

Press Release

J.D. Power Asia Pacific Reports: Customer-Buying Experience Feedback and a Robust Post-Sales Follow-up Process Helps Enhance Customer Satisfaction

Volkswagen Ranks Highest in New-Vehicle Sales Satisfaction among Mass Market Brands in Taiwan

SINGAPORE: 31 July 2014 — Dealerships that collect customer feedback about the new-vehicle buying experience and follow up with post-sales initiatives—such as a thank you call for purchasing; an inquiry about the condition of the new vehicle; or a discussion about setting up service visits—can benefit from increased customer satisfaction, according to the J.D. Power Asia Pacific 2014 Taiwan Sales Satisfaction Index (SSI) StudySM mass market segment, released today.

Now in its 16th year, the study examines seven factors that contribute to overall customer satisfaction with the new-vehicle purchase and delivery experience (in order of importance): delivery process; salesperson; delivery timing; sales initiation; deal; paperwork; and dealer facility. For the first time, the 2014 study examines sales satisfaction in two vehicle segments: luxury and mass market. The results of the luxury segment will be announced in mid-August.

SSI performance is reported as an index score based on a 1,000-point scale, in which a higher overall SSI score indicates greater satisfaction with the new-vehicle sales and delivery process. Overall sales satisfaction in the mass market segment averages 881 points in 2014, which is a 7-point decline from 2013.

“Post-sales follow-up is an integral part of the new-vehicle sales process,” said Rajeev Nair, director at J.D. Power Asia Pacific, Singapore. “This is a great opportunity for the dealership to collect specific feedback about the customer’s purchase experience and address any questions they may have based on their initial experience of driving the vehicle. Further, it allows the dealership to show that they value the customer’s business and that the relationship goes beyond the point of sale.”

2014 Taiwan SSI Mass Market Brands Rankings

Among the nine brands ranked in the mass market segment, Volkswagen ranks highest in satisfaction with an SSI score of 894, up 11 points from 2013. Volkswagen performs particularly well in sales initiation, dealer facility, paperwork, salesperson and delivery process. Nissan ranks second with a score of 888, with particularly strong performances in the sales initiation and deal factors. Mazda ranks third with a score of 887.

KEY FINDINGS MASS MARKET

- Customers appreciate the salesperson keeping them updated about the delivery status of their new vehicle once the order is confirmed. Satisfaction among this group of customers is 22 points higher than among those who are not kept updated.

- Customers expect to receive their new vehicle within a week of confirming the purchase. Satisfaction scores decline to 871 when the delivery time increases beyond a week from 898 when delivery is within a week.
- Satisfaction is lower among buyers of models that are newly introduced in the market than among those who purchase existing models, with the largest gap, 21 points, in the delivery timing factor (864 vs. 885, respectively).
- Among all seven factors, the deal factor declines the most to 846 from 861 in 2013 (-15 points). For seven of the nine brands ranked in the study, there has been a year-over-year increase in the proportion of customers who indicate that the final price paid was more than what they had initially expected.
- The study finds a close correlation between satisfaction with the new-vehicle purchase and delivery experience and customers' future loyalty and advocacy intentions toward their dealer and brand. Among highly satisfied customers (SSI scores of 944 or higher), 53 percent say they "definitely will" recommend their purchase dealer to friends and relatives. That percentage declines to 25 percent among highly dissatisfied customers (SSI scores of 833 or lower). A similar trend holds true for customer recommendation intentions for the vehicle brand they purchased.

"Word-of-mouth recommendations are the most commonly sought-after source of information, with 72 percent of Taiwanese customers referring to friends' and relatives' opinions in deciding which make and model to buy," said Nair. "Customers who are highly satisfied with their purchase experience can act as loyal advocates for both the dealer and the brand, and can contribute to increased customer traffic at dealerships."

About the Study

The 2014 Taiwan SSI Study is based on responses from 2,313 new-vehicle owners in the mass market segment who purchased their vehicle between July 2013 and February 2014. The study was fielded from January through April 2014 and measures new-vehicle owner satisfaction with the sales and delivery experience from authorized dealers in Taiwan.

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About J.D. Power Asia Pacific

J.D. Power Asia Pacific has offices in Tokyo, Singapore, Beijing, Shanghai and Bangkok that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in Australia, China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan, Thailand and Vietnam. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at japan.jdpower.com.

