

Luxury Automotive Service Satisfaction at Record High, J.D. Power FindsLexus Ranks Highest in Customer Satisfaction with After-Sales Service

MELBOURNE: 12 DEC. 2017— Australian luxury automotive service dealers continue to deliver a high level of customer service, with a considerable increase in satisfaction for the fourth consecutive year. For the first time since the study launch, all ranked luxury brands achieve a higher satisfaction score than mass market brands, according to the J.D. Power 2017 Australia Customer Service Index (Luxury) Study,SM released today.

Overall customer satisfaction—on a 1,000-point scale—increases in 2017 to 842, an 18-point improvement from last year. An increased effort by luxury brands is evident by the notable improvements in all five factors (listed in order of importance): service quality; vehicle pick-up; service advisor; service initiation; and service facility.

This year's study finds that although there is an increase in customers booking their vehicles for service via websites, overall satisfaction with this channel remains the lowest (825), compared with calling (844) and in-person (865).

"Quality service advisors are an enormous asset and are instrumental to the success of authorised service centres," said **Loi Truong, Senior Country Manager at J.D. Power**. "Advisors have one of the most demanding roles, and not all are equipped with the soft skills required to meet the high standards expected by luxury car owners. Smooth and hassle-free customer interaction has become even more important and has a demonstrable impact on customer satisfaction."

Moreover, satisfaction increases by 22 points above the luxury segment average when service advisors repeat requests to customers to ensure understanding. However, the incidence of customers indicating service advisors doing so has declined year over year (68% vs. 70%, respectively).

Following are additional findings of the study:

- **Servicing costs explanation is critical:** While service costs increase, the explanation and communication of costs are as important as ever. Overall satisfaction among customers who receive explanations from the service advisor and pay what they expect is higher than among those who receive no explanation while also paying as expected (866 vs. 793, respectively).
- **Offering alternative transport is appreciated:** Among customers who required transportation after dropping their vehicles off for service, overall satisfaction is highest among the 32% who were offered a free loan vehicle (855). Interestingly, satisfaction is the same among customers who were provided with a free ride and those who rented a vehicle at an additional charge (828). Overall satisfaction is 845 among the 47% of customers who did not require transportation from the dealership.
- **Fix it right the first time:** For the first time since 2014, the percentage of customers saying that work was done right first time has declined across the luxury segment (93.5% in 2017 vs. 95.0% in

2016). Among luxury customers whose work on the vehicle was done right the first time, overall satisfaction is 852, compared with 693 among those who do not say the same.

Study Rankings

Lexus ranks highest in satisfaction with after-sales service among owners of luxury brand vehicles, with a score of 869 points. Lexus performs particularly well in Service Advisor, Service Initiation and Vehicle Pickup. **Mercedes-Benz** (852) ranks second and **Audi** (840) third.

The 2017 Australia Customer Service Index (Luxury) Study measures overall satisfaction with the vehicle service experience at an authorised service centre by examining five factors.

Now in its fourth year, the study is based on responses from 547 luxury vehicle owners who purchased their new vehicle from August 2012 through September 2017 and took their vehicle for service to an authorised dealership service centre from August 2016 through September 2017. The study was fielded from August through September 2016.

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About J.D. Power in the Asia Pacific Region

J.D. Power has offices in Singapore, Bangkok, Beijing, Shanghai and Tokyo that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries in the Asia Pacific region. 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. J.D. Power is a portfolio company of XIO Group, a global alternative investments and private equity firm headquartered in London, and is led by its four founders: Athene Li, Joseph Pacini, Murphy Qiao and Carsten Geyer. Information regarding J.D. Power and its products can be accessed through the internet at asean-oceania.jdpower.com.

