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2024 FENDERBENDER
INDUSTRY SURVEY

COMPLETE REPORT

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PURPOSE

The survey and report were compiled by FenderBender magazine, a publication of Endeavor Business Media. The purpose of this research project was to provide readers with unique and in-depth information about how businesses in the collision repair industry operate.

Specific inquiry areas included:

- Background information including respondent title, shop location, size, annual revenue, employees, business type (MSO, franchise, independent or dealer-owned)
 - How the shop performs according to a selected group of KPIs
 - What technology and tool investments are being made and how shops are budgeting for those investments
 - What kind of training and certifications are made a priority
 - How shop owners work, and their leadership styles
 - What shop leaders expect and the challenges they see facing the industry
-

METHOD

FenderBender collected the survey sample using named records in FenderBender's email file. The file represents auto repair shop owners and/or managers of independent, franchise or dealership shops that are active subscribers to FenderBender.

Data were collected from February 1 to March 8, 2024, with 283 individual respondents, including single-shop owners and MSOs. The goal was to take a snapshot of a cross section of today's collision repair industry and collect survey data from facilities in all segments of the industry from across the United States.



283

**NUMBER OF RESPONSES
RECEIVED IN THIS
YEAR'S SURVEY**

EXECUTIVE SUMMARY OF FINDINGS

The FenderBender Industry Survey provides a rare glimpse inside collision repair shops to see how they're performing, what their challenges are and how they're looking toward the future. And it's all thanks to the FenderBender readership for participating in such great numbers. As the survey's life spans a transformative era in the collision repair industry, some trends have emerged that offer a picture of a changing world. This year's set of data is no different, with a few trends sticking out above all others.

- Survey respondents are still citing finding qualified workers as the No. 1

challenge facing the industry, just as it was in 2022 and 2023

- Shops are still moving away from DRPs, but DRPs are making a slight comeback
- Shifts continue to happen in technology and tools as shop needs change, with more shops becoming equipped to take on ADAS calibrations.

In this report you'll find this data and more in greater detail, providing a look at the state of collision repair in 2024.

COLLISION REPAIR AT-A-GLANCE

The numbers bear it out: Collision repair is a growth industry. Again this year, 80% of survey respondents said their total annual sales have grown the past five years. More than 70% of them say they expect that trend to continue.

EV Repairable Claims

40%

EV repairable claims reached a record 2.26% of all claims in the first quarter of 2024, with a total loss rate of 9.93%, similar to the 9.51% rate for vehicles with internal combustion engines.

Mitchell International

Drivers On The Road

243.3 MILLION

A projected 243.3 million drivers were on the road in 2023 after an all-time high of 232.7 million in 2021.

Source: Collision Advice and the Federal Highway Administration

Total Loss Frequency

21%

Year-over-year through May, total loss % has increased 1.6% for all loss categories and 1.5% for non-comprehensive.

Source: CCC Crash Course Report

Total Loss Processing

75%

The percentage of shops regularly paid for total loss processing by the eight largest U.S. insurers is increasing.

Source: Collision Advice and Crash Network

The Rising Cost of Insurance

41.7% IN TWO YEARS

As of April, the consumer price index for motor vehicle insurance increased 22.6% from 2023 and 41.8% since April 2022.

Source: CCC Crash Course Report

Length Of Rental

17.7 DAYS

In Q4 2023, a decrease of one day from Q4 2022.

Source: Mitchell International and Enterprise Mobility

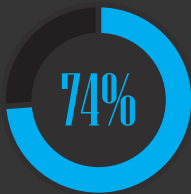
THE PARTICIPANT PROFILE

Almost 300 collision repair professionals responded to this year's FenderBender Industry Survey, and, while they were evenly dispersed across all U.S. markets, the majority of respondents followed a demographic pattern that largely aligns with the magazine's overall readership.

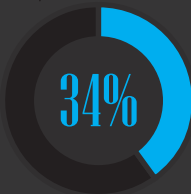
ACCORDING TO DATA FROM CCC, THE AVERAGE TOTAL COST OF REPAIR IS \$4,611 THROUGH Q1 2024, AN INCREASE OF 3.3% FROM Q1 2023 (\$4,464). THE LARGEST CONTRIBUTOR TO THIS INCREASE, ACCORDING TO CCC, WAS LABOR RATES THAT INCREASED 7.4% IN 2023, FOLLOWING A 7% INCREASE IN 2022.

The Average Shop

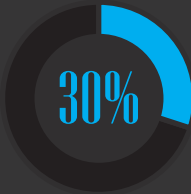
Independent, single-location repair business



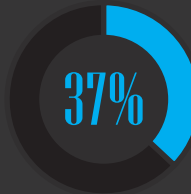
Located in the Midwest



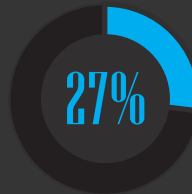
5,000–9,999 square feet



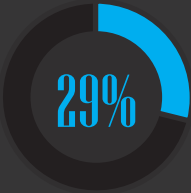
11+ staff size



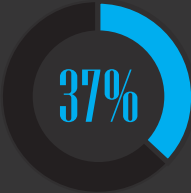
\$1 million to \$2.49 million annual revenue



