



## Press Release

### **J.D. Power Asia Pacific Reports: Number of Months of Income Required to Own a Small Car in India Remains Unchanged during the Past Five Years**

#### Honda Ranks Highest in Satisfying Customers with the New-Vehicle Sales Experience in India

**SINGAPORE: 31 AUGUST 2012** — The average number of months of income required to purchase a small car in India, 10 months, has remained unchanged during the past five years, according to the J.D. Power Asia Pacific 2012 India Sales Satisfaction Index (SSI) Study<sup>SM</sup> released today.

Although the average income level and transaction price of vehicles have increased in India, the financial stretch made by the customers to own a small car remains unchanged. This is driven primarily by customer aspirations to own higher-priced small cars.

“Over the past several years, automakers in India have continuously strived to offer higher value to their customers, especially for highly competitive small cars,” said Mohit Arora, executive director at J.D. Power Asia Pacific, Singapore. “This has resulted in far greater choices for customers, who have thus shown a propensity to migrate toward the greatest value offering.”

According to Arora, an increase in average household income and consumer preferences for better styling and feature contenting have driven vehicle shoppers to buy higher-spec small cars, resulting in owners’ income stretch remaining unchanged.

The study also finds that high petrol prices are driving consumer interest in diesel vehicles, as 43 percent of consumers are purchasing a diesel in 2012, up 11 percent from 2011. With increased demand come longer wait times for vehicle delivery, as customers indicate waiting 17 days, on average, for a diesel vehicle, nearly double the wait time in 2011.

“Communicating delivery time of the vehicle accurately and promptly is an important element of managing customer expectations,” said Arora. “Although delivery times have increased for several diesel models in 2012 due to external constraints, dealerships are able to more effectively manage expectations through proactive communication. This, in turn, helps automakers largely keep their customers satisfied with the overall sales experience, even though several disruptions happened in supply chain last year.”

Now in its 13th year, the India SSI Study examines seven factors that contribute to new-vehicle buyers’ overall satisfaction with the sales experience (listed in order of importance): delivery process, delivery timing, salesperson, sales initiation, dealer facility, paperwork and deal.

Overall sales satisfaction is 820 index points on a 1,000-point scale, which is a decline of two points from 2011. Satisfaction in each factor declines year over year, most notably in salesperson (down by 6 points).

Among the 12 brands ranked in the study, Honda ranks highest with an overall score of 835 and performs well across all seven factors. Hyundai ranks second with a score of 829, followed by Maruti Suzuki at 824. Mahindra is the most improved make, achieving a 17-point increase from 2011.

Seven of the 12 ranked brands improve year over year, with Mahindra achieving the largest improvement in the study, compared with 2011 (up 17 points).

“Mahindra customers indicate greater sensitivity toward the convenience of delivery time by the network, which in turn positively impacts satisfaction” said Arora. “Improved performance on explanations during delivery also contributes to Mahindra’s ability to provide a satisfying customer buying experience.”

Owners who are highly satisfied with the overall purchase experience report higher levels of advocacy and loyalty toward the dealership and the vehicle brand, compared with highly satisfied owners. Among owners who are highly satisfied with their purchase experience at the dealership (satisfaction scores of 882 or higher), 81 percent say they “definitely will” recommend their purchase dealer to a friend or relative. These owners are also far more likely to repurchase or recommend the same brand in the future. In contrast, only 53 percent of highly dissatisfied owners (satisfaction scores of 768 or below) say they “definitely will” recommend their dealer.

The 2012 India Sales Satisfaction Index (SSI) Study is based on responses from 7,382 new-vehicle owners who purchased their vehicle between September 2011 and April 2012 and includes evaluations of more than 85 models. The study was fielded from March to July 2012.

