



THE FIXED OPERATIONS
GOLDEN METRICS 2025

TABLE OF CONTENTS

Intro and Methodology	2
Total Hours	3
Hours per RO	5
Effective Labour Rate	8
Profit per Customer Pay RO	10
Technician Involvement	12
Large Population Centre	15
Medium Population Centre	16
Small Population Centre	17
Rural	18
Conclusion	19

INTRO AND METHODOLOGY

Introduction

Tracking the most important metrics that illuminate when things are going well in a service department and when they are not, is vital for influencing decisions that affect a dealership's health.

Specifically, this report looks at:

- Hours (both total sold and per repair order)
- Effective Labour Rate (ELR)
- Profit per customer pay repair order (RO)

These data points fluctuate from day to day, month to month, and year to year. But through it all, they help make sure dealerships remain profitable and identify opportunities for growth.

The following pages examine these "golden metrics" in dealerships from across the country and details both expected and unexpected trends within the data. And it will once again provide insight into how to improve results.

Methodology

The data is broken down in two ways: by urban classification and volume.

Urban classification of the data is tied to the dealership's postal code. To determine the urban classification of a postal code, we followed Canada's designation process, which is straightforward.

The first three digits of the alphanumeric code provide the Forward Sortation Area which identifies the location as urban or rural. For urban areas, Canada classifies population centres in one of three ways based on population:

- Small (population 1,000 to 29,999)
- Medium (population 30,000 to 99,999)
- Large (population 100,000 or greater)

Thus, each postal code, and by extension each dealership within the data, is assigned an urban classification. The four classifications are: Large, Medium, Small, and Rural.

For volume, we referenced the number of ROs monthly and assigned a classification based on the chart on the right.

The report also examines the impact technicians have on golden metrics when using tools that make adding work to the repair order easier.



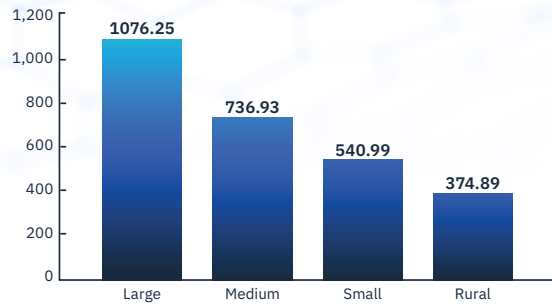
CUSTOMER PAY REPAIR ORDERS /
MONTH VOLUME CLASSIFICATION

TOTAL HOURS

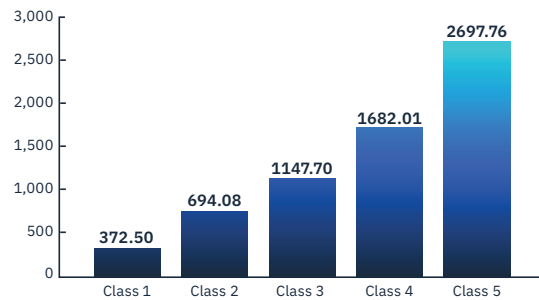
Looking first at total hours sold per month, the data immediately shows what will be a trend throughout this report. Many of the yearly average findings have similar patterns to the previous report, as they are aggregated over the course of an entire 12 months of data.

However, this year the individual monthly averages are included in the report to show additional trends and work toward establishing a benchmark to measure future findings against.

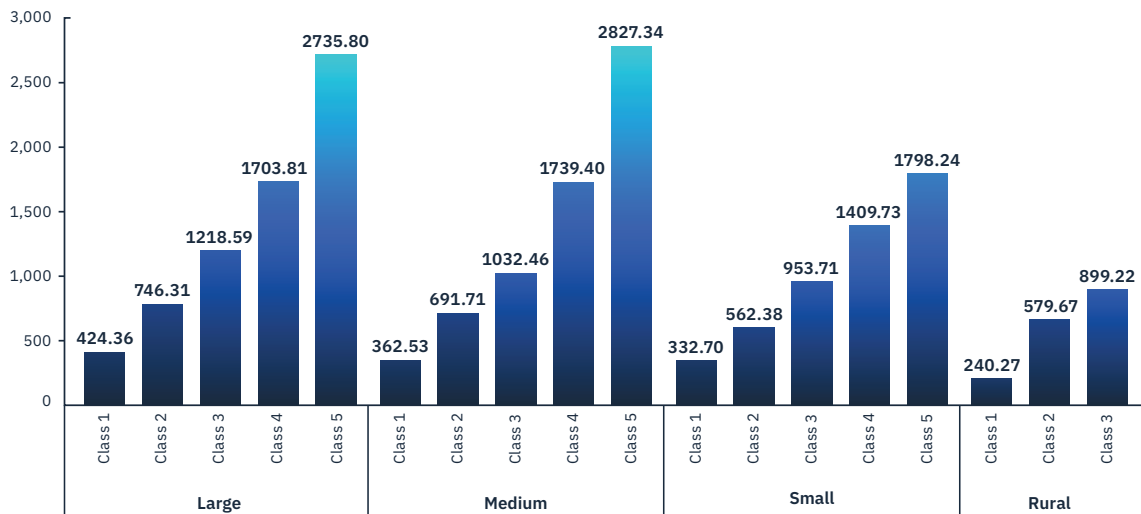
As seen in the charts to the right and below, larger urban classifications, with more people and the availability of more potential hours, sold more hours than smaller classifications. Similarly higher volume stores naturally sell more hours than lower volume stores.



AVERAGE TOTAL HOURS BY URBAN CLASSIFICATION



AVERAGE TOTAL HOURS BY VOLUME



VOLUME IMPACT ON AVERAGE TOTAL HOURS BY URBAN CLASSIFICATION

INDIVIDUAL MONTHLY AVERAGE CHARTS

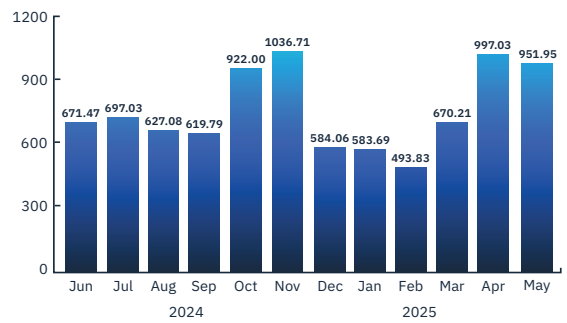
When the individual monthly averages for total hours sold are examined, a clear cyclical pattern emerges peaking in the spring and fall. The fall peak in November coincides with switching to snow tires, which is mandatory in parts of Canada – Quebec for instance has a deadline of December 1.

