

# Eliminate the F&I Bottleneck



**Tony Trousov**

*Director of Training*

Automotive Development Group, LLC

Minneapolis, MN

612-804-1706

[ttroussov@adgtoday.com](mailto:ttroussov@adgtoday.com)



**@atroussov**  
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# **Eliminate The F&I Bottleneck**

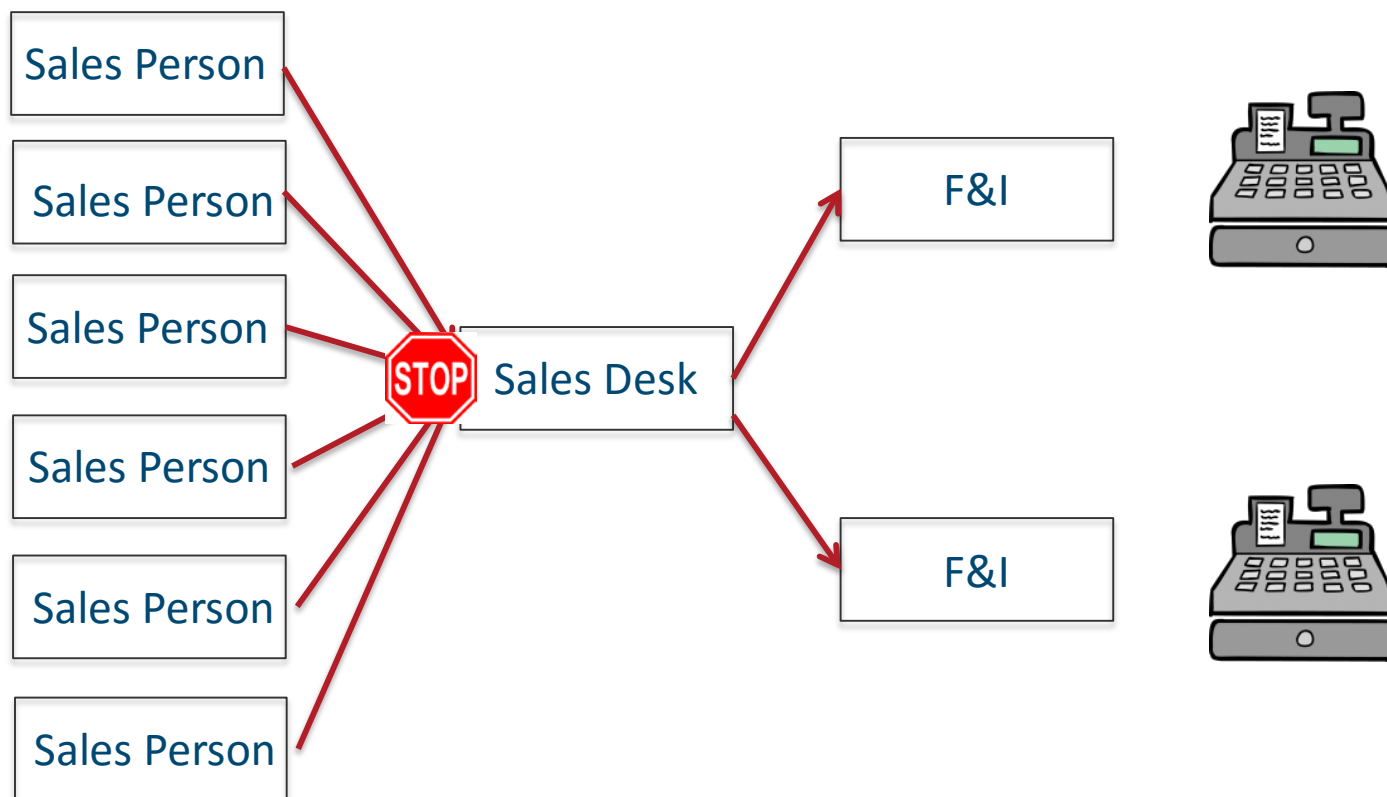
