



Training

Retail Basics

~ RETAIL TIRE TOPICS ~

- ~ **CHAPTER 1:** Retail Environment
- ~ **CHAPTER 2:** Retail Basics
- ~ **CHAPTER 3:** Customer Service
- ~ **CHAPTER 4:** Sale Process & “G”
- ~ **CHAPTER 5:** Sale Process – “Q”
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- ~ **QUIZ:** Retail Tire Information



CHAPTER 2

~ RETAIL BASICS ~

RETAIL BASICS



- Having a **Strategic Plan** in place for long-term survival is more **critical** than ever before.
- Distinctively differentiating yourself from the competition is **mandatory** in today's competitive marketplace.
- **New** business is extremely difficult to gain.
 - How do you attract new customers?
- **Repeat** business is even harder to maintain than ever before.
 - How to keep your customer base coming back for the products and services you provide?

RETAIL BASICS

- Failing to Plan
is a
Plan to Fail!



RETAIL BASICS

- IF you always do what you've always done, You'll always get what you've always got!

(or Less)



RETAIL BASICS

- IF you don't know where you are going, any road will get you there!



- Lewis Carroll's; "Alice in Wonderland"

- IF you don't care where you end up, you will eventually arrive!

RETAIL BASICS

- Without a Plan to get you where you want to go;
- You are going to have a difficult time getting “there” if you don’t know where “there” is!

RETAIL BASICS

- The point is, that if you are not leading, developing plans, setting goals and expectations for your business, and how your staff and customer relationships are built and cultivated; you have no destination in mind and you're leaving the entire journey to chance.

RETAIL BASICS

- Plan your work

Work your Plan!



RETAIL BASICS

- Profitable business is a

MUST!



RETAIL BASICS

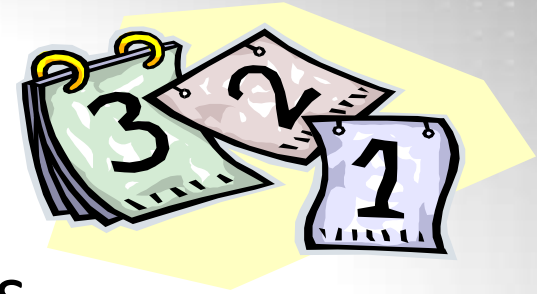
- As a retail business you must;
 - Provide competitive pricing
 - Offer timely promotions to attract customers/traffic
 - Employ well trained sales people and technicians
 - Your facility must appear
 - Well maintained
 - Inviting
 - Eye appealing
 - Clean inside and outside (including restrooms)
 - Provide current product displays
 - Quality products



RETAIL BASICS

- “Traffic conversion”, whether it is drawing business through the front door from retail advertisement or from convincing your phone callers to come into your store so that you can make the proper assessment of the tires needed to meet their application is a primary goal for a successful business!
 - Traffic conversion is a term used to define the process of getting potential consumers into your retail business and completing the sale to meet their needs.

RETAIL BASICS



- The average tire customer is only in the tire buying market for 7 days.
 - In this time they will determine where they will shop, When and for What type of product.
- Consistent advertising and promotions will have hopefully kept your business on the short list of businesses to visit.
 - CO-OP's – Do you communicate that potential retail customers don't have to be a farmer or member to purchase from you?

RETAIL BASICS

- What would you do if a person came through your front door and asked for a price on a 215/15?
- What would you do if a person called You and asked for a price on a 215/15?
 - Tell them they needed to talk to someone else?
 - Give them a price?
 - Give them a price on what?
- We'll address some of the implications of this later in the session.

RETAIL BASICS



**NEW!
IMPROVED!**

- **Automotive & Light Vehicle Trends**
 - The only thing that seems to be constant in our tire industry business is – CHANGE!
 - How you embrace and adopt “Change” goes a long way in determining how successful you and your business will be into the future.
 - Look for the positive characteristics of the “Change” that is in your business (life for that matter)!
 - Are you continually evaluating the effect “Change” has on you and how you can effect “Change” for the better?

RETAIL BASICS

Chevy Malibu



Ford Taurus



Nissan Versa



Buick Enclave



Honda CR-V



Ford Edge



- VEHICLE TRENDS;
 - Compacts
 - Hybrids
 - Cross-over Utility
 - Pickup Trucks
- Do you have the knowledge and equipment in place to service these new trends?
 - Hydraulic Lift
 - Tire Installation
 - Balance
 - Alignment
 - Repair
 - TPMS

RETAIL BASICS

Toyota Sequoia



Chevy Tahoe



Nissan Titan



Dodge Caravan



Chevy Trail Blazer



Toyota RAV-4



- VEHICLE TRENDS;
 - Compacts
 - Hybrids
 - Cross-over Utility
 - Pickup Trucks
 - Do you have the knowledge and inventory in place to service these new trends?
 - Larger Rim Diameters
 - Lower Aspect Ratios
 - Higher Speed Ratings



RETAIL BASICS



- What do most consumers know about tires?

