

Interview w eBay and Overton about exactlist

Chris Daglis, Auto Partnered Solutions

Okay, so thanks for joining everyone. So we've got a number of people on the call here today we've got Sarah from Overton Garage in Aberdeen, we've got Laura from Laura Richards from eBay and Georgia Carver. Georgia has been working with us at Auto PARTnered Solutions for a couple of years. Georgia is part of our marketing consulting team. We've been working very closely with Georgia and she's got some questions for us.

Georgia Carver

Hello. Okay, great. Well, look, I do have some questions. I know there's a lot of a lot going out to the market at the moment. And particularly in regards to exactlist and what APS are looking to do with eBay. I felt that I personally from the marketing team had a lot of questions about how this worked. The offer eBay are running with 2 months free is amazing. Sometimes we think - hang on - that sounds a bit too good to be true! I thought it would be great to get one of your customers on board to actually talk to us about what you're doing, how it works for them and any pitfalls they may have encountered. And we've got Laura here as well from eBay, just to answer those questions from eBay. So really I am aiming to have an open conversation, where we can talk about what the benefits are and what any problems or hiccups that Sarah has experienced. And then go from there....So what I'll do is I'll actually jump straight to it. And what I really wanted to do is I guess I wanted to go straight to the meaty questions first, and find a bit more out a bit more about the numbers and stats. Sarah, can you tell us with Overton, the average number of listings you had online BEFORE using exact list?

Sarah, Overton

Yeah, we had, I think it was 7000 average listings, just before we started using exactlist, and we're at about 22,000 now.

Georgia Carver

Okay, so that's quite a big jump! And do you put that increase purely down to exactlist?

Sarah Overton

100%. There's no way we could have ever had the staff and could ever have placed that many live listings in that amount of time. No way at all.

Georgia Carver

OK great. I guess in terms of percentage of your actual sales - because it's great to have all those listings - but you still need the sales to go through. What was the actual percentage of sales increase since you've implemented exactlist?

Sarah Overton

exactlist has essentially doubled our income for eBay online sales, if not a little bit more.

Chris Daglis, Auto Partnered Solutions

So Georgia, we started with Sarah and Overton at the start of May, as Overton was one of the pilot customers that eBay supported, you know, through that first two months period. We've been four months now. We're just about right at the end of the fourth month. So that's a good result.

Georgia Carver

Wow four months, and you've doubled! While we're on numbers, obviously eBay is on board and eBay want this program to work. Laura if we're talking about numbers from an eBay perspective, can you let us know what sort of listing numbers the customers in the pilot program had before starting with exactlist?

Laura Richards, eBay

Yes, so Sarah from Overton was part of the pilot group of the six sellers that we worked with in May and June. So in terms of pre numbers - those group of sellers had just under 5000 listings. So if we look at the pre so pre the pilot, we were running at an average of 5000 listings with their six sellers. Once, once the pilot closed, we were just at 7,500 listings on weekly average. So basically, that's a 56% increase in listings from pre to post pilot programme.

Georgia Carver

And obviously with great numbers like that eBay and APS are now looking to increase that and bring in more listings and more parts and more customers on board using the program!

Sarah, going back to you, I guess, in the interest of being really candid, has the program actually been able to help you streamline your business? I know it's obviously increased in numbers. But is it helping to streamline the business as well?

Sarah, Overton

100%. When you hire somebody to list parts on eBay, you've got to spend five, six months training them, they need to understand pinnacle, they need to know what parts are, they need 100% know exactly what they're doing. And you invest that much time in labor, training someone to fundamentally sit and list on eBay all day. You're overqualifying somebody for what you want them to do. And it can be it can quite a mundane job, sitting and listing on eBay. You're training someone and paying them a wage to do a job far higher than what you need them to do. Using exactlist is SO much easier for us. We don't worry about training somebody the person. Our exactlist lister knows Pinnacle and all the systems, we'd have to worry about any training. And we can literally just give them a list and say 'list this'.

Georgia Carver

Yes and that's where APS takes over isn't it? They say - great, give us all your listings - and APS is providing the trained staff to upload those listings.

