

Premiere
Issue!

MAXIMIZING BOAT SHOW ROI

BOAT SHOW

EXHIBITOR

Spring 2011

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Money Using
**Loan Pre-
qualification**

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the Boat:
**Now
What?**

BOAT
SHOWS:

To Go

or Not to Go?

Follow-up:
Hitting All Your
Target Markets

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MAXIMIZING BOAT SHOW ROI

BOAT SHOW EXHIBITOR

SPRING 2011

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FEBRUARY

- 17-21: **Miami International Boat Show**
Miami, Florida
- 17-21: **Strictly Sail Miami**
Miami, Florida
- 17-20: **Utah Sportsman's, Vacation and RV Show**
Sandy, Utah
- 18-20: **Richmond Boat Show**
Richmond, Virginia
- 18-27: **Indianapolis Boat, Sport & Travel Show**
Indianapolis, Indiana
- 18-20: **Dayton Boat Super Show**
Vandalia, Ohio
- 24-27: **Outdoorama**
Novi, Michigan
- 24-27: **Baton Rouge Boat & RV Show**
Baton Rouge, Louisiana
- 24-27: **Washington Boat Show**
Washington, D.C.
- 24-27: **Omaha Boat, Sports & Travel Show**
Omaha, Nebraska
- 25-27: **Cleveland Boat Supershow**
Euclid, Ohio
- 25-27: **The Boat Show in Springfield**
Springfield, Illinois
- 26-3/6: **New England Boat Show**
Boston, Massachusetts

MARCH

- 4-6: **Rockford, IL Boat Show**
Rockford, Illinois
- 11-13: **National Capital Boat Show**
Chantilly, Virginia
- 17-20: **Ultimate Sport Show-Grand Rapids**
Grand Rapids, Michigan
- 24-27: **Palm Beach International Boat Show**
West Palm Beach, Florida
- 30-4/3: **Northwest Sportshow**
Minneapolis, Minnesota

APRIL

- 1-3: **Nashville Boat & RV Supershow**
Murfreesboro, Tennessee
- 8-10: **Gulfcoast Boat Super Show**
Orange Beach, Alabama
- 15-17: **Southeast U.S. Boat Show/Week**
Jacksonville, Florida
- 28-5/1: **Newport Boat Show**
Newport Beach, California

FOR LINKS AND MORE INFO, HEAD TO BOATSHOWS.COM.

Photo: Matthew Harris

WELCOME ABOARD!



Dear Readers,

Welcome to the first issue of *Boat Show Exhibitor*! I am proud to unveil the world's only magazine dedicated solely to helping you maximize your investment at boat shows. Our goal is to bring you the latest and most effective ways for using the boat show to your advantage—giving you more opportunities to make sales and grow your business.

Boat shows are the best face-to-face marketing channel for sales and branding. Have you been using them to their fullest potential? Do you know if you're leaving sales on the boat show floor? Are you following a marketing strategy, or just winging it and walking away from potential customers? *Boat Show Exhibitor* will bring you real-world examples, testimonials and easy-to-implement tips for improving the return on your boat show investment.

The following pages have been a long time in the making and share information you can tap into at no cost. Each issue is created solely with the needs of you, the boat show exhibitor, in mind.

Boat Show Exhibitor compiles timely and useful information, all in one place to make it easier for you to navigate the world of boat shows. A great example is the story, "To Go or Not to Go?" (page 8) on deciding whether to exhibit at a boat show. When our team got to writing this article, we knew we needed to bring real, proven ideas to the table to make it useful and worth your while. Everyone seems to have an opinion on the topic of exhibiting at shows, yet this article captures valuable data and insights to tell the story of why boat shows truly are "your economic lifeline."

Keep an eye out for our next issue in May, where we'll share tips on "wooing" first-time buyers, standing out from other exhibitors, learning from our European counterparts with firsthand success stories from exhibitors across Europe and much more. After the May issue, you'll find two more in 2011—in August and then in November, timed to give you advice on boat shows when you need it.

You can also visit the magazine's official website, www.BoatShowExhibitor.com, to learn more about editorial and advertising opportunities, access digital versions of past issues and sign up colleagues to receive their own free issues.

I encourage you to read each article, take notes and, as always, please contact me at tdammrich@nmma.org to let me know what you think and if there are topics you'd like to see in future issues. *Boat Show Exhibitor* is for you—the more you let us know what you need, the better it will be.

Thank you for your investment of time to improve your boat show results!

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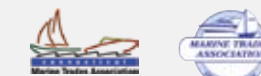
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Cover: Johnny Cain

Boat Shows by the Numbers

An exclusive survey gives an inside look at boat show buying habits.

1.8

Average number of boat shows buyers attended before making a purchase

57%

of boat buyers attended at least one boat show in the 12 months prior to their purchase.

