

J.D. Power Reports:

Product Specialist Role in Sales Process Grows as Vehicle Technology and Complexity Increase

Mercedes-Benz Ranks Highest among Luxury Brands;

MINI Ranks Highest among Mass Market Brands for a Fifth Consecutive Year

WESTLAKE VILLAGE, Calif.: 13 November 2014 — In today's marketplace, vehicles are more frequently equipped with advanced technology features which may be perceived by consumers as too complex to operate. To address that issue, dedicated product specialists are playing an increasingly larger role in the sales process at dealerships, according to the J.D. Power 2014 U.S. Sales Satisfaction Index (SSI) StudySM released today.

The study, now in its 28th year, measures satisfaction with the sales experience among new-vehicle buyers and rejecters—those who shop a dealership and purchase elsewhere. Buyer satisfaction is based on four factors (in order of importance): working out the deal (17%); salesperson (13%); delivery process (11%); and facility (10%). Rejecter satisfaction is based on five factors (in order of importance): salesperson (21%); fairness of price (8%); experience negotiating (8%); variety of inventory (7%); and facility (7%). Satisfaction is calculated on a 1,000-point scale. Overall sales satisfaction improves by 13 points year over year to 686 in 2014 from 673 in 2013.

Increasingly, dealers are employing product specialists to enhance the new-vehicle sales process by demonstrating vehicle features and technological innovations. They may also conduct second or follow-up sessions with buyers to reinforce feature understanding. Industry-wide, 15 percent of customers indicate they worked with both a salesperson and a separate product specialist when shopping for their vehicle. This percentage is slightly higher among buyers of premium vehicles (19%) than among those purchasing non-premium vehicles (15%). Regardless of segment, overall sales satisfaction is slightly higher among buyers who work with a product specialist than among those who work only with a salesperson (856 vs. 853, respectively, for premium; 809 vs. 806, respectively, for non-premium).

“With such tech-heavy vehicles today, introducing product specialists into the sales process helps improve the delivery process and customer understanding of how to operate key features,” said Chris Sutton, vice president of the automotive retail practice at J.D. Power. “Dealerships need to be mindful when dividing a customer's time between a salesperson, product specialist, and the finance and insurance representative. That's a lot of customer touch points. Adding more time to the sales process usually has a negative effect on sales satisfaction; thus, dealers need to ensure an integrated approach that respects a customer's time.”

KEY FINDINGS

- When a customer works with both a salesperson and a product specialist, satisfaction with thoroughness of feature explanation improves to 8.1 (on a 10-point scale) from 7.9.
- Working with both a salesperson and product specialist is becoming more commonplace among new-vehicle buyers. Additionally, when assisted by a salesperson and product specialist working together vs. only a salesperson, a higher percentage of customers indicate dealer staff connected their phone to Bluetooth (79% vs. 76%, respectively); explained how to operate the navigation system (84% vs. 82%, respectively); and explained the communications system (88% vs. 86%, respectively).

- The most important key performance indicator (KPI) in the sales process is the salesperson's ability to completely understand the customer's needs. This KPI is met 86 percent of the time and, when met, can positively impact overall satisfaction by up to 104 points.
- The use of a computer/tablet in communicating price/payment helps drive satisfaction for working out the deal (784 vs. 770 in 2013). Satisfaction among customers who are shown pricing/payment on a computer screen/tablet is higher (827) than among those who receive this information in printed form (805), by verbal quotes (774), or as handwritten figures (764).
- Computer/tablet use by dealer personnel while presenting price/payment options has increased to 22 percent from 18 percent in 2013.

Rankings

Mercedes-Benz ranks highest in sales satisfaction among luxury brands, with a score of 761, and also improves the most (+33 points) from 2013.

For a fifth consecutive year, MINI ranks highest among mass market brands, with a score of 727, a 9-point increase from 2013. Among mass market brands, Buick improves the most (+32 points) year over year and ranks ninth in 2014, moving up from 13th in 2013.

The 2014 U.S. Sales Satisfaction Index (SSI) Study is based on responses from 29,805 buyers who purchased or leased their new vehicle in April or May 2014. The study is a comprehensive analysis of the new-vehicle purchase experience and measures customer satisfaction with the selling dealer (satisfaction among buyers). The study also measures satisfaction with brands and dealerships that were shopped but ultimately rejected in favor of the selling brand and dealership (satisfaction among rejecters), and was fielded between July and September 2014.

