

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.



Objections and Rebuttals:

An objection is a perception that a customer has that is preventing you from closing a sale. With respect to the Business Office, legitimate objections will either be associated with affordability/cost or value (the customer does not see the need for the protection). Vague objections need to be clarified. For example: a customer says, "I'll pass on that" or "I'll think about it." When

the objection is not specific, you must ask the customer, "Is it the cost that concerns you or do you not see the need or benefits of the protection?" This strategy will allow you to use the appropriate rebuttal. A rebuttal is an attempt to change a customer's perception by using logic, analogies and humour.

Elite Business Managers anticipate objections and include rebuttals in their presentations to

pre-empt objections when closing. During meeting and greeting, when completing a credit application or reviewing a credit report, you can discover clues that will suggest possible objections that could arise later when closing. For example, you discover that your customer is not keeping their vehicle for a long time, probably has a fantastic group plan, doesn't drive very *Cont'd on page 3...*

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Are you mining your most valuable asset?

Some dealers have their Business Managers mine their Non-Prime portfolio for easy business. They will contact Non-Prime customers who are not carrying large and excessive amounts of negative equity and offer the customer an opportunity to

get into a lower interest loan and into a newer vehicle with more warranty. If the customer is working, the BM can ask permission to pull the customer's credit report on the phone and quickly assess whether a better solution can be offered. The BM then secures an

appointment with the customer so that their trade-in can be appraised and away they go!

Dealers using this strategy are reporting that they are converting 1 in 4 to 1 in 5 customers. Can you think of a more cost-effective and productive initiative that a dealership could employ?



SALES TIP:

Don't have your sales people set-up your customers for a turn over by informing them that they are going to be presented with protection plans and products. By doing this, many customers will get their guard up and some may not even want to come and see you.

Have your sales people just tell your customers that you will be setting up their loan/lease, reviewing the manufacturer's warranty, providing necessary documentation and setting up a delivery date.

Turn overs at delivery:

Many dealerships operate with a two turn over strategy for their Business Office. Some have adopted a staggered turn over strategy that has tangible products that need to be applied to a vehicle presented at the 'time of sale' turn over and then intangible protection plans are presented at the 'delivery' turn over. Other dealerships use a 'delivery' turn over to ensure that their documents are accurate and to take a 'second swing' for protection plans or products that were not sold at the 'time of sale' turn over. Business Managers who take a 'second swing' can be more successful if they use more assertive strategies rather than "Yes" or "No" strategies. For example, an 'ask' assertive strategy would sound something like this: "Did you get a chance to go over the brochure I gave you? Did you put some more thought about the coverage? Did you want to register it then?" The following represents just a few of examples of how you can more assertively take a 'second swing.'

► "Before I draw up your final papers, I recall that you didn't register (name of the protection plan) and realized that I must not have provided you with enough information so I wanted

to review the need and benefits of

time..." Detail the need, features and benefits of the protection plan you are trying to sell once again and then close with options.

► "I took the liberty of drawing up two sets of papers for you – one as we discussed the other day and one with the (name of the protection plan). You've been approved by the lender for the coverage and it will be your last opportunity to register the coverage. If you get it, I hope you never use it but if you don't, you'll be exposed. Which one do you want to go with?"

► "Our dealer came into our offices the other day upset about a customer situation he had to deal with regarding (name the protection). He instructed us to make sure that every customer is provided a final opportunity to register the coverage and so before I draw up your final papers, I'll review why registering (name the protection plan) is worthwhile for you." Detail the need, features and benefits of the protection plan you are trying to sell once again and then close with options.

To add more credibility, use real-life customer examples of how the coverage worked for them or describe the awkward situations that arose without the coverage.

Hit more home-runs by packaging:

Package your protection products and use this closing strategy: "The electromagnetic corrosion module costs \$X, the paint sealant costs \$X and the interior protection costs \$X. The total cost of the complete vehicle appearance protection package is \$X. If you're having any single treatment applied, it will tie up a service

bay and service sells time so, they'll waive the bay charges if you have the complete package applied saving you \$X. The cost of the package will run you \$X per month. Did you want any single treatment applied or did you want to take advantage of the service department's savings and fully protect your new investment?"

Objections and Rebuttals:

(Cont'd from page 1)

much, is wealthy, has a high TDSR or a low payment to income ratio. If you can anticipate that there may be an affordability concern or a lack of need for your protection plans and products, insert a couple of appropriate rebuttals in your presentation to address them. When you attempt to close your sale, your customer is less likely to offer an objection that you have already addressed in your presentation so you can now close the sale. A small investment in effort and time will speed up your turn overs, provide a more customer-friendly experience and improve profitability.



CAREER OPPORTUNITY Client Trainer—Dealer Services

For more details

Visit the

Career's Page at

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What can you learn from your statistics?

Statistics will help you identify how to improve your presentations. For example, on your turn over log, add a column beside each protection plan or product that you sell. When you do not sell an item, identify whether the customer had a cost or value objection or both. Tag the reasons with the letters C – V – B and at the end of the month, count up how many C's, V's or B's you had for that protection plan or product. This will clearly point out what you have to do to improve your presentations. You may need to insert cost or value rebuttals in your presentations or fine-tune your presentations to stimulate a greater need or to show more benefits. Using more graphics, slides or videos will aid you or you may need to provide more 'proof of need.'

