Customer service and hard-to-get auto air-conditioning

Business, Marketing



Hill's Automotive, Inc. Hill's AutomotiveInc., is an aftermarket producer and distributor of automotive replacement parts. The business slowly expanded which began as a supplier of hard-to-get auto air-conditioning units for classic cars and hot rods. The firm has limited manufacturing capability but a state-of-the-art MRP system and extensive inventory and assembly facilities. Components are purchased, assembled and repackaged. Profits have fallen considerably. In addition, the customer service level has declined, with late deliveries now exceeding 25% of orders.

And to make matters worse, customer returns have been rising at a rate of 3% per month. I. Point of View Art Hill II. Time Context At present III. Statement of the Problem The main problem of the study pertains to the declining profitability of the company and how will this decline be solved. IV. Statement of the Objectives * To be able to prepare a plan that will help the firm back on course toward improved profitability. * To be able to identify the symptoms, the problems and the specific changes to be implemented in the firm. * To be able to show the importance of MRP played in the plan. V. Assumptions * Hill's Automotive Inc. s known as a supplier of hard-to-get auto air-conditioning units. * Hill's Automotive Inc. is a financial stable manufacturing company. * The whole management of the Hill's Automotive Inc. is responsible and effective employees. * The slow expansion of the business is consistent. VI. Areas of Consideration SWOT Analysis Strengths * Hill's Automotive Inc. is a supplier of hard-to-get replacement parts. * Hill's Automotive Inc. is a financial stable manufacturing company. * The manufacturing company has a state-of-the-art MRP system and extensive inventory and assembly facilities. * The firm has accurate bill of materials.

Weaknesses The firm has a limited manufacturing capability. * The company's discretionary segment has put downward pressure on volume and margins. * The company is suffering from considerably fallen profits. * Customer service level declines. * Customer returns are rising. * The firm has poor quality control and low productivity resulting to acquire high cost. Opportunities * The firm has a limited manufacturing capability. * The company is suffering from considerably fallen profits. * Level of customer service and returns. * Quality level and standards Threats * Competitors * Economic change * Declining customer service level. * Doubtful quality