

# CAWA eCommerce Task Force

## Executive White Paper for Automotive Suppliers

*“How the Digital Product Content Game Has Changed ... and How to Respond”*

In the last decade the online sales channel for automotive parts and accessories in the U.S., or eCommerce, has grown from a few billion dollars in annual sales to over \$30 billion in 2022. In that same period the industry adoption of the data exchange standards – ACES and PIES – has become more widespread and commonplace. The good news is that the aftermarket for parts and accessories has a robust voluntary industry standard for the exchange of vehicle fitment (application) information and for product attribute and other product-specific content.

The reality is that the standards were designed for a world that existed at the dawn of the 21<sup>st</sup> Century. Online commerce is the fastest growing sales channel in the aftermarket and has far outpaced the growth of the overall market. The needs of the online customers, especially consumers (B2C), are not fully met by the product content authored for a world when brick and mortar locations accounted for over 95% share of retail sales. Today, the online sales channel for auto parts and accessories commands a 20%<sup>1</sup> share of retail sales. Brands need to develop and author product content that is more visual, descriptive, and anticipates the needs and questions of the automotive enthusiast and weekend mechanic when browsing online.

The leaders of the California Automotive Wholesalers Association (CAWA) formed the CAWA eCommerce Task Force to discover the unmet needs of the aftermarket relative to eCommerce and document the recommended

steps and investments needed to achieve and maintain a leadership position in the digital sales

channel. Every business leader knows the truth of, “if you’re not continuously moving forward, you are falling behind”, relative to your competitors and peers. This is especially true in the fast-evolving world of technology and

eCommerce. Your 20-something web developer wouldn’t even recognize the primitive and unsophisticated web sites and hard-coded content of 15 years ago. But there’s a good chance that much of the product content your channel partners are using on their web sites for your

### Index of topics:

- Why is e-centric content even a thing – why is eCommerce different from B&M commerce?
- What different and unique content is needed in eCommerce?
- What are the benefits of investments in content aimed at B2C customers?
- What are suggested next steps?

---

<sup>1</sup> Joint eCommerce Trends and Forecast 2022 published by the Auto Care Association and AASA

## CAWA eCommerce Task Force

brand is little changed from those early days. It is beyond time for that to change if your brand is to remain competitive in this digital world. This collection of resources from the CAWA and their partners will help guide your journey and focus your investments in areas with the highest return on investment (ROI).

### **I Why is e-centric content even a thing – why is eCommerce different from B&M commerce?**

For over a decade, eCommerce has been the fastest growing sales channel in the aftermarket. The pandemic gave the online sales channel a significant boost because of shutdowns and social distancing. Consumers quickly adapted to shopping online for many of their basic needs (clothes and groceries) as well as discretionary purchases such as automotive parts and accessories. Since pandemic restrictions eased, the convenience and unlimited product selection of online shopping proved to be compelling to consumers and their eCommerce shopping behaviors persisted. The Joint Industry report on eCommerce published by the Auto Care Association and the MEMA Aftermarket Association reported that over the last decade e-commerce sales of automotive parts (excl. marketplaces) grew at a robust CAGR of 18%, from less than \$4 billion in 2012 to more than \$19 billion in 2022. After reaching a post-pandemic plateau, online sales are projected to experience an annual CAGR of 8.4% for the foreseeable future. Your customers' needs for product content to make an informed purchase are different when they shop online versus in a retail store. Brands need to meet their customers where they are at, and tailor product content to meet the unique needs of their channel of choice – this is at the core of Omnichannel.

