

Lube Mobile

www.lubemobile.com.au

May 2002

Lube Mobile provides a mobile mechanical repair service with most work undertaken at the customers' premises. Some major work is sub contracted out and some repair jobs are done at Mobile Lube's own workshop

Lube Mobile commenced in 1982 in Melbourne with the Sydney, Brisbane and Adelaide starting over the next couple of years. In 1998, Mobile Lube established a national administration and call centre in Sydney, while the Brisbane office supervises the national computer administration

Lube Mobile employs 250 staff Australia wide with two dedicated IT staff.

We talked to Peter Bennie, director, located at the companies South-East Queensland premises at Activity Street, Acacia Ridge, Queensland.

Who are your customers?

97% of our customers are the general public with the remainder business fleets and corporate work. For example we fit mobile telephones and in-vehicle computers to corporate vehicles.

Do you have an established customer base?

The majority of our customers are repeat business.

Are you trying to attract new customers?

Yes. We have good advertisements and use the Yellow Pages and TV to promote our business.

How will they benefit from your product/service?

We provide a convenient way for our customers to get necessary general service or repairs of their vehicles. They have the peace of mind to know what is being done to their vehicle and know what they are paying for. We provide an excellent warranty system and if the customer has any problems they just have to ring us and we will come back to them. Details of our customers' vehicles are maintained on a nationwide database so even if they are interstate, our mechanics can access the repair history of the vehicle.

Who are your competitors?

There is no comparable competitor as other mobile mechanics tend to be small independent one person operators. But I see car dealers and the large franchise chains as our competitors.

How have you been successful?

We focus on our customers' needs. We also tightly manage our overheads using full computer analysis of all our expenses. We can dissect expenses to each van in all our centres and can determine the profit and loss analysis for each van. Our mechanics are on a profit share scheme so this promotes a strong customer focus. We can also quickly respond to any deficiencies a mechanic may display in their work.

How do you use digital technology in your business?

In place of mobile telephones we have a trunk 2 way radio in each van and at all our premises. These radios are very economical as Telstra charges us on total airtime, not per call. These radios can send data packets. Using these 2 way radios and a simple communication system, we are able to ascertain which job each mobile mechanic is currently working on and whether they are getting parts for the job etc.

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We have 3 workstations in the Brisbane office mostly using Microsoft Windows 95/98 on a TCP/IP network with 5 servers using Linux plus one off-site backup server. We have 2 servers in the Sydney head office and each branch has a Linux server for printers, Intranet etc.

We use Microsoft Office. We have developed our own ERP (Enterprise Resource Program) software for e-mails, booking, inventory, management of vans, mechanics and financial transactions. We interface our software with a Sun accounting package. All daily financial transactions are dumped to the Sun software each evening for financial analysis purposes. The Sun accounting package manages end-of-month accounting, debtors and creditors. We developed our software over a 15 year period on a Unix platform. We use most on-line banking facilities at our head office.

We are connected to the Internet by a combination of ADSL, cable and ISDN and have a VPN (Virtual Private Network). Both Brisbane and Sydney have ADSL and ISDN while the other states have either ADSL or cable with a dial-up backup. We moved to ISDN around 1997. Prior to this we were using a private provider to link Melbourne, Brisbane, Sydney and Adelaide but it was very expensive and very slow. Initially ADSL had poor reliability but it is now good.

We use e-mail mainly for internal use. Suppliers by and large do not use e-mail very much. Internet customers get an auto generated e-mail questionnaire sent to them after the job. The return reply automatically updates our database plus a copy gets e-mailed to the relevant manager. The other customers are telephoned for their feedback. Our in-house developed ERP automatically e-mails monthly figures and statistics to our managers.

Do you use a regular e-mail newsletter?

No as we do not want to be perceived as a generator of Spam. However we will send a letter to any customer that has not used our services for a year.

Have you ever had problems with viruses?

Yes.

What measures do you take?

We are relatively sheltered because we use Linux, and we update our virus definitions daily

How often do you back up your files?

We mirror copy our files nightly to another standby machine plus have a backup to tape and a manual offsite backup

Do you have or are you connected to an Intranet?

Yes. Initially it was for our procedures manual which included workplace, health and safety procedures. Now we use the Intranet for analysing company statistics and control of the communication server. For example if a branch office loses its broadband connection, their local Intranet takes over and makes a dial-up connection.

Also we have connected Repco to our VPN. We have placed an intermediate computer at Repco so that all requests for parts by any of our employees are automatically directed to this computer then onto our system for authorisation. This Virtual Private Network with Repco halved our support administrative staff because prior to this automatic process our employees had to call someone in our office for an order number to authorise their purchase.

