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How to score a product sale – months later

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Got customers who are reluctant to open their wallets when they enter the F&I office? Follow up with them months later, after they've had time to adjust to their vehicle payment, an F&I insider suggests. Dealerships should also use technology to shorten F&I wait times and customize each F&I product menu to the consumer at hand.

Got customers who are reluctant to open their wallets when they enter the F&I office? Follow up with them months later, after they've had time to adjust to their vehicle payment, suggests Mike Esposito, CEO of Auto/Mate Dealership Systems.

Dealerships should also use technology to shorten F&I wait times and customize each F&I product menu to the consumer at hand, he says.

When customers reject an F&I product, put them on a follow-up list, Esposito advises. He recommends following up by email, text message and phone several times during the six months after they purchased a vehicle.

"By that time the customer will be accustomed to their new monthly payment and may not be averse to adding to it," he said in a statement. "We have dealerships' customers that have done this and managed to net a 10 percent return rate on lost sales, resulting in thousands of dollars of recovered revenue per month."

Dealerships can sometimes be more successful with F&I product sales if they give the customer time to leave the dealership and cool down after such a significant purchase, he told Automotive News. Then they can discuss the option of buying an F&I product when they follow up to make sure the customer is happy with the vehicle.

"It's all about the approach," he said. "The point is a lot of dealers don't follow up."

The customer should feel like the F&I manager cares. Then when they offer the product again, it's more of a soft sell, he said.

Shorten wait times

Esposito also suggests shortening customer wait times. "The customer wait time should be 15 minutes or less and definitely no longer than 30 minutes," he said.

"A lot of people feel the knee-jerk reaction is throw more people on" F&I, he said. However, "The question is: Are the people you have working [in F&I] working the most efficiently they can?"

Esposito suggests looking first at tools that increase efficiency. To reach the 15-minutes-or-fewer standard, dealerships should integrate mobile tablets into their F&I processes. While customers wait, they can answer questions on the tablet about their driving habits and history and how they plan to use the car. The F&I managers can use the responses for a more informed and shorter menu presentation.

A shorter menu presentation means disregarding the 300 percent rule -- the practice of offering 100 percent of F&I products to 100 percent of dealership customers, 100 percent of the time -- he said.

"Sometimes car dealers get bad raps about just wanting to sell you stuff. People want to buy; they don't want to be sold," Esposito said. "With the 300 rule, you're trying to sell people."

Need-based menu

If the customer has already filled out a survey on a tablet, “they’re buying from you. You’re not trying to sell them,” Esposito said. F&I managers should conduct the presentation based on the individual customer’s needs.

Esposito suggests F&I managers say to themselves: “What are the pain points the customer has? Here’s what we have to alleviate that pain.”

Give the customer a list of products they can do without based on their driving habits, he suggests. Then use the information they have already given you. For example, an F&I manager could say, “Based on the fact that you’ve lost your keys before, you may want to consider our key replacement service. These days a new key can cost \$300, so even if you use it just one time, it will more than pay for itself,” Esposito said.

Taking on an adviser role rather than a salesman role “inspires greater consumer confidence,” he said in the statement.

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