

# 12 Steps to F&I Success

By Jan Kelly

*Menus don't sell products — people do. But effectively using them as a tool during the deal will ensure more sales and full disclosure.*

**T**hink about driving by a fast-food restaurant. The aroma of burgers lingers in the air. Your senses tell your tummy a burger would satisfy your hunger. You go with fast food because you don't have much time. You need to be somewhere in 10 minutes. With time restrictions in mind, you stop, park your car, enter the lobby and approach a smiling young clerk who immediately says, "I can help you!" So you look at the menu and ask for a number four with a diet soda.

Now, did the menu you were looking at actually sell you the burger, fries and diet soda? I think not. The aroma tickling your senses created the need. The thought process began before you pulled into the parking lot.

## USE THE MENU TO SHOW VALUE

The same is true in the F&I office — the menu doesn't sell anything to the customer. The menu doesn't provide solutions. What the menu does is package the options available to the customer.

Back at the burger place, if you had purchased a burger and a soda separately or à la carte, you would likely have spent more than you did on the number-four "package." Maybe that's why the term "value" often precedes "menu."

However, the menu itself doesn't build value. Value in a product or service is created and sustained through communication of one person's need and another person's solution.

Be sure to establish value before you introduce cost. Is a price valid if the product doesn't meet the customer's needs? I think not. The price means nothing because the customer won't pay for a product that doesn't meet his or her needs.

## USE EACH COMPONENT OF THE MENU

Menus should identify the vehicle's selling price, any down payment, trade allowance and payoff. Payments must be quoted with terms and APR used to calculate the payment. The payment must not include any F&I products or services unless the retail amounts of the additional items are clearly identified and listed as optional. The customer has a right to know what the base payment is without any additional products or services. (Some states also require that retail prices of all F&I products are identified on the menu, in addition to the monthly payment.)

## USE THE MENU TO SUMMARIZE

Menus let the presenter show the customer the most popular product groupings in the shortest amount of time. Customers all have some place they must be in 10 minutes! Time is your number-one obstacle.

If you use the F-A-B (Features-Advantages-Benefits) outline to present the value of the products to customers and obtain the seven little "yeses" throughout the presentation, the only step that remains is to answer customers' concerns and ask them to select the plan that fits their needs and budget.

Using the menu as a summary of benefits — the first step in full disclosure — avoids the possibility of failing to offer everything to everyone. Fatigue makes cowards of us all. When the hour grows late and the lights are casting shadows we all want to use the shortest path to get home. Often the shortest path is to short-cut the presentation. Unfortunately, the quickest trip home can be the longest way

to meeting your sales goals, since people don't buy what they don't know about.

## USE THE MENU TO LET THE CUSTOMER CHOOSE

The professional finance manager acknowledges the nature of his clients. The marketplace is composed of informed buyers who, courtesy of the media, have at least one side of the F&I story. It's your responsibility to introduce customers to the rest of the story so they can make an informed choice.

Your customers want choices. They want to be in control. They want to save face. If they begin with a negative response and you make a case that leads them to purchase, they don't want to be insulted along the way.

When you use a menu, your presentations and closings will be more consistent.

## MAKE THE MENU PART OF YOUR PROCESS

Reevaluate your F&I process. The sooner you can get customers into the F&I office, the more receptive they will be to listening to the options for customizing the vehicle and loan.

Simply put, one size does not fit all. Each customer is different; each customer has a different set of needs. Each customer wants to feel special. When you can tailor your products and services to meet a customer's needs, your deals will succeed. ■

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