

EMaC's new 'all-in-one' aftersales care package, Lifetime Warranty, offers servicing, warranty and breakdown

The automotive retail sector's largest service plan provider – EMaC – is helping dealers deliver the ease and convenience consumers crave with an all-in-one aftersales package covering warranty, breakdown assistance and service plans.

EMaC launched its Lifetime Warranty earlier this year after working with pilot dealers to develop its warranty offering over the previous two years.

Lifetime Warranty enhances retention given that servicing in line with manufacturer recommendations is required to validate the warranty on an annual basis.

Together with service plans and breakdown assistance, dealers are able to offer customers three key peace-of-mind products to keep their vehicles on the road and in the best condition for an average £35-£45 per month dependent on the make, model, age and mileage of the vehicle.

John O'Donnell, EMaC managing director, said: "Consumers are looking for convenience and peace of mind. One direct debit at a reasonable cost covering servicing,

lifetime warranty and breakdown assistance makes sense.

"A key selling point for today's consumers, particularly, millennials, is the ease of meeting needs in one place. Motoring aftercare can be a minefield for consumers and this package of products allows dealers to offer all aftersales care in one monthly payment from one trusted provider at a price that's akin to a gym membership."

A Lifetime Warranty product was a natural next step for EMaC which has 15 years' experience working with the sector and now accounts for 80% of the outsourced market for service plans.

EMaC partners with 15 manufacturers supporting their respective franchised dealer networks and provides its products and services to more than 70% of dealer groups in the AM100.

O'Donnell said: "Even though we're a B2B business, our name is synonymous with service plans. We are trusted by both dealers and motorists. Service plans and warranties sit very closely together so it was a logical step for us to develop

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a suite of products that complement each other, delivers added value to the consumer and provides dealers with an additional revenue stream while further boosting retention at the same time."

With a live book of 1.9 million service plan customers, EMaC drives an aggregated £250 million of aftersales revenue into the UK network annually through its range of solutions and, with the addition of Lifetime Warranty, that's set to grow even further.

O'Donnell added: "Manufacturers have been quick to see the benefit of their network being able to offer complete aftersales care as one package and feedback from dealers already utilising the offering is very encouraging."

"With our extensive service plan infrastructure, we had the processes, systems, support, manpower and expertise in place to offer warranty products at scale. However, we wanted to be absolutely certain our warranty products and our behind-the-scenes processes were fit for the franchised sector so we have invested the time in working with our pilot group of dealers to ensure we can deliver the same exacting standards that dealers and customers enjoy with our service plans."

While the infrastructure, including technology that can efficiently and expediently manage complex processes and compliances, and an experienced workforce to handle enquiries, claims and payments, has been the foundation for developing and launching its warranty products, EMaC's drive has been the needs of the consumer.

O'Donnell said: "We put ourselves in the shoes of the consumer and thought about the flexibility and convenience they expect. In so doing, we are confident we have created a package that also delivers the retention and customer loyalty dealers seek. Our evidence shows customers are responding really well to the concept of having their



aftersales needs taken care of in one payment. It is already emerging as a key differentiator and is helping to eliminate some of the disorientation customers can often feel when it comes to thinking through their vehicle's future maintenance requirements."

Although EMaC's Lifetime Warranty was not officially launched into the market until earlier this year, together with breakdown and service plans, the three-pronged package has increased service retention by more than two-fold in the testbed dealers. On average, dealerships that were previously selling 10 Service Plans per 100 cars are now selling 26 - so there is demonstrable evidence of quantative business benefit.

O'Donnell added: "It's a very effective way of keeping the customer engaged in your business. Service plans are a proven retention tool and motorists appreciate the value for money and the ability to spread payments. Lifetime Warranty provides another incentive to ensure customers return to maintain their vehicles to the highest standards. The combination of a service plan and lifetime warranty is the basis for a long-term relationship between the dealer and the customer."

"Lifetime Warranty is also transferable when it's time for a customer to change their vehicle and, together with the full-service history, it will help protect its future value."

Consumers and dealers do have a wide range of suppliers to choose from since the UK's warranty sector is both mature and reputable so O'Donnell is under no illusion of the task ahead. But he is confident that offering the three stable aftercare products as a bundle will resonate and continue to gather momentum.

"Warranty relationships between dealer and suppliers are quite entrenched, but we have ambitions over the next three-to-five years to become a major warranty player," he said.

Having partnerships in place with more than 2,500 of the UK's dealerships, EMaC is confident its warranty products will strengthen those relationships even further. Meanwhile, its additional services such as the 0% credit facility, Drive Now, Pay Later+, offer a further incentive for customers to utilise its services through their dealer.

EMaC's Drive Now, Pay Later+ product allows dealers to offer customers consumer finance in store to pay for repairs and vehicle accessories, interest-free.

The flexible monthly instalment plan of up to 12 months, combines



an easy credit application process with real-time decision-making.

O'Donnell said: "We are continuing to evolve our products and services to provide dealers with additional revenue streams and consumers with value-added products and this is an opportunity to stand out from the crowd. Our Lifetime Warranty product combines the essential pillars of motoring aftercare into one, extremely reasonable monthly payment. It is a package that is a good offering in the best of times, but is particularly pertinent in the current uncertain climate we all find ourselves in."

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