



Making F&I Work In A Digital Retailing World

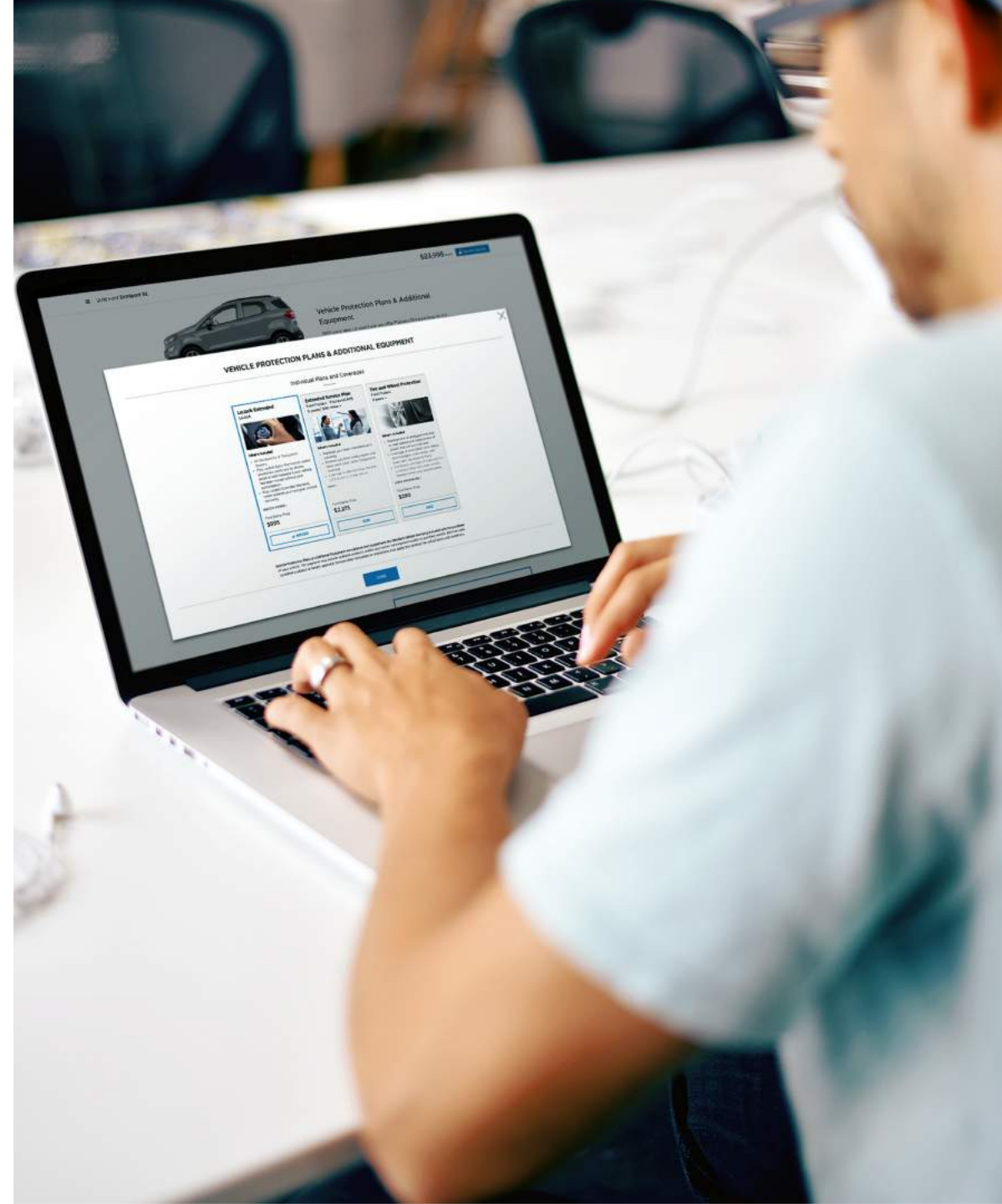


ROADSTER is

