ASSESSOR GUIDE

The participant, playing the role of the regional service head (after sales) of his/her region, has been asked to create 3- and 5-year strategies for the region.

The leadership has given a list of 8 initiatives that the organization should focus on in the future along with why the organization should focus on them.

The participant has been asked to prioritize 4 out of these 8 initiatives for the first 3 years. The rest 4 will then automatically be prioritized for the first 5 years.

He has been given the projected costs associated with each initiative if they were prioritized for 3 years or 5 years.

They have also been given market data, customer satisfaction ratings and insights, as well as data on the competition. In addition, they have the background information which consists of the organization's vision, strategy, current initiatives, etc.

The participant is free to make assumptions and utilize his/her knowledge of the industry while presenting. However, all these assumptions should be clearly mentioned by him/her.

The 8 initiatives are as follows:

Focus Area	What is it?	Leadership Rationale
Predictive Analytics	- Predict component failure with data analytics. - Optimize maintenance schedules. - Will help in minimizing repair costs. - Will improve vehicle reliability. - Will improve customer experience.	Five years ago, Velocity Motors equipped all models with IoT sensors, now generating data from 1 million vehicles. The leadership plans to use this data for predictive maintenance and performance monitoring.
Enhance EV Service Capabilities	- Specialized training for EV service technicians - Bring state of the art EV servicing capabilities	Velocity Motors stands as a frontrunner in the country's 2-wheeler EV sector. The rapid evolution within the EV landscape necessitates continuous learning and upskilling of the workforce. Velocity Motors aims to establish state-of-the-art EV service capabilities in all its service centres across the country.
Mobile Service Units	- Introduction of mobile service units - Equipped with tools and diagnostic equipment to provide on-site repairs and maintenance. - Enhances convenience for customers and expands service reach to remote areas.	Velocity Motors aims to enhance its service offerings with new mobile units to improve customer experience, providing quick support during emergencies and convenient maintenance for those preferring not to visit service centres. These units are expected to appeal to customers over 40 years of age, positioning Velocity Motors to compete effectively in this market.

AR and VR	- Virtual inspection assistance for technicians - Interactive training and repair guides - Enables technicians to visualize complex repairs and access real-time support from experts.	Recent strides in Augmented Reality (AR) and Virtual Reality (VR) have birthed new contenders in the after-sales service arena. Velocity Motors has already leveraged AR and VR for virtual showrooms and intends to deploy this technology for service provisions too. However, doing so poses unique challenges that include technician training and seamless integration with existing systems.
Green Initiative	- Implementation of eco-friendly practices and technologies in service operations	Velocity Motors, known for its strong commitment to sustainability, boasts one of the highest ESG ratings in the country, positively impacting its market value and access to government incentives. Following a thorough internal audit, the company identified energy efficiency improvements in its after-sales service division and is dedicated to adopting eco-friendly practices in this area.
Blockchain for Supply Chain Management	- Blockchain technology for transparent and secure supply chain	Velocity Motors is facing a rise in vehicle breakdowns due to counterfeit spare parts, as seen by more calls to their customer support. The company's leadership is pushing for greater supply chain transparency to tackle this issue.
Collaborative Partnerships	- Strategic partnerships with technology companies, startups, and other industry players to leverage expertise, access new technologies, and co-create innovative solutions for automotive service.	Velocity Motors' in-house developed app allows customers to manage vehicle health and services. Due to increased usability complaints, the company plans to collaborate with tech partners for app refinement and maintenance.
Customer Experience Enhancement	- Introduction of personalized service experiences, such as concierge services, vehicle customization options, and loyalty programs.	Velocity Motors is committed to personalization in its products and services. However, the company has seen an increase in the number of competitors in the market. Leadership has directed the after-sales team to thoroughly review and improve the customer experience with the introduction of more personalized after sales services.

Costs of the 8 initiatives (Within your region)

Given below are the projected costs associated with each of the 8 initiatives if they are prioritized for the first 3 years or the first 5 years.

Program	3 Years Model: Projected Costs (INR)	5 Year Model: Projected Costs (INR)
Predictive Analytics	2Cr	1.8Cr
AR and VR	2.5Cr	2.2Cr
Mobile Unit Services	25Cr	24Cr
Electric Vehicle Services	6Cr	5.5Cr
Customer Experience Enhancement	1Cr	1.25Cr
Green Initiative	1.5Cr	2Cr
Blockchain for Supply chain Management	4Cr	3Cr
Collaborative Partnerships	2Cr	2.5Cr

The costs for 3 and 5 years above are separate from each other.

