

■ ■ ■ ■ Closing Percentages: Where Do You Rank?
■ ■ ■ ■ A COMPREHENSIVE TIRE INDUSTRY STUDY
REPORT TWO: INDIVIDUAL TIRE DEALERS



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STUDY OVERVIEW

TIRE INDUSTRY REPORT TWO



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THE DATA VOID

WHAT YOU DON'T KNOW... YOU DON'T KNOW



In 1997, while working with The Sullivan Group, our team put together the Procure acquisition outlined in the first report of this series on Closing percentages. Back then it became very clear that, in many ways, those in the industry were literally flying blind. At that time, we collected traditional data, financial data, productivity data. A typical KPI report being one example.

KPI REPORT

	9-Aug	16-Aug	24-Aug	August	6-Sep	13-Sep	YTD
101 - Toledo							
Site #	66807	66807	66807	66807	66807	66807	YTD
Total Sales \$	21980	33682	53647	74052	10076	30170	493276
No of Employee (FTE's)	8.5	8.2	7.7	8.9	8.9	8.1	6.9
Avg Sales per Employee	8727	7922	9406	8321	6793	8939	8582
Number of Work Orders	124	209	297	396	60	147	3499
Average Daily Car Count	15.5	14.9	14.9	14.7	15	14.7	16.2
Average Repair Order \$	177	161	181	187	168	205	141
Parts Sales \$	10350	15728	25433	34623	4166	14953	244643
Cost of Parts \$	4504	6952	11321	15203	2039	7159	110464
Parts Gross Profit \$	5845	8777	14112	19419	2127	7794	134179
Parts Gross Profit %	56.5	55.8	55.5	56.1	51.1	52.1	54.9
Labor Sales \$	11630	17954	28213	39430	5909	15217	248633
Labor Cost \$	8446	14012	20234	27767	5711	12991	189898
Labor Gross Profit \$	3184	3941	7980	11663	199	2226	58735
Labor Gross Profit %	27.4	22	28.3	29.6	3.4	14.6	23.6
Labor Hours Worked	236.4	431.9	592.4	894.5	109.1	264.3	4998.9
Labor Hours Billed	165.3	257.1	393.6	607	84.4	210.2	3605.7
Tech Productivity %	69.9	59.5	66.4	67.9	77.4	79.5	72.1
Adj Gross Profit \$	9029	12718	22092	31082	2326	10020	192914
Adj Gross Profit %	41.1	37.8	41.2	42	23.1	33.2	39.1
Adj Gross Profit \$ Goal	27339	27339	27339	27339	24300	24300	232717
Projected AGP% of Goal	111.5	89.7	109.1	113.7	57.4	99	82.9
Projected Revenue	74181	64958	72423	74052	60454	72408	535514
00 Revenue	61195	61195	61195	61195	51112	51112	517959
% of 00	121.2	106.1	118.3	121	118.3	141.7	103.4

As is shown, everything was measured but one key piece of information: accurate appointment closing percentages. At that time, 20 years ago, it was not possible to calculate this critical piece of data; accurate appointment closing percentages just could not be measured. As a result, the implications have never been focused on. Until Now.

WHY UNDERSTANDING BATTING AVERAGES IS CRITICAL

It is useful to adopt a sports analogy to drive home the importance of understanding the “batting averages” of stores and staff. When it came to making appointments, sales performance is tied

to one's "batting average". What sport doesn't quantify 'attempts' vs. 'results'? Baseball would not be nearly as interesting if we didn't have batting average statistics. But, stats do more than make the game interesting; they inform on how to improve performance. What for instance, is one's batting average in night games vs. day games? How about righty vs. lefty? How about fast ball vs. slider? What is one's batting average against Nolan Ryan or Doc Gooden? What is one's batting average with men in scoring position? The data tells a compelling story if you know how to interpret it. And, good coaches use it to provide support for their team. If batting average stats in the sport of baseball is considered "mission critical", then phone closing percentages are the mission critical "batting average stat" in the sport of tire sales.

Tire Industry Impact:

The Tire Manufacturers Shifting Business Model and its impact on the Tire Industry and this Study.

