

Service Department Analysis

Fowler Toyota Norman

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Class: N394

Qualitative Analysis

Strengths

1. We have a very successful and profitable service department with a very large and loyal customer base. Our owners and Gm provide all tools needed to ensure we have the most up to date service equipment and training needed to ensure our employees know how to perform the job duties given & have the tools needed to do the job correctly and in a timely manner.
2. Fowler Toyota Norman has a great reputation in the city of Norman and surrounding areas as being a transparent and trustworthy dealership that customers can get their vehicles serviced at a competitive price and work done in a timely manner.
3. We have a large service staff consisting of 2 Service Greeters on our service drive daily to ensure all clients are greeted timely and with a warm smiling face ready to help. We have 5 Drivers that ensure vehicles are taken to proper destinations on the lot, driven through car wash and that bring the vehicles to our techs & back to the clients once work has been complete. We also have 9 service advisors, 39 service techs, and our Service manager.
4. On the Internal side we have an internal Service Manager, Shop Foreman along with 3 dedicated techs with combined experience is over 30+ years that work hand and hand with our used vehicle managers and GSM to ensure all internal work is done correctly and in a timely manner.
5. Our Technicians seem to agree for the most part that everyone gets along in the service department and are happy to come to work for Fowler Toyota Norman.
6. We have a good amount of solid lube techs that are very ambitious with a willingness to learn along with the hourly service employee's as well.
7. We have a great GM at our location that is overly involved on all aspects of our service department to ensure policies and processes are adhered to daily and consistently and recommend changes when needed.
8. We have a great service manager that was just promoted 2 months ago that has grown through the ranks in the service department and has already broken store records his first full month in. He is also looking forward to moving the needle even more than we have already since he has taken over.

Qualitative Analysis

Weaknesses

1. Poor Wi-fi connection for techs
2. Communication could be consistently better between departments
3. Not having correct parts in stock for frequently used parts
4. Not using hourly staff to full potential
5. We have the opportunity to hire more techs based on the number of service bays we have.
6. Do not have a display on each advisor desk showing the benefits of doing service with us VS the independent shops.

Qualitative Analysis

Opportunities

1. Large Company with 10+ stores gives a large opportunity for advancement.
2. Large Loyal Customer base tons of opportunity to make money consistently.
3. We have a much secured Wi-Fi system that causes issues when techs are trying to communicate with advisors/parts department. There is an opportunity here to reassess this process.
4. Better Advertising to let customers know how competitive we are with the outside “competition”.
5. Work on our accessories display area
6. Video inspections sent to customers for repair approval.

Qualitative Analysis

Threats

1. Oklahoma is one of the most competitive markets in the automotive industry based on population in the US. Oklahoma has had an influx of customers moving to the state over the last couple of years that do not know about much about the Fowler organization being very competitive based on our market and the quality of care we provide our customers. If we are not marketing to these customers we are missing out on the opportunity to obtain additional business/ profitability opportunities.
2. Independent shops taking business away from our company based on the perception they are cheaper than Dealers.
3. Consistently New car volume down for last 2 years hurting our future service retention 1-2 years from now.
4. Not having the parts to complete service work due to being backordered for long periods of time.
5. Keeping moral up while dealing with the industry issues around the world today.
6. Bad attitudes of certain Advisors changing the customer's perception of how we at Fowler Toyota Norman do business.
7. Finding quality Service personnel that want to work
8. Electric vehicle push/ Training needed to work on these vehicles

Qualitative Analysis

Objectives

1. Get our Toyota Free Care Maintenance % to increase that are complete in an hour or less for the last 12 months we have averaged 50% from February and need to get this number consistently to 65%+
2. Increase our dollars per RO
3. Increase our Service CSI from 4.7 to 4.8 within 90 days
4. Ensure all customers are Presented a Multipoint Inspection we currently range from 70%-80%. We need to constantly get this number to 85% Within 90 days of obtaining 85% we need to be consistently hitting that number.
5. Increase Shop Efficiency
6. Create a Competitive advantage display for all advisors to have displayed on their desk so that our customers can see how we compare to the independents in the market on Competitive Maintenance repairs.
7. Create a Reason why to do service banner to be displayed in the service drive for customers to see.
8. Replace all banners with more colorful (not faded) banners for any discounts or promotions.
9. Work with our IT department to get better quality connection WI-FI to ensure virtual communication between departments & clients is more efficient.

Qualitative Analysis

Strategies

1. **Get our Toyota Care Free Maintenance down to an hour or less to 65% consistently** we will need to adjust schedules to ensure the correct techs are working on these vehicles. We also need to ensure we stop allowing the Rack techs to stop upselling items causing the times to complete the Toyota Care Free Maintenance to be extended above and beyond the 1 hour goal.
2. To **increase CSI the .1%** needed we are going to ensure that the survey is discussed with each customer and the importance. We need to make sure we are listening to our clients concerns and addressing what would solve their concerns while not over promising and under delivering. If we say we are going to do something we need to do it. Set reasonable time expectations for our customers when scheduling appointments or letting a customer know their vehicle is ready for pickup.
3. To **Increase Shop efficiency** we are going to adjust schedules to ensure we have the proper amount of techs here to handle the busiest hours of the day. Ensure we have the proper techs on vehicles based on pay/certification & experience. Keep the communication between collaborating departments smooth and efficient.
4. **Create a Competitive advantage display.** We are going to shop our independent competition and have the information displayed on each advisors desk to be seen by the customer when working with advisor. We will also display this banner in the customer waiting area. Also would like to add this to our main website page sliders when visiting our dealer site.
5. **Create a Reason “why to get your vehicle serviced here banner”.** We will collaborate with our corporate office and vendor to get a banner made of reasons why to service at dealer posted in our service drive to show the reasons why to do business here. Most customers’ perception is the dealer is more expensive and in most cases this is NOT the case. We will also get any faded or out to date service advertisements removed from any display areas and get them fresh and with up to date discounts/information.
6. **Better WI-FI Connection.** We are currently working with our IT department to fix the WI-FI dropping and a more consistence way to insure our techs have the most up-to-date passwords that change weekly. We are also going to open up a Groupme chat for text and advisors to stay on the same page with WI-FI information.

