

January 2010

Unlocking the Full Value of Electronic Parts Data

**A Look into Electronic Cataloging for the
Aftermarket**

Since its introduction 25 years ago, aftermarket electronic cataloging has become an essential tool in building and maintaining a successful parts business. As the eCatalog enters its next quarter century, Activant and leading manufacturers are collaborating in the development, validation and distribution of parts data that helps drive sales and profitability at every level of the industry.





Many Voices, a Shared Vision

Many of us remember our first trip to an auto parts store. In most cases, these visits took place well before parts were moved out in front of the counter, and certainly before the use of modern computers. The counterman would listen to your request for a few seconds before diving into a rack of dozens of paper catalogs, taking notes as he went along. If he found the correct part listing, he would then disappear into the rows of shelves behind the counter and eventually emerge with a handful of choices based on your brand and pricing preferences. If the parts weren't quite what you were looking for, he would repeat the process until your need was met, or send you to the dealership down the street.

Sure, there were plenty of inefficiencies in this paper-based process, but back then virtually every passenger vehicle came from one of three manufacturers; there was plenty of margin in every sale to support the extra countermen and other resources needed to meet customer demand. After all, those were the days when the parts business was considered a "sure thing" for any entrepreneur who wanted to make serious money.


The prospect of guaranteed profitability began to fade with the advent of rising fuel prices, a stagnant economy and a rapidly escalating number of vehicle platforms and part numbers. By the late 1970s and early '80s, the aftermarket's "parts proliferation" problem strained not only the capital resources available to many distributors and jobbers, but also the research and sales capabilities of even the best parts counterperson.

Something had to change. And in 1984, when Triad (now Activant Solutions) introduced the first aftermarket electronic parts catalog, the industry found a solution with which it could grow.

Now, 25 years later, the electronic catalog (eCatalog) is infinitely more valuable as a parts research tool. Moreover, through the nearly seamless integration of the aftermarket "eCat" into modern business management and point-of-sale (POS) systems, even the least experienced counterperson can quickly perform complex sales transactions while providing important supporting information that will help the customer complete the repair.

Few question the importance of the aftermarket eCatalog to distributors and jobbers. Without this tool, these businesses simply could not profitably and efficiently fulfill the needs of today's service dealer and do-it-yourselfer (DIYer).

But the eCat is equally important to aftermarket manufacturers. The Activant eCatalog – which, because it is so widely used, has become the gold standard for the aftermarket – delivers detailed information on millions of parts to thousands of counters and installer service desks, literally opening up the industry to any supplier who provides data to Activant's catalog team. Equally appealing for manufacturers is the potential to replace the print catalog with a far more cost efficient electronic alternative.



Has the eCatalog brought back the days of guaranteed profitability? No. Has it enabled parts businesses of virtually any size to remain highly competitive in a significantly more challenging market? Unquestionably, yes.

It's still not perfect, of course. Everyone has something unique they are trying to derive from eCatalog technology. The jobber's vision, for example, is to have the right information for all product lines at their fingertips. The manufacturer's vision, in many cases, is somewhat different. They want to get more data out more quickly to a wider audience, without the quality assessment steps warehouse distributors (WDs) and jobbers depend on.

For distributors and counter professionals, the eCatalog has become the primary research and sales tool in virtually every customer contact. The right eCatalog can make the least experienced parts person seem like a seasoned pro to the shop owner on the phone or DIYer across the counter. Moreover, as part of a modern point-of-sale system, the eCatalog not only helps the user quickly find the right part but also charge the right price – eliminating the need to worry about conventional price sheets – and support smarter, more efficient stocking decisions.

The value of eCats doesn't end with the counterperson. Today our eCatalog data is combined with a variety of value-added solutions in modern shop management systems to increase the completeness, accuracy and speed of service estimates and resulting orders. Customers are in and out the door faster and more efficiently. Add-on services and required replacement parts are identified and quoted without the need for phone calls or time-consuming research.


In all settings, the eCatalog places replacement parts data and other vital information at each transaction's ultimate decision point.

In spite of the nearly universal reliance on non manufacturer-generated eCatalogs at parts counters and service desks across North America, these increasingly sophisticated and valuable business tools have engendered a variety of concerns among some manufacturers. "What value does the eCatalog provider add to my customer relationships?" "Why should I 'give' them my data?" And, "Why can't they publish my data 'as is,' saving themselves time, effort and resources?"

Each question is vitally important. Moreover, the fact that these concerns persist demonstrates that we need to do more to communicate how Activant eCatalogs provide powerful benefits to users at each step of the industry.

Driving Sales on the Front Line

If you haven't used an Activant eCatalog in recent years, you'll be shocked by what you've missed. Rather than a traditional character-based "green screen" experience, our latest eCatalog products combine the industry's most extensive parts database with user-friendly graphical interfaces that accelerate lookups, drive additional sales and reduce returns.



