

AMAZING BUSINESS MANAGER

newsletter for progressive Business Managers



Canadian Edition

The new vehicle, used vehicle, service and parts departments ALL benefit from a strong and vibrant dealership Business Office.

f-iresource.com is dedicated to assisting dealerships in improving this critical department by providing a wealth of the industry's latest F&I news, information pertaining to F&I products and sources, training and tools.



Are cash deals hurting your F&I profits:

If your dealership attracts a lot of cash buyers, then it's likely that your overall Business Office profits are not where you would like them to be. There are some customers who will be using true cash from their savings but that is likely a small percentage. The majority will be using their lines of credit. There are several initiatives that a dealership can take to increase its

finance and lease penetration.

1—Plant a seed for the need to finance or lease a vehicle well before your customers ever arrive to your dealership. Over 80% of customers will research their next vehicle purchase online so that is where you should be speaking to your customers. Most websites inform customers who, what, where,

when and why to buy their products but not "HOW." Your website should have an information pop-out discussing the disadvantages of paying cash or using a credit line to purchase a vehicle and the advantages of leasing. Consider using a credible source to author the information to maintain objectivity. *Cont'd on page 3...*

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Fun rebuttals to Creditor Insurance objections:

▪ *"If you get sick or hurt and unable to work, I could send you a get-well card. If you register this coverage, I can include a cheque in the card. Which would you prefer?"*

▪ *"If it wasn't re-*

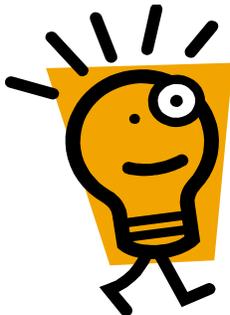
quired by law, would you still bring a life jacket with you when boating?...That's exactly what this coverage will do for you. It's better to have the coverage and not need it than need it and not have it."

▪ *"If you had a horse that won the Kentucky Derby, would you insure it? Your future ability to earn income is also worth protecting with this coverage."*





SALES TIP:
Most lenders will use Equifax as their primary source for pulling credit while RBC uses Transunion. Many Business Managers have reported getting applications auto-approved through RBC while receiving flat declines for the same applicants at other lenders. Before you send an application, pull both reports.



Leverage social media and testimonials to improve F&I profits:

The picture on the left was taken on Christmas day 2011. It is an original 1996 Oldsmobile Cutlass that was treated with a complete vehicle protection package. As you can see, the paint sealant and rust protection worked fabulously.

Salespeople are video-taping their customers at delivery today about their buying experiences and posting them on their dealership's website, Facebook, YouTube and their personal websites. Leveraging social media by posting video testimonials of your customers who have benefited from vehicle/loan/lease protection plans is a no-brainer.

Over 80% of consumers use the internet to investigate their next vehicle

purchase. Consider the impact of a customer testimonial describing how they took advantage of a payment protection plan that they registered and how it helped their family during a difficult time. How about a service customer who just had a major repair bill taken care of by an extended warranty plan they had registered or a customer who just walked away from \$2,900 in excess wear & tear charges from their lease termination.

These customers are in your dealership and easily accessible. This should be an initiative that you begin today that never ends. Ask your service advisors and suppliers to ping you when a success story occurs and you will have dozens of good new stories to tape and load on the web.

“Desking” deals for improved F&I profits:

Many Business Managers are asked to “desk” deals for their dealerships when their sales managers are off duty or busy. Many sales managers also want to see improved F&I profits and take a pro-active F&I approach when “desking” a deal where a customer's commitment level is high.

A high commitment customer is determined when a customer has said “Yes” or “Maybe” to the question:

“If the numbers were agreeable for you Mrs. & Mr. Smith, could we put a deal together today?”

In these scenarios, proposals can be structured to include one or more after market protection plans as determined by the nature

of the payment plan or by the needs and wants of the customer. Here are some examples:

- finance payments can be quoted with GAP
- lease payments with an excess wear & tear waiver
- any proposal can include a road hazard warranty, snow tires, an extended warranty, other vehicle protection applications, accessories or some level of payment protection whether it be unemployment, disability, critical illness or life insurance

Include an appropriate after market item on high commitment customers and see how fast your F&I profits will improve.

Are cash deals hurting your F&I profits: (Cont'd from page 1)



2—Conduct a training workshop for your sales staff reviewing the disadvantages of paying cash or using a credit line to purchase a vehicle. If you secure your sales staff buy-in, they can have a tremendous influence over their customers actions.

