

## Menus boost F&I bottom line

Contributed by Canadian auto dealer

### Selling

from a menu, rather than in a step-by-step process, improves customer satisfaction and revenues.

### By

now, if you have not already adopted menu selling, you have probably at least heard the buzz about using menus as tools to help increase your F&I revenue. You may have even discussed the idea within your dealer group. If you are familiar with the concept, then you are probably also aware of some of the many benefits of using menus for F&I presentations.

### According

to one U.S.-based study, GAP and extended-service contract sales are 23 and 40 percent above average, respectively, with the use of menus.

### Dealers

who have adopted menu selling are finding increased F&I profits because the consistent use of menus ensures that all their F&I personnel offer all their products to all their customers all the time. No customer is likely to buy a product or service that they don't want or need, but it is certain they won't buy it if it is not offered to them. Menus make sure that they are at least given the opportunity.

### Using

menus also has the very positive effect of reducing both the pressure inherent in the F&I process and the time spent with each customer. Happily, the direct result of those factors is increased customer satisfaction with the sales process. Additional benefits include reduced charge-backs, and protection against potential liability and future litigation, because dealers have a precise record of what was offered to the customer.

### Implementation

#### Knowing

that menus can help you increase your F&I revenue, the question becomes, how do you implement the use of menu selling in your business office? Menu selling is much different (albeit easier) than step selling. But the menu is just a document. It doesn't sell anything by itself.

### It

takes a business manager who is well-trained in menu presentation to take full advantage of the potential gains menus can provide for your F&I department. Several training groups, all across Canada, can train F&I managers in how to sell from both manually-written and electronic menus.

### Either

way, the use of a menu presentation is a major step towards achieving the many benefits outlined above. There are, however, differences between a manually prepared menu and an electronic version that could affect the delivery of the presentation as well as its effectiveness. Here are a few things to consider:

- Professional presentation - Having a professional presentation is an important contribution to your customer's perception of your dealership. By offering a printed menu from a menu software application, you ensure that every presentation is clear, consistent and professionally presented. If you utilize a colour printer to print your menus, not only is it visually more appealing but it also assists your customer in differentiating the packages included in each of the menus. If your menus are hand-written, it can be more difficult to

differentiate the package options and depending on the legibility of the business manager's handwriting, it is possible that the menu can't be read at all.

- Consistency - Consider the consistency of the use of menus. After all, the main point of using a menu is to ensure that all products are being offered all the time. The greatest challenge dealerships have in the F&I department is to ensure that every option is presented to every customer. Experienced F&I managers readily admit in training sessions that they do not offer all products on a consistent basis.

- Customization - With a manually written menu, there isn't always time to prepare the menu before the customer enters the business office. An electronic menu allows the business manager to custom build all the menu templates that reflect the different presentations they may need for the different types of buyers. For example, a cash customer does not need to learn about the payment protection options and the single customer need not know specifics about joint creditor insurance options. By preparing templates, the business manager always has an appropriate menu on hand to present to every customer.

Written

or electronic?

Being

able to customize a menu or package so it specifically addresses the customer's unique needs is critical for effective menu presentations. In order to customize a prepared written menu, the business manager needs to scribble out items that may not be useful to the customer and write in new products that may be of interest that were not included in the chosen package. These required adjustments in a written menu can be confusing and appear cluttered and disorganized. Not to mention the time required to recalculate the new payment every time a change is made.

A

professional menu selling software application, such as QuantechSoftware.com's F&I Booster, or V6 F&I with integrated menu options, enables on the fly changes to packages as well as individual products. You need the ability to make changes to product description details as well as product prices, and to automatically recalculate the new payment schedule. That flexibility allows the business manager to quickly customize the menu to suit the specific needs of the customer.

Regardless

of whether you implement a manually-written menu or an electronic menu, menu selling offers the potential to see an increase in revenue every time it is used to present F&I options. It is important, therefore, to ensure that the menu is being used consistently, for each and every deal.

For

more information on menu software, contact Quantech Software at 1-877-611-0622 or visit their website at [www.quantechsoftware.com](http://www.quantechsoftware.com).