

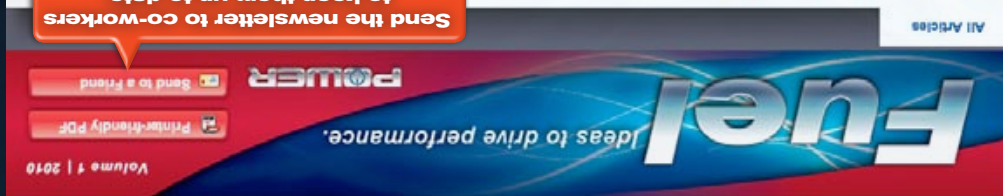
New Name, Fresh Content

Your Reynolds newsletter is evolving and has a new name - Fuel!

We want the newsletter to be a more valuable tool for you, and the new name reflects that. Fuel aims to deliver relevant content that helps you reach your goals.

Fuel has also received a facelift online! It's more streamlined and easier to navigate. You can find it in the Dealer News section on www.reynolds.com. Check back as we continue to make enhancements to improve your browsing experience.

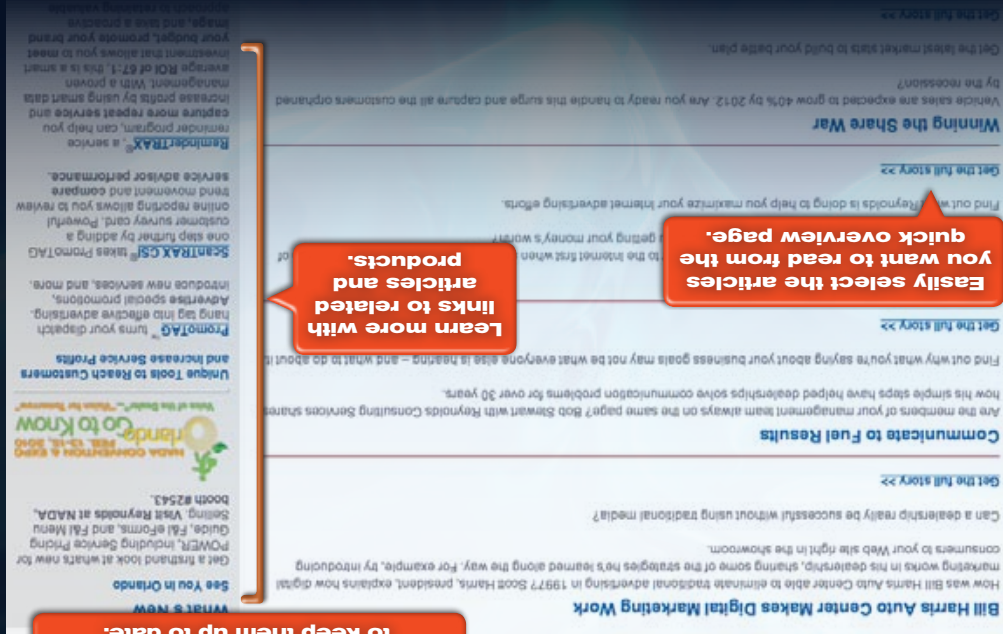
If you have any ideas, suggestions, or other feedback for the newsletter, e-mail us at Fuel@reynolds.com.



Send the newsletter to co-workers to keep them up to date.

Learn more with links to related articles and products.

Easily select the articles you want to read from the quick overview page.



Click Your Pic @ CarLocate.com

Contest Winner! **CAR LOCATE.com**

Dynero Lee won the Click Your Pic @ CarLocate.com photo contest with the above submission. The contest drove nationwide site awareness and saw over **60,000 votes!**

Drive more leads to your dealership with CarLocate.com!

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Fuel

Ideas to drive performance.

POWER

To Price or Not to Price – the Internet Pricing Debate

By Matt Clark, Reynolds Consulting Services



If there is a single issue of contention in every dealership Internet department, it is pricing. This one word generates an onslaught of

questions and creates immeasurable conflict.

Do I do it? Do I not do it? If I am going to price it, how much should it be? Can I price too low? Can I price too high? What are other people doing? When should I do it? When should I not do it? Am I giving up gross profit too quickly? Am I running customers to my competition?

Making the Decision

The fact is that **prospective customers are looking for pricing when they submit a lead on your website.** Most dealerships don't provide pricing, at least not without feeling conflicted. This uncertainty is a throwback to "the good old days" of never talking about price on the phone or the lot. That practice worked well when the franchised dealership was the only place a prospect could get a price. If the dealership didn't give it to them, they couldn't get one.

That's not true anymore. In many cases, your customer can get a price on a new or used vehicle in just a few mouse clicks (e.g., KBB.com, Edmunds.com). **By avoiding pricing, you can run off as many customers as you keep** (look at lost sales reports).

So the question isn't really whether or not to price, but how to do it effectively.