An integral part of the tire manufacturers' business model has always been to provide product and sales training to the tire industry/dealers. An example of which include "5 Steps To A Tire Sale", and other well know course options. However there is a noticeable shift from this approach; studies show they have all but thrown in the towel. Tire manufacturers are now selling directly to the consumer, bypassing tire dealers altogether. As a result, they have virtually stopped trying to teach how to sell more tires. The consensus is that they "can't teach how to sell in an effective manner," so they've adopted an alternative model. This shift is symptomatic of the types of results the tire industry faces when the lack critical closing percentage data is missing.



ESTABLISHING A BASELINE

RESEARCH DISTINCTIONS & METHODOLOGY

This report, the second in the series, is devoted to the tire dealer. The first report reflected the industry as a whole; this document looks to study, analyze, and report on closing percentage statistics from the perspective of dealers. It will sample varying degrees of involvement, from beginning participants in the “assessment” phase (Company A), to veteran participants whom have been collecting data for multiple years (Company B).

RESEARCH METHODOLOGY & DISTINCTIONS

The first step is to find out where we are. What’s the starting point for the journey? It is not possible to tell from looking at normal KPI reports how effective sales staff is at making appointments, or determine how many are slipping through the cracks. This study hopes to address the importance of capturing this critical information.

Research Methodology

Multiple studies have shown that a huge percentage of the sales opportunities arrive by phone. In light of this, we have utilized a state-of-the-art platform to route both incoming and outgoing phone calls as the methodology developed to record, calculate, and report on sales opportunities and closing percentage statistics. To ensure accuracy, our research design incorporates strict controls for extraneous variables innate to the set of circumstances involved in this study. Criteria for standardizing definitions/terminology has been accommodated for, and a comprehensive and extensive training protocol has been developed to ensure inter-rater reliability, including methodology used to eliminate tagger bias. This design ensures the accuracy and validity of the data presented. The results are eye opening and points to new possibilities for growth, profits, and employee development.

Sales Conversation Distinctions

To ensure statistical accuracy, it is important to draw distinctions as to the quantity and types of sales conversations, as they are not all equal. Previous studies show that there are about 100 different types of conversations that occur in a tire store on a monthly basis. Of those, only a small number are what this study describes as “mission critical” recurrent sale conversations. Mission critical is defined as those conversations that happen day in and day out throughout the company and to which the business depends on to be successful. Defining and identifying these 5 mission critical conversations allow for the tire dealer to quickly access conversations that need improvement. In turn, this improvement in the sales conversations profoundly impacts the bottom line.

Communication Distinctions - The Language that Generates Revenue

This study strives to correlate the importance of individual tire dealership statistical knowledge with the understanding and quality of the “conversation” within the dealership/consumer relationship. As such, it is important to understand the distinctions innate in the Language of Commitment that should be considered when reviewing the data:

- Commerce is only produced when people exchange commitments first;
- Commitments exist in time. That is, a promise to install tires without a time element such as at 2:00 PM today is not a promise at all;
- Commitments are exchanged when people communicate;

- Communication includes, speaking, writing, texting, moving, generating energy, listening, and thinking or self talk.
- Who is making or causing the commitments? The customer or your sales person?

As you will see in the following study subjects' data, the average tire sales person does not make the necessary moves to generate commitments in the future. Data indicates that generating commitments is the key POWER MOVE in sales.

STUDY SUBJECTS

Company A

Six-location, fairly typical auto repair and tire business in a major market. Total revenue of about 24 million. Management and staff have not had any Language of Commitment/Power Training at this point.

Company B

Three-location, fairly typical auto repair and tire business in a rural market, whose location in "oil country" has been adversely affected by the slowdown of the local economy. Total revenue of about 10 million. Management and staff have had extensive Language of Commitment/Power Training.

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ANALYSIS: COMPANY A

UNDERSTANDING WHAT DRIVES SALES

COMPANY A

The scope of the study of Company A involved 523 calls, listened to and tagged to assess the types of opportunities coming into the business. It is important to keep in mind that this data reflects the initial purpose of the call only; that is to say, it is what the customer was initially calling about. (Or, as indicated below, the fact that they called but hung up for some reason). The data in the Initial Dispositions chart below is not an indication of closing percentage data, as a call's disposition can change as the conversation evolves. For example, a caller may initially be calling about what they think is a customer service issue, only to have it morph into a sales opportunity. Or, they may ask about tires, then get placed on hold for so long that they hang up. Understanding the types of calls that arrive every day illustrates that, of all the calls coming into the business daily, there are only a handful of mission critical calls.

