

# F&I and Showroom

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# *F&I in a Post-COVID-19 World*

The last few months have been strange — we aren't sure what next week will look like, and many of the goals for 2020 are in question because our ability to earn money has been compromised. So, the quicker we can adapt, the better opportunity we will have for success in the future.

BY LLOYD TRUSHEL

**Imagine you have a business. It's dominant in the marketplace, and you're making money. People love your product, and the future looks bright. Then, the government shuts down your business model. I'm not taking about COVID-19, I'm talking about cocaine.**

In 1918, the Coca-Cola Company was super successful, and their future looked very bright. They had the original “energy drink,” albeit loaded with sugar and cocaine. People would drink it and get fired up.

Then, the government made their primary ingredient, a product of the coca plant and the “Coca” part of their name, illegal. Without much warning, they had a problem thrown at them, and a choice to make: adapt or die.

They made the shift to using caffeine as a stimulant, others soda companies

followed, and the rest is history. Today, we have all kinds of caffeinated drinks available to carry us through our busy days, and all because Coca-Cola was able to shift to the demands of a new environment.

## **OUR NEW ENVIRONMENT**

The last few months have been strange. Fear, anger, hopelessness, and frustration are common emotions that people, in all parts of the world, feel on a daily basis. Just a few months ago, we were celebrating. We enjoyed Thanksgiving, Christmas, and New Years, making resolutions for a new decade. Many of us had big plans for 2020. Today, we aren't sure what next week will look like.

Money is the tool that we often use to achieve our goals. Many of the goals for 2020 are in question because our ability

to earn money has been compromised. As a result, we might feel lost, which is a logical reaction. The opposite — feeling normal — would just be a form of denial, and an unrealistic way of coping with the changes we are now facing.

Many of these changes are significant and real. They are not going away. So, the quicker we can adapt, like Coca-Cola did, the better opportunity we will have for success in the future.

## **ADAPTING TO CHANGE**

When Stephen was a young man, he could walk and talk just like everyone else. He had the same hopes and dreams that most people have. Then, at age 23, he was struck with a devastating illness, Amyotrophic lateral sclerosis, commonly referred to as ALS, and was told he only had three years to live. ALS attacks your own body,





causing your muscles to stop responding, while keeping your mind intact.

Instead of lamenting about how bad things were and feeling sorry for himself or giving up, he exercised his mind. He learned as much as he could. By age 43, Stephen had lost his ability to speak. He was only able to communicate using one finger and a mouse, but he never quit his research. Before he died, Stephen Hawking was recognized in the same league as Albert Einstein and Sir Isaac Newton for his work in science. He was a genius, and his work revolutionized the world. None of it would have happened if he didn't adapt to his new environment. We often describe intelligence as "knowing things," but Hawking explained it differently. Quite simply, he said that "intelligence is the ability to adapt to change."

Our ability to adapt to change is our most important tool right now. I encourage you to pull it out, dust it off, and start using it.

### APPLYING HAWKING'S LESSON TO F&I

We keep seeing new models of the sales process emerging in response to government restrictions on selling cars. The old school belief, that you can't sell a car over the phone, is being proven wrong every day. The phrase "adapt or die" is, for many dealerships, more relevant now than ever before. Creating a sale online, or over the phone, is mandatory if you want the business. If you don't, someone else will.

Three weeks ago, I bought a new truck over the phone. I never visited the dealership, never met my salesperson, never laid eyes on the truck, I never

test drove it, and I never met F&I. The paperwork was sent to me via FedEx, which I signed and sent back. All of this happened before I took delivery of the actual vehicle. Also, the salesperson, who I finally got to meet, drove 100 miles to deliver it to me. The sales process has shifted, and this type of transaction is becoming normal. We are quickly moving to the point of no return, and if F&I cannot adapt, it will die.

The idea of setting up Zoom meetings to create a menu presentation with all our customers seems lofty, but we'll see. In my experience, many customers aren't tech savvy, and some even have a distrust of technology provided to them by the dealership. Since downloading an app and listening to your sales pitch might not be high on their agenda, you may experience some resistance. So, just in case, I recommend working on your phone and texting skills, because presenting a menu through a video app may not be possible or desirable to the customer.

### 3 TIPS FOR SUCCESS

**1 Focus on crystal clear communication.** When people become confused, they rarely say "I'm confused." Instead, they say "nah," because it's less embarrassing. By being crystal clear, you run less risk of them being overwhelmed. Also, slow down. You don't have five more customers waiting for you in the showroom anymore. Our current situation is different, so embrace it. Make the process easy and enjoyable for each customer.

**2 Focus on how your product creates benefits for them.** You must make the conversation about them. Introduce the benefits of a product first, instead of the problems that your product solves. Discussing problems first, like a breakdown or repair, often discourages the sale.

**3 Focus on always telling the truth, unapologetically, but politely.** Assuming you already discussed the benefits of your product, and the customer is still unsure, this is the time to bring up the problems that your product solves. Being honest commands respect, but sometimes people can't handle hearing about problems, so we must also be gentle, like a good doctor would when discussing uncomfortable information with their patient.

Bringing these three behaviors into the transaction will improve your chances of helping your customer find the right mix of products. You can help them avoid the economic hardships of breakdowns, insurance settlement gaps, and more, while preserving your PVR. But this will only happen if you adapt to your new environment. ■

#### ABOUT THE AUTHOR

Lloyd Trushel is a co-founder of The Consator Group.