ACTIONABLE TIPS FROM MDCE'S BRIGHTEST DEALERS

JULY 2011 e-WHITE PAPER

Boating INDUSTRY

TRUSTED SOURCE. PROVEN SOLUTIONS.
REAL RESULTS.

42 BEST IDEAS

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ADP Lightspeed

ADP Lightspeed is dedicated to providing marine dealers with accurate information and the best tools available to maximize their business operations. This partnership has been proven repeatedly as we have seen boat dealers around the country apply best practices that allow them to outperform the market in a variety of economic conditions.

The dealers that succeed are those who are consistently looking for new ideas and have a firm grasp on their current business operations. These dealers have learned where to focus their attention and how to follow through with measurements to make sure improvements are adopted across their organization.

Innovation is vital to continuous improvement of operations and bottom-line results. Creative ideas can move your dealership past its current output to levels you'd never imagined. To achieve that success it is critical to stay current with the latest best practices. To further support your efforts, ADP Lightspeed is proud to present *Boating Industry*'s Best Ideas e-White Paper, developed from the 2010 MDCE Best Ideas Program Submissions.

Inside this whitepaper you will find proven best practices that have brought dealers success, and could do the same for your store. Carefully consider and adopt those ideas that will move your business forward.

At ADP Lightspeed we are dedicated to helping marine dealers become stronger and more profitable. Whether it is through tools to build revenue, improve efficiency or provide ongoing industry benchmarks, we stand ready to partner with you to help maximize your dealership's performance. Enjoy the great ideas and feel free to contact us to see how we can help you improve your current business performance.

Best Wishes,

Greg Smith
ADP Lightspeed
General Manager

Dear marine business professional,

At the 2009 Marine Dealer Conference & Expo, Jerry Brouwer of Michigan's Action Water Sports picked up a service department inspection idea from Carlton Phillips of Virginia dealership Prince William Marina.

He discussed the idea with his 20 Group, compared it to some auto industry best practices and put it in front of his team for their feedback. Along the way, the initiative was fine-tuned and customized for Action Water Sports' needs. When it was finally implemented last year, it delivered impressive results.

So, this past fall, Brouwer submitted it to the MDCE Best Ideas Program, and the program's expert panel of judges chose him as a finalist.

At MDCE 2010 in November, Brouwer joined me and four other dealers on stage as part of the Best Ideas Panel, thanked Phillips for the inspiration, and presented the idea to the audience, many of whom rated it the most useful idea they picked up that day.

To me, that's what the MDCE Best Ideas Program is all about: dealers learning from other dealers. That philosophy is an integral part of our mission at *Boating Industry* magazine. It is a core component of the Marine Dealer Conference & Expo, produced in partnership by *Boating Industry* and the Marine Retailers Association of America. And it clearly resonates with the marine dealer community.

In fact, in its second year, the Best Ideas program experienced a 30-percent growth in participation, compared to 2009, attracting more than 40 best idea submissions on topics ranging from business management, customer satisfaction and sales to F&I, marketing, events, and the service department.

The *Boating Industry* team is thrilled to offer MDCE attendees all of these ideas – and in many cases, supporting documentation – through this, our tenth e-white paper. Together, these proven strategies serve as an incredibly valuable tool to help dealers realize success in 2011.

Best wishes,

Liz Walz
Editor-In-Chief
Boating Industry magazine

BEST IDEAS

/// CONTENTS

WEEKLY REVIEW

Carlton Phillips, Prince William Marine Sales

/// BEST IDEA ///

We have a meeting every Thursday at noon with the owner, general manager, service manager, parts manager and assistant service manager/dispatcher. At that time we review five major areas: parts return processing, parts on order over seven days, work orders open over 30 days, all internal work orders to be billed as well as a monthly internal shop supply work order. Reviewing the five areas allows us to keep an awareness of the work going on in the parts and service departments as well as allowing us to address issues that may not be getting addressed in a timely fashion. This short meeting has saved the company money and improved CSI.

/// HOW IT WAS IMPLEMENTED ///

We fully implemented this idea within the last year and now intend to expand it even more. It was implemented when we found several work orders that had issues that were still waiting to be addressed for one reason or another, and the owner felt it was taking too long, creating a possible unhappy customer. At that time we created a report to review the parts on order for more than seven days and work orders over 30 days old. In the meeting we review each part that has been on order and discuss what the probable arrival time will be. We ask, "Will that be acceptable for the customer or do we need to look at other options?"

We then review the open work orders and discuss why each one is still open to determine if additional action should be taken. On the work order report there are usually 75 to 100 open work orders that we look at. Of these over 80 percent are still open for legitimate reasons, but 20 percent are the problems.

For example, many times certain items are removed from the boat and sent for repair, such as GPS units, chartplotters, and VHF radios. These repairs can take up to two or three weeks at times, so in most cases we try to have a loaner installed if available, so the customer can continue to use the boat without a large space where the part was removed.

Review of the work orders also allows us to see if there is a problem with a particular item, such as fuel senders, where we see several on order and several boats with the same issues awaiting repair. The owner can now get involved if necessary to help cure the problem within hours not weeks.

Review of this report also allows us to see tickets for recalls where the customer has not brought the boat in for the repair. We review them and send a registered letter to the customer advising them that the recall exists and of the urgency of getting it repaired.

Reviewing the work orders also allows us to see jobs that have been quoted for insurance but have not been approved. We can then follow up to see if the customer intends on completion of the job. Review of the work orders also allows us to see jobs that may not be completely finished and need to be revisited – possibly because of a temporary fix to get the customer going for a trip, where the

WEEKLY REVIEW continued on next page

DOWNLOAD DOCUMENTS

Prince William Marine has started reviewing documents like the ones shown below on a weekly basis.

SPECIAL ORDER PARTS

Date	RO #	Customer	Part	Tech	Comments
31-Jul	554455	Avery	Teak Floor	Rusty	
25-Aug	554834	Jones	Hose	Mike	
8-Sep	553601	Wetterhahn	Door track	Mike	
16-Sep	218134	Fiorina	SRN	Mike	
18-Sep	555068	PWM	Deck hatch	Raf	
21-Sep	555133	Allen	AC pan	Matt	
22-Sep	555238	Cox	LED Lights	Mike	Borrowed Parts
23-Sep	555081	Jarman	Control box	Dave	
29-Sep	554378	Frana	KVH repair	Mike	
29-Sep	555249	PWM	Windshield	Rusty	260SD
1-Oct	554982	Amott	I-pod Amp	Steve	Wrong one came in (borrowed part)
1-Oct	554010	PWM	Dash Panel	Steve	RE-ORDER (wrong one came in)
1-Oct	555347	Berzinski	Prop repairs	Doug	
4-Oct	555322	Speth	Anchor & stools	CLP	
5-Oct	555170	Kimmel	Prop repairs	Eric	
7-Oct	555438	Speth	Radar Repair	Steve	
7-Oct	555162	DiDonato	TV	Eric	
8-Oct	555469	Schwartz	Oil drain hose	Dave	
8-Oct	555393	Lowe	TV & panel	Eric	
8-Oct	555401	Martin	Speaker	Paul	
8-Oct	555369	South	Floor	Tim	
8-Oct	555367	PWM	Seat release lever	Steve	
9-Oct	555304	McKinnon	PS Bracket	Chip	
10-Oct	555243	Moore	Water pump	Dave	
12-Oct	555389	Louis	Batteries	Matt	
12-Oct	555462	Rotach	Isolator	Dave	
12-Oct	555384	McHarg	Radio	Steve	

Date Return Requested	QTY	Item #	Item Decription	Vendor	Reason for Return	RO# / TECH	RGA #	Date Shipped	Tracking #	Date Credit Received	Date Vendor Return Completed	Done	ASKED FOR STATUS	Comment
25-May-10	2	CORE-200	ECM CORE	MERCURY	CORE RETURN	RYAN		16-Jun-10	UPS1258		16-Jun-10		08/26/10	UPS 1Z2330640395631258
16-Sep-10	12	R022W938	ROLLER FRAME	PAXTON	WRONG ROLLERS	MARY		30-Sep-10	PAXTON	8-Oct-10	16-Sep-10	YES		
21-Sep-10	1	2840228	SPRAYER FAUCET	SEARAY	WRONG FAUCET HEADS	MARY	1-Mar	21-Sep-10	UPS6682	12-Oct-10	21-Sep-10	YES		
24-Sep-10	1	1897204	BATTERY CHARGER	SEARAY	BAD CROSS REFERENCE	MARY	92185	28-Sep-10	UPS31732		24-Sep-10		VR# 1146	
28-Sep-10	1	1950860	HATCH SKI LOCKER	SEARAY	RECEIVED DAMAGED	MARY	92184	28-Sep-10	UPS31755		25-Sep-10		VR# 1148	
5-Oct-10	1	1948313	SPEAKER AMP	SEARAY	WRONG AMP	MARY	92269	5-Oct-10	UPS25783		5-Oct-10		VR# 1161	
12-Oct-10	1	883711A04	REMOTE CONTROL	MERCURY	WRONG	MARY		12-Oct-10	UPS1251253		12-Oct-10		VR# 1166	
12-Oct-10	3	50-05451	LED LIGHT	LAND&SEA	CUSTOMER CANCELLED	JORDAN	1447013	12-Oct-10	LNS TRUCK		12-Oct-10		VR# 1167	

boat may still need a complete repair.

The review of the work orders also shows us what tickets are in warranty for processing and how they are keeping up with work order processing. At times we may even discover a ticket that may have fallen through the cracks and been misplaced. Also being reviewed is a spreadsheet showing all parts that have been returned to the vendor, when they were returned and when the credit was issued.

Many times we found it was not being tracked and we were not getting credit for parts we had returned to the vendor. We then review all of the internal work orders for the week – these are work orders that are repairs on company vehicles, equipment, building repairs, etc.

By the owner reviewing and signing off on each ticket, it ensures the repairs are billed to the correct department as well as allows the owner to see how much is being spent and how much we may be putting into a used boat before pricing it to sell. Once a month during the meeting we also review a monthly work order that is created for shop supplies and internally billed parts. This work order has a line created for each department: sales supplies, shop supplies, gel shop supplies, paint shop supplies, company vehicle supplies, detail supplies, boatel supplies, marina use supplies, parts department supplies and restaurant supplies. We note parts that are used frequently and look to see if we could possibly purchase them more cheaply at quantity.

We intend to add an additional review that will include aged warranty claims from vendors. As we are required to process warranty claims through individual vendors more and more, we have to follow up on receiving the credits and payments from them for the warranty claims. We will start reviewing this with the warranty processor.

This meeting sounds like it would take a long time, but once we got into the review process and know week to week what some of the items are, this rarely takes more than 30 minutes each week to review.

/// RESULTS ///

With the implementation of this review we have noted improved customer service and comments on our CSI's of quick service, and good communication while a boat is under repair. We find this makes the parts and service department keep a better eye on what is going on and not waiting to address something before it becomes an issue. They are reviewing their parts and work orders daily now because they know they are being held accountable and it will be reviewed.

We also have found this review helps to control internal costs, as the departments are cutting down on waste because they know the supplies are being reviewed and we see when excessive amounts are being used. We have cut costs by half on some parts that we noted were being used frequently and found we could purchase in a quantity discount.

HANDS ON!

Steve Yanyk, Regina Marine

/// BEST IDEA ///

Our single best management tool is dedicated and constant evaluation and strategic planning by the owners. Craig Lerach and Paul Brown oversee all daily business activities while running the service department. Utilizing employee input, they act and react to constantly changing variables in our market. Their combined experience and knowledge of our market is the greatest attribute of our dealership.

/// HOW IT WAS IMPLEMENTED ///

It has been a slow progression over the years. Every January we begin the new season with an evaluation of current market conditions and put a long-term strategy in place for the upcoming season. This strategy is tweaked and modified on a weekly basis depending on changing market variables. It is painfully obvious that these variables are out of our control, but reacting to these changes is absolutely essential to survival and profitability.

/// RESULTS ///

Regina Marine has experienced an average of 10 percent growth annually since 2000.

E-MAILING STATEMENTS

Phil Miklo, Oak Hill Marina

/// BEST IDEA ///

Oak Hill Marina is in a resort area where our customers have a tendency to charge. E-mailing our work orders as soon as the work is completed gives the customer an opportunity to review the bill immediately and address any concerns right away (while the work is still fresh in our minds). E-mailing out our statements has increased cash flow, too.

/// HOW IT WAS IMPLEMENTED ///

We started implementing this just before our busy season. It requires us to get the customer's e-mail address and enter it into our accounting system. We made it happen by updating our software.

