

# YARD & GARDEN

## Dealer Success Guide

**WHY TODAY'S  
CONTRACTOR  
Chooses You**

**10<sup>th</sup>**  
Anniversary  
Issue

Sponsored by  
**STIHL**<sup>®</sup>  
volume 21  
A Supplement to Yard & Garden

Relationships that  
Protect Your Business

How the LEAN Dealer  
Saves Time and Money

## Position Yourself for Success

Dear Servicing Dealers,



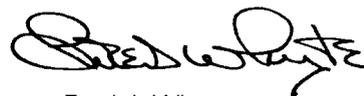
“Control your own destiny or someone else will.” Never has that saying been more true than during the present economic situation. At STIHL, we have chosen to follow a fundamental business strategy that others have abandoned, that of retailing our products only through independent servicing dealers, keeping our destiny out of the control of the mega retailers. That decision has proven to be the right one as evidenced by **STIHL becoming the number one selling brand of gasoline-powered handheld outdoor power equipment in America.\***

As part of this strategy, we believe it is important to provide and support multiple resources to help you control the destiny of your business. One such resource is the upcoming GIE+EXPO in Louisville October 28-30. STIHL will be sponsoring The Dealer Experience, which will feature an appearance by *The Distribution Trap* authors Dr. Andrew Thomas and Timothy Wilkinson, as well as renowned speaker Doug Lipp of Disney University fame, who will present “Would You Do Business with You?” addressing customer service. The High Performance Parts and Accessories Department provides examples and information to make the most of your service business, and STIHL is proud to, once again, sponsor the *Yard & Garden Dealers in Excellence* awards, recognizing dealers who are leaders in the industry. I encourage you to learn more about these and other programs at [www.gie-expo.com](http://www.gie-expo.com).

In times of crisis, those that invest in their businesses are best positioned to succeed. I encourage you to take advantage of this significant opportunity to enhance your business, and, in turn, take control of your future.

Good selling!

Sincerely,



Fred J. Whyte  
President  
STIHL Inc.

\*“Number one selling brand” is based on syndicated Irwin Broh Research (commercial landscapers) as well as independent consumer research of 2009 U.S. sales and market share data for the gasoline-powered handheld outdoor power equipment category combined sales to consumers and commercial landscapers.

### Staying Power

This edition of *Dealer Success Guide*, which happens to mark 10 straight years of publishing this STIHL-sponsored special issue, sheds light on four areas that have been instrumental in helping dealers find success over the past couple of years—and are likely to play increasingly important roles for years to come.

**Understanding changes in customer mix.** Many dealers have seen a rise in homeowner (prosumer) business over the past few years. At the same time, landscape contractor needs are evolving. Dealers who recognize these types of changes, and respond accordingly, are poised to prevail.

**Building relationships.** Understanding how your customer’s needs are changing is a key first step in building better relationships with those customers. However, leading dealers are also building stronger relationships with suppliers, banks and other business partners.

**Technology.** Leading dealers are also using technology to better manage finances and operations, and to improve both inner-dealership communication and communication with customers.

**Process improvements.** Dealers who’ve worked hard to improve productivity and reduce waste are realizing not only an improvement in net profits, but also gains in customer satisfaction and their own quality of life.

This issue also takes a look at two emerging trends that are gaining more traction each and every year. Some dealers are using **social media** such as Facebook to effectively communicate with existing customers, and in the process, draw in potential new customers. On the topic of **sustainability**, dealers are finding opportunities with more eco-friendly lawn and garden tools.

As you read this edition of *Dealer Success Guide*, think about what you are doing in each of the four key areas, and where you are with respect to the two emerging issues. Much like the earliest *Dealer Success Guides* from 10 years ago, when the articles focused on very straightforward topics such as how to write a business plan and how to develop a budget, those dealers who are first to embrace change will also be the first to reap the rewards of a changing market. ■

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### Social Media Marketing Done Right ..... 4

#### THE KEY TO LEAN OPERATION:

### Saving Time and Money in Transport ..... 8

### Remedying Service Comebacks ..... 10

### Stock Levels and Inventory Management..... 11

### Reducing Lost Time ..... 13



### Catering to the Growing Prosumer Market ..... 18

### Meeting the Needs of Today’s Contractor ..... 20

### Developing Relationships that Make Your Business Last ..... 22

### Business Management Systems and Technology in the Dealership ..... 24

### A Surge in Demand for Electric Products..... 26

### Building Relationships Through On-site Demos ..... 30

# SOCIAL MEDIA Marketing Done Right

Dedicating the right amount of time and resources to your social media marketing can help you to successfully market your dealership while becoming a trusted source for customers.

Brian Steensma uses YouTube videos to teach visitors about basic equipment maintenance and yard and garden tips. "It gets them used to turning to us for anything related to power equipment as well as serving as an avenue for our announcements," explains Steensma.



Many dealers are successfully using social media sites like Facebook and Twitter to market their business and stay connected with their customers. Social media marketing is an increasingly popular and affordable way to get your business's name out there—and dealers are taking notice.

"It's obviously becoming a very popular marketing tool for retail organizations, but is still unique in the yard and garden industry," says Brian Steensma of Steensma Lawn & Power Equipment in Kalamazoo and Plainwell, MI. "We started doing it for both the marketing opportunities and to set ourselves apart as being more on the cutting edge."

Steensma uses Facebook, You-



Steven Tolbert suggests sharing the responsibility of blogging, making sure everyone is on the same page about the message you want to send and posts are checked for grammatical errors.

Tube, craigslist, eBay and a blog to gain exposure for his business. Steven Tolbert, who handles the marketing at Smitty's Lawn & Garden in Olathe, KS, also wanted to take advantage of what social media marketing could offer the business.

"People typically do research online before getting serious about making a purchase," explains Tolbert. "When I started the project of implementing social media for our dealership, I wanted to create an environment where during that



research process the customer would find our blog and that would then point the customer to the website once they got serious about making a purchase.”

## Customer Response

Social media marketing gets a response from existing and potential customers. It’s not typically what leads to an equipment purchase, but they do take notice. “I have many people come in and say they have seen our Facebook page,” says Steensma. “I haven’t had anyone come in and buy a new tractor solely because they saw our Facebook page, but they are impressed.”

Customers are usually a little surprised to learn that their local outdoor power equipment dealer has a social media presence. “This industry is typically a little more conservative in the newer trends and things like social media,” says Steensma. “So many customers don’t expect it and are

generally impressed.”

Social media websites are great for attracting and impressing customers, but shouldn’t be used as a sales tool. “On all of our social media sites I have tried to not put on the selling hat. It’s not a selling tool, so you need to have a different attitude there,” says Tolbert. “We want the website to be more for the branding and building who we are.”

## Content Created Just for the Sites

Beyond branding, social media sites offer dealers a unique opportunity to share their expertise with customers. Offering them useful information on how to properly use and maintain their equipment shows you are a useful partner.

“We want to create an environment ripe with information,” says Tolbert. “I’ve gone outside the power equipment arena a little bit and just talked about lawn care and general maintenance and

landscaping—anything that has to do with outdoor living.”

Once the site visitors find helpful information on your site, they will turn to you again and again. When they are considering an equipment purchase, your dealership and expertise should then be top of mind.

“It gets them used to turning to us for anything related to power equipment as well as serve as an avenue for our announcements,” explains Steensma. “With our customers, we want to become a lawn and power equipment partner. We want to be out in front of them on a routine basis, not just when they need another piece of power equipment. We offer mowing tips, landscaping tips, maintenance tips, and announce any specials.”

## Properly Managing Social Media Marketing

Deciding to involve social media in your marketing is a huge undertaking. Doing it right means



dedicating a good amount of time in order to be consistent. Many social media marketers would suggest hiring one employee to handle it all.

At Steensma Lawn & Power Equipment, they hired a dedicated IT employee to get their social media program off the ground and maintained in the busy months.

"I suggest getting someone that knows all about the technical side on your staff," says Steensma. "It's very time consuming to have an Internet presence. Whether it's your website, online sales or your social media marketing, doing it well is important. If you're going to be out there, you have to be timely and professional."

At Smitty's Lawn & Garden, a different approach to managing social media marketing has worked for them. Instead of assigning the responsibilities to one staff member, they spread the work around.

