



F&I is all about reaching goals. You can do \$1,000 F&I per retail unit — if you believe you can do it.

By M. M. Gordon

F&I School Highlights \$1,000-Per-Deal Goal

The 13 students in the F&I course had barely settled into their seats on a wintry morning last February when the instructor fired off a direct challenge.

No class introductions, no outline of what the self-styled “seminar” would present, no “I’m so-and-so, the champion F&I manager who works for Van Tuyl or Bill Heard,” no computers or video cameras.

None of that jazz; just a straight-to-the-point challenge that any dealer boss of the F&I managers on hand would appreciate. You can do \$1,000 F&I per retail unit — if you believe you can do it. You should tell your manager constantly that’s what you will do. F&I is all about reaching goals.

ASPIRE TO ACHIEVE

By laying out what the business managers sitting around the U-shaped table in Detroit should aspire

to achieve right off the top, Ron Martin got his two-day “Vision of F&I” course off to a lively start. The intent was twofold: To focus on personal incentives as a goal back in the F&I office, and to line every

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Convey a Positive Message

Read books by salespersons about selling techniques that work. F&I is a great spot to convey a positive message throughout the dealership, which can be done at sales meetings. They’re selling against competitive vehicles, which can get negative. You’re selling needed products, like service contracts, GAP, credit life and health, maintenance — all positive. Plus, you’re selling your dealership as the best place to finance that new vehicle.

F&I subject to follow with the concept of helping to achieve that objective.

It was a marked departure from F&I classes that concentrate only on details of F&I projects and services, the how-to of closing and meeting objections, "role playing" sessions live or on video cameras set up nearby, and the stresses of dealing with adversarial salespersons.

Martin, based in Fort Wayne, Ind., certainly touches in detail on all the ingredients of an F&I sales package during his two-day sessions. Service contracts, credit insurance, GAP protection, aftermarket sales, and the "hybrid menu" method of selling all get their time. But all of these subjects are presented with a feel-good shoot-high message — called appropriately by the mentor, just as it would be for an acting school or a tennis drill or a computer programmer's course, "Preparing Yourself for Superior F&I Performance."

Martin, who honed his skills as an F&I trainer at the highly regarded Western Diversified operation in Deerfield, Ill., firmly believes motivated F&I managers can attain maximum sales results day in and day out.

"Ron Martin is very inspirational," said student Vicki Rumbaugh, finance manager at Beckman Chevrolet-Cadillac-Oldsmobile, Defiance, Ohio. "You go back to the dealership with helpful points, but primed to aim as high as possible."

PASSING THE BATON

Using athletic analogies frequently (after all, the goal of any sport is to win), Martin compares the often edgy turnover process to "passing the baton on a track team." It should be smooth, and the F&I manager should be involved in every sales staff decision and meeting.

Martin agrees that the F&I job is the "toughest" in the dealership, not only because all the deals flow through the F&I office, but because of complex disclosure requirements, ever-changing incentive and lease payments, and "most importantly, the difficulty in managing time and appointment scheduling," he states with emphasis.

"That's where fixed and written-down

goals fit in," Martin declares. "First off, put the \$1,000-per-deal goal down first. Set a deadline for reaching it — not in 30 days, but a near-term date. Be flexible. Develop a plan. Never forget customer satisfaction. Try to keep your sales force from even mentioning F&I, because you'll always sell more F&I products and services than they will and the customers' interest won't be served when the salesmen mix into it."

Further, Martin urges the following: Read books by salespersons about selling techniques that work. F&I is a great spot to convey a positive message throughout the dealership, which can be done at sales meetings. "They're selling against competitive vehicles, which can get negative. You're selling needed products, like service contracts, GAP, credit life and health, maintenance — all positive. Plus, you're selling your dealership as the best place to finance that new vehicle."

SOFT-SELL IS EFFECTIVE

According to Martin, the soft-sell approach is proven the most effective in the F&I office, and that adds to the personal rewards you can take home day after day. "One of my favorite questions at the outset of an F&I sales session fits in with this approach. Not 'How would you like to finance your new Blazer,' but 'Is getting the best possible financing important to you?' That fits in with 100 percent CSI and all the rest of the items you'll be presenting off the menus," says Martin.

Like other F&I trainers, Martin's course is filled with specific advice on selling the various elements of the F&I package and meeting objections. "Objections are welcome as far as I'm concerned," he contends. "Objections show interest, and overcoming them in a non-controversial manner usually results in a sale."

With mostly Ohioans attending his Detroit classes, Martin notes that the Buckeye state's insurance commission was cutting credit life rates 10 percent and credit health rates 18 percent, effective April 1, 2002. "That's a great selling

point for a product being used more than ever," he said. "Case histories are everywhere providing great sales material, just as you can find on extended service contracts and GAP policies. Ask your insurance carriers for credit claim examples and your service managers for extended contract ROs."

Speaking of GAP, Martin called it the "fastest-growing product in the F&I field, as more and more damaged vehicles are being totaled. Most factory captives include GAP in their loan and lease con-

tracts, but many don't; do make sure your customers have it because they could need it."

As for service contracts, Martin offers a menu sales concept which he finds increases customers' comfort level and, not incidentally, hits that \$1,000 bull's eye. Under this plan, a base extended service contract would cost out at \$420; accident and health insurance, \$440; and GAP, \$140.

"The base contract, of course, could be widened; but it provides a security blanket beyond the factory warranty, plus road aid and trip interruption," Martin explained. "That leaves room for the credit insurance and GAP — and maybe, if the customer is shopping payments, leaves him or her enough cushion to buy Scotchguard, anti-theft or whatever."

"Encourage customers to choose off the menu," says Martin. "Choice makes folks comfortable — and they drive away in their new wheels feeling good about the deal, you and the dealership."

Back at LaRiche Chevrolet-Cadillac, Findlay, Ohio, veteran business manager Jim O'Donnell said the Martin course was "really useful in its focus on personal attitudes and customer satisfaction. I'm a journalism grad (University of Toledo), so I tend to be a questioner. But Ron is both knowledgeable and positive, which leaves you feeling highly motivated." ■

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