Aftermarket Suppliers

HDeCC Survey Results

An Executive Summary of Preliminary Findings and Insights from the HDeCC E-commerce Survey

Fall 2024

Executive Summary

Key Preliminary Findings

Methodology

Key Preliminary Findings

This is an Executive Summary report of the findings of a major cross-industry survey conducted by the Heavy Duty e-Commerce Committee in respect to the state of adoption and use of product information standards in the Commercial Vehicle aftermarket. Since the introduction of product information standards for use in electronic commerce five years ago, adoption and usage has increased for suppliers and distributors, but it is also true that there is still a long way to go and certain barriers to overcome. Highlights of these findings are on the pages that follow.

Awareness & Adoption

- **PIES:** While progress has been made toward universal adoption of product standards, there is still work to do: 60% of Suppliers say they use PIES while 48% of Distribution use them in their own operations.
- **VMRS:**
  - 39% of Suppliers say they use VMRS; matching the 41% of Distribution who say that they themselves use them.
  - But 32% of Distribution say that they are unsure of whether they will use VMRS while another 14% have no plans to use standards.
- **ACES:** While there has long been resistance in the HD Industry in respect to the use of ACES, the survey exposed that over 2/3 of suppliers were aware of ACES support for Heavy Duty, Off-Highway and Equipment, and that almost half of Distribution already accepts ACES for Heavy Duty vehicles.
- **Deficiencies in the Standards**
  - Suppliers and Distributors agree that there is further work to be done to improve industry product information standards, specifically in areas related to defining a standardized method of describing 'specifications' (form-fit-function) attributes; and standardizing VMRS Product Codes. Further, there was agreement that System Definitions for ACES needed to be standardized.

Key Preliminary Findings Cont'd

Disconnected Views and Perceptions about Distributor and Supplier Satisfaction with the Quality of Data Supplied and Presented

Suppliers are not happy with how their products are displayed on Distribution's websites. Fewer than 42% of suppliers say that more than half of Distribution do a good job displaying their products. A problem of communication is apparent:

- 63% of Suppliers believe their customers are Very or Extremely Satisfied with the product data they provide.
- But contrary to what suppliers believe, no one in Distribution is Very Satisfied nor is any of them Extremely Satisfied.
- To add to that, 58% of Suppliers believe their Distribution partners do not do a satisfactory job displaying or representing supplier products.
- Tools exist to facilitate dialog in respect to improving the quality of data, but adoption of them is low: Only a quarter of the Distributors surveyed give feedback to Suppliers via a Scorecard and just 24% of Suppliers report using a Data Quality Review Process with more than half their distributors.

Disconnected Views in respect to Supplier Adoption of Standards

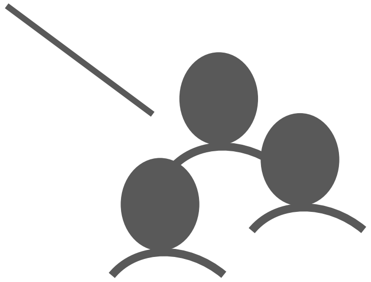
- When asked, Suppliers believe that their lack of adoption of standards and best practices relates to a lack of budget and resources, possibly due to Distributions' failure to communicate and convey their market need and the imperative for quality, standardized Product Information to effectively sell parts.
- However, Distribution believes that the Suppliers' barriers to using product standards are chiefly the lack of prioritization from senior management, due to their lack of awareness of the issue, as the root causes.

Sampling of Comments from Suppliers

- Product data improvements has been a journey for us and we are slowly making progress. First collecting and cataloging the information internally and then secondly being able to map them into an external standard.
- We just started doing ACES in July for the transportation market. We look to complete class 4-8 trucks to have a more complete catalog by the end of August 2025 but will be continuously adding vehicles throughout the year. After August 2025 we plan to address ACES for off -road heavy duty
- We recently hired our first e-commerce manager to improve our e-commerce store for our distributors. We hope to be in a better place next year.
- Most of the feedback we receive regarding marketing tools needed is through manufacturers' rep agents whose opinions on information priorities vary. Sometimes it is the customers' voiced-needs and other times it is the reps' opinion.
- No Demand
- Opticat, while not perfect, works okay but our distributors aren't good at using it as a tool to upload our data so we end up using excel documents in many cases.
- Pictures and descriptions will not identify a steering gear or steering pump. Not if you want the correct unit. They MAY get you in the ballpark but not in the correct seat. Each unit is particular to the truck it is install on.

Sampling of Comments from Distribution

- **The HD industry is slow to adopt any electronic interactions. Only because of the pandemic have they started down the digital transformation path.**
- In the HD sector adoption of PIES is still slow. We've many suppliers who will send data directly (once) and not send needed updates with any regularity or full understanding of PIES. Our content teams are continually reaching out to suppliers who fall into this group. There are other suppliers, who work on their data and supply updates regularly, (and while) some of these are "spot on" with data quality, others have adopted the standards incorrectly or not fully so their data is confusing to end users. The goal for suppliers is to sell parts, but there is still a lot of room for education, implementation, and application of the standards for data quality for all down stream partners. Our team understands that ACA's standards are collectively built and there have been added and removed PCDBs, PADBs and other item specific changes that have been made like the change made to Key Search Word, character limits for example. These changes have an affect on all downstream partners who use the data. Cutting character limits for example can be problematic, to historical data in downstream partners systems. It is important that the standards set are curated with downstream data users in mind. Communication and education is essential at all levels of this system. Our content team works to support communication and education to both our suppliers and data consumers. Your group's continued support is appreciated as we move forward in the HD sector to reach ecommerce goals.
- As with all of us there needs to be collection of data but also validation. IT, Marketing and where applicable Engineering/Product development need to work together. Sales teams that come to HD Events don't have the answers or even know where to get them in their organizations.



Methodology

- The Survey questionnaire was developed by the HDeCC, in consultation with the project team members (MEMA, Auto Care Association, CVSN) and hosted on MEMA's survey platform (Alchemer)
- The Survey was distributed across the industry to supplier and distributor contacts by each association (MEMA, Auto Care Association, CVSN) from September 4 through September 17.
- After data cleaning (e.g., removal of duplicate or unqualified responses), sample sizes are 23 from the Distribution Side and 97 Suppliers. Executive/Management supplied most respondents (Fig. 1). Figure 2 provides a breakdown by channel for Suppliers; Figure 3 provides a breakdown by channel for Distribution..

Fig. 1 BREAKDOWN BY TITLE/ROLE	Supplier	Distribution Side
Executive/ Management	67%	65%
Product Data Manager/ Content Manager	18%	26%
User of Data	2%	0%
Other	13%	9%
	100%	100%

Fig. 2 Breakdown by Channel	Supplier
Original Equipment Supplier (OES)	54%
A supplier of service parts to OEMs and their aftermarket sales programs	77%
A supplier of service parts to the independent aftermarket	87%
Other, please specify	8%

Fig. 2 Breakdown by Channel	Distribution Side
An OEM with an all-makes aftermarket program	17%
A national distributor/retailer with multiple outlets	35%
A local or regional distributor/retailer	48%
A buying group representing independent distributors	17%
A local or regional OE dealer with an all makes aftermarket program	4%

- In most cases, respondents answering with "Don't Know" were excluded from calculations. In a few cases where their DK response helped to understand the marketplace, their data was included.
- Percentages in the graphs on the following pages do not always add to 100% due to rounding.
- This Executive summary to be sent to participants who requested.

Aftermarket Suppliers

Strong by Association.