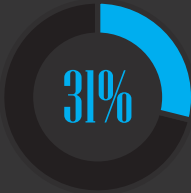
Key-to-key cycle time of 5-7 days



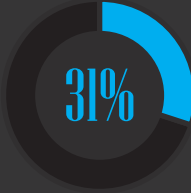
4–5 hour touch time



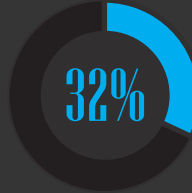
\$3,000–\$3,999 average repair order*



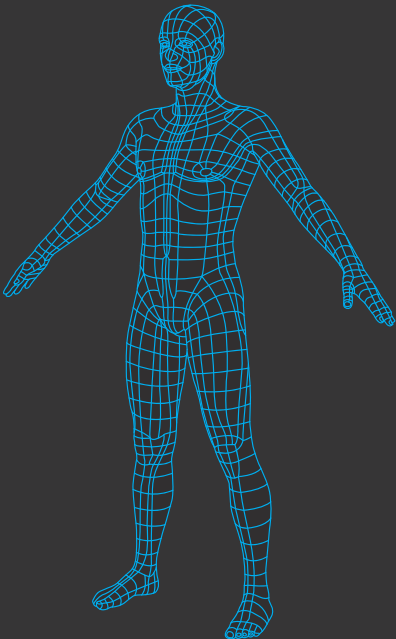
40%–49% overall gross profit



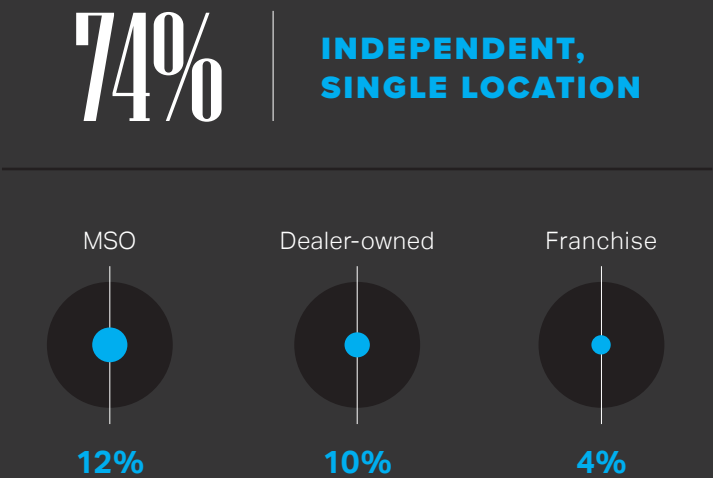
6%–10% overall net profit



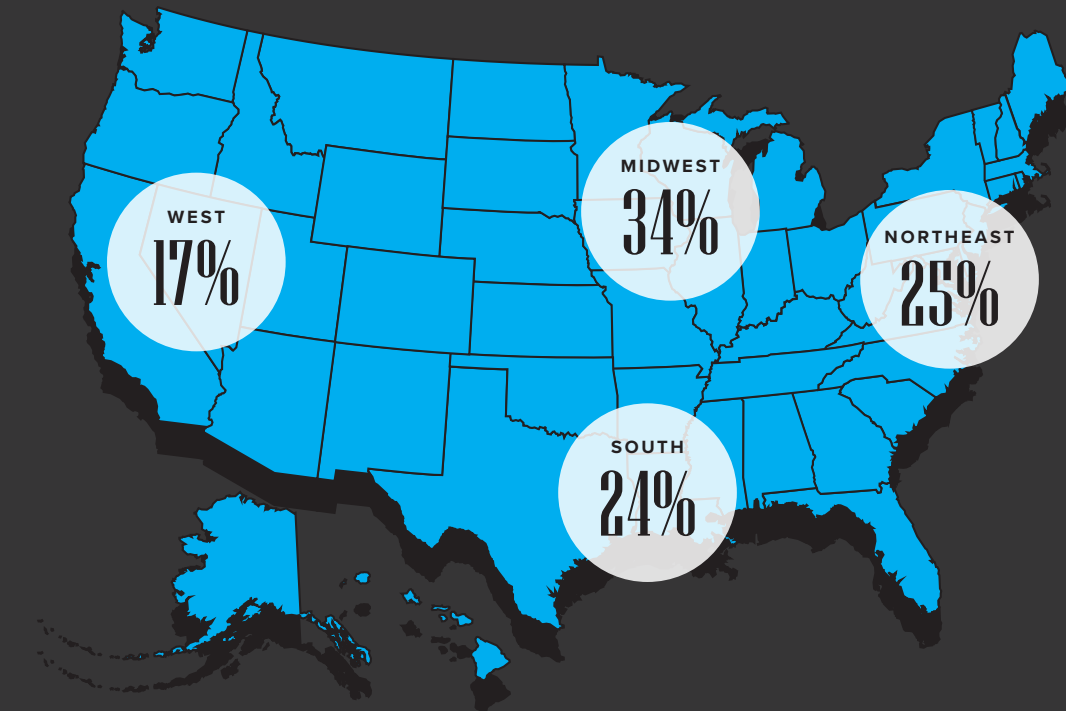
Job Title



Business Type

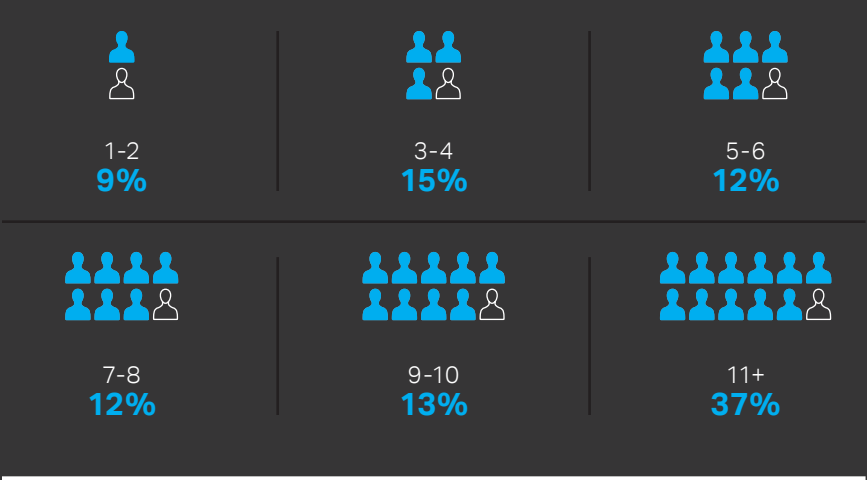


Region In Which Business Is Located

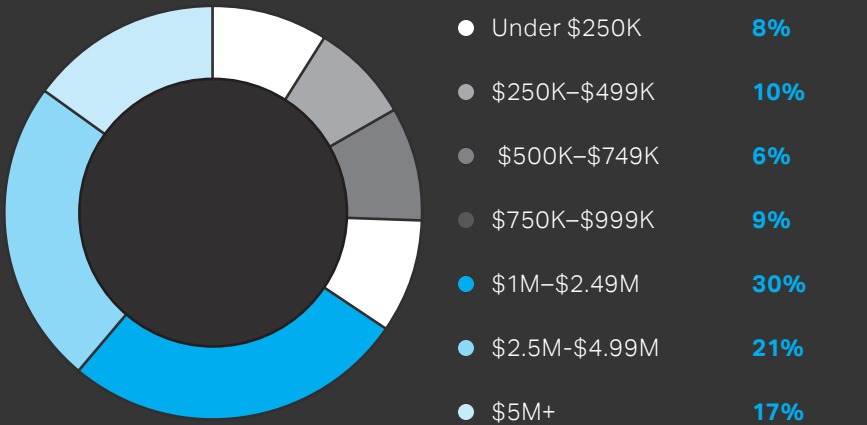


Midwest	Northeast	South	West
IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI	CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV	AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX	AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY

Employees At Each Location



Total Yearly Sales Volume



Total Square Footage Of Location



Departure from DRPs?

One trend that has clearly emerged throughout the lifetime of the FenderBender Industry Survey is more and more shops moving away from DRPs.

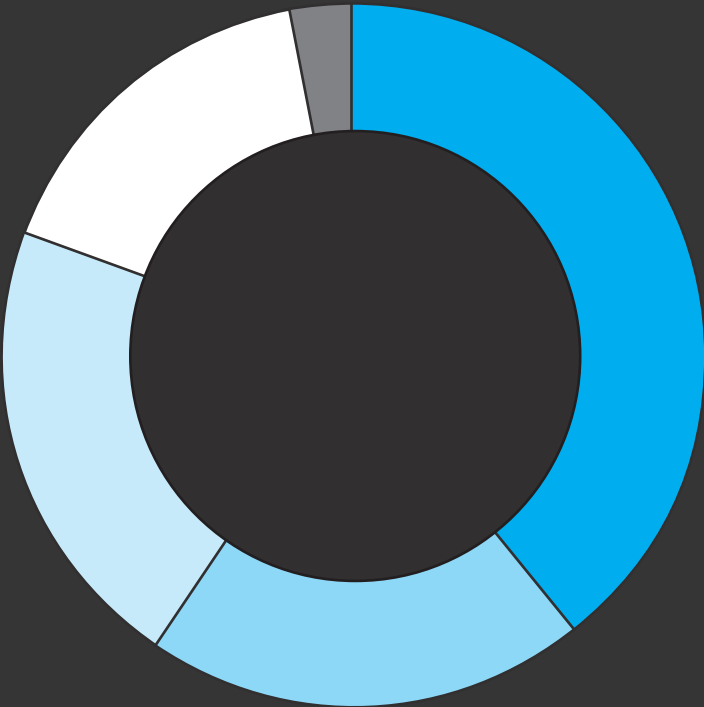
The number of shops reporting no revenue from DRPs back in 2018 was 30%, a number that grew to 37% in 2021 before dropping back to 34% in 2022.

That number took a huge leap up to 44% in 2023. Now that number is down to 39%, which might indicate a possible comeback in DRP revenue.

41%

SHOPS WHO REPORTED THEY HAD NO DRP PARTNERS

DRP Percentage Of Sales



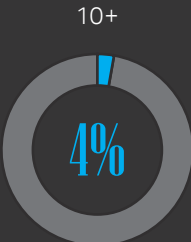
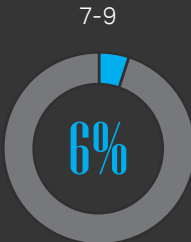
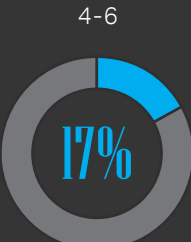
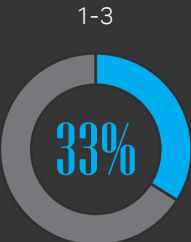
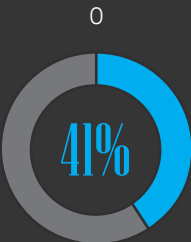
39%

SHOPS REPORTED NO SALES FROM DRP

% OF SALES FROM DRPs

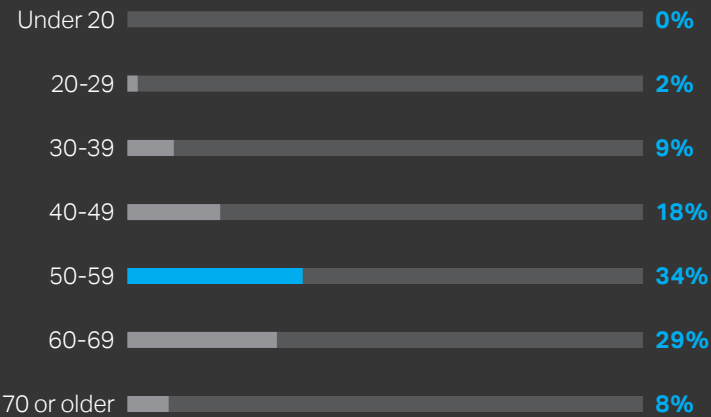
- 0% 39%
- 1-29% 20%
- 30-59% 21%
- 60-89% 16%
- 90%+ 3%

