

10 Ways to Make Money With Your Dyno

Think your business can't afford a dynamometer? Actually, it will cost you money going without! Potential customers know which shops dyno in-house, and associate dynoing with expertise. All else being equal, shops with dynamometers have more credibility...period! However, steps should be followed to make the most from your dyno investment. Calculate your DYNOMITE Dynamometer System's return from the suggestions below by using the chart (at the bottom of this page).

1. Sell Dynamometer Tests

Dynamometer testing rates vary with the system and locale, but a quick check of your competition will tell you if \$20 or \$200 a test is a sufficient fee. To determine the potential income from just selling test pulls, multiply your proposed rate by the number of runs you expect to conduct per month. However, selling pulls (directly) is only a single component in a successful total dynamometer revenue program. Never forget that just waiting for customers to beat down the door (to pay for dyno runs) leaves too much money on the table! Note: With each paid test conducted, you'll gain more knowledge about the combinations that do and do not work. This expertise will help with several of the other revenue source described below.

2. Increase Hourly Rates

This is actually the #1 secret at successful dyno facilities! Dynamometer experience raises a shop's status enough to sustain a higher hourly rate...on every job! Customers, who balk at paying for traditional diagnostic time, willingly spend extra when dyno testing is involved. Even non-performance work, which never gets near the dyno, bills at the higher rates! Like hospitals with CAT scans and professionals holding Ivy League degrees, shops that own dynamometers (and the resulting knowledge) command premium fees. By prominently displaying the dyno and talking to customers about what's been learned, companies gain credibility. This builds a client waiting list (supporting the higher rates) and is the proven route to extracting profits from your dynamometer investment! Note: Want to see it on paper? Have your accountant run a pro-forma financial analysis using your existing hourly rate vs. just a 25% increase.

3. Increase Service Billings

Any time you get enthusiasts near your running dynamometer, be it at an open house demonstration, dyno pull, or while renting out dyno time, they inevitably ask the operator's opinion on how to produce more power (or fix a problem). That provides a great opportunity to land

additional sales! Another way to increase billings is by displaying “before & after” graph results (from repair problems solved for other customers) at your service desk. This allows new customers to see that your shop has handled, and solved, problems similar to their own. Again, dynamometers are not just for performance tuning. Customers feel more confident when you explain how you’ve worked out similar problems on your dyno. They’re much less likely to object to service costs once they realize that a dynamometer is involved in the troubleshooting. So, instead of just selling dyno time to those interested in evaluating their engine’s power, include pulls even with non-performance service work. For example, make “dyno verification” a line item on most service packages that you quote. Even if you make it optional, a majority will elect to pay extra for that graph and report printout.

4. Reduce Service Costs

Increase profits by slashing non-billable hours (including those wasted isolating intermittent problems). Use the dynamometer to simulate field conditions, instead of sending an expensive technician out of the shop. Many insurance companies discount insurance premiums if you don’t send employees out. Savings in labor, time, and liability insurance are in addition to those higher hourly rates you can charge! Using your system to certify that your repair or setup is correct reduces “irate Monday morning comebacks.” You will be able to document equipment performance to customers with printed test results.

5. Increase “Dyno Day” Store Traffic

Like other DYNOMite owners, you can perform dynamometer demonstrations. Promotions include offering introductory rates or even a contest for the customer that makes the most horsepower. This brings people into your shop that would not otherwise be there. They learn what services you offer, while you gain credibility as a dyno expert. Plus, you have the potential for other merchandise sales. Consider dynoing out in your front parking lot (location permitting). This is great for drive by exposure. Nothing stops traffic like a race vehicle up on the rollers! On the chart (below), estimate the cost of generating as much new customer traffic via conventional media advertising.

6. Improve Closing Ratios

Experience has shown that after training everyone in the shop (including sales personnel) to run the dyno, closings go up! Operating the dyno increase a salesperson’s knowledge and selling confidence. The anecdotal stories that flow from dynoing will interest and impress prospective customers. You’ll find employees telling customers about “...how a certain combination was run on the dyno the other day and improved its performance.” This excites customers, and they buy more. Dyno savvy employees prove to customers that your business is a knowledge source and a serious player (again the credibility factor). Customers infer that you are always dyno testing and trying new combinations – looking ahead. You can reinforce that with a well-placed dynamometer room. Many shops use a glass window between the showroom floor and the dynamometer cell. It is amazing what this can do – for sales of everything from service packages to complete vehicles.