CALLS BY INITIAL DISPOSITION

DISPOSITION	TOTAL
Hang Up	192
Customer Service Opportunity	88
Retail Tire Price Request	79
Vendor Business Call	25
Robo Call	25
Service Price Request	22
Roadside Price Request	14
Flat Repair Price Request	13
Wrong Number	12
Personal Call	8
Direction/Hours	6
Alignment Price Request	6
LOF Price Request	5
Used Tire Price Request	5
Commercial Tire Price Request	4
Tire Rotation/Balance Price Request	4
Brake Price Request	4
Wholesale Tire Price Request	3
Battery Price Request	2
A/C Price Request	2
Dealer Request	2
Struts/Shocks Price Request	2

ANALYSIS

HANG-UPS

Hang-ups represented a startling 37% percent of calls. In the course of the data collected, several types of hang ups were identified. It is important to note that an analysis of the data has revealed a distinction between hang-up types; each is important to understand, as they can be a source of

additional, previously lost business.

1. The Bail-Out: These are calls that have been “bailed-out” on due to something else getting in the way, a distraction or re-focusing of attention/priorities of sorts. These happen everyday and there is no control the tire dealer has over this type of hang-up.
2. The No-Answer: These are calls that go unanswered through 10 or more rings, resulting in the caller hanging up. Like the “Bail-out”, these happen everyday. However, unlike the “Bail-out”, tire dealers have some control over the circumstances that initiate this type of hang-up.
3. The On-Hold: These are calls in which the salesperson picked up the phone, only to leave the caller on ‘eternal hold’. Like the “No Answer”, tire dealers have some control over the circumstances that initiate this type of hang-up.
4. The Phone System Disconnect: These are calls in which the phone system in place inadvertently disconnects the caller.

It is important to remember that each hang up call, regardless of the category in which they fall, is a call initiated by a customer or prospect who has a need, but did not connect with a store staff member. They may call back or they may call a competitor. The opportunity is to learn of it immediately and follow-up in real time.

CLOSING PERCENTAGE BY DISPOSITION

DISPOSITION	Total Tagged	Sale Opp	Made Appt	Missed	Closing %	Emp Close %	Cust Close %	Price Shop	Price Shop %
A/C Price Request	2	0	0	0	0%	0%	0%	0	0%
Alignment Price Request	6	5	4	1	80%	0%	80%	3	67%
Battery Price Request	2	1	1	0	100%	0%	100%	0	0%
Brake Price Request	4	4	1	3	25%	0%	25%	0	0%
Commercial Tire Price Request	4	3	1	2	33%	0%	33%	0	0%
Flat Repair Price Request	13	11	8	3	73%	0%	73%	1	0%
LOF Price Request	5	4	2	2	50%	0%	50%	1	0%
Retail Tire Price Request	79	75	24	51	32%	5%	24%	25	12%
Roadside Price Request	14	13	13	0	100%	0%	92%	0	0%
Service Price Request	22	20	8	12	40%	0%	40%	3	0%
Struts/Shocks Price Request	2	2	0	2	0%	0%	0%	1	0%
Tire Rotation/Balance Price Request	4	4	1	3	25%	0%	25%	0	0%
Used Tire Price Request	5	5	0	5	0%	0%	0%	5	0%
Wholesale Tire Price Request	3	2	0	2	0%	0%	0%	0	0%
TOTALS	165	156	64	92	41%	3%	37%	40	13%

CLOSING PERCENTAGES

The columns in the data below are defined as such:

Disposition: Requests of the customers and prospects.

Closing %: Percentage of time an appointment was made

(making an appointment is defined as: a commitment that includes a date and time when the customer commits to come in and meet with the sales person).

- Employee Close %: Percentage of times where the salesperson generated a commitment to take care of the customer.
- Customer Close %: Percentage of time where the customer makes the power move by saying, "I'm coming in today to get my brakes done".
- Price Shopper: Conversations where the prospect calls asking about price (ie: "How much is _____?")

ANALYSIS

Though the sample size was relatively small, the numbers revealed a story of game changing business being left on the table; huge, untapped potential lay dormant inside this company. This is an old company with a long history of success, and loyal customers. At the same time, it's like they have an 8 cylinder engine but are only running on 4. This is very good news, because with some simple adjustments we can 'Unleash The Beast' inside the operation.










