your best interest to have someone qualified to diagnose your car do it accurately and give you the cost of repairs before you spend your money? You wouldn't want to pay for something that you really didn't need, would you?"

I Know It Needs a ...

Occasionally, you will get a call from a customer who has his car torn down in another shop. He tells you the parts that it needs.

Once he says what parts are needed to fix his car, ask him, in which shop does he have his car. What did they tell him?

Once you have established what is wrong and that the car is torn down and can not be driven, tell him that from what he is saying, it sounds like it probably needs the work. Indicate that he will be better off letting the other shop do the work.

"Once they put it back together and you get done with all of the charges that they have against the car, you will end up paying more money than if you just let them do it."

The principle is: If the car is in another shop and they have started working on it, let them have it. Pulling work out of another shop is not beneficial for anyone in the industry. We want to have an industry where everyone makes money.

It is hard enough to make money in this industry, without everyone trying to cut each other's throat. If you do it to them, somebody will do it to you later. Whenever you do it, the whole industry loses.

How Is Giving You a Price?

One of the best counterattacks against the person who insists on a price after you have gone through your normal Steps of Phone Selling procedure, is to ask them how getting a price will help them.

Customers are often confused and have no real solution to their problem. They think they have only one solution to their problem, which is to shop around and find the lowest price.

Unless you can get them to give this solution up, they will never come to your shop. You must make them realize that there is more than one possible solution to their problem. One of the best ways to handle this is to attack their thinking.

You can ask them:

1. "I have a question, how is giving you a price really going to help?"
2. "What are you really trying to accomplish?"
3. "Aren't you really trying to get your car honestly evaluated and fixed right for a fair price?"

"Well, if that is what you are really trying to accomplish, unfortunately, you can't do that by price shopping over the phone.

Eventually, you are going to have to quit shopping and pick a shop to take your car to and have someone do a complete diagnostic check in order to find out what is really wrong. Then you will find out the actual cost of the repairs. Why not bring it in to us and let us take a quick look? What is the most convenient time for you?"

This type of question forces the customer to tell you what they are really thinking, unless he is a competitor or someone who has his car in another shop and is after information.

You want him to realize that his REAL solution should be to get an honest evaluation of his problem and get his car fixed right without spending too much.

If you can get him to look at the big picture, you will find he will listen to you and it should be easy to get him into your shop. You will be the first person to force him to realize what he has been doing is crazy!

The Customer Who Only Cares about Getting a Price

Sometimes, you will get a guy who insists on getting a price. Normally, it is your competitor or some joker who has nothing better to do than drive you crazy.

After trying everything else, ask the guy the following question:

"Tell me, what is more important to you, the quality of the work or the price?" If he says quality say, "Well, in order to give you an accurate price we need to diagnose your problem."

If he says price is more important, then ask him:

"Let me get this straight, you don't care if you have to fix it again in 3 months, all you want is the price."

If he says that price is the most important thing, tell him to get a piece of paper and pencil and you will give him the number of the lowest price shop in town.

If he asks, "Why are you doing this?" Tell him that he is not the type of customer that any reputable shop will be able to help. So you want to make sure that he gets what he is after, the cheapest price and job in town.

Concept of Price Objection Handlings

Normally, most customers will book an appointment if you take the time to follow the **Steps of Phone Selling** procedures. Occasionally, some people will insist on a price. Beware, because it is usually someone who is not telling you the full story or it is your competition.

When you get this type of person you may get into a struggle where the customer is going to get a price out of you no matter what. It becomes a war between him and you. Can he get a price or not?

When you sense that he wants only a price, do not waste your time if you are busy. Go to the customers who will go along with you and you can make money doing work for them.

If you are not doing much and have a little time to waste, then practice using your handlings on this guy. Of course, most of the time you will not get them, but it is good to practice. Once in a while you will get one of these guys, but not very often.

Service Writer's Job Defined

A Service Writer's job is to sell:

NEEDED REPAIRS, PROFITABLY SOLD IN VOLUME

NEW CUSTOMERS - GET THEM IN RIGHT NOW

BE GENUINELY INTERESTED IN THE CUSTOMER

Sell Only You

In the automotive industry there is a lot of disagreement about whether or not you should quote prices or give a diagnosis over the phone.

At *Management Success!*, we believe the only thing you can sell over the phone is yourself. When a customer calls and wants a price or a diagnosis and you give it to him, you have **NO** commitment that he is going to bring the car to you. When the customer hangs up, he is in charge. Sometimes they will come in and sometimes they will not.

If it is the job of the service writer to get the customer to bring the car into the shop to get fixed, then it is obvious that you must do everything you can to get the customer into your shop.

When you get the car into your shop and do a complete diagnosis on it, you are in charge of the sale. Over the phone, without the car, the customer is in charge of the sale.

In the shop, you can talk to the customer and spend up to 30 to 45 minutes convincing him to buy a major repair. Without the car and a proper diagnosis, you will lose this type of sale over the phone.

So the secret is to sell your company and yourself to the customer over the phone. You do this by being friendly, helpful and showing interest in the customer and his concerns. Get him to bring the car in for a complete diagnosis.

