

ShopTalk

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OCTOBER 2018

ATI Automotive
Training Institute
DRIVING PROFITS & DREAMS HOME

UPCOMING CLASSES

October

- 3, 4, 5 Shop Owners Course Part 1 - Aligning Your Shop For Profit
- 3, 4, 5 Collision Owners Course Part 1 - Keys to a Successful Collision Repair Business
- 4, 5 California Service Advisor Course Part 1 - The Role of the Service Advisor
- 8, 9 Service Advisor Course Part 2 - ATI's 7 Step Process
- 10, 11, 12 Shop Owner Course Part 3 - A.B.M. Always Be Marketing
- 10, 11, 12 Collision Owners Course Part 3 - A.B.M. Always Be Marketing
- 11, 12 Service Manager Course
- 15, 16 Service Advisor Advanced Sales
- 17, 18, 19 Shop Owners Course Part 5 - Succession Planning
- 17, 18, 19 Collision Owners Course Part 5 - Succession Planning
- 22, 23 Service Advisor Part 1 - The Role of the Service Advisor

November

- 5, 6 Service Advisor Course Part 2 - ATI's 7 Step Process
- 7, 8, 9 Shop Owners Course Part 1 - Aligning Your Shop For Profit
- 7, 8, 9 Collision Owners Course Part 1 - Keys to a Successful Collision Repair Business
- 8, 9 California Service Advisor Course Part 2 - ATI's 7 Step Process
- 12, 13 Service Advisor Advanced Sales
- 14, 15, 16 Shop Owner Course Part 3 - A.B.M. Always Be Marketing
- 14, 15, 16 Collision Owners Course Part 3 - A.B.M. Always Be Marketing
- 19, 20 Collision Repair Estimating and Sales Course Part 1
- 19, 20 Service Advisor Part 1 - The Role of the Service Advisor
- 26, 27 Shop Owner Course Part 4 - Staffing and Hiring
- 26, 27 Collision Owners Course Part 4 - Staffing and Hiring

December

- 3, 4 Service Advisor Course Part 2 - ATI's 7 Step Process
- 3, 4 Collision Repair Estimating and Sales Course Part 2
- 5, 6, 7 Shop Owners Course Part 1 - Aligning Your Shop For Profit
- 5, 6, 7 Collision Owners Course Part 1 - Keys to a Successful Collision Repair Business
- 12, 13, 14 Shop Owners Course Part 5 - Succession Planning
- 12, 13, 14 Collision Owners Course Part 5 - Succession Planning



Overcoming the Uncertainty of the Automotive Car Industry

Eric M. Twiggs, ATI Coach

"Failure is not fatal, but failure to change might be." John Wooden

What's the future of the automotive service industry? As I ponder this common question, I'm reminded of the **talent of two CEOs** from another industry. Allow me to introduce you to **Reed and John**. Reed was the founder of a small niche business that was losing money. John was the CEO of an established Fortune 500 organization.

John was the top dog, the eight-hundred-pound gorilla, and any other metaphor you would use to describe the top player in a market. One day, Reed approached John with an interesting proposal.

He offered to sell John his fledgling company for \$50 million dollars, with him staying on to lead his part of the organization. John and his executive team listened intently to the proposal and took copious notes.

After much deliberation, they proceeded to **laugh Reed right out of the room!** After all, **why would John need to change**, when he was already at the top of his industry?

Let's fast forward a few years. **Reed Hastings's** "fledgling company" **Netflix** is now worth \$32 billion dollars, while **John Antioco's Blockbuster Video** is now out of business.

Many business experts have attributed the demise of **Blockbuster Video**, **Borders Bookstore**, and the **Blackberry Smartphone**, to the advances in technology.

I disagree. **The talent of two CEOs teaches us that the failure to change is the fatal flaw.** *Advancing technology creates uncertainty*, but Netflix **has managed to overcome the uncertainty in the entertainment industry.**

I know what you're thinking: *"Great story, Twiggs, but my industry is different. Cars don't break down like they used to, and they don't require as much maintenance."* Well, stay with me to learn the **two changes you need to make to overcome the uncertainty in the automotive industry:**

Change Your Perspective

Before starting Netflix, Reed Hastings was a customer of Blockbuster Video. He liked the idea of visiting the video store on the weekends to rent a movie. What he didn't like was having to pay the late fees for returning a movie after the due date. His pain reached its peak when he had to pay over \$300 in additional fees after returning a set of movies that he had misplaced.