1

Ranking of boat shows as an influencer on boat show attendee decisions to buy a boat—scoring higher than experience at a dealership and the Internet

74%

Portion of boat buyers who boated with family or friends while growing up

95%

of buyers visited the boat show display of the brand they ultimately purchased.

50%

of boat show attendees boarded a boat while at a show.

61 percent of buyers made up their mind about which boat to buy at a show.

47% of buyers attend a show intending to choose or buy a boat.

3.4 months

Average time between a buyer's attendance at a boat show and purchase date

Boat buyers at boat shows often own a vessel already.



SOURCE: 2010 U.S. Boating Industry Marketing Communications Influence Study; Foresight Research. Results based on a survey of 3,295 new boat buyers in August and September 2010.

Tick Tock

Boat shows provide one-on-one selling opportunities few other marketing channels can; the average buyer spent **nearly 49 minutes** at the display of the boat they ultimately purchased.



BOAT SHOWS SELL BOATS—LOTS OF 'EM

BY RON HEIN

Every year, millions of powerboaters, sailors, anglers and their friends and family flock to exhibit halls to see and board the boats of their dreams.

These folks aren't just out for a good time. The fun is mixed with a generous helping of serious shopping to find the right boat. They mean business—and that means business for boat, motor and accessory manufacturers, as well as dealers.

Manufacturers and dealers invest a large amount of time and money producing these exhibits, manning them during show hours, putting on demonstrations and conducting seminars.

Meanwhile, back at headquarters, some skeptics are asking, "Do boat shows really help sell boats?"

The answer is a resounding yes. A new study from Foresight Research proves that boat shows are one of the best marketing investments around.

As one of the partners of Foresight,



advertising reach and frequency, experiential product exposure and Internet traffic. The trouble was, each communication form had different metrics.

This time around, we went directly to the source: new buyers who just completed the shopping and purchase process. And we used the same scale to measure the influence of each form of communication.

The 2010 U.S. Boating Industry Marketing Communications Influence Study is the result of a survey of 3,295 new boat buyers who purchased vessels during the 18-month period ending last August.

We measured 14 different means of communication, including three that are not marketing channels but are nonetheless influential (prior brand experience, word of mouth recommendations and seen on the water).

Recent buyers recalled the influence each of the channels provided throughout their consideration, shopping and purchase stages. They recalled in great detail what they did, whom they spoke to, what websites they visited and what made a given communication channel highly influential to them, rather than just background noise.

Here are some of the findings showing the massive influence of boat shows:

- For people who attended, boat shows had the most influence on their decision to buy a boat (57%) versus their experience at a dealership (54%) and the Internet (47%).
- Boat shows are the *only* marketing

I've been researching buyer behaviors for close to 25 years. When I was the brand manager of a large auto company, I pored over data on the intentions of new buyers, ad-

channel allowing buyers to compare prices, brands and models side by side and to board boats—two of the most important influences on boat buyers.

Buyers said boat shows had the most influence during the interest or consideration phase of the purchase process, when they often discover brands they may not have known about before.

- Among buyers who attended a boat show, 70% purchased new boats within three months of the show.
- Nearly six in 10 new boat buyers attended at least one boat show in the 12 months prior to buying their vessels.
- Nearly 20% of new boat buyers were first introduced to their dealers at a boat show.

"This research is a first of its kind for the boating industry," Carl Blackwell, vice president of marketing and chief marketing officer at NMMA, told me. "Industry stakeholders now have the facts to make better marketing and communications decisions, to market more effectively and to improve marketing ROI in the boating industry."

This independent study was funded by a group of industry organizations led by NMMA, including the Lake Erie Marine Trades Association, Michigan Boating Industries Association, Southern California Marine Association, Boating Trades Association of Houston, Southwest Florida Marine Industry Association and Show Management Inc. To receive a copy of the research, please contact me at RonH@foresightresearch.com.

For those exhibitors looking for more than a good hunch, the study offers rock-solid evidence that investing in boat shows provides a powerful return on investment.



Ron Hein is executive vice president of Foresight Research in Rochester, Michigan.

THE TRUE COST OF NOT EXHIBITING

BY MIKE MRAZ

Because boat shows usually take a fairly big bite out of your cash flow, the temptation to cancel your commitment and not exhibit can be strong.

If we're managing cash flow by the month, the short-term benefit will look great because marketing dollars not spent should fall right to the bottom line. But, like most short-term considerations, there are long-term effects that can dwarf the immediate savings and cost more to correct down the road.

Here are a few things to think about as you ponder your marketing budget:

Buyers still go. I'm living proof. I recently made a boat-buying decision as a result of meeting a representative at a boat show. Think about it: It's winter in Minnesota and I'm at the convention center surrounded by acres of the "toys of

summer." It helps me forget that it's 30 below zero outside and reminds me that the boating season will eventually get here.

Not to mention all those people who take the time to get up out of their easy chairs, make the trek to the convention center, pay for parking and maybe even pay an entrance fee.

These are people clearly interested in boating.

If you're in the business of selling boats and related products, where else would you want to be but in the midst of hundreds of people with a passion for what you sell?

The competition will be there.

Just because you choose to pull your marketing head into your shell, there's no guarantee the competition will follow suit. If I was your competitor and found out you weren't going to exhibit, I'd pump up the volume on my presence.

As far as the market is concerned, if you're not at a boat show, you don't exist. Do you really want to take the chance that an interested boat buyer could meet another vendor at the show (the one you backed out of, remember?) and end up driving right past your store on the way to test-drive his new boat five months later?

Lost contacts cost. You know what it costs to get someone to come into your showroom. Take that cost and multiply it by the number of prospects you could meet at the boat show, and you'll get a pretty good idea of what you'll have to pay to replace boat show connections with showroom activity.

Of course, the next logical step is moving those connections from the boat show into your place of business, right?

Well, it's kind of hard to meet me if you're not even there.

So, as you stand there with the budget-cutting knife in your hand, ask yourself: When was the last time a \$1,500 quarter-page ad in the Sunday paper actually shook someone's hand for you? I'm guessing never. And you can't even track that ad.

Remember, there's nothing like a boat show.



Mike Mraz is a Minneapolis-based trade show strategist and educator. He can be reached at mike@mikemraz.com.



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NMMA SUES OVER EPA RULING ON ETHANOL

NMMA has filed a lawsuit challenging the Environmental Protection Agency. The move came after the agency announced approval for the sale of E15 gas, which contains up to 15 percent ethanol, for model year 2007 and newer motor vehicles. While the decision excludes marine engines and small gas-powered engines, NMMA is concerned boaters will accidentally fill up their boats with E15 once it's available at gas stations.

WHAT THE MIDTERM ELECTIONS COULD MEAN

The massive upheaval in Congress could be good news for the recreational marine industry:

- Unions will likely face major, perhaps insurmountable, obstacles in pushing **card-check legislation**, which would eliminate secret balloting and could expose the recreational marine industry to unionization efforts.
- **Business tax increases** seem unlikely.
- **Cap and trade** probably won't be on the agenda for the next two years.

FLOORPLAN LOAN PROGRAM ENHANCED

A new law extends and enhances a Small Business Administration program that provides a federal guarantee to lenders who provide floorplan loans to marine dealers. This legislation extends the program to three years and includes changes that should significantly increase lender participation and help drive

the flow of credit to marine dealers for their floorplans.

COAST GUARD IMPROVES DATABASE

The U.S. Coast Guard is proposing changes to its Standard Numbering System (SNS), Vessel Identification System and Boating Accident Report Database. Released in October, the proposal would require validation of vessel hull identification numbers and personal identity information from SNS vessel owners, while providing administrative flexibility for states. The effort should lead to improvements in state and USCG databases, and ultimately more accurate vessel fleet information.

USCG REAUTHORIZATION IS OFFICIAL

The Coast Guard Authorization Act, signed into law by President Obama in October, includes some important provisions for the recreational marine industry.

The law authorizes \$1 million for an NMMA-backed study on how mid-level ethanol blends like E15 impact the performance and safety

of boats and marine engines. Other provisions authorize the America's Waterways Watch program and guarantee anonymity for anyone who provides tips.

DO YOU QUALIFY FOR THE SMALL BUSINESS HEALTH CARE TAX CREDIT?

If your business has fewer than 25 employees, pays average annual wages of less than \$50,000 and pays for most of your employees' health coverage, you may qualify for a tax credit of up to 35% of health expenses. Visit irs.org for more information and instructions on how to claim the credit for tax year 2010.

FREE ONLINE BOATING SAFETY COURSE

BoatU.S. has a new Online Learning Center that offers a no-cost online boating safety course with animation, videos and interactive elements. The course also qualifies as valid proof of boater education in more than 30 states. Head to boatus.org for more information.





To Go

or Not To Go?

THERE'S NO QUESTION: BOAT SHOWS
ARE YOUR ECONOMIC LIFELINE.

BY EMILY WRAY

Even in a tough economy, one of the smartest decisions a recreational marine business can make is to exhibit at a boat show.

“We get most of our leads and sales from boat shows, and to discontinue that would be a big mistake,” says Art Link, owner of Rigid Boats in Fort Myers, Florida.

Boat shows rank as the top influence on attendees’ decision to buy a boat, scoring higher than experience at a dealership and even the Internet, according to the *2010 U.S. Boating Industry Marketing Communications Influence Study* by Foresight Research (see pages 4-5).

“Boat shows are the only place where consumers can compare models and actually touch the product,” says Ben Wold, executive vice president of NMMA in Chicago.

And that experience might be just what you need to win over customers who seem ready to start shopping.

“We see some glimmer of hope for 2011,” he says. “We think that sales will at least be equal to 2010, if not up a little bit.”