Finding the Answer to the Riddle

Every time you answer the phone, it is the start of a new riddle. The idea is to figure out how to get current and potential customers to bring their cars to your shop.

On first contact with new customers you have no information. You must gather information from them in order to find a way to close them to bring their cars to your shop. This is done by listening to what the customers say and how they say it and by asking questions to get more information.

Customers Lie

Remember the basic rules when talking to new customers over the phone.

1. They almost never tell you the whole story. They will tend to leave out bits of information.
2. Sometimes they lie to you with the objective of finding out information they think you will not tell them if they ask.

This is true if they have the car in another shop and they want you to give them information they can use against the other shop.

3. They may pretend to be potential customers to get information about you and your operation.
4. Don't necessarily believe everything they say.
5. Look for the hidden indicators of what type of customers they are. Most of the time, they will not know they are really giving themselves away.

You have to know how to deal with every type of customer. Sometimes customers will hide what they know. It is your job to not assume anything. Follow the phone procedures and you will get a majority of them to come to your shop.

Tell-Tale Signs that Customers Are Lying

If you **LISTEN** carefully, sometimes you can tell when people are making up a story or telling you what they think you want to hear.

EXAMPLE: "Have you had someone else check this out?" If the customer hesitates before he answers this question, it is probably because it is not the full truth.

When you ask someone a question and the person knows the correct answer, but does not want to tell you, the person then has to think up a story to tell you instead. Sometimes, they will hesitate before they give you the answer. Even if they end up just saying "No".

The reason for this is that when you ask a person a question and the person knows the correct answer, he doesn't need to think about it. But if he decides he does not want to tell you the correct answer, he has to make up another answer. It takes him a split second to do this and so he will hesitate a little bit before answering. If you are listening carefully, you can hear this hesitation. If you do hear it you can probably bet that the answer he just gave you is not the whole truth.

Sometimes, if you watch you can see them thinking about what to tell you.

Some children try to beat this problem by making up a story in advance to tell you when they did something they do not want you to know about. They want to be ready for your questions. If you ask a question they were not prepared for, they will hesitate for a second to figure out an answer that fits into their prepared story.

This is a good sign that they have been lying to you. Watching and listening carefully to customers is a very valuable skill to have.

Why Set Appointments?

The reason that you try to get a new customer to set an appointment with you is you want a commitment. Without a commitment from the customer, you have NOTHING. He may or may not bring the car to your shop. If you do not get a commitment, you have not done your job of service writer on the phone.

Why?

A high percentage of GOOD customers feel obligated to fulfill their commitments. Good customers do not want to give you a commitment they know they are not going to keep.

Most of the time, they will back away from making an appointment if they do not feel comfortable with you. So, if they do not agree to make an appointment, you know they are probably going to call someone else and eventually take their car elsewhere.

Whether or not customers agree to make an appointment is a vital step. You have probably done a good job of dealing with them on the phone if they agree to set an appointment.

Building Trust

STEP ONE – Building trust with the customer.

One of the most important things good salesmen do is getting people to like and trust them. They do this by both **LISTENING and ASKING QUESTIONS**.

The parts to step one include:

1. Listening to the customer.
2. Asking questions.
3. Talking in his/her language.

Listening to the Customer

You have two ears and one mouth. A good salesman knows that he should **NOT** talk as much as he should listen.

1. Most people like to talk about themselves and their problems.
2. Most people aren't as willing to listen to others talk about their problems and themselves.

By being a very good listener, you are showing interest in the customer and his problems. Customers like people who are **genuinely** friendly and interested in them. This builds trust and confidence in you and your shop.

The other important thing about listening is that you will learn a lot about the type of customer you have on the phone. Often he will tell you the path you need to take in order to get him to bring his car into your shop.

First Words Are Usually the Key

It is very important to listen to what the customers say whenever you are talking to them. They will tell you things they did not realize they were saying. You are searching for a way to close them to bring their car into your shop. **Listen! Listen! Listen!**

This is **ESPECIALLY** true when you **FIRST** answer the phone, it is the start of a new riddle. Usually, the first words out of the potential customer's mouth will lead you to the right approach for closing them.

Asking Questions

The best way to find out about the customer and build his trust is to **ASK** questions about him and the problems he is having with his car.

Whoever is asking the questions is in charge of the conversation. It is super important that you understand this concept and use it effectively.

1. You can get the information you need to sell the customer by asking questions.
2. The more questions you ask, the more interest you are showing in your customers and their concerns.
3. The more questions you ask, the more the customer will like and trust you.
4. You guide the customer to the decision **YOU** want him to make by asking questions.

Talk in Customer-eze

In building trust and confidence with a customer, it is important not to confuse or mislead them. One of the ways that most service writers confuse customers is to use technical terms.

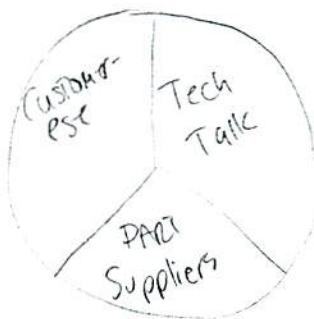
It is easy to forget that most customers do not understand a lot about their cars. You assume they know because of the few customers who do know something about the mechanical parts of a car.