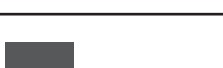

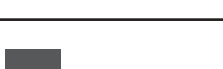
The Sales Conversations Inherent in Company A

In the case of Company A, the number one incoming, initial conversation was Tire Price Requests (as seen in Calls by Initial Disposition graph). As such, this one conversation is critical to the success of the business. However, as indicated in the Closing Percentages by Disposition graph, closing percentages for tires was extremely low. The data suggests that the sales staff, when confronted with a price shopper, simply dumped a price, and then ended the call.

WEB & DIGITAL MARKETING

The following chart represents call volume generated from web and digital marketing for the month of March 2016. Utilizing the CallMaxPlus call tracking application, each of Company A's six (6) locations were assigned a unique tracking. The only way customers accessed these numbers were through Company A's web and digital marketing efforts. Each color below represents results from the tracking corresponding number found on their web site.

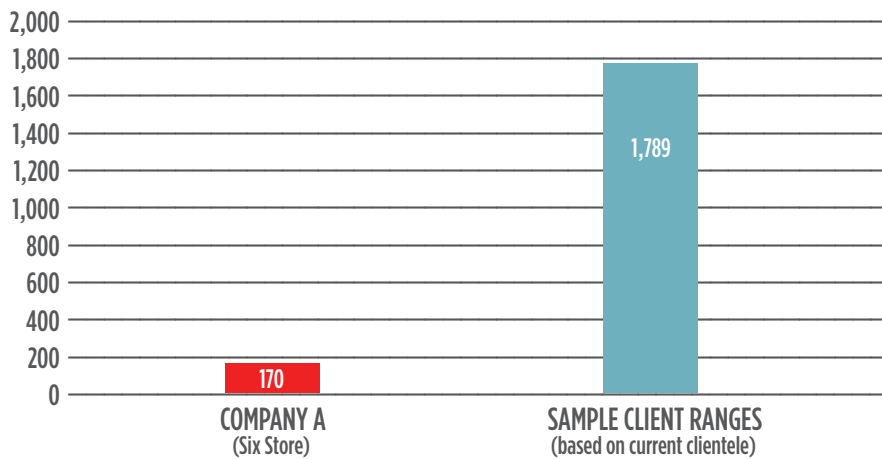
**COMPANY A
(six locations)**

		38
		36
		30
		20
		18
		15

**SAMPLE CLIENT RANGES
(three locations)**

		758
		586
		445

For comparison purposes. Represents a client who's call volume matches adequate industry goals.



Per store data over a 31 day time period. Call volume was tracked for a 31 day period of time (March, 2016) via a call tracking application (CallMaxPlus) assigned to their website. This data represents the call traffic generated exclusively from their digital marketing efforts.

ANALYSIS

The resulting data indicates call volume generated by the current digital marketing effort is low compared to other clients in major markets.

PROJECTIONS BASED ON DATA ANALYSIS

Moving the call volume can yield a considerable increase in sales opportunities. Moving the closing percentage in the upward direction can be done quickly and efficiently when armed with data on closing percentages.

- Six stores generated about 9,000 total inbound calls per month from all sources.
- 29% of the calls represent sales opportunities on average (this is consistent with larger studies).
- A total of 2,610 sales opportunities that arrive by phone each month to all 6 locations.
- This represented 435 phone sales opportunities per store on a monthly basis.
- 16.7 phone sales opportunities per store on a daily basis.
- 41% appointment conversation rate yields 6.8 made phone appointments.
- 59% missed appointment rate yields the difference, or 9.9 missed opportunities per store every day on the phone.
- 1,539 missed opportunities on a monthly basis for the company at their current closing percentage of 41% overall.
- 625 additional customers per month by moving the closing percentage from 41% to 65%, which is very reasonable and achievable. We now have clients operating above 70% overall.
- With an ARO of \$250 we are looking at picking up an additional \$156,250 per month.

Without the data, without batting averages, it is possible to move the needle, but accurate closing percentage data ties daily communication activity to the P&L. This is a new innovation and a game changer.

A decorative graphic consisting of a grid of colored squares. The top row has two dark blue squares followed by two teal squares. The second row has two teal squares. The third row has two light beige squares. The text 'ANALYSIS: COMPANY B' is positioned to the right of the top two rows, and 'UNDERSTANDING WHAT DRIVES SUCCESS' is positioned to the right of the bottom two rows.

