

Management Action Plan – VO1

Specific – Measurable – Achievable – Relevant – Timely

Student Name: Tony Puccio

Dealership: Crown Honda Southpoint

Class & Student Number: Asbury A03 - 12

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

This data is from our sales log and scorecards from the Variable 1 pre-class work.

We are discounting all used vehicles (including CPO) to 95% adjusted market price from a listing price of 98% price to market.

The average discount for all used (including CPO) was \$448 with an average profit of \$446. Our CPO average discount was \$442 with an average profit of \$232.

Overall objective (goal) and specific desired results:

Move the average discounts to \$300 and the average profits to \$600. Rational and optimal pricing from day one.

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

The first step in moving these numbers will be better training our staff on our pricing procedure and a more consistent first worksheet process. Included with all worksheets presented will be a used vehicle evidence packet. It will include a copy of our internal work, the Carfax, and the NADA and KBB retail values.

Secondly, earlier management showroom turnover as well as earlier involvement via phone, text, or email. This will support the pricing assertions made with the salesperson and lead to higher gross and more sales.

We will have a clear and consistent pricing strategy and vision that will be shared with the staff. We will focus and commit to rational and optimal pricing that will be monitored and adjusted as needed – weekly or daily. We will track available market data including 10 best per-owned seller in our market (and make stocking decisions accordingly), immediate decision on wholesale or retail and an exit strategy begin to utilize the data provided as a Power Dealer and begin to use video as a differentiator for our dealership. Tracking all with our current data / utilization and the impacts to the gross increase target.

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

The data described will be measured and analyzed every 15 days. This will allow for vision on progress or small changes in process needed to get back on track. The implementation date will be January 13 and the monitoring period will run through mid-March. At the conclusion of the 60 days relevant data will be shared with the sales staff and full data with the management team.

Meeting with Stakeholders (dealership personnel):

Describe what behavior change is needed to support desired goal.

Belief that we can change it and now we have the tools and metrics to measure it and hold ourselves accountable for the result.

Address required coaching, training and/or consequences, including timelines / accountability / process monitoring activity.

As described above – training on the why we price how we do and supporting the buy in to the process. The consequence to not following the process will be fewer sales and continued low gross.

1. **Who:** all sales management and sales consultants will be involved
2. **What:** increase used car gross front approximately \$150 / unit – while decreasing our average discount similarly
3. **By When:** mid-March
4. **How:** see above

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:

Signed by: Tony Puccio
