

Student Name:

Academy Class #

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NADA 324

I plan to accomplish the following objective by our next class on: I plan to lower costs by reviewing all vendors, website costs, lead providers, and advertising. After going over the formula Additional Sales dollars to recover \$100 it was clear to me that costs are far and away the quickest way to make an impact on the bottom line.

I also plan to make the saying if can't change your people change your people a very strong message in my stakeholders head. Hopefully this will encourage new hires, specifically a new sales manager.

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Sales	May 15th		
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Provide the relevant composite data

Composite has skewed data due to commercial trucks. Have attached costs of areas of focus specifically for the Buick GMC cars side of our operation.

Action plan for achieving objective

I have reviewed our financial statements and found the areas of controllable expenses. I will use this action plan for the following areas.

Lead providers- Review all leads and determine the cost per sold car per vendor and determine if it makes sense to continue with the provider.

Service Vendors- Send Email asking to review costs for all service providers. Examples include overnight bdc (auto email service), Phone on hold Messages, Auto book, V auto.

Website Management Costs- Often times the online company that the manufacturer makes you use over charges for online services, such as SEO, social media management, and Creative. I want to shift resources away from this company and towards 3rd party individuals who can do it for a more cost effective price.

Co op Advertising- After upgrading our building we are going to ask Subaru to give us more us a larger Co Op budget for grand opening. Update with proposal and response attached.

Newspaper Advertising- Shift more money from traditional advertising to digital

Review Sales Manager- Need to find a younger more hungry individual who is less old school in their thoughts and approach to the business.

What is the area of focus?

I want to focus on the largest controllable expenses which is personnel expenses, advertising expenses. Also I will review which lead providers and service providers that have been most cost effective in sales.

What is the proposed plan? How will you achieve it?

My proposed plan is to take a deep dive into all of the areas mentioned above.

Lead Providers- Analyze Total Cost/Units Sold. Also factor in the amount of leads that are coming in which could slow down BDC

Service Providers- Email saying looking for competitive price or will take business elsewhere

Website Services-Mover resources like Social media and Creative to effective individuals that can be found on fiverr.

Co Op Advertising- Submit to manufacturer purposed increase in spending to celebrate launch.

Newspaper Advertising- End it.

Review Sales Manager- Seek younger, more people friendly, more technology inclined manager.

How will you track your progress? What measurements, KPI's? How often will you track?

I will have a baseline of expenses for the last three months. Will check after each decision has been made to see how we are trending in the right direction. I expect to be focusing on the new vehicle department gross profit return on sales to improve as we cut costs.

Who are the employees that will be involved, or impacted? Will they require training or assistance?

The employees involved will be myself and the owner will be the main decision makers on future Manager changes. Will reach out to people in the industry for recommendation. We want someone who has experience, but is open to new changes.

We will work with the BDC manager to help identify effective lead management sources and where they can be improved on.

Is there a cost, or estimated cost for implementation?

The cost of implementing will be from changes in process. Also if we bring certain areas we were outsourcing in house then that will require someones time on a consistent basis moving forward. For example Creative will require a little more attention since we will not be using the Subaru endorsed dealer.com. The same applies for having the social media manager in house.

The focus on this has also taken away from my ability to focus on sales.

With a new manager there brings a learning curve that will take everyone time to adjust.

The potential for less leads could lead to less sales, but it could also increase focus on present leads.

Projected date of completion?

I have made significant progress in these areas since I have arrived back from the Class. I will continue to improve on these areas.

Co Op Advertising-Complete-50k Increase in Co Op advertising Budget until the end of the year to help celebrate store re design.

Website Management-Complete- No longer using managed services package for 2250 per month. We brought creative in house and social media management. Also got rid of 399 management fee. Replaced with a graphic designer who will do everything for \$80 per month.

New Sales Manager-Complete New Younger, enthusiastic, technology savy, and friendlier manager started 4/21

New Leads-Still Reviewing- Removed Edmonds Leads and Car Fax Leads from website.

Newspaper Advertising- Work in Progress- Shifting away from Newspaper. Owner wants to remain present.

Vendors- One reduction by consolidating phone auto response. Also working with the CRM providers.

I must continue to focus on reducing costs and believe this is a continual process. After already cutting around \$4,000 per month we need to remain focused and constantly be reviewing our spending habits.