



Havoline[®]

Challenge Your Thinking To Keep Your Business Growing

Create new revenue streams by thinking outside of the shop

BY KIM TULLY-SUTTON, LEAD MARKETING SPECIALIST, CHEVRON

Growth is good. Every business owner wants it. Although, there will come a time when you feel as though you've hit a ceiling. You think you have all the basics covered: loyal customer base, good employees, strong customer service, and decent reviews on Yelp and Google. You're actively marketing to attract new customers. Still, there are only so many hours in the day. You have a fixed number of service bays and limited real estate. There is a perceived finite number of vehicles you can service each day with service techs you have to do the work. So, now what?

Typically, operators look at the standard internal combination of options. To increase revenue, they promote synthetics and ancillary products like fuel additives that offer higher penny profit. Some offer other services like windshield wiper replacement, headlight polishing, wheel rotations, alignments, or new tires. Of course, it is not uncommon to cut expenses and cut corners to reduce costs. But to create new revenue streams you may have to think outside the four walls of your business—literally and figuratively.

Here are some additional options to consider:

- **Shop website.** Surprisingly, many fast lubes still don't have a website today. Get a mobile-friendly website in-place and start doing paid search to reach all those new and younger customers with smartphones in their hands doing 'oil change near me' Google searches.
- **Social media.** In addition to having a website, utilizing social media will enhance your digital presence while providing a real time connection to your local customer base.
- **Business accounts.** Put the legwork into securing new local trade accounts with 5-10 trucks (landscapers, HVAC, plumbers, etc.) and be diligent about services beyond oil changes.
- **Co-market with a local business** leveraging each other's customer base. Consider co-marketing at local community events, such as a local baseball team or high school sporting events.
- **Create a concierge pick-up/drop-off service arrangement** for employees at local schools, fire department, police department,

dentist/doctor offices, city council, etc.

- **Extend your hours of operation** to accommodate a wider range of schedules. You'll need to assess demand for after-hours service in your area to warrant the additional labor costs.
- **Expansion.** If you have room to expand, consider adding a bay for automotive repair service or a drive-through car wash giving you the advantage of two profit centers.

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—Kim Tully-Sutton,
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Kurt Wright, who owns and operates a Havoline xpress lube[®] and an adjacent Blue Hippo Carwash on the same site in Powell, Ohio, explains, "By having two profit centers on the same property, the synergies allow you to maximize your labor, which is extremely important in our current environment."

As Kurt adds, "Offering a free car wash with every oil change has allowed for more exposure and co-marketing across the businesses. Not only does it help develop repeat business but allows you to reach beyond a typical customer base in order to attract and retain new customers. In addition, loyal customers come back every few months for both the oil service and the car wash. It makes it a win/win all the way around."

If your business is strong but your expansion possibilities are limited, you might think about buying a second fast lube, repair shop or car wash facility. This

offers the opportunity to drive added profitability through economies of scale and buying power by expanding your potential customer base.

So, if you have all the business you can handle, great. However, if you're in a position to invest in further growth, then even better. When you think about it creatively, there are many opportunities to keep growing beyond the constraints of your existing infrastructure.

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