

TECHNOLOGY TRENDS

Man vs. Machine

With the growing popularity of online transactions, is it time for finance managers to start worrying about their jobs?

Sometimes it may seem as if our world is morphing into a robot-driven society straight out of the pages of George Orwell's 1984. The truth is, the times they are a-changing. But the robots aren't taking over by any means!

"We're slowly seeing an appearance of virtual F&Is and robots that will ultimately be online advisors promoting content to customers, trying to assist them, depending on where they are in their purchasing process," says Claude Moureaux, Strategic Advisor at Desjardins. "They'll propose products, services and cars that are more tailored and customized to the customer's needs."

But does that mean finance managers should be worried about their jobs? "I would say no," says Moureaux. "There is going to be a transformation. Computers will take over part of their jobs, but there still needs to be a human being to assist, advise, and delight customers."

He believes that those finance managers who will be at the forefront and adapt to the client, and integrate with new technologies that will bring more transparency to the whole purchasing and financing process, will wind up ahead of the game.

"They'll be the winners," says Moureaux. "The profession as we know it is definitely transforming. It's going to morph into a hybrid role where you're probably going to see a little bit of sales and F&I together, hence bringing the financing into the showroom. Basically, a convergence towards one point of contact with a lot of the digital tools to support the journey. The dealer model as we know it today is very strong, and the dealers and F&I managers will not disappear tomorrow morning."

That sentiment was echoed in an article in the Economist, which compared the car shopper to a traveller who prefers to buy package holidays. There will always be those car shoppers who prefer "one-stop-shopping," to visit a car dealership and make

their transaction with a human being as opposed to a computer.

In fact, the American National Automobile Dealers Association notes that these shoppers have encouraged competition. And in the event of a recall due to a safety problem, dealers have an incentive to contact owners of that model in a timely fashion, in order to correct the problem.

Online transactions

According to Paul Roberts, Senior Manager, Integrations at LGM Financial Services, the finance manager's role will change in terms of their systems. "Potentially, we will see the customer making the purchase online," he says. "The financial services will be incorporated into an online interaction."

There are a number of channels and ways that can happen. "Dealerships are going to have to focus on their online presence, which they have been doing, but even more so," says Roberts. "As we go forward, dealers have to get a better understanding of what consumers are looking at, what they have available on the lot or they want to order, and what additional F&I products they are looking to purchase."

Dealers and F&I managers need to assist consumers before they set foot in the dealership, helping them with their selection. "They need to help consumers understand what those products are," says Roberts.

State of change

Even when consumers buy online from a site like amazon.com, there is a process for them to ask questions, peruse reviews, etc. "Consumers can interact with the provider through online chat, email or texting," says Roberts. "We don't know exactly what it's going to look like for the auto retail sector, but it's going to start evolving fairly quickly."

The role of the finance manager, far from being redundant, is simply



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in a state of change. "It's going to be a while before we see the complete step out of the requirement for face-to-face communication," says Roberts. "People still need to sit down in a business office, get advice and get help in a human fashion."

"But the role is changing. It's more online, assisting customers who haven't even walked into the store yet to prepare them for walking into the store. Over time, that will evolve into less in-store face time and more online communication."

Private information

This is particularly true in an age when consumers are more comfortable handing over their personal information online. "We're seeing more and more people entrusting their financial and personal details online," says Roberts. "There may have been a level of skepticism around the provision of personal information and financial information through online banking services, but it's the way things are going."

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