## How to Sell the Road Hazard Warranty – Guaranteed!

As a shop looking to maximize your road hazard profits, you might be wondering how to best sell the Road Hazard Plan with new tires. This document outlines a process that is GUARANTEED TO INCREASE YOUR ROAD HAZARD PLAN SALES!

The two most important steps to selling the Road Hazard Plan on <u>75% or more</u> of your new tires are:

- 1. Use Menu Pricing include the price of the Road Hazard Plan with the first in-store quote on the price of the tires.
- 2. Assume the Sale

If you simply follow these two steps your Road Hazard Plan sales will improve dramatically!

**Menu Pricing** – The most common error in selling the Road Hazard Plan is using <u>itemized pricing</u>. Do not over-explain, over-analyze or over-emphasize your pricing. We'll give you a quick example:

"Mr. Smith, I've got a set of Super Grip EX Radials for your car. The tires are \$72.00 each. The valve stems are \$4.00 each. \$8.00 a wheel for balancing and the Road Hazard Plan is an additional \$10.00 each and then there's the disposal fee of \$2.00 for each old tire plus \$4.00 per wheel for mounting." Then there's Federal Excise Tax of \$1.23 per tire and sales tax of \$21.77.

Does this sound familiar? Let's talk to Mr. Smith again and see which presentation would sell a set of tires with the Road Hazard Plan.

"Good Morning Mr. Smith, I have your set of Super Grip EX Radials ready to install. We're going to remove the old tires and dispose of them for you, install the new tires with new valve stems, we'll use our high-speed computer spin balancer to make sure you get the smooth ride you expect. We'll also hand torque each wheel to manufacturer's specifications. Of course, the new tires will come with our comprehensive Nationwide Road Hazard Plan. Best of all, we'll have it ready for you by lunch time, all for just \$450.00."

Which set of tires would you be more inclined to buy? Which presentation better promotes the purchase of the Road Hazard Plan? By the way, if you did the math, the second set of tires was about \$25.00 more, but did it hurt the sales presentation? You'll notice price was mentioned only one time. This is actually an example of something we call **Menu Pricing**.



Remember to keep it simple. Present <u>one price</u> for the entire tire sale including Road Hazard Plan, sales tax, mounting, balancing, disposal and anything else that you may need to include. Experience shows that **75%** of consumers will purchase a road hazard program when presented in this manner!

Assume the Sale! The Assumptive Close — Going hand-in-hand with Menu Pricing in selling Road Hazard Plan is the "Assumptive Close". The close works especially well in selling road hazard programs (Road Hazard Plan). Simply put, with <u>assuming</u> the sale there is no need to directly ask for the sale. The idea is to take the customer beyond the buying decision to a decision that occurs after the sale is concluded. Again, here's our example:

"Mr. Smith, we have your set of Super Grip EX Radials available today. We're going to remove the old tires and dispose of them for you, install the new tires with new valve stems, we'll use our high-speed computer spin balancer to make sure you get the smooth ride you expect. We'll also hand torque each wheel to manufacturer's specifications. Of course, the new tires will come with our excellent Nationwide Road Hazard Plan. And we'll have it ready for you by 5 pm. all for just \$450.00."

You'll notice at no point was he asked if he wanted to purchase the Road Hazard Plan. The only decision he needed to make was when to pick up his car.

You can achieve the same results in dozens of different ways. "Would you like wait for your vehicle or pick it up this afternoon?" "Will you need a ride home?" Use any question that presents the sale as a completed decision and the question of convenience or time is the only remaining unfinished business.

Never be deceptive. Carefully explain the features and benefits, answer any questions the customer has. If, after hearing all of the benefits of the Road Hazard Plan, the customer still does not want it – simply remove it.

Don't be intimidated about stating the price. Customers can sense hesitation and their trust will slip if you hesitate. When you provide excellent products and service, you provide value, which is what they feel good about when they make a purchase.

By far, the most important procedures in selling the Road Hazard Plan are Menu Pricing and Assuming the Sale, but here are a few other tips that also help promote sales.

The "Uniting Against a Common Enemy" (or the "Third Party") Close -

Uniting Against a Common Enemy or the Third Party close can be equally effective in <u>overcoming objections</u>. It is a way of communicating to the customer that you're on their side.



Typically, the common enemy is another entity or person. If you've ever purchased a new car from a dealership, you've been on the receiving end of this particular close.

Remember when the salesman kept getting up to check with the evil sales manager? He'd comeback with his head hung low and you'd up your offer a little until you and your new

best friend finally were able to overcome the objections of Satan-in-a-three-piece-suit.

In this business, it's a <u>big mistake</u> to make any member of your organization the "bad guy", but the theory is still valid. You'll just need to find a different common enemy.

Try a statement like,



"Today's roads and highways are in pretty bad shape and can eat up tires; it's unfortunate that these roads are is such poor condition, but we still have to drive on them."

The "common enemy" in this case is the <u>condition</u> of the road itself or some politician (who probably deserves to be pummeled anyway).

This close is an example of a <u>soft sales</u> technique. Customers are more sophisticated and have grown more and more resistant to hard sell or high-pressure tactics.

Show-and-Tell — One of the most effective methods of selling is "show-and-tell." Adding <u>visual</u> and <u>tactile</u> components to the sale makes it far easier for the customer to understand exactly what you're talking about.

Make a tire display that shows the customer a tire with a bolt sticking out of the sidewall or nails and screws buried in the tread. If the customer can see the road hazard, they'll have a much better idea of what you're talking about.

Understand Road Hazard Plan – Learn all you can about the Road Hazard Plan program so you feel comfortable talking about it and selling it. Study the Road Hazard Plan Registration Certificate. If you do not fully understand the program you are always welcome to call the Program Administrator toll free at 888-268-4888.

**Be Prepared** – It works for the Boy Scouts – it will work for you! Every time you can't answer a question promptly, your percentage of successful sales decrease dramatically. Know all of the Road Hazard Plan features and how they will benefit your customer.

Believe in the Road Hazard Plan Program – Confidence is everything.
Obviously, you never want to sell unneeded services. The Road Hazard Plan will benefit every customer that purchases tires from you. Just think, they receive tire replacement, free flat repair, and flat tire changing reimbursement – Nationwide!

Every sale should be a win-win scenario. Resolve your doubts and concerns. There is a good chance that the customer has the same concerns, and you'll be better equipped to resolve them.

In closing, remember the keys to selling the Road Hazard Plan are:

- **1. Use Menu Pricing** include the price of Road Hazard Plan with the first in-store quote on the price of the tires.
- 2. Assume the Sale

The results will be Road Hazard Plan sales success – GUARANTEED!

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