/// RESULTS ///

Getting paid sooner always helps the cash flow. E-mailing invoices throughout the month and getting payment right away eliminated several statements. E-mailed statements get to our customers faster, too. We've also benefited on the bottom line by saving dollars spent on paper, envelopes, postage and time. An additional bonus is that we can incorporate these e-mail addresses in our marketing efforts, including our newsletters and announcements.

STOP MANAGING GOALS, START MANAGING EFFORTS

Joseph Hoffmaster, Hoffmaster's Marina

/// BEST IDEA ///

I was disenchanted with having strict financial growth goals in a down-cycle market. The goals were acting as a demotivator and morale was suffering. I mentioned my dilemma to a friend who is also a consultant, and he recommended a book called "Managing Efforts, Getting Results." My best idea from reading that book was to stop managing for goals and start managing efforts.

/// HOW IT WAS IMPLEMENTED ///

We implemented this system last spring. It was pretty time consuming for me as the GM at first because we had to go back to basics and review everyone's job functions. From that list we ran an exercise recommended by John Spader where each employee lists their priorities and the GM also lists that employee's priorities, and then we compare the two lists. Once the priorities were established we sat down and identified what tasks we wanted to see performed on a regular basis. In a salesperson's case that might be making three customer contacts a day, for the service manager it might be running an accurate collectable efficiency report every week. Whatever that desired effort is I reinforce daily and review weekly, monthly and quarterly.

/// RESULTS ///

Between April 1 and Sept. 30, new boat sales decreased 59 percent from 2009 and so did sales-related parts and labor. However, over the same period service parts and storage sales are up 10 percent from 2009, adding $40,000 to the bottom line. A hundred small things had to be done differently and well for this to happen. The qualitative side benefit is personal excellence and the job satisfaction that comes from being who you are at your best.

DECREASING FLOOR PLAN EXPOSURE

Tony Villareale, Hampton Watercraft and Marine

/// BEST IDEA ///

We made financial sacrifices to get our inventory down. We realized that our inventory was not worth at retail what it was on our floor, so we took profits from new boat sales and sent them to GE to decrease our floor plan exposure. This allowed us to more easily accept low offers on aged and distressed inventory because when the time came to pay off our inventory, we owed much less than if we had not implemented the plan.

/// HOW IT WAS IMPLEMENTED ///

This plan was implemented in August 2009. The plan was executed by taking profits from new boat sales and sending them to GE to decrease our floor plan exposure.

/// RESULTS ///

This idea led to more stability by drastically cutting our floor plan exposure. This approach may be the sole reason we are still in business. Since we implemented the plan in August 2009 our floor plan decreased just over 80 percent.

NEW VACATION SCHEDULE

Rob Soucy, Port Harbor Marine

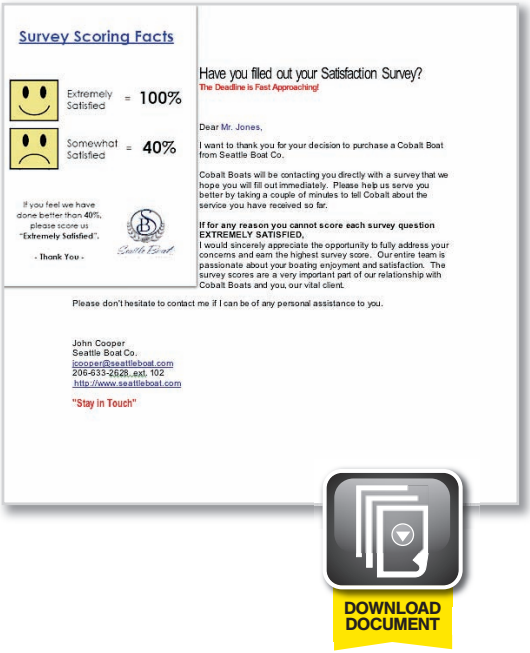
/// BEST IDEA ///

In the fall/winter of 2009, we altered our annual vacation period. We evaluated everyone on an individual basis and came up with an "end of work" date and a "return to work" date. Our goal was to cut our personnel expenses during the slower months rather than carry crewmembers when there was no work. The plan worked great and our crewmembers responded incredibly to the process. In fact, some even offered to end early and come back later than proposed. A true win-win for everyone. A very important part of why this process was successful was due to an exercise we conducted with every crewmember at each location. During a Spader 20 meeting in August, we conducted an "Expense Circle" exercise. The exercise was one Spader has had for years and is based on their $1 of available income theory. After making the announcement regarding our "end of work" and "return to work" change, we conducted this exercise. We broke our crewmembers up into teams, each became their own dealership - and they even got to name it! They were then given a bag of change equaling one dollar and an Expense Circle sheet. They were asked to allocate how much of their dollar of AI or gross profit they could spend on Personnel, Semi-Fixed, Fixed, Depreciation, Insurance and then how much of the $1 they would keep for profit. After everyone completed the routine, we then posted each group's percentages up on the board to compare each company. The eye-opening moment happened when we posted what our actual Port Harbor Marine anticipated year-end percentages would look like. Every crewmember's fictional company was going to make more money than Port Harbor Marine – a lot more! We then shared with the crew what the Spader key ratios were and discussed what we needed to do as a company to affect the year-end numbers.

We broke our crewmembers up into teams, each became their own dealership - and they even got to name it!

CUSTOMER SURVEY E-MAIL

Jenifer Olsen, Seattle Boat Company



Survey Scoring Facts

Extremely Satisfied = 100%

Somewhat Satisfied = 40%

If you feel we have done better than 40%, please score us "Extremely Satisfied".

- Thank You -

Have you filed out your Satisfaction Survey?

The Deadline is Fast Approaching!

Dear Mr. Jones,

I want to thank you for your decision to purchase a Cobalt Boat from Seattle Boat Co.

Cobalt Boats will be contacting you directly with a survey that we hope you will fill out immediately. Please help us serve you better by taking a couple of minutes to tell Cobalt about the service you have received so far.

If for any reason you cannot score each survey question EXTREMELY SATISFIED,
I would sincerely appreciate the opportunity to fully address your concerns and earn the highest survey score. Our entire team is passionate about your boating enjoyment and satisfaction. The survey scores are a very important part of our relationship with Cobalt Boats and you, our vital client.

Please don't hesitate to contact me if I can be of any personal assistance to you.

John Cooper
Seattle Boat Co.
jcooper@seattleboat.com
206-633-2628, ext. 102
http://www.seattleboat.com

"Stay in Touch"

DOWNLOAD DOCUMENT

/// BEST IDEA ///

As soon as we are notified that surveys are going out to our customers, we have a personally addressed e-mail that goes out with scoring facts, a thank you and our customer service contact information. It explains how important the surveys are to us for continued improvement. It also lets them know that if for any reason they can not mark the survey extremely satisfied, they can call me personally and I will do my best to remedy the issue as quickly as possible. Also included in the e-mail is a survey scoring facts card. The card has a smiley face representing extremely satisfied equaling 100 percent and a sad face representing somewhat satisfied equaling 40 percent. This is a slight dramatization, but the idea is to show the customer that somewhat satisfied is not what we want them to feel and that a "somewhat" rather than an "extremely" is a huge difference in how we are scored by the factory.

/// HOW IT WAS IMPLEMENTED ///

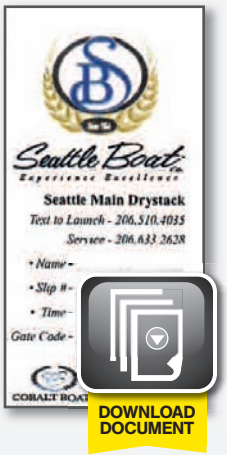
Originally, we used a letter and the scoring card and mailed that out to the customer. But the e-mail and electronic version of the card were implemented in the spring of 2010. With boat sales down we were not getting the number of responses that we needed to help our score and let us know how we were doing. We then decided to reach out through Constant Contact, since e-mail is a preferred source of communication for most of our customers. It ensures that the reminder gets there before they get their survey in the mail and alerts them to look for it.

/// RESULTS ///

This program has proven to get more responses back to the factory and in turn helps us to constantly improve. Since we implemented this program we have brought our CSI score up by 3 points.

TEXT TO LAUNCH PROGRAM

Chris Olsen, Seattle Boat Company



Seattle Boat
Experience Excellence

Seattle Main Drystack
Text to Launch - 206.510.4035
Service - 206.633.2628

- Name -
- Slip # -
- Time -
Gate Code -

COBALT BOAT

DOWNLOAD DOCUMENT

/// BEST IDEA ///

This program allows all dry stack customers to text our marina operator directly to his data phone with their last name, slip number and time of arrival. The operator then saves the number with the customer name so their calls come in with their name rather than just a number. We can then personalize our greeting. With this advance notice and message coming directly to the operator, there is no need to leave the marina bull and go check the phone.

/// HOW IT WAS IMPLEMENTED ///

We currently own and operate a dry stack marina at our dealership and manage another dry stack facility a few blocks away. It was about a year ago when our second location began to fill and it wasn't long before the phone calls and messages for launching reservations became overwhelming for our marina staff. They would have to come in every 15 minutes to check messages making sure no one was missed. Of course we were all looking for a more efficient way to get customers to the water. The idea was then born to start a "text to launch" program.

/// RESULTS ///

It not only made customer communications more efficient, it has also helped internal communication (employee to employee) by allowing staff to simply text operators instantly for a demo launch or confirm delivery time for a new customer.

/// CUSTOMER SATISFACTION

CUSTOMER APPRECIATION DINNER

Gregory Whiteford, Traverse Bay Marine

/// BEST IDEA ///

We invited high-volume customers in for a steak dinner and feedback session. Each department took questions and answers regarding recommendations and concerns. Minutes were taken and an action plan was created for improvement.

/// HOW IT WAS IMPLEMENTED ///

This will become an annual event in the fall after boating season and before snowmobile season.

/// RESULTS ///

We received great feedback from customers regarding our level of service to them and ways to improve. We developed an action plan to create an online store for parts sales that would allow us to be open 24 hours, 7 days a week.

/// MARKETING & EVENTS

BOAT SHOW CLEARANCE CENTER

Fran D'Agata, Fremac Marine Sales & Service

DOWNLOAD DOCUMENTS

/// BEST IDEA ///

At the end of 2009 we were burdened with 25 non-current units that we needed to move. We decided to set up a "Boat Show Clearance Center" display during our February winter boat show in Syracuse.

/// HOW IT WAS IMPLEMENTED ///

We contracted for additional space at the show and displayed 10 non-current boats at "Clearance Center Pricing." We also displayed signage showing our additional non-currents that were also available but not on display. The signage we used created urgency for the consumers. We marketed the pricing as a "once in a lifetime opportunity to own a new boat with a full warranty" at never heard of pricing!

/// RESULTS ///

During the show, we sold 6 of the 10 non-current boats and generated a number of new leads on our other non-currents in stock. We were able to liquidate over $200,000 in non-currents quickly. This also helped ease the pressure from our floor plan source and generated cash flow in the slow winter season.

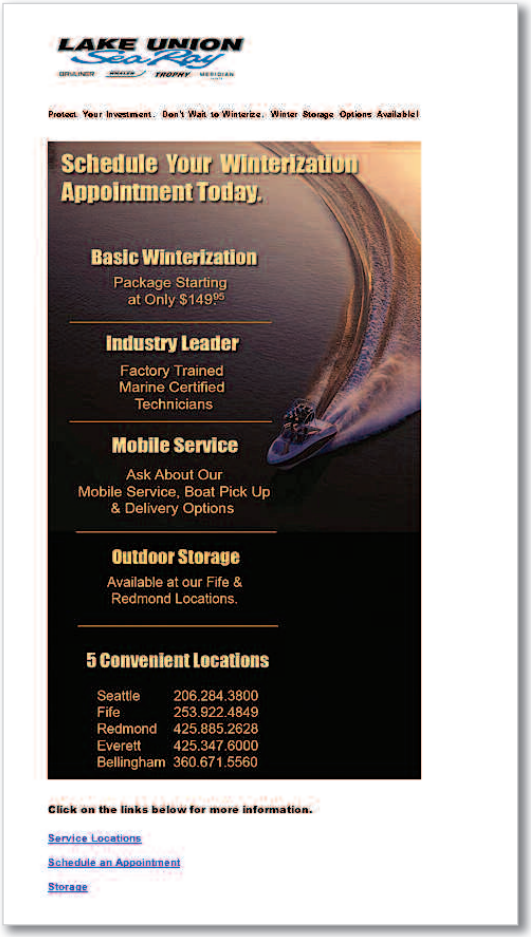
FINALIST

CUSTOMER CONNECTION CAMPAIGNS

Kay Woltman, Lake Union Sea Ray

/// BEST IDEA ///

Over the last year, like most boat dealers, Lake Union Sea Ray was challenged to maximize marketing efforts with minimal investment. We decided to take advantage of our customer/prospect lead database and developed an all-encompassing Customer Connection marketing plan where the main focus is customer call lists.



