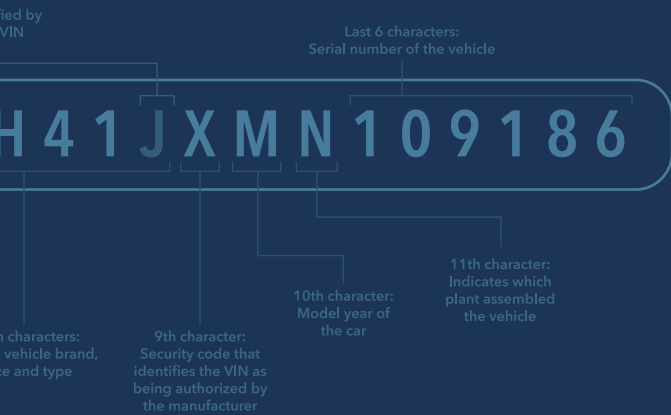


CLASSY LLAMA'S

GUIDE TO AUTOMOTIVE ECOMMERCE



A screenshot of an e-commerce product selection interface. It features three dropdown menus:

- 1 Select Type: A dropdown menu with a list of vehicle types including: ATV, Bale Movers, Baler, Balers, Mowers, Rakes, Swathers, Combine, Construction & Industrial, Drill, Engine, and Harvester.
- 2 Select Make: A dropdown menu with a list of manufacturers including: Honda, Kawasaki, Kodiak, Polaris, Rhino, and Yamaha.
- 3 Select Model: A dropdown menu with a list of models including: TRX, TRX450ER 3A, TRX450ER 3AC, and TRX450ER A.



CLASSY LLAMA



Magento Commerce

01

Why focus on the Automotive eCommerce Industry?

Over the last decade, we've seen some pretty amazing innovations in the automotive eCommerce industry. Ebay's shop by diagram feature, Amazon's fitment search, and the Sam's Garage feature by Sam's Club are making it easier than ever for customers to purchase automotive parts online. While innovations like these have placed pressure on manufacturers and dealerships to offer elevated shopping experiences online, it is still a great time to focus on the automotive eCommerce industry.

More and more people are shopping for automotive parts online, and it doesn't seem like this trend will slow down anytime soon. In the U.S. alone, the online automotive eCommerce market will pass \$12B in 2019, making a 16% jump over 2018. According to the research firm, Hedges & Company, the online automotive eCommerce market is projected to hit \$19B by 2022. Better yet, these numbers don't take into account sales on marketplaces such as Amazon and eBay.

If you are an aftermarket parts manufacturer looking to sell direct-to-consumer or a dealership looking to get your parts department selling online, this white paper is for you. You may already have experience selling to mechanic shops, installers, and DIYers, but these groups have become accustomed to shopping online in new ways that are very specific to automotive eCommerce. We'll talk about what this customer base expects and discuss strategies for selling online that at times, go beyond your online store.

Classy Llama is a digital agency with over ten years of experience in complex eCommerce development. By working with brands like ZZPerformance, OEM Auto Parts, Auto Customs, and GAHH Automotive, we have developed solutions that make it easier for merchants to sell online. We hope that through this white paper, you will be equipped with the knowledge you need to sell parts online with fewer headaches for both you and your customer.

02

Terminology

Before jumping in, we'd like to cover some of the standard terms used in an automotive eCommerce build. Don't get too hung up on this section. We will be using these terms throughout this white paper, which will help give more context to these definitions.

Fitment/Application

Fitment is the term used for determining the compatibility of a part to a vehicle. "Fitment" applies to nearly any aspect of a vehicle, ranging from make and model to things like truck bed length or wheel size.

Aftermarket Catalog Exchange Standard (ACES)

ACES is the industry standard for the management and exchange of automotive fitment/applications data. ACES is used to determine what parts fit what vehicles. The ACES format is a nested XML file, with only one file per brand. Users of ACES data must pay a subscription fee to the Auto Care Association.

