

# INDUSTRY CHANGE CONTINUING TO ACCELERATE

**With 2018/19 membership renewals now due, we would like to take this opportunity to thank all members of the AAAA for your support**

Our industry has changed more in the last five years than in the previous 20 and that pace of change is only increasing.

It is therefore more important than ever that we have a strong representative voice that advocates on behalf of all businesses involved in the independent aftermarket to ensure our collective survival and prosperity and we can't continue to undertake this critical work without your ongoing membership and support.

Over recent years the Association has focused heavily on diversifying our revenue base and the success of this strategy has been critical in our ability to grow the activities, services and influence of the Association to ensure that we can take a 'whole of industry approach' in responding to the challenges and taking advantage of the opportunities that lie ahead. It also enables us to heavily subsidise the cost of delivering our range of membership services and activities.

In addition to keeping a lid on membership costs we have also been focused on adding a range of new products and activities that were identified as priorities during membership surveys conducted in 2015 and 2017.

This includes adding two new sector specific Industry Councils, APMEC and PRTC; more effective communications; adding a free legal service; increased market intelligence; hosting a greater range of networking events; and enhancing our Government relations capacity.

Other highlights of the last 12 months include:

## Government Relations and Advocacy

The December 2017 findings and recommendations arising from the 18 month ACCC investigation into the new car retailing industry are a game changer. In addition to recommending the implementation of a mandatory data sharing scheme, the ACCC also identified significant issues with car industry practices relating to post-sale service arrangements including warranty and log book documentation which are now the subject of ACCC compliance and enforcement activity. In recent weeks Minister Michael Sukkar has stated that the Government is working on the design of a mandatory data sharing scheme as a 'priority' and Labor Leader Bill Shorten announced a mandatory data sharing scheme as official ALP policy.

We have also been very active on a range of other matters impacting on AAAA member companies including bull bar standards, GVM/suspension upgrades and ESC, licencing of accessory fitters, EMC compatibility, brake testing, IM240 emissions testing, recovery strap labelling and ANCAP to

name a few. We have also lodged submissions to an increasing number of State and Federal Government reviews and inquiries on issues relevant to our industry.

We have also secured in-principle State and Federal Government funding to support the establishment of an Automotive Innovation Lab in Australia. Based on the SEMA Garage in California, this facility would significantly reduce product design costs and timelines and bring enormous benefits to support the future of our local automotive component manufacturers. A decision on whether we proceed with this facility will be made over the coming weeks.

## Major Events and Networking

The inaugural Autocare Convention held in Sydney in May was a remarkable success with over 600 delegates and nearly 2,000 industry professionals treated to an incredible array of information, market intelligence, tips, training and product demonstrations to help them better understand and leverage the significant changes taking place at every level of our industry.

The next Australian Auto Aftermarket Expo will be held at the Melbourne Exhibition Centre from 4-6 April 2019 and with nearly 80 percent of available space sold 10 months out from the event, we are on track for another sell-out. Attracting over 400 exhibitors and 10,000 domestic and international trade visitors, the 2019 Expo will showcase a comprehensive range of automotive aftermarket parts, accessories, tools and equipment from the industry's leading companies and brands and will feature a range of seminars, networking events as well as our Awards to Industry Program.

## Communications

A great deal of work has been done on revamping our internal and external communications to ensure that all content is tailored and relevant to the activity of the business.

Other key action items include the redevelopment and integration of all AAAA websites, relaunching the AAAA magazine website as an online content portal for industry and product news and increasing the frequency and relevance of posts and blogs on our social media platforms. The *Australian Automotive Aftermarket* magazine, produced in both hard copy and electronic format, continues to be the market-leading publication in our industry for frequency, reach and relevance of content.

Over the coming year we also plan to launch a major marketing and consumer education campaign to clarify the myths and misinformation about servicing vehicles under warranty and fitting



aftermarket parts as well as promoting the benefits of using independent workshops.

## Market Intelligence

The relaunch of the quarterly Aftermarket Dashboard reports which provide updates on key trends and developments impacting on our industry was very well received. We have also just released the outcomes of two major market research projects.

The first is a benchmarking study undertaken by ACA Research which outlines how workshops are performing in the current climate, the complexities of the Australian car parc, and how this is changing in line with evolving consumer demand. The second is a survey of 1500 car owners which provides a complete understanding of the workshop customer; how do they decide which workshop to visit, what factors are critical to customer satisfaction, loyalty and recommendation, the importance of price relative to other considerations on which workshop they use, views on fixed price servicing, perceived differences between independent and dealer workshops and lots more. Both these reports have been circulated in full, free of charge to all members over recent weeks.

The National Council and staff of the AAAA are committed to ensuring that the services and activities of the Association continually evolve to meet the changing profile, needs and dynamics of our membership base. We are committed to a process of ongoing improvement and will continue to seek feedback from you to ensure that we deliver highly valued services and activities that assist your business and the wider aftermarket industry to grow and prosper into the future.

**GRAHAM SCUDAMORE-SMITH**  
President

**STUART CHARITY**  
Executive Director