

Cost Becomes Key Factor in Satisfaction with Dealership Service as Vehicles Age, J.D. Power Finds

Mazda Ranks Highest in Mexico for Long-Term Satisfaction

MEXICO CITY: 9 Aug. 2019 — As vehicles age and warranties end—typically in the 4- to 7-year age window—most owners significantly cut down on dealership visits and begin to visit non-dealer facilities for service, according to the inaugural J.D. Power 2019 Mexico Customer Service Index—Long-Term (CSI-LT) Study,SM released today. As a result, it is critical for authorized dealerships to focus on providing high-satisfaction service experiences to retain customers during and after this time period.

“Dealers are missing a huge opportunity for customer retention and acquisition because they’re overpricing their services when vehicles are most likely going to require more extensive work,” said **Gerardo Gomez, Senior Director and Country Manager at J.D. Power de Mexico**. “When vehicles age, they need more than a simple oil change. Parts that are crucial to their continued operation will need to be replaced and customers are looking for the most affordable option to have this done. By charging significantly higher prices for these services, dealers are giving customers little choice other than to seek service elsewhere. In fact, in the seventh year of vehicle ownership, owners are visiting non-dealer facilities more than twice as much as they visit dealerships.”

The study delivers a comprehensive analysis of the service experience among owners of 4- to 12-year-old vehicles and evaluates customer satisfaction with their servicing dealer or non-dealer by examining five key measures (in order of importance): service quality (22%); service advisor (22%); service initiation (20%); vehicle pick-up (18%); and service facility (18%). Satisfaction is calculated on a 1,000-point scale.

The study finds that, while customers visit non-dealer service facilities more frequently after warranties expire, their overall satisfaction with dealers is still higher (+22 points for owners of vehicles that are 4-7 years old and 50 points for owners of vehicles that are 8-12 years old).

Following are some key findings of the 2019 study:

- **Recommended work leads to high satisfaction, additional revenue:** When service advisors suggest work in addition to vehicle owners’ anticipated service, dealer customers have higher satisfaction scores, especially if they have the recommended work done (+95 points compared with when additional work wasn’t recommended). Overall, dealer customers also have higher satisfaction than non-dealer customers regardless of whether work wasn’t recommended (+25); was recommended and completed (+46); or recommended but not completed (+38). Additionally, the average transaction price for recommended and completed work increases by 12.8% for dealers (\$2,748 vs. \$2,436).
- **Fix it right the first time:** When customers pay a higher amount for out-of-pocket service (more than \$2,000), the key activity for dealers is to ensure work is done right the first time. When work is done right the first time, 47% of customers with expensive service still have high satisfaction. Only 10% have high satisfaction when work is not done right the first time.
- **Dealership visits decrease with age:** Vehicles 8-12 years old are taken to a dealer for service 75% less often than vehicles that are 3 years old or newer. Nonetheless, customer satisfaction is higher among owners who get their vehicle serviced at a dealership rather than at a non-dealer.

Highest-Ranking Brands

Mazda ranks highest in overall satisfaction with a score of 823. **Chevrolet** (822) ranks second, while **Honda** (806) and **Toyota** (806) rank third in a tie.

The 2019 Mexico Customer Service Index—Long-Term Study is based on the evaluations of 2,835 interviews with new- and used-vehicle owners in Mexico approximately 3 to 12 years after purchase. The study was fielded from March through May 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.

Media Relations Contacts

Brais Alvarez; Mexico City; +52 55 5081 2892 / +52 1 55 7474 4074; brais.alvarez@jdpa.com

Silvia Mosqueda; Mexico City; +52 1 55 5368 2177; smosqueda@sintralogistics.com

Geno Effler; USA; 714-621-6224; media.relations@jdpa.com

About J.D. Power and Advertising/Promotional Rules: www.jdpower.com/business/about-us/press-release-info

