

# SWOT Analysis

**Subject:** Total Absorption (Pre-Owned)

Strengths (+)	Weaknesses (-)
<ul style="list-style-type: none"> <li>*Good amount of inventory to meet customer demands</li> <li>*Oppourtunity for profit</li> <li>*Give dealership better negotiate skills to convert to from used to new or vise versa.</li> <li>*Higher inventory turnover can lead to quicker sales and gross profit.</li> </ul>	<ul style="list-style-type: none"> <li>*profit margins can go up and down very fast if not watched properly.</li> <li>*limited inventory or harder to acquire, can hurt total absorption if pre-owned is heavy relied on.</li> <li>*The wrong person in the postion can hurt the Pre-owned department.</li> </ul>
<ul style="list-style-type: none"> <li>*Improve customer rentention thru sales and service</li> <li>*Look into other sources for vehicles (service drive, auctions and trade-ins)</li> <li>*Service revenue, the faster it goes thru the process, the faster it will sell and more revenue for service.</li> <li>*Implement pricing and recon tools to get vehicles thru the process and in the front line faster.</li> </ul>	<ul style="list-style-type: none"> <li>*Market Change (ex Covid)</li> <li>*Inventory shortages</li> <li>*Other dealerships (competitors)</li> <li>*Rising cost (inflation)</li> </ul>
Opportunities (+)	Threats (-)

Write your goal statement:

I will increase my total adsorption percentage from 82% to 90% by end of 1st quarter 2025