



Matt Baker

BUSTING STAFF EVENT MYTHS, PART 1

In the automotive industry, assumptions are everywhere. Over the years as the vice president of an event marketing company, I have had many dealers share with me a variety of things they believe to be true about staffed events.

While at first glance these assumptions may seem to be true, a closer examination reveals many misconceptions that will often lead dealers to make costly mistakes when it comes to event marketing.

For this month and the next, we will dig deep into the assumptions many dealers have about staffed events. It's an honest look at some interesting "myths" that will help you make a better-educated decision when considering promotional events.

"All staffed event companies are the same." — Sure, a lot of event companies claim to offer increased gross profit, decreased aged inventory and dealership sales staff training. However, just because these companies share similar objectives, it does not mean each company operates the same way.

For example, consider what sets the Detroit Lions apart from the New England Patriots. Both teams are after the same title and each is comprised of the same number of coaches, managers and players to help them achieve this goal. Yet despite these similarities, one team consistently outperforms the other. Why do you believe that is?

"The cheaper the event, the more money I will make" — Decreasing commission percentages to increase your direct revenue seems to make sense, but over-negotiating the deal doesn't always lead to additional profit. Staffed event sales teams operate much like any other commission-based sales system. The better the sales people are, the more they expect to make. Negotiating to significantly reduce commissions means the

event company's best guys will be passing on your contract to less-experienced, less-talented teams. In the long run, teams with less talent, who work for less pay, end up generating less profit for the dealer.

"My staff will revolt if I bring in an event sales team" — In some cases, this assumption might be correct. That is unless you hire an event company who keeps both sales staffs working together by establishing common goals. Look for companies that focus as much on engaging your staff in the sales process as they do about driving results.

Be weary of sales teams who only focus on their own sales staff. Staffed events were originally developed to be a long-term training and motivational program which required cooperation between the dealership sales staff and event sales team in order to be successful. Yet somewhere along the line the objective of creating long-term partnerships was lost by many in the business, resulting in a new breed of event sales teams who strictly concentrate on helping their own sales staff make more money.

"Getting more direct mail pieces at a cheaper price means I will see more traffic" — While direct mail companies would probably like you to believe this statement is true, it's not.

Many will often try to sell you large quantities of 11x17 mailers for a cheap price, but few will guarantee how effective the piece will be. Why? Because the cheap price of the 11x17 mailer makes this mail piece the most widely used form of advertising amongst dealerships; leaving little variety between one dealer's ad piece and the next. Thus, consumers assume the same as before and don't come in.

The reason behind having different types of advertising in your ad plan is a lot like carrying different makes or models in your inventory. While some may be more

expensive than others, each offers unique features that appeal to different types of consumers. Unfortunately, there is no "one type fits all" vehicle that will meet the needs of every buyer, just like there is no "one piece fits all" mailer that will drive optimal traffic to your dealership, time and time again.

"Results are the only thing that matters" — No question, results are an important aspect to any sale. However it's essential to make sure results aren't the only thing your event company is after. Some event companies are so focused on making the numbers that they are willing to compromise the reputation of the dealership and it's staff just to make a deal. Trying to reach an unattainable goal by jeopardizing your reputation and the reputation of your dealership isn't worth the headache.

There's more to making a staffed event successful than just the results. It starts with hiring people of good character, putting them into a sales process that works and making sure they understand how to get a dealer's staff on board.

While the assumptions above may have struck a cord with some who read this, keep in mind they are only a small sampling of misconceptions that can lead to costly mistakes. From myths surrounding advertising options to general event effectiveness, next month's article will reveal more about common event assumptions to ensure you make promotional event decisions that will reap the benefits your dealership deserves.

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