

# Motor warranty vs service plan vs car insurance: What's the difference?

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Getting a new - or a used but 'new to you' - car is an exhilarating experience, but once the novelty has worn off and the paperwork has been forgotten, it can become a blur to try to remember what you signed up for months or years ago.



Many South Africans find themselves in a situation where they aren't sure what they're covered for, who they're covered by, what their policy details are or when their cover comes to an end. It can become even trickier because some after-sales plans can be used in conjunction with one another, leaving drivers unsure about where one plan ends and another begins.

All of this confusion about policies and cover types can lead to the age-old question: "What exactly am I paying for?" but you'd be remiss to hastily cancel a plan without being absolutely clear about what benefits your cover type provides.

To put it simply, there are three separate types of cover: A motor warranty (specifically, a manufacturer warranty or extended warranty), a service plan and a maintenance plan. Each of these cover various vehicle functions and materials, some more comprehensive than others, while car insurance is a completely separate cover type.

## **Manufacturer warranty**

All new cars come with a manufacturer warranty, which is a promise from the manufacturer that the car is of good quality and the parts won't fail.

However, as the car gets older, parts get weaker or worn down and present a higher risk of breakage, so manufacturers limit the time or kilometres that their warranty is valid.

Different manufacturers will have different warranty limits. This is where you'll see, for example, a five-year/150,000km

warranty limit or specific warranty limits on the paint, body or battery.

### **Extended motor warranty**

Once the limits on your manufacturer warranty are exceeded, the components are no longer covered.

At this point, the driver may choose to extend their motor warranty through the manufacturer or through a third-party extended motor warranty provider, like [dotsure.co.za](https://dotsure.co.za).

Often, a third-party motor warranty will be more affordable and customisable than one from a manufacturer. For example, [dotsure.co.za](https://dotsure.co.za) offers various tiers to suit their customers' specific needs and budgets, even covering cars up to 15 years old and with up to 300,000km on the clock.

### **Service plans and maintenance plans**

A service plan is a separate policy to the manufacturer's warranty or an extended warranty.

A service plan pays the full cost of a scheduled motor service, which maintains elements that are guaranteed to wear down during normal use; it generally includes things like spark plugs, tyre rotations, filters and fluid changes.

Like a warranty plan, manufacturers limit their service plans to a length of time or kilometres driven.

A maintenance plan covers everything a service plan covers but is more comprehensive in nature (and, therefore, more expensive), so you'll usually see it offered for luxury vehicles. Along with covering the cost of labour for repairs, a maintenance plan also covers parts not covered by a service plan, for example brake pads or wiper blades.

### **Where does car insurance come in?**

A warranty or service/maintenance plan is a different cover type to car insurance and can't be used as a replacement for car insurance.

You can think of it as cover for internal vs external risks – while a warranty or service/maintenance plan covers the car's internal mechanics, car insurance will cover external risks like accidental damage, theft, fire and/or third-party liability. It goes without saying that all drivers should have car insurance, along with their warranty and service/maintenance plan.

Luckily, [dotsure.co.za](https://dotsure.co.za) offers both car insurance and extended motor warranty plans to ensure your car is fully covered – plus, because it's all through one insurer, you won't have to keep track of various complicated cover types and policies that are spread across multiple providers.

Best of all, you'll know that wherever you go, your car (and bank balance) are fully protected.

We have so many things to juggle and worry about – insurance shouldn't be one of them. Get an [online car insurance](#) or [extended warranty quote](#) in five minutes from [dotsure.co.za](https://dotsure.co.za), SA's #1 ranked\* insurer on HelloPeter.com today!

\*T&Cs apply. Risk profile and policy dependent.

\*\*As rated on HelloPeter.com

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