

Service Operation Management

~ Case Writing --- De- Lai Scooter Shop~

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Comment [JOS1]: Add family name
And Chinese name, too.

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Preface

“Touching Your Heart” ~~is was~~ the slogan of YAMAHA. It made us curious to see what services YAMAHA are going to provide to customers, making them feel touched while meeting or exceeding ~~with their need or more than~~ their expectations. Furthermore, YAMAHA have differentiated themselves with other competitors like SYM and KYMCO. ~~B, both of these~~ are Taiwanese brands. ~~They, it~~ offers services ~~in~~ Sundays too, which takes account of the fact that ~~considers~~ most customers are quite busy in weekday.

~~As to why do we choose~~ De-Lai ~~is which~~ on Zhong-Shan road and is ~~that it~~ is one of the two distributors of YSP (YAMAHA Super Plaza). ~~This that~~ means that they provide ~~ing~~ the best service plaza in Chung-Hua City, and they are different from it ~~also looks varying from~~ other YAMAHA scooter shops since they are cleaner and brighter in ~~more clean and bright in~~ appearance.

Finally, on Zhong-Shan road ~~in~~ Chung-Hua City there are also ~~where have~~ SYM and KYMCO. ~~The~~ YAMAHA store is also positioned there along with with ~~another itself and another~~ private-named scooter shop —Lian-Tong that is also owned by De-Lai. The Zhong-Shan road is a major road and so having a way ~~way~~ scooter shop is ~~opening there supplies~~ convenient for ~~to~~ riders. Since they pass there every day ~~they can~~ ~~for most of them pass by there every day, they can~~ easily do routine maintenance and repair. Consequently, the competition is quite intense, but building cluster environment simultaneously (See picture 1).

Introduction of YAMAHA

YAHAMA was founded in July 1st, 1955. It offers products for the land, the water, the snowfields and the sky. The president now (2008) is Takashi Kajikawa.

The corporate philosophy has taken “people” as the fundamental element, also

their product creation and other corporate activities have always been aimed at touching people's hearts. Their aim is to bring people greater joy, happiness and create" *Kando*" in their lives. *Kando* is a Japanese word for the simultaneous feeling of deep satisfaction and intense excitement that people experience when they encounter something of exceptional value. As international company, they sale motors in global. The main sales are from Asia, which is 28.6%. (As illustration 1)

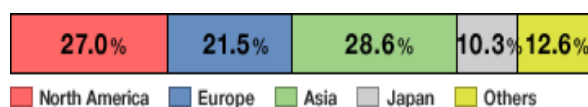


Illustration 1 - Sales by region

YAMAHA in Taiwan

Taiwan YAMAHA founded in April 1st, 1987. The product they offer almost as same as the head company of YAMAHA Japan which manufactures motor for land, motor for water, sales motorcycle component, etc. They have two plants separately in Tao-Yuan and Hsin-Chu.

In Taiwan, there are 431 distributors in 22 cities/counties, in Chung-Hua there are 20. As a franchise, the YAMAHA Taiwan provides some films and lectures to train them. They also help their distributors to build their own website.

The Relationship between YAMAHA and Franchise

The YAMAHA divides Taiwan into four districts which are North, East, South and Central Taiwan, each of district forms an organization, called Fan-She (the term come from Japan) which means Exclusive Distributor. And each Exclusive Distributor has a chairman. The president of De-Lai, Fen Yuan, Zhang was elected as the chairman of Selling Store in Central Taiwan district where including Taichung, Changhua and Nantou.

In YAMAHA they separate their franchise into three levels: Reseller, Proprietary Store and Distributor. The Reseller is the lowest level and Distributor is the highest one in the structure of franchise. Once the revenues meet the standard of YAMAHA, then you are allowed converting into another level. However, only you are distributors you can have the stocks of YAMAHA and get bonuses every year. It depends on the revenues to decide the amount of stocks. Also, only you are distributors you just need to have own inventory of scooters.

