

J.D. Power Asia Pacific Reports: Delivery Time for New Vehicles Decreases, Most Notably for Hybrid Vehicles

Lexus and MINI Rank Highest among Luxury Brands and Mass Market Brands, Respectively

TOKYO: 28 August 2013 — The average time for new vehicles to be delivered to buyers decreases significantly, with the delivery time for hybrid vehicles decreasing by 23 days, according to the J.D. Power Asia Pacific 2013 Japan Sales Satisfaction Index (SSI) StudySM released today.

The study, now in its 12th year, finds that the industry average delivery time has declined by nine days in 2013, compared with 2012 when implementation of the eco-car subsidy program added to delays in new-vehicle delivery times. The average delivery time for non-hybrid vehicles declines to 28 days in 2013, down from 34 days in 2012, and the delivery time for hybrid vehicles decreases to 50 days from 73 days in 2012. Among domestic brands, Toyota, the largest seller of hybrid vehicles in Japan, and Honda, which had its production in 2012 heavily affected by flooding in Thailand, achieve notable reductions in delivery times.

Satisfaction decreases as delivery time increases, and efforts to shorten delivery times are critical for maintaining and increasing customer satisfaction.

“Customer satisfaction has improved as delivery times have shortened due to an improvement in the balance between market demand and automaker production, compared with 2012, which was impacted by the eco-car subsidies,” said Taku Kimoto, executive director of the automotive division at J.D. Power Asia Pacific.

The time required for explaining the vehicle at delivery averages 48 minutes. Time spent on the explanation tends to be longer for luxury brands than for mass market brands (66 minutes vs. 48 minutes, respectively). On average, customers indicate that 46 minutes is the appropriate amount of time for an explanation.

“While many brands establish standards covering matters for explanation at the time of vehicle delivery, they may further benefit from defining the appropriate length of explanations, as well,” said Kimoto. “Customer satisfaction wanes when the explanation is too short or takes too long.”

According to the study, there are five items related to the explanation that should be performed at the time of delivery: the owner’s manual; the length and specifics of warranty; the schedule and details of routine maintenance; introduction to a contact person in the service department; and what to do in an emergency (accident or breakdown). Approximately one-half of Lexus owners indicate that they received a thorough explanation of all five items, the highest implementation rate in the industry.

In addition to satisfaction among dealership customers who purchased a vehicle of that brand (referred to as buyers), the 2013 study for the first time also measures satisfaction among customers who considered purchasing a vehicle brand and visited a dealer but ultimately did not buy a vehicle of that brand (referred to as rejecters). For the industry overall, satisfaction is 128 points lower among rejecters than among buyers.

There is a notable gap in satisfaction scores between rejecters and buyers for Lexus and Audi among

luxury brands and Nissan and Honda among mass market brands. While the vehicle, price and purchase terms are the most-frequently cited reasons for rejecting a brand, the dealer or dealer staff—reasons stemming from interaction at dealerships—account for more than 20 percent of the reasons cited for rejecting a brand.

“At a time when prospects for growth in domestic demand are poor, especially in light of the well-publicized decline in young people who drive, increasing the close rate with showroom visitors is a critical priority,” said Kimoto. “Automakers must analyze reasons for rejecting the brand and address those problems as quickly as possible.”

The study measures customer satisfaction with the sales process at automotive dealerships based on four factors that contribute to overall satisfaction (in order of importance): salesperson (34%); working out the deal (26%); facility (21%); and delivery (20%). Sales service performance is reported as an index score based on a 1,000-point scale.

Overall sales satisfaction averages 666 index points in 2013. Lexus ranks highest among luxury brands with a score of 777, which is 49 points higher than the segment average. Lexus performs particularly well in all four factors.

Mercedes-Benz (724) ranks second in the luxury segment, followed by Audi (723), BMW (709) and Volvo (701).

In the mass market brand segment, MINI ranks highest with a score of 716 and performs particularly well in all four factors. Volkswagen (683) ranks second, followed by Nissan (677), Mitsubishi (673) and Honda (670).

The 2013 Japan Sales Satisfaction Index (SSI) Study measures customer satisfaction with the dealer where they purchased their new passenger vehicle. The study is based on responses from 7,200 domestic and import vehicle owners after an average of two to 12 months of ownership. The online survey was fielded from late May to mid-June 2013.