Do not use technical terms in your conversations with customers. They do not know what you are talking about and quickly start to **DISLIKE** you, although they couldn't tell you why.

Whenever possible, use examples they understand to explain anything that you would normally say in technical terms.

Example: In selling a timing chain job.

"The timing chain on your vehicle is like the chain on a bicycle only heavier and with more pieces involved. What we need to do is an exploratory operation to find out if it is something minor or major causing the rattle. After we take the front cover off, which is like a chain guard, we will be able to accurately diagnose what is causing your problem and give you a firm estimate on what it will cost to get it back on the road."



Finding the Problem

STEP TWO - Finding The Problem

It is important in dealing with customers over the phone that you find out what the problem is with their cars. The most effective way to close a customer and get him to bring his car to your shop is to find out what problem he is having with his car.

Why You Should Close for a Diagnostic Appointment

In dealing with customers you want to get their cars into your shop so that you can correctly check it out, and give them an accurate diagnosis and price. If you try to close customers on anything but setting an appointment, you have no commitment to have them bring in their car.

Customers pay to have you solve their problems with their car. Your closing rate on having work done in your shop goes up greatly when the customers bring their cars into your shop for a diagnostic checkup. Attempting to diagnose or quote prices for major repairs over the phone without seeing the vehicle is a waste of your time and a disservice to your customers.

Diagnostic Checklist Procedure

When a customer calls and asks for a diagnosis over the phone do the following procedure.

Tell the customer, "No problem, let me get my diagnostic checklist so that I can get some necessary information. I need to ask you a few questions."

Then fill out the **Telephone Diagnostic Checklist**. Use whatever comes up to get him to agree to set a time to bring the car in for a complete diagnostic checkout.

Purpose of Diagnostic Checklist

The five primary purposes of doing a diagnostic checklist are:

1. To gather information so you can accurately assess the type of customer you are dealing with so you can know how to close him for an appointment.
2. To take charge of the conversation and guide it towards the path you want it to take.
3. To help establish a rapport with the customer. This builds trust and confidence by showing you are interested in dealing the customer's concern.
4. To find out what kind of problem the customer perceives he has.
5. To get his agreement to bring the vehicle in and setting an appointment.

Transmission Diagnostic Checklist

I NEED TO GET SOME INFORMATION FROM YOU...

1. Year Make Model
2. Brief description of the problem.
3. How long has it been doing this?
 - a. Just started?
 - b. Been doing it for quite a while?
4. Did it start acting up after something else happened?
 - a. Can you think of anything that might have happen or was done to the car prior to it acting up?
 - b. Did someone else do any other work on the car before the problem started?
 - c. Did you run over something or hit something?
5. Does it act up?
 - a. All the time?
 - b. Just once in a while?
 - c. Mainly when it is cold?
 - d. After it is warmed up or it is hot?
 - e. Can you get it do it when you want?
6. Is there any noise associated with the problem?
7. Do you know if it is full of fluid?
 - a. Have you noticed any fluids leaking on the ground?
 - b. Have you been adding any fluid to the transmission?
 - c. Have you had anyone check the fluid level?
 - d. Do you know if they checked it in neutral or park?
8. Has anyone worked on the transmission recently?
9. Has anyone already checked the transmission?

SET THE APPOINTMENT: Day: Time:

Customer's Name: Phone Number:

Getting Agreement on the Solution

Once you have completed the **Diagnostic Checklist**, you will have enough information about the customer's problem to start working on closing him for an appointment.

The next step is to get his agreement to bring his car in so that you can check it out. Tell the potential customer that based on the information you have gathered, you will need him to bring his vehicle in.

You should be in a strong position to give the following recommendation to the customer at this point, because you have asked lots of questions, clarified the problem, showed concern and have been friendly.

"Mr. Jones, based on the information I have gathered, it could be four or five things causing this problem. At this point, I would recommend you bring the vehicle in. This will allow us to run a quick diagnostic procedure, which will identify the problem. I have a couple of openings for an appointment today. Which would be better for you, this morning or this afternoon?"

Assumed close ↑

[IMPORTANT NOTE: Do not box yourself into a corner by limiting the number of openings.]

not
"would you like
to come in"

Asking the Closing Question

When you have asked the customer to make an appointment, you have asked a closing question for a commitment.

RULE: Try to get the car into your shop for a checkout as soon as possible.

RULE: After asking a customer a closing-type question - SHUT UP!

Make the customer answer the question. The response to the closing question tells you if you have done your job right. In this case, you have asked for a commitment for an appointment. The response will indicate what to do next.

How Long Will It Take?

If a customer asks this question while you are trying to close for the appointment, it usually means one of the following:

1. They have some time concerns about having their car checked out.
2. You have missed a step on the **Steps of Phone Selling**.

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Their response will tell you whether you have really convinced the customer to bring his car into your shop.

How Long Will It Take?

