

Management Action Plan – VO1

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Dealership: Bruce Ford

Class & Student Number: N34504

Current situation or challenge you want to address (narrow your focus):

Increase used vehicle inventory turns (Currently 6) while increasing vehicle gross PUVR

Overall objective (goal) and specific desired results:

Increase used vehicle department to 10 turns (currently at 6 turns)

Describe your action plan in detail (including before and after measurements):

1. Physically touch every used car in inventory and evaluate the quality of every vehicle.
2. Adopt vehicle quality ranking system into 3 quality score buckets: Wholesale, Inspected and Certified
3. Sell current wholesale inventory immediately. Moving forward wholesale inventory should be sent to auction within 1 week of being stocked into inventory (at most)
4. Inspected vehicles should be reconditioned within 3-4 days including detailed and pictured. Ensure scratches are buffed out, has nice rims and tires (based on season) brakes work well. These units should be priced aggressively to produce leads and draw customers into the dealership. Targeting the price Savvy or budget based online shopper.
5. Certified vehicles are the cream of the crop. They come with their own individual story and prime real estate on the lot placed front and center for all to see. These units are given a full buffing/ wax. They are given a "certified" inspection which is above and beyond the provincial regulations. Tires/Rims, brakes and service maintenance must all be up to date and in pristine condition.

6. With the significant up front investment in these units the sales department will ask a premium for these units but provide peace of mind to the customer knowing they are receiving the best quality of vehicle their money can buy.
7. Introduce lot walk with entire sales team with a minimum goal of being done twice a week. This time can be used to ensure all vehicles are on the lot, identify problem areas, discuss why certain vehicles may not be selling and introduce new and exciting inventory fresh in on trade.
8. Promote sales team to tell a story of a vehicle. Relay relative information to customers via the internet or in person that goes above and beyond the vehicles features and benefits. For example was the vehicle a local vehicle, was it dealer maintained, how did the previous owner use this vehicle, why did they trade it for a different vehicle and how was it maintained and so on...
9. Introduce a used car promotion every month - Something new and not stale. "Free sets of tires" or " 3 months no charge payments are over used and under valued by customers in todays market. Ex) promoting a program called "Bruce Bucks" every sales customer will be given \$500 in play money that they can use toward their vehicle purchase at any time on any product before they take delivery.
9. Increasing "look to book" average is crucial to maintaining an adequate supply of quality used vehicles. Bruce Fords Current 60 day average is 38% this needs to be increased and maintained at a minimum of 45%. To increase this we will need to update our vehicle acquisition process by doing the following
 - Establish and enforce consistent trade walk procedures for sales staff.
 - Develop a trade sheet to guide sales staff to ask the right questions and acquire the right information
 - Establish a presentation to the customer educating them why they received the value on their current vehicle.
 - Ensure Sales Managers take possible trades on test drives and ensure all pricing is compared to current wholesale data.
 - Sales Managers must be active in all potential deals.

Timeline: What is your implementation date? Describe specific short-term and long-term checkpoints to monitor progress.

Implementation date is June 1st to start following 10 step guide. The following points will be reviewed at regular intervals:

1. Touch every used car - Weekly
2. Vehicle quality ranking guide - Daily
3. Current wholesale inventory - Weekly
4. Reconditioning times - Daily
5. Merchandising used vehicles - Daily
6. Team lot walk - Weekly
7. Used vehicle story - Every trade that will be retailed
8. Used car promotion - Monthly
9. Look to book - Weekly

Meeting with Stakeholders (dealership personnel):

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences, including timelines / accountability / process monitoring activity.

First Meeting

1. Who: General Manager & Sales Managers X 2
2. What: Sales Managers will be accountable for all steps of the process and ensure this is clearly defined with sales team
3. By When: First week of June
4. How: Sales Meeting

Second Meeting

With Sales Team, established their responsibilities.

Main Responsibilities

- Merchandise lot with sales manager guidance.
- Lot walks (know what we have to sell and what's coming in)
- Prepare a presentation for all your trades (tell the team the story not the features)
- Promote in store promotions to existing customers

- Consistent trade walk / trade sheet