"Try sharing the social networking responsibility throughout the organization," suggests Tolbert. "A variety of people can write the blog posts and pass them through one person for grammar and proofing. As long as everyone has an understanding of the type of image you are trying to portray, multiple people can use it successfully."

Knowing what you want your message to be as well as how to get it out there successfully can help you grow through social media marketing. One thing you or one of your employees should understand is Search Engine Optimization (SEO). Correct SEO improves the visibility of your site in free search engines like Google and Yahoo.

"If you do your SEO correctly, writing your blog rich with SEO words and terms, you will successfully rank higher than your competition in searches," says Tolbert. There are several online tools available for helping you figure out SEO (tools.seobook.com).

Taking the time to get to know the strategies for social media marketing and implementing them consistently can help you reach out to customers and become a trusted source for all their outdoor power equipment needs. ■

## The Dos and Don'ts of Social Media Marketing

Social media marketing is a great way to get your business's name, products and services in front of potential and existing customers. When done right, social media marketing can lead to more customers and higher sales. Adhere to the following dos and don'ts.

### Do Be Predictable

You want people to know that they're going to get a message from you every Monday, Wednesday and Friday (whatever days you decide). So create a distribution schedule and stick with it. If necessary, put reminders on your calendar so you remember to post your messages on those days.

### Don't Abandon Traditional Marketing

Don't assume that you can abandon everything outside of the social media-marketing realm once you start seeing success. Social media marketing is just one part of a marketing plan that attracts people to your products and services. It's useful and inexpensive, but you also need the credibility and marketing from other traditional publicity tools, such as newspapers, mailers, radio and television commercials.

### Do Follow the Right Format for Posts

Be sure that your posts include helpful advice, insightful tips or unique trends that your followers will learn from. This kind of information will grab their attention and make them want more. The more helpful and unique your messages are, the more interest you will generate, thus bringing more people back to your website and/or store.

### Do Send Contacts to Your Website

The goal of your posts is to not only reach your target audience and help solve their problems, but also to drive them back to your website to sell your products or services. It's important to include your website at the end of all posts so visitors who want more information know where to go.

### Do Devote Time to Social Media Marketing

Individuals who are successful with social media marketing spend an average of five to seven hours per week developing and working within their network. It's not always about the number of posts or contacts you make, but how targeted and quality they are.

### Do Make Sure Profile is 100% Complete

You won't be ranked in the social media searches unless your profile is 100% complete. A photo for your profile accounts for 20-40% of your ranking, so if you don't include a picture, you're setting yourself up for failure. If you want your message to spread through the Internet, make sure your profile is complete.

### Don't Be Negative in Posts

It's better to deliver a positive message in your online marketing because people are bombarded with negative messages every day—and you don't want to get lost in the mix. Be the one positive thing in their day so they look forward to reading your next post.

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# The Key to LEAN Operation



Operating LEAN used to be about cutting overhead to increase profits, but for many it's now about cutting overhead just to remain profitable. Six components of LEAN operation are covered in the following pages—areas that can be revisited and reworked to create LEAN operation in your dealership. These areas include stock levels, overproduction, transportation, processing, defective product, and waiting and motion.

# SAVING TIME AND MONEY DURING TRANSPORTATION

**E**quipment pickup and deliveries are part of most any dealership's service offering. The cost financially and time-wise can be damaging to the bottom line. Careful organization of routes and equipment, as well as charging service fees, are a few ways dealers can reduce cost while still providing the helpful service.

## On the Trailer and Road

An essential part of LEAN transportation is organization. Organizing routes and equipment in the most efficient manner can save time and money. "We group our deliveries according to area," explains Frank Fletcher of Fletcher's Sales & Service in Greensburg, PA. "We

try to organize the route so we can pick up and deliver several on the same trip."

Dealers can plan routes on their own, or get help from software programs. "I have used Microsoft Streets and Trips," says Scott Price of Fisher Implement Co. in Harrisburg, OR. "You can upload an Excel file with addresses, and then the program can optimize your route. You can also upload your entire customer list into streets and trips and it can show you other customers along your route so you can make some cold calls along the way." The equipment on the trailer should be organized according to the order of deliveries to save time with ease of loading and unloading.

Scheduling the driver is as important as scheduling and routing the drive itself. "We set up a Microsoft Outlook account for our delivery driver, and when we

schedule the deliveries, we add the delivery to his outlook calendar and block out an estimated amount of time that we believe the delivery will take," says Price. "This ensures that we get as many deliveries scheduled on any particular day as we can."

The driver himself can also play an important role in cost savings. Having a lower-paid employee do deliveries saves on paid wages and keeps the higher-paid employees like technicians in the shop where their work is more profitable. "The least-paid employee is the best one to have doing deliveries," agrees Gary Nichols of Nichols Equipment Inc. in Jacksonville, FL. "But that's not always who goes. Quite often, it ends up being a technician. If he's gone for an hour or two, I'm losing \$150 worth of billable time."

While a lower-paid employee

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**While a lower-paid employee is more often than not the ideal employee to handle equipment pickup and deliveries, there are cases where a higher-paid, more knowledgeable employee may be best suited for the job.**



## Figuring Out Delivery Costs

Some things to factor into delivery costs include:

- Hourly pay of delivering employee
- Time spent loading the equipment on and off trailer
- Fluctuating fuel prices
- Vehicle and trailer maintenance
- Vehicle and trailer insurance

is more often than not the ideal employee to handle equipment pickup and deliveries, there are cases where a higher-paid, more knowledgeable employee may be best suited for the job. “Rarely does a situation come up that warrants having anyone else make the deliveries, but those cases can happen,” shares Price. “If a customer has a unique situation or the machine was a ‘problem child’, we may elect to have someone else deliver the machine, such as a salesman, service manager or technician. We do this to preserve the relationship with the customer.”

## Recovering What LEAN Doesn't

Carefully planning routes and organizing equipment, as well as properly delegating delivery responsibilities, can go a long way to save time and money. However, not all cost can be eliminated by running efficiently. To recover some of the additional costs, dealers can implement service fees and make smart choices in fleet and travel tools.

Many dealers have implemented service fees for equipment pickup and delivery. Rates vary by dealers, some being a flat rate and others depending on the distance trav-

eled. The best way to decide on an appropriate fee is to evaluate the cost of delivery. “You must know your costs to operate your delivery services,” says Joe Hines of Hines Equipment in Cresson, PA. “It’s the best way to evaluate fees.”

Once overhead costs have been realized, a fee can be decided. In implementing the service fee, dealers should explain the costs to customers desiring pickup and delivery. “There are a lot of hidden expenses in pickup and delivery,” says Nichols. “I tell the customer about all of the expenses involved when I explain the fee. Some of them understand while others will find their own truck or trailer to use.”

Properly maintaining delivery vehicles can reduce costs and

## Benefits Outweigh Costs

While service fees, efficient routing and more efficient vehicles can help mitigate transportation costs, pickup and delivery could still prove to be a money-losing endeavor. “When I figure the cost of everything that goes into pickup and delivery, I can’t charge enough to recoup my money,” says Nichols. “As a result, we used to deliver to a wider range, but we now refuse delivery more often.”

Providing the service may be costly, but many dealers argue that pickup and delivery should always be a part of the service offering. Many dealers agree that it’s important to control costs, but not if it means depriving the customer of quality service. “Pickup and

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avoid additional costs. “The most important thing is to make sure the delivery schedule is optimized for maximum productivity, but you also need to make sure you have a well-maintained, reliable vehicle for hauling,” says Price. “A poorly maintained vehicle will get worse fuel economy, and most likely will break down when you need it on the road.”

Utilizing more cost-effective vehicles can be another way to recover costs. “We operate new trucks that are more efficient,” says Fletcher. “The rollback body is wider for loading and unloading, and the aluminum is lighter for better fuel efficiency.”

delivery is a must,” says Fletcher. “We offer the total package. You must do it all to get and keep the customers.”

As an added bonus, pickup and delivery gets you that added face time with the customer, which is necessary for building the relationship. “Customer satisfaction can be simply distilled down to building a trusting relationship with the customer,” argues Price. “Every opportunity you have as a dealer to build on that relationship, you had better do your best.” ■



## REMEDYING SERVICE COMEBACKS

**M**any dealers underestimate the cost of a service comeback, regarding both time and money lost. In operating LEAN, dealers should come up with a solution for preventing service comebacks, along with a plan for reducing the costs when one occurs.

### Cost and Prevention

Comebacks cost dealers time, money and customer satisfaction. Preventing the comeback with proper repairs or maintenance can help dealers escape this unnecessary cost.

“Service-related issues always cost the dealer,” says Jason Hicks, parts & service manager for West Chester Lawn & Garden in Liberty Township, OH. “We never charge a customer if the unit is coming in a second time for the

same problem.”

Policies and procedures that create accountability can influence technicians to be more careful, ensuring repairs are done right the first time. “We have a double-check process that every unit goes through before the work order gets billed,” explains Hicks. “A team member, or myself, test drives the unit, and makes sure that we addressed all of the customer’s concerns.” If there are any other obvious problems with the unit, they hand it back over to the technician for further repair.

Some dealers turn to incentive plans for ensuring quality repairs. “Techs are paid on a production-based scale,” says Hicks. “To keep them quality-conscious, we bill-back labor to them if something wasn’t fixed properly.”

### Maintaining Customer Satisfaction

It is imperative that the dealer provides the customer with a suitable solution when repairing a mistake. “We typically don’t have a tech we can put on a comeback right away,” says Hicks. “If I can’t look at it and fix it quickly, we’ll check it into the shop, and get it looked at in one or two days. Most customers are satisfied with that.” Hicks assigns a different tech to the returned piece of equipment so a fresh set of eyes is on the project.

“We have a very well-versed customer service team that takes care of the situation,” explains Hicks. “We reassure the customer that we are doing everything we can to correct our mistake.” ■



## STOCK LEVELS AND INVENTORY MANAGEMENT

**F**or dealers, keeping control of parts and wholegoods inventory can be tricky. To really understand the need for a better system, it's important to understand how your parts and wholegoods are holding you back.

### Inventory Overload

Many dealers have excessive amounts of parts and wholegoods. Money that could or should be spent elsewhere is stuck on the shelves or in the showroom.

"Excess parts and wholegoods create a situation where needed stocking items are not purchased because of the current excess investment," explains consultant Ed Kovalchick of Net Profit Inc. "Consequently, this costs profits when technicians and salespeople don't have on-hand quantities of items which could be sold now—sales are lost."

Not only does excess parts and

wholegoods inventory get in the way of a sale, it just plain gets in the way. Having more than you need in parts storage or on the showroom floor can get in the way of general business operation, reducing efficiencies.

"The repair side of the business is a huge profit center," says Paul Leao of Ariens Company. "You can build that up by showing the customer how clean and organized processes are." Improving parts storage processes improves the customer's overall experience, hopefully leading to return visits and referrals.

### Evaluate and Purge

To get that idle inventory out of the way, dealers should evaluate which parts and equipment are needed and which are in less demand. "Many dealers do not track their inventory," says dealer Lynn Pesson of Southland Engine in La-

fayette and Iberia, LA. "You have to track it to know where you are and what needs to be changed." Anything overstocked or aged should also be eliminated.

Pesson and his staff spent several days and hours evaluating their inventory. "We found that we didn't need anywhere near the stock we had to be able to make it," explains Pesson. "We were buying enough stock to make it through five or six months. We now do a 30- to 60-day run." Pesson suggests working with distributors and evaluating their freight times and charges to keep appropriate parts stocked. The quicker they can get you parts at a decent price, the easier it will be to maintain appropriate stock levels.

Deciding which parts are idle is done on a case-by-case basis, but Leao suggests anything that has sat on the shelf for two years be



Many dealers choose to store fast-moving parts in cabinets such as those offered by Lista and Stanley Vidmar, or create their own bin systems like the one shown here. Solid, consistent labeling of parts can also help.

purged. “The dealer has to make the call based on how many they sell a year and whether it’s worth carrying the part for that one particular customer that may come in,” explains Leao. “Ideally, dealers should get rid of anything that has seen zero movement and zero demand in two years.” Leao also suggests that dealers use their inventory history as a tool when deciding on quantities to stock.

Eliminating the inventory that’s holding you back will take time and planning. “An aggressive plan should be developed to sell excess inventory,” says Kovalchick. “There is a market for everything and everything can be sold with the right strategy.” Inventory can be sold through auctions, online, or directly to customers and other dealers.

## Storage and Monitoring

Once inventory has been whittled down, what’s left should be well organized in a manner that allows for easy operation. “Setting everything in order makes sure those needed things are right where they need to be,” says Leao. “LEAN is

all about driving the waste out of the process, so when laying out the parts area we should store our highest-usage parts closest for easy retrieval.”

Putting high movers nearby has the potential to improve efficiencies greatly. Many dealers choose to store them in parts cabinets, such as those offered by Lista and Stanley Vidmar. Solid, consistent labeling of parts can also help.

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Once everything is sorted and set in place, whether it is on a shelf or in a parts bin, it should be clearly labeled with a label maker or barcode.

Evaluating equipment and parts inventory as well as storage should be an ongoing focus. “Every inventory’s status should be checked

monthly for aging and overstock,” advises Kovalchick. “Waiting for months to analyze inventory conditions is asking for a serious problem—it’s better to eliminate these issues when they are in their infancy.”

Staying on top of inventory levels and management makes monitoring it that much easier. Parts management functions within a good, industry-specific business management system are invaluable.

## Just the Beginning

Evaluating inventory levels and storage for LEAN operation will ultimately lead to better customer satisfaction. Maintaining a clean, focused inventory makes the employee’s job that much easier, improving the environment and morale. The freed-up time previously spent tracking and maintaining large, unorganized inventories can now be given to the customer.

Parts and wholegoods inventory is just the first phase in the LEAN series. Taking this first step is a huge commitment to an

overall LEAN operation. Adjusting inventory levels and storage will be time-consuming, but once completed, will make future LEAN processes that much easier to implement. All will work together in a system to make your business more profitable. ■

# REDUCING LOST TIME DUE TO WAITING, UNNECESSARY TASKS & POOR PROCESSES

**F**ocusing on lost time and waiting may be one of the best ways to save your dealership money. Checking up on lost time in the shop, parts department or when making and receiving deliveries may help you implement some powerful cost-saving procedures. Those same cost-saving procedures could very well keep you out of the red come the end of the year.

Looking for those areas of the business that create lost time can be a challenge. “It’s a full-time job and I’m doing it every day,” says Tom Rigg of Rigg’s Outdoor Power Equipment (four stores in Indiana: Valparaiso, LaPorte, Mishawaka and Lafayette). “It’s an ongoing situation. Our employees have been making suggestions and finding better ways to use their time.”

## Evaluating Processes

Working with employees to evaluate their work processes and find new, LEAN ways to do things, or eliminate unnecessary tasks altogether, can help reduce lost time. “We meet every Wednesday and break down our 34 employees into groups,” explains Lynn Pesson of Southland Engine in Lafayette and Iberia, LA. “Every week we look at different processes for doing things.” Each group of Pesson’s employees sets a goal for the quarter to reduce costs in one area of the dealership, and then comes

up with a plan to make it happen. Pesson decided to involve his employees in the process so they would feel involved and vested in the business’ success.

“I told my staff to quit worrying about sales and start worrying about costs,” says Pesson. “Every employee has changed their

everything they do throughout the day, categorizing tasks and adding up the time it takes to do them.”

Haefner says dealers will be amazed at how much time is spent on certain things. After doing the exercise, they can figure out how to improve efficiency in those areas.

