



COMPETENCE



DEVELOPMENT



COMPLIANCE



CUSTOMER EXPERIENCE



FURTHER EXCELLENCE



QUALITY



SALES PERFORMANCE



SUSTAINABILITY



TRUST

HOW CAN YOU CONTINUALLY ENHANCE CUSTOMER EXPERIENCE?

DEALER NETWORK PERFORMANCE ASSESSMENTS

SGS

**ENHANCE
CUSTOMER
EXPERIENCE
ACROSS YOUR
FRANCHISE
NETWORK**



CUSTOMER EXPERIENCE



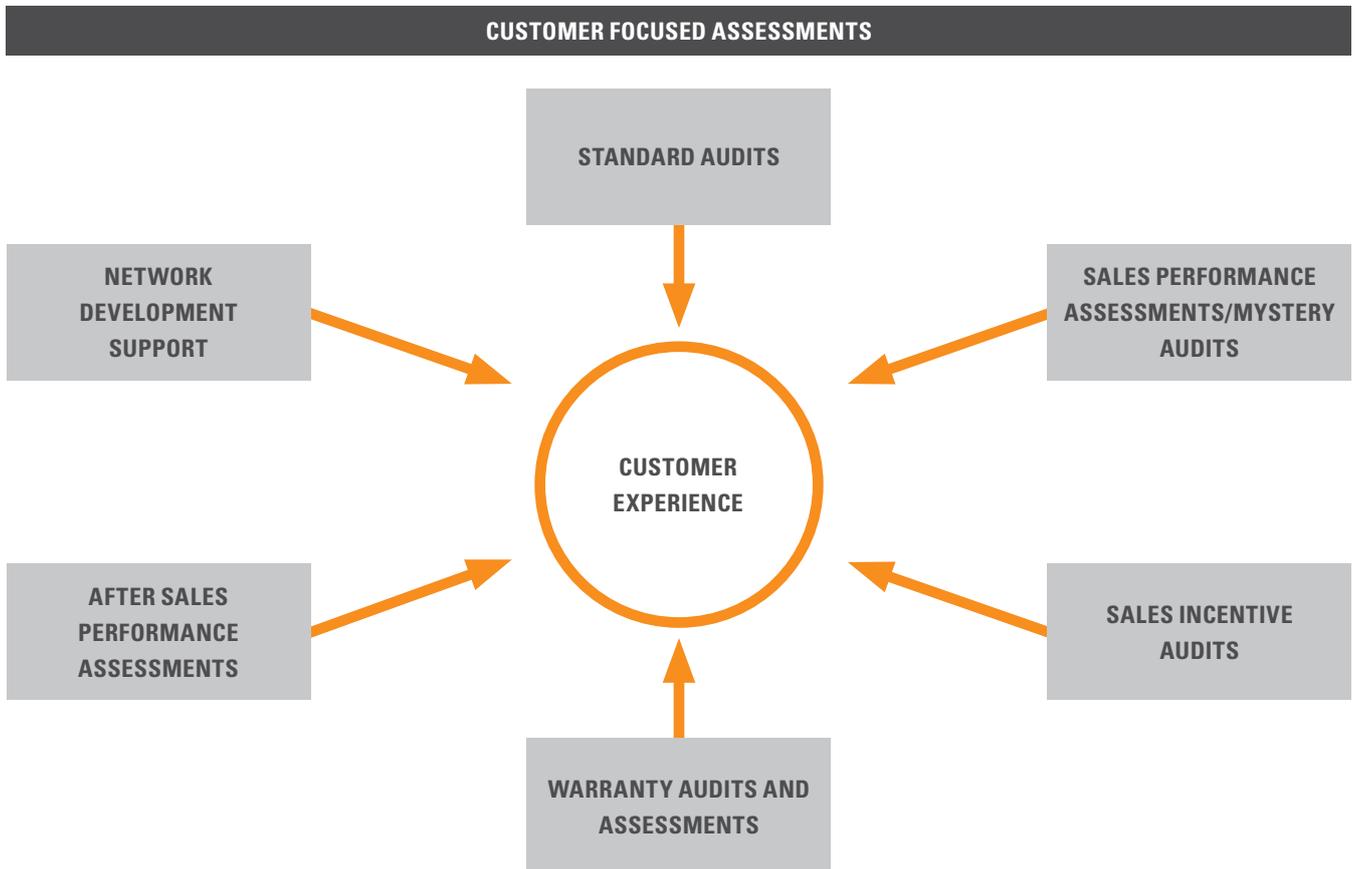
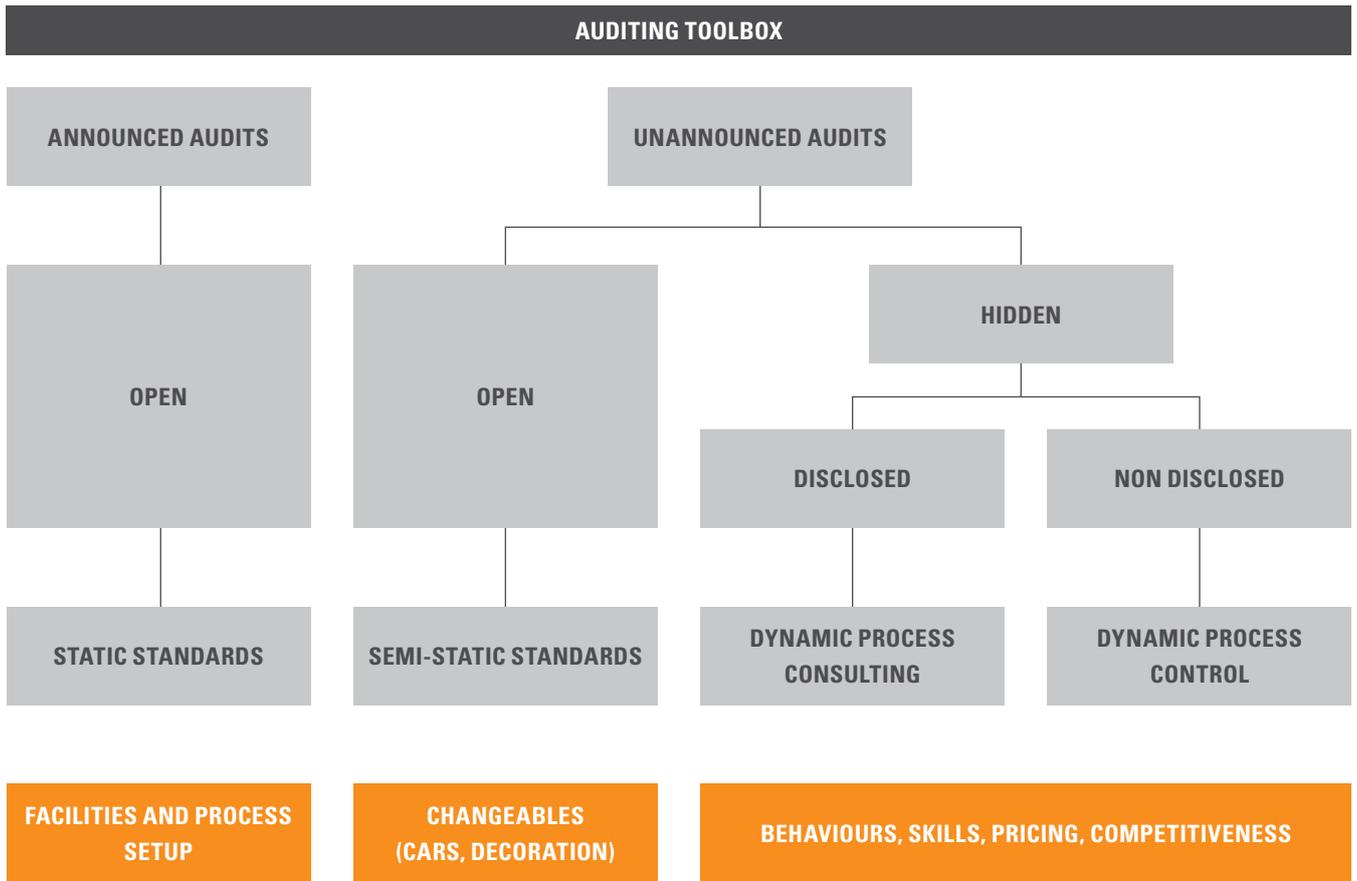
TRUST

Exciting television car adverts, glossy magazine advertorial and the lure of the 'new' make people ready to part with their hard-earned cash for a brand new car. However, buying a new car is second only to purchasing a home in terms of expenditure for the average person. So when it comes to ensuring people leave your dealership in a new vehicle, the service has to be anything but average. From the greeting at the door, to the operation and servicing of the vehicle in the after sales period – your product must deliver a flawless premium service.