With every campaign we make it a point to have all of our marketing efforts communicate a consistent message. Each Customer Connection campaign includes the following marketing elements:

- Customer/prospect calling list assigned to individual employees
- Call list instructions for employees
- E-mail to customer/prospect
- Online presence
- Traditional media where applicable (broadcast and/or direct mail)

The call list is the absolute most critical part of the campaign that drives the overall success of the event. Although traditional marketing is important for strengthening our brand and market awareness, we believe that now more than ever, staying connected with our customers by phone is the most important marketing tool we can provide our sales and service team.

We are fortunate to have a very large database of over 50,000 customers and prospects going back to 1998 from a combination of Footsteps and IDS lead entries. This is a very ripe and fruitful list of individuals we know at some point had an interest in boating. We are able to sort the data in different ways depending on the event/promotion. For example, in preparation for our spring cruiser and yacht event, a list was pulled based on the prospects' interests in boats 24 feet and above. We also pulled buyers who purchased a cruiser or yacht from Lake Union Sea Ray 3 to 5 years ago. Once the data is sorted, a customer call list is developed for each sales and/or service employee. All call lists include the following information.

- Customer/prospect first and last name
- Address
- Home phone (work and cell phone if available)
- E-mail (if available, if not, caller must ask for e-mail and update profile)
- Customer boat interests

Providing an individual call list and detailed instructions to each sales or service person allows management to supervise the employee's results. The call lists have also proven beneficial in keeping the customer's contact information current in our Footsteps database.

The call list instructions include five parts:

- Purpose of call
- Talking points
- Updating the customer's record in Footsteps
- Managers follow-up
- Deadline for call list to be completed, all customers contacted.

/// HOW IT WAS IMPLEMENTED ///

2010 Customer Connection campaigns:

January: Seattle Boat Show (same format for all boat shows)

Purpose of campaign was for the sales people to connect with their customers and prospects with a personal invitation to visit them at the boat show.

- Call list for each employee – list included all customers/owners sorted by sales person of record.
- Invitation/letter mailed to customer/prospect by employee
- E-mail
- Web presence

March: Think Big Cruiser and Yacht Event

Purpose of campaign was for the sales people to connect with their customers and prospects with a personal invitation to attend our one weekend only, in-store cruiser and yacht event.

- Call List for each employee – list included prospects interested in boats 24 feet and above and buyers who purchased a cruiser or yacht from Lake Union Sea Ray in the last 3 to 5 years.
- Invitation mailed to customer/

CUSTOMER CONNECTION continued on next page

DOWNLOAD DOCUMENTS

CUSTOMER CONNECTION continued from page 10

prospect by employee

- E-mail
- Web presence
- Radio

June/August: Bayliner/Meridian Yacht Rendezvous (June) and Sea Ray Rendezvous (August)

Purpose of campaign was for the sales people to connect with their Bayliner, Meridian and Sea Ray owners with a personal invitation to attend our exclusive owner rendezvous.

- Call List for each employee – list included all owners sorted by brand and sales person of record.
- Invitation and itinerary mailed to owner by employee
- E-mail
- Web presence

June: Summertime Events

Purpose of campaign was for the sales people to connect with "orphaned or unassigned" customers and prospects with a personal invitation to attend our upcoming summer events including Demo Days and AquaPalooza.

- Call List for each employee – an "orphan" list was assigned randomly to each employee. Orphans are customers or prospects who are currently not assigned to a sales person or assigned to a sales person that is no longer with the company.
- E-mail
- Web presence

September: Winterization

Purpose of campaign was for the sales and service people to connect with their customers about the importance of winterization and assist in getting their appointment scheduled.

- Call List for each employee – sales call list included all customers/owners who purchased a boat within the last two years, sorted by sales person of record. Service call list included all owners from 2006 to 2008 plus all current service customers.
- E-mail
- Web presence

October: Fall Fishing & Cruising Event

Purpose of campaign was for the sales people to connect with their customers and prospects about fishing boat and cruiser specials and a reminder to schedule winterization appointments.

- Call List for each employee - list included customers/prospects who currently own or showed interest in fishing boats, owners of runabouts five-plus years, owners of cruisers two or more years, and cruiser prospects sorted by sales person of record.
- E-mail
- Web presence

/// RESULTS ///

Measuring immediate results in boat sales is a bit difficult to quantify. Our main goal for the Customer Connection program is for the sales or service person to set an appointment or to ensure the customer attends our events/promotions. Short-term success can be measured by the growth we have seen through our event attendance.

In addition, we feel strongly that staying connected with all of our customers and prospects will benefit our company long-term. Building a personal relationship with the customer will increase overall boating awareness by enhancing consumer confidence- and the desire to boat, and it will keep Lake Union Sea Ray top of mind.

BOATING AND FISHING EXPO

Paul Berube, Boaters Exchange

/// BEST IDEA ///

We invited another large national dealer to participate in a boating festival at our dealership. We invited 25 or so vendors to come and set up tents and had live seminars, including fishing and boat maintenance as well as boat care product demonstrations. Fishing and boating seminars occurred the entire weekend. We did a boat giveaway contest embedded in a direct-mail campaign. We also partnered with Coastal Angler Magazine, which was the namesake of the event: "Coastal Angler Magazine Boating and Fishing Expo."

/// HOW IT WAS IMPLEMENTED ///

Late summer but shooting for early spring next year.

/// RESULTS ///

We received roughly 1,000 visitors to our store – many of them new customers. Our status among related vendors and customers alike was elevated. A handful of boat sales and new service customers were gained, but financial results were not the highlight. It was more brand and location awareness of our dealership.

KEYWORD ANALYSIS

Andy Larson, Midwest MasterCraft

/// BEST IDEA ///

The Internet is the 21st century version of the front door of our dealership. One of the best tools we have found to help get a foothold on our website is www.semrush.com. This site can be used both for free and as a paid application for more detailed reports. You can search a website or a particular keyword. Does used boat, used boats, or preowned boats get more Google searches? What keywords does a dealer's website search well for? Where are they weak? How do they compare to their competition?

Using the keyword analysis you can decide what keywords to use in your site to gain more Google organic (free) traffic. By targeting the right keywords you can get more visitors. When used with Google Analytics you can tell which keywords are more likely to lead to sales or lead conversions and then specifically target particular words. You can also see what the average CPC (cost per click) with Google Adwords is for keywords, which helps give you a feel for the value placed on that keyword by other advertisers.

> "The Internet is an area where a little company like Midwest MasterCraft is able to outpace a huge corporation like MarineMax with a little knowledge."

You can also analyize your website or compare it to another site using www.semrush.com. You can get a feel for how much traffic a competitor's site is getting from Google and what competitors are paying Google Adwords.

You will know what keywords are successful for a site and use that information to change your site or make marketing decisions. There is also a great add-on to Firefox that has a bunch of Internet metrics including some www.semrush.com data available at https://addons.mozilla.org/en-US/firefox/addon/3036/.

/// HOW IT WAS IMPLEMENTED ///

With the slowdown in boat sales we have thrown a lot of energy into our website. This has helped us remain profitable through the recession. The Internet is an area where a little company like Midwest MasterCraft is able to outpace a huge corporation like MarineMax with a little knowledge. If you look at the www.semrush.com data, www.waterskis.com (Sem rush rank 50,605 and price $37,435/month) ranks higher in Google organic referrals and traffic value than www.marinemax.com (Sem rush rank 148,702 and price $15,881/month). It does not take much for dealers to outpace their competitors because so many dealers do little/nothing and just rely on the same canned solution.

/// RESULTS ///

We had limited results with paid advertising, so we have scaled back greatly and have used our marketing budget to target other areas. We use www.semrush.com to track both our site and competitive sites.

It is another super low-cost tool that can be used to help give dealers a greater feel for what they are doing right and wrong and who is doing a better job than they are online.

FINALIST

PERSONALIZED ON HOLD MARKETING

Carly Poole, Buckeye Marine

/// BEST IDEA ///

Like many dealership phone systems, our phone system comes with a hold system that allows us to play music, the radio or the like. We know that statistically people will stay on hold much longer (two minutes vs. 22 seconds) when they are being entertained with something rather than hearing dead air. We have for a number of years ensured that there was something playing while people were waiting on hold; however, recently we changed the content that is being played. Not only does our on hold marketing explain things that are happening at the dealership, special promotions and events and highlight our boat brands and dealership features, it is also recorded by a familiar voice. When you call Buckeye Marine and are placed on hold, you now hear the voice of a front-line employee, family member or one of the owners talking about our dealership as well as short snips of upbeat music that was specially created to avoid copyright infringement.

There is also an added bonus to doing these recordings ourselves. We are also able to use these recorded messages in the playlist that is heard in our showroom and pumped through speakers outside the dealership. This way consumers shopping in the dealership are also occasionally hearing about what is happening at Buckeye Marine.

The important marketing initiative above and beyond what is mentioned above is that when our customers (or potential customers) are on hold at our dealership or shopping in our store they are never going to be exposed to an ad from another dealership like they would be if we simply played the local radio station.

> "When you call Buckeye Marine and are placed on hold, you now hear the voice of a front-line employee, family member or one of the owners talking about our dealership…"

/// HOW IT WAS IMPLEMENTED ///

In order to implement this program, we had to invest in two fairly common pieces of equipment: an iPod (with charger and ¼ output like you would use in your car) and a microphone.* We recorded the short spots (and made 30-second music samples) in Mac Garageband and exported them to an iTunes playlist, which was then uploaded to the iPod. The iPod was set to shuffle, the charger was affixed to the iPod (and a wall outlet) and then plugged into our phone system. This gives us the flexibility to change the on hold as often as we deem necessary and record whatever we wish – easily giving us current messages using familiar voices.

*If you don't want to invest in the equipment but you voice your own radio ads, these can also be used by simply requesting copies of the ads from the radio station. We have interspersed our radio ads into the playlists at times as well.

/// RESULTS ///

It is amazing how many people comment, "Hey, I just heard you while I was on hold ... but you weren't done talking yet ... put me back on hold!" Also people stay on hold much longer than they would without having something to pass the time ... AND they are aware of what is happening in the dealership and ask questions about what they have heard once an employee returns to the line.

QRI CODES

Sherry Jackson, Glencove Marine

/// BEST IDEA ///

This year we implemented a new form of interactive technology called QRI codes. QRI stands for "Quick Response Information" and is a code that contains specific information on a particular boat, PWC, ATV, our home page, or even the salesperson's contact information. When a customer sees a QRI code, they know to scan it with their smartphone. When they scan a code attached to a specific boat, all of the information on that specific boat is downloaded to their phone in seconds. By doing so, they can then go home and show the wife, husband or just revisit what they saw earlier! The salespeople also have QRI codes on their business cards, which allow the consumer to instantly scan all of their contact info and store it in the contacts section of their smartphone. This really connects our sales staff with the consumer because now the boat buyer has all of the sales rep's information instantly at their fingertips.

DOWNLOAD DOCUMENT

/// HOW IT WAS IMPLEMENTED ///

The technology is relatively new and has only been implemented for a few months. We have begun using it in our print ads next to a picture of a specific boat as well as in our informational section so they can go directly to our home page. The codes can also be scanned from a TV commercial, billboard, newsletter and of course business cards. Plans are in the works to even put one on a T-shirt that, when scanned, takes people to the home page of our website. Our in-house marketing company makes the codes for us so there is no need to pay a third party to produce them. The amount of codes available for use is infinite as are the number of scans they can receive.

/// RESULTS ///

We have seen our Web traffic almost triple in hits since utilizing this technology. Through our website traffic tracker, we can now tell which specific models of boats or PWC's people are scanning. We know how many times they have been scanned and where the scans came from, which is especially helpful when planning our marketing. For example, if we run inventory pictures and codes in numerous publications, we can use codes specific to that publication and know which ones are bringing our customers to us, and more importantly, which ones are not. We can now tell if most of our scans are coming through TV ads, prints ads, billboards, or even our e-mail signatures.

Customers seem to like this new technology because they can scan numerous models, which are then saved in their smartphone. They can then research and compare them when they get home, sharing the information with their spouse. If they find one they like, it's very easy to contact the sales rep because they will have either stored the sales rep's info in their phone or they can easily find it while visiting our home page. Once on our home page, they are also able to learn more about our company and they learn more about our company.

