

Survey Report: Challenges for Local, small E&E Goods Repair Shops

Summary:

While there was immense diversity in the types of responses received during the survey, some overlapping observations and features have been highlighted below:

➔ **Family-run:**

A common feature amongst repair shops that expanded into sales is that they often involve the entire family either siblings or avuncular relations. Over time, some of them expand into sales besides service. Others bring in relations from their hometown to lend a hand and help them out. Then after a period of learning, start an independent business in a new location.

➔ **Warranty:**

Most of these *private* small repair shops of bigger branded appliances usually repair these products only once they are out of warranty due to a lack of trust on part of customers since they are not company certified.

◆ Quite plainly, “*woh company overall nahi hota hain na*”(We do not have the company’s uniform, right?) was a fairly frequent response received upon being quizzed about why they see only 10-15 customers a month.

◆ Customers seem to shift away from the company’s services only quite late in the life of the appliance when the company’s *official* parts and services become prohibitively expensive.

◆ A number of customers only seek to audit/ estimate the possible chargers by asking the small-repair guy to look over it and often decide not to pursue further repairs.

◆ A particularly telling statement was one where an electrical shop owner lamented that even fans and lights now have company-supported service within 24 hours, thus curtailing his ‘repair’ vertical to some extent.

➔ **(Informal) Refurbishment:**

When possible, these small repair stores look to purchase old, functional products, refurbish them and sell them to those looking for 2nd-hand products.

◆ However, this is largely limited by 2 aspects:

- Lack of storage space

- Difficulty in finding customers: Cannot afford to spend capital on repairing it for resell and have it sitting in the 10X5 m store for a long time unless they already have a potential customer waiting for resell.

→ **Inventory:**

Apart from a limited stock of extremely commonly required parts (like a battery or straps in a watch repair store), other parts are procured as and when required from relevant markets in the city. (while the shop owners did not directly reveal it, a visit to the KR market and nearby areas indicated that this was a popular destination for such supplies).

- ◆ The couple of establishments that were 'authorised' claimed to receive spares from the company's 'Head Office' periodically.
- ◆ Otherwise, all others never have any link to OEMs unless it is indirectly through old dismantled/ cannibalised parts.
- ◆ They do not appear to be keen to have parts from the manufacturer itself. They work on the arbitrage cost/markup from getting parts/ repairs done in the main market.

⇒ **Promotion/Publicity/Reach: Usually 'word-of-mouth.'**

- ◆ Those that also do 'sales' are more likely to be listed on Google Maps • However, even this listing usually has inadequate information.

→ **Potential Government interventions:**

Smaller shops were clueless about aspects like 'EPR' or 'e-waste' and their interaction with the Government was minimal; merely to aspects of paying the Electricity Bill of their commercial meter.

⇒ **Training:**

- ◆ Mostly informal. A lot of them learn by observing/working in a shop of a relative/acquaintance and pick up the skills or grow up around adults working in the same sector.
- ◆ Internet: The internet is a great leveller. Interactions with some repair technicians (mainly of electronic components and PCs) observed that YouTube tutorials and service manuals available online plugged the knowledge gap. This

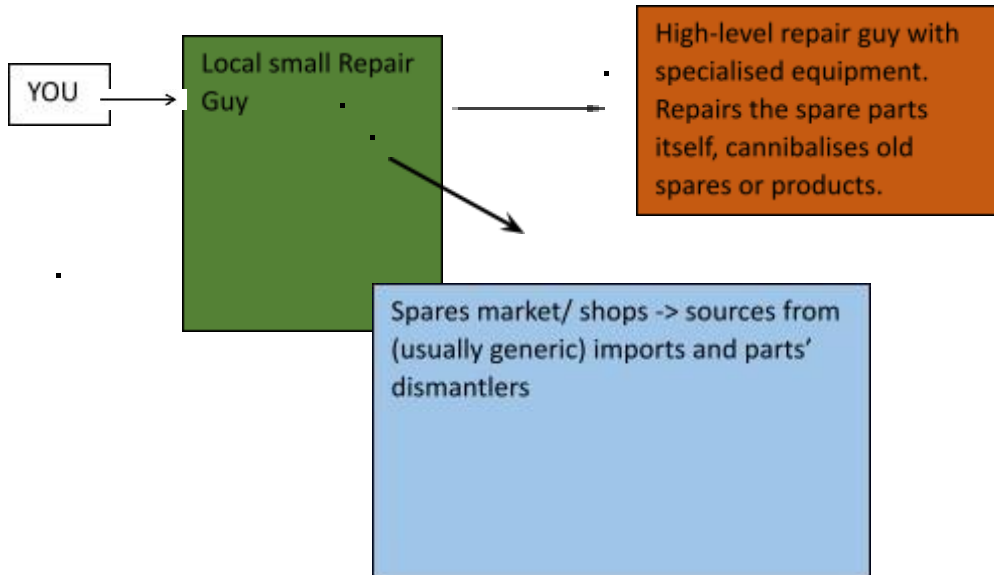
does not *completely* train the individual but gives incremental training; for example, in dealing with peculiar features of a new model laptop etc.

