BUSINESS BASICS

BECOME A HOT ROD CULTURAL CENTER

Looking for new profit areas? Consider offering accessories, classes or even T-shirts.



Phil Sasso, is president of Sasso Marketing Inc. (www.sassomarketing. com), a 20-year-old technical marketing agency providing advertising, public relations and promotional services to the aftermarket. Subscribe to his weekly marketing tip free at philsasso.com/blog.

t doesn't matter whether the economy is up or down, successful performance shops are always looking for new ways to increase sales.

If you're like most performance shops, the main moneymaker in your business is your services. Depending on your shop's focus, that could be services like tuning, rebuilding or installing. (That is, you're primarily in the business of "doing stuff" not "selling things.")

So, to grow, many shops focus on bringing in new customers to sell more services. The other common approach is to add new services that bring in more customers.

But consider how you might grow your business by "selling more things."

Adding new products or product categories to your mix can at first seem like a headache. You have to deal with inventory, sales tax and possibly returns. But selling products can also bring new prospects and build what one shop owner calls "rock star fans" for your business-all while adding a little more change to your coffers.

Here's one traditional and a few offbeat ways to do that. Only you can decide which of the following ideas might be a good extension for your shopand which ones might be an overextension.

Parts & Accessories

If you don't already do it, selling parts and accessories is an easy and obvious add-on to your existing business. You probably already carry a small inventory. To get started, you just need to bring some items up to your front counter and show them off.

Adding parts and accessories sales may require that you inventory a little more of some products. And you might add a few new items, but don't worry about upping your entire inventory until you get a feel for what your customers want. You can also use catalogs to extend your product offerings with special-order items.

You might think selling parts and accessories

would cannibalize your existing service and installation sales. It won't. The Do-It-Yourselfer who buys an item from you isn't the same Do-It-For-Me customer you're used to serving. These guys either have the mechanical skills, tools and ambition to do the job themselves, or someone to do it for them,



Reprinted from **Performance Business** March 2011

T-shirts that promote the hot rod culture. (All photos by Beth Sasso.)

so they'll try to manage on their own.

In either case, you're dealing with a customer you normally wouldn't serve and putting a little money in your pocket that might have gone to the online parts store or another performance shop or auto parts center down the street.

Also, don't feel you need to offer deep discounts to compete with discount parts stores and online retailers. Often customers want to buy from you because you can provide technical advice they can't get from a poorly-staffed chain or Internet store. That alone is worth a few extra bucks.

In turn, don't be stingy with your advice and expertise. A side benefit of selling parts to the DIY market is when they face a job they can't tackle or if they fumble an installation, you'll be the first shop they'll think of to get the job done right. Obviously, the more knowledgeable you prove yourself to be, the more customer respect you'll earn.

Technical Classes

Offering classes won't make you rich, but it can help build relationships with enthusiasts in your area. (OK, this isn't actually a product you have to inventory, but you'll be marketing it like you might a physical product.) You might create a few handouts so your students can take your training—and your shop contact information—home with them.

Hot Rod Chassis & Cycle in Addison, Ill., offers about five classes at its shop during the typically slow late winter/early spring season. Classes run about \$25 each with no refunds (and include free coffee and donuts!)

The shop focuses on building traditional pre-1964 hot rods, so the classes tend to take on the same focus. According to the company's website (www.hotrodchassisandcycle.com), last year the instructor worked on the build of a 324 Rocket-Powered 1934 Ford two-door sedan.

"It's like Hot Rod 101 classes," says shop owner Kevin Tully. "We don't teach





Videos and magazines can provide impulsebuy add-on sales to a regular order of parts and accessories.



Even in this day and age of the Internet, printed publications still resonate with hot rodders.



The more your shop offers, the more reasons there are for customers to drop by.

anything too complicated. But we might have a class on something like installing a wiring harness. When the guys are ready to do the job themselves, we hope they'll buy their harness from us.... Usually they do."

Other classes have covered topics from hot rod chassis planning to plumbing brake and fuel lines. The classes serve as a way to bring in some new faces and build deeper relationships with old customers. In the end, it's just another interesting way to get your shop's name out there.

