

CLICK HERE
GET YOUR COPY NOW



UK Body Repair Market Emerging from COVID-19 Spring 2021

*Short summary from a selection
of the survey results*



**EMERGING FROM
COVID-19**

MAY 2021



**COMING
SOON**



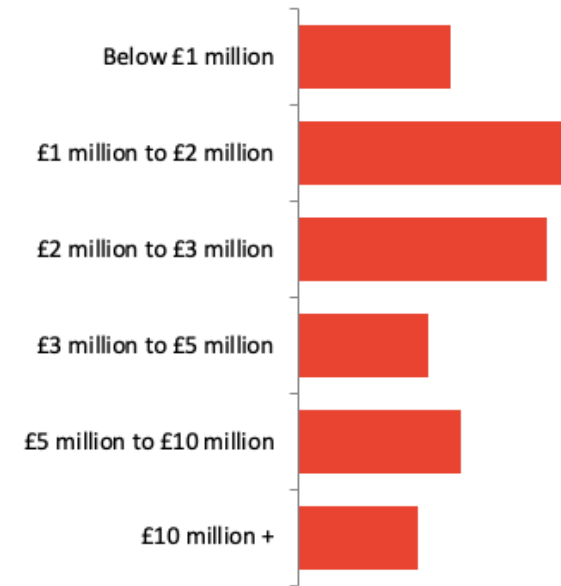
Emerging from Covid 2021 Results and analysis

Over 200 shops represented in responses.

Cross section of the UK geographically.

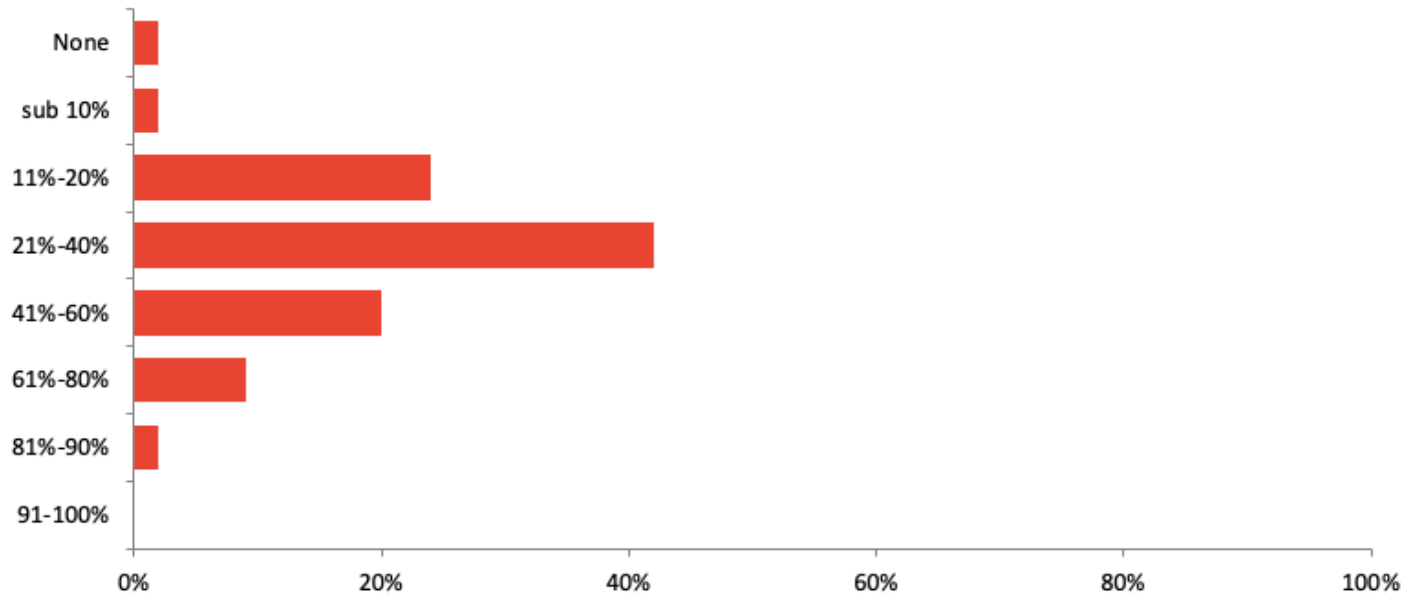
Cross section of the size of businesses.