◆Some formal: In a TV repair shop, it was observed that most of the technicians had ITI diplomas. Now, this is significant because there were palpably higher-level repairs being conducted. This was the sort of repair shop where *allegedly* smaller; repair guys (and sometimes even official technicians!) came to get work done.

This additional qualification allowed them to work with specialised equipment and effectively dismantle, cannibalise, and repair spares also.

- Overall most service shops resort to sales to sustain themselves. Barring a few, for most shops, the sale of products is more important than services/ repairs. Similar to medical sales, some companies allow deferred payments too. For instance: The company sends an executive to the shop. Provides Y units of products along with the invoice of X amount. The shop owner has nothing to invest in it, by purchasing it first. Then on the basis of the sale of Y units, the executive recovered the X amount from the shop owner on a Bi-weekly or monthly basis.
- Apart from space and capital to expand their setup, there weren't any major setbacks identified by the repair shop owners to scale up their business. Most of them were actually contented as they were operating almost at their full possible capacity.
- SP road Electronics market is the place to get all necessary spare parts.

Overview of the informal repair ecosystem



Using PC/laptop/Mobile repairs as an example however it should largely hold true for other appliances too.

Beyond token 'repairs' like putting in memory or replacing a CMOS battery, these repair centres do not do most things themselves. If it is a repair they can easily undertake, they go to a spares' shop, purchase the part, and put it in. If it is more complex, they go to bigger specialised repairers, get an estimate, add their markup, and quote it to the customer. This usually explains the one- or two-day delay while he gives you an estimate. Now, as an individual, on the rare occasion when my laptop conks off, I cannot be bothered to invest time and effort to go around tracing the repair technician higher up the chain. These higher-level guys work by doing chip-level repairs on the individual parts that are damaged. They also cannibalise spares from older models, import parts from China etc. to quench the thirst for parts in the informal market and compete with the manufacturer's authorised service centre chain. These markets (take SP road in Bangalore for instance) have a range of stores that offer nearly everything the industry requires: parts to refurbished appliances to repair facilities. Enquiries about repairs there yielded a shorter response time of a few hours, indicating that repairs are done on the spot in comparison to a local repair shop.

Since the technical know-how for these kinds of repairs is obtained through informal sources and methods, this industry thrives on the knowledge gap created by companies deliberately obfuscating schematics or restricting the availability of parts to only authorised service centres. Innovation, re-purposing parts, cannibalising and dismantling of older models and other jugaad drives this economy.

While it is essential to get manufacturers to offer support for longer durations and make repairs easier and cheaper, the impact of any interventions (statutory or otherwise) on small repair centres needs to be examined; since, in my understanding, this industry survives on the fact that ‘official’ or ‘authorised’ servicing is more expensive, slower, and cumbersome to pursue at times. Will measures to make repairing ‘easier’ end up killing off the business model of local repair centres altogether is the question to ask.

Suggestions and Way Forward:

- The Brands/Manufacturers must provide formal support to these units through training, capacity building, part availability and some ownership towards warranty of repaired goods.
- A repair focused maybe a 3-6 month, formal training program could improve skills to handle a broad variety of products
- Brands/ Manufacturers must create detailed videos on repairing every repairable part and they should either include it in formal training or make it open source. This could be made mandatory under Right to Repair
- Supporting these smaller units could make it easier and cheaper to repair and reduce the exclusivity of authorised repair centers. The key challenge however would be on the quality assurance and post repair warranty when carried out through a network not answerable to the brand
- A Customer focussed survey could also be conducted to understand demand for repair services