The major differences between meeting the needs of a Brick-and-Mortar retail customer versus a consumer shopping online comes down to three things:

- 1) The customer does not have the benefit of a knowledgeable store associate to guide their purchase decision

In a traditional auto parts store the primary function of the store associates is to help guide the customer to the best product selection and purchase for their needs. This role goes far beyond attractive merchandising of the product categories and homing in on the appropriate part by vehicle application. When more than one product grade or brand is available for the customer's application the associate is expected to guide them based on the best match between price (budget) and performance (longevity). If the vehicle is a 20-year-old relic and the customer has a \$120 budget, the 60-month warranty, high CCA battery is not the best choice for the customer. Only in a conversation with the store associate can the consumer learn that adequate CCA for their 4-cylinder engine is available with warranties starting at 1 year. A qualified associate will make the sale and send the

## CAWA eCommerce Task Force

customer out the door with a satisfactory solution that fits their budget. Bonus: as an extra value the store may offer to test the alternator and ensure that the replacement battery will not suffer a similar fate in a matter of weeks. Research has confirmed that consumers value the information and product knowledge of an experienced automotive professional. For this reason, traditional auto parts stores have an advantage that online retailers find difficult to replicate. The technical nature of parts and accessories will keep the eCommerce share of retail sales far below the 50% of household goods and consumer electronics.

- 2) 85%<sup>2</sup> of consumers begin their purchase journey online conducting product research across multiple retailers and the manufacturers' branded web sites regardless of where they intend to make their ultimate purchase

Brands invest considerable resources in engineering and marketing to differentiate their product from the competition. If you put three sets of spark plugs leads on the counter, it would be difficult to tell them apart by any attribute other than the color of the jacket. Since they are all direct fit replacements for the same vehicle there will be the same number of leads of similar lengths. But the performance, durability and warranty are certain to vary widely from the Good to the Better and the Best product alternative. How is the customer to choose which product to buy if they are shopping online? The online product selection is based exclusively on what the buyer can glean from the screen. The digital product content must explain the features and benefits of the product; educate the consumer about the advantages and trustworthiness of the brand; and lead them to an informed decision about price and value. Without the benefit of a parts pro to offer advice and guidance, the customer is doing their own research and reaching a conclusion about price and value. The digital product content, and images, are the sizzle on the steak, and must clearly offer a better answer to the question, "what's the difference between these two wire sets?", than ... "about twenty bucks".

In the last decade there has been tremendous growth in the share of marketplace retailers such as eBay, Amazon and Walmart. These online behemoths sell "everything from A to Z" and their product expertise is understandably limited and completely dependent on what they receive from the seller. In the Joint Industry Report on eCommerce, it was reported on Amazon 55% of unit sales were made by 3<sup>rd</sup> party sellers<sup>3</sup>. In this scenario, the product listing content is distanced even further from the product authority – the brand owner. Many brands enjoy significant sales through the marketplace channel, but at what cost to their brand's reputation and customer satisfaction when the content listed is out-of-date, incomplete, or misleading? Since you have no way of knowing where the next consumer will

---

<sup>2</sup> <https://hedgescompany.com/blog/2022/12/digital-influence-auto-parts/>

<sup>3</sup> Joint eCommerce Trends and Forecast 2022 published by the Auto Care Association and AASA

## CAWA eCommerce Task Force

be researching their next purchase of your brand online, brand owners must have a strategy to ensure that the best brand story and rich, complete product content is continuously updated through all channels from the registered brand authority – you.

- 3) Rich product content should aim to guide the consumer to the most appropriate product for their needs. In the absence of rich content – Price is Boss

The aftermarket industry standard for the exchange of product content was developed at a time when brick and mortar stores accounted for 98% of retail sales<sup>4</sup>. The Product Information Exchange Standard (PIES) is continuously updated to meet the evolving technical needs of brands and their channel partners. Support for spinning 360-degree product images, installation videos and Search Engine Optimized (SEO) text have been added to the specification. But it's critical that this content be authored and syndicated throughout the industry. Otherwise, it's useless to point to the new segments and fields in the specification if brand-owners are not investing in creating and publishing the new and extended digital content.

---

<sup>4</sup> <https://www2.census.gov/retail/releases/historical/ecommerce/02q4.pdf>

### II What different and unique content is needed in eCommerce?

It's not hard to imagine what content a customer needs to make an informed purchase decision if they can't handle the product or talk to someone with some product knowledge to answer their question and explain the features and benefits. Here are a few specific content segments that deserve extra attention and investment if your product is going to succeed in the digital channel.