Each proprietary shop shall pay NT\$100 thousand and distributors have to offer the land plus NT\$10 million as mortgage.

De-Lai

De-Lai is a scooter shop which located on Zhong-Shan road in Chung-Hua City, besides, it is a second scooter shop there (See picture 2). It is also the main distributor of YAMAHA in Chung-Hua. The chairman of De-Lai is Fen Yuan, Zhang. He is the founder, and Central Taiwan district chairman. The manager is his son, Dong-Yuan, Zhang who is a qualified repair/maintenance person, too. The manager's wife is responsible for receiving customers, finance and his younger sister is in charge of Website related.

The business hours start from 8:30 to 21:00, through Mon. to Fri., 8:30 to 20:00 on Saturdays and 9:00 to 18:00 on Sundays. Including the manager's younger sister, there are 11 persons in their service team (See picture 3). On their Website they furnish some information as open hours, store location, service team, scooter's catalog and repair/maintenance mileage-table which customers will know when they should change oil and components.

- The services they provide are as following:
- Sale new and second-handed scooters

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- Sale scooter accessories (including components and helmet)
- Repairing and maintaining scooters of any brand
- Towing scooters away
- Insurance for scooters
- Examining emission

When you walk into the store, you can hear their energetic greeting sound to every customer. The environment is clean and bright. They set a table with chairs to let customers sit to wait. They divide the store into different areas for providing different services, such as repairing/maintaining area, new scooters displaying area and examining emission area (See picture 4). On the wall of left side, are the certifications and awards they got, on the other side are files they made for offering service to customer and repairing scooters.

What's more, you can see they use computer to build customer data (See picture 5). The CRM system set from 1998, which other scooter shops did not have. This CRM database uses scooter license plate number to identify each customer instead of their name, and recorded transactions every time like when the customer come, for what, what service De-Lai offer and how much it cost.

De-Lai's main turnover is from two sources. First is the routine work of maintenance and repair for customers (include changing the components), this bring them about NT\$800 thousand income per month. Another is from selling scooters around 5 million dollars for an average amount of 100 scooters sold per month (include reselling scooters to resellers in Chung-Hua). Moreover, the price for YAMAHA oil and gear oil are from NT. \$190 ~ \$1,250 and \$60~80 dollars. And There are roughly 270 to 300 customers per week.

As to staff management, the boss asks the employees to get the certification which tries to show customers their employees have the ability to repair, maintain scooters

for them. And manager will hold a meeting every Mondays morning, if staffs have any problem or question on repair/maintenance they can bring it up. The boss also uses money as incentive to encourage his employees to get certifications.

The Second Scooter Shop of De-Lai

To extend their business they open the second store named Lian-Tong, which focuses on selling different brand's scooters like SUZUKI, PGO and heavy-duty motorcycles (See picture 6). It is on Zhong-Shan road, too, just next three store to the De-Lai. This store is different from the first one in many ways. When you walk in, you'll surprise it looks like a showroom not a scooter shop, they display heavy-duty motorcycles and related accessories containing jackets, helmets, gloves, shoes in store with soft yellow light (See picture 7). They also set an area offering newspapers/magazines and tables to customers and their friends which come from the same club (De-Lai heavy-duty motorcycle team) or have the same interests to sit and chat. In the counter, they also display some accessories and behind the counter, there is a LCD TV (See picture 8), they would turn it on when there have motorcycle race, inviting friends come to watch together as well.

Service Provided and Customers' Reaction in De-Lai

De-Lai staffs obey 5 service missions - reliability, quick, convenience, hospitality and reasonable price. They try to give higher and better service quality beyond customers' expectations. In order to be consistent in routine work, the manager asks staffs to follow the list provided by YAMAHA. There are 11 steps that all staffs have to bear in mind (Appendix 3).

