

Assessing Trades Like a Customer

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Questions

- Questions from “Digging Up Accurate Used Equipment Values”

1. Why do dealers year in and year out accept the fact of sending high dollar equipment to auctions? How do we slow it down?



Questions

- Questions from “Digging Up Accurate Used Equipment Values”

2. It seems like oftentimes sales people try to sell the sales manager harder than the customer. Do you have any tips for training the sales team on this practice?



Questions

- Questions from “Digging Up Accurate Used Equipment Values”
3. There are a variety of residual calculator tools out there. What is your opinion of those for assigning trade values?



Used Iron Categories

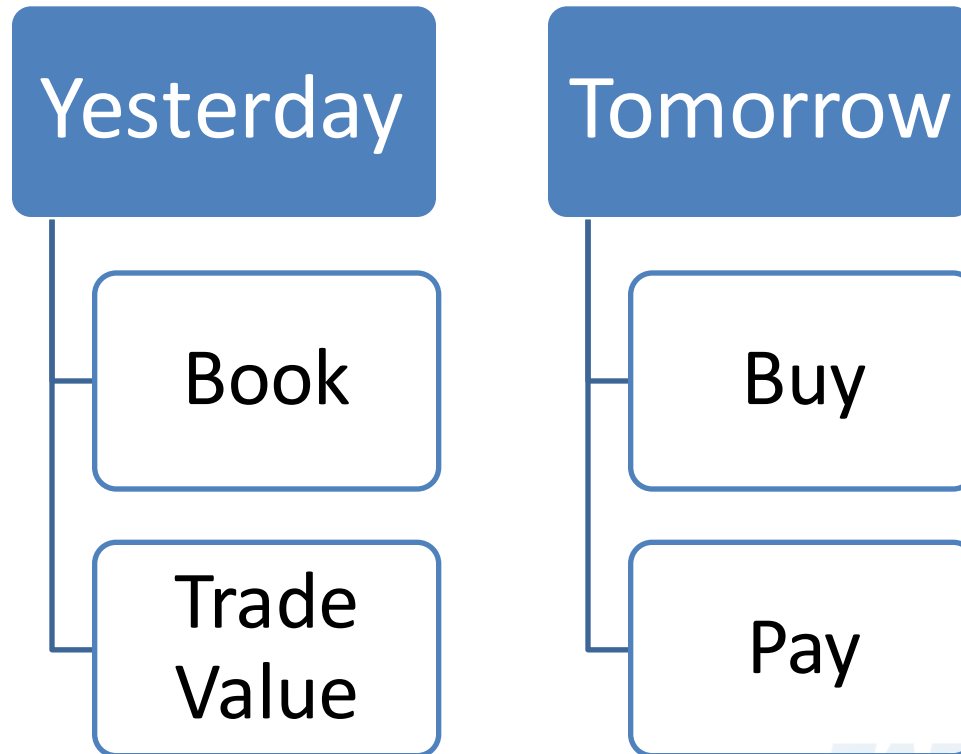
Buying like a Customer



Are we buying or taking trades?

Used Iron Categories

Buying Iron



3 Levels of Trades

1. Pre owned - typical 1-2 years old



3 Levels of Trades

2. General Used Equipment



3 Levels of Trades

3. Oddball, High Hour or Cowboy Tough (sometimes all 3 characteristics in one trade)



3 Levels of Trades

What is Cowboy Tough?



3 Levels of Trades

How will a customer view your used unit?

- 1. Pre owned - typical 1-2 years old**
- 2. General Used Equipment**
- 3. Oddball, High Hour or Cowboy Tough**

Order of Importance

4 Main Factors That Decide A Units Value

Model
Condition



Year
Hours

Order of Importance

1. Model/Option

Model is an indication of size and options



Order of Importance

#2 Year

#3 Condition

#4 Hours



Order of Importance

Order when customers buy 1-2 year old trades or Pre-Owned Category.

