

# PRESENTER INTRO



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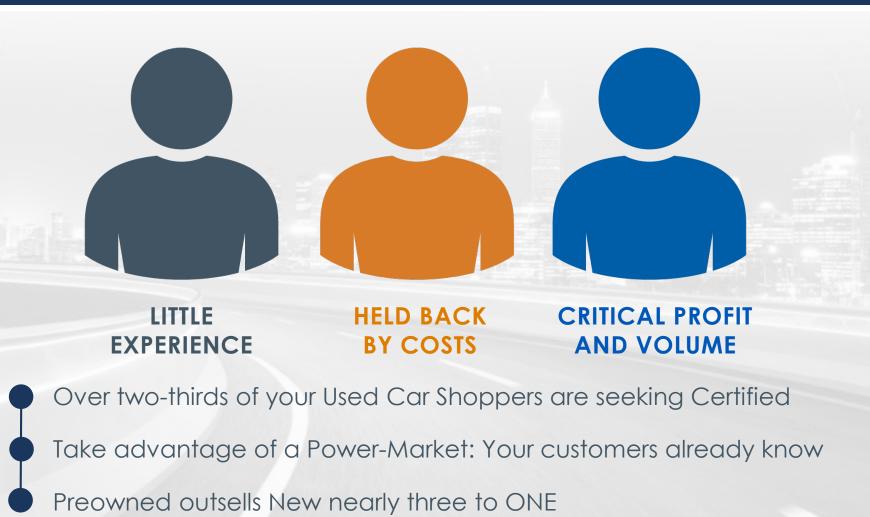


- NAMAD CPO Overview Video
- Certified Pre-Owned Program Basics things you might not know about CPO
- Customer Demand
  - CPO Industry Potential
  - CPO from Buyer's Perspective
  - CPO from Dealer's Perspective
- Marketing is Key
- NAMAD CPO Program
- Marketing Samples
- Q&A



# A ANCHORS

## Most of you watching will fall into 1 of 3 categories when it comes to Certified Preowned (CPO)...



## CPO PROGRAM BASICS

Used Car Shoppers Seek out CPO Programs

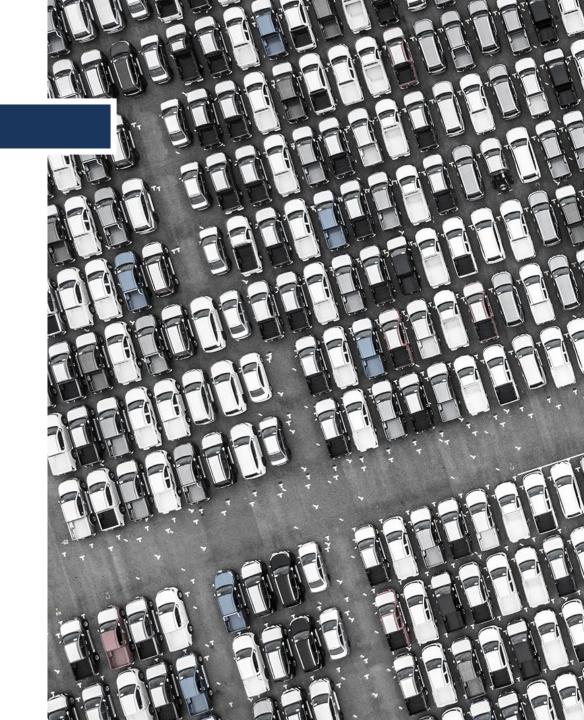
Take Advantage of Media Coverage, Customer Recognition & Readymade Marketing

68% of the preowned buyers intend to purchase Certified

CPO with OEMs only covers particular eligible franchise make/model used inventory

What about your other used vehicles worthy of a CPO program

Add Non-OEM CPO to your CPO Offering



## **CPO POTENTIAL**

Fastest growing segment in the pre-owned vehicle market.

Sales have increased every year over the past 9 years

Resonates with "Millennial" buyers – a traditionally difficult generation to reach

Media outlets are generally supportive of CPO vehicles

Customers are increasingly educated on CPO programs – most recognize the term "Certified Pre-Owned"

CPO fills a gap between new and used vehicles in terms of price point and customer perception

Why a full CPO Offering works.



#### MARKET SUPPORT

## Your Customers Already Know ...



New cars are great, but they come with high price tags. Used cars are more affordable, but they come with uncertainty about how well they've been maintained, and they usually have little if any warranty coverage. Fortunately, there's a third choice: a certified pre-owned vehicle.



**A rigorous inspection process and reconditioning** to bring vehicles up to the manufacturer's certified standards **are hallmarks of CPO**.



Buying a used car can **save you money** and get you behind the wheel of a more luxurious model ... which is **why automakers created the "certified pre-owned"** ...



... while non-CPO vehicles are typically less expensive, they are not equal to CPO vehicles.



CPO cars remove the uncertainty about the mechanical condition of the vehicle and present an attractive alternative to a higher-priced new car. ... CPO cars take the guesswork out of used-car shopping: The vehicles are inspected, reconditioned and guaranteed to be in working order.

#### CPO BUYERS

Buy more vehicle for less cost without sacrifice

Most CPO vehicles are later model year and lower mileage.

CPO vehicles are now similarly equipped to new vehicles in terms of technology

Offers the ability to 'buy up' without paying new vehicle prices

Offers warranty that reassures buyers they made a 'smart' choice

Provides reassurance that vehicle is reliable and meets quality standards with inclusion of CPO Inspection Checklist and Vehicle History Report

Why the buyers will pay premium for CPO.



