



Powering Profits: A Dealership Roadmap

Sponsored by McGraw Powersports

April 7, 2015



POWERSPORTS
BUSINESS



POWERING PROFITS: A Dealership Roadmap

April 7th, 2015 • 1:00 PM - 2:00 PM CDT



A webinar series sponsored by McGraw Powersports



Jim Woodruff
National Powersport
Auctions



Tony Altieri
National Powersport
Auctions



Mark Mooney
Dealer Consultant



Steve Jones
Gart Sutton &
Associates



Hosted by:
Dave McMahon (on the right)
PSB Editor in Chief

POWERING PROFITS: A Dealership Roadmap

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- Longtime Calif. dealership GM
- Extend Service Contracts and Prepaid Maintenance Program
- Sponsor of the Powering Profits track at PSBI@AIMEXPO, Oct. 15-18 in Orlando
- Elena Myers, MotoAmerica Superbike rookie, Twitter takeover April 8 at 11 a.m. Central/9 a.m. Pacific: @McGrawInsurance; #Elena21

SAN DIEGO • DALLAS • CINCINNATI • ATLANTA

NATIONAL
POWERSPORT
AUCTIONS **NPA**

www.npauctions.com



Pre-Owned Wholesale Market Trends

Presented by: Jim Woodruff
National Powersport Auctions
858-413-1118
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NPA & THE PRE-OWNED MARKET

NPA is the Leading Wholesale Channel for Powersports Liquidation

Dedicated Avenue For Banks, OEMs And Dealers

Decade+ Database Of Nearly \$5B In Transactions

Real-Time Perspective

Live Capture Nationwide, In-Lane & Online
Most Comprehensive Data On The Market
Available via NPA Value Guide™, Market Reports, etc



NPA Headquarters - San Diego, CA

2014 WHOLESALE MARKET RECAP

Auction Volume Up 11% over 2013

Growth in Both Repo & Dealer Consignments

Average Wholesale Price (AWP) Up 8% over 2013

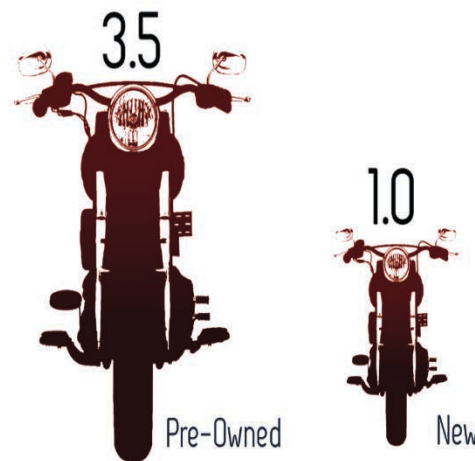
Most Segments Down, but Product Mix Shifted
More Domestic Cruisers, Less Off-Road