Qualitative Analysis

Tactics

1. Service manager must ensure he is monitoring that the correct techs are scheduled and available to work on our Toyota Care Free Maintenance and that the Rack techs are NOT the ones trying to up sale the customer. Possibly create a spiff for when goal is reached and slightly move the Goal needle once the % is constantly at Goal or above.
2. Tactics to get the CSI increase boil down to proper communication and under promising and over delivering. We need to inspect what we expect before a customer is called for pickup and when they are approving or declining work. We need to live by the Fowler Standards that we are - Friendly, Helpful, Honest & Fair not best but better every day.
3. We need to make sure we have the proper staff here to handle our busiest hours of the day and also make sure we have the correct techs working on the right projects in service.
4. Our Advisors need to have the ability to make decisions on the fly but also know to get help when needed.
5. Service managers needs to assist on TO's for declined services to make sure that work needed was communicated properly to the customer and look for areas of opportunities in the advisors pitch/recommendations on why we recommend work needs be done.
6. Discounts need to be up to date and displayed on the dealer website each month.
7. When we get our Competitive pricing comparison desk displays made up we will train our advisors on how to use them to get customers to understand that while they may think these items are less expensive elsewhere in most instances that is not the case.
8. Have a meeting with my service manager and internal managers each Monday Morning to ensure we are on pace for goals and discuss any issues or opportunities that may have arose over the last week.
9. Get our I.T manager to understand how important solid WI-FI connectivity is important to getting business done in more efficient timely manner with all of the new technology we must use on a daily basis.

Objectives / Strategies / Tactics

Auction Plan

Task - Adjust schedules to accommodate Free Maintenance Goals

- **BY** - Service Manager
- **Completion date** 5/30/2022

Task - Increase CSI by .1%

- **BY** - Service Manager - All service personal involved in customer transaction
- **Completion date** 8/30/2022

Task - Empower our service advisors to be able to make decisions/ Minor Discounts/ Ask for To's consistently.

- **BY** - Service Manager/GM/Advisors
- **Completion date** 6/30/2022

Task - Ensure all discounts and Coupons are up to date on Website and in Service drive

- **BY** - Service Manager/ Parts Manager/GM/ Digital Marketing Manager
- **Completion date** - Monthly

Task - Call and Get the Independent pricing information on most Competitive maintenance we offer and have it displayed with the independents information as well.

- **BY** - Service Manager/GM
- **Completion date** 7/30/2022

Task - Create a Bonus Program for techs aligned with objectives/goals

- **BY** - Service Manager/GM/Corporate Office
- **Completion date** 6/30/2022

Task - Create a Parts/Service Menu

- **BY** - Service Manager/GM/Corporate Office
- **Completion date** 7/30/2022

Task - Objection handling for service advisors

- **BY** - Service Manager/
- **Completion date** - Daily/weekly/Biweekly (Whatever is needed depending on situation)

Task - Ensure WI-FI is more dependable

- **BY** - Service Manager/GM/I.T Department/Corporate Office
- **Completion date** 6/30/2022

Synopsis:

I am happy to have had the opportunity to join this NADA Class. The Service and Parts class have opened my eyes to the true potential of the dealership that I had not really paid attention to before.

I have spent my career kind of in my own little bubble on the sales side of things and never really had the opportunity to focus on the dealership as a whole and how important the service and parts department are to the profitability and continued success of the dealership as a whole. Every single department depends on one another for the dealership to maintain profitability.

My eyes have been opened to how much potential even a truly successful dealership like the one I have the luxury of working for now is. I would like to implement some things we have spoken about in class like the video MPI's as an example. We currently have too many obstacles to implement those right now but are hoping to do this in the future with all the new tech that is out there I know that's where everyone is or should be going to this will help tremendously for our future growth in the years to come.

I did notice that we do need to implement some minor changes and processes that we currently have but for the most part we have a solid performing service department and are always working together on ways to improve.

I am excited for our New Service manager that took over just a few short months ago he is accomplishing great things and is a huge asset to our company. We have implemented some of the changes I have mentioned above in our service department and are already seeing some positive changes. I have also noticed that some of the homework I have been given has also opened up conversations I have never had with the service techs giving me the opportunity to learn more about them, their goals and what they would like to accomplish. The class has also allowed me to be able to communicate more with my service manager and service personnel. I feel like I know much more about the lingo they are speaking & have a much better understanding of the service department than I have ever had before. We are very excited about the future and what we can accomplish working together and keeping the lines of communication open between all departments. We all depend on each other to maximize our success and if we can develop great processes and procedures all while ensuring they are maintained there is no limit to what WE can accomplish together.

