

Manufacturers of Not So “Smart” Vehicles Struggle to Master Technology, J.D. Power Finds

Peugeot Ranks Highest Overall in UK Vehicle Dependability; Only One Premium Brand among Top 10

LONDON: 9 May 2019 – The race by manufacturers to cram new vehicles with the latest technologies is turning into a headache for owners, with audio/communication/entertainment/navigation (ACEN) systems comprising half of the 10 most problematic issues that owners cite in their new vehicle, according to the J.D. Power 2019 UK Vehicle Dependability Study,SM released today.

The study, now in its fifth year, measures the number of problems experienced per 100 vehicles (PP100), with a lower score indicating better performance. The study measures 177 problem symptoms in 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.

The ACEN category averages 16.6 PP100 overall, a slight improvement from 2018, but issues with built-in Bluetooth, built-in voice recognition, navigation systems and poor radio reception mean ACEN remains one of the most problematic categories.

Following are some key findings of the 2019 study:

- **Problems decreasing:** All problem categories, except seats, improve in PP100 compared with 2018. Even though ACEN problems have decreased from 2018, this category is still mostly driven by issues with navigation systems. Owners of premium vehicles cite more problems than owners of volume vehicles, mostly because a higher percentage of premium vehicles have built-in navigation systems than volume vehicles.
- **Engine failure:** Engine problems have the greatest negative effect on quality and reliability scores across the industry, as well as among premium brands. In particular, owners of premium vehicles are 12 percentage points less likely to repurchase the same brand when an engine problem occurs.
- **Owners loyal to green vehicles:** Problems with electric and hybrid vehicles are higher in total—and in the areas of ACEN, seats and engine—than with vehicles with internal combustion engines. However, electric and hybrid owners are more likely to repurchase or lease the same brand in the future.
- **Design issues affect APEAL:** Of the 10 problems that most influence the APEAL (Automotive Performance, Execution and Layout) Index, eight of them relate to design, including excessive road noise; excessive wind noise; and materials scuff/soil easily.

As technology becomes more sophisticated—and is considered a point of brand selection differentiation—brands are creating more potential problem areas. For instance, the average score for newer safety technology features (e.g., blind spot monitoring, collision avoidance and lane departure warning systems) is 2.4 PP100 (1.8 PP100 for volume brands and 4.0 PP100 for premium brands), which is notably higher than 1.5 PP100 for other optional FCD systems (e.g. alarm system, keyless entry, cruise control).

“When we look at the PP100 scores of relatively new safety technologies, it’s clear that manufacturers still have work to do to perfect those systems—particularly premium brands that use them as a major selling point,” said **Josh Halliburton, Head of European Operations at J.D. Power**. “It’s also going to be vital for vehicle makers to win customer trust in this technology if they are to convince potential buyers that fully automated vehicles in the future will be reliable. For example, such buyers are quite likely to question the safety of self-driving cars if brands still struggle with the accuracy of their navigation systems.”

The study also shows that repurchase intention has increased, as 49% of respondents this year say they “definitely will” repurchase the same brand, compared with 43% in 2015. Repurchase intent in 2019 is 54% among owners who did not experience problems, the same percentage as last year.

However, costly repairs significantly affect repurchase intent. Among all owners who rate the cost of ownership as very unsatisfactory due to costly repairs (5 or below on a 10-point scale), just 16% say they “definitely will” repurchase the same brand.

Brand Rankings

Peugeot ranks highest overall among all brands with a score of 77 PP100. Among the top 10 brands, nine brands are volume brands. **Skoda** (88 PP100) ranks second and **Hyundai** (90 PP100) ranks third.

Among premium brands, **Volvo** ranks highest with 106 PP100 and **Mercedes-Benz** (136 PP100) ranks second.

Vauxhall and Volkswagen each receive two segment awards. Vauxhall earns awards for the Insignia (midsize car) and Mokka/Mokka X (small SUV), and Volkswagen earns awards for the Up! (city car) and Tiguan (compact SUV).

Another metric for dealers to consider is the Net Promoter Score® (NPS),¹ introduced in the study last year, which measures customers’ likelihood to recommend their vehicle 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. The NPS® score for the volume segment in this year’s study is 46 (56% promoters vs. 10% detractors), and the score for the premium segment is 48 (58% promoters vs. 9% detractors).