How to Deal With Pricing

Here are seven steps to **make pricing a central theme in your first non-automated e-mail response** to an Internet lead:

- 1 Treat it like a marketing message.** As such, it should function like a dedicated ad, commercial, or offer for your customer. It is not designed to close the sale but to get a response from them.
- 2 Don't be afraid to quote what you are advertising** in the newspaper, radio, or TV.
- 3 Include pricing for the vehicle they were interested in and always give an alternative choice.** Have you ever switched a customer up or down – even to pre-owned – in the showroom? A best practice is to give a step up or down and a Certified Pre-Owned in this e-mail. The choices here allow the customer to satisfy their need to shop, but in your inventory only.
- 4 Offer some reasons to do business with your dealership,** such as, "Been in business 42 years under one owner..." or "Saturday and Sunday service hours..." or "5-time President's award winner..." You might also include some testimonials from previous customers.

5 Give a call to action. For example, "These rebates are for a limited time, so let's set a time for us to get together."

6 Let them know you will be calling shortly.

7 Call them shortly. Don't over-promise and under-deliver.

By providing pricing and alternatives, you will find more customers will talk to you. After all, isn't that really the goal of any successful Internet department – to **get prospects to the showroom?**

Matt Clark has been in the automotive business for over 21 years – 15 in retail and 6 with Reynolds Consulting.

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& Reynolds®

MAKING BUSINESS BETTER.

Make the Switch to an Electronic Vehicle Report Card

TIPS & TRICKS

Ever had a customer come in and reference a service recommendation he declined on a previous visit, but you can't find a record of it in your system? What about those customers you know need additional service soon, but said they just couldn't afford it at the time? Do you have a process in place to track and follow up on those opportunities to capture more revenue?

Vehicle Report Card for POWER can help. It's an electronic service report card that integrates right into your core Service application. It automatically adds service recommendations to the RO and tracks which ones are accepted or declined. When used with the other POWER service applications, it smoothes recommended service **presentation**, streamlines process **management**, increases **efficiency**, and drives customer **follow-up**. You can even build custom report cards to match the traffic that comes through your service drive.

For more information about POWER's new Vehicle Report Card, talk to your Reynolds Account Manager or call **800.767.7879**.



The Future of Marketing

By Trey Hiers



In all my years in this business, one of the most amazing developments I've witnessed has been the emergence of the digital market.

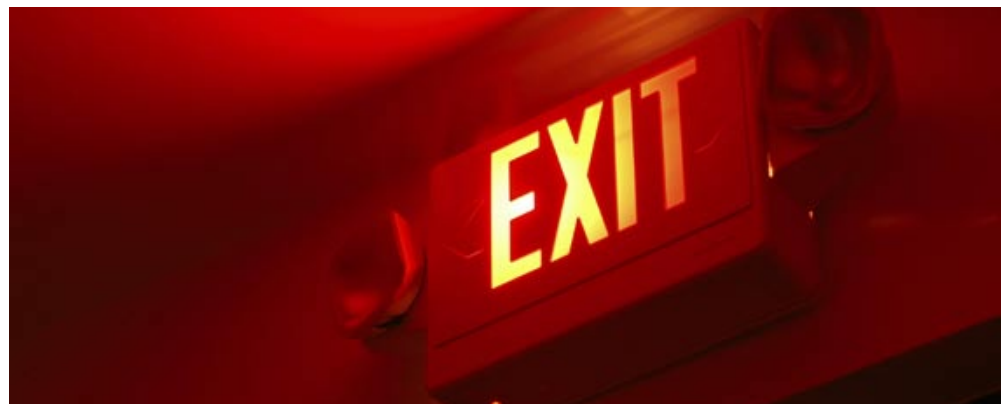
Just think back to 2000; Google was in its infancy, search engine optimization was primitive, services like Facebook and Twitter didn't exist, and the whole Web 2.0 movement was largely unformed. Compare then to today and it's easy to see how the whole marketing landscape has changed.

That's why we've been hard at work to help you position yourself for the future. From attractive, user-friendly websites to online service reservations, we've built tools to help you thrive in an evolving digital world.

We recently showcased our entire Reynolds Web Solutions suite at the Digital Dealer Conference. If you didn't get a chance to visit us at the show, or just want to see we're working on, please visit www.reynoldswsolutions.com.

Digital marketing is the future. I'm proud Reynolds can help you along the way.

Trey Hiers is the vice president of corporate marketing at Reynolds and Reynolds.



Death of a Salesman: Reassign Orphaned Prospects

SYSTEM UPKEEP

When a salesperson leaves your dealership, you can expect lost leads, orphaned prospects, and missed opportunities. Luckily, you can limit your losses by reassigning those customers to active salespeople.

Here's how:

- Identify and mark the salesperson as inactive in Finance and Insurance (FIN/Control/Functions/Salesperson Data).