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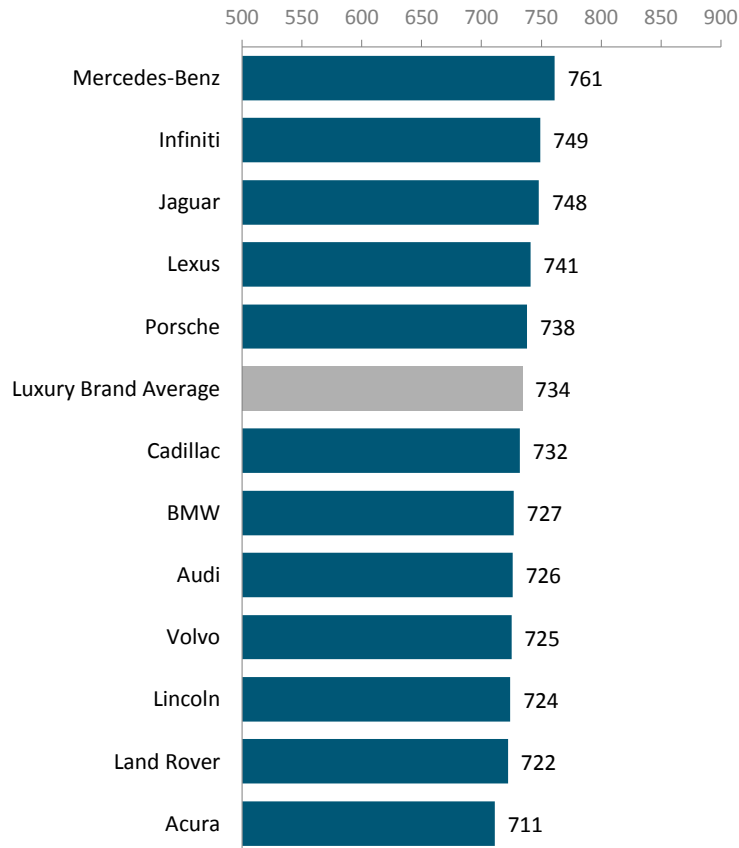
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NOTE: Two charts follow.

J.D. Power 2014 U.S. Sales Satisfaction Index (SSI) StudySM

Sales Satisfaction Index Ranking Luxury Brands

(Based on a 1,000-point scale)



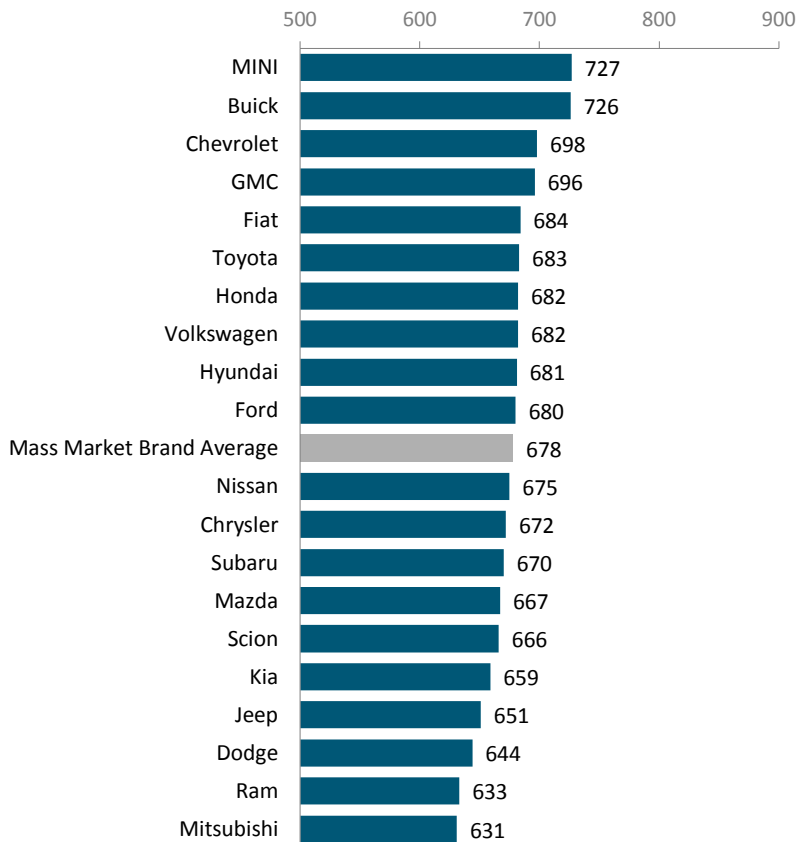
Source: J.D. Power 2014 U.S. Sales Satisfaction Index (SSI) StudySM

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J.D. Power 2014 U.S. Sales Satisfaction Index (SSI) StudySM

Sales Satisfaction Index Ranking Mass Market Brands

(Based on a 1,000-point scale)



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

Source: J.D. Power 2014 U.S. Sales Satisfaction Index (SSI) StudySM

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