ANALYSIS: COMPANY B

UNDERSTANDING WHAT DRIVES SUCCESS

COMPANY B

Company B is a three (3) location, auto repair and tire business in a rural market. Total revenue of about 10 million. Management and staff have had extensive Language of Commitment/Power training. Data has been collected beginning in February of 2014 when the high price of oil and a healthy economy resulted in a high car count through their shop. The high work volume resulted in “sloppy” communications with both on site and phone consumers. They reported recruiting challenges that prompted the providing of housing to new hires that could not afford the market driven inflated prices for a simple apartment or rental house. The owner reported that “the boom would end someday, and he wanted to be prepared to remain in business and to prosper”. By October of 2014, oil prices plummeted, people and companies left the area, and Company B began struggling to make their numbers. The following are the breakdown of closing percentages by month, and by disposition.

CLOSING PERCENTAGES BY DISPOSITION

OCTOBER 2014

DISPOSITION	Sale Opp	Made Appt	Missed	Closing %
Retail Tire Price Request	91	19	72	21%
Service Price Request	16	9	7	56%
LOF Price Request	15	8	7	53%
Brake Price Request	6	5	1	17%
Struts/Shocks Price Request	3	0	3	0%
Alignment Price Request	3	1	2	33%
Customer Service Opportunity	2	1	1	50%
Wholesale Tire Price Request	1	0	1	0%
A/C Price Request	1	0	1	0%
TOTALS	138	39	99	28%

NOVEMBER 2014

DISPOSITION	Sale Opp	Made Appt	Missed	Closing %
Retail Tire Price Request	102	26	76	25%
Service Price Request	28	10	18	36%
LOF Price Request	9	2	7	22%
Alignment Price Request	8	3	5	38%
Battery Price Request	5	2	3	40%
Brake Price Request	3	0	3	0%
Tire Rotation/Balance Price Request	2	0	2	0%
Struts and Shocks Price Request	2	0	2	0%
Transmission Price Request	1	1	0	100%
TOTALS	160	39	116	28%

(The data measured was generated from calls captured through a designated tracking number on the Company B Web Page. As was stated earlier, in all companies analyzed, there are only a very few mission critical recurrent sale conversations).

ANALYSIS







October and November were almost carbon copies of each other, with an overall appointment rate of 28%. This is an indication of a considerable amount of lost business. Retail Tire Appointment rate for Price shoppers, 21% and 25% respectively resulting in approximately 75% of sales opportunities turned away.

Note: Also at this point in time the distinction between Employee Closing % vs. Customer Closing %, was not measured. However, given the low closing percentages, and understanding the context of their environment, it is our assumption that, as seen in Company A, staff was providing requested pricing, then ending the call to return to the immediate demands of a busy shop.

WEB & DIGITAL MARKETING

The following chart represents call volume generated from web and digital marketing for the month of March 2016. Utilizing the CallMaxPlus call tracking application, each of Company B's three (3) locations were assigned a unique tracking. The only way customers accessed these numbers were through Company B's web and digital marketing efforts. Each color below represents results from the corresponding tracking number found on their web site.

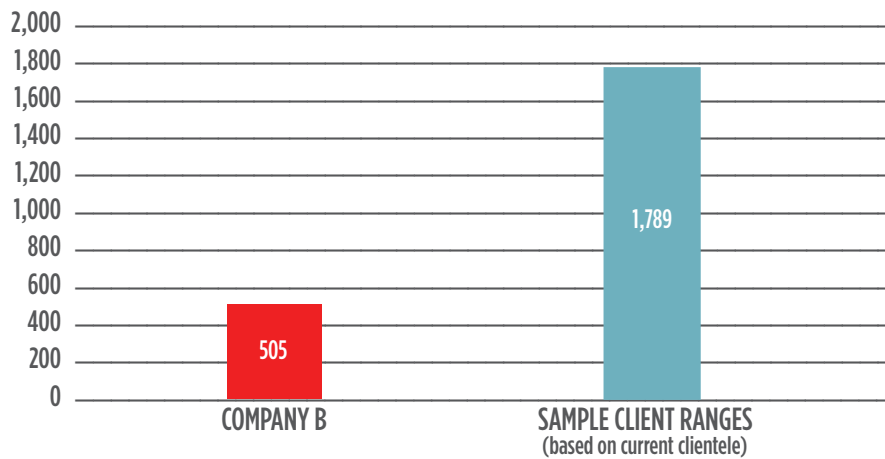
**COMPANY B
(three locations)**

		247
		216
		42

**SAMPLE CLIENT RANGES
(three locations)**

		758
		586
		445

For comparison purposes. Represents a client who's call volume matches adequate industry goals.