## **Hi-tech & Hi-touch**

### **The Best Practices**

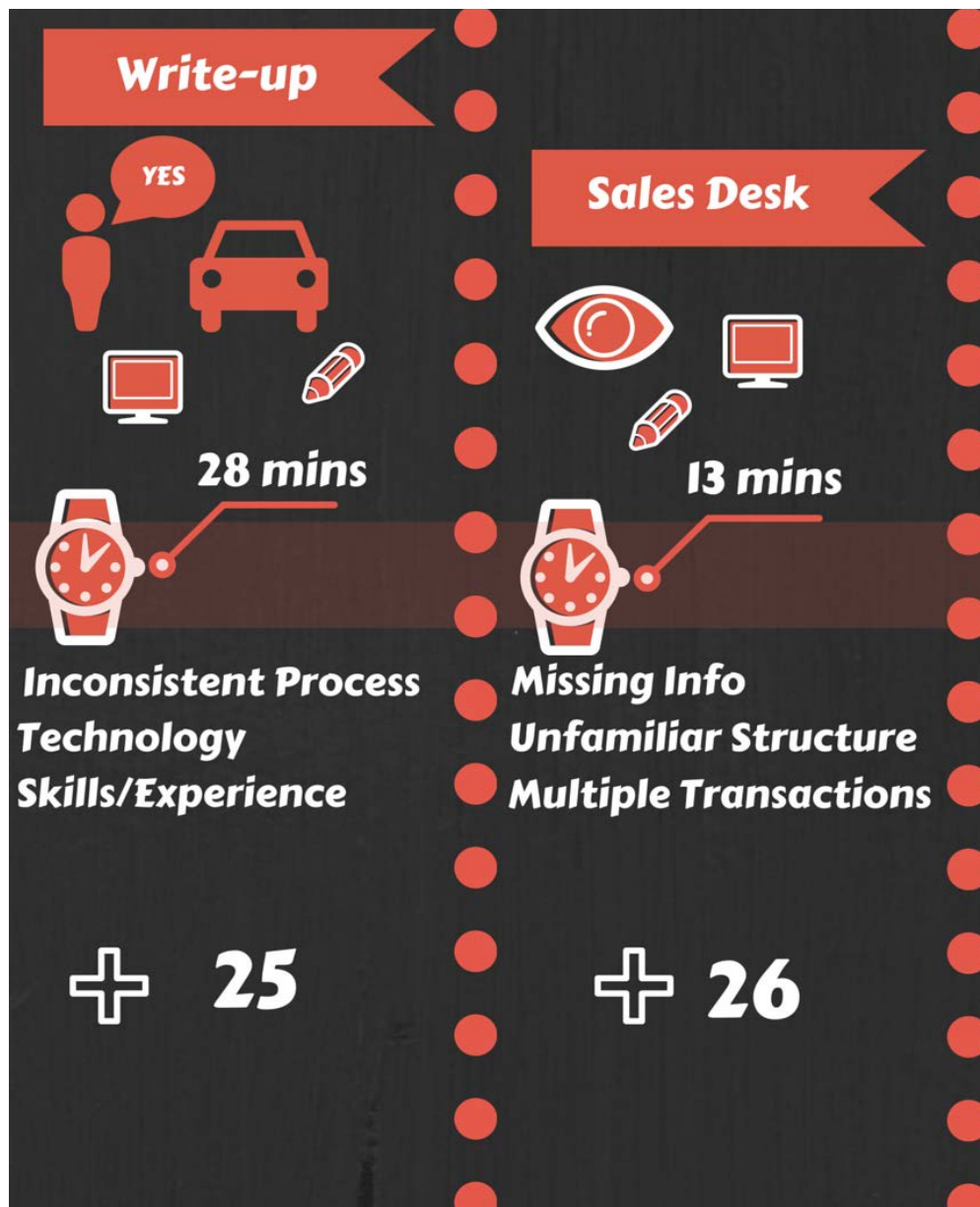
### **The Changes**

### **The Next Practices**

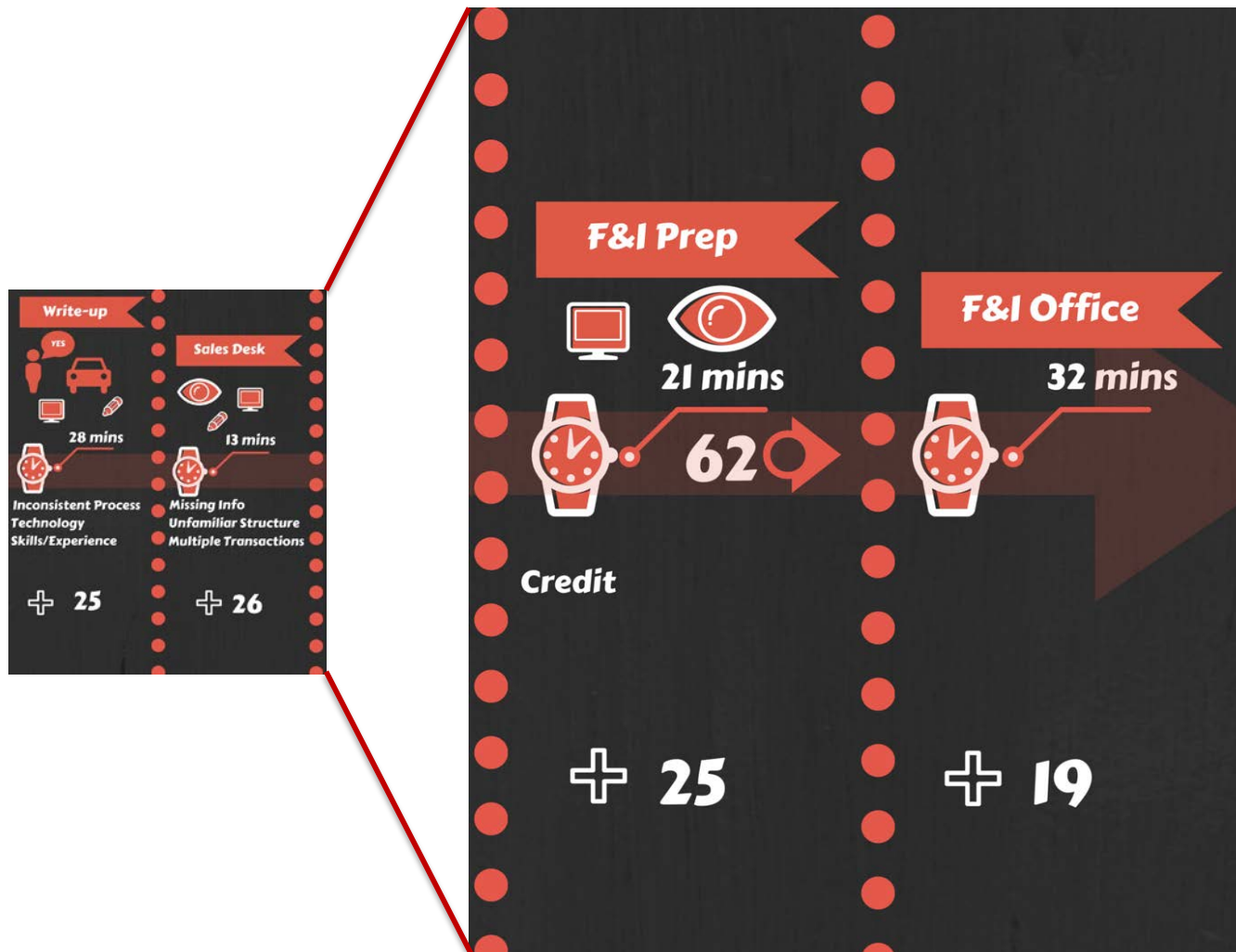
# Current Structure



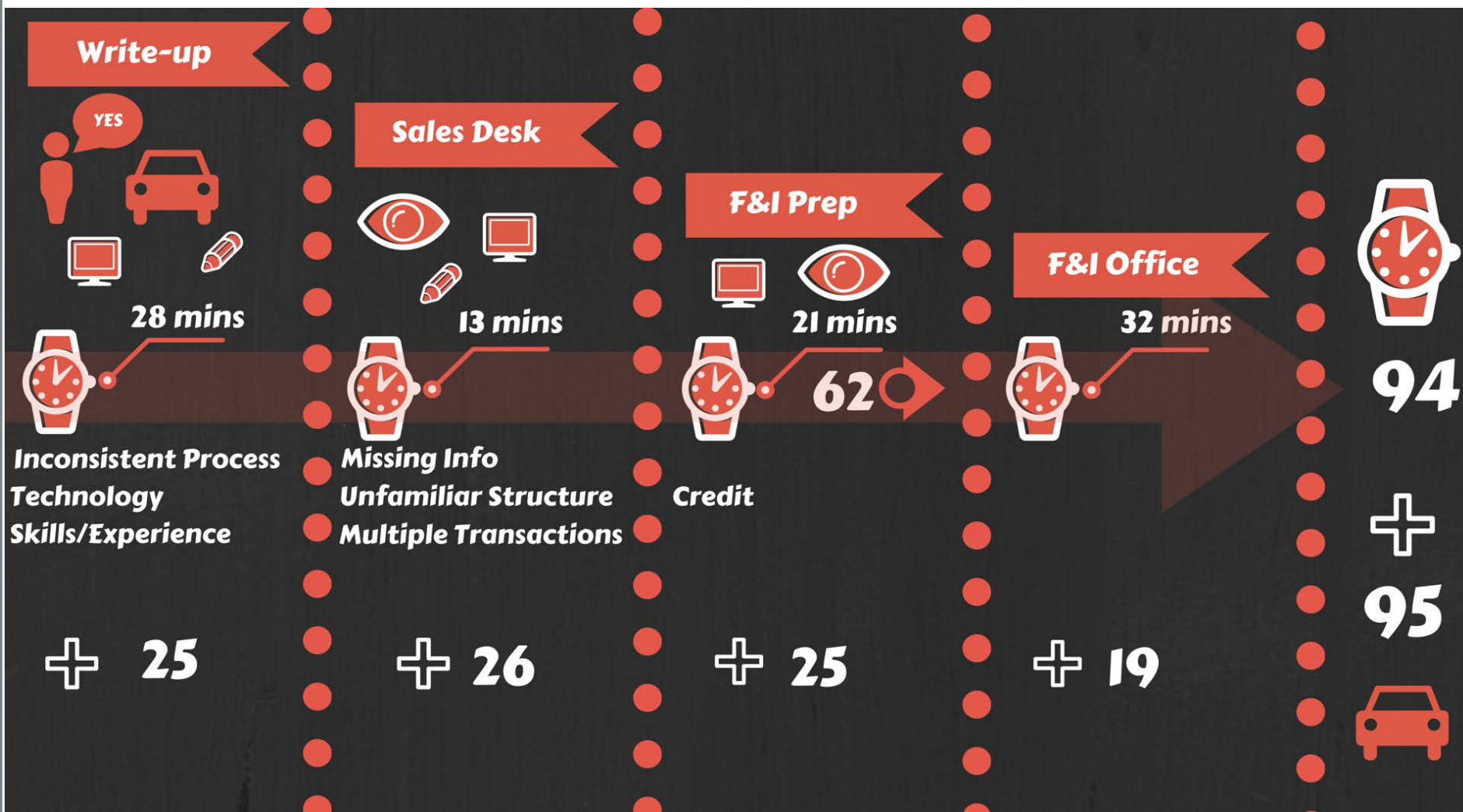
# Transaction Flow



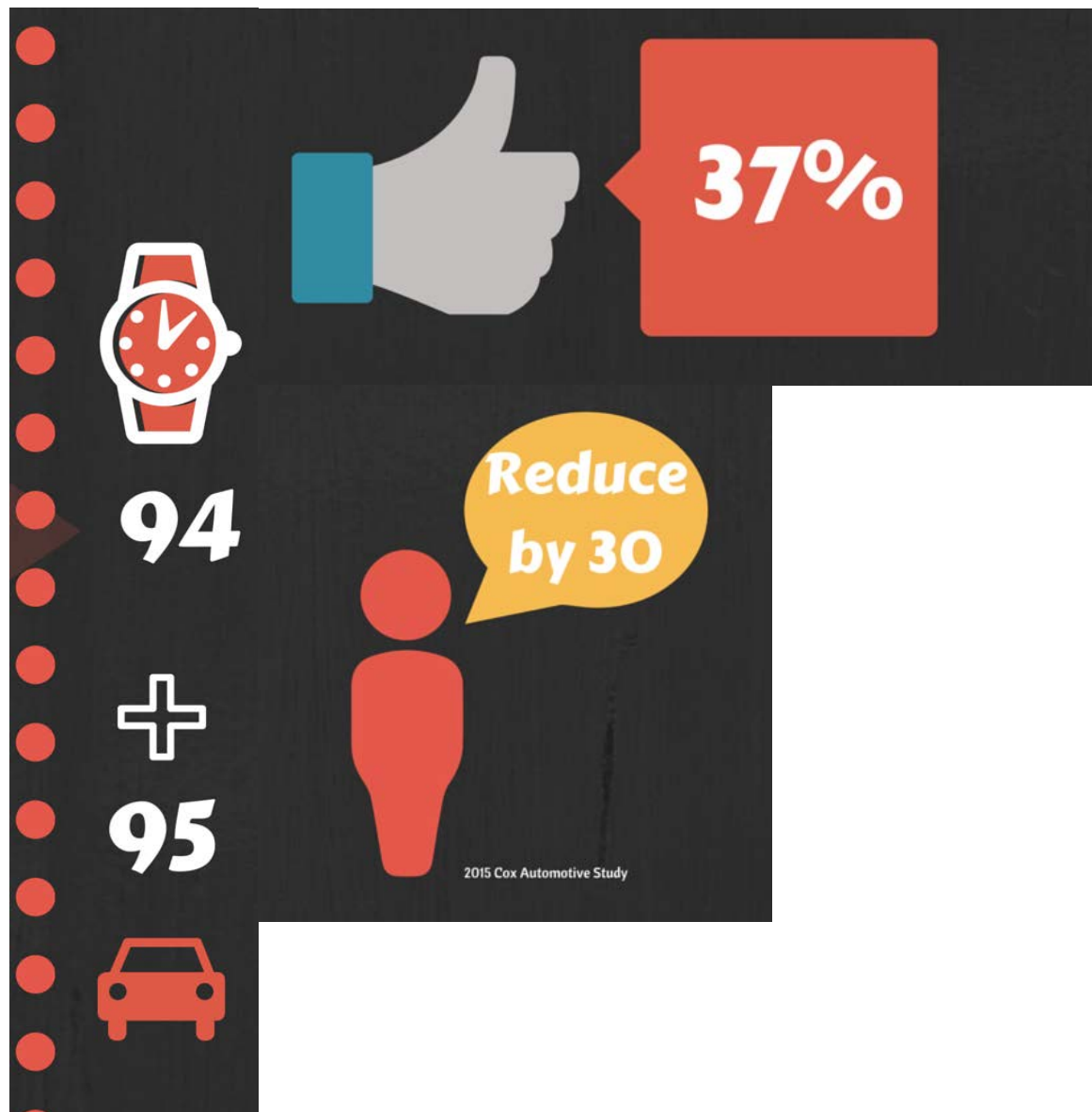
# Transaction Flow



# Transaction Flow



# Transaction Flow





# Sales Satisfaction Index

## Four Major