Magazines, Music and Movies

"For some of us, hot rods are about more than just owning a vehicle—it's a lifestyle," says Tully. He says it influences everything from his clothing, to his music, to his home furnishings.

So, in essence, he feels his shop's purpose is to support that lifestyle/culture and create more diehard enthusiasts through everything in his shop—from the magazines to the music to the movies. Even in this day and age of the Internet, there is still a big market for printed publications. Hot Rod Chassis & Cycle offers dozens of magazines focused on traditional and custom hot rodding from standards like *Hot Rod Deluxe*, *Rod & Custom*, *Gasser Wars* and *Dice* to foreign, niche and out-of-print publications like *Rolls & Pleats*, *Throttle Gals*, *Hometown Hot Rods*, *Barracuda*, *Hop Up* and *Magneto*.

The magazines feed customers with dreams and ideas for their own cars, and the magazine rack nearly covers a short wall of the showroom. They also take these magazines on the road for the half-dozen or so car shows they exhibit at every year.

The goal is to stop guys long enough to thumb through a magazine and perhaps engage them in conversation. The more face time with a prospect, the more likely they'll buy something, reasons Tully.

Music is also a big part of the showroom experience at Hot Rod Chassis & Cycle.

"We have a computer we use like a giant iPod," says Tully. It covers the spectrum from Big Band, Swing and Rockabilly—

<section-header>

BUSINESS BASICS



Hot Rod Chassis & Cycle has become a "rock star" in the eyes of customers who choose to buy products in the shop, based on the knowledge and expertise that comes with every purchase.

with a few Buddy Holly and Metallica songs thrown into the mix.

You can even buy DVDs at the shop. They cover the spectrum from the *Hunnert Car Pileup* "videozine" about a popular hot rod show in Central Illinois to the classic *The Hot Rod Story* documentary narrated by SO-CAL Speed Shop founder and hot rod legend Alex Xydias, chronicling the history of rods and drag racing back to the Bonneville Salt Flats.

Again, Tully's vision is that he isn't just selling hot rod chassis and performance work; he's selling the culture. He likens his performance shop to a rock band. The band doesn't just sell concert tickets, they also sell CDs, Tshirts and other merchandise.

The goal is to create wildly enthusiastic fans for the band that will help



Do you know how to do it and are you comfortable teaching others? Offering classes on different aspects of the performance market can set you up as a local expert and deepen the relationship you have with customers.

create more wildly enthusiastic fans for the band. For example, when a friend asks the fan about his T-shirt, the fan is likely to share his enthusiasm for the band. Tully believes the same holds true for his performance shop.

Merchandise

Needless to say, Hot Rod Chassis & Cycle sells T-shirts. Lots of them. About a quarter of its showroom features shirts. Employees also carry them along to the shows they attend. Often shirt sales pay for the cost of attending the show.

Most of the T-shirts feature some interesting design on the front and the shop's logo on the back. The showroom features men's, women's and even children's shirts. (I guess you can never start them too young!)

They create a new shirt design every year. Last year they created two. A shirt featuring the shop's awarding-winning "Tangerine Scream" rod from a few years back has been one of the company's historic best-sellers. "The T-shirts are great. It's like getting paid to have someone be a walking billboard for the shop," says Tully. He sells a lot of shirts at shows where "some guy with \$20 burning a hole in his pocket likes our work and wants to support us."

If you decide to start selling shirts, hire a good artist and start small. People will be more likely to buy a shirt that's well-designed or has a fun message. (Hot Rod Chassis & Cycle partner Chad Hill is also a graphic designer.)

Rather than inventory a gross of shirts, start with a small order of a couple dozen. Once you see what's popular, you can always order more.

Hot Rod Chassis & Cycle also has coffee mugs and a few other trinkets with its logo on them. All with the same purpose: propagate the hot rod culture and create loyal fans for his shop.

Some of these ideas might fit your shop perfectly; others may not. But don't be afraid to explore adding new products to your shop to bring in guys and gals who eventually become loyal customers or "rock star fans."

