

# DEALERS EXCEED SALES EXPECTATIONS WITH UNIQUE STRATEGY

To have a successful direct mail campaign, you must start with a great list. You need to target people with a 625 – 700 credit score with a five year credit file and at least six trade lines deep. You want the people who have no derogatory credit in the last six months with at least \$2,500 of income per month. The banks will give these people loans. From within this group, select the people that have an 80 to 95 percent paid auto loan. These people have good trades. The age and source for the list are equally important. Use a quality source like Equifax and be sure to get the list 24 hours before you mail, so it is fresh. Starting with the right list from the right source is the first step towards a successful direct mail campaign.



Jimmy Peters

Today's market is affecting the types of customers who respond to traditional advertising. Television, radio and the newspaper are driving in more and more credit-challenged shoppers. Unfortunately, the same market climate

has made the banks unwilling to extend credit to these people without enormous hedge fees. It has become difficult to sell cars to these people, let alone make a fair profit from them.

These credit-challenged people in need of transportation are driven to the Internet and show up in your inbox from a third-party lead provider. Where are the people that can buy cars? Your dealership is not a roach motel; stop inviting in only the roaches. You want shoppers that can buy. Put the bait out for the good credit buyers — the deals that fund fast with no headaches.

The best dealerships have the smarts to know that, if their business isn't growing and sales are shrinking, then they need to change the way they go after new prospects. For these people who seek out and find the sales-building strategies that work in any economy, success is almost guaranteed.

In this market, it is necessary to select the people who you want to receive your marketing messages. You can get the people with good credit into your store so you can deliver vehicles and make profits. Direct mail provides you the opportunity to pick only the people that can buy a car today and market only to them.

The message is equally as important as the list. You must use a message that this type of buyer will respond to. Umbrellas, golf balls and free hats will not motivate today's credit-worthy buyer. You need a strong legitimate reason for credit-worthy buyers to want to visit your store rather than your competitor's. The mail piece needs to arrive at the customer's home in an official- and urgent-looking envelope. This will increase the number of people that view and read the message. Next, you must grab the customer's attention and get them excited and emotional. "Auto Loans Direct from the Bank! This Week Only is Your Chance to Pay What the Dealer Owes On Their Vehicles!" This is a new message that the customer has not seen hundreds of times, and will create interest. Next, grab them and get them more emotional with a \$1,000 shopping spree or other substantial gift.

Direct the customer to call and get a pre-approval amount. This is low risk and requires very little time on the customer's part. Find a direct mail partner with a strong BDC to set appointments with these buyers. Even skeptical customers who normally wouldn't waste their time driving to the dealership will call and you'll need talented car people on the other end of the phone to drive them into your store. When they call, they are given the amount they have been pre-approved for, and now they know that they can buy a new car. This is a great feeling. This process will bring more customers to your store and will have them feeling more positive about your dealership when they arrive.

Consider this...

If you mail 10,000 mailers to the perfect customers and only 1.5 percent respond by calling to find out what's going on, that is 150 perfect customers. Pick the right direct mail partner and their BDC will set appointments with around 75 percent of your perfect buyers. If only 50 percent of the appointments show up, that's 112 opportunities. If you deliver 25 percent of them, you will have 28 car deals. These buyers are not flipped in their trades and are easily

financed. If you make a modest \$2,500 per copy, that is \$70,000 in gross profit from a single sale.

The right list, right message and a happy pre-approved customer make the entire process far easier at the dealership. Doing a direct mail sale the right way will eliminate many of the headaches that plague dealerships. When customers come to your dealership, meet a sales person, select a unit, take a test drive, go for a service walk, have their car appraised and then finally find out that they can't get a loan, they leave unhappy. More importantly, your salesperson feels terrible. He or she just wasted two hours, and the next time they might skip a couple of steps and get on the next one. This is dangerous. Keep your people positive by driving in the good-credit people who can drive out in your cars.

Once your direct mail campaign with the right message has gone out to right people, you need to know what to do when they start to respond. It is important that everyone in the dealership is aware of the sale, and knows what to say to customers on the phone, in the showroom and on the Internet. Make sure that every person who touches the phone knows what to say when a customer inquires about the sale. Work with your salespeople on the verbiage you would like them to use to describe the sale. Make sure the dealership and everyone in it are ready for a successful sale.

Direct mail sales are still the best way to drive buyers into your store and sell more cars. Anybody can fill your showroom with roaches. Aren't you tired of telling people you can't sell them a car? Why not bring in the customers you can sell?

Call or e-mail for your free copy of "How to Fill Your Showroom with Credit Worthy Buyers for under Nine Grand."

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