Multichannel Selling

Multichannel selling is the process of selling your products on more than one sales channel. A multichannel sales strategy can include selling through social media networks and on marketplaces like Amazon and eBay.

Product Information Exchange Standard (PIES)

PIES is the industry standard for the management and exchange of product information in the aftermarket industry. It includes over 20,000 product types organized into 25 categories. While ACES is focused on fit, PIES is where information about the part itself is stored. PIES supports product attributes as well as data like dimensions, UPC, price, and country of origin.

03

Challenges

Of all the unique challenges automotive parts sellers face when transitioning to eCommerce, there are two that will make selling online extremely hard if not dealt with properly; Product Data and Site Search. The way you choose to tackle these two topics will have a significant impact on the number of returns you have to process and how much your customers will need to rely on your sales reps to make a purchase.

Product Data

According to Hedges and Company, 57% of auto parts buyers visit a manufacturer's website while shopping. The top three reasons they do this are to get detailed product information, determine whether the part would fit their vehicle, and to get installation instructions. It's a fact that customers want as much information as possible when it comes to purchasing automotive parts online.

Here's the essential list of specific data to start with, including the ones mentioned above:

- Fitment/application data
- Product titles
- Part categories
- Part Photos
- Descriptions
- Weight & Dimensions
- Installation instructions

As an aftermarket parts manufacturer, you may already have most of this data for your products. Dealerships may be able to source this data from the OEM manufacturers directly. Most of these data types are non-negotiable. Customers use these product attributes to make their purchasing decisions. Of the types of data listed above, Fitment and Photography will have the most significant impact on your business.

Good photography helps build trust with shoppers and increases buyer confidence. Many times customers try to compare the part that is in their hand with what is on the screen. If you make this difficult for them by providing low-quality images or worse no image, you are bound to lose the sale. If by some miracle you still sell a product with missing or poor imagery, there is an increased chance the customer will return the product.

Source:

<https://hedgescompany.com/blog/2017/02/manufacturers-retool-marketing-for-todays-digital-consumer/>

Fitment data is essential because it takes the guesswork out of the process of shopping for parts. If you can clearly show on the product page, which vehicle a part fits on, then the customer has a higher chance of purchasing the right part. Comprehensive fitment data drastically reduces the chance of returns and further builds buyer confidence.

The more information you provide on your product pages, the less you'll need to deal with returns, increased customer service costs, and lost sales.

Data Formatting

Whether you're a dealership or an aftermarket parts manufacturer, there may come a time when you want to expand your reach online. Maybe you decide you'd like to approach other retailers about carrying your product or perhaps you'd like to begin selling your products on Amazon or eBay. This is where many parts sellers wished they had focused on formatting while they were creating data or sourcing data from multiple areas.

Thanks to the Auto Care Association, all of the major marketplaces and many retailers work with the same standard formats, known as ACES and PIES. ACES (Aftermarket Catalog Exchange Standard) is the industry standard for the management and exchange of automotive catalog applications data. It's used to keep fitment data between manufacturers, retailers, and marketplaces, consistent. PIES (Product Information Exchange Standard) on the other hand, is the industry standard for the management and exchange of product information in the aftermarket industry. It keeps product attribute data between manufacturers, retailers, and marketplaces, consistent.

Another way to think about ACES and PIES is as a universal language. If everyone's part data is formatted in different languages, it becomes difficult to communicate part information between each other. With a standard format, companies can

communicate using the same vocabulary. When you send year, make, and model data using ACES to a retailer who uses ACES, their systems will understand this data as a year, make, and model. Adding your product to their website becomes as easy as an export on your side and an import on theirs. This means your products can go live on retailer websites quickly and accurately.

Consistency in product information, as well as mass adoption of the ACES and PIES format, are the reasons Amazon and eBay are now fully ACES and PIES compliant. Both marketplaces require merchants to format their data to ACES and PIES before submitting* product to their merchant accounts. That means if you ever plan on multi-channel sales through Amazon and eBay, your data will need to be formatted to ACES and PIES standards.

