



EAGLERIDER CHANGES THE GAME WITH CERTIFIED HIDE

**Certified Pre-Owned
Program increases
unit sales by giving
consumers the
freedom to buy the
pre-owned bike
they want!**

PARTNER PROFILE

EagleRider

11860 S. La Cienega Blvd
Los Angeles, California 90250

Objectives:

- Increase market presence
- Give consumers something they couldn't get anywhere else
- Increase Sales

Success:

- 19% increase in unit sales within 30 days
- 33% increase in unit sales within 90 days
- 44% penetration rate

The Challenge

At the beginning of 2014, motorcycle dealers across the U.S. held their breath in anticipation of what the year would have in store. After being underwhelmed in 2013, dealers needed to move beyond stagnant sales. When the industry experienced yet another setback, **with 1st quarter sales down 0.2 percent (or 118 units) from Q1 2013**, Chris Clovis, vice president of sales for EagleRider, knew he had to approach the market from a different angle.

EagleRider already had the reputation as the world's largest motorcycle travel company with over 100 locations worldwide. However, **this market position created a significant need for EagleRider to focus on increasing pre-owned bike sales.** With an industry struggling to recover from the lasting effects of the Great Recession, and consumers being wary of purchasing a pre-owned motorcycle, **EagleRider needed a significant value-add to incentivize consumers to get off the fence and purchase.**



After extensive research into product administrators, Clovis reached out to EFG Companies because of its innovative reputation and ability to demonstrate results. Clovis approached EFG with three specific goals:

- 1 Increase EagleRider's market presence outside of the rentals image
- 2 Offer consumers with something they couldn't get anywhere else
- 3 Measurably increase sales



A New Product for a New Consumer

Having conducted significant research in the motorcycle dealership market, EFG found that dealerships across the U.S. were struggling to incentivize consumers to purchase motorcycles in a shaky post-recession environment. To



address this issue, EFG was in the process of developing its Certified-Hide™ Pre-Owned Protection program when discussions with EagleRider began.

EFG developed Certified Hide specifically to motivate pre-owned purchases, while also giving dealerships the ability to further capitalize on their pre-owned inventory by increasing their MSRP at their discretion. EagleRider was immediately interested in the program, as it **provided the motorcycle group a distinctive market offering.**

Within the year, EFG rolled out the private-labelled version of Certified Hide within EagleRider's ERC (EagleRider Certified) brand. The program included:

A 106-point inspection

A 60-day complimentary limited powertrain vehicle service contract

12 months of complimentary roadside assistance

Along with a 5-day satisfaction guarantee, ERC bike owners also had the added benefit of having repairs performed by any participating OEM dealership for their respective brand.



The Approach

“Certified pre-owned programs are common in the automotive realm, but are rare in the motorcycle industry,” said Chris Clovis, Vice-President of Sales for EagleRider. “The key is value -- offering consumers pre-owned motorcycles for significantly less than new, while still providing the powertrain protection, roadside assistance, mechanical inspection, and financing of a new bike. Combined with a 5-day exchange guarantee, consumers know what they’re getting. ERC eliminates the ‘Buyer Beware’ from the pre-owned bike purchase, replacing it with confidence and excitement.”



Chris Clovis
Vice President of Sales
EagleRider

To further supplement EagleRider’s revenue, EFG also provided the additional option for ERC to upgrade to a full vehicle service contract and road club.

“With EagleRider’s national reputation of providing stellar consumer service, they had **ample opportunity to extend the service and benefits new motorcycle consumers receive to their pre-owned consumers**, as well” said Glenice Wilder, Vice President of EFG Powersports. **“Our private-labeled CPO offering for EagleRider takes on that opportunity by providing consumers with critical protection against unforeseen circumstances.”**



EFG's Engagement

From the beginning of their engagement, EFG set the expectation that it would act as a direct extension of EagleRider's management team.