The spring peak and carryover into the summer months of June and July may simply be a byproduct of fair weather permitting, or motivating, vehicle owners to seek out maintenance at that time. However, it also obscures a drop in profitability in April that will be revealed by the data later in this report.

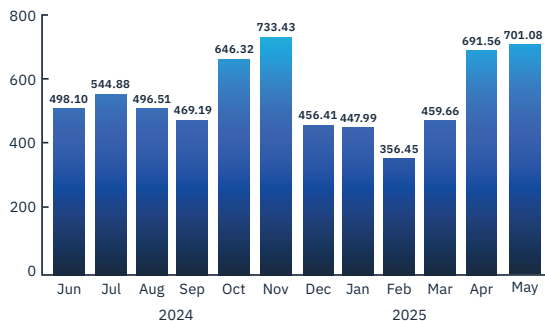
This cyclical trend in activity generally holds across all urban settings.



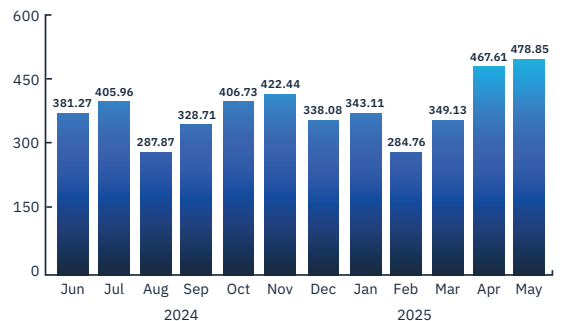
AVERAGE TOTAL HOURS BY MONTH IN LARGE POPULATION CENTRES



AVERAGE TOTAL HOURS BY MONTH IN MEDIUM POPULATION CENTRES



AVERAGE TOTAL HOURS BY MONTH IN SMALL POPULATION CENTRES



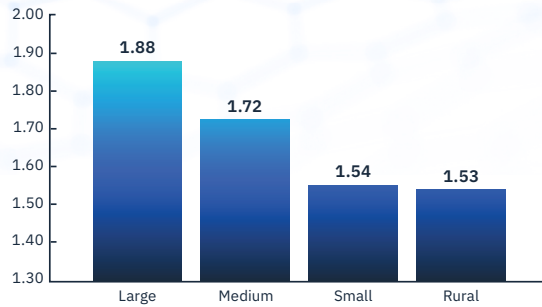
AVERAGE TOTAL HOURS BY MONTH IN RURAL POPULATION CENTRES

HOURS PER RO

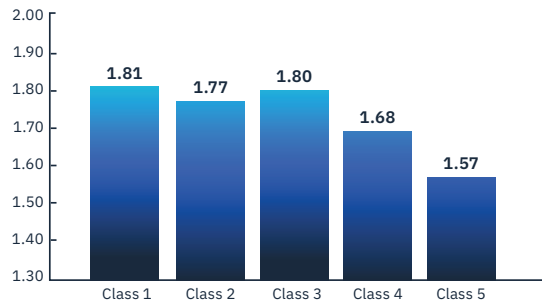
An increase in activity, and thereby a boost to total hours sold, only tells part of the success story of a service department. Ultimately, the kind of work being done matters. That is where hours per repair order can help identify opportunities.

For instance, the larger the urban area, the more hours per RO were sold on average in the last year. And as logic would dictate, when hours per RO are examined by volume, lower volume shops sell more hours per RO than extremely busy shops.

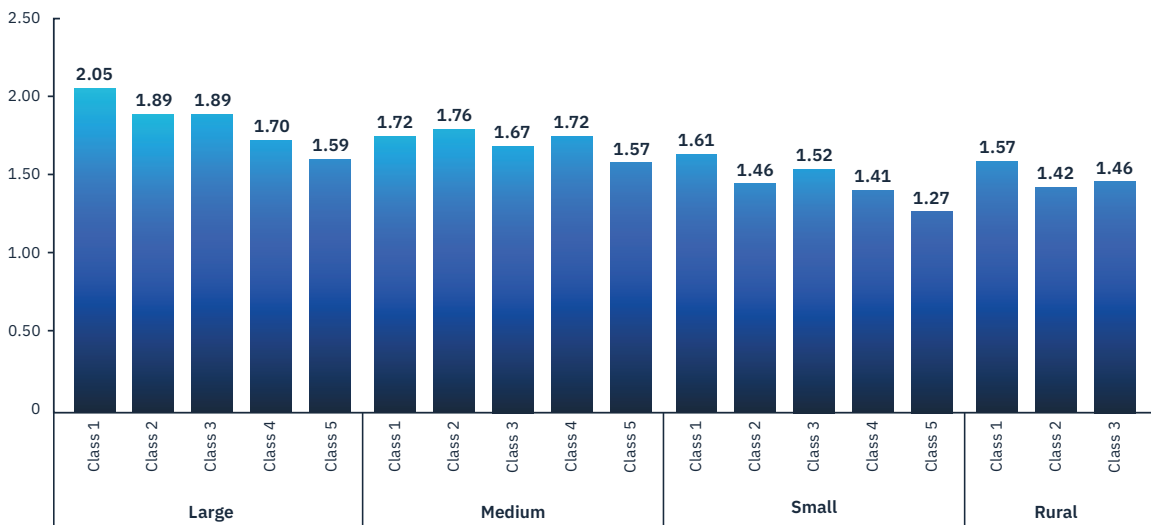
Blending Total Hours and Hours per RO provides a good perspective on shop effectiveness, and helps with identifying where opportunity is present.



AVERAGE HOURS PER RO BY URBAN CLASSIFICATION



AVERAGE HOURS PER RO BY VOLUME



VOLUME IMPACT ON AVERAGE HOURS PER RO BY URBAN CLASSIFICATION

INDIVIDUAL MONTHLY AVERAGE CHARTS

In stark comparison to the spike of total hours sold on average in November, the monthly average of hours per RO falls off a cliff in that month and December, across the country. It is strongly suggested that many people are only coming in to have their tires changed, and the additional volume may be making it difficult for some shops to find the time to sell additional work. This is supported by the general trend that more volume adversely affects average hours per RO. However, efficiencies can be found to improve numbers here.

Comparing July and November data for dealerships in large population centres:

- On average, service departments saw roughly 45% more customers in November (834) than in July (574).
- On average, service departments sold roughly 37% more total hours in November (1435.25) than in July (1049.7).

On average, service departments sold roughly 12% more hours per RO in July (1.97), than in November – which had the lowest hours per RO for the year at 1.76.

