

# Auto Parts Manufacturer Launches New Program and Grows Market Share

## OVERVIEW

The Wholesale Automotive Parts market has been declining among the Automotive Original Equipment Manufacturers (OEMs) for many years within the United States. Aggressive automotive aftermarket companies have captured significant wholesale parts market share. Our client, a leading Automotive OEM recognized the benefit of partnering with a sales execution partner with significant automotive expertise to turn the tide and regain market share. The client's main objectives were to increase wholesale mechanical parts sales to Independent Repair Facilities (IRFs) and fleet companies across the US, with both their established parts brand and a new "all makes and models" brand. Their distribution model relied solely on their dealership network for stocking and selling the parts. In order to reach their sales targets it was imperative that the dealer body improve their sales and delivery process.



## ACTIONS

MarketSource launched a new program from the ground up; deploying a team of automotive aftermarket sales experts representing hundreds of OEM franchise dealers across a wide range of key urban and rural markets. The team was laser-focused on growing wholesale mechanical parts sales and generating new business for the OEM and their assigned dealerships. They also worked closely with targeted dealerships training them on best practices and providing "hands-on, show me" training. The team was recruited and hired from scratch across the US within 45 days; training was developed and delivered during an intensive one week bootcamp, and the entire team was in the field, operationally ready, within a total of 90 days from contract signatures.

Based on the knowledge and experience in the automotive wholesale parts industry and the ability to grow sales in the automotive marketplace, our client selected MarketSource to provide the outside field team to help their franchise dealers sell more wholesale parts. This initiative would further result in:

- A significant increase in wholesale parts sales among Independent Repair Facilities and Fleet Companies in covered market areas.
- An increase in the number of fully dedicated wholesaling parts dealerships.

## RESULTS

Year-over-year results delivered an overall wholesale mechanical parts sales growth in the double digits, far exceeding client expectations. Dealerships that engaged and carried the new all makes parts line increased by 7% year-over-year in OEM parts sales. To increase brand awareness of the new line, the team made over 180 thousand touches to 45,000 unique Independent Repair Centers; this led to a year-over-year increase of 45% in the all makes all models parts line.

The client has renewed the contract as the aforementioned increase has been incredibly well received internally among stakeholders of all levels.

As a result of this partnership, a similar program was launched in 2014 in Canada. MarketSource has also created a wholesale mechanical parts culture among the assigned program dealers. This has continued to improve sales and gain adoption of the new makes and models parts line. The program continues to evolve and modes of continuous improvement can be seen on a consistent basis.