For any OEM, making sure this premium service is experienced across a franchise network is a difficult task that SGS can help to solve. Through our global network and expertise in Dealer Network Performance Assessments we can optimise your customer experience and maximise your revenues.

**OUR DEALER NETWORK
PERFORMANCE
ASSESSMENTS
OPTIMISE YOUR
CUSTOMER EXPERIENCE
AND MAXIMISE
YOUR REVENUES.**

DEALER PERFORMANCE ASSESSMENTS



SGS WARRANTY SERVICES

Warranty issues often cause inconvenience that leads to customer dissatisfaction with the brand. To avoid these issues a dealer network must be optimally engaged in a complex multi-way exchange of information, parts, services and invoicing. A well functioning warranty process can turn an otherwise negative event into a potentially profitable business opportunity. Hence, warranty audits need to examine the full picture of: the dealer's service area, the audited repair and the effectiveness of all processes within the service area.

According to the results found in the 2012 SGS 'US Dealer Satisfaction Survey: Warranty Administration in the Automotive Industry', 64% of dealers asked said they that found the warranty system of their main brand simple. However, single brands had 25% of unsatisfied dealers, suggesting that there is still some work to be done to improve the warranty administration of some brands. SGS Warranty Services

enable your organisation to operate in the most efficient way possible by supporting you in gaining a complete understanding of your warranty process. Our services also guide you on how to develop your warranty operations to ensure your dealers are fully satisfied.

SGS Warranty Audits include a thorough investigation into overspending during warranty periods, covering:

- Identifying dealers Key Performance Indicators
- Understanding out-of-line areas
- Identifying claims to be audited by analysing all claims from a dealer
- Audit planning
- Onsite auditing of facilities, process setup, procedures and technical issues
- Analysis of claim consistency
- Defining debits
- Highlighting approved deviations from procedures
- Reporting
- Monitoring improvement

As a result, OEMs can improve control of dealers' warranty invoicing processes through pre-payment approvals or post-payment audits or screening.

Our service covers the entire automotive warranty control chain:

- Pre-authorisation support
- Post-payment claim screening
- Consultative warranty reviews
- Formalised warranty audits

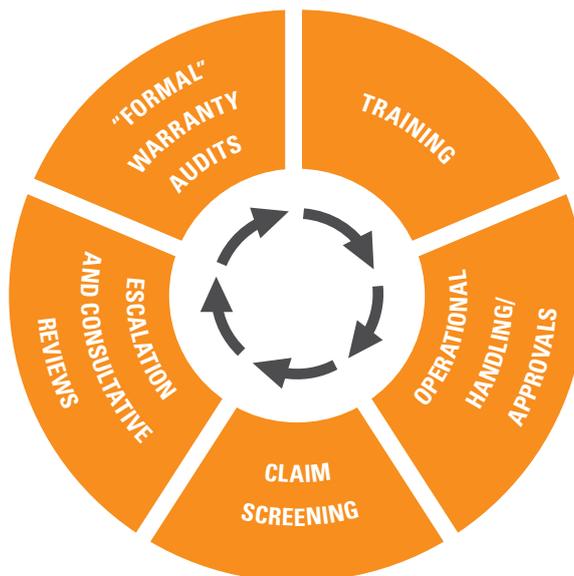


COMPLIANCE

WARRANTY HANDLING AND CONTROL

Regular audit (or based on selection)
Random claim selection, review and debit
Goal: Improve behaviour through financial penalties

Select out of line repairers based on KPIs, preselect claims, review, coach and consult repairers
Goal: Improve behaviour through management insight



Train repairers to consult KPIs on a daily basis

Validation of claims (automated)
Manual review of rejects
Goal: Control recognised critical issues in advance