Clearly, the infrastructure is there to handle the increase in business, where things start to fall short are partially in completing the work efficiently. To illustrate this, we separated the data into dealerships that use technology that create efficiencies for technicians, and those that don't.

The resulting segregation of data shows a steeper drop in hours per RO for dealerships without an efficiency tool. That drop is double the amount of time dealerships with such a solution experience, comparing November to July outcomes.

Average hours per RO with ideal use of an efficient solution:

- November 1.97 hours per RO
- July 2.11 hours per RO
- Difference 0.14 hours (6.6%)

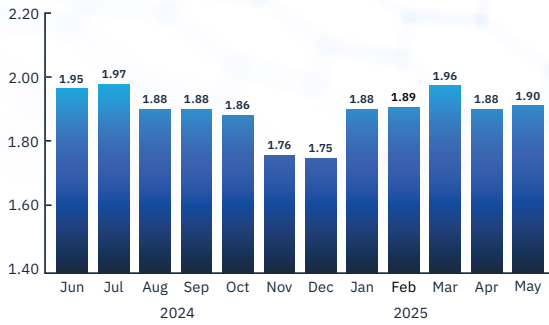
Average hours per RO without an efficient solution:

- November 1.63 hours per RO
- July 1.95 hours per RO
- Difference 0.32 hours (16.4%)

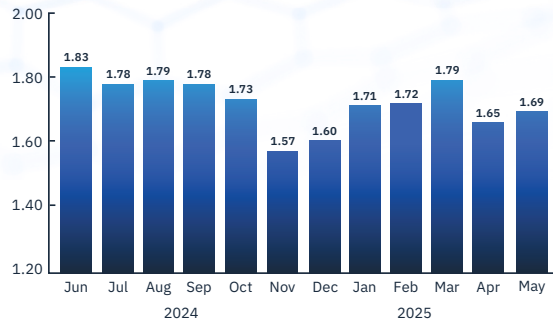
Thus, the data leads us to believe that finding ways to increase hours per RO through finding efficiencies will produce a massive lift regardless of the month, but especially in November.

Charts available on the next page.

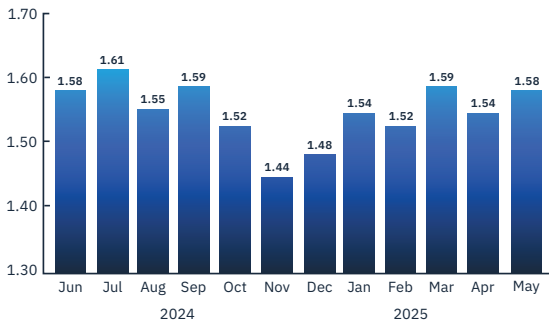
INDIVIDUAL MONTHLY AVERAGE CHARTS



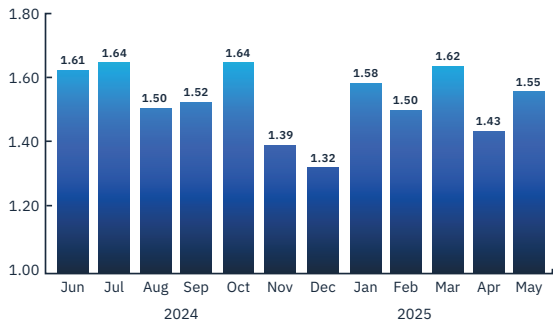
AVERAGE HOURS PER RO BY MONTH
IN LARGE POPULATION CENTRES



AVERAGE HOURS PER RO BY MONTH
IN MEDIUM POPULATION CENTRES



AVERAGE HOURS PER RO BY MONTH
IN SMALL POPULATION CENTRES



AVERAGE HOURS PER RO BY MONTH
IN RURAL POPULATION CENTRES

EFFECTIVE LABOUR RATE

When the average ELR for the 12-month cycle of data is examined by urban classification, we see the same trend that was observed in the previous report. It should be noted; this cycle shows a marked increase in ELR across the board – roughly \$8 more year over year.

Unlike the previous report, when we looked at the same data from a volume perspective it revealed a slightly different result – it is nearly opposite to what we found in the US data.

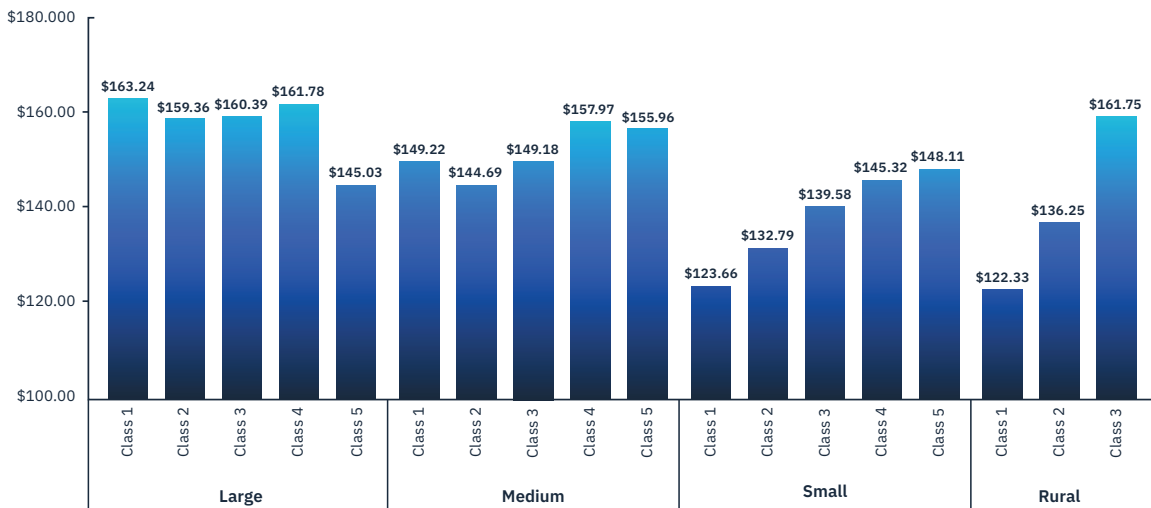
Instead of a smooth declining average ELR based on volume like we found in the US, Canadian dealerships saw a steady increase in ELR up to Class 4 volume shops, with a dramatic drop off for Class 5 volume shops.



