
PERSPECTIVE . . .

STUDY DEFINES ACCURATELY WHAT SHOPS EXPECT FROM SUPPLIERS

In the Aug. 5 issue of *Service Executive*, sister newsletter to *The Greensheet*, we talked about a recent **Frost & Sullivan** study that raised the issue of how those in the bays perceive the quality of parts from aftermarket suppliers. We noted that it wasn't exactly clear what the F&S study was saying but that any study questioning the perception of the quality of aftermarket parts "would require considerable scrutiny and discussion within our industry."

A little more than a week later, we have acquired an advance copy of what we consider to be a credible study from an industry group that may, at the very least, define the perception of the issue of quality, as well as many other factors in the purchasing process. The **Marketing Executives Council** of the **Automotive Aftermarket Suppliers Association** — a group formed in 2003 to work together to improve the image of the North American supplier base — will release next week a special report that analyzes the buying influences on the independent repair industry. The findings will certainly be quoted in the months ahead.

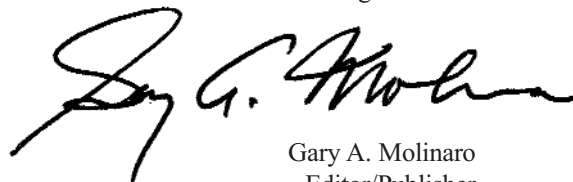
The study, titled "Independent Repair Industry: Focus Group Findings on Buying Influences of Repair Professionals," involved an independent third party conducting a series of six focus groups in Raleigh, Chicago and Los Angeles with "the aftermarket's 'front line' — the technicians and owners of independent repair facilities" to gain an understanding of their perceptions and opinions of aftermarket parts and products. The nearly 60 repair professionals who participated were decision-makers in their shops, with at least five years of experience. The shops had at least three bays with at least half of the product purchased coming from aftermarket suppliers and more than half of the work performed beyond oil changes and tire replacement. The shops involved also serviced all makes and models.

In brief, the findings were:

- The quality of aftermarket parts has significantly improved. They do not worry about quality like they did five to 10 years ago.
- Brand comes before country of origin. They may prefer "made in the U.S.," but what is important is who stands behind it.
- House brands sell on price and on price alone.
- No one wanted to admit they buy generic brands. The exception was if no other part was available and in cases where the part was not safety-related.
- OE quality is a very important selling point. However, there will be a backlash against products that are marketed as OE-quality which are not. The participants said that OE-quality products allow them to sell with confidence — and at a higher price.
- Form, fit and function, also associated as quality, is the primary factor when making a purchasing decision. Everything else comes second. Speed of delivery and availability comes next, followed by previous experience with the brand.
- With very few exceptions, online catalogs with illustrations have become a necessity. And, to these folks, industry formats and standards are not important — the accuracy of the data is important.
- Providing "full-line" offerings are not that important.
- Many shops participating already offer two-year, 24,000-mile warranties and expect their supplier partners to support .
- Responses on training from manufacturers were all over the board. They ranged from "we don't need it" to "we can never get enough of it." Other sources of training mentioned were the Internet, third parties and OE training (available to those employed by dealerships).
- Marketing programs are not respected. They want a quality product first and foremost, and marketing programs won't change that.
- Shops were not more loyal to manufacturers that offered essential services such as field sales support, training programs, or technical services like toll-free hotlines, cataloging and so forth.

In this case, it seems the right people were asked the right questions. And, those answers should serve us all in defining what we need to do to be better channel partners — regardless of where we are in this aftermarket supply chain.

Editor's Note: The complete 21-page study will be available at <http://members.mema.org/AASA/Core/Orders/category.aspx?catid=8> starting Monday, Aug. 17.



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