



## Press Release

### **J.D. Power and Associates Reports: Drop-In Customers Report Greater Satisfaction with Dealer Service Than Customers Who Make Appointments**

#### Jaguar Ranks Highest in Customer Satisfaction with Dealer Service

**WESTLAKE VILLAGE, Calif.: 19 July 2007** —Although more than three-fourths of vehicle owners report making an appointment with their dealership for a repair or maintenance, customers who drop in without a scheduled appointment are more satisfied, according to the J.D. Power and Associates 2007 Customer Service Index (CSI) Study<sup>SM</sup> released today.

The study, now in its 27th year, measures the customer satisfaction of vehicle owners who visit the dealer service department for maintenance or repair work during the first three years of ownership, which typically represent the majority of the vehicle warranty period. Overall customer satisfaction with dealer service is based on six measures: service initiation, service advisor, in-dealership experience, service delivery, service quality and user-friendly service.

The study finds that owners who drop in for service without making an appointment provide satisfaction scores averaging 882 on a 1,000-point scale, compared with 874 among those who make an appointment.

“Customers who plan ahead and make appointments to have their vehicles serviced expect that the dealership will prioritize their vehicles,” said Tom Gauer, senior director of automotive retail research at J.D. Power and Associates. “However, when customers with appointments see that drop-in customers are receiving the same attention and priority, their satisfaction drops. Conversely, drop-in customers are usually quite happy when a dealership accepts their vehicle for repair, since they expect that they could be turned away. Dealerships can seize this opportunity for improvement by continuing to delight drop-in customers, but also by paying special attention to customers with appointments, and greeting them promptly so that those customers know that their appointment time has been reserved especially for their vehicles.”

The study also finds that, indicative of the automotive industry’s continuing product quality improvements, more customers visit dealerships for maintenance rather than repairs. The percentage of maintenance visits increased by four points to 62 percent, with 38 percent of visits being for repairs.

Jaguar ranks highest with an overall CSI score of 925 points on a 1,000-point scale—13 points above the top CSI performer in 2006—improving considerably among repair customers in the areas of service quality and service initiation. Following Jaguar in the rankings are Buick (918) and Cadillac and Lexus (913, in a tie).

The study also finds that personal interaction with customers by service staff can go a long way in impacting customer satisfaction with dealer service. For example, among customers whose auto repairs and maintenance were not completed correctly the first time, proactive communication by the service staff helped to mitigate the decrease in satisfaction. Of these customers, those who report they were “delighted” by how well their repair or maintenance work was explained to them averaged a satisfaction index score of 890—14 points higher than the industry average—compared with 733 from those who said that they were “satisfied” or “indifferent.”

“Customers whose repairs or maintenance were not completed correctly the first time understandably would report lower levels of satisfaction,” said Gauer. “However, if the service staff takes the time to effectively explain the reasons for the work that was done, what the customer is being charged, and to answer any questions the customer might have, the dealership can still keep customers satisfied.”

In addition, the study shows that customers delighted with the communication by the service staff demonstrate increased loyalty to dealerships. Of those who were delighted with how work was explained—even when their repair was not completed correctly the first time—72 percent said that they would definitely return to the dealer for service covered under warranty, compared with only 42 percent of customers who were satisfied or indifferent. Nearly one-half (47%) of delighted customers report they would definitely return to the dealer for maintenance or repairs that they would have to pay for, compared with only 17 percent of those customers who were satisfied or indifferent.

“While fixing a vehicle right the first time is important, personal interaction and communication from service staff can also be critical in keeping customers satisfied with their service experience,” said Gauer. “Simple steps such as greeting service customers quickly upon arrival, fully explaining charges and repairs and performing visual inspections of the vehicle with the customer can go a long way toward promoting satisfaction and loyalty.”

The 2007 CSI Study is based on responses gathered between January and April 2007 from 84,495 owners and lessees of 2004 to 2006 model-year vehicles.

