

ACTION PLAN

What will you do differently as a result of what you learned in this section?

We will include lease payments on 1st pencil sheets
so every customer can consider leasing, even if
they do not ask about it.

What will be the benefits of making these changes? What will be the consequences if you don't do anything differently?

We can increase our lease penetration by promoting leasing to all customers. We currently promote leasing in advertising and our website, less so in the showroom. The main benefit is we can sell more cars by capturing customers who might walk due to inability to get financing. If we don't change, we lose deals and lose market share.

What obstacles might you encounter and how can you overcome them?

- #1 obstacle: Finance managers focus on retail and getting bank approval. They will have to work harder to include lease payments as an option. We can overcome this by empowering salespeople to quote lease rates based on credit tiers.
- #2 obstacle: Customers sometimes think of leasing as requiring more money down, more fees at closing. We need to educate them about the overall costs of leasing vs. retail over 3-year period.

Identify your first few steps and the people who can help you with them.

1. We can require all sales and finance staff to watch 30 minute online training module on the benefits of leasing and how to address customer concerns.
2. We can pay finance managers a bonus based on reaching leasing volume targets.
3. Our desking managers can enforce the rule that a lease quote be included in every date

Start Date: 3/21/21

Completion Date: Check every week to see lease quotes on paperwork. Check for increases in leasing month to month.