Some clear conclusions for anyone in the
Motor Industry to be aware of.



Lockdowns taking their toll

For the 12 month period (April 2020 to March 2021), what percentage of projected annual turnover did your business lose?



A **third of respondents lost 41% or more of their turnover** in the last 12 months, everyone was impacted to an extent.

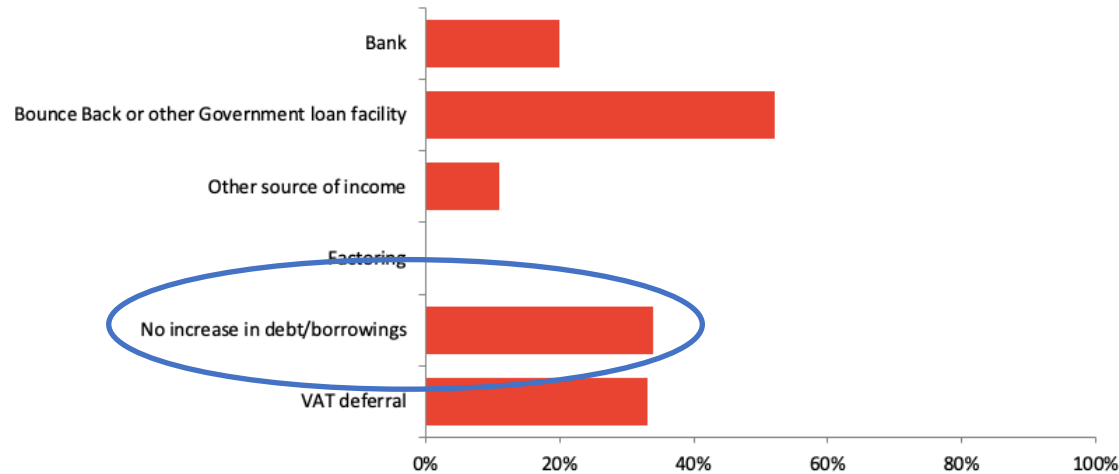
Majority losing between 21-60%.

Many operating significantly below 'normal' turnover at the time of this survey, almost **a third operating below 50%**

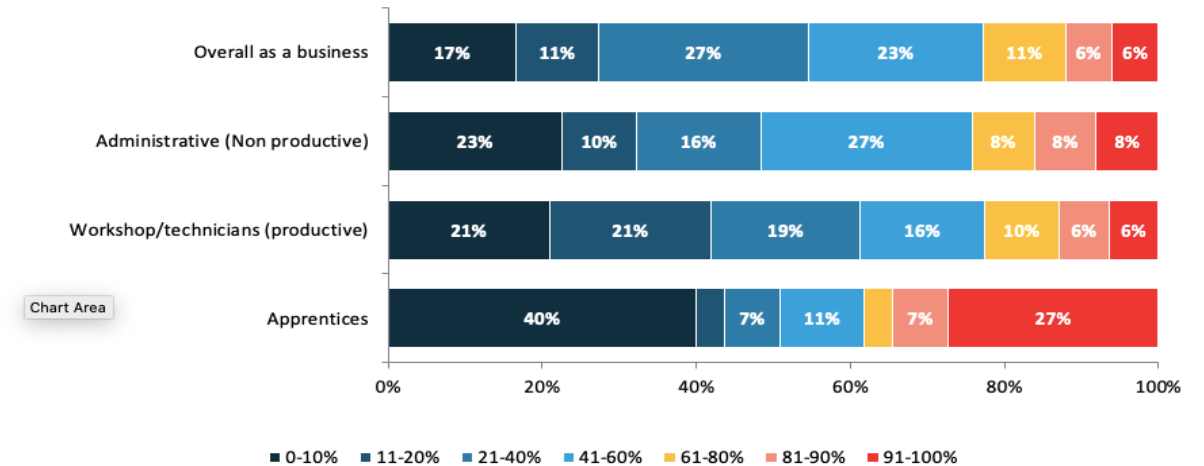
Some closed for a short period during this latest **lockdown in Q1 this year**, 60% of those were closed for 1 month of less.