- Look at the Online Daily Work Plan, Enterprise Report Management, or the Management Recap to see records that no longer have an active salesperson.
- Use Sales Prospect Control (SPC/Print/Print Reports/Reassign Prospects and Deliveries) to reassign customers.

By doing so, you can ensure that those leads and prospects don't slip away. Best of all, this process can even be used with your CRM representatives through Customer Relationship Management.

To learn more tips and tricks, visit www.reyrey.com/fuel.



Reynolds University Session of the Month

Improve your operations and system utilization with Reynolds' online Session of the Month.

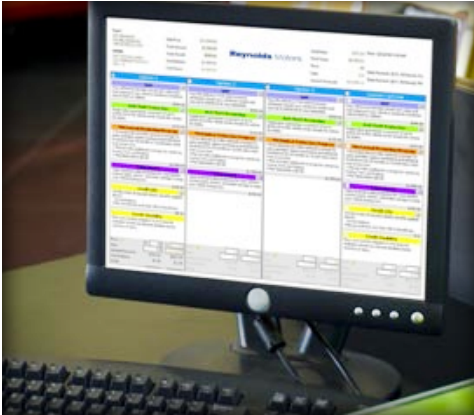
July's session, "**Negotiating a Finance Deal**," will be held **Wednesday, July 21, 10 – 11:30 a.m. CST**. Topics include performing rollbacks in a finance deal, changing the stock number in a deal, and selling on-order vehicles.

To register, or for more information on POWER software education, visit support.reyrey.com.

Four Ways to Make the Most of Every Deal in F&I

What can you do in your F&I process to strengthen customer relationships and capture more profit?

Here are four ways to improve the experience for both you and your customer.



1. Reduce Your Customer's Wait

Waiting for F&I can drive customers crazy. This is especially true for the savvy and skeptical consumers of generations X and Y. Adding efficiency is vital. Is the customer waiting for you to enter all the information in

the system? How often do forms have to be reprinted because of alignment errors?

2. Provide More of the Right Options

Conveniently and professionally offer choices to your customers with an electronic menu tool. If this is done right, customers feel less sales pressure and say yes more often. With an electronic menu tool, you can also quickly tailor presentations for different deal types and save them for future use.

Remember to evaluate your product portfolio periodically. Consider dropping products that have fallen below 10% penetration in the last year. Seek feedback and consider customer demand and trends for newer products to see what you should add.

3. Evaluate Your Lender Mix in Light of Current Credit Trends

Make sure you have the right lender mix to fit your customer base, so you can secure financing for as many customers as possible. Bankruptcies are expected to continue rising in 2010. Strengthen connections with lenders while looking for and assessing new

finance sources to meet the needs of your customer base.

4. Be Easy to Do Business With

Customers want simplicity and appreciate a transparent process. This is one of the key factors in ensuring they return to your store. Recognize the long-term impact a satisfied customer can have on your business. What parts of your F&I process can be made simpler for your customers and your dealership?

Put in the time and focus needed to stay competitive and win customers. As 2010 starts looking up, position your business to take advantage of the changing economic environment.

Interested in improving your process? Ask your Account Manager how F&I eForms and F&I Menu Selling can help improve every deal.

Marketing New Cars to Service Customers

By Jeff Silverman, Reynolds Consulting Services



Marketing new cars to your service customers may seem **an obvious way to extend the customer life cycle and keep profits flowing.**

Then why do so few dealerships actually do it? The concept is simple, but leveraging existing service customer relationships takes planning, tenacity, well-established processes, and ongoing management buy-in.

The suggestions in this piece can help you start planning and establishing these processes, so **marketing vehicles to your service customers becomes routine and profitable.**

Encourage Sales and Service to Work Together

If you want to target your service customers, why not enlist the help of your service employees? This process involves two basic steps:

1. Sales shares lease end/note maturity information with service.

- Periodically give service advisors **a list of customers who are within six months of lease or note maturity.** Then they can compare the list to customers they see on the drive or who have upcoming appointments.
- Advisors should also **engage customers who didn't buy from your dealership.** They can identify these customers easily by asking questions like, "I don't see your sales date in my database...when did you buy your vehicle?" They may then be able to engage the customer in a more in-depth **conversation that turns into a sales lead.**

2. Service informs sales of new opportunities.

- Create an incentive program to **motivate advisors to refer these customers back to sales.** "Pay plan equals performance" is a cliché for a reason – it's true.

Fuel Results

- Break out of the old-school approach of only rewarding leads that end in sales. You'll have more success by paying **incentives for every legitimate lead** to the showroom – period.
- **Prevent bogus referrals** by setting specific criteria: referral must be within six months of lease/note maturity, signed by sales management, etc.

Motivate your departments to work together and **watch your cross-departmental referrals skyrocket!**

Jeff Silverman has been in the automotive business for over 13 years – 8 in retail and over 5 with Reynolds Consulting.

For more articles with tips and best practices from Reynolds consultants, visit the Dealer News section of www.reyrey.com.