

TRAINING

Dealing With Tough Customers

A consultative approach takes advantage of key questions in order to determine a customer's real needs.

Like so many other sectors of the car industry, the F&I office is feeling the impact of the information-driven consumer.

No longer does the average consumer ponder car reviews, and wander around auto malls, test driving vehicles—chances are, by the time they step into a showroom, they know exactly what they want, from the type of engine to the type of cup holders. And they know how much they want to pay. Today's car customer is tougher to deal with than ever.

So what does that mean to the F&I manager? He or she needs to understand how to turn that customer into a shopper. In fact, the F&I environment can significantly impact a customer's attitude about the entire sales experience. And one of the best ways to do that is to simply get some training—learn how to deal with this changing customer buying process, how to understand these agents of change and how they can be adapted into best practices.

Present options

Today, more than ever, dealers who focus on customer satisfaction—especially in the F&I department—are more likely to increase sales and enjoy repeat visits. So customers, who are already armed with a lot of knowledge, need to feel they're being presented with options, as opposed to being sold. They appreciate someone talking them

through the products and services, as opposed to simply selling them.

For many retail businesses, customer focus is an essential part of the equation. It needs to be embedded right in the culture, not simply added on. Offering a customer-focused experience can differentiate an F&I office and make the transaction more effective.

As a result, dealerships have been ramping up their training, to gain more insight into more effective ways of dealing with the new consumer. Revamping the F&I office's approach may not only be the best way to increase profit, it's bound to also raise consumer satisfaction index scores—and get a leg up on the competition.

Consultative approach

But making that change requires effort, and guidance from experts. One approach is offered by LGM Financial, who recently introduced a fourth day to their training course, specifically to learn how to incorporate changes into their sales process.

"Customers are changing with the Internet," says Cheryl Bucknor, Manager, Training Operations at LGM. "The financial services office needs to change their way of selling. It needs to be more consultative, since customers already know a lot about the product."

The first three days of training involve what's called a "guided discovery,"

which incorporates group discussions, role play, and performance evaluations. "Instead of providing answers to the participants, we engage them and ask them questions that we videotape so they can find the answers on their own," says Nathalie Abdallah, Manager, Training East at LGM. "It's not about wordtracks, it's how to ask questions."

From the moment an F&I manager meets the customer in the business office, everything from determining their vehicle to going through the credit app is part of the discovery phase. "As you're asking the questions that you need to complete the finances for the vehicle, you're determining what their needs are so that when you present a showcase product, you're already moving into the satisfaction of those needs," says Bucknor. The showcase product is a mechanical breakdown protection, usually the highest need item.

"When you're going through those questions, you're asking key things like how long they'll have the vehicle, how long did they have their last vehicle, how often do they drive?" Bucknor says. "These are all criteria that help the F&I manager position that first product and determine what other products might be of core importance."

Asking questions

The fourth day of the course occurs a few months after the first three days, so

that participants have had a chance to put their initial three days of learning to work. "People wanted to come back and talk through some of the challenges they experienced," says Bucknor. "They wanted advanced knowledge of handling personality styles. That's in line with our philosophy that training is a journey, not just an event."

Participants talk about different ways to deal with various types of personalities. "Some people want a finance deal, others like to talk over the phone, or there's someone who doesn't want credit," explains Abdallah. "So we go over more in-depth selling techniques on that fourth day. Our participants get more questions that they can ask, or different ways to make a specific point."

The response has been excellent. "People really enjoy that fourth day because they're with colleagues that went through the three-day training, they have the same language and can share what they've been going through for the past few months," says Abdallah. "The feedback is invaluable."

Their methodology works across brands and technology—or lack of it. "If there's a dealer who is very paper based vs a dealership where they have iPads, it doesn't matter. This isn't about technology, it's about the questions you're asking."

Jack Kazmierski



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