



Allegro on e-commerce in the automotive aftermarket & and factors for a successful online store for spare parts



In the interview, pt 2:

Przemysław Kasprzak, Business Unit Manager (Category Car Parts) at Allegro

Allegro.pl is the most popular shopping platform in Poland and one of the largest e-commerce websites in Europe. The Polish company operates a marketplace model which means that customers can buy whatever they need from over 117,000 merchants, who can list an unlimited number of offers on its platform. Allegro offers products in all key categories includ-

ing Automotive, Fashion, home & garden, electronics, books and collectibles, kids or health & beauty. Each month, 20 million customers visit allegro.pl, which is equivalent to 80% of all Internet users in Poland.

The company comes a long way from an auction site for private individuals looking for a modern alternative to their local flea market. Today, Allegro is a vibrant marketplace platform for professional sellers and a must-have sales channel for top international brands and retailers. Its mission is to offer the best shopping experience to

customers and great business opportunities to merchants. Focusing on the needs of these two parties, Allegro gets always inspired to create innovative solutions in which business and technology come together. That's why the company has just launched a new feature for customers interested in purchasing replacement parts on their platform. We joined our forces and thanks to our TecDoc data, Allegro's customers can now easily find parts that fit a specific model of a vehicle. We met Przemysław Kasprzak to talk about business and our fruitful cooperation.

allegro

What developments can be expected in the automotive aftermarket from your perspective?

Przemysław Kasprzak: The changes are long overdue and continue to move forward. What is new, however, is the pace of these changes. We are currently observing a very high dynamic in online shopping. The generation is changing, new trends are emerging, and buyer awareness is rising. Shoppers expect convenience, time and money savings and easy shopping.

As long as cars break down, there will be a demand for repairs and spare parts.

Over time, the importance of comprehensive solutions will increase and the ability to not only buy parts online, but also place repair orders. Customers will expect comprehensive solutions when a problem arises with a car that is not working.

SHOPPERS EXPECT CONVENIENCE, TIME AND MONEY SAVINGS AND EASY SHOPPING

What does that mean for Allegro?

Przemysław Kasprzak: We want to solve as many problems as possible for our buyers and respond to all their needs. Therefore, current trends and buyer behavior mean that there is still a lot of work ahead of us at Allegro and many interesting projects to be realized. We want to offer the best buying experience and solve all vehicle problems of our users

How does TecAlliance support you to achieve this goal?

Przemysław Kasprzak: The strength of our cooperation with TecAlliance lies in the quantity and quality of the data: Data on manufacturers, new vehicles, detailed data on products. Thanks to the high quality of the data, we are able to provide our customers with offers on the Allegro website that can be described thanks to in-depth information. We respond to our customers' needs and with this information we help them to make the right purchase decision.

In a perfect world, one would have data available on all the elements

that make up a particular vehicle, regardless of the manufacturer of the part, whether it is the original or a replacement part.

THE LACK OF EMOTIONAL BUYING MAKES THE ACTION PLAN VERY DIFFERENT FROM OTHER SEGMENTS

How does online trading in the automotive aftermarket differ from other segments?

Przemysław Kasprzak: Vehicle parts are bought because cars wear out and break down. A statement that captures the simplicity of the industry. Otherwise it would not be necessary to buy car parts. It is therefore a sober and causal connection. So, the purchase is not at all emotionally driven. The lack of emotional buying makes the action plan very different from other segments.

What are the special challenges facing online trading in the automotive aftermarket?

Przemysław Kasprzak: Time pressure is the biggest challenge in the automotive market. Delivery and repair time are currently the biggest challenges for the online market. Of course, factors like selection of the individual elements, quality and price are important. The time span between the occurrence of the problem and its solution is crucial. It is not only the delivery time, but also the diagnosis, the purchase of components, the repair time and the communication during the whole process.

THE KEY IS TO BE OPEN TO THE DIFFERENT NEEDS OF CUSTOMERS WITHOUT A RIGID BUSINESS FRAMEWORK

What are the success factors of a well-running online store in the automotive aftermarket?

Przemysław Kasprzak: The only determining factor is the buyers. It is an important aspect of business to think that way. You have to listen to them all the time, check their needs, observe the environment and align your own models and ideas with them. There is no determining factor for what is right. Learning to adapt to change is the key. As in any business,

a wide range of products and good prices are the basis. Other important characteristics are reliability and functionality. If you add a friendly interface and financial instruments, you can have a good position, which needs to be supported by marketing activities. The key is to be open to the different needs of customers without a rigid business framework.

What does that implement for Allegro regarding the sales of spare parts?

Przemysław Kasprzak: For Allegro and the automotive division, this means continuous work on improving current solutions and introducing new solutions. Changing market standards and the environment impose this business style to some extent. It is a mistake to assume that something is constant. Today it could be an innovation, tomorrow it could become an obsolete standard.

THE SHOPPING EXPERIENCE THAT MECHANICS OFTEN EXPERIENCE WHEN THEY MAKE THEIR PRIVATE PURCHASES OF ELECTRONICS, TOYS, FOOD OR CLOTHING CAUSES A CHANGE IN BEHAVIOR

How important is User Experience for Allegro?

Przemysław Kasprzak: User experience plays a key role in the development of our strategy. Ultimately, buyers evaluate the platform, make purchasing decisions and hopefully return to the platform in the future. It is also the buyers who contribute to the successful spread of our platform. Quite simply by recommending it or talking about their good experiences with it. A satisfied buyer can do more than many advertising campaigns worth millions.

In the case of the automotive industry, there has been a noticeable increase in the demands made by mechanics and workshops. The shopping experience that they often experience when they make their private purchases of electronics, toys, food or clothing causes a change in behavior. If I can buy a lamp for my home in an easy and pleasant way, why not when I buy car parts, oil, etc.?



POLAND IS CHARACTERIZED BY AN OLDER CAR FLEET THAN WESTERN COUNTRIES

How does the polish market differ from other European countries?

Przemysław Kasprzak: The difference in foreign markets among themselves results from the environment in which a given market operates. The impact is influenced by many factors: the age of the car fleet, the size and maturity of the offline market, the garage network, consumer awareness, technical knowledge, the wealth of the society or susceptibility to current trends. Compared to other European countries, Poland is characterized by an older car fleet than Western countries such as Germany, France or the United Kingdom, but less than the European average. First of all, older

cars require more frequent repairs. Owners of older vehicles more often are looking for savings so that the repair of the vehicle does not exceed its value. Searching for savings, awareness and general access to knowledge mean that online purchases of even specialized car parts often develop twice as fast as the existing channels.

Thank you for this insightful interview!

Read in the first part: How Allegro is offering the best shopping experience for replacement parts by using TecDoc data

DATA FOR THE DIGITAL AFTERMARKET

The availability of and access to vehicle and product information are crucial to success. The most impor-

tant step is identifying vehicles and suitable replacement parts without fail. We offer you extensive support with our comprehensive database comprising vehicle reference data, OE data, and VIO (Vehicle in Operation) database. This applies both to the management and analysis of your data and its results; our practical and well-conceived solutions make your processes simpler and more efficient. Our products make it easier for you to manage your own data; they also help you to build your own e-commerce applications and catalogue solutions

You have the choice: our experts would be happy to tell you more about our comprehensive database. Learn more today about how to put together your own custom data packages and tailored services to meet your needs.

Why TecAlliance?

With data, processes, integrated solutions and comprehensive consulting services, TecAlliance provides a portfolio for the market participants in the digital aftermarket that makes you more successful in the long term.

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