Winning the Internet Sales Game

for Auto, RV, Motorcycle
and Marine Dealerships

Salesperson, Inc.

Winning the Internet Sales Game

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This program is written in the masculine
gender for ease of writing. Salesperson, Inc.
has absolutely no bias to age or sex, and believes that
any person who applies himself to the study and
practice of internet selling can and should
be successful.

Preface

In the late 1990s, Internet websites began to focus on retail sales. For example, in 1994 one-percent of automobile dealers in the United States had their own website. This figure reached 83% in 2000. It took cable television 25 years, and the personal computer seven years to reach 10 million customers. The Internet reached 10 million customers in 6 months. This makes the internet a serious consideration for auto, rv, motorcycle and marine dealerships for increasing sales and profits. Even the smallest mom-and-pop dealerships can see market share increases without the high cost of traditional advertising.

Automobile dealerships started internet selling in the early 1990's, so they have almost 17 years of e-dealership experience. You'll find many statistics in this program based on automotive results, since there are few statistics for RV, motorcycle and marine dealerships. They have succeeded and failed countless times, but for many dealerships just getting started, have provided a wealth of knowledge for RV, motorcyle and marine dealerships to learn, and profit from.

The e-dealer business is still new to most, and the internet has no where near reached its peak. Though most dealerships now have a website, they still do not take advantage of the many sales possibilites the internet can provide.

Whether you dealership is big or small, new or used, RV or boat, **"Winning the Internet Sales Game"** will help answer many questions that will help you reach e-dealer status.

Enjoy the program!

COURSE CONTENT

Chapter 1

Introduction

Quick Thought

"Give a person a fish, and you feed them for a day; teach that person to use the Internet and they won't bother you for weeks"

Today, more dealerships are marketing their vehicles through the Internet than ever before. And while the jury may still be out on the success of cyber-selling, leading marketers believe if you don't jump on the Internet bandwagon soon you'll be left on the side of the Information Superhighway. Web sales are escalating at a frantic pace. In 1999, electronically transacted sales worldwide were nearly $100 billion, of which the U.S.'s share approached three-fourths. In 2004, electronic sales are expected to rise to $1.24 trillion, according to a new eBusiness Report, and will continue to rise in the coming years.

Don't be fooled, though! Just because you have a website doesn't mean you should expect thousands of e-mail orders or be able to replace your sales staff.

What are the requirments for developing a sound internet department?

In the 10 years I've been in the internet arena, from developing internet sales departments in dealerships, to running my own ecommerce website, I've observed that there

Chapter 2

Looking Into the Future

Quick Thought

"The Internet is a giant international network of intelligent, informed computer enthusiasts, by which I mean, "people without lives." We don't care. We have each other..."

The big question on everyone's mind these days is, "What's with this whole internet thing?" Some dealers are doing well, while others can't even get started. I want to give you a perspective of how not only the Internet, but technology in general is changing our business and also give you an insider's view of what and how the dealership of the future will look like and operate. This will hopefully get you excited to take that next step in developing a sound internet department. As we move into the digital economy, no area of the business economy will be left unturned, including the automotive industry, which until recently has gone virtually unchanged over the past 100 years.

Hiring

The Internet will either be the lifeline of your dealership or the noose that will hang you. It will become the gateway of communication with your prospects, customers and suppliers alike. To expand upon that thought, envision the Internet as a showroom where you can engage prospects, deal with customers in real time using voice, chat and video and manage your entire dealership, including

Chapter 3

Benchmarks of the Most Successful Dealerships

Quick Thought

"Getting information off the internet is like taking a drink from a fire hydrant."

This information is taken from the 2003 Market Data Book and Ward's Dealer Business and based on automotive dealerships.

At a time when overall sales in the auto industry have been sluggish at best, a few dealerships have been winning big. What are these dealers doing differently? You guessed it – they've fully integrated the use of Internet leads into their sales programs. The numbers don't lie – the reasons for dealers to aggressively pursue the Internet sales opportunity keep adding up.

