

# Mercedes-Benz and ATA

The Institute of the Motor Industry (IMI) commissioned the University of Leicester to undertake a study of the return on investment (ROI) from ATA at Mercedes-Benz. The study focused upon ATA-CSA (Customer Service Advisor) and the Service Team Managers in this role .

ATA is the first national voluntary accreditation scheme for individuals working in the automotive sector. It is a means to proving the current competence of an individual in their industry field, giving reassurance to customers as well as raising the professional status and credibility of skilled individuals and their businesses. ATA is open to individuals working in either franchised or independent businesses and is backed by all major vehicle manufacturers, independent service and repair organisations, as well as consumer groups.

Mercedes-Benz Cars, part of the Daimler AG Group, is a global leader in premium car manufacturing with a strong position in the middle and luxury automotive passenger vehicle market. The continued success of the Mercedes-Benz brand is built upon the work of experienced teams who are dynamic and motivated. From the outset, it is important to recognise that the Mercedes-Benz UK dealer network is a franchised organisation. Almost all of the dealer groups, spread across the 30+ Market Areas, are independently owned and managed - as members of the Mercedes-Benz network they are bound by franchise agreements to conduct their business and perform to the Mercedes-Benz standards.

The study focused on the role of Customer Service Advisor (known at Mercedes-Benz as Service Team Manager - STM) in the After Sales service and repair departments of the passenger car dealer network. It analysed the performance of the STMs who interface directly with customers, managing the passenger car service and repair work from initial contact with the customer, through the workshop process, to the safe return of the vehicle.

The core training programme for this role is known as C-Service. C-Service Certification is fully aligned to ATA and is designed to help participants (STMs) develop a wide range of skills and knowledge- in so doing, they are able to provide outstanding customer service. Achievement of C-Service Certification provides evidence of knowledge and skills within their role.



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# ATA and the Customer Service Advisor

- There are positive correlations between core customer service Key Performance Indicators ( KPIs) and uptake of the ATA-aligned C-Service across the Mercedes-Benz UK after sales network.
- The correlations indicate average increases in customer service KPIs with ATA and C-Service uptake:
  - % Customer Retention
  - Customer Satisfaction Index
  - % Fixed First Visit
- STMs and Branch Managers reported very positively on the merits of ATA and C-Service..

## It has been possible to estimate the ROI from ATA and C-Service training on After Sales Customer Retention:

Benefits accrue from gross profit on labour and sales of Mercedes-Benz parts. The latter is essentially "repeat business" and the statistics are sourced from servicing carried out on customer vehicles.

The total benefit is dependent upon the average number of vehicles managed by an STM each year and the number of STMs in a group.

The ROI for a group is calculated by offsetting the gross profit by the fully loaded costs of ATA and C-service for an additional 1 in 4 Service Team Managers.

The ROI is sensitive to costs as the benefit multiplier is large. Whilst salaries during training are included in our calculation, foregone gross profit during the same period of absence from the workplace is discounted – this assumes the remaining STMs collectively managing the available after-sales business in the candidate's absence.

The ROI estimates are based upon target uplift in customer retention following C-Service training and achieving ATA for 1 in 4 STMs. Customer Retention and ROI is measured in the second year following C-Service training and ATA.

### Examples:

A target 1% in customer retention uplift following ATA and C-Service training of 1 in 4 STMs could provide an ROI of 145%.

A target 2 % in customer retention uplift following ATA and C-Service training of 1 in 4 STMs could provide an ROI of 390%.

## Anecdotal Evidence

### Quotes from Service Team Managers at Mercedes-Benz:

"It's something to aspire to. People in my role want that certificate above their desk. It shows that your organisation has invested the time and money to give the customer a class-leading experience."

"My colleague and I put our certificates on show. When customers see them, it gives them confidence in our training. This then reflects well on the dealership."

### Quotes from Managers:

"If I were moving from one dealer to another I would put all my new team through ATA. This is the standard that the whole industry requires."

"(ATA) gives confidence in the organisation – uniform level of service over time. The employer and its staff value the accreditation – the customer will want to keep coming back to a place that is motivated and conscientious."

For more information about accreditation, visit:  
[www.automotivetechnician.org.uk](http://www.automotivetechnician.org.uk)



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