



RV Industry Death Spiral – RV Dealers

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Dealers Drop the Ball on Service

Shadowing the **RV Industry Death Spiral** series by Greg Gerber at the [RV Daily Report](#), this post is focused on the RV dealer. We put our trust in these people/organizations to sell and service our recreational vehicles. There is an industry code that is backed up by law that states any vehicle leaving the dealer's premises must be safe to drive.

“The *RV Daily Report* tells us a different story. “RV dealers are on the front lines of the RV industry – the foot soldiers engaging in battle every day. They are the face of the industry as well, and the group most likely to take shrapnel from friendly fire and hostile customers.

These small-businessmen and women are becoming more professional every year, but there are still some glaring deficiencies as a group.

Perhaps the most significant problem, for which RV dealers have direct ability to solve, but choose not to, is service capacity. They are laser-focused on selling new and used RVs, but it's a rare dealer that invests in expanding the business' infrastructure to service the RVs being sold.

For example, an RV dealer opened his new shop 10 years ago with 10 service bays. In the ensuing 10 years, the dealership sold around 150 RVs each year. That means he has 1,500 new customers, in addition to the old, competing for time in 10 service bays.

The industry built more than 1.1 million new RVs in the past three years. During that time, how many dealers have added even one bay to their service center? My guess is that it is less than 100.

It's no wonder that RV owners have to wait weeks to get a service appointment – a fact that leaves owners steaming mad.

Now take into consideration that people buy RVs to travel and, when they do hit the road, the RVs have a tendency to break something almost every week. In the past 30 days, my levelers stopped working, the fresh water inlet valve broke and the air conditioner conked out.

The earliest an RV dealer could fit me in to the schedule – if the staff were to reply to the inquiry at all — was Aug. 13. That's simply unacceptable due to my heavy travel schedule. It is getting to the point now that I must estimate where I'll be on a specific day months at a time and make an appointment. If I arrive in the area and don't need the slot, canceling it is easy enough.

Fortunately, another camper fixed my levelers and a mobile tech fixed the other issues. Kudos to Stuart's Service in Elkhart, whose owner Chuck Stuart drove to the campground I planned to visit and hand delivered the needed wire to fix the levelers because his shop was shut down for vacation the week I was planning to be in town.

I can't count the number of times I have been told by RV dealers that they only service units bought from the dealership. I'd like to say I hope their customers encounter similar treatment when on the road, but I suspect they already do.

When it takes six weeks in the middle of the camping season to score an appointment at a service center, you know the dealership is blinded by sales and oblivious to the disaster unfolding at the back of the house.

If the season starts Memorial Day and ends Labor Day, that leaves 10 weeks for RVing fun. It is understandable why consumers are incensed when told they have to wait six of those weeks for an appointment, and then often leave the RV at the dealership for a week or two to complete the repairs.”

Fix it Right the First Time

“There seems to be a consistent issue in that technicians can't diagnose a problem and fix it right the first time, which requires multiple appointments to correct. It is a never-ending vicious circle. I have experienced this problem first hand.

- I had a stereo system installed in my RV, but the technician forgot to attach the roof antenna to it, so I could not get AM or FM stations.
- The hydraulic motor that services the slideouts stop working. After paying \$99 to overnight a \$500 part, the technician replaced just a section of the motor assembly, but not the entire motor. So, after having it repaired in August, it was replaced again in February.
- The driver's door would come ajar while driving and I couldn't open the door from the outside. After a technician “fixed” the problem, I could open the door from the outside, but could not lock it from the inside.

- I had rotors repaired in February 2015 and replaced again this April – with the second technician saying there was no way the rotors could have been turned the first time because they were so worn it would have damaged the machine.
- Another dealer “fixed” a broken water filter by installing a new filter housing and jerry-rigging the connections so that all water to the kitchen sink went through the filter, instead of just the filtered water faucet and ice maker. Now it takes four minutes to fill the sink.

Kudos to *Little Dealer Little Prices* in Phoenix for assigning a trained technician to fix a long laundry list of problems in February – all of which have held up without a problem.

For far too long, the RV industry has relied on handyman tinkerers to fix most issues with their own RVs. However, that luxury is quickly coming to an end. People once grew up fixing their own cars and were actually taught auto repair in high school. Today, many people, myself included, have no interest in fixing things and lack the skills to do it well.

Why is it that most RV owners need to adopt a service technician after buying an RV? The industry would do well to develop and include an R2-D2 robot with each RV built just to diagnose and repair the vehicles.”

Lack of Tech Training

“One obvious reason for dismal repair quality is that RV technicians lack the training needed to properly diagnose and repair the RVs. This is an absolute industry black eye that I will explore in an upcoming column.

RV dealers have been complaining about the inability to find qualified technicians since 2000 when I first entered the industry. Here we are 16 years later and dealers still cannot find them.

Why this industry doesn’t have a permanent comprehensive online multi-faceted training program to allow technicians to educate themselves on every RV component is baffling. Stranger still is that there is no concerted effort to recruit technicians to the industry.