Chris Daglis

So from our perspective, we want to make it as seamless as possible for the customer. Now, the reality is that we've been listing on eBay for for customers for nearly 10 years now. Our trainer actually started with us back in 2012. And he's done listings on eBay for that period of time. So that said, when you try and scale something up, there are other challenges that come into it. The pilot has been great for improving the system. We've learned a lot as well along the way and we've streamlined a lot of the processes and made it as easy as possible for our customers to onboard. But at the same time, let's be realistic about it. It's a change in anyone's business. So we as a company, as APS, providing the service, providing that solution, need to make it as efficient as seamless as possible for the customer. Otherwise, it's too hard. So that's our goal. That's where we're at. So, for example, our goal with eBay for October is to onboard 20 sellers in October. Okay, so it's a stretch goal. We want to get there. To onboard 20 sellers in one month is a big job. We have meetings to work through - what is the process, what do you want us to list etcetera, etcetera. So there's a bit involved. So we're streamlining that to make it as easy as possible. And during the month of September, we're training all these people as listers, right. So the recruitment process is nearly done. And now we're into the training period.

Georgia Carver

And that's done for the client, that's done for the recycler, right? My understanding is it takes away that HR aspect, you don't have to do the five, six months training that you mentioned, you don't have to hire anyone, or you can put them into another role within the business. You're not having to have a bum on a seat that you're managing to do that job.

Sarah, Overton

Yes that's right. Staff is an issue for everyone at the moment, your whole industry is struggling to get staff. And it just really helps you. You could worry that you're letting someone else take on one of the biggest assets of your company - managing your online sales - and you worry about the control of it. But the system is so bespoke, like I can say to Chris: 'Right, I need x, y and z'. And it's moulded to us. And I believe that every other recycler will be the same. It's moulded to suit them. The end outcome is the same, but you don't lose control over your stuff. They keep it for you.

Georgia Carver

Yes that's great. Do you find that there's a there's a roadblock between having someone sitting there physically in your office versus sending this off and then getting it outsourced? Do you have any kind of hesitation or issues with that or you find? Or because exactlist is streamlined and because they're so well trained it just literally happens.

Sarah, Overton

It just literally happens. But on the other side of things like if you've got any issues - actually we had a really small issue this morning - I pick up the phone to Chris and it was sorted in 10 minutes. If that had been here, I

don't think we could have been that quick. They got someone on the other end of email or the phone instantly that you can get anything sorted straightaway.

Chris Daglis, Auto Partnered Solutions

I think the bespoke aspect of it is what makes it work so well. What's different about our remote service compared to going online and finding someone at, you know, X dollars an hour and trying to get them trained up, the difference is that we've developed all of those systems and processes to recruit, train, deploy and manage, you know, so we've got all those processes set up. But not only if you've got them set up, to provide a service to a customer, we've got them set up to provide a service to the automotive recycling industry, because my life's been automotive recycling for the last 30 years (giving away my age, but anyway) for the last 30 years, I've been involved in the automotive recycling industry, and I know what the Sarah's and the Marks and whoever else that is out there needs specifically. So that's where we try and be really, really bespoke with what we build. So that when we deploy it, as I said before, it's quite seamless. We try and make it as easy as possible, without learning on the go, right? Because we don't have to learn - we know the industry, we know it inside out. So it's then about adapting the service to Sarah's very specific needs. We all sell parts, all the industry sells recycled parts. But how we do it in each of our businesses is slightly different. And we need to fit into the business, not the business fit into our service. And that's what we try and do.

Georgia Carver

And Sarah, knowing that it's seamless, and it works. Do you find there's less accountability in making sure you're getting that that data across - having somebody on site versus having someone at the other end of the computer?

