

POWERFUL SOLUTIONS

For maximum F&I profitability

Come Out From Behind the Curtain

Mr. Wizard

"Customer Profiles"

Are you relying on an interview with your salesperson, at the time a deal is turned over to you, to determine how you submit your deal to the lenders?...how you formulate your menu?

DON'T!

If you have been, don't be surprised to discover the terms you present to the customer (both in regards to finance and your service contract offering) don't meet the customer's needs and wants. Scrambling to reformulate your menu in front of the customer doesn't instill confidence and compromises your credibility; neither of which bode well for your prospects of a productive transaction.

Instead, consider this. Create a "Customer Profile" on your company's letterhead. As soon as the deal is turned over to you, spend about 3-5 minutes reviewing the deal for completeness. (If possible, have the salesperson sit quietly while you conduct the audit so that if anything is missing from the documentation, they may be instructed (politely) to retrieve it.) Carry the deal with you out to the customer for your interview with THEM. By putting ourselves in front of our guests, within as brief a period as possible, we "reset the clock". They now know we are working on their deal and not ignoring them or hanging out-back, drinking coffee and smoking cigarettes.

Greet your guest(s) with a warm smile and firm handshake, "Hi Mary, hi Mike" (always presenting yourself to her first, if applicable). "My name is Erik Landrum. I'm the Business Manager. Congratulations, who's the lucky one getting the new car this time around?"... "Congratulations, Mary, where are you taking the first trip in your new car?"... "Guys, I'm here to take care of three things for you today"..."I'm going to complete and review your paperwork, secure financing for you, if any, and get you on the road as quickly as possible. Let's get started."

From here, you'll proceed directly to the interview conducted on the "Customer Profile". You'll find that at least one of the guests (where spouses are concerned) will watch you very closely while filling out your profile. This is expected and encouraged. Write down, in long hand, the guest's answers to all questions. No shortcuts!

**especially for you creative types, do not change the order of the items. It should look like this:*

CUSTOMER PROFILE

1. **Titling Information** -Verify you have the names in the proper order. State, "Folks, for titling purposes, the way the deal was brought to me, we're going with Michael T. and Mary A. Smith. Is that correct?" Salespeople almost always list the gentlemen's name first without asking the client's preference. We don't want to further this misstep. Let's give Mary the opportunity to correct the record, if applicable. Encourage the use of the full name (Michael vs. Mike) along with middle initials. Far more often the case, this will typically match the government issued ID and prevent funding entanglements, which may otherwise occur. You are immediately impressing upon them that you care about specifics, accuracy, and preferences.



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2. **Address** - "And the address is 123 Main Street, Anytown USA, 12345, is that correct?" How many times have you loaded a deal, submitted it to a lender, and pre-printed a bunch of documents only to discover the guest(s) want a different address utilized. Don't waste time, paperwork, and effort. Verify the address and spare the salespeople a lecture after the deal. It's our responsibility to discover these things.

3. **Insurance Coverage** - "Your insurance coverage, is it full coverage or liability only?"

4. **Deductibles** - "Your deductibles, are they \$500, that's what most people have?"

5. **Trade Title** - "Your trade title, is it here with you today?"..."No"..."Don't worry guys, I hear that all the time. Do me a favor, don't sign it ahead of time. I'm supposed to witness the signatures. You don't have to be here at the same time, but I will need you both to sign it. When is the soonest you might be able to get it to me?" Again, we care about doing things correctly. This may lead to a little inconvenience, but it's the right way. Avoid not witnessing the signatures and no matter what, never allow someone to sign for another.

6. **Lien Release/Trade Payoff** - "I know you didn't bring your title with you today, but did you happen to bring your lien release?" This statement is made while circling the words "lien release" even if you know there is a payoff. Why?...This is the best way I have discovered to reinforce in the guest's mind(s) that they need to account for the payoff in the finance equation. I'll explain...Have you ever sat with a guest who thinks that because your store is buying their old car for \$10,000 that they don't have to add back in the \$10,000 payoff? In other words, they think what they should be financing is the trade difference, not the trade difference PLUS payoff. This technique seems to help remedy this problem. The guest(s) will respond, "Oh, we don't have a lien release, we still owe money on our old car." To which you respond, "Who is the lien holder?", while crossing out the words "lien release" and circling the words "trade payoff". Write down the lien holder's name and don't be surprised if it's different than that which was supplied by sales. The information folks read on the internet often advises providing improper information when confronted with this question by a salesperson. The guest will shoot straight with the Business Manager because they have already accepted a trade vale and aren't worried that all we'll offer them is what they owe.

7. **Method of Payment** - "What's our method of payment going to be today?" to which the guest may reply, "What do you mean?" You might follow by stating, "Would you like me to secure financing or were you going to pay cash? I hope you aren't bringing me rolls of pennies. The gals in the office nearly killed me the last time that happened."

8. **Term** - "What terms did you have in mind?", if applicable.

9. **Money Down** - "How much money down?"

10. **Trade Cycle** - "What do you expect your trade cycle to be, Mary?" Mary will probably respond, "What do you mean?" "Any idea how long you'll keep your new car this time around, Mary?"

11. **Miles/Year** - "How many miles do you drive per year, Mary?" Resist the temptation to glean this information from the trade. Mary's driving habits may have recently changed, she may have purchased the vehicle used, or inherited it from someone who drove 5,000 miles per year for the last 5 years. Ask.

12. **Maintenance** - "Where do you typically do the maintenance on your cars?" If she responds, "Where I buy them", you'll follow with, "we're confident you'll love our service department." If she responds with anywhere else, you'll follow with, "I'll share with you some very cost-effective ideas for maintaining your new car."

Close you interview with, "that's it guys, I have everything I need to get things ready. I'll have you back to the business office as soon as possible." Do not state a specific time. If you say 20 minutes and it has been 21 minutes, you're dead meat. "May I get either of you something to drink?"

Hopefully this will save you a little embarrassment when you are trying to present your menu. Your customers will appreciate your thoroughness and accuracy. Credibility increases and, as a result, so will your productivity. The entire interview should take no more than 5 minutes but could save everyone concerned far more time than that. Remember, keep it light and inject a little humor anywhere possible all the while giving a professional first impression. Remember to use their names often. Folks love to hear their names. Even though the time invested in the interview process is critical to securing much needed information, it is also critical for rapport building.

Good luck and remember *"Quality is not an act, it is a habit."* - Aristotle.

Thank you,
Erik

