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The call for transparency is giving rise to one type of F&I manager and forcing two others into extinction. The magazine's resident F&I trainer explains.

By **Gerry Gould**

Most F&I managers fall into one of three categories: those who need an advantage, those who take advantage and those who create an advantage. Most of us started out in the box as the first type. We needed a little boost or maybe even a presold



Becoming the Ideal F&I Manager

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product every now and then. But it's what we did during that initial phase that determined our course in this business. So which type of manager do you think you are today?

F&I managers who fall into the "take advantage" category are those who became addicted to the advantage they received when they first started out. Yes, they do hit those advantage-filled deals out of the park, but that's before the charge-backs boomerang back to the dealership. The biggest problem those managers face is that they strike out when thrown a curveball. Eventually, they figure out that they need to hone their skills and broaden their range to advance to the next step. ... At least, we hope.

The same can't be said for those low-performing "needs an advantage" managers. These are producers who simply can't recognize what it takes to succeed in the F&I office. Remember, what separates "needs an advantage" from "create an advantage" is their unwillingness to prepare for when things go right or wrong.

That's not a problem for those managers who "create an advantage." Their willingness to prepare is rooted in their desire to succeed and their refusal to let anything stand in their way. They take charge of their destiny by doing what it takes to do things right and ethically. To them, transparency is a good thing, and cutting corners is simply not in their DNA.

A Different Animal

F&I managers who "create an advantage" are prepared for the day the moment they start their cars in the morning. They always have a game plan, but they're not afraid to call an audible when needed. They're confident and enthusiastic because they're full of industry and product knowledge. Further, their credibility is driven by their professional appearance and demeanor. Their focus is on producing over-the-top results, which they achieve by ad-

hering to a process and by never, ever procrastinating.

You'll typically find "create an advantage" types looking for sales opportunities in the service drive or customer lounge. They may also be hanging out in the business development center or meeting with the Internet manager to see what opportunities may be going unnoticed. And when they're not with a customer or rehashing a deal, they're in the showroom observing and assisting sales managers and consultants. They also take time out of every working day for contracts-in-transit meetings.

"Create an advantage" managers always know when a deal is coming. Many of them adhere to an interview process, which allows them to tailor a presentation specific to each customer. And when using the F&I menu, they present options in a consultative manner. They never sell — at least, until the customer says "No." See, "create an advantage" gains a customer commitment through intelligent and logical dialogue. That's because he or she has a knack for creating a stress-free environment. That's just how they do it.

Choose Wisely

The goal for any F&I manager is to exit the "needs an advantage" stage within six months. Any longer and you risk becoming a "takes advantage" manager.

Now, the one thing "takes advantage" managers have going for themselves is creativity. They always know how to manipulate the figures in their favor. They would never try to justify selling \$70 a month worth of product without that \$30 leg. And it doesn't matter if they're selling an \$1,800 service contract or a \$599 theft-protection package; all products can be had for an additional \$20 a month. See, their favorite customer is the one who agrees to 84 months without knowing the term or the rate.

And you can forget about sending "take advantage" a cash or lease deal. He or she doesn't do those types of deals. And forget about

contracts in transit. To them, CIT stands for "cash it tomorrow." And you'll never find "take advantage" interacting with salespeople. As far as they're concerned, customers can wait until they're good and ready to see them. See, the only two letters "take advantage" managers see in the word "team" is the "e" and the "m" — "What's in it for me?"

The way to spot "take advantage" managers is to look at their résumé. You'll find they tend to take their act from dealership to dealership like a traveling circus. And you'll always find "take advantage" rationalizing his actions by saying things like, "That's how it is in the car biz."

Nothing could be further from the truth. Yes, the F&I office can be a tough place to work. But real pros don't get bitter, they get better. They direct their energy toward creating advantages through proper planning and preparation. And don't forget to be honest and forthright. You will be pleasantly surprised at the results.

Break the Cycle

The root of all dealership problems is consistency. See, processes must be followed and enforced. Unfortunately, rather than embrace a process and manage exceptions, the exceptions become the rule for most dealerships. Well, it's time to break those rules.

Look, today's customers demand a lot. They've been calling for transparency for years and it seems like they're finally being heard — both by those of us in the business and by those who regulate it. But here's the good news: Most customers know what they want and are willing to tell you if you let them. And if they feel like they're being taken advantage of, they'll just walk away.

The "create an advantage" F&I manager knows this and will use it to his or her advantage. So, I ask you: Which type are you going to be? ■

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