

News Release

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For Immediate Release

Customer intelligence helps future-proof bodyshops

The Collision Repair Industry is consolidating; fewer players are controlling where the work is going, so it's more important than ever for bodyshops to future-proof themselves in order to survive. Listening to customers is one way to do that, but as Jim Muse, Axalta's Vice President of Refinish for Europe, Middle East and Africa, explains, it isn't quite as simple as that.

01 September 2020 – The refinish market is changing quickly. Today, bodyshops face on-going strain on margins while at the same time they are under pressure to invest in new technology and training. On top of that, the collision market must deal with an aging workforce and a shortage of good, qualified technicians.

“This was a reality that existed long before the industry encountered the coronavirus. These issues are amplified now and bodyshops have to act fast to future-proof themselves or they may not survive,” says Jim Muse, Axalta's Vice President of Refinish for Europe, Middle East and Africa.

What is future-proofing

Future-proofing simply means a business has planned for, and implemented changes, to address future challenges. By future-proofing, businesses mitigate risks that may make them redundant or no longer fit for purpose. One widely accepted action in a future-proof plan is to ensure customers are being listened to. Many bodyshops may say they already do this when they engage with the car owner at drop-off and pick-up, but as Muse points out, it's not as straightforward as that.

“Listening to your customer is of course essential, but there are steps before and after that. Bodyshops must understand who the customer is before they can listen to them, and they need to understand what their priorities are so they can engage with them from the appropriate viewpoint – this is customer intelligence,” he says.

Who is the customer?

There are several candidates competing for the title of “bodyshop customer”: the driver, the claims management company, the insurance company, the vehicle manufacturer and potentially the fleet / lease company.

“So, which one is it? Here’s the plot twist; they all are. And unless a bodyshop recognises that, they could be in trouble,” Muse says.

Individual market dynamics may drive bodyshops to make strategic decisions about whether or not to engage with one or more of these customer groups. For the bodyshops that choose to engage all customers, they must understand that each subsegment must be dealt with individually, as they each have their own particular requirements and needs.

Muse adds, “It is not a one-size-fits-all approach. A recent survey showed that 62% of companies are investing to meet the changing needs of their customers¹, which is a savvy business move. Our team has years of in-depth experience working across multiple markets and have engaged with all levels of these customer groups that bodyshops work with. We understand what is important for each, and what priorities they each have.”

The driver

This customer’s needs are in some ways the easiest to address. They want to get back to how their life was before the car accident. Simply stated, get their car back as quickly as possible and with little to no disruption to their lives.

¹ Walker Info 2020 Customer Experience Report
<https://www.walkerinfo.com/Portals/0/Documents/Knowledge%20Center/Featured%20Reports/WALKER-Customers2020.pdf>

“The driver generally wants the aesthetics of the repair to be excellent; if it’s not, then complaints are almost guaranteed, which is always a headache for the bodyshop. So, refinisher skills are an important factor when dealing with this customer,” Muse explains.

The claims management company

The demands from this customer are significantly different to those of the driver. As an intermediary in the repair process, speed and communication are critical; they want bodyshops to get in touch with the driver immediately. They also want the car repaired – only the work agreed on, of course – quickly and at the right price.

“And this customer wants updates on progress in real time, which can be a significant burden on bodyshops if they aren’t prepared,” says Muse.

The insurance company

This customer has multiple demands for a bodyshop. Muse explains, “Insurance companies want bodyshops to prioritise their car before any other, no matter what – fix it first. They want the job done by properly qualified staff who can do the work fast and within the right cost containments.”

The interaction with this customer should be handled very carefully, as the insurance company sees the way in which their policy holder – the driver - is treated by their chosen bodyshop as a moment of truth: the point in time when the policy holder finally realises and understands why they have been paying for the policy. This is also the moment where the service offered by the bodyshop reflects on the insurer’s brand – positively or negatively. Muse adds, “the worst case scenario is that the driver makes a complaint to the insurer.” For the insurance company, the driver’s positive experience is critical to retain them as a policy holder.

The car manufacturer

“Reputation, standards and safety are all important for this customer. Bodyshops must meet their strict standards in order to uphold their hard-fought brand reputation. Get it wrong and the manufacturer is at risk of losing future revenue as customers choose other marques. For the bodyshop, not only is its own reputation tarnished, but they are at risk of losing a lucrative and prestigious approval,” says Muse.

As autonomous vehicle technology continues its upward trend, this customer becomes particularly important. If the bodyshop gets a repair wrong, for example related to sensor adjustments, the car manufacturer could face potential legal issues for unsafe repairs.

Fleet / lease company

For this customer, bodyshops need to recognise that volume is key. The more the bodyshop can industrialise the repair process, the more work the fleet or leasing company is likely to send their way.

“Time and costs are of course essential for fleet owners, but quality work means they can de-fleet the vehicle with fewer issues, which is a huge plus for them, and an important opportunity for the bodyshop,” Muse adds.

An additional consideration for engaging with this customer is overall customer experience. This is of particular importance when dealing with the driver of a car from a company fleet. Simply stated, the driver of that company car is the the fleet company’s most valuable asset, and the bodyshop should treat them as such.

The best way forward

For bodyshops who are already facing pressures every month, adding yet another issue to worry about may not seem like the best way to prepare for the future, but it’s essential.

“The adage goes that happy customers are the best business strategy, so of course listening to your customers is important. But what’s vital for future growth and safeguarding a sustainable business in this volatile market is understanding customer intelligence. Recognising there is more than one customer, knowing who they are, understanding how to combine their needs with your services, and learning how best to communicate with each of them is essential to survive. That is not always easy, so we recommend bodyshops look at partnering with organisations who can help them navigate this challenge professionally, efficiently and effectively,” Muse concludes.

For more information about Axalta Refinish, please visit

www.refinish.axalta.eu.

About Axalta Refinish

Axalta Refinish - part of Axalta, a global leader in the coatings industry – is a valued, reliable global paint repair partner to our customers, who demand nothing short of total customer satisfaction. We give them confidence in our fast, efficient, high-quality coating technologies and integrated digital business processes, making the entire paint repair journey faster, easier and more profitable. With more than 150 years of experience in the coatings industry, our dedication to innovation and our constantly-developing technology means we offer our customers an unlimited colour choice for perfect colour matches. Most importantly, we work tirelessly to anticipate our customers' needs so they can address the challenges they face every day. We have an impressive portfolio of brands for every bodyshop requirement, for every segment of the market, and for every level of market maturity. For more information visit refinish.axalta.eu and follow us on [LinkedIn](#)

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