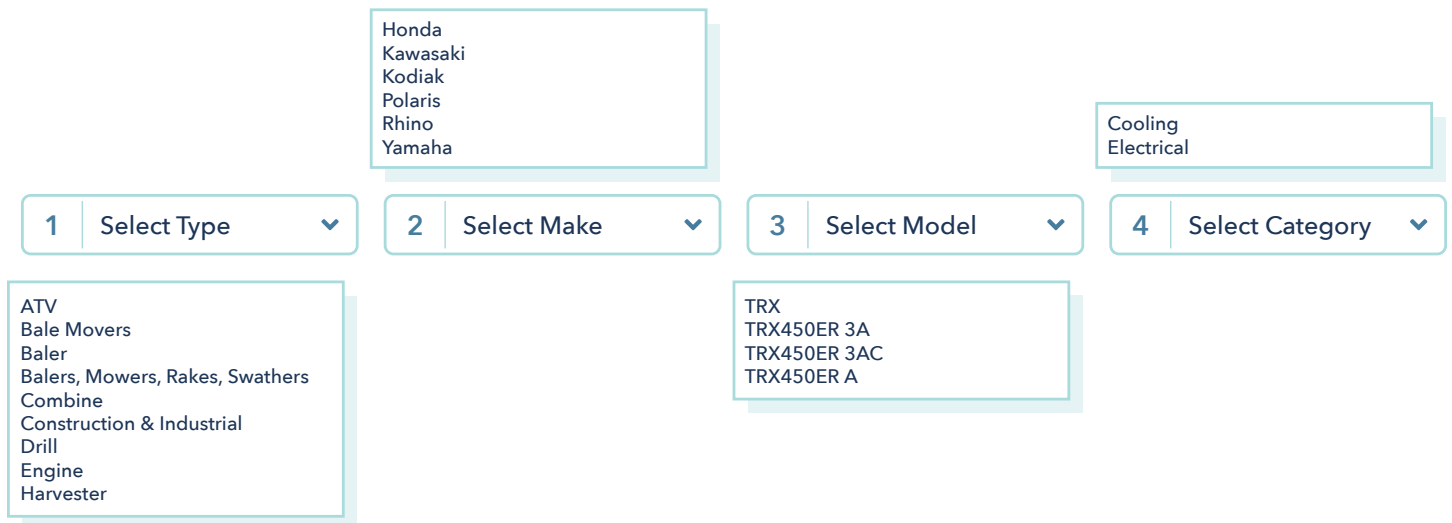
Learning the Auto Care Association's standards can come with a steep learning curve. You might want to consider working with a professional data service provider that can take your raw data and convert it into properly formatted structured files. A product information management(PIM) solution can also make your life easier if you decide to work with multiple retailers. Many automotive specific PIMs will validate your data and check for any errors in compliance. PIMs also come in handy when sending ACES and PIES data to different retailers with unique requirements.

For more information on what is and is not included in ACES and PIES, visit:

https://www.autocare.org/uploadedfiles/autocareorg/what_we_do/technology/resource_files/what_aces_and_pies_is_not.pdf

Site Search

Automotive companies generally manage large parts catalogs. Thanks to large retailers and popular marketplaces, customers have become accustomed to navigating these catalogs using their year, make, and model. However, this isn't a search feature that is included out of the box for most eCommerce platforms. What is available are extensions and agencies that can enable you to offer this type of search on your website. In this section, we'll talk about the reasons why you should use fitment on your site, where it falls short, and other solutions you should consider when addressing the challenges of parts search.



Fitment Search

Basic fitment search has been used for years by the largest players in the automotive eCommerce space. It's the standard search method for automotive parts websites. Customers expect to have this search option, which means having this feature on your website is almost a non-negotiable.

If you are considering adding fitment search to your website and already use category pages to help your customers drill down your catalog, make sure to review the SEO value of these pages before making any changes. Depending on how long your category pages have been up, your site may be drawing in a lot of traffic through those pages. Removing them entirely in favor of fitment based search is not advised. The best option is a mix of category pages and fitment result pages. This advice goes for those starting a new eCommerce site as well.

