

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.



Run a Self-Diagnosis of your Department:

Many Business Managers, dealer principals or sales managers keep asking themselves why their Business Office profits are not where they would like them to be. Here is a quick checklist that many Business Managers use as a self-diagnosis tool:

Belief:

Do I have loan/lease protection or vehicle protection products on my personal vehicles?

Product Knowledge:

Have I read my manufacturer's warranties and know the limitations? Why does a vehicle need protection?

Product Presentations:

Do my presentations:

1. stimulate a need
2. provide solutions
3. detail features & benefits
4. close with options

▶ Are they too long or short?

Sales Process:

Have I tried changing my sales process? Do I take a credit application first? Am I merely just disclosing to customers what they can buy?

Positioning:

Am I perceived as a salesperson or a Financial Services Manager who shows customers what protection plans

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Improve your asset value to your customers, dealership and sales staff:



As a Financial Services Manager, are you fully competent to discuss personal financial matters like:

- how credit lines work
- how mortgages work
- how RRSP's, tax-free savings accounts and

RESP's work

- how group insurance plans work
- how short-term and long-term disability works
- how workman's compensation works
- how employment

insurance works in your province

- how interest is calculated on an auto loan

Surf the internet or invest in some training and you'll quickly increase the value you bring to others.



SALES TIPS:

Having credible sources and proof of need greatly improves your results. Visit

www.Canada-Insurance-Source.com

and you will discover many valuable endorsements that you can use.

Also, make sure to ask a renter if they have renter's disability insurance.

Most do not and you can now offer coverage so that their vehicle payment is made at least.



Don't let yourself get in the way of improving:

Slide shows, using Microsoft's Power Point software for example, are gaining momentum in Business Offices today. When professionally produced, they deliver a consistent and engaging presentation of loan/lease and vehicle protection products.

Clicking through slides prompts a Business Manager to discuss the displayed images therefore, never forgetting to review an important detail; *"you can't help but deliver a comprehensive and effective presentation."*

Some Business Managers who initially discarded the idea of implementing presentation slide shows were of the belief that their presentations would be too scripted and robotic. When they put their appre-

hensions behind them and tried them, they discovered that they actually prompted creativity and were still able to ad-lib at their discretion.

"Since I've been using the slide show, I hit 3 homeruns on my last 3 turn overs; sometimes the only way to get ahead, you have to get out of your own way."

Some suppliers provide consumer videos that many Business Managers use in their presentations or have them run in their waiting lounges or place them on their dealership's website. Remember this age-old definition of insanity: *"doing the same things over and over again yet expecting different results."* Rejuvenate yourself and start trying new ideas and strategies.

Setting-up a customer for a turn over:

How should your salespeople set-up their customers for a turn over? This subject continues to be debated and depending on who is giving their opinion, there seems to be two popular choices:

1. *"In a few minutes, I'll be introducing you to Jack Zimmerman, our Financial Services Manager. Jack will take some personal information from you to set up your account with the lender, review the manufacturer's warranties and review all of the optional protection plans that you are entitled to register. He will also provide you with the necessary documentation required for licencing and insurance and arrange for a delivery date and time. It should take no more than 20 to 30 minutes."*

2. *"In a few minutes, I'll be introducing you to Jack Zimmerman, our Financial Services Manager. Jack will take some personal information from you to set up your account with the lender, review the manufacturer's warranties, provide you with the necessary documentation required for licencing and insurance and arrange for a delivery date and time. It should take no more than 20 to 30 minutes."*

The first strategy announces that protection plans will be reviewed and the second one does not. Many Business Managers have moved to this second strategy as to avoid their customers becoming apprehensive about a turn over. Consider which strategy will work best for your dealership.

Run a Self-Diagnosis of your Department: (Cont'd from page 1)



that they are eligible to register?

□ **Overcoming Objections:**

Do I know at least 2 "COST" and 2 "VALUE" rebuttals for my most common objections?

□ **Closing Skills:**

Am I closing with options or with a "Yes" or "No" strategy?

□ **Number of Products Offered:**

Am I offering too many products or not enough of the correct ones?

□ **Business Manager's OATH:**

Am I presenting 100% of my products to 100% of my customers, 100% of the time with 100% enthusiasm or am I merely picking the low-hanging fruit?

□ **Buy-in from the Staff:**

Is my staff aware of the manufacturer's warranty limitations and would they get any loan/lease protection or vehicle protection products on their personal vehicles?

