

# POWERFUL SOLUTIONS

For maximum F&I profitability

## The Competition

Oddly, we haven't really reviewed this subject at length, before now (at least that can be recalled). It is an important topic, though, which certainly deserves review.

Criticizing the competition...

We all tend to develop loyalty to the home team. Whether this is our local sports collective, our automotive brand (for those of us working for a franchised operation), or the label of VSC Provider we offer (at least for those of us with top-shelf products), we all tend to look down our noses upon the competition. This is a normal function of our need to feel good about ourselves... whether that be via our local team or, in this case, via our products and services. In our zeal, however, we may sometimes become a little carried away, leading us to criticize our competition. This is not without risk as our enthusiasm may backfire if we create an adversary of our audience; the exact folks we are seeking to influence. Let's make up our minds, positive reinforcement (the preferred approach) or negative reinforcement (the dangerous minefield). It's easy to understand that, if we suddenly find ourselves challenging our Guest's past decisions (the majority of which we simply do *not* have the luxury of enough time to unpack), we may lose their ear.

An example of this may go something like...

"Mary, Mike... our program doesn't have all the gotchas like they do over at XYZ Motors. Their program isn't much more than a forced attrition "loyalty" program. This means that if you slip-up, one time, and don't do all of your required maintenance, repairs, and Christmas-card mailings at the exact required date, time, and mileage... they'll bounce you right out of your coverage!" And this is equally applicable to criticism of the VSC offered at their credit union. This would go something like, "And that VSC they offer over there at Hometown CU is garbage! Just ask my Service Advisors, they'll tell you, 'It's crap! They don't pay claims and we stopped accepting them.'"

WOAH! This approach is *not* going to win us any popularity contests, particularly if our Guests previously did business with those entities or purchased those products. If this is the case, we have now made our Guests feel as though they are fools, and we have become tyrants pontificating from the Tower of Babel.

Perhaps, *instead*, we may choose to deliver our message as follows...



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## The Competition (continued)

"Mary, Mike... the piece-of-mind our program provides may sound too good to be true, frankly, but it truly is fantastic. There really aren't any gotchas. We have ZERO desire to see your coverage lapse. All that is required of you is to do the Manufacturer's minimum required maintenance, based upon your driving conditions and circumstances."

And (provided the following is applicable), we may continue, in part, only to the extent as is required...

"You do not even have to come back to our store for your maintenance or repairs. We do, however, feel that you will get your *best* service right here with us... taking advantage of our top-shelf, award-winning TEAM of factory-trained Technicians, working in our outstanding Service Department. Results continuously confirm that our *happiest* Guests are those who pay *nothing* for their repairs, for *all* covered parts AND labor, less their deductible, and we are even going to take care of that for you," (provided we are offering a disappearing deductible) "when you take advantage of *our* facility! Afterall, it is HERE that we can control the quality of the service you receive, not somewhere else. We have every reason to see that you remain well cared for. Additionally, when you consider the situation, it isn't hard to understand why we have partnered with the BEST Providers in the industry. When your vehicle gets sick, and you come in for the diagnosis... you will quickly see that we have done everything possible to ensure you get the GREAT news, right behind the BAD. It is a *direct* result of our partnership decisions that our Service Writers will have a far greater chance of delivering terrific news, following the sometimes awful. That conversation would sound something like, 'Mary, Mike... we've got bad news, and really *great* news. The *bad* news is your car is going to need \$3927 worth of attention to get you back on the road safely! The *great* news is SOMEONE ELSE is going to be paying that bill for you!!!' That's it! *That's* what you want to hear. Purchasing a contract from someone who won't be delivering the bad news may result in contract shortfalls, when you consider it that way..."

Let's keep them on our side and leave the rivalry at the game!

Think about it.

Good luck and good selling!



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