



INDEPENDENT DEALER NEWS

MAGAZINE

NIADA
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OHIO INDEPENDENT AUTOMOBILE DEALERS ASSOCIATION JULY/AUGUST 2017



SPOTLIGHT

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DAVID ROLFES!

THE ART OF THE REFERRAL

Marketing Soldiers

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WHAT'S NEW

Convention Education Sessions Online

The NIADA Convention & Expo June 12-15 offered a wealth of information for dealers on a variety of topics. If you missed a session, or would like a refresher, sessions will be available on NIADAconvention.tv mid-July.

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AUCTION NEWS

BY AUTO REMARKETING STAFF

ALLY AWARDS AUCTION FOR SALES

Columbus Fair Auto Auction Honored

Columbus Fair Auto Auction has been tapped for the second year in a row by Ally Financial to receive its Leadership Auction of the Year award in recognition of its overall sales performance last year.

"We value the Ally Financial relationship and strive to differentiate our auction through process and execution," said CFAA chief executive officer Alexis Jacobs. "This award is a testament to the entire team and their work effort."



Alexis Jacobs (center), Columbus Fair Auto Auction's chief executive officer, holds the auction's leadership award trophy following a presentation from Ally Financial. Photo courtesy of Columbus Fair Auto Auction.

CFAA was founded by Jacobs's father, William Jacobs, in 1959.

The auction currently has 11 auction lanes, a reconditioning center, a 48-bay body shop, a mechanical repair center, an on-site test track, and a full-service restaurant. 🚗

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DIRECTOR'S MESSAGE

Special Thank You from Bobby Vaughan

Towards the end of 2016, it was brought to our attention one of our founding dealer members, Mr. Bobby Vaughan, was having a hard time. OIADA sent out an email to its members explaining his struggles and the response was immediate. Funds were raised to relieve some of the burden, and the NIADA Foundation helped us get those funds to Bobby.

Bobby was able to attend our annual dinner and poker tournament in March, where he made a "thank you" speech and had a chance to visit with some of the dealers. However, he wanted to make sure everyone who wasn't there knew how much he appreciated what was done for him. Bobby told me he wasn't very good at putting his thanks into writing and asked if I would make sure everyone knew how he felt. I couldn't say no, even though I'm not good at it either. I said I'd do it, so here it goes.

Because of people like Bobby Vaughan, who served our country, worked hard to keep his company going so people could have jobs, and



volunteered his free time to make our industry better, the association was created. Because of independent dealers wanting to do more, make a difference, get better, and be the best, we have the association we have today.

Independent dealers are a unique breed – entrepreneurs and risk takers to people looking at them from the outside world, philanthropists and remarkable human beings to those of us on the inside. On behalf of Mr. Vaughan, I'd like to thank everyone who contributed to helping – dealers and vendors – and I'd like to personally thank you for making our industry and our association one of which I'm proud to be a part. 🚗



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EFG COMPANIES ROLLS OUT VIRTUAL F&I SOLUTION

Simplicity Finance and Insurance

EFG Companies recognized independent stores that turn about 50 vehicles monthly need the same F&I resources as franchised stores that watch two, three or four times that many units roll over the curb each month. It's why the company announced the launch of its virtual F&I model, Simplicity Finance and Insurance.

With Simplicity Finance and Insurance, EFG Companies said dealers can expect to generate upwards of \$1,000 per retailed unit, get more paper bought, increase product penetration, and make F&I compliance a non-issue.

Mark Rappaport, president of EFG's Simplicity Division, acknowledged many independents struggle to generate F&I profit with inventory that does not meet finance company requirements, limited financing options, little investment in F&I training in a high-turnover industry, and inconsistent day-to-day staffing.

"As you know, the employees and teams at the independent dealerships have to wear a number of hats. Wearing all of those hats sometimes doesn't make you the most effective in all the facets tied to running an automotive dealership," Rappaport said.

