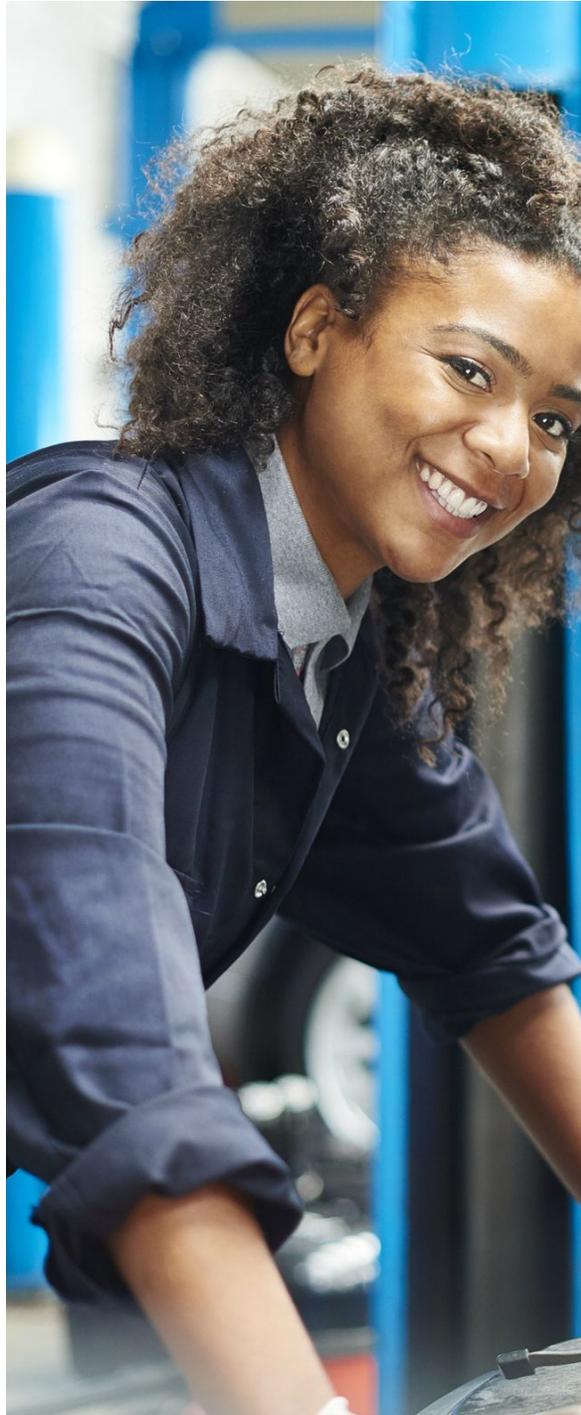




# Independent Garage & Franchise Dealer Workshop Survey Report

## 2022 Review & 2023 Outlook

Published January 2023



# Introduction

The Motor Ombudsman's survey of independent garages and franchise dealer workshops in the UK, looks at the principal challenges faced by businesses and positive developments during 2022, and gauges the views of respondents about their outlook for 2023.

The key findings of the research are presented in this report.

# 132

 survey respondents

(online study conducted between  
14th November - 2nd December 2022)



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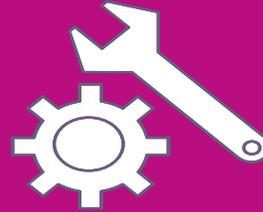
# 2022 Review

# Q1. What have been your main operational challenges in 2022?



**64%**

**1/ Higher energy bills and costs reducing business profitability**



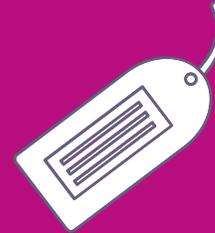
**60%**

**2/ Customers missing routine maintenance / essential repairs**



**58%**

**3/ Parts shortages resulting in delays to customer vehicle repairs**



**54%**

**4/ Having to raise prices to stay profitable**



**50%**

**5/ Recruiting qualified and experienced vehicle technicians to meet business demand**

**6/ Customers sourcing their own parts to save money (41%)**

**7/ Customers delaying or not bringing their vehicle in for an MOT (34%)**

**8/ Reduced margins due to increased local competition (32%)**

**9/ Customers doing their own DIY maintenance on their vehicle (24%)**

**10/ Customers leaving their car on site due to not being able to afford repairs (15%)**

## Q2. What have been the key staff challenges for your business in 2022?

73%

1/ Added pressure to increase staff salaries due to the rise in the cost of living



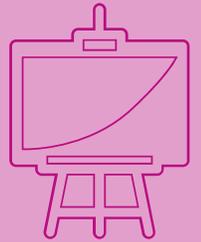
46%

2/ Increasing pressures on the mental and physical health of staff due to rising bills and the cost of living



