

Sun Chevy Auto Warehouse
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“Service/Parts Analysis”

Strengths:

1. Recondition 210 pre-owned retail units a month.
2. Work on all makes and models.
3. Building a new facility with 30 lifts and Hunter drive over machines.
4. Customer pay increasing one line Ro's Decreasing.
5. New facility will house all departments

Weakness:

- 1 Shop dramas have to replace two technicians.
- 2 Working on all makes and models creates high return rate need to train on all makes and models.
- 3 Service Manager is not customer friendly- Not trained in customer service.
- 4 Free services with retail sale are hard to upscale is the culture.
- 5 Service Manager is dispatching perceived technician favoritism.
- 6 Service writer will try to sell sales department before the customer.

Opportunities:

1. New facilities Grand Opening reintroduce our service department.
2. When a car is sold we will now be able to do a service walk and set first oil change setting up a relationship.
3. Sales training for service writers to increase GP

Threats:

1. Service manager lack of customer service-
Train/Replace
2. New facility increased overhead
3. Lack of new talent- We need plan B technicians
4. Competition has longer hours.

Objectives:

1. Create a customer friendly culture from the top down.
2. Continue to focus on decreasing one line RO's.
3. Increase our daily RO count by adding bays.
4. Change Parts Manager pay plan to include a bonus for shop hours produced.
5. Use Napa training program to train technicians on other brands.

Strategies:

1. Use new drive over machine to increase tire and alignment sales.
2. Two bays for quick lube use only.
3. Hire young lube technicians that we can train to grow with our service department.
4. Track non OEM parts to stock fast moving Non OEM parts to increase shop efficiency.

Tactics:

1. Track open RO's and WIP weekly.
2. Meet every Wed. at 10am with service manager to review one line RO count and weekly and monthly forecast.
3. Have monthly specials that and market them with a full 360 blast (email,instagram,facebook,website, zip code mailer)

4. Introduce process based selling to service writers.

Action Plan:

When we move into our new facility in November 2017 We will be able to put the following actions into our daily procedures.

1. 15 Min oil change (2) Bays increase maintance work.
2. 360 Degree sales and service message (same location)
3. Stock Non OEM parts- Currently tracking to formulate the proper stock needed and at what level.
4. Hunter drive over machine training and sales process.
5. Review weekly with Service Manager WIP, open RO's, one line RO count 8/2.
6. Extend service hours to match sales hours.

Synopsis:

Our Used car sales department has been super successful in the past 10 years averaging over 200 retail units sold a month. Unfortunately with the volume we have been doing our service department has taken a back seat. We made a decision to lease off site space to house our service department in order to make room for used cars. Within the past year we see the writing on the wall we knew that we needed to re invest into our service

department and build a new facility that will not only house a very profitable sales department but it will allow us to grow the GP in our service department.