



Future Readiness Index

Summary Pack - August 2023



AUSTRALIAN AUTOMOTIVE
AFTERMARKET ASSOCIATION

Strategic Objective

To determine if Australian workshops are effectively preparing for upcoming market changes and measure their stance on technological advancements

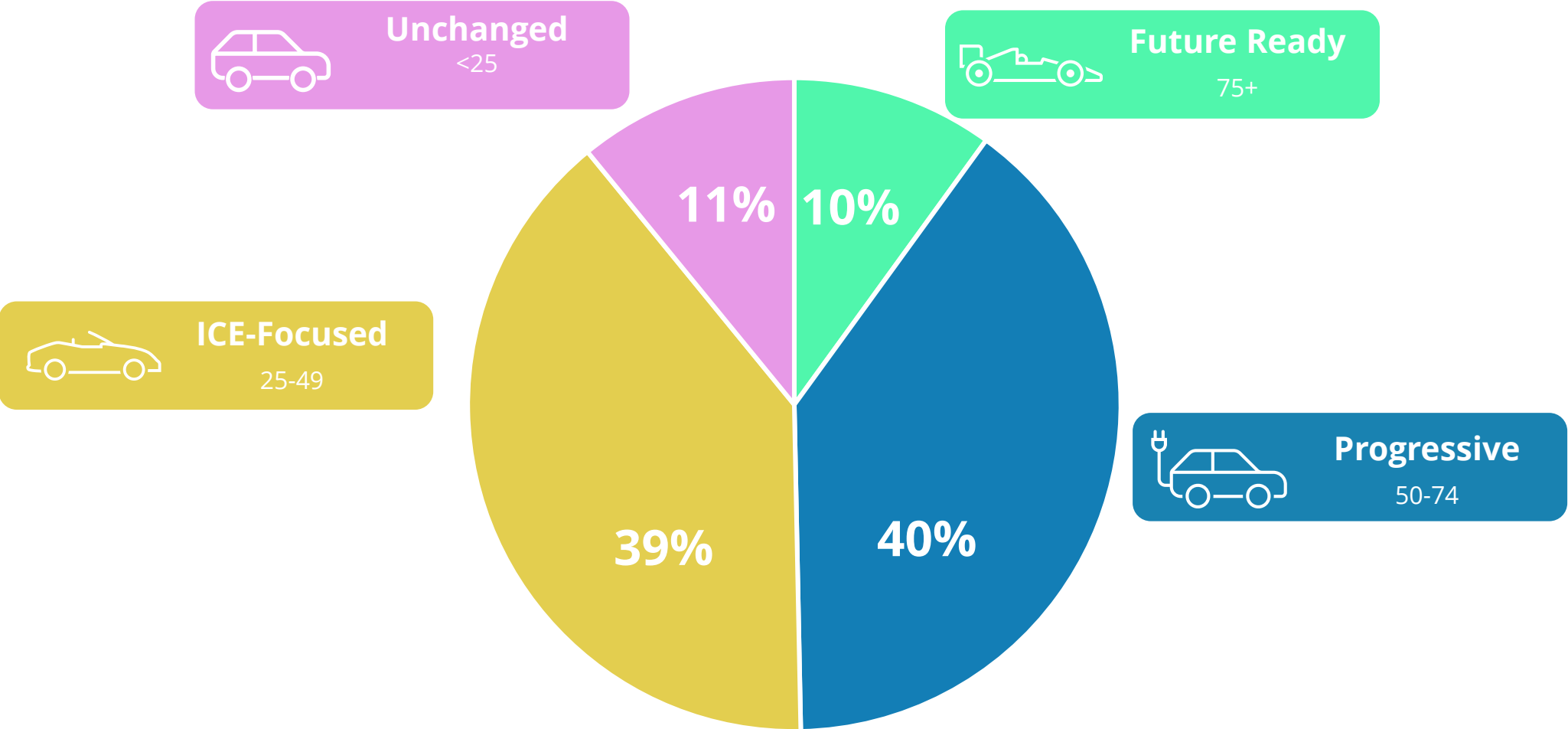
Future Readiness Index

2



Future Readiness Index | Distribution

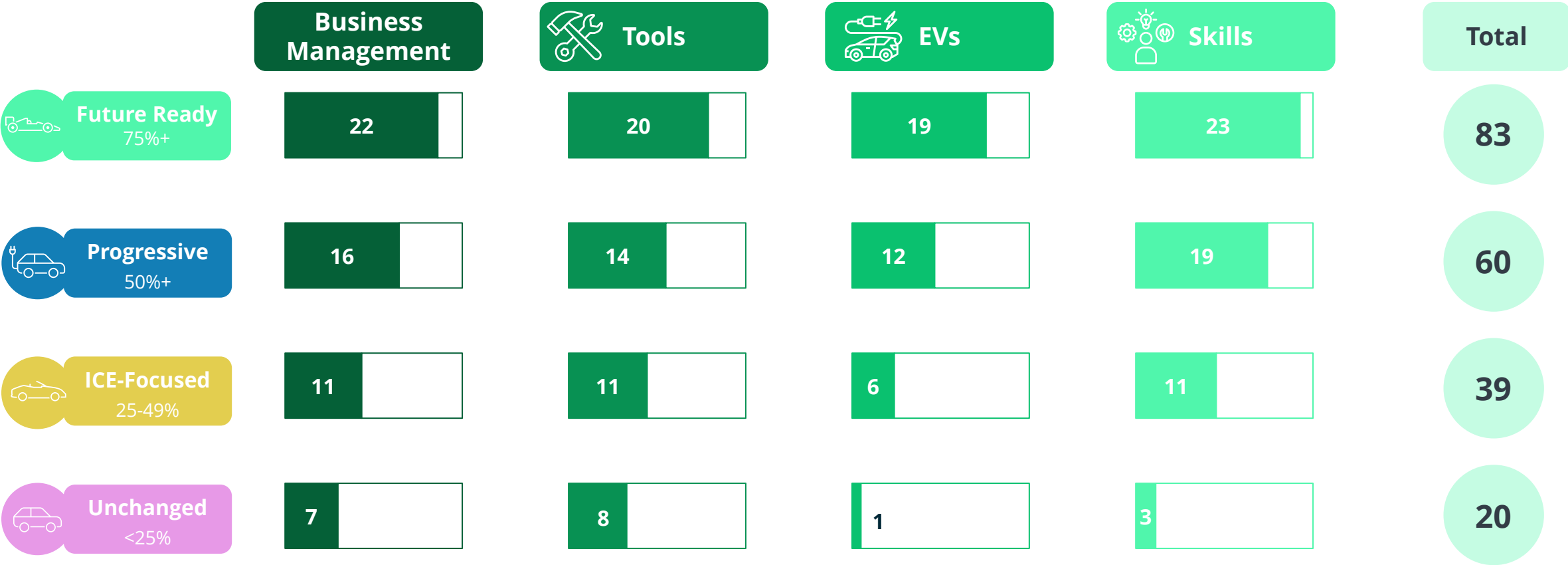
One in ten Australian workshops are currently Future Ready, with around half actively investing in future technologies; key here is to recognise is that the ICE-Focused category are not actively rejecting new innovations, but are instead most likely