

DAVE GROSS



FIND THE POSITIVITY WITH YOUR TEAM

There are so many reports about decreased sales, manufacturer layoffs and facilities not working at full capacity. Dealer sales are decreasing, and they are wondering where the next sale is going to come from. Manufacturers are wanting dealers to order more inventory. Dealers are concerned about their own inventory levels, and everyone is bracing for what happens next. Where did the good years go and how did it all change so quickly?

Recently, I was in Europe visiting with equipment dealers and manufacturers. They wanted to know about the condition of the U.S. agriculture economy and the equipment market, how big farms were, current commodity prices and what challenges were there. In the discussions, I answered what I could and then flipped the question to learn what their concerns were. Their list included staffing and training, margins, absorption ratios, profitability, inventory levels and dealership consolidation. I couldn't believe it because it is the same thing that I hear in North America.

One of the greatest insights from the trip came from a visit to a dealer. Franz, the sales manager, talked about how a long-time customer was dealing on a new tractor. He explained to me the customer has purchased all of his equipment from the dealership, except a few pieces of equipment the dealership did not carry. I couldn't help but think "talk about customer loyalty."

Franz explained they needed this deal and the farmer was shopping everywhere. All of the competition was quoting prices, and Franz couldn't believe it. The conversation turned to the skills of the salesman, margins guidelines required

by ownership, manufacturer discounts and then to the customer. By then, his frustrations were put on display.

In the first 20 minutes of meeting him, Franz's tone and demeanor changed. The conversation got loud and frustrations were relayed quite visibly. I was pretty taken aback. This whole conversation was negative and destructive.

Looking around, I could see the fear in the eyes of personnel of the dealership. I asked what the plan was. Franz didn't know. He mumbled something about making sure they sell a tractor.

I asked why the customer wanted a new tractor. "Because he wants one, that's why!" Franz responded.

Okay, now I agree the premise to sell the client what he asked for, so I decided to ask the first question but differently: "Why should he buy from here?" Franz looked at me like I had a horn growing out of the middle of my forehead.

"The last three generations of that farm bought equipment from here," Franz said. "And they are my friends."

I was getting more confused. I subscribe to the belief that when a salesman or dealership thinks they "own" a customer, they deserve to lose them. People tend to get lax with long-term customers. You need to work with every customer like they are brand new to the dealership and it is the first sale—it needs to be earned. Just because a sales person and customer are friends doesn't mean they do business. Those are two separate issues.

It was time to get to the bottom of this situation, so I asked more questions: "Alright, I understand the customer wants a new tractor. Is it the right one for him?"

"Of course it is the right tractor for him," was Franz's extremely loud response. "It has everything he has asked for." Looking around the dealership, I could see the staff take cover where they could. I asked, "Alright, Franz, but is that what he needs?"

Now it was Franz that was confused. I continued: "You told me that it's the right tractor because that is what he wants. You say all the competitors are quoting, but is this what he needs?" We discussed consultative selling, looking at the client's entire equipment inventory and assessing what the real needs are.

It turned out that the competition was doing an exceptional job in finding out the customer needs and had given Franz's dealership the option list.

As our conversation went on, we also discussed attitude and what it means to the customer and the staff. The positive attitude of the managers is important, and they need to relay that concept to the rest of the team.

In an industry that is notorious for price objections, there are always pressures to bring the price down. In tough times, the problem is that there is always pressure to bring the price down. When times are good, it doesn't take a lot to complete the sale. Sales managers need to develop their sale team so everyone is ready to find positive growth even in a down market.

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