Manual review of selected claims based on predetermined rules
Goal: Detect issues and correct

**THE BENEFITS OF SGS
WARRANTY AUDITS**

SGS Warranty Audits provide an alternative method to control the performance of dealers and help you find the right balance between audits, pre-authorisation hotlines and claim screening activities. By investigating expenditure, overspending can be avoided, processes can be streamlined and your customers' brand perceptions can be protected from damage. We provide you with a service that maximises the effectiveness of warranty audits and reviews. Our warranty auditors and auto warranty advisors have an extensive technical knowledge of the automotive industry and OEMs' processes and procedures. Using our expertise we precisely align every element of our Warranty Audits to the needs of your organisation.



QUALITY

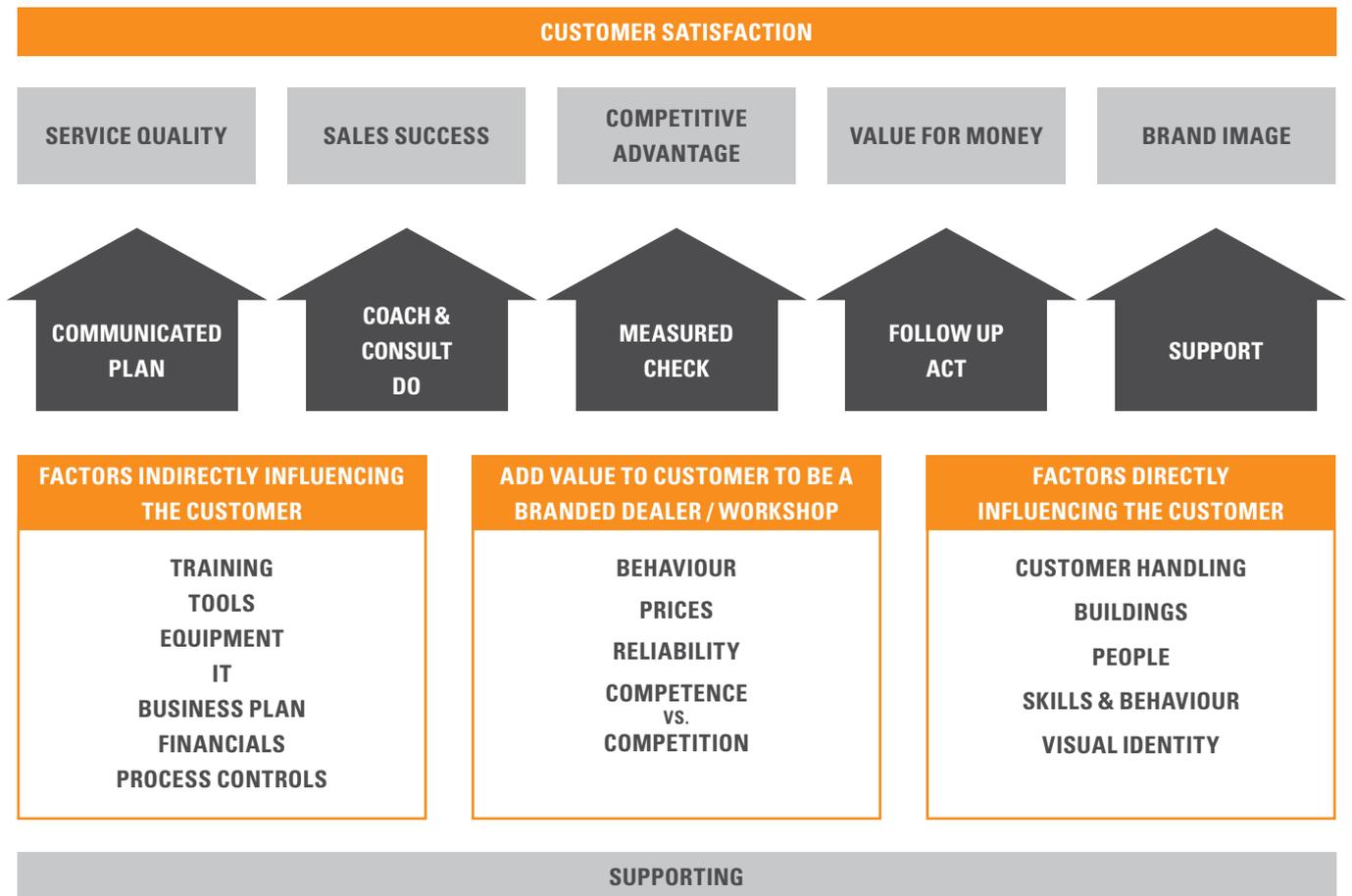


COMPETENCE

**SGS WARRANTY
AUDITS ENABLE YOU
TO BETTER MANAGE
PROCESSES AND
CONTROL SPENDING.**

SGS STANDARD AUDITS

KEY ELEMENTS OF A SUCCESSFUL STANDARD MANAGEMENT SYSTEM



Standard Audits assess a variety of factors that directly or indirectly influence customers and with that, your brand image. They evaluate facts, data, layouts, Key Performance Indicators (KPIs) and other similar elements. Standard Audits cover dealer network development as well as dealer compliance with the requirements of the European Union Block Exemption Regulation (BER).

