Wolfe Calgary – NADA N399

Service Department Analysis
by Jarrett Brosseau

WOLFE
CHEVROLET
GMC BUICK
CALGARY

100 customer pay RO analysis

- I was impressed with the numbers
- Only $0.77 away from guide on CP ELR
- 2.73 hours per RO
- 13% one-line RO's
- Did find booking errors in the process
- Need to increase repair work mix to 40% or above

Repair Order Analysis Summary Report

	Sales in Dollars		FRH's on RO's		Averages	Analysis
Competitive	$ 6,629	÷	62.40	=	106.23	FRH Average
Maintenance	$ 16,102	÷	119.60	=	134.63	FRH Average
Repair	$ 15,083	÷	91.00	=	165.74	FRH Average
Totals	$ 37,813	÷	273.00	=	138.51	Customer ELR
			Target Labor Rate		139.28	Per FRH
Total Ro's in Sample	100		Difference		-0.77	Per FRH

Cost of Labor

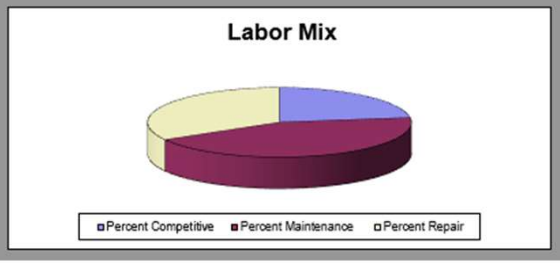
Total Cost of Labor	9507.38	÷	Total Sales	=	25.14%	Percent Cost of Sales
Total Cost of Labor	9507.38	÷	Total FRHs	=	34.83	Cost per FRH

Repair Order Measurements

Total Labor Sales	37,813.32	÷	Total ROs	=	378.13	Avg Labor per RO
Total FRHs	273.00	÷	Total ROs	=	2.73	Avg FRH's per RO
Menu Sales		÷	Total ROs	=		Percent Menu Sales
Competitive FRHs	62.40	÷	Total FRHs	=	22.86%	Percent Competitive
Maintenance FRHs	119.60	÷	Total FRHs	=	43.81%	Percent Maintenance
Repair FRH	91.00	÷	Total FRHs	=	33.33%	Percent Repair
One item ROs	13	÷	Total ROs	=	13.00%	Percent One Item RO

Model Year Analysis

2023	2022	2021	2020	2019	2018	Older	Total
0	3	12	4	11	14	56	100
0.00%	3.00%	12.00%	4.00%	11.00%	14.00%	56.00%	



Strengths

- Great central downtown location
- Longstanding loyal customer base
- Large dealership, huge 12-acre lot and lots of service bays
- Convenient on-site tire storage
- Customers always treated fairly
- Shop foremen and service manager have strong technical backgrounds
- Oil change for life program
- Excellent shuttle program and drivers
- Fantastic CSI and google reviews
- Lots of young techs that are willing to learn
- Video results from inspections

Weaknesses

- Parts department, slow, inefficient, does not look out for best interest of customer
- Glitchy DMS
- Lacking set policies, most things done on a case-by-case basis
- Aging computer and internet infrastructure
- Not enough inter department meetings ie parts and service together
- Could be more training for new employees
- Customer expectation not always met for time required to complete work

Opportunities

- New dealership(s) on the horizon
- New customer pool with the changed location of new dealership
- Parts dept is fixable with proper management
- Lots of new staff eager to work and happy to be employed by group
- With improved training, performance will improve
- Offer discounts to seniors
- New dealership to have 6 express lube bays
- Update service marketing in waiting room to show importance of maintenance