Factors J.D. POWER McGRAW HILL FINANCIAL



working out the deal = 17%

salesperson = 13%

delivery = 11%

facility = 10%

# Sales Satisfaction Index



**Working Out the Deal**



**J.D. POWER**

McGRAW HILL FINANCIAL

Ease of Getting to a Price

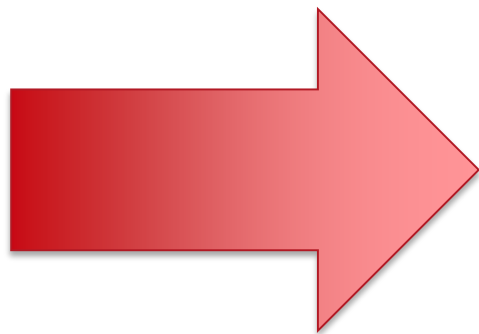
Fairness of Price Paid

Timeliness of Completing Paperwork

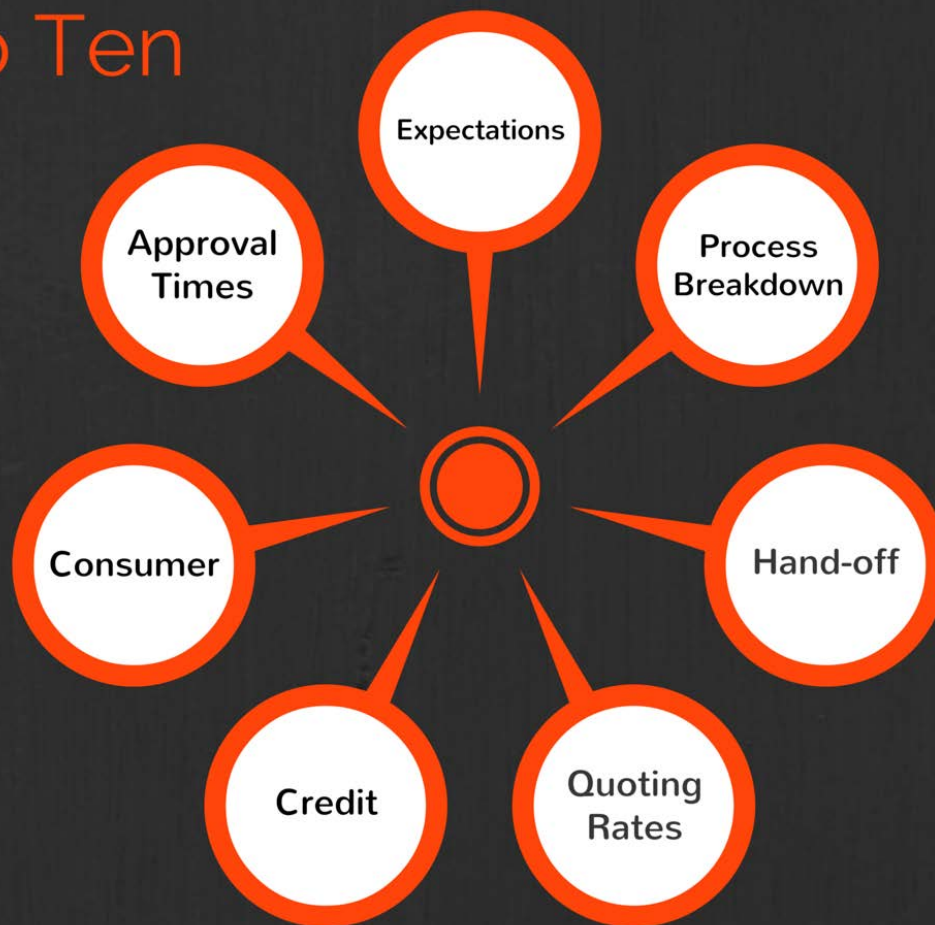
