

The Payoff of Payment Options

Water Quality Products recently spoke with Bob Hamilton, senior vice president of sales and marketing for Aqua Finance, Inc., about the benefits of financial programs for water treatment dealers.

WQP: Why is financing so important for water dealers?

Bob Hamilton: Financing provides dealers an important tool to increase the sales of their company. When a customer is in a position of not having the money to buy [the equipment], doesn't perhaps want to put in on a credit card or want to make monthly payments, it provides a solution for that customer to be able to purchase that item. A dealer can offer a financing solution to meet that customer's need by providing payments. It also provides a promotional tool so that you can offer customers the ability to purchase it now and pay for it later.

WQP: How do financing programs benefit the dealer's customers?

Hamilton: It provides them a simple and easy way to purchase the equipment. Some of the promotional programs allow

them the ability to avoid paying any interest charges until a later date to pay the system off. If a dealer were to offer six months with no payments and no interest, the customer can then get the equipment today and make no payments and pay no interest for six months. If he pays it off before that time, he still has the same purchase price as if he had bought it at the date that he got the equipment.

WQP: Do you think more dealers should be using financing programs?

Hamilton: I think every dealer should be offering financing or at least have the ability to offer finance. For the most part, there is no cost to the dealer to offer financing and, in many cases, offering financing is cheaper than using or accepting credit cards. I think most dealers end up using financing programs because it increases their sales—they will

sell more equipment by having financing available than if they did not.

WQP: Are there any drawbacks to using financial programs?

Hamilton: Most of the reasons I hear of why a dealer does not use financing are either they don't think that they need it, or they feel there is too much paperwork involved, both of which are really not true. There is paperwork involved, but we spend quite a bit of time training dealers on it. I think it's just an up-front intimidation that causes some to think that the paperwork is something they can't handle. But we can assist them in getting over it. *wqp*

For more information, contact Bob Hamilton, senior vice president of sales and marketing for Aqua Finance, Inc., at 800.234.3663, ext. 1641.

WQP recently asked Carl Brenner, general manager for Quality Water Systems, to describe how the financial program offered by Aqua Finance has affected his business. Quality Water Systems is a water treatment product dealership.

WQP: What are the benefits of financing?

Carl Brenner: It just broadens your customer base tremendously. We're showing blue-ticket items that could cost several thousand dollars, and many of our customers do not have access to credit cards with that type of credit balance. If you limit yourself just to cash or credit cards, you're really narrowing the scope of your customer base, so there's no alternative [to providing financing]—you have to do it. I would say about 80% of our customers use our financing.

WQP: What problems have you encountered using financing?

Brenner: In financing, you have to be very up-front with the customer. We give the customer all the information that Aqua Finance requires and what is required by government regulation. But we also have them sign off on an individual sheet of paper saying that they know what the interest rates and terms are, and then Aqua Finance does the same thing again. The customers actually verify, so we have very little problem with customers misunderstanding the terms or not understanding how the system works. You're always going

to have, in the course of business, somebody that doesn't quite understand it, but that's a very minor problem. *wqp*

For more information, contact Carl Brenner, general manager for Quality Water Systems, at 281.955.3400, or by e-mail at carlbrenner2@yahoo.com.

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