

Departmental Action Plan

Dealership Capital Toyota Inc

Student Name Ed Emerson

Academy Week Week 2

Class & Student Number N328-08

Current Situation

Currently we do not have an online presence with our Parts Department. Capital Toyota has been in business for over 50 years as a family owned & operated business. We are a wholesale parts distributor for Toyota and have focused on that part of our business for many years. While in Week 2 / parts, we discussed internet sales and website sales. When I sat down with our Parts Manager to do the 78 questions, there was 3 questions that really hit on internet sales. I found that our Parts Manager has already looked in to implementing. Four things that we have discovered are: 1) Online Purchase Growth has gone from \$6B to \$30B 2) Internet mass merchants & automotive parts suppliers dominate the market 3) OEM's currently get a very small part of the online market 4) 78% of Dealers wanted a TMS sponsored solution.

Overall Objective:

This part is really not that hard. We plan to implement the ability to purchase parts & accessories online, place into a cart, check out and pay for the parts with a credit card. Once the parts are ordered, the customer will be able to come into the store where the order will be ready for pickup at the retail counter, or the customer will have the option to have the order shipped. Our fill-rate is high due to the fact of us being a wholesale parts distributor. I see this as a great opportunity to increase both sales and profitability.

Proposed Timeline	We currently have our I.T Director, Jim Taylor working on this along with myself and our Parts Manager. Our goal is to have everything operational by December 15th, 2017. We are looking at a new eCommerce program that Toyota has rolled out for parts & accessories sales. Green's Toyota in Lexington, Ky. has taken on Toyota's Simple Parts eCommerce Program. They have an "order parts" button from their Parts icon on their homepage that takes you to the catalog / order page. We have an appointment with Brad Gilchrist from the Cincinnati Region to discuss this program as a possibility. We are also looking at Revolution Parts.
Action Plan	We first of all have scheduled a meeting with our Regional representative to discuss the implementation of the program. We realize after researching the action that we have a great opportunity here. Our goals once implemented are: 1) Increase Sales, Revenue & ROI 2) Shift Market Share from online and brick and mortar retailers (Amazon, Ebay, AutoZone) 3) Maximize Customer Satisfaction and Loyalty of online purchases of Toyota parts, accessories & merchandise 4) Lead the automotive Parts & Accessories Industry with a full cycle online shopping and purchase experience 5) Dominate SERP (Search Engine Results Page) real estate with National and Dealer website by increasing SEM & SEO (Toyota National).
Requirements	Meeting with Dealer: Meeting with Dealer has taken place and they are all aboard. Action Proposed: We are meeting with both Toyota & Revolution Parts to discuss what would be the best option for our store. We do plan to place in to action immediately once decision is made regarding the provider. Meeting has taken place with dealership key personnel. Once website is installed (ASAP) we will have training provided by the provider that will be done in a group setting and also one-on-one. Coaching will be conducted by both our Parts Manager & Asst. Parts Manager. We will incorporate our I.T Director into the training & coaching process also. As far as results go, there is data reports that will be available which are provided through the system where we can monitor ROI, sales, and even zip code analysis. Possible pain points for the dealer could be: 1) Too expensive 2) Staff to support 3) Poor Data

3. Our Fixed Ops Manager along with our Parts & Assistant Parts Managers will be held accountable to monitor and report all progress to the GM and Controller. Progression will be monitored daily by those employees and reported to GM & Controller weekly. We will implement reporting into our Manager's meetings that are held monthly with all department heads and our Dealer Principal.

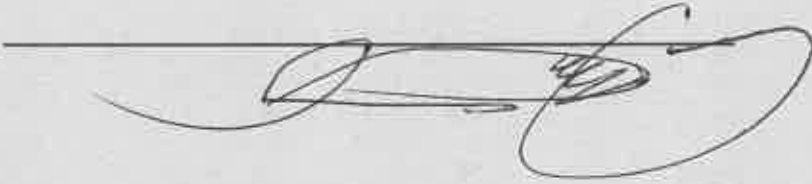
4. Recommended checkpoints will be established when we meet and decide which provider that we will use. After phone conversations, I understand that there will be recommendations regarding system monitoring and data that provides reporting regarding site performance such as Average Sales, Page Tracking, Ratings, Shipping Time, Gross Overall Sales, Traffic Source, Conversion, # of Visitors, and most important, Customer Satisfaction & Revenue Growth Rate.

5. The Estimated cost for implementation: Currently we have an estimated cost of around \$1400 monthly and a \$750 setup. If we chose to go with Toyota's Pro package, it would be \$1400 per month, \$750 setup fee & 10% of our monthly online sales.

Projected Date of Completion:

December 15, 2017

Sponsor Signature:



Evaluation of Results: Include measured results.

(± Metrics)

Impact Areas:

Sales / Gross / Expenses / Net Profit / CSI /