Clarity of explaining documents

Honesty of the Person Handling the Paperwork

# F&I Challenges

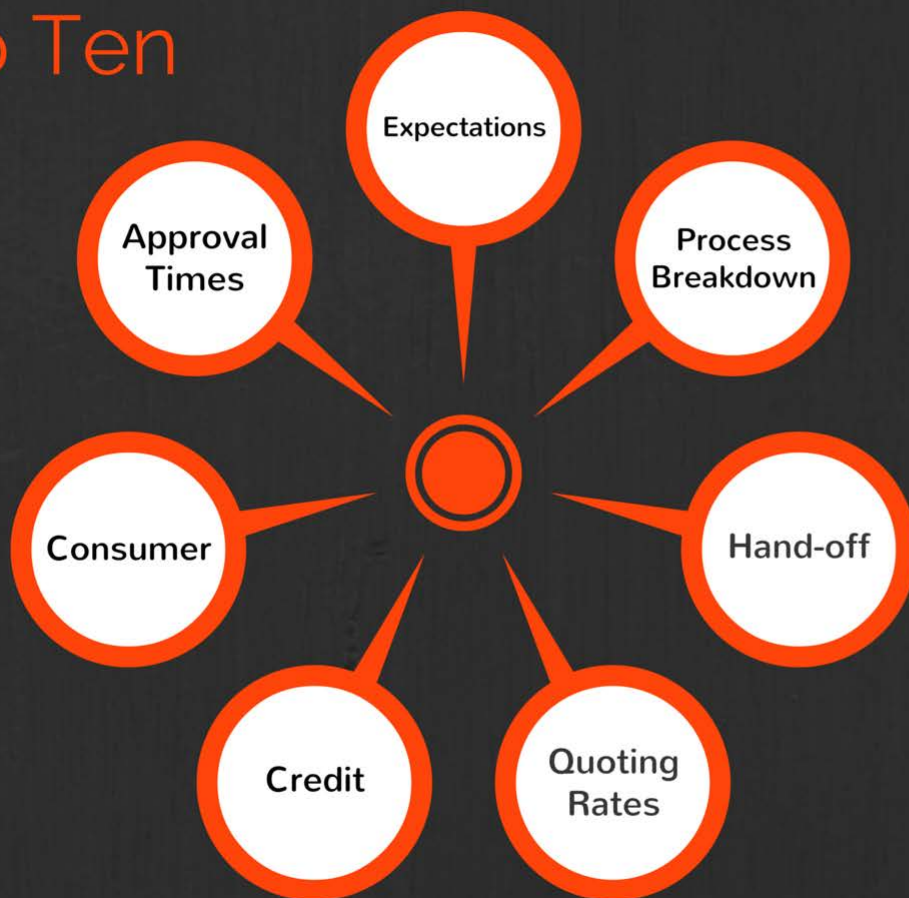


## Internal Perspective Top Ten



# F&I Challenges

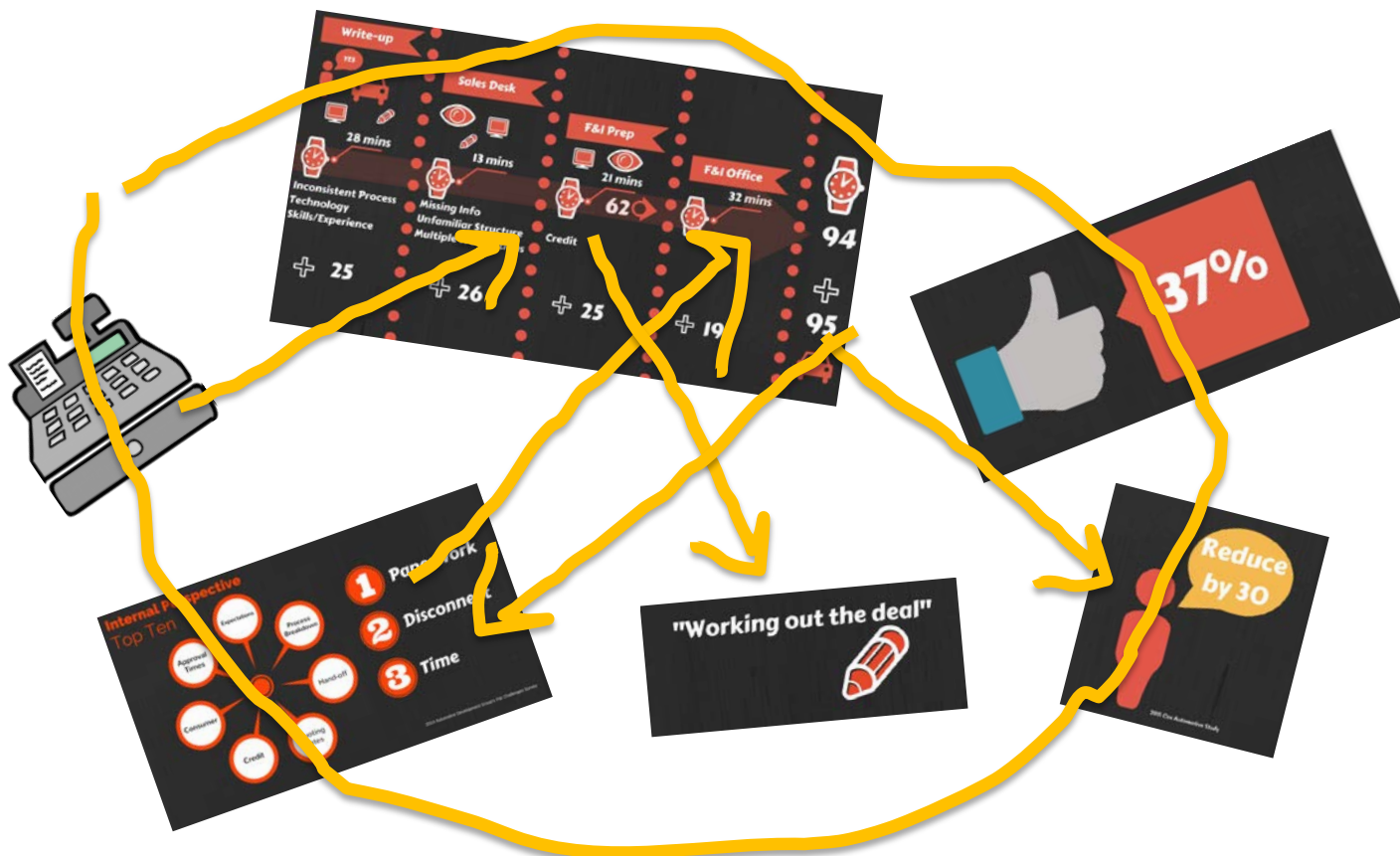
## Internal Perspective Top Ten



- 1 Paperwork**
- 2 Disconnect**
- 3 Time**

2014 Automotive Development Group's F&I Challenges Survey

