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Fiesta's New Los Angeles Location

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VOLUME 1, ISSUE 2

Goals

MARCH 2009

Our Marketing Plan

By John Rost, President

March was another great month for Fiesta Auto Insurance and our franchise owners. The Franchise owners in California set another all time high for new applications written in March. This is after setting a previous record for February! Our first location in Long Island, New York and our first location in St. Louis, Missouri both opened their doors and started writing new policies. In addition we awarded our first franchise in Michigan (Detroit), two new locations in the Dallas Texas area, and new locations in Reseda and Van Nuys, California. In total we added five new Fiesta Auto Insurance franchise locations to our team. These new locations will be opening their doors to customers in April and May.

As I meet with prospective franchise owners we have an opportunity to discuss the Fiesta Auto Insurance brand and the vision that we have as a team moving forward. This month I wanted to share with all of our franchise owners and corporate staff our vision for the Fiesta Auto Insurance brand over the next decade.

Starting in April we have television commercials being placed on a Spanish language network in the Los Angeles area and the Central Valley of California. The Central Valley of California has four franchise owners participating and the Los Angeles market has twenty one locations for April and twenty four locations in May. You can view the television commercial on either of our websites. This is just the first phase of our branding campaign. As we continue to add more franchises the available budget

continues to increase. This gives us an opportunity to increase our investment in advertising and the amount of television commercials therefore reaching more potential customers. The television commercial represents the image of our company, promotes our unique logo and promotes our toll free number. The toll free number is ours on a nationwide basis and electronically routes the caller to the closest franchise location. I recommend that you dial 866-605-5050 to have an opportunity to hear the unique introduction and how the system works. It is focused on the Hispanic/Latino consumer and is an impartial way to distribute customers to all of our franchise locations.

I will use California as an example of how we can truly maximize the results of our branding. In the future we will have 250 franchise locations in the state of California. As we continue to grow and stores gain in profitability we plan to slowly increase the monthly investment in advertising to an eventual \$2,000 per month, per location. This will be a gradual increase, the Los Angeles market is currently investing \$300 per month per location and the Central Valley franchises are investing \$500 per location. We believe strongly in our franchisees participation in advertising decisions in their market. Representative groups will be created and we will move in the direction supported by the majority of franchise owners.

In the California example, 250 locations at \$2,000 per month provides all of us an advertising budget of \$500,000 per month and six million dollars annually.

This means that each franchise unit has an investment of \$2,000 per month but gets the bang from \$6,000,000 annually. This will enable all locations to have a significant increase over current sales levels. As the budget increases so will the distribution of our advertising. Currently television is our outlet as it gets our unique logo and animation in the customers mind unlike that on radio. In the very near future we will run a national campaign to name our bird (logo). We have an opportunity for suggestions to come from consumers, franchise owners and staff. A special prize will be awarded to the individual/s whose suggestion was used.

Once our bird has a name we can also create a voice to go with our mascot. This name and voice will be used on future television commercials. As the name and voice are branded via television we can then cross over to radio. We want to make sure that when a potential consumer hears our mascot talking to them they can picture our mascot in their mind. Think of Geico and Aflac and how they have created their brands. The advertising will continue with print and billboard etc. to complete the branding. This model will be used in every state with the ambition to become the most recognized brand for insurance to the Hispanic and Latino consumer.

As the Fiesta Auto Insurance brand becomes a household name we will start to brand our organization as also the best for home owners, motorcycles, boats, commercial and income



Looking For A New Location?

Let us know how we can help.

tax services. We will create children's coloring/game books with our mascot for the next generation. Already we have created a stuff toy bird of our mascot. I encourage you to purchase a case of these as it is a terrific way to keep our brand alive in our consumer's home. Picture the next generation of drivers wanting our product because they are already comfortable with our brand. This is no different than how Disney would brand their characters to both children and adults.

As a team of franchise owners we have a great opportunity to combine the hard work and economic efforts of each location to create a huge campaign. This campaign will create returns unavailable to those who remain as independent mom and pop locations in our industry. I encourage each of you to embrace this challenge as it is within our reach and will be accomplished. It is just a matter of time.

Top five locations for income tax customers/earnings in February 2009:

- CA012 Porterville, CA
231 \$56,651
- CA022 Los Angeles, CA
137 \$32,698
- CA003 San Fernando, CA
98 \$27,308
- CA001 Long Beach, CA
87 \$14,207
- CA004 Compton, CA
71 \$13,003

Statistics provided via Crosslink by individual EFIN.

Top five locations by new applications sold in February 2009:

- CA012 Porterville, CA
163
- CA006 Salinas, CA
141
- CA001 Long Beach, CA
121
- CA033 Madera, CA
73
- CA014 San Jose, CA
68

Statistics provided via Policy Manager.

CUSTOMER SERVICE AS A WAY OF LIFE

By Hal Becker

Why do we call this area of business customer service? Is it a service to have customers wait in long queues at the counter or to dangle endlessly on the line while the phone never gets answered, or to be stranded forever in the voice-mail Bermuda Triangle?

Most companies really do believe they are customer focused, but the reality is not in what the companies think... and no one ever really asks them. There are too many stupid policies that favor only the business while ignoring the customer's needs.

For example, go to any discount department store. Go to the dressing room to try on some clothing. Oops! Now you notice that a sign says only three

garments allowed at one time. What a stupid policy. Why is this here? Because of shoplifting, of course. But only 3 percent of customers steal, so the store has just inconvenienced and alienated 97 percent of its patrons.

This sort of "no-care attitude" has led me to conduct an intense three-year research study of poor customer service, which will be explored in my upcoming book, *Lip Service: 50 Hysterical Stories of Horrible Customer Service*.

On the other hand, we always hear great things about great companies: Nordstrom, Lexus, L.L. Bean, Ritz-Carlton, Disney, Motorola, Cooker, Southwest, British Airways, among others. The answer to their success is simple, but we would rather talk about them than do anything ourselves.

The No. 1 secret: non-stop training.

All companies must find good people with good attitudes (the managers must have better attitudes), and reinforce those attitudes every day. The policies must always favor the customer.

The No. 2 secret: have fun.

Here is an example of a good policy at work. The 1990s buzzword "empowerment" means nothing by itself. It needs substance. Ritz-Carlton Hotels has a simple mission statement which reads: "We are ladies and gentlemen serving ladies and gentlemen." Each person always carries a little plastic card with them that has 20 sayings on it. Saying No. 9 reads: "Any employee who receives a guest complaint 'owns' the complaint." The sentiment alone is not good enough. The first-line employees have the authority to spend up to \$2,000 to satisfy a customer, and the managers can spend up to \$5,000. Not bad.

Yes, simple training and empowerment together. Can your company do this every day?

Hal Becker is a nationally-known motivational speaker and business trainer. To read other articles by Hal, visit his website at www.halbecker.com. He can also be reached via e-mail at hbecker914@aol.com.

"Do what you do so well that they will want to see it again and bring their friends."
Walt Disney

BOOK OF THE MONTH
Customer Satisfaction is Worthless.

by Jeffrey Gitomer

A book about the value of a loyal customer. Why measure satisfaction when all that counts is loyalty?