- **Images and digital assets**

- High-quality product images have been a staple of web listings from the beginning. But the expectations of the digital buyer today are for multiple views of a product from the top, bottom, left and right, and 360 spinning images that are stitched together from 24 or more angles. The right product images will allow the customer to examine the connectors and fitting for proper fit. In the case of performance parts and truck accessories the product images can visualize the product in use, even installed on the customer's model of vehicle
- There is a long list of digital assets that will answer technical questions about the product or assist with proper installation. A library of installation videos contributes to satisfied customers and reduced returns. Drive belt routing guides are essential to proper installation. Torc specs, fluid capacity, product care suggestions and even return procedures should be available to the shopper pre-sale. If you ever printed it and put it in the box, convert it to a PDF and send it along with the other product information

- **Features and Benefits, Key Words and Labels**

- Search Engines crawl and index the web pages of you and your channel partners' web sites in search of the content that will elevate your search results and lead to more conversions. As the brand owner, you should provide the product features and associated benefits that are specific to your brand and product category. Remember that originality is rewarded in Search Engines. FAB content should be bulleted and ranked in order of relevance and priority.
- To the extent your channel partner is going to compose text to supplement the product content you provide, you should provide a list of Key Words that are statistically proven to improve SEO results and will improve conversions for your product listings. Writing copy about the Company, the Brand or the product series is as much art as it is science. Carefully selected Key Words can be measured for their impact in Google Analytics or other SEO tools. Your significant investment in engineering and manufacturing can be undone by poor, ineffective

## CAWA eCommerce Task Force

web content. Hiring a geek to compose web marketing will more than pay for itself in increased sales.

- **Performance and physical attributes**

- For the buyer who cannot touch and examine your product or speak with a store associate, they depend completely on what they can read to understand the suitability of the product for their needs. The Product Information Exchange Standard (PIES) includes support for you to list the product-specific performance and physical attributes of your parts and accessories. The Attributes segment is a tremendous opportunity to separate and differentiate your brand from others of similar products. In cooperation with your channel partners, you should hold nothing back in communicating everything about your product that is relevant in making an informed selection or appreciating the quality and value of the product. Avoid sending chemistry and construction attributes if the customer cannot appreciate their significance. But you should populate as many of the performance and physical attributes as are supported by the standard. Some buyer at some time may find the pitch of the threads or the flow capacity of the pump a useful part of their buying decision. If you know it and the Product Attribute database (PCdb) supports it, publish it.

### III What are the benefits of investments in content aimed at B2C customers?

- Rich product content sells value and ensures that “price is not the boss”. Higher average selling price and margins result from an investment in content. Up-selling better and best grades of product are only possible with the digital content that makes a compelling case for the higher-priced products
- Rich, complete content ensures that consumers make the appropriate product selection for their needs, buying with confidence and increasing conversion rates. Not only does it fit the application but it delivers the performance they expected for the price they paid. Customer satisfaction with the Brand is a direct function of the content supplied by the brand. If the base product grade was selected in the absence of a compelling case to buy something more appropriate, and the product fails in a matter of months, the consumer is now dissatisfied with the Brand as much or more than the reseller
- According to the National Retail Federation (NRF), ecommerce returns in auto parts take the top position of all categories they studied in a 2021 report<sup>5</sup>. This is not a list

---

<sup>5</sup> <https://multichannelmerchant.com/operations/ecommerce-returns-hit-20-8-in-2021>

## CAWA eCommerce Task Force

any manufacturer or reseller wants to lead. But every aftermarket sales or marketing executive knows that new part returns in the industry are stubbornly high and extremely costly. An investment in product content helps make sure the right part gets sold the first time ... and stays sold. If the information on the screen ensures that the product fits my vehicle application; and will perform suitably for my vehicle age and driving habits; and delivers adequate value for the price paid; there is no reason to return the product, assuming it was delivered undamaged