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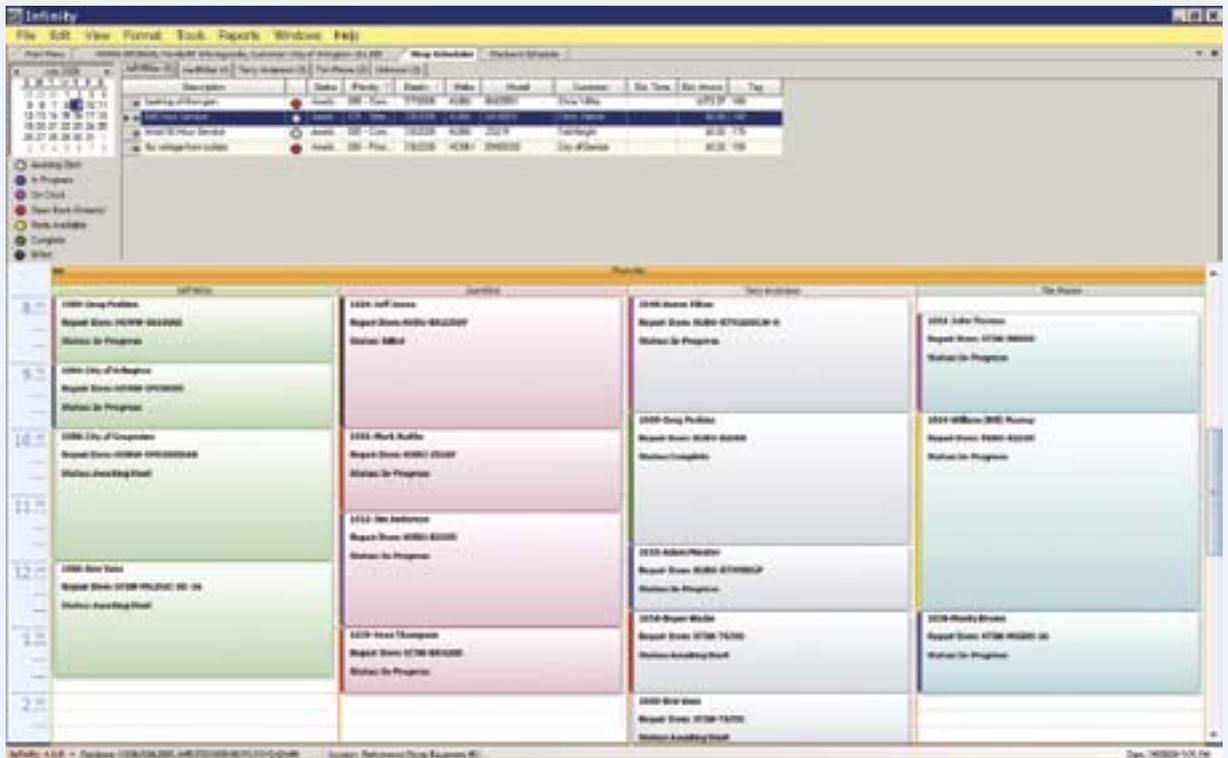
mindset, thinking about the cost side. Before, they were concerned about sales being off, but now they are focusing on something they can actually control. Economy and weather you cannot control—costs you can. People are actually excited about what they are doing again.”

If employees are ready and willing to get involved, having the right tools can help. Jeff Haefner of Ideal Computer Systems suggests dealers have each of their employees do an exercise to discover where they are wasting time. “I’ve always found the best way to eliminate those time bandits is to have each employee do a time study,” says Haefner. “Each employee fills out a time log of

“They’ll discover time lost in the service department waiting on parts, lost time in the parts department waiting on parts and equipment from manufacturers, and lost time with customers waiting on equipment repairs,” Haefner adds. “It can all be reduced.”

## Service Department

Working to reduce service department downtime can be easy with the help of a software program that effortlessly assigns repair jobs to techs, and manages them throughout the process. c-Systems Software features a shop scheduler that looks similar to an Outlook calendar. Work orders are entered into the system where a shop manager can easily assign them



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to technicians. The color-coding illustrates the progress made on a job, the mechanic working on it, and if parts are on order.

"It's visually appealing and simple enough for the shop manager to know the status in an instant," explains Joe Miller of c-Systems. "They are able to schedule jobs for a particular time and day desired, can move them between mechanics, and put them in order according to priority." Techs can keep moving through projects, getting repaired equipment to the customer that much faster.

## Parts Management

Part of the challenge of working quickly in the shop, with little or no waiting, is getting the parts necessary for the repair when you need them. "Our parts department is focusing on processes more than anything else," explains Pesson.

"They receive and ship parts, deliver to techs—all things important to our success."

Pesson has implemented a handheld parts ordering system, which reduces paper usage and costs as well as helps the parts managers easily stay on top of things. "Parts managers are now working with palm pilots that really speed up and simplify things," says Pesson. "Mechanics place parts orders on the computer at their workstation, which are sent through to the palm pilots to notify parts managers. The manager then pulls the parts and brings them to where they are needed."

Parts department employees move quickly to complete orders without the stopping action of waiting at a printer for a parts order ticket to print. "They are constantly on the move, so when a parts order is placed and their

palm pilot rings, it's always in their pocket," says Pesson. "It makes them more efficient because they can be doing anything anywhere and move on to their next project right away."

Some software programs can also help save a great deal of time and effort. They are designed to take the thought process out of parts stocking and ordering. With c-Systems Software, when a service order is entered into the computer and a part needed for the repair is not in stock, it is automatically put on a list of suggested parts to order. "The person who does the parts ordering literally just runs a suggested orders list that shows what is needed for what job," explains Miller. "Everything is color-coded by what needs to be ordered, what's been ordered and what has been received. They know immediately whom it goes to

so it can be distributed properly.”

Ideal offers a similar system and notes its effectiveness. “Having this instant visibility allows you to make better ordering decisions, improve inventory control, and decide what to do with parts that customers want to buy,” explains Haefner. “Running out of parts causes your techs to waste time and sit on repairs longer, also frustrating customers because it adds to their wait time.”

## Customer Satisfaction

Cutting costs to keep the business profitable is important and effective, but it is the customers who come in to purchase goods and services that keep you in business. That is why it is important that you don't let cost-cutting get in the way of customer satisfaction.

Many dealership employees spend the better part of their workday talking to customers and answering questions about service orders. It is a necessary service to the customer that takes up a lot of time. That is why c-Systems introduced their Customer Connect feature. “It's a major time-saver that offers customers real-time status reviews,” explains Miller. “Customers are given a login by their dealer, allowing them to log into the website through the business system and view their account online—and the dealer or employee never has to answer a phone call.”

Customers can also view their repair status instantly without waiting on the phone while a dealership employee looks up their information. “It's a win for both

the customer and the dealer,” says Miller. “The dealer has more time to do other things. If they do have to look up the information, it is right there at their fingertips.”

## Pickup and Delivery

Another necessary service is equipment delivery. Many dealers have assessed delivery charges and reworked their routes to save time and money. “We have become stricter about where we go each day,” says Rigg. “We try to haul at least four pieces of equipment and come back with some as well, getting more mileage out of the trip.”

*Looking for and reducing wasted time can help you control costs and stay profitable. Cost-saving measures can be powerful, but shouldn't get in the way of customer satisfaction.*

For most dealers the trick is to make fewer runs with more equipment. For Pesson it is about when to make the trips. “Our repairs are only picked up 24 hours before we are going to work on them,” explains Pesson. “We put it into our system that schedules it for the shop. Once we see in the system that they will be worked on within 24 hours, we schedule a pickup.” This means equipment spends less time stored at the dealership and out of the customers' hands.

“People aren't going to care

when they call, they are only going to care about when we pick it up,” says Pesson. Picking up equipment only when you are ready to work on it reduces the customer's wait time.

## Payroll in Check

Some dealers, after reassessing processes, discover they are overstaffed and opt to change staff hours and reduce staff size. “Our service department no longer works on Saturdays, and instead starts 30 minutes earlier each day during the week,” says Pesson. “This has helped me to cut overtime greatly. The hours they have picked up during the week are more efficient, because each tech is responsible for doing one more lawnmower a day.”

Rigg has been doing more with less. “We are trying to get the guys we have to do more, cross-training so we won't have to hire somebody to do the special jobs,” he explains.

In their downtime, Rigg's people do cleaning around the dealership, along with equipment setup—something he used to have a part-time employee designated for. Rigg keeps his staff busy but allows no overtime.

Looking for and reducing wasted time can help you control costs and stay profitable. Cost-saving measures can be powerful, but shouldn't get in the way of customer satisfaction. Review all of the installments in our LEAN series to see other ways you can operate LEAN and remain a successful and profitable dealer. ■

# Are You Ready for STIHL at GIE+EXPO 2010?

## GIE+EXPO



Kentucky Exposition Center  
Louisville, KY  
[www.gie-expo.com](http://www.gie-expo.com)

Co-sponsored by STIHL Inc., **The Dealer Experience** benefits dealers of all sizes with educational sessions providing step-by-step recommendations to help improve dealership operations and increase profitability!

