
Professionalizing used asset sales with dedicated promotion materials



The professional sales of used assets is becoming increasingly important for manufacturers. But how should you create dedicated promotion materials that put your used assets in the spotlight they deserve?

See what counts.

Blueprint

A practical paper to inspire and improve your business performance together with DLL.



Introduction

With the rise of the circular economy, the professional sales of used-assets¹ are becoming increasingly important. However being actively engaged in the used asset market frequently goes against manufacturers' traditional way of working; which is producing new products in increasing numbers to keep their factories up and running. Combined with the fear of cannibalization, lower available budgets and a lack of strategic relevance, manufacturers often overlook or underestimate their used asset possibilities.

DLL researched the corporate website of 476 manufacturers across seven² different industries and concluded that:

43%

Promote their used assets

26%

Have a certified³ used asset product offering

Only

16%

Offer full warranty on used assets

This blueprint is the result of researching the 43% of manufacturers whom do promote their used assets. Over 360 examples of online and offline promotion materials were aggregated and analyzed in terms of their structure, content and included visuals. The results are presented in table 1 and provide an overview of the collected examples clustered according to promotion format.

Promotion format	Frequency of use
Website banner	123
Brochure	96
Website page	72
Social media upload	26
Dealer-sign	20
Sticker	13
Printed advertisement	12
Total	362

Table 1: Reviewed promotion examples clustered by format

This blueprint highlights key elements to consider in the process of creating promotion materials for used assets. Accompanied by examples from industry frontrunners you will become inspired to get the best out of your used asset sales and put your used assets in the spotlight it deserves.

“We see that most of the used asset trading and reconditioning happens at the level of the dealer rather than the manufacturer.”



Gertjan Oosting

Scrapping and Remanufacturing Specialist at DLL

1. Used-assets refers to equipment produced by a manufacturer that have completed a first user period and have or have not received some form of reconditioning

2. Construction, Transportation, Automotive, Healthcare, Food, Agriculture, Office Equipment

3. Manufacturer backed quality standard

Developing promotion materials for used assets

Develop and highlight a quality standard

In order to successfully promote used assets, the product offering has to be properly positioned in the minds of the buyer, distinguishing features of the asset, thereby clearly differentiating the used asset-proposition from new.

The manufacturers below built their promotion materials around the reliability of their used assets. They highlight the conducted inspections, mention the diverse quality packages available and provide insights into their reconditioning process.



Source: Linde Materials handling

Linde

Website page

The 'spheres' display the various quality standards available and visualize these in a clear manner.

This enables buyers to choose the solution which best fit their needs, resulting in manufacturers and/or dealers offering a more customer centric product solution (consultative selling).



Source: Komatsu Used

Komatsu Website banner

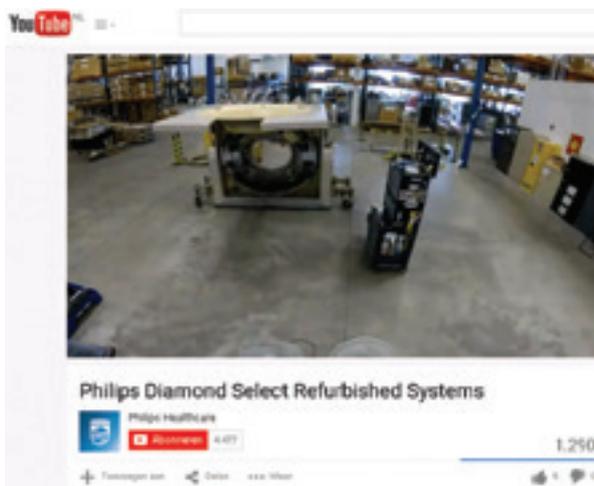
The display of the asset is accompanied with a visualization of a number of key conducted checks rather than a write-up of the full quality standard. This enables buyers to easily identify whether or not the asset will meet their needs, without risking losing their interest, due to information overload.



Source: Mercedes-Benz

Mercedes Advertisement

It becomes clear in the blink of an eye that the car is inspected as the mechanic is visually laying under the car. The asset is displayed in an as-new condition accompanied by information that provides the buyer with reassurance. The car has been inspected thoroughly and is ready for a new life on the roads.



Source: YouTube

Philips YouTube video

The video displays a time lapse of the reconditioning process, thereby providing insight into the process of bringing the used asset back to the set quality standard. Moreover, time lapse videos provide sales personnel with a visual tool that can not only lure prospective customers to stands/booths, but also strengthen their sales pitch.

Creating trust

A dedicated used asset offering provides manufacturers with increased control over the secondary market, thereby enhancing their brand's perception in the used asset market. By linking their used asset offering to their official promotion channels, manufacturers convey the message of standing behind their assets (whether these are new or used). Third party certifications can play a key role by ensuring buyers that the quality of the asset is backed by industry evaluators.



Source: Schmitz Cargobull

Schmitz Cargobull Branded brochure

The DEKRA certification is an example of getting external validity on the quality of used assets. Providing buyers with increased comfort knowing that the asset has been inspected by a leading industry evaluator.