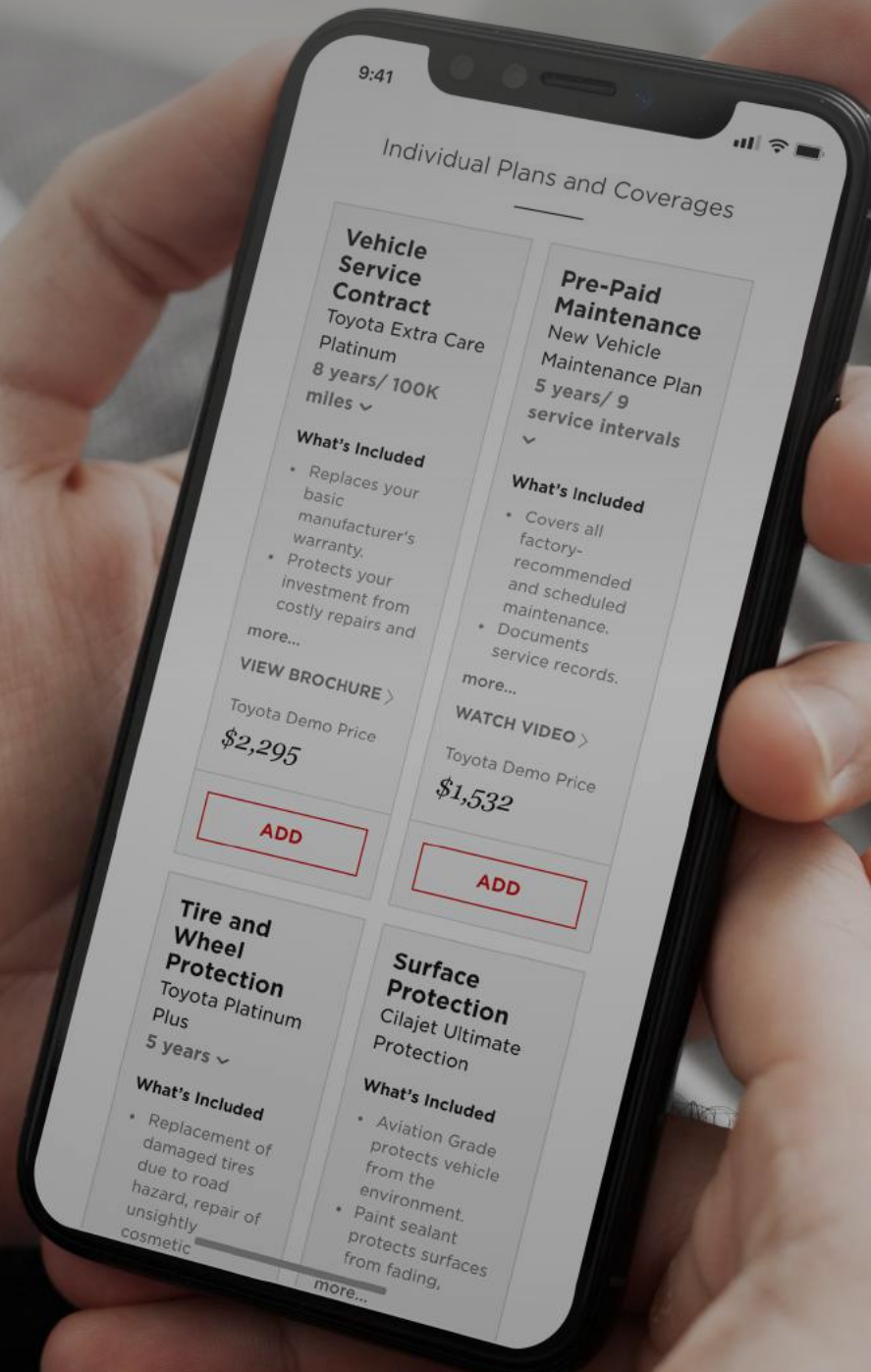
delivering a transformative car buying experience for everyone—customers and dealers.

