



Press Release

J.D. Power and Associates Reports: Customer Satisfaction with Dealer Service Facilities Outpaces Satisfaction With Independent Service Centers

Lexus Receives an Award in Customer Satisfaction with Dealer Service for a Fourth Consecutive Year,
While MINI Ranks Highest among Mass Market Brands for a Second Consecutive Year

WESTLAKE VILLAGE, Calif.: 14 March 2012 — Vehicle owners who visit dealer facilities for service are considerably more satisfied with their experience at dealerships than with service from independent facilities, according to the J.D. Power and Associates 2012 U.S. Customer Service Index (CSI) StudySM released today.

Among customers of dealer facilities, overall satisfaction with the service experience averages 38 points higher on a 1,000-point scale, compared with non-dealer facilities (787 vs. 749, respectively). In addition, 79 percent of all service visits among owners of one- to- three-year-old vehicles are performed at dealer facilities—up from 74 percent in 2011 and 72 percent in 2010.

Overall satisfaction with dealer service improves by 19 points in 2012, compared with 2011, with gains in all five study measures. Among the 33 rank-eligible brands, 28 improve in service satisfaction from 2011, with eight brands improving by at least 20 points.

Contributing to the overall improvement is a shift in the proportion of maintenance and repair work performed at dealer service centers. In 2012, 72 percent of vehicle owners indicate their latest dealer service visit was for maintenance rather than repair, an increase from 63 percent in 2011. Customer satisfaction with maintenance visits is typically higher than satisfaction with repair visits, since visits for routine maintenance tend to be less expensive and less time-consuming.

“Steady improvements in vehicle quality, longer intervals between recommended service visits and a higher mix of maintenance service events have had a positive effect on overall dealer service satisfaction,” said Chris Sutton, senior director at J.D. Power and Associates. “Moreover, manufacturers and their dealers have instituted broad-based customer service improvement initiatives to increase satisfaction with both the purchase experience and after-sales service, with the understanding that a substandard service occasion can and will impact their ability to make a future vehicle sale or gain repeat service business.”

The study examines satisfaction among vehicle owners who visit a service department for maintenance or repair work. The CSI rankings are based on dealer service performance during the first three years of new-vehicle ownership, which typically represents the majority of the vehicle warranty period. Five measures are examined to determine overall customer satisfaction with dealer service (listed in order of importance): service quality; service initiation; service advisor; service facility; and vehicle pick-up.

Lexus ranks highest in customer satisfaction with dealer service among luxury brands and receives an award for a fourth consecutive year. Lexus achieves an overall CSI score of 861 and performs particularly well in three of the five measures: service initiation, service facility and service quality. Rounding out the top five nameplates in the luxury segment are Cadillac (852); Jaguar (849); Acura (838); and Porsche (836). Among luxury brands, Audi achieves the greatest improvement (gaining 34 points) from 2011.

Among mass market brands, MINI ranks highest for a second consecutive year with a score of 809. MINI performs particularly well in four of the five measures: service quality, service advisor, service facility and

vehicle pick-up. Also among the top five brands in the mass market segment are Buick (805); GMC (803); Chevrolet (801); and Hyundai (791). Of mass market brands, Nissan (which gains 43 points) and Toyota (gains 31 points) achieve the greatest improvements from 2011.

J.D. Power has predicted that due to depressed auto sales during the recession, dealer service volumes will continue to decline through 2013 before rebounding. The challenge for automakers will be to maintain high levels of satisfaction once service volumes do rebound. The study identifies specific actions dealerships can take to maintain high levels of satisfaction both through periods of lower service volume and as volume increases:

- **Promote online scheduling of service appointments.** Customers who schedule a service appointment online are notably more satisfied with the service experience than are customers who call to make an appointment or who drop by the dealership without an appointment. In addition, customers who schedule service online spend \$36 more on service per year than do customers who do not make an appointment, and \$17 more per year than customers who call to make an appointment.
- **Review the technician inspection report with all service customers.** Service customers who indicate the service advisor reviewed the multi-point inspection report with them are significantly more likely to say they “definitely will” return for both paid and warranty service work, compared with customers who didn’t receive a report review. Customers whose service advisor provided a review of the inspection report are also much more likely to say they “definitely will” repurchase or lease the same vehicle make.
- **Consider the benefits of implementing complimentary maintenance programs.** Not unexpectedly, owners of vehicles covered by manufacturer-sponsored maintenance programs are more likely to visit the dealer for service, rather than a non-dealer service facility. These brands also benefit from higher rates of service visit retention after the warranty/complimentary maintenance contract expires, compared with brands without complimentary maintenance programs.

