# VISTAGE

# **Member**Stories

John Prosser, President Automotive Concepts Minneapolis

## At a glance

Role: President, Owner Industry: Automotive Employees: 75 Vistage chair: Brian Davis

## Company background

If <u>Automotive Concepts</u> (AC) were a racing team, president and owner John Prosser would be its top driver. From his driver's seat in New Hope, Minn., John oversees a handful of automotiverelated businesses that range from several used car dealerships to a customizing operation to a bank financing operation for retail buyers.

In all, his company has eight divisions. The largest operation is John's five used car dealerships, branded AC Motors. <u>AC Motors</u> provides car shoppers with choices that typically can't be found at other dealerships. "We sell and finance better cars in the 70,000-110,000 mile range," he shared. John calls their niche, "Road ready." The company buys a lot of luxury cars and SUVs: BMW, Audi, Lexus, Acura, Cadillac and Lincoln brands fill the lots.

AC Motors buys the cars from auctions, and cherry picks the best models in its target mileage range. If a customer wants a slightly used BMW 5 Series sedan with 30,000 miles, John knows he



can't compete with the dealerships. "The experience offered by the franchised dealers is too awesome," he said. But that's not to say AC Motors can't offer its version of "awesome."

AC Motors invests \$1,500–\$2,000 in each vehicle to restore it to near factory perfection. And sales and service employees at the dealerships offer customers their brand of exceptional customer service, including vehicle financing through its AC Funding arm. Many of AC Motors' dealerships have racked up four- and five-star customer reviews through Google reviews and social media sites.

John's company also has an in-house bank—AC Financial—that serves other independent dealerships in the region. AC Financial is providing financing for approximately 350 customers. The company's customizing arm also provides aftermarket installation services for sunroofs, sound systems, window tinting and custom wheels for both retail and wholesale customers. Oh, and just in case you have a rusty 1968 Pontiac GTO sitting in your barn, John's custom business will restore it for you. "At any given time we are working on two or three vintage projects just for fun," he said.

#### Digital marketing brings in customers

To get the attention of customers in the Twin Cities market, John relies heavily on digital marketing. He says the company's Facebook page has 25,000 likes, a following that has accumulated for several years. AC Industries also invests in search engine optimization (SEO). "If you're looking for a power sunroof to put in your car, and you go online, hopefully, we're going to show up in the first page on most categories." The company focuses on organic search and Google Adwords using a combination of internal and external resources. "We've been engaged in digital marketing for six years, so we have great page positions."

Like a lot of businesses, John has experimented with blogging, but would like to step it up. He sees inbound marketing and more video as areas for future investment. When it comes to the company's digital strategy, "I tell my people to do shameless advertising a third of the time, educational posts a third and entertaining posts a third."

He says the challenge with selling cars is that only five percent of the general public is in a car-buying mood at any given time. Through digital marketing, the company tries to get in front of those buyers. John observed that 90 percent of car buyers today are using the Internet to buy a car, up from 70 percent just two years ago. "We're also trying to be a lot more mobile friendly," he said, acknowledging that more and more buyers are using smartphones to access websites and custom apps.

#### Expanding horizons through Vistage

John discovered Vistage six and half years ago when it was recommended to him by his brother. He liked the opportunity to be in a group with CEOs running companies larger than his own, as well similar sized firms. "We do a lot of problemsolving for each other," he shared. "What's interesting is listening to everybody's opinion on how they would approach that problem."

He's also found plenty of value from Vistage speakers. "We have professional speakers that come in for three-fourths of the sessions. These are high-level people who are some of the best business speakers in the country," he shared. He said the speakers have talked to his group on scores of subjects, ranging from how to solve a business problem, how to run HR and how to hire people.

Recently, the chair of John's group—Brian Davis —brought in a speaker to lead the group through Insights Discovery. Companies use Insights to help leaders and employees identify strengths and weaknesses with the goal of developing higher performing teams. The Insights Discovery model is based on the work of Swiss psychologist Carl Jung.

Vistage chair Brian Davis likes to get his group members out of meeting rooms, too. John shared details from two unforgettable learning trips Brian led. One was a three-day trip to the U.S. Military Academy at West Point, N.Y. where they learned battlefield leadership lessons from former Army generals and senior officers. John's second trip took him and other CEOs to Havana, Cuba to learn about the country's economy and government. John's takeaway from the five-day trip: "Capitalism is a better economic model than communism. Cuba has a high literacy rate, but yet they don't have any technology and computers to leverage it. They have free medical care, but they don't have medicines, doctors, and equipment," shared John.

#### Lessons in leadership

Lessons from Vistage speakers and other members of Brian's group have helped John develop a distinctive culture at AC Industries. Over time, he's transformed his organization into where most employees are on the "same page." John said, "Having people unified by a single purpose is important." He instills in his people a passion for serving customers. "Customers are not going to tolerate anything but a customer-centric model moving forward. People want to have a good experience," he observed.

Alignment of the mission with employees was a lesson he also took away from his trip to West Point. "One thing about the military," he said, "they tell you exactly how to conduct yourself. At West Point, culture matters. Code of conduct matters," he noted.

John summarized by sharing that his Vistage experience "Gets you on a fast track." He noted, "Vistage is an opportunity to get into a room with successful business people once per month, have a professional speaker, lots of discussions and come away with answers and ideas!"

John commended Brian for discovering the people to make his group of CEOs top-notch. "Somebody's got to go out and find people because the group is only as strong as its members. Someone like Brian is a great guy because he's an impressive person. He knows how to put on a good meeting; he knows how to conduct a good one-on-one." V