

SOLVING THE PARTNERSHIP PUZZLE

**Affiliates Can Be
The Missing Pieces
In a Complete Picture
of Success**



WHEN THE BEATLES WROTE "WITH A LITTLE HELP FROM MY FRIENDS" IN 1967, I doubt they were talking about business relationships. In fact, I am quite certain that business was the last thing on The Beatles' minds.

by John A. Greene

HOWEVER, FAST FORWARD NEARLY 45 YEARS TO 2013, when the world is connected through social platforms and instant access, and a little help from your friends can make or break your business model. Today, that song could be the anthem for what has grown into a key ingredient to winning in the competitive ground transportation arena.

According to *Limo Digest's* 2010 Industry Statistics, those surveyed said 16.6 percent of their business was work received from affiliates, while 12 percent said they received affiliate business that generated reciprocal work. And these numbers are sure to continue to rise. Is it any wonder? By aligning yourself with some of the top limousine companies across the United States, you have effectively "grown" your company to a point where you are no longer "off the clock" when a client exits your car at the airport. Now, when that client disembarks in Atlanta, he'll be greeted by a professional-looking chauffeur from another limousine company, smartly dressed in a coat-and-tie, holding up your sign and effectively extending your customer service some 1,500 miles away.



THIS IS WHAT'S KNOWN AS OUTBOUND AFFILIATE SALES.

It's all about creating a network of companies which effectively doubles your business. But this network can only be as effective as the time you take to build it.

So how do you find the right companies to work with, those that mirror your philosophy? How do you know which companies you are willing to trust your \$100,000 client to for a \$20 commission? Think of it as interviewing yourself for a job.

"We only deal with companies that are as passionate as we are," explains Scott Mezzetti, who handles Outbound Affiliate Sales for my company, ETS International. "That means we like to meet them first in person, most likely at industry trade shows. Then we check references, which is easy because we all know each other. Then we check out how up-to-date they are in today's technology, how big their fleet is, what type of cars they use, and if they are a 24/7 company." Scott also has one steadfast rule: "If I call them and an answering machine picks up, I won't use them."

Gary Day, owner of American Limousines in Baltimore, echoes Scott's assessment of what it takes to find the right affiliates with whom to work. "Anyone can put things on their website to make it look like their vehicles are pristine and in good condition, but how do you know that's what your clients are getting," he says. "You've got to go visit a company in person to

make sure the operation is what they say it is."

And how do you know when it's time to cut an affiliate loose?

For Mezzetti, there are definitely warning signs. "We start getting complaints, they stop returning our calls, and if there is a problem on their end, how well do they handle it? We're all about giving a second-chance, but not at the risk of losing a good customer."

The bottom line is this: an affiliate represents your company, whether it's in New York or in New Zealand. Remember that dapper-looking affiliate chauffeur who met your client in Atlanta? Now picture your best client being greeted by that same driver wearing an AC/DC t-shirt and sneakers, then pulling away from the curb in a 2002 Ford Escort. Do your homework. If you don't, you'll be saying goodbye to both the affiliate and your client. But if you do, that \$20 commission can easily grow to over \$60,000 annually.

THE FLIPSIDE TO ALL THIS IS INBOUND AFFILIATE SALES.

It makes sense: if people are flying out of your city, then most assuredly they are also flying in, and you also want that business. You can get it by making sure you come across as the height of professionalism, whether networking at shows or visiting a potential affiliate's office. You need to think of yourself as a mirror when you are being considered for a relationship. That company decision-maker wants to look at you across his desk and see themselves.

"In major cities, we partner with one affiliate," says Terry Cox VP of worldwide services for Sunny's Worldwide Chauffeured Transportation, Washington, DC. "This provides consistency in operations and marketing. It allows the passenger to become familiar with the chauffeurs and protocols of each market. We need to think of it as a partnership and choose companies that know their market inside and out, who we can trust to provide the service seamlessly. Trust is the glue that makes a team."

Chris Hundley, president of The Limousine Connection in Los Angeles, says, "I am continually

shocked when someone makes an appointment to come to our facility to apply to be one of our affiliates and they don't show up in a suit and are generally disorganized. I feel that if you're trying to represent what you have to offer by doing our affiliate work, you should represent yourself in the most professional manner."

Inbound affiliates are not something to be taken lightly when you are putting together a business plan. In fact, they can be a major source of your revenue. For our company, six out of our top 10 clients aren't financial companies, retailers or pharma—it's other limousine companies referring us their inbound work. More than \$4 million of our annual revenue is a direct result of Inbound Affiliate Sales.

Tony Simon of Reston Limousine in Virginia explained in a recent interview in Limo Digest, "Affiliate work is unique in the fact that we may be competitors, but when it comes to giving advice or recommending a solid affiliate in a certain market, we all work together."

This is one of the features that, in many ways, makes our industry unique. Though traditionally it's an industry with very small profit margins, and in many cities multiple ground transportation companies engage in rumbles for a piece of turf worthy of West Side Story, in the end it's all a matter of trust. And in what other industry would a company hand their competitor a major account and say, "Here, take good care of this for me"?

The answer: not many. **ID**



ABOUT THE AUTHOR

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