SGS Standard Audits check dealer operations against the required OEM standards and systematically demonstrate weaknesses at your dealers and repairers by analysing trends, including:

- Visual identity (e.g. facts and perception of the facilities)
- Equipment
- Pricing and financing
- Test drives or demonstrations
- People and training situations
- Staffing and the level of training in sales and after-sales
- Behaviours and quality of work execution

- Professionalism (e.g. sales, after-sales service and support)
- IT tools and computer systems
- Financial stability
- Site and real-estate potential

SGS develops and agrees audit criteria with you before commencing any visit to your chosen sites. Each criterion is assessed with a simple 'complies' or 'does not comply'; alternatively we can develop a more sophisticated valuation that defines minor and major deviations.

Standard Audits are applied in two ways:

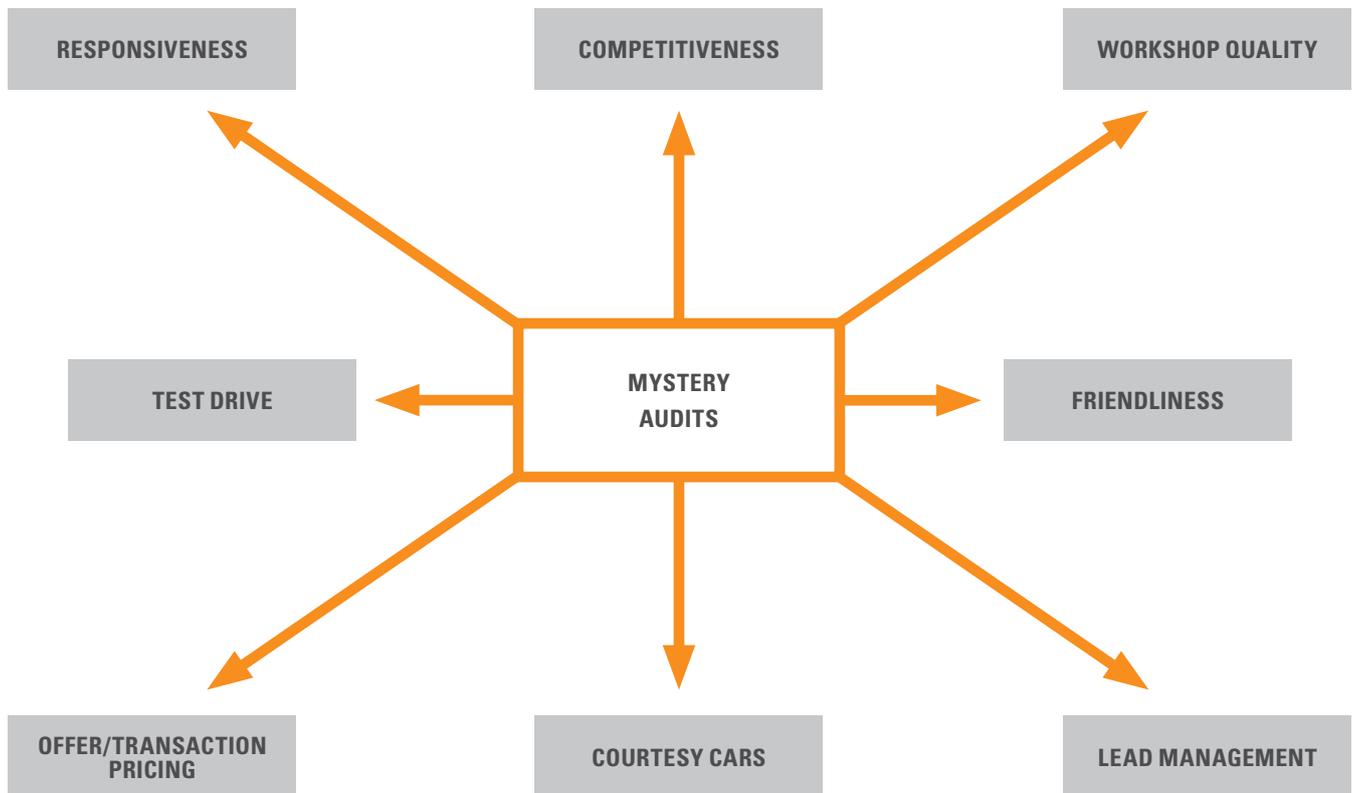
- New Application Audits – to check the preliminary requirements in relation to the standard (i.e. the number of square meters of covered and uncovered surfaces, and the number of employees)
- Surveillance Audits/Contract Update Audits – to focus on maintaining the standard and requirements, while updating resources and the codes of practice for sales and after-sales activities to ensure compliance with the OEM Standards requirements

