

How to Offer Financing: Training Instructions

How to Offer Financing



Leader Led Training Instructions

The Leader Led concept allows you to facilitate consumer financing training to your employees without a Wells Fargo presence. All supporting documents can be found on the Training tab of the Online Resource Center.

This Leader Led Training — *How to Offer Financing* — focuses on developing the knowledge and skills of your employees so they can:

- Confidently and effectively offer financing to every customer
- Explain to the customer the benefits of financing
- Respond to common customer questions
- Explain the different types of special (promotional) terms.

The contents of this How to Offer Financing Leader Led Training is comprised of seven parts. The directions for each part are below. To accomplish the above objectives, you will show your employees a brief video followed by a group discussion and answer a series of knowledge check questions.

Video Link

Below is the link for the How to Offer Financing video. Please click on the link and watch during the training.



<http://www.wellsfargomedia.com/rs/964570/store.html>

1. Facilitator Guide

The facilitator guide is a detailed guide for the person leading and facilitating the meeting. Included in the guide are instructions on what materials will be needed, necessary preparations for an effective meeting, and detailed instructions on how to facilitate the meeting and activities. The material is designed to be delivered as a one-hour meeting.

How to Offer Financing



2. Participant Packet

Printed Participant Packet to be handed out to each employee. The participant packet contains scenario questions that provide examples on how to respond to common customer questions.

3. Ice breaker

An activity that is used to introduce people to each other so that they feel more relaxed together.

4. Post Video Discussion

A post video discussion is a conversation around the main topic points of the video. Discuss the 3-5 main points of the videos. Have the group discuss why they aren't offering financing today and what customer concerns they are hearing. Have the group discuss moments of success they have had with offering financing.

5. Activities

Activities are built around the main topic points to help gain a better understanding of what was just learned. There are usually 3-5 activities per Leader Led Training depending on the topic.

6. Knowledge Check

Knowledge checks are used to determine whether a participant understood the concept or skill that was introduced in the session. The knowledge check questions are based around the main topic points.

7. Reference Material

Documents that are consulted for general information regarding a process, definition, or background information on a subject. There are reference materials contained within this Leader Led Training. Print out all reference materials and distribute to each employee along with the Participant Packet.

How to offer Financing Training: Facilitator Guide

How to Offer Financing Training



Training purpose/goal

The purpose of this training is to develop the knowledge and skills of your employees so they can:

1. Confidently and effectively offer financing to every customer
2. Explain the benefits of financing to customers
3. Respond to common customer questions
4. Explain the different types of special (promotional) terms

Facilitator preparation

- Schedule a time (approximately 60 minutes) and location for this training
- Send a meeting invite with the date, time, and training agenda (provide template)
- Set up the room (in a U-shape formation), test the internet connection and audio, and have the video link launched and paused on your computer
- Review the following items prior to the training session:
 - *How to Offer Financing video*
 - *In meeting activities outlined in the Facilitator Guide*
 - *Knowledge Check Questions*
- Identify other challenges your employees experience when offering financing
- Prepare to offer additional suggestions and answer any questions

Materials Needed:

For this training, you will need:

1. A computer
2. Internet connection
3. A projector (if available)
4. External speakers for quality sound (if available)
5. Wall Chart/White Board/Markers
6. Index cards

Facilitator notes:

- The How to Offer Financing video is meant to be watched as a group during the training session.
- Hand out participant packet included in this Leader Led Training to each employee prior to watching the video.
- Use a wall chart or white board in the room and label “Follow Up Questions”. Capture questions during the training session.
- Arrange for one employee to highlight all questions that require follow-up after the training session is over. If needed, call into your Wells Fargo representative for additional support.

How to Offer Financing Training



Introduction and Welcome

- Welcome the group to today's training and thank them for coming
- Discuss the goal/purpose of today's training
 - *To learn about different tools and tips to help you and your customers get the most from the Wells Fargo consumer credit card program*
- Review the Agenda
 - *Ice Breaker*
 - *Watch video – How to Offer Financing*
 - *Group discussion*
 - *Group activities*

Ice Breaker

The purpose of this exercise is to get everyone thinking about financing and to better understand the potential mindset of your employees around this topic. On the wall chart, write: Tell me about a time you personally have taken advantage of financing.

