



Q-MENUS

Dealer Experiment with Menu Selling Results in \$4,000 Additional Business Office Profit in First Week

Scenario

Bannister Chev-Olds has been voted the #1 Dealership in the North Okanagan region in British Columbia, and owner Lyn Bannister is the recipient of the McLean's Dealer of Excellence Award for B.C.

The manager of the dealership's business office, Tim Varga, was interested in Menu Selling ever since he heard it could make a difference to the profitability of the business office, but it took several years for management to agree to risk switching away from the proven "step selling" method.

Tim Varga: "Step selling was just the way we did things and it worked for us. There was no compelling business reason to try something new. I have been with Bannister since 1994 and pretty much concentrated on selling extended warranties and then using step selling to go from there and offer the other products."

A Better Way?

While Bannister's established way of selling F&I was contributing to the dealership's overall success, management was always looking for innovations that could lift profitability and customer satisfaction. Menu Selling seemed to offer a way to score on both fronts. The dealership elected to experiment on a limited basis with a manual paper-based system.

Tim Varga: "We looked at Menu Selling for awhile, but at the time we just weren't willing to invest the extra money in it. Then I went to a training program which got me into the concept of Menu Selling. They had a paper-based system, and I used that as a starting point. I kind of just developed my own system from there."

From Manual System to the Q-Menu System

The business office began to get a taste of the difference Menu Selling could make, but it was obvious that a manual paper-based system just would not cut it. First, it was difficult to customize the presentation. When a car-buyer was ready, it was simply not professional to put them on hold while setting up a new menu. It was also difficult to make changes on the fly to explore different options with the customer. Finally, it was difficult to control the quality of the presentation.

Tim Varga: "I quickly realized I needed software and bought the Quantech Q-Menus system. This gives me a quick calculation and is very accurate, and it displays a professional looking menu. It lets me set up the customer very quickly and then walk them through the options."

Bottom Line Results: \$4,000 in Additional Profit in First Week on One Deal

The Bannister business office saw a very noticeable difference once they started using Q-Menus. Customers started to buy more products on the majority of the deals, simply because they could see the options clearly spelled out for them. Now the business manager can adjust the packages and Q-Menus instantly recalculates so the customer can see what the new payment would be. This gets the customer more involved in the process and makes it less intimidating for them to learn about the various options.

Tim Varga: "Oh, there's no doubt in my mind that Menu Selling has made a difference to my numbers. I was doing some Menu Selling before taking on the Quantech program, but with Q-Menus it made it so much easier. Within the first week, I had one customer who had bought one or two vehicles from us previously, and had bought limited F&I products each time."

In this particular case, I just went through and offered him all the products and he had his Grandpa there with him. Grandpa looked at him and said, "Does this payment fit into your budget?" and the grandson said, "Yeah, yeah, that'll work for me." So they ended up choosing all four products, where in the past they bought maybe a warranty. That particular deal ended up being somewhere in the neighbourhood of \$4,000 business office profit."



The Big “WHY”: How Menus Lead to More Profits

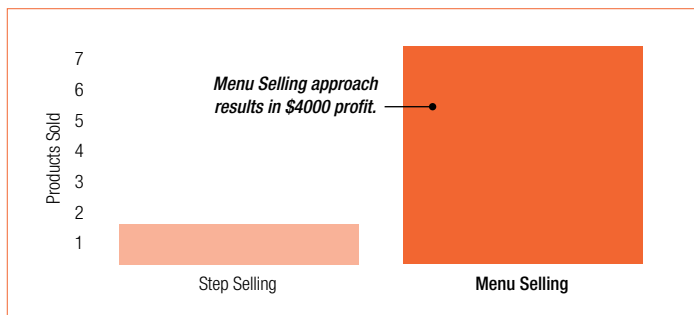
The business office at Bannister makes it a policy to offer the menu to every customer for every finance or lease deal. They recognize that some customers will say “no” to most everything, no matter how you offer it. But the rest of the customers are now buying more products. Menu Selling helps to make sure they offer everything to every customer. Customers who in the past only bought a minimal protection package are now stepping up to buy more.

Tim Varga: “I’ve never been much of a visual salesperson. I was always just more vocal and would walk through the options, and the customer would say yes or no. But now they’ll look at the menu and point at the various options. I’ve got them as Bronze, Silver, Gold and Platinum. They’ll point down at the Gold Package and say, “Yeah, I’ll take that one.” Having a visual menu makes a big difference. What it does is, those who are willing to buy the products from you are buying more products because they’re being offered every product, every time.”

Fast & Seamless: From the Sales Office to the Business Office

One key requirement for Bannister was that their Menu Selling system should enable them to set up menus quickly, almost on the fly. When a salesperson is ready to hand off the customer to the business manager, they want a smooth transition so that the customer is not inconvenienced. Q-Menus makes this possible, because once the vehicle price and trade price is known, it takes only a few moments to create a menu. The salesperson brings the numbers to the business office just before the F&I discussion. This gives the business manager a chance to drop in the numbers and get ready for the presentation.