Government support and furlough to get through

During the last year and as a result of the pandemic, have you needed to increase your debts/borrowings, if so, through what source?



In regard to staff, what percentage were on the Furlough scheme (overall and split by type - admin, workshop and apprentices)?



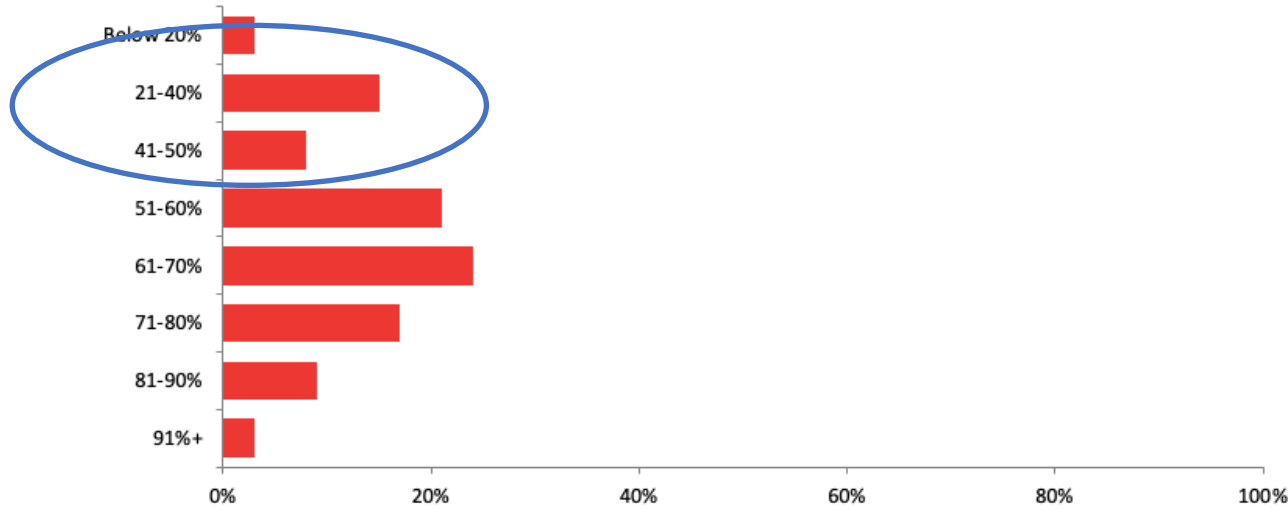
Only a third have not increased their debt or borrowings.

Over half used the Government loan facilities, many using the furlough scheme, very welcomed by the industry. In fact, the UK government support packages amounted to 17% of GDP (2019- Szmigiera) making it one of the most generous of all affected nations.

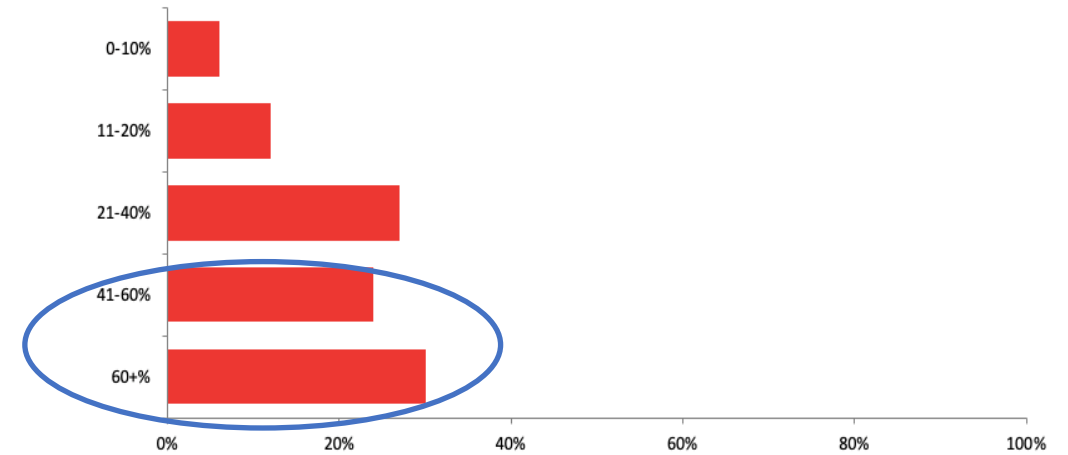
A third have deferred their VAT payments, hoping volumes will now come back and their business will bounce back.