# F&I Challenges



think  
with Google™

**“Which car is best?”**

**“Is it right for me?”**



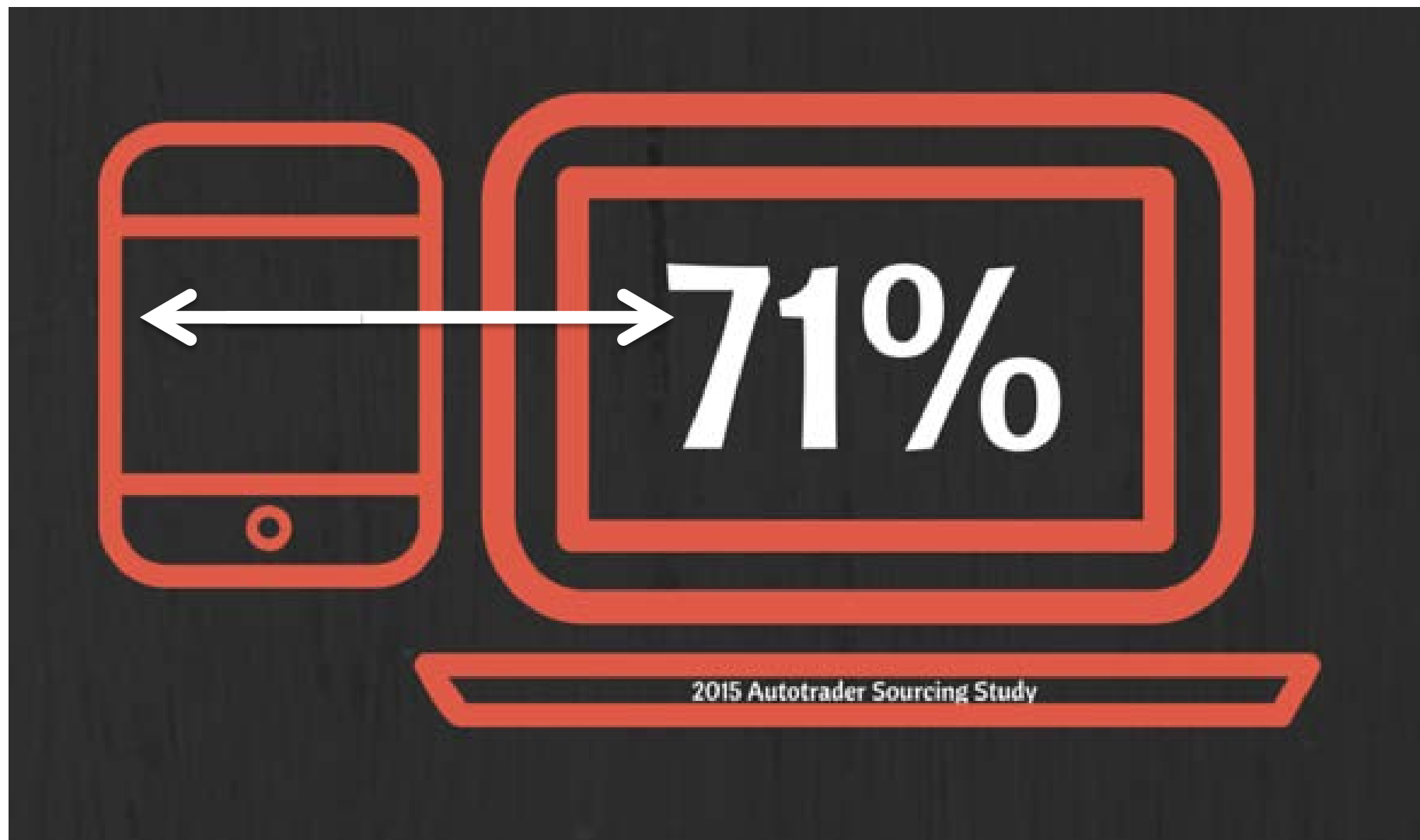
**“Can I afford it?”**

**“Where should I buy it?”**

**“Am I getting a deal?”**

2015 Think with Google – “The 5 Shopping Moments Every Brand Must Own.” David Mogensen

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# Technology



