

Lookers Audi

Productivity savings and rapid Return on Investment

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Lookers is the third largest UK motor group in the AM 100, running 153 dealerships selling 10 major brands, together generating annual revenues more than £4.3billion and adjusted operating profits up 10 per cent to £94.7m during 2016.

Lookers Audi has three dealerships in the South of England in Guildford, Camberley and Basingstoke and nine in the North of England and Scotland in Ayr, Hamilton, Stirling, Edinburgh, Glasgow, Teesside, Tyneside, Wearside and Newcastle.

Lookers Audi sites in the south have maximum physical capacity of up to 500 cars each. Camberley Audi is the largest of the three southern sites and the most complex, being split between three locations: Sales - with parking capacity for 100 cars on London Road; the Camberley Audi After sales Centre about a quarter of a mile away, with space for a further 100 cars; and a large third-party compound with space for a further 200 cars, nearly four miles away.

The Camberley Audi After sales Centre offers the second largest service department in the whole of the Lookers Group. Following a steep growth curve in which technician numbers have increased from 14 to 20 and an associated back and front office recruitment drive has been completed, the Centre now services 50-60 cars per day. They also prep all 2,000 new cars sold each year through Camberley Audi Sales site. Camberley Audi has 13 sales staff and employs 85 staff in total across both the Sales and After sales sites (including reception staff, drivers and management).

Finding growth through efficiencies

Head of Business for Lookers Audi in Camberley, Michael Wrigley, is currently focused on driving down customer car servicing slot wait times to under one week from the day of request, and on finding efficiencies which enable them to move cars through the PDI, sales and servicing areas quicker:

“Why spend thousands of pounds more each year renting or buying additional car parking space when you can spend a fraction of that sum putting in systems and processes which unlock efficiencies which, in turn, move more cars off our existing parking spaces more quickly? This is where the Traka key management system comes in. In all of this, it’s important to recognise that the key to growing, especially with after sales (but also with sales), is to get cars on and off site as quickly as possible. The Traka system helps to give me an accurate overview of where all the stock is. I can interrogate the system and spot cars that may be away at an independent body shop or our wheel alloying specialist. I know this because the key may have been logged out by a technician say 12-hours ago and not yet returned to the cabinet. Keys just don’t stay out of Traka cabinets for that long anymore unless cars are across at a third-party supplier which doesn’t have a Traka system we can network with.”

ROI in under 4 months in after sales

Michael Wrigley explained why he invested in the new Traka key management systems, fitting networked key cabinets in sales, after sales and Camberley’s outlying compound sites:

“Any areas where we could make it easier for our very busy Audi-trained technicians to do their jobs quicker made very good business sense to me. We estimated that each of 15





Audi trained technicians in Camberley (at that time) was previously wasting at least five minutes per day looking for keys prior to moving them into a service bay. That's 75 minutes being lost per day across the whole team or just over £100 - given their value and cost to the business. Multiply £100 by some 300 working days per year and you have a minimum annual cost of this wasted productivity of £30,000.



Based on this number we worked out that Return on Investment in this site alone was achievable in just four months."

Eliminating lost keys

However, the reality is that quick Return on Investment based on technicians' productivity is just the tip of the iceberg when considering the damaging impact of more significant lost key 'events' which used to happen at least once a month on each Audi site.

"We've seen times when, before the Traka system went live, several sales people might be tied up looking for a set of keys for a large part of a morning. Clearly when these events happened, it proved to be a huge drain on the business. However, if the customer is waiting for PDI to release his new car, that's potentially very damaging from a customer service perspective. But if they are waiting to test drive the car in question then we could potentially lose a sale. The Traka system has eliminated key disappearance events because it tells users who took out those keys last and when - regardless of where that person is based across the Lookers Audi South estate. You can pinpoint when those keys went missing and then approach the last user with the evidence - asking them to retrace their steps. We've been able to eliminate key losses because of the ability to trace the last person who had the missing keys and the time they took them out. That's enough information to be able to help that person retrace their steps and find it. Before we had the system, we were losing between eight and 12 sets of keys per year and had to order replacement keys. At £200 to £300 per key that's another cost which we have eliminated with the Traka system.

The transparency that the system delivers has had another positive impact: keys are never left on a salesperson's desks now. They come back to the cabinet much more frequently and promptly now. As the system sees increased use, management's knowledge of what is happening with all cars going through both sales and servicing departments also increases. They can identify blind spots very quickly and close them before they impact throughput.

Tracking keys between multiple sites

Each site has a networked key cabinet to give users the ability to locate keys across all three Camberley sites. Indeed, because all three Lookers Audi South dealerships share the same server for Traka key management, it's possible to

find out which cars are over in one of the other dealerships if, for example, there is a request to test drive a specific model in Camberley, when the only demonstrator available for that model is in Guildford and needs to be driven over in time for the customer.