Source: AGCO

Challenger Branded brochure

A manufacturer can create trust by licensing dealers to perform repair, maintenance, refurbishment and remanufacturing activities on behalf of the manufacturer. Resulting in increased transparency and strengthening control over its used assets by ensuring that they will be reconditioned to a uniform quality standard. This will support manufacturers in creating reliable profitability analyses and benchmarking against other product lines.

Define a clear target group

Not every customer is in need of a new asset as research has shown that there are function-oriented and 'newness'-oriented buyers. Identifying the specific needs of these two groups and creating specific promotion materials for each is key in reaching the identified target audience and reduces the threat of cannibalization. Terex and John Deere display how used asset buyers can be targeted in a simple yet effective manner.



Source: Terex

Terex

Branded website banner

The promotion material is developed for a clear target group. Customers looking for used assets. It applies a very minimalistic, yet clear approach in delivering its message to the target group. Notice how it also includes an attention-grabber that raises interest with the potential buyer.



Source: John Deere

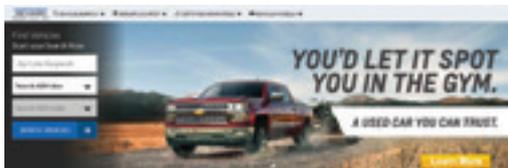
John Deere

Branded website banner

John Deere is targeting customers whom are seeking to expand their fleet capabilities. They hint that perhaps some buyers do not need the newest piece of technology but just a quality asset that can get the job done. The perfect solution in times of low utilization or a back-up asset during maintenance repairs of 'main' assets.

Create the image that buyers can be as successful with a used asset

Instead of highlighting or promoting the functionality of the asset, manufacturers can instead link their used assets to their brand image, thereby projecting that you can be as successful with a used asset. Using this approach could be particularly effective in industries where used equipment has the stigma of being dodgy and unreliable. The examples presented in this sub-chapter are meant to display two manufacturers: one in the automotive and one in the agricultural machinery industry, and show how they use the same brand image for their used assets as their new ones.



Source: GM Certified

Chevrolet

Branded website banner

Chevrolet trucks appeal to the macho and rugged type of man. Its header directly targets them by linking the asset to one of the most practiced male weightlifting exercise: the bench-press. Saying that their used trucks are so reliable that they could spot (safety) you (targeted towards the abovementioned type of man) during your workout.



Source: New Holland Certified Pre-owned

New Holland

Branded brochure

This advertisement delivers the message that a customer would experience the same 'level' of success with used tractors compared to a new one. The asset is displayed in the field performing its duties with a clear header appealing to a farmer's sense of pride.

Put your used assets in the spotlight

Manufacturers can generate awareness for their used assets by making them stand out at point-of-sale locations; buyers will see the promotion materials and have an incentive to start conversations about the particular type of asset with sales personnel. This reduces the dependency on sales personnel whom are frequently occupied with managing their own objectives and set targets, which are primarily focused on selling new assets.



Source: MAN

MAN Overprint

The sticker makes the asset stand out because it automatically highlights and separates it from the lot; receiving more attention than other trucks. This selling technique may support dealers and manufacturers in speeding up the sales process for assets that have a relatively high amount of days in inventory.



Source: BMW

BMW Full product branding

This BMW dealer dedicates showroom space particularly to the used car proposition. Complete with banners, brochures, a separate desk and the car itself in an as-new condition. Dedicating a part of your showroom to your used assets product line gives buyers reassurance about the asset and a lasting professional impression about the proposition.



Source: Sentient lasers

Sentient Digital call to action

With the rise in the number of online users, manufacturers have become aware of the potential of advertising on their corporate website. This example highlights a strong call to action enabling manufacturers and dealers to identify their potential buyers and business. It provides them with the opportunity to reach out to the buyer directly for follow-up.

Complementing used asset promotion

Even though no promotion material or campaign guarantees success, manufacturers can pro-actively take measures to maximize ad recall.

Use promotion materials to boost one's CSR image

Currently there is a rise in the number of customers that value the importance of sustainability and are interested in sustainable solutions. Emphasizing the sustainable aspect of used assets in promotion materials reaches out to this group of customers.

Ricoh

Sustainable image

Ricoh matches its used assets not only to sustainability, but also to a buyer's budget. The dedicated green logo and product name indication delivers the message to buyers that it even takes it a step further by having a certified used asset line and dedicated logo.



Source: Ricoh Europe

Create permanent visibility after point-of-sale

When used equipment is purchased, it usually doesn't have anything attached to the asset that further promotes the manufacturer and/or product line. Despite the fact that this is an opportunity to have the asset promote itself, even after it has left the point-of-sale location.

Caterpillar

Painted sticker

Caterpillar is promoting its used equipment even after it has been sold without any extra effort. These (painted stickers) act not only as lead generation at point-of-sale locations but also as an after sales branding promoting. Promoting both the manufacturer and the asset every time it's getting the job done in the field.



