

POWERFUL SOLUTIONS

For maximum F&I profitability

Clerking Outside Liens versus Managing the Business

Have you seen a few outside liens lately? It seems to be occurring with a little more frequency. It's a leading complaint I've been hearing about and is not surprising considering the availability of money, and the ever-increasing level of competition in the market. Money is everywhere! It would appear a new Credit Union rooftop pops up every few weeks. Insurance companies have gotten into the act. Lender ads present themselves regularly in various forms of media...all vying for your guest's business.

Most lenders with whom I have worked usually require a signed Buyer's Order, before they'll cut a check, for the purchase of a vehicle. This, naturally, puts one of your salespeople in the loop, as a facilitator, and you with NO control over the situation! Frustration mounts, income is lost, and our guests aren't well served.

"I wish I had known about all this stuff BEFORE I did my loan", seems to be the common reply to our after-the-fact menu presentation. We all know the typical outcome when this transaction is completed, with a draft issued by a lender, on a loan we didn't originate. AND the guest is mad at you, to boot!

Instead of suffering from further loss of control, you dutifully clerk-it on through. At least until the guest leaves...

This is where the process usually breaks down further. The betrayed Business Manager lashes out at the offending Salesperson and the drama gets thick. Feelings are hurt and egos surface. Productivity has been stifled and the concept of "team" has left the building.

Check your choke-hold at the door and reach out to the Sales Manager, instead. Ask that you be allowed the opportunity to T/O every guest before they leave, if not taking delivery today. Once this arrangement is agreed upon, follow through. Don't be caught "too busy" to uphold your end of the bargain. Get in front of these folks and impress upon them that you are here to help.

Consider the following:

"Folks, as hard as you've worked to ensure you're saving money on your new vehicle purchase, let's make sure you get the most for your money, ON THE MONEY... sound good?"

If you aren't asking this, or a similar question, before your sales guest(s) leave(s) to make their own finance arrangements, you aren't maximizing potential service to these folks.

Have you explained that you adhere to strict confidentiality policies that protect their personal, private, non-public information?

Have you made them aware that doing all of their business with just one lender may present issues down the road, should they need a loan for other reasons?

Have you explained that the GAP coverage their insurance company "includes" may present a conflict of THEIR interest?

Have you introduced the possibility of cross-collateralization, and the ramifications?

Have you made it clear that your lenders typically offer the same conveniences as their previous choice for money?

Have you made them aware of your "buying power" where terms and rates are concerned?

Are you intimately familiar with the programs your lenders offer and with whom a particular guest will receive the best call?

What other substantial reasons could you provide your guests with, in addition to taking advantage of your products, for doing all of their business with you?

Give it a try.

Good luck and good selling!



Partnership + Performance = Profit