Number Of DRP Partners

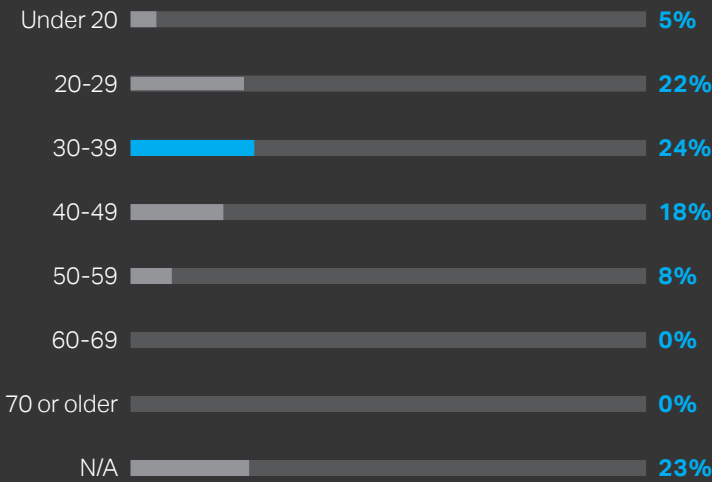


MORE PARTICIPANT DETAILS

Participant Age



Age At Which Shop Owner Took Leadership



69%

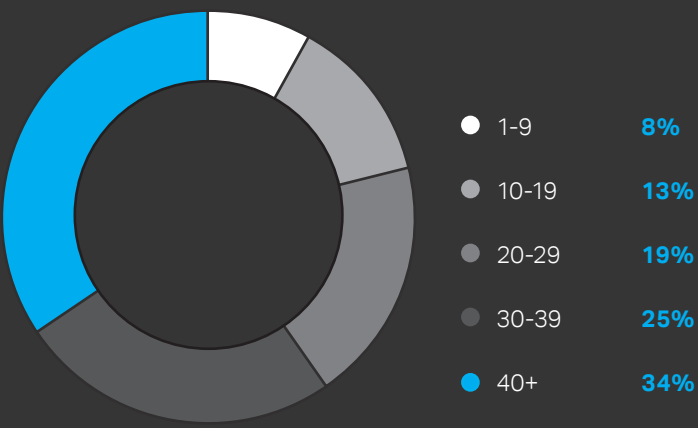
DON'T HAVE A PARENT WHO IS OR WAS EMPLOYED IN THE COLLISION REPAIR INDUSTRY

How Owners Acquired Their Businesses

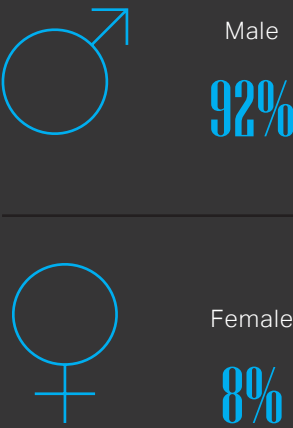
34% OF OWNERS LAUNCHED THEIR BUSINESSES INDEPENDENTLY



Years In The Collision Repair Industry



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THE KPI REPORT

The Essential KPIs

Not every respondent tracked KPIs in exactly the same way. Here's a look at how the respondents did.



93%

OF THE SHOPS
THAT TRACK KPIs
REPORTED THAT
THEY TRACK
THEIR AVERAGE
REPAIR ORDER

For shops that don't track key performance indicators, while some shops expressed skepticism about the worth of KPIs, others reported their obstacles to tracking KPIs and other reasons for not doing so:

"Plan to track more as we move forward. Just purchased last year and have been extremely busy working in the business. Hoping to transition to working on the business more."

"We repair the vehicle as needed safely and in a reasonable time."

"Never really thought about it."

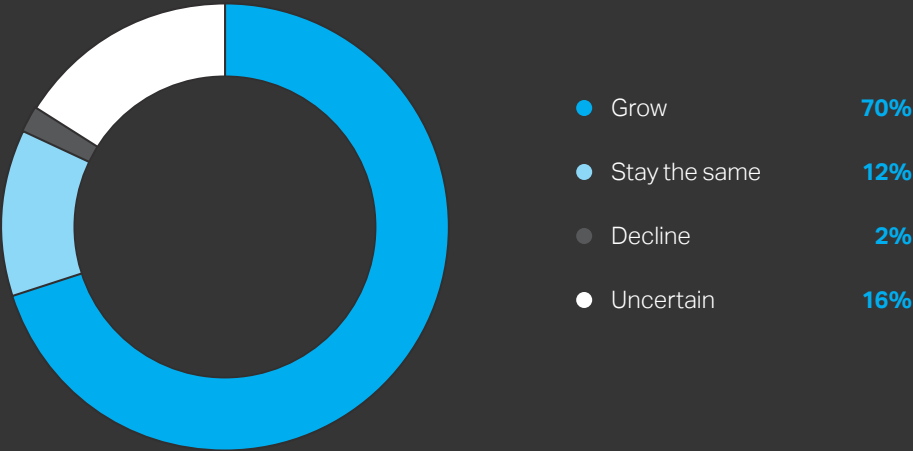
"What are those?"

"Takes up my time."

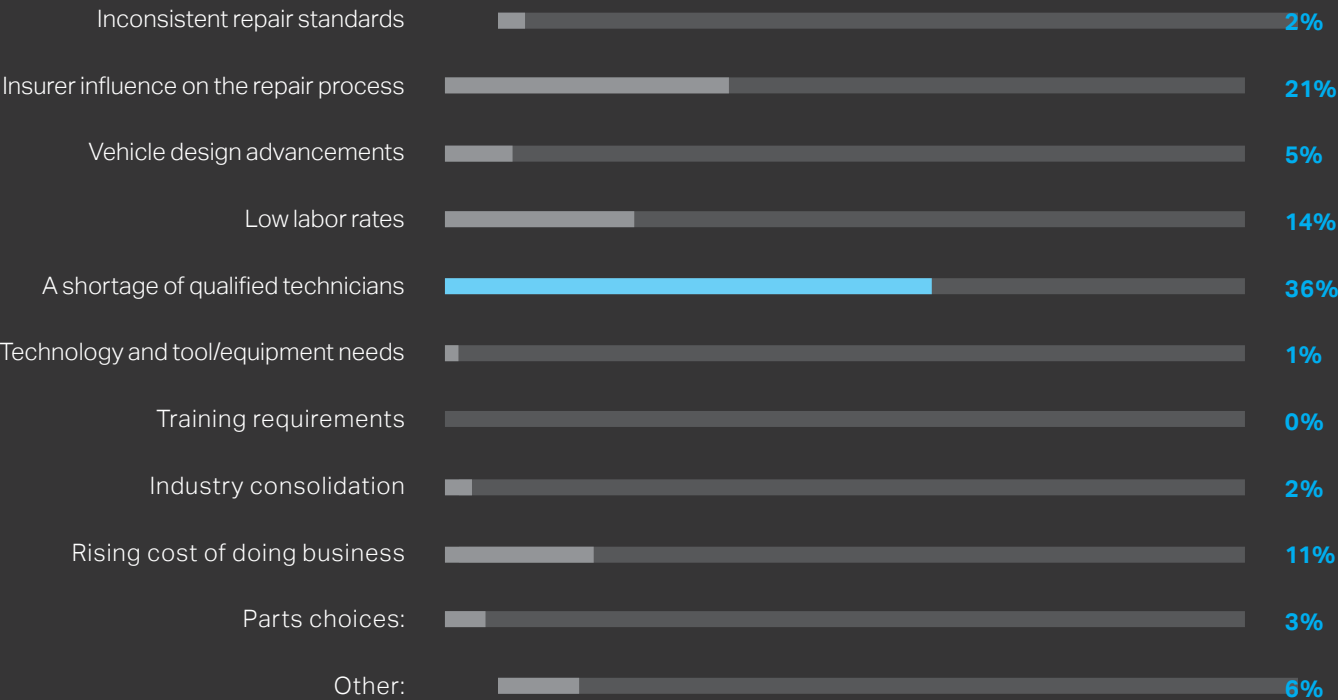
"I have no time."



Expected Sales Trends in the next Five Years



Single Biggest Challenge Facing Collision Repair Shop Operators



36%

OF SHOPS BELIEVE THE BIGGEST CHALLENGE FACING COLLISION REPAIR SHOP OPERATORS IS

A SHORTAGE OF QUALIFIED TECHNICIANS

WHAT ARE THE BENEFITS?

When looking at individual performance, there is a world of difference between shops that do and not routinely track KPIs. Here's a side-by-side look at the numbers a majority of shops reported across several categories:



Shops that Track KPIs

\$3,000-\$3,999

Average Repair Order

Shops that Do Not Track KPIs

\$3,000-\$3,999

Average Repair Order

\$2.5M-\$4.9M

Annual Revenue

\$1M-\$2.49M

Annual Revenue

40-49%

Gross Profit Margin

39%

Or Lower Gross Profit Margin



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LEADERSHIP

While shop owners today are reporting growth in annual sales and positive projections out into the future, they're also navigating a difficult path between past and present. As cars become more advanced and repairs become more complicated, the repair process is undergoing a paradigm shift. Shops will be looking to their leaders to chart the right course out of the past.

What is the Biggest Misconception About Collision Repair?

