

Management Action Plan- V01

Student Name: Jose Reano

Dealership: Bravo CDJR of Alhambra

Class & Student Number: Class 345 Student 10

Current Situation or Challenge you want to address (narrow your focus):

Currently Bravo CDJR has a turn rate for new Chrysler vehicles at 0.7, Dodge at 2.13, Jeep at 1.99, Ram at 1.66 We currently have a total of 509 vehicles in stock total. Our challenge is to remain as a premier dealership for CDJR cars in the greater LA area.

The challenge during a changing market we have found is to discover what sells the best to emphasize sales. The main challenge we have is to figure how to maximize our current market and increase our rate of turn.

Another challenge is to get rid of the last of our 2018 vehicles as soon as possible.

Overall objective (goal) and specific desired results:

To increase our turn rate for Dodge, Jeep, and especially Ram.

I would like to see our Inventory of all 2018 models be sold in the next 90 days. I would like to see a general increase in turn for all our new vehicles. This however comes with the understanding that in that case of Chrysler products that the demand for Pacificas is not strong, and the Chrysler 300 is no longer gathering the interest of clients in our local area, as sales have been very slow with that model.

Bravo CDJR has a massive selection of new Rams, and especially rebels, these vehicles are ones that collect a large amount of gross profit and have many rebates available. I would like to see an increase in sales for Ram and move more of our inventory.

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

Have the right inventory, using advent records and Vauto's conquest tool to monitor what has historically sold the best for us, but also see what the current demand is. I want the inventory to be with lots of variation, but emphasize on what will move the most units while sustaining gross profit.

This will require a careful analysis to make sure that the vehicles we order are vehicles we can move fast and effectively. I would like to see the average days on our lot decrease on average to less than 90 days, allowing our dealership to be more profitable, and have a faster moving inventory to gather more attention.

A faster time to have the vehicles we acquire be frontline ready faster, with good quality exterior and interior photos.

Merchandising the vehicles online and offline more aggressively. This will mean full implementation of all third-party sources for new vehicles be ready with quality photos, social media campaigns have increased preowned visibility. There also needs to be an increase in lot visibility to ensure that high end vehicles are on the front line and presented accordingly to appeal to local clientele.

Timeline:

Implementation date: 08/01/19

To ensure that we meet goals, there needs to be frequent check-ins on progress. This will mean close monitoring of the number of vehicles in inventory, tracking the total investment on a weekly basis, and ensure that both number of units, and profitability are able to increase.

Short term, I want to see a trackable increase in overall investment, number of units, and a slight increase in average turn as all vehicles will be priced to sell. An analysis of all criteria will be first done after 30 days.

Long term 90 days later and beyond- I want to see the turn rate of the dealership increase by .2 , then after making the goal .4 This will require frequent check ins on monitoring our progress and tracking where we were at day 1 of implementation and see where progress is at 30-day intervals.

Effective tracking will allow us to develop a firm new vehicle strategy and be able to adjust accordingly to changes in the market, local demand, and insight into what vehicles are best suited for our inventory.

Meeting with Stakeholders (dealership personnel):

Who: Bravo CDJR's General Manager and General Sales Manager will be the primary figures in implementing these changes.

What: We need strong a positive attitude from our managers will a solidify belief in process. They will be the ones that are committed to cementing the necessary changes in process to increase our turn and keep everyone in sales accountable.

By When: This will be implemented officially on 08/01/19. Progress will be tracked frequently.

How: There will be a priority set on turn. This will require a thorough process of the sales managers to ensure that sales are always being emphasized, and everyone that comes into the dealership seen as a potential customer. There needs to be a focus on fast digital frontline readiness. Training will be available from VAuto reps.

The general sales manager will need to frequently monitor all activity on VAuto to ensure that our digital frontline is priced aggressively, and that leads are never going unanswered. We must have our general sales manager lead the sales teams to close monitor our traffic to ensure that no lead is untouched, and no deal walks away from us.

The general sales manager will be responsible for ensuring that our clients are treated professionally, and through continued business we also see an increase in service in parts, and a steady increase in new and used car sales as a result of an overall increase in traffic.

Having all sales managers ensure that sales reps are contacting leads timely, consistently, and properly. Keeping our employees accountable from first contact with clients I believe will continue to increase sales.

Possible bonuses depending on results of implementation

Dealer Agreement:

If you need your sponsors support or approval to implement your plan, have it signed off before you start. If you can proceed on your own, present this action plan to your sponsor before next class. Describe the meeting:

Dealer principle Douglas Bravo is completely onboard and supportive of our plans to improve.