AVERAGE ELR BY URBAN CLASSIFICATION



AVERAGE ELR BY VOLUME

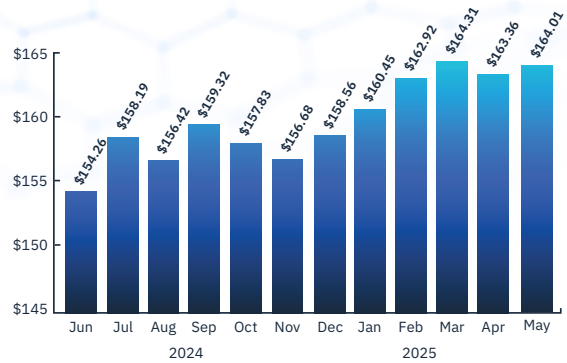


VOLUME IMPACT ON AVERAGE ELR BY URBAN CLASSIFICATION

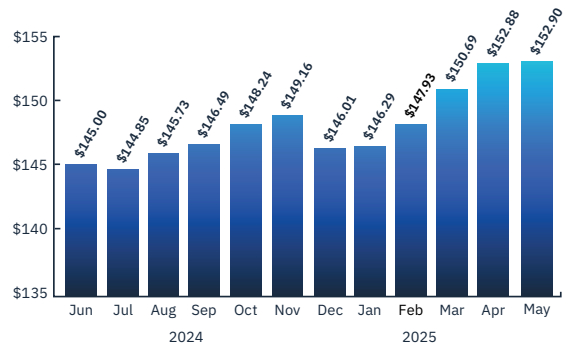
INDIVIDUAL MONTHLY AVERAGE CHARTS

When the data is broken down into monthly averages across the different urban classifications, interesting trends appear. Most notably what seems like a sudden increase in ELR across the board in recent months, in most areas.

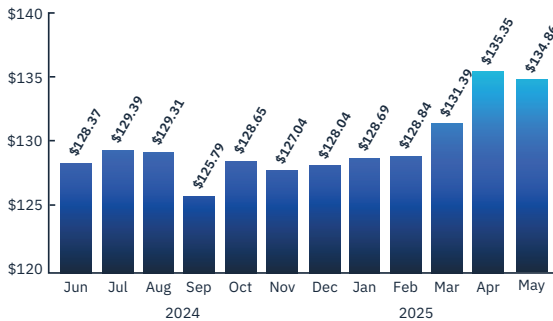
One of the concerns here should be elasticity. At some point, the market will reach a limit for price elasticity and dealerships won't be able to keep charging more. Better outcomes will likely come from becoming more efficient and productive. As you will see on the following pages, average profit did not mirror the increase in ELR.



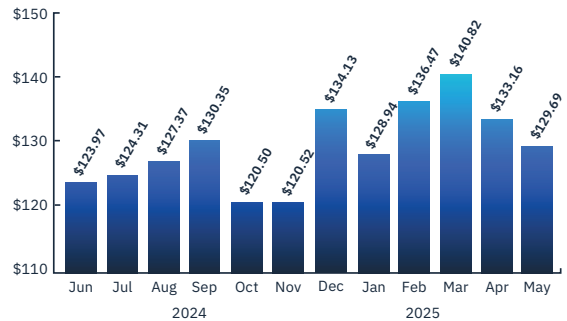
AVERAGE ELR BY MONTH IN LARGE POPULATION CENTRES



AVERAGE ELR BY MONTH IN MEDIUM POPULATION CENTRES



AVERAGE ELR BY MONTH IN SMALL POPULATION CENTRES

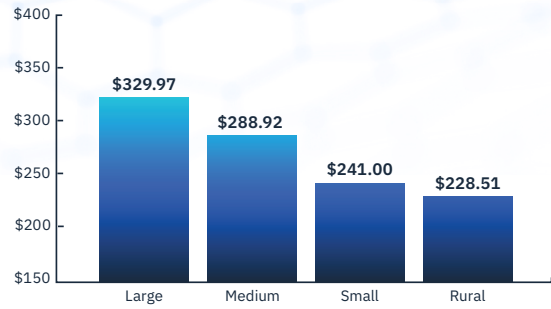


AVERAGE ELR BY MONTH IN RURAL POPULATION CENTRES

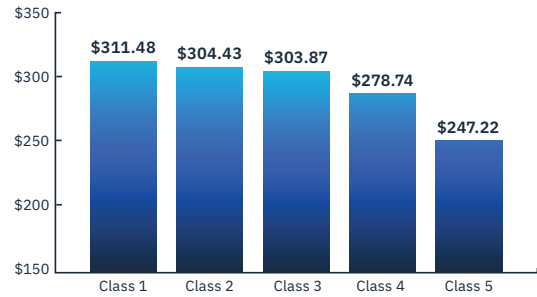
PROFIT PER CUSTOMER PAY RO

When it comes to profit per customer pay RO, expected trends were found within the yearly average data. As the population in urban settings increases, so do profits, and as volume increases profits per customer pay RO decrease. These dynamics naturally lend themselves to the basic economic principle of supply and demand, and the finite amount of time available respectively.

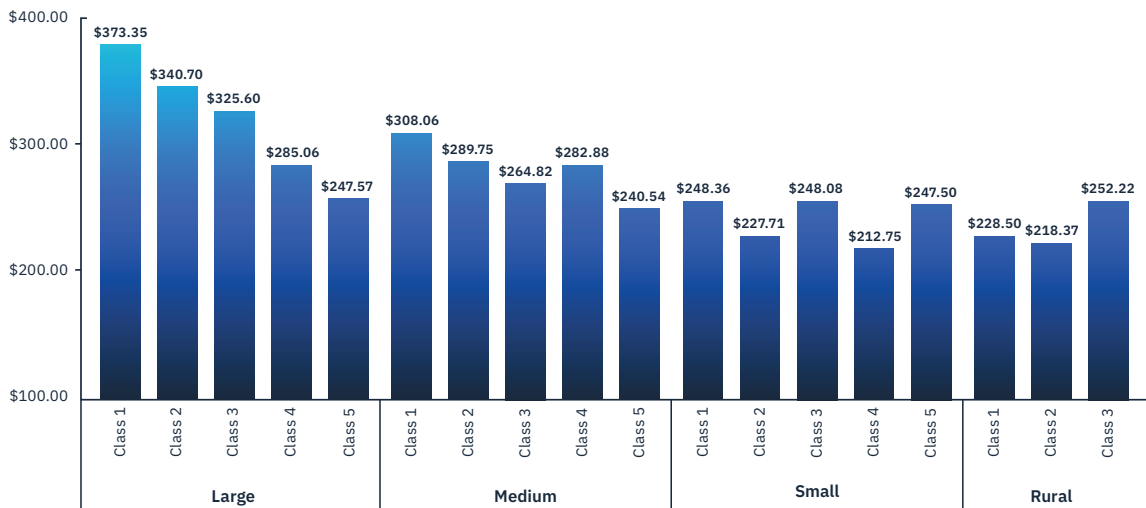
It should also be noted that a decrease in average profit per customer pay RO from one volume class to another is not a sign of failure. Contrarily, the decreased profit per customer pay RO more than pays off when volume is calculated into the equation.



