



Qualitative S.W.O.T. Analysis

Strengths:

1. Good attention to detail when it comes to customers that require extra / further attention (e.g. Techline cases, special issues, troublesome customers)
2. Good follow up using digital communication (on time, detailed)
3. Able to work on multiple makes and models including exotic cars
4. Downtown Vancouver location
5. Comprehensive and personalized customer experience
6. Greatly improved teamwork and morale
7. Knowledgeable and experienced team service team
8. Competitive pricing
9. Good reputation to those external to the dealership and also strong industry partnerships
10. Low overhead and lean operation
11. Shop foreman is a Porsche master technician
12. There is no other Mitsubishi dealer in the city of Vancouver

Weaknesses:

1. Extremely limited space for cars and vehicle storage
2. Limited manpower due to lean staffing (e.g. Moving cars on property, washing cars, transporting cars to and from showroom)
3. Often phones go unanswered because advisors are busy
4. Building is hard to find for many customers... parking is even harder
5. Shop flow is very variable and difficult to manage due to facility design and limitation
6. Showroom and service disconnect because of the 2 different locations
7. Time management difficulties / ties into shop flow
8. Moving cars can push back schedule by ~10 minutes
9. Communication is sometimes an issue - showroom to service, front counter staff to back end staff - too many people required to manage one process.
10. Only 1 driveway / entrance
11. Shop foreman has limited availability to work on Porsche vehicles

Opportunities:

1. More focus on Customer Experience (car wash, check in process, tone when speaking to customers)
2. CSI could improve much more - more penetration and return rate
3. Using more tact and being more professional towards customers - training on objection handling and professionalism
4. Tire storage - not at capacity yet
5. Pock-it storage facility for PDI's and other dry shop work
6. Service Drive - establishing a better handoff between service and sales (both ways)
7. Parts & wholesale - wholesale almost non existent at this time
8. Building a reputation for our shop's ability and experience on working with exotics / electric
9. Service specific training, NADA, PBS, Mitsubishi etc.
10. Opportunities to be more involved with the community with different types of events
11. Sales has been growing the units in operation exponentially which will equal a bigger customer base
12. Strong DMS opportunity to improve utilization and training
13. Implement performance based bonuses and incentives

Threats:

1. Apprentices have been making costly mistakes lately
2. Vehicles not being ready on time as promised
3. Staff morale can drop if overworked
4. Facility limitations and inefficiencies
5. Time wasted moving cars to and from showroom
6. Shop scheduling is inefficient due to facility
7. Competitor shops that have available time slots
8. Loss of red seal or master technicians
9. Outgrowing facility space
10. Customer retention can drop due to facility limitations
11. Reputation can change drastically due to factors that were once under our control but have moved on to become out of our control
12. If another COVID like outbreak occurs - too many single points of failure



OVERVIEW / SYNOPSIS

Vancouver Mitsubishi has a unique set of challenges that must be considered before reviewing or implementing a change plan. We opened in March of 2020 as a new point with less than 300 total UIO's in the PMA. New Car Sales volume increased by 277% in MY2021, again by 47% in MY2022, and is currently trending to increase by over 127% for MY2023. We anticipate having close to 1500 UIO by the end of fiscal 2024. What was in place in 2020 does not meet the standards of what is required for the future. Currently our Service Department is located approximately 15 minutes drive from our showroom. Additionally, there is insufficient site parking and only pay parking available on the street. The facility is very limited with only 1 bay door and single vehicle access for vehicles coming and going at any given time. We have been losing Red Seal Technicians due to the facility's inefficiency and we have determined that the facility itself is the single most limiting factor for our Service and Parts Department growth.

OBJECTIVES / STRATEGIES / TACTICS

Objectives

1. Improve scheduling to be more efficient, to have work readily available
2. Implement processes to improve shop flow - keeping technicians busy will reduce unproductive time
3. Improve technician efficiency for time spent - 1.0 hour spent may equal 0.6 hours paid at this time
4. Increase daily RO count
5. Track declined / deferred work
6. Develop and implement incentive program for Technicians and advisors
7. Improve communication flow between Sales and Service
8. Improve time to the line for used cars and reconditioning
9. Reduce policy expense

Strategies / Tactics

1. Prioritize finding a new facility as soon as possible
2. Move towards booking by shop availability instead of by tech schedule
3. Increase online appointment scheduling customer utilization to 30%
4. Making vehicle available to be worked on in close proximity to the shop
5. Ongoing DMS training to optimize mobile service suite and advisor processes
6. Productivity reviews with shop foreman and technicians to be held more frequently
7. Use business intelligence to build a program to incentivize staff (PBS nightcap)
8. Expanding hours of operations certain days of the week
9. Ensuring advisors are doing thorough walkarounds with customers
10. Multipoint inspections need to be thoroughly filled out by technicians
11. Weekly meetings with service team to provide feedback and direction
12. Quarterly performance reviews with all service staff
13. Implement service marketing followup through op codes in the DMS
14. Establish a yearly service marketing calendar with monthly and seasonal promotions