holding off on investing until they start to see shifts in customer demand (and the Australian car parc)



Future Readiness Index | Categories

Most workshops score well in the Business Management and Skills categories, investing in their internal systems and processes, and working to develop their technicians' capabilities to align them with the demands of a changing aftermarket

Category Scores (out of 25)



Base: Total respondents n=208, Unchanged n=23, ICE-Focused n=82, Progressive n=83, Future Ready n=20

Business Outlook & Management

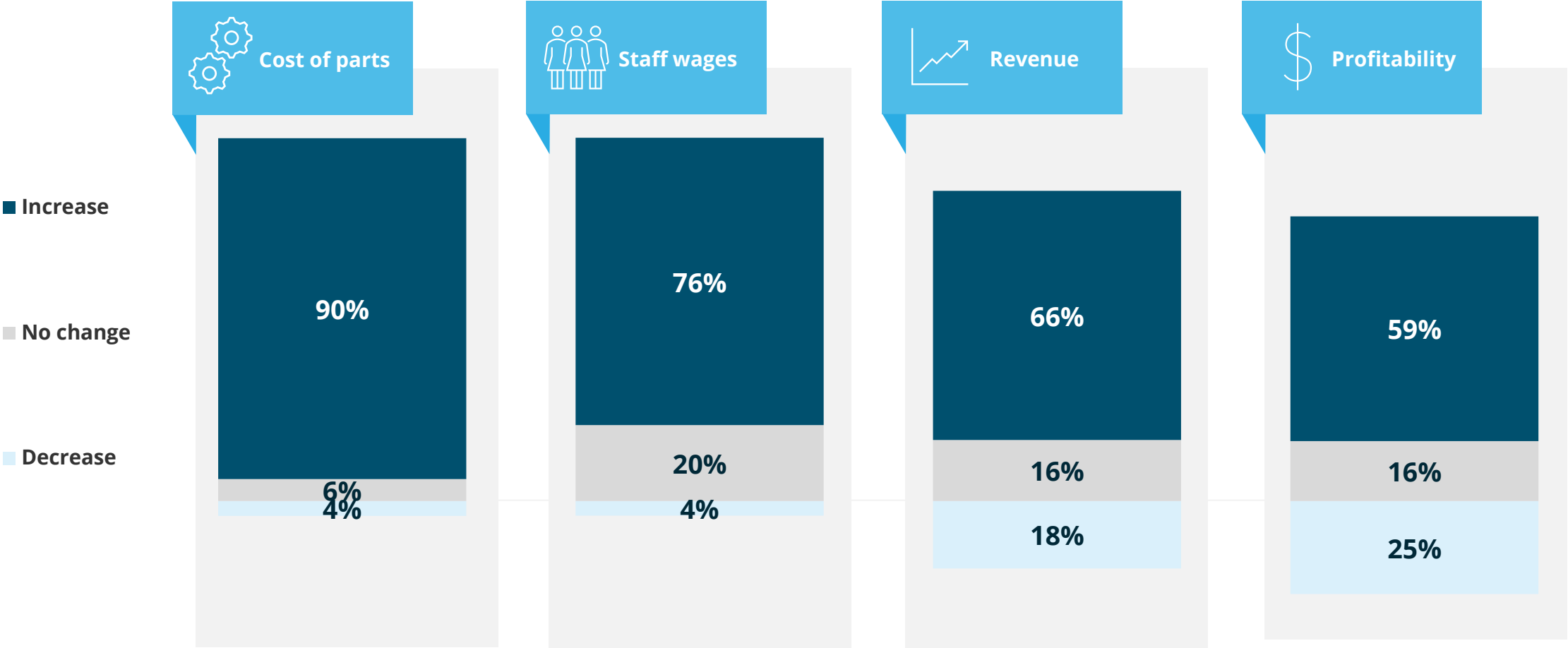
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Business Management | KPIs