Yes, some state associations, like Pennsylvania and Florida, have taken the lead in providing training services for technicians, and the Florida RV Trade Association has created billboard campaigns to attract returning veterans to the field.

But, the Pennsylvania courses can accommodate just a few dozen technicians, and Florida has less than 1,500 people enrolled in all of its programs.

But, dealers are capable of so much more potential. They don’t seem to hesitate to bring sales professionals in to train the staff; but they aren’t as likely to make an equivalent investment in technician training.

I know it’s more fun for dealers to spend \$1,000 to treat their staff to a nice meal. But it would be a much better investment with a significantly higher rate of return to pay the annual fee for all techs to access the FRVTA’s online training.

Some supplier companies do make an effort to set up training sessions in key locations hoping that dealers will send technicians to the meetings. But, many times they’ll see less than 10 people

at the sessions, even though there are dozens of dealers within a two-hour drive, each employing six or more technicians.

To its credit, the *RV Industry Association* introduced technician training to the schedule at last year's National RV Trade Show in Louisville, Ky. RVDA also offers Vendor Training +Plus sessions at its convention in Las Vegas, but most lack the technical component to teach technicians to diagnose and repair equipment.

Service at RV dealerships has become such a problem for consumers that they turn to RV manufacturers not just for major structural repairs, but nit-noid fixes as well. Ticked off that their RV dealer can't do repairs for six weeks, owners make appointments at manufacturer facilities hoping to get the work done faster.

But, so many RV owners are taking that route now that RV manufacturer repair facilities have a backlog of appointments that often stretches out for months as well.

Why are there as many people abandoning the RV lifestyle as get in it each year? It's certainly not because they have seen all they can of America. It's because they get fed up with the amount of repairs necessary to maintain an RV, and the length of time required to complete the repairs.

I challenge anyone to Google "RV tech training" and look for online training.

RVTechnician.com, an RV Dealers Association website, comes up near the top. But click on that link and what do you find? Information about becoming certified – not becoming educated. For a comparison, Google "electrician training." Notice a difference?

Thank goodness there are a few public tech schools and specialty private schools around the country offering training for RV technicians. The bad news is that bigger dealers immediately hire all the graduates.

The situation isn't getting better. In fact, it's moving in the opposite direction with the abandonment of RV specialty certification. You'd think technicians with advanced training in propane systems, electrical, hydraulics, or chassis repair would be far more efficient at their jobs. But, when training is offered, the industry wants to create jacks of all trades – and masters of none."

Poor Technician Pay

"One big reason RV dealers can't attract technicians is that they aren't often willing to pay them enough to jump into the industry. I know a master certified Volkswagen technician who makes upward of \$80,000 working Monday through Friday from 9 to 5. That's about \$38 per hour.

In the RV industry, it is estimated that new techs are paid as little as \$12 to \$14 per hour. In-N-Out Burger starts their employees at \$11. Senior technicians, especially those who are master certified, can make as much as \$30 to \$32 per hour.

I saw a dealership's Facebook post that offered a starting salary of \$13 per hour. If the tech became certified the rate jumped to \$15 per hour, and a master certified technician could earn \$17 per hour. Yeah, baby!

Where do I sign up to invest a lot of money in training and tools to become master certified so I can bank a whopping \$650 more per year than the kid who just graduated from high school. Trained and certified technicians are often the most efficient in the shop. They should be amply rewarded for their work in developing that profit center.

I don't know if there is a magic formula for pay, but something needs to change. Techs paid by the hour don't really have an incentive to complete repairs in a timely manner. Techs paid on a flat-rate are incentivized to work faster and smarter, but generally don't get paid to properly diagnose the problem – especially on warranty repairs. So they address symptoms, not the true cause.”

Costly Repairs

“Most RV dealerships post shop rates between \$125 and \$160 per hour. Yes, they have to recoup their investment in building and supplying the shop, as well as pay for plumbing, electricity, storage of hazardous materials and liability insurance, among a dozen other things.

They also need to hire a warranty clerk, a parts manager, service writer, porters to move units in and out of the bay, a cashier and service manager – all of whom are paid salary and benefits from that hourly rate.

But, if there are six working technicians billing \$125 per hour, the dealership is making \$750 per hour – which is more than ample income to cover the above expenses.

‘But, but, but... we have to pay techs to do check units in upon delivery and another inspection before the owner takes possession!’ Agreed. But, the sales department should be a customer of the shop and those expenses recovered through the sale of the RV.

Customers are known to physically gasp when presented with the repair bill when they see the amount due, especially for labor. Therefore, it is in the best interest of customers that dealers employ trained technicians who can quickly diagnose and make repairs.

Last year, I got two oil changes for my motorhome. One was done at a truck stop for \$69.95 and took all of 25 minutes. The other one was done by an RV dealer that billed me for 1.5 hours of labor and the total cost came to \$150. This kind of overbilling breeds distrust among consumers who have a good idea what it takes to do some basic repairs.”

