

Digital Communication Leads to Higher Satisfaction with Vehicle Sales Process, J.D. Power Finds

Porsche Ranks Highest among Luxury Brands; MINI Ranks Highest among Mass Market Brands

COSTA MESA, Calif.: 14 Nov. 2018 — Analyzing J.D. Power studies across multiple industries, a common finding is that customers prefer to be contacted via digital communications such as text message, but it happens less often than desired. That trend is evident in the J.D. Power 2018 U.S. Sales Satisfaction Index (SSI) Study,SM released today, in which overall satisfaction is 823 (on a 1,000-point scale).

“These aren’t apples to apples comparisons by any means, but the scores are clear indicators of where shoppers and buyers are going, especially as the consumer base gains a larger mix of younger customers,” said **Chris Sutton, Vice President of the Automotive Retail Practice at J.D. Power**. “Automotive dealerships are slowly moving toward more frequent digital communication, but as customers come to expect this opportunity for engagement, dealers need to pick up the pace for incorporating texting and emailing into the day-to-day sales process. For younger customers, this is how they engage.”

Overall satisfaction in several studies is generally higher among customers who communicate via text message. In the 2018 U.S. SSI Study, overall buyer satisfaction is 19 points higher among customers who texted with their selling dealer (839) than among those who did not (820). Other J.D. Power studies show increases in satisfaction when customers communicate via digital channels/text message vs. traditional phone calls, such as the J.D. Power 2018 U.S. Customer Service Index (CSI) StudySM (+29 points) and the J.D. Power 2018 U.S. Electric Utility Residential Customer Satisfaction StudySM (+26).

Following are some of the key findings of the 2018 study:

- **Implementation of cross-channel communication is beneficial:** Face-to-face communication is still the most common method for customers to connect with their selling dealer: 89% of the time in the luxury segment and 90% of the time in the mass market segment. However, satisfaction is higher when buyers email, call or text with their dealer personnel, indicating that using additional communication channels helps to increase customer satisfaction and improve understanding and engagement. Among additional channels, text messaging is used least often (21% by luxury dealers and 15% by mass market dealers), but satisfaction is highest among buyers who text with the dealer.
- **When dealers text, customer satisfaction increases:** Dealers using text messages are getting ahead of most of their competitors and are creating more satisfied customers. Luxury dealers use email and text messaging more frequently than mass market dealers (25% and 21% of the time vs. 17% and 15% of the time, respectively), so mass market dealers have an opportunity to increase engagement through these channels.
- **Use pre-visit communication effectively:** A significant number of buyers make first contact with their dealership through a variety of channels before visiting the dealership in person. These early interactions can have a noticeable effect on the buying experience. Overall, only 8% of buyers

communicate with their dealer via text message before visiting the dealership. Gen Y¹ and Gen X buyers (11% and 10%, respectively) are more likely to text before visiting than Boomers and Pre-Boomers (6% and 3%, respectively). Overall buyer satisfaction is higher among buyers who text before visiting (850) than industry average (823), further stressing the importance of text messaging communication. Among buyers who communicate with a dealer before visiting, it is critical that pre-visit information be used effectively during the in-dealer experience. Overall satisfaction among buyers who say their dealer is “very effective” in using the information provided pre-visit is 875, compared with just 715 among those who say their dealer is only “somewhat effective.”

- **Proactive follow-up after vehicle delivery improves satisfaction:** Key Performance Indicators are dealership processes that have the greatest effect on the sales experience and overall satisfaction scores. An area in which dealers can improve is after the delivery process is completed. The study finds dealerships only contact customers post-sale 79% of the time to ensure that everything with the sales process was satisfactory with this important, large-ticket purchase. When contact is made, satisfaction improves by 38 points.

Brand Sales Satisfaction Ratings

Porsche ranks highest in sales satisfaction among luxury brands, achieving a score of 828. **Infiniti** ranks second with a score of 824, and **Lexus** ranks third with 823.

MINI ranks highest in sales satisfaction among mass market brands, achieving a score of 798. **GMC** ranks second with a score of 797, while **Buick** and **Chevrolet** rank third in a tie with a score of 792.

