



Sustainability in European Workshops

Key Findings of Study

We all talk about sustainability

But how much does it really matter in the automotive aftermarket?

To find out, we conducted a Europe-wide study and surveyed both motorists and workshops.



Markets

Survey in Germany, France, Italy, Poland and Spain



When

Late 2023



Conducted by

ipsos market research institute, Hamburg



Database

5,000 private workshop customers and 1,000 independent workshops



Methodology

1,000 online interviews with motorists and approx. 200 telephone interviews with workshops per country



What it means

This is what motorists and workshops associate with the topic of sustainability



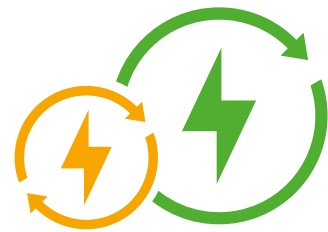
Protecting the environment

Motorists **37%**
Workshops **34%**



Being mindful, lifestyle

Motorists **18%**
Workshops **22%**



Fuel efficiency, conserving resources

Motorists **17%**
Workshops **26%**



Sustainable products and production methods

Motorists **16%**
Workshops **16%**



Responsible consumption, recycling

Motorists **14%**
Workshops **12%**



Less pollution and emissions, waste management

Motorists **10%**
Workshops **10%**



Thinking of the future

Motorists **10%**
Workshops **12%**

Motorists

value sustainability

The general increase in interest in sustainable products and services also influences the choice of workshop.

Sustainability matters: an average of **72%** of motorists say it is quite or very important to them that their workshop acts sustainably. This awareness of sustainability is more notable in Italy (84%) and Spain (81%) than in Poland (73%), France (70%) or Germany (51%).

Awareness is leading to action: on average, **13%** always choose their workshop based on sustainability considerations. For a further **25%**, sustainability usually plays a role when selecting a workshop. And **21%** of the respondents stated they considered it at least sometimes. If we look at just France, Italy, Poland and Spain, it's interesting to note that the number of those who always or usually select their workshop based on sustainability criteria is even higher, with an average of **42%**. This factor has less of an impact on the decision of German motorists, with a figure of **25%**.

Clear expectations of practices: motorists expect a sustainable workshop to at least reduce emissions and pollution, and prevent waste or dispose of it properly (**33%**). They have similar

expectations when it comes to the responsible use of materials and resources and the application of recycling solutions (**30%**). Motorists also expect a sustainable workshop to use eco-friendly products (e.g. for oils and tires), avoid the use of plastics and use reconditioned components (**17%**). In addition, **10%** expect ethical practices and certificates.

Unclear product expectations: motorists tend to gage a workshop's sustainability based on operational procedures in the workshop rather than the products used. This is probably also due to the fact that **71%** don't actually know what sustainable products are available. The remaining **29%** mostly associate them with wheel rims and tires, oils and lubricants, reconditioned replacement parts, batteries and filters.

Seals of approval and certificates help: motorists look at seals of approval and certificates when assessing how sustainable a workshop is. **61%** deem them to be very or at least mostly important. This figure is particularly high in Italy, at over 80%, while in Germany it is just 42%.

Important criterion

It is very or quite important to me that my workshop is sustainable.



Unspoken wish

Customers are looking for sustainability - but seldom ask for it.



71% of workshop customers don't know any sustainable products



75% would like to be informed about sustainable products



Just 15% of workshop customers actively ask for sustainable products



Customers would like to be given advice: on average, **75%** of workshop customers would like their workshop to always or usually inform them about sustainable products. This desire is particularly strong in Italy and Spain, with figures of 86% and 82% respectively, while in Germany the proportion of customers who would like to receive such advice is still over half (58%). Do workshops meet this desire? Not really, with an average of just **3%** of all those surveyed stating that their workshop mentioned sustainable products when advising customers.

Willingness to change: the majority of motorists would be prepared to accept longer waiting times for sustainable products or change their own habits. This level of willingness is highest in Italy and France, but far lower in Germany.

Cost is decisive: on average, nearly **80%** of motorists expect sustainability to increase the cost of products and services. Half of the motorists surveyed overall would also be prepared to pay more for them in principle.

15% of those respondents who knew any sustainable products at all said they always select the sustainable option for replacement parts and services. **38%** do so often and **33%** sometimes. They were also willing to pay more for it too - on average **31%**. Customers had to dig deeper into their pockets in Germany especially, with a price premium of around 38%, while the increase was just 29% in Poland and only 26% in Spain.

As for those who were aware of sustainable products or services but hadn't yet chosen to use them, the increased cost was said to be the key obstacle for **24%** on average. **17%** simply saw no need for sustainable solutions and **15%** said no such alternatives had been available. Other reasons given included no opportunity (11%), not knowing any products (9%) and not convinced (6%), as well as other reasons (21%).



Sustainable workshop

38% always or usually select their workshop based on sustainability criteria.