Traka helps keep Lookers Audi digital presence in line with physical stock

Michael Wrigley also sees the rapid access to keys as an important consideration for keeping Lookers Audi's digital presence right up to date:

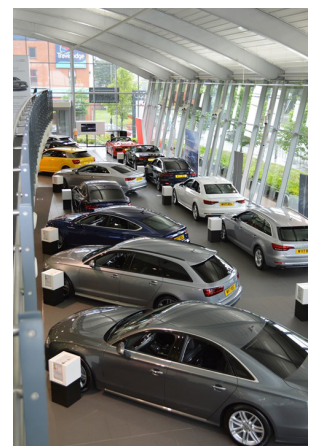
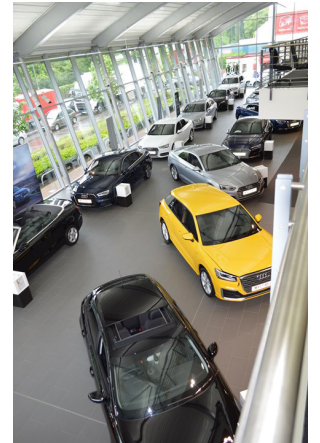
"Traka is part of a raft of measures we are taking to speed up the taking of high quality photos of our Approved Used and new stock. We've hired a photographer full-time to work across all three South sites - taking great photos around and inside our vehicles, while others are busy editing the full specifications of new cars our website.

We are about to hire a dedicated progress checker who will help ensure all cars that are set to be photographed have had necessary preparation work completed to make them look perfect.

If the photographer or our new progress checker is telling us that this car is not ready to photograph that's useful intelligence. Again, it helps keep cars moving off the forecourt as more than 90% of visitors to our dealerships have been online and found a car they like before they arrive here. The quicker cars can be properly presented online on Audi.co.uk and AutoTrader.co.uk, the quicker they sell, and the less discounts we have to offer to shift them.

We ran a check recently to find out the extent of online domination now. The day we picked we had just five people walking into our dealership in the entire day, whereas that same day we had 93 people per hour, every hour, looking at our stock via AutoTrader.

To keep our digital presence up-to-date, we must be prepping it, pricing, photographing and uploading listings to key sites without delays between these four stages. We are working towards completing all four processes within five days of arrival here. The fact that the photographer (and in





the future the new progress checker) will be able to lay their hands-on keys quicker because of the Traka system helps us.”

Extending Traka system to compound

Camberley Audi also uses a third party-owned compound to store up to a further 200 vehicles waiting to be prepped. Because it is not owned by Lookers, there were initial



issues with installing a networked Traka key management system which were resolved successfully so that it went live recently to enable Audi technicians, drivers and salesmen to locate a car if over in the compound via the system and then alert pound staff that they need a specific car or cars and will be coming to pick that car up soon.

“Before we had the Traka system in the compound we used to have to give

staff there an hour’s notice before going to pick up a specific car, to give them enough time to find the relevant set of keys and move that car to the front of the line so it could be driven away by one of our drivers. Now that they are using the Traka system to hold all Audi keys they can locate the requested car that much quicker as it will be attached to the iFob slot that Traka’s interface tells them it is in, rather than working through large rings of keys with plastic tags on each as they used to do. So, the pound is no longer a black hole for our stock – it no longer disappears off the Traka system when they go down there.”

Extending the system to Lookers Audi North/Scotland dealerships

Lookers Audi’s division in the North & Scotland have now implemented the same specification Traka Automotive system with the addition of Insurance and Security-Approved Roller Shutters for added security.

Cameron Wade, Franchise Director, Lookers Audi, summarised:

“I’ve worked with Traka for over seven years and in that time, I’ve seen their offering evolve to meet the changing needs of the modern-day motor trade. As we all drive for daily improvements in efficiency and cost control today - I know Traka can deliver on both counts.”

In summary

Lookers Audi has used the Traka networked key management system to unlock the following benefits:

1. Contributing towards efficiencies within a rapidly growing Camberley Audi After sales Centre
2. Helping ensure Lookers Audi’s digital presence is up-to-date by enabling photographer to find keys and cars more quickly
3. Eliminating (previously) costly lost key events
4. Enabling closer ties between dealerships to share stock for test drives
5. Speeding up car movements between compound and main sites
6. Providing valuable Management Information to help spot or confirm stock ‘blind spots’ early and keep cars moving
7. Improving customer experience associated with key handling
8. Helping to reduce wait times for servicing slots



In the time since the new Traka Automotive electronic key management system went live across all three Lookers Audi southern sites in November 2016 it has logged over 300,000 key movements. New key assignments were 2,837, while searches for keys is up to 36,667 and iFobs moved stands at 42,574.

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global leader in access solutions.
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safe, secure and experience a
more open world.

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