Handle #1:

This means the customer may have concerns about turning their car loose. Often this is because they have something else planned and they do not want to let go of the car for any real length of time. This is especially true when it is their only means of transportation.

How to handle the time objection:

1. Have the customer bring in his/her car as soon as possible.
2. Tell the customer, "**The inspections service will only take (whatever time is reasonable) to check the problem.**" Then go for the appointment. Or,
3. Tell the customer, "**Once we know what the problem really is, we will be able to give an accurate estimation time and money involved to solve the problem. Then you will be able to make an intelligent decision about what you want to do.**"

It is important that you get them to commit to bringing in their cars. Give the customer hope that it might be something simple that you can fix quickly.

Also, it helps to tell them the importance of getting the car in and checked out. Tell them, sometimes, when they continue driving a car with a minor problem, it could turn it into a major problem.

If the customer still seems hesitant, then you need to get more information. Use the handling on the following page.

How Long Will It Take?

Handle # 2:

In each step of the **Phone Selling Procedure**, you are really asking a closing question. The reason for doing this is to determine whether the customer has moved along with you or not. They may have become confused or may have been turned off.

When you ask for the appointment, you are asking for a commitment that the customer is going to bring the car into your shop.

The customer may lie to you when they make an appointment or commitment. Any hesitancy means that they are not certain and you may have lost them during some stage of the **Phone Selling Procedure**.

Most people, if not convinced they are doing the right thing, will back away from setting an appointment. They do not want to make a commitment. If this is the case they will start throwing out objections faster than you can handle them. This is because they are searching for a way out of making a commitment.

If this happens you have missed a step somewhere or you did not build their confidence along the way. They are not convinced.

Usually, after trying to handle all of their objections in setting the appointment, you need to ask a question that will tell you where they got stuck in the **Steps of Phone Selling Procedure**.

For example:

"I sense some hesitancy on your part to bring your car into the shop for a diagnostic checkout. Can you tell me, is part of the problem that you do not want to tie up the car, or it is that you feel like you are getting in over your head?"

At this point, you are forcing the customer to either cough up the real objection or give you another false objection.

If he gives you the real objection, you should be able to close him because he trusts you enough to give you an opportunity to recover him.

If he does not give you the real objection, then you may have lost the customer.

They Don't Want To Turn Their Cars Loose

Sometimes, they will have problems turning their cars loose because it is their only form of transportation.

They Don't Want To Turn Their Cars Loose

Handle #1:

1. Find out if they can have someone give them a ride over and drop the car off. This solution works out really well if they can drop it off in the morning and pick it up at night after work. Having a key drop makes this easier.
2. You may be able to handle this by offering to give the customer a ride back to work. This way they can drop the car off in the morning and you can check the car out while they are at work.

The key thing is to make it easier for them to **NOT** have their car for any length of time.

Is It Safe To Drive?

Occasionally the customer is not sure if it is safe to drive the car.

Is It Safe To Drive?

Handle #1:

RULE: When in Doubt, Offer to Tow the Car.

If the customer is concerned, tell him that you should probably tow the vehicle.

1. **"Rather than take a chance, maybe we should tow the car. It is better to be safe than sorry."**

Most customers who have towing insurance will probably let you do this.

Defining Inspection Services

It is important to define exactly what services are free and those that carry a fee.

Free Inspection Services

Most shops do not charge for a quick inspection, which would include a road test and external inspection of the car. For clarity sake, we will call this a **FREE INSPECTION SERVICE**. This would include any type of inspection services that YOU do for free.

Examples: Pan inspections in the transmission industry or brake inspections in general repair.

Diagnostic Inspection Or Service

After doing a preliminary FREE INSPECTION SERVICE, if the problem isn't obvious, you will have to go further and get into a **Diagnostic Inspection** which may include hooking the car up to some kind of diagnostic equipment.

You should have set written guidelines on which services you are going to charge for and which ones you are going to do for free. ←

Is There a Charge?

When you tell potential customers you need to set an appointment to have them bring in their cars, you may get some minor objections.

The most common objection when trying to schedule an appointment is:

1). "Is there a charge?"

This question tells a lot about the type customer you are handling. It can tell you the amount of trust the customer has with repair shops, how much trust you have developed with the customer or the degree they are ready to spend money to fix the car.

They may ask this question when they are still a little hesitant to make the final commitment to an appointment, or to make sure they are not committing to a lot of expense.

Make sure you answer this without hesitancy or doubt. Act like it is the standard throughout the industry. Answer this question clearly and make sure the customers fully understand your procedures when they bring in their cars.

Is There a Charge?

Handle #1:

1. Answer the question.
2. If you do not charge for inspection services, it should not be a problem. If he double-checks to make sure that there is no charge, it usually means he is afraid and you need to deal with him carefully.
3. If you do charge for certain types of inspections, explain the charges fully so that the customer understands why and knows exactly what to expect.

Customers DO NOT like being told one thing on the phone and then experiencing something else when they show up at the shop.

Of course, you do not have to tell them everything that it could possibly turn into when they get into the shop. If you fully explain your inspection procedure and the charges before they actually come in and you do it exactly like you said over the phone, you will not have a problem later.