The U.S. Sales Satisfaction Index (SSI) Study—redesigned in 2017 and now in its 32nd year—measures satisfaction with the sales experience among new-vehicle buyers and rejecters, who are those who shop a dealership and purchase elsewhere. Buyer satisfaction is based on six measures: dealer personnel (28%); delivery process (21%); working out the deal (18%); paperwork completion (16%); dealership facility (13%); and dealership website (4%). Rejecter satisfaction is based on five measures: salesperson (40%); fairness of price (15%); experience negotiating (15%); variety of inventory (15%); and dealership facility (14%).

The study is based on responses from 25,748 buyers who purchased or leased their new vehicle in April or May 2018. The study is a comprehensive analysis of the new-vehicle purchase experience and measures customer satisfaction with the selling dealer (satisfaction among buyers). The study also measures satisfaction with brands and dealerships that were shopped but ultimately rejected in favor of the selling brand and dealership (satisfaction among rejecters). The study was fielded from July through September 2018.

To learn more about the U.S. Sales Satisfaction Index (SSI) Study, visit <http://www.jdpower.com/resource/us-sales-satisfaction-index-ssi-study>.

See the online press release at <http://www.jdpower.com/pr-id/2018214>.

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.

¹ J.D. Power defines generational groups as Pre-Boomers (born before 1946); Boomers (1946-1964); Gen X (1965-1976); Gen Y (1977-1994); and Gen Z (1995-2004).

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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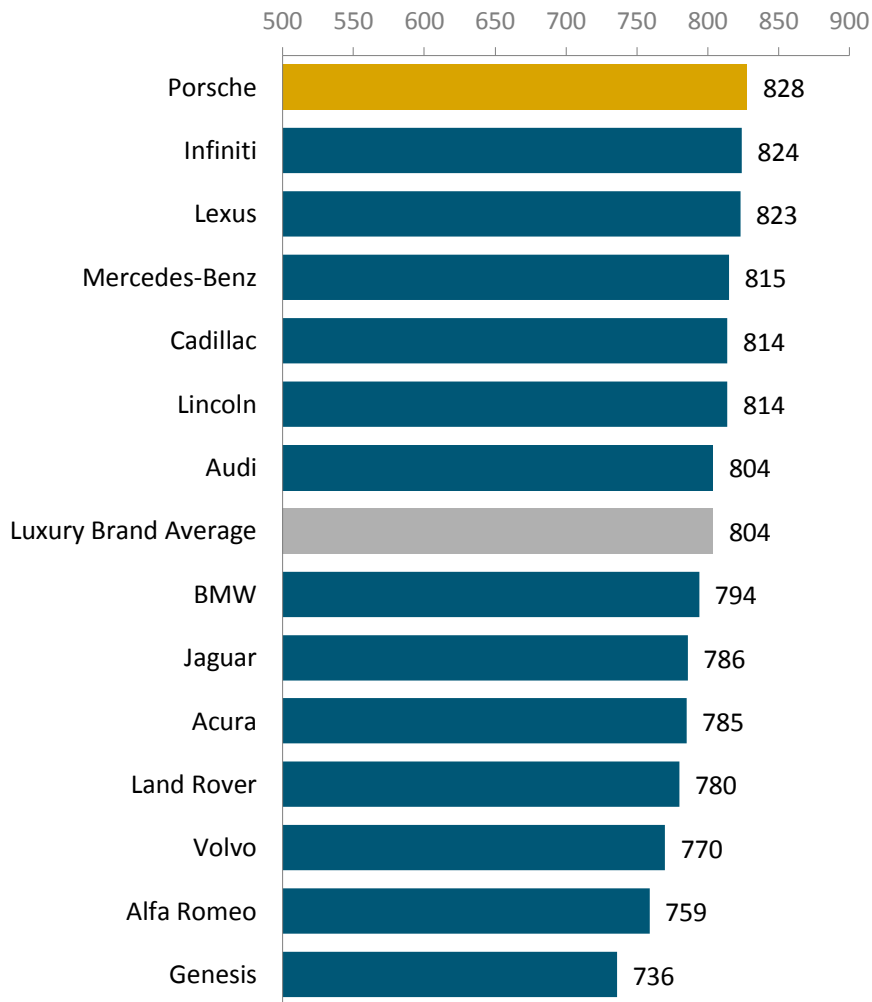
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NOTE: Two charts follow.