**Your website. Can a customer:**



**Yes/No**

Start a deal?

See a trade-in offer?

Choose accessory options?

See information about protection products?

See accurate payment info (buy/lease?)

Fill out and e-sign a secure credit application?

Receive actual approval?

<http://www.surveygizmo.com/s3/2553940/NADA>



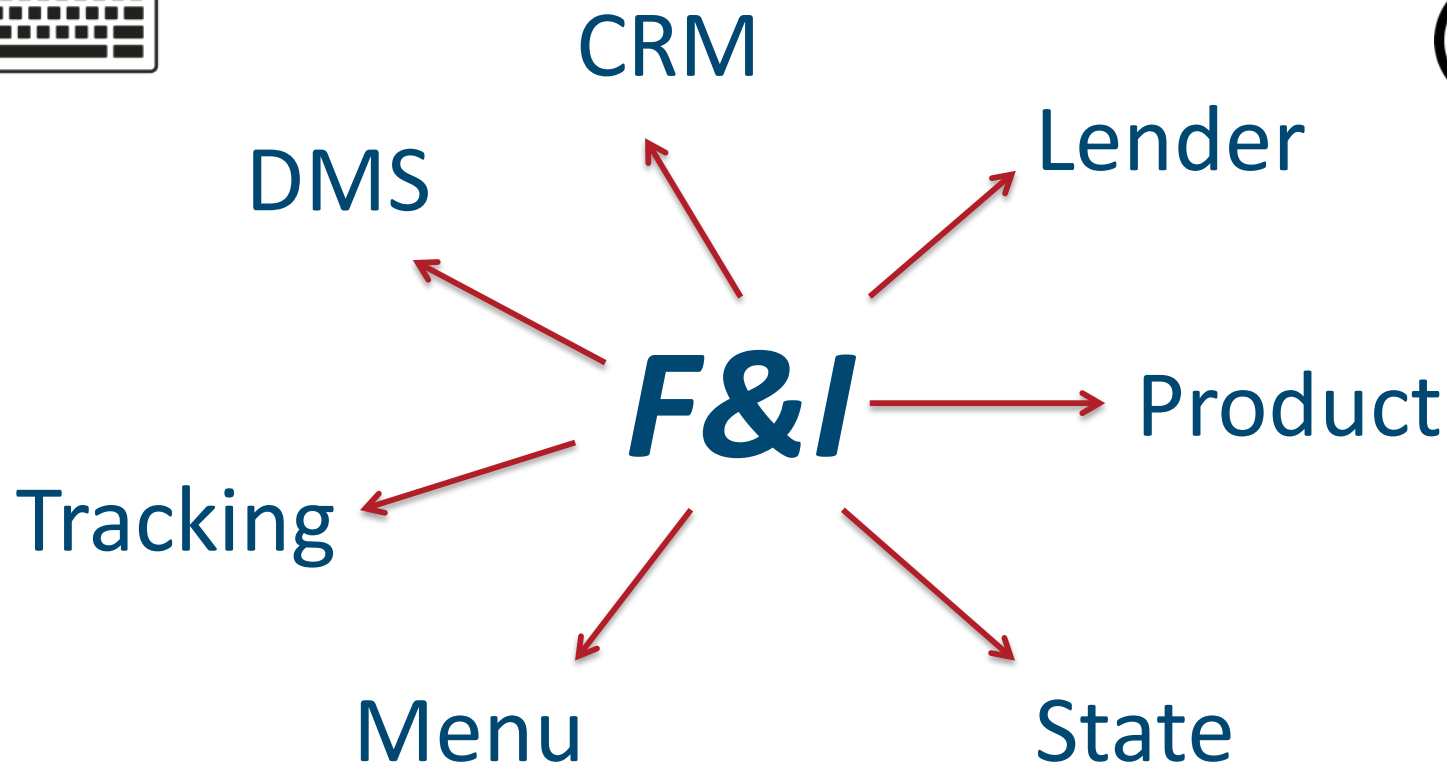
# What is Your Online F&I Strategy?