In addition to parts application data, Activant eCatalogs also provide seamless access to OE and aftermarket interchanges and buyer's guides as well as multi-view parts images, related sales opportunities, technical service bulletins, vehicle service recommendations, installation instructions and more.


The tens of thousands of parts professionals – representing by far the industry's largest group of eCatalog users – who rely on Activant enjoy superior functionality that helps ensure that each installer and DIYer receives fast, accurate, professional service. Our "MCL-by-Make" feature enables the distributor or storeowner to prioritize lookup results by brand, technology and price point to ensure the user is recommending the best choice based on established business strategies and customer preferences. Our integrated VIN decoding feature unlocks the "code" to each vehicle's unique parts content. The Activant OE Carry-Forward[®] analysis tool automatically updates parts coverage from one year to the next when product design is unchanged. All of these capabilities increase the salability of parts already on the distributor's shelves, leading to increased sales and fewer returns to the manufacturer.

Beyond the breadth of the Activant parts database and functional elegance of Activant eCatalogs, our value proposition includes providing more than 800 manufacturers unrestricted front-line access to virtually the entire aftermarket – including major retailers, program groups, independent WDs, leading service chains, and the thousands of independent service dealers whose shop management systems incorporate our data sets.

The Accuracy Issue

Activant's parts database is widely recognized as the industry's most extensive and accurate. This market leadership is no accident: Having produced the industry's most popular eCatalog for 25 years, Activant receives, audits, organizes and publishes data for more than 2,600 product lines with coverage of over 90 million registered vehicles.

In addition to providing superior breadth, our data undergoes intensive quality assessment to eliminate a significant number of manufacturer errors and inconsistencies. These errors, left unaddressed, could result in lost sales, increased returns, reduced customer satisfaction and diminished brand value. In short, we are another, much needed, level of quality assessment for the manufacturer's data team. As one recent example, our catalog team identified and corrected more than 200 errors (such as dropped part numbers, coverage holes, etc.) within a single line update from a major aftermarket manufacturer. Needless to say, Activant QA is an important margin of safety for manufacturers and their trade partners. Our quality control also helps manufacturers sell the right part the first time, and increase their sales based on coverage across vehicle platforms. And remember that if the initial look-up is incorrect, all of those add-on parts are likely to be incorrect as well.



And yet we do even more to add value to supplier data. Our eCatalog users enjoy clear, consistent data presentation and usability to enhance research efficiency and speed. In addition to application information, we provide access to a variety of databases offering virtually all relevant information necessary to service a vehicle. This is especially helpful in conjunction with our integrated VIN Lookup feature – a true VIN decoder that unlocks critical specifications for the vehicle in the customer’s repair bay. This approach is far more valuable than the VIN “masks” used by other providers, which provide little detailed information.

Integration is Everything

Some manufacturers have experimented with proprietary Web- and/or CD-based catalogs for distributors and other customers. While these tools offer value to selected users searching for the latest coverage, they fall far short of front-line user needs in four key ways:


- They are not integrated into the user’s point-of-sale or shop management system (the “decision point”)
- They lack important features such as VIN Lookup, labor information, OE Carry-Forward analysis, etc.
- They cover a limited range of product lines
- They increase chances of data errors due to inadequate quality assessment

Of these characteristics, point-of-sale and/or shop management integration has become the most powerful eCatalog differentiator for leading distributors, jobbers, service chains and independent service dealers. In an age when speed and accuracy are paramount, few professionals have the time, inclination or unrestricted Web access to load and/or search individual suppliers’ electronic databases. The ability to instantly move between a point-of-sale screen and Activant eCatalog helps make every counterperson more efficient, accurate and professional in the eyes of the customer. This tight integration also enables the user to instantly check inventory, initiate special orders, transfer parts from one store to another, and accept cores. Not surprisingly, the robust and tight integration of our eCatalog products and leading POS/shop management platforms is a primary reason why more WDs, jobbers and shop software providers choose Activant than any other data source.

Need for Speed

Speed to market is an obvious concern for any participant in the aftermarket data chain. It’s certainly an issue we address on a daily basis as we process and publish an ever-rising volume of manufacturer parts data.

So, why can’t we simply “push a button” to publish the manufacturer’s data?



As noted earlier, eCatalog users view Activant's QA process as an indispensable part of the eCatalog experience. Our relentless focus on accuracy benefits all parties, including the manufacturer. Publishing data without quality assessment, therefore, would harm every supplier included in our eCatalog by eroding user confidence. High-quality data is important – and, yes, it takes time. But ask yourself: What is the true cost of incorrect data in terms of time, lost sales, returns, rework, and reduced customer loyalty?

