

Management Action Plan – VO1

Student Name: Shawn Stafford

Dealership: Donovan Auto & Truck Center

Class & Student Number: Class #348 Student number: 331257506-9

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

Our current situation in the Used car department is good. We were almost to guide on absorption rate last month. Our inventory is in excellent condition, we currently are sitting with almost 70% of our inventory under 30 days old.

The challenge we need to address is acquiring more used vehicles to get our sales up.

Overall objective (goal) and specific desired results:

Goal is to acquire more local vehicles without relying on the auction as the source. This is one area after our last class that some people were killing it in and I was really dropping the ball. If we can acquire at least 10 super nice trade ins from our right purchases a month, it will increase our sales by at least 10, because of the fast turn rate on nice local low day supply vehicles.

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

- My action plan is to use Kbb's ICO product and maximize it on every customer we up on the lot and use it on nice trades that are in our service department. I will give them the KBB offer and our offer together nine times out of ten times mine will be higher. I will be super aggressive on clean low day supply vehicles.
- It will be a part of the salesman's pitch when he meets the customer on the lot to inform the customer that we will give them a buy bid on their vehicle rather they buy a car or not. This should also show transparency form hello and help build their trust. I usually would totally be against something like this, but I am breaking out of comfort zone and understanding how transparency is so important in todays time. I also feel like we will write more deals this way.

- There will be a bonus for salespeople that get ICO leads into the store for an appraisal and an extra bonus if there is an out right purchase made.
- I will also go through service appointments and walk the service lane and make aggressive offers on nice low day supply clean cars that I know will turn fast. I can also make sure they are mechanically sound.
- We will promote the message we will buy your car in our advertising as far as our website, on the radio, and our TV commercials.

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

- My implementation date will be September 1st
- Short term check points will be weekly checks on ICO leads and follow up with salespeople on the customers that we did buy bids with.
- Long term checkpoints will be month to month as far as tracking acquisition of vehicles that were street purchases.

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.

- Coaching will be from KBB ICO trainer, Internet Manager and General Sales Manager.
- Consequences on salespeople for not using ICO will be they won't qualify for spiffs throughout the month if they don't participate in doing ICO trade appraisals.
- Accountability will be held by General Sales Manager and Internet Manager.
- Process will be written out and handed to each salesperson in meeting that way they understand what is expected of them and consequences good and bad spelled out clearly.
- As far as a timeline in two months I would like to have at least 12 outright buys from customers. That seems low but right now its like 3 or 4 a month.

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:
