

Turn Down the News, Turn Up the Sales



An increasing number of dealers are calling me to say that times are tough—sales are drying up and the public is unemployed, penniless and disillusioned. My response is: The day you start believing that the economy is making sales impossible is the day you need to dust off the old résumé and start looking for another line of work.

By Carl Davidson

Keeping a positive attitude in light of negative economic media coverage

It is particularly important that owners and managers never buy into the doom and gloom. Your staff wants a leader, not a whiner who folds at the first sight of difficulties. If you show anything but optimism, they will think about leaving and sales will dry up. Stop listening to the news—it's depressing. Let's look at some recent changes in the economy and their real effect on your business.

News is Always Slanted

The undisputable fact is that bad news sells newspapers. Bad news keeps

us glued to the radio or TV. If a station reports that all is well, no one watches or listens. I think it is the job of media outlets to make you feel uneasy and helpless so you will use them to try to make sense of the news and find an answer. Business people and sales staff should limit their news intake or laugh as they listen.

We are less than a year away from the next presidential election. This makes matters worse. The candidates will try anything they can to make you nervous so you will accept their plans and want their help. The truth rarely comes from

any party without exaggeration.

I am not saying the economy is perfect, but here are some reasons why you should just keep selling and why your customers will keep buying despite what you have heard on the news.

The Housing Crisis

It is very true that housing starts are down. FOX News reported that housing starts are down 20% and at the lowest level since 2003. That sounds ominous but that means sales of new homes should be down 20%, and that should only be a portion of your business. There are many other ways to generate sales and other markets to pursue.

When housing starts are down, many people decide to invest in their current home instead of buying a new one. Remember that over the last 10 years, builders may have fed you a lot of business, but in other parts of the country there are many water equipment dealers that did very well without builders and a housing boom. If they could do it, so can you. Try getting back to ways of generating business without builders. There are many that work in all parts of the country.

Gas Prices

It is true that gas prices are high. That must be cutting into available spending, as gas is at the highest it has ever been; however, the news never mentions that interest is near the lowest it has ever been. I think you will agree that most Americans spend far more on interest than they do on gas, so the savings in interest should offset the additional cost of fuel and keep spending power about the same.

Stock Market Plummet

As with other news, I consider the news of stock prices plunging exaggerated. The Dow Jones average was 12,621 on Jan. 1, 2007, and as I write this article in late-January 2008, it stands at 12,207. That is a 3% loss, but hardly a crisis that will stop people from buying, especially when you consider that in January 2002, it stood at 8,053, which means your customers averaged a 34% gain in five years—not too shabby for a “crisis that will bring us to our knees.”

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equipment from their stock profits? Ninety percent of buyers finance their equipment and do not need to cash bonds to do so. And because interest is at a historic low, equipment is far more affordable than it was in the past. Now is a great time to sell if we listen to our customers and not to the news.

Employment

The news tells us that employment is falling, and people are afraid they will lose their jobs. It is true that there are areas of the country that have been hit hard, especially in the automotive industry. As a person who recruits salespeople and managers for clients every month, however, I can tell you that unemployment is so low it is tough to get people to show up for interviews.

The unemployment rate is so low that many people who do not even want jobs have jobs. There are many jobs available in most parts of the country. If I do not call applicants within 24 hours of getting their résumés, the good ones have jobs. A large percentage of people I interview turn down the offer. That means they think they can do better. They are not afraid that no job will come along and they are confident enough to be picky. I recruited during the last recession, and I can tell you that people were happy to get any offer. Hiring was not the challenge it is today, and that means people are not as concerned as the news would have us believe.

Unemployment may be going up slowly, but it started rising from the lowest rate in history. It is not high by historical levels, it is just higher than it was a year ago. The rate of employment is still above a mark that most experts thought could ever be achieved. Most of your customers have good jobs—they are buying. When you can get a parking spot at the mall near the door or when you can get a table at a great restaurant on Saturday night without waiting, that will mean people are cutting their spending. I do not see evidence of that in most parts of the country.

Be sure you are positive when selling or thinking about selling. If we believe the bad news, it makes it tough to believe customers will buy. A large portion of sales success depends on how much confidence is in our heads and in our hearts. My father once told me that as long as people can afford the good toilet paper, there is nothing to worry about with the economy. I think you will find that the vast majority of your customers can still afford the good toilet paper, so let's get out there and help them get the good water too. *wqp*

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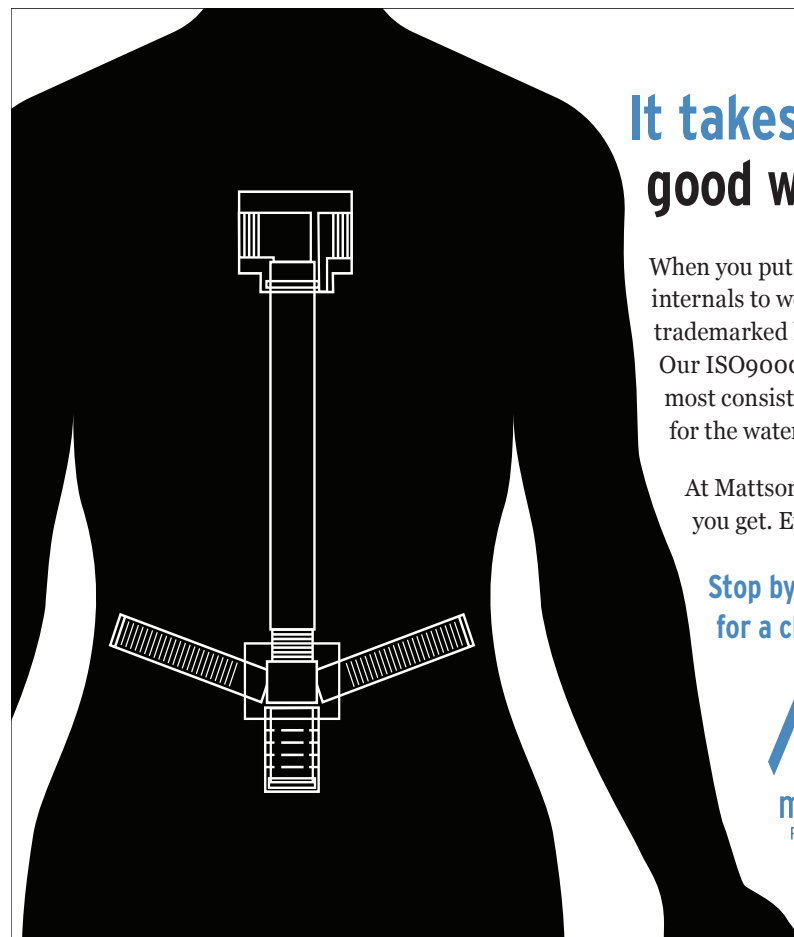


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