



Magic

Words are powerful — and they can make the difference between a sale and “I don’t need that stuff.”

By Ronald J. Reahard

“The difference between the right word and the almost right word is the difference between lightning and the lightning bug.”

— Mark Twain

Words are powerful tools that can arouse emotions, transfer knowledge, and move a customer who “doesn’t need any of that stuff” to buy multiple F&I products. The words we use, and how we use them, determine the outcome of every customer interaction.

Some words are truly magical in their ability to help discover customer needs, create customer interest in a particular product, demonstrate the benefits of that product for a customer, and ultimately, get them to buy the product.

In the F&I office, communicating the benefits of our products does not begin with being understood by the customer, but first with our understanding the customer’s needs. As Mark Twain also noted, “The right word may be effective, but no word was ever as effective as a rightly timed pause.”

Whether you are still using a step-sell approach, or have moved to a menu-based approach, the most

important part of the F&I sales process is discovering the customer’s needs before presenting your products. Jim Sharkey, F&I director at North County GMC-Jeep-Kia in Escondido, Calif., believes that “Needs-based selling is not only the best way to sell products, it’s the only way to sell products to today’s informed consumer. We find they are much more resistant to sales pitches. Customers not only recognize them; they resent them.”

Needs discovery is the foundation on which you build the sale of every product offered in the F&I office. According to Bob King, F&I director for Motor World Automotive Group in Wilkes-Barre, Pa., “Critical to the success of the F&I professional is a genuine interest in the customer, discovering what their needs are by asking appropriate questions, and then listening. Only then has the F&I professional the right to review the products that meet those needs.”

The more you learn about the customer, the better your chances are for making a successful sale. The questions you ask, how you ask them, and your ability to use the information you learn will determine whether or not you will be able to help the customer see the need for the product being discussed.

Bill Gusa, general manager of Frontline Dealer Marketing, an F&I development company in Seattle, says, “If you don’t get any information from the customer on why they need your product, you might as well not even offer it. People don’t buy products they don’t want and don’t think they need.”

Words that Make You Money



"Remember, people don't necessarily buy a product because they understand it, but because they feel you understand them."
— Ron Reahard

MAGIC WORDS THAT DISCOVER NEEDS

So how do you get the customer talking, and keep them talking, in a way that not only relaxes them, but also allows you to discover their needs?

There are six truly magic words when it comes to discovering customer needs. These words not only encourage customers to respond, but they also provide you with new information on which to base your next question.

Like a loyal dog serves its master, these six words will serve you faithfully throughout your entire career. They can turn what would have been a "yes" or "no" response into a conversation that reveals pertinent information about the customer you need to sell them your products.

The six magic words are simply: "Who...?," "What...?," "When...?," "Where...?," "How...?," and "Why...?"

A question that can be answered with a "yes" or "no" provides you with little or no information about the customer, and the conversation quickly deteriorates into an interrogation. Open-ended questions, on the other hand, tend to relax the customer, and encourage them to elaborate on the topic being discussed, enabling you to uncover information that will allow you to tailor your product

presentation to their unique situation.

These magic words can help you discover the customer's need for dealership financing, a vehicle service agreement, credit insurance, pre-paid maintenance, GAP insurance, or any other product you offer.

"What type of relationship do you have with ABC National Bank?"

"Who is getting the new car?"

"When you're not working, what do you do for recreation?"

"Where do you normally have your vehicles serviced?"

"How often will your kids be driving this vehicle?"

"Any particular reason why you decided to get a 7 ton pickup?"

Sharkey believes that "Open-ended questions bring the customer into the decision-making process, so they feel like you're trying to help them, not sell them." Jon Denning, F&I director at Master Pontiac-Buick-GMC in Augusta, Ga., feels "You have to get to know the customer... show interest in them as a person" before discussing any F&I products. "Needs discovery really just evolves from that," he says. "It has to be a conversation, not a list of questions."

Remember, people don't necessarily

buy a product because they understand it, but because they feel you understand them. We first have to discover a need the product will fill or a problem it will solve, so there is a basis for our discussion of that product with the customer.

