



# LISTEN UP!

## CUSTOMERS HAVE SOMETHING TO SAY

Customers will provide all the reasons they need the products you are offering if you ask the right questions and wait for their response. **This makes them feel respected and engaged in the buying process.**

BY RICK McCORMICK

**A**t a summer wedding reception in Central Florida, an older gentleman serving as an usher was seen outside staring into a bush. Someone asked him what he was looking at and he responded in awe: “Do you know there are 18 different kinds of crickets in that bush!?!”

“No sir,” was the response. “I never even heard a cricket at all.” But the older gentleman, a graduate student of entomology at the University of Florida, had learned to

distinguish over 200 different kinds of cricket calls with his natural ear. Imagine listening to crickets until you were able to distinguish 200 different calls!

You see, a person “learns” to listen. A listening ear is something that is developed. While we are born with the ability to hear, learning to *listen*, whether to crickets or people, takes purposeful effort.

It is impossible to talk and listen at the same time. A majority of F&I managers invest more time in sales pre-

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sentations than they do asking probing questions and listening. You must be more concerned with helping the customer buy than you are about selling your products. Too much talking is an ineffective method and the result of a lack of planning and preparation.

**CONSISTENTLY PRACTICE 70/30 RULE**

Customers should be doing the talking 70 percent of the time. This means that if the average time spent in your F&I office is 45 minutes, then the customer should be talking for 31.5 minutes.

Practice when talking to coworkers, waitresses and people you deal with in everyday life. Ask a question and then listen. People love to talk about themselves. They love to talk about their family, job and hobbies, so let them.

There is a direct correlation between your ability to listen effectively and the level of your success in any area of life. The information learned while listening to the customer is vital to tailoring a package of products to meet that customer's unique needs. Customers today demand this needs-based, consultative approach. When that approach is not present, they buy less and score the dealership poorly in CSI surveys. The best F&I managers are the ones who talk the least.

**ASK GOOD QUESTIONS**

It is impossible to be a good listener without asking the right questions. Questions that cannot be answered with a simple "yes" or "no" give people the opportunity to do what they love to do

most: talk about themselves. To an older couple, a simple question such as, "How many children do you have?" will almost always have them talking about the ir-grandchildren within 30 seconds. Then you can simply follow up with a needs-discovery question such as, "Where do they live?" or "How often do you travel to see them?"

Each form covered in the process of a deal has questions that pop out. For example, the buyer's order lists the customer's address. That should prompt you to ask, "Where will you park this car?" If they park on the street or driveway, you have discovered the need for GAP and theft deterrent products.

When confirming trade-in information, it's a perfect time to ask how long customers have owned the car they are trading. Other questions include: "What type of service did you get out of the vehicle?" and "How many miles did you put on this vehicle?" With each question, you discover why customers need an extended service agreement and you build your case as to how it will benefit them.

It's easy to ask needs-discovery questions while the credit application is being examined. While verifying customers' income, ask: "Has your income gone up or down in the last five years?" If it has increased, congratulate the customer. You have just helped refresh the customer's memory that she has had a substantial increase in salary since her last car loan. Now when the payment becomes an issue, because her last car payment was much less, you have the information you need to justify the increase.

The ability to ask good questions is a learned skill that must be studied and practiced regularly to be effective. Good open-ended questions will leave the customer thirsty for the knowledge you have. The questions are endless; however, a good balance of open-ended questions (3-to-1 is a good ratio) in a conversational style will allow you to put customers at ease, get them to open up and enable you and them to discover their needs together.

**REPEAT CUSTOMERS' IDEAS**

Next, listen to your prospect's entire thought. Conceptualize what he is trying to say. Reiterate back to him in similar but different terminology.

For example, a customer may say, "I can't afford to add the service contract to my loan. The payment is too high and my budget is already stretched too thin."

You can reply with, "I understand. You are very conscious of your budget and you just don't feel like you can afford it, is that right?" You have just acknowledged and validated the concern. But most of all you have shown that you genuinely care about the customer's situation.