**The Master Dealers in Internet Leads:
        Over 10% of Sales from the Net**

According to independent research firm Jupiter Research, about 21% of dealers have fully integrated the Internet channel into their overall sales strategy. These dealers are masters in Internet sales. While they continuously hone their craft and focus on increasing Internet sales even more, they lead other dealers because they generate over 10% of sales from the Internet. On average,

Chapter 4

Fundamentals of the Internet

Quick Thought

"While you are destroying your mind watching the worthless, brain-rotting drivel on TV, we on the Internet are ex-changing, freely and openly, the most uninhibited, intimate, and yes, shocking details about our "CONFIGSYS" settings."

In recent years, the Internet has become an important way for dealerships to do business.

Some of you may just be starting to experience computerization and the internet. If so, this tutorial may be helpful in gaining an understanding that will help you succeed with your internet department.

The chapter starts with the fundamentals – basically, defining what the Internet is. Later you'll be introduced to website design, as well as an understanding of the importance of search engines and online marketing strategies that are proven to deliver business success.

We all know that the Internet is huge, and that the information that can be obtained is endless. Understanding the Internet and how it works is a good starting point for new users. Much of the 'surfing' that new users do is wasted time. Only later do you learn the techniques and shortcuts to make efficient use of everything the Internet can offer.

Chapter 5

Your Website as a Sales Tool

Quick Thought

"The Internet is the most important single development in the history of human communication since the invention of call waiting."

Today, just about every dealership seems to have a website. But building a successful website, however, is much more than putting together a series of web pages. It involves building a strategy that truly integrates your business with the web in ways that support your current needs, help you to grow, and can grow with you.

What will implementing a successful web strategy lead to?

— enhanced company image and brand
— improved outreach to customers and prospects, generating leads and more business
— improved customer service, improving retention and positive word-of-mouth
— more efficient access to information for you and for your customers

Executing a poorly conceived web strategy, on the other hand, can be catastrophic to your dealership's reputation, your wallet, and your peace of mind. To some, the need

Chapter 6

Finding You Through the Search Engines

Quick Thought

"The Internet is the first thing that humanity has built that humanity doesn't understand, the largest experiment in anarchy that we have ever had."

Website branding within current advertising is an effective way to gain recognition, but it does not guarantee online success. Statistics show that regardless of what people choose to look at on the Internet, they use a search engine to find it. About 85 percent of American Internet users depend on search engines to find information, including websites. The "Big Four" of the Internet (Google, MSN, AOL and Yahoo) have over 300 million unique visitors using their search engines each month. There is an enormous amount of search engine traffic. Capturing this traffic is simple, and doing so dramatically increases your chance for online success.

Optimizing your website for search engines is the first move to gain traffic, and it complements your current advertising. The classified sections of newspapers are plastered with vehicle dealer ads listing their websites. Only 50 percent of these websites actually work within any search engines, and the other 50 percent do not experience much traffic at all. Considering the cost associated with regular advertising, having your website address work within the search engines is the key to success. This alone will benefit both parties:

Chapter 7

Internet Technology That's a Must

Quick Thought

"What exactly is the Internet? Basically, it is a global network exchanging digitized data in such a way that any computer, anywhere, that is equipped with a device called a 'modem', can make a noise like a duck choking on a kazoo."

Internet Sales professionals must start with the right tools. To maximize your sales efforts you must have the following:

• Your own computer(s) with the proper software and the right number of people working it

Do not expect to share a computer with another department or person. If you are seriously using the Net, it is a full time job. You must also have access to the computer anytime you need it. If you have an Internet Department, everyone must have access with their own email ad dresses. We have found that in very busy Dealerships (web traffic and leads) that the more reps they have following up and working the hundreds, in some cases thousands of leads coming in each month, the more cars they sell. Many Dealers are not doing as well online because they have one or two people trying to do the follow up and sales work of 5 or 6. One person can only handle so much.