In order to do that, we have to utilize open-ended questions and engage the customer in a conversation that will enable us and the customer to answer that all important question: "Why does this particular customer need this particular product?"

A customer is much more likely to buy any product when you can communicate how that product will benefit them specifically. An F&I professional must always focus on what the customer needs, not on what you want them to buy. Each product being discussed must provide a solution to a customer want, need, or concern, thus adding value to the financial services process.

MAGIC WORDS THAT CREATE CUSTOMER INTEREST

After your initial needs discovery, you should have several good reasons why the customer needs your products, but if the customer isn't interested in hearing those reasons, they're not going to listen to what you have to say. You have to make

the customer want to know more about the product, so you're responding to their request for information.

Creating customer interest requires making a statement that grabs the customer's attention, arouses their curiosity, and makes them want to hear what you have to say.

Four magic words that are virtually guaranteed to create customer interest in knowing more about a particular product are, "That surprises me, especially..."

Using these four words in conjunction with some specific information about the customer or the vehicle they're purchasing will invariably result in the customer wanting to know more about that product.

"That surprises me, especially since that's the bank where you have your checking and savings account."

"That surprises me, especially since you're buying a car built since 2001."

"That surprises me, especially since you're not putting anything down."

"That surprises me, especially since you're putting the loan in both names."

"That surprises me, especially since you said you plan on keeping this car."

A statement like this will almost always elicit a "Why?" or "What do you mean, in my situation?" Now you can relate a product feature and benefit that applies to their situation. The difference is now you're responding to the customer's request for information vs. making a sales pitch.

You're helping the customer, not selling the customer.

MAGIC WORDS THAT DEMONSTRATE BENEFITS

Once you relate a product feature, you must always translate that feature into a benefit for the customer. As Ron Willingham says in his book *Integrity Selling*, "People are much more apt to understand your offering when they experience it than when they just hear about it."

Five magic words that demonstrate how a customer will benefit from a particular product, and that help them experience that product are the words: "What this means to you..."

This helps translate a specific product benefit into what it will mean to the customer.

"What this means to you is you'll leave here today with two additional assets."

"What this means to you is you won't have to take the bus to work while you save up enough money to replace your engine control module."

"What this means to you is you won't be making payments on a car you no longer own."

"What this means to you is you won't have to worry about ruining your credit in the event you were to become disabled."

Once you relate a product feature, you must always translate that feature into a benefit for the customer.

"What this means to you is you won't have to worry about trying to get grape jelly out of the carpet."

No matter what product you're selling, the customer must be able to visualize a situation where they could actually "see" themselves using the product being discussed. The key to demonstrating the benefit to the customer is that the situation has to be believable and quite possible, so they can easily picture themselves in that situation, and see how they would benefit from having the product.

MAGIC WORDS THAT MAKE IT EASY FOR CUSTOMERS TO SAY YES

Once you receive positive feedback from a customer, you still have to get them to agree to buy the product. We want to make it easy for the customer to say yes and difficult to say no.

The best way to ask the customer to buy is to use the same magic words used to discover their needs to ask a closing question: "Who...?," "What...?," "When...?," "Where...?," "How...?," and "Why...?"

"What day of the month would you like the payment to fall on?"

"Who would you want to be covered by the disability protection?"

"Which option do you think would work best for you, the preferred or the standard?"

"Which coverage do you think would work better for you, the 5-year or the 6-year?"

"How often would you prefer the oil change intervals, every 3,000 or 5,000 miles?"

"When would you like to have the vehicle appearance protection applied?"

Whenever you ask the customer to buy, it should be a win-win question, so that whichever option they choose, you sell a product. A closing question that allows the customer to choose from two options, either of which results in the sale of a product, makes it much easier for a customer to say "yes"

Using these magic words to discover customer needs, to create customer interest in your products, and to demonstrate the benefits of the product to the customer will make it easy for more customers to say yes to more products.

And that will make you... more money! ■

Editor's note: Ron Reahard is president of Reahard & Associates, Inc., an F&I training company providing regional and in-dealership F&I training programs, consulting services, and real-world solutions designed to increase F&I income and customer delight. He can be contacted at 866-REAHARD, or ron@go-reahard.com.