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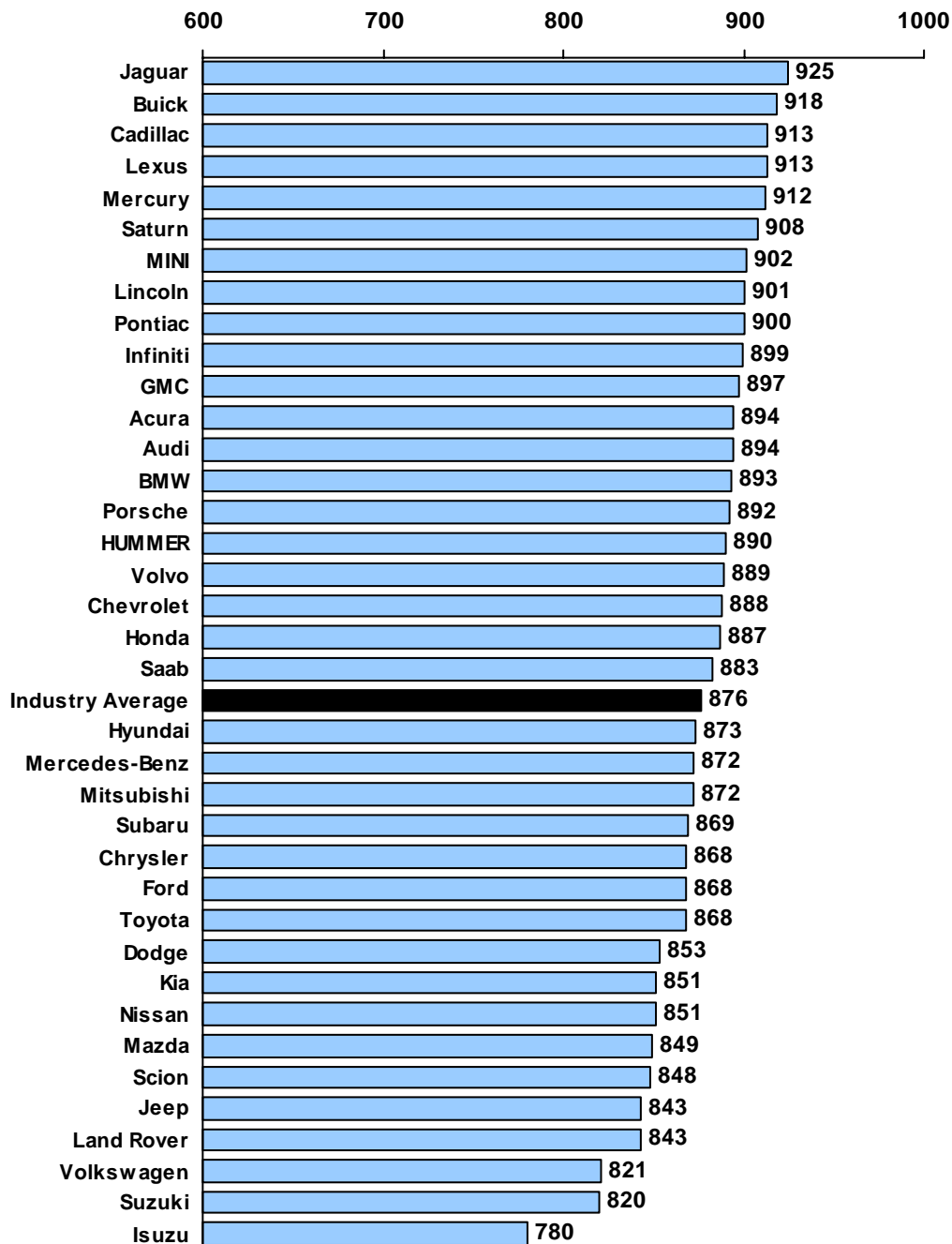
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NOTE: One chart follows.

# J.D. Power and Associates 2007 Customer Service Index (CSI) Study<sup>SM</sup>

## Customer Service Index Ranking

(Based on a 1,000-point scale)



NOTE: Oldsmobile is excluded from official index rankings since this brand is not represented in all three years of CSI.

Source: J.D. Power and Associates 2007 Customer Service Index (CSI) Study<sup>SM</sup>

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