Another plus to this technology is Glencove's continued effort to "go green." We do not need to print as many spec sheets to hand out to our customers, which saves money and resources. We intend to utilize this heavily at the upcoming boat shows this winter.

WEB ANALYTICS

Andy Larson, Midwest MasterCraft

/// BEST IDEA ///

The best no- or very-little-cost thing any dealer can do is to set up Google Analytics and Google Website Optimizer and learn how to use the information they provide.

Analytics is free and even if dealers need to pay their website provider to install it, it should be very low cost. Dealer's websites are the new front door of a 21st century dealership and the Internet gives a dealership access to more potential customers than their conventional front door ever will.

With Analytics and Web Site Optimizer dealers can track virtually every metric related to their website. They can tell if Web advertising is working or not. They can see what keywords are leading customers to them and how long they stayed. They can set up "conversion funnels," which can track Web visitors and use this data to optimize lead generation and sales. They can tell what pages visitors usually leave from. They can track the quantity of new vs. returning visitors. You can even track where your sales or leads are coming from (organic search engines, direct traffic, referring site – if so who.) The greatest thing about the Internet is that it is so easy to track both your site and your competition and create an action plan with the information in hand.

> "Dealer's websites are the new front door of a 21st century dealership and the Internet gives a dealership access to more potential customers than their conventional front door ever will."

Google provides a lot of information on how to set up Analytics and how to best use the data at http://www.google.com/analytics/index.html.

/// HOW IT WAS IMPLEMENTED ///

It only takes a few minutes to cut and paste some tracking code in a website to "install" Google Analytics and Google Website Optimizer. Once that is installed it takes a little time for data to roll in and the store owner needs to set up a system to access and interpret the data. This data is available anytime online or can be e-mailed as often as you choose. There are even smartphone applications that generate the reports for you on your phone. The data is as of the previous day, so tracking can be very real time. You have the ability to set date ranges for reports and compare them to previous data – for example July 2010 vs. 2009. We found that we consistently have far more Web traffic on Mondays and it drops a bit every day of the week, so we always deliver e-mail marketing on Mondays. Delivering marketing pieces on Mondays allows us to ship products and deliver them to customers before the following weekend and increases the effectiveness of our advertising.

/// RESULTS ///

We were spending a lot of money marketing our website and found that we were not getting the returns we wanted, so we sought out a company that promised to deliver better results. We were able to tell from the two Google products that they did not deliver on their promise, so we parted ways and redirected our marketing budget to other areas. Through the information we have access to on Google Analytics we have increased our Internet-related sales from nothing to more than $1,000,000 in three years.

FINALIST

REACHING OUT TO CUSTOMERS

Joe Lewis, Mt. Dora Boating Center

/// BEST IDEA ///

This past year we focused primarily on people we knew owned a boat. Specifically those in our primary market: 18- to 30-foot stern drive family recreational fiberglass 10 years old or newer. Coincidentally this was the segment hardest hit by the downturn over the last few years.

Our strategy was to break them down into three groups and create special promotions and incentives for them to do business with us, focusing on service, and begin building relationships. The message and media varied by the group:

> "With our current boaters, we're seeing dramatic results – we've got more people out using their boats now than we did in April and May."

"Never Been" – We purchased a list from Info-Link of registered boat owners in the four-county area surrounding our dealership. That list contained mailing information for approximately 4,500 stern drive fiberglass boats, 18- to 30-feet long, 10 or fewer years old. The plan: send a series of three direct mailers with a hard-to-beat offer and call to action getting them to our facility. Once here they would experience our standard high level of customer care, be provided with the service they came for (an oil and filter change for $59), and leave with a reason to return (a coupon sheet offering dollars off ship store purchases, first month free storage and 20 percent off their next service bill). We also produced a flyer for placement on windshields at boat ramps close to our store. The offer was for a free trailer safety inspection for stopping by on their way home.

"Used to Be" – Here we employed our computer system and old sales files to compile a list by model year of people who purchased boats from us but haven't done any business with us in the last year. We composed a letter just to let them know we were thinking of them, still here and that brought them up to speed with some of the changes we've made since their last visit. We offered an overview of all services we provide with a special deal to bring them in, a gift certificate for a two-night slip rental.

On the outside chance they weren't using their boats much we encouraged them to take part in one of our upcoming events. If they were unexcited about boating but they still had their boat, we reminded them of our brokerage service as a way to attract some used product to sell. Here again, once we got them in the door, they left with the same coupon sheet as our "Never Been" people.

"Our Boaters" – These are the folks who've done some business with us in the last 12 months. Here we stepped up our events and communications to keep them engaged and using their boats. We used regular mail, e-mail, e-blasts, statement messages and inserts to stay in touch at least every two weeks. We also made sure our next upcoming event was mentioned during any customer conversations along with a personal invitation to attend.

/// RESULTS ///

Since mid-September we've seen a dramatic uptick in business. We've had the poorest response from the "Never Been" crowd, which was to be expected. We're seeing a big return in the "Used to Be's" – especially in the service area. It seems our letter was a reminder of how long it had been since any work was done on their boat. With our current boaters, we're seeing dramatic results – we've got more people out using their boats now than we did in April and May. Fuel, service and even our storage revenues are up significantly. Also, it looks like our boats sales in October will be up over 2008 and 2009. We're experiencing the level of activity we normally see in the spring right now. Granted our weather has been great, but we believe it's the level of contact and communication over the last nine months that is paying dividends.

INCREASED USED / BROKERAGE BUSINESS

Jim Thorpe, Spring Brook Marina

/// BEST IDEA ///

When boat sales got real bad in 2009, we had this great idea to buy bank repos and sell off 75 percent of our inventory. We increased our used and brokerage business by 75 percent and made a good profit in 2010 without the help of the banks or the government. I think this was the best idea that we ever had.

/// RESULTS ///

We increased our used and brokerage business by more than $1.5 million and increased our profits by over $200,000.

'ASSURANCE' PROGRAM

Joe Lewis, Mount Dora Boating Center

/// BEST IDEA ///

The Mount Dora Boating Center "Assurance" Program is designed to allow us to participate in the largest sector of used boat sales: "Driveway-to-Driveway" or "Curb-to-Curb" transactions – in other words, sales by owner – which make up over 60 percent of the pre-owned boats sold.

In a large number of cases, these boats are being purchased by people with very little knowledge about boats or boating. The "Assurance" Program allows these prospective buyers to put our expertise to work for them. We perform a full inspection of the boat and offer a disinterested experienced third party evaluation of the craft. In addition, we can help with finance, insurance, and any other boating needs from training to safety compliance.

> "We perform a full inspection of the boat and offer a disinterested experienced third party evaluation of the craft."

/// HOW IT WAS IMPLEMENTED ///

This is a new program launched in August of 2010. It's being promoted/advertised in media where people shop for used boats and soon will be on our website. We also present the program to buyers we come in contact with looking for a boat we don't have.

/// RESULTS ///

It's too early to see any financial benefits, but new buyers we've presented the program to seem to really like the idea and will consider taking advantage before they buy.

WE OWE / YOU OWE

Eric Splatt, Woodard Marine

/// BEST IDEA ///

We have implemented We Owe/You Owe sheets in our sales department. These sheets are used during the sales and delivery process.

First, the We Owe:

When a customer is taking ownership of their boat, we fill out the We Owe sheet if there is anything that is missing or not complete with the sale. For example, if you bought a new boat and the accessory that you wanted installed on the new boat was not in inventory at the time of delivery, Woodard Marine would fill out our We Owe sheet saying that "we owe" the customer their accessory at no charge when it arrives. We then file one copy with the customer's file, one copy with the service department, and one copy is given to the customer themselves. When the part arrives, the customer will be called to schedule an appointment with the service department to have it installed. The customer is then asked to present their We Owe sheet to the service department at the time of appointment. We have also used this sheet for free or discounted storage or dockage. Again, the customer must present the We Owe sheet to receive their discount in that department.

Second, the You Owe:

During our pre-delivery process of a trade, the customer was asked to bring in their documentation for the boat being traded. When the actual transaction occurred, the customer either had the wrong paperwork or no paperwork. This held up the sale or made more paperwork for our dealership. We implemented the You Owe sheet to remedy this. When a salesperson or F&I person is in contact with the customer before the paperwork process, we fill out our You Owe sheet. This sheet itemizes the exact paperwork that we will require to finalize the sale (i.e., title, registrations, lien release, etc.). We then give a copy of this You Owe sheet to the customer and save one for the customers' file.

/// HOW IT WAS IMPLEMENTED ///

The We Owe sheet:

During the beginning of the downturn, we noticed a lot of customers saying that their salesperson promised them a free safety package, free stereo or free dock space and storage. When the customer presented this statement to the service department or mooring department, that department did not want to make the new customer unhappy and accommodated them. This cost Woodard Marine a lot of money and time trying to track down the correct answer to the customers' needs and wants. We implemented the We Owe sheet to streamline our expenses and to help each department make correct decisions. When we complete the paperwork process we ask each customer (with the salesperson present) if there is anything that we owe them. If there is something, we fill it out on the sheet, and even if there is nothing, we fill out the sheet saying nothing. The customer is then educated that they will only receive what is on the We Owe sheet. The customer then signs the sheet with the salesperson, it is filed in their folder and they get a copy also.

The You Owe sheet:

Our paperwork process was getting very difficult if the customer did not have the correct paperwork during the documentation process when a trade was involved. We decided to make it easier on the customer with the You Owe sheet. When a customer is trading in a boat, we fill out this sheet showing them that we will need a clear title, lien release or registrations. This ensures that when a customer comes to do the paperwork, they have the correct items. Also, if they do not have it, they know they are responsible for getting their information before they take delivery of their new boat.

/// RESULTS ///

We were experiencing a large amount of Woodard Marine in-house warranty money being spent to accommodate the customers' wishes after the sale (free dock space, free safety packages, etc.). With the We Owe sheet, the customers now know that Woodard Marine will gladly accommodate what is on their We Owe Sheet after the sale. This has cut down on our expenses, increasing our bottom line, and making the customers happy in the long run.

When a trade was involved we were not always receiving all the information we needed. This was holding up our sales department from selling the trade in a timely manner and causing Woodard Marine to pay for the title and registration re-issue paperwork. The You Owe sheet has helped us achieve a higher turn ratio in our sales department and make more money on our documentation fees.

LAYAWAY PLAN & FREE CONSIGNMENT

Ashley Smith, Colorado Boat Center

/// BEST IDEA ///

To encourage increased winter boat sales, Colorado Boat Center established a layaway plan.

/// HOW IT WAS IMPLEMENTED ///

For consumers needing a savings plan for a boat deposit or the consumers who want to pick out the boat of their choice now, but not actually purchase it until spring, this is a perfect option. They are required to make an initial deposit and then add to it until they finalize the purchase. All deposits are non-refundable.

In addition to the layaway plan, we established a no-fee consignment option. When a consumer puts a hold deposit on a new boat, they can leave their old boat on consignment for the fall-winter months. When the boat sells, all proceeds apply directly to the new boat deposit. If they back out of the deal, the standard consignment fee is deducted from the proceeds and/or the new boat deposit is retained.

/// RESULTS ///

Both plans provide the dealership with firm boat buying commitments and those consumers are now off the market before boat show season.

STAFF INTRODUCTIONS

Liz Carney, Grand Bay Marine

/// BEST IDEA ///

Our best idea to increase boat sales was to implement a mandatory process whereby every prospect was introduced to at least two other people in our dealership. The sales staff could introduce their prospect to whomever happened to be around (i.e. service, administrative, sales) as they were showing our products and dealership. As the owner of the dealership, we agreed that when possible, I would always go over to the salesperson's desk and they would introduce me. I would then engage in light conversation and build rapport.

/// HOW IT WAS IMPLEMENTED ///

We did extensive sales training at the beginning of the year and prior to boat shows. We practiced informal introductions in our role play, which was as simple as "This is Liz. She's the owner of Grand Bay Marine" or "This is Brett, our service manager." When we actually began implementing these introductions, the employees being introduced would then stop what they were doing and engage in conversation with the prospects. At times, other employees would join in the "group" to make the prospect feel as comfortable as possible, in a very natural and comfortable setting.

If ever someone forgot to introduce a prospect to others at our store, we all would remind them and get them back on track.

/// RESULTS ///

The results were overwhelming. We had a fabulous selling season and our customers said that we were by far the nicest and friendliest place that they had shopped. They said that they felt so comfortable with us and that their experience was fun. We earned their trust and confidence more easily than in prior years, which resulted in a 20 percent increase in boat sales. The other result was that more people in our dealership were able to help the customer after the sale as they had met them previously. It will also immensely help customer retention. It was a GREAT selling season!

