

Despite Drop in Overall Vehicle Problems, Owners Experience More Design-Related Issues, J.D. Power Finds

Toyota, Mazda, Honda, Mitsubishi, Chevrolet and Ford Receive Initial Quality Awards in Respective Segments

BANGKOK: 20 Dec. 2018 — While the overall number of problems per 100 vehicles has decreased across most of the key segments, new-vehicle owners in Thailand are increasingly facing design-related issues, such as audio, communication, entertainment and navigation (ACEN), according to the J.D. Power 2018 Thailand Initial Quality StudySM (IQS), released today.

The study finds that problems per 100 vehicles (PP100) has dropped to 70 PP100 this year from 83 PP100 in 2017, with the biggest improvement in the exterior and engine/ transmission categories. It is noteworthy that the proportion of manufacturing defects has decreased to 44% of all problems in 2018, compared with 61% last year. All problems are summarized as the number of problems per 100 vehicles (PP100), with lower PP100 scores indicating a lower incidence of problems and, therefore, higher initial quality.

The study also finds that 51% of all problems experienced by new-vehicle owners are design-related, compared with 18% in 2017, particularly in relation to difficulties with poor or no radio reception, cup holders that are difficult to use, air conditioning failing to reach or maintain the desired temperature and noisy brakes.

“As reflected by the narrowed defect problem gap across the industry, manufacturers have demonstrated their commitment to improving the build quality of their vehicles. Despite these improvements, there are still opportunities to focus on improving design quality, particularly with advanced control and display interface features, so that functions are easier to understand and operate,” said **Siros Satrabhaya, Regional Director, Automotive Practice at J.D. Power**. “Dealership staff play a critical role in bridging the knowledge divide by offering customers comprehensive explanations and demonstrations of more complex features during the delivery process.”

The following are additional key findings of the study:

- **Manufacturer-related problems still most reported:** Among the top five problems reported, three are manufacturer-related and two are design-related. The most often cited manufacturer-related problems are excessive wind noise from around the vehicle (5.8 PP100); unpleasant interior smell/ odor (3.2 PP100); and abnormal suspension noises (1.8 PP100). The most often cited design-related problems are radio with poor/ no reception (8.5 PP100); and cup holders being difficult to use (3.9 PP100).
- **First-time new-vehicle owners report fewer problems:** Buyers purchasing their first vehicle report fewer problems than repeat buyers (68 PP100 vs. 74 PP100, respectively).
- **Good product quality enhances likelihood to promote brand:** The Net Promoter Score^{®1} (NPS) measures customers’ likelihood to recommend both their vehicle make and model on a 0-10 scale. The NPS overall score in this year’s study is 52. Promoters (new-vehicle owners who provide a rating of 9-10 points on the likelihood that they will recommend the vehicle brand) reported 61 PP100, compared with 121 PP100 reported by detractors (those who provide a rating of 0-6 points on their likelihood to recommend the brand).

¹ Net Promoter,® Net Promoter System,® Net Promoter Score,® NPS,® and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

Study Rankings

- **Toyota Yaris Ativ** ranks highest in the compact segment with 62 PP100.
- **Mazda2** ranks highest in the entry midsize segment with 53 PP100.
- **Honda Civic** ranks highest in the midsize segment with 53 PP100.
- **Mitsubishi Pajero Sport** ranks highest in the large SUV segment with 63 PP100.
- **Chevrolet Colorado X-Cab** ranks highest in the pickup extended cab segment with 68 PP100.
- **Ford Ranger Hi-Rider D-Cab** and **Toyota Hilux Revo D-Cab** rank highest in the pickup double cab segment with 63 PP100.

The study measures problems experienced by new-vehicle owners during the first two to six months of ownership in two distinct categories: design-related problems and defects and malfunctions. The study includes specific diagnostic questions covering eight problem categories: exterior; driving experience; features/ controls/ displays; audio/ communication/ entertainment/ navigation; seats; heating/ ventilation/ air conditioning; interior; and engine/ transmission.

The 2018 Thailand Initial Quality Study (IQS) is based on responses from 5,106 new-vehicle owners who purchased their vehicle from September 2017 through September 2018. The study covers 13 different brands that include 74 passenger car, pickup truck and utility vehicle models. The study was fielded from March through November 2018.

About J.D. Power in the Asia Pacific Region

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. These capabilities enable J.D. Power to help its clients drive customer satisfaction, growth and profitability. Established in 1968, J.D. Power has offices serving North America, South America, Asia Pacific and Europe.