Sl.No.	Name of the Repair Shop	Area	Appliances Repaired	Notes
1	Jyothy Home appliances	Puttenahalli	Mixer, grinder, cooker, stove	Opened a larger appliance sales store after years of doing mainly servicing
2	Home Care Repair Centre	Puttenahalli	Washing machine, fridge, microwave, A/C	Tiny one-room operation with parts and old fridges spilling onto the footpath and the road. Run by a youth who recently finished his informal ‘apprenticeship’.
3	Emmanuel Enterprises	Kanakanagar	TVs (LCD, LED)	Quite a large operation, with high-level repairs
4	Star Coolers	JP Nagar	Washing machine (mainly), fridge	Maintains fridges for a couple of small meat-sellers nearby

5	Blue Star service centre	JP Nagar	Air Conditioners	Purportedly authorized service centre
6	Zaid Enterprises	JP Nagar	Authorised RO repairs; Aqua Pure	Authorised centre (receives from Office'), tele-callers parts 'Head with on the premises.
7	Cool Link Spares	Ilyas Nagar	Spares for A/Cs, fridges, washing machines, TVs, and water purifiers	Sells a host of stuff from valves to coolants and lubricants. The kind of store that these small repair guys go to when they tell you that they will give you an estimate in a while.

8	Prakash Electricals	JP Nagar	Ubiquitous local electrical odds and ends store with small repairs in-store.	Used to undertake repairs and servicing when nearby apartment complexes were in nascent stages. Pivoted to managing his store due to competition from in-house/ empanelled electricians.
9	Basaveshwara Electricals and repair	Banashankari	Spares for fans, geysers, motors for grinders, mixers, drills etc.	Independent at-home service/ repair guys/ electricians usually frequent here to buy parts for damaged products.
10	Siddeshwara Electricals	Banashankari	Services Geysers and pumps at homes	Used to work in the electrical spares store above in Banashankari before he started providing services himself
11	Choudhary Electronics	JP Nagar		Small electrical and electronic odds and ends shop that also installs and services lights, fans, and the like for low-income customers nearby. Relies mainly on sales

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12	Arrow Times	JP Nagar	Watch servicing	Replaces batteries, re-aligns hands of analogue watches
13	SAS technologies	JP Nagar	Laptops and PCs	Installs CCTV systems for shops. Also, services laptop parts; good inventory of first-hand components. However, the arbitrage effect is apparent when compared to 'spares' markets like 'SP road'
14	Golden Enterprises	Puttenahalli		Erstwhile storefront appliance shop that is moved off the street into a smaller space and has morphed into exclusively repairs
15	Unnamed	Churchghatta	TVs	Majorly repairs older CRT-based models of low-income customers in nearby households [Paint had peeled off and when asked what was the name of the unit, were told "TV repair centre"]
16	Shop 1- SP Road	SP Road	Submersible Pumps	
17	Shop 2- SP Road	SP Road	Sells, Geyser coils, thermostats, refrigerators etc.	
18	Shop 3- SP Road	SP Road	Generic Electrical components, motors, switches etc.	Supplies to tiny repair centres etc. who come to him to buy parts/ spares or general-purpose supplies
19	Shop 4- SP Road	SP Road	Laptop service level repair, PC Components	A tiny desk with a workshop in the back that does repairs. Adapted technology to reduce logistics costs. Local repair centre guys open up the laptop and send him pictures. He (usually) diagnoses the problem over the phone and gives an estimate. They 'dunzo' it to him, he performs repairs and sends it back. Some come to him to buy parts/ spares or general-purpose supplies

Sl.No.	Name of the repair Shop	Area	Appliances Repaired	Notes
20	Shop 5 – SP Road	SP Road	PC components and parts	Stocks components imported from suppliers in Taiwan and China. Supplies and assembles 'custom builds' for DIY enthusiasts and also has a business of supplying individual small parts like memory etc. to other businesses in commercial quantities.
21	GH Electricals	BTM	General home electrical appliances	
22	Uday Electricals	BTM	General home electrical appliances	V guard dealership. Recognition doesn't help to get customers.
23	Gowri Electricals	BTM	General home electrical appliances	Mostly provide services such as the maintenance of apartment complexes.
24	Shri Matha Repairs	BTM	Submersible pumps	CRI pump dealer and service point.
25	AM watches	BTM	Watches	
26	PSP Mobiles	BTM	Mobile phones	