Why Omnichannel is important

- Modern Customer Experience
- Efficient Sales Process
- Robust F&I Merchandising
- Minimal Setup Time






































Merchandising F&I Digitally



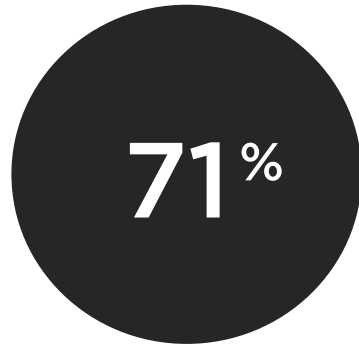
F&I Product Awareness To Purchase

Customers are significantly more likely to purchase F&I products when given the opportunity to review products in advance

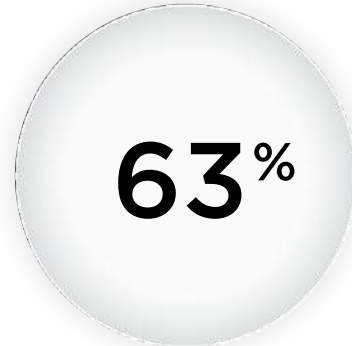
EXTENDED WARRANTY	MAINTENANCE PLAN	GAP INSURANCE	SERVICE CONTRACT	TIRE & WHEEL PROTECTIONS	THEFT PROTECTION	LOST OR STOLEN KEY REPLACEMENT
  55% 45%	  39% 61%	  34% 66%	  33% 67%	  22% 78%	  17% 83%	  15% 85%
 PURCHASED	 PURCHASED	 PURCHASED	 PURCHASED	 PURCHASED	 PURCHASED	 PURCHASED
  34% 21%	  14% 8%	  38% 9%	  16% 6%	  14% 5%	  10% 1%	  10% 2%

Online F&I Product Education

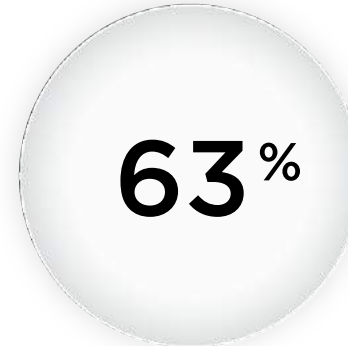
71% of consumers are more likely to purchase F&I products if they can do research at home prior to purchase.



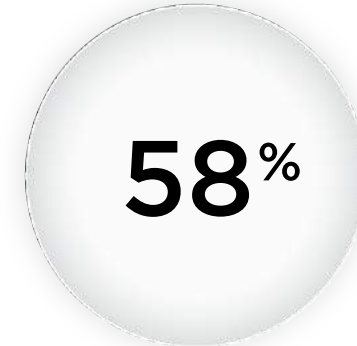
If they could do F&I research at home prior to purchase



If they could learn more about them on their own time, before finalizing vehicle purchase



If they could learn more about them on their own time, and purchased online after the purchase



If the Dealer's website could help them better understand the value of the products



Including education about warranties and service agreements as part of an overall online strategy could be effective at driving sales of those products as well.

