

Marketing Support Service

REPAIR QUALITY MEASUREMENT

Network Support Services

After significant research of consumers and their purchasing habits, Akzo Nobel has assembled a new category of marketing support services for collision repair centers to enable them to compete at a higher level. These services enable the participating collision repair professionals to leverage economies of scale to accomplish marketing objectives that alone, would be impossible. The program consists of a comprehensive set of integrated services aimed at making the shops the preferred “Repair Solution” for consumers as well as work providers and influencers.

All consumers make their purchasing decisions based on three simple factors - *Quality, Service* and *Price*. While all three factors usually play a role in a purchasing decision, the importance of each of these factors varies by consumer and by transaction. In some cases price is most important, other times quality takes the top spot, while other times it's service that wins the sale. Usually, a business will differentiate itself with one or two of these factors, but rarely with all three. It's almost impossible to offer the best quality, the best service and the best price. So, for which two do you want to be known?

Just about every collision repair center in your market claims to do “high quality” repairs but consumers and work providers are often forced to make their purchasing decision based on price and service alone since quality is a difficult thing to prove during the sales process. Even after the service is completed, a consumer is still unaware of the quality received. All they know is their fender is straight again and it's the same color as the rest of the car. But what about the quality of the welds? What about the structural integrity of the vehicle? Will it be safe in another accident?

So which two do you want to be known for?

Now you can have the increased confidence in knowing your repair quality is consistent from vehicle to vehicle and, more importantly, use this verification to increase insurer, fleet and consumer confidence in choosing your repair facility based on quality.

CertiFacts, one of our Network Support Services partners, provides an unbiased, third-party verification of your repair quality. CertiFacts' expert trainers will present the “Fundamentals of Quality Repair” workshop to review the program components and define the quality verification criteria. This interactive workshop will be presented in your facility for your entire staff, including all paint and metal technicians with their helpers, the Production Manager(s), QC Manager(s), Estimator(s), General Manager and Owner. In fact, it's mandatory that the General Manager and Owner attend! Workshop topics include, but are not limited to, corrosion protection, welding, documentation/definition of repair terms and advanced repair concepts. Additionally, repair center staff will be given a pre- and post-workshop Knowledge Survey and a Quality Measurement Criteria Checklist to reinforce the quality measurement criteria CertiFacts will be using.

Quarterly Assessments

The real power of this service comes after the initial visit. CertiFacts will perform an unannounced quality verification of your repair center once per quarter. During each of these four assessment visits, CertiFacts will observe a random sample of in-process vehicles.

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CertiFacts will use their standard quality measurement tools and protocol to assess and score your facility’s repair quality. The operations observed will encompass the frame, body, mechanical, paint and detail departments. CertiFacts will provide an empirical score to reflect the degree of compliance that the repairs achieved. Based on the observed behaviors, CertiFacts will highlight specific processes or operations which scored poorly to provide a clear path to future success. This set of “fresh eyes” on the technical repair process helps to ensure quality remains consistently high with your technicians.

With this service, you can market the consistency of your repair quality and put your Agents, Claims and Fleet partners’ minds at ease that safe and properly repaired vehicles are being returned to their customers. In addition, your Estimator(s) can use the verified quality to reinforce why your repair center is better than local competitors.



Investment Analysis*
Repair Quality Measurement

Assumptions

Current Sales (Monthly)	\$100,000
Current Efficiency	150%
Current Gross Profit Margin	39%
Current Overhead Expense to Sales	28%

Profit Drivers	Service Impact	Monthly Profit Change
Sales	1.0%	\$390.00
Efficiency**	N/A	\$0.00
Direct Cost (as a % of sales)	-0.2%	\$200.00
Overhead Expense (as a % of sales)	0.15%	-\$150.00
<i>Total</i>		<i>\$440.00</i>

Investment

Service Cost (annually)	\$0.00	<i>service cost is reflected in Overhead Expense increase</i>
Salary & Benefits (service execution)	\$562.50	
Travel	\$0.00	
Salary & Benefits (implementation)	\$300.00	
Other Implementation Costs	\$0.00	
<i>Total</i>	<i>\$862.50</i>	

Your Potential Return on Investment

Annual Operating Income Improvement	\$5,280.00
Investment	\$862.50
Return on Investment (\$)	\$4,417.50
Return on Investment (%)	512%
Investment Breakeven in Business Days	41.2



* This analysis is not a financial guarantee. It assumes proper and complete implementation of concepts and recommendations offered.
** Profit improvement from an increase in efficiency is expressed through an increase in sales.