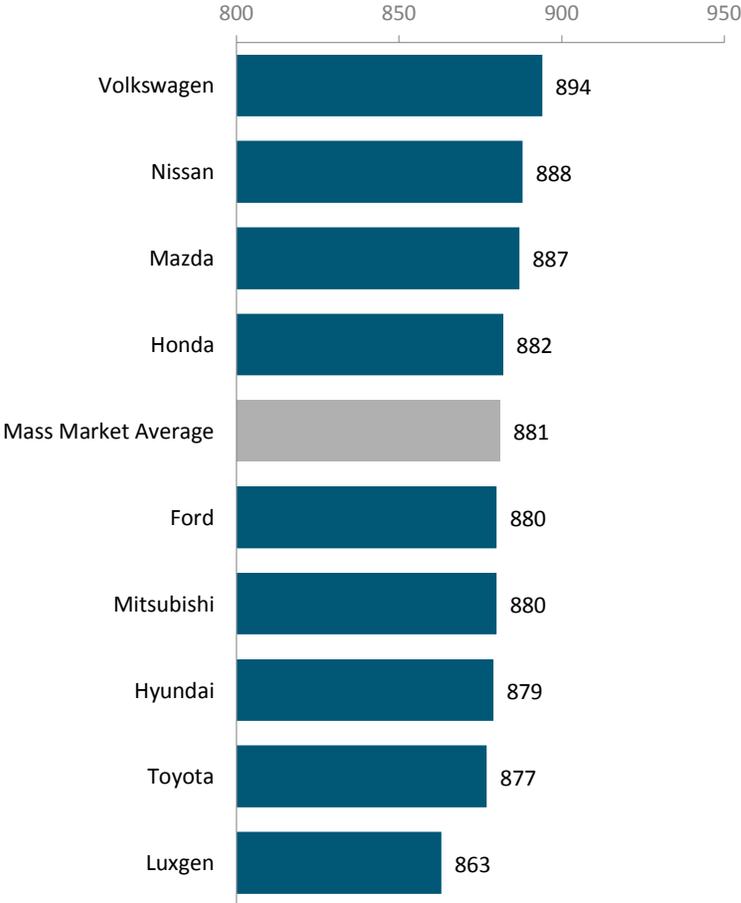
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NOTE: Two charts follow.

J.D. Power Asia Pacific 2014 Taiwan Sales Satisfaction Index (SSI) StudySM

Customer Satisfaction Index Ranking Mass Market Brands *(Based on a 1,000-point scale)*



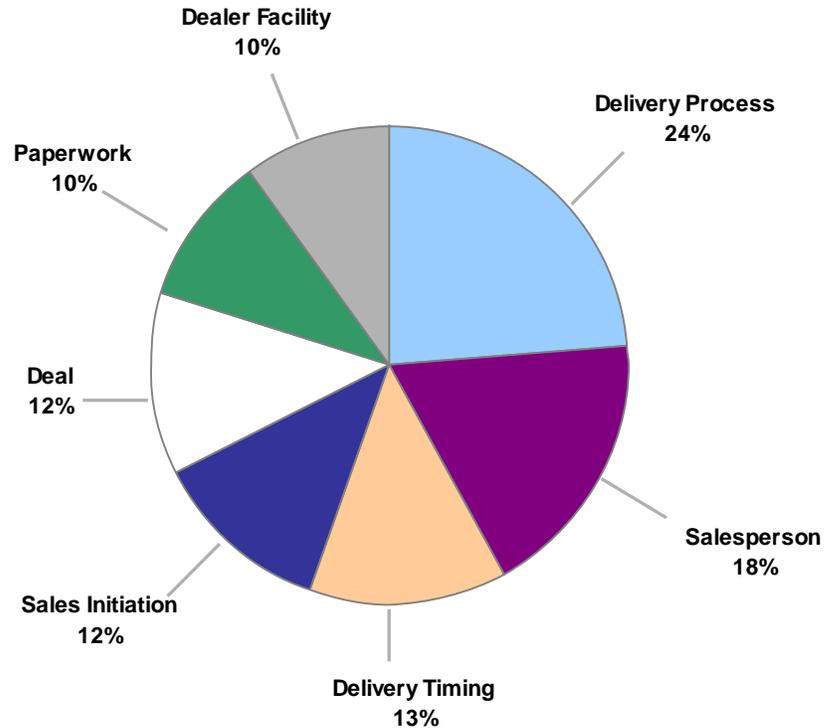
Note: Included in the study but not ranked due to small sample size are Subaru and Suzuki.

Source: J.D. Power Asia Pacific 2014 Taiwan Sales Satisfaction Index (SSI) StudySM

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Factors Comprising Overall Satisfaction



Note: Percentages may not total 100 due to rounding.

Source: J.D. Power Asia Pacific 2014 Taiwan Sales Satisfaction Index (SSI) StudySM

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