

# THE HORN



**Published by:**  
**Automotive Aftermarket Association of the Carolinas & Tennessee, Inc.**  
*Serving the Automotive Aftermarket in North Carolina, South Carolina, and Tennessee*  
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**Bulletin No. 560**

**November, 2014**

## MANAGEMENT NOTES

### Hard Sell or Soft Sell?

*by John Chapin*

On the surface, this question may seem like a no-brainer, so let's begin by defining both of these. When I talk about hard sell, I'm not talking about hammering someone into doing something that isn't right for them. I'm talking about being direct and getting the prospect involved in what he needs, cutting through fear, denial, and other roadblocks that can stop a sale. By soft sell, I'm not talking about using touchy-feely language and letting the prospect completely control the process. Rather, I'm talking about listening with empathy and truly understanding your prospect and his needs, putting yourself in his shoes, and sympathizing with him and his situation.

Keeping those definitions in mind, a fine line exists between soft sell and hard sell, and you have to learn when to cross it. The problem with most salespeople is that they are either hard sell or soft sell, iron fist or velvet glove, not both. You need to be able to use both approaches and you need to know when to use each one. Here are the rules for hard sell versus soft sell.

#### **When to use hard sell and soft sell**

As a general rule, you want to be soft in the beginning of the relationship. When you are getting to know the prospect and you're building rapport, you want to be soft, slow, and listen a lot. Once you have a full understanding of what the prospect needs, it is then time to be direct and make sure he gets what he needs. At this point, you need to cut through everything else and push, if necessary, to get the sale.

The type of person with whom you are dealing with will also dictate whether you are hard sell or soft sell and when to cross that line. With a hard-nosed, straightforward, no-fluff individual, you will go from soft sell to hard sell faster than you will with someone who is more laid-back, easygoing, and slower in his approach.

In some cases, you never need to cross the line between soft sell and hard sell. You will have a great connection with certain people. They will see the opportunity, they will know what they have to do, you will be able to lead them directly down the path toward the sale, and it will seem as natural as taking a walk on the beach. In other cases, you will need to go to hard sell. You may have someone who truly needs your product or service. She knows she needs it, and yet fear is holding her back from doing what she knows she needs to do. At that point, you'll need to skillfully push.

The other issue I see with salespeople is that both hard-sell-only and soft-sell-only salespeople vehemently defend their style and say it is the only way to go. To the hard-sellers out there, while you may initially make

more sales and have some level of success, to be hard-sell all the time is tiring, will lead to cancelled sales, and will hurt repeat and referral business. I also find that most people who are hard sell all the time, are focused on the sale first and the needs of the prospect second. Remember, the prospect always comes first.

To the soft-sellers out there, not only will you miss many more sales, you'll also prevent people from enjoying the benefits of your product and, depending upon your product this could be devastating. For example, let's say you're talking to a married dad of two young children about life insurance. You know he needs it, he knows he needs it and yet, he's uncomfortable and you don't want to push, so he sells you on waiting and you in effect let him off the hook. Three months later, he dies in a car accident and his family is unprotected. His widow has to sell the house, uproot the kids from their school and life, and get three jobs to make ends meet. This is your fault for not pushing and not using or having the sales skills necessary to protect the family. While this example may seem extreme if you sell something other than life insurance, assuming you are sold on your product and know people are better off with it, you still have an obligation to push when someone has a need along with the means to buy your product.

Another area affected by selling style is follow-up. Most soft-sell people will follow up once or twice, if they follow up at all. If you only follow up once or twice, you will not make the sale in most cases as the average sale happens after the 5th contact. On the other hand, most hard-sell salespeople tend to follow-up too much and too early. This approach will irritate most everyone and make selling more difficult.

All considered, it is better to follow-up too early and too often and to push a bit too much rather than not enough. The salespeople who recently called me seven times in seven days made a sale, while the person who only followed up once didn't, even though I wanted his product more. And I think I am probably like most buyers.

The bottom line is: to be the best possible salesperson, you have to develop both the hard and soft side of your selling approach. As with every other area in selling, only by practicing will you get good at using both approaches and knowing when to use which one.