7. Enhance Direct Marketing

Proper promotion of your dynamometer services is essential. Here are a couple of ways to

properly market your dynamometer (beyond monthly print advertising and yellow page listings): Send direct mailings to potential dynamometer users (such as local racers, car clubs, service shops, parts manufacturers, and engine builders). This is an effective way to inform people about new dyno services you offer. Quote your dynamometer test results in ads and mailings. Here is a method that gets recipients to actually read your copy. Its possible to triple the number of people that will stop and read your ad (by always including some dynamometer test data). Constantly promoting your dynamometer service obviously lets more and more people know you own one. However, this is not just to bring in customers for dynoing, it is also to reinforce your shop's high-tech image, bringing in still more regular business.

8. Sell “Dyno’ed – Hop-Up Kits”

If your shop sells performance equipment, put proven combinations together with “before & after” Dyno Reports. This demonstrates the power customers can gain from each package. Even if your company does not actually sell hardware, consider offering dyno certification to other shops that do! Your testing services can help them prove their own hop-up kit’s performance claims. Again, this lets others know you provide dynamometer services (because your company information appears at the top of every report). Some dyno facilities earn all their revenue this way!

9. Rent Out Dynamometer Sessions

Besides selling individual dynamometer pulls to end users, you can rent days or weeks of equipment usage to qualified engine builders and performance service companies. The advantage of renting dynamometer time is that you do not necessarily even have to supply an employee to run the equipment. Local racers may be happier paying to test their equipment in the secure environment of your shop, rather than in front of their competitors at the local track! Even if your shop is not involved in the racing industry, it can still make money from the performance market. Other engine builders and part manufactures need to prove to their customers that what they sell works! For those companies that do not own a dyno, this is difficult to do. You can sell dyno time to provide them with graph printouts as proof. Besides the direct income, you get the advertising benefit of your company’s information appearing at the top of each graph you supply. Lastly, if your dyno is setup to trailer, you can work with other shops (outside your local market) to provide mobile dyno services at their open house events. Once again you will also gain exposure for your own company.

10. Get Serious About Making Money

Calculate what a DYNOMite dynamometer can do for your bottom line. Below is a sample chart and suggestions for how you can best utilize a dyno as a revenue-enhancing source. The second blank chart is available for you to plug in your own estimated figures. Once you subtract your lease (or financing and depreciation) expenses, you’ll know if it’s time for your company to... get serious about making money.

Sample Chart

DYNAMITE INCOME SOURCES	REVENUE VALUATION METHODS	AVERAGE VALUE	MONTHLY REVENUE
Sales of Dynamometer Tests	Per set of test pulls	\$75	\$3,000
Increased Hourly Rates	Average extra daily service receipts due to allowable higher shop rate	\$120	\$2,400
Increased Service Billings	Estimated extra average daily service billings (for "before & after" dyno verification)	\$50	\$1,000
Reduced Service Costs	Estimated average daily diagnostic and reduced "road testing" savings	\$20	\$400
Increased "Dyno Day" Store Traffic	Comparable media advertising value per event	\$1,000	\$1,000
Improved Closing Ratio	Estimated extra monthly receipts via closing more customers (using dyno knowledge)	\$3,000	\$3,000
Enhanced Direct Marketing	Estimated additional monthly receipts resulting from more persuasive direct marketing	\$200	\$200
Sales of Dyno'ed – "Hop-Up Kits"	Extra bundles sold due to dyno sheet certification	\$500	\$1,000
Rental of Dynamometer Sessions	Full day increments (with or without technician)	\$400	\$2,000
			\$14,000
			50%
			\$7,000
			-\$750
			\$6,250

Your Own Estimated Figures

DYNAMITE INCOME SOURCES	REVENUE VALUATION METHODS	AVERAGE VALUE	MONTHLY REVENUE
Sales of Dynamometer Tests			
Increased Hourly Rates			
Increased Service Billings			
Reduced Service Costs			
Increased "Dyno Day" Store Traffic			
Improved Closing Ratio			
Enhanced Direct Marketing			
Sales of Dyno'ed - "Hop-Up Kits"			
Rental of Dynamometer Sessions			
			%