

WORKING YOU OR THE MENU?

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Ask if you're on the Menu and you'll be told, "I'm on the Menu"! As a Finance & Insurance Consultant on Menu Selling I have reviewed countless Menu systems and I have seen few who are doing Menu Selling by the book! A pay plan not designed to support Menu Selling will destroy any benefits the Menu Selling System has to offer. Pay Plans destroy action to execute Menu to its fullest potential!

Menu Selling presenting all products to all customer 100% of the time? Not the case when a Finance Manager is on a pay plan that pays out of a total department percentage! How about the insurance guy who wants to spiff one product versus the next because he gets a higher commission on one product versus the other? Perhaps the dealer wants certain products sold over the next and will pay out a higher percentage on product sold. The pay plans I am referring to and or bonus programs will undermine Menu Selling and will diminish its rewards.

The principal behind Menu Selling is presenting all products to all customers 100% of the time. Let the customer choose which product or products suit them not the other way around. Pitching products to suit the Finance Manager, Agent or Dealer isn't the way to go. Menu Selling works best and generates the most profits for the store when no one has a bias to one product versus the next.

A Finance Manager I worked with during an in-store consultation explained to me that he would renegotiate the interest rate with the customer if the customer would take the credit life or disability product. He explained in his defense he offered to drop the rate one percentage point if the customer would buy the credit life insurance instead. Wonder why the Finance Manager would cost himself \$1,000.00 profit to sell a credit life policy, he explained it was "real simple" it's due to "working his pay plan"! The dealer paid out a higher percentage for credit life and disability sales? Not quite what I had in mind when I train Menu Selling? The following day the customer returned back to the dealership asking that the credit life product be removed and demanded that the rate he was given be kept the same. It turned out the customer went home and reviewed the finance pitch with a friend. The friend told him he wasn't required to purchase any products to get a better interest rate. Pushing one product versus the next to make a pay plan will cost you plenty. Maybe, time?

Product gouging is another reason for concern and those on a total department payout. A common pay plan will pay out a higher percentage for service contract business but will lower the payout for rate. The reason behind reducing the payout for rate than product is keep the Finance Manager honest? Understand the Finance Manager will work their pay plan and if they don't make a significant percentage from one product you can bet they will over-compensate elsewhere and pitch the product that will. Pull the deals and you might note that service contracts are being sold at inflated prices. It is quick fix to maximize their pay plan undermining any benefits from Menu Selling.

If you want to make sure you are on Menu Selling, pull all the deals from the month prior. Review for product penetration. The key, check your deals for even product penetration spread. If you note one product sold versus another you may have a problem and chances could be it's due to a pay plan issue.

Pay Plans that support Menu Selling include the following basics, Per Vehicle Retail, Total Units Delivered and Total Product Index Count. It is known as a "Performance Pay Plan" supporting presentation of 100% of your products 100% of the time. If you support the idea of Menu Selling and want to be successful utilizing this method but don't seem to be having the success you hoped for take a good look at your pay plan and don't forget, inspect what you expect, pull your deals!