"Often we found, on the independent side, it's the salespeople handling the F&I business and often the salespeople are really good at sales but don't have the time, ability or expertise and background to be able to support the F&I process, where a franchised dealership would have the significant bench strength to be able to do that.

"At the independent level, when you're doing 25, 50, 75 units a month, it becomes a little more difficult to support that from a resource standpoint and get the bench depth to make it in a profitable and functional manner.

We decided there was an opportunity here to help support our dealers at the independent level to provide them with a service that offers them access to the bench strength on retail operational hours basis and gives them the ability to be sure we're doing everything compliant and we're doing it in the most effective format to add more profit to their back end."

EFG Companies has developed a way to leapfrog over these issues without adding a single F&I person to staff. Simplicity Finance and Insurance can give dealers instant F&I expertise and improves the customer experience, while increasing F&I profits.

This virtual F&I model enables dealers to focus on the front-end process, while a team of expert F&I personnel take care of the finance process from EFG's headquarters, streaming live into the dealership. EFG's professionals handle the financing, deal structure, product sales, contracting and funding to drive back-end profit on each vehicle sale.

Rappaport explained all the independent dealer needs is a private room with high-speed dedicated Internet access to get started. An EFG representative will come to the store, set up the equipment and provide multiple days of training. Within a short timeframe, the store can be finalizing deliveries with Simplicity Finance and Insurance.

According to AutoTrader, the average time spent in the F&I process is 61 minutes. However, the average consumer wants that time cut in half. With Simplicity Finance and Insurance, the F&I process takes just over 30 minutes.

EFG Companies president and chief executive officer John Pappanastos said, "We developed Simplicity Finance and Insurance to enable these dealers to evolve the F&I process from a basic transaction to a highly-lucrative profit center that enhances the consumer experience."

To learn more about Simplicity Finance and Insurance, visit www.efgcompanies.com. 🚗

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BLACK BOOK UNVEILS NEXT GENERATION VALUENGINE PLATFORM

Easily Navigable Web Interface

Black Book recently introduced its next generation ValuEngine platform with what the firm described as a new, easy to navigate web interface. Black

Book reiterated ValuEngine is a real-time collateral valuation tool allowing automotive industry professionals, finance companies, OEMs and dealers the ability to value their entire portfolio through a secure, on demand, self-service platform.

With ValuEngine, Black Book said professionals can react quickly to market changes by valuing a portfolio's historical, current and projected residual values on any collateral, down to the specific trim level. By utilizing ValuEngine, users can improve loss forecasting while

also identifying delinquencies for a more precise collections strategy, aiding in risk analysis.

Especially in today's market, with razor-thin margins and price fluctuations occurring frequently, Black Book insisted ValuEngine can help automotive industry professionals and finance companies determine how the loan-to-value ratios in a given portfolio change over time.

In addition, ValuEngine has the ability to process files on-demand or through its advanced scheduling capability,

allowing for greater flexibility.

"In today's highly competitive automotive market, having an accurate view of your portfolio is essential. By utilizing ValuEngine's batch processing, users can run millions of VINs in a single job," said Black Book senior vice president of sales Jared Kalfus. "Industry professionals want to know how all VIN specific data points and valuations impact their portfolio profit potential and risk levels, and ValuEngine delivers each of these in a comprehensive, easy to use platform." 🚗

NO COMPLIANCE TRAINING?

It's All Risk, No Reward

Few things in the automotive industry can be more fluid than federal regulations and their corresponding compliance requirements. It's so complicated and confusing that – according to Total Dealer Compliance – just 37 percent of dealers offer comprehensive compliance training to their employees. Furthermore, the same survey found just 23 percent of dealerships employ a dedicated compliance officer.

This means nearly two thirds of dealers are putting their entire businesses at risk by not implementing a formal employee compliance training program. How, you might ask?

The same research we mentioned earlier found that lack of compliance costs dealerships an average of \$792,000 in lost profit. Could your dealership withstand such a blow?

