



## Press Release

### **J.D. Power Asia Pacific Reports: Greater Number of Problems Reported on Long-Term Vehicle Dependability in India, As Problems Related to Engine and Overall Driving Experience Mount**

#### Hyundai Receives Three Segment Awards, while Honda Receives Two Awards

**SINGAPORE: 28 June 2012** — Customers report a greater number of problems on long-term vehicle dependability this year, primarily due to increase in the number of problems related to the engine and driving experience, according to the J.D. Power Asia Pacific 2012 India Vehicle Dependability Study<sup>SM</sup> (VDS) released today.

The study measures problems experienced by original owners of 30- to 42-month-old vehicles in 169 different problem symptoms across nine vehicle categories: vehicle exterior; driving experience; features, controls and displays; audio and entertainment; seats; heating, ventilation and air conditioning (HVAC); vehicle interior; engine; and transmission.

Overall vehicle dependability averages 225 problems per 100 vehicles (PP100) in 2012, an increase from 195 PP100 in 2011. Overall dependability is determined by the level of problems experienced per 100 vehicles, with a lower score reflecting higher quality.

The increase in problem counts is predominantly driven by an increase in problems related to the engine and driving experience. Together, these categories account for more than 40 percent of the problems reported by vehicle owners. Six of the top 10 problems that have deteriorated year-over-year relate to component and supplier parts.

“To build a positive and reliable perception in the minds of consumers, manufacturers in India need to provide a problem-free experience over a longer period of vehicle ownership,” said Mohit Arora, executive director at J.D. Power Asia Pacific, Singapore. “An increase in problems experienced by car owners, alongside an increase in the ownership period, acutely undermines consumer confidence and needs to be tackled expeditiously by automakers and their component suppliers.”

The study finds that the proportion of vehicles powered by smaller diesel engines (1.3 L to 1.4 L) has increased by 11 percentage points from 2011. However, with the increase in the proportion of smaller diesel engines, there is a parallel increase in the number of engine-related problems. The largest year-over-year increases in the number of engine-related problems experienced by owners of vehicles with smaller diesel engines are excessive fuel consumption and a lack of engine power.

“Minimizing the cost of operations has always been a high priority for value-oriented consumers in India,” said Arora. “Hence, vehicle buyers have opted for a smaller diesel engine in anticipation of better fuel efficiency and savings on overall fuel costs. However, when the actual fuel efficiency falls short of expectations over the longer term, it often leads to a higher problem count being reported and a decrease in overall vehicle owner satisfaction.”

The study, now in its fifth year, includes models in 11 vehicle segments: entry compact; compact; premium compact; entry midsize; midsize; premium midsize; entry luxury; luxury; multi-utility/ multi-purpose vehicle (MUV/ MPV); sport-utility vehicle (SUV); and van.

Hyundai is the only improved make in 2012. Fewer reported problems in the HVAC, driving experience and vehicle exterior categories contribute to Hyundai's 14-point improvement from 2011. Three Hyundai models garner awards in their respective segments: the Santro in the compact segment; the i20 in the premium compact segment; and the Verna in the midsize segment.

"Hyundai's performance in the 2012 study underscores the sustained improvements it has made in consistently improving longer-term product quality over the past three years," said Arora. "Experiencing fewer problems than its key competition over a longer term is likely to aid Hyundai in further strengthening its image of dependability and reliability among its owners, helping to spread positive word-of-mouth advertising."

Honda receives model awards for the Honda Civic (premium midsize) and Honda CR-V (SUV). The Maruti Suzuki Swift Dzire receives the award in the entry midsize segment, while the Toyota Innova receives the award in the MUV/MPV segment.

The study also finds that there are a higher number of problems experienced among vehicle owners who employ a driver, compared with those who do not employ a driver. The proportion of problems experienced by these owners is relatively higher in the HVAC; seats; audio and entertainment; and vehicle interior categories.

"Vehicle owners who employ a driver seem to be more observant of various aspects of their vehicle, in comparison to owners who drive their own vehicle," said Arora. "They have more opportunities to observe and interact with the vehicle and, thus, are more sensitive to the problems that may crop up."

Furthermore, among owners who indicate that they did not experience problems with their vehicle, 66 percent say they "definitely would" recommend their current model. This figure declines to 48 percent among owners who say that they experienced one or more problems with their vehicle.

The 2012 India Vehicle Dependability Study is based on evaluations from 7,866 original owners who purchased a new vehicle between July 2008 and September 2009. The study includes 62 vehicle models covering 16 nameplates and was fielded from January to April 2012 in 25 cities across India. The Vehicle Dependability Study is one of two J.D. Power Asia Pacific automotive quality studies for the India market. The Initial Quality Study (IQS) measures problems of new vehicles at two to six months of ownership. The India IQS will be published in November.