After each person responds to the question, write down the specific situation they describe (i.e. new home furniture, new carpet for a home improvement project, etc.) To generate more discussion, ask additional probing questions such as:

- Why did you choose to use financing in that situation?
- What were the benefits of doing so?
- How would you describe the experience?
- Would you use financing again? Why?

Following the Ice Breaker discussion, watch the How to Offer Financing video. Click on the link to play. Make sure you have an internet connection and external speakers to ensure all participants are able to hear and see the audio. Please view the entire video before having the participants answer the knowledge check questions. Once the video is complete, give the participants several minutes to complete the knowledge check in the participant guide and then discuss each question and answer as a group. If a participant brings up a situation that they have experienced in the past, discuss as a group and ask the group how they would handle going forward.



<http://www.wellsfargomedia.com/rs/964570/store.html>

How to Offer Financing Training



Knowledge Check Questions and Answers

1. When a business offers financing and does it successfully, what is one result you see?
 - a) Less traffic in your store
 - b) Repeat business**
 - c) Dissatisfied customers
 - d) Lower average ticket size

2. What is one way to actively highlight and explain the financing program to your customers?
 - a) Offer the credit card program to every customer
 - b) Create Awareness
 - c) Introduce financing early so customers can make an informed decision
 - d) All of the above**

3. What is a benefit to your customer applying for a Wells Fargo Financial National Bank credit card versus a general purpose credit card?
 - a) The Wells Fargo Financial National Bank credit card program offers a variety of flexible special terms promotions for qualifying purchases with approved credit
 - b) The Wells Fargo Financial National Bank credit card program may give your customers the option to finance what they want today and pay for it over time with convenient monthly payments, thus keeping their general purpose credit cards available [for other uses].
 - c.) Both A and B**
 - d) None of the above

4. What is one effective way of talking with your customers about financing?
 - a.) Many of our customers are taking advantage of our special terms promotions. Is this something you might be interested in?**
 - b) Mention it as a closing tool in your sales presentation
 - c) Wait until your customer asks about the payment options you accept
 - d) Do not discuss the benefits of the Wells Fargo credit card program unless a customer asks and is interested

5. Name one benefit of the Wells Fargo credit card program to the customer.
 - a) The ability to pay over time**
 - b) There is a \$25 annual fee for the Wells Fargo credit card program
 - c) There is no credit check when applying for the Wells Fargo credit card program
 - d) After applying, you will know the credit decision within 30 minutes

How to Offer Financing Training



6. Name one benefit of the Wells Fargo credit card program to your business.

- a) You, as a merchant will be paid within 3 business days
- b) You are able to fund at the time of approval, before possession of the merchandise or delivery has taken place
- c) **Encourages your customer to “buy now” with the ability to offer a complete menu of special credit term plans**
- d) You are able to accept over the phone applications

7. Be specific about special term promotions that may be available for qualifying purchases. (circle the correct answer)

True or False?

8. If the balance is not paid in full within the promotional (special terms) period during a 12-month no interest if paid in full plan, interest will accrue from the beginning date of purchase.

True or False?

9. You as a merchant have a shared responsibility in being a fair and responsible lender, such as by offering credit to all consumers fairly and consistently and by ensuring you give consumers the information they need to make an informed decision about financing.

True or False?

Post Video Discussion:

After watching the video, discuss how to confidently offer financing to every customer, explain the benefits of financing to customers, explain the benefits of the different types of special (promotional) terms and prepare employees to respond to common customer questions.

How to Offer Financing Training



Facilitation Questions

What can financing do for your business?

- Business growth
 - *Creates greater customer purchasing power which can lead to business growth.*
- Customer Satisfaction
 - *Satisfied customers when you can offer a choice of financing options. Let the customer choose which plan is best suited for them.*
- Repeat business
 - *Repeat business when customers have a dedicated line of credit to use with our company.*

How can you introduce financing to your customers?

- Create awareness of special financing terms in all of your marketing material and in the store
 - *Broadcast, print ads, or direct mail*
- Offer the credit card and special financing terms to every customer
- Customer engagement
 - *Introduce financing early so customers can make an informed choice with the option to pay over time*
- Talk about the benefits and requirements of the program
- Make a distinction — Be clear to differentiate between a general-purpose credit card and this credit card program

What are some of the benefits of financing for your customers?

