

Provincial Dealer Perf Club Summary Comparatives 2023 vs 2021/22

The KPIs that are driving NP & strategic strengths

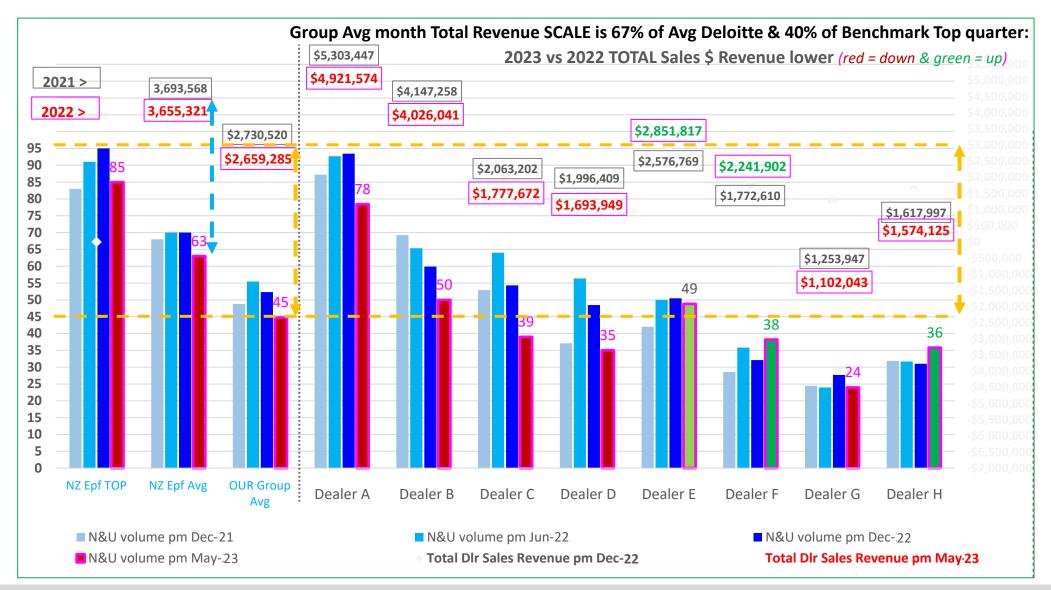
Goals: Sales & Service Retention

(HOW = growth of Used + Finance & Retention = sell most New cars 2.5x times)

Total Business perspective



notes

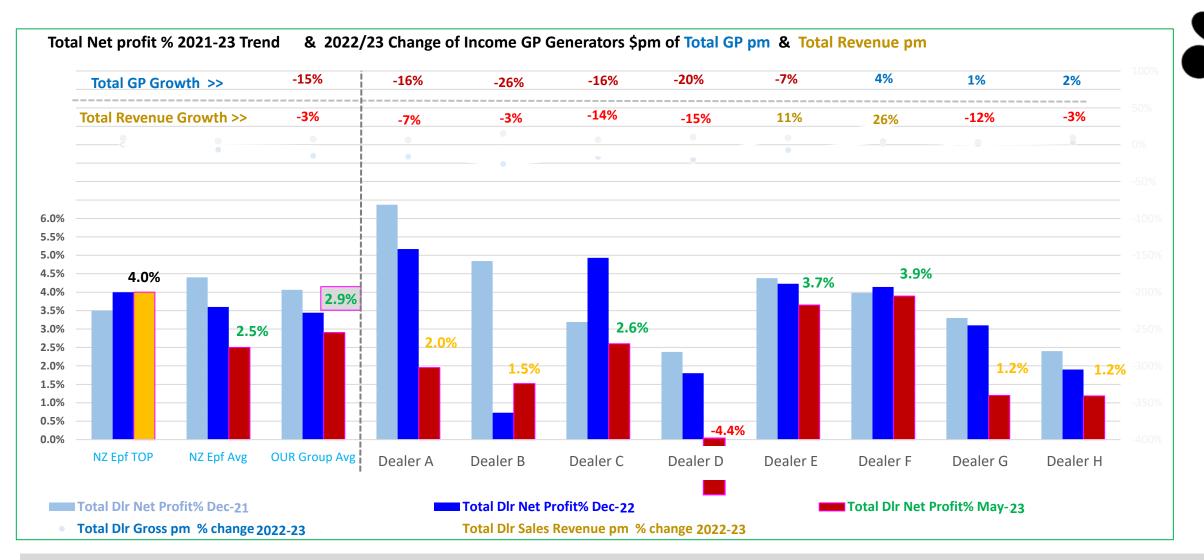


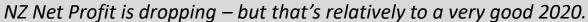


Comparing to Our Group Average gap..... is your gap between Volume & \$'s similar?? Our Group is higher than Avg NZ

If gap less – suggests poorer sales mix (price value), or Aftersales should be a bit bigger for sales volume scale...