Chapter 8

Internet Leads and Lead Providers

(Lead providers are basically used in the automotive industry, but will become more prevelant in rv, motorcycle and boat in the near future.)

Quick Thought

"The Internet is so big, so powerful and point-less, for some people it is a complete substitute for life."

Using an online classified advertising company to generate quality vehicle sales leads is smart business. You can reach customers that would never have heard of your dealership otherwise. It's really a simple process. The Internet Lead Provider (ILP) generates a potential customer for your new or used vehicle by forwarding an email inquiry or a telephone call to the dealership. An internet salesperson answers the email or phone call and sets up an appointment for the customer to come and buy the vehicle. Sounds simple, right? All you have to do is reply to an e-mail or answer a "phone-up". After developing several dealerships Internet departments, I realized that nothing could be further from the truth. There is a lot more to it.

How do I select an internet lead provider?

There's no doubt about it - there are a lot of Internet lead providers out there that promise to connect you with real car buyers. Without knowing these companies inside and out, how do you make a decision on which one, or ones, to go with?

Chapter 9

The Internet Customer

Quick Thought

"The Internet is clearly about more than sports scores and email now. It is a place where we can conduct our democracy and get very large amounts of data to very large numbers of people."

To effectively sell online customers you must first understand who they are, and how they are changing the Traditional Vehicle Sales process.

Armed with a computer, an Internet connection, a comfortable place to sit, and plenty of information about you and your competitors products available 24 hours a day, 7 days a week, the online car shopper is in control of the buying process and can easily remove you with one click.

A common perception among Internet shoppers is that there are better deals on the Internet compared to just walking on your lot. In reality, the biggest difference is that the Internet shopper has access to loads of information about blue book values, and invoice prices that several years ago were hard to find. This shopper will usually want a better deal primarily because they possess that information. Compare the traditional "hit the streets and shop until you drop" buyer with the Internet vehicle shopper that does most of his pre-shopping online, gathering information, and will already have a deal before leaving the house.

Chapter 10

Developing an Internet Business Plan

Quick Thought

"There's a statistical theory that if you gave a million monkeys typewriters and set them to work, they'd eventualy come up with the complete works of Shakespeare. Thanks to the Internet, we now know this isn't true."

Do you have a business plan for your internet department? I would venture to say that you don't. Without a plan, how can you ever tell if you're succeeding if you don't know what you are measuring against?

The way most dealerships run their internet departments would be like a football team that randomly assigns players to their positions, rarely hold practices or meetings, has a team where no one knows the rules and have no playbook to study, has no coach, their equipment is old, and the front office doesn't spend a dime to market the team. This team will probably make very few touchdowns, on top of making the SuperBowl.

Unfortunately this is how many dealerships around the country, whether their dealerships are large or small run their internet departments - on a wing and a prayer.

The internet department needs to be run like a separate entity, and not considered as part of the typical sales process. The internet sales runs contrary to the traditional selling

Chapter 11

Internet Department Tracking Worksheets

Quick Thought

"I always find that statistics are hard to swallow and impossible to digest. The only one I can ever remember is that if all the people who go to sleep in church were laid end to end they would be a lot more comfortable."

An important phase of executing a successful business plan is to have a system in place that will find out how successful your internet department is. Tracking can effectively do this. It will tell you if any part of your process is not as effective as it should be and what needs to be done to rectify the problem areas. Tracking will assist in understanding your department better, and what changes need to be made in order to reach your goals.

The objectives of your statistical tracking must be clear at the outset. The areas that I feel are important for a successful internet department are:

- Number of leads
- Number of leads to appointments
- Number of appointments to sales
- Final cost per lead
- Gross profit per vehicle sold
- Net profit

Look at some of the examples to follow and develop your reports for maximum understanding of your department.

Chapter 12

Job Descriptions

Quick Thought

"The way we communicate with others ultimately determines the quality of our work."