- Simple application
- Quick Credit Decisions
- Immediate access to their line of credit
- Special terms promotions
- Ability to pay over time
- Convenient monthly payments
- \$0 annual fee
- No pre-payment penalty

What are some of the differences between a general purpose credit card and a private label credit card?

- The credit card issued by Wells Fargo Financial National Bank is designed to use for products and services at our store.
- Unlike general-purpose credit cards, the program offers flexible, special financing terms.
- The private label credit card allows the customer to pay for it over time with convenient monthly payments, keeping their cash and other credit card lines available.

Continued on the next page...

How to Offer Financing Training



Activity #1

Role Play — Responding to Customer Questions (20 minutes)

Materials Needed: Participant Guide for Customer Questions and Merchant Responses

Instructions: Have each person refer to page 4 of their participant guide. Break up in groups of two with one person playing the merchant and one person playing the customer. Each group will role play a different scenario. Group 1 will role play scenario #1, group 2 will role play scenario #2 and so on.

- The conversation should be 2 to 3 minutes in length, with a 5 minute debrief and discussion. Everyone should switch roles so they have the opportunity to be the merchant and the customer. First, the participant playing the merchant should read the merchant script under their scenario. Then the participant that is playing the customer will follow with their rebuttal. How would the participant playing the merchant respond? After the groups have completed their role play scenario, come back together as a group and discuss. Use the correct merchant response below to help guide the participants and ensure everyone is comfortable with how to handle.

Scenario #1

Merchant: Cash is one way to pay. However, if you have our credit card, you can take advantage of our special terms promotions on qualifying purchases. Some of these offers allow you to avoid interest if your purchase is paid in full before the end of the applicable promotional period. Use the credit card today and reserve your cash for other purchases, or set it aside for a rainy day.

Scenario #2

Merchant: I understand that you are busy and have limited time. One of the great things about our application process is that it is very brief. We just need a few key pieces of information and we typically get a response back within seconds. We can start now if you'd like and you'll be on your way shortly.

Scenario #3

Merchant: Our credit card is an attractive alternative to other payment sources because it comes with quick credit decisions, immediate access to a revolving line of credit if approved, and special financing terms that allow you to spread out your payments over time. We have great special terms promotions available today. Can I tell you more about how we may be able to make this purchase more affordable?

How to Offer Financing Training



Activity #2

Customer Benefits of financing (15 minutes)

Materials Needed: Wall Chart and writing utensils (markers preferably)

Instructions: Participants should break into two teams. Set a time limit of 3 minutes. Have a competition to see which team can name the most customer benefits of financing. Once the 3 minute time limit is up, repeat process and then see which team can name the most financing benefits to the business. After the race, assign a team captain and present your team's ideas to the entire group and circle back to what the video discussed. Some of the benefits include but are not limited to:

- Simple application (quick and easy to fill out)
- Fast Credit Decisions (within 30-45 seconds a credit decision is given)
- Immediate access to their line of credit (approved credit available immediately for use)
- Special financing terms (different options to offer that fit the business needs)
- Ability to pay over time (don't have to pay for the entire job/project all at once)
- Convenient monthly payments
- No annual fee
- No pre-payment penalty (can pay off the account early with no penalties)

Activity #3

Identifying Special Financing Term (10 minutes)

Materials Needed: Special Financing Terms Description document

Preparation: Special Financing Terms document within this Leader Led Training — cut along dotted line to make a front and back type card. Do this for all 4 special terms promotions.

For an additional resource, you may use the link below as a job aid.



<https://retailservices.wellsfargo.com/orctraining/howtosell.pdf>

Instructions: Have all participants sit around a table. Put the four cards with the different types of promotions on the table with the title of the promotion facing up. Shuffle the cards around. Each participant will then draw a card and in their own words explain the special terms promotion definition, the customer benefits and how to calculate the minimum monthly payments. Once the participant is done discussing the special terms promotion, they may turn the card over to the backside and read aloud with the group, the correct definition, customer benefits and calculation of the minimum monthly payment to see if they were correct. If there are more than 4 participants, a special terms promotion may be explained twice.