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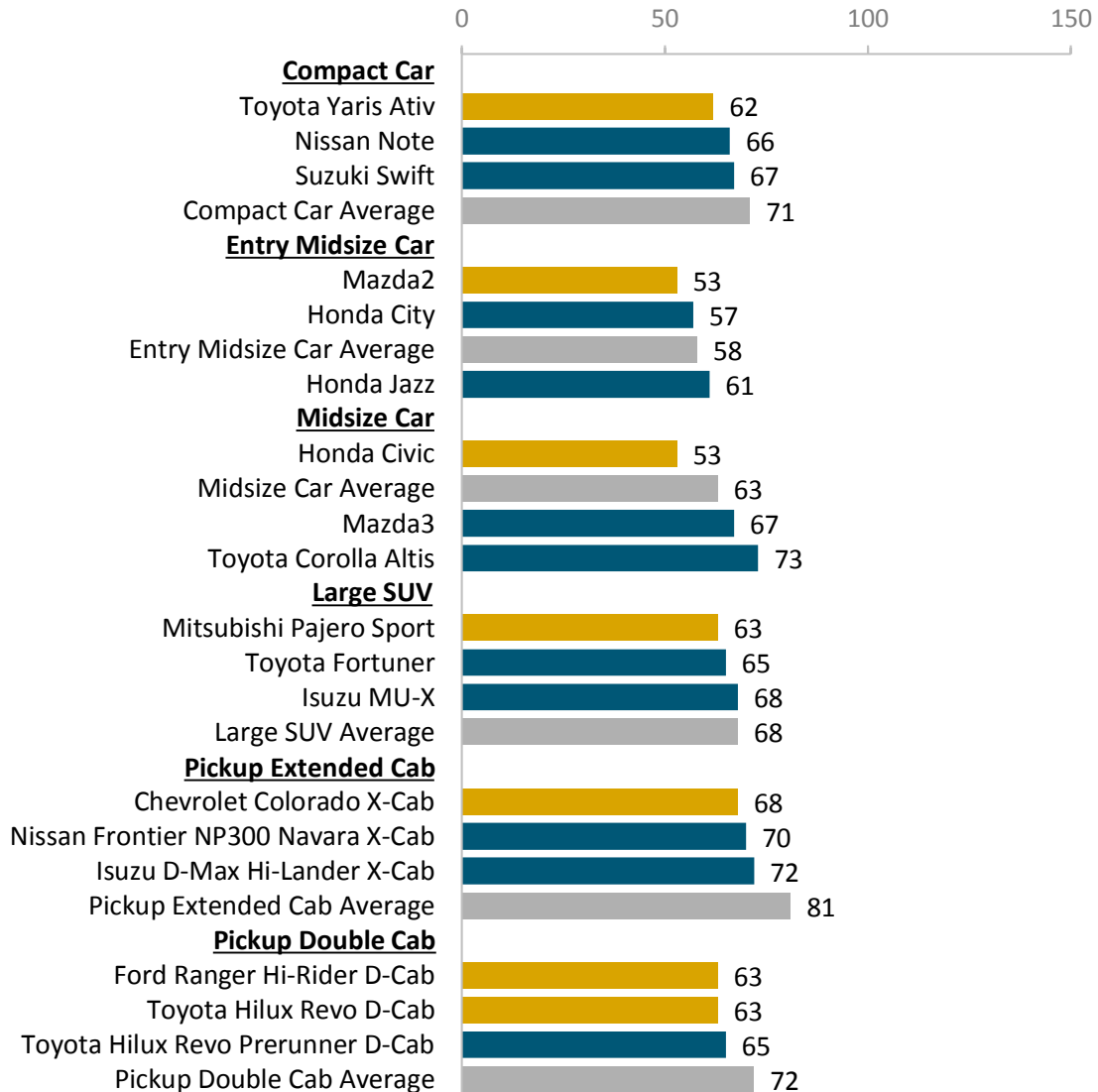
NOTE: One chart follows.

J.D. Power 2018 Thailand Initial Quality StudySM (IQS)

Top Three Vehicles per Segment in Initial Quality

Problems per 100 Vehicles (PP100)

Lower score reflects higher quality performance



Note: Only the top three vehicles per segment are shown above. Official rankings are published only for segments with at least three models with sufficient sample and at least one with an IQS score better than segment average. No official rankings are published for the premium midsize car, luxury car, compact SUV, midsize SUV, MPV, and pickup single cab segments.

Source: J.D. Power 2018 Thailand Initial Quality StudySM (IQS)

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