



EMOTIONAL INTELLIGENCE (EQ)

The Power of Emotion

Why EQ is more important than IQ in your dealership.



Personalized training for a customer who is having issues with the technology causing stress, can help diffuse a situation.

In a highly competitive and fast moving industry like automotive, emotional intelligence (EQ) may seem secondary to things like sales skills and product knowledge. When fully understood, EQ can have a significant impact on the quality of customer service your dealership employees can offer.

During the workshops I conduct on emotional intelligence, I explain the concept as simply as possible: it is the awareness of both your own emotions and the emotions of others, and the ability to manage your emotions as well as assist those around you in managing theirs.

Everyone can appreciate the value of a high IQ, but practical human intelligence does not include the ability to engage in positive customer interactions. An employee with high EQ has the ability to diffuse high-tension situations, build meaningful relationships with customers, and communicate in a way that puts the customer at ease.

The shift in consumer buying habits from solely relying on traditional factors such as price, to also considering the emotional experience one has with a brand, highlights the importance of positive customer interactions. Every interaction a customer has with your brand ambassadors can play an

important part in increasing customer retention and loyalty at your dealership.

EQ and customer service results

I have trained thousands of people in customer service, and I know that the foundations of this concept are universal. The golden rule of quality customer service is that the number one focus should always be the customer. In order to follow this golden rule, we must shift our focus from the sale to fostering positive human interaction.

Anyone dealing with customers on the front-line has encountered a challenging situation. The car-buying process can be inherently stressful for some people, especially once they set foot in the Financial Services Office. Displaying empathy shows an understanding of the customer's personal circumstances, allowing you to provide them with a personalized recommendation for the best-suited protection products. Dialing up your EQ can be very effective in communicating the risks involved with car ownership.

Daniel Goleman, author and EQ guru, is responsible for bringing this concept to the business community. Using Daniel Goleman's ideologies, we can see the different components

of this theory, demonstrating how you can practice emotional intelligence in your dealership. For the purpose of this exercise, imagine that a customer returns to your dealership after recently purchasing a car from you. He is angry that he can't figure out how to work the internal software on his new vehicle.

• **Self-awareness:** When dealing with an angry customer, the first step in practicing EQ is to be self-aware in terms of how the customer is affecting you. When this customer is expressing his frustration in a way that perhaps involves raising his voice or pointing his finger, your initial reaction is biological, occurring in your amygdala.

This area of your brain operates on emotion rather than logic, creating a risk of a raw, emotional reaction. By recognizing both your physical and physiological responses that arise within the first seven seconds, you gain the perspective necessary to respond with logical reasoning.

• **Self-regulation:** After recognizing your initial response, the next step is to self-regulate. Your ability to control disruptive impulses that suspend your judgement is critical in this stage.

A useful tip is to be curious rather than judgmental, and give the customer

the benefit of the doubt. Assume there is a valid issue, and remind yourself that his actions are a result of emotion, rather than taking his approach personally.

• **Empathy:** Although it seems like common sense, practicing empathy is much easier said than done. When listening to the customer's concerns, step away from your own emotions and consider the situation through the eyes of the customer.

By considering what is triggering his anger or frustration and acknowledging the emotions he may have, you can put him at ease if you make it clear that he is understood. A helpful tip for making the customer feel heard is to paraphrase or summarize his concerns.

• **Social skills:** Social awareness refers to the ability to manage relationships. Your intent should be to make the experience as positive as possible given the circumstances. By focusing on the customer's needs and emotions, you can achieve loyalty and increase your chances of customer retention.

Using the earlier example of a difficult customer interaction, this is the stage where you would offer a solution, such as personalized training for this individual on the technology system that is causing him stress.

By moving through these steps when you encounter a situation of this nature, you will have reacted calmly to the customer's initial expression of frustration, expressed that you heard their concern and understood them, and then offered a solution that leaves all involved parties happy.

Training employees in emotional intelligence

There is no shortage of helpful tools that can provide employees with the skills they need to enhance their proficiency in emotional intelligence. One of my favourite books to reference is Emotional Intelligence 2.0 by Travis Bradberry and Jean Greaves.

If your dealership's employees are trained appropriately to move through the steps discussed above in customer interactions, it will raise the bar for employees and dealerships to deal with customers in a way that highlights quality customer service. 🌟