Here are some tips on how to maximize your boat show investment:



5

Number of consecutive quarters of U.S. GDP growth

3%

Expected increase in the 2011 U.S. GDP



Choose carefully.

“I wouldn’t reduce my exposure in the boat shows that make the most sense,” suggests Jim Sabia, owner of Top Notch Marine & RV in Fort Pierce, Florida.

Take the long view.

Most attendees don’t intend to buy a boat on the spot, so dealers shouldn’t measure success within the parameters of the show’s start and finish dates.

If the consumer doesn’t initiate contact, it’s up to the dealer to pursue the opportunity in the days, weeks and, yes, sometimes years after the show.

“Follow up and don’t let go,” advises Jay Kraft, president of Bay Breeze Yacht Sales in Traverse City, Michigan. “Earning the hard way is back in style.”

His outreach strategies include direct mail and eblasts that include boating news, possible product recalls, maintenance suggestions and other recommendations.

“It’s important to tailor these messages to your specific market and the brands you carry, and to always keep the content fresh and interesting,” Kraft adds.

On the Horizon

Times are tough in the marine industry, but expect smoother sailing in the near future.

“A good year for the industry is a 6% increase in sales—and I think we will do even better. That’s where we see 2011,” says NMMA’s director of market statistics, Jim Petru. “We have never had a dip this large. Recovery in new boat sales is likely to come sooner and stronger than anyone expects.”

“The industry is rebounding,” says Jay Kraft of Bay Breeze Yacht Sales. “I think the people who want to be in it and look at it as a passion, rather

than just being a job, are going to be coming through this ugliness on the other side.”

Some exhibitors are already reporting improved sales. Art Link of Rigid Boats saw an increase from the previous two years’ numbers at the Fort Lauderdale Boat Show.

“Visitors were more optimistic and they seemed more interested in spending some money,” he says.

And the only way to get your share of that money is to keep your product front and center in the buyers’ minds.

Use the boat show to stay top of mind with customers.

The difficult economic climate makes it all the more essential to maintain your profile.

“Consumers use boat shows to gauge which dealers are standing on solid ground,” says Tom Mack, president and owner of South Shore Marine in Huron, Ohio. “Consumers want to pair up with a winner, as in a manufacturer and a dealer that’s going to be there for them. They’re legitimately concerned about the health of manufacturers and dealers, and a boat show is one more avenue to let customers know that you’re doing well and are there for them in the future.”

Showcase products that cater to your audience.

Miquel Corelli, president of Corelli Yachts in Newport Beach, California, analyzes demographics to determine which markets are least impacted by economic conditions. And then he targets his product selection to the most viable buyers.

“At my last boat show, I focused on the \$150,000 to \$200,000 range, and then \$750,000 and up,” he says. “They were the only two markets that I focused on, and we were able to see strong activity in both.”

Corelli examines company data from 90 days prior to the show to figure out which boats have been sold or received the most inquiries, as well as the price range of vessels that have been generating the most activity.

The climate could be improving on a national level, with consumers feeling a bit more confident than they did last year. And some potential buyers received a boost from the tax cut extension passed by the Obama administration in December.

“We know we’ve got pent-up demand out there,” says Wold. “Boat sales track consumer confidence. As consumers get more comfortable, they’re going to be in a buying mood.” 🌟



Buoyant Sales

Throwing off the anchor of a lagging economy requires innovative thinking from marine dealers. Here’s some advice about how to bring in more bucks when business is slow.

Service and Operations:

Corelli Coastal Yachts owner Miquel Corelli from Newport Beach, California expanded his selection of value-added services. “You’re securing a stronger relationship with clients,” he says.

Pre-owned Boats:

These days, many customers are looking for less-expensive options. As chairman of the Cleveland Boat Super Show, Tom Mack presided over the decision to allow used boats at the show, and suggests that dealers do the same. “Not everybody’s in the mood for paying new-boat prices,” he says. “And knowing there’s a lot more activity in pre-owned, the new product alone seems almost out of reach or out of touch.”



the Hand-Off

by Elizabeth Altick and Sarah Fister Gale

Many a long—and lucrative—customer relationship has started at a boat show. In fact, 20% of new buyers were introduced to their dealers on the showroom floor.

As an exhibitor, you nurtured this bond, and all your hard work eventually paid off with a sale.

But closing the deal is only the beginning. The average boater will purchase four boats in his or her lifetime, according to the Recreational Marine Research Center. Smart exhibitors see these initial sales as an opportunity to build long-term relationships with boaters who will almost certainly eventually purchase another craft and all the gear that goes with it.

“Boat show exhibitors spend a lot of money to attract new customers,” says Skip Anderson, founder and president of Selling to Consumers Sales Training in St. Paul, Minnesota. “The return on that investment increases when the exhibitor engages that customer and builds a relationship after the sale.”