## STIHL Sponsored Educational Sessions

### Thursday, October 28



#### **"Would YOU Do Business With YOU?" • 8:45 – 9:45 a.m.**

Former head of training at Disney Studio's Walt Disney University, **Doug Lipp** explores how certain skills, attitudes and behavior contribute to exceptional performance to build, win and keep market share.

#### **"What's on Your Mind?" • 10:00 – 11:00 a.m.**

Gain new perspective on your industry during a discussion with **Fred Whyte**, president of STIHL Incorporated; **Dan Ariens**, president of Ariens Company and **Bill Harley**, president & CEO of the Outdoor Power Equipment Institute.

### Friday, October 29

#### **Dealer Roundtable sessions • 8:00 – 9:30 a.m.**

Participate in small-group discussions on profitability in your service department, using your employees to drive lean, public relations, social media, merchandising, and more!

#### **"The Distribution Trap" • 9:45 – 10:45 a.m.**



In this thought-provoking session, **Dr. Andrew Thomas** and **Dr. Timothy Wilkinson**, authors of the book, "The Distribution Trap: Keeping Your Innovations from Becoming Commodities," will share with you their findings about the faulty premise behind the allure of the mega stores and the importance of supporting independent businesses. Receive a free copy of the book when you attend this session!

#### **"Increased Profitability When Employees Drive Lean" • 11:00 – 12:00 p.m.**

**Jeff Hebbard** from the Ariens Company will share his lean processes experience and teach you how to make your business more efficient and profitable. Plus, Lynn Pesson, Jr., of Southland Engine Co. will identify areas of a dealership that typically operate with excess waste.



**Register today at [www.gie-expo.com](http://www.gie-expo.com)!**

## Yard & Garden Magazine's Dealers in Excellence Awards

Sponsored by Ariens, STIHL and GIE+EXPO, the *Yard & Garden* Dealers in Excellence Awards recognize dealers who are successfully growing their businesses with professionalism and innovation. The winning dealers will be announced at GIE+EXPO and featured in the November/December issue of *Yard & Garden* Magazine. Visit [greenindustrypros.com](http://greenindustrypros.com) for more information.



## GIE+EXPO's High-Performance Parts & Accessories Department

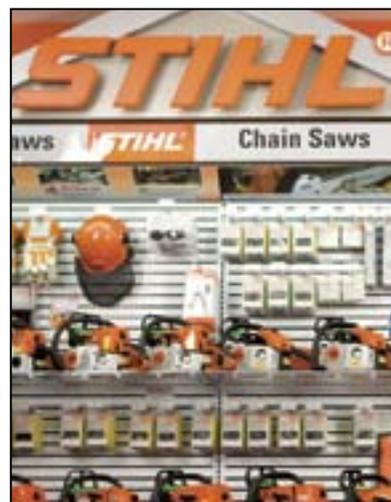
Learn how to improve the profitability of one of the most valuable segments of your business – parts and service – in the High Performance Parts & Accessories Department, co-sponsored by STIHL!

### STIHL Concept Store

Get ideas to organize your space, energize the environment and maximize sales and profit with the STIHL "store within a store" Concept Store displays, designed specifically for STIHL dealers.

### STIHL MasterWrench Service<sup>SM</sup>

STIHL service instructors from the highly rated STIHL MasterWrench Service<sup>SM</sup> factory-certification program will also be onsite to demonstrate recommended troubleshooting and diagnostic procedures that can be used for repairing most brands of handheld outdoor power tools.



## Introducing the NEW HSA 65 STIHL Lithium-Ion Hedge Trimmer

No Gasoline. No Emissions. No Power Cord. This state-of-the-art cordless hedge trimmer is powered by the advanced 36-volt STIHL Lithium-Ion battery technology for environmentally responsible hedge trimming with professional results! Four times quieter than its gasoline-powered equivalent, the STIHL HSA 65 features diamond-ground blade edges for cleaner cuts, and high cutting speeds that help cut job times as fast as they cut fuel costs.



Join us in the STIHL booth #5080 for a new products press conference  
Thursday, October 28, 12:30 p.m.!

# STIHL®

# Catering to the Growing Prosumer Market

**Learn to attract the prosumer market with mid-level equipment and the right financing options.**

A dealer's client base is typically broken down into two broad types of customers: commercial and consumer. A growing segment of the consumer market, however, is the prosumer market. Prosumers, residential customers who prefer to run commercial-grade equipment, have become an increasingly important customer group, even to commercially focused dealers.

## Image and Need = Opportunity

As landscape contractors feel the bite of rising operating costs, some are choosing to pass those costs onto their residential customers. As a result, some of those customers are choosing to start doing their own yard work again.

For some prosumers, the decision is based on need. For others, it's about image. "I have the people who know what they need and are willing to pay for it, and then I've got the people who come in after seeing the commercial guys riding around and want to try the same equipment," explains Jason Howell of Central Outdoor Power Equipment in Baton Rouge, LA. "It's more of a recent trend in our area."

## Meeting Prosumer Needs

Whatever the reason, more and more dealers and manufacturers are tapping into the growing market. Selling to the prosumer market brings in a large sale—but not with a lack of effort. Selling to the prosumer means attracting them with mid-level equipment options as well as services and financing that meet their needs.

The prosumer's service needs are similar to that of the traditional consumer. However, the prosumer is looking for something more from their equipment: durability and performance.

"We saw a change at the end of the 2007 season where a lot of our customers were asking about heavier-duty units that would hold up longer than the mass merchant units they were used to," says Al McLean of



Hope Mills Saw & Mower in Hope Mills, NC. "They shop the lines of equipment that offer heavier-duty units at a reasonable price."

McLean walks his customers through the differences in units so they can choose which level of equipment is right for them. Offering financing on these larger, more expensive units helps make the purchase more manageable.

Marketing these equipment and financing options directly to the prosumer will help bring them



**Prosumer customers are interested in heavier-duty units that hold up longer than what the mass merchants have to offer.**

ngoing maintenance and repairs.

Prosumer service needs are not as demanding as commercial cutters, but prosumers may expect more than the regular consumer customer might. "They are not as demanding as the commercial cutters, because they don't cut grass but one time a week," explains

necessarily a need, but more of an expectation. "Most prosumers don't want to do their own service, but with the perception that they are moving up into a higher-quality machine, they expect the service to follow that," says Howell. "They are not as demanding as a commercial cutter, but they do

*Selling to the prosumer market brings in a large sale—but not with a lack of effort. Selling to the prosumer means attracting them with mid-level equipment options as well as services and financing that meet their needs.*

McLean. "Their main concern is that if they spend that extra money for the equipment, they should be able to get parts and service without having to take it all over town like they had to do with their mass merchant units." The prosumers want to save the time and money they previously wasted maintaining their lower-end equipment.

As Howell explains it, the prosumer service requirements are not

feel that they have moved up the ladder and their service expectation has done the same."

With consumer confidence down, some dealers feel the prosumer market may shrink this year. Others expect a growth spurt as more homeowners begin doing their own lawn maintenance. Regardless, spending some time and money to attract this growing market will likely pay big dividends—either now or in the future. ■

through your doors.

## Building a Relationship

When a prosumer comes in to buy equipment that greatly exceeds the quality of what they would find in a big box store, they expect that piece of equipment to last a long time. Thus, more money is to be made when they return for

# Meeting the Needs of Today's Contractor

**Adapt to the needs of today's contractors by offering more appropriate products and services for their well-rounded businesses.**

**F**or the past 10-15 years, leading power equipment dealers have adapted their businesses to capitalize on the growing lawn maintenance contractor market. But today's contractors are different. They provide different services and have different needs. Will dealers be forced to adapt further?

Forced might be a strong word. Dealers with solid brands of core equipment, along with equally solid parts and service operations, fulfill a very important need for maintenance contractors. However, as more established contractors look to bring at least some of their equipment maintenance and repairs in-house, many leading dealers have expanded their aftermarket support to include on-site service, parts delivery and even technical training.

Many dealers have also broadened their inventories to include a variety of products lawn maintenance contractors need as they expand and grow their businesses. Equipment such as mini skid steers, tractors, attachments and aerators complement products such as fertilizer, mulch and hardscaping supplies.