If gap larger – suggests good balanced incomes & Aftersales better scaled... However, very brand mix influenced, so don't worry too much



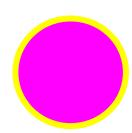


> Covid Q3 issue & new car sales shortage is blamed by most as reason...... highly likely.

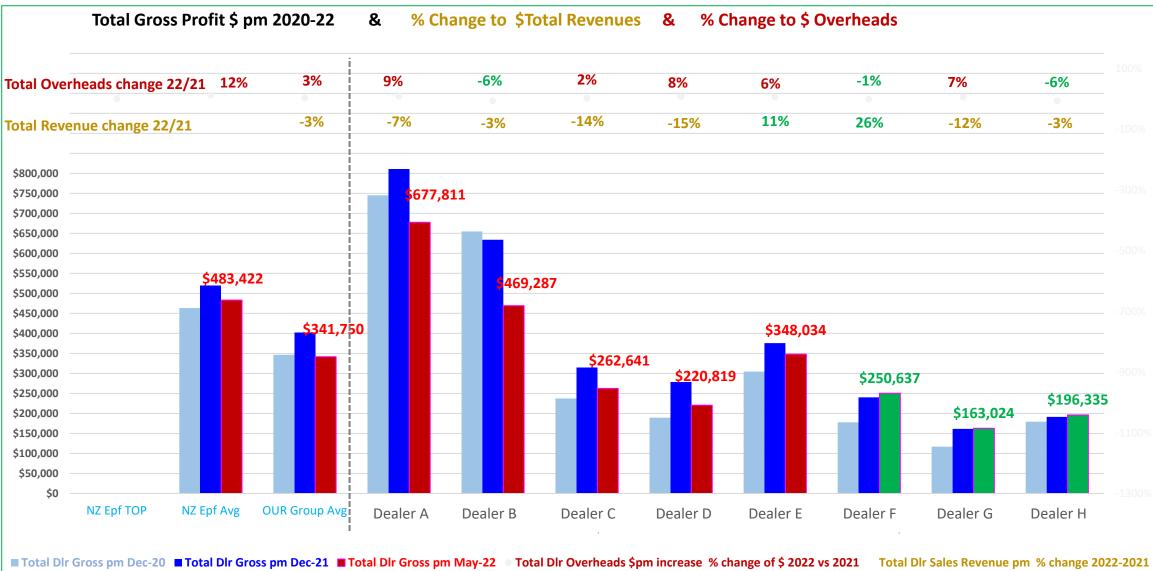
Forecast NP & Revenue out to Full Year 2022?



		NP \$ 2022 run rate FC vs 2021 FC vs 2021		NP \$ 2022 run rate FC vs 2020	Total Revenue \$ 2022 run rate FC vs 2020	
		FY FC change%	FY FC change%	FY FC change%	FY FC change%	
	NZ Epf Avg	-31%	-1%	-36%	13%	
	OUR Group Avg	-50%	-3%	-54%	18%	
Dealer A		-65%	-7%	-64%	17%	
Dealer B		102%	-3%	-71%	-7%	
Dealer C		-55%	-14%	-16%	3%	
Dealer D		-100%	-15%	-339%	29%	
Dealer E		-4%	11%	25%	50%	
Dealer F		19%	26%	75%	79%	
Dealer G		-66%	-12%	-60%	9%	
Dealer H	_	-39%	-3%	-45%	12%	