ACTION PLAN

Task	By Whom	Completion Date
Implement a courtesy car wash for each service	Service Manager	Oct 1st, 2023
Develop a streamlined check-in process using a digital system	IT & Service Manager	Oct 15th, 2023
Conduct customer service training focusing on tone and professionalism	HR Manager	Oct 30th, 2023
Assign a dedicated staff member for phone answering during peak hours	Service Manager	Oct 1st, 2023
Employ part-time workforce for tasks like car moving, washing (Lot Attendant)	Service Manager	Oct 15th, 2023
Better communication to improve time management and shop flow	Service & Lot Manager	Nov 1st, 2023
Advertise tire storage services	Service & Marketing Manager	Oct 15th, 2023
Promote parts and accessories to existing customers	Marketing Manager	Nov 1st, 2023
Leverage shop's ability to work on exotic cars through targeted marketing	Marketing Manager	Nov 15th, 2023
Introduce a daily huddle between advisors from the showroom and service departments	GM / Service manager	Oct 1st, 2023
Implement a mentorship program pairing apprentices with experienced technicians	Service Manager	Nov 1st, 2023
Conduct weekly review sessions to go over mistakes and learning points	Service Manager	Ongoing
Use a checklist system for critical tasks to minimize errors	Service Manager	Nov 1st, 2023

ADDENDUM

1. Marketing

Current Practices:

Our current Service Department marketing is very limited due to shop capacity and parking.

- Service Introduction and booking first service appointment by salespeople when delivering a new car
- Email marketing to customers who bought a car from us
- Seasonal Service Offers(tires, tire storage, etc)

Goals for improvement / Plans to achieve goals:

1. September: 15% Accessories Discount for New Mitsubishi customers that bought their car 4-5 months ago (Targets to bring them in when it's time for their 1st service)
2. October: Winter tire promo / Tire Storage & World food Day
3. Google My Business (as our service department is located at a different address than our showroom)
 - Email marketing and FB ads for all of our customers and North Van Mitsubishi owners (Customer database that we've acquired when NV dealership went out of business)
 - Take part in events that help our community - World Food Day / Adopting a family etc.
 - More organic content on our Social Media about our Service department (Information, tips, and offers / promos)

Plans to evaluate your changes:

- Track sources for service appointments: Calls from Google My Business / Online service scheduler
- Monitor difference in traffic and appointments

2. Changes in Expense Structure

Current Practices:

We have identified our facility as the single limiting factor for Service Department Performance. Currently we don't have an expense allocation for our service department. We are keeping the expenses to the minimum.

Current Expenses:

4. 9x Parking Spaces (Underground) : \$1,893 / month
5. Rent service: \$9,682 / month
6. Rent parts: \$4,000 / month
7. Street parking: \$300 / month
8. **Total: \$15,875 / month**

Goals for improvement:

9. Have a Budget Allocation / budgeting for advertising etc.
10. Need to correctly distribute Personnel Expenses for advisors between parts and service
11. Improve Customer parking
12. Be able to handle more workload

Plans to achieve goals:

13. Keep 1.5% of GP for policy
14. Consider moving to a new facility / location
 - Anticipated cost: \$25.000
15. 2 customer parking spots per bay
16. Hired an additional Service Advisor
17. Designated Samir as Parts Manager
18. Capacity to spend additional 120.000 per Annum

Plans to evaluate your changes:

19. Monitor difference in traffic and appointments
- 20.

3. Productivity

Current Practices:

Facility Capacity is our biggest issue.

21. Facility is too inefficient / limiting
22. We cannot hire or retain flat rate technicians
23. Technicians' punch times are not always accurate.

Goals for improvement / Plans to achieve goals:

- 24. Have technicians responsible for proper punch times: For accurate proficiency they need to start by punching on all requests on one work order.
 25. Have one Red Seal Technician with 2 Apprentices - Compensate red seal based on Apprentices' productivity

Plans to evaluate your changes:

4. Facility

Current Practices:

Facility Capacity is our biggest issue.

Goals for improvement / Plans to achieve goals:

26. 10-4 Schedule
27. Dedicated Lot Attendant for Service department
28. Dedicated showroom Service Advisor to help manager traffic flow and internal work

Plans to evaluate your changes:

Objectives:

1. Improve Customer Satisfaction Index (CSI) Scores.
2. Reduce manpower inefficiencies by 15% within 3 months.
3. Increase service department revenue by 10% in the next quarter.
4. Improve internal communication between showroom and service departments within 1 month.
5. Reduce costly mistakes by apprentices by 50% within 3 months.

Strategies:

1. Enhance Customer Experience

- Implement a courtesy car wash for EVERY service.
- Improve our check-in process.
- Conduct customer service training focusing on tone and professionalism.

2. Streamline Operational Processes

- Assign a dedicated staff member for phone answering during peak hours(Hired new Advisor and dedicated Sam to Parts).
- Employ a part-time workforce for non-specialized tasks like car moving, washing (Lot Attendant).

- Manage transportation between 2 locations better - prepare better when moving cars.

3. Expand Service Offerings and Upsell

- Advertise tire storage services.
- Promote parts and accessories to existing customers.
- Leverage the shop's ability to work on exotic cars through targeted marketing.

4. Improve Interdepartmental Communication:

- Introduce a daily huddle between advisors from the showroom and service department (Moved a full time service advisor to our showroom to be in charge of internal work)
- Utilize an internal communication platform for real-time updates.
- Establish a shared digital calendar for scheduling service appointments and vehicle transfers.

5. Invest in Apprenticeship Training and Oversight:

- Implement a mentorship program pairing apprentices with Red Seal technicians.
- Conduct weekly review sessions to go over mistakes and learning points.
- Use a checklist system for critical tasks to minimize errors.