For example: If Predictive Analytics is prioritized for the first 3 years, then its projected costs are 2Crs for the 3 years. If it is prioritized for 5 years, then the projected costs across the 5 years will be 1.8Crs.

The projection calculations are based on several factors such as infrastructural requirements, training needs, R&D, talent acquisition, etc.

Note:

- Building a new capability within a short amount of time is associated with higher costs and higher risk of failing in the market.

- For example: Costs associated with building the infrastructure for AR & VR, and then hiring/developing talent for it within a short time will be higher.

- On the other hand, costs associated with some initiatives like Customer Experience Enhancement are expected to build up over time.

With the 3-year approach

Projected returns from the 8 initiatives (Within your region), given that they are prioritized in the first 3 years.

Program	After 3 Years: Projected Returns (INR)	After 5 Years: Projected Returns (INR)	After 7 Years: Projected Returns (INR)
Predictive Analytics	2.2Cr	6Cr	10Cr
AR and VR	3Cr	7Cr	11Cr
Mobile Unit Services	16Cr	30Cr	42Cr
Electric Vehicle Services	5Cr	8Cr	15Cr
Customer Experience Enhancement	2Cr	5Cr	10Cr
Green Initiatives	0.25Cr	0.5Cr	2Cr
Blockchain for Supply chain Management	3Cr	9Cr	18Cr
Collaborative Partnerships	6Cr	8Cr	15Cr

With the 5-year approach

Projected returns from the 8 initiatives (Within your region), given that they are prioritized in the first 5 years.
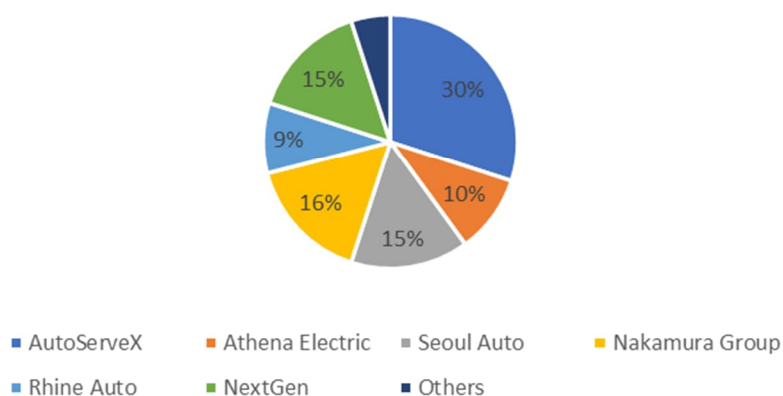
Program	After 3 Years: Projected Returns (INR) (Under Development)	After 5 Years: Projected Returns (INR)	After 7 Years: Projected Returns (INR)
Predictive Analytics	0.5Cr	0.9Cr	7Cr
AR and VR	0.8Cr	3Cr	8Cr
Mobile Unit Services	5Cr	18Cr	35Cr
Electric Vehicle Services	3Cr	7Cr	12Cr
Customer Experience Enhancement	0.8Cr	2Cr	8Cr
Green Initiatives	0.1Cr	0.8Cr	2.2Cr
Blockchain for Supply chain Management	1Cr	5Cr	15Cr
Collaborative Partnerships	1Cr	5Cr	10Cr

Notes:

- Returns can be direct or indirect, that is, either through revenue generation or efficiencies and cost optimization.

- For example, returns from the 'Mobile Unit Vans' can be directly linked to higher revenue generation. Whereas returns from 'Predictive Analytics' are directly linked to efficiencies and cost reduction.

- Capabilities that are developed over a longer period, even though associated with lower returns, are more likely to be effective when they are brought to the market. However, by that time, chances are that competition has caught up.

- There are some capabilities that an organization must develop to stay relevant in the market. These can bring lower returns but are critical for the organization to survive.

- Some capabilities and initiatives have hidden value. That is, on paper they might not be as lucrative, but they can influence public perception which can lead to long term sustainability.

