

The Future Is Yours

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customer fairly and with integrity (that is, do what you say you will do) and be fair in your costs. Give your customer value, not just low prices. It sounds simple and it is, if you just decide you're going to do it.

One final point about consumers. Today's consumer is not loyal! That may be hard for you to take — it is for me — but it's true. On the average, only 37% of the shoppers in a given store have loyalty to that store.

We may not be as badly off in the repair business, but the problem is the consumer has too many choices. If he doesn't like what he gets from you, he's got lots of good alternatives. My answer to this is to change your customers' attitude. Treat them so good they won't even think about going somewhere else. I'm sure that 37% figure is correct, but for you it can be 100% and forget everyone else.

How about your competition? Or more importantly, what are you going to do to secure your future? Are you going to forget what your competition is or does?

I can tell you what they're going to do — bury you, eat your breakfast, lunch and dinner, if you let them.

Car Repairs Guaranteed For Life!

Have any of you seen the Ford Motor Company's inside, front cover, fold out ad that was just in *Time* magazine and read by millions of people? These ads are appearing, along with similar types of ads from your competition, in millions of consumer magazines and on TV commercials daily. I am not picking on Ford Motor Company with this, but it is just an example of what is going on daily.

Briefly, the ad focuses on what Ford calls the guarantee of a lifetime. It talks about free parts and free labor and states that, "the list of what's covered reads like an inventory of the Ford Motor Company Parts Department." At the end of the ad, the copy reads, "Next time you need a repair, see your participating Ford or Lincoln-Mercury dealer."

This type of marketing, along with the 5 year/50,000 mile warranty could be a serious detriment to your future and ours. What can we do about it? We can support the industry action on the 5 year/50,000 mile problem.

As to this type of competition, it is serious and I can assure you NAPA is doing something about it and I'm sure others will be too. But we have very specific programs and plans to combat this and give you, the independent service station, garage and body shop, some marketing and merchandising ammunition to fight back at all of this

Chart 10

New Car/Truck Dealers by Annual Repair and Service Dollar Volume

Annual Repair and Service Volume	% of Shops		Number of Dealers	
	1981	1984	1981	1984
Under \$80,000	11.4%	7.4%	3,192	1,850
\$80,000 - \$149,999	20.6%	12.0%	5,768	3,000
\$150,000 - \$249,999	20.6%	15.8%	5,768	3,950
\$250,000 - \$499,999	22.5%	26.2%	6,300	6,550
\$500,000 and Over	24.9%	38.6%	6,972	9,650
	100.0%	100.0%	28,000	25,000

type of competition. It's got to be done and we plan to help but you must be aware and do it in your own town.

What About The "It's" In Your Future?

To survive in the future you not only need to be a skilled technician and businessman, but you must become a marketer. Like it or not you need to be merchandising and advertising your shop and your service — otherwise the Firestones, Fords, GM Service, Midas, Precision Tune, Jiffylube, AAMCO's and all the rest will put you right out of business.

- Full obsolescence protection
- Outstanding warranties that they stand behind
- Technical training
- Factory service personnel
- Full Line Coverage and Availability
- Competitive Prices (to get all of the above costs money so the lowest may not always be the best, remember you get what you pay for)
- Most Importantly For The Future — Marketing, Merchandising & Advertising assistance.



There is help! Your best partner can be a source of parts supply. This could be NAPA or anyone of the good traditional parts distributors who offer you a complete package of full service supply. You see, we also have a stake in your future. For us to get the parts sales we must have the service repair dealers to install them. Sure, we get some D-I-Y business, but 72% of our business is installed by a professional mechanic.

We have an old saying in the parts business, "That you don't buy a profit, you sell at a profit." Keep that in mind and look for a source of supply that will give you:

- Quality products
- Excellent service

My desire is that everyone of us continue to professionalize our industry and raise it to higher levels of integrity, competence and professionalism. I'm proud to be a part of it as I know you are.

We are performing an honest-to-goodness service that is needed by millions. We have been the subject of much criticism and malignment in the past, but I believe those days are gone. You can continue to raise the standards and dignity of this great profession if you put your mind to it. I know you can and I believe you will.

The future is yours — if you only want it and reach out and take it.

Thank you for allowing me to be a part of your great meeting. It's been a real pleasure.