When a customer arrives at the De-Lai, one of the first line staffs (maintenance staffs) smiles and says: "Welcome" loudly. He asks customer about the needs and

record them in detail. Then he takes the customer to the round table to have a seat. The staff is sure to tell the customer about the problems, price and waiting time before doing maintenance work. If customer's scooter meets a big problem that is hard to solve in a few minutes, they will offer customer a substitute scooter. After checking with the customer, the staff puts the maintenance caps on grips and seat, prepares the accurate tools, and thinks about the technical methods. Staffs are asked to fix all broken parts at a time. They have to check the augmented service items in the form and tell customers what they did. Then they clean the scooter after the maintenance work, account for the charge and remind the customer of the next maintenance work. While paying the bill, the staff will show the customer a form of maintenance service. There are customer's information, free items of maintenance work, general items of maintenance work, other changing parts, staff's signature and total amount. There is still a part on the form that is satisfaction level about staff for customers to check, but it is a pity that staffs do not ask customers to fill in

If the customer determines to buy a new scooter, the sales staff (manager's wife) will lead the customer to the discussion area and introduce goods with professional skills. She accounts for the contents on ordering contract, which are specific and accurate and she is asked to keep the promise 100%. She has to follow the accounts in the brochure and check the scooter before selling out. She and accountant (manager's sister) should concern and contact with customers in 3 days after sales. Furthermore, sales staff (manager's wife) is so kind and easygoing that she regards all customers as friends and some customers like to chat with her.

All staffs are bound to say "Thank you" when customers depart and lead them out. If staffs meet some unusual problems, they are allowed to make decision depending on their judgment and experience.

De-Lai staffs are bound to present the product well-packaged and introduce

information to customers beforehand, especially when they change oil. They depend on customer's record and opinion and give him what he desires. If the scooter is broken in the traffic accident, they are sure to keep the scooter in store for one week or take pictures if necessary. Basically, they will show the broken parts to the customers and get rid of or recycle them.

Owing to most customers come to change oil often, the manager details a list of standard steps for staffs to follow (See appendix 1).

A customer came in and told the staff that she wanted to change engine oil. Then, a staff showed her a list of various kinds of engine oil, prices (ranging from NT\$180 to over NT\$1,000), brands, amounts, and pictures. The cheapest oil is for KYMCO scooters, and the staff said which was not good for YAMAHA scooters owing to insufficient amount. (YAMAHA scooters' oil amount is over 1,000c.c., but oil amount of other brands is about 800 to 900c.c.) She asked the staff about differences among all the items and the staff told her all the details among each other.

Because staffs always check all parts of scooter carefully and they are skilled at technical maintenance, most customers are satisfied with their service. Furthermore, they give customers a cup of tea and have a seat during waiting time. If they find that scooter's checking meets the deadline, they will show customers to check the pipeline exhaust without money and give customers a NT\$50 coupon as support (See appendix 3).

A customer said putting caps on grips and seat is not essential but important, because which means that the staff takes good care of her scooter. Her scooter was not lain down on the ground but kept clean after _doing any maintenance work. Some customers may transfer to other stores for _cheaper prices and some may stay in De-Lai for skilled techniques and good quality of service.

Sometimes the customer complains about the maintenance error or high price

afterward. The manager will compensate for the mistake and discuss with the complainers. The manager said: "I must confirm that our price is not cheap but reasonable. I suppose that complaints result from not realizing each other, so we have to communicate with each other. There are some picky customers who like to complain all the time, but they still come to our shop the next time. After all, the customers who are willing to pay are good customers."

