

How's YOUR credit insurance profit?

Financing has changed in recent times. Banks and financial institutions are promoting lines of credit at rates much lower than those of traditional auto financing. Prime plus 1% is becoming the norm on the street.

How does this affect you? Well, with even a 25% creditor penetration on eligible sales, when you factor in the reality that just fewer than 50% of all deals show on the books as 'cash', the average penetration is only 12.5%.

RE-Assure has been created under the direction of the Co-Auto Board of Directors with the sole purpose of recapturing this lost revenue.

This unique multi-product offers a limited coverage program designed to give the most coverage at the lowest cost to the customer with the highest profit margin possible for the Dealer.

Not only will this program recapture revenue from deals that are not eligible for traditional credit insurance, it will also help increase sales where traditional insurance is simply too expensive.

Let's face it; customers only have so much they can afford to spend per month. Even when a customer sees the benefit of traditional creditor insurance, they may be unable to financially handle the extra bump in the monthly payment for this type of insurance. On a \$30,000 loan, the premium for a Life policy could range around \$1,300. A premium for a 30 day retro-active Disability policy could be \$2,500 and a Loss of Employment policy \$1,400. This is a total of \$5,200 **in addition** to the cost of the vehicle.

Now, how about a program that gives some coverage for not only Life, Disability and Loss of Employment but Critical Illness as well? The price? The premium will cost a customer just \$999 for Standard Coverage and \$1,399 for Enhanced Coverage. The profit derived from such a policy provides a dealer up-front profit and the Co-Auto portion as well.

The great news is that this program is not designed to replace any existing Insurance Supplier that a dealer may have but rather serve as a compliment. Just as a service department offers both synthetic and regular oil for its customers, a dealer now offer a complete range of loan protection to suit the needs and budgets of its customers.

It's not hard to see that the industry is changing. The question is simply, **"Are you willing to change with it?"**

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