Empathy is an effective tool in overcoming an objection. Now you have earned the right to say, "That's why in your situation, this protection is absolutely critical, because it allows you to budget your repairs over the next five years instead of paying \$3,500 all at once."

Knowing how to tactfully rephrase a statement increases your credibility and makes people feel more comfortable with you. This technique will dramati-

I have yet to find a top-producing F&I manager or salesperson who doesn't have superior listening skills. Developing these important skills will pay off in higher customer satisfaction and higher profits.



cally improve your relationship with the customer because it communicates your genuine concern for the customer.

**LET CUSTOMERS WIN**

Once you have learned valuable information by asking good questions and listening, it's showtime in the F&I office. Now you must be capable of showing customers how the products you offer meet their needs. The first time through the menu, simply explain what each product is and what it does. There should be no effort to sell during the first pass.

It is critical that you simply explain the packages offered and state, "Which option works best for you and your family?" Then sit back and listen. Objections to buy products are a natural result of an open-ended consultative approach. Unfortunately, many financial services managers take this as an invitation to debate, and may the best man win.

Instead, let the customer win. Never be critical or try to one-up your buyer. Instead, say, "I can certainly understand not wanting a payment you're not comfortable with, Mr. Smith. We're all on a budget, aren't we? These are all your options, you can take some of them, all of them or none of them. However, I do find that a little unsettling. GAP protection would be critical for someone in your situation for two very important reasons. However, it's up to you."

Then, sit back and listen some more. He's going to want to know what those reasons are.

By validating the objection, you are telling the customer he is in control, and his concerns are valid issues. However, you are now loaded with information the cus-

tomers shared with you earlier, allowing you to educate him as to why he should consider a particular product.

Today's consumers don't want to be sold anything. However, they will buy if given sufficient information as to how a particular product fits their situation. The more you listen, the more customers feel in control. By letting the customer talk, you both win.

**ELIMINATE DISTRACTIONS**

Have you ever had a conversation with a spouse or a boss and realized you had no idea what the other person just said? A colleague of mine, besides being a successful author, recording artist and speaker, is a world-class ventriloquist. He recounts one of the most embarrassing moments in his adult life as being on stage doing his ventriloquist act before several thousand people. He knew his routine by heart and had performed it almost every night for years.

On this night, Louie, the ventriloquist dummy, asked my colleague a question, but he wasn't paying attention. He lost his place in his routine, and had no idea what Louie had asked him. All he knew to do was have Louie say, "You weren't listening to a word I said. What are you, a wooden dummy or something?" There have been times when I have had customers in front of me, I was distracted and I wondered if they really wanted to say the same thing to me.

Observing in dealerships all over the nation, I watch in amazement as F&I managers take cell phone calls while delivering a deal. Or a salesperson walks in and interrupts the presentation to ask for

information concerning another deal, as though that customer is more important than this one.

Eliminate external distractions. When you are with a customer, turn off the ringer on your cell phone. Put the office phone on "do not disturb." Train your salespeople to never enter your office when a customer is present. Focus on the most important person in your world at the moment: the customer.

Internal distractions can be just as damaging. You may have an important appointment later in the day that is occupying your attention. You must be able to put your issues aside and focus on the customer. Giving a customer your undivided attention and actively listening demonstrates commitment, caring, interest and respect. Plus, it builds rapport, and allows you to uncover customer wants, needs and concerns.

I have yet to find a top-producing F&I manager or salesperson who doesn't have superior listening skills. Consistent effort to develop your listening skills will pay off in higher customer satisfaction and higher profits for you and your dealership. Today's customer demands an open, informative and professional experience in the finance office when purchasing an automobile. ■

*Rick McCormick is senior training consultant for Reahard & Associates Inc. Reahard & Associates provides customized in-dealership F&I training for dealerships throughout the U.S. and Canada. Rick has more than 20 years of sales and F&I experience. Contact Rick at 866-REAHARD, or e-mail him at rick@go-reahard.com.*