Is There a Charge?

Handle #2:

If you get an objection to your diagnostic fee, use the following procedure:

1. You can build the customer's trust and confidence by not ducking the question.

EXAMPLE: "We have a Standard Diagnostic Procedure where we will spend about a half hour of your time. This involves first road-checking and using some of our diagnostic equipment to help us accurately pinpoint the problem. After using our diagnostic equipment we will be able to tell what your exact problem is and give you the price to fix it. The diagnostic check-up will cost you \$36 (or whatever your charge is)."

2. Notice in the above example we told them that there is a charge and that we told the customer what exactly it includes.
3. Also, tell them that after the diagnostic procedure you will be able to identify what is causing the problem and you will be able to give the customer an estimate on what it will cost to fix the problem. Tell him the diagnostic fee will be applied to the cost of the repairs.

This last point is very important. It offers the customer hope. You want to assure the customer that you can fix his problem.

Often times, shops will tell the customer that they charge to diagnose the problem, but do not give him certainty that the shop can solve the problem.

NOTE: If the customer keeps asking questions, it tells you he is NOT sold on you yet.

DIFFERENT TESTS
DEPENDENT ON THE
INITIAL FREE INSPECTION

New Customer Who Wants To Set an Appointment

This is the best kind of customer because he is straightforward.

1. Find out if the problem with the car is something that your shop fixes.

EXAMPLE: If the customer wants some body work done on the car and you do not do body work, obviously you don't need to proceed with these next steps.

2. Find out when he wants to bring the car to your shop. Work out a schedule that is convenient for both of you. You want to get the customer to bring it to your shop as soon as possible.
3. Get the customer's name, year and make of the car and a phone number where you can contact him. The phone number is especially important. If the customer does not show up for the appointment, you want to be able to call and find out what happened.

RULE: ALWAYS call a customer as soon as possible who booked an appointment and didn't show up.

Sometimes you can still close someone who decided to do something else or had some kind of problem getting the car into your shop.

4. Do not put people off for a long time. A lot of times, they will not wait and you will lose a job and potentially a good customer.

Clarify the Problem First

The reason you do not go for the appointment immediately after a new customer describes his problem is you will lose some of them or upset them.

Why?

New customers tend to be nervous and sometimes react to someone who is too quick. It is upsetting to them. Most of the time they do not know why it upsets them, but it does.

So your first job is to establish yourself with the customer. You want to build his/her trust in you.

A negative example of a group of people who use this trust technique are con men. Good con men instinctively work on building up the trust of their victims. In the case of con men, their objective is to build up the trust of the victim so that the victim does not even know he has been had until the con artist is long gone. Their victims are in total disbelief and often times can not believe they have been had, even after they find out they have been taken.

Like the con man, the way you do this is to take the extra time to build the trust with the customer. Ask several questions about his problem. The more questions that you ask the customer the more concern you are showing for the customer.

The more you ask the more they will like you and have confidence in what you recommend to solve their problems.

Unlike the con man, you need to show genuine concern for the customer and his problem. Treat people with respect. Care about the customer and solve his problem. This way you **EARN** their respect, their confidence and their money.

Can It Be Repaired by a Certain Time?

It is important to recognize this customer and deal with him effectively. When a customer calls and wants his car fixed by a certain time, he **MAY** be telling you that time is more important than the money.

This could be a very good type of customer that you want to have in your customer base. You want to make this customer one of your permanent customers.

The key here is the customer is asking about time rather than money. Just follow your standard phone guidelines. This puts you in charge and allows you to find out if he really is this type of good customer.

Handle:

After completing the standard **Steps of Phone Selling** you will have a full picture of the customer and his problem. If time is really his major consideration, not the money, he will not be happy until he has a commitment that if it requires major repairs you can still get it done by the required time.

Here is the question you should ask this type of customer.

"If we can do it by the required time can we go ahead with the job?"

1. If the customer says yes, get an agreement to bring the car in immediately. If you accept the job, make sure you do not run into some kind of unusual problem which prevents you from meeting the customer's deadline.
2. If the customer throws any other kind of objection at you, he is probably not the super good customer who thinks time is more important than money. If he is not the super good customer, it usually means that he is going to be difficult to handle.
3. Slow the conversation down! Start asking for more information and tell him at this point, you know **NOTHING** for sure. Use all of the objection handlings as necessary.

New Customer Wants a Diagnosis

Some people will call your shop to tell you that their car is acting up and will want to know what is wrong with it.

Generally, customers who ask for a diagnosis over the phone fall into several different categories. If you listen carefully you can tell which type they are and you will be able to handle them smoothly and effectively.

These are the various types of categories:

1. New customers who have been referred to you by someone else.
2. New customers who have called you first.
3. New customers who have called several other shops.
4. New customers who have their cars in another shop.
5. Your competition that is calling to find out about you.

Regardless of the type of customer who calls, you need to do the **Steps to Phone Selling** every time to get this customer into your shop.