## An Evolving Industry

In the mid- to late-90's, demand for basic lawn services grew as an



increasing number of dual-income households had less free time to do their own yard work. As a result, lawn maintenance contractors began sprouting up all over the country. Then, as the housing and construction markets took off in the 2002-2004 timeframe, many of these same contractors began branching into landscape installation.

The miserable housing market and deteriorating economic conditions over the past couple of years have contractors focused on the more recession-proof business of lawn maintenance again. But uncontrollable factors such as drought, tighter customer budgets, and pricing pressure from a mounting number of competitors have most established contractors grounded in the realization that diversity is likely their best way forward—in terms of both customer retention, sales growth and profitability.

There is another dynamic at play that could impact how your landscape customers operate. As the concept of “eco-friendly landscaping” gains more widespread

acceptance, some homeowners and landscape designers are questioning just how much lawn should be part of a landscape. Replacing turf with more drought-tolerant elements such as extended patios, mulch, native shrubs and vegetable gardens reduces the need for fertilization, irrigation and the operation of power equipment.

However, the average American's affection for a lush, green lawn will be a tough cookie to crumble. That's why some landscape designers are simply switching to grass types that demand less water. Furthermore, organizations such as the Outdoor Power Equipment Institute (OPEI) have made a strong case for the importance of turfgrass in the ecosystem. (Properly managed turfgrass helps sequester carbon emissions, capture stormwater run-off, and mitigate the heat island effect.)

But make no mistake, today's consumers want a more sustainable yard—a yard which they also view as a “backyard retreat.”

What does all this mean for landscape contractors? There's an op-

Items such as personal protective equipment (PPE), work boots and hand tools contribute significantly to many dealers' revenue and profit streams.

portunity to extend their basic lawn maintenance services to include turf renovation, IPM (integrated pest management) and perhaps even organic lawn care, along with opportunity to branch into new installation services with a relatively low barrier to entry.

What does this mean for landscape suppliers such as equipment dealers? There is an increasing need for lower-emission equipment; high-tech irrigation products; organic-based fertilizers; outdoor lighting, hardscaping and waterscaping supplies; and turf renovation equipment such as aerators and dethatchers to help lawn maintenance contractors practice IPM and improve the health of turf.

## Vendors Facilitate the Evolution

The addition of hardscaping products and waterscaping materials to your product offering makes you more of a one-stop shop to your landscape customers. Since landscapers are very hands-on people, most have a relatively easy time picking up the necessary skills to branch into lighting, waterscaping and even basic hardscaping. In most cases, it takes just one day of training dedicated to learning about the application of materials and a second day for educating on how to sell the service.

According to Steve Jones, president of Pavetech (pavetech.com), the dealer network is critical when it comes to educating the contractor. "The contractor expects their vendors to be experts," Jones adds. "So if you're thinking about becoming a hardscape supplier, there needs to be a real commitment. You can't just dabble in it."

Jones says "dabbling in it" means not ensuring that your employees have the knowledge base, and selling only a limited range of product. "You have to think like a contractor, and contractors think in terms of systems," Jones points out. "You need to sell the complete system—and become the hardscape supplier to that contractor."

As is always the case, it helps to be a large retailer that can buy in larger volumes. However, Jones says single-location equipment dealerships can also make a good run in hardscaping if current landscape customers are performing the service or seriously considering it. Dealers also need adequate lot space to store the inventory, along with a forklift or loader to transport the pallets of materials, etc. It's all about being price-competitive and, more importantly, making things more convenient for the landscaper.

## More Opportunities for Dealers

That's what Cincinnati-based Klei Mower has been doing for its landscape customers: making things more convenient by reducing the number of vendors they must deal with. Klei Mower began selling mulch a couple of years ago.

"Mulch sales have been getting better each year, turning into a very profitable segment of our business," says owner Dennis Klei. The key has been carrying a very high-quality product—word of mouth then does the rest. "The only advertising we do is our phone system's on-hold message," Klei points out.

There is also plenty of equipment you can sell to help your landscape customers branch out and grow their businesses—some of which isn't a far stretch from what you're already doing. Products such as aerators, edgers, tillers, trenchers,

sprayers and spreaders enable contractors to offer services that are a natural extension of landscape maintenance. Compact construction equipment such as mini skid steers, tractors and implements will help them break into installation and hardscaping. And remember, renting these types of equipment is a great option.

Many dealers are also finding success with products that don't necessarily help their landscape customers sell more services, but rather, simply fill a need. Items such as personal protective equipment (PPE), work boots and hand tools contribute significantly to many dealers' revenue and profit streams.

Trailers are another good example. In an August 2008 survey of *Green Industry PRO* subscribers (landscape contractors), 94% of landscapers said they own a trailer, and 36% said they will purchase at least one more within the next three years. The question is: Where will they buy them?

Crane's Outdoor Power Equipment in Canaan, CT, began selling trailers in 2001. "We had a few inquiries from landscapers about where they could purchase trailers locally," says Rich Crane Jr. "There weren't any trailer dealers close to us, so I thought, 'Why don't we start selling them?' Really, it makes perfect sense. With the size of today's equipment, you don't see the typical commercial user putting a mower in the back of his truck anymore."

Branching into new product areas takes time and patience, not to mention a carefully thought-out strategy. Leading dealers are doing it, because the landscape is changing. The more you can sell to help your landscape customers adapt and thrive, the better off you both can be. ■

# Developing Relationships That Make Your Business Last

**Increase the staying power of your business by building better relationships with your distributors, customers and financial partners.**

**M**any of the dealers who have made it through the recession successfully have their relationships to thank. It's the relationships you build with your customers, distributors and financial partners that keep you strong when times are tough. Knowing the importance of these relationships, and how to build them, can help you stabilize your business.

Consumer confidence and spending in recent years has made business challenging for dealers. Many prospective customers reassessed their needs and held back on purchases. In tough times like these, working with your existing customer base, distributors and bankers can help a dealer stay profitable.

## The Dealer-Distributor Partnership

Distributors play an integral part in the dealer's achievements. An open line of communication with your territory manager is the first step to a successful partnership. Keeping them involved in changes in the business and challenges you are facing is the only way they can see the big picture and assist you.

Open communication with your distributor is important, but communication shouldn't stop with your

store can deepen the business partnership.

You also want to show your distributor that you support them by participating in any meetings and roundtables they host and assisting other dealers in their network with any transitions in their business.

Strengthening the relationship could mean a better response time to any issues that arise. It's always easier to do business with someone you have met and know than it is with someone that you talk to on the phone once in a great while.

## The Dealer-Customer Partnership

The same way we distributors build relationships with our dealers, it is important that dealers build relationships with their customers. The most effective thing you can do is to provide them with first-rate customer service.

First-rate service means being more targeted with your product and service offering. Pick up the phone and give customers a call to see how they are doing, or send them an email to let them know you're thinking of them and their needs. This gives you the oppor-

***You will have customers for life if you can build these relationships. The word-of-mouth advertising that comes along with a satisfied customer is very strong.***

territory manager. It should reach beyond to sales managers and marketing managers. Occasionally inviting management beyond the territory manager to your

tunity to alert them of service due, upcoming sales or new products offered.

Keep in mind you are in the business of selling solutions to customers' problems. Keep track of each individual customer's needs and product line preferences, and, when a new product comes in from a line they use, contact them directly

that comes along with a satisfied customer is very strong. It's much easier to keep a customer than it is to obtain a new one. The hardest part is getting them in the door; once they are there, you need to build the bond.

Many times, loyal customers who know you and know your business are more understanding than the brand new customer off the street. If they

you are in need of some financial assistance or a revolving line of credit. You can start the relationship off on a good foot by getting an introduction from your suppliers or the local trade organization. Having their reference helps when starting a rapport with the banks.

To keep that relationship going, invite bank officials to any

### Three Ways to Build Relationships with Distributors

1. Maintain open communication about the state of the business
2. Get to know the management beyond your territory manager
3. Support distributor by taking part in meetings and roundtables

happen to come in on a day that you are slammed looking for a part or repair, they will be more understanding of a longer turnover time.

### Support of Financial Institutions

Many dealers handle their business with large regional banks. You may be surprised to know that the locally owned, small-town banks are an option that should be explored.