Workshops can benefit from sustainability

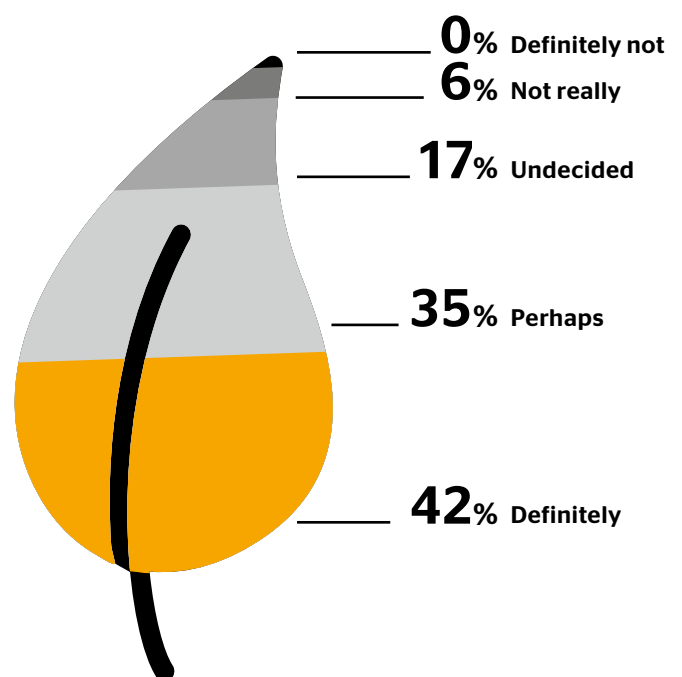
Sustainability can offer workshops added value - however, workshops judge their customers' willingness to buy to be very low.

Workshops can see the potential: on average, **46%** of independent workshops have already addressed the topic of sustainability extensively or very extensively. Workshops in Spain are the most engaged here (57%) and their Polish counterparts the least (37%). The proportion of workshops that haven't tackled the issue at all yet averages a very low 7%.

Sustainability brings added value: workshops believe that sustainability will bring added value. Besides the ecological benefits of lower emissions and less waste, **34%** expect it to result in increased customer satisfaction, **21%** a better reputation and **18%** greater customer loyalty. **12%** anticipate positive development of operations in general as a result of e.g. business growth and improved competitiveness.

And nearly one in two workshops also reckon that sustainability offers growth potential for their own business. Overall, **42%** definitely expect growth in this area. The workshops are similarly positive in their assessment of this aspect across all the countries surveyed.

Do you expect the share of sales from sustainable products to grow?



Sustainability is a matter for the bosses: in workshops that have already dealt with sustainability topics in greater depth, it is mainly the owners who are the driving force (65%). Sustainability tends to be secondary in importance for workshop managers (17%) and service managers (17%).

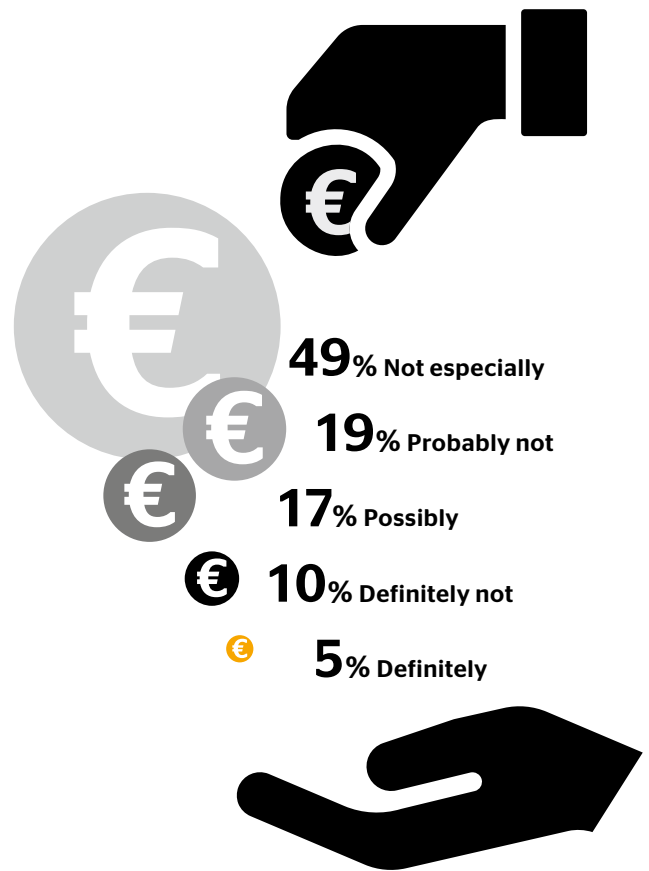
Implementation in day-to-day workshop operations: when asked what workshops in Germany do for sustainability, the most common answers from the workshop owners and service/workshop managers in the survey were recycling parts, packaging and fluids (25%), waste prevention and management (13%) and saving energy (11%). There is less focus on using eco-friendly products in Germany (8%) than in France or Italy, for instance, which lead the way here with 23% and 24% respectively.