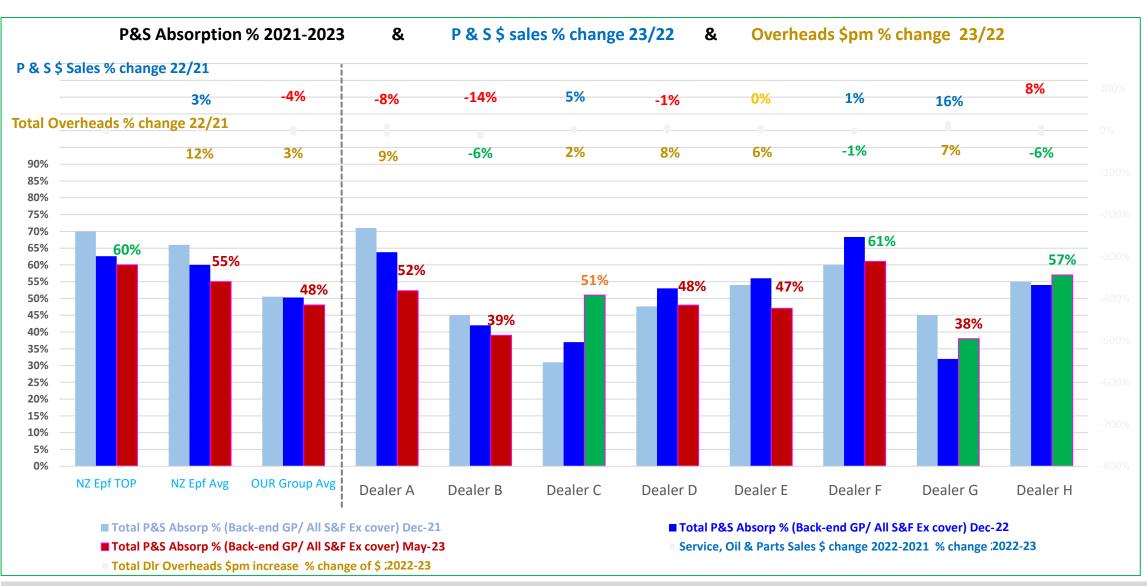


What about the outlook & rest of the year though?? Forecast from Run rate ytd





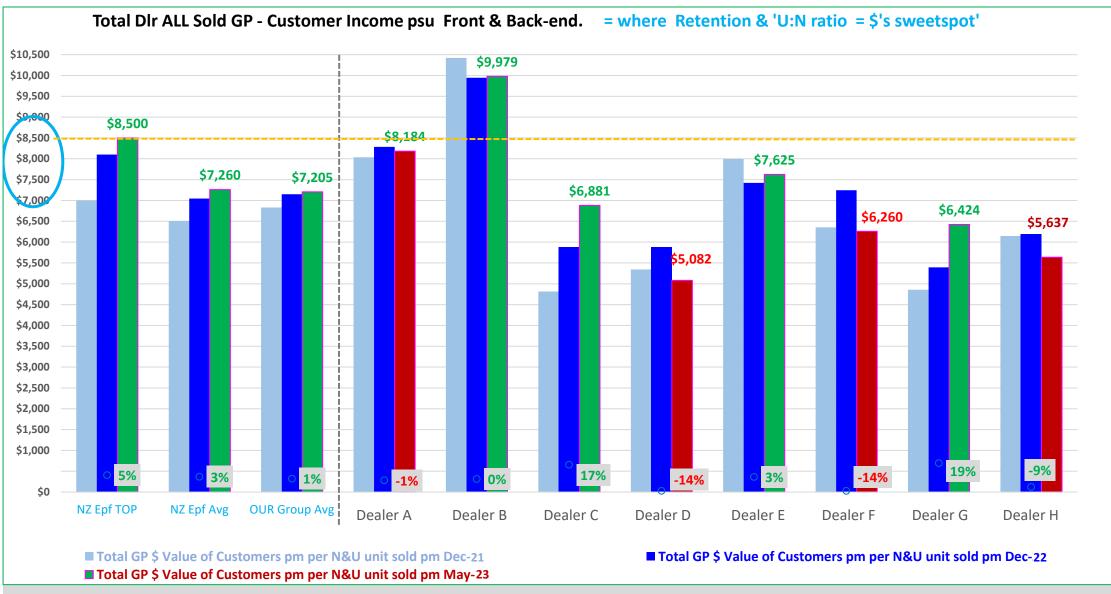
Reduced Revenue & sales will have inevitably contributed to GP down — but what overheads do we still have to cover..... Overheads up. 🔗





Overheads are about 35-40% of the total expenses in the P&S % factors......

P&S mixed results – some up some down, overall average is up for smaller volume growth dealers





Today this high income multiple per unit sold — is driven by high New-to-Used ratio...... At a time when New margins have been good - because of shortages & desire (& SUV / product / tech / property equity wealth)

> but what happens when New stalls or disappears..... Like 2022-23 is shaping up to be.... It needs spinning round to Used-to-New

