

As business comes back to full speed, there are many areas where consumer preference and behavior have changed. Dealer feedback, along with historical trends from past recessions, suggests that in an economic downturn, consumers will be more enthusiastic about the peace of mind that comes with product protection for new durable goods.

These five questions, compiled by product protection experts, can be very helpful to examine for your existing product protection program, or to consider as you explore opportunities to add this important offering to your consumer experience.

1. How will customers evaluate risk in a changing economy?

We know that customers evaluate risk differently; some are risk-averse, some are risk-seeking and some evaluate risk for the specific situations. Much of this comes from the person's personal financial situation. With the changes in the economy due to the pandemic, consumers who were previously risk-seeking may change their outlook to evaluate risk differently, choosing to add protection where they previously would not.

2. How can I prepare my staff to offer protection plans given that many consumers are shopping with a different outlook on financial security?

First and foremost, knowledge of the protection product that the salesperson offers is paramount.

- Utilize the training offerings provided by your protection plan company. As we navigate how consumers change their shopping habits and perceptions of risk:
- Be sensitive to the new financial realities that a consumer may be facing.
- Treat every customer as if the protection plan could matter greatly to them.
- Present the protection plan as a solution to risk, even if the customer has given no indication that they are considering risk as a part of their purchasing decision.

3. As shopping habits change with a shift to online purchasing, how are my chat and video call functions including protection plan offerings?

- If your website allows for a chat feature, make sure that the sales staff responsible for responding to chats continues to include protection offerings. Protection plan sales have traditionally been a person-to-person sales conversation, but excluding Protection Plans from chat is a big miss both for the customer and the company. Prepare a script for offering the protection plan and have additional information quickly accessible to provide to the customer in the chat window.
- If your store is utilizing a video conference medium for salesperson/customer interactions, make sure that the sales staff is still comfortable offering protection plans despite the differing customer interactions.



4. Am I offering protection plans in my website's shopping cart, and how can I effectively market these offerings to a consumer that I never speak with?

It is vital to continue giving each customer the option to add protection plans, regardless of how they purchase products from your business. Having a clearly visible option to add coverage, as well as readily providing compelling information as to why protection matters for the customer's purchase, is important.

5. How can I keep my sales staff trained and up to date given the fact that in-store meetings are less likely?

- Even in the times of social distancing, host sales meetings that include protection plan training. Keep the program top of mind by sharing numbers, success stories and program updates.
- Utilize the Nationwide Learning Academy, as every salesperson can have access to the program training offerings that they can complete from their own home.
- Request webinar trainings from the warranty providers. Each company endorsed by Nationwide is able and willing to help during these difficult times.