J.D. POWER

Press Release

Unreliable Technology Leads to More Problems in Premium Vehicles Than Volume Vehicles, J.D. Power Finds

Hyundai Ranks Highest; Top 13 Brands for Vehicle Dependability in the UK Are Volume Brands

LONDON: 11 July 2018 — Emerging and new technologies in premium vehicles are resulting in more owner-reported problems than in volume brand vehicles, according to the J.D. Power 2018 UK Vehicle Dependability Study,SM released today.

Following are some key findings of the 2018 study:

- **In-vehicle technology slightly more problematic:** Technology problems continue to be common for owners after 1-3 years. Bluetooth phone/device frequent pairing/connectivity issues and voice recognition not recognizing commands are both among the six most common problems in the UK VDS.
- **Despite advancements in automotive technology, engine and transmission problems remain:** Although not common, owners still worry about engine and transmission problems, as they are the most dangerous or costly. Despite advances in technology, the most severe problem in the industry remains an engine failing to start.
- **Not all problem areas are created equal**: Experiencing any of the 10 most severe problems strongly affects the satisfaction of vehicle owners. The APEAL (Automotive Performance, Execution and Layout) Index drops well below the industry average of 767 (on a 1,000-point scale). The most severe problems result in a 5-13% drop in APEAL scores when they occur.

"Automotive systems are more complex than they've ever been and premium brands especially are incorporating autonomous driving building blocks—adaptive cruise control, lane keep assist, automatic braking—into their models," said **Josh Halliburton, Head of European Operations at J.D. Power**. "It's imperative for manufacturers to address this issue in order to improve the level of consumer trust in the technology."

Study Rankings

Overall dependability is determined by the number of problems experienced per 100 vehicles (PP100), with a lower score reflecting higher quality. The top 13 brands in the UK for vehicle dependability are volume brands. **Hyundai** ranks highest in overall vehicle dependability with a score of 78 PP100. **Suzuki** ranks second with 87 PP100, followed by **Kia** with 94 PP100. **Mercedes-Benz** (124 PP100) is the highest-ranking premium brand, and 14th overall.

Škoda has two models (**Octavia** and **Yeti**) that receive segment awards. **Hyundai i10**, **Volkswagen Tiguan**, **Mercedes-Benz E-Class** (the highest-ranking premium vehicle in the UK), **Vauxhall Insignia** and **Peugeot 208** also receive a segment award.

The study, now in its fourth year, measures problems experienced during the past 12 months by original owners of vehicles in the UK after 12-36 months of ownership. The study examines 177 problem symptoms across eight categories: vehicle exterior; driving experience; features/controls/displays (FCD); audio/communication/entertainment/navigation (ACEN); seats; heating, ventilation and air conditioning (HVAC); vehicle interior; and engine and transmission.

Among owners who experienced no problems with their vehicle, 54% say they "definitely will" purchase/lease the same brand again. Among those who experienced one of the top 10 highest-severity problems, only 37% say they "definitely will" purchase/lease the same brand again.

Another metric for dealers to consider is the Net Promoter Score® (NPS),¹ new to the 2018 UK VDS, which measures customers' likelihood to recommend both their vehicle make and model on a 0-10 scale. Customers are segmented into three groups: detractor (0-6), passive (7-8) or promoter (9-10). NPS is calculated by subtracting the percentage of detractors from the percentage of promoters. For example, the NPS make score for the volume segment in this year's study is 42 (52% promoters vs. 10% detractors).

The 2018 UK Vehicle Dependability Study is based on responses from 13,536 owners of new vehicles registered from February 2015 through February 2017. The study was fielded from February through April 2018.

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 is headquartered in Costa Mesa, Calif., and has offices serving North/South America, Asia Pacific and Europe. 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.

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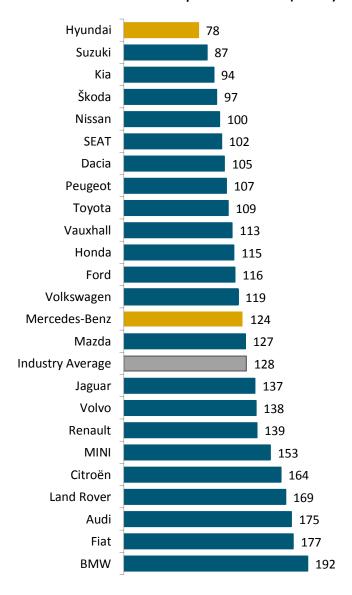
Note: Two charts follow.

¹ Net Promoter® and NPS® are registered trademarks and Net Promoter SystemSM and Net Promoter ScoreSM are trademarks of Bain & Company, Satmetrix Systems and Fred Reichheld.

J.D. Power 2018 UK Vehicle Dependability StudySM (VDS)

2018 Nameplate VDS Ranking

Problems per 100 Vehicles (PP100)



Note: Jeep and Mitsubishi are included in the study but are not ranked due to small sample size.

Source: J.D. Power 2018 UK Vehicle Dependability StudySM (VDS)

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J.D. Power 2018 UK Vehicle Dependability StudySM (VDS)

Top Three Models per Segment

City Car

Highest Ranked: Hyundai i10

Kia Picanto Vauxhall Viva

Compact Car

Highest Ranked: Škoda Octavia

Kia cee'd Hyundai i30

Compact SUV

Highest Ranked: Volkswagen Tiguan

Hyundai ix35/Tucson Nissan X-Trail

Large and Luxury Car

Highest Ranked: Mercedes-Benz E-Class
Jaguar XF

Midsize Car

Highest Ranked: Vauxhall Insignia

Jaguar XE Ford Mondeo

Small Car

Highest Ranked: Peugeot 208

Hyundai i20 Toyota Yaris

Small SUV

Highest Ranked: Škoda Yeti

Vauxhall Mokka/Mokka X Renault Captur

Top three models and award recipients include only those at or above respective segment averages.

Note: There must be at least four models with 67% of market sales in any given award segment for an award to be presented.

Large SUV, MPV and Small MPV segments did not meet criteria to be award eligible, thus no awards will be issued.

For more detailed findings on vehicle quality and dependability performance, visit www.jdpower.com/dependability

Source: J.D. Power 2018 UK Vehicle Dependability StudySM (VDS)

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