

POWERFUL SOLUTIONS

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Sharing, Believing, and Cringing at the BAD Karma

More than a few years ago, as a Salesman, I would commonly field a Guest's question, "Erik, what do you think about those extended warranties?" The response was always the same. "Guys, the best way I can reply to that, is to say that, I will NOT sell a vehicle, to a family member, without a service contract. The last thing I want to be talking about at Thanksgiving dinner, *or any other time*, is their busted: transmission, moon-roof, A/C, power window, automatic temperature control, leaky this or that...you name it."

And that was BEFORE the enormously expensive systems we have now (and their related integrated component architecture) like: touch-screen radios, dynamic stability control programs, lane departure systems, rain-sensitive wipers, full surround/over-head camera views, headlights that look around corners, etcetera. We could wear each other out, trying to review it all!

The Guests would then inquire, "how much do the service contracts cost?"

My response was, "those are the easy details and they have some really good options. It's taken care of in the Business Office. Let's get this buttoned up so they can help you."

That's IT. Nothing more needs to be said on the subject. Let's keep it simple.

The point here wasn't to try to sell a vehicle service contract or do the Business Manager's job. I was stating a fact. I did NOT sell a vehicle to a family member (*or anyone else, where avoidable*) without a VSC! The motivation for the advice was simple. I was allergic to charge-backs and was in it for the long haul. I knew my Guests were far more likely to come back to me, for their future vehicle needs, when they purchased a VSC. Why? Because someone else would be paying those massive repair bills (when they occurred) for ALL covered PARTS and LABOR, less the deductible (if there even was a deductible)!

Coverage counts.

That's why I would share the same sentiment when a Guest would ask about coverage on any previously enjoyed vehicle. I never attempted to over-sell the coverage on the 'Buyer's Guide'. "Folks, you'll receive the balance of the factory coverage" (where applicable) -OR- "we provide you with one month, one thousand miles, whichever comes first, on the power-train. We pay 100% of the parts and labor, after the \$100 deductible." The overview of the existing coverage would be concluded with, "additional options may be available." This statement would trigger an inquiry, by the Guest, as to what I meant by "available", providing a segue to opening a dialogue regarding VSCs.



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Partnership + Performance = Profit

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Sharing, Believing, and Cringing at the BAD Karma Continued....

To be clear, I'm not saying my exact words have to become yours. This was how I conducted business. Hopefully you can share, with your Salespeople, a similar sentiment you may have advised YOUR Guests based on your prior experiences.

Undeniably, it is easy to see I believe in the products we offer in the Business Office.

Recently, the mindset was reinforced when Mom reached out to me, once again, regarding her vehicle... grateful for her VSC. This time she benefitted by not having to pay a \$2000 bill (on one of those makes that 'never fails'), and it isn't the first paid claim on this vehicle. Then there's my sister, who renewed coverage on one of her family's vehicles (once it hit 100k miles) because they had already received *several thousand* in benefits, under their first contract!

Of course I take advantage of the protections available, as well, on my vehicles. This brings us to the last point...

I was working with a Business Manager who was beginning to review his menu on a deal. The Guests were a recently retired Business Manager and his wife. They were purchasing a high-end pre-owned vehicle. The gentleman interrupted, "you saw what I used to do, on the credit application, didn't you? I don't want any of that crap! I used to sell that."

WOW... talk about a cringe-worthy moment. If we don't believe in what we are offering, we may want to take a step back and re-evaluate things a bit. After all, there is good and BAD karma!

Think about it.

Good luck and good selling!