The impact on work levels and the present position

What is your current volume of work, stated as a percentage when compared to pre-covid volume levels?



What is the current available capacity of your business?



Comments suggest some insurers have directed repairs from wider catchment areas to their approved network, meaning there are some winners and some losers in these responses

26% receiving less than 50% of normal volume.

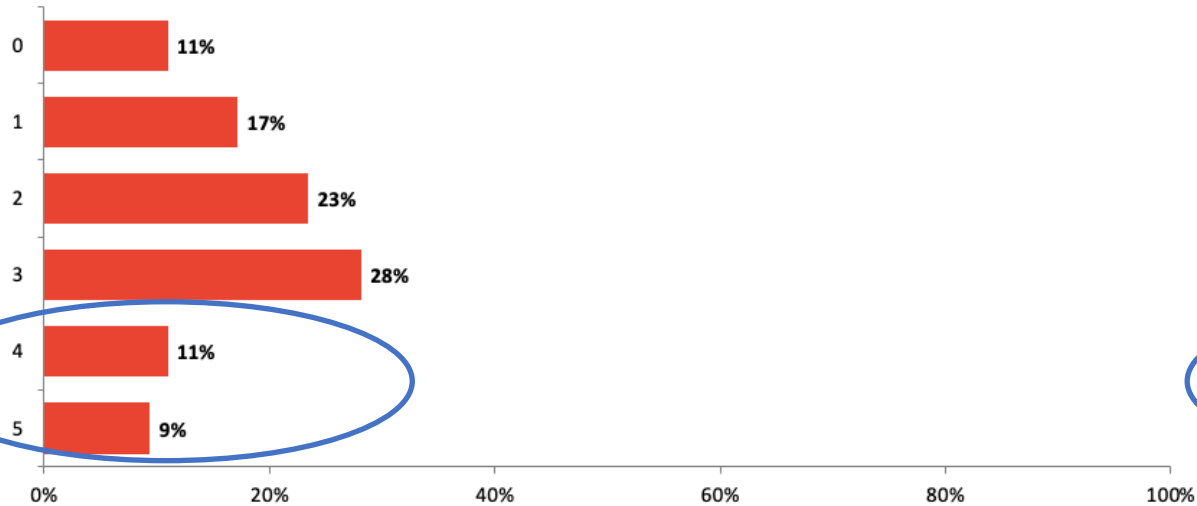
29% at 71% or more.

Over half with 41% of capacity or more available.

18% running with only 20% left, showing good signs of recovery.

What does this mean for investments and potential cut-backs?

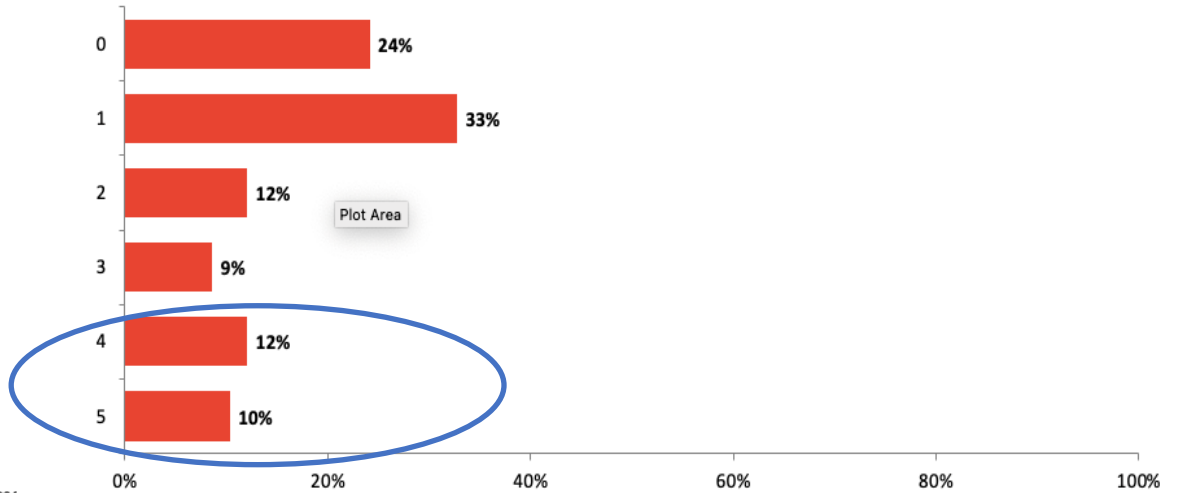
How has your need to invest changed during the last year ?
0- reduced investments 5 - significant increase in investment