Threats

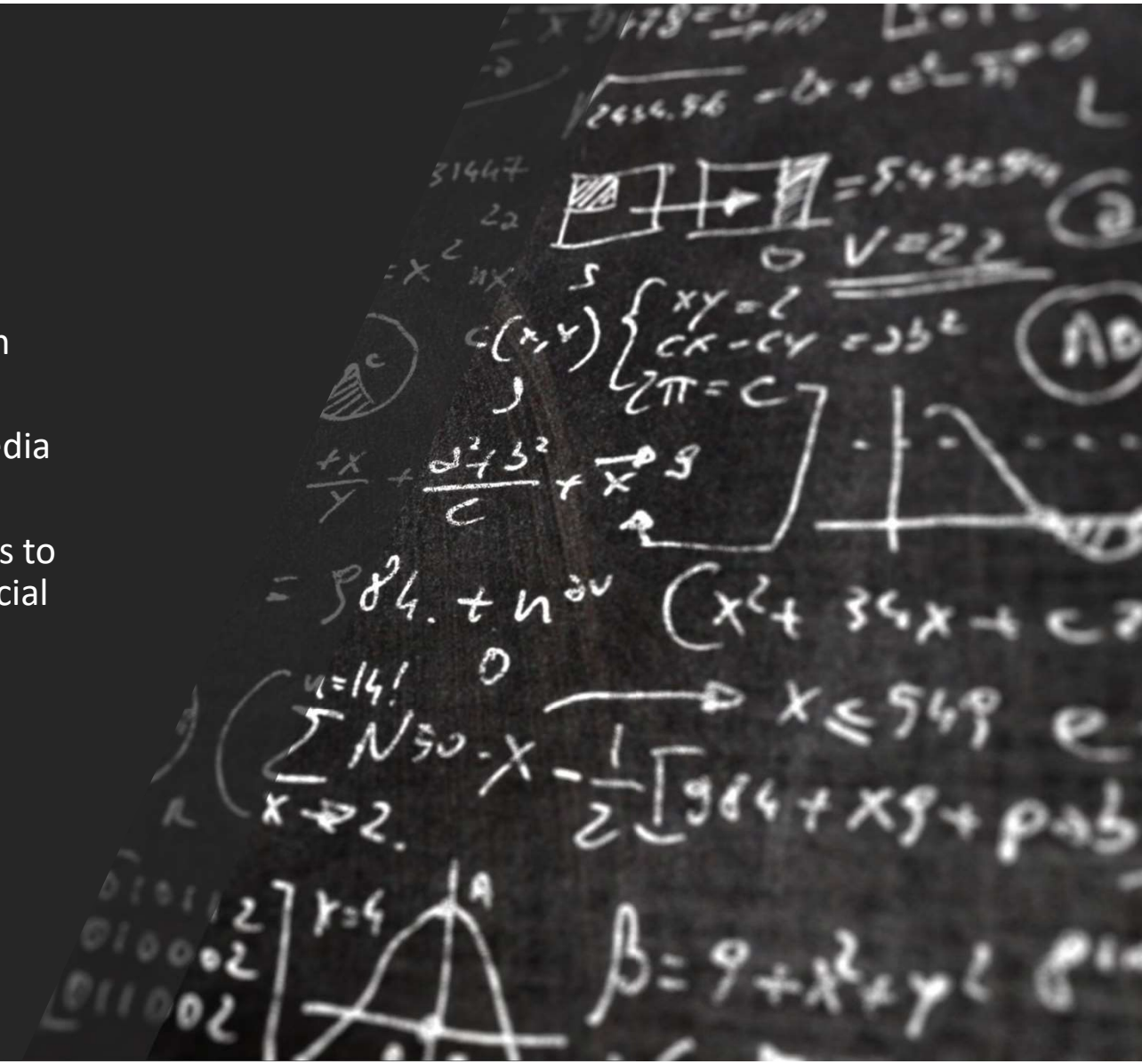
- Other service centers with lower door rates
- Electric vehicles with less maintenance needs
- Customer retention falling off after warranty is over
- Large number of quick lube shops in the area with no appt
- Longer service intervals between oil changes
- 2 years minimum until our new stores are built, not putting money into updating current dealer, the age is showing
- Customers complain about wait times on oil changes
- Cost of living going up drastically

Objectives

- Finally have the proper number of techs and apprentices in the shop, need to find ways to increase ro counts to fill our days.
- Implement more content through video for social media
- Increase repair work percentage to 40% or above

Strategies

- Promote service campaigns through radio ads during rush hour traffic
- Advertise on cutting edge social media platforms like tiktok and spotify
- Create videos in shop of service jobs to show technical procedures and special tools required



Tacticts

- We need to do a better job of making selling more fun and engaging staff with spiffs and contests
- We are signing up for Chris Collins training which will introduce “Gamification”
- Hold weekly marketing meetings to review strategy of campaigns and effectiveness

Action Plan

- Re-rack cars after tech is done and recheck, let techs know we are watching, improve quality of inspections
- Need to find more repair work through inspections on top of mileage -based maintenance work
- Set consistent monthly meetings with all parts and service staff
- Develop better written policies and onboarding training
- Complete Chris Collins training
- Advertise to generate higher RO count

Synopsis

We have a lot of good things going for our service department. To get to the next level we needs the parts and service departments relationship to improve.

Planning for the new dealership has been a lot of fun and we cannot wait for it to open. We just need to make the best of the last two years at the current dealership and promote the new store, so we don’t lose any customers due to being on the edge of town instead of downtown.