That engagement begins the moment you meet

the customer and should continue even after the sale is made, says Joe Zammataro, certified professional yacht broker at Massey Yacht Sales in Palmetto, Florida. “Customers are always in a buying cycle, and you want to be their preferred broker until they buy or die,” he says.

Here are five tips for forging a mutually beneficial relationship that translates into happy customers and repeat business for years to come.

1. You're delivering a dream—make sure it doesn't turn into a nightmare.

If problems rear their head at the delivery, you not only spoil that day, but ultimately your relationship with that client, warns Zammataro.

Before you turn over ownership of the boat and

Too many exhibitors send their customers off with a new boat, letting them drift away. Here's how to anchor a solid relationship.



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before the owner ever steps onboard, take it out on the water and conduct a full review of the mechanical, electrical and plumbing systems. “That way, when the owner takes possession we know it will function like a dream,” he says.

To be sure it continues to function that way, Zammataro gives every client his cell phone number and direct line, which he answers around the clock. He encourages customers to call for anything from advice on where to cruise to help fixing a mechanical issue. “I may not be the one to turn the wrench, but I can find someone who will,” he says.

Making himself available to his clients helps transform him from the guy who sold them a boat to their go-to resource. “I know that if I take care of them, they will give me the opportunity to sell them another boat,” Zammataro says.

2. Show them the ropes.

New boat owners get far more pleasure and value from their purchases if they feel confident using and maintaining them, says Jim Thorpe, owner of Spring Brook Marina in Seneca, Illinois.

To ensure customers have that self-assurance, he spends an entire day with new owners and their families, making sure their expectations are met

TIP: Break out your video camera and tape the delivery.

“This helps to encourage all parties to pay attention,” says Jim Thorpe of Spring Brook Marina. “It also allows the luxury of going back and watching the recording at a later time if there’s a question.”

and standing by to answer questions. He also lets them set the goals for the day. “If the owner would rather focus on learning about electronics than boat handling, we accommodate that,” he says.

The orientation process should be custom-tailored to each buyer. Some know exactly what they want. Some want to be educated; others want to be entertained.

One item that does not vary for Thorpe is the location. “We don’t require, but we strongly encourage orientations at our facility and not at the client’s home port,” he says. “This works best because our whole staff can be a radio call away from assisting or providing input on every system aboard the boat.”

And if the customer wants to bring along the whole crew on delivery day, that’s OK, too.

“Many times a new owner will come with an entourage to show off his or her new boat rather than to focus on what the captain is saying,” Thorpe explains. “We recommend three or four hours in the morning for the owner and any partners only. Then we’ll have a nice lunch brought in.”

Once you’ve had that up-close-and-personal time, encourage the new owner to invite friends for an official christening. It may also be a good idea to have a captain on staff who can help run the boat and point out areas of interest while cruising to a new owner’s home port.

Introduce your customers to key staff members, such as service contacts, Thorpe suggests, so they

are more emotional and open to discussing their new purchases.

“Use this opportunity to your advantage by following up and asking detailed questions based on their purchase decision,” he says.

Don’t just ask vague questions like, “How do you like it?” Instead, dig deeper to find out about their experiences with particular features, such as

“We budget \$1,000 into the price of all new boat sales for delivery purposes. This covers all captain’s time, food and gifts for our new owners. Our new boat customers begin to build a relationship with our entire staff starting at orientation. These relationships are what cause repeat business for us, and over the years our investment has paid back tenfold.

I think the difference in a quality delivery is something that our clients appreciate and remember when they are ready to upgrade to a bigger boat. The minor investment upfront will pay you huge dividends in the long run.”

— Jim Thorpe, Spring Brook Marina

can “begin to build a bond and know who they need to talk to when an issue arises.”

3. Engage new customers with specific, meaningful follow-up.

The most exciting time in the purchase of a new boat is the first 90 days after taking possession, says Anderson. During this period, customers

the GPS system. Or, find out whether the size and horsepower of the engine meets their needs.

“A lot of sellers are afraid to ask specific questions, but customers love it when someone takes an interest in them,” says Anderson.

Even if you get a negative answer, it’s an opportunity to help remedy a problem—further cementing your relationship.

TIP: Send out a monthly email newsletter with maintenance tips, boating advice and customer profiles. Feature upcoming boat shows, promotions, local events, sales and photographs of your service team. Make the content engaging and interactive by including your contact information (website URL, email) and social media icons (Facebook, Twitter).

Selling Your Services

Now that they've got the boat, make sure your new owners know all about the services you provide. "Service is not a commodity that must be purchased separately, but a product of each sale," says Jim Thorpe of Spring Brook Marina. Your website should include a list of services, along with a detailed explanation of what's involved and what it will cost. Don't forget to mention what sets you apart from the pack, such as storage perks and specialized service expertise. To get new owners acclimated, consider adding free storage or maintenance for the first year as a bonus.