Standard Audits can start with a self-assessment by the dealer, which provides a reference point for the results. The audit results, wherever possible, use quantifiable data that is gathered and measured onsite. Our team of automotive experts ensure the results are meaningful and supplied with aggregate failure and trend analysis. Our analysis of the data also allows for benchmarking of your dealer network against your competitors, ensuring you have the information you need to stay ahead. Audit results may also serve as evidence in legal cases following a contract termination.

SGS can execute the audits for you as a variable cost element (if and when required). All our audits are delivered with consistent execution and comparable results between dealers. As an accredited certification body for most ISO standards our Standard Audits can be integrated into ISO 9001 audits. They can also be expanded to include follow-up visits and incorporated into global reports for individual assessments and general business assessments.

SGS MYSTERY AUDITS

SERVICES FROM DEALERS & AUTHORISED WORKSHOPS



AUDITING CUSTOMER EXPERIENCE

OUR INTERNET REPORTING GIVES YOU REAL TIME INFORMATION ON DEALER QUALITY AND SERVICE.

SGS Mystery Audits are offered as a tool to check a dealer without affecting the checked employees. We pre-agree with you a set of criteria to evaluate your dealers' behaviours.

Our Mystery Audits report on the service elements customers notice, including:

- Reaction on phone calls, e-mails, website activities
- The general appearance of the showroom on the day of the audit
- Staff availability, friendliness, appearance and attitude
- Waiting times, response times, transfers
- Vehicle reception and delivery
- Transaction prices / offered prices
- Service fulfilment (in time delivery, quality of work)
- Actual provision of courtesy cars or cost estimates
- Quality of the work done (workshop tests)
- Explanations of offers and invoices

We tailor each audit to your individual brand needs. An SGS Mystery Shopper Profile is constructed to visit a dealership and simulate a potential customer in order to report on the service element objectives important to you.

STATE-OF-THE-ART INFORMATION TECHNOLOGY FOR MEANINGFUL DATA MANAGEMENT

SGS utilises state-of-the-art IT solutions for a real-time overview of how the brand ethos is respected and presented in individual locations, across regions and geographies. An Internet reporting database, containing the auditor results, is managed to precisely match your audit objectives and to optimise the reporting. The database provides you with information (e.g. project scorecards, individual dealership scores, local statistics, global trends and aggregate audit findings) at any time during the audit process so you can track your dealers' conformity to brand standards of quality and service.