Rather than talking about the potential cost of penalties, let's talk about the profit you're putting at risk by not enlisting compliance experts in your dealership. There are plenty of dealers out there who

do it on their own. They research regulations, build out processes to remain compliant and stay on top of changes to laws. But this takes up countless hours of your time – hours you could be spending on your lot, selling cars and attracting new business. If you're one of these dealers, the time you're losing acquiring and moving inventory could easily outweigh any money spent on compliance training.

Let's not forget about customer perception. Total Dealer Compliance also found 77 percent of customers would refer a

friend or family member to a dealership that makes compliance a priority. That is a lot of potential repeat and referral business.

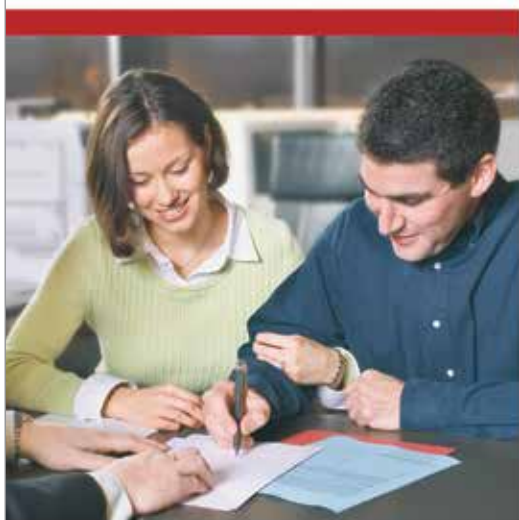
So let's recap. If you're not utilizing compliance training, you're not only putting your business at serious financial risk, you're also taking away from profitable time spent elsewhere in the dealership and losing out on a serious amount of referral business.

If you haven't already, it's time to make compliance a priority – a top one. 🚗



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NIADA GOVERNMENT REPORT

Latest Government Issues and Activity

LEGISLATIVE

The House of Representatives passed the Financial CHOICE Act of 2017 by a 233-186 vote June 8.

The bill, introduced by Rep. Jeb Hensarling (R-Texas), would overhaul the Dodd-Frank Act of 2010 and make substantial reforms to the Consumer Financial Protection Bureau. It's been a major focus of NIADA's lobbying efforts and was one of the top legislative priorities at the 2016 National Leadership Conference and Legislative Summit in Washington D.C.

NIADA's support for the bill centers around three important points.

- It would restructure the CFPB to make it accountable to Congress and the American people by subjecting it to expanded congressional oversight and judicial review, and by funding it through the congressional appropriations process rather than automatic funding through the Federal Reserve.
- It would protect consumers' ability to resolve differences with businesses through arbitration, which can be faster, cheaper and more efficient than the courts.
- The bill would revoke the CFPB's anti-consumer indirect lending guidance document, which would have raised the cost of car and truck loans by restricting auto dealers' ability to discount credit. The bill would require the CFPB to obtain public comments and consider the cost of credit to consumers before issuing similar in the future.

NIADA is continuing its efforts to get the bill through the Senate and to the President's desk.

REGULATORY

For the moment, the future of the CFPB is in the hands of the D.C. Circuit Court of Appeals, which on May 24 heard oral arguments in the case of PHH Corporation v. CFPB. That's the case challenging whether the CFPB's structure, with a single director who can be removed only for cause, is constitutional.

Last fall, a three-judge panel from that court ruled it was unconstitutional and could be fixed by allowing the President to fire the director at will, but the CFPB petitioned for rehearing by the full 11-member court.

Attorney Lucy Morris, who followed the oral arguments for the Hudson Cook law firm, said the questions asked by the judges suggested the court seems to be leaning in favor of the CFPB's current structure.



Morris, a member of the team that set up the CFPB when it was formed in 2011, said the arguments against the bureau's position "did not appear to convince several judges, who failed to see how the CFPB's structural novelty amounted to an unconstitutional defect that diminished the President's power to enforce the law."

The court's ruling is not expected until late this year or early 2018.