Bidder Participation up 2% over 2013

Greater Online Participation in Both eSale & Simulcast

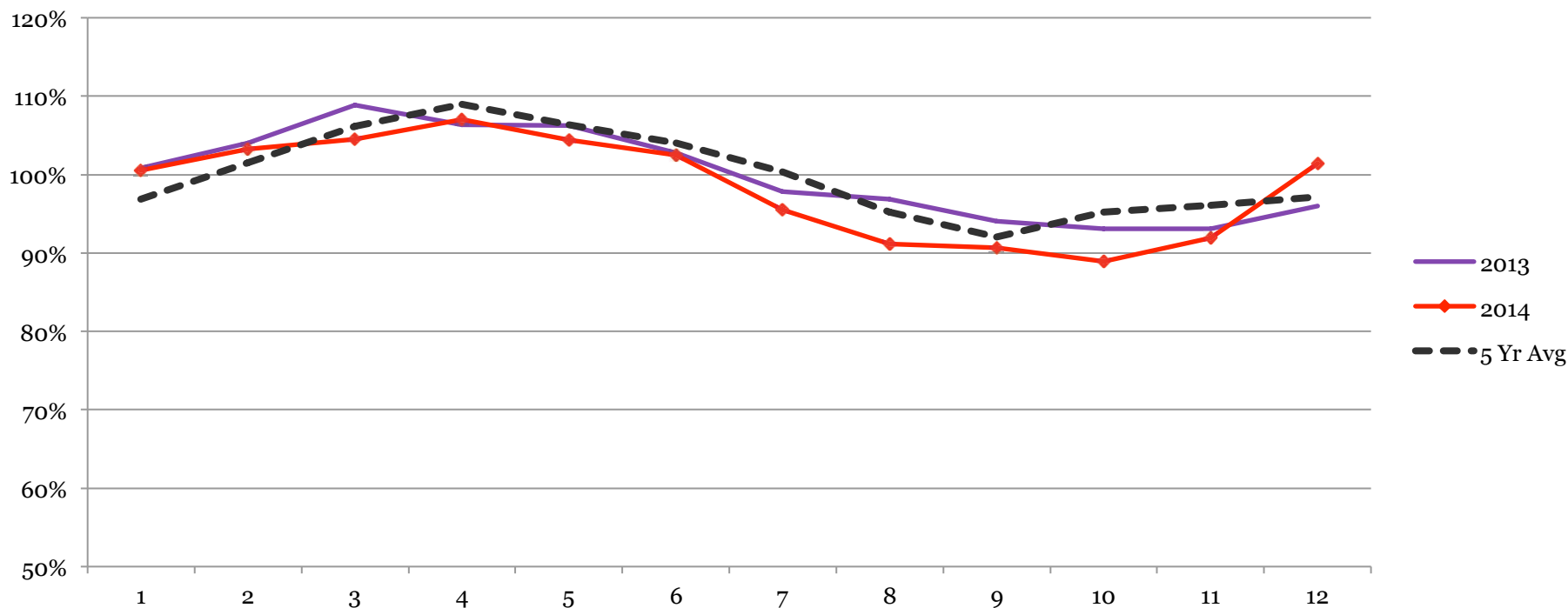
PRE-OWNED vs. NEW SALES

— 2014 On Road Stats —

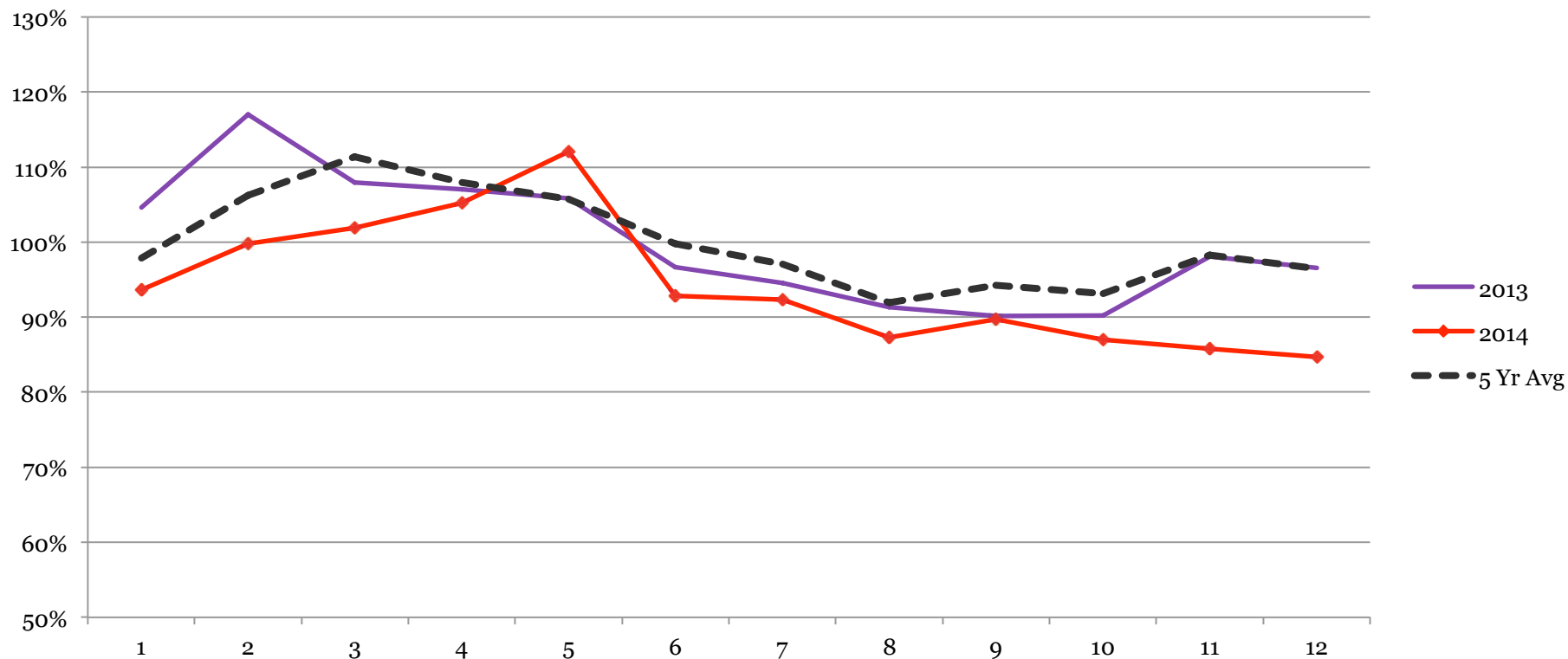


**Based on Polk Used and New registrations*

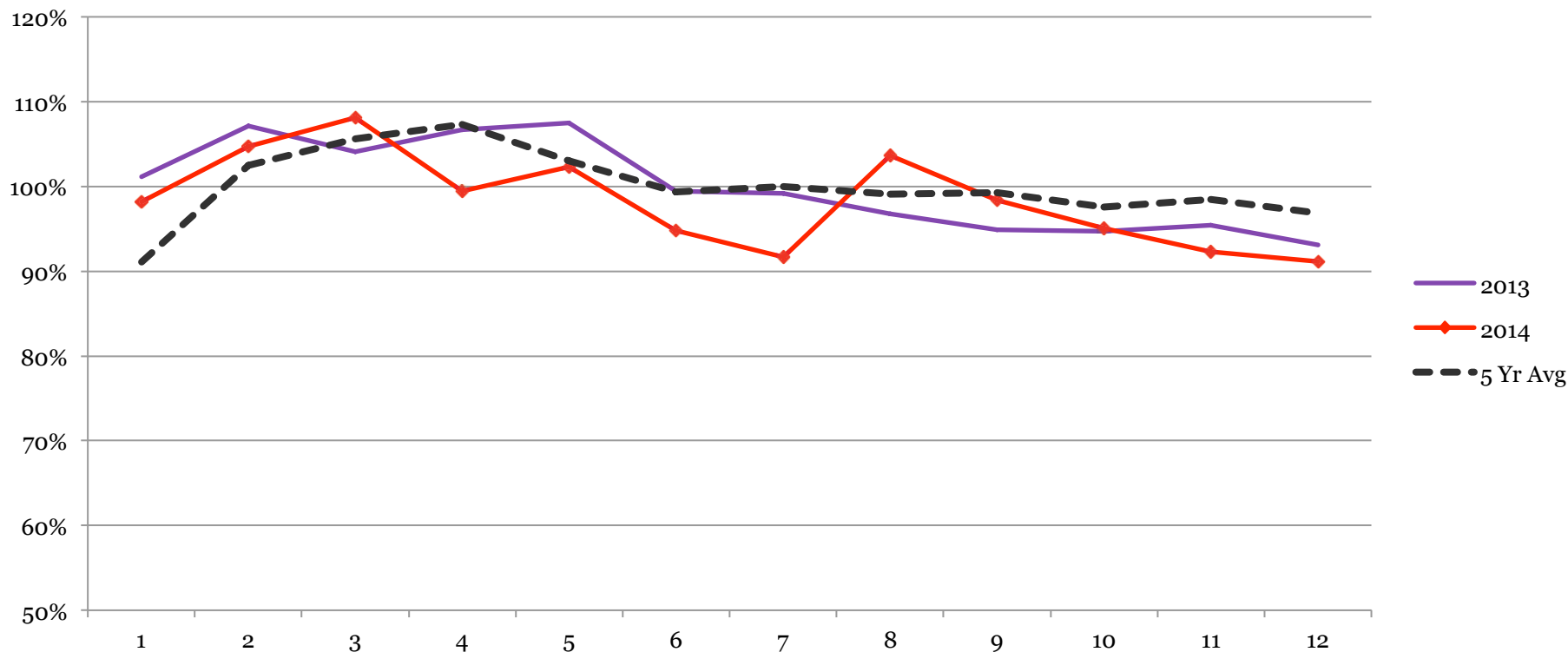
Seasonal ASP
Cruiser-Domestic



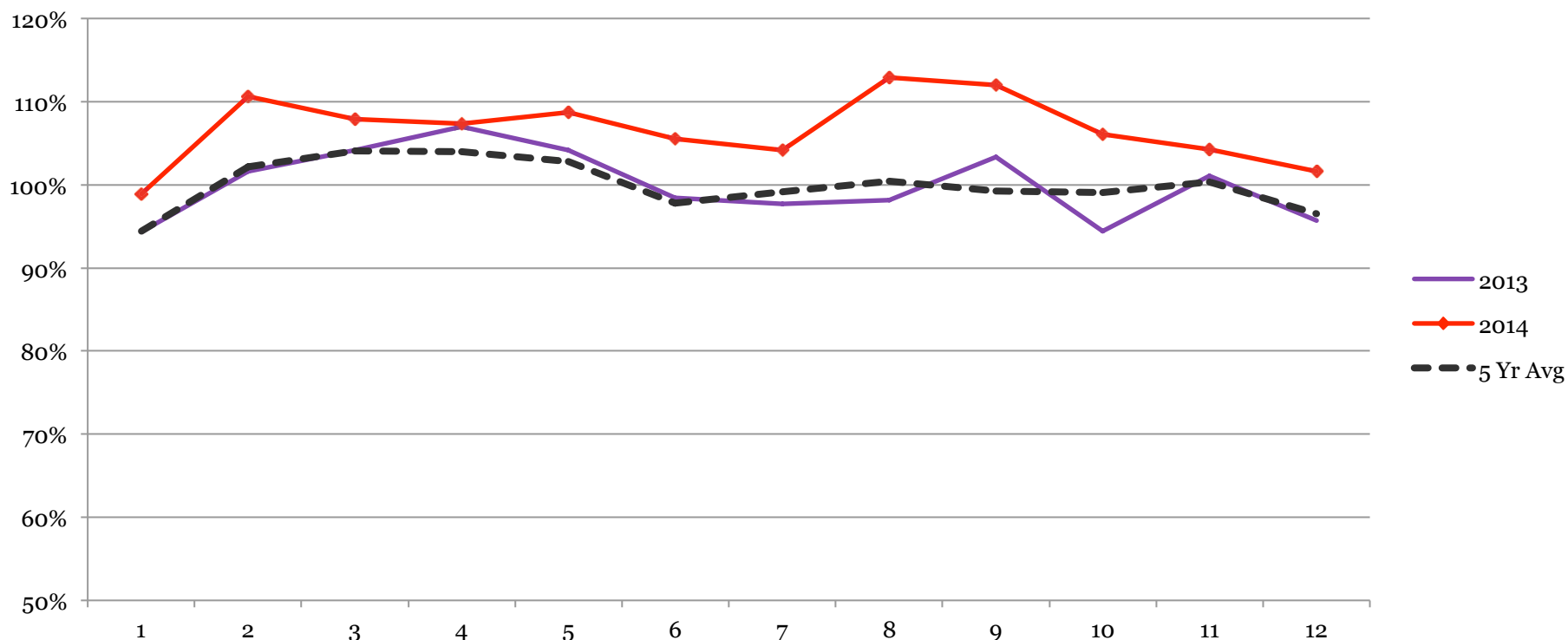
Seasonal ASP
Cruiser-Metric



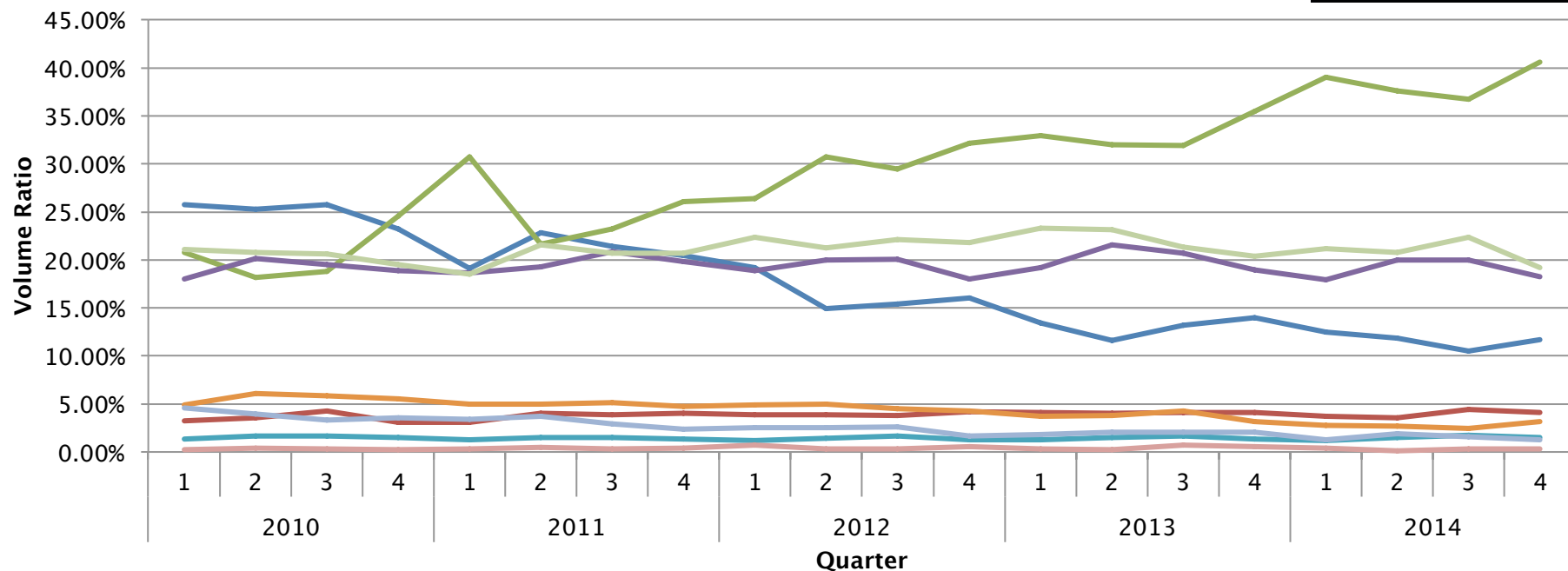
Seasonal ASP
Sport



Seasonal ASP
