

ACTION PLAN 1

What will you do differently as a result of what you have learned in this section?

I will increase Gross Profit in RO and Wholesale from 37.01% & 17.68% to 41% and 25% respectively.

What will be the benefits of making these changes? What will be the consequences if you don't do anything differently?

Benefit: Higher GP retention = higher operating profit

More cash to purchase more parts = provide more effective and efficient service

Higher customer satisfaction = improve CSI

No Action: continue with below profile % average

No improvement in operating profit

Less cash to invest

What obstacles might you encounter and how can you overcome them?

- Competition in parts pricing to raise price in RO & Wholesale

- Less sales in Wholesale due to price shopping

- Provide a more efficient and convenient service & parts availability

Rapid and cost effective delivery system to vendors

Identify your first few steps and the people who can help you with them.

- raise part prices in RO and wholesale

- better sales training in answering calls and selling parts

- Improve Website and response

Start Date: July 1, 2023

Completion Date: September 30, 2023