

Fixing the F&I Time Delay



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All three F&I managers just took new customers into their offices, there are three more customers on the sign-in sheet, and a fourth customer just closed on a vehicle. How long will the fourth customer have to wait?

The answer to this question depends on several factors:

1. How long does each F&I turn take?
2. How long does each F&I manager take to, “prepare,” for their next customer?
3. At what point does the customer start the F&I process?

The F&I Time Delay is the total amount of time it takes for a customer to move from, “Yes, I want to buy the vehicle,” to accepting delivery. This time includes starting, engaging, and finishing the F&I process.

Working as the F&I director in a large retail store, selling 800 units per month, I had to address the problem and figure out a way solve it. Let’s take a closer look at the example above. On average, it takes the F&I manager one hour per F&I turn and 10 minutes to prepare for the next customer, which includes loading the information into the CRM, preparing the menu, the paperwork, etc. At this rate, the fourth customer may have to wait 2 hours and 20 minutes before he/she is able to start the F&I process.

This type of wait is unacceptable.

Let’s review a better way to handle this situation.

To start off, utilizing an electronic interview for the F&I process allows the customer interview to start within approximately 5 minutes of the customer saying, “Yes, I want to buy the car.” Electronic interviews can be conducted on a dealership iPad or the customer’s smart phone,

Second, by utilizing electronic tools for the interview, you give the customer an option to select optional F&I protection programs prior to meeting with the F&I manager. This can dramatically decrease the time that the customer has to spend with the F&I manager in the turn. We have reduced the average time for an F&I turn from 60 minutes to 20 minutes simply by utilizing technology.

Many customers may choose to enroll in two or three products when they are given the opportunity to explore on their own through a customer-driven, electronic interview with product demonstrations and explanations.

The F&I manager will then simply review the customer’s purchase information, confirm the optional products chosen, recommend one or two additional products if appropriate, and then electronically complete the deal utilizing digital signatures. Some business managers can present the customer with a flash drive that includes all of their completed and digitally signed paperwork.

As an added benefit to the dealership, the F&I manager can electronically submit the product contracts to its provider and remit the Retail Installment Contract or Lease Contract to the lender. A realistic time for a complete turn is 20 minutes, with no more than five minutes of preparation time.

In our hypothetical situation above, the customer starts their digital interview, electronic product presentation, and product selection process within 5 minutes of saying “yes” to the vehicle. This process should take 20 minutes on average for the customer. When they are finished, the sales consultant will take the tablet from them, start the delivery process of their new vehicle at their desk, also using a tablet for the vehicle review.

Approximately 20–25 minutes into the delivery process, the F&I manager will greet them at the sales consultant’s desk and escort them back to their office. Once in the business office, they will spend no more than 20 additional minutes before being turned back to their sales consultant, who completes the delivery process prior to them leaving in their new vehicle.

By simply integrating technology into the sales and F&I process, The F&I Time Delay has gone from 2 hours and 20 minutes to 60 minutes for the fourth customer. The fourth customer will be leaving the dealership far happier than if they had been forced to wait that additional time.

Having participated in this type of F&I process, both as a consultant and customer, I can testify that it is pleasant and profitable for the dealership as well as quick and painless for the customer.

Digital sales and F&I are the future. Staying on the cutting edge of technology makes the sales and F&I process faster, more compliant, and more profitable, and benefits the customer and dealer, alike.

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