

# HITTING Home Runs IN F&I

In baseball, you hear about the five-tool player. In F&I, we call it the four-tool professional, **because there's more involved than just product sales. F&I expert covers all the bases.**

BY RICK MCCORMICK



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**E**xcelling in F&I means you're skilled in several areas. Being a strong closer may mean more products sold, but having weak needs discovery skills translates into higher charge-backs and low CSI scores. The opposite is just as frustrating. You may be gifted in discovering why a customer needs your products, but without the ability to close the sale, you will perform at below-average standards.

Throughout my career as a training consultant, I've identified four areas where F&I professionals can and should excel. So, let's take a run around the bases.

**First Base: DEVELOP A CONSISTENT PROCESS**

A process that consists of effective and informative steps and is followed consistently with every customer will produce extraordinary profits. You cannot just "wing it" when you bring a customer into the F&I office. You must utilize a process that focuses on discovering what a customer needs, not what will make you the most profit.



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Today's consumer is better informed and less tolerant of a pressure-type sales pitch. People hate being "sold" anything. But they will buy

more than you could ever sell them if they realize why they need it. Selling intangible products demands that we help the customer "see" the benefit of a vehicle service agreement.

For instance, a father will be much more likely to buy a VSC for his daughter's car if he can picture her on the side of the road waiting for assistance because the engine control module failed. The roadside assistance benefit of the VSC will provide police protection when she is in an unsafe place until help arrives. Paint a picture with words so they can see it happening. Develop a process that identifies needs, projects concern for the customer's situation and then serves the customer by matching up the two.

**Second Base: PRODUCT KNOWLEDGE**

Every F&I manager should engage in extensive and ongoing research into the products he or she offers. The more knowledgeable you are about a product, the more you will believe in those products, and that translates into more products sold.



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You will never get to second base in F&I unless you consistently learn everything you possibly can regarding the products you offer. You must know what your products cover: the

limitations, exclusions, and the benefits to the customer. An F&I professional should be able to recall 10 or more benefits of each product he offers. Selling intangible products requires transferring your own emotion and belief to the customer. You must learn the names of auto parts that are covered by your VSC, what they do, where they are on the car, what happens when they fail, and the cost of replacing them.

**Third Base: PRODUCTION SKILLS**

Roger Clemens, one of just four pitchers to surpass 4,000 strikeouts, was 42 when he earned his last Cy Young award. His secret to success is simple. He practices every day and practices harder than anyone else in the game. An F&I professional spends time every day trying to get better at what he or she does!

Knowledge of the process and products alone is not enough. You must also become extraordinary in the needs discovery process. More importantly, you must know how to apply what you discover in a manner that motivates customers to buy. Role-playing the F&I needs discovery and sales process with others is a great way to improve your ability to lead customers to a buying decision.

Some managers are so skilled that even after a customer says no to all the products offered on an F&I menu, they can then sit back with confidence as they bring the needs they have discovered to the surface, and help the customer understand why each product is important to him or her.

**Home Plate: DEALERSHIP PROTECTION**

These days compliance is a buzzword in a dealer's vocabulary. Simply put, an untrained F&I manager who refuses to use a consistent process puts all the assets of the dealership at risk. The climate in financial transactions and the multitude of regulations demands that



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**SALES SLUMP: GET BACK TO THE BASICS**

"Getting back to the basics" seems to be the cure for everything. The line is often used in sports when an athlete falls into a slump. Think of the four areas I addressed in my article as the basics you can refer to when you fall into a sales slump. However, I'd like to explore the reason for falling into a slump a little further.

A fellow high school baseball player of mine is now the pitching coach for the Los Angeles Dodgers. He says there are three major flaws that cause players to fall into a "slump." After hearing them, I couldn't help but draw the parallel between the baseball field and the F&I office.

**Reason 1 THEY DON'T CONTROL THEIR ATTITUDE**

Sales experts estimate that 80 percent of sales success is rooted in maintaining the right selling attitude. Managers across the board in every field estimate that 65 percent of those terminated from their job had a bad attitude. Obviously, attitudes come under siege every day from a range of sources. While you can't control what happens to you, you can control your response.

The best thing is to focus on what you can control. Don't let negative five-minute encounters ruin an entire day. Set monthly goals and break them down to weekly and daily goals. Knowing where you should be every day gives you perspective and allows you to see past the "slump." Realize that everyone has bad days and falls into ruts, but by maintaining the right attitude, you can shorten the depth and duration of the "slump."



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**Reason 2 THEY TAKE SHORTCUTS**

When you rush through the sales process or skip key steps you are engaging in self-sabotage. No one does you in; you simply break your own momentum. Rushing through building rapport, needs discovery, and your product presentation only makes the close more difficult.



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**Reason 3 THEY DON'T PRACTICE**

Today's buyers have access to unlimited information on the Internet, including the vehicle they are buying, the interest rates available and their credit score. They often know more about their options than the F&I manager who claims to be an expert in the field.



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F&I managers become experts at the rules and regulations of their craft.

Dealers, GMs and F&I managers are all guilty of focusing on only one facet of the F&I process — profits. Making profits for the dealership is a top priority. In today's environment, equally important is a legally compliant process. Unfortunately, some still believe you have to choose between profits and compliance. The fact is, you can have excellent F&I income and re-

main legally compliant at the same time. Dealerships around the country are doing it every day. ■

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