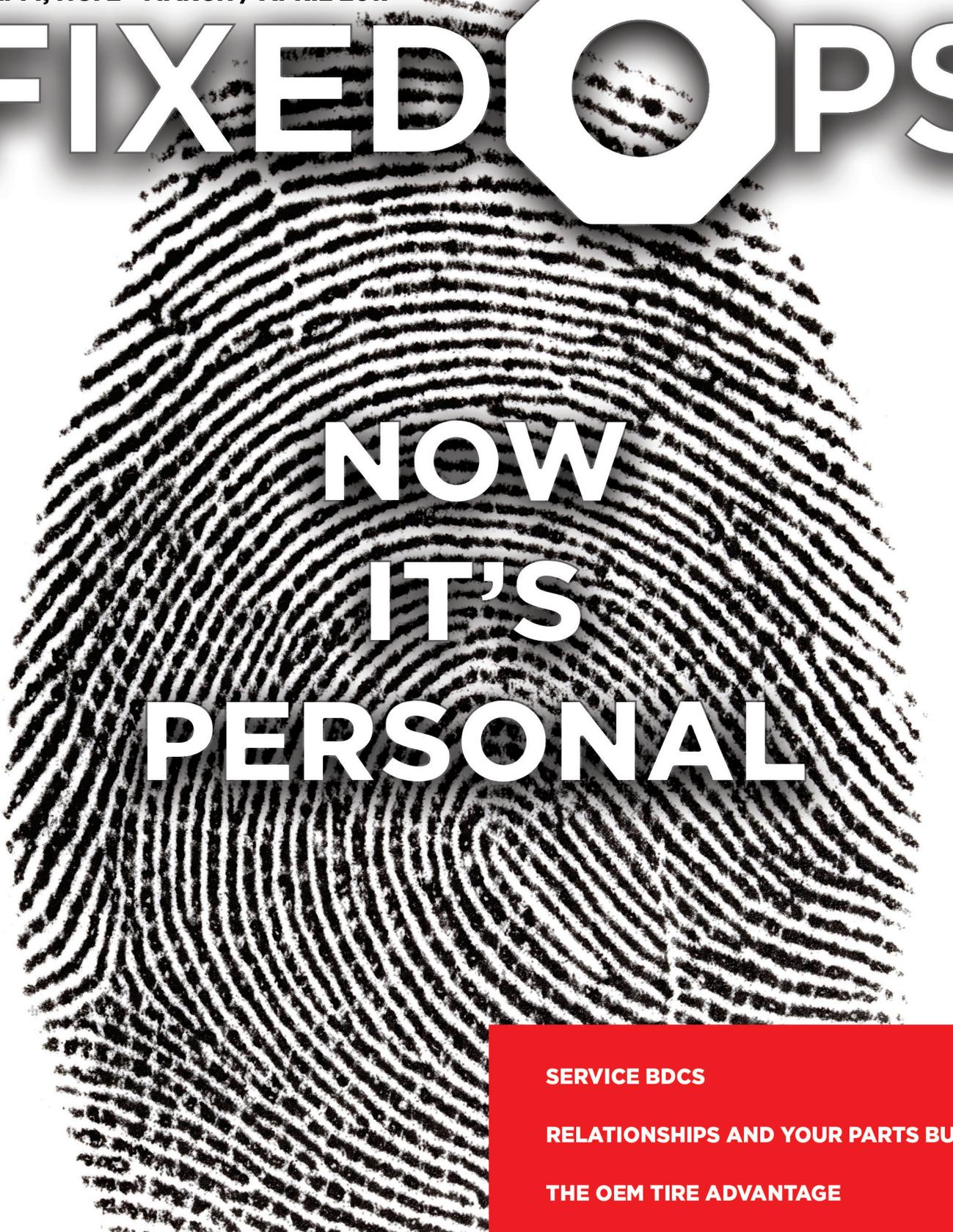


THE AUTO DEALER'S ORIGINAL FIXED OPERATIONS RESOURCE

VOL. 14, NO. 2 - MARCH / APRIL 2017

# FIXED OPS



**NOW  
IT'S  
PERSONAL**

**SERVICE BDCS**

**RELATIONSHIPS AND YOUR PARTS BUSINESS**

**THE OEM TIRE ADVANTAGE**

**TRENDS AT THE 2017 NADA EXPO**

# THE MOMENT OF SERVICE TRUTH

## ARE WE COMPLETING THE JOB PROPERLY?

BY JOHN J. NAPOLEON

After several record sales years with new vehicles, it's extremely important that in the coming years we are able to retain those customers in our Service Departments. It's also a chance to touch new customers who may have never experienced our Service Department, and also to start the process of the next vehicle purchase.

With lower margins on new vehicles, the Service gross profit is looking even more important. Additionally, in upcoming years, used vehicles will play a larger role in dealership sales because these vehicles will start out with miles on the odometer, which will lead to more customer pay Service opportunities.

Over the last several years, dealerships have added new technologies such as tablets, alignment checkers and new processes to their Service Departments. Although technology is important and in some instances necessary, it's most important that we do what the customer expects and not what we expect.

We are a service-based organization first. Often, our expectations are based on our antiquated policies and procedures. We cannot assume that our staff understands excellent service; this must be taught.

Policies and procedures are important in any organization as long as they don't hamper our ability to give customers world-class service and meet their expectations.

