

7 Keys to a Better Finance Process

As the old adage goes, “time is money,” and so too is accuracy. In today’s market, customers are expecting speed and accuracy no matter what they are purchasing. Boats are no exceptions.

The good news is dealerships benefit from speed and accuracy, as well. A faster loan process means lower floorplan expense and an improved inventory turn time. Increased accuracy means fewer returned contracts and more time spent with new customers.

Here are 7 keys to improve the speed and accuracy of your finance process.

1. A documented finance process

This should be your foundation and helps [ensure compliance](#)* in the dealership. Everyone involved in the boat sale should [know each step in the finance process](#). On the dealer and lender side, everyone involved in the finance process should know more than the basics, like how to [keep customer data secure](#) and when to provide a risk-based pricing notice or adverse action letter.

2. Online credit app

A good [online credit application](#) can generate qualified leads 24/7 and gets the finance process started early in the customer buying cycle. The customer provides the information firsthand, avoiding data entry errors caused by sloppy handwriting or data transcribed from another software application.

3. Collect lender stipulations early in the process

If your customer has expressed an interest for your dealership to provide financing, start collecting lender stipulations early (most significantly, consumer information that typically includes copies of a driver’s license and paystubs, proof of residence, etc.). The last thing you want is to have proof of income requirements – such as a copy of the previous year’s federal tax return – or copies of other financial documents holding up a loan decision or funding.

4. Know your lenders

Understanding lender requirements while structuring a deal is vital. Whether you use a [finance service company](#) or [have an in-house F&I department](#), understanding what types of loans each lender specializes in will help you more effectively structure a deal. Some lenders may require a larger percentage of cash down payment on certain models and less on others due to the difference in expected depreciation. One lender may be great at providing loans for a \$20,000 fishing boat but shy away from \$150,000 ski boats. Understanding lender programs will help you more effectively structure a deal and set customer expectations from the start.

5. Forms management

Whether it’s [a finance or cash deal](#), having the correct and most current version of forms is key. Each lender may use a whole host of proprietary forms to document a loan transaction. Combine this with in-house, state registration, coast guard and other documents and the task can become time-consuming. Fortunately, there are some great software products that do this for you and are, in some cases, free to dealerships.

6. Backend products

With the complexity and cost of marine system repairs, introducing your customer to the idea of a warranty or service plan early in the selling process pays dividends. If you have an in-house finance department, having a [back-end product rating](#), booking and menu solution is a real asset and will help you

access accurate forms, premiums and coverage plans. If you use a finance service company, they will manage all of this for you. Understanding which products your finance service company offers and discussing the benefits with your customer will [help increase your closing rate](#) and customer satisfaction.

7. Automation is essential

The more steps in the finance process you can automate the better. Speed and accuracy are both enhanced when systems talk to each other. Integrations between your inventory, website, CRM, DMS, credit application and forms management solutions are paramount. The bottom line is, re-keying data into multiple systems to complete a sale costs money. A [quality software system](#) provides integration features that tie your systems together in a unidirectional data flow. For example, dealers can accept electronic credit applications via [700Credit's](#) web-based credit application and connect with [AppOne](#) and whole host of dealer management software providers.

In short, a faster and more accurate loan process saves money and generates new profit opportunities. If time is money, speed plus accuracy is increased profit potential.

About AppOne

AppOne is a leading provider of workflow and productivity solutions, services, and specialized software to streamline the indirect lending process for lenders, service companies, manufacturers, and dealers. The business serves a diverse array of customers, including: national, regional, and community banks, credit unions, non-captive finance companies, RV, marine, and power sport dealers, as well as, service companies. Our headquarters are in St. Cloud, Minnesota. www.home.appone.net

Partnering Dealer Management Software Provider Integration Links:

[BIT Dealership Software](#), [CDK Global-Lightspeed](#), [Dockmaster](#), [Dominion DX1](#), [700credit](#), [Total Control](#) and [Winboats](#).

Additional info from AppOne

https://home.appone.net/wp-content/uploads/2020/10/Marine_Flyer.pdf

<https://home.appone.net/marine/>

<https://home.appone.net/2021/02/19/another-february-post/>

<https://home.appone.net/lender-solutions/>

MRAA info on F&I Processes

<https://www.mraa.com/general/custom.asp?page=PCIComplianceKit>

https://cdn.ymaws.com/www.mraa.com/resource/resmgr/files/parker_menu_selling_culture_.pdf

<https://www.discoverboating.com/buying/boat-loan-calculator>

<https://cdn.ymaws.com/www.mraa.com/resource/resmgr/resources/foursquareclosingworksheet.pdf>

* Some links may require you to enter [MRAA membership](#) credentials. Not a member? MRAA members have access to all core benefits and resources, advocacy, discounts with partner programs and more. You can also make a commitment to higher levels of membership in order to unlock the potential of your employees and leadership through education and Certification.

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