Front End — Sales ops



notes

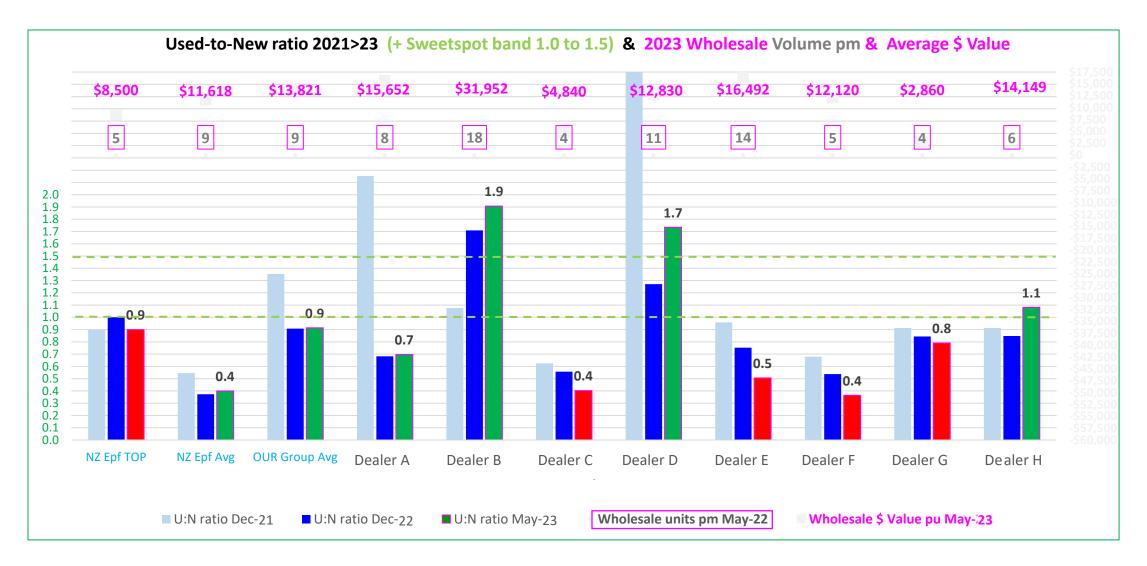
Why have a focus on Used-to-New?



	NUU Opportunity extra Gross pm (based on 2023 U:N Goal)	NUU Opportunity % increasein Gross vs 2022 GP\$ pm	NUU Opportunity extra NP\$ pm @ 2023 U:N Goal	NUU Opportunity NP % @ 2023 U:N Goal	NUU Opportunity % increase vs 202 NP \$		
	2024-5	2024-5	2024-5	2024-5	2024-5		
	1.2	@15% more					
OUR Group Avg	\$219,612	60%	\$76,575	3.2%	69%		
Dealer A	\$417,473	50%	\$167,995	8.7%	57%		
Dealer B	\$235,656	38%	\$24,795	4.3%	44%		
Dealer C	\$235,273	68%	\$105,634	9.5%	78%		
Dealer D	\$35,117	11%	\$10,218	-24.0%	13%		
Dealer E	\$320,514	91%	\$116,059	8.4%	105%		
Dealer F	\$198,803	84%	\$86,818	9.8%	97%		
Dealer G	\$94,445	74%	\$24,508	5.9%	85%		
Dealer H	\$121,816	66%	\$47,045	6.7%	76%		
	+0.2 U:N = + 1 tech & 0.5 sales person						
	+0.4 U:N = + 1 tech & 1 sales person & 0.5 sales ops multi-tasker						
	+0.6 U:N = + 2 tech & 1 sales person & 1 cadet F&I Sales multitasker						

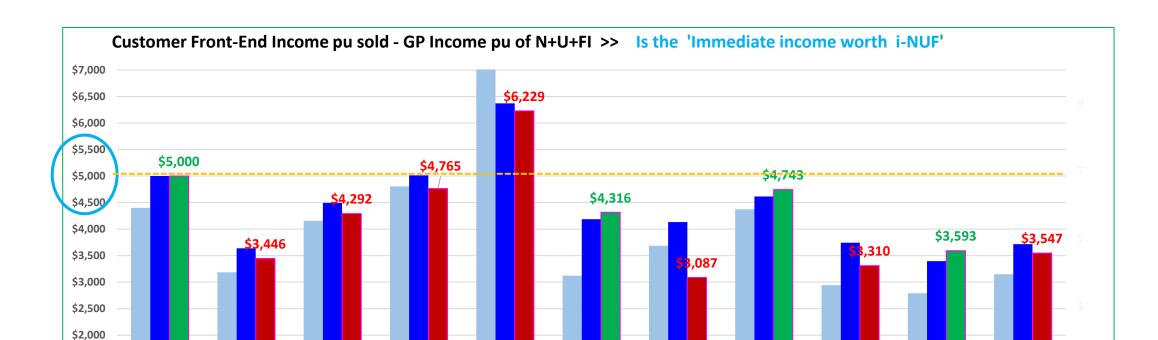
Why am I so interested in pushing you toward Growth of Used-to-New increase – by Used & Finance & Retention???

> protection strategy for franchise & a survival strategy for total profit but it's not for the feint hearted....





How do we do both New & Used – can we get stock? Force trades? Finance deals?



