

## 2016: A Year in Review



Welcome to the year 2017! Before we speed through another 12 months, let's pump the brakes and take a look back on 2016. What impacted businesses this year in the world of the "Silent Giant" also known as the Auto Aftermarket?

[YANG \(Young Auto Care Network Group of the Automotive Care Association\)](#) ended last year with "2016: A Year in Review". This webinar provided a summary of how far the automotive aftermarket has come and all that has taken place in the past 12 months. While some of the information may not pertain to you or your business, it is still important to see what our industry has done and what is expected to trend in the upcoming year. NARSA staffer, Liz Juchno is a member of YANG.

You can find this webinar [here](#) , but we understand your time is valuable and so we provided a

short summary below with a NARSA twist on it.

## **Convergence**

The one word that best sums up the year of 2016 in the auto care industry is convergence which means to meet or to merge. Why is this word the word of the year? This year the automotive aftermarket industry came together to meet at [AAPEX](#) making this the 31<sup>st</sup> largest trade show in the U.S.

Also converging at this show, is the merger of the tech and auto industries. In the heat exchange business, we've seen the merging and meeting of technologies a little differently than what was discussed in the webinar. Sure cars are now being equipped with computers to manage cabin comfort and to control powertrain heat, but in the heat exchange world we are also using computers to help run the daily operations of business. Business owners now spend less time promoting and finding products as well as staying in the "know" on the latest developments in our industry with the help of technology.

Let not forget to mention the merging or meeting of generations. Keep it all in the family as some may say and our industry has seen this trend of parents and children and even grandchildren working side by side. We now need each generation more than ever to bring forth the knowledge of the wise and innovation of the new.

**“It’s cheaper to keep her.” – Johnnie Taylor**

Which brings us to the second topic, the evolving business of the independent repair facilities. This year some shops have reported a great year and others a “soft” year in the repair business. The shops that reported a “soft” year are resilient though because the wise know it can only go up from here. And this is stated to be true.

70% of cars on the road are over six years old and [Forbes](#) is reporting that motorists are holding onto their vehicles longer than ever. Even if consumers are buying new, the auto financing is now extended to as long as eight years making this trend of keeping the old not going anywhere.

## **Mentor a Millennial**

One of the top concerns of an independent repair facility goes for anyone in the business and that is finding great employees. Every business struggles with finding loyal, great employees and the solution is as simple as to mentor... mostly a millennial.

Millennials have a bad rep in the working world, but that doesn't mean this pertains to all young adults born between 1982 to 2000. We (Liz: yes, I am a millennial) are now the focus in the working world. We grew up with the advances of technology and our work-life balance are vastly different from other generations. With the ease of technology being incorporated in every aspect of life; millenials often don't leave the social aspects of their life to their "free" time out of work or visa versa.

Millenials favor familial over corporate values because the way they value the work-life balance. Which is why millenials love to be mentored and to feel that family value. This also will help create trust between you and your millennial employee with the outcome of hopefully becoming a loyal, great employee.

Where do you find millenials to mentor? Tech schools are a great opportunity to find your next employees and get involved with your community. If that doesn't work for you then head to the internet. 55% of shops have Facebook pages now and is a great way to communicate with the young adults in your area looking for employment.

## **What's next in 2017?**

We can't predict the future, but we can give you a heads up on what to look out for. With new administration stepping in this year, we may what to keep these topics below on close radar:

- NAFTA, International Trade and the Trans Pacific Partnership
- U.S. Manufacturing Jobs
- Environmental Issues (Copper, MPG/CAFÉ fuel economy standards)
- Infrastructure Spending
- Tax Regulations