AVERAGE PROFIT PER CUSTOMER PAY RO BY URBAN CLASSIFICATION



AVERAGE PROFIT PER CUSTOMER PAY RO BY VOLUME



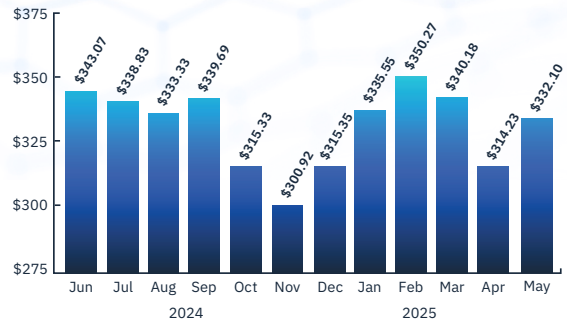
VOLUME IMPACT ON AVERAGE PROFIT PER CUSTOMER PAY RO BY URBAN CLASSIFICATION

INDIVIDUAL MONTHLY AVERAGE CHARTS

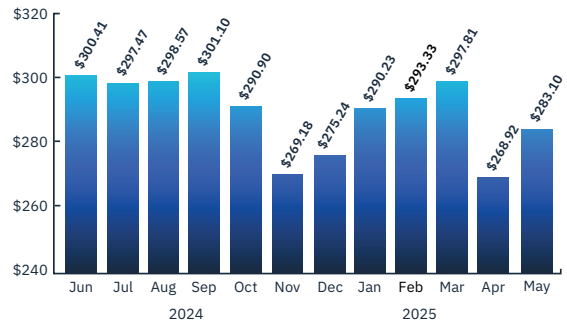
As we look at the monthly averages by urban classification, we return to the discussion established when looking at total hours sold and hours per RO.

A clear dip in average profits occurs in November and April, likely tied to the increase in demand for changing tires for driving conditions. Despite the massive increase in demand for work at these times, the data shows us what is being sold in those hours is not as profitable as what is being sold at other times during the year.

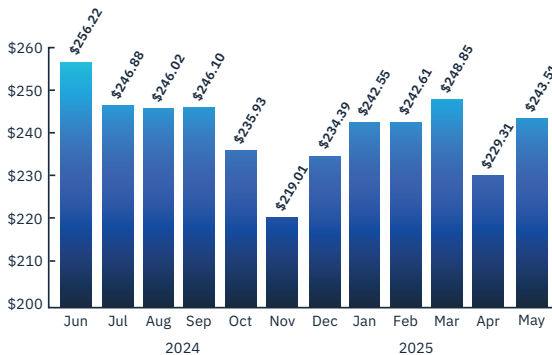
And as mentioned in the discussion about monthly ELR averages, profits don't mirror the increases seen throughout the year. In fact, we see significant drops in profit per customer pay ROs in April and May of 2025 while the ELR for those months are at their highest in small, medium, and large population centres.



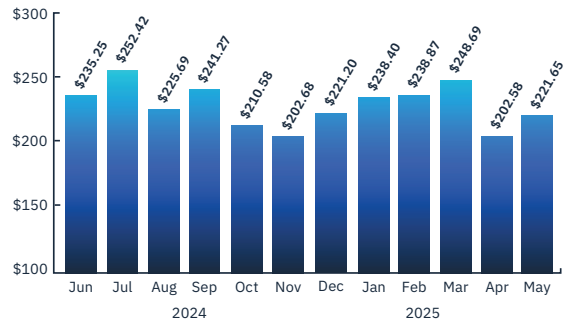
AVERAGE PROFIT PER CUSTOMER PAY RO BY MONTH IN LARGE POPULATION CENTRES



AVERAGE PROFIT PER CUSTOMER PAY RO BY MONTH IN MEDIUM POPULATION CENTRES



AVERAGE PROFIT PER CUSTOMER PAY RO BY MONTH IN SMALL POPULATION CENTRES



AVERAGE PROFIT PER CUSTOMER PAY RO BY MONTH IN RURAL POPULATION CENTRES

TECHNICIAN INVOLVEMENT

Across several metrics, the data has shown that efficiency and productivity are vitally important to maximizing profitability. And while there are many factors outside the control of the dealership that can impact these metrics, the technician's involvement remains a key to success and growth.