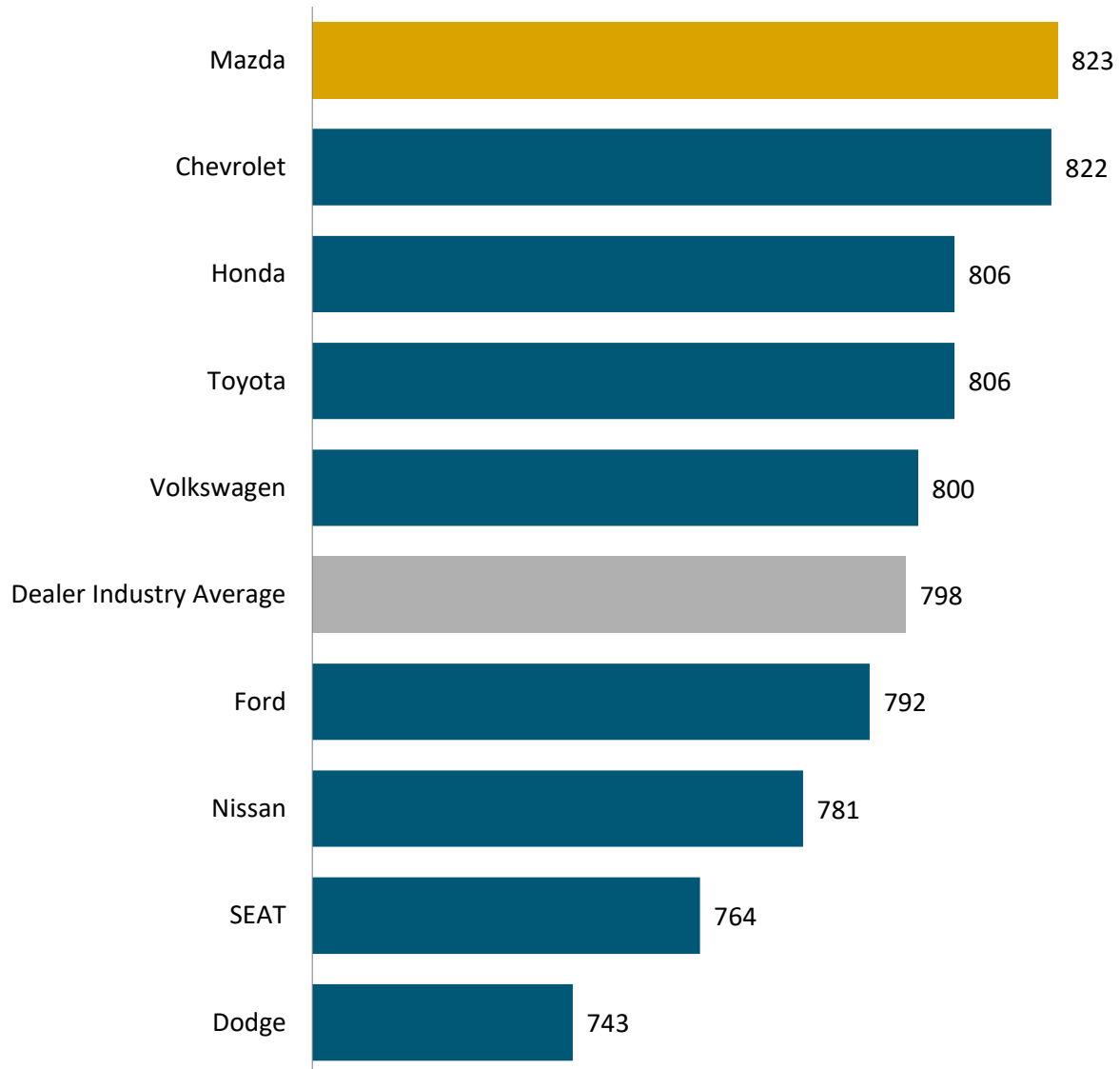
###

NOTE: One chart follows.

J.D. Power 2019 Mexico Customer Service Index Long-Term (CSI-LT) StudySM

Customer Service Index Long-Term Ranking – Dealer Service Visits

(Based on a 1,000-point scale)



Note: Included in the study, but not ranked due to small sample size, are Audi, BMW, GMC, Jeep, Mercedes-Benz, MINI, Mitsubishi and Renault.

Source: J.D. Power 2019 Mexico Customer Service Index Long-Term (CSI-LT) StudySM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.