“Too many repair facilities believe that the insurance industry is the customer. However, in collision repairs, the insurance industry is the least important player. The order of importance is as follows: #1 the customer, #2 the repair facility, and #3 the insurance industry. The insurance industry cannot dictate repair procedures or the costs associated with completing those procedures. They have enjoyed their dictatorship for far too long.”

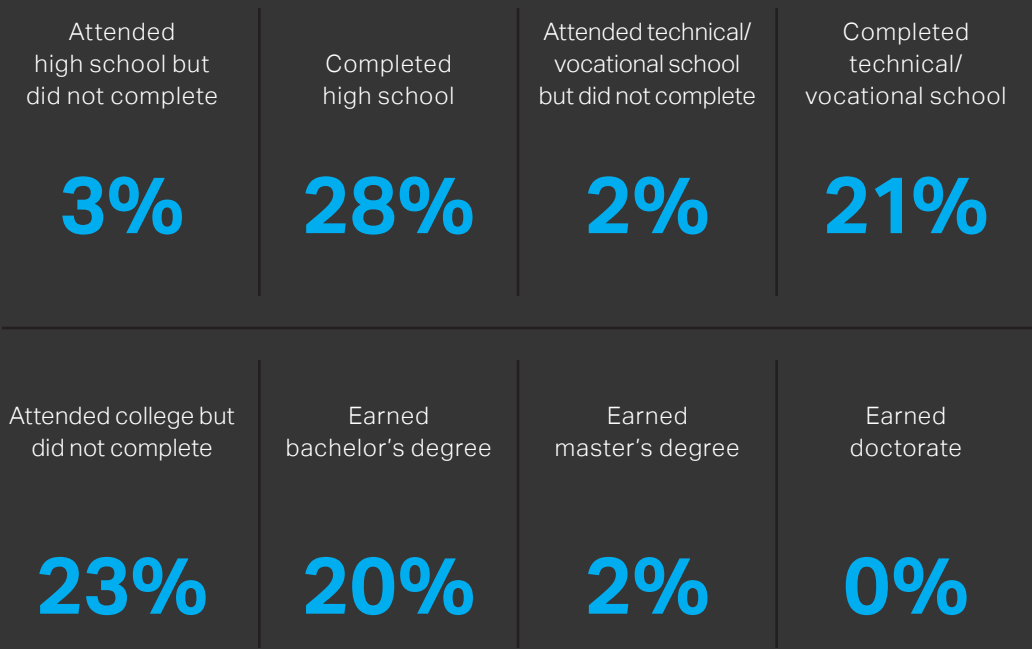
“There’s a misconception that small shops won’t do as good of a repair as the large shops. I started my business because I was fed up with being told to cut corners. We go above and beyond on 100% of our repairs and restorations.”

“That techs, managers, and everyone really involved with the process are properly trained or have access to relevant training. Or that all repairs and procedures are consistent across the board, or that there are even procedures in place.”

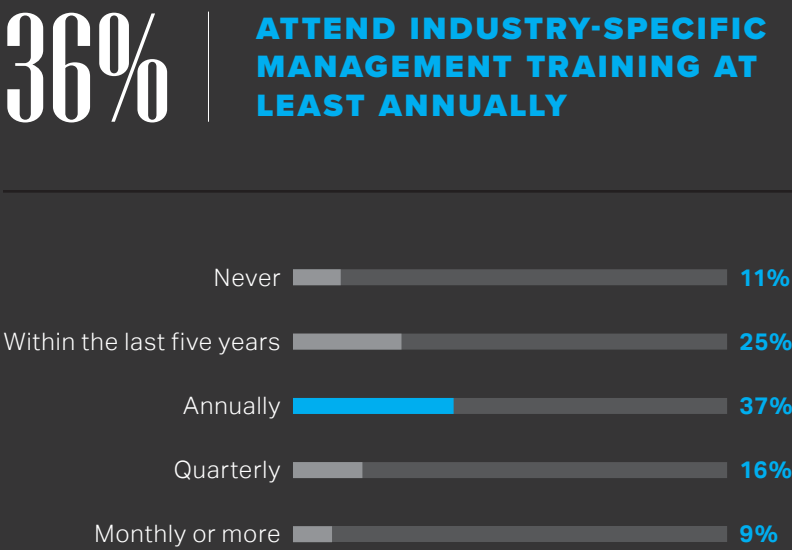


EDUCATION AND CERTIFICATION

What is your highest level of education attained?



How often do you personally attend industry-specific management training?



Responding shops said others shop team members attended industry-specific management training with similar frequency.

Do you work with a consultant or business coach?



Are you a member of a 20 Group or other peer networking group?

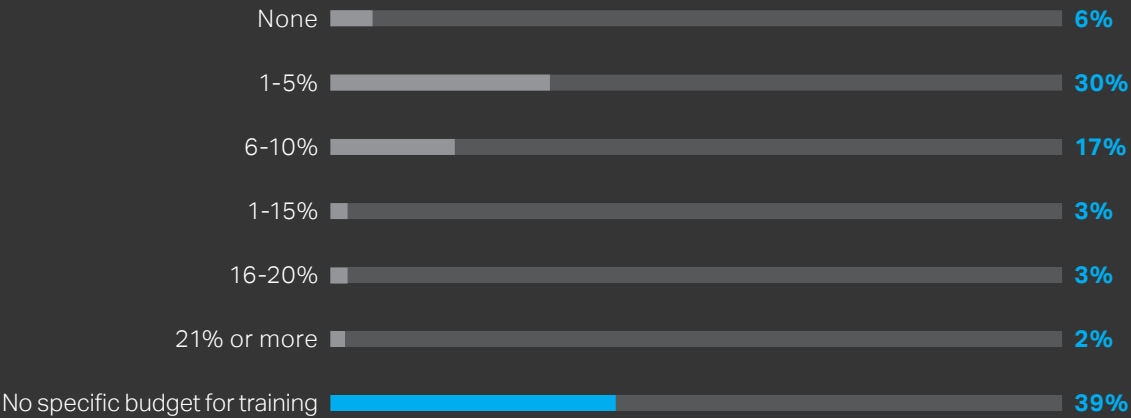


Are you involved in a state, regional or national industry association?



TRAINING

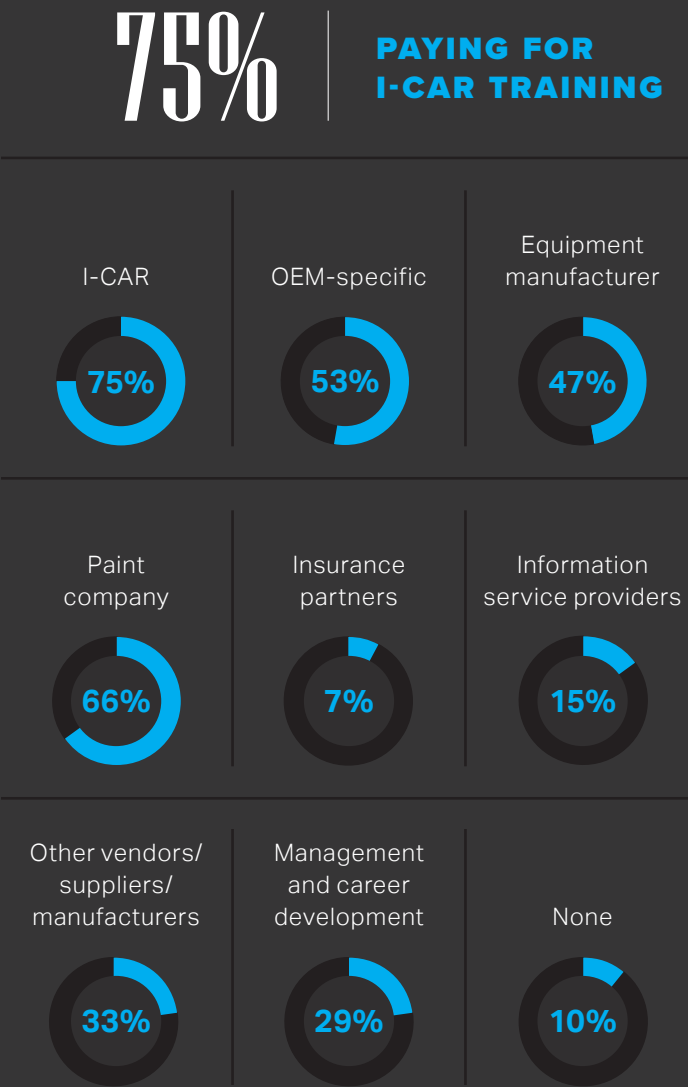
What percentage of your business’s total sales do you allot for training investments?