Change the order of the products you present:

Most Business Managers will lead their presentations with the product that they believe in the most or the one that has the greatest customer acceptance. For example, most Business Managers will present an excess wear and tear waiver first to a customer who is leasing. On a lease, this protection plan should have a high level of

customer acceptance; it would be like selling gloves to people who are traveling to the North Pole – you should have pretty good luck.

Consider presenting the product that has the least customer acceptance first. Many customers are sometimes so excited about their vehicle purchase or lease that they instinctively purchase the first product that they are presented with. Try it out on your next few turn overs and see if this produces better results for you.



Update your P.O.S. materials and tools:

Most Business Managers short-change themselves by using their suppliers' stock brochures or presentation stands. Get creative and start thinking out of the box. The following represents a checklist that you can use as a start to 'beefing-up' your presentations:

- ◆ A warranty booklet: use it to review what is covered and what is not. Highlight the manufacturer's limitation and place tabs at the top of each page so you can quickly turn to them.
- ◆ Warranty excerpts: many Business Managers will place the warranty booklet on the table and have the limitations displayed on a handout that is typed in a larger font size for easier reading.
- ◆ Lease-end card: most manufacturers will have a transparent card about the size of a credit card that is sent to customers towards the end of their lease. The card identifies what is or is not acceptable wear and tear on their vehicle. Use this card to disclose your manufacturer's lease-end procedures and to plant a seed for an excess wear and tear waiver.
- ◆ Lease agreement: if your manufacturer does not have such a card, you may simply want to have a copy of your lease agreement with the unacceptable wear and tear items highlighted.
- ◆ Inspection reports - your manufacturer will have an inspection report that is sent to customers to show them what wear and tear items were waived with the waiver program they registered or to identify what excess wear and tear charges are being assessed to them. Use these to provide proof of need and benefit.
- ◆ Table showing the cost of tires & rims for each model: research through your parts and service departments what the costs for tires, rims, mounting, and balancing are for each model. Don't forget to add towing charges if applicable and taxes of course.
- ◆ R.O.'s from service for vehicle repairs or rim & tire repairs: this provides proof of need for an extended warranty or for a road hazard warranty.
- ◆ Pictures of damaged tires and rims: you can search on the internet or simply start cataloging pictures from your service department.
- ◆ Table menus: whether you use menu software or step-sell your products, placing a table menu of all of your products with pictures of the protection plans and products will allow you to show the customer what you will be presenting and it will keep the protection plan or product in plain view as you move on to another presentation.
- ◆ Stand-alone closing tools: if you are a step seller or when you do need to present and close a single product, develop a closing tool (page) that identifies the need, feature and benefits of the protection plan or product that you are presenting. The tool should provide your customers with choices of coverage, applications or payments. This allows you to close with a "Yes" or "Yes" instead of a "Yes" or "No."
- ◆ Vehicle Appearance Package closing tool: on a page, display all of your vehicle appearance products and present them as a package providing a discount or an added-value treatment or product as a bonus. This strategy produces more 'home-runs,' 'doubles' and 'singles.'
- ◆ Bonus products: consider using navigation units or electronic devices as a bonus for registering a plan or selecting a package.
- ◆ Window tint samples: ask your supplier to produce a display with films showing the levels of tinting. Remember that metallic window tinting may interfere with certain navigation or satellite systems found on vehicles today. Acrylic window tinting is a good solution.

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info@f-iresource.com



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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Update your P.O.S. Materials and tools: (cont'd)

- ◆ Accessory table menu: most dealerships do not have a procedure for presenting accessories to their customers and ignore valuable extra profit. Producing and showing a table menu with pictures of accessories will allow your customers the opportunity to purchase them. For example, "Honda Finance allows you to customize your new vehicle with accessories. Which ones should I include in your application?"
- ◆ Statistics, graphs, charts or reports: Statistics Canada data and other industry statistic, reports and charts can provide better proof of need for your protection plans and products.
- ◆ Physical displays: Some examples - sheet metal that is half treated with a paint sealant, a gas cap that is half treated with paint sealant, treated tissues or cloth with fabric protection, a piece of leather that is half treated with your leather conditioner, pictures of a hood that is half treated with paint sealant showing how water runs off, litre-sized paint cans with marbles in them – one can is treated and the other is not, stone guard applied on the front of a vehicle in the showroom, window tinting applied on a showroom vehicle, accessories installed on showroom vehicles or magnetic cling-ons, window cards or toppers that plant a seed for vehicle protection products or protection plans.
- ◆ Videos, slide shows or audio slide shows – using suppliers' videos or producing slide shows or audio slide shows about your protection plans and products provides quality presentations that are far more engaging. Many Business Managers are moving to this strategy.

Focus on creating proof of need, better strategies for describing the features and benefits and remember to close with options.

"Before my one on one training with Wye, I was at \$1100 per copy. Last month, I averaged \$1800 and this month I'm tracking \$2550!"

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