



FINANCE AND INSURANCE

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CSI in F&I CSI in Your Dealership: It's Not Just for Sales & Service

When it comes to customer service in the dealership, we often think of only two departments, Sales and Service. But are we forgetting an important part of what makes a dealership successful? Customer satisfaction must be measured in the Finance Department as well to exceed customers' expectations throughout the entire sales process.

In business we talk dollars and cents, so how do we measure the worth of a customer's feelings about his or her transaction with us? Can we put a value on the impression we've made on our customers? CSI, or Customer Satisfaction Index, helps us do just that. CSI has taken root over the past few years. Today, top industry leaders include CSI as a standard for measuring performance. Companies recognize that in today's economic climate, customer satisfaction is paramount. You now face intensified competition and a global market, regardless of your industry. Your customers are better informed and are well aware of their choices when it comes to making a purchase. The boating industry is no exception.

Before we examine the impact of F&I on CSI, let's discuss the importance of CSI in general. Customer satisfaction can mean the difference between a sale and a missed opportunity. It is the only way to gain repeat customers and establish relationships with existing ones. Companies that focus efforts on customer satisfaction also increase pressure on the competition while lowering employee turnover and marketing costs. The increased emphasis on customer satisfaction is evident at every level of our industry. Industry wide, the NMMA provides a CSI program that can be utilized nationally by manufacturers. "We want to make sure we are delivering a great experience. The information is invaluable in allowing us to develop a better product and helps to manage the expectations of customers and dealers," said John Deputy, Director of Marketing for Godfrey Marine. "We receive hot sheets everyday with issues from customers either with their boat, the dealership or their overall experience and we address those every day. We also post feedback on our website to share with other dealers. It all boils down to communication."

At the Manufacturer level, there is also an increased effort to emphasize the importance of CSI and incorporate it as part of the entire organizational process. Terry McNew, President and CEO for Correct Craft, talks about the role customer satisfaction plays within his company. "Everything we do at Correct Craft is with the customer in mind. This doesn't include just factory, but also our dealer network. Each year at our annual dealer meeting, we recognize our dealers who've achieved superior CSI ratings. It's not just our superior 5 year limited warranty or the fact that we've won the J.D. Power award four times in a row that results in high CSI scores. High CSI scores are the result of everyone executing well throughout our network." There is no doubt that CSI has saturated the industry. From industry associations to dealerships nationwide, all eyes are on customer satisfaction.

Now that CSI is in the forefront of the industry's mind, we must look at what we are measuring and how. Are we measuring everything we should? Poor customer satisfaction in the Sales and Service departments will inevitably lead to decreased sales, less profit, and a lack of repeat

business. For a dealership, satisfying the customer in every way possible is just as important as the actual product. In our line of work reputation means everything. So, do these things hold true for the Finance Department? Does F&I really have that much impact on customer satisfaction? Absolutely.

Finance & Insurance is vital to the customer experience. Without the ability for customers to finance, the majority of boat sales would not occur. Ironically, F&I within the dealership has commonly been overlooked by all levels of the industry. This is a costly oversight. We are selling a large ticket recreational product. The customer's finances are perhaps the largest competitor you face. If the customer doesn't believe he or she can afford the boat, you've lost a sale. We must place value on the role that financing plays to the individual customer. When we think of F&I in the dealership, we must look at the affect it has on customer satisfaction.

A properly managed F&I program can mean an easy and enjoyable buying experience for the customer. Likewise, neglecting F&I is the perfect way to lose sales, customers and repeat buyers. For this reason the industry as a whole must begin to look at the opportunities F&I brings, or our customer satisfaction will suffer the consequences.

F&I's Impact on CSI

F&I can make or break a deal. When it comes to making a sale, there are many ways in which F&I can be either your saving grace, or your down fall. Most customers need assistance when it comes to financing. Unfortunately, a large portion of marine dealerships let the customer find their own financing. Often the customer consults a lending source that does not specialize in recreational lending. If the customer has borderline credit, someone that is unfamiliar with recreational lending may turn them down. The customer sees this as a lost opportunity to buy a boat which translates into a disappointed customer and a lost sale. However, if the customer works with your dealership's finance program, you have greater assurance that the deal will be handled properly. Each opportunity to make a sale will be maximized. More importantly, each customer will be handled with the care he or she deserves.

Controlling the sale. Perhaps the most important aspect of offering your customers a Finance & Insurance Program is that you have control of every part of the process. You can be sure that the customer is satisfied because you helped them every step of the way. Also, by approving a customer through your dealership's F&I program, their approval is good exclusively at your dealership. Obtaining an approval while in the dealership moves the customer from browsing to buying and guarantees that you remain in control of the messages the customer receives.