PAC

Region I got a big head start in the annual PAC Cup competition at last month's NIADA Convention and Expo, as Jeff Baker of Muskegon Car Credit in Grand Rapids, Mich., chairman of the NIADA BHPH Commission, and his wife Cheryl both contributed \$5,000

to the NIADA-PAC fund – the maximum annual amount allowed by law.

In all, Convention attendees contributed \$13,350 to the PAC fund during the event.

The PAC Cup competition pits NIADA's four regions against each other in a battle to raise the most money for the PAC fund between the Convention and the National Policy Conference, coming up Sept. 25-27 in Washington D.C. The winning region is awarded the coveted PAC Cup. Region II – the Southeast – has won the past two Cups. 🚗



Shaun Petersen is NIADA's senior vice president of legal and government affairs.



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3 Best Practices

It's still fairly common for used vehicles to spend five, seven or even 10 days in service before they are reconditioned, detailed, photographed and posted online. A Midwest Chevrolet dealer found that by trimming three

Dale Pollak is founder of vAuto and has published several books on his Velocity Method of Management.



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FACEBOOK ORGANIC REACH IS NEAR EXTINCTION

Now What?

Facebook organic reach refers to how many people you can reach for free on Facebook by posting to your page.

Organic reach has been declining for years, and it's a common misperception that Facebook is doing this to make more money. While it's true they need to make money (like all businesses), the decline in organic reach can be attributed to more complex issues faced when exponential growth occurs.

Why is Facebook organic reach declining?

There are two main reasons.

The first reason involves a simple fact: More and more content is being created and shared every day.

more than 50 percent last year. With each new page like, competition in the newsfeed increases even further.

The second reason for declining organic reach involves how the newsfeed works. Rather than showing people all possible content, the newsfeed is designed to show each user the content most relevant to them. Of the 1,500-plus stories a person might see whenever they visit, their newsfeed displays approximately 300.

To choose which stories to show, the newsfeed ranks each possible story by looking at thousands of factors relative to each person. This is what's known as the Facebook newsfeed algorithm.

The Facebook algorithm roller coaster.

I was recently asked by a potential client to help create an "organic strategy" to market their business on Facebook. I thought it was an important topic to discuss since there really is no such thing as organic reach anymore. Each social media channel has its own algorithms, and since the introduction of Facebook ads, organic reach has all but evaporated.

Social media is a pay-to-play

Facebook shifts their algorithms.

Regarding content, we are a horse rescue so we have that going for us, which many independent dealers don't. Who doesn't love horses, right? Our organic reach is always above average because people like horses and we provide awesome content to keep them engaged.

For an independent dealer, it's tougher to come up with awesome content, which is why I recommend starting with a written content strategy.

Up until a few months ago, the Hanaeleh page was still getting about 20-30 percent organic reach. But in the last few months I've seen it drop to 10 percent, and in some cases even lower.

Can dealers succeed on Facebook with decreased organic reach?

Currently, according to optimistic data, an average Facebook post reaches around 5 percent of page fans. However, there are other stats available claiming the average organic reach of a Facebook post can be as low as 2 percent. So if your Facebook page has 1,000 fans, your new post will be seen by 20-50 people on average.

Facebook ads solve the problem of declining organic reach.

Here are four fantastic ways to leverage Facebook ads to reach more people and engage more customers.

1. Create brand awareness.

Reach people more likely to pay attention to your ads and increase awareness for your brand.

2. Increase engagement and/or page likes.

Get more people to see and engage with your post or page. Engagement can include comments, shares, likes, event responses and offer claims.

3. Lead generation.

Collect lead information from people interested in your business.

4. Increase conversions.

Get people to take valuable actions on your website or app, such as adding payment information or making a purchase. Use the Facebook pixel or app events to track and measure conversions.

Important note:

If you don't have a Facebook ads strategy as part of your social media strategy, you will not get the traction for which you're looking. Without a solid strategy and Facebook ads to promote your content, many of your entertaining and intriguing content will never see the light of day.

