

ACTION PLAN 1

- S** Specific
M Measurable
A Achievable
R Relevant
T Time bound

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?

My goal is to increase our used inventory to increase our used sales. We currently stock approximately 60 used vehicle which gives us on the average of 33 used sales per month. Goal is increase our inventory to 90 so we can get our sales numbers up to 50. With the marketing already in place, goal is to achieve this by the 4th quarter of this year.

BOTTOM LINE: Benefits of Achieving Your Goal

By doing this, all departments will benefit. We average approximately \$1500 per car for service/parts. We also average \$2769 in front gross. Each used car on the average generates \$4269 in gross for the store. Just by increasing our sale by 17 units, we will increase our monthly gross by \$72,573 and \$870,876 for the year.

Consequences of Not Achieving Your Goal

If we don't increase our used sales numbers, we will have difficult times in our near future. Used cars creates opportunities for the whole store. Without it, we potentially can lose techs and sales people which we cannot afford to do. Currently trying to find any help is a difficult task. Trying to find a qualified tech, almost impossible.

When will you start? July 1st

How will you gauge your progress? When? Using which metrics?

- Updates every morning on inventory count vs sales
- Spiffs for all employees of \$500 if we purchase a vehicle from anyone they refer (white board showing who earned \$500)
- White board for sales to see how many we have in inventory
- White board showing the breakdown on who is selling used
- White board showing Used spiffs for overaged and volume
- White board showing goals sales set for the current month
- Sales meeting - discussing used inventory and sales in every meeting to create a habit

What specific actions will you take to achieve your goal? Who can help you?

In order to achieve this goal, I'll have to keep this in front of everyone at all times. This will be a total team effort. We have made a 10'x20' sign "Sell to First Team" with a URL code to all that drive by in front of our store. We have a team of buyers seeking cars and managing our Sell to First Team campaign. We also have hangers made with "Sell to First Team" which gets hung on all serviced vehicles. Stickers that goes on all receipts. We also just placed a new shuttle van that will get wrapped with "Sell to First Team". We have \$500 spiff in place where if an employee generates the lead for us making a purchase, they will receive \$500. We are committed to getting used inventory.

Potential Challenges?

Challenges we face...everyone is looking for used inventory.

Sustaining it. Hard to do it all day everyday.

Competing with Carvana/Carmax's price

Paying too much for the cars and having overaged issues

Customer awareness-they've become very educated and now...they are not only shopping for the cars the want to purchase, they're shopping the trade. They are

Potential Solutions?

Only real solution is keep doing what we are doing and do it well. Stay committed and realize, it's the market. Used car market is dictating the value regardless what a new car cost may be. Continue roll out the red carpet for every customer and give them the best service we can provide. Make them want only do business with us.