# J.D. POWER

## Press Release

#### Increase in Number of Problems in Premium Vehicles Doesn't Deter Buyers, J.D. Power Finds

Kia, Volvo Tie for Highest Ranking in Vehicle Dependability in United Kingdom

**LONDON: 16 Aug. 2017** — Premium vehicle owners generally have higher intended loyalty than volume owners, but they also put a higher importance on a problem-free ownership experience, according to the J.D. Power 2017 UK Vehicle Dependability Study, SM released today.

The study, now in its third 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. Overall dependability is determined by the number of problems experienced per 100 vehicles (PP100), with a lower score reflecting higher quality.

Among premium owners who experience no problems with their vehicle, 58% say they "definitely will" purchase/lease the same brand again. That number declines to 48% among premium owners experiencing one or more problems.

Volume owners experience a steep decline in intended loyalty upon experiencing the first problem (to 40% from 49%), and loyalty steadily declines from there as the number of problems experienced increases.

"Minor issues like foggy windows, noisy brakes or navigation systems that are difficult to use can be very frustrating for owners and can negatively affect brand loyalty," said **Mark Lendrich, head of research at J.D. Power Europe**. "These design problems aren't easy to fix at a service appointment and, if the owner has to live with these problems for the duration of time they have the vehicle, they're less likely to purchase the same brand in the future."

Following are some of the study's key findings:

- Owners most satisfied with vehicle exterior: While the most frequently reported problems are in the exterior category (20.6 PP100), premium and volume owners show high satisfaction with their vehicle's exterior. Nearly one-third (31%) of owners indicate that exterior styling was a key reason for the purchase of their vehicle. Satisfaction with exterior among premium owners is 805 points on a 1,000-point scale, compared with 759 among volume owners.
- **Fuel economy key factor in purchase decision:** Among the reasons for purchasing, more owners cite fuel efficiency (50%) than any other reason, making this an important area for automakers to fulfill. Satisfaction with fuel economy is relatively low among owners of premium and volume vehicles alike. Further, it is the category of lowest satisfaction among premium customers (742).
- **Technology shows room for improvement:** Technology problems continue to be common for owners after three years. Bluetooth phone/device frequent pairing/connectivity issues (3.0 PP100)

and voice recognition not recognizing commands (2.2 PP100) are both among the six most common problems in the UK.

#### **Study Rankings**

**Kia** and **Volvo** rank highest in a tie in vehicle dependability among all brands, with a score of 83 PP100. **Škoda** ranks third with 89 PP100, followed by **Suzuki** with 92 PP100.

Vauxhall has two models (Insignia and Meriva) that receive segment awards. Škoda Fabia, Peugeot 108, Volvo V40 and Jaguar XF also receive a segment award.

The 2017 UK Vehicle Dependability Study is based on responses from more than 12,000 owners of new vehicles registered from February 2014 through April 2016. The study was fielded from February through April 2017.

See the online press release at <a href="http://www.jdpower.com/pr-id/2017103">http://www.jdpower.com/pr-id/2017103</a>.

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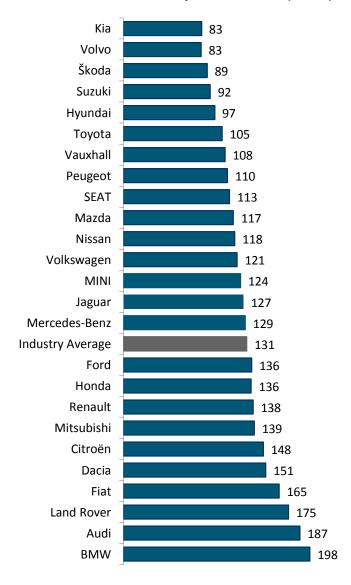
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### Note: Two charts follow.

### J.D. Power 2017 UK Vehicle Dependability Study<sup>SM</sup> (VDS)

### 2017 Nameplate VDS Ranking

Problems per 100 Vehicles (PP100)



 $\textit{Source: J.D. Power 2017 UK Vehicle Dependability Study}^{\text{SM}} \textit{(VDS)}$ 

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## J.D. Power 2017 UK Vehicle Dependability Study<sup>SM</sup> (VDS)

### **Top Three Models per Segment**

City Car

**Highest Ranked: Peugeot 108** 

Hyundai i10 Kia Picanto\* Volkswagen Up!\*

**Compact Car** 

**Highest Ranked: Volvo V40** 

Mazda Mazda3 Toyota Auris

**Large and Luxury Car** 

**Highest Ranked: Jaguar XF** 

Mercedes-Benz E-Class BMW 5 Series Midsize Car

**Highest Ranked: Vauxhall Insignia** 

Volkswagen Passat Mercedes-Benz C-Class

**Small Car** 

Highest Ranked: Škoda Fabia

Suzuki Swift Hyundai i20

**Small MPV** 

**Highest Ranked: Vauxhall Meriva** 

Ford B-MAX Honda Jazz

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

Note: There must be at least four models with 67% of market sales in any given award segment for an award to be presented. Compact SUV, Large SUV, MPV and Sporty 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 2017 UK Vehicle Dependability Study™ (VDS)

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<sup>\*</sup> Models tied for third place.