

Service Department Analysis for Peake CDJRF

Thad Peake

NADA 388

Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 4,186	66.36	63.09	FRH Average
Maintenance	\$ 2,608	18.70	139.46	FRH Average
Repair	\$ 5,963	36.90	161.59	FRH Average
Totals	\$ 12,757	121.96	104.60	Customer ELR
Target Labor Rate			169.00	Per FRH
Total Ro's in Sample	100	Difference	-64.40	Per FRH

Cost of Labor

Total Cost of Labor	3693.25	Total Sales	28.95%	Percent Cost of Sales
Total Cost of Labor	3693.25	Total FRHs	30.28	Cost per FRH

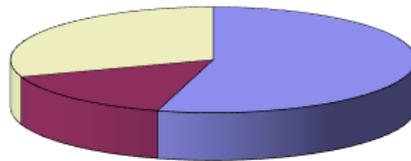
Repair Order Measurements

Total Labor Sales	12,756.88	Total ROs	127.57	Avg Labor per RO
Total FRHs	121.96	Total ROs	1.22	Avg FRH's per RO
Menu Sales		Total ROs		Percent Menu Sales
Competitive FRHs	66.36	Total FRHs	54.41%	Percent Competitive
Maintenance FRHs	18.70	Total FRHs	15.33%	Percent Maintenance
Repair FRH	36.90	Total FRHs	30.26%	Percent Repair
One item ROs	69	Total ROs	69.00%	Percent One Item RO

Model Year Analysis

2023	2022	2021	2020	2019	2018	Older	Total
0	0	13	9	12	13	53	100
0.00%	0.00%	13.00%	9.00%	12.00%	13.00%	53.00%	

Labor Mix



■ Percent Competitive
 ■ Percent Maintenance
 ■ Percent Repair

Strengths

1. Dealership Infrastructure
 - a. Very large waiting room, game room, parts boutique
2. Knowledgeable service advisors
3. Well stocked parts department with a parts runner
4. Lots of good google reviews
5. Good reputation within the community and with businesses
6. Service/Parts Advisors cannot discount
7. Parts on display in service drive/waiting room entrances
8. Works on all makes/models
9. Advisors do a good job handling an upset customer

Weaknesses

1. Upselling big jobs
2. Building a relationship with all customers
3. Facility is nice but is difficult to keep clean (Bathrooms)
4. Current hours of operation (only booking small jobs on Saturday)
5. Tech Staffing (no “A” tech most Saturdays)
6. Morale is low – Advisors are bogged down with phones/customers/warranty work
7. Service closes an hour earlier than sales 3/6 nights
 - a. Detailer leaves around 4:30 when sales is open until 5 or 7
8. No marketing
9. Not selling enough hours

Opportunities

1. Training Service Advisors
 - a. Objection handling, phone skills, upselling
 - b. Will sell more hours filling the shop
 - c. Boost morale

2. Build a marketing plan
 - a. Get aggressive on social media
 - i. Package services together
 - b. Market only the service dept

3. Service mirrors sales hours
 - a. Find another detailer to cover the gap

4. Must have a “A” tech on every Saturday

Threats

1. Parts Shortage
2. Tech Shortage
3. Increasing Gas Prices
4. Supply Chain Difficulty

Objectives

1. Improve Hours Per RO
2. Find more Techs
3. Increase ELR
4. Improve technician productivity, efficiency, proficiency
5. Increase Marketing
6. Increase Ro's Per day
7. Sell more repair jobs

Objectives / Strategies / Tactics Strategies

Strategies

1. Develop better scheduling process
 - a. We need at least 1 “A” tech on Saturday
2. Train service advisors
 - a. Will upsell more work
3. Market the service dept on social media
 - a. Will drive more customers to the dept and help recruit techs
4. Train Techs
 - a. Find more things to upsell on MPI
5. Build competitiveness in shop
 - a. Create a sales board for techs and advisors like the sales dept
6. Review Labor Ops
7. Collective effort to keep shop clean

Tactics:

1. Service and Sales Manager must get together to set up sales training for advisors
2. Have service meeting to address “A” techs on Saturdays
3. Take coupons off website
4. Advertise service specials on social media including pictures of the shop with our “why buys”
5. Review current labor ops with fixed ops director
6. Meet with techs to find how we can help them find more problems with cars
7. Create board next to service manager with \$\$ sold for techs/Advisors
8. When detail/lube techs have down time have them clean the facility

Action Plan

Task	By Whom	Completion
Service/Sales Meeting for training	Service/Sales Manager	Monthly
Address scheduling with advisors	Service Manager/Advisors	3/26
Remove online coupons	Service Manager/Internet	Monthly
Create Service specials on SM	Service Manager/Internet	Monthly
Review Labor Ops	Service Manager/GM	Monthly
Tech Meeting	Service Manager	Weekly
Advisor Meeting	Service Manager	Weekly
Dollars Sold Board	Service Manager	Daily
Keep store clean	Service Manager/Lube/Detail	Daily

Synopsis

Not scheduling an “A” tech every Saturday has left us with only scheduling oil changes, tire rotations, and NYSI. Sometimes the repair needed for a vehicle to pass inspection cannot get done because we don’t have the right tech there. There is very little profit in oil changes and tire rotations. Without an “A” tech there we are missing out on potential labor and parts sales.

With our detailer leaving at 4:30 most nights we are having to either pull a quick lube tech to clean the vehicle or have the customer come back for a detail. Both look bad to the customer, and we lose money when a lube tech cleans the vehicle

Our advisors need to learn to overcome objections like a car salesperson. It will make us more money. We use OEM Parts with an OEM Warranty put on by OEM certified Techs that is worth more than the Ma and Pa shop down the road.

Our facility must stay clean. We have invested too much in the infrastructure for it to look bad. The kids’ room/waiting room/ bathrooms must be in great shape for our customers.

We need a sales tracker like we do the sales dept. This it will help build competition and lead to more sales.

We need to market on social media. If we can create videos for our new customers on what to do when they pull onto our lot, it will ease their feelings. By letting people see the shop they will feel more comfortable when they arrive. Posting on social media will attract customers and potentially more techs.

