

# AUTOMOTIVE 2019 BENCHMARK



This data card includes the 2019 BDO Automotive Non-Luxury Dealership Benchmark.

Benchmarks are an important tool to monitor, compare and identify opportunities to improve dealership profitability and setting future goals. While important, it is equally as important to understand the factors that influence the dealerships performance (e.g. franchises, geographic location, etc.) and establish your own internal benchmarks.

Our benchmarks are based on actual industry data which has been adjusted (normalised) for extraordinary income and also to reflect commercial expenses for items such as rent, floorplan interest and employee costs.

BDO's normalised data showed the average Net Profit to Sales in 2018 for a dealer with volume brands was 2.4%. The average of the top 50% was 2.9% which reflects the benchmarks printed.

## TOTAL DEALERSHIP

PROFITABILITY	BENCHMARK	IF TURNOVER \$100M
Sales		\$100.0m
Gross % sales	12.3%	\$12.3m
F&I % gross	16.5%	\$2.0m
Other income % gross	26.4%	\$3.2m
Less – Total expenses % gross	118.4%	(\$14.6m)
<b>Net % sales</b>	<b>2.9%</b>	<b>\$2.9m</b>

EXPENSES	BENCHMARK	IF TURNOVER \$100M
Advertising % gross	6.6%	\$0.8m
Employee costs % gross	63.8%	\$7.9m
Floorplan Interest % gross	4.9%	\$0.6m
Rent % gross	13.8%	\$1.7m
All other expenses % gross	29.3%	\$3.6m
<b>Total expenses % gross</b>	<b>118.4%</b>	<b>\$14.6m</b>

EMPLOYEE RATIOS	BENCHMARK
Sales per Employee per month	\$80,300
Gross per Employee per month	\$9,880
Net per Employee per month	\$2,370

**SECTOR**  
Automotive



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## TOTAL DEALERSHIP

SALES ORIENTATION	BENCHMARK	IF TURNOVER \$100M
Sales – New	68%	\$68m
Sales – Used Retail	14%	\$14m
Sales – Used Wholesale	3%	\$3m
<b>Sales – Front End</b>	<b>85%</b>	<b>\$85m</b>
Sales – Parts	8%	\$8m
Sales – Service	7%	\$7m
<b>Sales – Back End</b>	<b>15%</b>	<b>\$15m</b>

GROSS PROFIT ORIENTATION	BENCHMARK	IF TURNOVER \$100M
Gross – New	35%	\$4.3m
Gross – Used	13%	\$1.6m
<b>Gross – Front End</b>	<b>48%</b>	<b>\$5.9m</b>
Gross – Parts	14%	\$1.7m
Gross – Service	38%	\$4.7m
<b>Gross – Back End</b>	<b>52%</b>	<b>\$6.4m</b>
<b>Gross - Total</b>	<b>100%</b>	<b>\$12.3m</b>

## VEHICLE SALES

PROFITABILITY	NEW	USED
Gross profit %	6.4%	9.2%
Gross profit per unit	\$2,100	\$2,050
Gross ROI	32%	55%

EMPLOYEE RATIOS	NEW	USED
Units per sales staff per month	13	15
Gross per sales staff per month	\$27,300	\$30,750

INVENTORY	NEW	USED
Days supply	65	70
Used retail/ New retail ratio	N/A	0.4

KEY EXPENSES PER UNIT	NEW	USED
Advertising per unit	\$210	\$215
Floorplan per unit	\$270	\$95

*New gross includes holdback, bonuses and aftermarket*

*Used gross is retail only*

*Used gross ROI includes wholesale*

## MORE INFORMATION

1300 138 991

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## FINANCE & INSURANCE

	NEW	USED
Finance penetration	35%	33%
Finance income per contract	\$2,550	\$1,950
Finance per retail unit	\$900	\$650
Insurance per retail unit	\$100	\$90
F & I income per staff per month	\$42,700	
Units retailed per F & I staff per month	45	

## FIXED OPERATIONS

PROFITABILITY	PARTS	SERVICE
Gross profit % – total	22%	65%
Gross profit % – retail	25%	79%
Gross profit % – warranty	12%	73%
Gross profit % – internal	20%	78%
Gross profit % – trade	20%	
Gross profit % – repair order	34%	
Gross profit % – sublet		8%
Gross profit % – oil & grease		60%
Unapplied time % COS		6%
Gross profit % – total labour		74%
Gross ROI	225%	
Fixed absorption		45%

EMPLOYEE RATIOS	PARTS	SERVICE
Monthly sales per staff	\$75,000	
Monthly gross per staff	\$16,500	
\$ sales per \$ salary	\$15	
Monthly labour sales per tech		\$15,000
Monthly labour gross per tech		\$11,600
Chargeable to non-chargeable		1.75 to 1

*Apprentices and foreman are weighted to arrive at an adjusted number of technicians*

INVENTORY	PARTS
Days supply	40
Parts / labour ratio	0.65