

IMPROVING F&I

The magazine's resident F&I trainer says that in order to grow your F&I profit, you've got to make sure your F&I department is healthy enough to produce more product sales. **By Rick McCormick**

I recently met with a dealer who was looking to get his store's numbers up, as well as sell more F&I products and reduce chargebacks. After hearing his dealership's main challenges, I asked, "So you simply don't have enough apples on your apple tree, am I right?"

Well, as I told the dealer, you don't get more apples by demanding the tree produce more. The only way to accomplish that is with a healthy tree. The same principle applies to the F&I department. It needs a healthy process in order to achieve higher production.

In today's Internet age, we have become experts on symptoms. If you type a medical symptom into Google, you get a list of hundreds of conditions you might possibly have. Low production, disappointing product acceptance levels and higher-than-acceptable chargebacks are the external symptoms of an internal problem. Developing a top performing F&I department requires looking inside. Establishing the correct mindset builds a culture of growth, where sights are set on reaching the highest levels of customer satisfaction and profits.

The core principle of a successful F&I department is a commitment to focus on the needs, comfort and level of trust built with every customer. We all have preferences when it comes to the F&I process; however, a customer-centric focus demands we provide the experience the customer is looking for.

F&I Online

A recent study from Cox Auto-

motive's MakeMyDeal revealed that 83% of customers say they are interested in learning about F&I products *before* entering the dealership. About three-fourths of respondents report being interested in learning more about those products after they had a better understanding of what they were. And 63% of consumers state they would be more likely to buy F&I products if they could learn about them on their own time and before finalizing their vehicle purchase.

Customer expectations and desires demand that F&I move online, and include transparent information and pricing of F&I products. By bringing F&I online, dealers can enhance the in-store experience, and position themselves to sell more F&I products.

According to a recent J.D. Power survey, 34% of customers are researching information on their mobile devices while at the dealership. That means there's a good chance that some of those customers are running a Google search about F&I products before entering the F&I office. So, will we let Google speak for us, or can we be proactive and present a clear and compelling message early and often?

Timely Introduction

Once the customer enters the dealership, a choice must be made as to when they will meet the F&I manager. The timing of this introduction determines whether the F&I manager will be perceived as an advocate or an adversary. Very few things have as much impact on the customer's pur-

Don't Miss Rick McCormick at Industry Summit

Session: Growing F&I From the Inside Out

When: Thursday, Sept. 10, at 3:15

Where: Concorde A at the Paris Las Vegas

Rick McCormick will delve into the ingredients that make up a top-performing F&I department and explain why successful F&I teams operate with the belief that they're always a work in progress.

chase decisions as the timeliness of the F&I manager introduction.

Even if the dealer has information about the F&I manager online, it does not dismiss the need for every customer to meet an F&I manager early in the process. Not only does this allow customers to view the producer as someone who is working for them, it ensures the customer doesn't view the F&I manager as someone who is just trying to sell products they don't want and think they don't need.

Growing F&I in your dealership is an inside-out process. The focus of the F&I office should be on providing high levels of customer service and building a level of trust that enables an interactive and productive conversation with every customer. Introducing the F&I manager online and early in the in-dealership experience builds trust and puts the customer at the center of our process.

Our focus needs to shift from results to a process that naturally produces the desired outcome. And this is just the first step to promoting an inside-out growth strategy. I look forward to delving into the next three stages of F&I improvement during my session, "Growing F&I from the Inside Out." I hope to see you there! ■

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