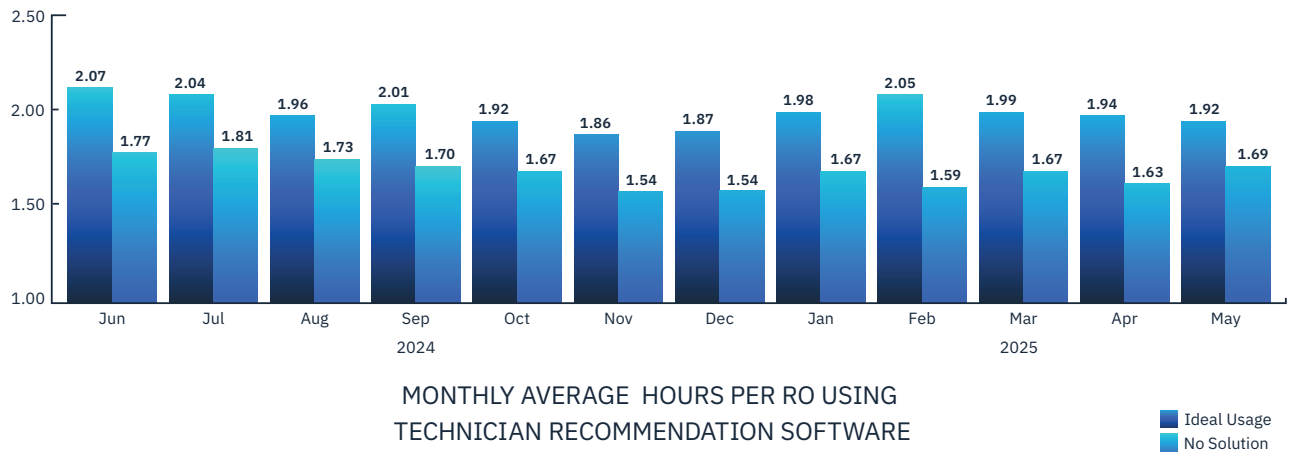
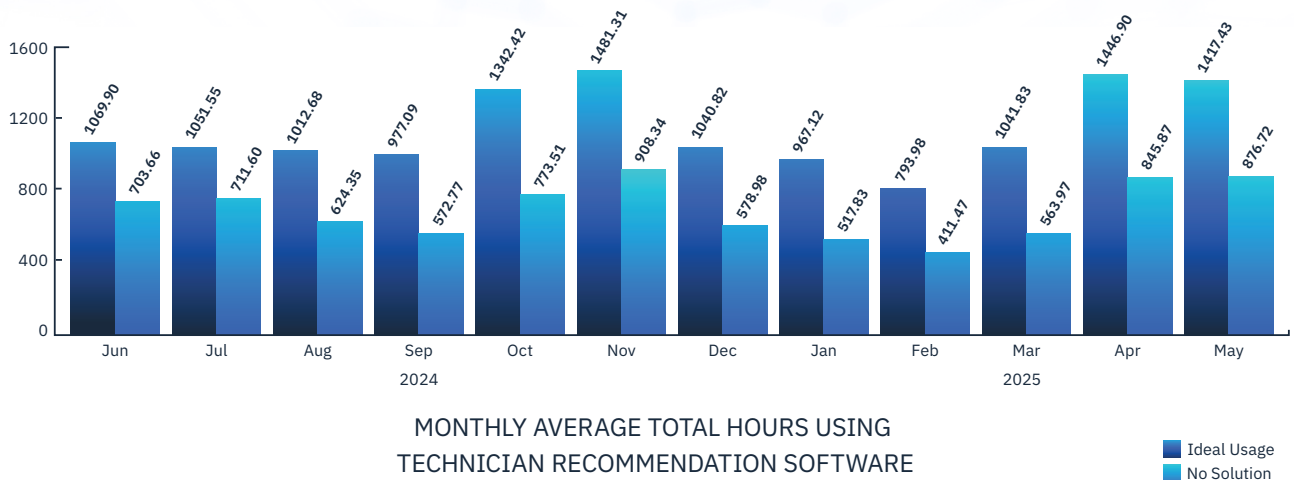
To have a positive impact, however, technicians need to have access to tools that will help them be as efficient and productive as possible. Often these tools will automate processes such as determining if parts are available and how much they cost before sending the recommendation to the advisor adding them to the RO.

When done manually, such processes are prone to inaccuracies in quotes and time wasted. The data shows dealerships that use a tool to create these efficiencies saw significant, lucrative results over dealerships without one.

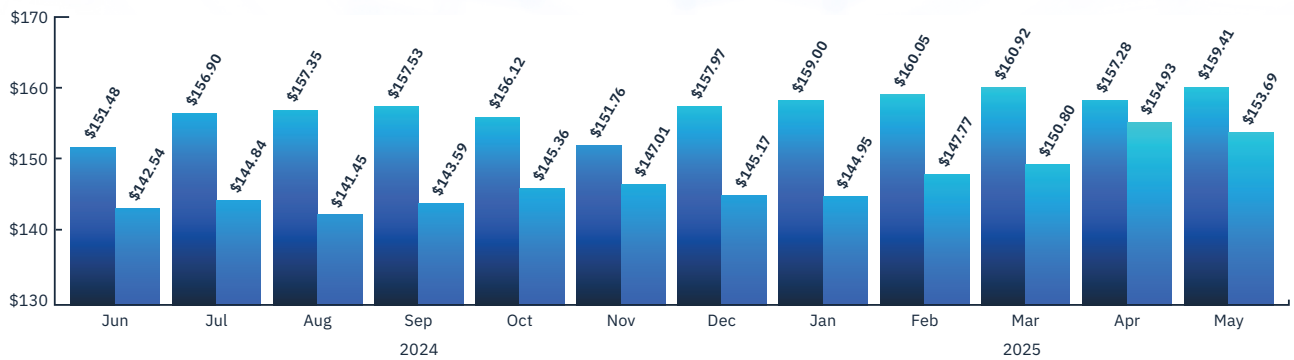
On the following pages are the monthly averages for each golden metric. The data has been split into dealerships with technicians using an efficiency tool in an ideal way, and dealerships with technicians that do not have an efficiency tool. The results are distinct and dramatic.

First you will see the results for all urban classifications combined, then the results for each individual urban classification will be shared.

INDIVIDUAL MONTHLY AVERAGE CHARTS

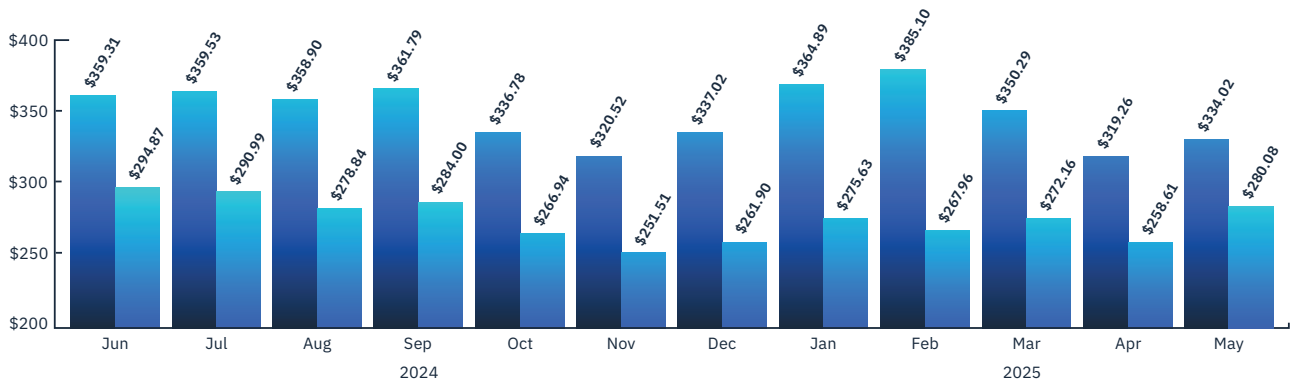


INDIVIDUAL MONTHLY AVERAGE CHARTS



MONTHLY AVERAGE ELR USING TECHNICIAN RECOMMENDATION SOFTWARE

■ Ideal Usage
■ No Solution



MONTHLY AVERAGE PROFIT PER CUSTOMER PAY RO USING TECHNICIAN RECOMMENDATION SOFTWARE

■ Ideal Usage
■ No Solution

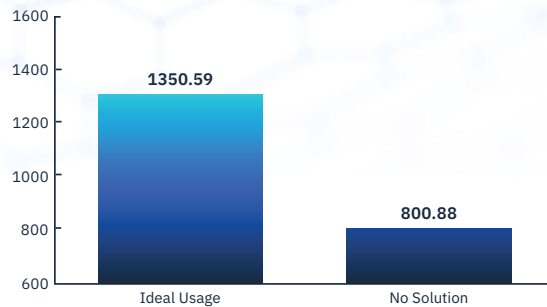
LARGE POPULATION CENTRE

Service departments in large population centres see a variety of volume classes. They average 602 customer pay ROs per month, up nearly 16% year over year. Stores in this urban classification can have a large impact on their performance by involving the technician in the quoting process.