Do you use an Extranet?

Not yet, but we are currently planning one.

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What is your Web site for?

It is basically an on-line brochure with a basic booking system.

Is this a development of your existing business or a new venture?

It was a development of our existing operation.

If it is a development, how is it supposed to help?

To generate income and facilitate job administration as it does not tie up a call centre operator.

Do you have an on-line audience?

Yes, we obtain about 10 enquiries per day from our Web site, initially we were obtaining only about one to two enquiries per week. We feel that 10 enquiries per day is a significant number to justify our Web presence.

Do you host internally or externally?

We host internally in our Brisbane office.

Do you make/allow transactions on your site?

Not yet.

Do you collect information with forms/surveys?

Yes.

How do you manage/update the content of your site?

We get a Web designer to make any changes but we physically install the new pages onto our Web site.

How do you promote your site?

We do not put much energy into it yet. We have looked at search engines and use some of them and we advertise our site in Yellow Pages and Yellow Pages Online.

How much does it cost to promote your site?

We are considering increasing expenditure on promoting our site.

Do you ask customers how to improve your site?

No.

Do you have an existing customer database?

Yes.

Does your Web site capture new customer information?

Yes.

Does your site have a privacy policy?

Yes.

How many versions/upgrades?

We have had two upgrades.

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Did you write a project plan before you started?

No. The Web site is an evolving project and we deal with the issues as they come. However we have planned other projects that are in progress. These include our in-van computers, development of our Intranet and the on-line booking system.

Where did you go for advice?

Internal staff plus we refer to online documentation for specifically tasks.

Did you do the work yourself or use outside contractors?

A combination of both.

How much did it cost you?

The graphics for the new Web site have cost about \$2,500 and the database interface has been developed internally. The Intranet and on-line booking developments are in-house costs. The in-van computers will cost about \$500,000 in equipment.

What mistakes did you make that you wish you hadn't?

We constantly make mistakes but this is necessary in this type of pioneering work. We spent a lot of money on Microsoft software but if we were to do it again all our workstations would be Linux instead of Windows. Like most people we were used to Windows but the cost is high, it produces a lot of dramas and errors. It only takes a couple of week to become familiar with Linux and I believe it offers better value.

What were the main risks you took?

With an IT staff of only two with the necessary IT experience, we could face a problem if both of us were not available for some reason.

What advice would you give someone else?

Not to rush into a new purchase. Try to understand what the salesman is selling before buying it. Check with other users for their experiences of the product.

What were the barriers within your business to your digital project?

The lack of training. It is necessary to explain clearly what is involved with any new IT development.

Did everyone in your business support the enterprise?

Yes. Most problems appear to stem from lack of training.

How did you overcome opposition/concern?

Whenever we have a new system, procedure etc we first trial it and get feedback on the trial before full introduction.

Do you know what technology is used in your company?

Yes.

Do you understand what it does?

Yes. Prior to Mobile Lube I had a background in computers and databases. I am also involved in the development of new IT systems used by the company.

Where can people find useful advice about the subject?

This is very difficult because vendors cannot be believed.

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How did you decide which technology to use?

Through internal research.

Are the key managers in your business up to speed with digital technology?

Yes. Each 6 months we have a company conference. Years ago only a small amount of time was devoted to IT. Now most of the day is focussed upon technology and our current IT systems.

What are the business benefits you are hoping for?

With the in-van computers linked by two way radio to our computer system, we will not require administrative staff to monitor the vans and mechanics as our computer system will automatically know where all our mechanics are and what they are doing. The on-line booking system should take pressure off our call centre operators as customers can directly book the place, date and time of their job while on-line.

Are any of these benefits quantifiable?

Yes.

What is the most important thing you've learned in the last year?

Linux's ability – it is a better platform for us.

Given what you know... would you do it again?

Absolutely.

What are you planning to do next?

Implement a virtual paperless Intranet information system with our documents and files assessable through our Intranet. The only issues we face with this project are security and the need to constantly update the Intranet.

The in-van computers have been designed and we have prototypes available. Each computer is housed in a sturdy metal box and has credit card swipe facilities, receipt printing and a display, QWERTY `keyboard' and function keys, with a built in GPS. Mechanics will print an invoice and it will be instantly recorded in the financial transaction system at our office.

We have subcontracted the Web interface for our on-line booking system. Once we have installed the on-line booking system we intend to promote our Web address on all the vans.