ATV-Sport/Utility



Wholesale Powersports Product Mix



ATV

ATV--SIDE BY SIDE

CRUISER--DOMESTIC

CRUISER--METRIC

DUAL SPORT

MX

PWC

SNOWMOBILE

SPORT

CURRENT WHOLESALE TRENDS

OEMs Endorsing Pre-Owned Dealer Efforts

Growing Support for Strong Pre-Owned Segment

Growing Emphasis on Dealer Education

Additional Financing/Sub Prime Options

New Financing Options from Kawasaki & Yamaha

New Lending Entities Getting Involved

Better Data-Driven Decision Making

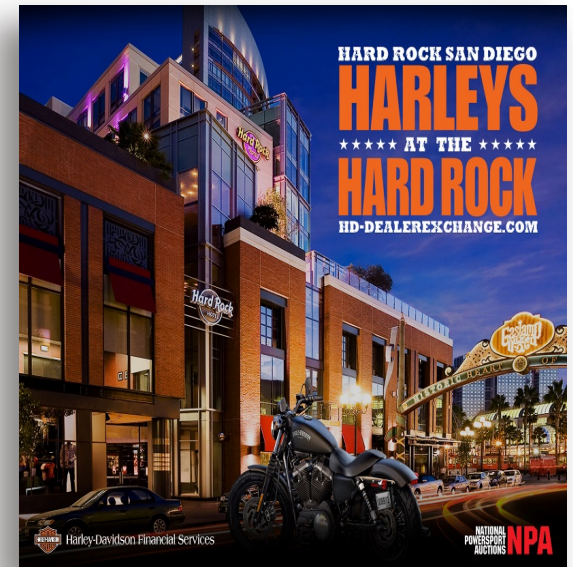
