

IS THAT YOUR FINAL ANSWER?



Turning "No" into "Yes!" depends on your ability to provide the customer with valid reasons why he or she needs the product.



By Ronald J. Reahard

How many "No's" will you accept before you give up on the sale of a product? Two? Five? Ten? The number of "No's" you are willing to accept is determined primarily by your ability to provide customers with valid reasons why they need the product being discussed. If you run out of reasons why they need the product before the customer runs out of objections, "No" becomes their final answer.

"No! I don't need a service contract. It comes with a 36-month, 36,000-mile warranty."

"No! Window etching is not worth the money. Besides, I always keep my car in the garage."

"No! I can't afford the paint sealant. My payment is too high already."

Financial services professionals hear objections like these every day. Rarely do customers walk into the F&I office asking to buy F&I products. Instead, they typically say "No" numerous times and in a variety of ways by expressing concerns or offering reasons why they don't want or believe they need these products.

Most objections are not "No's." Usually, they are simply an indication that the customer does not yet perceive they want or need the product being discussed, or

they do not yet feel the value exceeds the cost. Often, an objection is simply a request for more information. When a customer gives you an objection or concern, what they are really asking you to do is provide specific information that is of interest or concern to them. Overcoming an objection doesn't mean winning the argument or proving to a customer that they are wrong. Turning a "No" into a "Yes" requires finding a customer need, and helping them see how that product will provide them with a better, safer, or more secure future.

WELCOME EVERY OBJECTION

The first thing required to turn a "No" into a "Yes" is to welcome every objection! This is where many F&I product sales are made or lost. Most successful F&I managers have high ego drives, are confident in their abilities, and are also very competitive. Unfortunately, it's often after hearing "No" where that ego and competitive nature becomes a negative rather than a positive. The moment they get a negative response, the natural urge is to get combative or argumentative to prove the person's objections aren't valid.

The ability to respond positively to objections is the sign of a true financial services professional. Professionals know it's critical to never resent, evade, or ignore a customer objection. Whether it's the first objection or the fifteenth objection, every objection offers insight into the customer's wants, needs, and concerns.

Keep in mind, you also communicate through your body language and tone of voice. Often an F&I manager will become frustrated when a customer voices multiple objections or says "No" to one or more products, and they allow the customer to see their frustration. Suddenly, their friendly, helpful demeanor changes to "if you're not going buy anything, then get the hell out of my office."

LISTEN CAREFULLY

The second step in turning a "No" into a "Yes" is to stop assuming that you understand the objection just because you've heard it a thousand times before. Before attempting to overcome any objection, it's imperative that you listen carefully. By letting the customer talk, you reduce sales resistance, and gather the information you will need to sell the customer your products.

While you may have heard the exact same objection from the last 10 customers, it is still the first time this customer has ever expressed their concern or voiced this objection. A customer will tell you everything you need to know to sell them your product — if you just shut up and

listen to their questions and concerns. When you listen to the customer, you also develop trust and rapport because the customer realizes you're not trying to sell them, you're trying to help them.

QUALIFY THE OBJECTION

It's also critical that you qualify the objection and determine whether or not the objection is the real issue. Often, the initial objection is stated in general terms, and it's important to isolate the customer's real objection. "It's too expensive," "I can't afford it," or "I don't need it" are too general, and require getting beneath the surface to reveal the real objection.

The use of reflective probes: "So you feel like it's more than you can afford?" or "You're not sure you need the protection?" is an excellent way to draw out more details and uncover the real objection. Playing back or echoing the customer's objection using a few key words lets them know you heard their objection, and encourages them to provide additional information and elaborate on their initial response.

As an added benefit, while the customer is expounding their objection, you have more time to decide what course to take to overcome it. Once you have identified and qualified an objection, always attempt to isolate it by getting the customer to agree that it's the only thing standing in the way of their purchasing the product. An objection that stands alone is diminished simply because it is alone.

ACKNOWLEDGE THE CUSTOMER'S CONCERN

The most important step in turning a "No" into a "Yes" is to acknowledge the customer's concern and demonstrate empathy. The customer has to know that you truly understand their concern.

This requires more than telling the customer, "I know what you mean..." or "I understand..." You have to rephrase the customer's objection to let them know you really do understand, and then demonstrate that you know how they feel. "I can certainly appreciate your concern, especially since your last payment was only \$400. I wouldn't want a payment I wasn't sure I could afford, either."

Before you can overcome any objection, you must first come around to the customer's side of the desk — not literally, but figuratively. Put yourself in the customer's shoes. Demonstrate that you are seeing the customer's concern from their perspective. When a customer knows that you understand their situation, and can relate to how they feel, they are much more willing to listen to your recommendation.





ANSWER THE OBJECTION

Now it's time to answer the objection. This requires relating a feature and a benefit that apply to the customer's situation. Offer evidence and provide proof that what you're saying is true using visual aids to help make the intangible... tangible.

This is where you use the information you have learned about the customer as the reason why they need the product being discussed. Paint a picture with words and put the customer in the picture. The customer must be able to visualize a situation where the product would benefit them.

Use an example of someone in a similar situation that benefited from having the product. If they're still undecided, provide an additional selling point that applies to their situation.

CHECK FOR AGREEMENT

Once you've answered an objection in such a way that you feel you have overcome it, you must then confirm that you have addressed their concern. You can't leave it hanging. Before going for the close, check for agreement by asking a trial closing question. Trial closing questions call for opinions. Closing questions call for a decision.

If you don't get a positive response from the customer before going for the close you have not earned the right to assume they want the product. A trial close question for GAP might be, "And when would you say a vehicle is more likely to be stolen, when it's fairly new, or when it's several years old?"

You must always get a positive response or indication that the customer agrees with your position before asking a closing question. Otherwise, "No" will often be the customer's final answer, simply because you assumed a "Yes" before they gave you any indication they wanted the product. To a customer, that feels like sales pressure. And today's customer doesn't want to be pressured into buying anything.

ASK FOR A DECISION

Finally, once you have confirmed the customer is in agreement, you can now ask for a decision. Closing is nothing more than asking the customer to make the right decision at the right time. The right time is only after you have received positive feedback from the customer.

The focus must always be on creating value for a customer before asking them to buy. By this time you should feel good about asking a customer to make a decision to buy, because what you are asking them to do will create value for them.

You can ask for their decision three ways. You can use an assumptive question: "What day of the month would you like the payment to fall on?" You can also ask an either/or question: "Would you rather have your first payment due 30 days, or 45 days from today?" Or, you can simply ask for the customer to take the next appropriate action: "Can I get your okay here?"

If you follow these steps when you encounter an objection, you will always add value to the customer's purchase experience by helping them make the right decision... and turn that "No" into a "Yes!" ■

Editor's note: Ronald J. Reahard is director of financial services for Paul D. Cummings World Wide Enterprises, a sales, F&I, and management training company. Reahard is an AFIP Certified Course Instructor, and was recently selected by the National Automobile Dealers Association (NADA) to conduct the F&I Workshop "16.3 Ways To Explode F&I Income... and Delight Customers!" at the 2002 NADA Convention in New Orleans. He can be contacted at Ron@paulcummings.com.

Quick Summary

If you want to make sure that "No" is not the customer's final answer, remember that when encountering any objection you must first:

- **Welcome the Objection** through your response, tone of voice, and body language.
- **Listen Carefully** and then **Qualify the Objection** to determine the real issue.
- Next, you must always **Acknowledge Their Concern** and **Demonstrate Empathy**.
- Now you can **Answer the Objection**, and then **Check for Agreement** using a trial closing question.
- Once you get a positive response you can **Ask for a Decision**.