

Press Release

J.D. Power Asia Pacific Reports: Long-Term Vehicle Dependability in India Declines in 2013 as Number of Unexpected Repairs Increases

Maruti Suzuki and Toyota Each Receive Two Model Awards

SINGAPORE: 28 June 2013 — Overall dependability of vehicles in India declines for the second consecutive year, according to the J.D. Power Asia Pacific 2013 India Vehicle Dependability StudySM (VDS) released today.

The study, now in its sixth year, 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.

In 2013, overall vehicle dependability averages 280 problems per 100 vehicles (PP100), compared with 225 PP100 in 2012. Overall dependability is based on the number of problems reported per 100 vehicles, with a lower score reflecting higher long-term vehicle quality.

The 24 percent increase in problems in 2013 is across problem categories and models, and it cannot be attributed to a significant increase in one or more areas, or to all-new models included in the study. However, the study finds that an increased number of vehicles in India do not have extended warranties or service contracts, and the frequency whereby owners take their vehicle for scheduled or routine maintenance has decreased. Longer periods between maintenance tend to lead to an increase in problems with the vehicle.

Unexpected Repairs Increase

Among vehicle owners surveyed, 43 percent indicate having experienced unexpected repairs on their vehicle, up 4 percentage points from 2012. In addition, the proportion of owners who have taken their vehicle in for repairs at an authorized service centre three or more times, has doubled from 2012. On average, these customers report 2.4 times more problems than those who have not taken their vehicle in for repairs (418 PP100 vs. 174 PP100, respectively).

"Undergoing unexpected repairs has a very strong bearing on the perception of vehicle reliability, durability and overall vehicle quality," said Mohit Arora, executive director, J.D. Power Asia Pacific. "Given that the average ownership cycle in India is approximately five years, the owners surveyed in this study are close to replacing their current vehicles. Higher incidences of repairs are likely to dissuade them from purchasing the same make in the future."

Among owners who indicate that they did not experience problems with their vehicle, 70 percent say they "definitely would" recommend their current vehicle to others. When owners experience one or more problems with their vehicle, the likelihood of a recommendation drops to 46 percent.

Routine Servicing Declines

The study also finds that the routine servicing and maintenance at authorized service centres has been declining during the past two years. Only 69 percent of owners have taken their vehicle to an authorized dealer/ service centre four or more times, down from 91 percent in 2011.

"Conforming to a prescribed servicing schedule helps to keep vehicle problems and incidences of unexpected repairs in check," said Arora "One way of ensuring that owners continue to regularly service their vehicle at authorized service centres, particularly in the post-warranty period, is by offering an extended warranty. This year the proportion of owners who are covered under an extended warranty program has declined, which may have contributed to the decline in the frequency of service visits."

2013 India VDS Rankings

The study includes 61 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.

Maruti Suzuki and Toyota each have two models that rank highest in their respective segments. Maruti Suzuki's A-star ranks highest in the compact segment and the Swift Dzire ranks highest in the entry midsize segment. Toyota receives model awards for the Innova and Fortuner in the MUV/ MPV segment and SUV segment, respectively. Honda City ranks highest in the midsize segment, and new entrants Chevrolet Cruze and Ford Figo receive awards in the premium midsize and premium compact segments, respectively.

The 2013 India Vehicle Dependability Study is based on evaluations from 7,032 original owners who purchased a new vehicle between July 2009 and September 2010. The study includes 61 models covering 16 nameplates and was fielded from January through April 2013 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 2013 India Initial Quality Study (IQS), which measures problems of new vehicles at 2 to 6 months of ownership, will be published in November.

About J.D. Power

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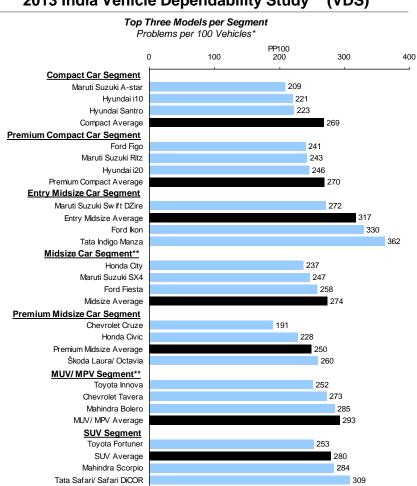
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NOTE: One chart follows



J.D. Power Asia Pacific 2013 India Vehicle Dependability Study^{sм} (VDS)

*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.

**No other model in this segment performs above the segment average.

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 2013 India Vehicle Dependability StudySM (VDS)

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(Page 4 of 4)