

## **GLOBAL AFTERMARKET PANEL (GAP) 2001.**

### **Highlights from GAP 2001**

#### **Best performers in the global service aftermarket**

The best performing aftermarket centers reported increases in business of approx 20% in 2000/1999. Globally the best performers in 2000 were the quick service franchise chains and authorized dealership networks.

In every market the leading dealership names are those servicing the most popular car makes in that market. In France, for example, Renault, Peugeot and Citroen are the leading dealerships, while in the USA Ford and GM are among the leading dealerships.

#### **The largest and the growth aftermarket services**

The best performing outlets increased sales in the largest aftermarket service segment: regular or scheduled maintenance work (e.g. oil, filter, brake, and exhaust). The introduction of more consumer convenience services was the single most important factor growing use of regular maintenance. These measures included

- Easy-access locations with on-site parking.
- Longer opening hours (e.g. 12 and even 24 hours a day).
- Fast and reliable turn-around times on services.
- Services on-demand (e.g. no appointment needed, towing services).
- Transparent or pre-set prices, along with service guarantees.

### **Test and high-tech work**

In the best performing service centers, as in the service aftermarket in general, only the minority of centers able to invest in skilled staff, equipment and tools increased sales in the newer and growth services: test and high-tech work. Growth in demand for test services was due to regulatory measures, such as the more stringent mandatory car safety and environmental tests.

The leading high-tech work continues to be servicing electrical, electronic, audio, air conditioning (AC), safety and anti-theft systems (e.g. airbags, alarms). Though services for multi-media and navigation systems are growing this is still a niche market restricted to a minority of luxury cars.

### **Heavy repair**

Demand for heavy repair continues to decrease. The decrease is because it is more profitable to replace than repair parts. However, globally trends in demand for heavy repair vary. Heavy repair accounts for more business in the emerging than in the developed markets due to lower labor costs, along with higher accident rates, traffic congestion, unpaved roads and lower quality parts.

### **Leading brands**

The leading brands in the authorized dealership channel are original equipment (OE) parts. OE brands maintain sales in the dealership channel due to buying agreements, their reputation for parts' quality and ease-of-fitting, along with strong consumer demand.

Brand share in the franchises is more fragmented than in the dealership channel. The largest and international franchises often have their own name brand particularly in the high volume parts' categories.

Competition in the high volume parts' categories continues to increase.



### **Description of GAP**

Diagonal Reports Ltd. **Global Aftermarket Panel (GAP) 2001** is the third annual global survey of the largest auto aftermarkets world wide. GAP 2001 provides the latest market intelligence on the automotive service aftermarket. The research was conducted in Jan-April 2001 and all data refers to the 2000/1999 sales period.

The leading aftermarket service categories are covered

- Light repair and maintenance (also known as regular or scheduled maintenance),
- Heavy repair, including under the hood and collision repair.
- High tech work (electrical/electronic, & computer controlled parts)
- Test work (pre-testing cars for mandatory safety and environmental tests)

Franchise chains included Euromaster, Feu Vert, Kwik Fit, Meineke, Midas, Monro, Norauto, and Speedy.

Affiliated dealerships included Ford, GM, Toyota, Nissan, Renault, Peugeot, Chrysler, Mercedes Benz, Volvo, BMW, Rover...

### **Countries covered in GAP 2001**

The GAP 2001 automotive aftermarkets include the USA, Germany, France, Italy, Spain, UK, Japan, Korea, Taiwan, Hong Kong, Singapore, Mexico, Argentina, Brazil, India, China, Malaysia, Indonesia, Philippines, Vietnam, Thailand, Australia, UAE, Egypt, Iran, Saudi Arabia, South Africa, and Turkey.

The GAP (1999 onwards) series provides an unparalleled understanding of global aftermarket trends and are representative of 100,000 (one hundred thousand) service providers worldwide and millions of service visits. The information is based on primary research. Participants include some of the largest aftermarket service providers in each country.

### **Diagonal Reports**

Diagonal Reports, a business-to-business market intelligence research company, specializes in the auto service aftermarket and tracks developments in the auto service center market worldwide.

Diagonal Reports' Research Director also conducts one-day workshops on the global auto service aftermarket.

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