1. Model
2. Year
3. Hours
4. Condition



Order of Importance

Order when a customer is buying a unit in the General Used Equipment Category

1. Model
2. Hours
3. Condition
4. Year



Order of Importance

**Order when a customer buys an Oddball,
High hour or Cowboy Tough unit.**

- 1. Model (this becomes flexible)**
- 2. Condition**
- 3. Hours**
- 4. Year**

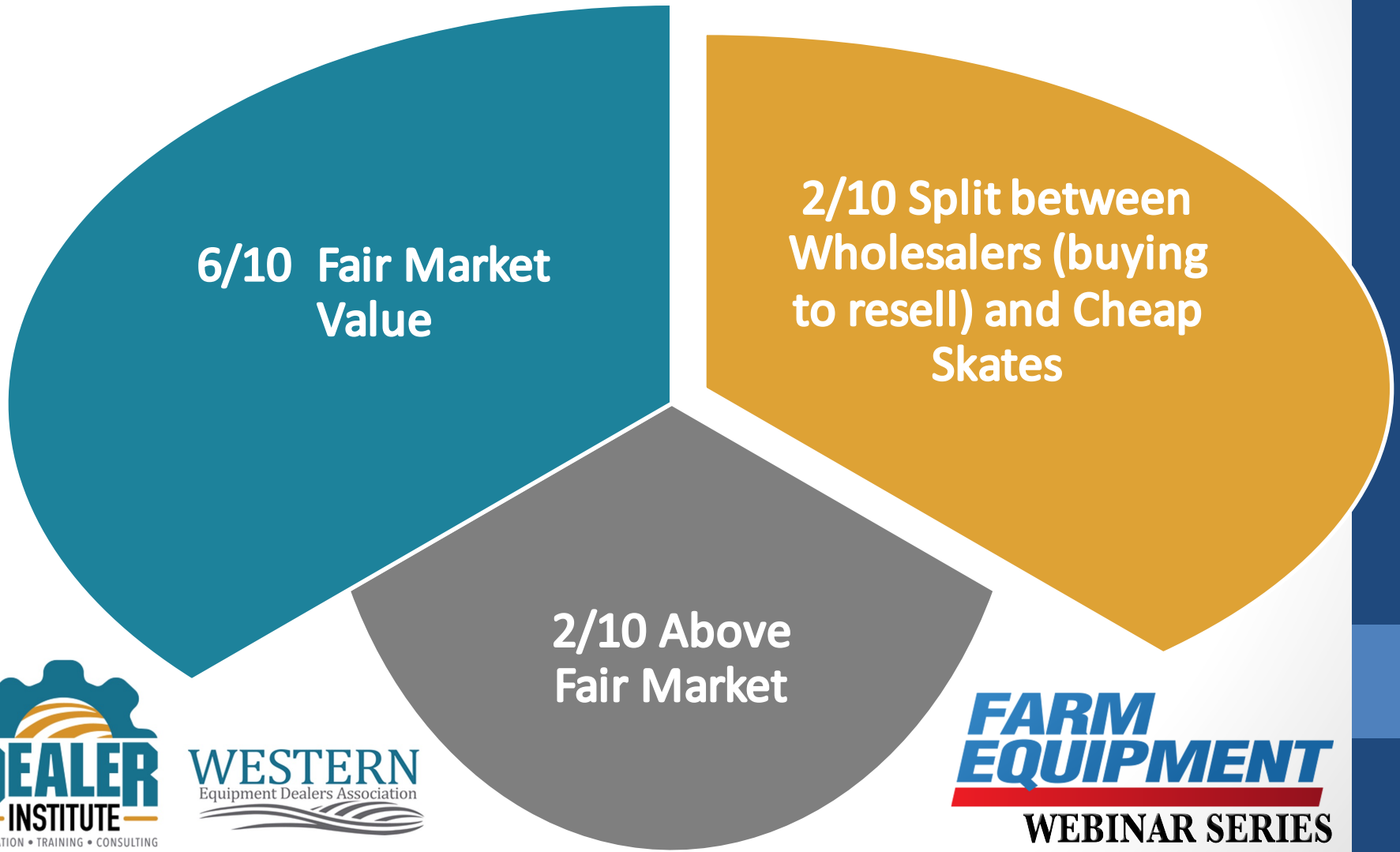


Influence a Customer

How many Customers do we really have?



10 Buyer Rule



Why Are We Buying

Are you excited to sell this unit?



We buy used to sell, not sit on

Why Are We Buying Not Excited

1. Do not take the trade
2. Call wholesalers
3. Call Auctioneer
4. Consign?



Why Are You Buying Excited

Decide how we plan to market the unit

1. As is, where is
2. Work order credit
3. Partially Reconditioned
4. Full Reconditioned
5. Through Auction?

Lot Display

First Impression a Lasting Impression



Lot Display









CASE IH

CASE IH

6088

3240

3016 1151

CASE IH

3016 1151

3016 1151



NEW HOLLAND

TR
TWIN ROTOR
98

NEW HOLLAND



WARNING
STAND CLEAR

CAUTION

DANGER

Kipby
BY GET AGRICULTURE LTD



Lot Display



Lot Display



Lot Display



Thinking Different

What has happened will happen again

JD/Case Study



Thinking Different

Auction Results

1/3 sold above cost

1/3 at cost

1/3 at a loss



Going Forward

Our Biggest Opportunities

1. **Inventory Control/Management**
2. **Getting Department Managers Accountable**
3. **Aftermarket Departments Upselling with a Sales Head**
4. **Overhaul of Dealership Branding-Marketing-Advertising**





Questions?