-2%

Dealer B

-4%

■ 2021 Front-end Trading Income pu FETGP \$ (N+U+W+F&I / N+U vol)

■ Front-end Trading Income pu FETGP \$ (N+U+W+F&I / N+U vol) 2023

NZ Epf Avg OUR Group Avg

-5%

Dealer A

\$1,500

\$1,000 \$500

NZ Epf TOP





Dealer C

-25%

Dealer D

% change 2022-23

Dealer E

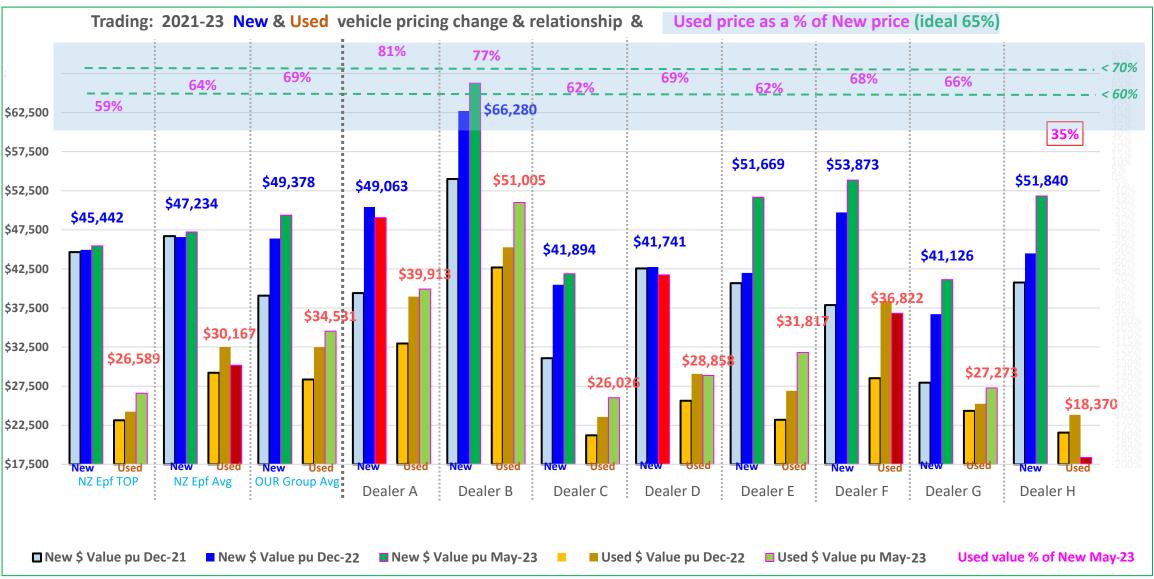
-12%

Dealer F

■ 2022 Front-end Trading Income pu FETGP \$ (N+U+W+F&I / N+U vol)

Dealer G

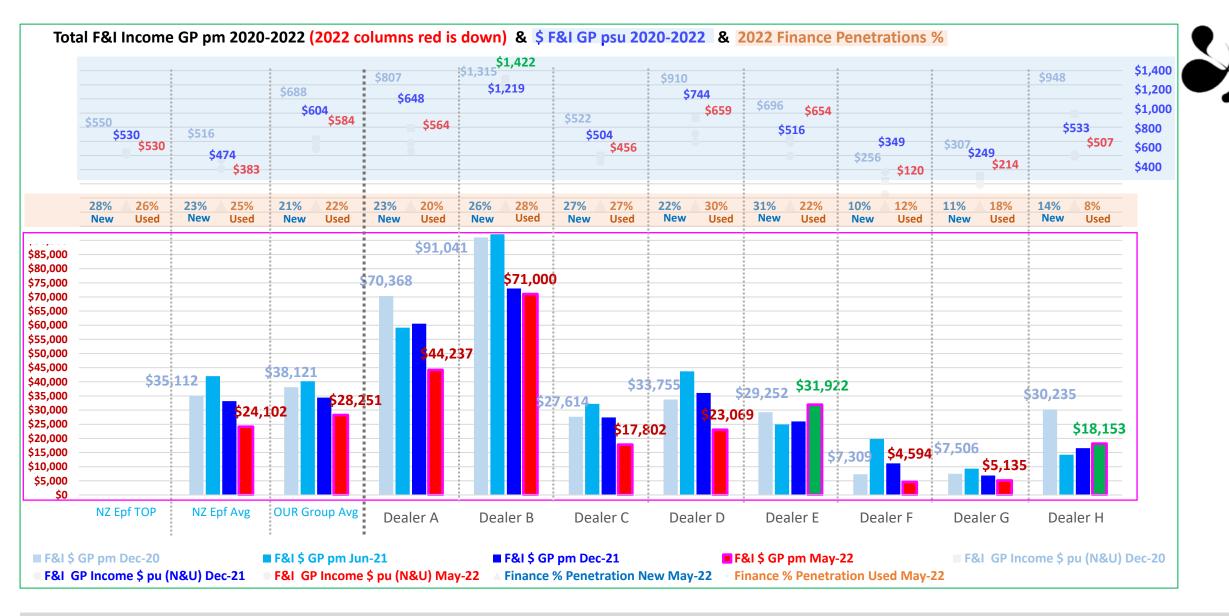
Dealer H

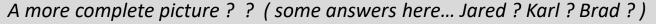




need a 65% \$ ratio ideally.