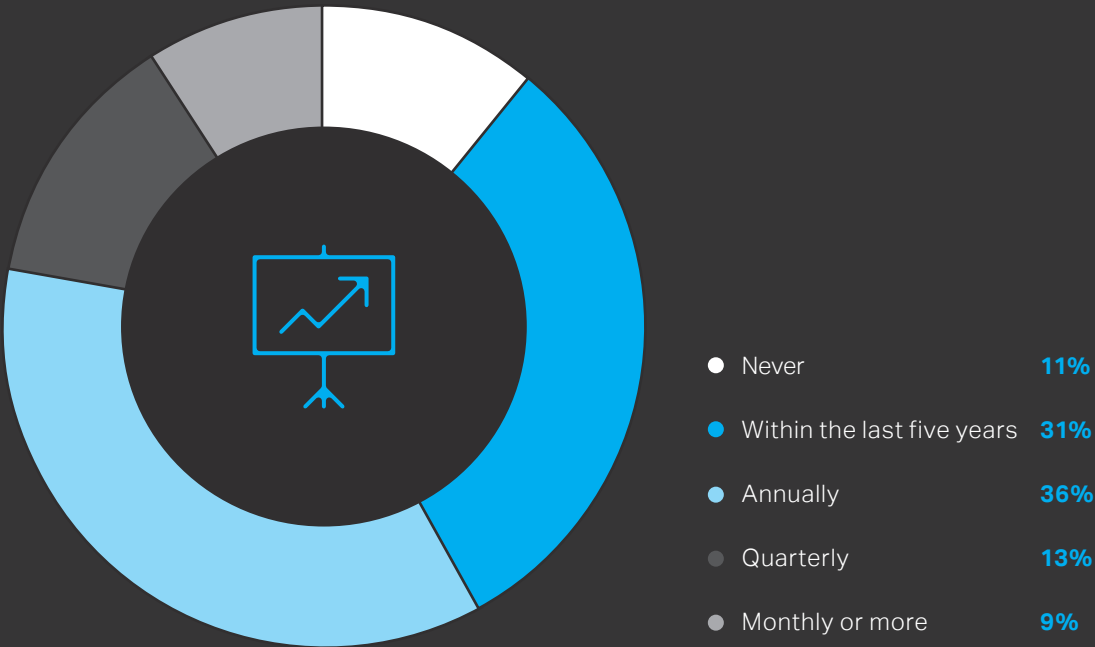
Has your business earned I-CAR Gold Glass recognition?



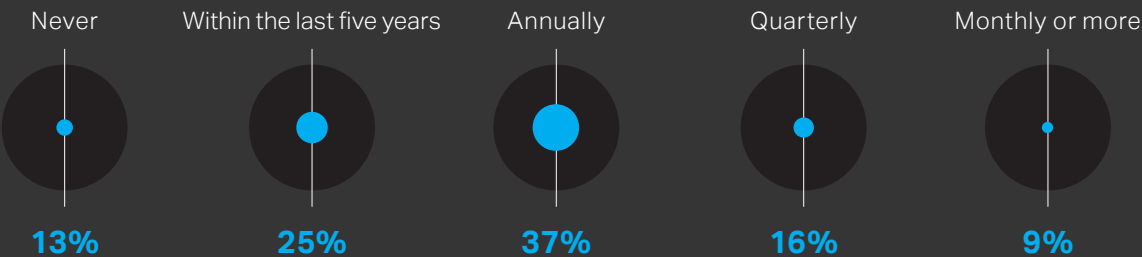
What types of employee training/education does your business pay for? (select all that apply to your shop)



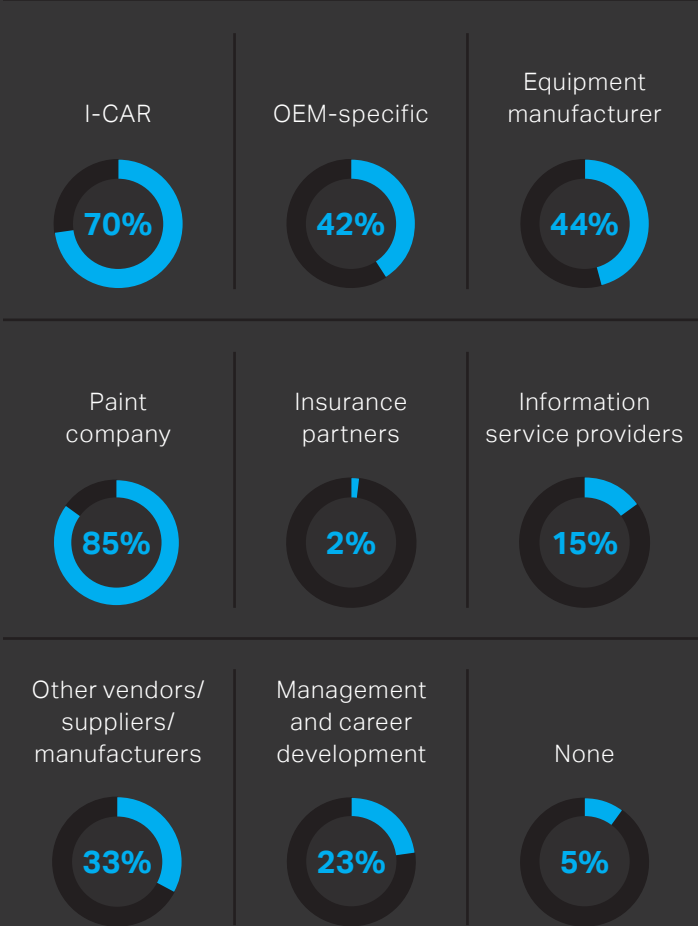
Do you personally attend industry-specific technical training?



Do other members of your shop team attend industry-specific technical training?

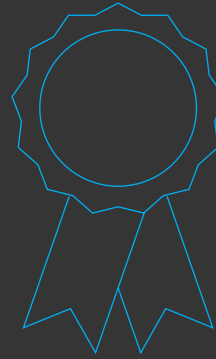


70% OF RESPONDENTS HAVE THEIR TEAMS ATTEND I-CAR TRAINING ANNUALLY

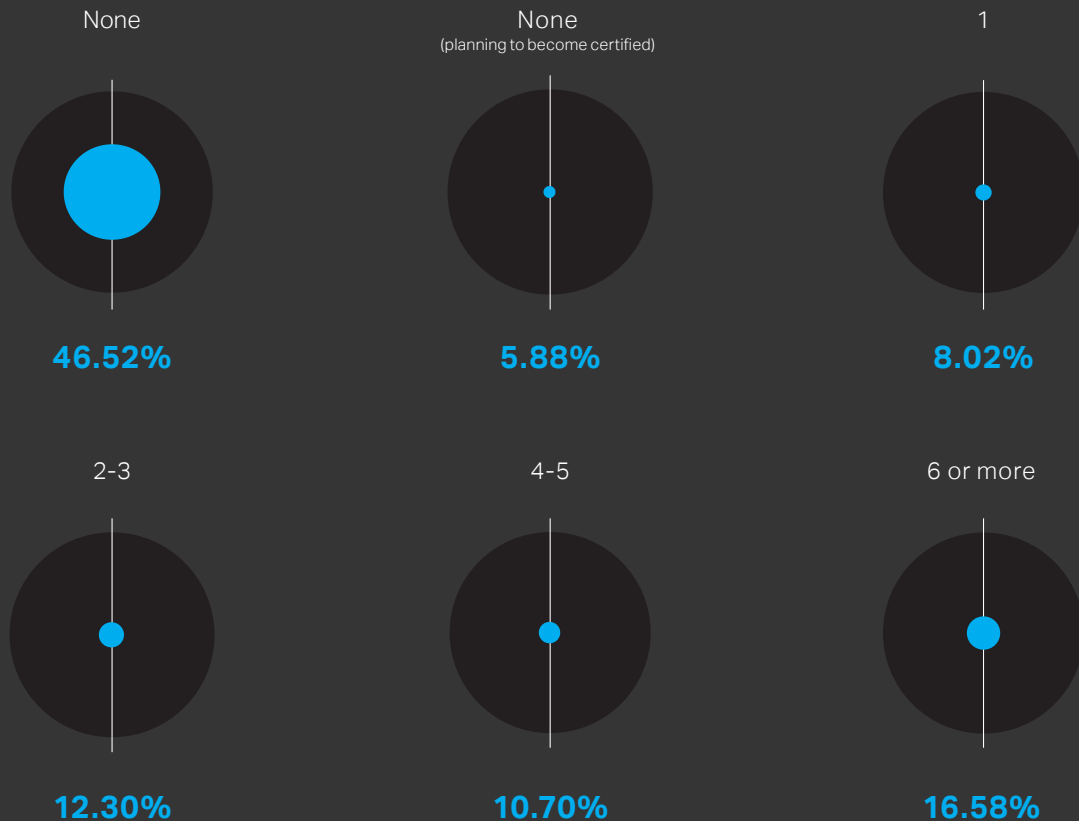


OEM CERTIFICATIONS

The importance, if not necessity, of acquiring OEM certifications is a hotly-debated topic in modern collision repair, but as of late there has not been much of a discernible trend in shops going all-in on OEMs. Forty-five percent of shops in 2021 reported having at least one OEM certification, a number which has been relatively steady since.