SALES PERFORMANCE

THE BENEFITS OF STANDARD AUDITS AND MYSTERY AUDITS

Our Dealer Network Performance Assessments give you a wide range of benefits, including:

- The largest provision of worldwide independent and impartial auditing services, so you can feel confident you are getting audit results you can trust
- Access to our unique worldwide network and globally consistent service gives you the opportunity to benchmark against your competitors around the world
- Supply of the number of qualified auditors you need to meet the size and timescale of your project, meaning you get audit results fast
- Based on your objectives our professional and experienced auditors deliver results-oriented audits, giving you the information you need to make informed business decisions

- Our auditing team has a wealth of experience in 2nd party auditing for Automotive OEMs; they understand your operations and what you need to know to ensure your brand is fully protected
- Our state-of-the-art IT solutions provide a real-time overview of your brand ethos presentation, across regions and geographies, precisely managed to your audit reporting objectives

SGS INCENTIVE AUDITS

Rules for incentives are often complicated and potentially overlapping which leaves room for errors or even fraud. Our 2013 European Dealer Satisfaction Survey found that almost a quarter of dealers think the administration of sales bonuses and incentives is too complicated, with only 32% of those being surveyed rating it as simple.

WE PROVIDE GLOBAL IMPARTIAL AUDITS PERFORMED BY QUALIFIED AUDITORS.

Incentive Audits help you prevent any misuse of discount campaigns, intended or otherwise, and control the financial flow between OEM and dealer. We evaluate the impact of discount campaigns and assist in rectifying any ineffective allocations of incentives.

We have an experienced team of independent automotive auditors, who provide a complete audit service that covers every aspect of incentives. We ensure a thorough search for overspending during sales campaigns and when implementing discount policies, including:

- Identification of dealers to be audited on the basis of statistical performance
- Identification of discount initiatives to be audited in a pre-established interval of time
- Planning of the audit
- On-site audit of sales contracts
- Verification of implementation and compliance with discount policies
- Gathering and validation of the evidence
- Identification of inconsistencies or non-conformities and the source of the issue
- Identification of wholesale approved deviations
- Reporting
- Chargeback
- Monitoring of improvement

THE BENEFITS OF SGS INCENTIVE AUDITS

SGS Incentive Audits offer a wide range of benefits, including:

- Immediate cost savings due to the deterrent effect
- Evidence that the actual discounts granted to the customer are in accordance with OEM commercial policies and campaigns
- A higher level of clarity and control in the OEM discount policies for the dealer
- Identification of dealers that are a threat to your brand so that you can act
- Dealer assistance pre- and post-audit preparing audit documentation and managing the complaints saving time for OEMs

We help you to:

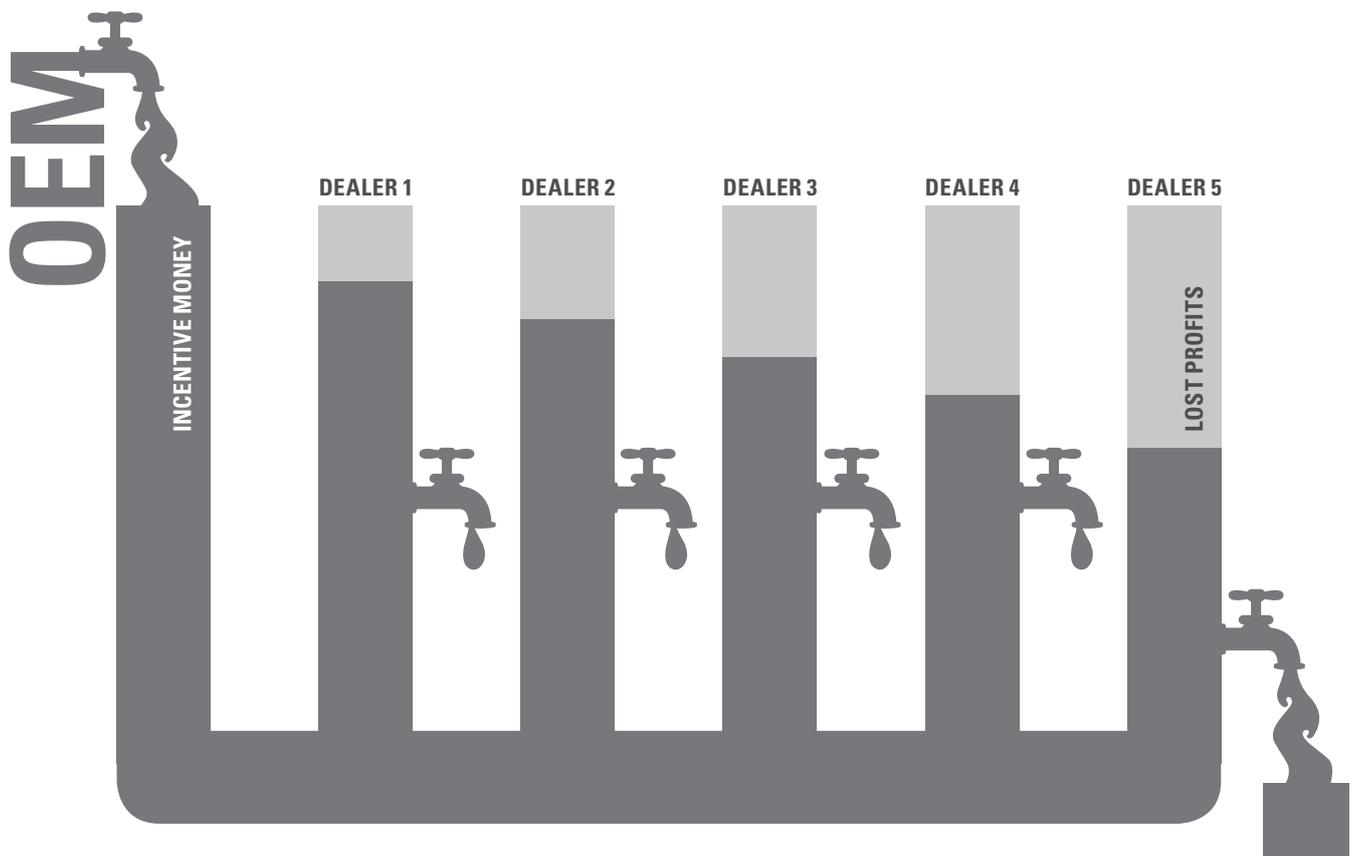
- View the structure of incentive allocations
- Evaluate the possibility of debiting back incentives that are proven inaccurate while identifying an appropriate penalty model
- Avoid non-applicable special discounts (e.g. demo or small fleet discounts) by single dealers

Overall your organisation benefits from improved cost control and a greater level of trust between you and your network.



DEVELOPMENT

PROTECT PROFITABILITY AND CONTROL COSTS



ONE DEALER MISUSING DISCOUNT INCENTIVES CAN LOWER THE PROFITABILITY OF THE ENTIRE NETWORK

 = DISCOUNTS

WHY CHOOSE SGS?

- We help the automotive industry improve performance and reduce risks
- Designated for over 300 national and international automotive testing procedures
- Global network of qualified experts
- Custom-tailored solutions
- Flexible real-time reporting
- Unrivalled experience supporting governments, manufacturers, traders, financial institutions and insurance companies.

ABOUT SGS

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognised as the global benchmark for quality and integrity. With more than 75 000 employees, SGS operates a network of over 1 500 offices and laboratories around the world.

SGS can support you in the definition of the audit programme and its goals, by using our experience in the automotive industry and benchmarking to best practices. We deliver audit results and analysis in a concise, clear and meaningful format; and make recommendations for action plans on any issues arising with dealers to ensure the improvement of your business.

Enhancing processes, systems and skills is fundamental to your ongoing success and sustained growth. We enable you to continuously improve, transforming your

services and value chain by increasing performance, managing risks, better meeting stakeholder requirements, and managing sustainability.

With a global presence, we have a history of successfully executing large-scale, complex international projects. Our people speak the language, understand the culture of the local market and operate globally in a consistent, reliable and effective manner.

**TO LEARN HOW SGS CAN HELP YOU
ACHIEVE SALES & AFTER SALES
SERVICE EXCELLENCE VISIT
WWW.SGS.COM OR CONTACT
AUTOMOTIVE-SOLUTIONS@SGS.COM
FOR MORE INFORMATION**

**WE HELP DEVELOP AND
DEPLOY ACTION PLANS
TO IMPROVE YOUR
BUSINESS.**



FURTHER EXCELLENCE

WWW.SGS.COM

WHEN YOU NEED TO BE SURE

