

New automotive aftermarket guidelines: What it means for new car owners

New guidelines that will come into effect from 1 July 2021 include owners of new vehicles being able to choose where they service their vehicles without risk to their warranty. Motor manufacturers could cancel a warranty if a vehicle was not serviced at the dealership prior to this landmark.



Troy van der Westhuyzen | image supplied

These Right to Repair guidelines published by the Competition Commission will mean that owners of new vehicles will no longer be 'locked into' using a specific vehicle manufacturer's service centre, repair shop and or parts.

This was one of the much-anticipated topics discussed at the Finance and Insurance (F&I) Summit, which took place virtually last week to provide industry stakeholders with up-to-date industry information and insights.

To discuss these new guidelines and what they mean for the industry, industry experts Ryan Seele, group managing director of Mortimer Toyota; Troy van der Westhuyzen, general manager at Motorvaps and Meyer Pheiffer, managing member and co-founder of Xpel SA by CPP were part of a panel moderated by motoring and financial journalist Leo Kok.

In summarising the main implications of the new regulations, Seele said that the overriding principle of what these new regulations are trying to achieve is to open up the market and enhance transformation. To date, there have been many barriers to entry when it comes to the local motor retail and panel beating industry. These new guidelines aim to open up training, tooling and opportunities to work on vehicles in areas outside of the traditional dealer networks.



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"It will allow consumers a choice in terms of where they would like to go to have their vehicles worked on, irrespective of whether they are in the service plan and or in warranty," Seele said, although he notes that different regulations will apply for vehicles purchased before 1 July 2021 and those purchased afterwards, with two different sets of rules kicking in.

While the premise of the new regulations is commendable and necessary, the biggest challenge is going to be educating consumers about the choices they now have and what the consequences of those choices will be, particularly when choosing an independent service provider.

Although this is a set of guidelines, largely open to interpretation, there is no doubt that these changes will open up the opportunity for service providers, dealers and product providers alike.

Troy van der Westhuyzen from Motorvaps said that with the changes that are coming, and depending on how they are implemented at the dealership or per brand, the opportunity now exists for dealers to customise a sale in line with what a customer can afford, and tailor the package with products more specific to the needs of that customer.

"By doing that, you are also opening the market more to the lower LSM market, which is a big intention of Right of Repair, and which should bring in more deals and therefore more opportunities," said Westhuyzen.

"These are all new opportunities that Right to Repair is bringing clients," he says. He also highlights the importance of having the right products and that making sure that the client understands the products will play a big role for F&Is going forward.

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