BOAT SHOW BOAT CAMP AND COMPETITIVE PRESENTATIONS

Mark Helgen, Lake Union Sea Ray

/// BEST IDEA ///

The Seattle Boat Show is the largest boat show on the West Coast. For Lake Union Sea Ray, it is an all hands on deck, full-time, 10-day show that requires extensive customer interaction, strategy, negotiation, brand and product knowledge and fast thinking. Like any boat show, competition surrounds us, and we only have one shot to capture the customer. For these reasons, one of Lake Union Sea Ray's best practices for sales training and education is our infamous Boat Show Boat Camp with a focus on how our sales team implements competitive dealer/product presentations.

DOWNLOAD DOCUMENTS

Each January our sales team (store managers, sales associates and F&I managers) is required to attend a high-intensity training session that prepares them mentally, emotionally and even physically for the January Seattle Boat Show. Boat Camp is a three-day training session held at one location from 6 p.m. to 9 p.m. The VP of sales organizes and sets the agenda, which includes presentations from outside vendors and manufacturers, new product demonstrations, overviews and discussions of market share and the state of the industry, company and personal sales goals, selling strategies, role playing, motivation/inspirational segments, dress code and, most importantly, team competitive presentations.

The purpose of team competitive presentations is for our staff to understand the changing competitive landscape in our local market and the entire marine industry. In past years, each salesperson was required to shop competing models/series/dealerships and present the information to the sales staff. Last year we implemented a new approach to competitive comparisons. Each store, as a team, had to compile a deeper look at specific brands and local dealers. With the shift in the economy there are fewer dealers, but also new threats that we felt needed closer attention, in-depth analysis and comprehensive understanding.

/// HOW IT WAS IMPLEMENTED ///

The VP of sales compiles an agenda for each store/team that details their assigned product and dealership. Each brand should have a 15-minute presentation with take-aways/handouts, which highlights strengths and weaknesses and can be used in the future for meetings and reviews. The handouts are limited to one page per brand. All the presentations and handouts are built into a "book" and each store has one for review and reference throughout the selling year.

Managers of each store lead the assignments for the presentations and all sales people are expected to delve deeply into the assigned brands or segments. Our sales people physically shop the competition, rating their stores for cleanliness, display, presentation and level of sales acumen. They also review their website and manufacturer online presence. The idea is to truly understand our threats and competition.

Presentations must be engaging, relevant, and useful to all sales personnel.

/// RESULTS ///

If Lake Union Sea Ray is to provide a superior customer experience, then the time and financial investment in employee development, education and training will ensure that Lake Union Sea Ray is the No. 1 choice for repeat and potential boat buyers.

With the changing climate of our industry and fewer boat buyers, understanding the competition is an essential selling tool that has become a critical part of the overall sales process.

During the boat show and in our stores, we are able to see immediate results from Boat Camp and the competitive presentations. The sales associates are ready to sell. They work the show with purpose and pride, look professional, speak to customers with confidence and present themselves as an industry expert. They are able to do this because of the knowledge and training they just received from Boat Camp, which builds self-esteem and self-motivation, resulting in more boat sales and an overall successful boat show.

STRONG DELIVERY PROCESS

Patty Reeve, Strong's Marine

/// BEST IDEA ///

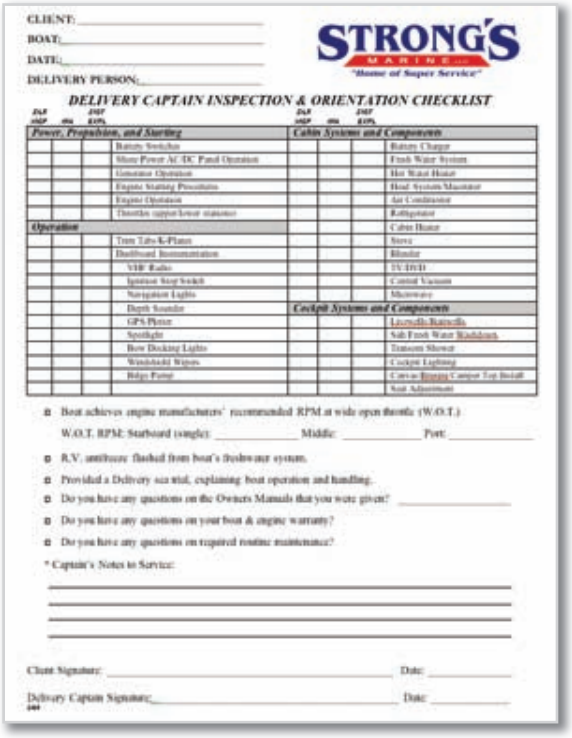
Not only do we have all the forms and procedures in place for a smooth sale and delivery for our clients (manufacturer delivery forms and our own internal delivery captain orientation and checklist), but we cater to each client's individual needs. When a client takes delivery of their boat we offer up to 20 hours (depending on size of boat and skill of owner) of on-water training with our delivery captain.

The delivery captain asks the client what they want to use their boat for and depending on their answer, that's what the delivery captain spends time doing with the client. If they want to learn how to anchor their boat, the delivery captain goes out with the client and shows them how to anchor; if they want to go to lunch at a waterfront restaurant, the delivery captain shows them how to hail the restaurant/dock hand on the VHF and then how to dock correctly; if the client wants to waterski or go tubing with the kids, our captain is there showing them the proper way to do so. When the client is interested in fishing, our captain will go out with the client and show them how to drift properly while they cast their line in hopes of a great catch. We had one client who wanted to take his boat around New York City, so we set him up with a captain who was familiar with the area and where you can and cannot go. We feel it's important to provide the guidance our clients need in order to feel comfortable with their new purchase, so that they get out on the water and have the knowledge they need to do so.

DOWNLOAD DOCUMENT

/// HOW IT WAS IMPLEMENTED ///

Strong's, for at least the 10 years that I've been here, has always had processes in place; however, about six years ago we strived to improve our delivery process as a benefit to our clients and to improve Strong's as a company and our CSI. We went over in detail all operations of the boat, maintenance schedule, and developed our own internal Delivery Captain Orientation Checklist. During the past few years, we have taken that a step further and really geared the on-water lessons toward how our clients want to use their boat. It doesn't really help to tell the client how you would do it; actually going with them, letting them use their boat and you being there to SHOW them, they gain experience and confidence.



CLIENT: _____

BOAT: _____

DATE: _____

DELIVERY PERSON: _____

STRONG'S MARINE "Home of Super Service"

DELIVERY CAPTAIN INSPECTION & ORIENTATION CHECKLIST

DAY SHIP	ON	DAY EOD		DAY SHIP	ON	DAY EOD	
Power, Propulsion, and Starting				**Cabin Systems and Components**			
			Battery Switches				Battery Charger
			Shore Power AC/DC Panel Operation				Fresh Water System
			Generator Operation				Hot Water Heater
			Engine Starting Procedures				Head System Maceration
			Engine Operation				Air Conditioner
			Throttles upper/lower stations				Refrigerator
Operation							Cabin Heater
			Trim Tabs & Plates				Stove
			Dashboard Instrumentation				Blender
			VHF Radio				TV/DVD
			Ignition Stop Switch				Central Vacuum
			Navigation Lights				Microwave
			Depth Sounder	**Cockpit Systems and Components**			
			GPS Plotter				Livewells/Baitwells
			Spotlight				Sub Fresh Water Washdown
			Bow Docking Lights				Transom Shower
			Windshield Wipers				Cockpit Lighting
			Bilge Pump				Canvas/Bimini/Canopy Top Install
							Seat Adjustment

- Boat achieves engine manufacturers' recommended RPM at wide open throttle (W.O.T.)
  W.O.T. RPM: Starboard (single): _____ Middle: _____ Port: _____
- R.V. antifreeze flushed from boat's freshwater system.
- Provided a Delivery sea trial, explaining boat operation and handling.
- Do you have any questions on the Owners Manuals that you were given? _____
- Do you have any questions on your boat & engine warranty?
- Do you have any questions on required routine maintenance?

* Captain's Notes to Service:

_____

_____

_____

_____

Client Signature: _____ Date: _____

Delivery Captain Signature: _____ Date: _____

/// RESULTS ///

We have received nothing but positive feedback from the way we structure our delivery process and on-water training. Strong's sends out their own Internal Delivery Survey (in addition to the Initial Survey the manufacturers send out) as we welcome feedback and are always looking for ways to improve and provide an open forum for our clients to do so. At times clients are surprised we don't just hand them the keys and send them on their way. To us it's not just a "sale," it's developing a relationship and making sure we provide the tools necessary for our clients to enjoy and utilize their boats to their full potential. We want our clients out on the water with their family making memories that they'll be able to talk about for years to come.

FREE SLIP RENTAL

Dale T. Thomas, Laurel Marina

/// BEST IDEA ///

We have a marina with a 600-plus boat capacity as well as a boat dealership. We completed the first phase (over $4.2 million in infrastructure of roads, parking lot, utilities, walkways, five bridges, etc.) of our 390-slip expansion approved in 2007, including 64 new slips in November 2009. In 2010, we offered "free slip" rent to our "new boat" buyers through our boat dealership from three months up to one year in our marina. Most of these new customers have stayed with us in our marina. We have picked up their fuel, food, accessories and service business, and they have brought their friends and potential new customers to our marina to enjoy their boat. This promotion has helped us hold our new boat margins 6.9 percent higher on new boat sales in 2010 to 19.3 percent through September 2010. We have not raised our marina slip prices since January 2008, but we have continued to maintain a slight increase in slip rental income and total marina income for 34 consecutive years. Through September 2010 our dealership service business has increased 28.2 percent and our P&A sales are up 49.6 percent with a 44 percent gross margin. Although our total new boat sales dollars are down $568,423 in 2010, our total company gross margin is up 16.6 percent and our new boat unit sales are up 23.9 percent through September 2010. This increase in new boat sales has driven our increased sales in used boats, service, and P&A as well as helping us increase our total marina income in the third year of an economic slowdown in our area, where many customers have been forced to sell their boats and pull out of marinas. Our "free slip" promotion has provided us with a unique "unfair competitive advantage" over our competition that do not have a marina.

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/// HOW IT WAS IMPLEMENTED ///

We started the promotion at our regional boat show the last week of February 2010. The boat show promotion provided for a full year of "free slip" rent in our marina valued up to the cost of $1,850, which is the annual price of one "double-covered slip." The remainder of the year we offered the amount of "free slip" rent we felt was needed to close the new boat sale, up to the rent for one year in our marina. We did not advertise this promotion beyond the boat show, but we used it on an "as needed" basis. This was a special incentive the salesman had to use as a closing tool. Since we require our marina rent to be paid in advance for a full year, we tried not to give away slip rent beyond December 2010. This strategy provided our marina the possibility of receiving a full year of rental income before the end of 2010. Overall, this has worked well, although a few customers with smaller boats that bought a trailer pulled out their boats at the end of the season to store it inside for the winter. However, many of those said they will return and rent from us in 2011. The "free slip" did not cost the marina anything because we had excess slip capacity available beyond any of the promotional slips that were provided free.

/// RESULTS ///

The direct cost of this promotion was only the $100 cost of the large promotion banner for the boat show. We can use the banner at next year's boat show as well. Since the fall of 2008, we have had several customers sell their boats and several more customers have had to pull their boats out of our marina because of the tough economy. In addition, we completed construction of 64 new slips we started in December 2007, and we have excess capacity in our marina. This promotion provided new customers to our marina that likely would not have rented a slip from us if we had not sold them their boat through our dealership and we had not offered them the "free slip." It will continue to provide additional profits to both of our businesses as long as they remain both marina slip and dealership service customers as well as repeat boat buyers. They are a good source of "new referral customers" for all departments of our businesses.

VIP PRODUCT LAUNCH

Chris Poole, Buckeye Marine

/// BEST IDEA ///

Create a VIP preview event around a new 2011 cruiser.

/// HOW IT WAS IMPLEMENTED///

We contacted the local yacht harbor to reserve a dock and secure a date. Then we created a special invitation in both e-mail and print formats and e-mailed a database of customers who own smaller or older cruisers. In addition, we had staff hand-deliver invitations to all of the smaller cruisers in the local on-water marinas.

On the day of the event, we delivered and decorated the boat, installed signage on the dock, set up a VIP room with a bar, tables and roundtable closing area, and set up easels with other new models. That evening, we did a meet-and-greet, provided guided tours of the boat and arranged sea trials for interested prospects.