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## **Improving Curb Appeal**

It's easy to fall into a routine, walking into your store or business every morning without really thinking much about what your customers (and potential customers) see when they pull in and come into your location, maybe for the first time. But "curb appeal" and first impressions can go a long way to making your sales job easier. Here's a checklist of things to review to make sure your store has the "look and feel" that will attract customers and give them more confidence in entrusting their business with you:

- Don't look drab or run-down. Make sure the exterior of your building is well maintained, weed free and painted regularly. Windows should be kept clean and the parking area kept litter-free.
- Well-maintained landscaping, and flower boxes can help attract the eye and project a professional image. It's not something people expect most automotive businesses to care about - many do not - so it can help you get noticed and set you apart.
- Consider something out front that can be changed periodically. Something that attracts the eye of those who pass by your business often. It could be a banner, tailgating flag or a "reader board". Anything that catches the eye and changes from time to time is a good idea.
- Review your signage. Ask a friend or someone you know who perhaps has never been to your location, to stop by some time. Does your signage make it clear where they, as a customer, are supposed to pull in and park? Is it clear as to which door they are to use to come in? Is it adequately lit to be seen at night? These aren't things a customer wants to have to guess about.
- Take a look at the front counters in your store. Are they covered in automotive parts? Dust? Fast food packaging? The appearance of your delivery vehicles? All of these areas help to communicate that you are professional and organized and worthy of doing business with. (Source: Auto Outlook)

# LEGAL / LEGISLATIVE

## 2014 N.C. Sales & Use Tax Changes

From N.C. Department of Revenue Form E-505 [10-14]

### **\*Effective July 1, 2014:**

Farmers -- N.C. Gen. Stat. § 105-164.13E provides an exemption from sales and use tax for certain tangible personal property and services purchased by a qualifying farmer for farming purposes. A "qualifying farmer" is a person who has an annual gross income for the preceding income tax year of \$10,000 or more from farming operations or who has an average gross income for the three preceding income tax years of \$10,000 or more from farming operations. A qualifying farmer includes a dairy operator, a poultry operator, an egg producer, a livestock farmer, a farmer of crops, and a farmer of an aquatic species, as defined in N.C. Stat. § 106-758.

Additionally, N.C. Gen. Stat. § 105-164.13E allows certain persons engaged in farming operations that otherwise do not meet the definition of the term "qualifying farmer" to apply for a conditional farmer exemption certificate. A conditional farmer exemption certificate issued by the Department is valid for the income tax year in which the certificate is issued and the following two income tax years, subject to other reporting requirements to the Department of Revenue.

For additional information, refer to the Important Notice: Qualifying Farmer and Conditional Farmer Exemption published June 25, 2014, as well as frequently asked questions for Form E595QF and Form E-595CF, available on the Department's website [www.dornrc.com](http://www.dornrc.com).

### **Effective October 1, 2014.**

Sellers Responsibility and Relief from Liability -- Farmer Certificate of Exemption --For qualifying purchases of items for farming operations on or after October 1, 2014 by a qualifying or conditional farmer, a seller that does not have a Form E-595E or other exemption information containing a qualifying farmer exemption certificate number, which is a six digit number that begins with the numeral seven, or a conditional farmer exemption certificate number, a six digit number that begins with the numeral eight, must charge and collect any sales and use tax due on the sale.

A seller that relies on a form E-595E provided to the seller by a purchaser claiming an exemption for farming or agricultural purposes that includes a qualifying farmer or conditional farmer exemption number or where data requirements are maintained per the requirements of N.C. Gen. Stat. § 105-164.28, is not liable for any tax due on a sale to such person provided the certificate is completed in full and if the sale is made in person, the certificate is signed by the purchaser. If the purchaser fails to give proper notice to a seller that the exemption information should no longer be relied upon or where a purchaser claims an invalid exemption, the purchaser is liable for any tax, penalty, and interest due on such purchase unless the seller is involved in any of the fraud activities listed in N.C. Gen. Stat. § 105-164-28(c)

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## **Does Your Automotive Business Need A Human Resources Professional?**

(Attributed to Gina Kuzmik, 10/08/2014, for [autocarecareerhub.com](http://autocarecareerhub.com))

Shops that are rapidly growing or considering expansion may find it difficult to juggle HR responsibilities. If you're scratching your head about employee benefits, hiring difficulties, confusing policies, legal compliance or other recurrent issues, it may be time to add a dedicated HR person.