Effectively developed, job descriptions are communication tools that are significant in your internet department's success. Poorly written job descriptions, on the other hand, add to confusion, hurt communication, and make people feel as if they don't know what is expected from them.

Job descriptions are written statements that describe the duties, responsibilities, required qualifications, and reporting relationships of a particular job. Job descriptions are based on objective information obtained through job analysis, an understanding of the competencies and skills required to accomplish needed tasks, and the needs of the internet department to produce work.

Job descriptions clearly identify and spell out the responsibilities of a specific job. Job descriptions also include information about working conditions, tools, equipment used, knowledge and skills needed, and relationships with other positions.

The following pages are job descriptions you can use, or as samples to create your own.

Chapter 13

Choosing an Internet Staff

Quick Thought

"The Internet is a telephone system that's gotten uppity."

There's a difference between passing out some internet leads to the sales staff and developing a full-fledged internet department. In many dealerships, the manager will check the email inbox for leads whenever he/she has time, pass them out to whichever salespeople are available, and never monitor their success. This is simply a waste of time, money and resources. For a dealership to be successful with online selling, the right people need to be placed in the right positions.

What types of salespeople are succeeding in online selling?

I've always felt that outstanding internet salespeople are different from typical showroom salespeople. The internet salesperson feels very comfortable selling on the phone, and has an above average knowledge of email, the internet, and the internet customer. These salespeople research other websites to compare against, develop solid plans for building their department, consistently learn new up-to-date

Chapter 14

The Power of Email

Quick Thought

"One of the Internet's strengths is its ability to help consumers find the right needle in a digital haystack of data."

The number one reason people log on to the internet is to send and receive email. The number two reason is to do research. Ignore the importance of a solid email strategy and you will fail on the internet.

The most important and often overlooked aspect to being successful on the internet is the power of email. Email is the most powerful application on the internet, and for good reason. When used properly it can communicate "one to one" to prospects with speed and reliability.

Research has found that sales reps effectively selling vehicles using the internet have email capabilities and are following-up on every lead. Dealers relying solely on the phone for follow-up are not even close in sales, because they are ignoring the numerous "email only" prospects. This doesn't mean I don't believe that phone follow-up isn't effective, because I do. In fact, it can vary dramatically depending on certain areas and parts of the country whether email or phone follow-up is the most effective. I still feel that if your prospect provides a phone number in the lead, that's giving you permission to call, and

Chapter 15

Understanding the Selling Process

Quick Thought

"The Internet is like a gold-rush; the only people making money are those who sell the pans."

Once your prospect comes into the dealership to view your product, the selling process for an internet customer remains virtually the same as for a traditional customer. The steps to the sale from the greeting through the delivery are unchanged. The only difference will be that the internet customer still feels like he/she has more control over the process because of the amount of information gained from the internet. The internet customer may also get more insulted if the negotiations start too high because many of them feel that by utilizing the internet, they will get a vehicle cheaper. But that doesn't mean you should not try to retain as much profit as possible. Just be more prepared to handle any price objections that may arise. So instead of concentrating on the "10 steps to the traditional sale", which you should probably know already, let's focus on the "steps to the internet sale".

But before we begin talking about the steps, let's make sure you have your email program organized, and a follow-up system prepared. Whether you're using a program like Microsoft Outlook, Act! or Goldmine, or

Chapter 16

Selling Used Vehicles Online

Quick Thought

"Like China, the Internet is a huge new market. It's up to you to figure out what to do with it. Use it as a prospecting tool, make connections with people, add value for your existing customers."

As the internet progresses, one area to pay close attention to is the used vehicle marketplace. This 300+ billion dollar marketplace is coming of age online. Selling used vehicles on the web is still new, but it can grow into a great profits center for your dealership. Since used vehicles are a one-of-a-kind selling situation, it is a little easier to overcome the price-only type customer and to sell the value of a particular vehicle. Look online for yourself at the ones who are successfully selling used vehicles on the internet. Most of the ads are terrible, but a few are very well put together. And if you dig a little deeper, you'll notice that the good ones don't last very long.

