

Communication and Convenience Key to Enhancing Luxury Automotive After-Sales Satisfaction, J.D. Power Finds

Mercedes-Benz Ranks Highest in Customer Satisfaction with After-Sales Service

SYDNEY: 16 Oct. 2018 — Luxury automotive service dealers in Australia continue to deliver a high standard of customer service, with the overall average satisfaction score for luxury brands still higher than that for mass market brands, according to the J.D. Power 2018 Australia Customer Service Index (Luxury) Study,SM released today.

From this year, the importance weights of the five after-sales service factors used to measure overall service customer satisfaction have changed. Notably, the service initiation and service quality factors, which reflect communication and convenience, both show an increase in importance from last year (5% and 2%, respectively).

One of the drivers of increased customer satisfaction focuses on the communication from dealer personnel to the customer directly through phone calls during the service process. Although nearly 40% of customers received calls from dealer staff, 52% of customers indicate they would have liked to have been contacted via this communication method.

“Customers have confirmed that open and honest communication throughout the entire service process promotes a transparent relationship with their dealer,” said **Bruce Chellingworth, Director and Country Manager, Australia**. “This, in turn, leads to an enhanced customer experience and drives the promotion of the brand and dealership.”

In addition to better communication outreach from dealers, the convenience of servicing a vehicle also has an impact on customer satisfaction—for example, of the customers who were offered an “express service” of their vehicle (30%) from the dealer, 68% chose this service. Satisfaction among these customers is 30 points higher (on a 1,000-point scale) than among those who were not offered the same service (849 vs. 818, respectively).

Following are additional findings of the study:

- **Majority of customers find servicing costs reasonable:** While the servicing of a vehicle is a standard requirement to maintain a trouble-free driving experience, 76% of customers indicate the cost was reasonable and 71% say they were provided with a detailed estimate prior to work commencing on their vehicle.
- **High overall rating of quality of work performed on vehicle:** Only 3% of customers say they were disappointed with their service experience at the dealership. A clear majority (87%) of customers say they were pleased or delighted with the quality of the service performed during the last service.
- **Service advisor interaction crucial:** Overall satisfaction among customers who were greeted by their service advisor is 37 points higher than among those who were not (835 vs. 798, respectively), which clearly highlights the importance of this interaction for customers. Service advisor knowledge also plays a key role in supporting a customer’s expectations. Among customers who say their service advisor had a positive level of technical knowledge, satisfaction is nearly 100

points higher than among those who say their advisor's technical knowledge was lacking (831 vs. 741, respectively).

Study Rankings¹

Mercedes-Benz ranks highest among the luxury brands, with an overall score of 831. Mercedes-Benz performs well across four of the five factors; service advisor, service facility, service quality and vehicle pick-up. **Audi** ranks second with a score of 830, and **BMW** ranks third with a score of 806.

The 2018 Australia Customer Service Index (Luxury) Study measures overall customer satisfaction with their vehicle service experience at an authorised service centre by examining five factors; service quality; service initiation; vehicle pick-up; service advisor; and service facility.

Now in its fourth year, the study is based on responses from 511 luxury vehicle owners who purchased their new vehicle from March 2013 through August 2018 and took their vehicle for service to an authorised dealership service centre from March 2017 through August 2018. The study was fielded from March through August 2018.

The study now also includes the Net Promoter Score® (NPS),¹ which measures customers' likelihood to recommend their vehicle make on a 0-10 scale.

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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, Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, Singapore, Taiwan, Thailand, the U.A.E. 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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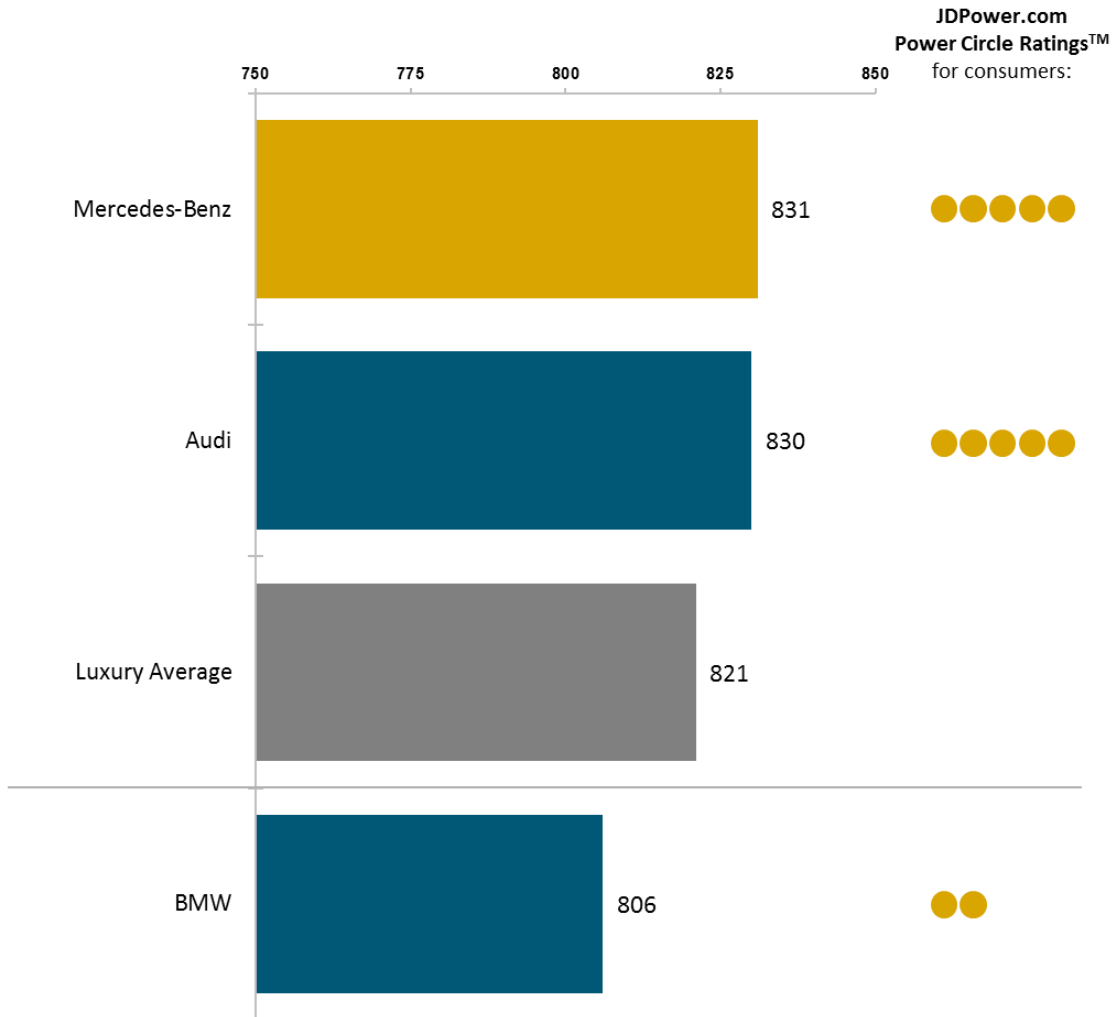
Note: One chart follows.

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.

J.D. Power 2018 Australia Customer Service Index (Luxury) StudySM

Customer Service Index Ranking – Luxury

(Based on a 1,000-point scale)



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

The study underwent a minor redesign in 2018 and due to a change in rating scale, index scores are not directly comparable with 2017.

Source: J.D. Power 2018 Australia Customer Service Index (Luxury) StudySM

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Power Circle Ratings Legend

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