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# CANADIAN AUTOWORLD

F&I NEWS

## Your dealership is not profitable without F&I: Marino

F&I trainer Duane Marino, president of Team Relmark Dealer Services, held a three-day training session in Toronto in mid-February. Marino is a 30-year industry veteran with experience in retail at all levels. He has been a sales trainer since 1992 and is part owner of a used operation in London, Ont. Attending the session were 20 business managers from dealerships across the country. Marino invited Canadian AutoWorld to take in one session. Here's what we saw.

A session with Duane Marino moves along briskly, starting promptly at 7:30 a.m. with a discussion of the homework – yes, homework – exercise from the previous day's session.

One of the assignments: do some mystery shopping to see how other dealerships respond to telephone requests for pricing information, including F&I products. One participant reports back.

Then Marino moves on to discuss sales performance charts and how to read the results.

Participants are urged to keep track of their sales performance particularly by the day. Most dealers and business managers prefer a monthly report.

He explains that if a business manager knows how they are doing by the day, they can change direction before the month is over and it's too late.

Charts that show straight line performance may look good, but they're deceiving, he says.

There is a variety of reasons for straight lining, none of them good: It may be that the business manager is simply an order taker, not presenting all the products; being a bit lazy; or not following an ethical process.

"There should be zeros in your numbers. Your charts should show ups and downs because some people will buy nothing – but not over 20 to 30 deals. Your chart should look like a huge heartbeat. That reflects the buyer population."

But above all, he warns his class not to take rejection personally.

"You don't know what the next customer will purchase. It could be everything or it could be nothing."

And what if the business manager isn't hitting the sales targets? He advises them to check their office. Is the atmosphere friendly? Is it their demeanour or their dress? Are they doing something that puts people off?

"Watch your customer's body language. See if they are enjoying what's going on. Watch theirs and change yours."

If the problem is not in their sales pitch, perhaps the business manager should tell the store's service advisors to recommend extended warranties.

Handling the cash buyer is a difficult one because cash buyers are notoriously hard sells when it comes to F&I products. He advises them to find out first of all what the buyer means by cash.

"Congratulate them and ask them



Duane Marino (centre) and the Team RelMark class of February 2010.

the name of the lienholder. If it's a financial institution, then it's not really cash."

And if it isn't, that opens the door to a discussion about the perils of bank loans.

To keep the class involved, Marino punctuates the lectures with role-playing sessions. The third day is devoted to role playing.

Not all products are relevant to everyone. Offering every product to every customer no matter what their circumstances is a waste of time. Don't skip any, though. Offer them all, but when there is no real want or need, move on, he says.

And when they are done with the customer, participants are told to turn the customer to their sales person, recapping

what the customer bought. That gives the sales person one last chance to persuade the customer to buy something else.

Among other things, participants are also taught the etiquette for dealing with banks and other credit suppliers, menu selling and when and if the menu should list the prices of the products on it.

Menus aren't like restaurant menus, he insists; prices shouldn't be listed.

"You want to sell the benefits not the price."

Marino says his teaching pays off.

"We've seen people go from \$600 or \$700 a deal to \$1,000 to \$1,200 a deal."

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