Per store data over a 31 day time period. Call volume was tracked for a 31 day period of time (2014) via a call tracking application (CallMaxPlus) assigned to their website. This data represents the call traffic generated exclusively from their digital marketing efforts.

ANALYSIS

Again, as with Company A, for Company B there exists huge potential to improve digital marketing and generate many more inbound sales leads

2014 SNAP-SHOT OF COMPANY B

Missed opportunities inside Company B were even more dramatic due to the ‘Oil Boom’ at the time of the first study analysis in October and November of 2014.

- Three stores generated about 5,000 total inbound calls per month from all sources.
- 29% of the calls represent sales opportunities
- 1,450 is the number of sales opportunities that arrive by phone
- 406 made appointments at 28%
- 1,044 missed appointment opportunities at 72%
- 65% closing percentage will yield 942 total appointments for service
- 65% closing percentage will provide 536 additional appointments over October and November levels.
- With an ARO of \$250 we are looking at picking up an additional \$134,000 per month.

2016 SNAP-SHOT OF COMPANY B

The following are the current statistics of Company B generated from the June 2016 data pulled from the SalesMaxPlus platform.

CLOSING PERCENTAGE BY DISPOSITION

DISPOSITION	Total Tagged	Sale Opp	Made Appt	Missed	Closing %	Emp Close %	Cust Close %	Price Shop	Price Shop %
A/C Price Request	3	3	1	2	33%	0%	33%	1	0%
Alignment Price Request	10	10	8	2	80%	30%	50%	4	75%
Battery Price Request	3	3	1	2	33%	0%	33%	1	0%
Brake Price Request	10	10	4	6	40%	40%	0%	4	0%
Complaint	2	0	0	0	0%	0%	0%	0	0%
Customer Cancellation	4	0	0	0	0%	0%	0%	0	0%
Customer Service Opportunity	71	2	3	1	150%	0	100%	0	0%
Dealer Request	2	0	0	0	0%	0%	0%	0	0%
Directions/Hours	1	0	0	0	0%	0%	0%	0	0%
Flat Repair Price Request	16	16	10	6	63%	31%	31%	4	25%
Hang-up	62	0	0	0	0%	0%	0%	0	0%
LOF Price Request	28	26	18	8	69%	8%	54%	5	0%
Personal Call	1	0	0	0	0%	0%	0%	0	0%
Retail Tire Price Request	78	77	39	38	51%	16%	34%	40	30%
Sales Opp Progress	1	1	1	0	100%	0%	100%	0	0%
Service Price Request	31	29	21	8	72%	24%	45%	4	50%
Struts/Shocks Price Request	2	2	1	1	50%	0%	50%	1	0%
Tire Rotation/Balance Price Request	11	11	10	1	91%	9%	82%	3	67%
Used Tire Price Request	3	3	0	3	0%	0%	0%	2	0%
Vendor Business Call	7	0	0	0	0%	0%	0%	0	0%
VM Customer Service	2	0	0	0	0%	0%	0%	0	0%
VM Generic	8	0	0	0	0%	0%	0%	0	0%
VM Service Price Request	2	1	0	1	0%	0%	0%	0	0%
Wrong Number	4	0	0	0	0%	0%	0%	0	0%
TOTALS	362	194	117	77	60%	18%	40%	69	29%

ANALYSIS

Compared to the 2014 Closing Percentage data, Company B has moved the closing percentage needle dramatically. Starting at 28% in October and November of 2014, closing percentages have since increased to 60% in the month of June, 2016. Data also shows that they are now consistently in the 50% range for Retail Tire Price Requests; double that of their competition. They accomplished this improvement utilizing a three-pronged strategy:

1. Training/Coaching

Company B incorporated Power Training and Language Of Commitment training into their business model, requiring staff/management to practice and instill what they learn.

2. Analytics

Company B incorporated statistics and measurement tools into their business model. Armed with this critical data, they were able to discern exactly what types of conversations were needed to improve closing percentages.