Reference

1. <http://www.yamaha-motor.co.jp/global/index.html>
2. <http://www.yamaha-motor.com.tw/index.htm>
3. <http://delai.yamaha-ysp.com.tw/Template/Sample2/Index.aspx>
4. http://www.yamaha-motor.com.tw/accessories/accessories_Oil_1.htm

Appendix 1

64 Standard steps of oil changing

Smile and say welcome kindly

1. (收心、 Put the scooter away) Receptionist
Put caps on the grips and seat
2. Transfer to quick maintenance staff
3. Maintenance description
4. Put scooter on the jack
5. Fill out the maintenance form
6. Date, scooter number and mileage
7. Reset the oil light to zero
8. Read the used record of maintenance
9. Determine the type of oil and other items of maintenance
10. Tell customers and check the price, reasons of replacing and waiting time
11. Lift the jack
12. Fix the tools and recycled cloth
13. Drain plate→small drain plate
14. Take apart the drain screw→gear oil screw
15. Drop oil→Drop gear oil
16. Put the screw on the recycled cloth
17. Fix the material

18. Proceeds to do maintenance work
19. Clean the drain screw→Clean the gear oil screw
20. Lock oil screw→Lock gear oil screw
21. Check locking tightly
22. Wipe out the used oil on the 鎖緊處 by using recycled cloth
23. Open the tank cap Open the gear tank cap
24. Clean the oil filler
25. Put the tank cap on the recycled cloth
26. Get rid of the used oil
27. Take the funnel
28. Clean the funnel
29. Put the funnel on the oil filler
30. Check the amount of oil(If there is leftover, we shall tell customers the reasons and whether they take it back or not)
31. Replenish oil
32. Finish replenishing oil
33. Take the funnel out
34. Put the funnel at the right place and put the oil bottle away
35. Clean the tank cap with recycled cloth
36. Clean the oil filler with recycled cloth
37. Lock the tank cap
38. Check locking the tank cap tightly
39. Clean the place surrounding the tank cap with recycled cloth
40. Check the augmented service items
41. Check the pressure of tire(碟煞車需風槍 clean calipers)

42. Lubricate every dynamic part
43. Put the tool box away
44. Lower the jack
45. Check the brake
46. Check the circuit system (wire system)
47. Have the emission of scooter checked
48. Take the new cloth
49. Clean the rear mirror and odometer
50. Clean the scooter lamp, turn signal and rear light
51. Check that we have finished all the items(then check on the maintenance form)
52. Ask the direction the customer is going to turn
53. Leave the jack
54. Put the scooter at the right position
55. Describe the charge and tell them the items checked for free, points of attention and remind customers of next maintenance
56. Ask whether the customer owns the VIP card or IC card or Is a student
57. Charge
58. Give change and receipt
59. Give scooter back to customer
60. Take off the caps on the grips and seat. Remind customers of the next maintenance
61. Wait for the departure of customer
62. Bow and say "thank you"
63. Put the tools at the right place
64. Keep the maintenance area clean