A 50/50 split here with some continuing to invest to need and some looking for ways to survive, 20% increasing their investment.

Many quoting the **need to invest in EV, ADAS and OEM tooling**, some taking opportunities to buy shops struggling and expand.

As we emerge from the Coronavirus Job Retention Scheme , do you anticipate having to make staff redundant? 0 - not likely 5 - very likely

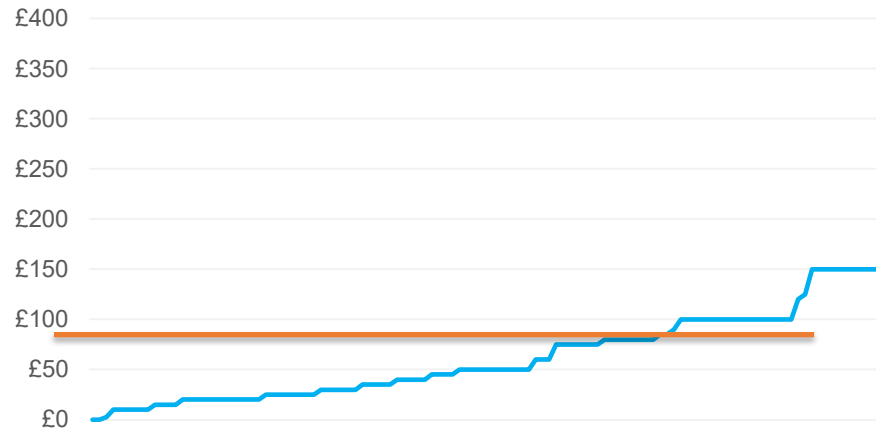


Unfortunately, **22% state they are likely or very likely to make redundancies.**

Promising that almost 70% are unlikely to.

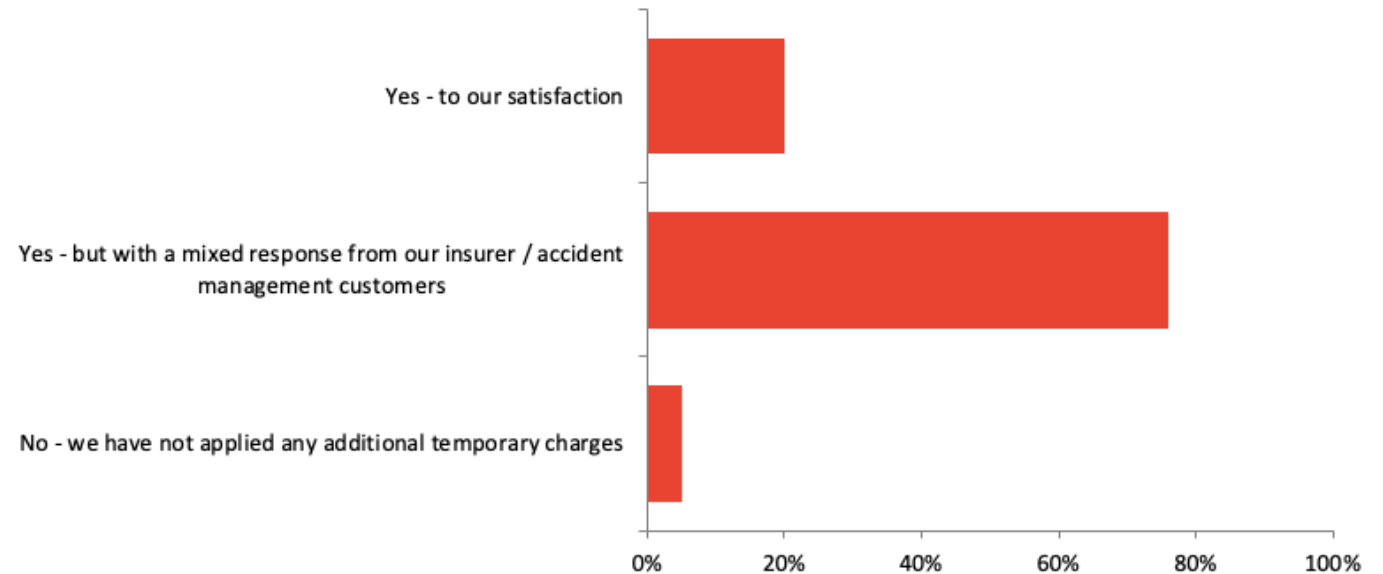
Was the work provider financial support enough?