The 2019 UK Vehicle Dependability Study is based on responses from 11,530 owners of new vehicles registered from November 2015 through January 2018. The study, which measures problems experienced during the past 12 months by original owners of vehicles in the UK after 12-36 months of ownership, was fielded from November 2018 through January 2019.

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 has offices serving North America, South America, Asia Pacific and Europe.

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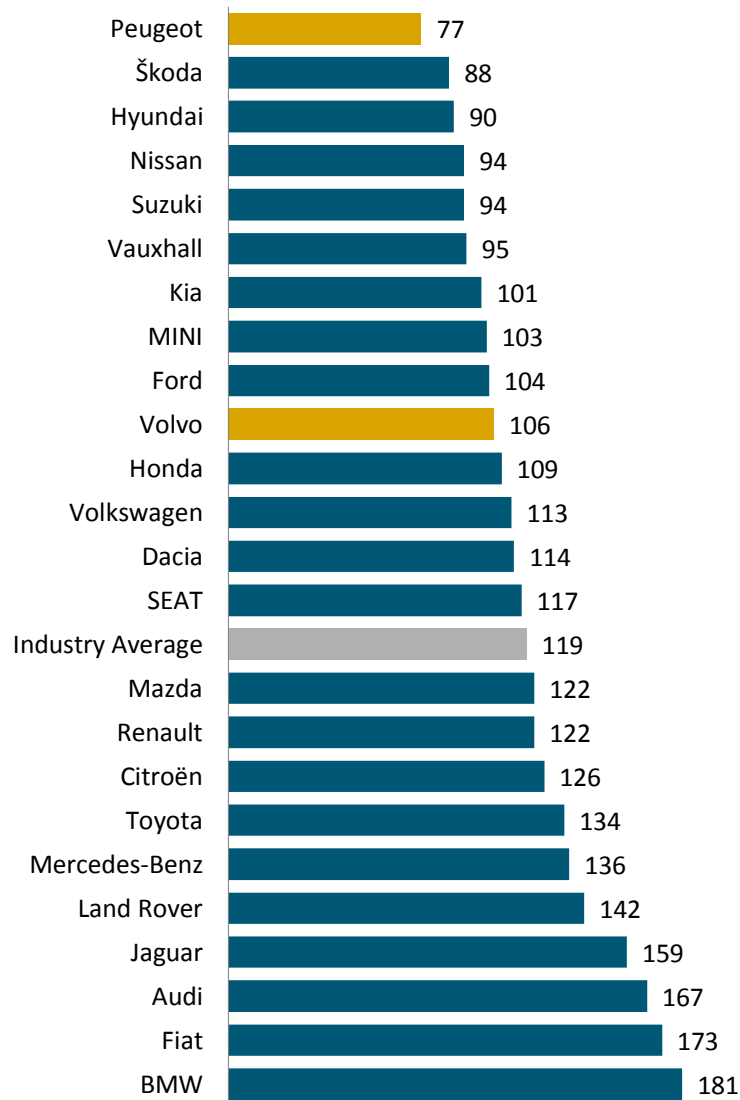
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NOTE: Two charts follow.

J.D. Power 2019 UK Vehicle Dependability StudySM (VDS)

2019 Nameplate VDS Ranking - Industry

Problems per 100 Vehicles (PP100)



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

Source: J.D. Power 2019 UK Vehicle Dependability StudySM (VDS)

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J.D. Power 2019 UK Vehicle Dependability StudySM (VDS)

Top Three Models per Segment

City Car Highest Ranked: Volkswagen Up! Hyundai i10 Peugeot 108	Midsize Car Highest Ranked: Vauxhall Insignia Mercedes-Benz C-Class Volkswagen Passat
Compact Car Highest Ranked: Škoda Octavia SEAT Leon Ford Focus	MPV Highest Ranked: Ford C-MAX/Grand C-MAX Vauxhall Zafira Citroën C4 Picasso/Grand C4 Picasso
Compact SUV Highest Ranked: Volkswagen Tiguan Peugeot 3008 Honda CR-V	Small Car Highest Ranked: Peugeot 208 Hyundai i20 Ford Fiesta
Large and Luxury Car Highest Ranked: Mercedes-Benz E-Class	Small SUV Highest Ranked: Vauxhall Mokka/Mokka X Peugeot 2008 Nissan Juke

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 segment did not meet criteria to be award eligible, thus no award will be issued.

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

Source: J.D. Power 2019 UK Vehicle Dependability StudySM (VDS)

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