3. Daily Real-Time Follow-Up: Utilizing the SalesMaxPlus Platform.

STRATEGY IMPLEMENTED

TRAINING & COACHING

- **Live Educational Webinars** (3 events monthly)
 - Event 1: NEW HIRES - Educational Event. 45 minutes session focusing on energy, mood and generating commitments as the foundation for effective communication.
 - Event 2: IN-BOUND SALES CALL - Educational Event. 45 minutes session focusing on deepening the understanding of how to produce more sales by learning to communicate more effectively, mastering their own potential, and making more commitments.
 - Event 3: OUT-BOUND SALES CALL - Educational Event. 45 minutes session focusing on presenting and closing sales when making outbound calls with a 'bullet proof approach' for closing more sales.

- **Practice Sessions**

A series of short sessions designed to cement what they learn into the culture of the company. All live and practice sessions were archived to make available for review and continued practice.

ANALYTICS

Along with individual closing percentage data, Company B leadership received detailed follow up on missed sales opportunities. Sent every morning to the store manager or sales manager, the Daily Sales Follow up designates which sales leads need follow up, and include missed sales opportunities, hang ups, and promised call backs. It details what the customer called about, customer name, and customer phone number, as well as the salesperson's name and store name/#.

DAILY SALES FOLLOW UP Promised Call Backs and Follow-ups for 2016-06-28

Date	Location	Salesperson	Customer	Phone	Disposition	Sales Op.	Notes
2016-06-27	Web	██████████	Did not ask	██████████	Flat Repair Price Request	Yes	Slow leak in tire Follow-up date: 2016-06-28; Aging: 0
2016-06-27	Web	Did not say	██████████	██████████	Service Price Request	Yes	Leveling kits - PCB Follow-up date: 2016-06-28; Aging: 0
2016-06-27	Web	██████████	Did not ask	██████████	LOF Price Request	Yes	Wanted to schedule LOF Follow-up date: 2016-06-28; Aging: 0
2016-06-27	Web	██████████	██████████	██████████	Hang Up	No	Caller hung up Follow-up date: 2016-06-28; Aging: 0
2016-06-27	Web	██████████	██████████	██████████	Retail Tire Price Request	Yes	Firestone Precision Sport out the door for 4 Cooper CS3 \$623 Follow-up date: 2016-06-28; Aging: 0
2016-06-27	Web	██████████	██████████	██████████	Service Price Request	Yes	Cust. wanted price for different tires on different rims 20" rims - 4 tires out the door \$151 Follow-up date: 2016-06-28; Aging: 0
2016-06-27	Web	██████████	██████████	██████████	Retail Tire Price Request	Yes	225/45/17 advised only has snow tires in stock in that size - did not offer to order Follow-up date: 2016-06-28; Aging: 0

RESULTS

The following are statistics provided by Company B detailing closing percentages by disposition before and after their implementation of the SaleMaxPlus strategy.

CLOSING PERCENTAGES BY DISPOSITION (PRIOR TO STRATEGY IMPLEMENTATION - June, 2016)

Disposition	No Appt. Made	Made Appt	Total Sales Ops.	Closing %
A/C Tire Price Request	0	1	1	100%
Alignment Price Request	0	5	5	100%
Battery Price Request	2	1	3	33%
Brake Price Request	6	5	1	17%
Flat Repair Price Request	3	4	7	57%
LOF Price Request	5	6	11	56%
Retail Tire Price Request	22	22	44	50%
Service Price Request	3	12	15	80%
Struts/Shocks Price Request	3	1	2	50%
Tire Rotation/Balance Price Request	1	6	7	86%
Used Tire Price Request	2	0	2	0%
TOTAL	41	59	100	59%

Follow-Up Calls Closing Percentage (June, 2016)

Disposition	No Appt. Made	Made Appt	Total Sales Ops.	Closing %
A/C Tire Price Request	0	0	0	0%
Alignment Price Request	0	1	1	100%
Battery Price Request	1	0	1	0%
Brake Price Request	0	2	2	100%
Flat Repair Price Request	1	2	3	67%
LOF Price Request	0	1	1	100%
Retail Tire Price Request	7	9	16	56%
Service Price Request	2	4	2	67%
Struts/Shocks Price Request	0	0	0	0%
Tire Rotation/Balance Price Request	0	2	2	100%
Used Tire Price Request	0	0	0	0%
TOTAL	11	21	32	66%

This data set provide statistics that represent the closing percentages of follow up efforts *only*. These include both missed sales opportunities and hang ups that were called back. Store staff secured 21 additional appointments utilizing the data provided by their SalesMaxPlus reports.