RETAIL BASICS



- With the assumption that most consumers lack basic tire knowledge it is up to you to educate them!
 - You must explain the particular product and/or service in a manner that they will understand.
 - You must not assume they know anything, however as you are explaining, you must be aware of their verbal and non-verbal response to assess whether they are desiring more or less information! This must be determined with each individual consumer.

RETAIL BASICS

- Many consumers consider purchasing a set of tires, negatively!
 - Most consumers do not look forward to purchasing new tires.
 - There isn't the excitement of, oh boy I get to go buy a new set of tires, like there may be with other products such as a big screen tv!
 - Most consumers treat purchasing a set of tires as a grudge purchase.
 - They have to! (Otherwise would they be in your store?)
 - Current set worn out; hadn't planned or budgeted for a replacement purchase.
 - Damaged; surprise, unexpected need to replace.
 - Cost; potentially taking money from another purchase and having to re-direct it to replacement tires.



RETAIL BASICS



- You must be aware of this inherent negative attitude when a potential consumer enters your store.
 - This places more emphasis on your ability to turn a negative situation into a positive.
 - Being polite and professional with Your positive attitude will be contagious and help the process be more successful for both you and the consumer.
 - The consumer will be more responsive if your smile causes them to do likewise!
 - When you provide a customer service value, it will have a greater impact if it is perceived to have been a positive experience.

RETAIL BASICS

- Buyers make decisions largely based on EMOTION...

It's about how THEY feel!



RETAIL BASICS

- When people don't understand or are intimidated by their lack of knowledge with a product,

most of the time they end up not buying or choose the cheapest option.

RETAIL BASICS

- There are three basic customer types;
 - Advocates
 - Apathetics
 - Assassins
 - What type of customers do you have?



RETAIL BASICS

- Advocates;
 - Display fierce loyalty to a specific brand
 - Resist competitors in spite of aggressive deals
 - Accepts temporary inconveniences
 - Willing to pay price premiums for Value
 - Can become your Best Salespeople



RETAIL BASICS

- Assassins;
 - Created when basic needs are not met
 - Problems aren't rectified to their expectations
 - Singular events can be the tipping point
 - Seek out competitor options
 - Vocal and go the extra mile to poison business/brands/service
 - Just one can damage your market

RETAIL BASICS



- Apathetics;
 - Will not tolerate major inconveniences or pay price premiums
 - Susceptible to competitors
 - Don't spread stories; good or bad
 - Satisfaction is just an absence of problems
 - Indifference is their way of life

RETAIL BASICS

- Advocate/Assassin Traits;
 - To get to either one of these levels, companies have had to either go far above or far below their expectations
 - Both are passionate in their beliefs and preach to others – “word of mouth advertising”
 - Assassins are 50% more likely to tell someone about a bad experience than Advocates are to tell someone about a good experience

RETAIL BASICS

- Customer types;
 - Advocates; Should be studied
 - What can you learn from them and transfer to other customers?
 - Apathetics; Are the hardest to move
 - What is their loyalty trigger?
 - Assassins; Can be salvaged
 - Singular events can bring them back
 - Singular events probably took them away
 - This was probably one of those unsatisfactorily resolved problem issues.
 - What percentage of your customers fit into which category?
 - Going through this process would assist in identifying what you need to work on first, most!

RETAIL BASICS

- Customer types;
- What type of customer are YOU?
 - Think about that when you are wearing the customer hat.
 - Knowing what category you would place yourself will help you relate and influence where others may be when you are communicating with them.

RETAIL BASICS



- Female consumers comprise more than 50% of the tire buying public.
- What are you doing to attract this business segment?
 - One thing this segment generally desires is to Not be interrupted when speaking.
 - A second is they desire to have alternatives and options shared with them.
 - A third is they desire to patronize a clean location.

RETAIL BASICS



- J.D. Power & Associates:

“Tire Retailers won’t win over many customers on Price alone, because virtually all tire buyers expect a competitive price.”

RETAIL BASICS

- J.D. Power & Associates
 - How Buyers Base Their Decisions

32%...People Factor:

- Courtesy, Knowledge, Trust, Empathy

29%...Service:

- After the Sale Support, Quality, Warranty

18%...Facility:

- Cleanliness, Location, Hours

13%...Reputation:

- What Are You Known For?

8%...Product Selection:

- What Do You Have To Offer?

100%

RETAIL BASICS

- Consumer Buying Habits:
 - Over 65% buy from the first place they enter.
 - (How do you make it your business they enter first?)
 - Over 70% buy what their salesperson recommends.
 - (You need to also prepare how to deal with the other 30%)

RETAIL BASICS

- Customer Service:

- In most instances, the customer service relationship is more important than even the product.

RETAIL BASICS



- So How Do You Interpret These Retail Basics?:
 - YOU** hold the “power”!
 - YOU** have to fully understand your product/service offering.
 - YOU** have to be able to explain “IT” so **THEY** understand.

**RETAIL BASIC TIRE TRAINING
INFORMATION PRESENTATION**

Brought to you by:

Thank You!

**For
Participating!**

