# J.D. POWER

# Press Release

Volume Auto Brands Outperform Tech-Heavy Premium Brands In Overall Dependability Among UK Buyers, J.D. Power Study Finds

Škoda Ranks Highest in Vehicle Dependability in the UK for a Second Consecutive Year

**LONDON: 13 July 2016** — Volume automotive brands in the United Kingdom collectively have fewer problems than premium brands, according to the J.D. Power 2016 UK Vehicle Dependability Study<sup>SM</sup> (VDS), released today.

The study, now in its second year, measures problems experienced during the past 12 months by original owners of vehicles in the UK after 12-36 months of ownership. J.D. Power examined 177 problem symptoms across eight categories: engine and transmission; vehicle exterior; driving experience; features/controls/displays (FCD); audio/communication/entertainment/navigation (ACEN); seats; heating, ventilation and cooling (HVAC); and vehicle interior. Overall dependability is determined by the number of problems experienced per 100 vehicles (PP100), with a lower score reflecting higher quality.

Volume brands average 99 PP100, compared with the premium brand average of 161 PP100—a difference of 62 PP100. Volume brands also outpaced premiums in 2015, but by a smaller margin (52 PP100). However, premium brands also have more tech features—one of the largest sources of quality issues. Five of the top 10 problems in the industry are related to technology in the ACEN category. The most often reported ACEN problem is built-in Bluetooth mobile phone/device frequent pairing/connectivity issues. Premium brands have a huge opportunity to improve the ownership experience by providing needed customer support and training for technology features like ACEN.

Commenting on the survey, **Dr. Axel Sprenger, senior director of European automotive operations at J.D. Power**, said, "Customers in the UK expect their vehicle to be problem-free, not only in the first 90 days, but also during the first three years of ownership. When owners experience even a single problem with their vehicle, this can be the initiation of losing confidence in the vehicle and the brand."

**Dependability Strongly Linked to High Loyalty:** J.D. Power studies find that expected reliability is one of the most important considerations when purchasing a new vehicle. When the vehicle meets those expectations, customer loyalty and advocacy is quite high. The VDS measures both defect and design problems. Defect problems are things that break or do not work as expected, while design problems are those that work as engineered but do not meet the owner's expectations. Both have a similar effect on owner loyalty and advocacy.

Among owners who experience no defect problems with their vehicle, 46% say they "definitely will" purchase/lease the same make again and 66% say they "definitely will" recommend the make/model to others. In contrast, among owners who experience one or more defect problems with their vehicle, 38% say they "definitely will" purchase/lease the same make again and 55% "definitely will" recommend the make/model to others.

Similarly, among owners who experience no design problems with their vehicle, 45% say they "definitely will" purchase/lease the same make again and 64% "definitely will" recommend the make/model to others.

Intended loyalty and advocacy drop to 38% and 53%, respectively, among owners who experience one or more design-related problems with their vehicle.

"There is a direct correlation between the number of problems customers experience with their vehicle and the decisions they make when the time comes to purchase or lease their next car," said Sprenger. "While a small drop in actual loyalty may not sound like much, with the average price of a new vehicle in the UK at approximately £22,000, a percentage point drop in share can mean millions of pounds in lost revenue to an automaker."

### **Fewer Exterior and Engine Problems**

Owners are reporting fewer problems in the exterior category, which remains the most problematic category (17.9 PP100), and the engine/transmission category (12.8 PP100). Owners consider engine-related problems among the most severe because they tend to affect the drivability of the vehicle more than other problems.

#### **Rankings**

**Škoda** ranks highest in vehicle dependability among all nameplates for a second consecutive year, with a score of 66 PP100. **Suzuki** ranks second with 79 PP100, followed by **Kia** with 80 PP100; **Vauxhall** with 90 PP100; and **Peugeot** and **Volkswagen** in a tie with 92 PP100 each. The overall industry average is 113 PP100, a slight improvement from 114 PP100 in 2015.

Škoda has two models (**Fabia** and **Yeti**) that receive segment awards. **Ford B-MAX**, **Kia Picanto**, **Mercedes-Benz E-Class**, **Toyota Auris** and **Vauxhall Insignia** also receive a segment award.

The 2016 UK Vehicle Dependability Study is based on responses from more than 13,000 owners of 2013-2015 model-year vehicles. The study was fielded from February through April 2016.

See the online press release at http://www.jdpower.com/pr-id/2016120.

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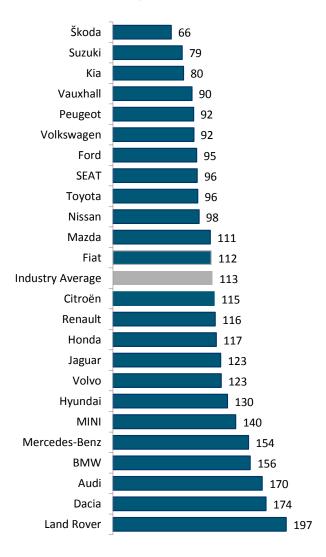
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(Page 2 of 2)
NOTE: Two charts follow.

## J.D. Power 2016 UK Vehicle Dependability Study<sup>SM</sup> (VDS)

## 2016 Nameplate VDS Ranking

Problems per 100 Vehicles (PP100)



Note: Included in the study, but not ranked due to small sample size is Mitsubishi.

 $Source: \textit{J.D. Power 2016 UK Vehicle Dependability Study} {}^{SM}(\textit{VDS})$ 

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# J.D. Power 2016 UK Vehicle Dependability Study<sup>SM</sup> (VDS)

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

City Car

**Highest Ranked: Kia Picanto** 

Suzuki Alto Volkswagen Up!

**Compact Car** 

**Highest Ranked: Toyota Auris** 

Škoda Octavia Hyundai i30

**Compact SUV** 

Highest Ranked: Škoda Yeti

Volkswagen Tiguan Vauxhall Mokka

**Large and Luxury** 

**Highest Ranked: Mercedes-Benz E-Class** 

Jaguar XF BMW 5 Series Midsize Car

**Highest Ranked: Vauxhall Insignia** 

Mercedes-Benz C-Class Ford Mondeo

**Small Car** 

Highest Ranked: Škoda Fabia

Volkswagen Polo Nissan Juke\* Peugeot 208\* Vauxhall Corsa\*

**Small MPV** 

**Highest Ranked: Ford B-MAX** 

Nissan Note Honda Jazz

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 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 2016 UK Vehicle Dependability Study<sup>SM</sup> (VDS)

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