So, how do you know you're ready to hire an HR pro? Take a look at these four points from Workforce.com. Any of them ring a bell? It may be time to seek out a dedicated HR professional:

1. **Difficulty hiring talent fast enough, or integrating employees from acquisitions.** An HR professional can provide effective recruiting, training and development systems.

2. **Legal risk due to workers' compensation, wrongful termination lawsuits, pay inequity, improper pay classifications, etc.** An experienced HR professional will work as a risk spotter and implement policies that may mitigate the potential for exposure.
3. **Policies and procedures that do not support growth.** An HR professional will evaluate existing policies, determine where there are gaps that expose a company to risk, and assemble a comprehensive document that serves personnel and legal purposes (and keep them up to date).
4. **Excessive spending on ineffective services.** Find an HR service provider who will be dedicated to your company and align HR systems with your business strategies. Big payroll companies, although helpful in accounting, cannot customize their services to your specific business or HR needs. A certified professional can lead your HR department for a fraction of the cost of a full-time, benefits-earning HR employee, until you grow to the size that makes a permanent hire conducive.

When seeking out an HR provider, consider their geographical knowledge as well as their management experience (such as an HR person with experience working in NC managing multiple locations). In addition, make sure your provider will work to implement a business system that leaves less room for errors. They should especially help you develop a comprehensive and concise employee handbook and employee screening process.

HR is an important part of running a successful business. By hiring a dedicated person to specifically focus on your company's policies and procedures, you'll assure your employees that you have their best interests at heart. You'll also gain piece-of-mind in knowing policies and procedures are being handled correctly, saving you time, money, and headaches!

Contact your dedicated HR provider today! ... Sherry Robertson, PHR, IGO Insurance Agency, Inc. ... 800-243-1560 ... sherry@igoinsurance.com.

## INDUSTRY NEWS

### Car Care Guide Redesigned

Car Care Council (CCC) has redesigned its Car Care Guide. The council added 20 additional pages of new information to help motorists "be car care aware by better understanding the when, why and how of caring for their vehicles," the CCC said.

According to the CCC, the guide uses easy-to-understand everyday language rather than technical automotive jargon, fits easily in a glove box and covers the most common preventive maintenance occasions and procedures that should be performed to keep cars safe, dependable and efficient.

It also includes descriptions of major vehicle systems and parts and a list of questions to ask about maintenance or repair procedures. A car care checklist reminds motorists what vehicle systems need to be maintained and when service should be performed.

New sections include finding an automotive repair shop, alternative fuels, understanding vehicle warranties, vehicle telematics, careers in the auto care industry, as well as an expanded environmental awareness section, according to the Bethesda-based organization. It noted that the new guide "was reviewed by industry experts with various backgrounds and areas of expertise and the information has been vetted by car care professionals."

"Because properly maintained vehicles perform more safely and dependably for drivers and their families, the Car Care Council is committed to providing useful information and tools for motorists, like the newly updated, easy-to-follow Car Care Guide, to help take the mystery out of auto service and repair," said Rich White, executive director of the CCC.

In addition to the new Car Care Guide, the council provides a wide variety of useful auto care information via its website and social media platforms, like a custom service schedule and email reminder service, Car Care

Minute videos and Maintenance Mondays tips. The Car Care Council can be followed on Facebook, Twitter, Instagram and Pinterest.

The council is the source of information for the "Be Car Care Aware" consumer education campaign promoting the benefits of regular vehicle care, maintenance and repair to consumers.

Available in English and Spanish, copies of the new 80-page guide can be ordered free of charge by visiting the Car Care Council website:; <http://www.carcare.org/>.

## INSURANCE NEWS

### When You File A Claim, Think Before You Speak

Insurance adjusters zero in on certain "trigger" words that indicate you might not have a legitimate claim - or don't know what you're talking about. Saying the wrong words during that first phone call can turn what should be a quick, painless settlement into a prolonged nightmare.