More Robust Vehicle ACV Appraisal Process

NPA Value Guide™ Usage

The Front Lines

Dealers Selling More Pre-Owned Units

Dealers Feel They Don't Have Enough Pre-Owned Inventory



EXPECTATIONS FOR 2015

Stable Wholesale Pricing

Continued Strength in Off-Road
Mild Recovery in Domestic Cruiser
Softer, Broader Spring Peak

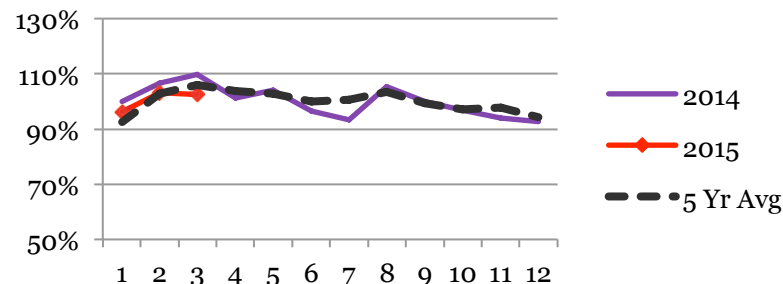
Modest Volume Increases

Gradual Recovery of Repo Volumes
Sellers Becoming Buyers

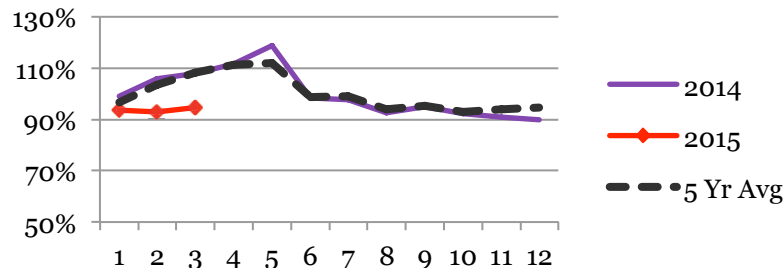
Similar Product Mix

Domestic will Remain Dominant
Off-Road will Remain Light

Seasonal ASP
Sport



Seasonal ASP
Cruiser-Metric



THANK YOU!

Pre-Owned Wholesale Market Trends

Presented by: Jim Woodruff

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GRAND PRIX D'EUROPE

DE LA FÉDÉRATION INTERNATIONALE DES CLUBS MOTOCYCLISTES



Where's the Owner's Manual?

Turning Lookers into Buyers

MMPSC

Mark Mooney Powersports Consulting
mooneypowersportsconsulting@gmail.com



One of the biggest challenges we face is keeping vehicle sales consistent, and consistently profitable.

Where do we start?



One of the biggest challenges we face is keeping vehicle sales consistent, and consistently profitable.

Where do we start?

We start with a sales process.



Now think, Harris, what did the sales department do different that day?



If you don't ask,
you're not going to
get.

*Sad but true, sales
folks don't ask for the
sale as much as we
believe they do.*



If you don't ask,
you're not going to
get.

