

# OCEAN PERFORMANCE:

By Steve Fennell

## SERVICE COUNTS



In a one-on-one with Chris Cestaro of Ocean Performance in Old Saybrook, CT., the long-time marine expert discusses his current market focus on today's performance boating industry. From maintaining customer service to adhering to economic trends, Cestaro and his team at Ocean Performance are on the right track and progressively moving forward.

**PRA:** In the last few years, several boat dealers in the U.S. have been finding new ways of offsetting slower boat sales. One of these ways is by offering more services for their customers. What you can tell us about how Ocean Performance is doing in this 'new' economy and how have you been adjusting?

**CC:** Over the years, while Ocean Performance has been a high-performance boat dealership selling boats and refurbishing trade-ins, we never lost our consumer-paid labor base and never gave up our service or storage. I think as other dealerships grew when the market was strong, they were so busy that their entire service department was dedicated to prepping new boats and fixing used ones - so much they pushed their regular service customers away. Or, they were in a

geographic location where they sold outside of their region and didn't really have that return customer for repeat service or business.

So, during those times we focused on maintaining local customers and cultivated that business. We have always been good to our customers and I think the service and storage end of our business has carried us very well to this point.

Additionally, a lot of boaters haven't been able to use their boats as they have in the past due to a number of reasons. Recognizing this, as part of our several services, we offer a valet service, where we'll launch somebody's boat on a Friday, tie it up on a slip and pick it up for them Monday. Or, as another service, the customers can store their boat on a trailer here (inside or outside) so they don't have to pay \$5,000 for a rack or \$6,000 for a slip. If it's a nice weekend and they can use

their boat then great, if not, it's located at our facility where it's easily accessible. There's the space to allow them to putter around and perform light maintenance. It's a facility where people with the same interest can intervene as well. In fact, we encourage this because that's what perpetuates the sport.

**PRA:** Have these services and maintaining local customers been successful for Ocean Performance?

**CC:** Absolutely. We never gave up our service. We have increased it. We have also increased our parts business and inventory. More importantly, we are open seven days a week as we need to serve our customers Saturday and Sunday with various parts.

We are doing a lot more drive service, drive repair, even transmission work on

the larger stuff. We also have the tools for NXTs, the Dry Sump Six Drives and even conduct gelcoat repairs, and trailer repairs. We are doing what we have always done in parts and service, but we are concentrating our efforts more on that side of business right now. It's a much larger part of our revenue stream. You have to grab the business where you can. A dollar is still a dollar and you have to diversify and create new ways for your business to be successful. That's what we have been concentrating our efforts on.

**PRA: Ocean Performance carries a strong line of boat models. What is the overall status right now for the sales side of Ocean Performance's business?**

**CC:** As far as boat sales go, we have been concentrating more on brokerage with used boats. I feel at this point with the financing that's available, new boats are more of a liability rather than an asset. The dealers that are stocking new boats are competing with a huge amount of used boats. That can be quite a challenge.

It's also kind of a two-edged sword. Right now, some manufacturers are in an influx. Remember, there is very little support whether it's from the government or even the banks. So, at this point, the industry has to work together and try to bond and make it happen. We need to carry the industry forward and we all have to do it together. The guys that are left in the industry, we all try to help each other out. That's the only way the industry will survive and grow.

**PRA: The internet has become an effective tool among many businesses and consumers. How has the Internet changed the industry and how**

**has Ocean Performance been using online resources to help your business?**

**CC:** There are pluses and minuses to the internet. Years ago, when you advertised a boat in the newspaper or a boating magazine you had a strong reach, which was effective. Now the new and used boat inventories online reach a global level, which is very impressive. We never had that reach before.

What I have found is the internet has made shoppers out of people and it educates people a lot more. For example, I will get a call about a boat that was online and the customer knows more about the boat than I do. The other thing is that they know where a particular model is located. I am finding that local consumers want to buy local, but they also want the best price. They know a particular model is available elsewhere and they negotiate the best price based on the information they have gained from the Internet. So, this forces our margins to be tighter just based on that alone. The same proves true for parts sales. So we have to sharpen our pencil a lot more now than what we used to.

I know what social media does and Ocean Performance is currently on the social media sites and we are looking more seriously at it. But I just don't know at this point if it puts the dollars we want in our pockets. Sometimes you have to go back to basics. But in reality, is a guy in California (that's following Ocean Performance on Facebook or Twitter) who sees a boat model going to fly out here and buy it? Maybe. Maybe not. I don't know. So we are concentrating efforts on what is effective for our business right now.

**PRA: What direction is Ocean Performance heading? Where do you see Ocean Performance and the performance boating industry as a whole in say, five years?**

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**CC:** I think there will always be performance boating and I believe that the really affluent people will be buying the high-end stuff and Ocean performance will grow and serve that market. We will keep up with our certifications and we are in for the long haul. It's going to be an interesting ride.

The guys in the business right now that are willing to work at this industry and stay in it will still be around. The guys that got into this industry that thought it was glamorous and had several other businesses happening, I think they will walk away. But the guys that survive will end up flourishing. It is a lot of work keeping customers happy and satisfied.

From our perspective, the service end of our business is way better now than it was two years ago. Last year and the year before, people were in kind of a shock with everything that went on. Now, I think consumers are sick of waiting for things to turn around in the market place and they are getting restless. They are realizing that time is passing by. They want to make purchasing decisions and want to stop waiting for the economy to turn.

But I see us continuing to grow in service. And as far as I see Ocean Performance in five years, I see us heading back into new boat sales as well as keeping our Five-Star service status and moving forward. 🏆

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Cestaro and his team at Ocean Performance HQ.

