

David Carranza

Subaru of Wichita

Class 448

SWOT Analysis

Strengths

- **Growing customer base:** We have an increasing number of customers, which gives us a solid platform to build on and grow our service revenue.
- **New facility:** With 20+ bays, our service department has the capacity to handle a high volume of work, which is a huge plus as we look to grow.
- **Strong new hire:** We've made a great managerial hire who's starting soon. This is a fresh opportunity to get leadership in place that can drive positive changes and set the team up for success.
- **Excellent technicians:** Our techs are top-notch, which is crucial. They consistently deliver high-quality work, and we need to capitalize on that to drive more business.
- **Single-point location:** Being the only Subaru dealership within 60 miles gives us a major competitive advantage. Subaru owners don't have many alternatives in our area, which is great for us.

Weaknesses

- **Understaffed at advisor level:** Right now, we only have four advisors, and we need six. This is creating bottlenecks and slowing down our customer flow.
- **Inexperienced advisors:** The advisors we do have aren't as experienced as we'd like, which means we're missing opportunities to upsell and offer the best customer experience.
- **Low customer service score:** Our customer service score is currently sitting at 60, and that's just too low. This is something we need to work on improving quickly.
- **Downtrending hours per RO:** We're averaging 1.61 hours per repair order, but we want to get this up to 1.8. This means we're not selling enough services per visit.
- **Customer pay RO needs improvement:** We're at \$943 right now for customer pay RO, but we know we can push this to \$1,200+. We need to focus on selling more per visit.
- **Hard-to-reach location:** Our location is a bit tricky to get to—it's not easily accessible from the highway, which could be deterring some customers.

Opportunities

1. **Growing population in the area:** As more people move into the region, there's an increasing pool of potential customers who will need vehicle servicing.
2. **Subaru brand loyalty:** Subaru owners are known for being loyal to their brand, which presents an opportunity to capture more of their repeat business, especially since you're the only dealership in the area.

3. **Limited competition for Subaru service:** Being the only Subaru dealership within 60 miles gives you a competitive edge in attracting Subaru owners who prefer brand-specific expertise.
4. **Increased focus on vehicle longevity:** Many vehicle owners are keeping their cars longer, which increases demand for maintenance and repair services.
5. **Potential for partnerships or marketing opportunities:** Collaborating with local businesses or running Subaru-specific promotions could increase service traffic and customer loyalty.

Threats

1. **Location difficulty:** Your dealership's hard-to-reach location could deter some customers, especially those who find it inconvenient to access the service department.
 2. **Independent repair shops:** Local independent shops may offer more convenient hours or competitive pricing, making them attractive to customers who aren't as brand-loyal.
 3. **Customer expectations for convenience:** With the rise of mobile mechanics and quick-service chains, customers now expect fast and easy service, which could put pressure on your department if it's not meeting those standards.
 4. **Economic downturns:** Economic uncertainty can lead customers to delay non-essential vehicle services, which could affect your revenue, especially for high-ticket maintenance.
 5. **Technological advancements:** As vehicle technology evolves, there's an increasing need for specialized training, which could be a challenge for maintaining the skill level of your technicians over time.
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Objectives and Strategies

Objectives

1. **Improve hours per RO:** We want to go from 1.61 to 1.8 hours per repair order. This means our techs need to upsell more services and maximize each visit.
2. **Increase customer pay RO:** We're aiming to raise the average customer pay from \$943 to over \$1,200 by focusing on offering more comprehensive services.
3. **Expand the advisor team:** We need to grow from 4 to 6 advisors to handle the increasing customer volume and improve the service experience.
4. **Boost customer service score:** Our goal is to raise the score from 60 to over 80. We'll do this by improving communication, follow-ups, and overall customer interactions.

Strategies

1. **Upsell more services:** Train both our techs and advisors to recommend additional services like maintenance or preventative repairs during every customer interaction.

2. **Improve customer communication:** Focus on keeping customers informed about their vehicle's status and recommended services, which will help build trust and increase upselling.
 3. **Hire and train more advisors:** We need to step up our recruitment efforts and bring in two more advisors ASAP. We can also offer more training to our current team to help them get up to speed.
 4. **Enhance the customer experience:** We'll implement processes that ensure every customer is followed up with after their service, and any complaints are handled quickly.
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Action Plan

Task	Owner	Deadline
Hire two new service advisors	Service Manager	6 weeks
Train techs and advisors on upselling	New Manager	4 weeks
Launch service packages to increase customer pay RO	Service Manager	4 weeks
Start post-service follow-up calls	New Manager	Ongoing
Increase hours per RO to 1.8	Service Manager	12 weeks
Achieve \$1,200+ customer pay RO	Service Manager	12 weeks
Improve customer service score to 80+	New Manager	Ongoing

Synopsis

Our service department is in a strong position with a growing customer base, a new facility with 20+ bays, and a team of excellent technicians. These strengths give us a solid foundation, but we have some critical areas that need attention to improve performance and customer satisfaction.

Our immediate challenges include being understaffed at the advisor level, having relatively inexperienced advisors, and low customer service scores. These issues are impacting both the efficiency of our operations and the overall customer experience. Additionally, we're seeing a downward trend in hours per repair order, and our customer pay per RO is below where we want it to be.

With a great new manager joining us soon, we have an opportunity to address these challenges head-on. Our plan focuses on expanding our advisor team, improving hours per RO, increasing customer pay per visit, and raising our customer service score significantly. By training our staff to upsell more services, enhancing our communication with customers, and fully utilizing our new facility, we can drive profitability while also improving customer retention.

In the next several weeks, we'll be recruiting additional advisors, offering more training to our team, and implementing follow-up processes to ensure customer satisfaction. These efforts, combined with targeted service promotions, should help us hit our goals of increasing both service hours and revenue, while ensuring that customers leave happy and keep coming back.