J.D. Power 2018 U.S. Sales Satisfaction Index (SSI) StudySM

Sales Satisfaction Index Ranking Luxury Brands

(Based on a 1,000-point scale)



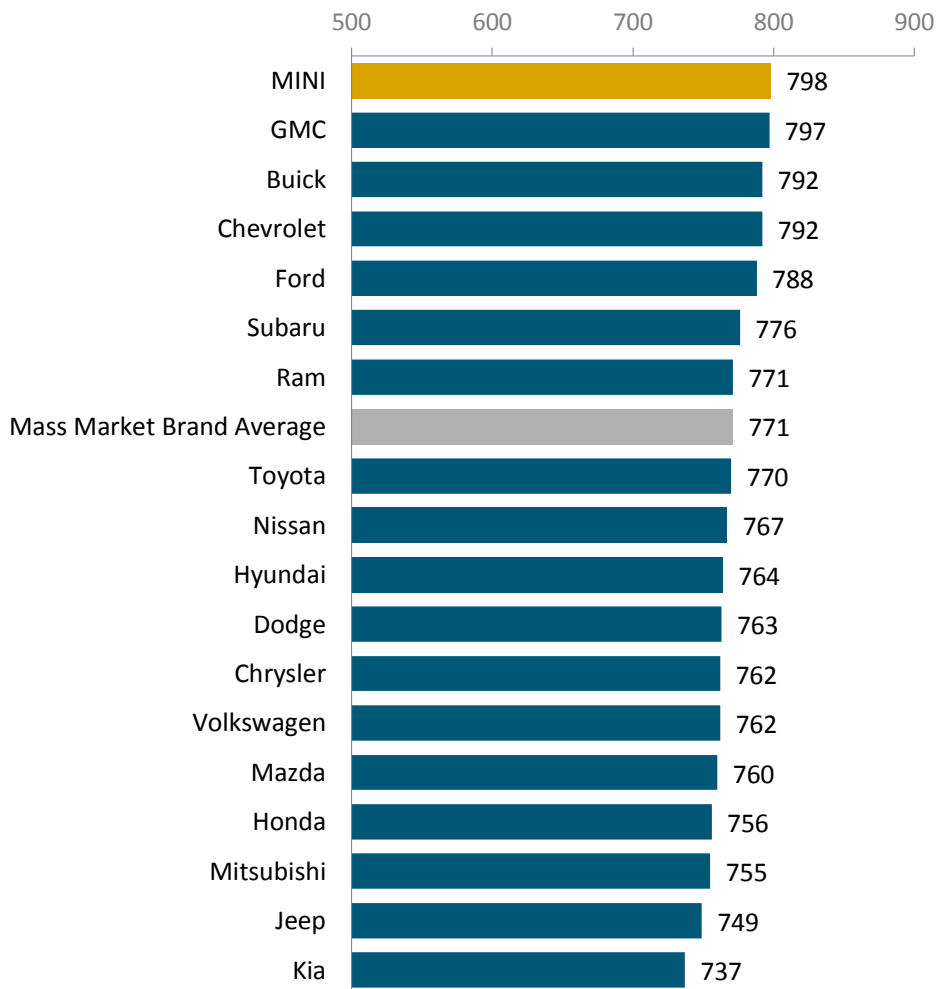
Source: J.D. Power 2018 U.S. Sales Satisfaction Index (SSI) StudySM

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J.D. Power 2018 U.S. Sales Satisfaction Index (SSI) StudySM

Sales Satisfaction Index Ranking Mass Market Brands

(Based on a 1,000-point scale)



Note: Fiat is included in the study, but not ranked due to small sample size. Smart is included in the study, but not ranked due to insufficient sample size.

Source: J.D. Power 2018 U.S. Sales Satisfaction Index (SSI) StudySM

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