



FOR IMMEDIATE RELEASE

EFG Companies: Top Five Questions We Hear From Dealers Reflect State of the Industry ***Challenging Times Demand Sound Counsel During Second Half of 2025***

DALLAS, TX (July 29, 2025) – EFG Companies has the ear of over 1,600 retail automotive and powersports dealers and hears the impacts of the current market and economic conditions. Success in the second half of 2025 will require a mixture of strategy, innovation, and preparation to combat the challenging forces disrupting sales and revenue generation. Here are the Top Five Questions we hear from dealer principals daily – and the experienced counsel we share with them.

Top Five Questions from Dealers

What business changes should we make now, given the uncertain economy?

Now is not the time to hunker down. While dealers cannot control market forces such as interest rates, tariffs, supply chain, and increasing inventory constraints, dealership owners can closely evaluate annual reinsurance and revenue generation goals. Dealers should consciously and comprehensively analyze personal wealth creation and profit metrics to ensure strong positions. Our *Wealth Builder Profit Participation* portfolio and Business Development Assessment process are proven tools for success.

How can we mitigate losses from tariffs?

A strategic focus on training and recruiting is a powerful weapon to fight the impacts of tariffs. Front-end margins and unit sales are anemic – the opportunity for dealers to shore up their business is through backend gross. To drive increased PRU and penetration, there is a need to modify behaviors that set in during COVID when front-end gross was at record highs. For training to deliver sustainable performance results, there must be a commitment from dealership management to support the processes learned in training and not revert to bad (perhaps more comfortable) habits. Ensuring pay plans are structured to motivate the desired behaviors is also key.

How can we drive more traffic to our dealership?

Consumer concerns about the economy, employment, and rising inflation will continue to impact dealer sales for the foreseeable future. [Edmunds' research](#) shows auto finance metrics have reached record highs. Increasing traffic and online to on-lot sales requires dealers to refocus their people on the fundamentals. Traffic-driving and retention products, such as WALKAWAY® and Drive Forever Worry Free from EFG, give consumers confidence in making a large purchase during challenging times, while increasing buyer loyalty and fixed operations revenue. The questions you should ask are 4-fold: Is it good for your brand? Is it good for the consumer? Is it good for your employees? And does it drive profit?

What changes should we make to our processes?

Artificial intelligence tools are all the buzz, driven by consumers' growing online purchase habits, says [Cox Automotive research](#). Dealers who focus on value-driven differentiation will overstep the competition. Delivering a “Why Buy Here” message at every customer interaction is key. Training across all divisions to reinforce customer interaction while delivering the right products for each individual customer must be an ingrained process.

How can we increase our margins and make more per sale?

When front-end margins shrink, backend margins must increase. Culture, behavior, and performance are key drivers that impact results. Dealers set the tone here and must go beyond traditional training methodologies to focus on needs-based selling that delivers results. Our data show that properly trained team members can generate an incremental \$206,400 average annual F&I profit per producer per year.

“If we take the lessons learned from COVID and the Great Recession, we know the root cause issues impacting dealer profit,” said Jennifer Rappaport, CEO of EFG Companies. “Some of today’s challenges may be unique, but the underlying strategy is the same. With nearly 50 years of empirical data on training and consumer protection products, we intimately understand the challenges facing automotive and powersports dealers. Our dedication to a results-focused client engagement model that combines F&I products with a model-agnostic reinsurance portfolio has delivered proven results. We feel confident that our counsel will once again ensure our customers successfully weather these challenges.”

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About EFG Companies

For nearly 50 years, EFG Companies has provided consumer protection programs for vehicles and residences across seven market channels. The company's strategic intent is to build sustainable market differentiation and profitability for its clients and partners, including dealers, lenders, manufacturers, independent marketers, and agents. EFG's award-winning engagement model is built upon the belief that the company serves as an extension of its clients' management teams, providing ongoing F&I development, training, product development, compliance, and nationally recognized product administration with an ASE-certified claims team. Learn more about EFG at: www.efgcompanies.com