#### CPO DEALERS

Customers are willing to pay more for a CPO vehicle

Certified vehicles tend to turn faster than other used vehicles

Provides opportunities for additional profit per sale

Ancillary F&I product sales opportunities

Increased F&I lines per vehicle sale

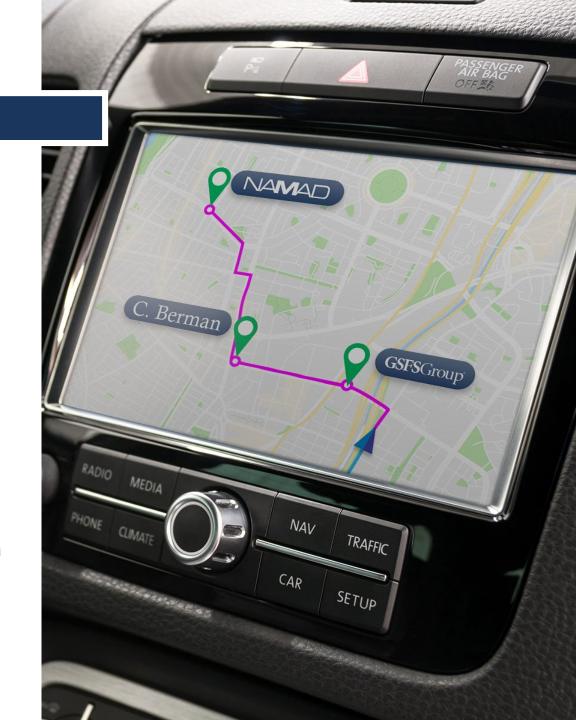
Increased back end gross profit on upsells

Increased Service & Parts Department profit off reconditioning

Many 3rd party providers offer programs for CPO vehicles such as Sirius XM, Onstar, etc.

Current Market – Offers a new selling option due to likely production shortages

Money, Profit, Volume, Loyalty, Efficiency





## MARKETING IS A CRITICAL COMPONENT



Advertising your CPO program changes consumers' perceptions of your dealership in a positive way

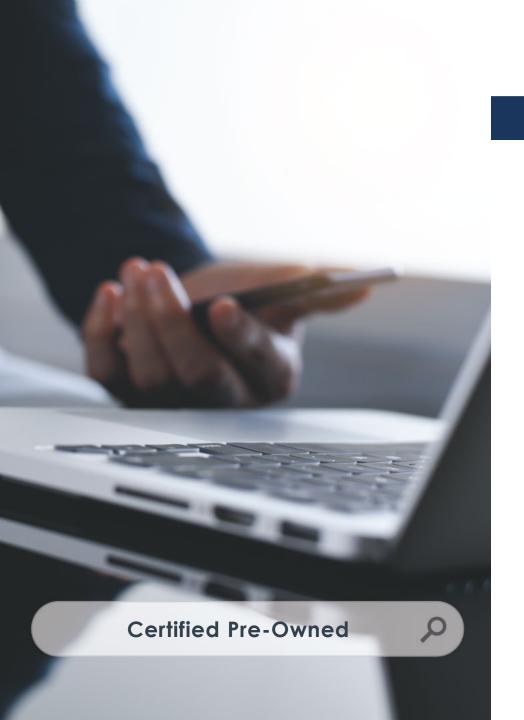
The inspection and vehicle history reports reinforce that you care about our customer and have nothing to hide – trust builder

Online advertising is imperative

- Mark your inventory with a CPO designation on your website
- Use keywords on website to improve your SEO value (search engine optimization)
- When a consumer 'googles' certified pre-owned, you want them to find your inventory without needing to pay for search terms

Be proactive in extolling the virtues of CPO with customers and direct traffic toward CPO

Differentiate as a true 3<sup>rd</sup> choice







#### MARKETING IS A CRITICAL COMPONENT

Make your marketing look like new

Customer is willing to pay a premium for CPO but wants to feel like they are getting a premium experience

Make sure your CPO marketing materials are consistent with your new car marketing materials to further enhance customer perception of the value of the program

A critical component of buyer behavior in CPO market is the belief they are making a well thought out and 'smart' decision

- Marketing should be professional and high quality
- Marketing should speak to the buyer motivations
  - Limited Warranty
  - Vehicle History Report
  - Inspection

Differentiate as a true 3<sup>rd</sup> choice

## NEW NAMAD CPO PROGRAM

## UNIQUE CPO PROGRAM

Sponsored by NAMAD

Designed for flexibility

Closely mirrors manufacturer program that matches dealer franchise program

Eliminates confusion of offering two CPO programs with differing terms

Provides convenient sales approach for dealership associates

Reduces complexity and need for extensive launch training



## NEW NAMAD CPO PROGRAM

#### PROGRAM BRANDING

Sponsored by NAMAD

#### NAMAD branded

- Leverages 3rd party endorsement by respected national agency
- Provides consumer confidence

#### CertifiedVehicle.com

- Provides platform for Dealer Branding;
- Or allows for alignment with a brand name not associated directly with dealer

Marketing materials made available as NAMAD, CertifiedVehicle.com or Dealer Branded (samples shown here feature NAMAD branding)



## UNIQUE PROGRAM DEVELOPMENT & SUPPORT

## We provide on-site start-up through continuing performance development.





# N NAMAD CPO MARKETING MATERIAL







11 x 17 Desk Laminate

# N NAMAD CPO MARKETING MATERIAL





Corner Cling

# ADDITIONAL NAMAD CPO POINT OF SALE MARKETING MATERIALS

GSFSGroup offers an array of NAMAD branded Point of Sale materials available for purchase.

Blade flags

Clip-on flags

Dealership flags

Desktop display

Desk Laminates

Showroom Poster

**Exterior Banners** 

License plates

Certification Checklist

Window Decals

Key Tags

Presentation Folders

Mirror Hanger Tags

Showroom Floor Sign

**Brochures** 

Windshield Decals











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