Sustainable purchasing: overall, 20% of workshops today have already purchased sustainable products very frequently, with 21% doing so frequently and 42% at least sometimes. This means that over 80% have already gained experience with sustainable products on average. Workshops estimate that sustainable products currently account for 23% of sales on average. The share of sales is highest in Germany (27%) and Spain (24%) and lowest in Italy (15%).

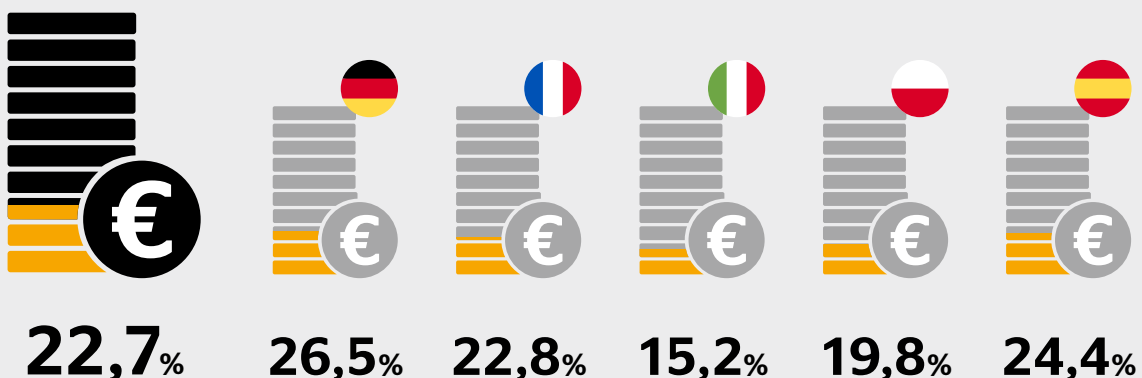
Just 28% of the surveyed workshops associate sustainability with a specific product category or a specific brand. When asked about specific sustainable products, workshops mainly associate the term with oils and lubricants (16%), maintenance and cleaning products (9%) and tires and wheel rims (9%).

Workshops generally find it difficult to gage the willingness of their customers to buy sustainable products: workshops that have already purchased sustainable products had to pay an estimated 22% extra for them on average. That's an additional cost that has to be passed on to the customer at some point. Workshops are very cautious when it comes to doing so, however, as they believe their customers are not very willing to pay more money for sustainable products. According to them, only 5% would definitely be prepared to spend more, while a further 17% possibly would. The majority of customers are reckoned to be not especially willing (49%), largely unwilling (19%) or completely unwilling (10%).

Are your customers willing to pay more for sustainable products?



Workshops estimate their current share of sales from sustainable products as follows:



Retail

as an important disseminator

Sustainability is a task that motorists, manufacturers and workshops must tackle together. Retail is at the junction between these different players, so it acts as an important disseminator. But how do the retailers themselves view sustainability?

In addition to the survey of motorists and workshops, six retail companies were asked about their position on sustainability: These conversations serve as an initial guide for reflecting on the study's findings. They are not part of the representative study.

Current range: all the companies surveyed currently stock sustainable products.

Expansion of range: one third of the companies surveyed definitely plan to expand their range of sustainable products. Three others might do. Only one retailer doesn't have any interest in expanding their range of such products at present.

Workshop advertising: only one retailer currently advertises their sustainable product range particularly extensively in workshops. Three retailers do so to a lesser extent and one retailer doesn't advertise their range at all at present.

Sustainability at an in-house company level: five out of the six retail companies have devised their own sustainability strategy. One of the companies has already created a post for sustainability issues. And one retailer has calculated the carbon footprint for their own company.

In short, retailers have the topic of sustainability on their radar, just like workshops and motorists. And they will play a key role in getting the necessary solutions out on the road.



Sustainability in the automotive aftermarket - a task for manufacturers, retailers, workshops and motorists alike.



More about
theaftermarket
solutions from the
Continental Group



Contact

Christopher Schrecke
Head of Communications
Business Area Smart Mobility

+49 6196 871605

christopher.schrecke@continental-corporation.com



Contact**ContiTech Antriebssysteme GmbH**

Philipsbornstraße 1
30165 Hannover
Germany

Email: aam@continental.com
www.continental-engineparts.com

Continental Aftermarket & Services GmbH

Sodener Str. 9
65824 Schwalbach
Germany

Phone: +49 (0)6196 87-0
Email: info@continental-aftermarket.com
www.continental-aftermarket.com

Continental develops pioneering technologies and services for sustainable and connected mobility of people and their goods. Founded in 1871, the technology company offers safe, efficient, intelligent and affordable solutions for vehicles, machines, traffic and transportation. In 2023, Continental generated sales of €41.4 billion and currently employs around 200,000 people in 56 countries and markets.