Most workshops see the opportunity to increase both revenue and profitability over the next 12 months, but they will need to achieve this despite increases to both costs of parts and staff wages

How do you expect the following to change over the next 12 months?

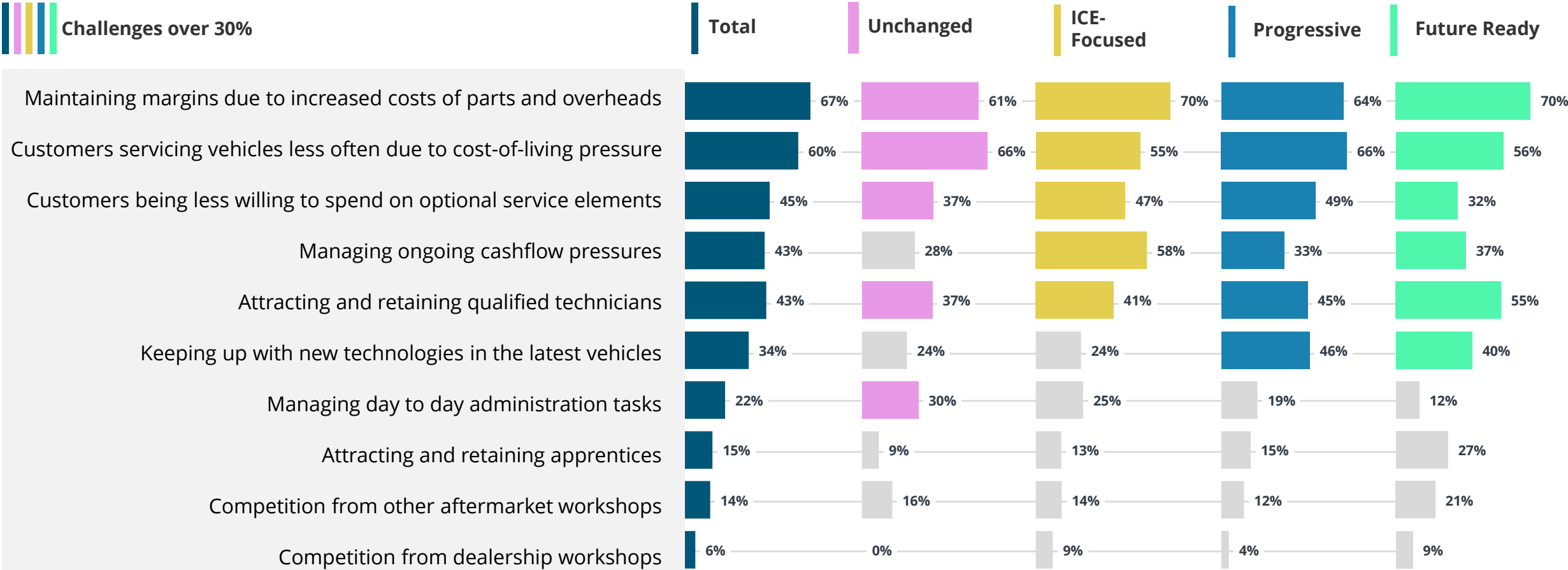


Q: How do you expect the following to change over the next 12 months?
Base: Total respondents n=208

Business Management | Business Challenges

Workshops are however struggling to balance rising costs with reduced demand off the back of cost-of-living pressures, with Future Ready and Progressive workshops also concerned about the potential impact of new technologies and the challenge of attracting and retaining qualified technicians