Often times, it is easier to build relationships with these smaller banks whose owners and presidents often welcome a direct call or private lunch meeting. They fall into the same niche as many dealers, providing services and help to small to midsize family-owned businesses.

Contact your local bank and try to start a relationship with them if

events or open houses you are hosting. It's important to keep them involved in your business, not just when financial situations arise. They feel more invested in the success of your business if they are a part of the journey.

Taking the time and making an effort to build relationships with your suppliers, customers and financial partners can go a long way in building the staying power of your business. It is these relationships that will support you—not just when times are good. ■

rather than in a mass mailing.

The whole benefit of choosing a dealer over a big box store is that the dealer is the expert in the field. Customers are attracted to the fact that you can service and set up all of the products you sell. Going beyond that and helping customers understand their equipment and being willing to take the time to sit down with a customer and chat about specifications on their level can go a long way in building those relationships.

You will have customers for life if you can build these relationships. The word-of-mouth advertising

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# BUSINESS MANAGEMENT SYSTEMS and TECHNOLOGY in the Dealership

**A**s many dealers have grown and adapted to today's marketplace, so have business management systems. The tools are there, and it is up to dealers to embrace these features and use them to the best of their abilities with proper BMS training.

## The Tech-Smart Dealer

The dealers of today have come a long way from 10 or 20 years ago. They are finding new and better ways to manage their businesses, using technology more and more. "Pretty much every dealer you talk to now has a computer," explains Jeff Haefner of Ideal Computer Systems. "Ten years ago they may not have had a computer at work or even at home. Dealers are now using computers and the Internet more than ever. They are using email, checking orders online, looking up pricing and using eBay almost daily."

In addition to the Internet, more dealers are using a BMS. For years dealers have used some type of software to help them manage their businesses. More now are turning to a BMS designed specifically for outdoor power equipment dealers.

"The more aggressive dealers have embraced the BMS technology and seen value in it," says Jim Archut of c-Systems Software. "I don't know how many times I've had dealers tell me the single smartest decision they ever made

was to purchase a BMS. These are dealers who are aggressively and progressively running their businesses."

For some of these aggressive dealers, paying careful attention to each department in their business and its profitability may help them to grow into a multi-location dealership. If they do, the BMS will be there to help them along the way.

## System Features for Today's Dealer

As dealers have made several advances in their businesses, so

has the BMS in its features. Several business management systems have accounted for dealer growth by developing features to help them manage multiple locations. "A BMS allows for multi-location management of inventories and departments," says Archut. "These are tools that each location manager needs to keep the two locations tied together."

In reporting on the dealership's sales and inventories, the data can be joined together or broken down into several reports. "Combined and separate reporting is a great feature," shares Haefner. "Today



Today's business management systems use advancements in communication technology to help dealers stay in touch with customers and suppliers.

## Seven Easy Ways to Increase Profitability with Your BMS

1. Track technician efficiency
2. Use as a tool for answering customer inquiries
3. Set goals for sales margins
4. Track and reduce dead inventory
5. Track and analyze top-selling products
6. Create a system for customer follow-ups
7. Scrutinize “lost sales” reports

reporting is more flexible, whereas 10 years ago dealers would only have standard reports to choose from. Now dealers can easily slice and dice information almost however they want.” This data, which is at the same time simple to extract and complex in reporting, allows for thorough multi-location management.

In addition to multiple-location management tools, several BMS features have been introduced that incorporate technological advancements made in the last decade. A few of the newer features in some of the outdoor power equipment business management systems available include:

### Digital signature capture pad

– The digital signature capture allows dealers to capture customer signatures for purchases, equipment pickups and charging to an account. “Dealers save ink, paper and time,” says Haefner.

**Technician time clock** – The technician time clock tracks how long a tech works on a repair from start to finish. It allows dealers to keep a close eye on individual

technician efficiency. Dealers can also ensure they are billing the appropriate amount of hours.

### Email and text messaging –

Dealers and their employees can email and text message customers directly from the BMS. “It’s great for alerting customers about new products, the status on repairs, warranty information and more,” says Archut.

**Partners Standard Protocol (PSP)** – Covering several industries, the PSP is an agreed upon protocol for communication between the dealer, distributor and OEM. It simplifies the processes for purchase orders, warranty registrations and more. Several OEMs are on board, as well as BMS providers such as Ideal Computer Systems and c-Systems Software. For more PSP information, visit [psp.mic.org](http://psp.mic.org).

These and all of the other features in a BMS are designed to help dealers stay on top of their businesses and in touch with their customers, with the end goal being profitability. Knowing how to use your system properly will get you closer to that end goal.

## Really Using your BMS

A BMS is a great tool, but only if you know how to use it. “You just don’t see dealers who have the time, knowledge or expertise to figure out all the features on their own,” says Haefner. “Having all of the accurate information right in front of you lets you know the status of things, better manage technicians, improve customer service and more. If we can teach dealers to use these tools, they are going to be more profitable.”

Some dealers figure out the basic bookkeeping and are satisfied enough with that, but don’t try to get all that they can out of the system.

“There is a level of complacency

for some dealers,” explains Archut. “They are doing well at what they are doing, but they could be doing even better. It can be difficult to convince them to take the lead and change how they are using the BMS.”

If a dealer does decide they want more from their system, the help is out there. Many BMS companies provide extensive training and tools to their dealers. “Every month we provide users with an update on any enhancements that have been made as well as a quarterly newsletter,” says Archut. “On top of that, our salesmen call customers once or twice a year to see how things are going.” c-Systems offers phone support as part of their normal maintenance agreement, and additional training, either at their headquarters, the customer’s site or over the Internet. Ideal also provides a customer service hotline and ongoing training.

While several new features have been introduced, dealers should be certain they have a grasp on the basics like tracking and comparing costs with revenue. “When it comes down to it, the core fundamentals that have been around for years are still the same things that are going to make dealers a lot of money,” explains Haefner. “Knowing those things and having a reliable BMS you can count on is what is going to make you a better, more profitable business—or even help you stay in business.”

Many of today’s dealers have come a long way thanks to careful business planning and management. Using a BMS to its full abilities—including new features and those that have been around for years—could help take you to the next level. ■

# A Surge in Demand Electric-Powered

**T**oday's consumers want tools and equipment that are reliable and easy to use. Now that many electric-powered products perform much better than in the past, manufacturers and dealers alike are seeing an increase in demand for electric-powered lawn and garden equipment.

It is a growing market, driven by demand for green products that are easy to use. Historically, those two factors have somewhat conflicted with one another.

"Our research indicates that there is an increasing demand for electric and alternative energy products as part of an overall movement toward sustainability," says Steve Meriam, manager, national sales and product development for STIHL Inc. "However, this is tempered

by the performance needs of customers, as well as, in the case of corded products, the inconvenience of dragging an electrical cord around when doing yard work."

Now that battery technology has evolved considerably, more consumers are looking to electric as a viable option.

"We have noticed that more and more people are asking about the electric powered equipment. We try to maintain a well-stocked inventory of most of STIHL's electric powered line of equipment," says Elizabeth Rudd from C & L Mowers. "We are proud to be able to offer the public another choice in lawn maintenance equipment. Even our commercial customers are very happy with STIHL's advances in technology, which



Electrical hedge trimmers are both lightweight and quiet in operation.

# for Products

make the commercial equipment 'greener'. We use that in dealing with customers to let them know that STIHL is doing its part to lessen its carbon footprint."

## Growing Niche

When you're talking about electric lawn equipment, you're not just talking about handheld tools anymore. In fact, both Ariens Company and Hustler Turf Equipment have even introduced electric zero-turn mowers in the past year.

Still, the majority of sales growth has occurred in the staple handheld categories. According to Meriam, this demand is being spurred primarily by the consumer's desire for reduced emissions and environmental impact. There are also some convenience factors associated with electric-powered equipment:

- No gasoline storage
- Less maintenance relating to fuel issues, such as stale or poor-quality fuel
- Generally easier to start
- Lightweight and quiet

"With the media touting the effects of environmentally friendly machines, most people are realizing that with the size of their yards, it is quite manageable with a corded piece of equipment and it is something they can do to help the environment without making a huge investment," says Rudd. "STIHL's electric equipment also enables them to notice a strong power difference over the compet-

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ing brands.”