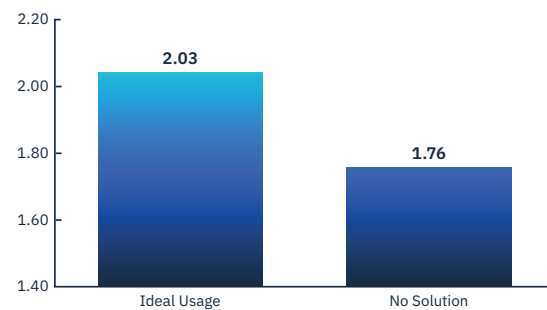
When comparing the average results of shops where technicians are quoting the work they found with an automated tool against those who are not, the advantages are clear:

- An average of 549.71 additional total hours sold, resulting in an average increase of 0.25 hours per RO.
- An average \$6.48 boost in ELR, achieved by finding and adding additional work beyond basic maintenance to the RO.
- An average \$69.58 increase in profit per customer pay RO

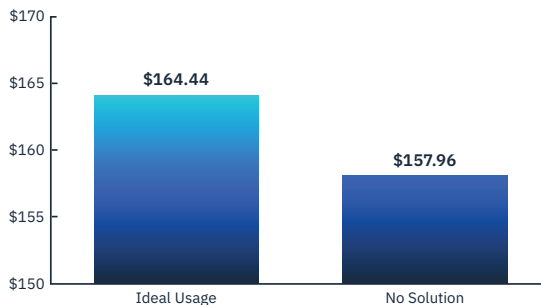
At the average number of ROs per month (602), shops that efficiently involve the tech in the quoting process saw \$41,887.16 per month more in profit on average than those that do not.



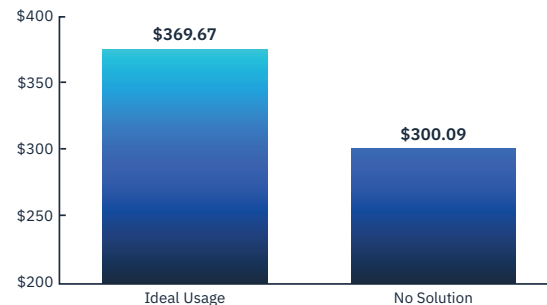
AVERAGE TOTAL HOURS USING TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE HOURS PER RO USING TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE ELR USING TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE PROFIT PER CUSTOMER PAY RO USING TECHNICIAN RECOMMENDATION SOFTWARE

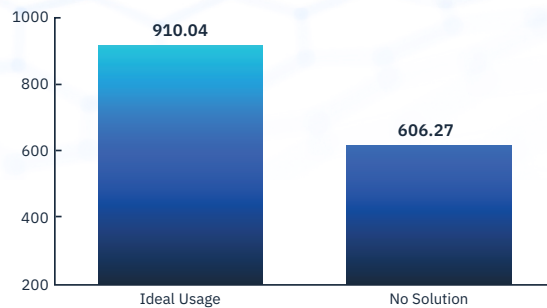
MEDIUM POPULATION CENTRE

Service departments in medium population centres averaged 431 customer pay ROs per month, an average year over year increase of nearly 42%. Like large population centre dealerships, these shops are in a prime position to boost profitability by making it easy for their techs to accurately quote jobs.

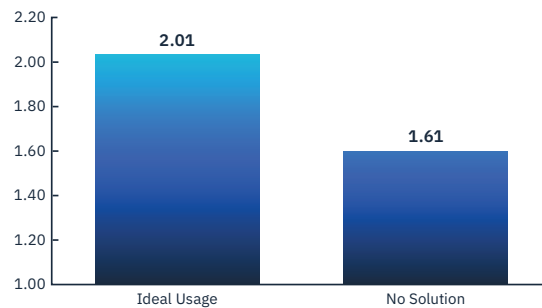
When comparing shops using an automated tool against those who are not, the average results included:

- An average of 303.77 additional total hours sold, resulting in an average increase of 0.4 hours per RO.
- An average \$7.92 boost in ELR, achieved by finding and adding additional work beyond basic maintenance to the RO.
- An average \$78.54 increase in profit per customer pay RO.

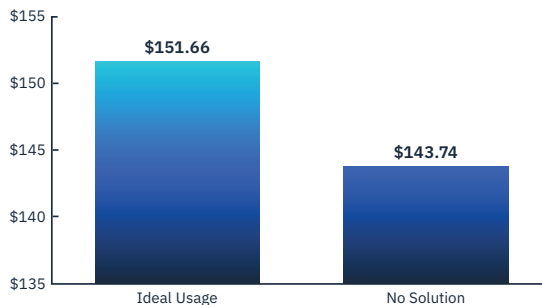
At the average number of ROs per month (431), shops that efficiently involve the tech in the quoting process saw \$33,850.74 per month more in profit on average than those that do not.



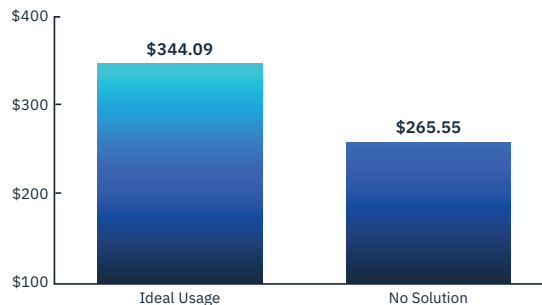
AVERAGE TOTAL HOURS USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE HOURS PER RO USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE ELR USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE PROFIT PER CUSTOMER PAY RO
USING TECHNICIAN RECOMMENDATION SOFTWARE

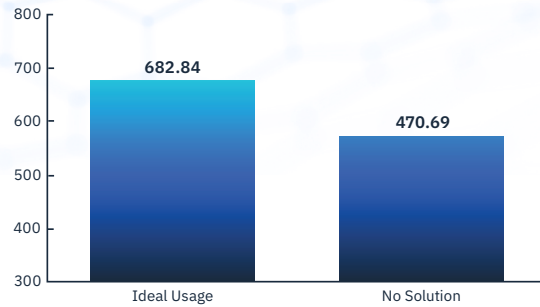
SMALL POPULATION CENTRE

Service departments in small population centres averaged 359 customer pay ROs per month, an average year over year increase of nearly 26%.