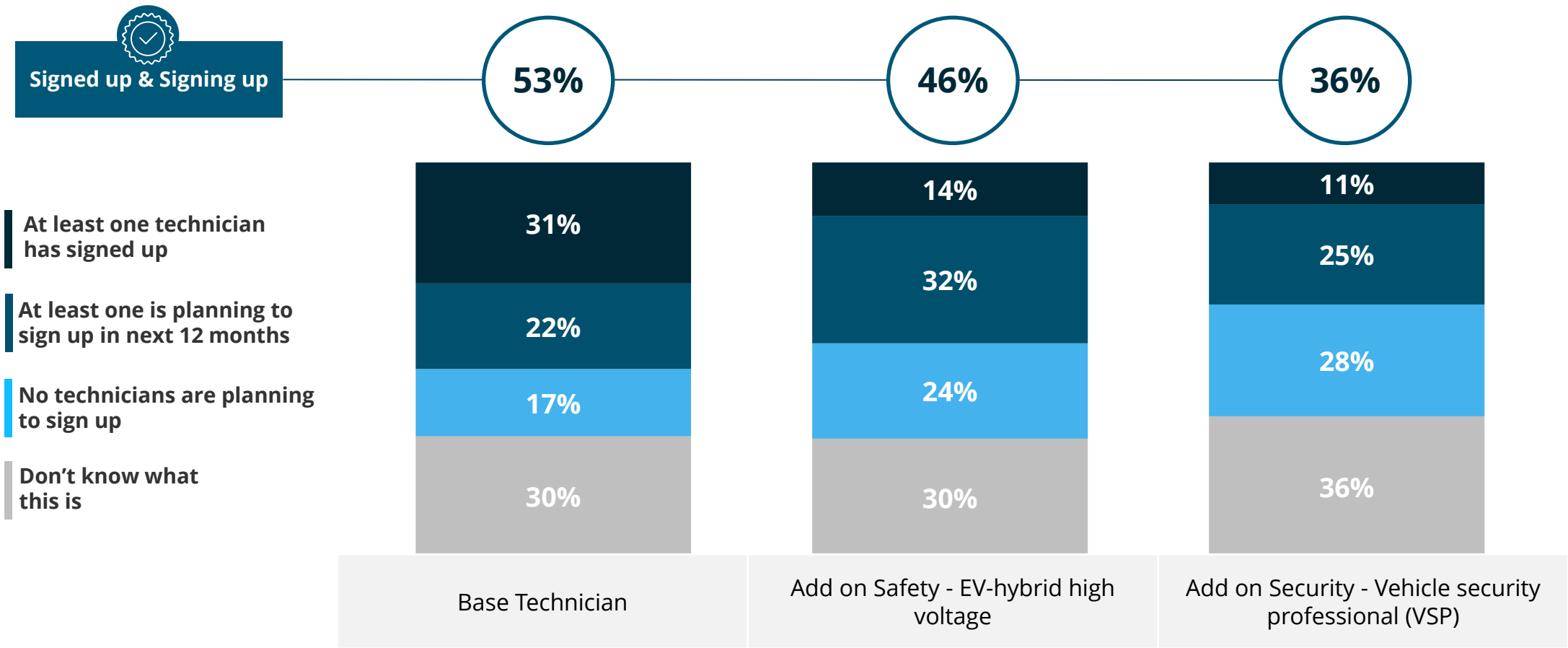
What are the main challenges facing your business over the next 12 months?



Business Management | Industry Memberships

Almost one in three Australian workshops employ technicians who have signed up with AASRA, with a significant pipeline that are planning to do so (when they can fulfil the requirements); there are still however a significant proportion who are not aware of AASRA, highlighting the need for further education here

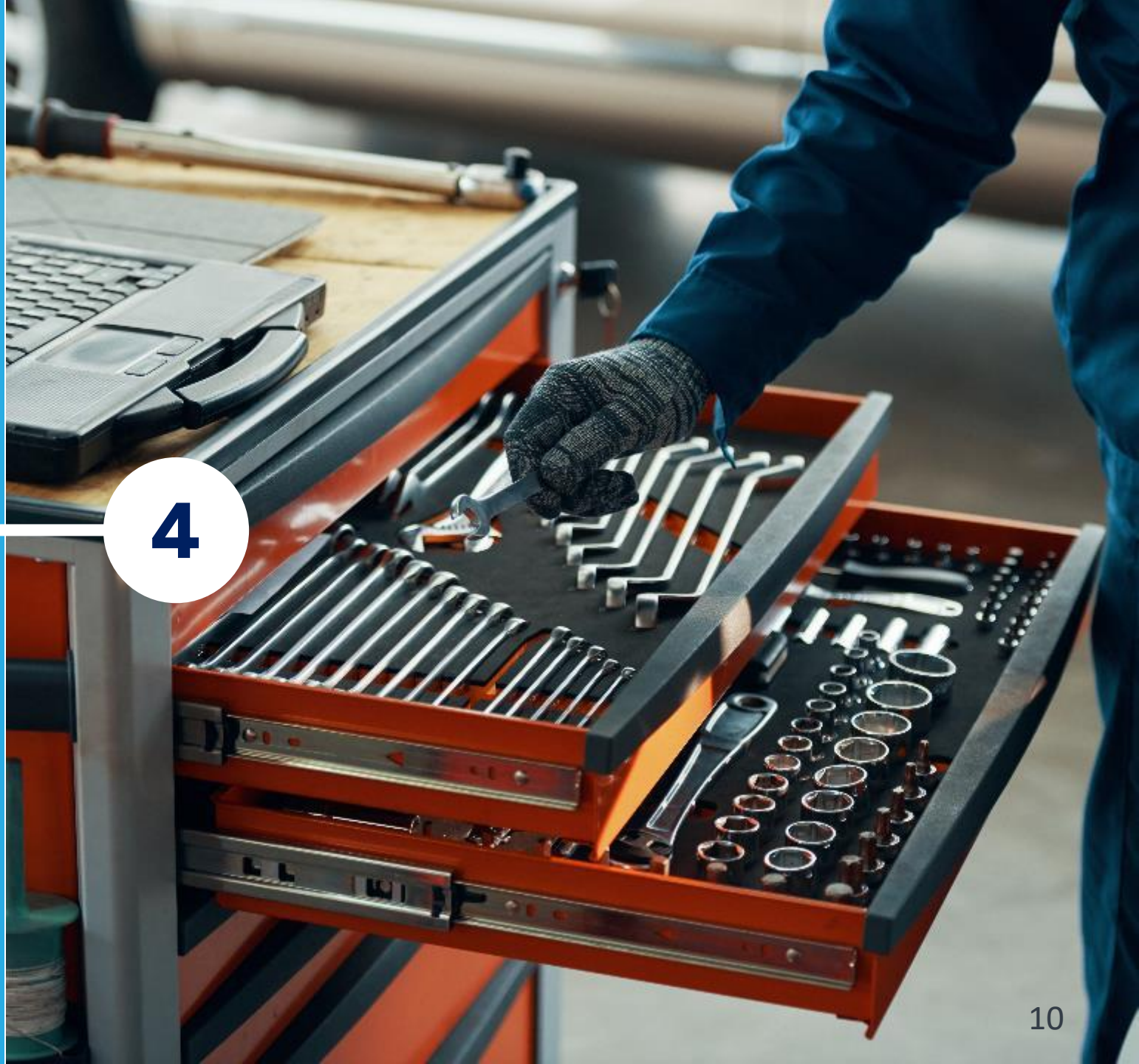
Which of the following AASRA memberships have your technicians signed up to?



