



## **Sectoral Survey by OSS on the evaluation of August 2020!**

### **Sales, Production, and Exports Continue to Grow in the Automotive Aftermarket**

**Turkish Automotive Aftermarket Association (OSS) members sustain the increase in their production and sales figures. According to the Sectoral Survey on the Evaluation of August 2020, conducted by the Association; Sales rates in the industry increased by an average of 10 percent during the month. Projected that, the increase will keep its pace in September with an expected increase of 11 percent, compared to the same period of last year. According to the study; employment rates were maintained throughout the month and noted that the companies in the industry tend to be more amenable than the previous month, towards new investments in the next quarter. While the average capacity utilization rate among the producer members increased to 80 percent in August, there was also an increase of 7.34 percent in their exports, compared to July. Another striking point that the study revealed was regarding the online retail platform channels whereas noted that three-quarters of the members did not benefit from this service. The major problem that producers faced in August came in sight as the increase in exchange rates hence 73 percent of the participants stated concerns in this regard.**

Turkish Automotive Aftermarket Association (OSS) continues conducting surveys in order to take the pulse of the sector within the COVID-19 period. In this context, OSS announced the results of the Sectoral Survey on the Evaluation of August 2020, conducted with the participation of a total of 85 members, including 53 distributors and 32 producers. The survey was deemed imperative in terms of demonstration of the participating OSS members having grown in sales and production areas and that the members are now open to new investments in the upcoming periods.

According to the study; In August, there was an average increase of 10 percent in the domestic sales of OSS members in the sector, compared to July. The proportion of those who experienced an increase of 30 and 40 percent in their sales approached 10 percent. Compared to August last year, there was an average increase of nearly 17 percent in August of this year. In addition, it was revealed that an average of 3.53 percent increase



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is expected in domestic sales in September, compared to August whereas an increase of 11 percent is projected, compared to the same period of last year.

### **Sustained employment rate**

Participants in the study were asked to evaluate their payment collection status in August compared to previous periods. 33 percent of the participants responded positively regarding the process. The rate of those who declared "no change" in their collection status reached 41 percent for distributor members and 62 percent for producers. Participants' employment status were also assessed in the survey. It was determined that the participants mainly maintained their employment rate, and the personnel increase of the distributor members was higher than the increase of the producer members. 33 percent of the participants responded to the subject inquiry as "it has increased" while approximately 65 percent of them as "no change", and 2.4 percent of them as "decreased".

### **The volatility in exchange rates was the main problem**

According to the survey; One of the major problems, that the members faced last month was the "volatility in exchange rates" whereas 73 percent of the participants declared that they have suffered from the fluctuations. Approximately 50 percent of the participants drew attention to "supply problems", 46 percent to "inconveniences experienced in customs", and 46 percent to "employees' lack of motivation due to the pandemic". 7 percent declared that they have not faced any problems.

The query referring to the plans for new investments in the next three months is responded as such; 54 percent of the participants will likely advance new investments, which was about 40 percent in the previous survey. It was determined that more than half of the distributor members have made a new investment plan, and nearly half of the producer members are considering a new investment. The survey also included the forecast for the after-sales market in the next three months. While the majority of the participants expect neither a positive nor a negative change, it was noted that 26 percent of the participants have positive expectations for the future of the market and 21 percent are not optimistic about the matter.

### **Producers' capacity utilization and exports increased**

The capacity utilization rates were also assessed in the August survey. In this context, it was revealed that the average capacity utilization rate of the producer members



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increased to 80 percent in August, an increase of 10 percent in their production was achieved in August, compared to July. There was an increase of 11.09 percent in production, in comparison to August of last year. There was also an increase in the exports of producer members in August. Accordingly, an increase of 7 percent compared to the previous month was achieved, in August, and an increase of 10.47 percent is recorded in exports compared to August of the previous year.

### **The sectoral usage of online sales platforms is not high**

OSS members who participated in the survey were also inquired regarding their usage of online retail sales platforms within their way of doing business. It has been observed that the three-quarters of the members do not use their company online services or engage in external online retail platforms. (such as N11, Hepsiburada). Almost 70 percent of the distributor members and 81 percent of producer members stated that they did not use online platforms. The 15 percent who have such platforms or receive services claimed that 1 to 5 percent of their turnover has been recorded through these. It was noted that only 2.4 percent of the members' turnovers were realized through online platforms and this covered 40 to 50 percent of that total turnover.



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