The Japan Sales Satisfaction Index (SSI) Study is one of eight consumer-based benchmark studies conducted by J.D. Power Asia Pacific in Japan. Other 2013 studies conducted by J.D. Power Asia Pacific include:

- The 2013 Japan Winter Tire Customer Satisfaction Index Study, which measures overall customer satisfaction with winter tires, was released in May.
- The 2013 Japan Initial Quality Study (IQS), which measures problems experienced by new-vehicle owners during the first two to nine months of ownership, is scheduled for release in August.
- The 2013 Japan Customer Satisfaction Index (CSI) Study, which measures overall customer satisfaction with service performed at automotive dealer facilities, will be released in late September.
- The 2013 Japan Automotive Performance, Execution and Layout (APEAL) Study, which measures what excites and delights owners about their new vehicle’s performance and design during the first two to nine months of ownership, will be released in late September.
- The 2013 Japan Original Equipment Tire Satisfaction Study, which measures customer satisfaction on original equipment tires, will be released in October.
- The 2013 Japan Navigation Systems Customer Satisfaction Index Study, which measures customer satisfaction with OEMs and aftermarket navigation system, will be released in October.
- The 2013 Japan Replacement Tire Satisfaction Study, which measures customer satisfaction with replacement tires, will be released in October.

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 consulting services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan and Thailand. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at japan.jdpower.com. Media email contact: cc-group@jdpower.co.jp

About J.D. Power

J.D. Power is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. Headquartered in Westlake Village, Calif., J.D. Power has offices in North/South America, Europe and Asia Pacific. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power is a business unit of McGraw Hill Financial.