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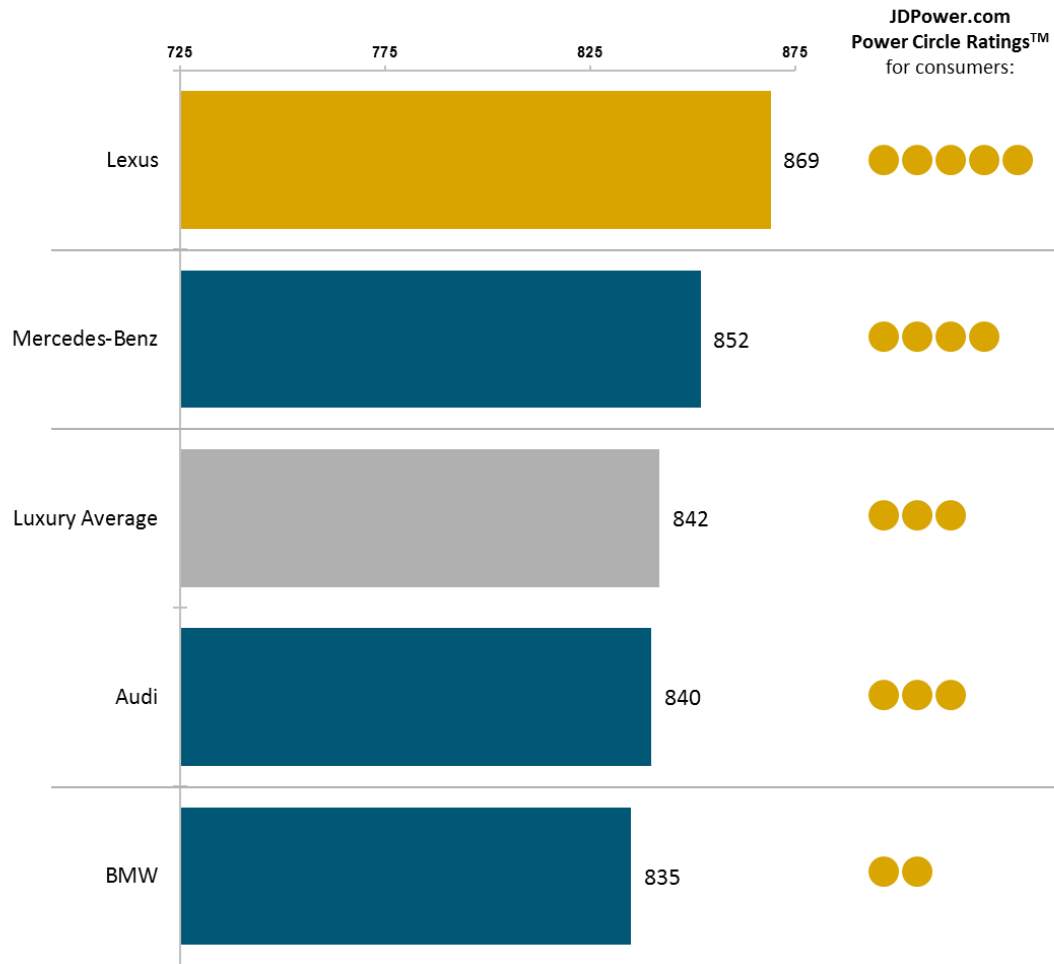
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Note: Two charts follow

J.D. Power 2017 Australia Customer Service Index (Luxury) StudySM

Customer Service Index Ranking – Luxury Brands

(Based on a 1,000-point scale)



Note: Included in the study but not ranked due to small or insufficient sample size are Land Rover and Volvo.

Source: J.D. Power 2017 Australia Customer Service Index (Luxury) StudySM

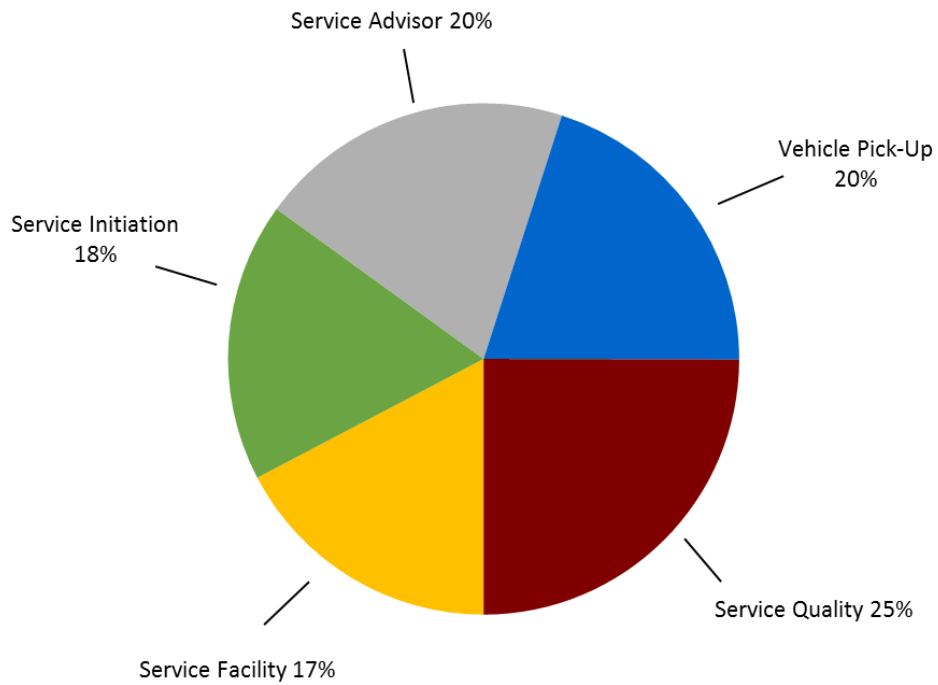
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Power Circle Ratings Legend

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

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Factors Comprising Overall Satisfaction



Source: J.D. Power 2017 Australia Customer Service Index (Luxury) StudySM

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