3 Bites of the (F&I) Apple

F&I Checklist

1

Bundle your best sellers
for higher penetration

2

Educate customers
about F&I online

3

Tee up F&I products
in the showroom

4

Personalize the F&I
experience

5

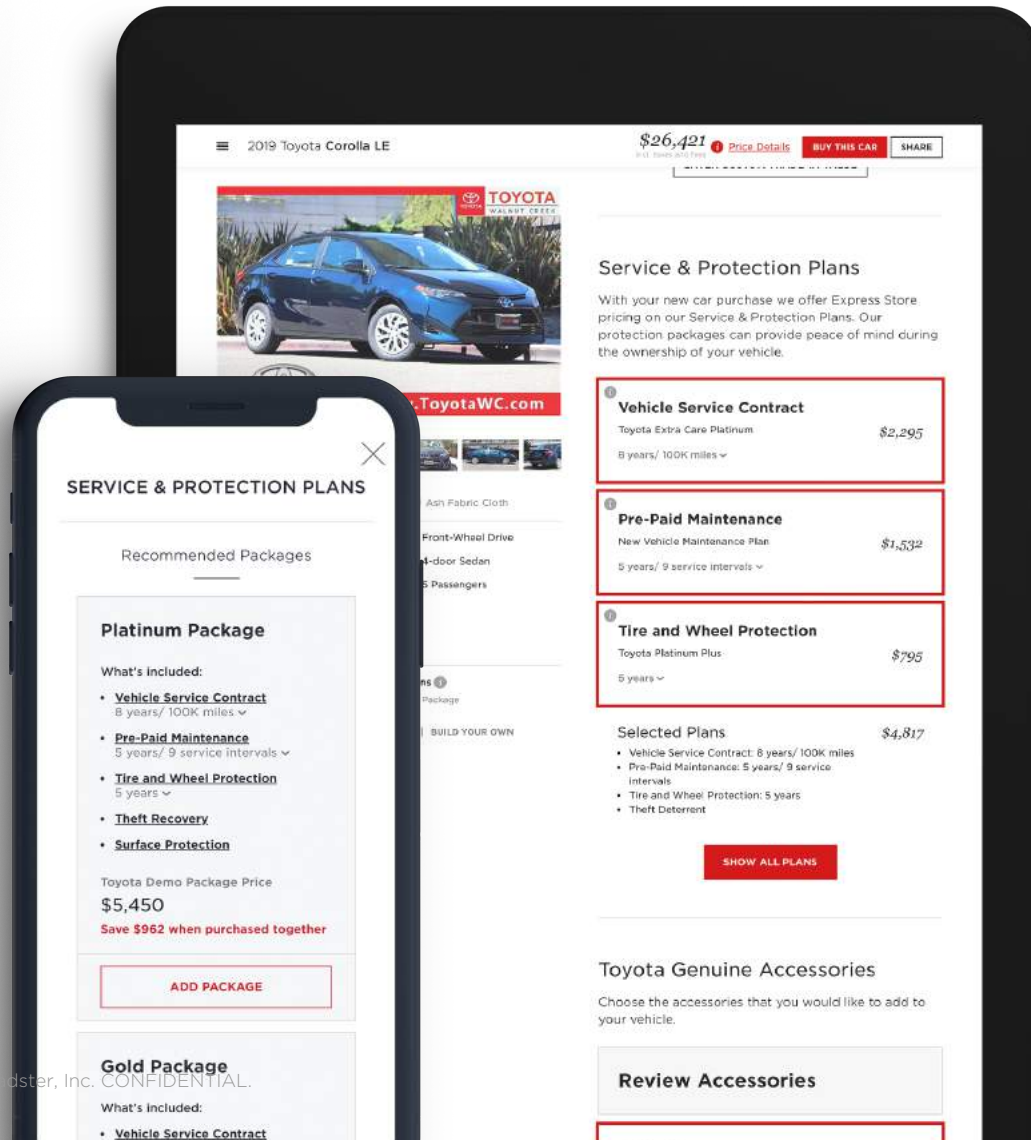
Fill idle time with
F&I options

F&I Checklist

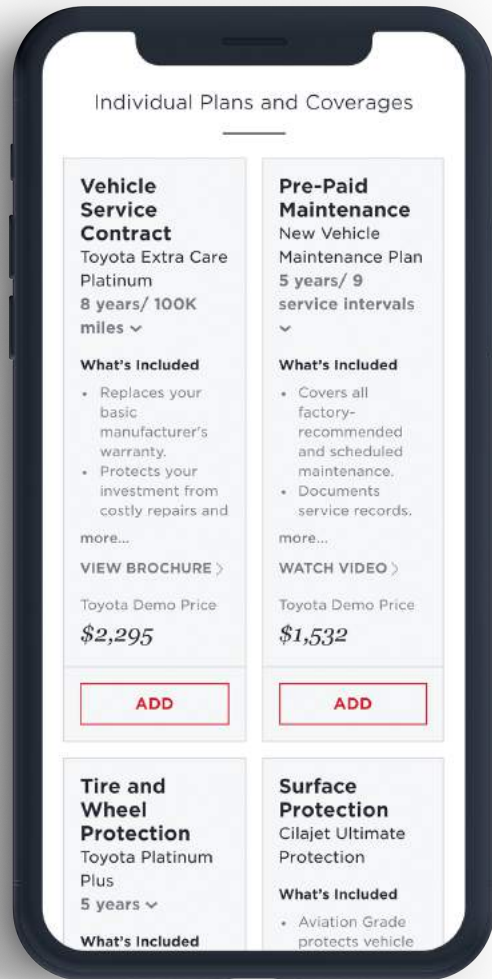
1

Bundle your best sellers for higher penetration

- Display your “Featured” F&I products right on the VDP
- Bundle your most popular F&I products into packages
- When presenting VSC’s, PPM’s or Extended Warranties, stick to the best selling or most common term options



