

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.

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Menu Step-Selling: the new trend!

Now that's a great example of an oxymoron isn't it?

Menu step-selling is now proliferating Business offices across the country with great success mainly in response to the increasing number of products that are now being sold. One of step-selling's drawbacks is that many Business Managers do not present all of their products using this sales process because their customers grow impatient and the turn over is cut short. One of the



Dealers need to maintain a healthy book of business with their lenders. Statistics on repossessions and delinquencies for each dealership are reviewed and used to help manage approval rates.

advantages of menu selling is that all of the products are presented at once giving the customer every opportunity to purchase. This concept of step-selling using a menu was developed as a result of the myriad of financial protection plans that are now available and in response to those Business Managers who insist on step-selling their products.

One of the most common strategies that is now being used is to step-sell loan & lease protection plans using a

menu table. This strategy and tool can be utilized during the credit application, immediately after the credit application, after either an extended warranty or a vehicle protection presentation or at the delivery turn over.

An example of a "Financial Protection Plans" table menu is provided on page 3 to give you a better idea. The customer is presented with all of the protection plans as payments and asked which ones they would like to register.

Improve approval rates and future 'Prime' business:

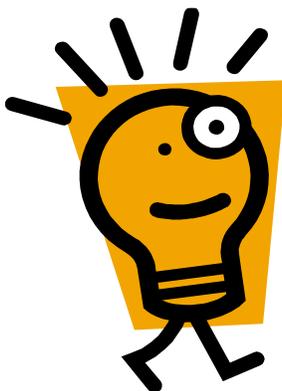
Business Managers and salespeople can help improve their dealership's approval rates by coaching their customers on the importance of maintaining vehicle payments and how to improve their credit scores.

Some dealers call this procedure "the riot act." Pro-active dealers have even developed a "Credit Recovery" manual that they provide each of their non-prime customers at delivery laying a foundation for future prime sales.

Bring more value to your sales meetings other than talking about F&I products:



SALES TIPS:
Have a copy of Revenue Canada's tax regulations regarding writing off a lease payment. Use this information to rationalize extra product sales: "Most people in your situation will maximize their write-offs and register all the protection plans they can."



How about sharing some sales tips with your sales team at your next meeting? Here are a few ideas:

► When fielding a sales call, don't answer, *"Sales – this is Jim Norton speaking. How can I help you today?"* Answer a sales call like this, *"It's a great day at ABC Motors. I'd love to help you today."* The second response is an assertion rather than a question which will make your salespeople sound unique and engage more customers.

► Jackie B. Cooper once gave this advice at a workshop: *"Never forget your customers and never let your customers forget you."* He said that if you practice that philosophy, you'll have a very profitable career. One of Canada's top salespeople today adopted that strategy and practices it by simply booking all of his clients' service appointments - he speaks and sees them all the time.

► Pick one of your oldest used vehicles in stock and find a walk around video on YouTube to show them. Visit auto123.com and show your salespeople how they can find all of the specifications of that vehicle. Your Used Vehicle Manager will appreciate your research and effort as well.

A dealer's hidden treasure—the non-prime customer base:

This is a hidden treasure for many dealerships yet, most are either unaware or ignore the opportunity. Most dealers/managers believe that calling these customers is an exercise in futility as there is usually negative equity to have to deal with. The reality is that if the customer has not incurred any further derogatory credit, has

► Introduced leasing as a concept comparing it to buying fruits:

"Wouldn't it be great to buy bananas without having to pay for the peel as well?"

► If a customer tells you that they don't have enough time, just respond in the following way: *"No problem – just let me know when you have to leave."* Since the time issue is just a defence mechanism, the objection is dismissed allowing the salesperson to move through their sales process. Your team will love you!

► Have your salespeople share these statistics to "WOW" their customers. *"In a recent June 2012 IIHS report revealed that ESC has been found to reduce fatal single-vehicle crash risk by 49 percent, fatal single-vehicle rollovers by 75 percent for SUVs and by 72 percent for cars and reduces single-vehicle crashes of cars by 32 percent and single-vehicle crashes of SUVs by 57 percent. NHTSA estimates that ESC has the potential to prevent 72 percent of the car rollovers and 64 percent of the SUV rollovers that would otherwise occur in single-vehicle crashes."*

Increase your asset value by sharing tips that can help your salespeople sell more cars and not just more rust proofing.



maintained their job stability and made their payments on time, they will be eligible for a far lower interest rate solution. Even with consolidating some negative equity, most customers are able to step into a newer vehicle with lower kilometers and more warranty for about the same monthly payment or less - this is terrific news and it costs you nothing to call.

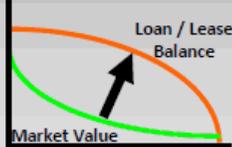
Menu Step-Selling: the new trend!