Appendix 2 - Photos



Picture 1



Picture 2



Picture 3



Picture 4



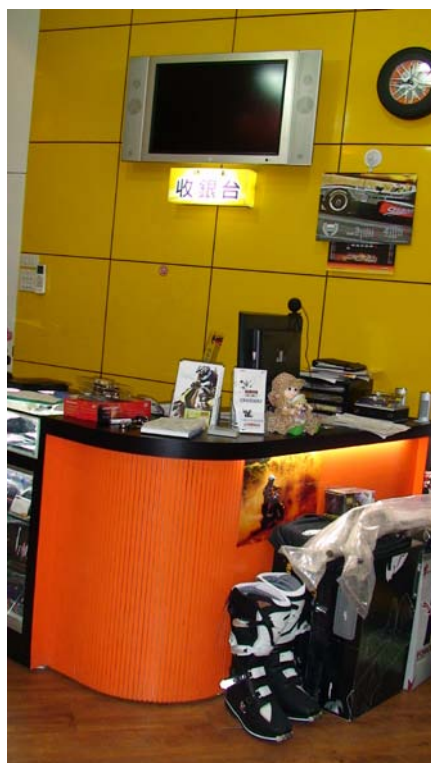
Picture 5



Picture 6



Picture 7



Picture 8

Appendix 3

德來機車行有限公司

保養服務單

電話(04)7227555, 7241555 彰化市中山路二段55號 日期: 年 月 日

0065676

機 型: _____ 車主姓名: _____

大鋼號碼: XB9-726 車主電話: _____

里 程 數: 6987 住 址: _____

電子郵件: _____ 行動電話: _____

免費保養項目

檢查完畢請打「✓」

(1) ☒ 引擎檢查、調整 (2) ☒ 胎壓、輪胎 (3) ☒ 燈、口舌 排氣管測試 (4) ☒ 把手調整

(5) ☒ 各作動部分潤滑 (6) ☒ 電路系統檢查 (7) ☒ 後視鏡調整 (8) ☒ 變更品檢

一般保養項目

(1) 機油更換 _____ 元 (2) 齒輪油更換 _____ 元

(3) 空氣濾清器更換 _____ 元 (4) 機油濾芯更換 _____ 元

(5) 皮帶室濾網更換 _____ 元

其它修理(更換)保養項目

品名: _____	價格: _____ 元	品名: _____	價格: _____ 元
品名: _____	價格: _____ 元	品名: _____	價格: _____ 元
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品名: _____	價格: _____ 元	品名: _____	價格: _____ 元
品名: _____	價格: _____ 元	品名: _____	價格: _____ 元

維修人員滿意度

品名: _____ 價格: _____ 元 ☐滿意 ☐普通 ☐尚可

品名: _____ 價格: _____ 元 建議: _____

品名: _____ 價格: _____ 元 總價: 1260 元

服務人員簽章: 11/10 德來

禮

YSP 德來

VIP折價禮券

\$50

(消費一千元用一張, 訂位集點券折抵)

兌換期限至

YAMAHA

禮

禮

YSP 德來

強制險折價禮券

\$50

(限至德來機車行辦理保險使用)

YAMAHA

禮

YAMAHA

YSP顧客滿意禮節隨身卡

1. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

2. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

3. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

4. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

5. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

6. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

7. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

8. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

9. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

10. 顧客滿意禮券: 凡在德來機車行消費滿一千元, 即可獲贈一張顧客滿意禮券, 有效期間為一年。

NCKU, IMBA - FEEDBACK, CLASS PRESENTATIONS

THE GROUP YOU ARE ASSESSING:		Save your file. Use this format: group being assessed your group.doc So an example would be TIV Voltes5.doc – where TIV is the group being assessed and Voltes5 is your group.	
JANET, KAY AND MAGGIE			
YOUR GROUP NAME:			
INSTRUCTOR			
A Are ideas presented connected with the aim of the presentation? 40%	B Are the ideas presented clearly supported with evidence and logical argument? 30%	C Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs) 20%	D Overall impression (is it a group presentation etc.?) 10%

5%	5%	5%	5%
Comments (space will expand as you type) Avoid 'hm' Don't forget to animate the slides chose - tense The next issue is... QU - YSP? QU - 800,000 (month) QU - augmented The sentences are too long. One idea = one sentence = a basic approach to writing English sentences. Proprietary - 100,000 (10m) 'Thanks for Maggie' = thank you Maggie (thank you Maggie for...) Kay - useful use of body language to emphasize your messages. Sheng yi wang - the fire crackers / cookies / drink 'very sweet' (is this in?) cost you some time = takes time 18/9 Comments on the report:			

The report has come together in a comprehensive interesting way. The reader gets an interesting introduction to many aspects of a local Chinese style business. Key facts about the product-service bundle come out clearly so the reader can understand how De-Lai is differentiating itself on service and in a way that customers are willing to pay for.

In the report you could bring a more commercial or business focus. Some of the data is included on costs and prices but it would be helpful to go further. The case, as it stands, covers processes, aspects of marketing and customer experience, human resources but is light on the commercial or financial side. Actual numbers are not always possible to obtain but comparisons or estimates (e.g., "In the local hypermarket you can buy oil for NT\$X to NT\$Y).

The format of the report could be improved e.g., use of headers/footers, labelling of figures (titles), long lists (could use table) etc.

OVERALL GRADE 90%

Grade (%) 20%