How many auto manufacturer certifications does your business have?



If your shop holds OEM certifications, are you satisfied with the ROI?

Responses edited slightly for clarity

“We did have several of them, but we had zero ROI. Now, there are third-party companies that we source our info from. All of it comes straight from the OEM and it’s a tenth of the cost.”

“While we’re not entirely unsuccessful, there’s definitely room for us to improve our marketing efforts.”

“Not really but at the same time we could be doing better to market this.”

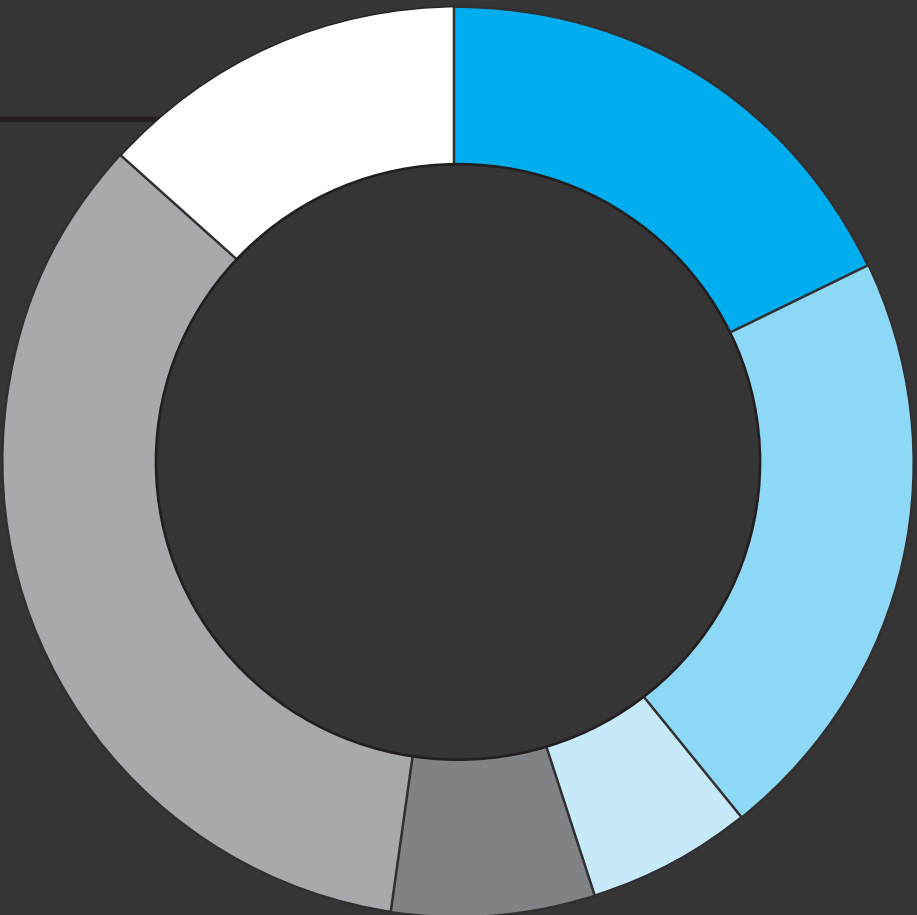
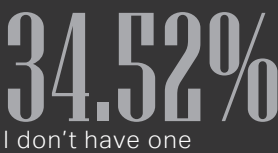
“That’s why we didn’t maintain our certifications, because the ROI didn’t justify the cost.”

SUCCESSION PLANS

The percentage of participants reporting they have a plan to retire in the near future stays close to 50%, up from 45% in 2023 and 40% in 2022. The portion of those surveyed saying they don't even have a succession plan has also not changed significantly since the previous year.



What is your business succession plan?





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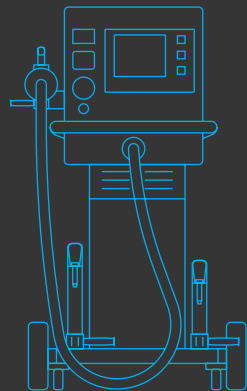
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TECH + TOOLS

BUDGETING FOR TOOLS

As vehicles become more advanced, tech and tool considerations become more important than ever. Whether it is bespoke tools required from OEMs or equipment necessitated to perform ADAS calibrations, survey respondents were asked to evaluate how they plan and budget for technology and tools.

Asked what percentage of their annual revenue is reserved for technology, tool, and equipment purchases, a majority said they created a budget:



Creates a budget

61%



No specific budget

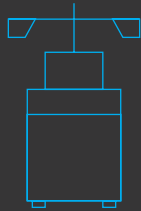
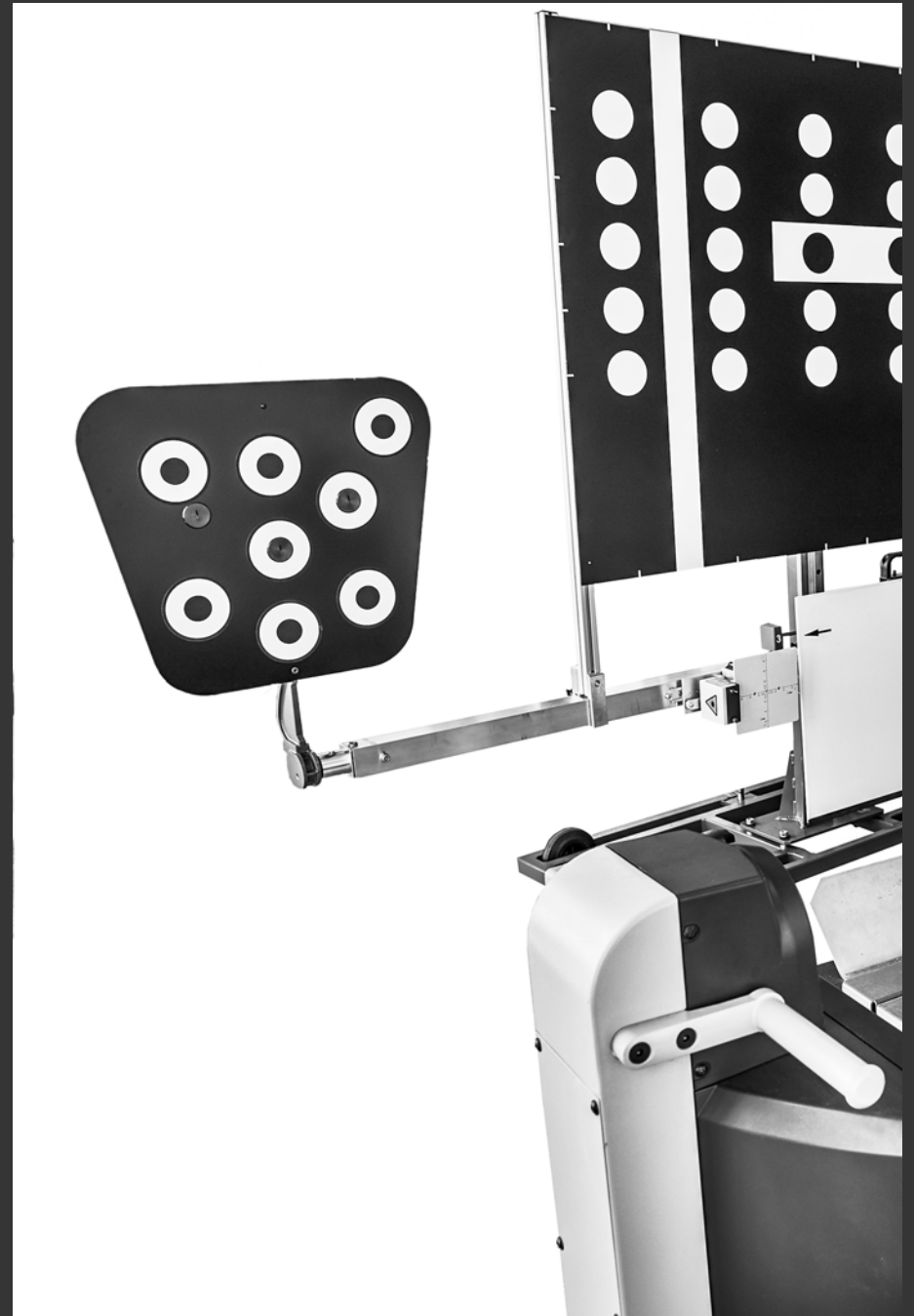
39%

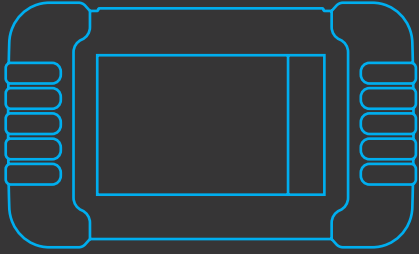


ADAS CALIBRATIONS

The 2024 FenderBender Industry Survey recorded a sharp jump in this area from 2021 to 2022, as 8% more shop owners said their shops were set up to perform ADAS calibrations. That number rose slightly in 2023 and then again in 2024 as more shops deal with the reality of more “computers on wheels” rolling across their floors.

