

E-Volution

By Tony Dupaquier



In the next few years, the world of e-commerce is going to dominate the retail automotive industry, and you must be prepared. The philosophy of conducting business in the manner it has always been done will only detract from the dealership's profitability and total sales. This is particularly the case when it comes to the

electronic menu.

An electronic menu provides numerous advantages that go beyond 100% PPT (100% of the products offered to 100% of the people 100% of the time) and disclosure. Granted, these are two good reasons to have an electronic menu. However, an electronic menu should offer additional benefits to the dealership and the business office.

In working with dealerships across the country, I have had the opportunity to try the majority of electronic menus on the market. The basic capabilities of the menus are all similar, but there are some specific features that make some stand out from the rest.

For starters, look at who designed the system—it can make a great deal of difference for dealership personnel. There are a few systems that were designed by computer companies, and, overall, these tend to be more difficult to use. The options available on these menus are vast, but their difficulty may aggravate business managers to the point of not using them. Instead, there are many menus available that were designed by people familiar with the retail automotive industry, which are often much more user friendly.

Another factor that impacts a menu's ease-of-use is whether or not it is web-based. The best part of web-based menus is the opportunity to go back and change information instantaneously. If a menu does not utilize web-based technology, the user may have to start over or wait when a correction is needed.

It is also important that a menu works with a dealership's Dealer Management System (DMS). More importantly, the menu should allow a user to push and pull information to and from the DMS. There are several programs that do not allow this integration which forces users to reenter the same information as they create a menu. If there is one thing we would all like to avoid in the business office, it is additional work.

One of the most impressive items I have seen in an electronic menu is the option to conduct a full VIN explosion. This becomes especially significant in the selling of service contracts. For example, chargebacks are detrimental to the success of business managers and dealerships. Quite often, chargebacks stem from a business manager who forgets to provide required information. With all the diesels, four-wheel drives, turbos, and superchargers available on the market, it is nearly impossible to remember what surcharges should be included on a service contract. Electronic menus that have VIN explosions eliminate this from happening. Personally, I like the menus that have the ability to recognize a pre-owned vehicle and only allow the appropriate service contract available for that vehicle to be sold.

Flexibility with the use of drop down menus is another important feature. If a menu lacks this option, the user will have to keep referring to the paper rate guides to obtain the information needed. With some menus, all of this product information is pre-loaded into the system. Having this



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information pre-loaded along with the appropriate retail price ensures legal compliance and eliminates the chance of customer discrimination in the business office.

Is the dealership currently selling vehicles on eBay, or through some other Internet avenue where dealership personnel do not have the opportunity to see the customer? This is the fastest growing trend in the automotive industry, and if the dealership is not selling vehicles this way, it will probably be an integral part of its business sometime in the near future. All electronic menus allow the printing of a menu in the business office, however, very few offer the ability to create a menu that can be sent directly to the customer via e-mail. In today's e-commerce world, this is definitely an important feature.

Possibly the single most significant feature to look for in an electronic menu is the ability to print a waiver. The best menu system produces a waiver that is compliant in all 50 states, gives full disclosure of what benefits customers purchase, and, most importantly, lists the benefits customers decline detailing their monthly cost. Recently, I worked in a store that had this menu, and

the feature made it easy to sell additional products. All of the information the customer needed was in writing and printed directly from the e-menu. In my opinion, the printed waiver lends credibility that most consumers trust.

In conjunction with electronic menus comes the availability of electronic pencils for the sales desk. Electronic penciling systems will have the same advantages as the electronic menus. Using both types of systems will increase sales and profits and increase your ability to control the legality of your process.

If the dealership does not have an electronic menu, they need one. If the dealership currently has one, look around, as there may be better menus available that are easier to use. Selling success is easier with an electronic menu.

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