What's the difference between the Traditional Used Vehicle Shopper and the Internet Used Vehicle Shopper?

Internet shoppers spend more time in the used vehicle shopping process than the traditional shopper. A study by JD Power and Associates revealed that online used vehicle shoppers will visit 5.2 dealers vs the Traditional buyer who only visits 3.5 dealers.

Chapter 17

Selling on eBay

Quick Thought

"The Internet 'browser' is the piece of software that puts a message on your computer screen informing you that the Internet is currently busy and you should try again later."

So you're ready to start selling your first vehicle on eBay Motors. There are two steps for dealers to sell vehicles on eBay Motors:

Register for an Account

If you are new to eBay, you must register for an eBay account. Once you have an eBay user ID, you'll need to create a Seller's account before you can list vehicles for sale on eBay Motors. If you already have an account, skip to step 2.

There are two ways to create a Seller's account for free on eBay. With a valid credit card, you can immediately register as a seller. For licensed dealers, you can register through our dealer registration process, which does not require a credit card but does take a few days to complete.

Once you complete this process, you will be ready to sell vehicles on eBay. Here are some tips that will help make your selling experience a profitable one:

Selling vehicles on eBay is more of an art than science. The listing will make the difference between an okay sale and a great one.

Chapter 18

Hiring an Appointment Coordinator

Quick Thought

"The lesson here is you can't expect users to learn. There's too much fun going on out there on the Internet."

I like the idea of having an Appointment Coordinator in charge of handling leads as compared to salespeople.

First of all, we all know that salespeople hate using the phone. They do a great job closing the sale if an appointment is set for them. So why not develop a phone bank with appointment setters?

These would be individuals (not being sexist, but I found that putting females in this position works better) who really enjoy being on the phone, can develop working relationships with the prospects, and can work the phones for long periods of time. They don't necessarily need to know a lot of product knowledge. If a prospect needs to know anything directly related to the vehicle, the appointment coordinator can easily transfer them over to the salesperson to have their questions answered. Then the salesperson can set the appointment, and relay the appointment information back to the coordinator.

The appointment coordinator needs to be very organized, understand the computer, and generate detailed reports. They also

Chapter 19

Email Lead Management Program

Quick Thought

"Internet mailing lists are like Fox television shows. They have really cool previews, and they get you all excited about them, but they just don't live up to their promises."

As more and more vehicle buyers log onto the internet, automotive dealers are receiving an ever-increasing number of leads coming from email. From dealer websites to automotive portal sites, consumers are finding that email provides them with a convenient, low-pressure way to contact dealerships and get the information they're looking for. As a result, finding efficient ways to handle email effectively has become one of the most important ways for dealers to convert leads into sales.

The first step is to make it easy for them to contact you to start the sales process. Prominent email links on your site gives internet shoppers a fast, easy way to send you a message. Plus, with a website that incorporates service, parts, and finance and insurance information, direct email links can feed leads directly to all of the profit centers within your dealership.

But staying on top of all of these incoming leads poses a challenge to a busy internet salesperson. While email leads produce a significant number of sales opportunities, many of those opportunities can be missed when dealerships are unable to handle the

Chapter 20

Email Direct Marketing Program

Quick Thought

"Clearly, the greatest obstacle to the Internet's mass acceptance is its nonportability. Put bluntly: it can't be browsed while relaxing on the toilet. A shame really, considering how well suited much of its content is for precisely that arena."

Marketing can be described simply as "creating more selling situations." If you are not creating more selling situations, then you are not being effective at marketing.

Using the above definition, marketing is setting up your dealership with more opportunities to sell. Obviously, advertising is a marketing tool that is a mainstay in the automotive industry. Using a combination of radio, television, outdoor and print advertising, auto manufacturers, dealer associations and dealers continually strive to create more selling situations. In addition to these traditional media, auto dealers also use direct mail and special events to create more selling situations.