**Research Tools vs. Process Tools**

**Online Experience Matching In-Dealership Process**

# Technology – Data Entry



# Hi-Tech and Hi-Touch

## Rate Your F&I

1 2 3 4 5

Lender Skills  
Technology  
Process  
Managing Expectations  
Sense of Urgency  
Early Involvement  
Proactive  
Attitude

<http://www.surveygizmo.com/s3/2553985/NADA-2>

# ~~Dis~~Connect the Dots

Educate

Involve SPs

Create Value in F&I

Planting Seeds

Involve F&I

Urgency Culture

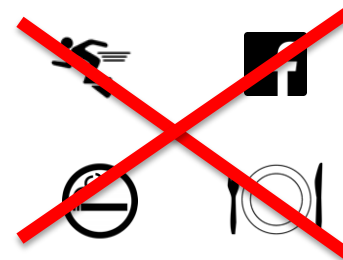
# Culture

## Time Transactions

Each Step



By SP, SM, F&I



# Best Practices

## Streamline Your Process

# Sales – Deal Write-Up



Check List

Customer Involvement

Complete Information CRM/DMS

Pre-made Deal Jackets

Proactively Manage Deliveries

Proactively Manage Perceptions

# Sales Desk



Check List

Only Necessary Steps

Complete Deals in DMS

Submittal and Approval

Re-Set the Clock



# The F&I Prep/Sign-out



Check List

Early Involvement

Proactive Approach

Re-set the Clock

Fewer F&I Products

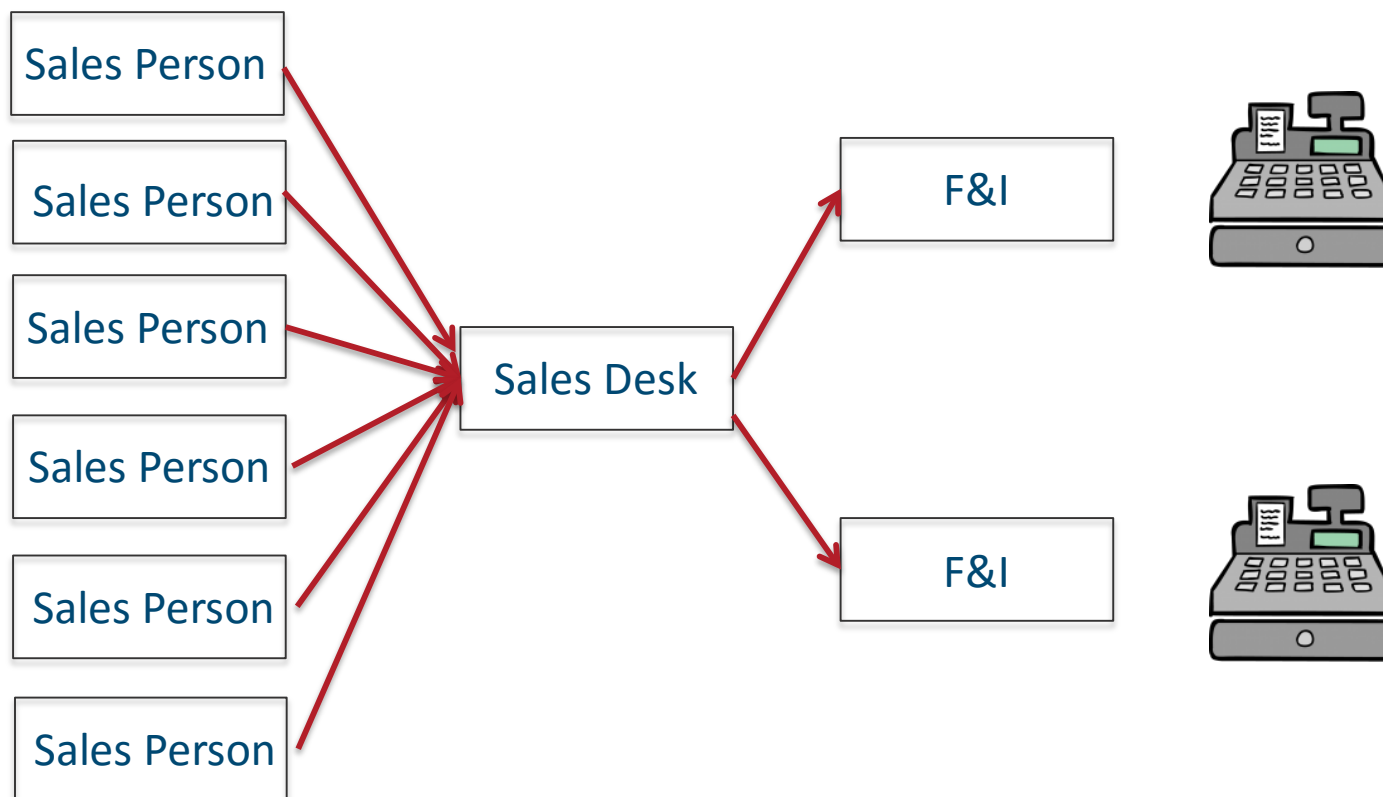
Standardized Pricing

E-rating

Shorter Menu Presentation

E-contracting

# Current Structure



# The New World

## Disruption #3 – Social Media



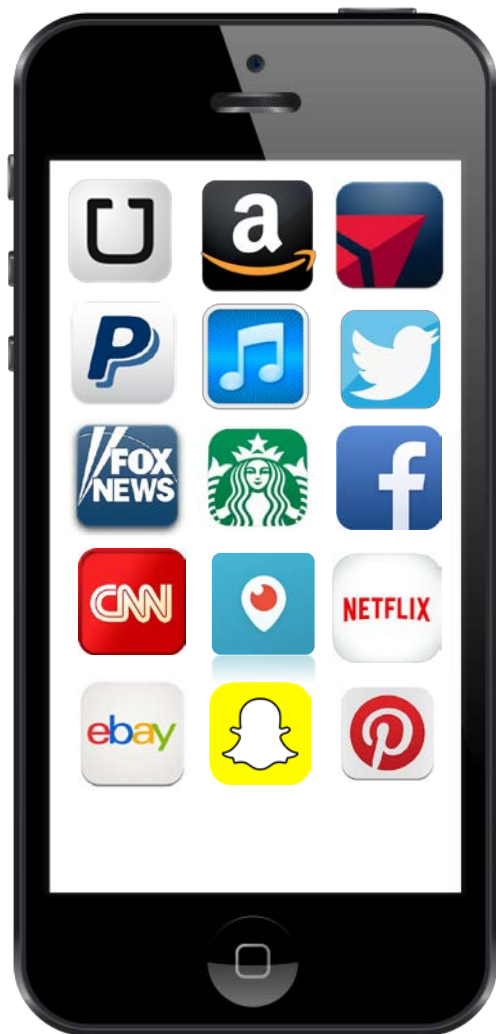
