

## Bosch Car Service – Consumer Code of Practice

Audit December 2013

### Background information

In the UK, Bosch has operated approved repairer schemes in the vehicle aftermarket for over fifty years. The current Bosch Car Service programme was established in 2002, its associated consumer code of practice was launched in 2006 and subsequently fully approved by the OFT in 2007. Bosch is not a trade association like many other code sponsors, but operates a membership scheme for garages which features under a common branded fascia, a variety of technical and commercial initiatives. Through this arrangement, they ensure the technical competence of Technicians and the use of appropriate equipment and workshop standards.

The Consumer Code of Practice is a mandatory requirement for all Bosch Car Service centres. There are currently 500 members of the scheme.

### Audit Process

Two qualified trading standards professionals from the Trading Standards Institute (TSI) completed an onsite audit split over two days. The audit focused on the following areas:

1. Member application process including checks carried out on prospective businesses
2. Member auditing–content and process (including general compliance with the code, staff training and dealing with consumer complaints)
3. Sanctions for non complaint member businesses
4. Marketing and advertising by member businesses– Terms and conditions and pre contractual information (including cancellation rights, deposits, delivery times and guarantees and warranties)
5. Customer service provisions (including support for vulnerable consumers)
6. Consumer complaints process (including ADR)
7. Customer satisfaction, information/complaints from enforcement agencies, and how this information is used to develop and improve the code.

### Audit Summary

The Bosch Car Service Code is unique in the current range of code sponsors, in that it is not a trade or association, but more like a fascia or symbol group arrangement with independent garages. In effect, a condition of being able to trade under the Bosch banner is compliance with their rules and regulations, including the code. The audit

found some excellent examples of best practice including a very low level of consumer complaints. In addition, Bosch have taken the decision to separate the roles of their workshop business development field staff from the auditing function, thus providing a double-check on compliance.

There were no significant areas of concern noted, but the audit did find some lapses in the closing out procedure when garages have ceased to be members of the scheme for whatever reason. Bosch is required to correct these areas.

### **Member Application Process**

Bosch has a comprehensive workshop database, with all records kept electronically. The audit noted that, as part of a corporate upgrade, Bosch planned to move to a new client relationship management system in the near future which would further improve their record keeping and database about member businesses.

The audit examined:

- The procedure for appointing new members
- The records of audit of existing members
- The process for completing inspections of members
- The process of membership withdrawal

### **Summary**

The member database is comprehensive, data was easily retrievable and no issues were found with missing records. There was evidence that the membership database as communicated to TSI's database agents (MLS) was not being kept up to date.

### **New Members**

The member application process was examined. All applications are thoroughly considered and those which potentially meet the appointment criteria are site visited by a Bosch employee (Workshop Business Developer - WBD). The applicant is required to complete a detailed assessment and allow a full site inspection by the WBD. Subsequently, Bosch undertakes credit reference and other business checks and if all criteria are met, the application is finally reviewed by the Bosch legal team and contracts are established if appropriate.

Several new applications were checked on the member database and no issues were found. All the audit schedules, reports and results of audits were retrievable.

The audit noted that, in some respects, the welcome pack provided was out-of-date (particularly referencing the Trade Descriptions Act, etc). It was noted that Bosch plan to refresh the welcome pack during 2014.

## Existing Member Inspections/Audit

Bosch audit around 35% of existing subscribers per year. The audits are carried out independently by SGS Ltd. The scores and the audit reports are shared with the Workshop Business Developers who will follow up on any shortcomings with the garages.

A number of member records were examined. The audits were found to be comprehensive and well recorded.

## Membership Withdrawal and Sanctions for Non Compliant Member Businesses

Non compliant members face a range of sanctions including suspension of membership, closer scrutiny or expulsion. Bosch, as a symbol or fascia group, face the additional brand damage caused if member businesses fail to meet their exacting standards.

The Workshop Business Developers undertake the primary role of working with non compliant members and bringing them back into compliance. However, Bosch has taken action to remove a number of members who were not meeting the required standards.

The Independent Scrutiny Panel is independent from Bosch and chaired by a former senior Trading Standards Officer. It monitors the operation of the code and member compliance. Any serious or persistent breaches of the code are reviewed by the Panel. The outcomes are published annually.

The member database was examined, and all members who had cancelled their membership had been removed from the Bosch website, and their records amended accordingly. However, the audit noted that they had not necessarily been removed from the TSI website. After further investigation, it was discovered that the administrative action to remove them from the TSI website had become overlooked following a change in personnel.

No issues were raised with the sanctions procedures.

### Action Point:

The task of updating the TSI website via the MLS portal must be completed when members are added or terminated to ensure that correct records appear on the TSI website and other outlets for the information. (Note: TSI website updated completed during w/c 06.01.14 and internal processes changes made to ensure continuity )

## Marketing and Advertising by Member Businesses

Bosch issue comprehensive branding guidelines to all their members, and all new members receive a pack of marketing and branding materials when they join the code. Bosch has final authority for the Corporate Identity and Corporate Design elements of the onsite signage.

There were no issues of concern with marketing and advertising.

### **Terms and Conditions and other Pre-Contractual Information**

Bosch do not issue standard terms and conditions, however members do have to ensure their terms and conditions are clear, use plain English and comply with consumer legislation. Bosch provides a range of point-of-sale materials for display in garages, including posters, copies of the code of practice and other helpful information for consumers.

### **Customer Service Provisions**

Bosch operate a comprehensive customer service process with facilities to leave positive and negative feedback and a review loop to ensure that feedback is used to improve processes. They utilise a customer comment process which is managed for them by the Retail Motor Industry Federation. There are no premium rate contact numbers in use and the process for raising complaints is straightforward for consumers.

### **Consumer Complaints Process**

The complaints process for the Bosch Car Servicing code was examined. The audit noted the very low level of complaints received about member garages.

Bosch currently receives around 40 to 50 complaints per year. The majority of complaints are dealt with through the in-house relationship with the garages or through the external conciliation process or the fast track resolution process provided by the RMI National Conciliation Service. A small number are referred for external independent adjudication, which is undertaken by a single appointed adjudicator (Julian Mason & Associates). Just 3 cases had to be referred to the adjudicator in the previous year.

The customer complaint workflow was examined and found this to be comprehensive and clear. There were sufficient resources to handle the volume of complaints received. There was no backlog and all of the complaint records reviewed were, within reason, and up-to-date.

Several complaints were examined. They were properly recorded, up to date and progressed in a satisfactory manner.

Several old case files were also examined. In one case, it was noted that there was no record that the remedy awarded by ADR had been verified as implemented. Following further investigation, it was noted that the remedy had in fact been implemented, but not recorded on the file.

There did not appear to be any undue delay in the processing of any of the complaints reviewed.

**Best Practice:**

There was a very low level of complaints recorded about BCS members.

The alternative dispute resolution process was examined and found to be satisfactory. Three cases were examined through the ADR process.

**Best practice:**

The ADR judgements are shared with the Workshop Business Developers so that they can work with the individual garages to prevent repetition of the problems encountered that led to the complaint.

**Customer Satisfaction and Feedback**

The customer satisfaction and feedback process was undertaken on behalf of Bosch by the Retail Motor Industry Federation audit team. A quarterly report is prepared and examined by the Bosch team. The results were examined and found to be satisfactory.

**Conclusions**

Robert Bosch Ltd is fulfilling their obligations as a code sponsor, and their member base is compliant with the CCAS core criteria and the Bosch Car Service Consumer Code of Practice.