How to Offer Financing Training



Closing:

- Ask participants — “Was today’s training beneficial?” “Why?”
- Ask participants — “What did you learn today?”
- Ask participants — “How are you better equipped to offer financing to our customers?”
- What’s next?
 - *You are ready to share these tips with everyone in your business*
 - *Share video with others within your business*
 - *Enjoy the benefits of offering the consumer financing program*
 - *Be confident*
- Thank everyone for attending

Reference Material/Job Aids:

(Can be located at [wellsfargo.com/retailservices](https://retailservices.wellsfargo.com/retailservices))

Credit Card program benefits

<https://retailservices.wellsfargo.com/orctraining/programbenefits.pdf>

How to effectively offer financing

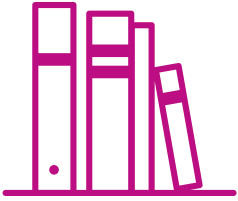
<https://retailservices.wellsfargo.com/orctraining/howtosell.pdf>

Tips for responding to common questions

<https://retailservices.wellsfargo.com/orctraining/respondingtocommonquestions.pdf>

How to Offer Financing: Participant Guide

Participant Guide



Knowledge Check Questions:

Please answer the knowledge check questions after watching the How to Offer Financing video.

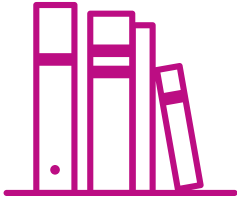
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- 2. What is one way to actively highlight and explain the financing program to your customers?**
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- 3. What is a benefit to your customer applying for a Wells Fargo Financial National Bank credit card versus a general purpose credit card?**
 - a.) The Wells Fargo Financial National Bank credit card program offers a variety of flexible special terms promotions for qualifying purchases with approved credit
 - b.) The Wells Fargo Financial National Bank credit card program may give your customers the option to finance what they want today and pay for it over time with convenient monthly payments, thus keeping their general purpose credit cards available [for other uses]
 - c.) Both A and B
 - d.) None of the above

- 4. What is one effective way of talking with your customers about financing?**
 - a.) Many of our customers are taking advantage of our special terms promotions. Is this something you might be interested in?
 - b.) Mention it as a closing tool in your sales presentation
 - c.) Wait until your customer asks about the payment options you accept
 - d.) Do not discuss the benefits of the Wells Fargo credit card program unless a customer asks and is interested

Participant Guide



5. Name one benefit of the Wells Fargo credit card program to the customer.

- a) The ability to pay over time
- b) There is a \$25 annual fee for the Wells Fargo credit card program
- c) There is no credit check when applying for the Wells Fargo credit card program
- d) After applying, you will know the credit decision within 30 minutes

6. Name one benefit of the Wells Fargo credit card program to your business.

- a) You, as a merchant will be paid within 3 business days
- b) You are able to fund at the time of approval, before possession of the merchandise or delivery has taken place
- c) Encourages your customer to “buy now” with the ability to offer a complete menu of special credit term plans
- d) You are able to accept over the phone applications

7. Be specific about special term promotions that may be available for qualifying purchases. (circle the correct answer)

True or False?

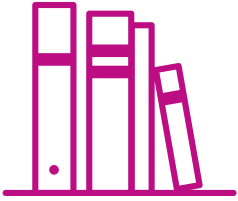
8. If the balance is not paid in full within the promotional (special terms) period during a 12-month no interest if paid in full plan, interest will accrue from the beginning date of purchase.

True or False?

9. You as a merchant have a shared responsibility in being a fair and responsible lender, such as by offering credit to all consumers fairly and consistently and by ensuring you give consumers the information they need to make an informed decision about financing.

True or False?

Participant Guide



Activity 1 Responding to Customer Questions (20 minutes)

Scenario #1

The merchant discusses two different types of special financing promotions that their location offers, a 12-month if paid in full promotion and an equal pay promotion to the customer. The customer doesn't have their mind made up about financing and would rather pay with a different form of payment. Customer asks: What if I'd prefer to pay with cash or check? How does the merchant respond? What does the merchant say to help the customer understand why they may want to take advantage of financing?