Competitors and market share in the region:

Market Share of After Sales Service in 2 wheelers

- AutoServeX   - Athena Electric   - Seoul Auto   - Nakamura Group
- Rhine Auto   - NextGen   - Others

S. No.	Competitor	Description	Market Share of after sales services across the region
1	AutoServeX	- Startup with a smartphone app which customers can use to order maintenance services. - Highest market share in services category. - Popular amongst age group 18-35 - Use of counterfeit spare parts have increased over time because of which it has been losing market share	30%
2	Athena Electric	- EV scooter startup, popular in the urban cities within the participant's region - Innovation in sales and services using and AR/VR technologies - Quickly gaining popularity amongst 18-35 age bracket	10%
3	Seoul Auto	- Korean, 2 wheeler manufacturer - Has an extensive network of service centres across the country - Budget friendly services and products	15%

		- Lacks quality in service	
4	Nakamura Motors	- Japanese 2 wheeler manufacturer - High quality of manufacturing of spare parts and products - Very few service centres across India	16%
5	Rhine Auto	- German 2 wheeler manufacturer - High quality of service and products - Doesn't enjoy a high market share because of high prices	9%

NextGen/Velocity Market share in the region – 15%

Others – 5%

The market size and projection of 2-wheeler EVs in the country (in millions USD)
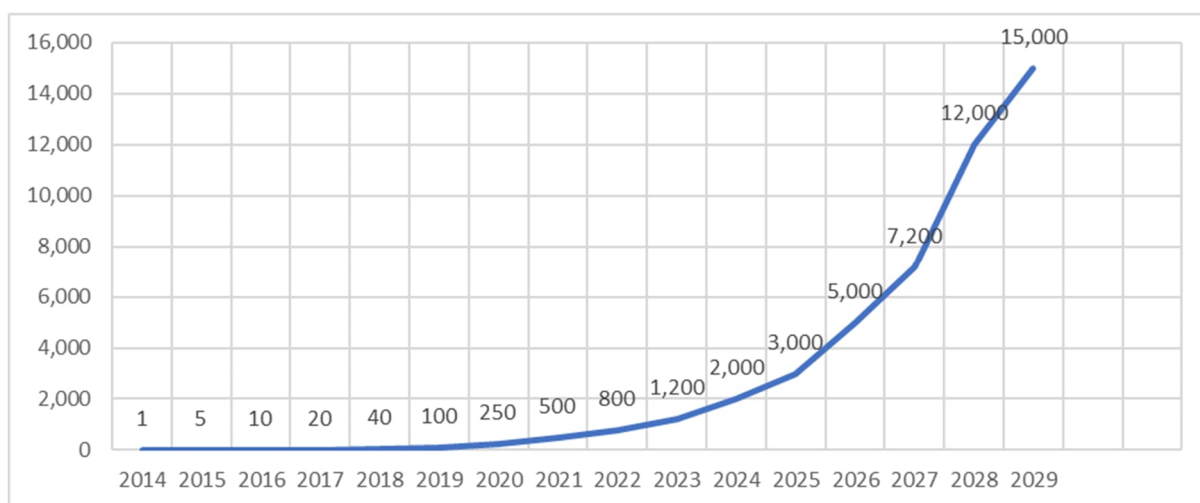
Customer Analysis in the region

Age Group	Number of customers	Preferences	Purchasing Behaviour
18-35	46%	Performance-oriented vehicles, stylish designs	Online research, social media influence, affordability
35-50	38%	Family-oriented vehicles, safety features	Brand reputation, word-of-mouth recommendations, comfort, efficient after-sales support
50+	16%	Comfort-oriented vehicles, reliability, safety	Reliability, after-sales service, brand loyalty

Customer Ratings

Year	Customer Satisfaction Rating (0-100%)	Qualitative Description
2021	90%	High service quality at affordable price
2022	92%	High service quality; attractive loyalty programs and schemes
2023	89%	High service quality; user experience of Smartphone application can be improved
2024	87%	High service quality; Smartphone application usage has dropped; Surge in counterfeit spare parts in the market

Competencies being assessed

Competency	Questions/Areas
Business Acumen	- The participant's ability to work with data to identify business opportunities and risks. - The participant's ability to analyse trends to identify opportunities and create competitive advantage. - The participant's ability to link his recommendations with business/organizational goals.
Relentless Reflection	- The participant's ability to reflect upon the impact of his decisions. - The participant's ability to provide a convincing rationale behind his decisions.
Visionary	- The participant's ability to paint a picture of the future that is clear, compelling, and aligned with the organization's vision. - The participant's ability to foresee risks and challenges, and what measures are taken to work around them. - The participant's ability to balance long-term and short-term priorities.
Entrepreneurial	- The participant's ability to think outside the box to come up with innovative recommendations. - The participant's ability to take calculated risks with rationale behind them. - The participant's ability to provide compelling recommendations with high returns.