Now that you know Facebook ads solve the problem of declining organic reach, commit to taking the next step of putting them into action. 🚗

Kathi Kruse is an automotive social media marketing expert, blogger, consultant, author, speaker and founder of Kruse Control Inc. Kruse Control coaches, trains & delivers webinars focused on integrating social media and online reputation management into dealership operations.



You've probably felt this change yourself. There's now far more content being created and shared than time to absorb it, something Mark Schaefer talked about in his book *The Content Code*.

On average, there are 1,500 "stories" (posts) that could appear in a person's newsfeed each time they visit Facebook. For people with lots of friends and liked pages, as many as 15,000 potential stories could appear any time they log on.

As a result, competition in the newsfeed is increasing, and it's becoming harder for any "story" to gain exposure in the newsfeed.

In addition to the growth in content, people are also liking more pages. The number of pages liked by the typical Facebook user grew

environment now.

As you may know, 10 percent of Kruse Control profits go to animal welfare. The conduit for my cause is Hanaeleh Horse Rescue, for which I volunteer my time on the board, do marketing and personally help with the horses every weekend. We have a lively Facebook page with over 65,000 fans.

As a volunteer-run non-profit, we have very little budget to spend on Facebook ads so I've become quite creative over the last few years to grow our community of like-minded horse lovers and advocates.

It's amazing to see what you can do with entertaining, informative content when you have zero budget to work with. The page is my bellwether that signals me when



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SEX APPEAL STILL SELLS, BUT NOT IN THE WAY YOU'D THINK

New Meaning for Today's Consumer

Sex appeal has taken on a whole new meaning in dealerships, with female consumers dictating a new definition of what constitutes sexy. In part, this is because we are now, whether or not you want to admit it, living in a female decision-maker world, especially in the car business. So, the sex being appealed to is increasingly women – turning the stereotypical female sex symbol paradigm on its ear.

Sure, you'll still see female models next

consultant looks but how they perform, and how they treat their customers and meet their performance goals.

So, while good looking people shouldn't be excluded from sales job considerations at all, it just shouldn't be a priority. Instead, prioritize hires first and foremost for as many of the following attributes as possible: intelligence, integrity, common sense, good instincts, product knowledge, communication skills, closing ability or inability, likeability and the ability to serve with a smart, consultative approach.

While each dealership's priorities will be dictated by their specific situations, make sure job candidates get at least a passing score on each attribute. And for existing sales reps, reinforce solid performance in each of these areas as often as possible. As part of this, make sure they're tuned into the "little things" that can make or break a deal.

For example, when the salesperson greets a prospect couple, he or she should

For example, last year's Consumer Reports – a respected and supposedly unbiased review authority – gave the Subaru Crosstrek less than stellar ratings about everything from lack of power to noise inside the vehicle. Yet consumers seem to love the brand, borne out by anecdotes detailing their three-word response when asked about it: "I love it."

This is a case where "facts" take on a new dimension – adding personal accounts and preferences to a long list of specs, performance ratings and reviews. The enterprising salesperson can direct consumers to some of this information and ask key questions, which can help cement decisions.

One such question is the powertrain issue. If a prospect prioritizes power over handling in the snow, another make and model may crystallize as the best choice. If, however, snow maneuverability is a must, the Crosstrek may be just the right choice.

As far as pricing, the days of pricing "car sharks" are all but gone, a concept reinforced by recent CarMax commercials. The slap-on-the-back, hard-negotiating sales processes are fewer and further between than ever before. Now, instead of base price, negotiation may revolve around such value-added options as premium interior extras like high-end car mats, or wheel and tire combinations to further customize a buyer's selection.

Also more than ever before, consumers are savvy about sales clearly aimed at liquidating inventory quickly, and are likely to push for the max. Salespeople need to be prepared to provide answers beyond, "Let me speak to my manager."

Emphasize sexy surroundings instead of people.