Q: The Australian Automotive Service and Repair Authority (AASRA) provides access to dealer-level repair information, OEM service information and technical Bulletins. Which of the following AASRA memberships have your technicians signed up to
 Base: Total respondents n=208

Tools

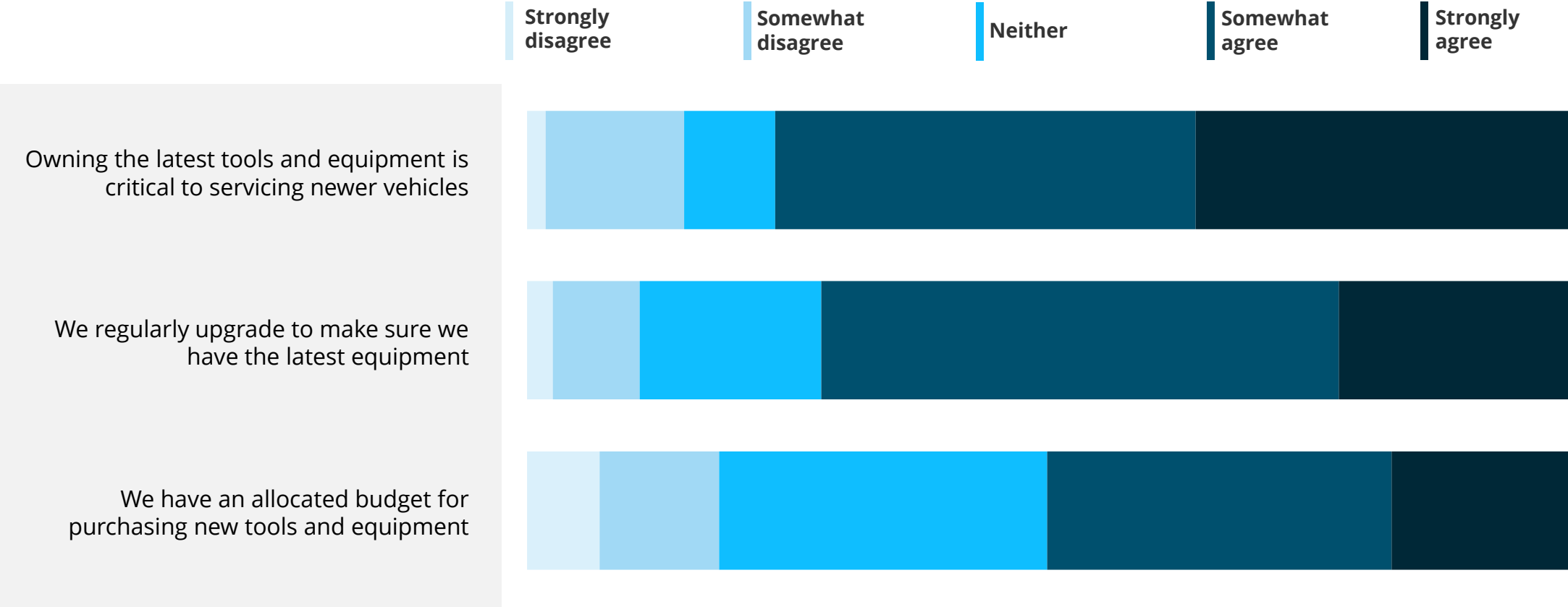
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Tools | Investment in Equipment

Workshops consistently agree that it's important to have access to the latest tools and equipment to ensure they can service vehicles coming onto their forecourt; just half however have an allocated budget to invest in these