Also within a N-U-U mix, this then allows for some 50% value 5/6 yr olds to fit under this.....





AfterSales (Fixed Ops)



notes



Comments notes:

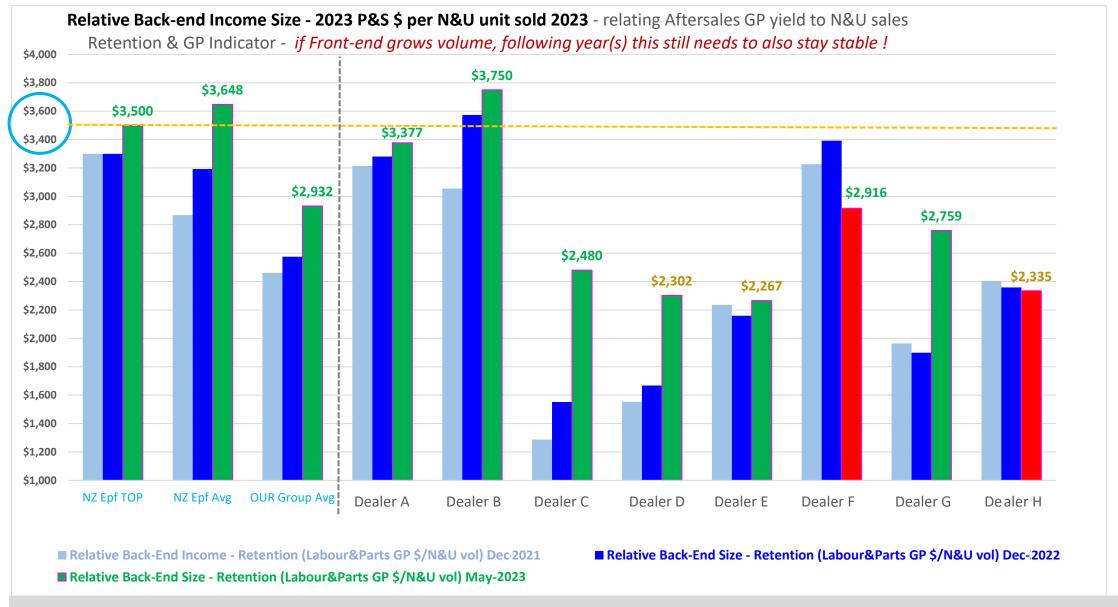
- 1) Several of you need to grow Service because you can expect the capacity will limit your income & your growth, until Retail Labour is less than 50% if you've been around a while, then you will lose customers from that.
- 2) There is a correlation between higher Used: New Ratio & Used Finance Penetration% with higher Service GP / Oil & Parts Sales.
- 3) The Back-end contribution from Customer incomes, now looks a bit stagnant even 'low' relative to front end. As 2017-2020 was such high growth car sales we may just be awaiting the boom so I'm expectant of your growth opportunity ONLY if you have capacity though.
- 4) This all loops back to CRM –Lifecycle selling to maintain New & Finance & capture more Trade-ins.
- (p.s. though it's not all just going to be about more stock & bigger yard marketing & CRM & Finance 'Sales' help).

If it's boring/hard – just focus on these with Serv Mgr Qtrly.

