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8 Ways to Ditch The Pitch

The only way an F&I manager can increase his or her income is to ditch the pitch. Learn eight ways to do that and find out why giving the customer an “out” can be an effective sales technique.

By Ronald J. Reahard

Today’s consumer appreciates having a knowledgeable F&I professional help them make an informed decision about the options available in connection with his or her purchase. They loathe listening to a sales pitch. If we’re not genuinely trying to help that person across the desk make good decisions, then the F&I process is adding no value to the customer’s purchase experience. All it’s doing is adding aggravation.

Regurgitating word-tracks and spewing out ben-

efits until the customer either gives up or gets angry is one of the least effective ways of selling F&I products. If you ditch the pitch and focus on that unique human being on the other side of the desk, you’ll sell more stuff. The point here is today’s F&I professional has to utilize needs-based selling, not greed-based selling.

So, are you ready to improve your F&I process and increase your income? Let’s examine eight ways you can ditch the pitch and improve your product sales.

► GIVE 'EM AN OUT

If a customer has purchased a vehicle in the last 25 years, they've been in an F&I office. That means they expect somebody to try and sell them some stuff. Let's not do what they expect! Tell a customer up front they don't have to buy anything. This eliminates the fear of the decision-making process. People want to know what their options are. They just don't want to listen to a sales pitch. Here's a familiar scenario, along with a recommended response:

Customer: "Don't even bother showing me those products. I'm not buying any of that stuff."



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F&I manager: "No problem. These are all options. You can take all of them, some of them, or none of them. Here at ABC Motors, we feel we have a responsibility to review all the options available to you in connection with your purchase, and answer any questions you may have so you can make the right decision for you and your family. However, these are strictly options. You don't have to buy anything. Would that be okay with you?"

The Strategy: *That response eliminated all that sales pressure the customer thought he or she was going to get. When you reduce sales pressure, you reduce sales resistance.*

► DISCOVER THEIR NEEDS

Every human being is a unique individual. So are their needs. Every F&I product presentation must be tailored to that customer's unique needs. The best way to achieve that is to get the customer to talk. This will allow you to learn the customer's wants, needs and concerns.

Asking open-ended questions about the customer's job, family and reasons for purchasing a new vehicle will quickly engage the customer in a dialogue. More importantly, when the customer is talking you can discover



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what they're thinking, how they're feeling, and why they need (or feel they don't need) the products you have to offer.

Selling F&I products is like building a house. Just as the most important part of a house is its foundation, the most important part of a sale is the needs discovery process. If we don't discover any customer needs, we

have no foundation on which to build the sale. And you can only learn customers' needs when they're talking, not when you're talking.

► KNOW YOUR STUFF!

If you want to sell more stuff, you first have to know your stuff. Knowledge of your products and their benefits requires continued practice. It doesn't matter whether you're a professional athlete, actor, or F&I manager. Spending 20 minutes a day practicing should be a regular part of your daily activities.

Want to sell more service agreements? Learn something about a car. Knowing your stuff requires that you learn about the various vehicle components. You should know what they do, what happens when they fail, and how much the



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part costs to fix. The more you know about a vehicle, the more service contracts you'll sell.

Continuing your education is critical to your growth as a professional. A true professional strives to become better at their craft every day, and embraces every opportunity to improve their skills.

I'm always amazed by F&I managers who find any excuse not to attend a training class, workshop or F&I Conference & Expo, especially since they're already running \$400 per retail unit. Professionals actively seek out new ideas and ways to improve their sales techniques.

► MAKE 'EM THIRSTY

F&I professionals have to be capable of making customers thirsty for their products. Thirsty to learn more about a product, thirsty to know the features and benefits of that product, thirsty to know why they need that product, and, most importantly, thirsty to buy that product. That's what selling is, making customers want what you have. And what you have is knowledge, expertise, and products they need. The customer isn't



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interested whenever you launch into a features-advantages-benefits presentation for a product. The only thing he or she

wants to do is get out of your office.

Unfortunately, too many F&I managers are still asking those old-school, manipulative questions, such as, "If I could get you a better rate, would you finance with me?" or my favorite, "If I could get you the 6-year/100,000-mile plan for the same price as the 5-year/75,000-mile plan, would you want the protection?" Those questions don't make customers thirsty.

They make them wonder why you tried to rip them off instead of offering them the lower rate or lower price in the first place.

► MAKE IT VISUAL

A simple, hand-drawn picture on the backside of your F&I menu or on a legal pad is a perfect way to illustrate the factory warranty vs. the VSC coverage, or the importance of GAP insurance, road hazard protection, or accident and health protection. It's also an excellent way to get the customer involved, as well as keep him or her interested. More importantly, it helps make an intangible product tangible.



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We have to help the customer "see" the need and benefits of each product. That means having an actual vehicle part in your office and a story to go with it to sell vehicle service agreements. Customers have to "see" that these new cars are complex, sophisticated, hi-tech machines. And since these machines are manufactured with component parts, they're extremely expensive to fix.

► INVOLVE THE CUSTOMER

Rather than tell customers why they need a product, involve them in the presentation so they can figure it out on their own. Allowing customers to self-discover the value of a product is more effective than giving them a bunch of reasons for why they need it. Handing the customer a part, such as an engine control module, a mass airflow sensor or an anti-lock brake computer, gets them involved in the presentation. It also makes that intangible product tangible. Holding a defective part in their hand goes a long way



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toward helping them understand the need for the products you're selling.

Asking questions is another way to keep customers involved. By using their answers as the basis for your illustration, you're allowing them to self-discover the value of your products. A customer is more likely to buy a product when they can see how it will benefit them specifically. A simple hand-drawn illustration using the information they provided keeps them involved, and helps them "see" why they need your products.

► MAKE "YES" EASY

Asking, "Do you have any questions before I continue?" usually gets a "no" response. So rather than ask questions that result in a "no," ask questions that result in a "yes." Here's an example

F&I manager: "What GAP does is pay the difference between what you owe and what the insurance company pays, and it even pays your deductible. Wouldn't it be great if you didn't have to pay your deductible?" (*I've never had a customer say, "No, I like paying my deductible."*)

Once you receive positive feedback from a customer, you have earned the right to go for the close. We want to make it easy for the customer to say "yes" and difficult to say "no." The best way to do that is to ask the customer closing questions that ensure a yes, or set up a choice between two options,



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both of which are win-win situations for you. Here are some examples:

- "What day of the month would you like the payment to fall on?" (*Whatever day they choose, they're financing with us.*)
- "Which option do you think would work best for you, the preferred or the standard?" (*Whichever option they choose, you just sold a package!*)

- "Which coverage do you think would work better for you, the 5-year or the 6-year coverage?" (*Whichever one they choose, you just sold a vehicle service contract.*)

Whenever you ask a customer to buy, you should use a win-win question. A closing question that allows a 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."

► FEEL THEIR PAIN

Whenever you get an objection, the most important step in overcoming that objection is to feel your customer's pain. In other words, acknowledge the customer's concern and demonstrate empathy. The customer has to know that you truly understand their concern. This requires more than telling the customer, "I know what you mean" or "I understand."

You have to rephrase the customer's objection to let them know you really do understand. Here's an example: "I can certainly appreciate your concern, especially



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since your last payment was only \$400. I wouldn't want a payment I wasn't sure I could afford either."

Before overcoming any objection you must first put yourself in the customer's shoes. Demonstrate that you are seeing the customer's concern from his or her perspective. When a customer knows that you understand their situation and can relate to how they feel, they are more willing to listen to your recommendation. Show them that you feel their pain before you attempt to overcome their objection. ■

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