

# The Avalon Edge

**E**ntrepreneurship  
**D**edication To Excellence  
**G**reat Value Creation  
**E**thical Approach



## Performance Improvement

for an automotive service business' crash repair service offering



## Client Situation



- The client, one of India's largest commercial vehicle dealerships and part of a large automotive group, was facing flagging revenues in their commercial vehicle service business
- The client identified crash-repair, a high-value high-margin service line, as one with significant potential but currently having low market share, as an avenue to drive growth
- The segment had various regulatory challenges and the customer perception of the client's services was that of a high-cost, high lead-time service provider

## Objectives



The client wanted Avalon Consulting to define how it should address the crash-repair segment in the future by identifying and implementing initiatives to ensure that the client becomes the first port of call for crash-repair. Tangible outcomes were expected to be measured by:

- Increase in vehicle inflow into workshops
- Increase in revenue per vehicle
- Reduction in service turnaround time (TAT) for each vehicle, while servicing more vehicles and more value per vehicle with the same capacity

## Approach



Avalon Consulting worked with the central service team, five pilot workshops, multiple client support teams and external stakeholders with the following approach:

- Interactions through field-visits to benchmark with other organized and unorganized competitors
- Time-and-motion analysis of current processes to identify improvements
- Solution-design of various intervention areas
- Translate strategy into implementable solutions by handholding client teams and honing initiatives on an iterative basis till results with significant impact were visible

# Avalon Consulting Interventions

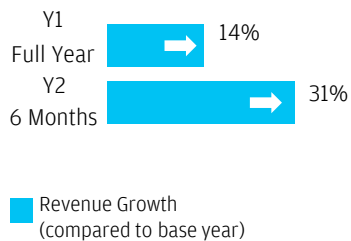


We focused on 5 key initiatives

	1	2	3	4	5
<b>Challenge</b>	<b>Leads scheme to improve vehicle inflow</b> Limited market visibility	<b>Right-stocking of parts across the system</b> Parts supplies from OEM and stock movement between workshops had significant lead times	<b>Trackers to improve time of vehicle delivery</b> Unstructured approach to execution leading to multiple gaps and delays	<b>Standardization of costs and revenue</b> Non-uniform pricing for specific jobs	<b>Insurance tie-ups for seamless service</b> High advance load - credit & customer loss risk
<b>Intervention</b>	A tiered leads scheme was established to incentivize stakeholders to report an accident	Parts stocks planning and rationalization of parts across ecosystem based on the nature of vehicles and incidents	Daily trackers for each vehicle, aggregated at workshop and BU level	Uniform pricing with regional intricacies, in alignment with insurance companies	Cashless insurance tie-ups for seamless service
<b>Benefits</b>	1. Brought visibility on the overall market potential 2. Helped in channeling vehicles to the client's workshops	1. Quicker turnaround 2. Optimized inventory	1. Bottlenecks/dependencies highlighted 2. Enhanced coordination across execution value chain	1. Transparency and trust built in the brand	1. Reduced load on customers 2. Focused and credit-worthy receivables

## Impact of our interventions

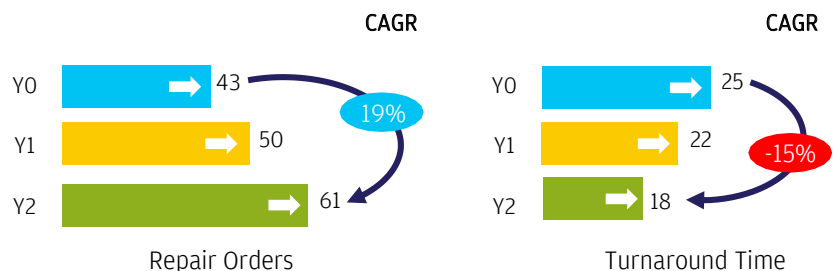
### Project Impact on Revenue (Indexed to Y0)



**Post-Implementation**

### Project Impact on key non-financial operational metrics

Repair Order : Vehicle under repair  
Turnaround Time : Gate-in to Gate-out \*estimates



**Annual Recurring Benefit Delivered = 8X Consulting Fee**

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