The thought of having to explain the additional expense to his wife, left him a feeling of anxiety. This **pain** inspired him to create Netflix, where the customer can rent a video without having to worry about late fees. Netflix exists today because **he saw the problem from the perspective of the customer.**

Put yourself in your customer's shoes. What is it about having her car serviced that makes her anxious? Is it price? Then show her the **Edmunds.com true cost to own** page that itemizes all of the expenses involved with purchasing a new car. A minor investment in

maintenance trumps the major expense of a new vehicle.

Is it trust? Then show her the pictures of what you found during the inspection. Data from AutoVitals confirms that **the most trusted shops in the ATI Program take and send inspection pictures to at least 80 percent of their customers per week.** Reed would agree that changing your perspective can change your bottom line.



Change Your Pay Philosophy

In keeping with the entertainment industry theme, I'm reminded of a recent interview I saw with actor/director **Denzel Washington**. The movie he directed, "Fences," was nominated for an Academy Award for Best Picture.

The reporter asked what made him successful as a director. His response applies to the automotive as well as the entertainment industry. He said: **"80 percent of directing is casting."**

Do you have an award-winning cast of **"A list"** service managers and technicians? Thanks to Amazon, eBay, and internet technology, customers don't have to interact with a human to get the product or service they want.

Employing better people, with a track record of delivering "wow" experiences, is more important now than ever. The need for better people may require you to **change your pay philosophy.**

Many of the top performing shops in the program have increased their labor rates, in an effort to afford better people. They are also offering medical, dental, vision, and retirement benefits. Again, I know what you're thinking: "But Eric, I can't afford to pay more."

I would challenge you to reconsider by asking the following question: **How much business would having no person or the wrong person in a key role cost you?** Chances are, it would work out to be more than the additional \$3 per hour that you would invest in an "A" player."

So, there you have it. Blockbuster, Borders, and the Blackberry would still be around if they had been more receptive to change.

It's unlikely that John Antioco will ever become a Netflix customer. **If you are willing to change your perspective and change your pay philosophy, it's likely that you will overcome the uncertainty of the auto industry!**

Do you know an "A" player when you see one?
Email etwiggs@autotraining.net to receive your "A" Player Identification Checklist.



SUMMARY

Veterans Day Is Around the Corner!

by Kim Hickey, ATI Coach



Email blast, Tweet, Facebook, Google +, etc. — a promo for veterans and active duty. You could limit the promotion to one day only or for the week.

Possible ideas:

- ★ A discount off repairs and/or maintenance
- ★ Complimentary oil service
- ★ Free gift: call your vendors and ask them for tchotchkes you can give away (like hats, screwdrivers, tire pressure gauges, die cast cars, etc.)
- ★ Free wiper blades

- ★ You could donate a percent or dollar amount of their ticket to the veteran charity of their choice
- ★ You could partner with a local restaurant, car wash, movie theatre, or any type business and get free or discounted gift cards from them to give away
- ★ My local Harley-Davidson dealer is offering double reward points for their Veteran Appreciation Day promotion. For those of you with Royalty Rewards, LIFT Network, or any other reward systems, this is another option you could take advantage of. Here are some links about Veterans Day. Many people confuse the sentiment of Veterans and Memorial Day:

http://www.va.gov/opa/vetsday/vetday_faq.asp

<http://www.va.gov/opa/vetsday/vetdayhistory.asp>

I have included a couple of photos of the Thank You gifts that Cadillac Specialists give out and one of the Harley dealer's promotions.

Here is a sample of something Murphy's Autocare and Tire has sent out with good results. Another way of limiting the promotion without setting a number per day is by saying "While appointments are available."