Sarah, Overton

It's almost like you don't have to babysit someone. Like when you've got a member of staff in the office with you every morning, you've got to give them the targets every day to make sure they're doing X, Y, and Z. But it's literally end of every week, I can run an Excel report. 'This is what I need listed to eBay. This is what my templates are set in the background' - and I can just fire it off, this is what I need you to do. And they'll come back to me at the end of the week: 'we've done X, Y, and Z - can you give me more'. And that frees me up the income of a staff member to go and hire someone else to do a more productive job in house. Look last year, we moved across from an old system across to Pinnacle and it meant we had to inventory every single part in our stock. Now we've inventoried so far 200,000 parts to give you an idea of how much we went through. And we've still got probably another 500,000 parts to put onto the system to sell. The more parts I can get listed, the more we can sell. This allows me the extra body to work on my inventory department because they're not tied up having to list eBay.

Georgia Carver

Yeah, so it's valuable from not just I guess from an HR point of view, it's also valuable because it's freeing up your time it's giving you got an opportunity to hire in other more valuable places. And obviously, we know for a fact that the numbers are there, like we've already seen. I'm intrigued to understand Laura, from an eBay point of view, why is eBay getting behind the auto recyclers and them selling parts - what what does eBay have planned longer term? And what does eBay expect of these recyclers and sellers coming on? How does eBay fit into it all?

Laura Richards, eBay

Yeah, so historically, over the last three years, we've seen for the overall category a clear correlation between growth of live listings, and growth of sales. So ultimately turnover. So we understand in order to make more money within the recycling sector, you have to basically put more physical products on. Also the recycling section is very different if you compare us to other categories on eBay. Some sellers who sell new car parts, they'll ultimately get a catalogue of great parts, optimise it once and leave their listings live and all they have to do is update the stock. However, with the recyclers is there is such a manual process to be able to actually list the products. And we thought it's also hard to get labor in the UK - let's help the recyclers, let's help the certified group with ultimately getting their physical staff able to inventory more product where we can take on the brunt of the work, which is actually getting their products up onto eBay. So with that in mind, and with the results of the pilot, eBay has agreed to continue to invest in them in the sector to give them more support, which is absolutely fantastic, I think.

Chris Daglis, Auto Partnered Solutions

Yes and on that, and I do some work for eBay, as people know, but you know, the UK market is very invested in this market. I have to say that from an eBay perspective in the UK, I've got a lot of customers in the US and the comment they make to me is along the lines of, how on earth has eBay invested so much in the automotive recycler in the UK, because we'd love eBay to do the same thing here in the US or eBay in Australia (and on that note, we've started doing some work with eBay in Australia in a very similar program on a very small scale). But I have to say, from an automotive recycler perspective, Laura has been very, very supportive. And Tony, her boss, has been very supportive of the industry with a certification program and with other events and promotions with collision repairers and so forth. This is another sign of their commitment to the industry. I think, on behalf of auto recyclers, I need to say it, I need to keep on saying it. And that is that eBay is doing so much for the automotive recycling industry in the UK. It's quite incredible. And I thank them for that. Because it really is a big thing that they are doing. We shouldn't take it for granted.

Sarah, Overton

I agree completely I dread to think we will be with our listings, if we didn't have this on board. There's no way we ever been able to. And I just thought it would take us probably about two years to catch up if we were doing this manually ourselves. And that's a fact that's two years losing money.

Georgia Carver

That's huge just there in that sort of statement. Saying that it's saving you two years of work, on top of the other benefits. I mean, sorry for me to say but.....it seems silly for people not to get on board with this! I am going to assume that there are recyclers out there who are still having questions, and still aren't sure of the value of exactlist versus their own input (say they have a couple of good staff members sitting there doing it already). And assuming they're happy with their current numbers. If we compare managing staff in house versus, you know, working with the actual exactlist team, you've had experience now Sarah, in the months that you've been doing this - of actually working with Chris, but also the broader exactlist team. How's that experience been?

Sarah, Overton

It's been really, really good. We're actually now looking to scale up and open up our other sites to do the same thing. And we might even need to look at a second lister for Aberdeen. That's how good it is.

Georgia Carver

OK so you're saying you're going to probably look at another lister. And I know you mentioned earlier, you had an issue this morning. So tell me - do you just go straight to Chris or straight to one of the team members and it's resolved?