One area where looks matter is the dealership décor itself. Dynamic and dramatic displays, conspicuous cleanliness, and a clear commitment to an upscale environment all contribute to a more effective selling stage. In facilities ranging from hospitals to government buildings, consumers have become accustomed to fancier, more contemporary and elegant surroundings.

To the extent possible, your dealership should emulate this approach. When a dealership sales floor and service area exude cleanliness and class, it reassures consumers. In contrast, dingy and dirty environments can in and of themselves be deal-breakers.

Bottom line, looks definitely matter, but not in the way they used to. Make the physical plant sexy while emphasizing smarts and sensitivity with your salespeople. Your bottom line will thank you for it. 🚗



Former dealer executive Scott Bergeron is the founder of Daily Gameplan, a sales team performance company. Scott can be reached at 303.918.3169 or scott@dailygameplan.com.

to this year's new vehicles at the car show, and I really think that's because most dealers are used to it. On the showroom floor, though, males still make up a larger percentage of salespeople.

Working with clients is now very much a business transaction. Engaging the customer and respectfulness are absolute musts, no matter who you're working with. Priorities are what they probably should always have been, but now it's critical salespeople demonstrate an appreciation of how a prospect thinks instead of how they look.

Yes, there may be exceptions – but I wouldn't place a bet on testing it out. Smart consultants will be best served by prioritizing the business end of the deal over any flirtations, harmless or otherwise.

Do good looks even matter on the showroom?

That's actually a trick question. It's logical to assume an attractive salesperson will have a natural selling advantage because humans naturally are attracted to good looks. However, I wouldn't put a lot of time into how a sales

be very deliberate about engaging both equally, shaking both of their hands. If a male salesperson only engages the man, he's likely lost all credibility with the couple.

Decision-makers have shifted from sexy figures to solid facts.

Today's car-buying culture has clearly shifted from shapely figures to solid facts. While sexy winks and stellar bodies may carry influence, buyers are much more about the facts behind pricing and performance.

The majority of prospects have already made decisions about the makes and models they're interested in and what the price point needs to be. They likely also know about performance pluses and minuses. They've checked reviews from multiple sources, and often know many details about key performance indicators and specific model idiosyncrasies.

So, salespeople not only need to be well-informed about each make and model, but be able to add something to the conversation to help a prospect confirm their predetermined choice.

OHIO REPRESENTED AT THE 2017 NIADA CONVENTION

Quality Dealer Rolfes and Executive Board Member Reel

Quality Dealer David Rolfes

David Rolfes of Select Motors in Celina, Ohio, represented our state in the competition for the 2017 National Quality Dealer of the Year award. An independent dealer since 1982, David has withstood the test of time and has maintained a level of professionalism and community respect most only hope to achieve. I'm sure with his business partner Matt Cahill and new addition Caleb Shreves, Select Motors will continue to be recognized as a quality dealer for many years to come.

Congratulations to you all. The OIADA is proud to have you as our member and representative!

NIADA Executive Board Member Dan Reel

Congratulations to Dan Reel of Reel's Auto Sales in Orwell, Ohio, for being elected to the NIADA executive board. Dan has been an active member of the Ohio Independent Automobile Dealers Association for many years and holds the position of past chairman. Dan has done an incredible job serving on the OIADA board and we know he'll be a great addition to the national board.

Thanks for everything you've done, Dan. We can't wait to see what you do next! 🚗





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THE ART OF THE REFERRAL

Marketing Soldiers

Imagine waking up tomorrow morning with the knowledge there is an army of marketing soldiers battling to send business to your door.

I view referrals as marketing soldiers.

Wouldn't it be great to have the ability to generate an endless, steady flow of customers at a reliable, predictable pace?

That's what a referral plan and system can do for your business.

media can be delivered. People record shows so they don't have to sit through commercials.

Newspapers struggle. Yellow Pages are going from print to digital.

An overnight algorithm change in Google can hurt your company's search engine rankings. Your business could go from ranking number one to disappearing off the first page in the blink of an eye. It happens all the time.