Why Customers Want a Diagnosis

1. Customers may call for a diagnosis of a problem they are having with their cars because they are confused. They have a problem and they do not know how to solve it. So they get on the phone and call a particular shop for various reasons and ask that shop to tell them what is wrong.
2. They may be afraid to take their car to a shop because they do not know the proper procedure for getting their car fixed and are afraid they might be getting ripped off.
3. They are trying to decide whether it is something that is serious and needs immediate attention or something minor that they can let go for a while.
4. They may want to find out more information about the problem so that they can make a decision on what they need to do next.

The bottom line is that they are looking for information and a solution to their problems.

Different Languages

One of the reasons a phone diagnosis should not be done, is that the customer and you speak different languages.

You can get into a lot of trouble when you base a diagnosis on just the information you receive from the customer over the telephone.

EXAMPLE: Have you ever had a customer try to tell you about a problem that he was experiencing with his car over the phone? Often times, based on what he described, you were sure that you knew what the problem was **UNTIL** he brought the car in and you checked it out and found out that the problem was not anything like he described.

If you misdiagnose a customer's problem over the phone and quote him a price and somebody else checks it out and finds that it was not the problem, your company's reputation is hurt not only by the customer who was misdiagnosed, but by the other shop that did the actual diagnosis.

You Are Wrong if You Do It

Often technicians who also sell automotive services have a tendency to tell the customer too much too early. This is especially true when it comes to diagnosing the customer's problems over the phone. When you do it, you are wrong. Here are some of the reasons why:

1. If you tell a customer that the problem is caused by X, and they have talked to a friend or another shop and were told that the problem was due to Y, they will end up confused and probably will not bring the car to your shop.
2. CUSTOMERS DO NOT WANT TO SPEND A LOT OF MONEY ON AUTOMOTIVE REPAIRS. They do not want to believe that the solution to their problem is major and will cost lots of money. They will go to a shop that offers hope of a cheap repair to fix their problem.
3. Lots of customers do not believe that you can accurately know what is wrong with their cars without looking at them first. (BY THE WAY, THEY ARE RIGHT IN A LOT OF CASES) Have you ever had a customer who gives classic symptoms of a problem and you told him what the problem was and how much it would cost? Later, when he brought the car in, it wasn't the problem that you thought it was.

Imagine the results of telling a customer over the phone that the car had the classic symptoms of a problem that will cost about \$600 to fix. The customer decides to take the car to another shop and finds out that it only requires \$20 to fix.

The Customer Has Been Referred to You

Usually this type of customer will tell you he was recommended to call you by someone. Occasionally, the customer may not tell you right away, but he will later.

This type of customer is usually very easy to handle, if you do not violate your procedures. Ninety percent of the time you could ask for the appointment without doing your normal procedures and not have a problem. But occasionally, you may lose this customer you should have gotten, because you did not follow the **Steps of Phone Selling**.

True Story: Mike Lee used to work in a transmission shop as an installer. His father brought his car into their other shop to be checked out. The owner knew that he was Mike's dad and bypassed the normal checkout procedures. He quickly road checked the car and pulled the dipstick to find burnt fluid. He quickly told Mike's dad that the transmission needed a complete overhaul. His dad said that he would think about it and left.

Later, when Mike found out about it, he asked his dad what happened. He said, "he did not believe the owner and did not trust him." Why? Because the owner did not take the time to treat him like any other customer and build up his trust by road checking the car, pulling the pan, and going through the standard diagnostic procedures.

Mike brought the car into the shop that he worked in and checked the car out. He called his dad and resolved it. But his dad still did not trust the owner who checked out the car.

Rule: Do not violate your sales procedures. Do it by the numbers, every time.

That way you will not lose a customer that you should have been able to get to bring in his car for a checkout or inspection.

The Customer Has Been Referred to You

Handle:

One of the most powerful weapons to use in closing customers who have been referred to you is that they have been referred to you by one of your customers.

This is especially true if the person who referred the customer is really trusted by the customer. The key thing to remember is that normally a referred customer is an easy customer to persuade to make an appointment.

They may not be as easy as you think though if they ask for a diagnosis. Normally, they should be calling for an appointment, not a diagnosis. **Do not take short cuts.**

Do the normal steps in the Steps of Phone Selling.

1. Find out who referred the potential customer to you and how well the customer knows that person.
2. If you know the referral well, tell that to the potential customer. "Bill Jones, yeah, he has been bringing his car to us for years. One of my best customers."

If, for any reason, you run into a problem during the **Steps of Phone Selling**, you can also use the referral to help you close the customer.

"You know one of the reasons that Bill Jones referred you to us is because he knows that we are the best! I don't think he would have told you to bring your car to us unless, through experience, we had earned his confidence and trust, do you?"

We would like the opportunity to earn your confidence and trust. Why don't you bring your car in and let us take a good look at it? At that time, we will be able to give you an honest evaluation of the problem."

3. Handle any other objections and set the appointment.

"NO ONE CAN TELL
YOU WHAT IT IS
W OUT SEEING IT
"DO YOU KNOW WHERE
OUR SHOP IS?"