The 2012 U.S. CSI Study is based on responses from more than 84,000 owners and lessees of 2007 to 2011 model-year vehicles. The study was fielded between October and December 2011. J.D. Power and Associates measures dealer service in various countries around the world, including Australia, Canada, China, France, Germany, India, Indonesia, Japan, Malaysia, Mexico, New Zealand, the Philippines, South Africa, Taiwan, Thailand and the UK.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing forecasting, performance improvement, social media and customer satisfaction insights and solutions. The company’s quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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NOTE: Two charts follow.

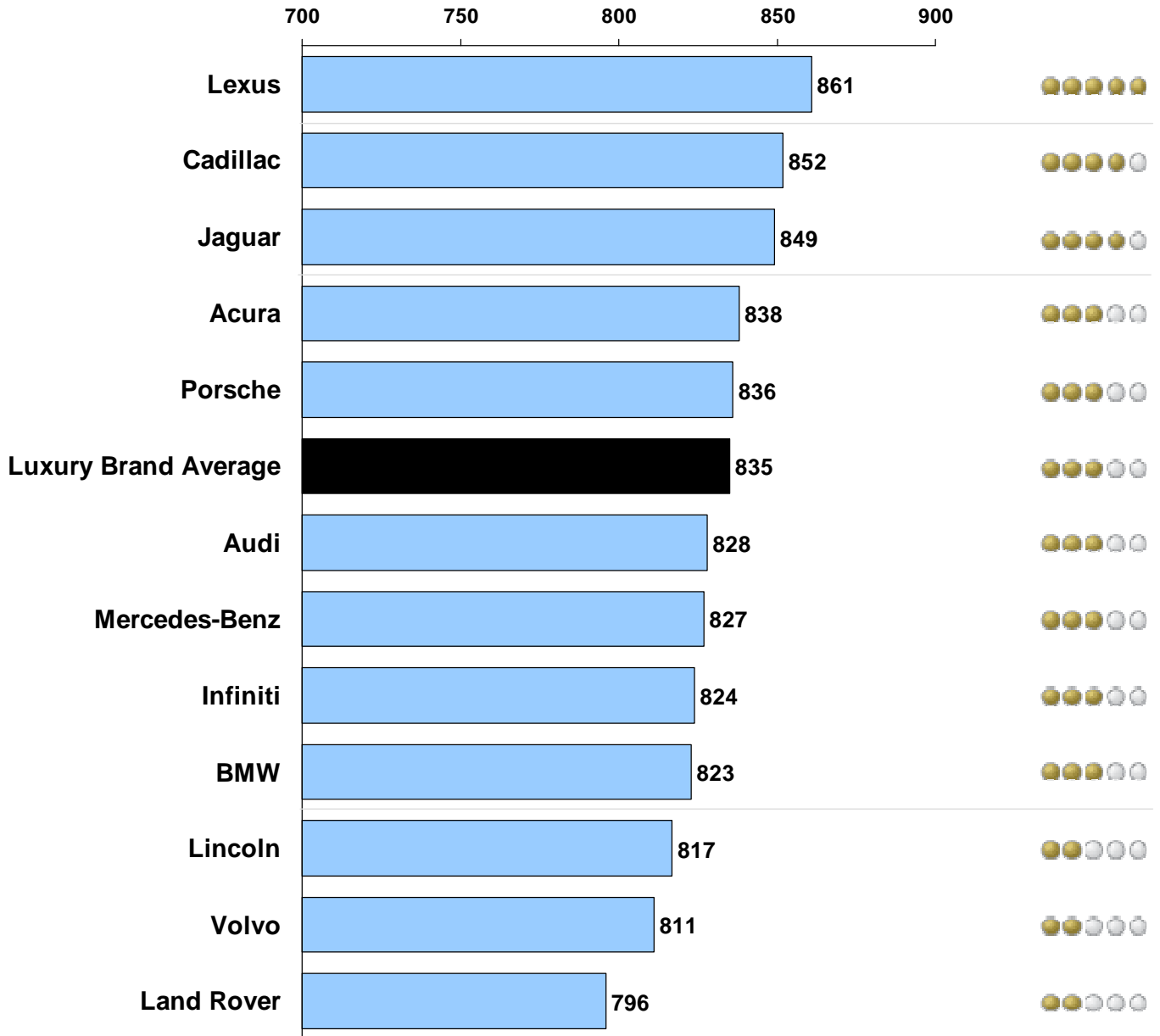
J.D. Power and Associates 2012 U.S. Customer Service Index (CSI) StudySM

Customer Service Index Ranking

Luxury Brands

(Based on a 1,000-point scale)

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Power Circle Ratings Legend

- Among the best
- Better than most
- Aboul average
- The rest

NOTE: SAAB is included in the study, but not ranked due to small sample size.