In 2016, Google AdWords Pay-Per-Click went from ranking 10 ads to four ads on the right side of the first page. If your business previously succeeded by ranking number five of 10 listed, your ad likely disappeared overnight.

will come at a steady and somewhat predictable pace.

Hot tip: Think of repeat purchases as previous customers who refer themselves. Implement the same behaviors and systems to generate referral customers you use to generate repeat customers.

Under-the-Radar

"I don't know why that dealership is so successful while we struggle. We have similar inventory and I don't think they advertise."

This is what the head of your competition will likely say when you have a powerful force of referral soldiers doing battle to send business your way. I am a fan of under-the-radar strategies.

A constant flow of referrals is hard for a competitor to copy.

One Way to Earn More Referrals

Your customers don't spend nearly as much time thinking about your dealership as you would hope, no matter how great their experience was.

If one was asked during a casual conversation if they knew of a great dealership, your customer would probably recommend you.

If your customer was at a barbeque and overheard someone else's conversation, your customer may not be willing to walk over, interrupt and say, "Excuse me but I overheard you're looking for a great dealership. I know just the one."

Each situation requires the escalation of your customer's motivation to be willing to refer you.

To occupy space in your customers' brains at all times, including situations they are motivated to refer your dealership, you must communicate with them regularly. Occasional big customer events are good.

Continuous communication

via print and email newsletters that offer fun, value, and prizes is a less expensive way to occupy brain space.

Referrals provide stability and consistency. Many behaviors and systems that are used to increase referrals also increase repeat purchases. Keep that in mind when considering the effort or investment associated with communicating consistently with customers. 🚗

Kenny Atcheson is the founder of Dealer Profit Pros and author of *Marketing Battleground: How to Deploy Under-the-Radar Strategies to Explode Your Profits*. To learn more, visit www.DealerProfitPros.com.



IF YOUR COMPANY HAS A GREAT REFERRAL SYSTEM IN PLACE THAT IS IMPLEMENTED REGULARLY, REFERRALS AND REPEAT PURCHASES WILL COME AT A STEADY AND SOMEWHAT PREDICTABLE PACE.

The number one principle with referrals is to treat them like other media. Put forth effort, devote time, and invest money with the expectation of earning a positive return on your investment. You could probably find yourself earning a lot more referrals doing so.

Stability

Let's look at some things that aren't so stable.

A company reliant upon cold calls likely struggled when the Do Not Call list and regulations were enacted. The same thing happened with broadcast fax, then later texting. New laws and regulations were implemented and had to be obeyed.

Then there were changes in the marketplace such as DVRs and the way

Then the world shifted towards mobile. If your advertisements were geared for people who used desktop computers or laptops, and your website wasn't mobile-friendly, you faced another challenge.

These are just a few laws, rules, and changes.

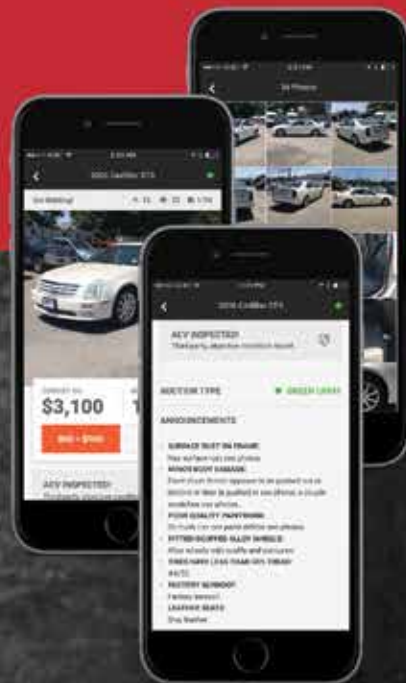
The pricing of media is also unstable. You could be totally reliant upon a specific type of media and have a sudden dramatic change occur that hurts your business.

These things are not stable. However, a constant flow of referrals is much more stable.

If your company has a great referral system in place that is implemented regularly, referrals and repeat purchases



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