

### Car Dealers Must Improve Technology Choices to Attract Younger Customers, J.D. Power Finds

Land Rover Ranks Highest among Premium Brands; Mazda Ranks Highest among Volume Brands

**LONDON: 6 June 2017 (updated 28 July 2017)** — Car dealers who provide internet and text messaging options to customers for scheduling service appointments and getting service updates have higher customer satisfaction among younger customers, who prefer these methods of communication, according to the J.D. Power 2017 UK Customer Service Index (CSI) Study,<sup>SM</sup> released today.

“Car dealers who aren’t prioritizing technology options are missing out on an opportunity to connect with a younger generation of customers,” said **Mark Lendrich, head of research at J.D. Power Europe**. “As these consumers begin to account for a larger number of vehicle sales and service visits, it’s important for dealers to be able to cater to their needs to differentiate themselves from competitors and drive loyalty.”

Among highly satisfied customers (overall satisfaction scores of 900 and higher on a 1,000-point scale), 89% say they “definitely will” return to the same service facility for future warranty work (work they do not have to pay for), and 82% say they “definitely will” return for future paid service (work they do have to pay for). When satisfaction declines below 900 (between 700 and 899), intended loyalty slips to 66% for warranty service and 49% for paid service.

Following are some of the study’s key findings:

- **Technology key to satisfaction:** Just 15% of customers schedule service appointments via the internet/app and their service initiation score (how the service was booked) of 778 is slightly lower than the industry average (779). However, customers who schedule via text message or messaging app (3%) have the highest service initiation satisfaction (810), which presents a lucrative opportunity for dealers to attract younger customers. Additionally, offering digital amenities such as computers with internet access, Wi-Fi access, tablets, video games, and workspaces to plug in personal devices, tends to lead to higher service facility satisfaction compared with dealers who do not offer them.
- **Digital amenities help drive service facility satisfaction:** Offering Wi-Fi access significantly increases service facility satisfaction (+83 points), as does providing the use of computers with internet access (+82 points) and providing workspaces to plug in personal devices (+82 points).
- **Wireless internet can generate higher CSI:** Premium brands are more likely than volume brands to offer wireless internet (41% vs. 27%, respectively), but only 56% of all service customers say it is “very easy” to connect to their dealer’s network. Those who say it is “very easy” to connect to Wi-Fi express much higher satisfaction with their service facility (832) and their overall CSI is 848. To maximize the Wi-Fi offering, dealers need to make it easy to use by posting instructions and passwords in the waiting room, and making networks easily identifiable.
- **Phone calls aren’t obsolete:** While 24% of vehicle service customers prefer to schedule future visits via the internet, only 15% actually scheduled their most recent visit using the internet. Two-

thirds (66%) of customers still prefer to schedule an appointment over the phone. Service initiation satisfaction is much higher when dealers confirm appointments via phone (803) compared with email/text (746).

### **Satisfaction and Brand Rankings**

Overall customer satisfaction with dealer service averages 794 in the premium brand segment, up from 761 in 2016. In the volume brand segment, overall satisfaction is 765, up from 744 in 2016.

**Land Rover** ranks highest among premium brands, with a score of 808, a 35-point improvement from 2016 when it ranked second. Land Rover is followed by **BMW** (796) and **Volvo** (793).

**Mazda** ranks highest among volume brands, with a score of 800, an 83-point improvement from 2016 when it ranked lowest. **Toyota** ranks second (792), followed by **MINI** (785), **Hyundai** (783) and **Honda** (778).

The study, now in its third year, measures customer satisfaction with their service experience at a franchised dealer facility for maintenance and repair work. The study explores customer satisfaction with their service dealer by examining five measures (listed in order of importance): service quality (26%); service initiation (23%); service advisor (19%); vehicle pick-up (17%); and service facility (16%).

The 2017 UK Customer Service Index Study is based on surveys of 6,678 respondents who registered their new vehicle between February 2014 and April 2016. The study was fielded from February through April 2017.

See the online press release at <http://www.jdpower.com/pr-id/2017077>.