/// RESULTS ///

The slip cost $75 for the day; the liquor license, beer and wine were $250; the cheese, shrimp and fruit trays were $150; and the invitations were done in house. All together, the total cost was less than $500.

The event resulted in one sale directly of $112,000, which at 24 percent GPM was worth $26,880. In addition, we got four more very strong leads, two of which should close by our January boat show, for another $53,760 in profit.

MAXIMIZING F&I SALES

Texas Marine

/// BEST IDEA ///

Since the F&I department should be the most profitable department in the dealership, in order to maximize F&I income, combine the sales or sales manager position with the F&I position using your strongest salesperson. Since F&I is selling financing, extended service contracts and other insurance products, a strong salesperson will produce more income than a person who is more paperwork-oriented.

Another benefit is it gives your best salesperson an opportunity to earn more money via added commissions that will help keep him or her happy and motivated.

If the salesperson does not have enough organizational and detail skills, you can use a separate person in the dealership who has the skill set to handle the related paperwork. If clerk assistance is needed, you should figure in this expense by deducting it out of the commission percentage you pay the salesperson.

One of the many menu-selling software programs on the market is the best way to go for the F&I salesperson to use in presentations to the customer. Customers like to have financing and insurance options presented to them and then be able to choose between two to three packages or options. The menu-selling systems simplify this and present it in the most credible format.

GRAND PRIZE WINNER

YOUTUBE INTEGRATION

Kyle Kelly, Kelly's Port

/// BEST IDEA ///

Our best idea started mostly as one of those "why can't we do that moments?" I was buzzing around the Internet and saw a guy doing a bunch of YouTube videos trying to sell blenders. Now, I looked into this and thought, "Hey, here's a guy selling $35 blenders and we're selling $35,000-$350,000 and more boats and we don't have video?!"

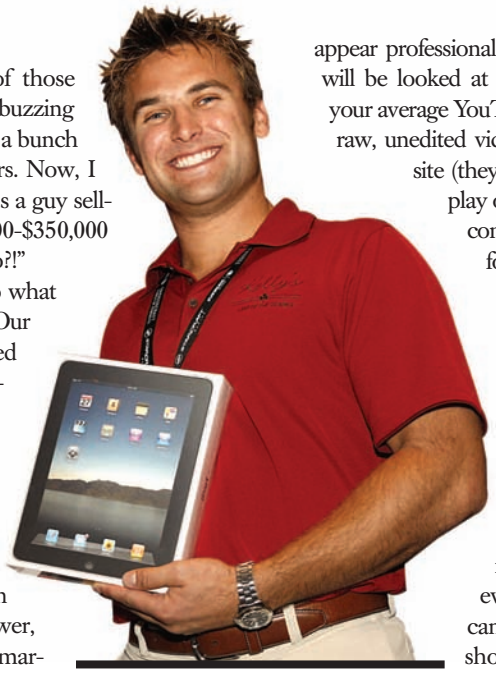
I started on a journey and looked into what all we would need to start the videos. Our digital camera was outdated and we needed a new one, and I saw that all the new cameras have the ability to shoot HD video and, therefore, we spent the only capital investment that was needed for this idea: $150 (which, candidly speaking, we would have spent anyway).

We first started on used boats and used a test boat that is kind of an Edsel in our market (no gen, no AC, small power, etc.). Typically the boat would be on the market for about five to six months minimum; we sold the boat in about 10 days. We found this to be commonplace as the used boats with just photos sat in inventory much longer as opposed to boats with photos and videos. So we decided there might be something to this, and we decided to start doing this with all the used boats that we had in inventory and everything was flying off the shelves (in a down economy, mind you).

What we found was that people were interested in the boats with YouTube videos that they normally wouldn't be interested in. We learned that most of our buyers are not making their decision on which boat to buy at the physical dealership, but online when doing their online shopping, which makes sense – before everyone makes a big decision (boat included) they do research online. Most people research electronics, cars, phones, and even what DVD to rent before they even step foot inside a retail location.

One noteworthy thing to mention: none of our videos are edited or look professional in any way, shape, sort or form. Our videos are rough cuts with basically the salesperson sharing information about the boat; the good and the bad. Many people would think that we are going into some video studio, spending a bunch of time and money on these, but we are not.

What is important to know about YouTube is that, like most of the social media venues in the industry, it is user-driven and not professional. Any attempt to make it look or appear professional (like a television commercial) will be looked at with some resistance because your average YouTube viewer expects the type of raw, unedited videos that are prevalent on the site (they're not taking time out of their play or work schedule to look at TV commercials – they're searching for information).



Kyle Kelly with the Best Ideas grand prize, a new Apple iPad.

One thing we try to instill in our guys is just to talk about the boats, be informative, but be candid and be sure to point out the good and the bad about what they are showing. The advantage to that is that it makes the video real. It's not a commercial where everything is hunky-doory. It's candid and what's great about showing the flaws in a boat is that it makes the prospective buyer aware of the issue ahead of time, so it's not a big obstacle when they come in. Also, it makes you look more honest and candid and, therefore, you can build trust more easily.

We've also started expanding the YouTube integration from our used boats into our new inventory, and we are using it as not only a marketing tool but also as a sales tool within our dealership. In the off-season, we are having some of our veteran sales guys and younger sales guys do a feature benefit with a camera. While the team watches/films, the team critiques, and then we load the video online. So it not only serves a marketing purpose but also helps share information within the sales team – once again, at no additional cost.

The plan is to have a general video on a certain model plugged into every new boat listing as a more thorough walkthrough of the boat (and how certain features/benefits are important in our market as opposed to Regal's walkthrough – i.e. rough water capability is much more important in our market than say a river market; therefore, the videos will concentrate on rough water capabilities among other features).

We also have the luxury of having a very high-traffic gas dock and service facility, and when things start picking up in the springtime, we will catch individual customers on

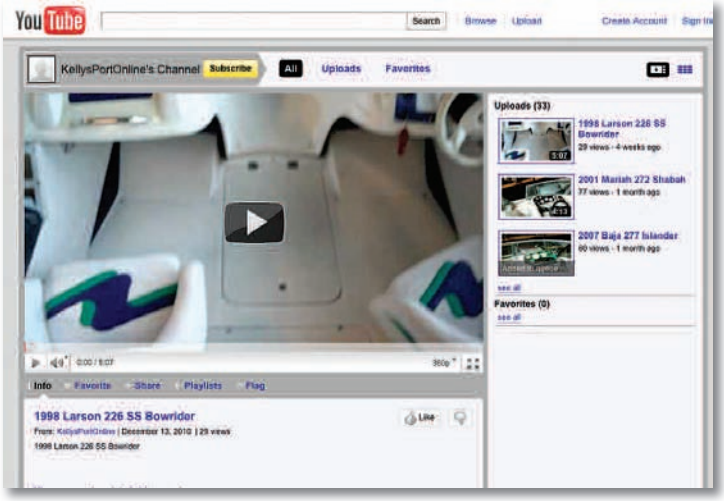
YOUTUBE continued on next page

GRAND PRIZE WINNER

YOUTUBE continued from page 25

boats they have bought from us, ask them what they like about their boat, and plug that raw video into the individual model listings (i.e. Mr. Customer is on the dock in his Regal 2700, we film him asking him what he thinks about the boat, and put that onto the website).

Adding onto the success we've already seen in the new and used boats, we are going to do a full video walkthrough of the entire facility. Our Owner/Founder Randy Kelly (who is a popular name here at Lake of the Ozarks and in the boating community) will do a walkthrough of the facility. We feel that when potential buyers are on our website they are asking the question, "Why should I do business with this company?" So instead of just throwing information or photos out there and hoping some of it sticks, we've decided to answer those questions via video.



Kelly's Port has found that the boats they highlight with online videos sell more quickly.

As you click on the different areas of our new website, there will be a video that pops up. For example, in the new boat section, there will be an embedded YouTube video titled "Why to Buy a New Boat from Kelly's Port." When visitors click, Randy Kelly will go through the different reasons to buy a boat from us (talk about our service department, our same-day service guarantee, our full on-water demos and orientations, etc.,). We will have videos on Why to Buy a New Boat, Why Buy a Used Boat, Why Service a Boat, Why Dry Rack Store a Boat, Why Wet Store a Boat, Why Buy Gas, etc. – all with video walkthrough of the facilities highlighting the important things that separate us from the competition.

/// HOW IT WAS IMPLEMENTED ///

The implementation of it was pretty simple. First, we bought a camera that has photo and video capabilities. Secondly, whenever a salesperson picks up a new listing, it is their responsibility to take photos, do a walkthrough video and load everything online, a required process for the sales person to earn full commission. We've created a YouTube account (KellysPortOnline) for all of our Kelly's Port videos , where all of the videos are loaded.

Whenever they are loaded online, the salespeople are asked to enter in all the tag words appropriate for the videos: i.e. Regal 2700 will have tag words including Boats, For Sale, Regal, Kelly's Port, Lake of the Ozarks, etc. This has greatly helped our exposure online, as our website shows up higher on Google searches because of our videos and their corresponding tag words.

Speaking of search engines, behind Google, what is the No. 2 most used search engine – YouTube. We get actual leads from YouTube from the contact information we leave on there. Lots of "Hey, I just saw your video online and I was curious ..."

One of the wonderful aspects of the videos that we had really not thought of was the comments. We found that our customers who had already purchased boats were trolling through our website and loved to comment on videos they saw with positive reinforcement. It just goes to show the powerful medium that social media is becoming where a customer can compliment a certain boat or brand, which in turn helps us do our jobs.

Once again, the implementation was a fairly seamless one. All we had to do was train the sales team, who were open to learning because it made the boats sell more quickly and made the sales process easier, since the customers who came to the dealership now know more about the boats than they did before.

/// RESULTS ///

As mentioned earlier, boats with videos tend to sell more quickly (we've had boats sell in less than a couple hours after getting them on YouTube – that's not an exaggeration). It also makes the customer more comfortable coming into the dealership, so we've seen some additional walk-in traffic, phone calls, e-mail, etc.

From the leads alone, we can account for about 10 boats that we have sold this year, and we started the videos in late March. We also feel that it has helped close many deals, as there are customers who come in the dealership, go home to do their shopping online, rediscover the boat through the video, and come back to the dealership. It is important to note that we have had increased floor traffic, higher closing ratios, and more sales on new and used boats for an initial cost of $150. Our only investment in this initiative has been our time, which only represents about two minutes to film and another two minutes to load online.

MARINE STORAGE PROCESS

Gary Poole, Buckeye Marine

/// BEST IDEA ///

When volume of business increases it is necessary to review processes in order to effectively keep service standards up to and beyond what your customers have come to expect. For instance, when we used to store more than 200 boats, we were able to winterize boats whenever they arrived and store them in a fashion that allowed clients to pick their boats up or have them delivered virtually whenever they wanted without notice. Our storage business has grown to the point where we store 700 boats on our property and winterize over 500 that customers store themselves. This huge increase in volume has forced us to create processes to handle storage and winterizing in a much more efficient and time-sensitive manner. At the same time, we recognize that winter creates an opportunity for us to solicit service work from that large base of boats that are in the yard for the season.

…we were able to winterize boats whenever they arrived and store them in a fashion that allowed clients to pick their boats up or have them delivered virtually whenever they wanted without notice.

The process begins with each sales and service customer receiving a storage pamphlet by mail or e-mail. The pamphlet includes an introductory letter, a price list for various winterizing and storage packages, a territory map with concentric rings that divides our pick-up area and delivery area into zones with established pricing, and a list of specially priced service packages that can be performed over the winter. The letter informs the customer of the need to call in as soon as possible to reserve a spring launch date, which is a key factor in the storage process. We can launch 80 boats per week, so precise scheduling is essential. At that point a pick up time is arranged for our six service vehicles or customers drop off their boats at their convenience.

During the process when customers are making their storage arrangements, service writers and drivers have the opportunity to sell the winter works packages. These staff members are offered commission to sell this work. Customers are reminded of this opportunity several times during their storage experience from the e-mailed or mailed pamphlet, discussions with the service writers and contact with the drivers, and it is a great way to create work for the service department. So for instance this year, we have solicited 140 winter works projects on top of the 150 compound and wax jobs sold. This will keep our mechanical and fiberglass staff busy over most of the winter. Every boat is racked by its launch date. Winter works boats are earmarked with a colored dot on the transom beside the storage identification label, clearly visible by the yard foreman. The yard is therefore easily organized in order to identify and access the winter work boats.

