



Pipeline of products from Car Care Plan



Global warranty and value-added product provider Car Care Plan has a pipeline of new products and services which will be rolled out throughout the rest of the year and into 2024 building on significant developments in 2022.

Under the direction of newly-appointed Sales Director Simon Cook, who took up his post at the end of last year, the company is continuing to

develop its award-winning warranty product, which, for the 13th year running, has been named as AM's dealer recommended warranty product for 2024. Its value-added products continue to gain traction with its portfolio consisting of Gap, MOT test cover, roadside assistance, tyre and alloy insurance, cosmetic repair insurance and service plans.

As its core product, warranty makes up around three-quarters of Car Care Plan's business although add-on products are becoming increasingly important.

"We are constantly reacting to what customers want and the products they need as part of the vehicle ownership cycle," Cook said.

Introduced last year and prior to his arrival, Cook is particularly proud of Car Care Plan's move to adapt its core warranty product to include used electric vehicles (EVs), the first warranty company to do so.

EV-specific wording was incorporated into its warranty product, which also covered perhaps one of the biggest concerns customers have when purchasing an EV – range anxiety.

Cook said: "While there are fewer moving parts on BEVs, they have different considerations and characteristics. Broadly, they are not dissimilar in terms of frequency and severity of maintenance to ICE (internal combustion engine) vehicles, because the technology is so new. Our move to treat BEVs alongside our ICE vehicles has been very well received."

After identifying checks not included



in a regular service, Car Care Plan also launched its EV Drivers Club for even more peace of mind.

It includes EV Drivers Club Assist, Zoom EV membership, SmartFob and Keycare, Zap Map Plus, bonnet charging app discounts, Dent Wizard Ventures discounts, and an annual vehicle health check.

Car Care Plan is now looking at the entire customer journey and how it can support customers from home charging services to infrastructure support.

Other product milestones last year include the launch of Car Care Plan's combined warranty, breakdown cover and service plan product providing one monthly payment over a 12-month period to cover a vehicle's ongoing maintenance.

In fact, Cook sees the widening of such monthly payment plans, which incorporates the various aspects of vehicle ownership, expanding further and expects to adapt Car Care Plan's products to meet this shift in consumer behaviour. Such packages are also beneficial for dealers by providing the opportunity to forge closer customer relationships which, in turn, boosts retention and future sales.

Cook added: "Car buyers are definitely thinking about the ownership cycle as a whole – whether they're buying new or used – and considering all the costs from running the vehicle to the cost of servicing and repairs. Customers are much more aware of the importance of maintaining the value of their vehicle and are looking at products which can help them."

While Cook recognises the need

to meet both customer and dealer requirements particularly in the used car arena, which still makes up around 70% of its business, he is also acutely aware of the evolving nature of the new car distribution model as makers increasingly embrace the agency model.

He said: "Manufacturers are looking for a homogenous relationship with its customers whereby all car buyers are offered the same product for the same price. However, this doesn't include trade-ins and used cars so we have to be flexible to meet all these needs."

Club SmartGuard, Car Care Plan's latest new car service, offers an annual membership to customers which incorporates biannual vehicle assessments, specialist cosmetic repair, alloy wheel insurance and discounted dealer rates.

Car Care Plan is also developing its digital applications to further improve its accessibility for customers, enabling them to interact directly, improving efficiencies and ease of use for OEMs, dealers and car drivers.

Last year, Car Care Plan sold just fewer than 500,000 products and paid out more than £110 million in claims. Cook is aiming to consolidate the company's 2022 performance despite the challenges of the economic climate and the ongoing impact of global events.

"I think this year will be just as challenging as 2022," he said. "General global supply chain issues will still take time to be resolved and production levels are likely to remain relatively low, making it difficult for new vehicle sales to grow massively. We have a lot of focus from manufacturers moving from

a traditional franchised arrangement to an agency model and that will take a lot of time and effort to bed in. From an ownership perspective, we are seeing an the move from ICE to full battery and hybrids obviously gathering pace. There has been a lot of talk around whether that pace will continue, but I think it's inevitable as the Government pushes us towards its net zero goal for 2050."

Cook's own challenge will be to adapt the company and its products to the evolving automotive space. This will include forging closer relationships with manufacturers while continuing to provide relevant and competitively priced products and services for dealers and their used car customers as well as reacting to changing consumer behaviours whereby car ownership costs are increasingly bundled into one monthly payment package.

He added: "We are making sure we have the right products for the right customers at the right time."

"Car buyers are wanting to maintain their vehicles, but the cost of doing so remains a consideration. We are continually looking at our pricing and keeping them at a sensible level and trying to mitigate the impact of inflation. We want to help people and we want to ensure our products are priced competitively and offer the best value. The last thing we want is car buyers sacrificing products like ours because of cost."

"However, when times are challenging, people revert to products they can trust and Car Care Plan is a trusted brand in the UK."

Looking forward, Cook expects to further develop products to meet ownership expectations particularly as EV sales increase.

"Everything we do is about taking the hassle and stress of car ownership away from the customer," Cook said. "There's a considerable amount of product development in the pipeline for this year and into 2024."



Car Care Plan

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