A New Customer Who Calls You First

Usually, a new customer who is calling you first will tend to describe his problem in customer-ese. (Customer-ese means to describe their problems in non-technical, customer terms.)

EXAMPLE: "My car won't start first thing in the morning."

Upon further questioning, you find out that when he turns the key, nothing happens.

EXAMPLE: "My car is making a grrrrring noise, when I try to stop."

Customers who do not know much about cars do not speak our language. They do not use the terms that technicians use to describe the same problem. They do not know much about cars and they are at a loss to accurately tell you what it is doing. You have to ask a few questions to pinpoint what the problem is and to find out exactly what the car is doing.

Normally, they will not tell you what year, make and model of cars they own. Many times this is because they don't know anything about cars including their own.

The things that you are listening for are any signs that they do not know a lot about the car. If this is the case, they will tend to sound confused. It is hard to figure out what problem they are describing.

You have to know how to handle every type of customer. Sometimes customers will hide what they know. It is your job to not assume anything.

The steps to handling this type of customer are straightforward. Follow the **Steps of Phone Selling** and you will get a majority of them to come to your shop.

They Have Talked to Other Shops

Usually, customers who have already called other shops about their problem, will ask for the diagnosis differently than the customers who have called you first. After 3 or 4 phone calls, the customers will know that you are going to ask some basic questions and will give you more information at the start.

EXAMPLE: "I have a 1986 Cadillac Eldorado with front wheel drive and brakes that are locking up occasionally."

(Notice that he volunteers information that he thinks you are going to ask. Why? Because the last three shops asked him these questions!)

So unless the customers are knowledgeable about cars, you know they have been shopping with other shops.

NOTE: The important thing to remember is they COULD have taken their cars to any of those previous shops, but they DID NOT and they are STILL shopping.

By the way, it is very smart to ask the customers, after they have made an appointment, if they have called other shops.

"Why didn't you take it to those other shops to be checked out or to have them do the work?"

Some of the answers will be VERY informative. It helps you to not make the same mistakes handling this customer as the other shops did.

Do the Steps of Phone Selling, but make sure that you ask if someone else has checked out the car.

The Customer Has the Car in Another Shop

There are no ironclad rules, but after a while, you will start to notice that the questions they ask and their answers to your questions sound a little bit weird.

Sometimes, they will give you a lot of specific information about their problem. They might mention specific parts that can cause the problem.

They might say that they have been told by a friend or someone that it needs to have some job done. They tend to be coy or sneaky.

Sometimes, they hesitate when responding to your questions. Again, this is a sign that they might be lying.

The reason that they sound a little weird is that they are faking it. They did not call you like a regular customer. They called you for a different purpose, so their answers and questions are different.

They have started the phone call by lying to you. They are making up a story as they go along. So when you ask them your normal questions, they are not prepared for it and start faking answers to you. This is because they are trying to get information from you, so they want to ask you questions, while trying not to appear different from a normal customer.

Sometimes, their purpose is to trap you into telling them something that they can use against the other shop.

Rule: Normally, you will not be able to get this person to come to your shop, especially if the other shop is already working on the car.

The Customer Has His Car in Another Shop

Why?

It is important to know why customers who have a car in one shop will call other shops. Understanding why this happens will cut down the number of times this happens to you with your customers.

Usually, a customer who has his car in another shop has become suspicious of what he is being told. There are two basic reasons for this:

1. The first shop moved too quickly and the customer reluctantly buys what he is being told, but starts to have second thoughts later. He will get an uneasy feeling about his decision as he thinks about it even more.
2. The second reason is because another person has become involved in the decision making. In sales, this is known as a third baseman. The customer has gotten information from the shop that has the car, he tells someone that he knows what is going on and that person tells him that it doesn't sound right. If this third baseman doesn't know a thing about it, he will often recommend that the customer should call a shop that he knows for a second opinion.

The problem is you are going to end up in the middle, and most of the time you are not going to end up with the customer.

Your Competition Is Calling You

It may take a while to nail this one down, but eventually it will become very obvious that you are not dealing with a real customer. The key is that a competitor who calls does not respond to the normal steps, he is only after information.

1. He may tend to give you too much information at the beginning. Sometimes, he will respond to your diagnostic questions with more accurate answers than a normal customer would give.
2. The further you go along in your phone procedures, the more apparent it is that he is not going along with you, but is pushing for more information.
3. Sometimes, his persistence is the best indication. This is especially true when he is trying to get a price out of you.
4. If you get really good with your phone skills, you may eventually be able to call him on it.
5. He is asking questions of you rather than you asking questions of him.

Why Your Competitors Call You!

1. They want to gather information about your operation. Usually, they only call the shops that they feel are a threat to them.
2. They call you because they perceive that you are doing better than they are and they are losing business to you.
3. They are slow and don't know how to run their business and don't have enough customers. If you are really busy, you don't have time to call your competitors.
4. They want to gather information about how you sell your work over the phone so that they can use that information to their advantage. They will use this information by telling potential customers in advance how you operate.