Dealing with a customer's sensitive credit issues. Talking with customers about sensitive credit issues puts unnecessary pressure on the salesperson. It can create an uncomfortable situation for the customer. Having the ability to turn your customer over to a competent F&I Manager helps preserve the rapport you establish with your customers. The relationship between salesperson and buyer is strengthened and the buying experience is improved overall.

One stop shopping. The sales process should be an enjoyable experience for the customer. Any hitch in the process is an opportunity for an unhappy customer. Consumers today want hassle free one-stop shopping. Although hull insurance is not part of traditional F&I, providing a source for insurance through your dealership helps ensure your customer will be satisfied with their buying experience. "Our primary goal is to help our dealers make the sale," said Kathryn McKenna of Veritas Insurance Group. "We realize providing their customers with insurance means more than just finding them a policy. We have worked with customers who after dealing with an outside

agency were debating whether or not to continue with their purchase. We review each boat individually and search for the best coverage at the best price. We have saved the deal and helped cement the relationship with the customer and dealer. The customer was happy to know their dealer was looking out for their best interest.” Handling all of your customers’ needs reflects positively on the professionalism of your dealership. It shows that you have made every effort to exceed your customer’s expectations. Going the extra mile to help your customer with insurance is a great customer service builder.

Measuring CSI in the F&I Department

Realizing the impact of the finance process on the customer means including the F&I Department in the framework of dealer standards. Just like Sales and Service, simply going through the motions and hoping your customers are satisfied is not enough. If we hope to build relationships with our customers and encourage repeat buyers, measuring CSI in the F&I Department is a must.

Customer Satisfaction Cards and Mail-out Surveys. Questions about the finance process can easily be added to an existing survey, or a survey can be created specifically for your F&I Department. Many dealers have already implemented customer satisfaction cards or mail-out surveys to measure customer satisfaction in their Sales and Service Departments. They are an easy and inexpensive way to gain insight into areas that may need improvement. One drawback of this form of CSI, is that the return rates are often very low and may not give the dealership a full view of customer satisfaction.

Online Surveys. There are benefits to placing your survey online. One such benefit is that the customer can access it from home. This means they will be in a comfortable setting when completing the survey. They will also have more time to express their opinion. Your online survey can be a single web page that links directly to your dealership’s website. Another great aspect of the online survey is that it can be sent to the customer by email. Now you have contacted the customer, letting them know that you care. This method also allows the customer to have the survey in their email inbox and can complete it at their convenience.

Random Spot Checks. Much like a service audit in the Service Department, random spot checks can be specific to the F&I Department. A manager reviews deals periodically to ensure quality control. The management staff at my company regularly reviews deals to ensure the Finance Manager has provided excellent service to the customer. This also creates an environment in which problems can be detected and resolved immediately.

Independent CSI Firm. Having an outside firm conduct telephone surveys is really the ideal solution. Customers are more open and honest when talking to an outside party. This method also allows you to structure the questions in accordance with the customer’s response. You will gain much more information when the customer has an opportunity to explain themselves verbally rather than in writing. Working with a CSI firm is easy. You simply compile a list of customers to be surveyed. Then make a list of questions you would like to ask. The CSI firm will take care of the rest. They will conduct the surveys and compile the information in an easy to read, user friendly format. This is a great method to use for the Sales, Service and Finance Departments.

“The term is ‘customer centricity’. It’s being sure that the little tasks that we all do during the day do not become more important than the needs of the customer,” says Fran Olsen of Customer Service Intelligence, Inc., a customer satisfaction firm that works with clients in the recreational industry. “If a company is customer centric, then it can’t happen. What is planned, what is done, is all in light of the customer’s needs and expectations. CSI used to be an option. Now, if you

want your company to survive, it is a mandate. If you are not finding out what is important to your customers, you are guessing. It's like shooting in the dark."

Obtaining financing for their boat is a vital step in the customer's purchase process. When we leave something as important as F&I out of CSI, it *is* like shooting in the dark. How can we be sure that the customer is satisfied if we don't measure every step of the sales process? From the moment they walk into your showroom, to the moment they walk out with the keys to their new boat is an opportunity to gain a customer for life. F&I helps us to maximize the potential of not only every sale, but also of future sales with repeat customers. Whether our efforts are industry wide, manufacturer specific, or within the individual dealership, F&I must be included if we truly want to raise customer satisfaction.

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