

# THINK LIKE AN F&I MANAGER

*EFG SubPrime Intelligence*

## Who is sitting across from your F&I Manager?

The majority of American spenders who lost their jobs during the recession are still out of work or underemployed.

When low-wage jobs are the only option, consumers are more likely to hold off on big-ticket purchases.

Since February of 2013, unemployment has remained steady at 7.4%.

A majority of jobs lost during the recent recession were in the middle range of wages.

Low wage sectors and retail businesses have accounted for a large share of job growth in the past few years.

In July of 2013, there were 988,000 discouraged workers who were not looking for work because they believed no jobs were available.

This paints a picture of what the F&I manager's customers look like. As more middle-wage jobs are added, they expect those prime customers to slowly return, boosting their margins. However, they still have to deal with the **here and now** where low wage jobs are plentiful. F&I managers have to be resourceful when trying to find a loan that is mutually beneficial for both the consumer and the dealership. When looking at their third-party financing spread of business, they'll be more inclined to present **loans bundled with consumer protection products**, especially when there is an upsell opportunity. These loans not only afford 100% solicitation to remain in compliance, they also help F&I managers achieve higher penetration rates.