Finally, the last set of statistics shows how the overall closing percentage changes when callbacks are added into the original numbers. (Keep in mind that the total sales opportunities for the final number has an additional 12 calls. These came from hang ups that were called back and turned out to be sales opportunities, but were not in the original statistics).

REVISED CLOSING PERCENTAGES BY DISPOSITION (AFTER STRATEGY IMPLEMENTATION - June, 2016)

Disposition	No Appt. Made	Made Appt	Total Sales Ops.	Closing %
A/C Tire Price Request	0	1	1	100%
Alignment Price Request	0	6	6	100%
Battery Price Request	2	1	3	33%
Brake Price Request	0	3	3	100%
Flat Repair Price Request	1	6	7	86%
LOF Price Request	4	7	11	64%
Retail Tire Price Request	18	31	49	63%
Service Price Request	4	16	20	80%
Struts/Shocks Price Request	1	1	2	50%
Tire Rotation/Balance Price Request	0	8	8	100%
Used Tire Price Request	2	0	2	0%
TOTAL	32	80	112	71%

As the statistics show, not only were 21 new appointments made from calls that otherwise would have slipped through the cracks, but adding these statistics back into the original numbers increased the overall closing percentage by a full 12% in just one month.

SUMMARY FINDINGS

In closing, if the game is to grow a business then, based on our analysis as presented here and in other reports, we make the following observation: it is possible to initiate radical improvements and increase call volume quickly when five (5) things occur:

1. A system is set in place to grab in-bound call data.
Tracking inbound phone calls is a place to start (we utilized a solid platform, CallMaxPlus, to capture the data contained in this study). It is economical and can yield enormous benefit when understanding what to listen for, and then having the tools in place to take advantage of the resulting data.
2. Key data on closing percentages is made available.
Key data includes an accurate account of what kind and how many sales opportunities show up in the business every day, as well as an detailed breakdown of closing percentage for all locations and all staff. This develops a comprehensive “quality assurance” system that is reflected in an increase of closing percentages.
3. A “Sales Traffic Control” call back system is implemented.
A “lost sales” call back system was a key step taken by the case-studies, and outlined in this report that generated a significant increase in overall sales. It illustrates action based on the data provided. Developing the habit of following up on missed opportunities can yield enormous economic benefit in real time.
4. Training is implemented to instill a commitment culture that drives sales.
Armed with accurate data, steps can be (and were by those in the study) taken to further increase closing percentages. Dramatic improvements in closing percentages are possible with a sound yet simple approach to training.
5. A well done digital marketing and comprehensive SEO campaign is in place.
Website rankings, page views, ‘hits’ and ‘clicks’ are all important but, if they are not leading to more phone calls, the benefits are merely superficial. Phone Calls Matter! Google Analytics, though a seemingly wealth of data, is not adequate for evaluating the performance of a company’s website in generating calls. A more robust and accurate system needs to be put into play.

A decorative graphic consisting of a grid of colored squares. The top row has four squares: two dark blue, two teal. The second row has two teal squares. The third and fourth rows each have one light beige square.

UPCOMING REPORTS

REPORT #3

In the third report we will look at the statistics for individual salespeople and the cost of incompetence on the phone.

- Who is handling the majority of incoming sales opportunities, especially those with high dollar amounts?
- What are the closing percentages of each salesperson, and how have they changed over time through the program?
- How is each salesperson handling their sales opportunity calls? Are they closing appointments? Are they engaging effectively in mission critical conversations on a consistent basis?
- How does engaging effectively in mission critical conversations effect closing percentages, especially regarding critical tire information?
- What is the cost of incompetence? How much is being left on the table by under-performing salespeople?

REPORT #4

In the fourth report we will look at specific speech acts that drive business.

- The power of making declarations;
- How making one powerful declaration can improve appointment closing percentages by an astonishing 50%;
- What happens when you cross the bridge and become a listening and commitment based operation?
- Statistical evidence: What happens when your staff literally 'becomes your brand'.
- Branding consistency: Tying what your staff 'declares' every day directly to your marketing and advertising so there are consistently attractive and compelling messages about your company, your commitment to customers, and the products and services offered.