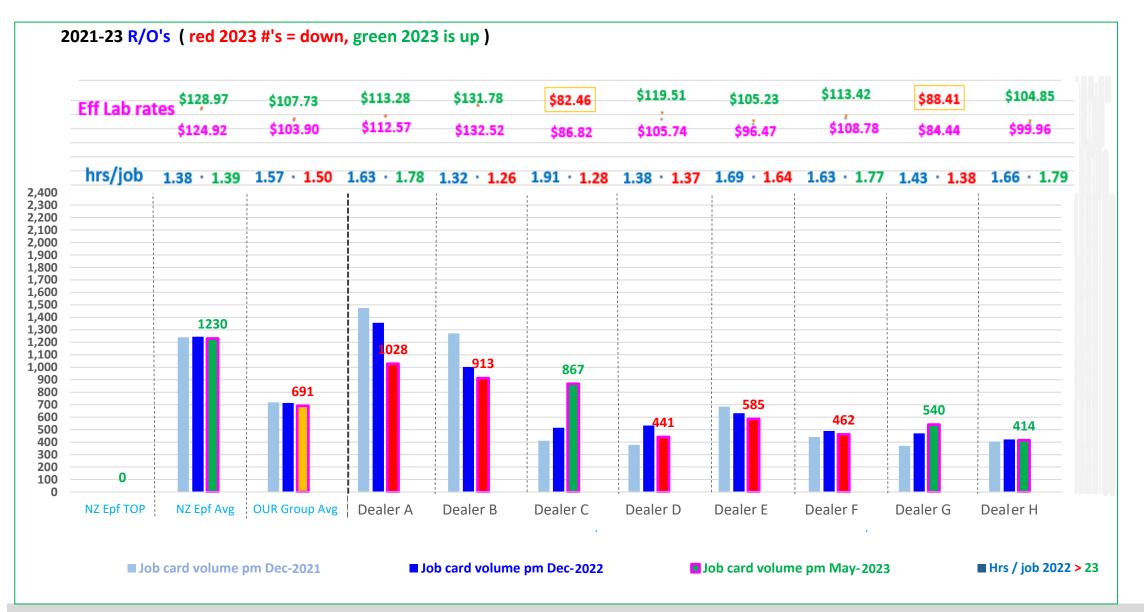


	Customer Transactional KPI awareness								
	Retail Labour Sales \$ pm (ex I&W)	Retail Labour Sales % Mix (ex I&W)	External Parts Sales \$pm (ex I&W)	External Parts Sales % mix (ex I&W)	Oil Sales GP \$	Retention: Relative Service & Parts Back- end scale \$psu	Total P&S Absorp % (Back- end GP/ All S&F Ex cover)	Unapplied time % (unsold hrs cost/total lab COS)	Effective Lab Rate \$ - Sales/hrs job
	% change	% change	% change	May YTD	% change	May: YTD	May: YTD	May: YTD	May YTD
NZ Epf TOP				68%		\$3,500	60%	5%	\$0.00
NZ Epf Avg			3%	64%	-7%	\$3,648	55%	4%	\$128.97
OUR Group Avg	-2%	6%	-2%	57%	1%	\$2,932	48%	5%	\$107.73
Dealer A	10%		3%	65%	-2%	\$3,377	52%	4%	\$113.28
Dealer B	14%	-1%	-15%	68%	-7%	\$3,750	39%	4%	\$131.78
Dealer C	2%	-4%	-5%	43%	-2%	\$2,480	51%	16%	\$82.46
Dealer D	2%	0%	15%	48%	-10%	\$2,302	48%	4%	\$119.51
Dealer E	57%	5%	5%	58%	19%	\$2,267	47%	4%	\$105.23
Dealer F	-1%	-9%	-6%	59%	-1%	\$2,916	61%	-3%	\$113.42
Dealer G	12%	-6%	26%	57%	20%	\$2,759	38%	4%	\$88.41
Dealer H	15%	-2%	18%	63%	2%	\$2,335	57%	6%	\$104.85
								0%	

AND of course the # of Jobs throughput in workshop = # of customers to talk to about repeat sales or trading in....