Fitment extensions on platforms like Magento are a great place to start, but one challenge you'll run into with basic fitment extensions is when a year, make, and model are not enough information to ensure that your customers get the correct part. Consider that your customer may be searching for a product that requires engine type or truck bed length. While some extensions have options to extend the fields available for search, those fields may only be necessary for a particular segment of your customer base. You might not want to ask for truck bed length when the customer is only looking for headlights. Getting the right information at the right time from the customer is a problem that some creativity and custom development can solve.

This how Classy Llama thinks about this problem: If a customer views a product category and selects the make Ford and the model F-150, the navigation should automatically filter by this make and model when they navigate to other product categories. Moreover, if a customer

lands on a category page where they are required to filter by truck bed length, this information should be captured and saved at that time, not sooner. Classy Llama has delivered this experience for many of our automotive clients using a "sticky" fitment layered navigation. This fitment navigation allows customers first to drill down your catalog by base vehicle and add the rest of their vehicle-specific filters as they browse. Classy Llama calls this a virtual garage.

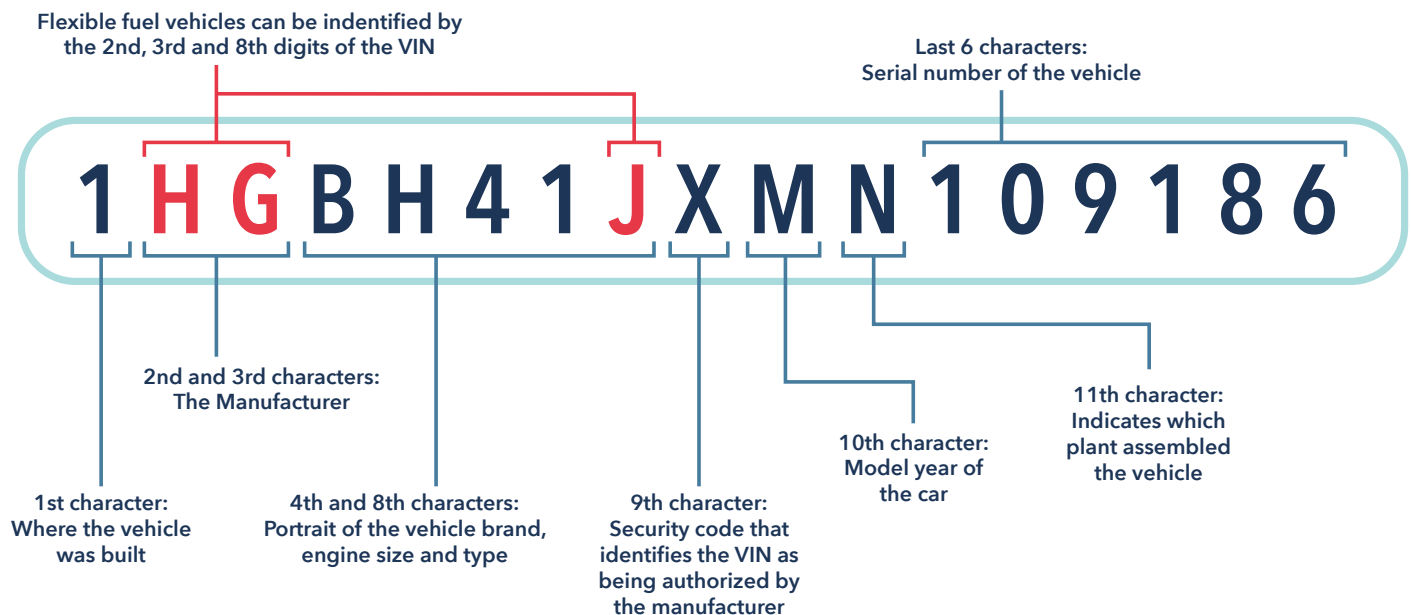
Another common feature our automotive clients ask for is the ability for customers to save their fitment information in the form of a vehicle to their accounts. When customers visit an automotive site, we know that asking for fitment information is necessary. Using a stored vehicle virtual garage while shopping allows customers to browse products with the proper fitment filters applied. When repeat customers return to your website, they can get back to shopping for the right parts quicker using their stored vehicle to filter products.