To make the most of these interactions, record the feedback in a formal customer profile that includes the buyer's personal information, details about family, and notes about purchasing decisions—what was initially wanted and what was ultimately chosen. Add what they liked and didn't like about their purchase once the vessel was in the water.

"Maybe they spent more money than they planned but they love their premium package," Anderson says. "Or maybe they wish they had bought something bigger."

These are things they will tell you in the days after buying a boat that they won't necessarily reveal three years later when they are thinking about purchasing the next one, he says. Not only will your customer appreciate the attention, but you're also creating a roadmap for the next sale.

4. Use the web and social networking to fuel real conversations.

Twitter, Facebook, LinkedIn and email are all valuable marketing tools to connect with customers—but you need to provide information that adds value to their boating experience, Anderson says.

From sharing great fishing stories to offering boat maintenance tips, these communications should be focused on people, not sales. "Don't just tweet your daily promotions," he says. "Look for ways to have real conversations."

This should involve talking about things that matter to your audience. Tweet or post interactive questions such as, "Who is going boating today, and where?"

"Treat Facebook fans or followers as real people and show an interest in them," Anderson says.

You can also position your website as a one-stop shop for local boaters. Provide links to visitors' bureaus, tourism sites, fishing reports, boat shows, notices to mariners and the latest weather. Integrate NMMA's Discover Boating online services, too, so customers can check out boating courses, safety tips and marina locators.

5. Hang out with your customers.

Solidify your customer relationships with events throughout the year.

"Our customers become our friends," attests Buzz Watkins, co-owner of Sail & Ski Centers in Austin, Texas. "We offer a wide variety of activi-

ties and clinics to help customers get the most out of their boats: owner appreciation days, christening parties, rendezvous and overnight excursions, wakeboard tournaments, and monthly boater education clinics."

Don't neglect the off-season. These events can take on an educational bent, with seminars on basic boat handling, service or Women at the Helm programs.

"Boaters like going to these events because they have a place and reason to go and they feel safe, especially novices," says Bob McCann, director of education at ARI/Channel Blade in Virginia Beach, Virginia. "They will be rubbing elbows with other boaters and will see the advantages of upgrading to a bigger boat, buying state-of-the-art accessories and the fun of water toys. You will

TIP: Take a photo of the owners with their shiny new purchase.

Not only do owners get a keepsake of the happy day, but you can also keep a copy to serve as a visual reminder to your sales staff to warmly greet customers by name whenever they visit.

most likely see them in your showroom when they return. After such events, boaters have gained familiarity and an interest in the boating lifestyle, so they come in to look and buy a product."

Done right, delivery day should be the beginning of a beautiful, long-term relationship. ☺



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FINANCING

Loan prequalification helps you and your customers zero in on the best financing options.

by Peggy Bodenreider

FINESSE



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You have the opportunity to reach thousands of interested boaters at each show.

The trick is determining which ones can actually follow through.

In the current credit market, financing is the primary obstacle to closing a deal. Banks and credit unions are under close scrutiny, and the pending Wall Street Reform and Consumer Protection Act makes it unlikely new lending players will emerge.

The availability of credit to boaters is expected to remain mostly unchanged this year, so it's wise to discuss finances early in the sales process.

That's where prequalification comes in, letting you focus on those most likely (and able) to buy.

The process is fairly straightforward: Marine lenders provide pre-approval based upon a borrower's financial and credit profiles and the specific item being financed. You and your potential buyer then both have solid direction on what's in the price range.

Laying the Groundwork

With the more stringent borrowing re-

quirements, exhibitors should add "borrower prequalification" to their pre-show to-do list. They may also want to provide training so their staff knows the do's and don'ts of screening potential customers.

Set expectations right up front by asking buyers how they intend to pay for their purchase.

If it looks like your customer will need financing, then it's time for a pre-qualifying conversation. Discuss details on down payment requirements, credit history, ability to verify income, and how and where the boat will be used.

For those prospective buyers with solid credit backgrounds, there may be no reason to offer a word of caution.

On the other hand, if an even somewhat credit-challenged dreamer has an eye on one of your most expensive products, your sales team may want to point out other models or suggest a pre-owned option. Potential customers will then have an easier time understanding not only which product is right for their boating style but which is a good fit for their credit profile.

Customers who have had prior credit issues such as bankruptcy, foreclosure or collection accounts will find their chances for obtaining financing are slim. A select few lenders are willing to take the risk if the problems are in the past and new credit has been established and paid on time. But the higher rate and possibly shorter term will drive up the payment.

To help consumers along, try to forge relationships with a few marine lenders so you have options for various loan amounts and credit profiles. Many banks extend business hours during peak show season so you can quickly get a loan decision, even on a weekend. A number of lenders exhibit at boat shows and can perform the pre-qualifying interview for you.

An experienced lender will be able to garner enough details to get an idea of the credit profile and if they have a financing program available to fit the need.