#### Tips for reporting an insurance claim:

- **First, stay calm.** Even though something bad has just happened -- your car is wrecked, firefighters are rolling up the hoses at your burned-out house -- you shouldn't call your insurer if you're still shaken up.
- **Second, locate and read your insurance policy before making the call** to ensure that what happened is actually covered.
- **Third, don't forget that it's your money.** You purchased the policy specifically for these types of problems. Speak confidently and don't feel compelled to justify yourself to that anonymous voice on the phone. It's his or her responsibility to work with you.

Here's your strategy: Don't say any more than necessary. Talking too much only gives you more chance to say something counterproductive. "Just tell your agent exactly what happened," suggests President Bob Hartwig of the Insurance Information Institute (III), which represents the property-casualty industry.

#### Make yourself familiar with the specifics of these common terms:

- **'Intentional'** Insurance will cover bad luck and bad judgment, like driving too fast on ice and crashing, but it won't cover intentional acts. If your wife took a bat to your car hood during an argument, or you broke your car window in order to get your keys, get ready to pay for damage yourself.
- **'Customized'** Your souped-up car might be your pride and joy, but auto insurers are not interested in covering drivers who are careening around in modified vehicles trying to look cool. Remember that customizing and upgrades to your car may not be covered by insurance -- or only up to \$2,000, warns [Insure.com](http://Insure.com)'s consumer analyst Penny Gusner. In fact, some modifications can void your auto insurance policy.
- **'Breakdown'** Your car won't start in the morning. Your axle snaps while you're turning a corner. You don't have an insurance claim; you have a mechanical breakdown. And breakdowns aren't covered by auto insurance unless you specifically added mechanical breakdown coverage to your policy. If your insurer offers it, make sure you understand the details. Does it include roadside assistance and a rental car? What is the coverage limit for repairs and what is excluded?
- **'Ride-share'** Ride-sharing services are flourishing in urban areas, but that doesn't mean they're a smart choice. If your car is used for a purpose other than that for which the policy was issued, you may not be covered. Renting out your car as a taxi service could void coverage. So don't turn your car into a side business unless you've checked with your agent.
- **'Off-premises'** "Off-premises" could indicate that your problem isn't covered by your policy. Amy Bach, executive director of United Policyholders, a non-profit group that helps consumers, tells of a

man who told his insurer that his water damage may have been caused by a backup from an outside sewer rather than a problem inside his property. The insurer told him that the damage had to originate on-premises or it wasn't covered. The case went to court, but the owner lost.

- **'Coincidence'** Insurance companies cast a wary eye on anyone who insists an unusual situation was just a "coincidence," according to Jim Quiggle, director of communications for the Coalition Against Insurance Fraud. It's just a coincidence that my car was in that vacant lot on the other side of town and the driver's seat mysteriously caught fire," says Quiggle (as an example). Insurers will suspect your car fire was on purpose rather than coincidence.
- **'Termites'** Most policyholders don't realize that termite damage is excluded from a home owners policy, which is unfortunate since these critters munch more than \$5 billion worth of property each year, says National Pest Management. Schedule a yearly termite inspection to protect your property and ensure that you don't have a costly -- and uninsurable -- problem.
- **'Mold'** Mold is also excluded from your homeowners policy, unless the mold is a direct result of a covered event. For example, spokesperson Loretta Worters of the III points out that a burst pipe that caused water damage could also produce mold, in which case everything stemming from the popped pipe would be covered.

If you would like to learn more, call IGO Insurance, 800-243-1560. We'll show you our expertise!  
~ Jimmie Robertson, IGO Insurance Agency

## AAACT NEWS

### Suggestions Welcome

Every member of the AAACT Board of Directors and Staff welcomes your suggestions, constructive criticism, and especially your support on matters of mutual interest. In the final analysis, the success of any Association and its programs depends on the cooperation and support of the members. In 2015, why not resolve to become an even more active, supportive, and participating AAACT member?

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### AAACT Office Holiday Schedule

The AAACT office will be closed the following days during the upcoming holiday season:

- **Thanksgiving** – Thursday, November 27th and Friday, November 28th.
- **Christmas** – Thursday, December 25th and Friday, December 26th.
- **New Years** – Thursday, January 1, 2015.



--Randy Lisk  
Executive Vice-President