Is your shop equipped to perform ADAS calibrations?

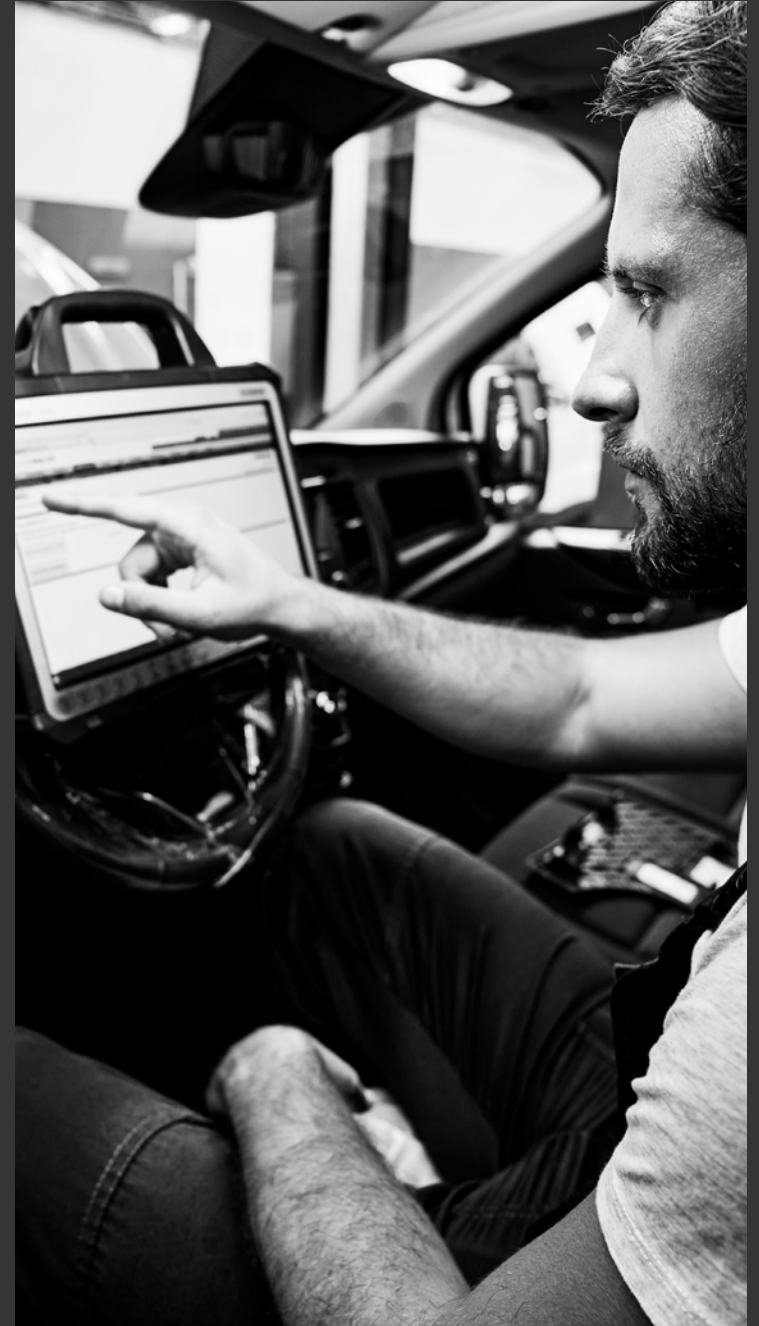
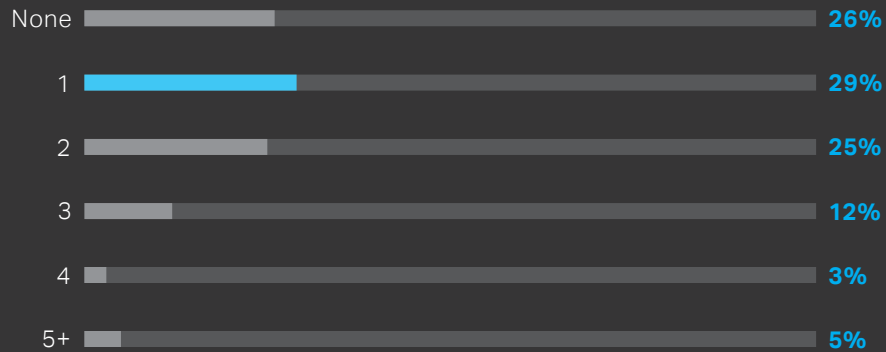
2023**31%**
Yes**2024****34%**
Yes**69%**
No**66%**
No



SCAN TOOLS

Just like in previous years, a larger share of repairers claim not to own an OEM scan tool. Yet, the trend of people claiming to own three is still rising this year compared to last year, albeit only marginally.

How many OEM scan tools does your business own?



GOING DIGITAL

A look at how operators are using certain software to aid employees at the front of the shop.



Businesses That Utilize Certain Software

(Respondents were asked to check all that applied.)



Electronic
estimating
system

95%

Electronic
management
system

64%

Customer
satisfaction (CSI)
software

40%

Customer relationship
management
(CRM) software

21%

Key performance
indicator (KPI)
tracking software

40%

Electronic parts
procurement
software/program

72%

Accounting
software such as
QuickBooks

75%

OTHER TECHNOLOGY TRENDS

While year-over-year trends are mostly flat, the five-year look for tech and tool trends shows a big shift in the industry's adoption of certain capabilities. The number of shops reporting to be able to repair aluminum components has increased by 3% compared to the previous year. In a shocking turn, the number of shops claiming to be able to repair advanced structural composite carbon fiber components has reduced by 4% in the same time frame.

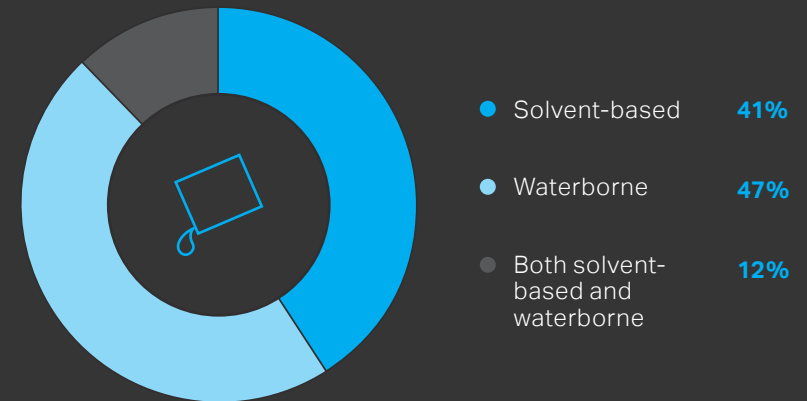
Does your business have the capability and equipment to repair aluminum components?



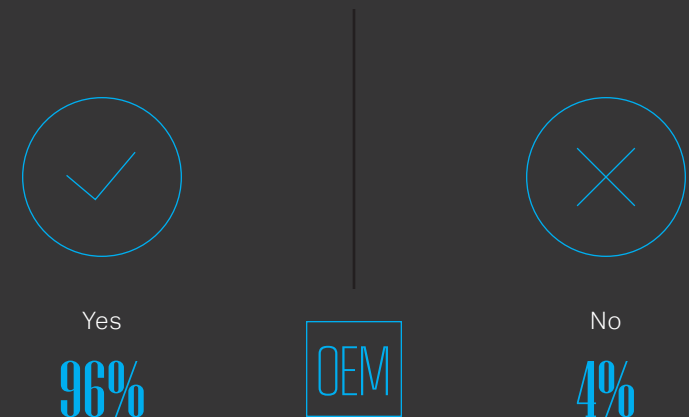
Does your business have the capability and equipment to repair advanced structural composites or carbon fiber components?



