

Avoiding the AAA Objection



BY RON REAHARD

Top trainer advises F&I pros to eliminate the 'I have AAA' objection by downplaying the very real — but relatively minor — roadside assistance benefit included with most service contracts.

This month's video question comes from Chris in Syracuse, N.Y., where basketball's 24-second shot clock was invented in 1954. They even have one downtown to help increase scoring in Armory Square. Chris says, "Anytime I present a product that has roadside assistance as part of the benefits, whether it's a vehicle service contract, tire-and-wheel, or key replacement, I get this: 'Hey, I don't need that. I've got AAA.' Now we know that AAA doesn't pay for the repair to the vehicle, but it's an objection I'm struggling with. I'm hoping you can help."

Well, you could always show 'em a picture of AAA's Florida headquarters, so they can see what their dues are paying for. According to the auto club's website, current annual dues for "Primary" members range from \$48 to \$96, depending on the club. "Associate" membership adds an additional \$21 to \$51 per year, and that's the least expensive plan.

That's a lot of money over seven years, and all they do is put on the spare. They don't repair the car or even fix the flat tire. But hey, you do get free maps, which will really amuse the kiddos when you whip one of those babies out of the glove box.

One of the great things about virtually every service contract is the roadside assistance benefit, which is also included with many tire-and-wheel and key replacement plans. However, it is probably the least important part of the coverage. That's why, when reviewing the coverage on a menu or discussing the benefits with the customer, it's usually one of the last benefits we mention.

Unfortunately, people tend to remember the last thing they hear. So, if they truly do have AAA, then that becomes an easy, and almost automatic objection.

We often see roadside assistance listed on menus as a benefit of the service contract. After watching hundreds of F&I transactions over the years — and countless F&I managers reviewing their menu — I can't tell you how many times I've heard customers say the following when they hear the words "roadside assistance": "I don't need that. I have AAA."

They may not even have AAA. They're just using that as a reason to not buy the service contract. Whether they have AAA or not, the best way to eliminate this objection is to stop using roadside assistance as a benefit of these products. Yes, it is a benefit, but it's a minor benefit.

In fact, with most insurance companies, you can add roadside assistance to your auto policy for just a few dollars a year. According to my insurance agent, adding roadside assistance to my policy only costs \$3.30 every six months.

Basic Option



Road Hazard Tire/Wheel Protection

Replaces or repairs tires and wheels damaged due to road hazard for 3 - 5 years.



Vehicle Service Agreement

Pays cost of parts and labor on covered repairs for ___ years or ___ thousand miles, with a \$___ deductible.



Key Replacement Protection

Replaces your smart key fob in the event it's lost, stolen or destroyed for 5 years.

Why even mention something they may already have, that costs so little, and has such a high likelihood of prompting an objection? On our menu, we don't even mention roadside assistance as a benefit under any of these products (see example on this page). And just think about it. Compared to the cost of replacing an engine control module or a ruined tire and wheel, the cost of having someone bring you gas or put on your temporary spare is next to nothing. My recommendation is to not list roadside assistance as a benefit under any of these products on your menu. In fact, don't even mention it when reviewing the menu.

A better idea is to use your customers' needs as a reason they need the protection. Talk about the fact they tend to keep their vehicles far longer than the manufacturer's warranty coverage, or put on above average miles.

Chris, I hope this helps. If you have a question you would like answered or an objection you struggle with, send it to me. You'll get it answered and receive a free YETI. Because it's a beautiful day to help a customer or an F&I professional! ■

ABOUT THE AUTHOR

Got a question or objection for Ron? Use your mobile phone to record a brief video (shot landscape style!) of your question and upload it to go-reahard.com/ask-ron.