*Sad but true, sales
folks don't ask for the
sale as much as we
believe they do.*

*Dealers who ask for
the sale at least 70%
of the time are **+34%**
retails over dealers
who don't.**

***Pied Piper Industry Study**



Consistency in presentation.

Inconsistent sales presentations are like part-time employees. They only work part of the time.



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Inconsistent sales presentations are like part-time employees. They only work part of the time.

*Dealers who offer brochures at least 75% of the time are **+13%** retails over dealers who don't.**

***Pied Piper Industry Study**

Consistency in presentation.

Inconsistent sales presentations are like part-time employees. They only work part of the time.

*Dealers who offer brochures at least 75% of the time are **+13%** retails over dealers who don't.**

*Dealers who provide compelling reasons to buy from the dealership at least 70% of the time are **+15%** retails over dealers who don't.**


***Pied Piper Industry Study**





If you're going to
be selling, you have
to be telling.

*When a customer
starts doing what you
ask them to do, it's far
easier to get a yes
when you ask for the
sale.*



If you're going to
be selling, you have
to be telling.

*When a customer starts doing
what you ask them to do, it's
far easier to get a yes when
you ask for the sale.*

*Dealers who encourage
customers to sit on a
motorcycle at least 70% of the
time are **+31%** retails over
dealers who don't.**

*Pied Piper Industry Study

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Offer a test ride.

*“Take it for a spin” is
a hard offer to refuse
when you’re chomping
at the bit for what
you’re sitting on.*





Offer a test ride.

“Take it for a spin” is a hard offer to refuse when you’re chomping at the bit for what you’re sitting on.

*Dealers who offer test rides at least 50% of the time are **+44%** retails over dealers who don’t.**

**Get contact
information.**

*The more you ask, the
more you get.*





Get contact information.
The more you ask, the more you get.

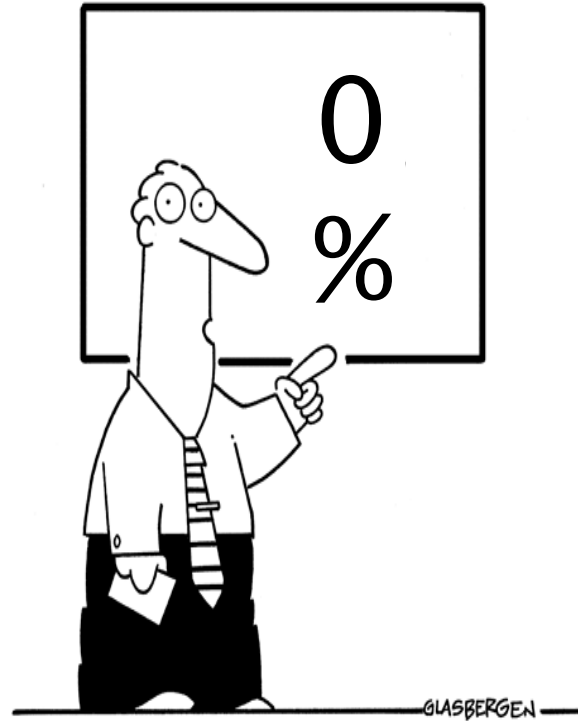
*Dealers who ask for contact information at least 75% of the time are **+20%** retails over dealers who don't.**

And then you've got to follow up!

***Pied Piper Industry Study**

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Lackluster Motorsports, Inc.



“Our study concludes that this is the percentage of customers who we have found will buy from us without any effort whatsoever on our part.”

GRAND PRIX D'EUROPE

DE LA FÉDÉRATION INTERNATIONALE DES CLUBS MOTOCYCLISTES



Where's the Owner's Manual?

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MMPSC

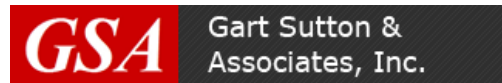
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INCREASING SERVICE SALES

by

Steve Jones

Sr. Projects Manager



The industry's #1 authority on dealer profitability!