Training Buyers

“RV dealers have not just dropped the ball on consumer education,” says Greg, “they have punctured it and thrown it away.

The ‘industry’ routinely fights off legislative proposals to require special licensing to drive 26,000-pound motorhomes and fifth wheels as long as semi-trailers, but fails to provide any formal training on how to drive, tow or use an RV.

Yes, new buyers can pay \$150 for a one-hour walk-through demonstration of their new RV. Even then, they aren't taught HOW to dump the tanks, the proper way to hook up to electrical

outlets, how to hook up a tow car, or how to position an RV in a campsite to avoid obstructions when slides are extended. Those are all lessons learned by experience.

There is a huge difference between driving an SUV and driving a motorhome; and backing a fifth wheel can be tricky and dangerous. In fact, using an RV on a highway is a white-knuckle experience for most RV owners, especially newbies.

Kudos to *Lazydays* for offering consistent driver training courses, but the classes are limited to motorhome users only.

To tell a driver that operating a motorhome is just like driving a car is irresponsible at best. Failure to properly handle a tire blowout in a big rig can be a fatal mistake for the RV owner and other drivers around him. Turning corners when dragging a 20,000-pound towable exerts significantly different gravitational forces than experienced when driving cars and trucks.

RV driver education is essential, and RV dealers are in the best position to provide it.”

Dishonest and Unethical

“All it takes is for one consumer to encounter a dishonest or unethical RV dealer to give them all a bad name. Manufacturers generally know who is screwing up in that regard because the bad dealers are reported by consumers and competitors.

But, the attitude is as long as they keep rolling inventory off the lot, the OEMs will just look the other way. That’s why it’s good that groups like *Route 66* and *Priority RV Network* have standards they expect their dealer members to follow.

One of *RV Daily Report’s* bloggers, Dana Ticknor, penned an article last year that has been viewed more than 16,000 times. Titled *Dear Dealer, Here’s Why You Lost a Sale*, the article outlines her family’s experience buying a new RV. You can read the story by [clicking here](#).

Honesty among RV dealership staff is a problem, and many times the dealer isn’t fully aware of what’s happening in his store.

Here’s the ugly truth. RV owners are better educated today than they have ever been. They often quiz dealership staff to determine if they are being told the truth when it comes to buying and servicing RVs. One lie and the opportunity, for a sale or to develop a lifetime customer, walks out the door.

Most RV owners have no clue as to the level of depreciation that impacts RV values in the first year or two. Selling an RV with little or nothing down and extending payments 20 years or longer means the customer won’t have any equity in the vehicle for a decade.”

Short Memories

Sometimes Greg thinks RV dealers are like goldfish in that they have very short memories. They swim to the end of the tank, flip around and think they’re on a whole new adventure.

“You never see a Ford dealer become a Chevy dealer two years later and then jump back to selling Ford vehicles a few years after that. But, in the RV industry, this happens all the time. There is no loyalty to manufacturers.

Dealers get ticked off over poor warranty reimbursement or quality problems and drop the manufacturer – as they should. But, a few years later when the OEM has the hottest new model, they jump back in without remembering what led to the divorce last time.

That’s no way to build a brand for a manufacturer or dealer. They should carefully chose their partners and stick with them through thick and thin.

Before dealers jump on me for questioning their loyalty, I’ll admit that manufacturers have little loyalty to their dealers as well.

They impose excessive quantities of inventory upon the dealership, then withhold warranty payments. Even if the dealers remain loyal to the manufacturer, they can get dumped overnight if the OEM thinks someone else a few miles away may be able to sell a few more units a year.

RV dealers who were caught with enormous amounts of inventory on their lots in 2007 are playing with fire today. How many dealers went out of business in the Great Recession? Yet, many dealers are once again financed to the hilt today. Why must history repeat itself? Because OEMs tell the dealer to increase inventory or they risk losing the product line.

RV dealers are some of the most brilliant entrepreneurs I have ever met, but as a group, they also provide some of the biggest disappointments for consumers. What’s truly unfortunate is that bad dealers taint the good ones to the point buyers expect bad service when visiting any RV dealership.

The industry cannot survive on that foundation of distrust.”

Thank you, Greg, for sharing this RV dealers overview with my readers. *MovingOnWithMargo* never fails to encourage travelers to “do the research” on the vehicle and the dealer before signing on the dotted line. It is amazing how the excitement of the purchase overshadows the logic.

One other important point: **always, always, always** have an RV inspector thoroughly look over the RV before committing to the sale. If a certified inspector is not available, hire a mobile repair person to spend an hour checking off the list you downloaded from the Internet.

Just this one act alone can save you from costly surprises. If the dealer puts blocks in the way of the inspector (sometimes they try to make you feel guilty for assuming the worst, as in “we have won awards, blah, blah”), walk away fast.

The RV Lifestyle Collection by Margo Armstrong



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