

Pre-Owned Action Plan 2018

One of the biggest areas we need to improve in is turn rate.

We are currently turning inventory only 6-7 times per year.

Improving our turn rate will reduce the overall time a vehicle spends on the lot allowing us the opportunity to have a greater mix of vehicles that can be retailed quicker

The first thing we need to do is analyze our pre-owned inventory

Where is it parked.

Is the vehicle completed in shop

Is it clean and retail ready

Are the pictures online and looking good.

Is it priced to market (this is a big one for us. Determining market without paying thousands of dollars per month to determine market)

Use our inventory management tool to set timelines for lowering price

1. Price cars to market by checking for like vehicles on other website
2. At 30 days check price to market and price slightly below
3. At 45 days check vehicle, re-detail, reprice, move to different location on lot. Dress up with stickers and prices on window notating sale
4. 60 days prepare for exit. I have found advertising pre-auction sale and letting sales people know its leaving motivated them to move it

Coming up with exit strategy at time of trade in will greatly reduce aged inventory

We have agreed to a 75 day hard turn no matter what.

All of our team members are on the same page. We all share in the gain and losses of dealership.

Keep sales people trained and familiar with inventory is very important. I try to have a Saturday Meeting and go over all pre owned inventory. We go out start them, check for gas and make sure they are all standing tall..

The biggest obstacle I face is getting vehicles finished in the shop. Our current backlog is 70 days. We are currently under construction and adding bays and mechanics.