

F&I and Showroom

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Life in the Fast Lane

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ALSO INSIDE

How to Improve Your Closing Ratio

Earn an 'A' Grade on 'F' Customers

There Is No Fintech Bubble



SOME PEOPLE JUST WANT TO FIGHT

Disarm your next 'F' customer by delivering the information and genuine concern they need to make the best financial decision.

BY LLOYD TRUSHEL

Several months ago, the National Rifle Association got into a fight with Yeti. Many members instantly took the NRA's side and some decided to send a message by blowing up their own (expensive) coolers. The message was clear: "We're angry! (And possibly irrational!)"

Occasionally, some folks are going to visit your dealership when they're in a bad mood. Angry people still need cars. In fact, sometimes they're only angry because they have to buy a car.

I first learned about the "F" customer in an F&I class I attended 23 years ago, and they are still a challenge today. I was taught that approximately 10% of F&I customers are laydowns, 80% must be closed, and remaining 10% were Fs. They would never buy or budge.

Misery loves company. When we've had enough of anything, we may feel the desire to fight back, which makes sense when it's directed at the target. But sometimes the desire to fight leads to confrontations that are not in our own best interests, like blowing up a \$500 cooler or — even worse — declining a much-needed service contract or GAP coverage.

I think this is some of what drives F customers: a deep frustration with something that may or may not be related to your transaction. Regardless, if someone is feeling defensive, they are more likely to tune out or simply say "No" to your presentation.

Lately, I've been hearing this conversation retold by F&I managers across the country. It's practically an epidemic. But how can it be diagnosed, and more importantly, what is the cure?

THE DIAGNOSIS

I believe the "F" stands for "fear." They could be afraid of you personally or



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salespeople in general. They could be uncomfortable because they bought elsewhere in the past and it wasn't a pleasant experience. Or they could be in fear of a higher payment when they should really be afraid of a major repair.

So they must make a choice: fight or flight.

Flight is easy to recognize. They'll ask, "Can I think about it?" or "Do I have to decide today?" Often, stalling the decision isn't actually about measuring the options; it is simply another way of running away.

Fighting is different. It sounds like "Nah, I never buy any of the stuff" or "Don't waste your time." I commonly hear F&I managers explain to me how dumb their customers are for making unwise financial decisions. That could be true. But it is also likely that a good portion of those "dumb" customers are actually in fight-or-flight mode and the finance manager is misinterpreting their actions.

When the mind cannot deal with something, it can rearrange or edit the truth — at least until it's safe to deal with the situation. Similar behaviors occur in the box. We've all had a customer who's \$5,000 upside down but refuses to buy GAP.

Again, it's fear. So they say "No." Why? Because their fear of being taken

advantage of is greater than their fear of a mechanical breakdown.

THE CURE

Getting through this is not impossible, but it will take courage and patience on your part. You need to be able to share some undeniable information with your customer in a very gentle way. You also need to actually care about them.

What kind of undeniable information? Start with the fact that every customer actually wants the service contract. They may not want to pay for it, but they do want the "guaranteed" feeling. We all do, on every product we buy, every time. Not to want a longer guarantee on anything would be dysfunctional and irresponsible. Right?

So what's wrong with reminding them that we all want guarantees? They should at least review the offer and make an informed decision.

Finally, being genuinely concerned about your customer's future allows you to authentically discuss the value of the service contract, GAP policy, or any other product without offending them. Remember: People don't care how much you know until they know how much you care.

Give your customers the information they need and the personal touch they deserve. You will start seeing more opportunities in the box and actually help protect the budgets of some "F"antastic customers that would otherwise have missed out. ■

ABOUT THE AUTHOR

Lloyd Trushel is a key member of a group of associated companies and undertakings that include Consator Group, F&IQ, CAP Warranty, First Choice Warranty, Intelibuy, and others. He previously served as an F&I trainer and account manager for Assurant. Contact him at lloyd.trushel@bobit.com.