This graph was from the survey last year, the variance in what bodyshops needed for COVID-19 charges. The responses ranged from £0 to £400, with a mean average figure of £75.50.



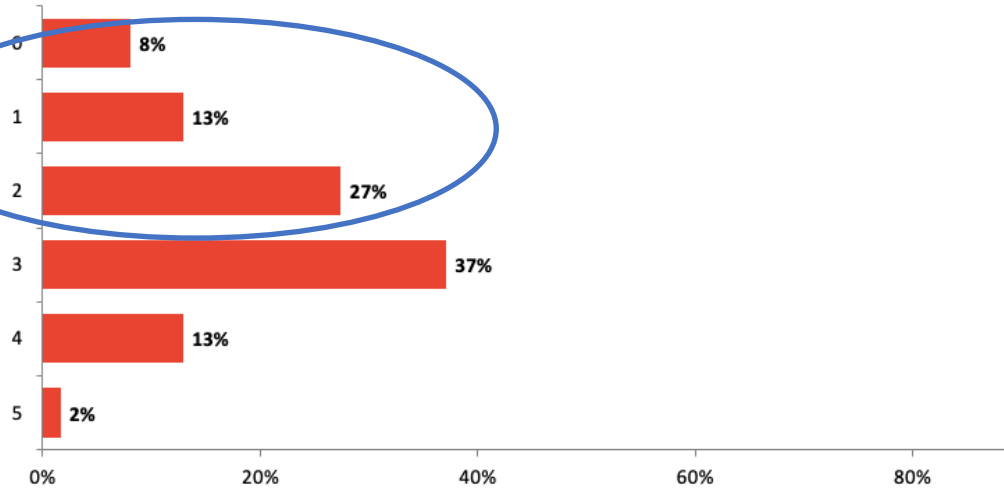
Some Insurers were very supportive with a variety of rate changes, **76% felt they had support**, but it was a mixed response from Insurers.

Did your insurer customers accept temporary COVID-19 charges on estimates/invoices?