MURPHY'S AUTOCARE

FREE OIL CHANGE SPECIAL

Dear RANDY,

To show our appreciation to those active duty military and veterans, who ensure our freedom in this great country everyday. Murphy's Autocare is offering a **FREE OIL CHANGE** to the first ten active duty or veterans who schedule each day for Thursday, Friday and Saturday of this week. It's our way of saying **THANK YOU !!**

CALL US OR USE THE SCHEDULE BUTTON BELOW

FREE Standard Oil Change
Service includes lube, oil and filter for most vehicles.
Offer expires: 11/10/2012
* Some restrictions apply

*Existing customers only
* One free service per household/family

Take advantage of this limited time oil change promotion.

Request Appointment

Thank you for YOUR SERVICE TO OUR COUNTRY and being a valued customer. Please give us a call if you have any questions or if we can be of any assistance whatsoever.

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DRIVING CHANGE
ATI

Available on **Podbean**

Hear shop owners talk about their AH-HA moments and tell their stories of change. Introducing the latest ATI innovation "Driving Change." This is a podcast we created to improve our members' experience and further assist with their growth. Each week I will be interviewing a client about something they are passionate about. We have a great start with several clients that have already stepped up and shared their stories. Will you be next? What wisdom and experience do you have to share? If you have a burning desire, and a great story to tell (and I know you do), we want you on the program. Please email me at: podcast@autotraining.net to set up your personal interview.

Please go to <http://drivingchangeatati.podbean.com/> to listen to the podcasts already there. Be sure to download the app and subscribe so you will be notified when new podcasts are added. Don't forget to leave a comment if you liked it. Share it with a fellow shop owner or just a friend.

Sam's Corner

The ATI Way

Fundamental #5: Be performance-driven

We appreciate effort, but we reward and celebrate results. Set challenging goals, and then go after them. Don't shy away from metrics or accountability. Numbers are the best tool we have to help us understand how we're doing and how we can improve our performance. Holding ourselves accountable for results is a reflection of our commitment to our mission.

—From Bobby Poist, ATI Coach

Being performance-driven is about a culture! A winning culture to be exact. A culture designed around the key assets that create success! You are that key asset! The more time you spend sharpening your saw and perfecting your craft the more performance-driven you will become. Each step you take can lift you to new heights or derail your progress. Being performance-driven programs your mind to look at things on a different level. What level of success am I at right now, versus what mindset do I need to achieve my goals? Our company is successful because we follow that culture. We invest the time and energy into innovations for our growth. We have meetings that tell us the financial health of our business. Our leaders keep us informed, which allows us to share in the positives and negatives that drive our culture. We win as a team and we lose as a team. The more we can help each other the stronger we become.

We create greatness every day! We help people by teaching them how to be driven and measure their performance. We put strong processes in place to inspire consistency and growth. We make telephone calls to strangers without knowing what to expect when they answer. We go into conversations not knowing where they're going to lead, yet have the confidence to know we're going to promote a positive outcome. We are performance-driven!

I once heard a quote "If you think you can't, you're right! If you think you can, you're right too!"

How you program your mind, and how you help others program theirs is what I believe it means to be performance-driven!



Daylight Savings Time by Kim Hickey, ATI Coach



November marketing Idea! Offer to change your customers' clocks. Here is a sample email blast you can send:

Dear (Customer),
It is that time of year again and in a few days we will be setting our clocks back one hour on Saturday night November XX before we go to sleep. While I am excited for the extra hour I get to sleep that day I hate that I have to reset all those clocks. I have a lot of clocks and this can be quite a chore. If you're like me the one in my car is the most complicated of all. This year I decided this should be our responsibility and we are going to take care of this for you. When you have the time, or maybe at your next service, just bring your car by the shop and we will be happy to reset the clock for you. (Please have your vehicle owner's manual with you) It's as simple as that.

Thank you for continuing to make us your only choice in auto service!

See you soon,
(Shop Owner)

(P.S. If you have any friends that need assistance setting their vehicle clocks, please send them our way and tell them to mention you sent them. We will be happy to assist them as well.



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Questions: Contact Amy Fox at 301-575-9111 or afox@autotraining.net