Tim Varga: “When I bought the system, I was concerned about the extra time that it might take to produce the menu, but once you’ve got the Menu program set up, the time to actually produce it is only 1 or 2 minutes. This lets me have a structured system with the salespeople, so they give me the paperwork, and I then I send them back to chat with the customer. I take a few moments to set up the Menu, and then I get up and walk over and bring the customer back to my office with everything already prepared.”



Head-to-Head Comparison: One customer bought one product in the past, with step selling. With menu selling, the same customer suddenly agreed to buy every product offered.

Payment Options		Acme Dealership		Finance Deal	
Prepared for: John Simpson		Stock #: 07-000489		2007 Chrysler 300 - Limited	
Date: Aug 14, 2007		VIN:		Type: NEW	
Amount Financed: \$24,337.92		Term: 80 Mo. Am: 60 Mo. Rate: 4.7 %		Base Payment: \$465.95	
Fully Secured (FS)	Secured (FS)	Partially Secured (FS)	Basic Security (FS)		
ASSET PROTECTION cl-fs	ASSET PROTECTION cl-fs	ASSET PROTECTION cl-fs	ASSET PROTECTION cl-fs		
In the event of buyer's death, the loan is cleared and title passes to beneficiary.	In the event of buyer's death, the loan is cleared and title passes to beneficiary.	In the event of buyer's death, the loan is cleared and title passes to beneficiary.	In the event of buyer's death, the loan is cleared and title passes to beneficiary.		
PMNT PROTECTION 7yrs	PMNT PROTECTION 4yrs	PMNT PROTECTION 3yrs	EXTENDED WARRANTY		
Keeps your good credit rating intact should you become sick or injured during term.	Keeps your good credit rating intact should you become sick or injured during term.	Keeps your good credit rating intact should you become sick or injured during term.	Provides peace of mind from paying costly repairs after the expiration of manufacturer's warranty.		
LIVING BENEFIT fs	EXTENDED WARRANTY	MAINTENANCE	ETCHING / BRANDING		
Loan cleared should you be diagnosed with a specified critical illness and survive 1 month.	Provides peace of mind from paying costly repairs after the expiration of manufacturer's warranty.	Free tire suspensions, rotations, lube and fluids for optimal year-round performance.	Helps protect vehicle from theft by etching VIN on all windows.		
MAINTENANCE	MAINTENANCE	EXTENDED WARRANTY			
Free tire suspensions, rotations, lube and fluids for optimal year-round performance.	Free tire suspensions, rotations, lube and fluids for optimal year-round performance.	Provides peace of mind from paying costly repairs after the expiration of manufacturer's warranty.			
EXTENDED WARRANTY	UNDERCOATING - FABRIC	ETCHING / BRANDING			
Provides peace of mind from paying costly repairs after the expiration of manufacturer's warranty.	Protects against fabric staining and rust and corrosion.	Helps protect vehicle from theft by etching VIN on all windows.			
COMPLETE PROTECTION					
System takes value of investment with parts and fabric protection, rustproofing and etching.					
ELECTRONIC SECURITY					
Maximum electronic theft protection providing peace of mind and insurance cost savings.					
Options Total: \$246.39	Options Total: \$162.20	Options Total: \$19,489	Options Total: \$65.66		
Payment: \$702.34	Payment: \$606.15	Payment: \$560.94	Payment: \$621.30		

A visual menu helps the customer to see all options and buy more products.

The DMS Connection: Another Key Requirement

Bannister uses Reynolds & Reynolds and needed the menu selling software calculations to balance with the DMS.

Tim Varga: “I didn’t want to be battling with the numbers for 5 or 10 minutes with every customer. When I set up the Q-Menus program and then punched in my Reynolds & Reynolds numbers, Q-Menus popped up with the exact payment. Quantech told me it would be accurate, and it was. That gave me confidence right away that the program was good.”

Technical Difficulties: Is There a “Dirty” Secret?

Everyone knows that setting up a new computer software package can be troublesome and time consuming. There is that old computer adage that says “Every computer task will expand to fill all available time.” Bannister didn’t have the time or patience to wrestle with a complex installation and integration and training project, so it was essential that the system be easy to install and easy to use. Q-Menus met this goal. It took less than an hour to install the program and less than a day to set up the Menu screens and plan what the process would be for each new customer.

Tim Varga: “I’m not intimidated by a computer and learning the programs. The important thing with any computer program when you’re learning how to use it or setting it up is to read. Read the whole package. Once I did that, I understood what it was doing, and it wasn’t a hard program to develop at all. I was able to do it all within one day. Since then, the system has been easy to use and problem free. Quantech offered me a money-back guarantee, but I haven’t had the slightest inclination to return the software. It provides exactly what is needed.”