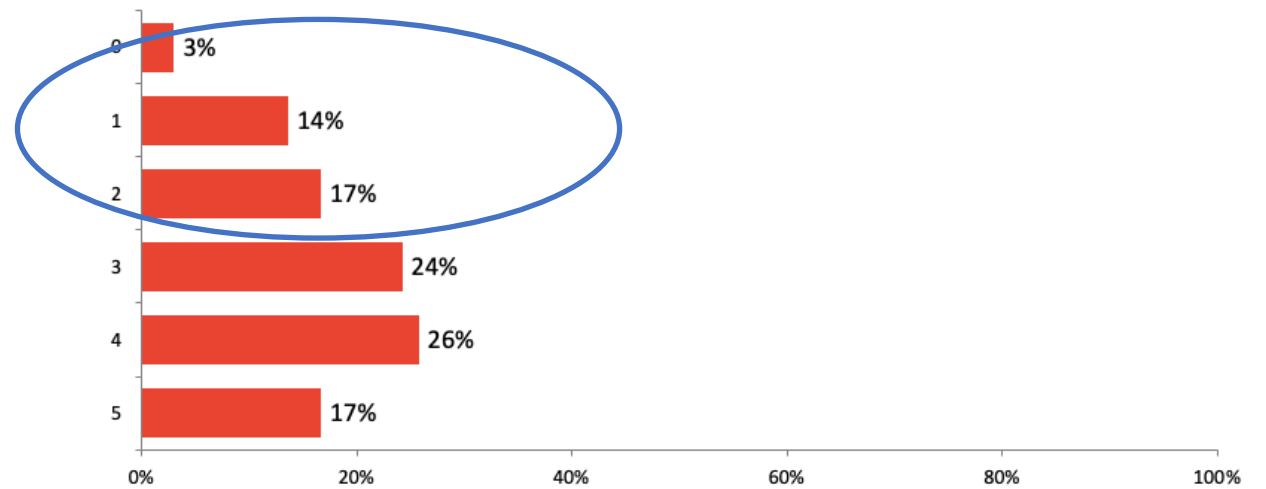
Was the work provider financial support enough?

How satisfied were you with these accepted charges? 0- Not very 5- Very



Leading to almost half not being satisfied with the response.

On a scale of 0 to 5, with 0 being extremely dissatisfied and 5 being extremely satisfied, how would you rate the response from your insurer/accident management customers on paying outstanding debt and assisting your cash flow?



Over a third not satisfied with their work provider managing payments and debt to assist cash-flow.

A real mix of comments, with some underlying concerns

In the process of 2 x **manufacturer approvals** which requires tooling and training

Invested in manufacturer approvals and environmental awareness and carbon neutral

Invested in **additional tooling - ADAS and electric vehicles**

Purchased body shops that didn't survive the pandemic to rescue jobs and maintain a footprint

Without the governments help like most businesses we could not carry on trading

What a great team and business we have in times of a pandemic

It been a challenging Year.

Support from government has been greatly appreciated

Lets hope we have climbed the hill and reached the summit, the diary would suggest so!

Apart from speeding up payments support from insurers and accident managers was derisory.

Investment is at an all time low due to the uncertainty surrounding our returning volumes

Last 12 months have been hard taken any job we can including members of staff to service side

Wish I had sold business before lockdown 2 , **Business is for sale!**

Reasonable government support, but huge wave of unemployment is about to hit the country.

We lost 6 weeks last march when we closed our doors to make premises safe for the workforce return

The anticipated levels of claims has not returned at the level expected and 80% may be the new norm.

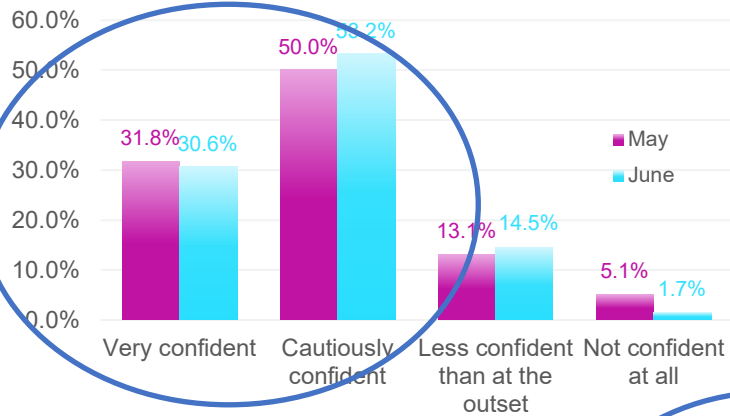
The **support from Insurers has been very disappointing.** Comradery of repair industry appeared stronger, but **now we see price wars starting, Concerning!**