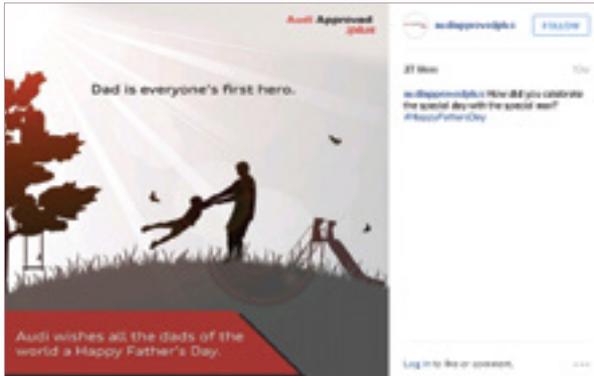
Source: Caterpillar

“A clear integration of multiple promotion channels improves ad recall”



Gina Rigsby

Strategic Marketing Director at DLL



Source: Audi Approved plus Instagram

Leverage from existing corporate promotion channels

Integrating both online and offline promotion channels taps into the growing number of online users. Potential leads coming in from online channels such as corporate websites and Social media can be instantly followed up by offline information materials such as brochures. These offline materials can be used to earn trust as research conducted by the VTT⁴ found that print advertising is trusted most among buyers.

Audi

Social media upload

Audi is using their Corporate Communication channels to promote its used product line. By linking it to an event; Father's Day in this case, they are increasing the reach and impact with the target group.

Create promotion materials that apply to both new and used assets

By creating universal promotion materials; that apply to promoting both new and used assets, manufacturers not only show that used assets are integrated in their business but are also a cost effective measure to their overall marketing strategy.



Source: Porsche

Porsche Poster

Porsche makes clever use of its quality brand image by linking their used cars to an even higher quality standard than their new ones. This example shows how a manufacturer can develop promotion materials that can target customers that are both function and newness oriented and be placed at various point-of-sale locations. Note however that caution is advised on to carefully consider the message of any promotion material where new and used assets are set side by side to manage cannibalization risks⁵.

4. VTT. (2013). Consumer attitudes towards advertising in media in Europe. Brussels: VTT.

5. For more information on managing cannibalization risk, please read DLL's whitepaper 'Complement new equipment sales with pre-owned assets'.

Checklist for promoting used assets



Positioning

Develop and highlight a quality standard in the promotion materials, thereby clearly differentiating used from new assets.



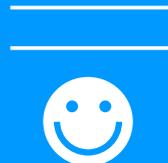
Trust

Create trust with buyers by including third party certifications and certifying technicians on both a dealer and manufacturer level.



Targeting

Include in the design of promotion materials an explicit reference to the targeted group of buyers.



Brand image

Create the perception that buyers can be as successful with a used asset by leveraging from the existing (corporate) brand image.



Point-of-sale visibility

Dedicate space for used assets and dedicated promotion materials at online and offline point-of-sale locations.



Corporate social responsibility

Include sustainability elements in used asset promotion materials to create awareness among buyers for sustainable solutions.



Marketing channels

Leverage from existing (corporate) promotion channels to target current and potential buyers for used assets.



Promotion materials

Develop promotion materials that apply to both new and used assets, thereby leveraging from the available corporate promotion budgets.



After-sales visibility

Develop permanent markings on used assets to increase the visibility after point-of-sale.



Closing note

The circular economy

The traditional linear economy model is based on a take, make, dispose system where raw materials are extracted from the earth, assets are made, sold, and eventually discarded by the user to potentially end up in a landfill or the incinerator. The circular economy model is aimed at keeping raw materials in closed loops. This model relies on usage rather than ownership of assets. It enables manufacturers to maintain more control of their assets throughout the technical cycle and offers the potential for product services to become an increasingly important profit center for manufacturers.

DLL Life Cycle Asset Management

DLL recognizes the opportunity to obtain value during the full technical life cycle of assets (Life Cycle Asset Management). This is accomplished by providing tailored financial solutions such as:

- Operational lease
- Fleet management
- Stock finance
- Second Life finance
- End-of-life treatment

These include repair, maintenance, refurbishment and remanufacturing services by DLL's manufacturing partners. This enables manufacturers, dealers, end-users and DLL to extract more value from the quality of the assets. In line with this strategy, DLL is developing a series of publications: www.dllgroup.com/lcam/whitepapers

- 'Realising opportunities of a circular business model'
- 'Complement new equipment sales with pre-owned assets'
- 'Sustainable returns by recovering used assets'
- 'Improving pre-owned solutions by understanding the buyer'

At DLL, it is our passion to find original, integrated solutions that help to resolve real-world challenges. We constantly think about how we can be a financial solutions partner every step of the way for the businesses we work with in order to help our customers to rethink how we use and get the most out of our assets together.

Contact

Authors

Diar Hassan, Pieter van Berkel, Hilde Kelhout and Sjoerd van der Zee

For more information

Please contact your DLL representative or
E lcam@dllgroup.com
www.dllgroup.com

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