Remember, customers don't care what our policies and procedures are. All they want is a pleasant experience where they receive what is promised. They don't mind paying for good service. And the service they evaluate us on is the entire experience.

The margins in Service Departments are too great to allow an untrained employee or antiquated policy to spoil our customers' experience. Here are two examples that highlight areas of poor service in a dealership: The Service Department cashier checking out the customer and the Service Department porter returning the vehicle to the customer.

In many dealerships, some of the least-trained employees are working with the customer last. It's imperative that these employees have the proper training or be eliminated.

### A Customer Service Scenario

The customer arrives at his scheduled appointment time. The Service Advisor meets him promptly with a warm

smile and a personal greeting. A thorough walk-around is performed that engages the customer and reveals additional services that we would be able to perform. The customer is given the full write-up that we hope all of our Service Advisors are performing daily. The customer is promised a follow-up phone call mid-morning and the loaner vehicle is waiting in the parking stall cleaned and full of gas. After all of the appropriate documentation and signatures, the customer is off to work without a glitch and has a hot cup of coffee. Let's hope this always happens.

### REMEMBER, CUSTOMERS

**DON'T CARE WHAT**

**OUR POLICIES AND**

**PROCEDURES ARE.**

**ALL THEY WANT IS A**

**PLEASANT EXPERIENCE**

**WHERE THEY RECEIVE**

**WHAT'S PROMISED.**

**THEY DON'T MIND PAYING**

**FOR GOOD SERVICE.**

At 10:00AM, the customer was given an update. During the call, the Advisor was given authorization for all work suggested. The promised time for pick-up was 4:00PM. The customer arrives back at the dealership at 4:30PM, returns the loaner and proceeds to look for his Service Advisor. The Service Advisor sees his customer and with a hand gesture directs them to the Service Cashier.

Upon visiting the cashier, the customer must state his name again, as the cashier has no idea who he is. The customer asks the cashier a question about the repair work that was done. Midway through the request, the Service Cashier is paging the Service Advisor. Now the customer is annoyed. Besides not knowing his name, the cashier fails to fully listen to his question before paging the Service Advisor. Rarely does a Service Cashier ever answer a question on the customer's Service invoice. This is because they are not trained to do so.

The Service Advisor is now on the phone with an extended warranty company and does not respond to the cashier's request. After a five-minute wait, the customer pays his bill and leaves without getting an answer. The Service Cashier gives him a copy of the credit card slip and service invoice and buried in the back is a copy of the vehicle inspection report. The customer leaves with a sour taste in his mouth and never sees the vehicle inspection report.

### How Things Can Go Wrong

What just happened?

The least-trained employee was the last person to interact with the customer. Typically, this position gets little or no training, yet day after day we let that person be one of the last to work with the customer. Most cashiers will redirect any customer question to the Service Advisor. Because the Service Advisor is not readily available, this can often times cause a delay. This scenario plays out every day at most dealerships.

Additionally, the Service invoice doesn't get reviewed with the customer, nor does the multipoint inspection sheet

get reviewed. In any transaction, most customers prefer to deal with one person.

How do we avoid what happened in the scenario described above?

Let the Service Advisors complete the process and collect the payment. Many dealerships have already adopted such a policy. The fact is that the majority of our Service customers pay with credit cards. Knowing this should allow our customers to pay their Service invoice prior to returning to pick up their vehicle.

**IN MANY DEALERSHIPS, SOME OF THE LEAST-TRAINED EMPLOYEES ARE WORKING WITH THE CUSTOMER LAST. IT'S IMPERATIVE THAT THESE EMPLOYEES HAVE THE PROPER TRAINING OR BE ELIMINATED.**

In many dealerships, this part of our procedure is very dated and needs to be brought to current retail standards. I often hear a Dealer or General Manager say they don't trust their Service Advisor taking payment and I say, "Why not?"

Dealer management systems allow the proper safeguards to mitigate any concerns. This now forces our customer to be face to face with an Advisor prior to leaving. You will notice that I said an Advisor and not "their" Service Advisor. Because you don't want customers to wait, all Advisors should be able to handle cashier duties. That means that all "Cashier/Advisors" can answer any customer questions that come up and there's a greater likelihood that the vehicle inspection reports are covered with the customer.

A full explanation of the work that was just completed and the current condition of the vehicle will lead to greater customer understanding and satisfaction. In addition, a Service Advisor will see future benefit to a paying customer more easily than a Service Cashier.



The final touch might be a Service Porter to hand the keys over to the customer. Service Porters need to be trained like food servers. If you would not serve it to your family, you don't serve it to a customer.

While delivering vehicles back to a customer, we need to challenge our staff to make sure the vehicle is presented correctly. All service tags, paper floor mats, seat covers and steering wheel covers need to be removed prior to delivery. A brief glance of the interior should be done for dirty shop towels and tools as well.

A warm smile and a "thank you" will go a long way as they open the door for the customer. This also needs to be part of the overall Service training within a dealership.

The entire Service visit is being evaluated by our customers, from the appointment they made to vehicle pick-up. Therefore, it's crucial that your entire process gives your customers the experience they expect.

*John J. Napoleon is President of Henderson, Nev.-based The JNap Group, which does dealership consulting specializing in training General Managers and Controllers. John started as a CPA within several dealerships and worked his way through all of the dealership departments. He has over 25 years of experience working to resolve dealership weaknesses with long-term solutions.*