#### **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: [xingtliu@jdpower.com.sg](mailto:xingtliu@jdpower.com.sg).

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

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, Web intelligence and customer satisfaction. The company’s quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit [JDPower.com](http://JDPower.com). J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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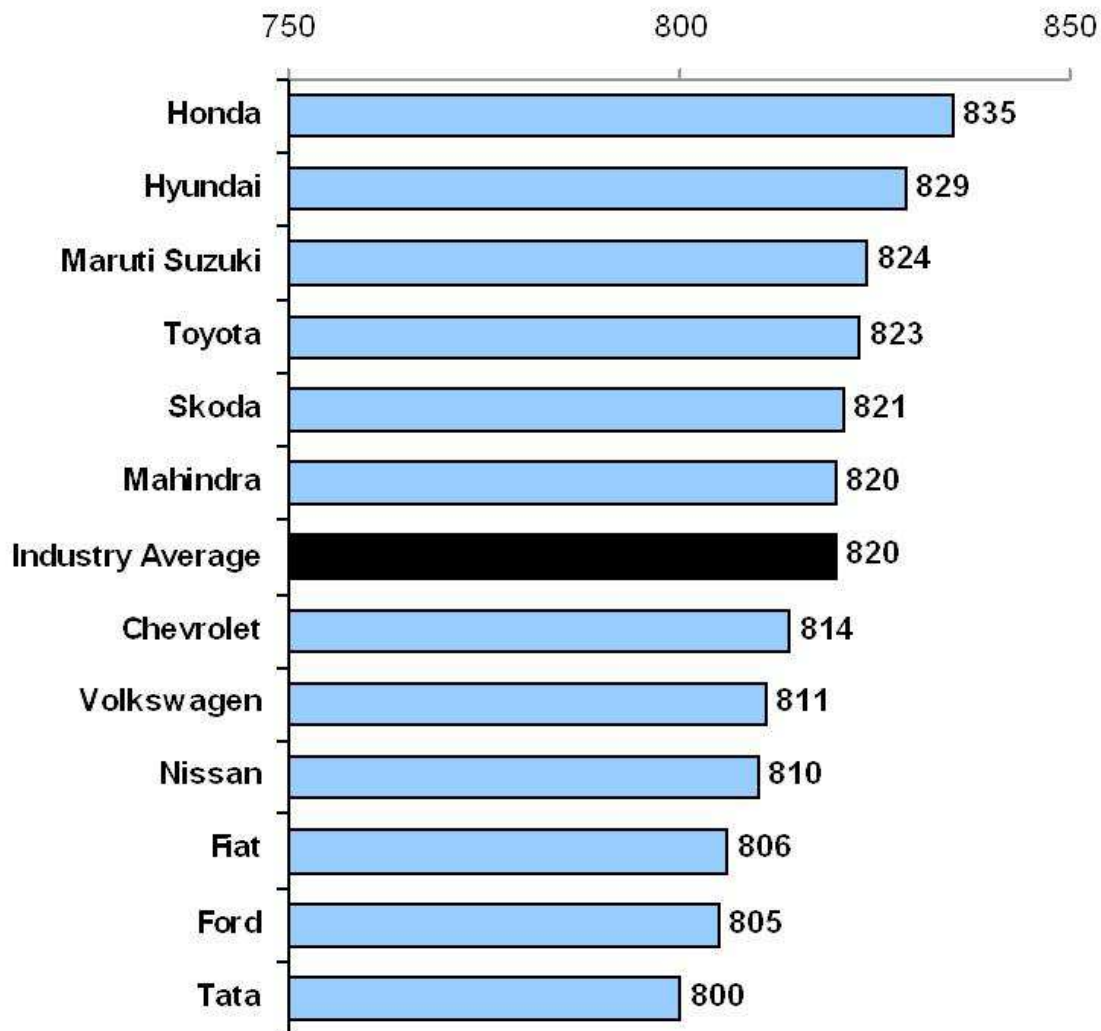
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NOTE: Two charts follow.

# J.D. Power Asia Pacific 2012 India Sales Satisfaction Index (SSI) Study<sup>SM</sup>

## Sales Satisfaction Index Ranking *Based on 1,000-point scale*



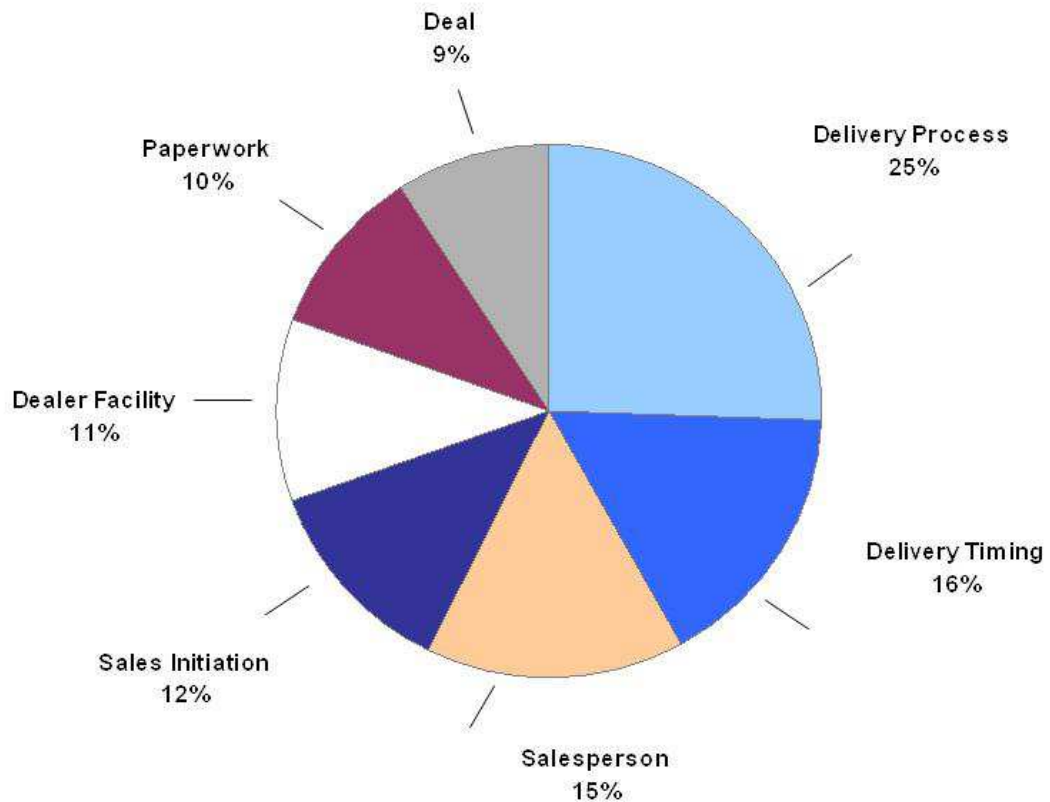
*NOTE: Included in the study but not ranked due to small sample size are: Audi, BMW, Mercedes Benz, Mitsubishi and Renault.*

*Source: J.D. Power Asia Pacific 2012 India Sales Satisfaction Index (SSI) Study<sup>SM</sup>*

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# J.D. Power Asia Pacific 2012 India Sales Satisfaction Index (SSI) Study<sup>SM</sup>

## Factors Comprising Overall Satisfaction



NOTE: Percentages may not total 100 due to rounding.

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