

Opportunity Knocks

How Inspection Diagnostics Increases Back End Profits – Part 1

By Ron McElroy

Over the past year it's no secret that new car sales margins have plummeted to near-record lows. Although that may seem like bad news, there is an upside – one that has a vital effect on the profit stream of every dealership: the service department. This is where the concept of advanced preventive maintenance plays an ever-increasing and important role of the facility's bottom line. I'm referring to "inspection diagnostics".

To date, consumers have become educated as to the importance of regularly scheduled motor oil and filter changes. The 3,000 mile oil change has been drummed into every car owner's head for as long as they can remember. However, it is this very entry-level knowledge that also has made that same consumer shortsighted as to the importance of the condition of their other vital automotive fluids and the consequences of deferred fluid preventative maintenance. This is where Inspection Diagnostics comes into play.

Today's consumers and fleet managers, once accustomed to turning over vehicles every two or three years, are keeping cars and trucks for extended periods of time. With this comes the ideal opportunity to bolster back-end profit revenues and build stronger customer loyalty through service-based relations. A key component in establishing a trusted image is empowering customers with knowledge that allows them to make more informed service decisions. Knowledge is power. Inspection diagnostics is a program that not only performs for the service writer,

but also puts the customer at ease and supplies them with a visual maintenance check list and scientific proof when vital fluid changes are needed. In other words, "Proof positive it's time to change."

Lubricant degradation has always been a serious problem. The useful life of a vehicle's fluids are affected by many variables, including such factors as city or highway driving, heavy loads, road conditions, terrain, weather, air quality, vehicle condition, maintenance programs, the driver, and the type and quality of the fuel, lubricants, oil and filters being used. Fluids that are allowed to degrade while in service reduce clearances. This effects lubricant

regimes, thus causing wear or plugging fluid passageways. This, in turn, causes increases in friction resulting in higher energy requirements or malfunctions and increased operating temperatures causing autocatalytic effects on the lubricants ability to prevent sludge. They also accelerate acid build-up promoting corrosion. The net result is an increase in maintenance and operating costs and shorter component life. In a nutshell, virtually every system under the hood relies on fluid lubrication. Vehicle performance and reliability depends on proper fluid preventative maintenance.

Fluid change intervals have historically been based on time-in-service. Vehicle owner's manuals provide recommended fluid change and preventative maintenance intervals based on time and / or mileage using perceived and often ideal driving conditions. The most common schedule is for normal driving conditions, with a much shorter recommendation for vehicles operating under severe or demanding driving conditions. But time-in-service based preventative maintenance does not take into account the quality of the fluid being used or the quality of the mechanical component and its operation. Additional considerations include fluids that are depleted before their time by intrinsic (chemical and thermal stability), and extrinsic (maintenance & environmental) factors and / or abnormal events. Therefore, a combination of a condition-based evaluation and time-in-service provides a more complete method for establishing fluid change intervals.

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“Normal or Severe.” These time / mileage recommendations are intended to prevent vehicle damage and loss of performance caused by operating with depleted fluids. Following this basic system, consumers are left to judge which schedule should be followed - a decision the vast majority are not educated enough to make. Either way, he or she has no assurance that their vehicle isn't being damaged by operating with depleted fluids or worn system components that may cause a roadside breakdown, minor damage or even catastrophic failure - all of which will result in excessive and unexpected maintenance and repair costs. Major repairs on the surface seem like a situation that would be good for a service department. However, more often than not, consumers blame a dealer's service department - or worse yet, the vehicle manufacturer - for either not warning them of a problem or offering a defective product. This consumer relations nightmare must be avoided at all costs.

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Now that drivers are keeping their cars longer, reliability is even more of a necessity. More attention needs to be paid to preventative maintenance and a true understanding of needed vehicle services. Once again, allowing the customer to play a vital and informed role in service decisions not only brings in needed revenue - it makes the service writer's job easier and more efficient.

In studies using results gleaned from events held by Be Car Care Aware, 80-percent of vehicles had at least one part or system in need of service.

Vehicle inspection lanes, conducted throughout the United States by sponsoring local organizations and businesses, are part of the automotive aftermarket industry's ongoing public awareness campaign. Volunteers across the country conduct these events, with a portion of them returning their vehicle inspection forms to the Car Care

Council for tabulation and analysis. A recent campaign included results from a total of 631 vehicle inspections in seven states nationwide.

Statistics from the National Car Care Month inspection campaign continue to underscore the need for consumer education. The potential effects on highway safety, air quality, costs of operation, vehicle performance and vehicle dependability are self-evident from these results.

Overall, the vehicle failure rate for at least one part or system was 80 percent. This means that eight out of every ten vehicles failed at least one component of the vehicle inspection process.

Ron McElroy is co-president and co-founder of Fluid Rx, a designer, manufacturer and provider of intelligent preventative maintenance products for the automotive and transportation industries. They unite scientific know-how with manufacturing and marketing expertise to bring to market Instant Fluid Diagnostics and unique preventative maintenance and performance enhancement products for consumers and service providers alike. ■