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The Tour That Drives VSC and PPM Sales

THE BEST WAY TO SELL A VSC IS TO CREATE AWARENESS OF THE NEED FOR SERVICE AND TO DEMONSTRATE YOUR ABILITY TO HANDLE IT. F&I TRAINER EXPLAINS HOW A QUICK TOUR OF YOUR SERVICE AND PARTS DEPARTMENT CAN DO JUST THAT.

By Gerry Gould



If you've been in the business any amount of time, you've already heard a number of tips, tactics and techniques for presenting vehicle service contracts. It's a popular topic among trainers. But every book, CD, seminar or article like this one tends to point to a specific factor that, when captured, can have a profound effect on your ability to gain a customer's commitment to purchase a VSC. That factor is consumer awareness.

Simply put, your customer is not going to buy anything until they are aware they need it. There are many ways to articulate that need: There's the "99.9% perfect" rebuttal, or the "One day in the shop," or the "Why do you think the manufacturer gave you a 3-year/36,000 warranty?" responses. They're great word -tracks, but, when it comes to VSCs, the single most effective way to create awareness among your customers is to show them.

There are two opportunities for offering a customer a VSC: at the time of purchase and every time the customer returns to the dealership for service — that is, if they didn't elect to purchase the VSC in the F&I office.

Creating awareness is critical to gaining a purchase commitment, but it can be difficult to broach the subject. That's especially true for a new-vehicle purchase. The odds, however, tend to tilt in your favor as the customer gets closer to the end of the factory warranty. So, how do we create better odds in the F&I office at the time of purchase?

To visually create a need for a VSC in the F&I office, you need to send your customer on a service walk-through. Ideally, it should be performed by the sales consultant after the F&I manager is introduced and while he or she is getting the paperwork ready.

Guided Tour

The service walk can be one of the most influential steps on the road to the sale. Many salespeople don't like this step, but the reality is a service tour adds value to the sales presentation by providing a few more reasons for doing business with your dealership.

A quick tour of your service and parts department creates awareness in two key ways:

Service: Seeing cars on lifts will remind customers that their own machine may one day break down or need repairs. However, it's important that your salespeople point out just how much the dealership has invested in diagnostic tools and to train, retrain and certify mechanics. It's also important for the sales consultant to point out that the store's mechanics have invested upwards of \$15,000 in specialty tools to service vehicles.

Parts: Taking the customer on a tour of the parts department — where the dealership stocks more than \$250,000 in parts and supplies each month — also lets the customer know that your dealership is armed for more than just oil changes and tire rotations.

Back in the Box

The service department is great at creating awareness, but it's up to the F&I manager to take advantage of the awareness created during the service tour when making his or her F&I presentation. Doing so will take more than word-tracks, because the key to keeping that awareness alive is to recreate the feeling the customer felt while walking the service and parts department.

First things first: If your sales consultant has not taken the customer on the tour, call him or her into your office to do so.

F&I manager: Did your sales consultant show you our award-winning service department?

Customer: No.

F&I Manager: While I'm getting the paperwork ready, I'll have your sales consultant introduce you to one of our service managers and set you up for your first oil change.

Scheduling that first oil change gets the customer thinking about how they'll maintain and service their vehicle. It'll also remind the customer of the thousands of dollars the dealership invested to keep the parts department well-stocked and the service department well-equipped.

With sales and finance working together to create awareness, you're getting closer to gaining a commitment from the customer to purchase a service contract or prepaid maintenance plan. Now let's review a couple of word-tracks to hammer the message home:

1. Prepaid Maintenance: Scheduling the customer's first oil change is the perfect lead-in for presenting a prepaid maintenance program. Here's how it works:

F&I manager: Now that you're set up for your first oil change, you have an opportunity to take advantage of our prepaid maintenance program. May I share the benefits with you?

Customer: Sure.

2. Vehicle Service Contract: Here's a way to go when your customer says, "I won't need that."

F&I Manager: I understand. I don't expect you to enroll in the vehicle service contract if you don't see any value in it. To see if it would be beneficial to you, do you mind if I share something with you?

Customer: Sure, go ahead.

F&I manager: When you took a tour of our service and parts department, did you happen to see those large toolboxes the mechanics had nearby, the diagnostic equipment and vehicles being repaired on the lifts?

Customer: Yep.

F&I manager: Each one of our certified technicians keeps nearly \$15,000 worth of tools in their toolboxes, and our parts department stocks an average of \$250,000 a month in parts inventory. We made that investment to ensure our dealership would be capable of doing more than just oil and filters. Vehicles today are more dependable than ever before, but the fact remains that they still can suffer costly breakdowns. Have you thought about it in that way, or do you have other concerns with the program?

There are many ways to sell VSCs, but if you want to increase your sales chances, consider the service walk as the essential ingredient to creating customer awareness.

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