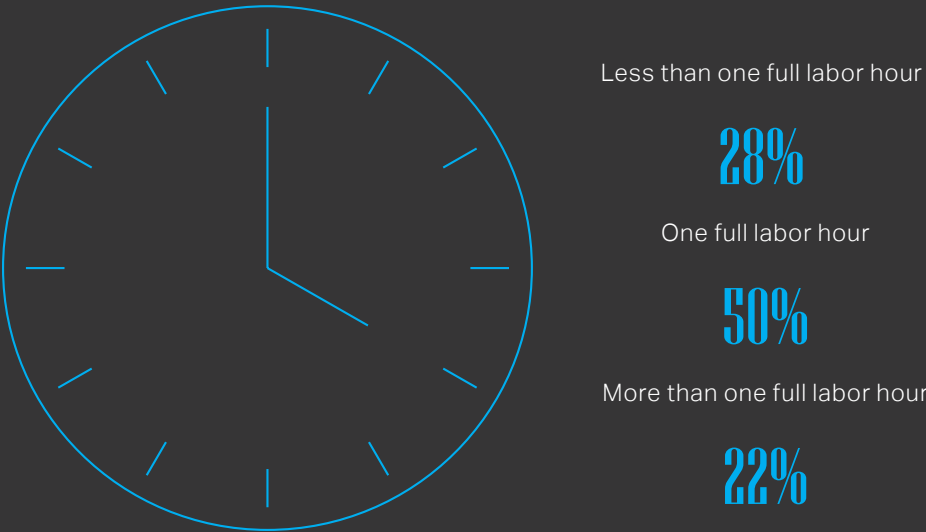
What type of paint is used in your shop(s)?



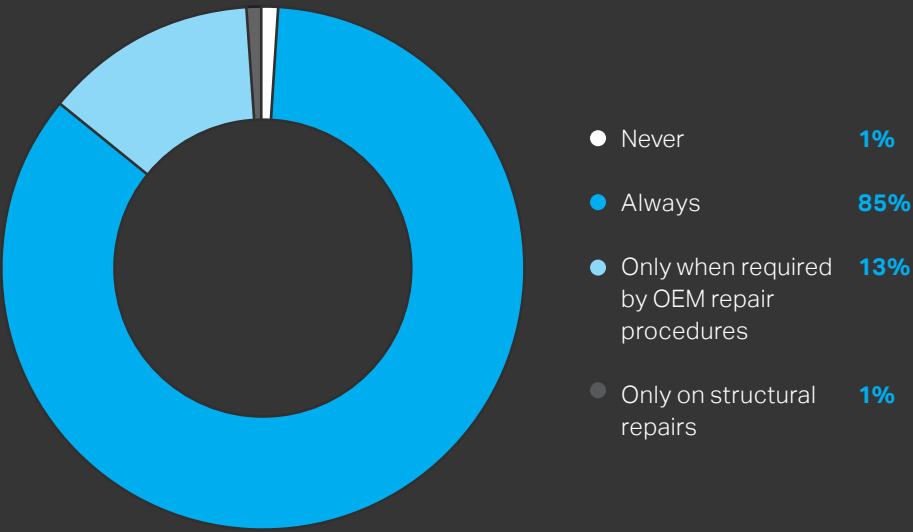
Does your business use an OEM-approved refinishing system?



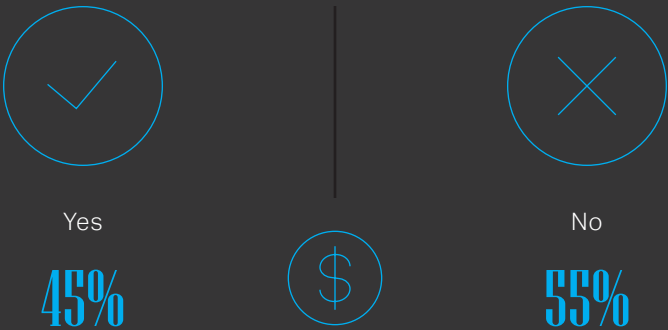
How much does your shop charge for diagnostic scans?



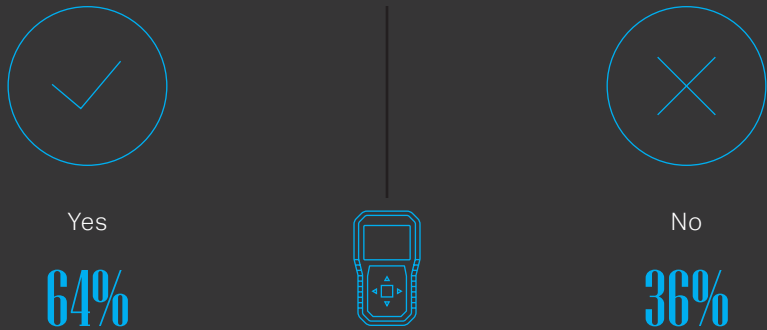
How often does your business perform pre- and post-repair diagnostic scans?



Does your business have challenges being reimbursed for diagnostic scans?



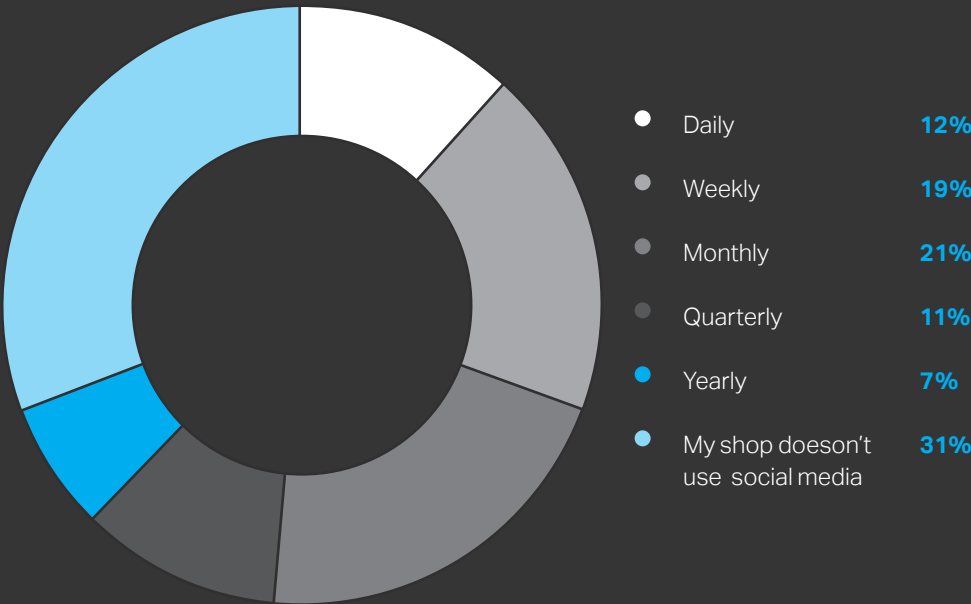
Does your business utilize a third-party service for scanning services?



ONLINE MARKETING TRENDS

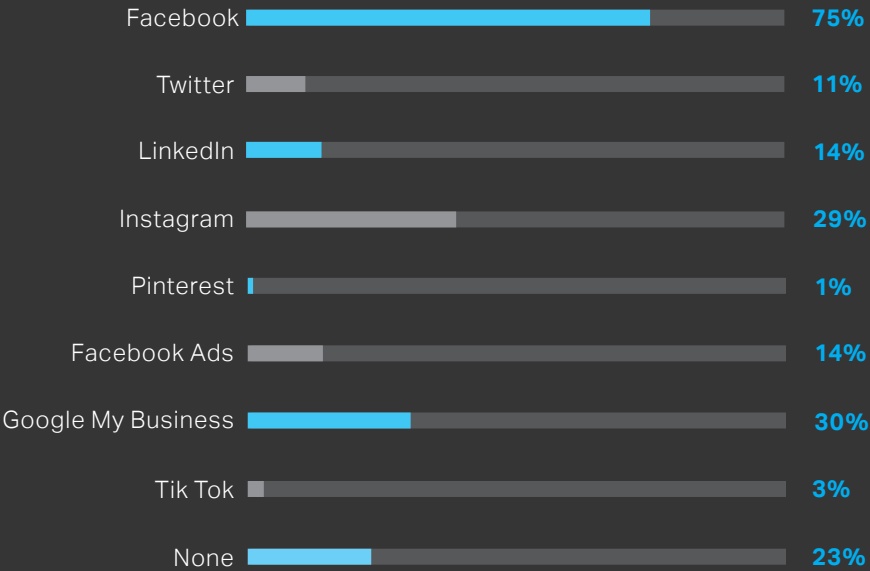
Customers do a great deal of their business online these days, but data shows that there is still a sizeable portion of shops that are hesitant to engage with potential customers via social media. The number of shops that do not use any social media has slightly increased from 2022, at 26%, to 31% for 2024. The frequency of those posts is relatively flat, as well.

How often does your shop promote itself through social media?

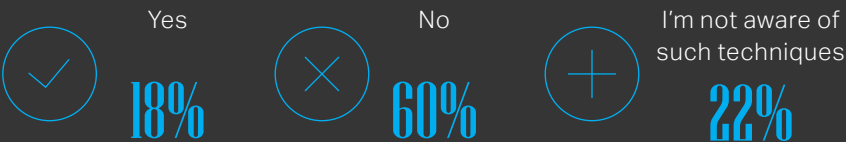


Which social media platforms does your shop utilize?

*Respondents were asked to select all that apply



Does your shop use geofencing or other advanced marketing techniques?



Who does the marketing for your shop?

