

Customer retention is the foundation of long-term profitability in Fixed Operations. Every lost service customer represents not just lost repair order revenue, but also reduced customer lifetime value and a lower likelihood of future vehicle purchases. Dealerships spend significant resources attracting new customers, yet many fail to keep them engaged beyond the first visit. If customers don't feel valued or find the service process inconvenient, they'll take their business to independent shops and quick lube chains—often never returning.

As a Service Manager, it's critical to identify and fix the weak points in your operation that are driving customers away. That means taking a hard look at how customers are introduced to the service department, how easily they can schedule appointments, the convenience of your hours, and the overall experience they receive at every touchpoint. Addressing these issues doesn't require a complete overhaul, but it does require a focused strategy, consistent execution, and leadership that prioritizes retention over short-term wins.

This guide outlines eight actionable steps to improve customer retention, increase repair order volume, and create a service experience that keeps customers coming back. Each step addresses a common service department weakness and provides practical ways to correct it. Whether it's strengthening the sales-to-service handoff, improving appointment scheduling, or elevating customer interactions, these strategies will help you drive loyalty and long-term revenue growth.

1. Strengthen the Sales-to-Service Handoff

A customer's first experience with the service department should happen before they even need maintenance. The transition from sales to service is where dealerships either solidify a relationship or leave it to chance. If a customer leaves with no knowledge of the service department's process, location, or benefits, they're more likely to turn to an aftermarket provider when it's time for their first oil change.

Every sold vehicle should come with a structured, consistent service introduction. This means a personal handoff from the salesperson to a service advisor before the customer leaves the dealership. The service team should explain maintenance intervals, introduce the customer to scheduling options, and highlight any complimentary or competitively priced services. A simple, well-structured introduction ensures the customer knows where to go for service and builds a direct connection with your team.



Pro-tip:

- Have the Service Manager or lead advisor personally welcome new customers at delivery.
- Provide a service welcome kit with a first-visit incentive, contact info, and a clear service process.

Tripping point:

- Leaving the introduction up to sales staff without service involvement.
- Failing to follow up before the first service due date.

Thought starter:

- What percentage of your sold customers return for their first service?
- How could you improve the handoff process without adding friction to the sales experience?

2. Expand Service Hours to Match Customer Schedules

Customers need service options that fit their lives. Many service departments still operate under traditional business hours, closing by 5 or 6 PM and remaining closed on weekends. Meanwhile, aftermarket competitors have adapted, staying open later and offering weekend hours. If customers can't fit service into their schedule, they'll go somewhere else.

Expanding hours doesn't mean running a full shop at night or on Sundays, but it does mean offering more flexible options. A limited evening shift for quick maintenance, a staggered technician schedule, or even just extending hours one or two nights a week can significantly improve retention. Saturdays should be non-negotiable in most markets. If your competitors aren't open, that's even more reason to be.

Pro-tip:

- Test extended hours on a trial basis and track appointment volume before making permanent changes.
- Promote new hours aggressively via email, text, and at the time of booking.
- Partner with an M5 consultant to analyze customer demand and optimize scheduling.

Tripping point:

- Extending hours without properly staffing or communicating availability.
- Assuming customers will immediately know about schedule changes without marketing efforts.



Thought starter:

- How many customers have you lost due to limited availability?
- Could a limited crew handle evening oil changes and tire rotations efficiently?

3. Improve Appointment Scheduling for a Better Flow

Appointment scheduling should be customer-friendly and efficient, but too many dealerships overload mornings while leaving afternoons light. This leads to long wait times early in the day, rushed service advisors, and underutilized technicians later on. Customers want convenient scheduling, not an experience that feels like a hassle.

Instead of defaulting to early-morning slots, balance appointments throughout the day. Ensure customers are asked when they'd prefer to come in rather than being forced into pre-set slots. Online scheduling should be easy to use, integrated with your DMS, and available 24/7. Service BDCs or appointment coordinators should be trained to offer times that improve shop workflow while prioritizing customer convenience.

Pro-tip:

- Offer real-time appointment booking online with transparent availability.
- Stagger technician workload by blocking times for quick services vs. complex repairs.

Tripping point:

- Booking all customers at peak hours and creating unnecessary bottlenecks.
- Ignoring online scheduling and forcing customers to call for appointments.

Thought starter:

- How long do your customers typically wait before being seen?
- Is your scheduling process built around the shop's efficiency or the customer's needs?

4. Focus on Employee Engagement to Improve Customer Experience

Every interaction in the service drive shapes a customer's perception of the dealership. A single bad experience with an indifferent employee can undo years of loyalty. Customers don't differentiate between departments—if one person treats them poorly, they assume the entire dealership doesn't care.

Creating a customer-first culture starts with leadership. Employees need training, clear expectations, and accountability. Regular coaching sessions should reinforce the importance of engagement, professionalism, and



proactive service. Leaders should routinely listen to phone calls, review service drive interactions, and ensure that every touchpoint feels welcoming.

Pro-tip:

- Implement a secret shopper program to evaluate customer interactions.
- Recognize and reward employees who deliver outstanding service.
- Use M5's Fixed Ops coaching programs to improve advisor performance.

Tripping point:

- Allowing negative or disengaged employees to continue interacting with customers.
- Assuming advisors naturally know how to build strong customer relationships.

Thought starter:

- How often do you observe or listen to customer interactions firsthand?
- Are your employees motivated to provide excellent service, or are they just going through the motions?

Conclusion

Retention isn't just about fixing one area of the service department—it's about creating an operation that makes customers want to return. From the moment a vehicle is sold to every service visit that follows, the dealership has to prove its value. Small inefficiencies, poor customer interactions, and inconvenient processes add up, making it easy for customers to look elsewhere.

Implementing these strategies requires commitment from leadership. Service Managers must work alongside Fixed Ops Directors and General Managers to ensure that policies aren't just ideas, but actual changes that improve the customer experience. Every customer lost to the aftermarket is a long-term revenue opportunity gone. Addressing retention now means securing profitability for years to come.

M5 Management Services specializes in helping dealerships optimize their Fixed Operations, improve retention strategies, and build a culture that keeps customers engaged. By taking proactive steps to improve service processes, dealerships can create a competitive edge that outperforms the aftermarket.

Now is the time to act. The service department should be the heart of long-term dealership success—not an afterthought. The dealerships that get this right won't just survive; they'll thrive.



Need help with your Fixed Operations department? We've got you covered.

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