Sarah, Overton

We have open access to both and that's a great thing. I mean it's not like they give you this product and then they walk away like a lot of other companies do the supports there if you need it instantly. If you've got a member of staff on your team doing eBay listings then you've got a really good member of staff there in my opinion because you the listings need to be so specific to sell the part. You've got a member of staff in my view that you're undervaluing. That member of staff could work elsewhere in your company and provide more value. It'd be more beneficial for you if you can outsource the work to exactlist.

Chris Daglis, Auto Partnered Solutions

I think one of the things there is Sarah and Overton use a couple of products that we sell, one of them is exactlist and the other one is exactlinc. Again, eBay is supporting exactlinc which is the optimization tool. So all the Manufacturer Part Numbers and Vehicle Compatibility, and so on, gets populated. So: we list apart, and then once it's listed within, you know, 12-24 hours, it's come into exactlinc and pushed back into the eBay live listing with all of the dressings: Manufacturer Part Numbers, Vehicle Compatibility, Item Specifics are now populating through as well, a number of different items specifics that are required or recommended item specifics are all flowing through as well. Often people look for a silver bullet, right? What is that silver bullet? What is that one thing that's going to make a difference? Well, it's not the one thing, it's the combination of all of these things that actually deliver the outcome. And and I think that's really important for everyone to understand. It's not just one thing or the other. It's not just us doing what we're doing from a listing perspective. It's Sarah and her team doing what they're doing at their end to support us to provide that inventory in a timely fashion. And the other things that they're doing, you know, the images that they're taking, and so on. So that's sort of where we're at with, we know that we're not a silver bullet, we know that we're not, you know, just doing listing in and of itself isn't going to solve a problem. It's about working together as a team to actually get that outcome.

Georgia Carver

Chris, do you find or Sarah's probably better to answer that. But to get that information, get the better photographs get the listings, do you find that the workload? Is that a manageable workload?

Sarah, Overton

No, it's 5 minutes. If you've got a strong team behind you, in between the parts price and the images, it's done, it's literally just a click of a button. But going back to the HR issue, the biggest saving is cost. And that's what it comes down to. I mean, you're saving a lot of cost. What we pay for the products we have with APS monthly is probably working out half of what a full time wage in the UK would be depending on the area you live in. And you've got holidays on top of that, national insurance, HR all the hassle, it goes without saying let's be honest,

that comes with staff. You're saving constantly, all the time. For no hassle for literally just send the report. And I think we only had two incidences in the four months when we have two small errors. A member of however, you're gonna have a lot more than two instances of errors in a month, I can guarantee you.

Georgia Carver

Yes, typically. I know I keep coming back to this, but definitely the feedback that we've had before when we have gone out and marketed this product is that people say 'it sounds too good to be true'. What's the hidden cost? How does this work? And now that I have you here eyeballing through the screen - let me ask you: Are there any hidden costs? Are there any traps? Is there anything that people should be aware of that maybe wasn't straightforward in the onboarding process?

Sarah, Overton

My point of view: no. I think the biggest thing is change. People don't like change, do they? I think as well, technology is moving at such a rate that it's probably quite hard for some young managers to understand exactly what's going on. And I think that's the control aspect as well. Like I said earlier, you're passing basically the keys to the safe over to someone and asking them to look after it for you. And you don't need to worry. You just don't need to worry. I mean, you've got a back end team who know the system probably better than we ever would. All I can say is: EMBRACE THE CHANGE.

Chris Daglis, Auto Partnered Solutions

I think change is the biggest thing. There's no doubt about it.

Georgia Carver

And like you said in this industry in particular technology's moving at such a rapid rate, that it is probably that daunting moment. But this is this is also one of those 'ah ha!' products, which can get you into the online space faster and making more money sooner.

Laura, I know we talked about it a little before, but can you define the GMV targets that you guys have and sort of explain that a little bit more and to me in particular because that not overly clear to me.

