



TITLE: Dealer Health Check

AUTHOR: Russ Ziegler, Connect

About the Author:

Russ Ziegler is the Founder of Connect Sales, Coaching and Consulting, focused on helping OEMs and dealers strengthen performance through education, operational alignment, and measurable accountability. With more than fifteen years in the dealer distribution space, he has trained hundreds of professionals and supported dealerships across the United States in improving sales, profitability, and whole-dealer health.

On the surface, a dealer might look fine—orders are coming in, the showroom is active, and nobody is waving a red flag. But underneath, things might be quietly eroding. And by the time you *know* a dealer is in trouble, it is often too late to do anything about it.

OEMs need a proactive way to assess dealer health. Not just sales volume—but a broader set of metrics that indicate long-term viability and alignment.

Here are six key areas every OEM should monitor:

1. Parts & Service Revenue

Sales are flashy, but parts and service are a dealer's lifeblood. Declining aftermarket business may signal staffing issues, customer dissatisfaction, or a loss of recurring revenue.

2. Receivables and Credit Usage

Late payments, overused credit lines, or slow remittance on floorplans can all indicate cash flow issues. These financial stressors often precede drops in service, morale, and dealer stability.

3. Turnover in Sales or Management

Leadership changes are normal—but frequent turnover in salespeople, sales managers, or service advisors should raise a flag. It often reflects cultural dysfunction, poor performance, or financial strain.



The Connect Channel

4. Warranty Claims Patterns

Are warranty claims increasing, inconsistent, or poorly documented? That might point to improper training, product misuse, or even a lack of internal controls.

5. Stocking & Sell-Through Patterns

Are they ordering erratically? Sitting on old inventory? Avoiding new model orders? A healthy dealer manages inventory based on turn, not desperation or avoidance.

6. Engagement with OEM Programs

Low participation in training, promotions, or co-op programs is a warning sign. Engaged dealers stay plugged in. Disengaged ones are either struggling—or losing faith in the partnership.

Too many OEMs rely only on **gut feel** or **quarterly sales reports** to assess dealer health. Instead, build a consistent and data-driven check-in cadence—monthly or quarterly. And when you spot something early, do not wait. Offer help, ask questions, and open the door for honest dialogue.

Because a struggling dealer hurts more than their own business—they impact your brand, your market, and your future growth.

Build stronger OEM–Dealer results through clarity, alignment, and measurable performance.

Explore additional Connect Channel insights, field sales tools, and dealer development resources at

www.Connect-CSCC.com

You can also subscribe for future editions and updates.