Seal the Deal

Keep in mind that pre-approvals are just that—and are subject to change. Lenders will review the vessel selected, deal structure and information on the borrower's credit profile. Criteria vary based on the

amount of the down payment and whether it's in cash or trade, and other items being asked to finance, such as sales tax, optional equipment or extended warranties.

If the final purchase strays too far from what was pre-approved, it could cause the lender to adjust the loan amount. Communicate with the lender during the decision process, as that person also wants the sale to go through and may offer some insight as to what will make the deal work.

Once a loan is approved, the buyer will generally have a 30-day rate commitment, while the actual approval is good for 45 to 60 days. Be sure the buyer and lender know the anticipated delivery date.

To keep the deal on track, stay in contact with the buyer and lender to ensure all approval conditions are met. 🔄

Peggy Bodenreider is vice president of the National Marine Bankers Association.

TIP: Develop relationships with marine lenders. Banks and credit unions offer loans to their customers through branches or loan originators, who deal directly with the consumer to arrange financing on a purchase. Get to know the lenders in your area and how best to work with them. You also have the option of offering financing in-house or working with finance service companies who offer loans, insurance, warranties and other services.



HITTING THE MARK

BY ELIZABETH ALTICK

NOW THAT THE SHOW IS OVER, IS YOUR MARKETING PLAN REACHING YOUR BEST CUSTOMERS? THEY'RE NOT ALWAYS WHO YOU THINK THEY ARE...

You're all set to pack up your booth and head home.

But really your work is just starting. It's time to follow up on all the new prospects you met without neglecting the existing customers who stopped by your exhibit.

It can certainly be tempting to chase after the most promising big deal. Instead, exhibitors should use their post-show marketing efforts to develop a lasting rapport with *all* their customers, especially potential ones.

"Many salespeople are understandably focused exclusively on the sale while neglecting relationship marketing," says Bob McCann, director of education at ARI/Channel Blade in Virginia Beach, Virginia.

But those exhibitors who do take the time to build relationships gain a detailed understanding of their customers' wants and needs—allowing them to offer just the right products and services.

"Your entire objective is to get to the next step in your selling cycle," says Jeffrey Gitomer, Charlotte, North Carolina-based author of *Sales Bible*. "That may mean making the sale, but probably not right away. Most of the time it's an appointment you're selling."

As soon as possible after the show, contact all your booth visitors to thank them and reiterate the nature of your conversation, McCann suggests.

But not all relationship marketing strategies apply to every sector. Your after-show approach should be targeted to three distinct audiences:

TIP: Throw an open house as soon as possible after the show.

Offer prizes, food and educational seminars. An added bonus might be to ask a couple of factory reps from major boat and engine companies to attend. Make sure your service and financial staffs circulate as well.

The most valuable part of an open house, though, could be the opportunity for your potential customers to mix with your existing customers, who often act as your best salespeople of all.



1. Show buyers. These are the customers you'd been waiting for: They're ready, willing and able to walk out of the show with a new boat. Let's assume they walked off with one of yours.

Now, you need to promote accessories and services. "It is amazing how much gear goes in conjunction with a transaction," says Eric Macklin, the North American representative for Dufour Yachts in Gainesville, Florida. After a show, exhibitors should follow up with suggestions on making the customer's boat even better.

Macklin cites one case where "we helped coordinate the delivery of his purchases, arranged installment of his new sails, worked with accessories vendors and kept the lines of communication open to provide the necessary detailed information to the customer." The result? The man bought \$40,000 worth of accessories.

2. Past customers and recent buyers. They didn't buy anything at this show, but they have in the past. These individuals are your brand evangelists, providing the extremely important word-of-mouth marketing referral.

Keep your long-term customers close by inviting them to the boating activities you organize each year. You're selling a lifestyle as well as products, and few things reinforce that feeling more than being on the water. This also lets your customers mingle with other people passionate about boat-

ing—who just might put in a good word for you.

Macklin also suggests boat and accessories manufacturers partner up to create targeted deals.

3. Attendees in the consideration phase. This widely neglected segment consists of your customers of tomorrow. The average sale is made 3.4 months after a show—but even those who might not be planning to buy a product for a year or more are still a critical part of the sales pipeline.

Follow up immediately with email, of course, but don't neglect good, old-fashioned snail mail. "Email has its place," Macklin says, "but offering something of lasting value keeps your advertisement in front of the customer." A calendar—with your name, of course—can be a powerful everyday reminder that the show may be over, but the perfect vessel still awaits.

And don't forget to send complimentary tickets to local boat shows. Then, offer to meet them and serve as their show guide, conveniently steering them right to your booth.

DIVIDE AND CONQUER

To make the most of post-show marketing efforts, organize or tag your database by interest and probability of buying.

"That way you don't play up fishing to an audience interested in leisurely day cruising," says McCann. "And your follow-up will be in tune with their timetable: You don't want to bug

people who aren't in a particular hurry—or send a brochure advertising the deal of the century to people you've just sold to."