Come spring, customers are notified a week before their launch date, a time is set for delivery and the boats are cleaned (again) just prior to the customers receiving them back. A tag is placed in the boat indicating that it was "…proudly cleaned by…"

Each month during storage season, drivers and service writers hand in their sales sheets, which are cross-referenced to the work orders and commission is tallied and paid out. Front line staff members are motivated to solicit this work not only by the commission, but by the knowledge that they are contributing to help keep themselves and their fellow workers employed over the winter.

COORDINATING SCHEDULING

Don Mackenzie, Boats Incorporated

/// BEST IDEA ///

Rather than having the service department put new boat deliveries and re-powers into its schedule, the rigging department now reports to the sales department for its schedule and manning. The sales department knows its customers and knows the urgency along with the details required. Sales can share that info with the rigging department and develop a schedule guaranteeing a delivery date and time based on man-hour study.

/// HOW IT WAS IMPLEMENTED ///

The sales department found that after selling a new boat, it simply took a number in the service department for job priority. Service has committed to its customers and the fact that sales may have committed to its customers could create scheduling issues. Now each week the rigging department reports to the sales manager for scheduling, and it has been flawless. Sales works hand-in-hand with rigging on any questions and the end result is wonderful for our customers.

/// RESULTS ///

The line between sales and service has been pretty much erased. We are still very much one team, but we now have an offensive coordinator and a defensive coordinator, and everyone benefits without having to constantly decide which task or department has priority. All of our customers have priority and the system ensures the product is delivered on time and for the price quoted in both departments. Our CSI scores indicate it is working extremely well.

EXTREME BOAT MAKEOVER

Larry Russo, Russo Marine

/// BEST IDEA ///

Our best idea was first conceived as a service initiative, which we labeled "Serious About Service." As we got deeper into developing a promotional strategy, we created a marketing project known as "Extreme Boat Makeover ... Boston Whaler Edition."

/// HOW IT WAS IMPLEMENTED ///

We solicited sponsorships from our major vendors in the fall of 2009, created a unique website in January 2010 and took our campaign to the New England Boat Show in February.

/// RESULTS ///

We generated $250,000 in new business revenue and over $75,000 in profit as a direct result of this campaign.

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FINALIST

SERVICE INSPECTION INITIATIVE

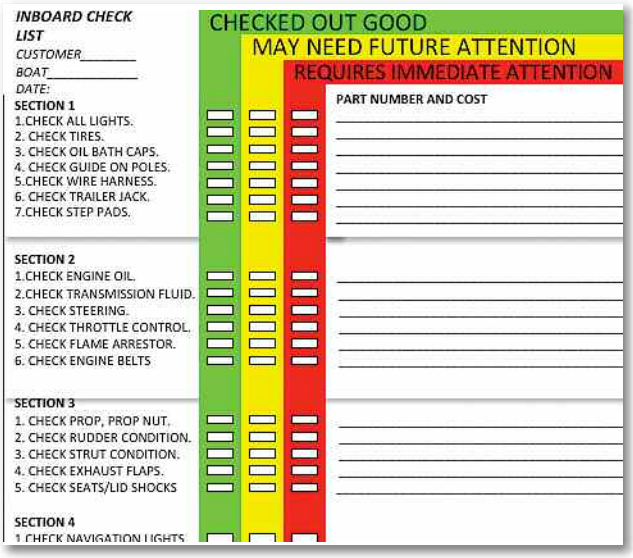
Jerry Brouwer, Action Water Sports

/// BEST IDEA ///

Our best idea was our service inspection initiative.

/// HOW IT WAS IMPLEMENTED ///

Every boat now goes through a battery of checks when it comes in contact with our service department. There is one check sheet for inboards, one for outboards and one for inboard/outboards. We have been using them since spring and are seeing a dramatic difference in the amount of work our techs are finding and up-selling.



INBOARD CHECK LIST
CUSTOMER_____
BOAT_____
DATE:

	CHECKED OUT GOOD	MAY NEED FUTURE ATTENTION	REQUIRES IMMEDIATE ATTENTION	PART NUMBER AND COST
SECTION 1				
1.CHECK ALL LIGHTS.				
2. CHECK TIRES.				
3. CHECK OIL BATH CAPS.				
4. CHECK GUIDE ON POLES.				
5.CHECK WIRE HARNESS.				
6. CHECK TRAILER JACK.				
7.CHECK STEP PADS.				
SECTION 2				
1.CHECK ENGINE OIL.				
2.CHECK TRANSMISSION FLUID.				
3. CHECK STEERING.				
4. CHECK THROTTLE CONTROL.				
5. CHECK FLAME ARRESTOR.				
6. CHECK ENGINE BELTS				
SECTION 3				
1. CHECK PROP, PROP NUT.				
2. CHECK RUDDER CONDITION.				
3. CHECK STRUT CONDITION.				
4. CHECK EXHAUST FLAPS.				
5. CHECK SEATS/LID SHOCKS				
SECTION 4				
1.CHECK NAVIGATION LIGHTS				

In the past we thought we did a good job looking for potential problems when a boat was in our shop; however, we see now we were only scratching the surface. In the past our techs (for all the right reasons) were trying to stay on schedule and stay efficient. But they missed what they are now finding.

The check sheet line items are in color categories to help the customer understand the importance of doing a recommend task. They are also printed in duplicate so the customer receives a copy for reference.

The technician (not the service writer) calls the customer to recommend all needed repairs (This is an important part of this initiative). The tech uses the backside of the inspection form as a Repair Order (RO), and the service writer then adds the work to the original service RO at the conclusion of the service work, so the customer has one repair invoice.

Our techs have been selling a multitude of different parts and services, ranging from minor to major work that normally was overlooked. We are also doing a much better job communicating the need and then having customers agree to performing factory recommended preventative maintenance.

Here is an example: We have sold and installed a couple hundred replacement lift shocks that in the past would have never been replaced. The first couple months we made the change our techs were averaging in excess of $2,000 each, per week, of add-on parts and labor. I thought we ran a good service department; however, this new system has shown me we had a long way to go to be the best we can be.

/// RESULTS ///

With this change and having the courage to raise our labor rate, I estimated we would gross an extra $200,000 from our service department. I am happy to report that at the end of September, before our best two months of service, we are nicely ahead of my projection.

Below are a few of the benefits of this new checklist.

1. Improved customer experience. Customers see their boats are being taken care of with a higher level of attention.

2. Increasing the chances the customer will not have a bad experience on the water. Prevention verses break and fix.

3. Our techs have the opportunity to earn increased wages. We pay a commission of found parts and labor. This change has helped our service technicians in many ways, including the attitude toward several aspects of the service department.

4. Adding much needed revenue when boat sales are not what we need them to be. Service now must cover as much of the overhead as possible.

One statement I want to make is our commitment to integrity. No matter how much there is a need to increase revenue, our team is very aware that we do not tolerate manipulating a customer into doing unnecessary service work. I believe this is something that needs to be made clear when explaining this initiative to your staff.

DOWNLOAD DOCUMENTS

HELM HANGER

Lauren Woodard-Splatt, Woodard Marine

/// BEST IDEA ///

With our boating culture becoming more and more demanding and customer service more essential than ever, Woodard Marine implemented our Helm Hanger concept in 2006. It was implemented for two reasons: First, to ensure quality control within our service department; and second, to have a service follow-up procedure in place.

We had a lot of customers asking if their boats were completed, or if we were physically ever in the boat for service (as the boat was still very clean and showed no signs of a technician, which I don't know whether to take as a complaint or compliment). Also, at the same time the MICD 5-Star Certification follow-up process was being launched and CSI scores were becoming more important than ever. We sat down at the drawing board and came up with the idea of a helm hanger.

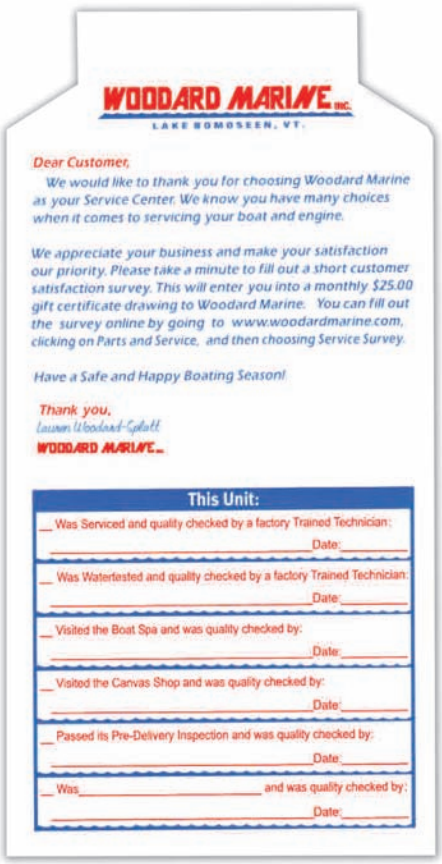
DOWNLOAD DOCUMENT

/// HOW IT WAS IMPLEMENTED ///

My husband and I were at a hotel one day and we kept seeing the door hangers that say "do not disturb" or "clean room please." It is such a simple concept, and we realized how easy it would be to implement it in our dealership. So the helm hanger was born!

On the helm hanger we have a quick paragraph thanking the customer for choosing Woodard Marine as their service center and directing them to visit our online service survey. We also have a checklist of the different services we offer: Water Test, Service Appointment, Boat Spa, Canvas Shop, Pre-Delivery Set Up Inspection, and lastly a blank field for custom jobs. When a technician completes a job, they sign the hanger in the area of the service they just completed and date it.

Having the technician sign the hanger serves two purposes: Quality control and showing the customer that an actual technician did complete the work – we call it "owning your job." Once in the boat, the customer is directed to go to the online service survey on our website. For every survey filled out, the customer goes into a drawing for a $25 gift certificate to our dealership. Also new to our dealership this year is our CRM follow-up in ADP Lightspeed. The CRM module automatically e-mails the service customer one week after the repair order was completed and directs them again to the same survey to fill out, reinforcing the helm hanger.



WOODARD MARINE INC.
LAKE SOMOSEEN, VT.

Dear Customer,

We would like to thank you for choosing Woodard Marine as your Service Center. We know you have many choices when it comes to servicing your boat and engine.

We appreciate your business and make your satisfaction our priority. Please take a minute to fill out a short customer satisfaction survey. This will enter you into a monthly $25.00 gift certificate drawing to Woodard Marine. You can fill out the survey online by going to www.woodardmarine.com, clicking on Parts and Service, and then choosing Service Survey.

Have a Safe and Happy Boating Season!

Thank you,
Lauren Woodard-Splatt
WOODARD MARINE

This Unit:

__ Was Serviced and quality checked by a factory Trained Technician: _____ Date: _____

__ Was Watertested and quality checked by a factory Trained Technician: _____ Date: _____

__ Visited the Boat Spa and was quality checked by: _____ Date: _____

__ Visited the Canvas Shop and was quality checked by: _____ Date: _____

__ Passed its Pre-Delivery Inspection and was quality checked by: _____ Date: _____

__ Was _____ and was quality checked by: _____ Date: _____

/// RESULTS ///

This concept has been well-received in several ways. First, it ensures that the technician "owns their job" as their name is being signed to the boat and service work that they completed. This is our quality-control checkpoint. This has been great as the quality of repairs has increased with less returns to the service department for unsatisfactory work or cleanliness. This has cut down on in-house warranty costs by approximately $10,000.

Second, this one-step process also completes our service follow-up procedure in an inexpensive and effective manner.

Lastly, we are able to monitor or service surveys for any recurring issues or to see what areas we are excelling in. With the $25 drawing a month, we are only spending $300 a year (and saving $10,000 a year in-house warranties) to receive this invaluable information from the people who sign our paychecks, our customer base!

IN ON MONDAY, OUT BY FRIDAY

Tom Smith, Colorado Boat Center

BEST IDEA

In the last year, four more Colorado dealerships have closed. Between that and unstable boat sales, Colorado Boat Center decided to put more emphasis on increasing its customer base and revenues in the parts and service departments. It required adding an additional technician and counter help, and with the extra manpower, the service department was able to complete all standard maintenance jobs within three to five days, and the majority of significant repairs within seven days.

HOW IT WAS IMPLEMENTED

Learning from another dealer at MDCE last year about his dealership's "In on Monday, Out by Friday" plan gave us the incentive to proceed with a service that we always felt was lacking in this industry. After taking the information home, we started with the standard jobs only and mapped the procedures that would work and best suit our dealership.

RESULTS

The unexpected quick turnaround, coupled with our existing commitment of doing the job right the first time, produced growth in our customer base and very happy boaters. As the market improves, we expect to turn those happy new parts-and-service customers into boat-buying customers.