Investing in Your Business

Activant has continued to invest in new capital resources and technologies to reduce the complexity of the aftermarket data publishing process. In 2006 we implemented a new data repository and other tools to increase our production capacity. Today we are investing in new tools, systems and process improvements to continue to provide the best eCatalog products possible. And we will continue to invest and innovate because no one can rest on their laurels.

Before describing our latest technology improvements, it's important to highlight each step of our QA process. Knowledge of these behind-the-scenes activities can help manufacturers identify ways to speed the final delivery of their data.


Our first step – prior to any format conversion – is an audit of the manufacturer's XML or product file. Our audit tool, based on AAIA ACES Delivery Specifications, is used to review the data for proper structure and ACES compliance. Following this process, we provide the manufacturer with a Format Review of any areas of non-compliance.

A variety of issues often arise during this initial audit. They can be as simple as ensuring the data is in the right place; e.g., placing attributes in the "Attribute" tag rather than the "Note" tag.

Once a file is confirmed as compliant, it undergoes a full content assessment. We first determine the type of update we are conducting, which enables us to apply the data to the appropriate product lines. We then run a content comparison between new and existing data to check for changes, conflicts and/or redundancy. In response to user demand, we also add more descriptors to the part type.

More recently we've made several significant technology and process improvements, including a new capability called "Net Differences." Through this specialized technology, Activant now processes only the new and changed data within a manufacturer's complete file. This significantly reduces processing load and turnaround times.

We're also instituting new processes and systems to automate the assessment of manufacturer files to quickly provide a "Pass" or "Fail" notification. Faster initial assessment reports will save time both for the manufacturer and Activant as files move through the production cycle.



We will soon deploy additional automation to streamline and simplify comments, consolidate records and save additional time. We've already automated the processing of more than 400,000 standardized Fitment Notes, leading to increased consistency and a reduction in time required for Fitment review.

The delivery of complete monthly file updates via our Active Updates Web interface – another important near-term investment – will cut several days from the delivery cycle for many data consumers.

These are just some of the technology enhancements we are making to the publishing process to get manufacturer data to the street faster.

Mythbusters

One of the most common misconceptions about Activant – and one that impacts customer expectations regarding data turnaround – is that we produce just one eCatalog per month. In reality we produce 16 unique monthly eCatalog versions to ensure that all users – those with the latest technology as well as those with older systems – can perform fast, easy, accurate parts lookups.

It is important to know that nearly 70 percent of jobbers still use older computer platforms, many of which require special data formats. Major shop management systems also have unique requirements for the integration of application information and related databases. Additionally, Activant's eCatalog team accommodates the unique needs of online parts retailers. Most observers would agree that gaining access to the entire aftermarket is an appealing proposition for industry suppliers. This is the challenge we tackle each month.

Another widely held myth is that manufacturers pay Activant on a monthly or annual basis to include their data in our eCatalog products. In truth, Activant serves as a distribution channel for the manufacturer's catalog(s), at no charge. We also provide the following free services to manufacturers: monthly and quarterly data updates; Activant Cover-to-Cover[®] content updates; price sheet publishing; assessment reports; Web portal access; and participation in our Manufacturer Best Practices Workshops.

We also commonly hear that Activant "changes" parts data without the manufacturer's approval. In fact, a comprehensive customer report is generated following each quality assessment. Changes are made only after manufacturer consideration and approval.

With regards to copyrighted and other proprietary content, Activant honors the intellectual property rights of all manufacturers.



We Need More Data, Not Less

A final misconception deserves special attention: Some manufacturers mistakenly assume we want them to limit the volume of information they provide to us. In fact, we and our shared customers want all of their appropriate application, non-application and “othermotive” content so we can continue to enhance the user experience and help drive manufacturer sales.

Among the additional content we accept are medium-duty and new-model application data; pricing and UPC files; interchange information; product and packaging specifications; images and system diagrams; installation instructions; warranty information; and technical bulletins.

Although Activant clearly plays a major role in delivering manufacturer data to thousands of end-users, we view ourselves as a partner to businesses at each step of the aftermarket supply chain. The breadth, quality and timeliness of parts data depend on the coordinated efforts of all parties, including associations and multiple contacts within each manufacturing organization. For our part, Activant has contributed significantly to help manufacturers save huge sums of money, enhance efficiencies and facilitate sales in the years since our industry relied exclusively on paper catalogs.

Let’s Move Forward Together

We all agree that eCatalogs are here to stay, and for good reason – they help drive positive business results. We are continuing to make significant investments in our data publishing processes to further enhance the value of this vital technology. In this light, it’s fair to ask that manufacturers consider ways they, too, can better assist us in achieving our common goals.

All of us are making great progress, but there is much work to be done. I urge you to recommit to providing all of your applications data in the industry-standard and electronic formats and to communicate with our data procurement team on a more frequent basis so we know well in advance that new file updates are being readied for our QA team. Open communication will enable all parties to eliminate surprises and better serve the needs of our shared customers.

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