(Cont'd from page 1)

Insert
Dealer Logo
Here

Financial Protection Plans

Insert
Dealer Logo
Here

<p style="text-align: center;">Lease Protection</p> 	<p style="text-align: center;">Guaranteed Auto Protection</p> 	<p style="text-align: center;">Full Term Basic</p>  <p>Extends the complimentary Coverage for the full term and increases the benefit to \$10,000</p>	<p style="text-align: center;">Full Term Estate</p> <p>Pays up to \$20,000:</p> <ul style="list-style-type: none"> ■ Loss of D.L. ■ Accidental Death ■ Critical Illness requiring hospitalization ■ Death due to C.I.
<p style="text-align: center;">Full Term Elite</p>  <p>Pays up to 8 payments in the event of a change in either your health or employment</p>	<p style="text-align: center;">Family Protection</p>  <p>Pays the complete outstanding finance / lease balance in the event of death</p>	<p style="text-align: center;">Illness/Accident Payment Protection</p>  <p>Unlimited number of payments are made on your behalf in the event you are ill or injured and unable to work</p>	<p style="text-align: center;">Critical Illness</p>  <p>Pays the outstanding finance / lease balance in the event you were critically ill and survived 30 days</p>



“I’ll buy the warranty just before my comprehensive warranty runs out.”

“I hope you don’t mind me saying this, but in my experience as a Business Manager, I’ve met many people that have had the same good intentions. But three years from now when you’ve been driving a vehicle that’s been trouble-free (and that you’ve enjoyed), it’s not likely that you’ll put a note on your fridge to run down to the dealership and pay cash-out-of-pocket for an extended warranty.

Unfortunately, people don’t see the benefit during the first few years of vehicle ownership, but rather after the comprehensive warranty expires. Then it’s too late to register a plan.

One of the features that you will enjoy from day one is the rental vehicle allowance. (your manufacturer) does not provide for a rental vehicle at any time and being mobile is not a privilege

today but rather a necessity.

I can include the coverage in your payment today for just \$16 bi-weekly or about \$1.14 a day which is the cost of a cup of coffee. You’re also protecting yourself from future price increases on the coverage and changes in the covered items.”



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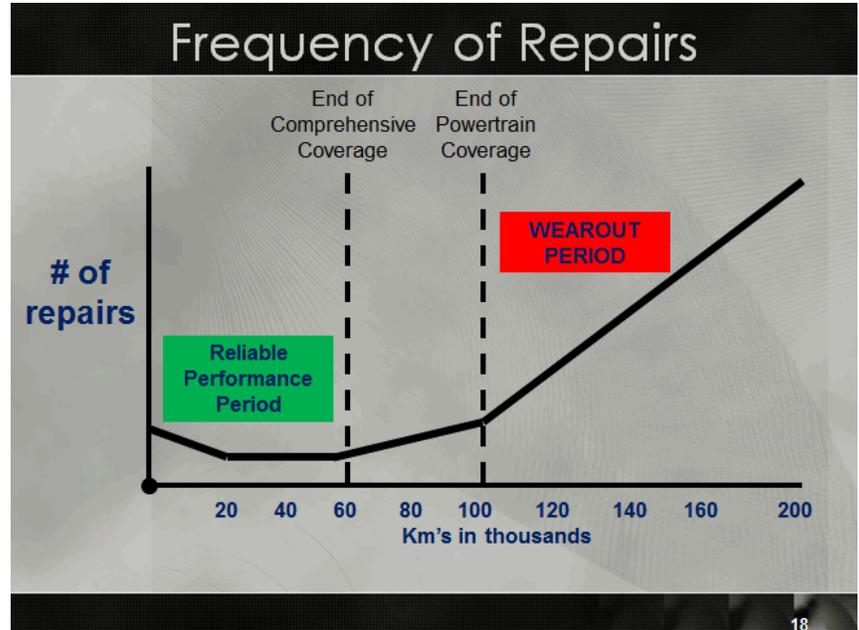
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Boost your extended warranty sales:



You can't just tell customers that they need an extended warranty, you need to show them. Wherever possible, graphically show your customers proof of need. Other ideas would include:

→ Showing a graph illustrating the probability of using an extended warranty
→ Showing at least 3 repair orders from your service department:

1. a \$500 to \$1000 repair
2. A \$1000 to \$2000 repair
3. A large one over \$3500

→ A chart showing the rising cost of repairs

→ a flip chart with a clear plastic cover showing all of the comprehensive coverage allowing you to peel it back to show what is not covered—this is a powerful tool

→ use rebuttals and analogies that relate to a customer's personal life and how they cope with unforeseen and unexpected surprises

One of the keys to overcoming cost and value objections is to address them in your presentations by inserting rebuttals so that when you attempt to close a warranty sale, the customer's concern about the need or cost of the warranty has already been addressed.

"Last month, I had 113% insurance penetration on my deals. I sold 3 customers his & hers' WalkAway™ protection plans."

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