Still, as Meriam points out, there are definite hot pockets for electric-powered equipment. “Certain parts of the country—California, Oregon, Washington and New Eng-

land—tend to lead the country in environmental initiatives,”

he says.

“Urban and

suburban areas also show a greater demand for electrics. Predominantly, the target customer is a female with a small urban or suburban property to maintain.”

But the target customer is in a period of flux. While it has traditionally been the homeowner with a small yard of a quarter acre or less, homeowners with larger lot

sizes are also taking an interest in electric-powered lawn equipment. And according to Meriam, you could eventually see electric equipment appealing to professional users.

The key is the battery technology, which is twice as good as it was 10 years ago.

### Ideal for Dealer Showrooms

Electric-powered equipment is great for the added convenience, but many wonder if it is the equipment is a good fit for the more knowledgeable, service-oriented dealer network.

Electric power equipment can be a unique and profitable product offering that won't necessarily take away from the sales of other product lines already offered.

“In handling the STIHL line of equipment, we don't have to ‘sell’ to a customer, we merely have to educate them in the manner in which STIHL conducts business. Most people are aware of their outstanding reputation for quality,” says Rudd. “We just inform them on how STIHL maintains that level of quality while leading the industry in ‘green’ technology. Both

*Consumer Reports* and the industry magazines can be referenced to allow people to see for themselves that quality matters, the power is unsurpassable, the footprint is minimal, and the entire STIHL dealer network is there for them regardless of circumstance.”

Even though electric equipment is not gas-powered, which provides everyday consumers with ample opportunity to ruin engines through improper gas/oil mixtures, there is still aftermarket business to be had by dealers. The opportunity to sell trimmer line, cutting heads, bars and chains is still there.

Beyond making sure that all these necessary conditioning and storage procedures are followed, product performance is going to depend on the manufacturer, as is the case with any technology. “There are cheap, gas-powered brands on the market, too,” Meriam reminds. “Manufacturers who want to compete in the electric arena will have to produce products that satisfy the consumers’ demand for quality, dependability, durability and performance—regardless of the power source.” ■



#### BGE 61 Electric Handheld Blower

If you think an electric blower isn't powerful, check out this one. Lightweight and high-powered, the new BGE 61 electric blower is great for cleaning up leaves and grass clippings around the home. Part of a new generation of STIHL leaf blowers that are both quiet and easy to use, this blower features a built-in cord retainer to keep you connected so you can get the job done.

- Lightweight and powerful
- Quiet electric motor for neighborhood use
- Built-in cord retainer
- Great for cleaning debris
- Optional accessory: gutter cleaning kit



### MSE 220 Electric Chain Saw

This sleek, hard working electric chain saw was created with the professional in mind. With a sturdy design and heavy-duty magnesium construction, the MSE 220 has a significantly higher cutting speed than the MSE 180 C-BQ, making it the most powerful in its class. Lightweight and practical, this saw is even quiet enough to perform indoors.

- Slip clutch to help protect the motor if the chain should stall
- Significantly higher torque than the MSE 180 C-BQ
- Side-access chain tensioner
- Thermal overload cut-off switch
- Oil level inspection window
- Trigger switch lockout
- Automatic cut-off when brushes become worn



### BGE 71 Electric Handheld Blower

Like the BGE 61, this powerful STIHL blower has a quiet electric motor ideal for neighborhood use while clearing and vacuuming leaves and debris. Using a high and low switch to tailor the air speed to the task at hand, the new BGE 71 electric blower is versatile—allowing you to easily convert to a vacuum or gutter cleaner with optional kits offered by your local STIHL dealer.

- Handle-mounted, two-speed switch
- Lightweight and powerful
- Quiet electric motor for neighborhood use
- Built-in cord retainer
- Great for clearing or vacuuming debris
- Optional Accessories: vacuum kit, gutter cleaning kit



### HSE 60 STIHL Electric Hedge Trimmer

For users who enjoy getting an early start on their trimming job or working later in the day, the HSE 60 STIHL hedge trimmer, powerful and quiet, is for you. One of two electric STIHL hedge trimmers, it's lightweight, fast and built with dependability.

- 18" blade length
- Heavy-duty gearbox
- Lightweight and well balanced design
- Large front handle for multi-position cutting
- Double-sided reciprocating blade
- Extension cord clip on handle
- Screw slots in guard for convenient storage
- Optional accessory: HS resin remover and blade cleaner

# Building Relationships Through On-Site Demos

**I**t is rare that a dealer would not tout the benefits of demos to customers. There are certain things revealed by an on-site demo that can't be displayed in the showroom.

"In a showroom, you are very much limited in what you can experience," says Chase Tew, tactical brand manager for commercial mowing at John Deere. "You are talking with customers about specifications and performance, but many times those things in the showroom environment may or may not compare."

On-site demonstrations offer many things a showroom visit cannot. It may not be possible to get the whole landscape team

On-site demos not only offer the opportunity to see how each landscape employee likes the mower or piece of equipment, but it's also a great opportunity to see how the equipment handles different jobsites and their requirements.

"A demo means no surprises when the customer gets the mower home," says Tew. "Commercial cutters can test is out on properties they maintain while consumer customers, likely never having operated a zero-turn rider, can compare the mower to expectations they have in their mind. It's best they are sent home with the right mower for the job, as opposed to returning disappointed."

A better side-by-side comparison

demos out have a lot to gain as well. The knowledge gained from listening to a customer about their demo experience can go a long way in growing your knowledge of a brand or product line.

"It's important for a business owner or salesman to be knowledgeable, and they gain knowledge every time they go out on a demonstration with a customer," explains Tew. "You gain knowledge of how a machine performs on a certain property, how a machine performs in certain conditions, and how machines with certain specifications perform for different customers. All that translates into a simple knowledge and skill set."

The trust of a consumer or com-

*On-site demos not only offer the opportunity to see how each landscape employee likes the mower or piece of equipment, but it's also a great opportunity to see how the equipment handles different jobsites and their requirements.*

out to the showroom to look at a potential new piece of equipment. If you bring it out to the jobsite, multiple operators within the contractor's business get a feel for the machine and understand its ease of use.

"Many times there are multiple decision makers involved in the purchase," explains Tew. "The on-site demo gives the decision makers the opportunity to experience things first-hand and see how well a piece of equipment fits into their fleet."

is also possible when there are several brands or models being considered. Users can explore the fit of the machine not only in their operations, but also in the little things like how easy it is to service and the ease in loading and unloading off the trailer.

## Good for the Customer, Good for the Dealer

On-site demonstrations have a lot to offer the contractor and consumer customers alike, but the dealer and employees who take the

mercial cutter is easier to win when you have a wealth of knowledge to share with them. They are more likely to trust you and the brands you sell if you know what the products can handle.

"Consumers and contractors will trust a dealer because he has gone out on these demonstrations and knows how the machines perform and how operators are using them," says Tew. "It's the knowledge that builds that trust and the relationship that gets the sale." ■



Drew Stampley  
360 Hardware  
Mechanicsville, VA

## **“With STIHL supporting my small business, I’m becoming a bigger one.”**

“I first decided to sell STIHL because I know their name drives traffic, but STIHL’s dealer support tools are just as impressive as their real tools. STIHL helped me with layout plans and in-store displays that are proven to increase sales, and the changes have really helped. STIHL also drives customers to my store through their Marketing Advantage

and PowerChord Plus Internet programs. I only do business with companies who support me. My STIHL distributor is there whenever I need them, with parts, sales support, training and product. Business is easy when STIHL has my back, so who has yours?”

[www.stihlusa.com/dealer](http://www.stihlusa.com/dealer)

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**STIHL®**



Jennifer Silence  
Al's Lawn Care Products  
Lutz, FL

## “Tough times are easier when someone has your back”

“You can’t plan for economic times like these. But keeping your business in top shape all the time can get you through the tough stretches. Dad built this company on outstanding service over 23 years ago, so our customers are very loyal and that helps right now. We’re also STIHL exclusive, so with their great support and our service

reputation, the business keeps growing. I’m proud to eventually run the company my parents started, and proud that STIHL is the only handheld brand we carry. With family and STIHL behind me, how can I lose?”

[www.stihlusa.com/dealer](http://www.stihlusa.com/dealer)

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