□ **Statistical Analysis:**

Am I keeping records of my performance? I can't manage what I can't measure.

□ **External Factors:**

▶ Do I have too many cash or lease transactions?

▶ Does my manufacturer offer a longer manufacturer warranty than most?

▶ Does my dealership have a CPO program that includes

long-term extended warranties and no finance reserves?

Most Business Manager's performance can improve immediately when these elements are addressed and/or tuned up. A Business Office consultation today should cost a dealership between \$2,000 to \$2,500. The cost of not investing in training is worst. Consider the cost to a dealership on 50 transactions at \$300 per copy more? That works out to be \$15,000! Run this self-diagnostic tool on your department to see if a prescription is required.

An effective strategy to deal with a "no" turn over:

Many dealerships have stepped up their efforts to reduce "no" turn overs. Some strategies include:

- not allowing a work order to be produced if the Business Manager has not seen the customer
- a bill of sale cannot be issued without a turn over
- The Business Office looks after the receipting of money on all vehicle sales
- a credit report cannot be pulled without a turn over or interview
- arranging for an appointment later that day or another

While these strategies certainly serve to reduce the number of "no" turn overs, there will still be occasions where a customer has to



leave or a deal is consummated over the telephone. When a physical turn over is not possible, an effective strategy that can be used is to attempt to sell the tangible products that need to go on a work order over the telephone and arrange for a delivery turn over to sell the intangible protection plans. Trying to sell intangible products over the

telephone does not usually produce great results. One key element to this strategy is to ensure that you send your customer some P.O.S. materials or a video of the products that you will be describing to them before you call them. These materials should stimulate a need, provide solutions and detail features and benefits. When you do call, ensure to recite your presentation and close with options. Submit the application with a greater advance limit request and then sell your other protection plans at the delivery turn over.

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is published by:



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ANALYSIS
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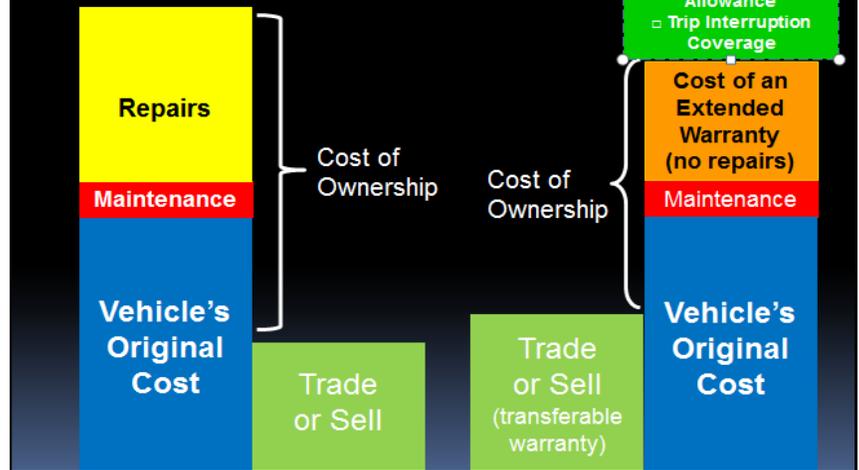
Try to learn something new from everyone you meet. No matter who it is, no matter what level they're at, people always know something they can teach you.

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How an extended warranty reduces ownership costs:

Why an Extended Warranty Reduces the Cost of Ownership



Using P.O.S. materials can create a better picture of what you are trying to describe to your customers. The diagram above is a snap-shot of an animated slide that is used to help sell the value of an extended warranty. The following is an example of how to use this strategy when selling an E.S.P.

“When you purchase a vehicle, you have the original cost of a vehicle plus regular maintenance and repairs. The sum of those costs less what you get when your trade or sell your vehicle privately represents your total cost of ownership.

When you register an extended warranty on your new vehicle, you have the same original cost plus regular maintenance but no vehicle repairs to worry about plus the added benefit of roadside assistance, rental vehicle privileges and trip interruption coverage. Because the warranty is transferrable, you'll get more for your vehicle when it's time to trade or sell your vehicle privately thus minimizing your cost of ownership. Registering one of the eligible plans you're entitled to is really an investment and not an expense. You can pay for a plan up front or put it on your account like most people do and take full advantage of the low interest rate that the manufacturer has offered. Which one works best for you?”

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**