Creating these selling situations is not cheap. One of the challenges auto dealers always have faced is how to deploy their advertising dollar to generate the largest return on investment. Complicating the decision is the growth of the Internet and the opportunity it presents to reach your customer in new ways. The good news is that the Internet offers alternative methods of marketing for a fraction of the cost of traditional approaches. We are very fortunate to be living in a period

Chapter 21

Internet Glossary

Quick Thought

"The telephone wire, as we know it, has become too slow and too small to handle Internet traffic. It took 75 years for telephones to be used by 50 million customers, but it took only four years for the Internet to reach that many users."

ASP - Active Server Pages
A Microsoft-created web site development environment that allows developers to create templates that pull individual pieces of content from databases and display them as one cohesive page.

Autoresponder
A feature that sends an automated reply to incoming mail. When a lead is sent to your inbox, a predetermined message is immediately sent back to the internet shopper.

Bandwidth
The amount of data you can send through a connection, usually measured in bits per second.

Banner
An ad in the form of a graphic (usually rectangular in shape) appearing within a web page. Typically, when viewers click on the banner, they are taken to the advertisers web site. This is known as a click-through.

BPS - Bits per second
A measurement of how fast data is moved from on place to another. A 56k modem can

Conclusion

Quick Thought

"Computers are magnificent tools for the realization of our dreams, but no machine can replace the human spark of spirit, compassion, love, and understanding."

Congratulations on the completion of this internet sales training course. We hope the information you receive will help take your internet department to that next level of sales and financial success.

If you have any suggestions for improving this course, you can email them to:

Mike Whitty
mike@slpinc.net

Remember: Complete the quiz found on the following pages, return the results and we'll send you a Certificate of Completion.

Internet Course Review Instructions

This review is meant to test your understanding of what was learned in the **"Winning the Internet Sales Game"** course.

Once the review is completed and graded using the answer by visiting **www.inetselling.com/quiz.htm**, complete this page and mail to:

Mail to: **ATTN: Internet Review**
Salesperson, Inc.
9312 Columbia St.
Redford, MI 48239

and we'll mail you a **Certificate of Completion.**

Student's Information

Student Name _____

❑Internet Appointment Coordinator   ❑Internet Salesperson

❑Internet Sales Manager   ❑Other _____

Dealership _____

Dealership Address _____

City _____ State _____ Zip _____

Phone _____   Fax _____

Dealership Email Address _____

Student Email Address _____

Dealer Website _____

— Mailing Address if other than above: —

Address _____

City _____ State _____ Zip _____

Internet Course Review

Chapter 1 — Introduction

The first hurdle you'll have to get through in developing an outstanding internet department is:
- ❑ getting buy-in from dealer principles and managers
- ❑ trying to figure out how the internet works
- ❑ getting up and coming to work in the morning

88% of people who walk on your lot:
- ❑ can't afford to purchase a vehicle
- ❑ have visited the web and researched your vehicles
- ❑ are mystery shopping for other dealerships

The biggest difference between the traditional showroom prospect and internet prospect is:
- ❑ the internet prospect needs more information by email or phone
- ❑ the traditional prospect is easier to sell
- ❑ the internet prospect is less likely to buy

Many Internet Sales Managers:
- ❑ have been demoted to this position
- ❑ are children of the dealer
- ❑ fail to do everything they can to make their department successful

An internet deparment can be:
- ❑ one of the lowest cost, highest return departments in the dealership
- ❑ a place to go if you can't sell showroom prospects
- ❑ a losing proposition

Great internet salespeople are usually those that:
- ❑ have been in the business for over 15 years
- ❑ are soft spoken, less aggressive, can work the phones
- ❑ can close a customer through email

Your web site should be structured to:
- ❑ be pretty, flashy and have a lot of music
- ❑ be driven by a sales process, not just an information process
- ❑ be a salesperson that sells the vehicles without you