VIN Search

While we understand that many merchants can't afford to launch with every feature under the sun, we think VIN (Vehicle Identification Number) Search is worth mentioning. As you already know, every car comes with a Vehicle Identification Number. This special number carries with it most of the information a customer needs to filter a part catalog accurately. The photo below shows what each number represents in a VIN.

Photo created using information from <https://www.autocheck.com/vehiclehistory/vin-basics>

This shows what each number represents in a VIN.



While it's less likely that a customer knows their VIN by heart, it's sometimes even less likely that they'll know things like engine type. VINs are easy for the customer to retrieve. They walk outside, snap a photo of their VIN off their vehicle, and type their unique Vehicle Identification Number into your website. At this point, the customer only needs to filter by a part category to complete their search. In minutes, the customer has drilled down your entire inventory and found the part they need.

We've implemented this feature for OEM Auto Parts and Accessories (<https://www.oemautopartsandaccessories.com/>) using data purchased from data supplier, Motor (<https://www.motor.com/>), to map the first ten digits of the VIN to the ACES formatted data stored in the Auto Care Association's Vehicle Configuration Database (VCdb).

04

Case Study

More and more companies are finding creative ways to combine unique data with innovative search functionality to sell automotive parts online. eBay Motors is an excellent example of how an eCommerce company can take what has been available physically and use it in the digital world.

In August 2018, eBay added a “Shop by Diagram” feature for customers looking to find automotive parts online. This is just the latest piece of functionality in eBay Motors focused on helping mechanics, and DIYers find the right parts and install them correctly.

In a survey eBay conducted, they found that 49% of active automotive DIYers have accidentally purchased a part that did not fit their vehicle correctly. Additionally, more than 70 percent have started a car repair before realizing they didn’t have all the right parts to finish the job. With Shop by Diagram, eBay set their sights on reducing error for these users.

On the eBay Motors page, users can select “Find Parts on a Diagram” and choose their vehicles, year, make, model, trim, and engine, and then select from the area of the vehicle or system they are seeking a part for. Then users are showed an exploded diagram of the respective system, where they can select parts and click shop now to see available listings.