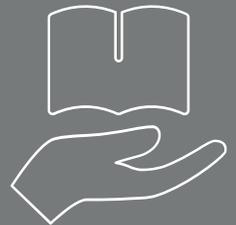
36%

3/ Having sufficient resource to be able to send staff on training courses to upskill



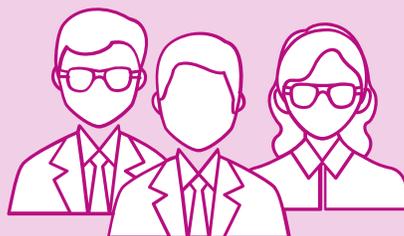
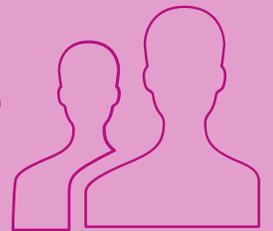
32%

4/ A lack of available apprentices to help fill technician vacancies



31%

5/ Having sufficient staff to accommodate new post-Covid peaks in MOT demand



### Q3. What have been the main positives for your business in 2022?



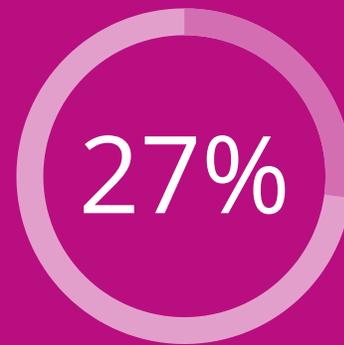
1/ Customers are holding on to their cars for longer, therefore offering more opportunities for repairs



2/ No COVID-19 lockdowns to interrupt business activity



3/ Less staff absence due to COVID-19



4/ Customers are using their cars more, therefore offering more opportunities for work



5/ More proactive marketing regarding service and MOT bookings



6/ Upgraded workshop and upskilled staff to accommodate electric vehicles (EVs)

**Q4. How would you summarise 2022 in one word, and do you have any other insight to add?**

A word cloud on a dark blue background. The most prominent words are 'Busy', 'Challenging', 'Tough', 'Okay', and 'Hard'. Other words include 'Chaotic', 'Successful', 'Stressful', 'Professionals', 'Growth', 'Profitable', 'Anxious', 'Survival', 'Celebratory', 'Great', 'Stagnant', 'Excellent', 'Worrying', 'Pressurised', 'Brilliant', 'Hectic', 'Difficult', and 'Good'.



***"We are finding it increasingly difficult to compete with the price of parts online."***



***"Only wishing we could spread the MOT workload out again."***



***"Our longer-term concern is the lack of work that will be required when servicing EVs."***



***"Customers are repairing older cars that aren't worth repairing, as they can't afford newer ones."***



# 2023 Outlook

# Q5. What do you see as the main challenges for your business in 2023?



90%

1/ Rising operational costs, taxes and energy bills



63%

2/ Customers putting off essential repairs to save money



59%

3/ Paying more for replacement parts due to shortages and inflation



57%

4/ Fewer customers being able to afford routine maintenance e.g. servicing



49%

5/ Trying to avoid passing on higher operating costs in the prices charged

6/ Recruitment of qualified staff (43%)

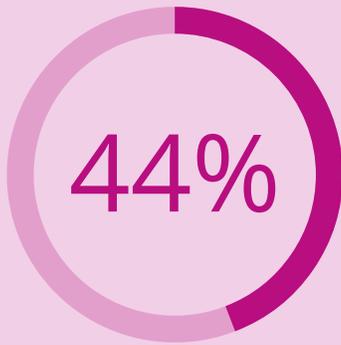
7/ Electric vehicles providing less scope for additional revenue opportunities and replacement parts (32%)

8/ Customer retention being harder due to the financial pressure on households (31%)

9/ Generating new business in a recession (29%)

10/ Customers abandoning their cars on site if repairs are too costly or prove uneconomical to repair (12%)

## Q6. What changes are you looking to introduce in 2023?



**1/ Investment in electric vehicle (EV) training for staff**



**2/ Recruitment of additional technicians**



**3/ Refurbishment of premises**



**4/ Installation of new or additional EV charging points**



**5/ Attendance at webinars and training to make business improvements**



**6/ Expansion of parts suppliers to help reduce repair delays to customer vehicles**

## Q7. What do you see as some of the positives for your business in 2023?



*"Retaining long-term clients, and gaining new ones."*



*"Being long-established with a good reputation should help us through the difficult times."*



*"Hoping to be busier."*



*"There is still demand from our regular customers."*



*"Having a good position in the market, as MOTs are mandatory."*



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