



CAPRICORN
...it's just easier!™

Other resources in step 5g:

- Average service price calculator template
- Video explaining how to use the calculator

Focus on the cars in you have in your workshop – not the ones you don't

Everybody knows that repairs on modern day vehicles are becoming much more complex, time consuming and costlier than they once were. The consumers' thirst for technology will undoubtedly fuel this trend.

It must follow that the role of the automotive technician has become more important than ever.

They can no longer see themselves as service mechanics who do the standard grease and oil change, plus any repairs that the customer wants done.

Compounding the role of the technician is the undeniable fact that car owners have long since stopped fussing with their own cars. Most wouldn't know what was under the bonnet, if they knew where the bonnet catch was located.

This means that there is now an obligation on workshop personnel to protect their customers and try to stave off costly repairs. In fact, customers need to be educated about the importance of ongoing maintenance. The longer service intervals now suggested by car makers and their dealerships might be OK for a perfect world, but driving environments and the driving patterns of motorists are far from perfect, hence regular maintenance on a whole raft of vehicle components is as vital now as it ever was.

So when someone drops off their car for an oil service a good workshop must look beyond the service to the vehicle's future. Technicians must ask themselves, 'what maintenance does this vehicle need to ensure it doesn't break down and have problems in the foreseeable future. This is called preventative maintenance.

Most independent workshops assume they do this well but TaT research has clearly shown that vehicles are leaving workshops every day without necessary maintenance being completed.

This is happening because the workshop might be too busy, or they assume the customer can't afford it, or even worse, 'she'll be right'.

To quantify the revenue potential of these routine maintenance items TaT Biz offers a template that will calculate how many of these additional items you should be selling on average each week and the associated revenue this will generate. The template can be downloaded at www.tatbiz.net.au/resources.

The template will point to the fact that significant revenue is walking out of most workshops every week.

Hence our contention that repair businesses should focus on the cars that are already in the workshop first before worrying about the cars that aren't booked in.

There is enough revenue potential in the cars that are already booked in each day to reach the most ambitious workshop targets. All that's needed is to educate the customer on why this essential maintenance work needs to be carried out.

In order to complete the *Average service price calculator* on our website, you will need to answer a series of questions specific to your workshop. Before attempting to complete the questionnaire, it's recommended that you watch the short video explaining how it all works.

In constructing the calculator, the following assumptions are made:

- The average vehicle travels around 15,000 km per year. If you live in rural Australia it will most probably be a lot more than this and if you live in New Zealand it will most probably be less. Adjust to suit.
- The average customer gets their car serviced every nine months. It is common knowledge that the overwhelming majority recommend six-monthly service intervals but there are lots of customers who push it to 12 months. Adjust this to suit your customer profiles.

Using these assumptions, it is possible to predict how frequently common routine service, maintenance, or repair items such as brake fluid flushes, coolant flushes, fuel filters, batteries and brakes will need attention.

For example, if your average customer gets their car serviced every nine months and travels around 15,000 km a year it makes sense that a brake fluid flush should be performed about every two years. This means that there is a 38% chance that every car you service will be due for a brake fluid flush. If you service an average of 15 cars each week, you can assume around five or six of those cars should have been due for brake fluid flush.

The beauty of this is that with this template, you can compare the potential of these additional services to the number you actually sold. If you sold no brake fluid flushes when the odds say you should have sold five or six, you need to ask yourself why?

Some of these reasons could be:

- 1) Technicians adopting the attitude 'it'll be OK till next time'

2) The necessary additional services are noted, but the customers are reluctant

If the first reason rings a bell with you, you really need to work through this template with your staff to open their eyes to the necessary maintenance work that the workshop is losing.

If the second reason rings a bell with you, you need to develop a staff training program to help them explain the importance of the services to your customers. The customer needs to be sold the benefits of the extra services to long-term maintenance of the vehicle, and not just the parts and labour to do the job.

This aspect of workshop operation was covered in detail in the March 2014 article ***Ethical upselling is good for you and your customer***. To view it go to www.tatbiz.net.au/resources

So here's the challenge. Don't waste energy thinking you don't have enough cars booked in to keep everyone busy for the rest of the week.

Focus on the cars that are already booked in because the odds are there is more than enough work in your workshop already.

You need to work as a team to identify what is required and then educate the customer accordingly.

The place to start is www.tatbiz.net.au/resources

Just go for it!