

Shannon Garvey Bruhns —Garvey Nissan

Fixed Ops - Service - N364

Qualitative Analysis

Strengths

1. A beautiful state of the art, green facility and all new equipment.
2. Our customer base is loyal, we have a high retention rate.
3. Distribution of work. Our Service manager and advisor know the importance to making sure the right job gets distributed to the correct technician based on skill level.
4. A good mix of work. Competitive and Maintenance is 68% vs. repair at 32%, pretty close to guide
5. High moral in the Service Department, which leads to great CSI
6. The shop is getting busy, we are booked out at least 2 weeks out.

Weakness

1. In need of at least 2 more technicians. A or B Tech would be ideal and another lube tech. Have had ads out for months with not great success.
2. Cleanliness of shop and better organization, hindering productivity of techs.
3. Adjustments to how our Nissan Maintenance gets put on to an RO. (i.e., 5k Maintenance will read as a 1 line RO, skewing our 1 line RO %. I'd like it to separate each service in separate lines: Oil Change, Tire Rotation instead of 5k Maint.)
4. As business grows, we are re-evaluating our need for another Advisor, as we have 1 currently.
5. Marketing and Advertising is slim.
6. No non-dealer competitive pricing board in service drive.
7. Up selling to reduce our 1 line RO percentage and increase in gross profit.
8. Our service department does not mirror sales department hours, and service is only open until Noon on Saturday.

Opportunities

1. Adding another Advisor as our shop is getting busier and to keep CSI up.
2. Adding at least 2 more technicians to keep up with all the work we are scheduling.

3. Technicians taking videos as visuals for customers to assist in up selling.
4. Review & sign every MPI, Advisor to educate and build value to up sell.
5. Up sell to reduce our percentage of 1 line RO's and increase gross profit.
6. Be more aggressive in our marketing and advertising as we are just as competitive if not more competitive than other dealers and non-dealers in the area.
7. Install a competitive pricing display board in service drive/waiting area.
8. Adjust Service hours to mirror Sales hours. Especially on Saturday, with increased business I believe we are missing opportunity.
9. Nissan has 5k Maintenance intervals, which in turn gives us opportunity to sell the customer more and to up sell.

Threats

1. Not enough Techs, difficult to find even with incentives and sign on bonuses.
2. Being rather new as a group (Garvey Auto Group) to the Vermont market. We bought Nissan about 5 years ago. We are pushing month after month to gain market share and prove our reputation and customer satisfaction.
3. Our Service hours fall short to Sales hours. Our shop is getting busier, so in turn an increase in service hours would likely increase sales and gross profit. Some non-dealers are also open on Sundays.

Objectives

1. Decrease 1 line RO's from 46% to 20%
2. Hire at least 2 Technicians
3. Hire 1 Advisor within next 3-4 months
4. Motivate techs to keep shop clean and organized to improve productivity, efficiency and proficiency.
5. Use a portion of Marketing and Advertising budget to increase business and draw awareness to our group, as we are the newest in town.
6. Install a competitive pricing display board in service/waiting area.
7. Adjust hours to be more convenient for customer

Strategies

1. Separate services included in 5k Maintenance intervals to decrease 1 line RO's
2. In addition to #1, educate, build value and ask for the sale to increase RO count and gross profit

3. Continue to shop competition and post competitive price board
4. Market and advertise service offers, state of the art & green facility.
5. Market and advertise to hire technicians, also incentivize and sign on bonus.
6. Work with Service department to increase hours to be more convenient for customers and that will mirror Sales.
7. Develop a process and procedure for shop cleanliness and get buy in for increased productivity, efficiency and proficiency.

Tactics

1. Have weekly meetings with Service Manager to review schedule, forecast, goals and objectives. Make adjustment as needed to policy and procedures. Training. Create incentives/spiffs if needed.
2. Advertise and Market our new green facility, promote #1 customer satisfaction, promote specials and offers to attract customer.

Action Plan

Tasks	Role	Completion Date
Extend Service Hours	Service Manager, GM	October 1, 2020
Adjust technician schedule to maximize growth	Service Manager	October 1, 2020
Advertise new hours, Saturday service	Service Manager, GM, Internet Manager	October 1, 2020
Advertise new facility, technicians, offers and specials	Service manager, GM, Internet Manager	September 1, 2020
Install competitive pricing board	Service Manager	October 1, 2020
Weekly Meetings	Service Manager, GM	Weekly
Separate all Services out of 5k Maintenance	Service Manager, Advisor	Complete
Review MPI's, educate, build value, up sell, ask for sale	Service Manager, Advisor	On going
Create videos for customer visuals to assist in up selling	Service Manager, Advisor, Technicians	September 1, 2020

Synopsis

A big strength to our store and specifically our Service Department, is our new state of the art facility. Every thing is new, modern and appealing to the eye. We are the newest dealer to the market, so building up our reputation through exceptional customer service is a priority. Our customer retention is high but we need to focus on spreading the word and gaining market share in our area. We are growing, sales have increased month over month, which has presented the opportunity to hire at least 2 technicians and 1 more Service Advisor. With the added employees, we plan to extend Service hours to closely mirror the Sales Department. In addition, extending our Saturday hours as well —making us more convenient to our customers.

Policy and procedures in the service department will get addressed in the areas of technician cleanliness and organization to improve productivity, efficiency and proficiency. Advisors will be trained and will implement a new procedure for up sells by educating and building value in our services and products. Additional training for our advisor on how to effectively write up RO's will assist in decreasing our 1 line RO percentage. Our new competitive price board will assist in building value.

Allocating more of our advertising and marketing budget to the service department will assist and promote the department to help find the additional employees we need and get our specials, offers and new hours out there.

With the additional service hours, employees, productivity, and up selling procedures—additional gross profit will be generated and an immediate increase in fixed absorption should be evident.