Laura Richards, eBay

Yeah, sure. So in terms of what we've seen, and what we'd like to see going forward is 35% increase in sales during the period of time. So basically, if you take the group of certified recyclers - the ones that are using the exactlist tool, they actually also saw that, although they're all growing very healthily, these guys also grew nearly 10% ahead of the overall certified recycle group. So we'd love to see continued growth of 35% for the recyclers that use the exactlist tool. And just to your question earlier, in terms of launching the program, the only thing from an eBay perspective that we need to be aware of is when you are enrolled in the program, you need to make sure that you've got enough limits, to be able to actually list the volume of the product as well. So we do need a bit of notification in advance to be able to increase the limit on that account.

Chris Daglis, Auto Partnered Solutions

So just to clarify that we've had a couple of situations where we listed so many parts for customers, for sellers, that we hit the limit of the number of items they can actually list, that they're allowed to list. And then we had to stop for a couple of days, because we hit that wall, we didn't know there was a wall there. But very quickly, eBay was able to lift those limits to levels that were able to then start listing and keep it going. So it's a good problem to have, but it's more a communication thing and we're finding some new things out as we go. And that's one of the things that we need to be aware of: listing limits.

Georgia Carver

And so most recyclers will know those numbers, or if you say can you find out your numbers, they know where to look for it, yeah?

Laura Richards, eBay

Right. It's in the seller hub dashboard in their eBay account.

Chris Daglis, Auto Partnered Solutions

Yeah, it is there. But because this this partnership with eBay, now, obviously, eBay is paying for the first two months of the exactlist service, part of this deal. So we're working closely with eBay, so that let's say Overton Essex was going to come on board as one of the next group, then we would let eBay know that Overton is coming on, they're one of the ones that we need to fund for the two month period. And in the back end, the GCX team or the customer support team would make sure that the limits are appropriate there so that we can grow the numbers of listings as as appropriate for that period.

Georgia Carver

That's a nice segue, I guess, because you obviously have mentioned the fact that eBay are paying for this for the first couple of months. I mean, that's, fundamentally just over two and a half thousand pounds that eBay is basically paying up front for these auto recyclers. Laura, why are they doing? I know, you've said before that you want more parts more money. But is it really that simple? Any traps?

Laura Richards, eBay

No honestly, no traps. I think it's a fantastic return on investment, right. And eBay is clearly seen that so: invest in the recyclers, invest in their systems, investing helps them get more stock on so it's actually is complete, no brainer, a complete no brainer. And if it's successful, we'd like to see the recyclers continuing to use the tool going forward as an actual part of their business as an asset for their business. So yeah, it's a bit of a no brainer.

Georgia Carver

So it's a win win for everyone, right? For for APS it's a win, for the recycler it's a win, for the eBay, there is no business coming off second best there. Everyone makes more money together if we move together rather than in pieces and separate silos.

Laura Richards, eBay

eBay's core value, one of its core values, is we partner to help businesses grow. So I think this is a really good example of that.

Georgia Carver

It really is. And Sarah, you were going to say something?

Sarah, Overton

I think fundamentally as well, it's a no brainer for the consumer. There's such a backlog of OEM parts in the moment, the more we can get listed on eBay, more parts customers can buy.

Georgia Carver

And that's obviously universal everywhere. Parts are just really hard to find, right? So if there's more options and more places, then it's better for the customer. Let's face it even if you've got the listing team, you may not have the sales team who can facilitate those phone calls and those orders if they buy from you direct. If sometimes they go directly to eBay and buy online, they're getting a faster service, it's quicker for them, they get the parts quicker, they probably get a more competitive price. And so we're all in agreement that everybody wins!

Chris Daglis, Auto Partnered Solutions

Let me give you an example of a real life example that's happened here in Australia, just over the past couple of weeks. So you guys know Berk our tech guy, the one that knows Pinnacle really, really well. Well - Burke drives a Mustang. And he has a bit of a bingle - he hits a kangaroo. True, true story for the English people that he hit a kangaroo.

Georgia Carver

And they're really dangerous to hit!