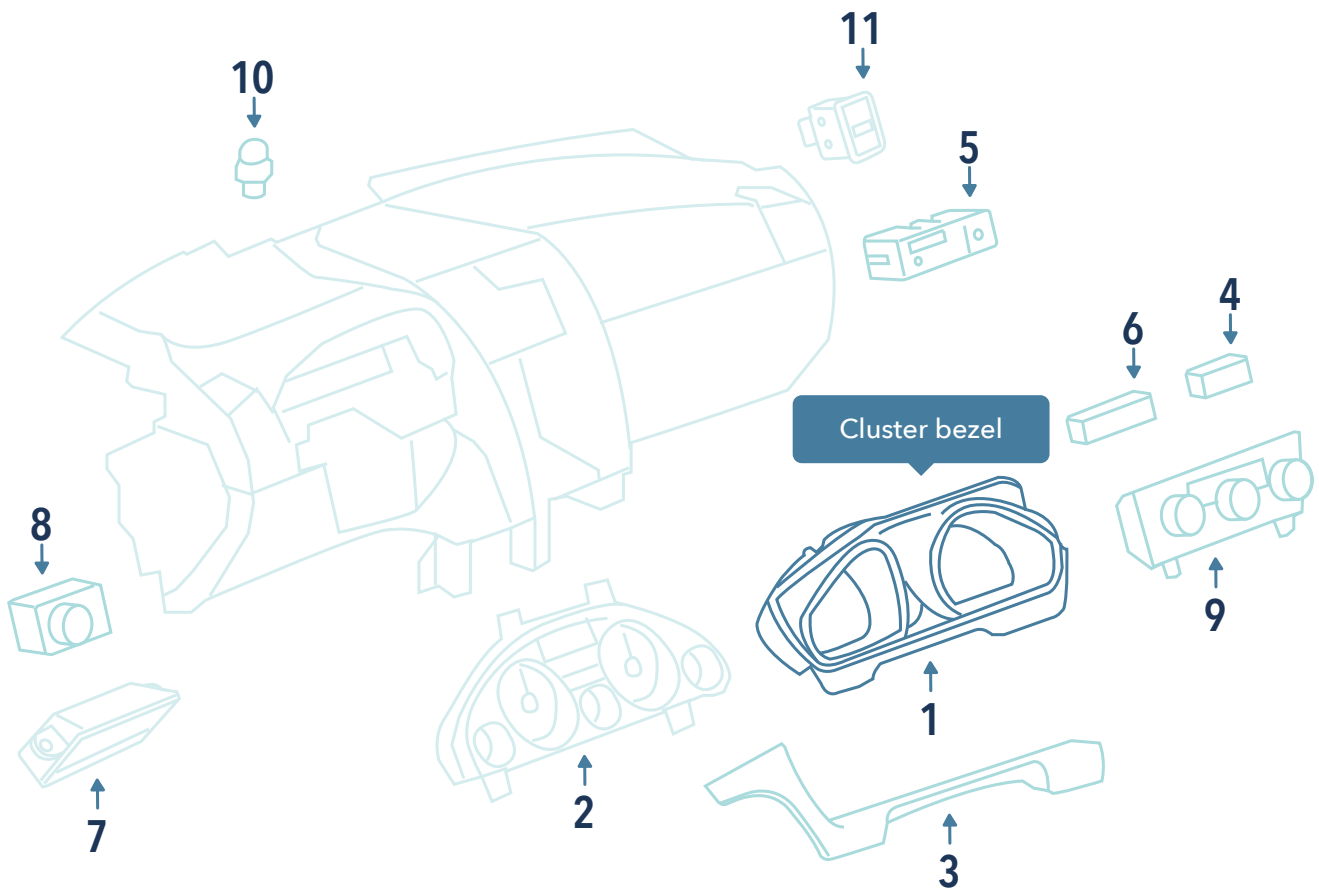
The feature’s banner boasts a selection of diagrams for cars and trucks from 1995 to present. There are diagrams for vehicles as old as 1985, but the quantity of available diagrams decreases steadily as vehicle age increases.

Nonetheless, eBay’s usage of interactive parts diagrams for the structured data of thousands of vehicles is no small feat. The diagrams are scalable vector graphics, meaning they remain sharp on any screen size or when the user is zoomed in on a specific part. Elasticsearch is used to search these large vector diagrams and the complex data that is mapped to them.

As we've seen with the popularization of year/make/model search and "My Garage" features, accurate fitment, and search features are major deciding factors for automotive parts shoppers. For automotive merchants seeking the cutting-edge, eBay Motors provides the roadmap.

For those interested in offering a similar experience to their customers, Classy Llama may be able to help with our Interactive Parts List and Schematics extension:

<https://www.classyllama.com/automotive-ecommerce-and-fitment>



05

Summary

As with any goal, it's important to plan and set reasonable expectations when developing your eCommerce site. An experienced agency partner will help you get started and create a roadmap that makes sense for you.

While we've tried our best to include only essential information in this white paper, the reality is that the needs of every automotive company are different. ACE, PIES, and Fitment Search functionality are the standard discussion points, but marketplaces and other auto parts sellers like you are changing the ways people shop online for replacement parts.

We encourage you to use this white paper at the start of your automotive eCommerce build to prevent the common pitfalls experienced by others. Ask deeper questions about the process, efficiency, and user experience before diving into your next build. If you need more guidance, Classy Llama always enjoys working with forward-thinking clients to solve complex problems. Give us a call or send us an email and we'll make sure to get you where you want to go.

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