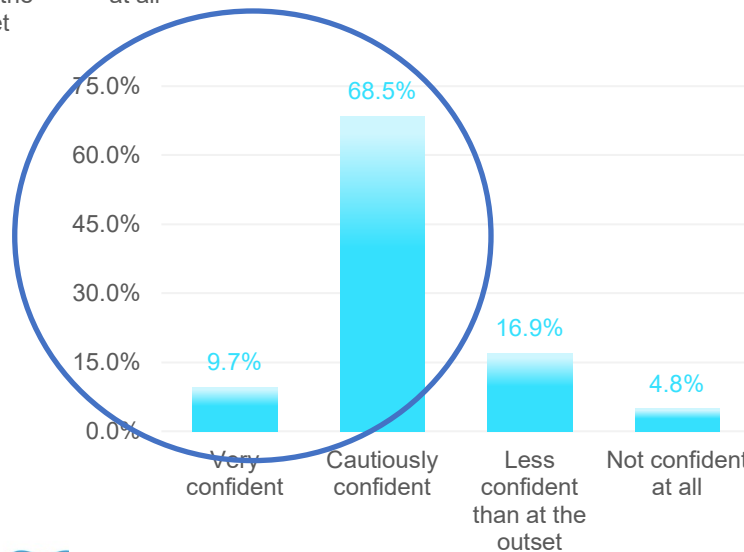
Despite all that, business confidence is high

Ten-weeks in and as lockdown eases, how confident are you now that your business can withstand the financial impact of the pandemic?

Over 80% Confident

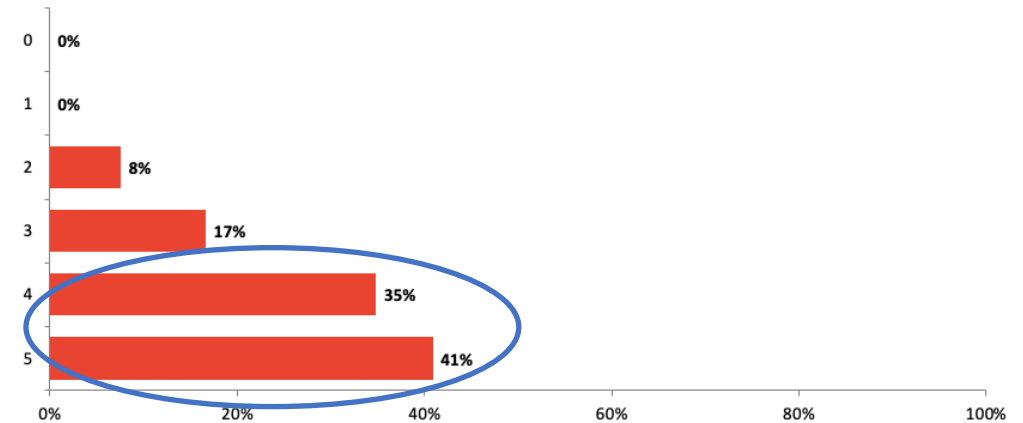


As lockdown has eased a little and repair volumes have taken an upward turn, how confident are you that your business will improve to a sustainable level in the **second half of 2020?**
79% Confident



These two are from the previous surveys

Business confidence: 12 months on, as lockdown measures ease, how confident are you now that your business can withstand the financial impact of the pandemic? 0- Not very 5 - Very



76% Confident their business can withstand this pandemic.

Generally, very positive outlook from many but confidence has dropped as we have moved through the year through three lockdowns.



Room for optimism



Trend Tracker Repair Volume Predictions

Using Audatex repair volume data for 2019/2020/2021, together with Trend Tracker predictions.

69% vs. 2019 in March.

But restrictions started to lift on 29th March and all traffic and movement data shows significant upturn.

Prediction this will be up to **85% vs. 2019 by May**, with summer spike predicted. At this point that would be **250% more volume than May 2020!**

We update this every month and publish to our members.

CLICK HERE
GET YOUR COPY NOW



Register interest as the first 50 to do so will receive 25% discount from the sale price of £395 + VAT.

Supported by ;



THANK YOU

Emerging from Covid- Spring 2021 Report

Summary of contents :

- UK overall impact on businesses
- People impacts and changing behaviours
- Motor Insurance Impact and Industry Changes
- Accident Repair Impact and Full Survey responses.
- Repair data analysis of Q1 2020 vs Q1 2021.
- A look ahead to which of the trends created in the last year will continue beyond, potentially creating longer term change in the industry.

On sales from May at www.trendtracker.co.uk



EMERGING FROM COVID-19

MAY 2021