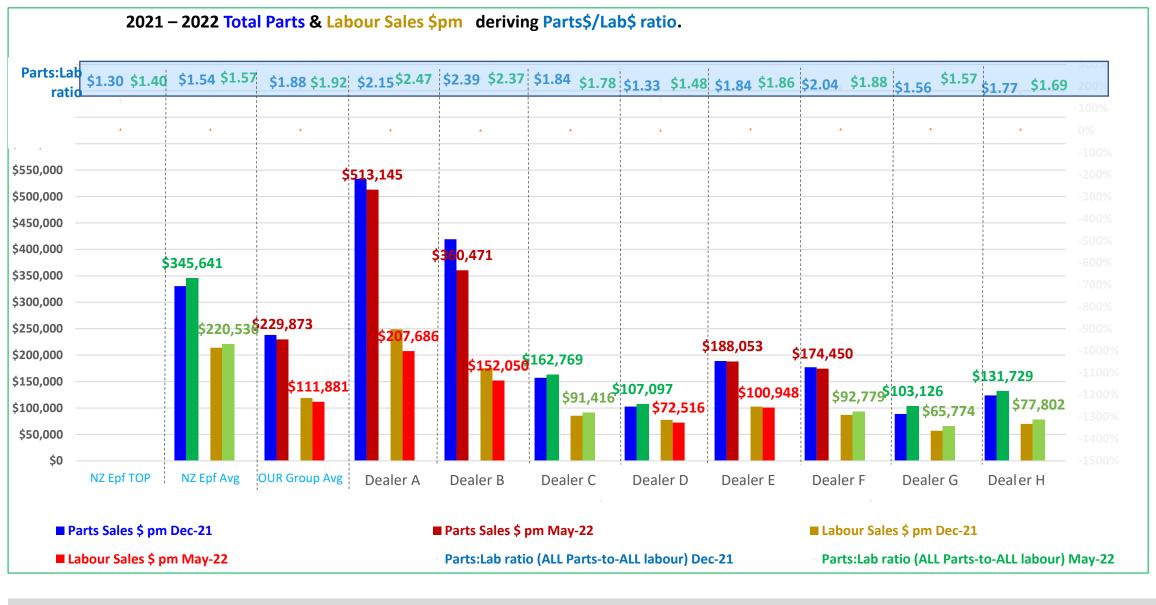




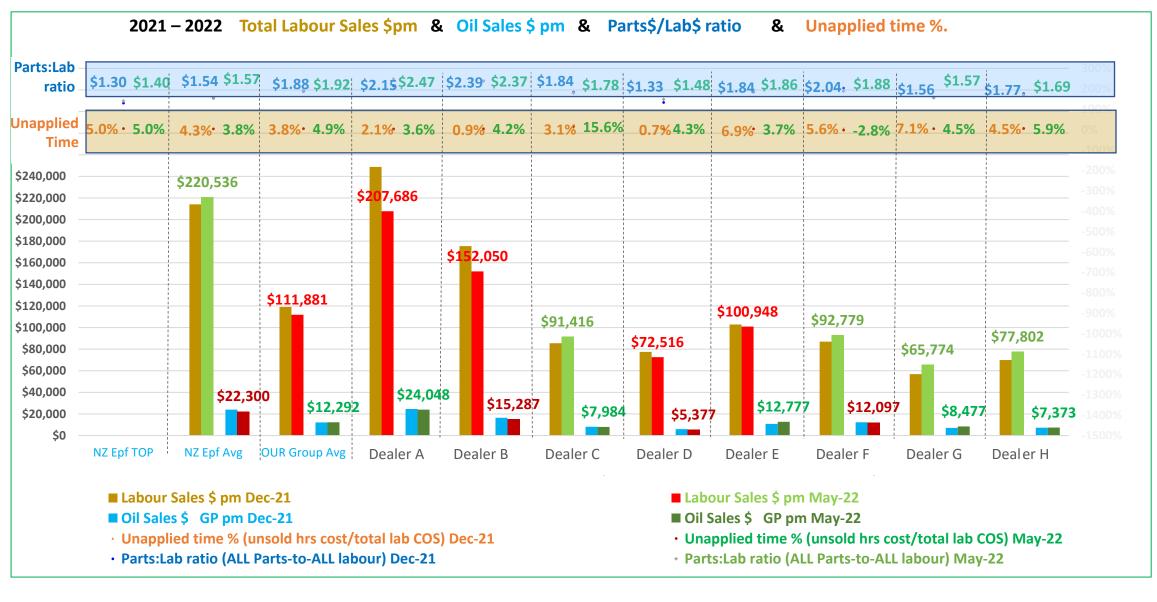


> Then consider whose up or down compared to the NZ Average & Our Group Average ?





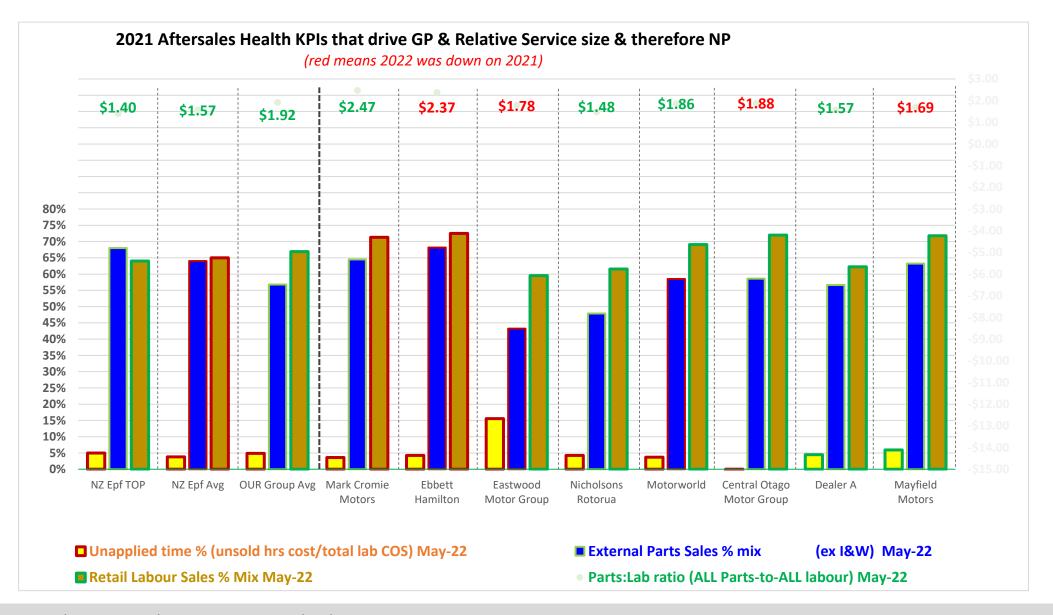






Unapplied time – is lost time. 5% lost time is of \$GP = 5%\$ lost GP......

> but also 5% lost time could be 3 services, 3 brakes jobs, tyres etc. etc. = up to 5% lost parts & lost oil too





P&S % Absorption driving & GP multiplier