3—Conduct a training workshop on the advantages of leasing vs. financing. Customers will lease a vehicle even if the payment is higher than a purchase finance payment if they are aware of the benefits. Don't sell the rate or payment, sell the solution. Their buy-in will once again boost lease penetration.

3—Create point of sale materials

that can be displayed inside and on the outside of your vehicles that promote financing/leasing. Produce a showroom display board that provides customers with information that will steer them towards choosing a payment plan instead of using their cash or line of credit.

4—Lastly, learn how to confidently convert a cash buyer on a turnover. Too many Business Managers use antiquated strategies that simply don't work. If you knew how to do this, you would already be converting cash buyers. Invest in yourself and get

some fresh training. Wye Management has a workshop specifically addressing converting cash and line of credit customers to dealer plan financing and turn-key solutions for securing buy-in from your sales staff.

Implement and execute on these suggestions and watch your finance or lease penetration levels soar.

Visit wyemanagement.com and find out how.



Why should you adopt a pre-approval service:

Fueling false expectations by showing a credit-challenged customer a vehicle that they will not qualify for simply leads to cancellations. Many Business Managers secure a payment call through a non-prime lender after a prime solution is declined on the original vehicle that the customer wanted.

Trying to switch this customer to another vehicle that they don't want after they have built up such great expectations can lead to a customer walking away from the dealership entirely. Compounding this situations is getting the customer to accept a higher interest rate as well.

Wiser dealers adopt a pre-approval service that is offered

early in the sales process. Here is an example:

"Here at ABC Motors, we offer a pre-approval service which allows customers to shop with less stress and more confidence knowing what they qualify for based on their payment capacity and down payment; it's just like getting pre-approved for a mortgage. There's no charge and no obligation whatsoever. Would you like to take advantage of this service while you're here today?"

This generally flushes out a potentially credit-challenged customer. After qualifying their customer, a salesperson should introduce this customer to a Busi-

ness Manager who should proceed to complete a credit application and then pull the customer's credit report. Using the report, show the customer why they don't qualify for a prime solution and show them how they can rebuild their credit with a non-prime solution. Using the "Red Circle—Green Circle" strategy (see March 2012's newsletter) will help to build a brighter vision of the future and will assist in gaining the customer's acceptance of another vehicle and a higher interest rate. *"You don't have to love it, just drive it."*

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Try to learn something new from everyone you meet.

No matter who it is, no matter what level they're at, people always know something they can teach you.

**Entry Level
Business Manager's
Program
May 28th - June 1st
Toronto**

**1•888•993•6468
wyemanagement.com**

101 most used websites:

01. screenr.com – record movies of your desktop and send them straight to YouTube.
02. bounceapp.com – for capturing full length screenshots of web pages.
03. goo.gl – shorten long URLs and convert URLs into QR codes.
04. untiny.me – find the original URLs that's hiding behind a short URLs.
05. qClock – find the local time of a city using a Google Map.
06. copypastecharacter.com – copy special characters that aren't on your keyboard.
07. postpost.com – a better search engine for twitter.
08. lovelycharts.com – create flowcharts, network diagrams, sitemaps, etc.
09. iconfinder.com – the best place to find icons of all sizes.
10. office.com – download templates, clipart and images for your Office documents.
11. followupthen.com – the easiest way to setup email reminders.
12. jotti.org – scan any suspicious file or email attachment for viruses.
13. wolframalpha.com – gets answers directly without searching – see more wolfram tips.
14. printwhatyoulike.com – print web pages without the clutter.
15. joliprint.com – reformats news articles and blog content as a newspaper.
16. ctrlq.org – a search engine for RSS feeds.
17. e.ggtimer.com – a simple online timer for your daily needs.
18. coralcnd.org – if a site is down due to heavy traffic, try accessing it through coral CDN.
19. random.org – pick random numbers, flip coins, and more.
20. pdfescape.com – lets you can quickly edit PDFs in the browser itself.
21. viewer.zoho.com – Preview PDFs and Presentations directly in the browser.
22. tubemogul.com – simultaneously upload videos to YouTube and other video sites.
23. dabbleboard.com – your virtual whiteboard.
24. scr.im – share you email address online without worrying about spam.
25. spypig.com – now get read receipts for your email.

For a complete listing, visit:

<http://www.labnol.org/internet/101-useful-websites/18078/>

What would an extra \$500+ per vehicle do for your bottom line in 2012? Make the call to find out how it can be done!

In-Dealership Training, Coaching and Consulting

Let our professional trainers work with your Business Managers and show them the secrets and short-cuts to soaring profits - it's what we do!

**Call Anne Preston at 1•888•993•6468
or e-mail apreston@wyemanagement.com**