FREE CLEANING

Liz Carney, Grand Bay Marine

/// BEST IDEA ///

Our best idea was to wipe down and clean all of our storage boats for our customers, at no charge, even if they declined to have their boats detailed. Many of our customers were not having any extra services done to their boats due to the economy, and rather than chance losing them to a fly-by-night service outfit, we felt we needed to do something extra. Although we didn't want to incur any additional overhead, we decided to do something for our existing customers rather than spend additional money to try to attract new customers.

/// HOW IT WAS IMPLEMENTED ///

After every boat was spring-started, we had two men who would perform an overall wipedown, hitting all of the especially dirty areas of the boat (the areas that the customers would especially notice). Then they would attach a thank you card to the steering wheel with a note that read that, "Your boat has been wiped down as a courtesy of Grand Bay Marine. Thank you for being our customer." There was also a referral coupon in the envelope that awarded them $250 for the referral of a boat customer, and a coupon that awarded them $50 for the referral of a service customer.

/// RESULTS ///

Although we were penny-pinching every step of the way for the last two years, our customers were so happy to have their boats back in much better and cleaner shape than when they dropped them off. They were really happy. We have since raised our labor rates by $3 and this fall our customers are back, and they're ordering so many extra services. Sure we've lost a few customers, but we've also gained so many this season by referrals. This was money well spent and we'll continue to deliver our customers' boats back to them cleaner than we received them, to exceed their expectations. Customers tell us often that we are more expensive than other shops out there, but that they're really happy doing business with us.

INCREASE THE EASE OF DOING BUSINESS

Tony Villareale, Hampton Watercraft and Marine

/// BEST IDEA ///

We modified accounts receivable to increase ease of customers doing business with us. We started two very important initiatives that pertained to winter storage. Fearing the worst with the economy and a lack of cash flow to pay for the parts and labor associated with our large winter storage business, we came up with two payment initiatives: discounts for on-time payments and balanced billing. The motivation behind these incentives was to get paid more quickly while offering more affordable payment options for our customers, and rewarding our customers for good payment habits. We would love to enhance these programs in the next year by expanding to online payments – to not only make paying more convenient for customers, but also to reduce paper waste.

/// HOW IT WAS IMPLEMENTED ///

It was implemented in the fall of 2009. As far as discounting on-time payments, we offered up to a $4/foot discount on winter storage invoices for bills that were paid within 15 days of the date the invoice was sent. We first e-mailed customers their bills to expedite the payment process.

Our balanced billing option plan began during the same time. We feared sticker shock from customers who store their boats with us during the winter as well as dock their boats at the marina. In an effort to maintain customer satisfaction and retention, we came up with a balanced billing option. We were concerned that the payments for winter storage and dockage were too close on the calendar: Two large bills due all at once would seem too steep and cause customers to search for less expensive options. As a solution, we offered these clients our balanced billing plan, which spread the costs over a seven-month period, to create more affordable monthly payments. We also gave them the option of charging their credit cards automatically, to save the hassle of chasing down payments every month.

/// RESULTS ///

The discounts for on-time payments made a huge difference in our outstanding receivables over the winter. Thirty percent of customers take advantage of our on-time payment incentive, which means they pay within 15 days of when the bill is sent. E-mailing the customers first gets questions out of the way quickly, which makes the payment process faster.

Balanced billing is still being utilized by a handful of customers because of its convenience. These initiatives have resulted in an overall increase in winter storage, which is especially helpful in such an unfavorable economy.

AFTER-HOURS PHONE NUMBER

Tony Villareale, Hampton Watercraft and Marine

/// BEST IDEA ///

In an effort to make doing business with Hampton Watercraft and Marine easier, we added an after-hours or emergency phone number to the answering machine at both locations. The purpose of adding emergency contacts is to provide customer support 24 hours a day, seven days a week. This gives existing customers an added sense of connection to the owners and builds an even more personal relationship between our company and its customers. We feel this element is missing at many of the larger marine organizations, and we want our customers to feel acknowledged and supported at all times.

/// HOW IT WAS IMPLEMENTED ///

We first implemented this plan in February 2010. We added both the president and vice president's cell phone numbers to the answering machine message to allow customers to reach the owners at any given time of every day.

/// RESULTS ///

On numerous occasions this idea has helped to solve small service problems on Sunday afternoons that would have otherwise not been handled and would have resulted in customers losing a day of boating.

SERVICE DEPARTMENT/ TECHNICIAN DAILY TRIAGE

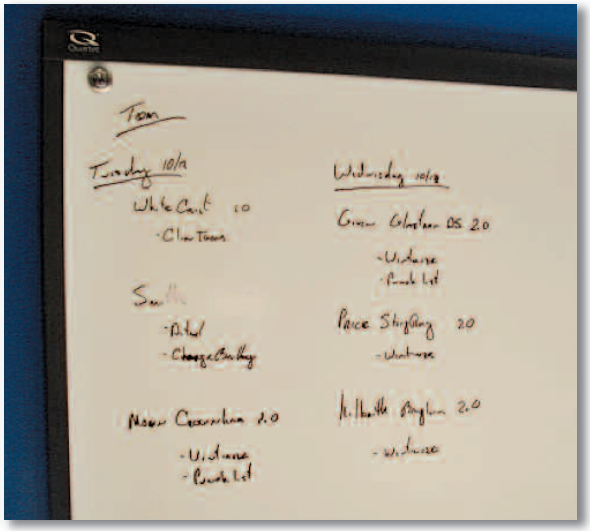
Travis Hayes, Hayes Marine

/// BEST IDEA ///

Our best idea is our service department/technician daily triage.

/// HOW IT WAS IMPLEMENTED ///

We feel one of our greatest competitive advantages is our service triage process. Once a service order is written and all information is obtained, including a timeframe for the repairs, the service order transitions to our manager. He reviews the current orders daily and assigns priority based on customer completion date requests, complexity of the repair, availability of parts, location of the boat (i.e., mobile service, pick-up and delivery), and coordination with subcontractors.



Complexity of repair is critical as minor repairs (i.e., light issues, fuse issues, battery issues, solenoid issues) are ideally completed while the customer waits so they do not have to leave the boat and make a return visit. The service area utilizes numerous scheduling calendars as well to make sure all technicians and the service writer/parts manager is aware of the flow and workload.

Each technician has a forecasted schedule of service for the week posted when they arrive on Monday morning. There is also an overall schedule for each day as well as a schedule that addresses jobs waiting on parts or subcontractors. Jobs with their parts kits are laid out the night before in the technician's work area. A daily "tool box" meeting is conducted with the entire service staff to inform everyone of daily jobs and work goals.

Techs can adjust and refine schedules as needed. Again, this level of triaging rather than a first-come, first-served basis allows us to stay on target with a three to five day turn around for most repairs. This provides Hayes Marine an incredible advantage over our competitors that consistently report to customers having a four- to six-week backlog.

Another component to triaging service is related to the storage and placement of service units based on their status in the repair process. Hayes Marine has an area established for boats dropped off for service repairs, an area for boats in process (i.e., parts ordered, awaiting customer approval, etc.), and an area for boats that are ready for customer pick-up. This allows all staff to visually note the status of service boats and provides additional organization and efficiency to the triage process.

/// RESULTS ///

The results are that we are able to be very responsive to customers by having a three-to five-day turnaround in the middle of the season. Our competitors are typically four to six weeks behind. We can also be flexible and handle smaller jobs while the customer waits without the customer having to leave the boat for repair. This means that our customers can get back on the water and back to their boating lifestyle with minimal interruption. This also allows us to be extremely efficient in the service area. We currently maintain a 48 percent-plus profit margin on all service jobs (retail, warranty and in-house service) making this process an invaluable tool.

SHARED ELECTRONIC SERVICE SCHEDULING

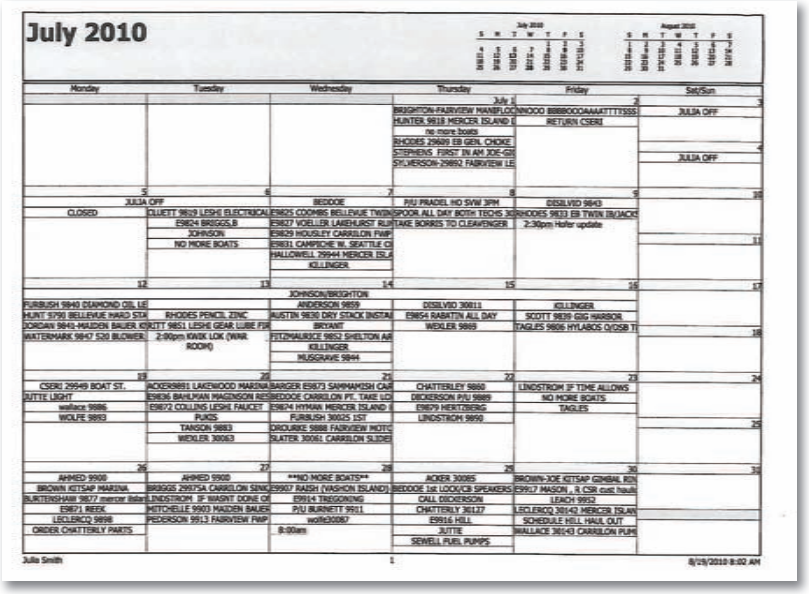
Kirk Benson, Lake Union Sea Ray

DOWNLOAD DOCUMENT

/// BEST IDEA ///

One of our best practices in service is the use of shared electronic scheduling for incoming service appointments.

We use Windows Outlook to schedule all of our customer appointments. Mobile, internal and external customers are scheduled using different colors to identify them quickly. Time slots are filled in with the boat and customer information. This helps us manage on-site space capacity for incoming boats, identifies over-booking and provides a visual for open areas to bring in more business.



One feature that makes this scheduling efficient is the shared calendar. The service schedule is available to anyone who is allowed access. The service managers and service writers have access to the same calendar, which improves communication within the store and with the customer. If a client wants to verify their appointment or make changes, anyone can help them. It makes communication with our clients seamless.

/// HOW IT WAS IMPLEMENTED ///

The shared calendar provides an organized schedule for customer follow-up. We utilize our shared service calendar program in conjunction with our customer follow-up policy and process map. After a client picks up his or her boat, the service writer schedules on the calendar a time for the customer to be contacted for a follow-up. The date of contact will vary based on our follow-up policy: 72 hours after a new/used boat delivery or seven days for an external work order. Each day, the service manager has a list of customers to call to confirm that the client received a pleasant service experience.

/// RESULTS ///

Utilizing the shared calendar with our follow-up policy and process map has proven internal success. The calendar has improved our service department's time management, scheduling process and internal and external communication. Our service departments have become more efficient, which has resulted in fewer unsatisfied customers and ultimately saves time and money.

PHOTO APPROVAL

David Grayshock, Gotcha Covered Marine Sales and Service

/// BEST IDEA ///

By sending an actual e-mailed photo along with a warranty claim or service part order, it allows a visual match to items that may have changed throughout the year, and it eliminates the wrong part being sent out.

/// RESULTS ///

How many times do you have to get the wrong part? This idea saves material handling labor and shipping.

DOCKAGE PROGRAM

Don Mackenzie, Boats Incorporated

/// BEST IDEA ///

Our best idea is the company's totally encompassing dockage program, appropriately called the "Reel Deal." One of the constant battles a dealer has is not only to get families into boating, but to keep them in the industry. One of the negatives in boating are all the associated costs: i.e. dockage, storage, shore power, painting, hauling - the list is endless and it gets old for the consumer. When it's time to tighten the belt, our industry typically gets hit first.

/// HOW IT WAS IMPLEMENTED ///

We put together all of the parts of the boating year – dockage, storage, hauling, launching, power washing, shrink-wrap, compound and wax, bottom painting – and included it in one package at one price. Then to assist our customer even more, we offered to have that plan paid over three periods to help his/her cash flow and to remove the anxiety of all the little fees every time the boat is touched.

/// RESULTS ///

Our marina has 186 slips. Over the past 10-plus years, never have we had less than 80 percent participation in the Reel Deal program. Now we have an extremely predictable cash flow, and each January we are not sitting by the mailbox waiting to see who will or will not renew dockage for the upcoming season. The customer benefits as they love the all-ecompassing plan and payment schedule, and we have not had to spend a dime on advertising for open slips.

WINTER STORAGE

Nancy Smith, Colorado Boat Center

/// BEST IDEA ///

Last winter, Colorado Boat Center added winter storage to the service product list. With less new boat inventory, we were able to set aside lot space for six months of pre-paid storage. The customer's boat must be shrink-wrapped, which is also a service that we offer. We stored 36 boats during the first year, which brought in over $20,000 of cash flow for the combined services. This year we have planned for 60 storage spaces.