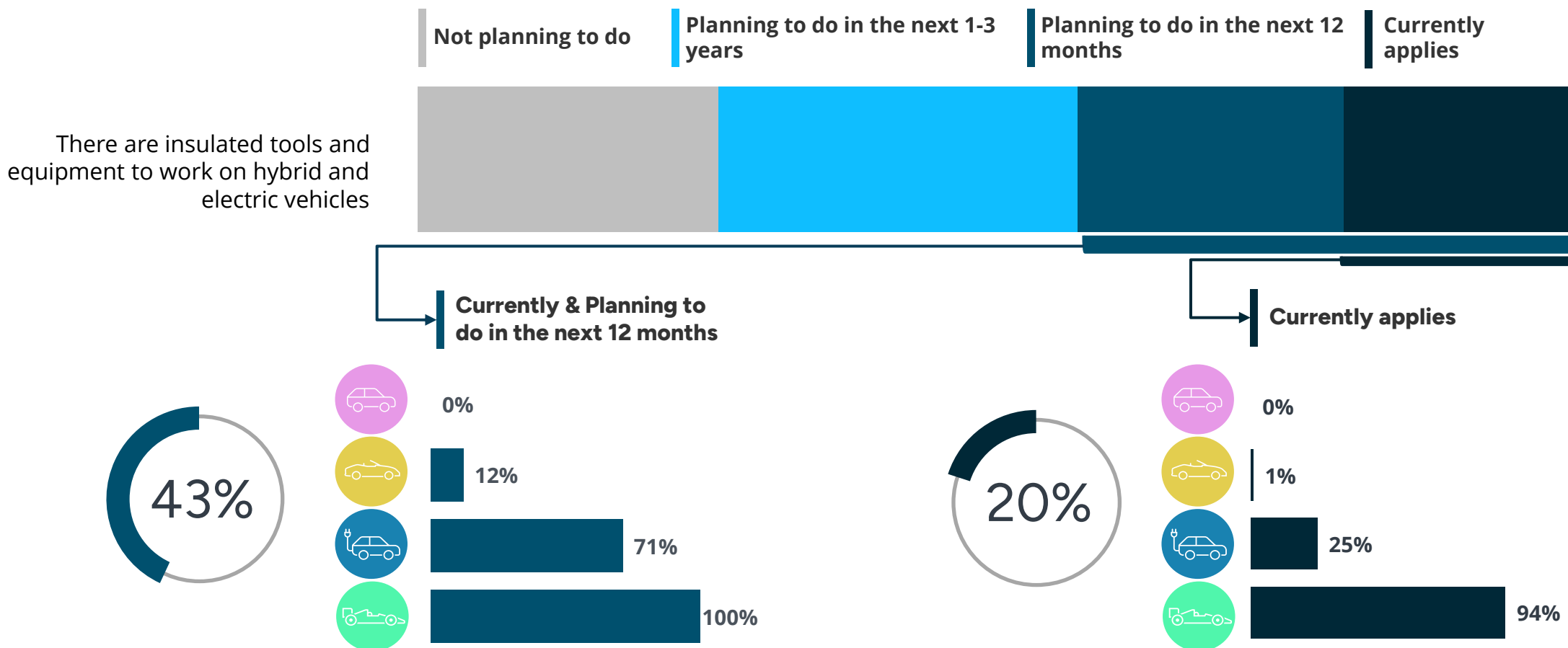
To what extent do you agree or disagree with the following statements?



Tools | Insulated Tools and Equipment

Reflecting this, Future Ready workshops almost universally have insulated tools and equipment in place to work on electric and hybrid vehicles, with Progressive ones planning to purchase these over the next 12 months; despite ICE-Focused workshops investing in tools and equipment, it's clear their focus is still on other types of vehicle

There are insulated tools and equipment to work on hybrid and electric vehicles



Q: Thinking about servicing hybrid or electric vehicles, which of the following apply to your workshop?
 Base: Total respondents n=208, Unchanged n=23, ICE-Focused n=82, Progressive n=83, Future Ready n=20

