



CASE STUDY –  
MSXI WARRANTY  
SOLUTIONS

# GETTING WARRANTY UNDER CONTROL.



FUELED BY CHALLENGE. POWERING SUCCESS.™



## MSX INTERNATIONAL – ALWAYS AT YOUR SERVICE.

A European volume manufacturer recently called upon MSXI's expert knowledge to invent again a new way of getting warranty under control in its 12 main markets in Europe. Under a full Business Process Outsourcing – so called BPO – model, MSXI was able to create and to deploy a customized, integrated and efficient process.

Such a process associates centralized claims assessment, warranty training programs, warranty field activities and MSXI technology for the client. The program results of proven cost reduction together with customer and dealer satisfaction.

### EUROPEAN VOLUME MANUFACTURER STREAMLINES WARRANTY PROCESSES WITH MSXI.

Most of manufacturers have built a reputation for providing its customers with superior warranty-based after-sales services.

It is a matter of showing commitment towards the customer, leveraging the quality of the product and the excellence of services provided by distributors. However, the complexity of embedded technology in today's products, the increased "consumerism behavior" and the reduced profitability of distribution networks request more attention and control over the utilization of the massive warranty expenditure at OEM level.

This is why one of our best customers saw the need for a complete overhaul of its warranty processes, under the objectives of increasing warranty-expenses efficiency, speeding-up the claims-handing process, reducing warranty-related costs, improving dealer satisfaction and enhancing customer loyalty.

As a partner of choice and expertise, MSXI was selected to fully support, under a Business Process Outsourcing – so called BPO – contract to set-up a complete new way of managing Warranty for its customer.

Working now for the last three years, throughout 12 markets and covering 820 dealers, 60 MSXI automotive experts took over the full warranty activities for this volume manufacturer. The MSXI program consists in an escalation process and includes:

- An "in-depth" analysis of warranty datas,
- A robust warranty training program for dealers that reinforces the application of warranty rules and allows more accuracy into claims administration,
- The centralization of warranty claims assessing and pre-approving activities under the objective of speeding-up payment administration and controlling high-costs repairs,
- The deployment of warranty on-site coaching and training activities for high cost dealers,
- The implementation of field warranty auditing activities for recurrent high-cost dealers.

## DOING THE GROUND WORK AND GETTING RESULTS.

So where do we stand so far? Let us share a few facts & figures over the 2008-2010 period:

- MSXI centrally assessed over **1.500.000 warranty claims**, resulting into a **267% reduction** into the overall backlog of claims waiting for payment into the warranty administration system. Also, over the period, payment lead-time for dealers reduced from 22 to 6 days, allowing a consequent improvement into the dealers' cash-position.
- **820 individual dealerships in the 12 European markets** were visited by native speaking MSXI consultants. All dealerships were coach and trained. From them, **230 went up to the auditing scale**.

- Overall, MSXI received a **92% Dealer Satisfaction Index** upon these field-related activities, from dealers proven being high-cost profile,
- Last but not least, MSXI provides a **340% proven ROI** to its customer, resulting of actual warranty savings for the customer vs the cost of MSXI service.

### NEVER-ENDING IMPROVEMENTS

Now, MSXI and its customer are looking ahead improving warranty at dealers' level 2012 and onwards.

This will result into geographical expansion and into tailor-made new ways of supporting dealers, controlling costs but also converting warranty technical information's faster and with more accuracy.

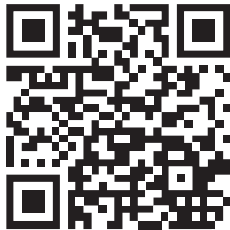
Main objectives are to:

- maintain good practices in place in original markets and deploy into new geographies,
- reduce recalls operational and financial impact for dealers and CSI impact on end-users,
- improve the product quality and the control over the OEM supply chain.

So the efficiency and cost-effectiveness of the warranty system operated by our customer throughout its European retail network continues and will continue to improve, thanks to ongoing optimization enabled by MSXI Warranty Solutions.

# THE SOLUTIONS EXPERT FOR THE AUTOMOTIVE INDUSTRY.

MSXI provides a broad range of solutions for all aspects of the automotive retail industry. Individual solutions can be adapted and/or combined to create the best possible answer to your business challenges.



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	Dealer Solutions	Technical Solutions	Warranty Solutions	Managed Service Provider	Technical Staffing & Recruitment Process Outsourcing
<b>Objective:</b>	Improve Dealership Profitability	Provide Technical Expertise	Reduce Warranty Costs	Optimize utilization of contract labor	On demand talent delivery
<b>Technical Platform:</b>	MSXI Dealer	MSXI Connect	MSXI Wire	b2b buyer	
<b>Service Programs:</b>	<ul style="list-style-type: none"> <li>■ Aligned Customer Framework (ACF)</li> <li>■ Customer Satisfaction</li> <li>■ Dealer Training</li> <li>■ Lead Management</li> <li>■ Retail Compliance</li> <li>■ Sales Excellence</li> <li>■ Service Excellence</li> </ul>	<ul style="list-style-type: none"> <li>■ Technical Publications</li> <li>■ Technical Training</li> <li>■ Technical Helpdesks</li> <li>■ Technical Pre-approval</li> <li>■ Technical Field Forces</li> </ul>	<ul style="list-style-type: none"> <li>■ Warranty Audit</li> <li>■ Warranty Assessment</li> <li>■ Warranty Process Improvement</li> <li>■ Warranty Pre-Approval</li> <li>■ Warranty Analysis</li> <li>■ Warranty Training</li> </ul>	<ul style="list-style-type: none"> <li>■ Supply Management</li> <li>■ Program Management</li> <li>■ Comprehensive Reporting</li> <li>■ Timesheets &amp; Invoicing</li> <li>■ Risk Mitigation</li> <li>■ Diversity Development</li> </ul>	<ul style="list-style-type: none"> <li>■ Contract Labor</li> <li>■ Permanent Placement</li> <li>■ Recruitment</li> <li>■ Employee Retention Strategies</li> <li>■ Sourcing Technology</li> <li>■ On-boarding/ Off-boarding</li> </ul>

MSX International is a dedicated supplier of services to the automotive industry. With more than 70 years of experience and over 5,000 industry experts in 52 countries, we have a thorough understanding of local,

national and international markets. We use our experience and expertise to provide business solutions that make your business more efficient. From consulting to outsourcing, regardless of whether you are an automotive/

truck / motorcycle OEM, dealer, supplier or aftermarket service organization – if it's automotive, we can help you make it better.



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