

Make it about the person first, not about the car

An essay by Robert Varga, President of WALKAWAY Canada, July 2011

After years in automotive sales and marketing in one capacity or another and nearly a decade with WALKAWAY Canada, I can say one thing for sure; people have changed and so has our business.

Think about the impressive shifts in the quality and design of cars and trucks along with the equally massive shifts in consumer expectations.

The key word here is *expectations*.

People are time-famined but have access to rafts of information today, they walk into dealership showrooms with *expectations*; style, innovation, safety, reliability and of course, an attractive price-to-value relationship. This is the 'price of entry' for automakers and retailers today. If you don't have all or most of them, you're simply not in the game. But the truth is, *everyone* has them and if you're hanging your hat on these virtues alone, it may be costing you long-term.

I have had the benefit of engaging with many successful WALKAWAY retailers for many years now as well watch our program expand and extend into the OEM space with the award-winning Hyundai Assurance program.

The success has one common, re-occurring theme; establishing a strong, emotional connection is paramount. But the connection isn't with the car, it's with the consumer.

When you can assure your customer *before* they purchase that if life throws them an unexpected curveball physically or financially, you're the dealership that has their back with the comfort of offering a proven, legitimate program that actually pays claims – you'll sell more cars - case closed. I can make this statement with 100% conviction because I've witnessed it countless times.

Think about the last time you had a customer drop in after losing a job, being on disability or suffering a serious illness; they're stressed, emotional and they seek options in a hurry. If your only plan of action is to contact the lender to obtain their buyout and appraise the car, then politely ask them for a hefty cheque for the negative equity, you've lost them – usually for good.

It honestly continues to pain me to watch these preventable, uncomfortable, no-win conversations take place when for as little as \$5-\$10 per month; the person could have been covered and returned the vehicle or had payments made. It's a shame really.

*It's not about the car.
It's about the people that buy them.™*

Window etching, nitrogen, free oil changes and a cruise are all nice things to have but are of little use when a person has had something unexpected happen and it's not practical to keep the vehicle any longer.

It is a statistical fact that people are more likely to buy something if they know (up front) that they can return it. It's also a fact that consumers hesitate for three main reasons when considering the purchase of a big-ticket item like a car; (i) their level of personal debt (which is currently at unprecedented levels), (ii) their job security (our workforce is more worrisome now than a year ago) and (iii) their health (we have an aging population with health concerns). WALKAWAY speaks to all 3.

With these facts in mind, debt protection is more important now than it ever was. Throw in a negative-equity epidemic and it's a lethal combination.

If dealerships can shift the focus of the transaction from the car to the person and begin by ensuring the person is protected for 'life' events first and foremost - all the other tangibles and intangibles will happen as they always have, depending on the customer's vehicle, usage and lifestyle needs. Build on a solid foundation first, then put up the walls.

But to coin a phrase from a favourite General Manager whom I respect and admire immensely; this will only happen if you "serve before you sell". And yes, he is indeed a wildly successful person and WALKAWAY retailer.

About WALKAWAY Canada

WALKAWAY Canada Incorporated (www.walkawayprotection.com) develops, markets and administers innovative, web-enabled, credit-related products for automotive dealers and dealer group, OEM's and lenders. The Company's offering includes multiple versions of **WALKAWAY Protection for Vehicle Financing** — the only vehicle return debt cancellation coverage in the world that protects consumers from financing shortfalls arising from the depreciation of new and pre-owned vehicles. Since launching in 1999, WALKAWAY has made it possible for Canadian consumers to eliminate over \$50 million in vehicle-related debt.

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