EVs

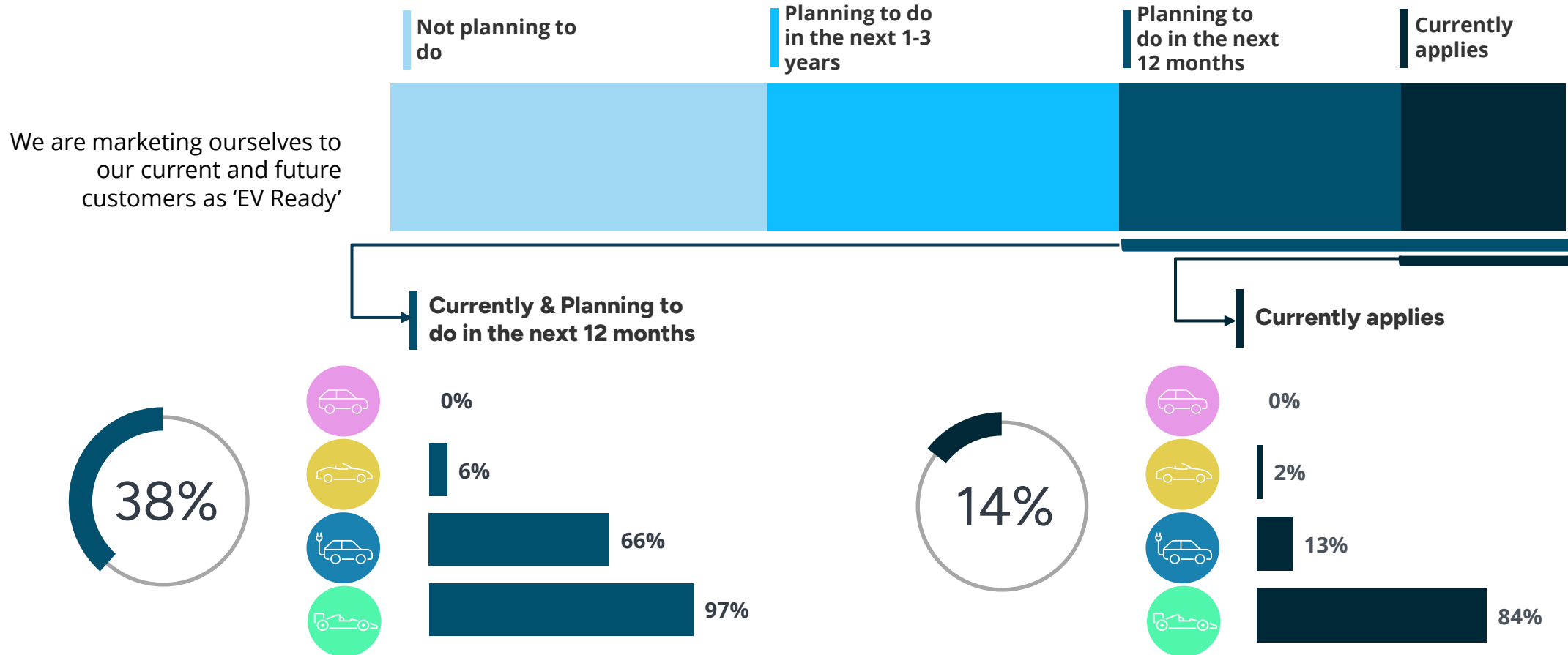
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EVs | Workshop Branding

It's an important strategy to both Progressive and Future Ready workshops to be seen as specialist, with at least two thirds of each group planning to be in a position to market themselves as 'EV Ready' within the next 12 months

We are marketing ourselves to our current and future customers as 'EV Ready'

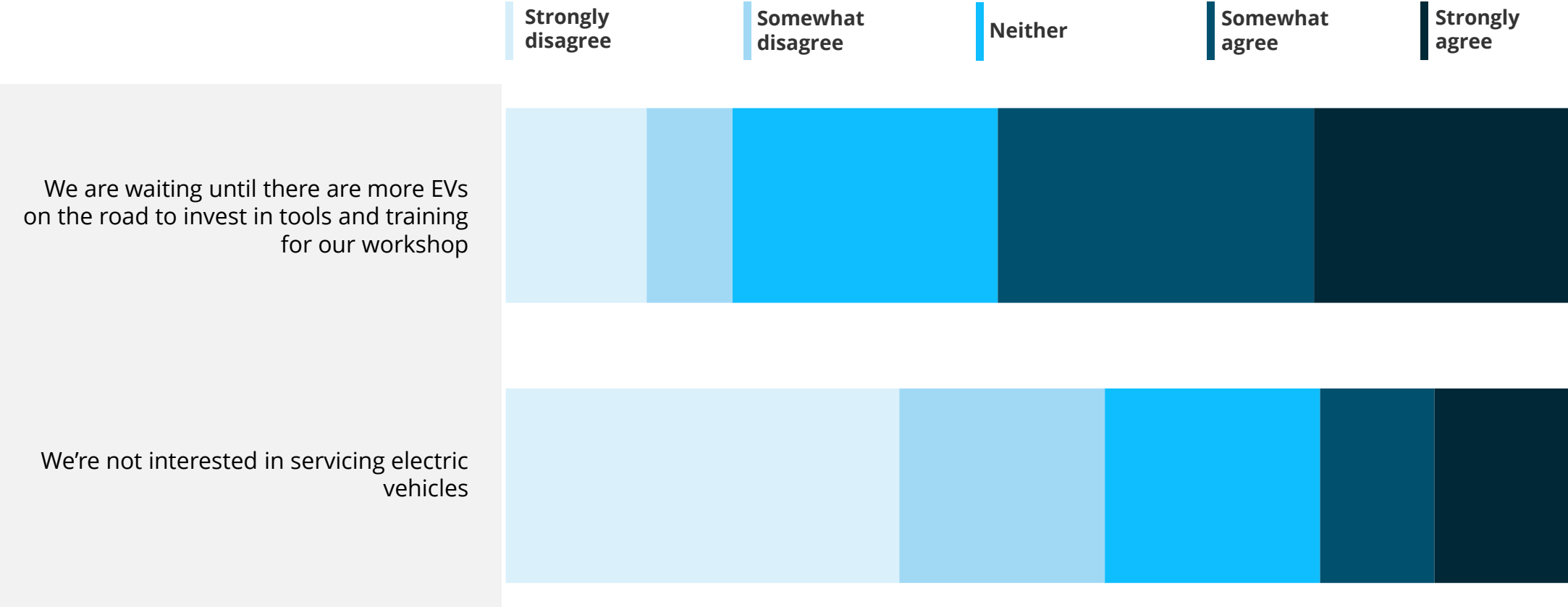


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EVs | Agreement Towards Electric & Hybrid Vehicles

