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Shedding the Look

Some of us (Finance Directors, in particular) currently find ourselves incredibly busy tackling all the process changes required to ensure compliance with the new Safeguards regulations. Coupled with all the other daily grind issues (chasing stip, funding delays and CIT's, keeping up with current Lender programs, ensuring our Guests have proper access to the best programs available for their particular situation, etc.), and we could usually fill two workdays with the requisite content of one.

Some of us, on the other hand, find ourselves with a little more downtime than what is customary. Due to current market conditions, many areas are experiencing a precipitous downturn in volume. It's real, it's happening, it isn't isolated, and the result is a noticeable look of concern/fear in some Business Manager's eyes. Many are asking, "How long do you think this will last? How are other stores doing? How do I contend with these outside liens that seem to be increasing in frequency, daily?"

First, let's consider the look. It isn't going to inspire much in the confidence department, and we are all aware that the sale of intangibles requires the institution of healthy doses of confidence to get the point across! To shed the look, we'll address the concerns...

Regarding the first concern... no one can say how long it will take our Guests to embrace the reality of current market conditions: inflation in general and the associated automotive prices, the interest rates, the lack of availability, etcetera. One thing is sure, though... these issues culminate to create a scenario where our Guests are *likely* considering longer trade cycles. Couple this with the fact that Manufacturers aren't increasing their warranties to meet this need. No one wants more financial exposure! Our Guests certainly don't want to assume all the related expense that comes with the ownership of a vehicle, after the Manufacturer has taken said exposure off *their* plate. As a result, receptiveness to our message about the shelter we provide from such financial calamity has increased. This should help with the confidence quotient.

To the second concern... how are other stores doing? Of course, they *are* encountering the same market forces. It's how they are reacting to these issues which creates the winners and the also-rans. For example, regarding outside liens... the internet has long been unkind to our industry. Perhaps our Detractors all hail from the pool of 'has-been car people'. Regardless, it's as though anyone doling out the free advice (we'll forgo the cliché) coaches our Guests to seek financing outside of *our* organization.



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No one is launching a nationwide PR campaign to save us from this negativity. It is up to us.

Perhaps, if we find ourselves possessing a little newfound free time... we could proactively get involved. In coordination with the Sale's Desk, let's make ourselves available to our Salespeople's

Guests before they become our Guests... handing us a check from an outside lien. When the need arises, let's ask these folks what concerns they have about arranging their financing needs with us??? Let's carefully listen to the response and address their concerns, explaining how we will cater to their needs. In addition to all the standard bill of fare regarding our buying power and the negative ramifications of cross-collateralization, what else might we explain?

How about assuring them that we will *not* submit them to several different Lenders for a look, and that we adhere to the strictest confidentiality requirements regarding their personal, private, non-public information.

And, probably *most* importantly... we will share with them that by scheduling their financing needs through us, they can take advantage of *the* industry-leading products we have available to shelter their massive investment from the unknown! Afterall, as we have reviewed previously, it isn't hard to understand that the organization responsible for keeping their vehicle on the road, *our Dealership* (should they choose us), is going to source the products with the *highest* likelihood of paying for all those repairs. And, when they enjoy all the benefits that come with using *our* Service Department, we will even pay their deductible *for them* (provided we are offering a disappearing deductible, of course).

Let's get involved, shed the look, and get our confidence back.

Hat tip, Anthony B.

Think about it.

Good luck and good selling!