**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.

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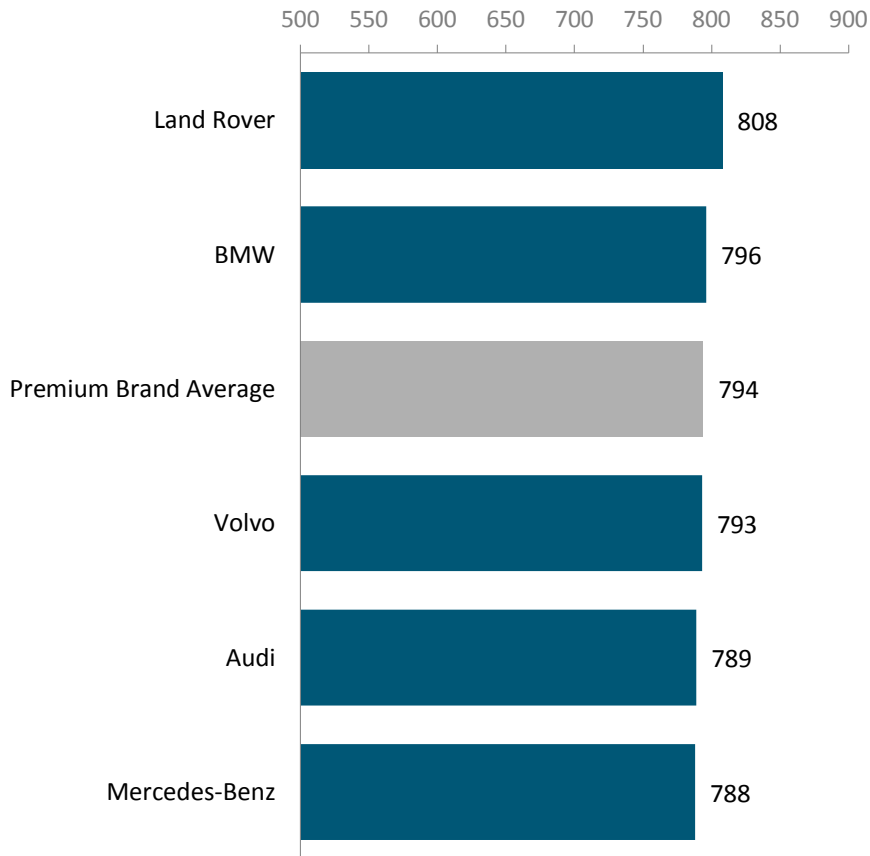
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Note: Two charts follow.

# J.D. Power 2017 UK Customer Service Index (CSI) Study<sup>SM</sup>

## Customer Service Index Ranking Premium Brands

(Based on a 1,000-point scale)



*Included in the study but not ranked due to small sample size is Jaguar.*

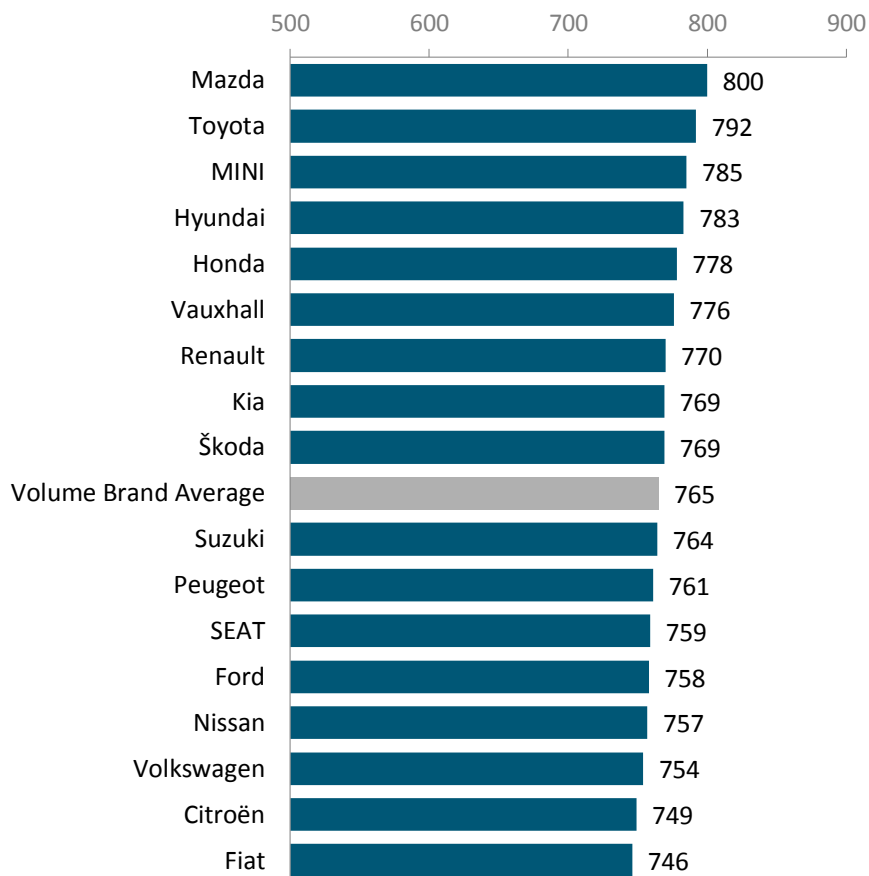
*Source: J.D. Power 2017 UK Customer Service Index (CSI) Study<sup>SM</sup>*

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# J.D. Power 2017 UK Customer Service Index (CSI) Study<sup>SM</sup>

## Customer Service Index Ranking Volume Brands

(Based on a 1,000-point scale)



*Included in the study but not ranked due to small sample size are Dacia and Mitsubishi.*

*Source: J.D. Power 2017 UK Customer Service Index (CSI) Study<sup>SM</sup>*

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