While you should know the basic tactics of each of your major competitors, you shouldn't spend a lot of time worrying about them. If you run your business right and know how to handle the phone and how to promote effectively, you will not have time to call them.

But if you are managing your business right, they will be calling you all the time, wondering how you are able to do it.

Customers Who Ask for a Price over the Phone

One of the biggest secrets to being a successful shop and a good service writer is NOT quoting prices for major work over the phone.

Most operations averaged about a 20% to 30% increase in sales when they stopped quoting prices for major work over the phone.

Remember that the job of a service writer is to get customers to bring their cars into your shop. If you always follow the **Steps To Phone Selling** and use your **Telephone Diagnostic Checklist**, you will be able to get customers to bring their cars to your shop. Following these steps will bring in more new customers than any other way.



What the Customer Is Really Saying

Most customers don't understand a lot about how cars work and what causes car problems. Because they do not know much about cars, they will ask you for a price when they call. The reason is they do not know what else to say. So when they call around asking for the price to fix their cars, they are really asking, "**CAN SOMEONE SOLVE MY PROBLEM?**"

Because they do not know much about cars, they are forced to explain what their problem is and then find out how much it will cost to fix it. They do not know what else to ask.

The Reasons WHY Customers Shop Prices

Customers phone shop for prices because they do know what else to do. Most customers do not know much about theirs car and how they work. When they call a shop are told that **SOLUTION A** is what is going to solve their problem, they have no way to tell if the quote is out of line.

The customer will then call a second shop because he is not sure and wants to verify the solution and price.

If the next shop tells them the car needs **SOLUTION A**, the customer will feel more confident that the solution was correct, but if the price that was quoted him is much different, it will throw him back into uncertainty. If the customer is uncertain, he will call another shop.

If the third shop tells the customer he needs **SOLUTION B**, that really messes him up. Or if the third shop's price is really different, the customer will call another shop. The customer will keep shopping until he gets the answer on both the price and the diagnosis he likes. If he doesn't like your answers on price or the diagnosis he will continue to shop.

RULE: Customers will normally NOT buy when they are uncertain. They will keep seeking new solutions until they find one that seems to best solve their problem.

Do not add to a customer's uncertainty by diagnosing and quoting prices over the phone.

Why Quoting Prices over the Phone Is Wrong

Most people do not want to spend a lot of money to get their car fixed. They don't get out of bed in the morning saying "**OH BOY, OH BOY, I get to spend a \$1000 to get my car fixed.**" So when you quote prices for major work over the phone you are going to lose potential customers.

Most customers are hoping the problem is only something minor and will not cost a lot. Customers will go to the shops that offer hope that the problem is minor and can be fixed cheaply.

Example: Have you ever had a customer call up and ask:

"HOW MUCH DO YOU CHARGE FOR A COMPLETE TUNE UP, BRAKE JOB OR TRANSMISSION REBUILD?"

Have you ever given the customer a price? A high percentage of the time the customer will respond with a "Thank You" and will hang up. Sometimes, if you give the customer the price, you may just hear the click of the phone hanging up.

You and your company loses every time this happens. You do not even get a chance to make a sale, and worse yet, you lose a potential long term relationship with a customer who might mean thousands of dollars in business.

When the Phone Goes CLICK

When you quote a price for a major repair over the phone and the next thing you hear is click, you have lost.

The reasons quoting prices over the phone does not work are:

1. **UNLESS YOU ARE THE LOWEST PRICED SHOP IN TOWN, YOU WILL LOSE.** If you charge \$400 to do a job and someone else is charging \$200, a good percentage of customers will probably go to the shop with the \$200 price.
2. This really hurts when the other shop quotes \$200 over the phone, but then charges the customer \$500 instead of the \$400 you would have charged.
3. You are skipping the full sales procedure when you give the customer the price. You are in the closing stage when you give the price. The customer is forced to decide instantly, yes or no. You are saying, "**Take it or leave it.**" Usually he will leave it and hang up.

Quoting Specials or Small Job Pricing

THE ONLY EXCEPTIONS TO QUOTING PRICES OVER THE PHONE ARE FOR MINOR REPAIRS AND ADVERTISED SERVICE SPECIALS.

When a customer calls and asks for a service special price that you are running or for a price for minor service, it is okay to quote prices.

If you are advertising a minor service special, obviously, you should give the price to any inquiries that you get over the phone.

This is also true for very small jobs that you do not get much money for doing.

Major Types of Customers Who Ask for a Price

The only difference between the major types of new customers who call you on the phone is some ask for a price and some ask for a diagnosis. In fact, the procedure whether they asked for a price or a diagnosis is the same. Listed below are the major types of new customers who call you on the phone.

1. New customers who have been referred by someone else.
2. New customers who are calling you first.
3. New customers who are calling you after calling other shops.
4. New customers who have their cars in other shops.
5. Competitors trying to find out what you are charging.

The service writer needs to be able to convert phone price shoppers into customers who make appointments for a diagnosis. The service writer's ability to not give a price or a diagnosis over the phone is the key to success.

In the following sections, we will review and practice the procedures for new customers who want a price **WITHOUT** bringing their cars into your shop.