### IV Resources and Next Steps

- The Auto Care Association PIES Best Practices white papers<sup>6</sup> explain how to make the best use of data segments that can differentiate your brand and increase online conversions. For example, the specification indicates the DES field is designated for your 80-character product description - long. The Whitepaper explains the appropriate use of the DES field is: “to convey the product’s primary selling attributes or features and when this description is used in conjunction with a provided short description, it produces a distinctive product description that will assist in differentiating quickly between similar products.”
- Read further the best practice guidelines authored by the CAWA eCommerce Task Force. Aftermarket content professional have shared their expertise to provide use cases and guidance far beyond what is found in the PIES data exchange specification. It is important to recall that PIES is a data exchange specification. It has been designed to “carry the mail” in effect and ensure that what was sent, is reliably received by your trading partners in a form that their digital systems can ingest. PIES does not dictate what content your brand “mail” can express about your product. The burden to author original and effective content is on the Brand Owner.
- The ultimate irony of the aftermarket “Industry Standard” is that if we could ensure that every trading partner received and published identical descriptions, images and attributes of a particular part tomorrow, the Search Engines and Retail web sites would punish the brands with reduced search results. Google and the other algorithms reward original content and penalize those pages that have identical content as the next fifty web sites. That is not to say you should go rouge and abandon the standard exchange fields and best practices of the industry specification. PIES is intended to ensure that when a Brand fills a bucket with digital descriptions, market copy, attributes, weights and dimensions, and all the rest, and tosses it over to their trading partners, they will be

---

<sup>6</sup> <https://digital.autocare.org/pies-whitepapers/>

## CAWA eCommerce Task Force

able to decipher and deploy the content in their systems and web sites. That is not to say that every bucket contains exactly the same content as the last.

- If originality is rewarded and duplicated content is penalized on the world wide web, where should a brand focus their marketing and product content dollars?
  - **Descriptions, market copy:** write original and imaginative text about your Company (years of experience and expertise); the Brand (innovative design and racing-proven); the product series (problem-solving parts that deliver exception performance).
  - Share all of your technical and engineering expertise that a consumer may benefit from in defining the **performance and physical attributes** of your products. A lot of effort has gone into supporting the need to convey color, material, maximum rpm, style, grade and a host of other product-specific attributes and valid values. Brands must make more use of this critical segment to ensure a good customer experience and proper product selection online.
  - Increasingly, HAZMAT and **regulatory compliance** is mandated by trading partners, even if it is not by the state or jurisdiction. Failure to comply with California Prop 65 regulations carried hefty penalties. The return on investments in publishing regulatory content is obvious regardless of the customer or where the sale is made.
- Brands are encouraged to lobby marketplaces for the authority to manage the content of their brands. The various marketplaces have a process for brands to register as the owner of their product content and overwrite the old, incomplete content that may have been provided by a well-intended distributor in an effort to add to their listings and make some sales. No one knows your product better or has more at stake in the marketplace than you. Aggressively fight for the right to defend your brand online and be the recognized authority for what appears online.

### Summary

The objective of this executive white paper was to educate and inform manufacturer and brand-owner decision makers about some of the challenges and needs of the online sales channel that are unmet today. It is our hope that the reader is a little concerned about the effect of today's data content practices on their brand integrity and upset over the volume of lost sales and under-performing products that can be traced back to a failure of content.

Every reader of this has likely made significant investments in their catalog and product content systems and processes over the last decade. PIM systems, data pools and trading



## CAWA eCommerce Task Force

partner requirements have carved out a sizable line item in the marketing budget. But authoring product content is not a One and Done proposition. The world keeps changing and how consumers search and buy your product keeps changing with it. Remember, if you're not moving forward, you are moving backwards relative to your competition and peers.

Please read further and explore the additional resources from this Task Force as well as the Auto Care association ([digital.autocare.org/pies](https://digital.autocare.org/pies)).

Authored by: Scott Lockett MAAP, ACP SPS Commerce

Strategic Account Executive