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SERVANT LEADER, PARTNER, AND GM FREEDOM AUTO GROUP

IMPROVING LIVES HELPING CUSTOMERS

EVELYN CHATEL AND FREEDOM AUTO GROUP FIND SUCCESS WITH ONE-PRICE CONCEPT



IMPROVING LIVES, HELPING CUSTOMERS

Most customers don't arrive at a car dealership thinking their life will be improved during the process of buying a vehicle. But at Freedom Auto Group in Pennsylvania, that's exactly what the owners seek for their customers—life improvement.

Co-owners Evelyn Chatel and Eric Savage's journey to evolve the company into much more than a car dealership started many years ago and continues to unfold in significant ways.

This unique auto group offers no-negotiation-needed upfront car pricing and employs "Life Improvement Specialists," not salespeople. These specialists are not paid commission, but earn salaries based on how well they serve customers, challenging the typical automotive dealership customer experience.

THE PATH TO FREEDOM

In 1967, 4-year-old Evelyn Chatel, along with her mother and her young brother, escaped communist Cuba on one of the historic Freedom Flights that transported Cubans to Miami.

When Evelyn was 18, a friend offered her a job as a greeter in the service lane of his Miami dealership. Over the years. she advanced in the dealership, becoming service advisor, administrator, service warranty manager, and service director. She credits her ascension to curiosity and assertiveness. "I wasn't afraid to ask questions or speak up if I knew that it was going to be helpful for the betterment of the group."

After 17 years with the first company and shortly after it was sold to Group One, she joined AutoNation. She spent seven years at AutoNation, at one point winning an

all-expenses-paid trip where she met and struck up a friendship with Eric Savage, whose father owned a few dealerships. One year later, Savage bought the stores from his father and asked Evelyn to be his partner. "And that's how we ended up in Pennsylvania," she explained.

DOING THINGS DIFFERENTLY

"Eric and I are both very passionate about not doing the same things that everybody else does," Evelyn said. "We knew that dealerships didn't have to be operated the way they've always been run. We didn't know what that was; we just knew it needed to be different."

In seeking to establish a different approach, they began by putting the employee first. They believed if they took care of their people, those employees would, in return, take care of the dealership and its customers.

Along the way, they adopted a program called THE ACT FORMULA® — accountability, communication and trust. THE ACT FORMULA is an active learning and development experience designed to build a positive and productive culture, providing the foundation needed for people to work at higher levels of performance and stimulating a comprehensive adoption of training programs.

Through teamwork initiatives developed in accordance to the formula, the Freedom Auto Group also established five elements essential to transforming the dealership into a life improvement business.

"We came up with our REACH statement," which stands for Results, Enthusiasm, Accountability, Connection, and Honesty — fundamental concepts for their program.

But for Evelyn, there was still something missing. She then discovered the book The Go-Giver by Bob Burg and John David Mann, which provided the final piece of the "Life Improvement Company" puzzle. The book essentially suggests "if you give unconditionally without expectation of getting, you will get well beyond any expectation that you gave. And that is who we are," Evelyn said. This gave birth to their Life Improvement Business practice and promise.

"We didn't want to just sell and service cars. We wanted to improve lives," Evelyn said. "But I know that sounds crazy in this business."

She continued, "We take care of our customers because we want to take care of our customers, not because we need to just sell them a car. We want to make the experience better than anything they've ever encountered. We take care of our people because we want to take care of our people, not because we expect them to work longer and harder in return."

Being in the life improvement business also means Freedom Auto Group is committed to the community. Freedom invests in projects that advance the lives of people in their Pennsylvania communities. Every year, Freedom dealerships contribute more than \$200,000 and Freedom employees provide more than 1,000 volunteer hours to community causes.

Today, REACH symbolizes Freedom's Core Values, guiding behavior and decision making throughout the dealership.

CHANGING A CULTURE OF COMMISSION-BASED SALES

Today's customers present new challenges for dealers — they come to the store having researched the vehicle they're interested in, from specific model features and specs to pricing and warranty life.

"The consumer is smarter than ever," Evelyn said. "They have all that information at their disposal."

The partners focused on the concept of "one price" — the price on the car is the price customers pay, no haggling, no negotiating. This concept would become instrumental in creating an environment of life improvement for customers. But it was not without its challenges. Changing to a one-price store wasn't going to happen overnight, and there would be a few naysayers along the way.

"The number one biggest challenge is people," Evelyn said. "It's a cultural change for most, and we lost a few people because they said they believed in the negotiating process." While she was hurt by their departure, Evelyn knew that at the end of the day, they might have left anyway because "our culture is stronger than any payment plan."

The company now employs more millennials, more women, and more people who are driven by factors other than money.

With consumers knowing the price of the car from the get-go, Freedom Auto Group's next challenge would be standing out from the crowd. With their core values in mind, they knew the customer experience would have to be the difference maker. "Now, the salespeople are here to serve you," Evelyn explained. "And they don't care what car you pick, because it doesn't matter to them.





There's no commission base. They are now doing the right thing for the right reason, not because they are going to get a special spiff on that car because it's been aging on my lot. It's simply our mission to help customers buy a car and not sell them a car."

"Life improvement to us is not only just for our people and giving them a place where they work but giving customers a place where they feel proud to do business."

MARKETING THE MESSAGE OF LIFE IMPROVEMENT

Once the team was on board with the company's new philosophy, the next step was to get the word out to the market.

"That's when Team Velocity came in," Evelyn said. Embracing Freedom Auto Group's core values, Team Velocity developed a marketing strategy that made it easy for customers to understand the one-price approach and life improvement philosophies of the dealership. Team Velocity's campaign showcased



Freedom Auto Group's value proposition and its "Freedom 5" suite of benefits.

The Freedom 5 benefits are designed to improve the lives of customers by offering a 100 percent money-back guarantee, hassle-free upfront pricing, no salespeople and no commissions, bucks for basics, and Freedom Direct in which Freedom comes to the customer for sales and service needs. Freedom also offers free car washes with every service, no-charge state inspections, and complimentary loaner cars.

This 360-marketing strategy was executed for delivery across traditional mass market mediums, such as radio and print, as well as targeted in-market mediums, such as direct mail, email, paid search, display, social media, and in-store point of sale.

While it's been less than six months since the rollout, Evelyn said they have realized exceptional results with the help of Team Velocity's innovative strategies.

"I'm hearing from the showroom floor and getting letters and cards from customers saying 'Wow! This was an easy way to buy a car... Wow! We didn't have to go back and forth... Wow! They really listened to me; you guys made it my process, not your process."

"That's what life improvement is about," Evelyn explained. "You give unconditionally without expectation of getting, and you get back beyond anything that you gave. That's what we do."



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in this article email:

To learn more about Freedom Auto Group and the strategies outlined

Freedom Auto Group uses Team Velocity's Apollo Technology Platform® to manage integrated marketing campaigns for sales, service and equity mining. Apollo automatically generates and deploys campaigns across mail, email and digital advertising, offering consistent messaging and branding, and provides a web-based dashboard to track results in real-time.

For more information on the strategies and companies used by Freedom Auto Group, please email info@TeamVelocityMarketing.com

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