



Repair professionals must have multiple quality suppliers to meet customers' expectations

BY STEVE SHARP ON MAY 31, 2023

"We all hope and believe that once the supply chain is back to normal, our customers will return to their pre-pandemic habits, but I'm not so sure this will be the case."

n our <u>last article</u>, we reviewed my belief that customer loyalty has shifted from the byproduct of long-term relationships to the consequence of performance. We examined how our industry is held to a high standard of completing each order perfectly, the reality that we earn our business one order at a time, and how the Millennial and Gen Z generations have different shopping habits.

In this installment, I would like to shift gears and focus on a different reality that impacts customer loyalty, which is *necessity*. In 2012, I was Chairperson of the California Automotive Wholesalers Association (CAWA) Executive Committee. For one of our Leadership and Educational forums, we were lucky enough to have industry icon John Washbish speak to ourmembership. As always, John's presentations deliver potent messages that anyone associated with the automotive aftermarket should take to



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heart. Amongst the many insights John provided our membership, two stuck with me. One was the idea that at some point in the future will look upon the current time as "The good old days." The other was something that I think is easily overlooked, a repair shop's fill rate need.

John reminded us that those in the parts segment of the aftermarket need to remember that a repair shop's fill rate to *their* customers must be 100% and that while we as distributors and manufacturers may be proud of 90%+ fill rates, it's simply not good enough to empower a repair specialist to fulfill all of its customers' needs. This is where necessity begins to influence loyalty. The truth is no single parts supplier can supply 100% of its customer's needs, which is why repair professionals must have multiple quality suppliers to help them

perform to the level their customers require.

The pandemic's supply chain challenges exacerbated the necessity reality. It created scenarios where almost everyone in the industry was scrambling to find parts from wherever they could find them. On the surface, this scramble for parts probably seems relatively innocuous, as we all hope and believe that once the supply chain is back to normal, our customers will return to their pre-pandemic habits, but I'm not so sure this will be the case.

In my opinion, the pandemic has triggered the beginning of a new reality. I speculate that just about every person reading this article, regardless of how you participate in the aftermarket, has changed some type of sourcing practices as a result of pandemic supply chain issues, and has no intentions of returning to pre-pandemic practices — all the result of necessity.

For some, I'm sure the message that the death of loyalty spawned by longevity is terrible news, but it doesn't have to be. It's a matter of how we view the riddle. New realities are fertile grounds for new opportunities and methods to foster customer loyalty. The key is recognizing the opportunities as they manifest themselves.

In my next installment, I will explore some of my thoughts on building loyalty in the new reality. Until then, I'd like to leave you with one more nugget John Washbish left us with during the CAWA session in 2012:

"Out on the road today I saw a Deadhead sticker on a Cadillac. A little voice inside my head said don't look back you can never look back." — Don Henley, Boys of Summer.

Sharp's career began in his father's repair shop in 1967 and then moved to the parts side of the industry in 1973. For the last 48 years, Sharp has worked exclusively in the replacement parts segment of the automotive aftermarket. In 1988, Sharp began what would turn out to be a 33-year career with WORLDWIDE Trading Company/ WORLDPAC, from which he retired in 2021. He is currently studying for his master's degree. Sharp is currently working as an Executive in Residence at the Endeavor Institute and can be reached at ssharp@endeavormgmt.com