# The New World

## Disruption #2 - Multi-Generations



# The New World

## Disruption #1 – Mobile



*“Selfie Experience”*

Seamless

Personalized

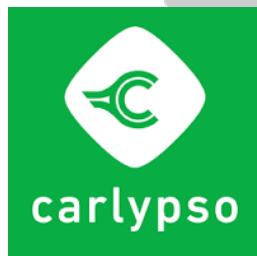
On-demand

# The Uberized Experience

## From Best Practices to Next Practices



beepi



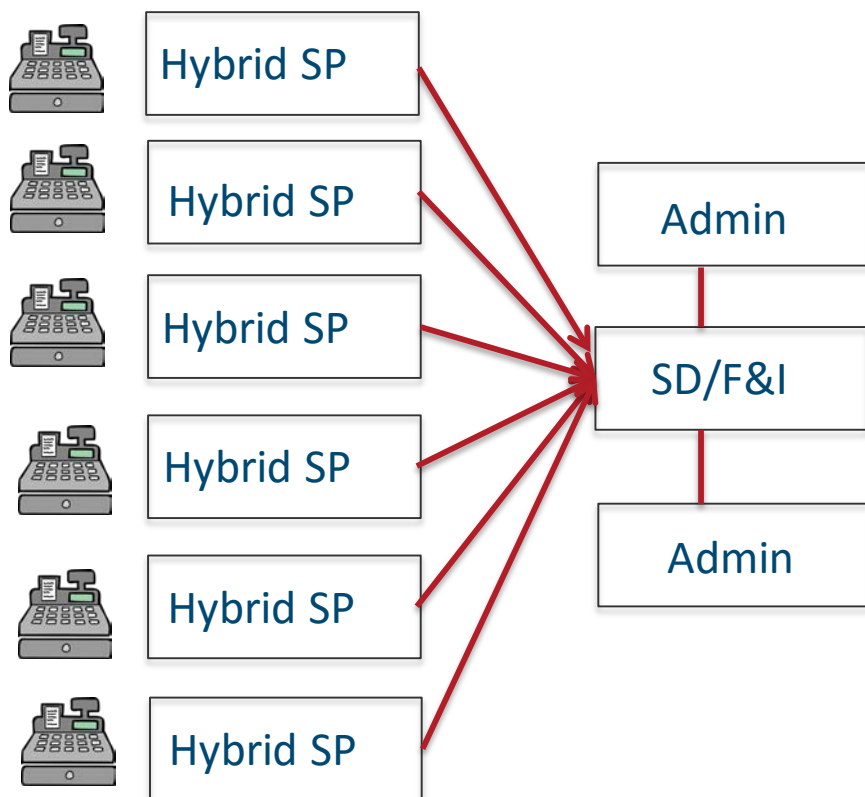
*What If?*



CARVANA



# Hybrid Structure



# Variations

Hybrid Sales Person – Admin F&I Support

Hybrid Sales Person – From A-Z

Hybrid Sales Person – Centralized F&I





# Benefits

Seamless Experience

Eliminates Disconnect

Increases Velocity

Manages Perceptions



# Benefits

Differentiation

Attract Better Candidates

Employee Retention

Lower Employee Cost



# From “YES” to Delivery



“Our average time is 44 minutes. The goal is to be at 30.”  
- Brian McCafferty – Avondale Toyota

“We do paperwork in 30 to 45 minutes. Our bottleneck now is vehicle clean-up time.” - Ken Garff Hyundai

“The menu is presented within 14 minutes. Our average times on cash transaction 30 minutes and finance/leasing run about 45 minutes.”  
- Doug Sprinthall- Walser Automotive Group

# Challenges

Organizational Transformation

Ongoing Education



# Customer



# Questions?

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