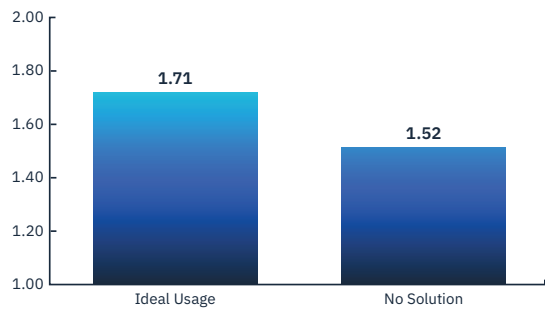
When comparing shops using an automated tool against those who are not, average results included:

- An average of 212.15 additional total hours sold, resulting in an average increase of 0.19 hours per RO.
- An average \$13.08 boost in ELR, achieved by finding and adding additional work beyond basic maintenance to the RO.
- An average \$54.62 increase in profit per customer pay RO.

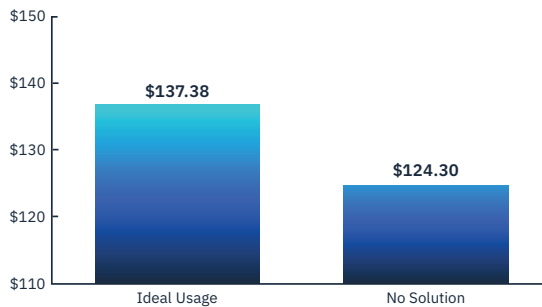
At the average number of ROs per month (359), shops that efficiently involve the tech in the quoting process saw \$19,608.58 per month more in profit on average than those that do not.



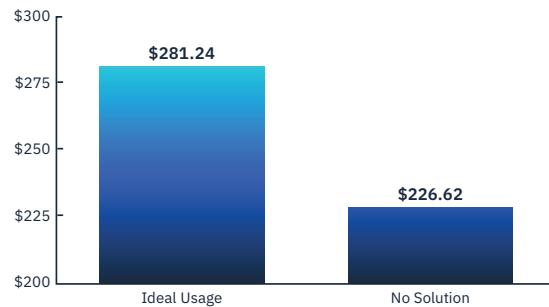
AVERAGE TOTAL HOURS USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE HOURS PER RO USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE ELR USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE PROFIT PER CUSTOMER PAY RO
USING TECHNICIAN RECOMMENDATION SOFTWARE

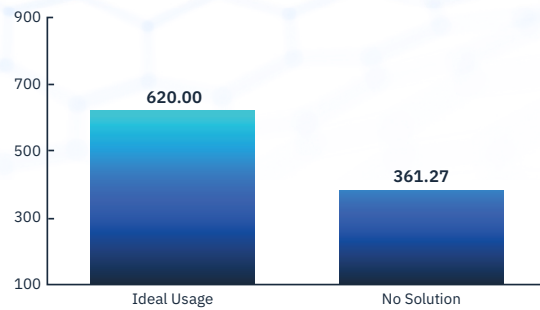
RURAL POPULATION CENTRE

Service departments in rural population centres averaged 244 customer pay ROs per month, with no significant average year over year increase.

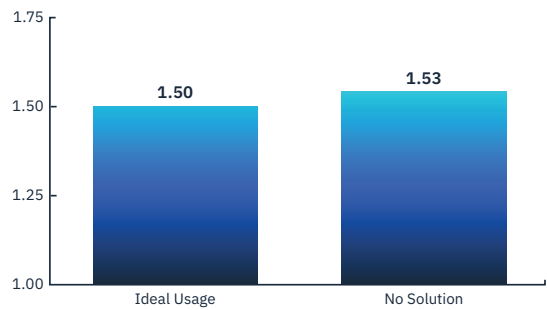
When comparing shops using an automated tool against those who are not, average results included:

- An average of 258.73 additional total hours sold, with 0.03 fewer hours per RO.
- An average \$20.80 boost in ELR, achieved by finding and adding additional work beyond basic maintenance to the RO.
- An average \$26.05 increase in profit per customer pay RO.

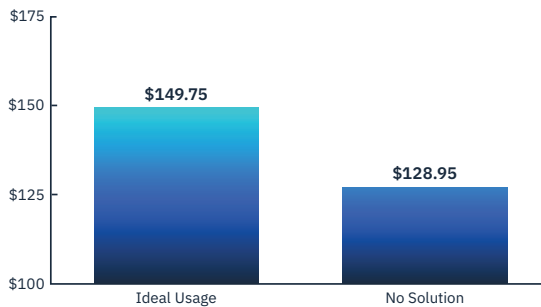
At the average number of ROs per month (244), shops that efficiently involve the tech in the quoting process saw \$6,356.20 per month more in profit on average than those that do not.



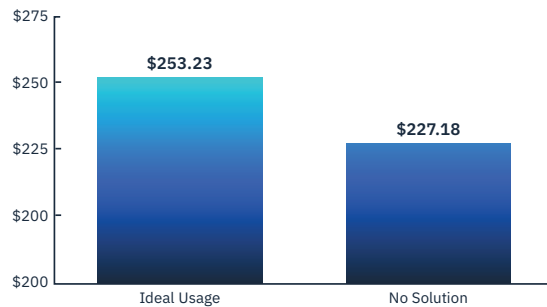
AVERAGE TOTAL HOURS USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE HOURS PER RO USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE ELR USING
TECHNICIAN RECOMMENDATION SOFTWARE



AVERAGE PROFIT PER CUSTOMER PAY RO
USING TECHNICIAN RECOMMENDATION SOFTWARE

CONCLUSION

Based on the data, it's clear there are opportunities for growth at dealerships in every urban and volume classification. Because there are many factors outside the control of the dealership, efficiency and productivity are keys to seizing these opportunities.

Whether it is training staff, honing processes, or securing software and AI tools to help technicians, finding ways to sell more work when capacity is available will boost profits for the business and employee.

The cyclical nature of customer behavior, linked to motivating factors like weather and governmental requirements, offers a roadmap for dealerships to create a plan from. With a strategy in place, technicians with access to efficiency tools are likely to make the most of their time and reap financial rewards for doing so.

If any dealership has questions about how to address their service department's unique needs, it can reach out to Reynolds for assistance. We're always happy to help identify ways to strengthen business outcomes.



Retail
Management
System

