

Get Real, Get Rich!

Here's the 'secret' formula for achieving consistent and spectacular results in the F&I office.



By Ronald J. Reahard

We are what we repeatedly do. Excellence then, is not an act, but a habit.

— Aristotle

Achieving F&I excellence — consistent performance and exceptional profits, as well as “completely satisfied” customers — comes with a price. The price tag reads, Product Knowledge, Enthusiasm, Goals, Caring, Self-Discipline, and doing the right thing for the right reasons (not just when you feel like it!).

F&I excellence is only achieved by those managers willing to pay the price of success. If you want to get rich, you first need to get real — because there are no discounts, rebates, or shortcuts when it comes to the “secret” formula for achieving consistent and spectacular results in the F&I office.

PRODUCT KNOWLEDGE SELLS F&I

Whatever you have already achieved in terms of F&I performance and profitability, you have gone as far as you can go with your current level of knowledge. In the F&I office, the greater your product knowledge, the greater your confidence and credibility when discussing a particular product with a customer. Possessing exceptional product knowledge increases the customer's need for your expertise as they try to decide which, if any, F&I products they need. The more you know about your products, the better able you will be to relate how a particular product will benefit a particular customer.

Want to sell more vehicle service agree-

ments? Not only must you know the various plans, eligibility requirements, and coverages afforded by your service agreement, you must also learn more about vehicles and the various components covered by your service agreement. If you don't know what an air flow sensor is, what it does, what happens when it fails, and how much it costs to fix, it's difficult to convince a customer they need to buy a service agreement because an air flow sensor is covered by the VSA.

As a financial services professional, you must take every opportunity to expand your mechanical knowledge of vehicles. This, in turn, will increase your credibility, believability, and the customer's reliance on your expertise. An additional bonus is that the more you learn about vehicles, what various components do, why they fail, and how expensive they are to fix, the more you realize how important a VSA is with today's increasingly sophisticated vehicles.

BE ENTHUSIASTIC

Not only must you have product knowledge, but you must also be enthusiastic about the outstanding value of the products you have to offer in the F&I office, and share that excitement with both your internal and external customers. Every salesperson, every manager, and every customer has to know that you are genuinely excited to have an opportunity to help customers by finding and filling their need for these products.

Remember the initial excitement, the anticipation, and the energy you had your

first day in F&I? What happened? Perhaps you didn't think selling F&I products would be so difficult. You were eager, but naive; confident, but untried; optimistic, but idealistic.

Whether you've been an F&I manager for 10 days or 10 years, every day you still make a choice. Either you're going to be enthusiastic about the challenges and opportunities you will face today in the F&I office — or you're going to feel sorry for yourself because nobody walks in your office asking to buy the products you're selling.

Every customer deserves a knowledgeable, enthusiastic product presentation. The more enthusiasm you have for your products, the more interested customers will be in knowing about those products. Keep in mind, the value of your products is equal to the value of your presentation. The more you learn about your products, the more you will believe in those products, and the more enthusiasm you will have when you discuss them with a customer. Enthusiasm without knowledge is babble — but knowledge without enthusiasm is boring.

Success in the F&I office requires that you truly believe in your products, and clearly demonstrate that belief through your actions on a daily basis. If you don't really believe in the products you're selling, then go sell something you do believe in. Financial services professionals believe in their products — and they demonstrate that belief by buying what they sell.

If you sell Chevrolets, you should drive Chevrolets. It's hard to sell Chevys if you re-

ally believe Ford builds a better car. And it's extremely difficult to sell credit insurance, window etching, or paint sealant if you don't believe in the products. If you don't buy the products you sell, you're essentially telling every salesperson in the dealership you don't actually believe in these products, you're just trying to make money off their customers. That is not a financial services professional. That's a hypocrite.

ESTABLISH GOALS

F&I excellence demands that you establish personal and departmental goals that are specific, measurable, attainable, and consistent with your own values. Goals provide a framework for increased productivity, personal growth, and job satisfaction.