BASIC FACTS

Surveys prove:

1. The average customer buys 7 motorcycles over their enthusiast life-cycle.
 2. Service has a huge influence on future sales
- There is a lot of truth to the old saying:
“Sales sells the first bike, but service sells the next.”

The Service Writer's role is critical!

Do you...

- Provide sales training for your service writers?
- Try to sell installation with most accessory items sold by the P&A department?
- Have clothing and accessories displayed in your service reception area?



Do you...

- Have technician diplomas posted in the reception area to build value for your service department and justify your labor rate?



EST. 1987 Ft. Smith, AR

Protect Your New Investment With Our PRIORITY MAINTENANCE SERVICE PLAN

<p>For Qualifying New Units Up To 3 Years Scheduled Maintenance! Pays Parts, Labor & Tax For Up To 6 Services With Zero Deductible! PLUS Up To 3 Years TOTAL Warranty Protection At No Additional Charge! Motorcycles, ATV's & Utility Vehicles = 36 Months</p>	<p>For Qualifying Pre-Owned Units Up To 2 Years Scheduled Maintenance! Pays Parts, Labor & Tax For Up To 4 Services With Zero Deductible! PLUS Up To 2 Years TOTAL Warranty Protection At No Additional Charge! Motorcycles, ATV's & Utility Vehicles = 24 Months</p>
<p>Additional \$200 Trade-In Allowance On Next Purchase</p> <p>10% Discount On Parts & Accessories (Excluding Sale Items)</p>	<p>48 HOUR TURNAROUND Paid Towing Within 20 Mile Radius <small>If Problem Is Warranty Related & Unit Is Not Drivable</small></p> <p>Fully Transferrable</p>
<p>Paid Insurance Deductible Up To \$250</p> <p>Personalized Pit Pass Card !!!</p>	

OUR PROGRAM NOT ONLY EMPHASIZES OUR SUPERIOR SERVICE,
 BUT ALSO GUARANTEES YOUR MACHINE WILL BE MAINTAINED CORRECTLY DURING IT'S LIFETIME.

★ **YOU WILL RECEIVE TOMORROWS WORK AT TODAYS DISCOUNTED PRICES** ★



Do you...

- Use a Reception Checklist to maximize add-on sales opportunities?

MC/ATV/UTV SERVICE RECEPTION CHECKLIST

✓	ITEM CHECKED	COMMENTS
	Overall Paint/Decals/Plastic	
	Visible Cosmetic Damages	
	Visible Crash Damages	
	Fenders/Body Plastic/Seat	
	Windshield/Fairing/Cab	
	Frame/Racks/Luggage	
	Handlebars/Gauges	
	Throttle/Throttle Cable	
	Hand Brake (Master Cyl./Hose/Cable/Lever, etc.)	
	Wires and Switches	
	Lights/Signals	
	Steering Components (Steering Post/Linkage, etc.)	
	Suspension Components (Shocks/Forks/Springs/A-Arms, etc.)	
	Tires/Wheels	
	Wheel Bearings	
	Swing Arm/Driveshaft	
	Final Drive Components	
	Foot Brake (Master Cyl./Hose/Cable/Pedal, etc.)	
	Visible Leaks	
	Fluid Levels	
	Radiator/Oil Cooler/Hoses	
	Fuel Tank/Fuel Line/Filter	
	Battery/Wire Harness	
	Starting	
	Running	
	Transmission/Clutch	
	Other (specify)	

THANK YOU!

See you at AIMExpo!!

- For additional information about on-site training and consulting, management workshops or dealer 20-groups, contact:

Steve@gartsutton.com

Thanks for attending!

McGraw Powersports will be sponsoring two more webinars in June and Sept. as we build up to the Powering Profits track at the Powersports Business Institute @ AIMExpo in Orlando, Oct. 15-18.

Like what you heard today? Plan now to attend AIMExpo and join us at the PSB Institute for more content aimed at helping you grow your business.

Register today at
www.aimexpousa.com



Gart Sutton presenting at the 2014 Powering Profits track sponsored by McGraw Powersports at the PSBI@AIMExpo in Orlando.

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