Software can help manage your leads and customer profiles, as well as generate customizable follow-up activities.

Position yourself as an essential resource for buyers by paying attention to their specific needs—and then offering a bargain they can't refuse. When someone mentions he or she is looking for a particular product or service, offer short-term incentives. "Create a special deal after the show around whatever products they are interested in and customize your approach to the situation," says Macklin, who's also the vice president of Marine Marketers of America.

STRIKING THE RIGHT BALANCE

Remember, there's a fine line between thorough follow-up and smothering, says Don Galey president of Galey's Marine in Bakersfield, California. "Consumers build a wall around themselves when confronted with a hard sell. Let them speak, and listen closely."

Don't let your sales staff fall into the usual trap by overshooting the situation and selling too much, or sending too many marketing materials too quickly, Gitomer says. "This makes the prospect nervous and defensive. My philosophy is: Give them one potato chip and make them hungry for another." 🌐

Rainy Days and Happy Endings

Looking for a great case study in effective follow-up? Larry Russo Sr., president and CEO of Russo Marine in Medford, Massachusetts, received this letter:

"I had no intention of buying a boat, but was drawn to Russo's showroom after attending the New England Boat Show as a way to entertain my 3-year-old son on a rainy day. The sales associate offered assistance, then left us to roam freely. We made several visits, mostly so my son could make use of the children's play area and I could admire the boats. I never felt any pressure and always felt welcome—even when not making a purchase. The sales associate maintained contact and provided complimentary tickets to the Newport Boat Show. So the happy ending was that I purchased a Sea Ray 290 Sundancer!"

Did you know that 41% of boat buyers were influenced by having attended a boat show as a child? Boating is, after all, a family affair. Factor that into your post-show follow-up—and your sales team can create its own happy ending.

TIP: Take advantage of the resources out there.

Manufacturers often provide sales reps, banners, pamphlets and CDs to help exhibitors close a deal. Reach out to the show producer to see how it can assist in your efforts. For instance, NMMA will feature your inventory right on its shows' websites.

BAYLINER BEACH PARTY

Boat shows are serious business—but that doesn't mean exhibitors and prospective buyers can't have some fun, too.

At the 2010 Miami International Boat Show last February, Bayliner put that philosophy into action, transforming its booth into a beach party.

The goal was simple: drive booth visitation and create engagement through interactive displays. At the same time, the recreational boat manufacturer also wanted to reinforce the brand's key themes: family, fun and affordability.

The same old, same old simply wouldn't do.

"Ultimately, boating is fun," says Betsy Lazzara, vice president and brand manager for Bayliner, part of Brunswick Boat

It wasn't stuffy, and it wasn't sterile. People could really enjoy themselves.

Group in Knoxville, Tennessee. "We wanted to capture that feeling in the booth so that when people were there, they felt like they were part of the boating lifestyle."

To plan the exhibit, featuring three cruisers and five runabouts, Lazzara's team collaborated with Adrian Rushforth, Toronto-based senior director of Canadian marketing and strategic planning of North American shows and events at Mercury Marine, Bayliner's sister engine company.

Hoping to attract family buyers, the booth simulated a rafting party by pointing the boats' sterns toward each other. This created a focal point for the exhibit and encouraged visitors to climb aboard and join the party.

"We wanted to create a functional, intimate space where people could envision themselves and their families enjoying their time together with friends and family on the water," Rushforth says.

A blue carpet around the boats represented water, complemented by sand-colored carpeting and thatching on an upper platform. The original plan was to incorporate real sand and a sand sculpture into the booth, but Lazzara realized that transporting 25 tons of sand into and out of the exhibit wasn't logistically practical.

Rushforth's team also placed artificial palm trees throughout the booth. They changed in height from 7 to 13 feet every couple of minutes, giving the exhibit a lively and dynamic feel.



"People could really enjoy themselves," Lazzara says. The team handed out beach balls and float noodles to visitors passing by and blasted beach-themed tunes to boost the party vibe. "They're getting a sense of the brand in the process, not just walking into the boat."

Lazzara considers the exhibit a win, although she admits it was "considered more of an investment for future success than it was necessarily a near-term return on investment."

In hard economic times, smart exhibitors give customers something to smile about—and that's exactly what Bayliner did, turning a conventional business venture into a brand-centric beach party.

"Design for your audience, and have fun with it," advises Rushforth. "If it's something you think would be fun to see or do, then I'm sure your customers would think so, too." —Emily Wray

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TIP: An enthusiastic, knowledgeable and approachable staff can help foster a sense of community and engagement, says Betsy Lazzara of Bayliner. "If the staff is engaging with consumers, just chatting with them about boating or Bayliner, then everyone is having a good time and the energy is really positive," she says. "That generates more traffic and, hopefully, more interest."

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