F&I Checklist



2

Educate customers about F&I online

- Link directly to F&I product brochures & videos in the VDP
- Be up front and introduce F&I products early and often during the sales process

F&I Checklist



3

Tee up F&I products in the showroom

- Turn your F&I Managers into trainers
- Incentivize your sales staff to bring up F&I products in the showroom

F&I Checklist



4

Personalize the F&I experience

- Inquire about your customers lifestyle & driving habits, then suggest F&I products during the Trade process

F&I Checklist



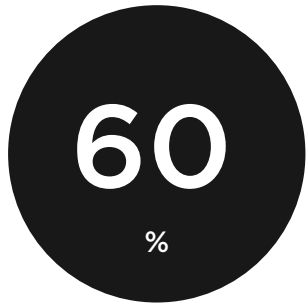
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Fill idle time with F&I options

- If you have to leave your customer's side, encourage them to explore F&I products on their own

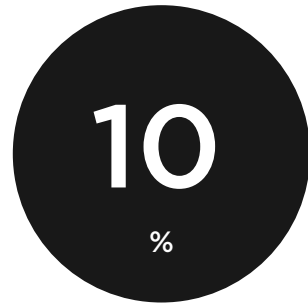
Earl Stewart Toyota

Sales people are trained to bring up F&I products early in the process, with 10-15% of them attaching products to a deal sheet and getting spiffed on those products.



**HIGHER SALES
RETENTION**

60% sales retention;
Top 5 in the SET region.



**HIGHER F&I
PENETRATION**



**MORE BACKEND
GROSS**

Uptick of \$200 in backend
gross per copy

“

They're doing the research online. They're able to get familiar with the F&I packages and costs. Because of the education component, there is less sticker shock. They can make educated decisions with no pressure.

Stu Stewart

GENERAL MANAGER, EARL STEWART TOYOTA

Midwest Honda Store

Tip of the spear dealership in Midwest with customer centric process. Uses Roadster Express Storefront to empower sales team, leading to a shorter transaction time & increased retention.

500



GROSS PROFIT UP
PER COPY

“

What Roadster really does is allow you to move the basic arithmetic back to the salesperson so that sales manager doesn't have to be bogged down with it and can now be on the floor.

GENERAL MANAGER, MID-WEST HONDA STORE

Sun Automotive

In December 2018, Sun Automotive went 1-price, removed the entire F&I office, and hired “customer service advisors” on salary instead of commission—all of whom manage the entire sales process, including F&I.



**IMPROVED
SENTIMENT**

The tone of their reviews has changed. The words that keep appearing are “upfront,” “transparent,” and “fast and easy”



**REDUCED
HEADCOUNT**

Moved F&I product sales 100% to the front line salesperson, allowing them to completely remove the F&I office from all their locations



**SAME
PROFIT**

Backend gross profits are already on par with the levels produced by 4 full time F&I managers

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If we can't compete with Carvana and Vroom, then we lose our business.

Todd Caputo
CEO, SUN AUTOMOTIVE

Thank You.



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Appendix



Online F&I Attach Rates

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We found that customers who go through Roadster have a higher warranty closing percentage. It's more around 45%, 50%. As a store, we're normally around the 35% range. For our business, that's a huge opportunity.

Nick Price

GENERAL MANAGER, FORD LINCOLN FAIRFIELD

“

Average F&I profit per retail unit at \$900 per copy, but that's consistent with the dealership's no-haggle strategy. F&I product penetrations are largely consistent across online transactions and in-store sales, with the dealership's service contracts penetrating at a 40% rate when purchased online through Express Storefront. The instore rate sits at 45%.

Jeff Miller

VP MARK MILLER SUBARU