#### **About J.D. Power Asia Pacific**

J.D. Power Asia Pacific has offices in Tokyo, Singapore, Beijing, Shanghai and Bangkok that conduct customer satisfaction research and provide performance analytics services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in Australia, China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan, Thailand and Vietnam. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at [www.jdpower.com](http://www.jdpower.com). Media email contact: [xingti\\_liu@jdpower.com.sg](mailto:xingti_liu@jdpower.com.sg).

#### **About J.D. Power and Associates**

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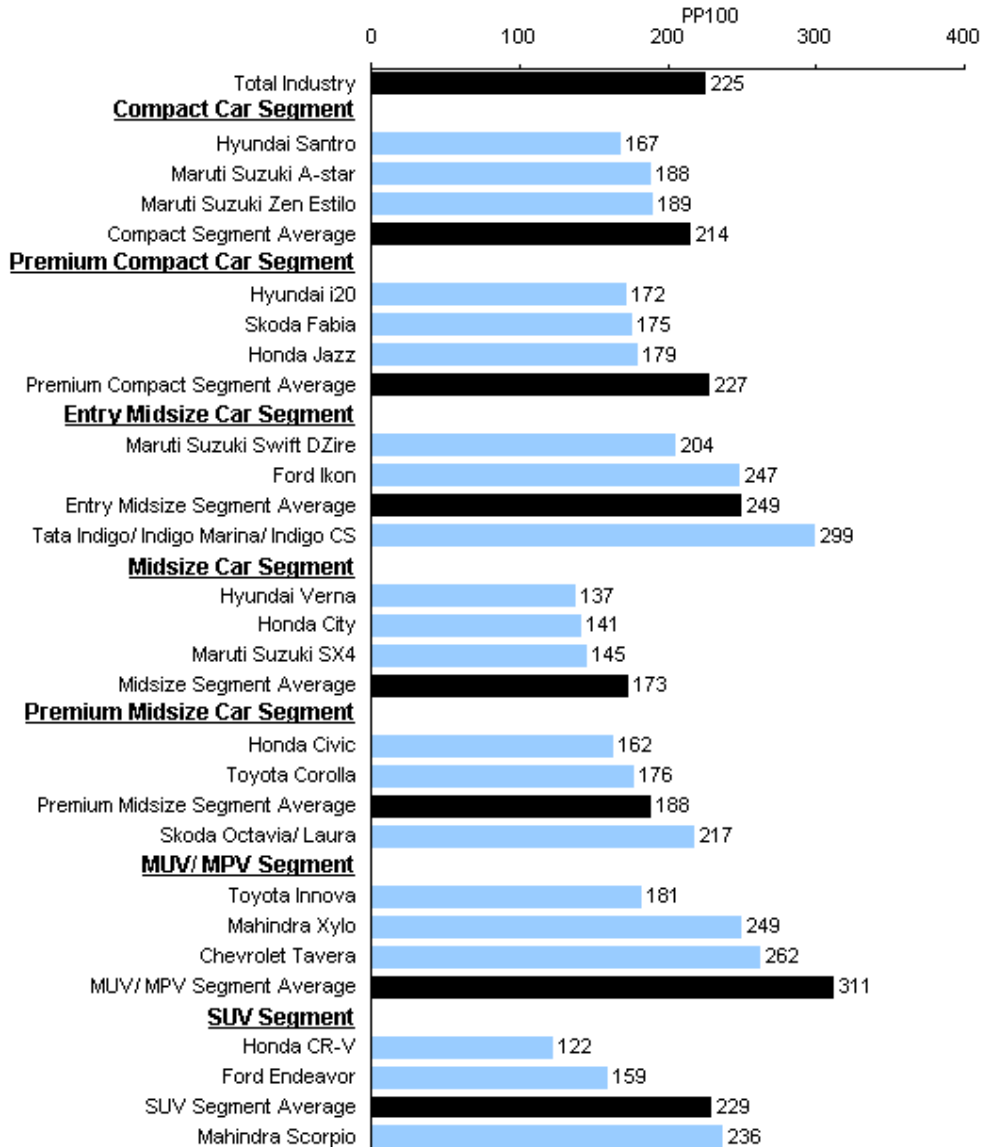
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NOTE: One chart follows.

# J.D. Power Asia Pacific 2012 India Vehicle Dependability Study<sup>SM</sup> (VDS)

## Top Three Models in each Segment Problems per 100 Vehicles\*



\*Problems per 100 vehicles is measured via actual owner feedback related to the number of "things gone wrong." A lower score reflects better quality performance.

Note: No official rankings are published for the entry compact car, entry luxury car, luxury car and van segments due to an insufficient number of models in these segments.

Source: J.D. Power Asia Pacific 2012 India Vehicle Dependability Study<sup>SM</sup> (VDS)

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