Over half of workshops are waiting until there are more EVs on the road to invest in tools for their workshop, treating this time as an opportunity to upskill and understand the full spectrum of EV maintenance before the market catches up

To what extent do you agree or disagree with the following statements about servicing electric and hybrid vehicles?



Skills

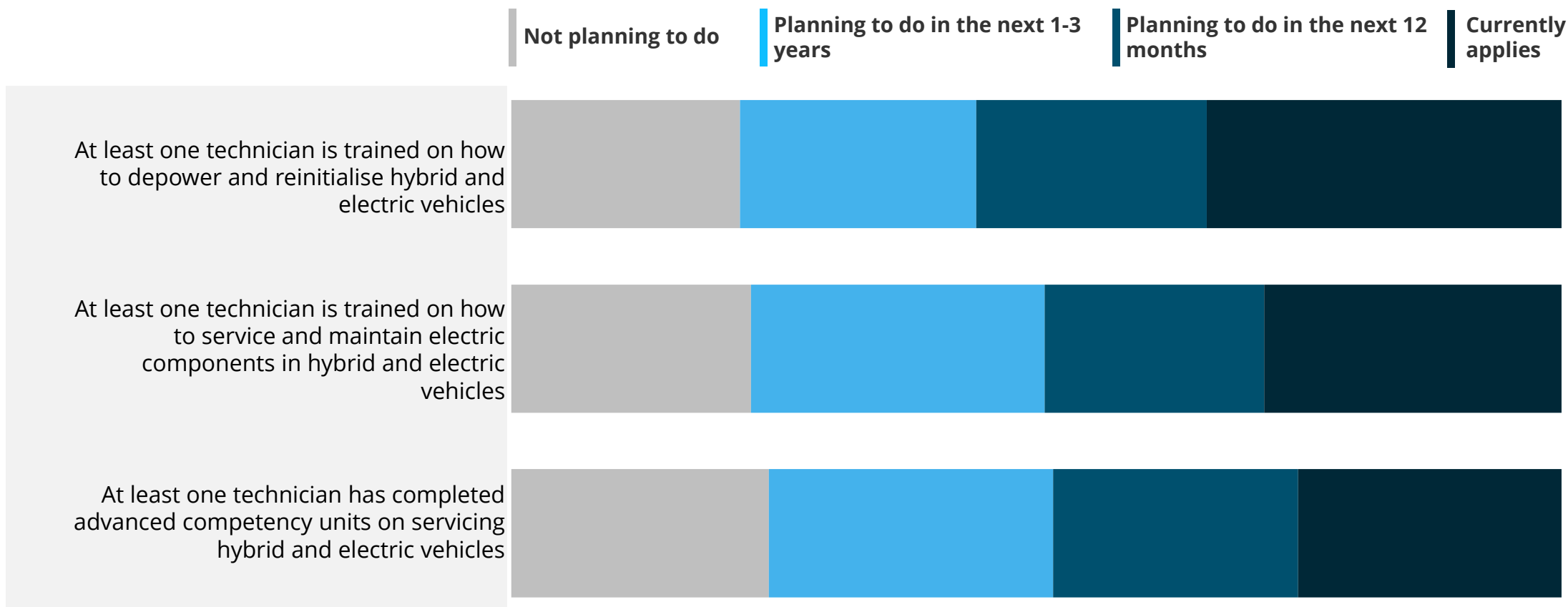
6



Skills | Technician Capabilities

More than half of workshops have already invested in or are actively planning to invest in training on how to safely depower and reinitialise vehicles, with significant proportions also looking at having technicians complete advanced competency units on top of this

Thinking about servicing hybrid or electric vehicles, which of the following apply to your workshop?



Key Takeaways

7



One in ten workshops are Future Ready, with many others well on their way.

Importantly, many of those that aren't investing are not rejectors, but are instead waiting till it makes more commercial sense.

Workshops that are investing in Future Readiness are prioritising the skills and equipment required to create a safe and productive working environment for their technicians.

While many workshops have high levels of training, tools, and equipment in place, they acknowledge they do have more to learn about servicing and repairing hybrid and electric vehicles.

THANK YOU

For further information, please contact:

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The AAAA regularly commissions research on behalf of members to assess the health and trends within the broader automotive industry and various sectors within. The data gathered provides useful insights and powerful information for business growth and direction. The research also assists the AAAA in affecting regulatory change at a government level on behalf of the industry.

[AAAA Members can access the full report HERE.](#)

If you are not a AAAA Member and would like to purchase the full report, click [HERE](#).
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