

Plan for the Unexpected: Are You Ready for the Next Crisis?

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The following article is an MTD exclusive, written by Jeff Morgan, executive director of Dealer Strategic Planning, the DSP Group.

There is a popular Disney movie called “Aladdin”, which contains a song titled “A Whole New World.” This song is about seeing and experiencing wondrous new places and adventures that were not even imaginable before.

While this song was exciting and positive, the recent COVID-19 pandemic has created a very different “whole new world,” one in which we have experienced disruptions to our lives and businesses that were previously difficult to imagine.

Yet, here we are living in the pages of future history books.



Many tire dealers reacted quickly to the COVID-19 crisis and intensified their sanitation programs.

While we are still measuring the short and long-term impacts of this crisis, it does remind us how important it is as

business owners and leaders to have contingency plans in place for nearly anything that could impact our business, including those that might seem extremely unlikely.

Granted, the speed and fluidity of change during the COVID-19 crisis has left even the most careful planners having to be more reactive and adjusting on the fly, as opposed to implementing carefully crafted action plans.

However, even those experiences can be used to develop plans for other situations that could arise in the future. Additionally, some of these actions you have taken may be part of the “new normal” moving forward.

Let’s look at some examples. When the crisis first started, the biggest focus was on reducing health risks through improved hygiene and disinfecting protocols.

Many dealers already had programs in place for things like disinfecting surfaces regularly, using gloves and using protective items like steering wheel covers and seat covers. They also had firm policies in place requiring employees not to come in if they felt sick.

As the pandemic began to grow, it was just a matter of increasing the accountability to the plans they already had in place. For others, this was a very new process that had to get started and implemented. I would suggest that moving forward, these policies should probably remain in effect for all.

Also, as things progressed, the concept of social distancing came into the discussion. Again, many dealers were thinking ahead. Before local or state orders were implemented, they had planned out how to address this if it became something their business would need to address.

They also recognized how social distancing might change the interaction that their counter personnel have with customers. They developed a couple of potential plans.

One was to create barriers at their counters that kept customers and employees a safe distance apart. They considered giving customers gloves to wear when using pens to sign documents, having disinfecting protocols for all writing instruments or even adopting a no-physical-signatures program.

The second was to consider closing their showrooms altogether, creating work orders and tendering payments electronically or over the phone. They had signs prepared for their doors informing customer to call from their cell phones while in the parking lot.



The pandemic has forced tire dealers to take actions at their stores that were unthinkable even several months ago.

When the orders were issued, it was just a matter of implementing the plan. Many already saw a possible shift in customer habits before the crisis and had launched – or were preparing to launch – vehicle pick-up and drop-off programs where the customer never had to leave their homes to get their cars serviced. They had this service ready to go and got the word out to their customers.

As the crisis intensified, a reduction of business was inevitable. The shelter-in-place orders that subsequently followed were likely not foreseen by many, reducing business to near a standstill, in some cases.

Again, however, some dealers already had developed plans should business drop 25%, 35% or even more than 50% -- thinking it might involve something else, like nature disasters or traffic disruption due to road construction.

In many cases, they eliminated overtime for employees to control payroll. The next step if needed –which, in some cases it inevitably was – was to reduce employees' hours even further.

Then they looked at their traditional and current traffic flow trends to see where there was an opportunity to reduce business hours.

After they put this plan in place, the next plan involved further reductions if business dropped off more. They determined that closing Saturdays would be needed. Again, when the time came, they implemented the plan.

Recognizing the need to control expenses yet get the word out that they were open, many dealers leveraged inexpensive digital channels. Many went to social media early and often to let their customers know that they were there for them and their vehicles, plus the added steps the business was taking to keep them safe.

Many also introduced or reinforced their vehicle pick-up and drop-off service.

All the while, as these plans were being implemented, dealers were keeping an eye on what the government was planning from a small business support standpoint. That was certainly not easy with the quickness of change and confusion around new programs.

However, they stayed on top of what was happening and developed plans around what to do if and when those programs launched. For example, they closely watched and sought to understand the Paycheck Protection Program loans within the CARES Act.

As more information came out as to how much they could qualify, they laid out plans of what to do when the money became available.

Are you ready?

No one could have predicted the COVID-19 crisis and the impact that it had on business. You need to ask yourself if you are ready for other issues that may arise in the future.

Have you developed plans for other things that may impact your business?

What if a natural disaster damages your location?

These are just a few of the questions you should be asking yourself while making sure that you have some plans in place to work from should something happen.

Additionally, what are your plans for your business when we move out of the COVID-19 crisis?

You need to be planning how to deal with the next several months, as well as what your business will look like even further into the future.

While there might be some pent-up demand, it will not likely hit at once as many consumers are still struggling economically. Have plans for a both a slow increase, as well as a more rapid one. Also, be planning for how you may leverage some of the business changes you made today, moving forward. How will you continue to market and expand services for customers such as vehicle pick-up and drop-off or virtual payment options, like through smartphones?

There is an old saying: "No one ever plans to fail. They simply fail to plan."

Thinking through numerous scenarios and having plans in place to implement if sudden crisis situations occur will help put you ahead of the curve. Don't be caught off guard.

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