Before ERC was even launched, EFG conducted product knowledge and sales training in all of the EagleRider Sales locations, ensuring the staff could effectively communicate to the consumer the CPO program's message and value proposition, as well as providing the Finance and Accounting department with the understanding of the program's rate structure and the handling of claims.

EFG ENGAGEMENT

Visits stores every 60 to 90 days

Conducts product knowledge & sales training

Reviews contract submissions

Reviews sales and claims processes

Reviews current processes and provides recommendations to document compliance

EagleRider found this strategic engagement to be one of the most beneficial aspects of the partnership.

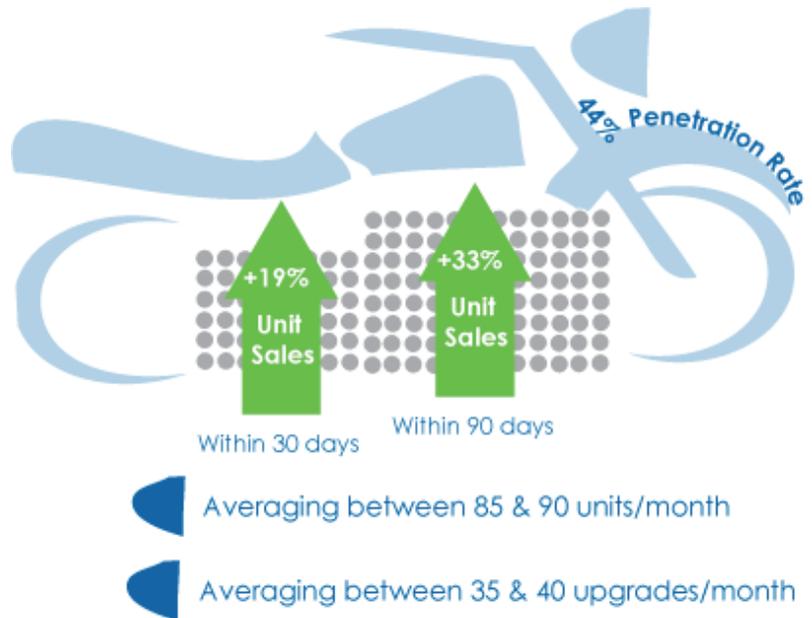
As part of its ongoing support, EFG made it a point to visit all of EagleRider's stores every

60 to 90 days. They reviewed contract submissions, provided continuous on-going product knowledge and sales training for all personnel, reassessed sales presentations, and reviewed claims processes with their service center, along with general follow up.

Besides the CPO program itself, EagleRider found this strategic engagement to be one of the most beneficial aspects of the partnership. EFG also utilized its knowledge of the heavy regulatory environment in the automotive realm to prepare EagleRider for a future when the CFPB expands its focus to include powersports dealerships. EFG regularly conducts reviews of EagleRider's current processes and provides recommendations for EagleRider to document compliance in selling consumer protection products.



Results



Within the first 30 days of launching the new and improved ERC, EagleRider saw: a 19% increase in unit sales. Within 90 days, they increased their unit sales by 33%, with a 44% penetration rate. EagleRider is now averaging between 85 and 90 unit sales per month with between 35 and 40 upgrades per month, resulting in significantly increased revenue.

“The CPO program has set us apart in the industry, as well as increased our already strong credibility,” said Mike Marquart, the general manager for EagleRider Orlando. “We now have the ability to demonstrate to our consumers that ERC combined with our quality products gives them the freedom to purchase the pre-owned bike that they want.”

According to EagleRider’s finance director, Gary Guillen, consumers find the program compelling and see it as a valuable reason to buy from EagleRider. **“One of the consumers I spoke with said the only reason he purchased from us was because the bike received a 106-point inspection and 60-days of limited powertrain coverage.”**



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Accelerate Growth

With EFG's certified pre-owned program, EagleRider **differentiated themselves** within the pre-owned powersports industry and are now looking to expand. EFG's extensive client engagement model provided EagleRider the platform to accelerate and build upon their achievements for future growth.



To learn more about EFG Companies,
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