F&I excellence begins with establishing daily, monthly, and long-term goals that are measurable and have a specific objective, such as an average of two F&I product sales per customer, or \$1,200 per retail unit.

Goals must also motivate you to achieve them. A goal should be captivating and emotionally compelling if the desired performance is to be attained — which means your goals must be realistic. You can use your own past performance, industry averages, and comparable dealerships to determine if your goal is realistic. Finally, your goal must be consistent with your personal values and beliefs.

CARE ABOUT THE CUSTOMER

Success in the F&I office also requires that you care. Care about the customer across the desk. Care about the other members of your team. Care about the dealership. As Zig Ziglar says, "People don't care how much you know, until they know how much you care."

Caring demands that you seek out, with eagerness, reasons why the customer needs each and every one of your products. It requires that you listen to customers to learn their wants, needs, and concerns. Caring means that you encourage customer questions, so it's a conversation, not a presentation. Caring requires selling every product from a position of strength by concentrating on what is truly best for the customer.

Caring means that you have a genuine desire to help customers — not sell customers. Caring means that you never forget that your job in the F&I office is NOT to make money. Your job is to help customers — because the more people you help, the more money you make!

Caring also requires that you monitor your performance every day. It means that you evaluate your weaknesses and turn them into strengths. Caring means that you take responsibility for your failures, and give credit to your teammates for your success. And caring means never being satisfied with your current performance, but rather being committed to becoming 1 percent better every day.

SUCCESS AND SELF-DISCIPLINE

Finally, the one characteristic that will enable you to help achieve spectacular success in F&I is self-discipline. After a lifetime of studying the wealthiest men and women in America, Napoleon Hill concluded that "Self-discipline is the master key to riches." Self-discipline requires the strength of will to force yourself to pay the price of success, to do what you should do, when you should do it, whether you want to or not. Your success as a financial services professional depends to a large degree upon having the self-discipline to organize and prioritize your daily activities to include at least 20 minutes a day to practice, drill, and rehearse.

Selling (especially selling intangible products) is an art and a science that must be studied and practiced daily, like any sport or occupation performed at the professional level. Every customer is unique, and has unique needs. To ensure every customer receives a thorough explanation of their options in a minimum amount of time with a maximum chance of F&I product sales, the financial services process must follow an organized, consistent format. Yet each product presentation must be tailored to the customer's unique needs. That takes practice — daily practice.

Your daily practice should include a review of open-ended questions that discover customer needs for various products, drills/self-testing that ensure

continuous improvement in your product knowledge, and practice painting pictures with words to help customers "see" themselves in a situation where they would benefit from having a particular F&I product.

Your daily practice should also include rehearsing/role-playing your presentation to improve your ability to respond to customer concerns, overcome objections, and deliver a customer-focused, needs-based product presentation. As the great NFL quarterback Roger Staubach once said, "In business or in football, it takes a lot of unspectacular preparation to produce spectacular results." Increasing the sale of finance and insurance products requires that you first prepare to succeed, and have the self-discipline to do the right thing for the right reason, whether you want to or not. Spectacular F&I results requires constant self-discipline.

GET REAL!

If you want to get rich in F&I, you first have to get real.

Achieving spectacular success in the F&I office is possible only when you possess comprehensive product knowledge, genuine enthusiasm, and a sincere belief in your products. F&I excellence requires establishing specific and attainable goals. It requires that you truly care about the customer, and have the self-discipline to do what you need to do, even when it's not always easy.

Remember what Aristotle said: "Excellence is not an act, but a habit." Fortunately, when you make a habit of helping customers in the F&I office, you become excellent at making money! ■

Editor's note: Ronald J. Reahard is president of Reahard! & Associates, a national F&I training company providing custom tailored in-dealership F&I training programs, consulting services, and real-world solutions. Reahard is an AFIP Certified Course Instructor, and was selected by the National Automobile Dealers Association to conduct the F&I Workshop "16.3 Ways To Explode F&I Income... and Delight Customers!" at the 2002 NADA Convention in New Orleans. He can be contacted at ron@go-reahard.com.