Source: J.D. Power and Associates 2012 U.S. Customer Service Index (CSI) StudySM

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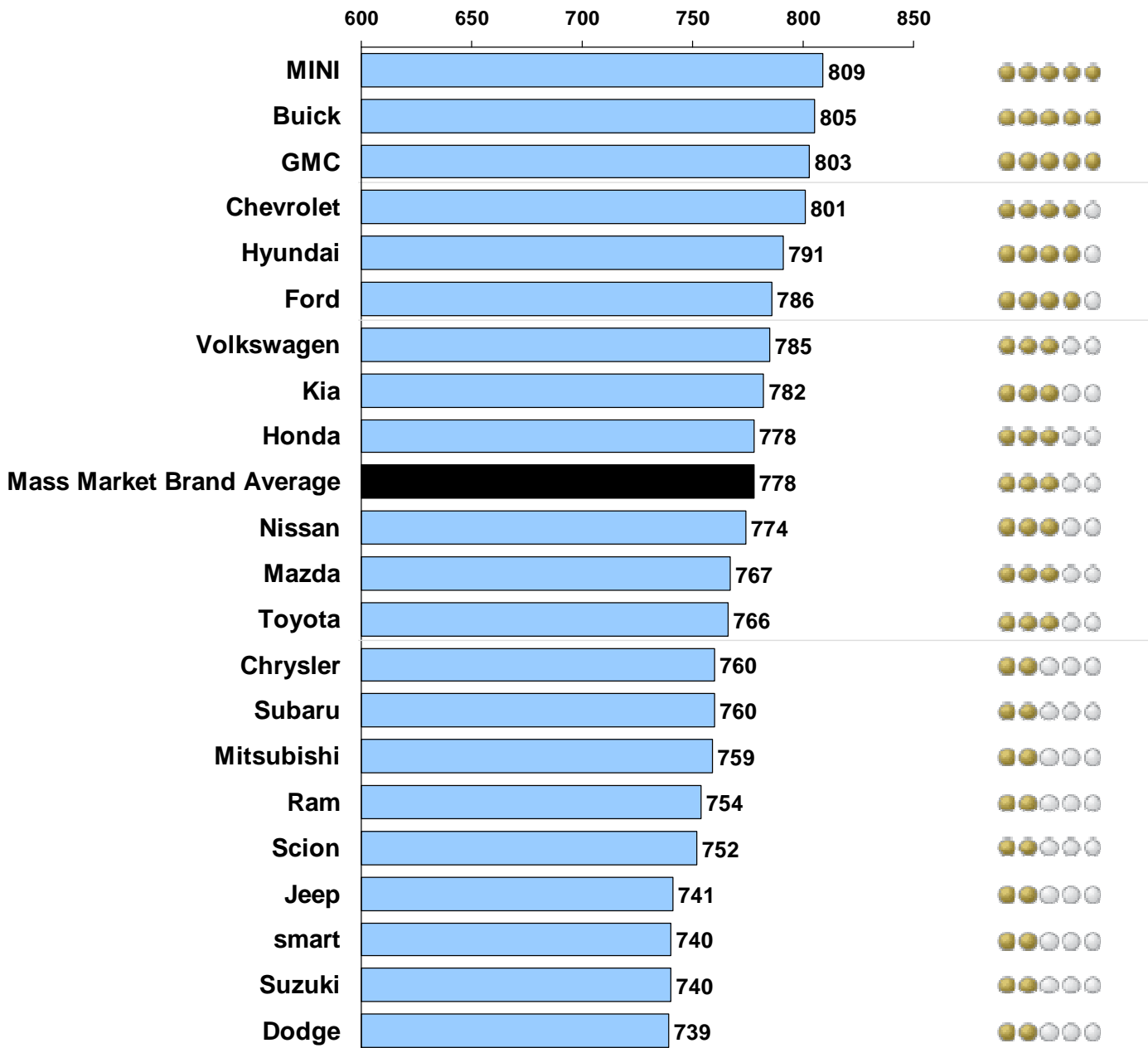
J.D. Power and Associates 2012 U.S. Customer Service Index (CSI) StudySM

Customer Service Index Ranking

Mass Market Brands

(Based on a 1,000-point scale)

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