***Merchant:** Will you be taking advantage of our financing promotions today?*

***Customer:** I'd prefer to pay with cash.*

Scenario #2

The merchant offers financing as a form of payment during the closing of the sales discussion. The customer is pressed for time and doesn't want to have to go through a lengthy application decision process. How does the merchant react? What does the merchant say in order to persuade the customer to apply?

***Merchant:** Great choice, let's get you checked out and see if we can get you approved to take advantage of our financing promotions today.*

***Customer:** I don't want to go through the hassle of filling out the application. I really don't have a lot of time to wait around for a decision.*

Scenario #3

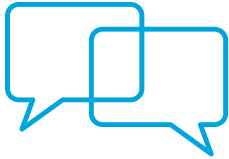
The merchant offers financing to customer. Customer immediately says I don't want another credit card. I have too many already. How would a merchant respond?

***Merchant:** Will we be putting this on your Wells Fargo credit card account today?*

***Customer:** I don't want another credit card. I already have too many credit cards.*

Types of Special Financing Terms

Types of Special Financing Terms



0% APR with equal monthly payments

Please see back of card for more information.

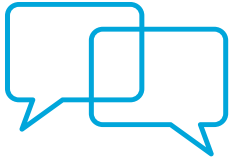
Special (reduced) rate with regular payments, or
customized payments, or equal monthly payments

Please see back of card for more information.



Continued on the next page...

Types of Special Financing Terms



0% APR with equal monthly payments

The special terms APR, or annual percentage rate, will continue to apply until all qualifying purchases are paid in full. The monthly payment for this purchase will be the amount that will pay for the purchase in full in equal payments during the promotional (special terms) period.

Customer Benefits:

- No interest with this particular promotion

How to Estimate the minimum regular payment each month:

To estimate the minimum monthly payment required, take the dollar amount financed and divide it by the number of months in the special terms period.

Special (reduced) rate with regular payments, or customized payments, or equal monthly payments

The special terms APR will continue to apply until all qualifying purchases are paid in full. Regular, customized, or equal monthly payments are required during the promotional (special terms) period.

Customer Benefits:

- Attractive interest rate

How to Estimate the monthly payment:

Regular Payment Plan

- Take the outstanding financed balance and multiply it by 3.5%

Custom Payment

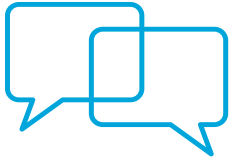
- Take the outstanding financed balance and multiply by the percentage or fraction of the purchase balance

Equal Pay

- Take the outstanding financed balance and multiply it by the appropriate payment factor percentage



Types of Special Financing Terms



No Interest if Paid in Full

Please see back of card for more information.

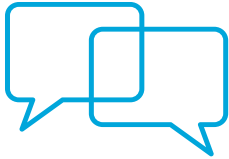
Regular Terms

Please see back of card for more information.



Continued on the next page...

Types of Special Financing Terms



No Interest if Paid in Full

This is a deferred interest promotion. This means that if the customer does not pay the purchase balance in full during the promotional (special terms) period, interest will be charged to their account from the purchase date at the regular APR for Purchases. The customer may avoid interest on the balance by paying it in full before the end of the special terms period. It is key to understand that paying the Minimum Payment Due each month will not pay the purchase balance in full by the end of the special terms period. To avoid interest charges, you must either pay more than the minimum monthly payment or make a lump sum payment(s) before the end of the special terms promotional period.

Customer Benefits:

- No interest as long as the balance is paid off before the promotional period ends

How to Estimate the monthly payment:

To estimate the minimum payment each month, take the outstanding financed balance and multiply by 3.5% or a \$40 minimum for new cardholders. Let the customer know that paying the minimum payment each month will not be enough to pay the purchase balance in full within the promotional period.

Regular Terms

For new accounts, the (regular) APR is 28.99%.

Customer Benefits:

- Keeps your cash and other credit cards available
- No pre-payment penalty

How to Estimate the monthly payment:

This means all balances with Regular Payment terms are combined to figure the payment for the balances, which will be the greater of: (1) \$40.00 (or the sum of the balances if it is less than \$40.00); or (2) 3.5% of the Combined Balance; or (3) the sum of interest charges for balances with Regular Payment terms, fees assessed during the current Billing Cycle, and 1% of the Combined Balance.