Chris Daglis, Auto Partnered Solutions

They are dangerous, but luckily he's skimmed the side of his right hand guard, or as the people in the UK call it the right hand wing, and the right hand wing mirror. So he's broken the door mirror, and he has dented the guard the wing. Both parts are not available from Ford, just not available. And they can't tell us when they're going to be available. So he's gone to his insurance company. Insurance company said yep, here's the claim number, etc, etc, goes to the repair, repair, or writes an estimate, calls him a week later says look, yep, everything's good, but we can't get the parts. Oh, when can you get the parts? We don't know. Ford can't tell us. So what do we do? I said to Berk: no problems, let me just check. I jump on eBay, I find a door mirror in exactly the same color for him straight away from a business here in Melbourne, Grant Walker parts. They've got the door mirror, the insurance company is able to get Berk on the road, otherwise, they would have had to pay for a hire car because without the door mirror, it's unsafe. So they've got the door mirror now. They'll be fitting it on Monday, he's got a drivable vehicle. The wing, they'll have to wait until the Ford gets a wing because we can't find a wing. But that's a real example. Not only could they get the wing mirror, they got it at probably about 40% of the new price. They're saving on the cost of hire car. They've got a customer that's happy he can drive his car

around. Admittedly, it's not perfect, because the right hand wing is still damaged. But everyone's winning out of that.

Georgia

Even the insurance company's winning!

Chris Daglis, Auto Partnered Solutions

Even the insurance company, there's no doubt about it. Yeah, 100% they're wrapped. So Sarah, to your point that the consumer wins as well. And you're 100% correct. In that scenario, that's a real life example that's literally happening happening as we speak.

Georgia Carver

So Sarah, now that we know exactlist works for you and obviously the pilot for you guys is coming to an end. Are you planning on keeping exactlist?

Sarah, Overton

Yeah, we're keeping it we're gonna expand on our listings as well. And we're going to onboard our second site.

Georgia Carver

Great! So with all that information, I guess the question now is, if I'm an auto recycler, and I've listened to this riveting conversation, and now I'm ready, I'm on board. This sounds great. What are the next steps that the auto recyclers need to take? How do they get involved? And obviously, they want to save their two and a half thousand pounds by signing up now, but they also want to increase their sales, right? Like they're ready. They want to make more money, as we all do. So what's the next step? What do they need to do?

Chris Daglis, Auto Partnered Solutions

Good question, I should have thought about that and had something ready to go but I haven't haha. But basically, it's important that we jump on a call. So that's the first thing so everyone can get in contact with me directly if they like: chris@autopartneredsolutions.com. And then we will coordinate with them and have a call with them. If they're in the UK and they are a VRA certified recycler, they can take advantage of the eBay offer, obviously. The offer is only available in the UK for certified recyclers at this stage. But again, there's a registration of interest form that they'll need to fill out. If they send me an email, I can get them that form across that will get them in the waitlist, basically. And currently, we've got October nearly full. So that 20 that we need for October, we're nearly at the point where we're filled that October list out. We're going to onboard three in September because we're a little bit short of time. And the view is that we get 20 into October and then proceed to November. So one, email me because I don't know what the URL is for the registration of interest. But you can email me to let me know that you're interested. And I'll get you the registration of interest out if you're in the UK, if you're anywhere else, then you know where to get me and we can talk about when we can fit you in.

Georgia Carver

Sorry, I'm interrupting you but if I am somewhere else - if I'm in Australia or the US or somewhere else is it worth me having a chat to you about exactlist still?

Chris Daglis, Auto Partnered Solutions

Yes definitely. You can talk to us about exactlist. So at this stage, though, obviously with this deal, you know, in the next six months, we're going to find potentially 90 people to start listing. So there's a big piece of work there. At this stage, we're running probably about 60 days lead time, simply because the demand's far outweighing out the ability to supply. But yes, the best thing to do is just contact us so that if it's something you want to do, we can get you in the queue. That's the best thing.

Georgia Carver

Fantastic. Well, thank you, Laura. And Sarah, thank you. That was...I know a lot more now! And I thought I knew a little bit. I think I thought I knew quite a bit but I actually feel like I know a lot more now. So I appreciate your time. And Chris, obviously, always good to get your explanations. And then I'll say good morning to you all, and I'll say good night to me.