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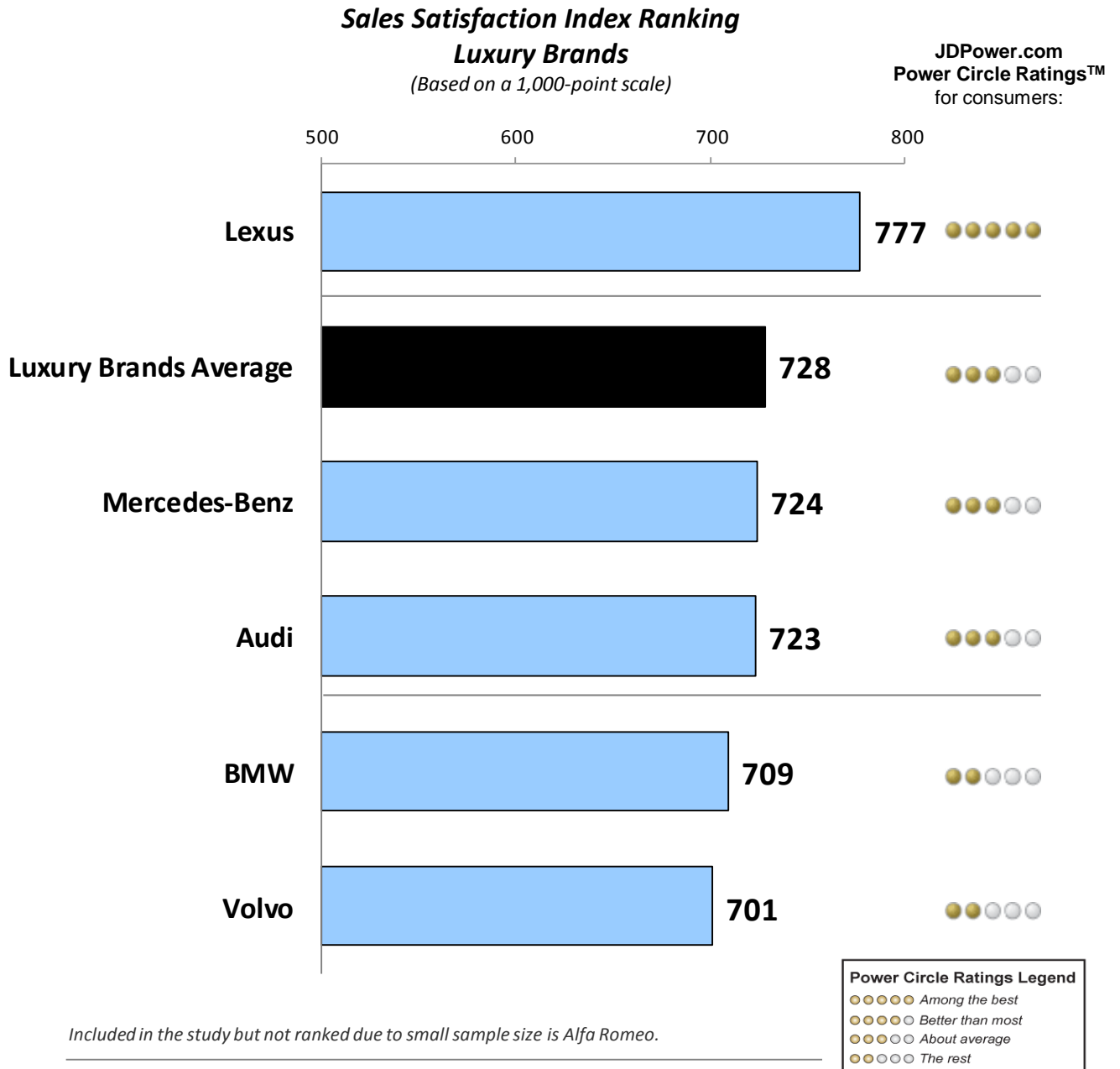
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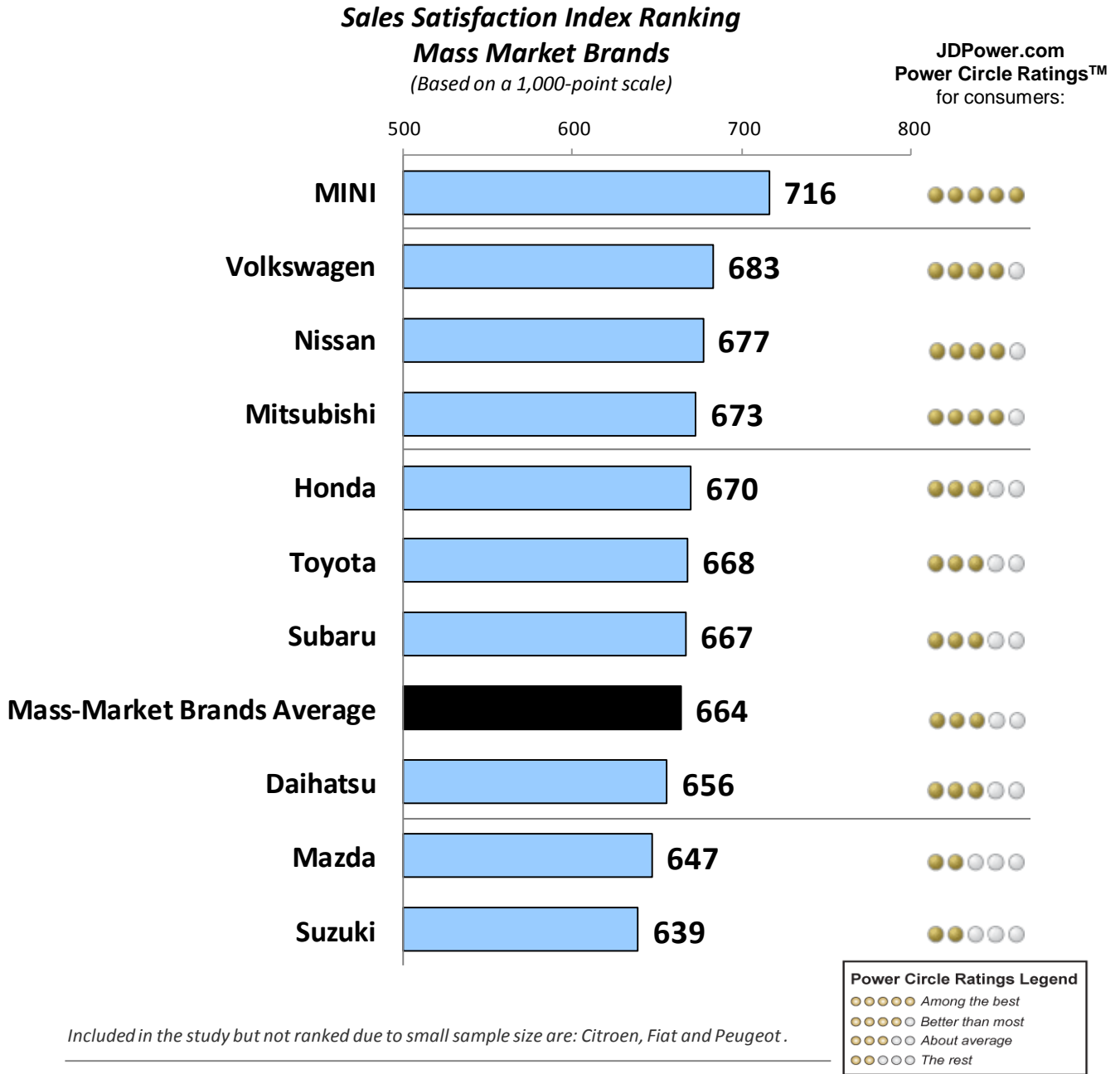
NOTE: Three charts follow.

J.D. Power Asia Pacific 2013 Japan Sales Satisfaction Index (SSI) StudySM



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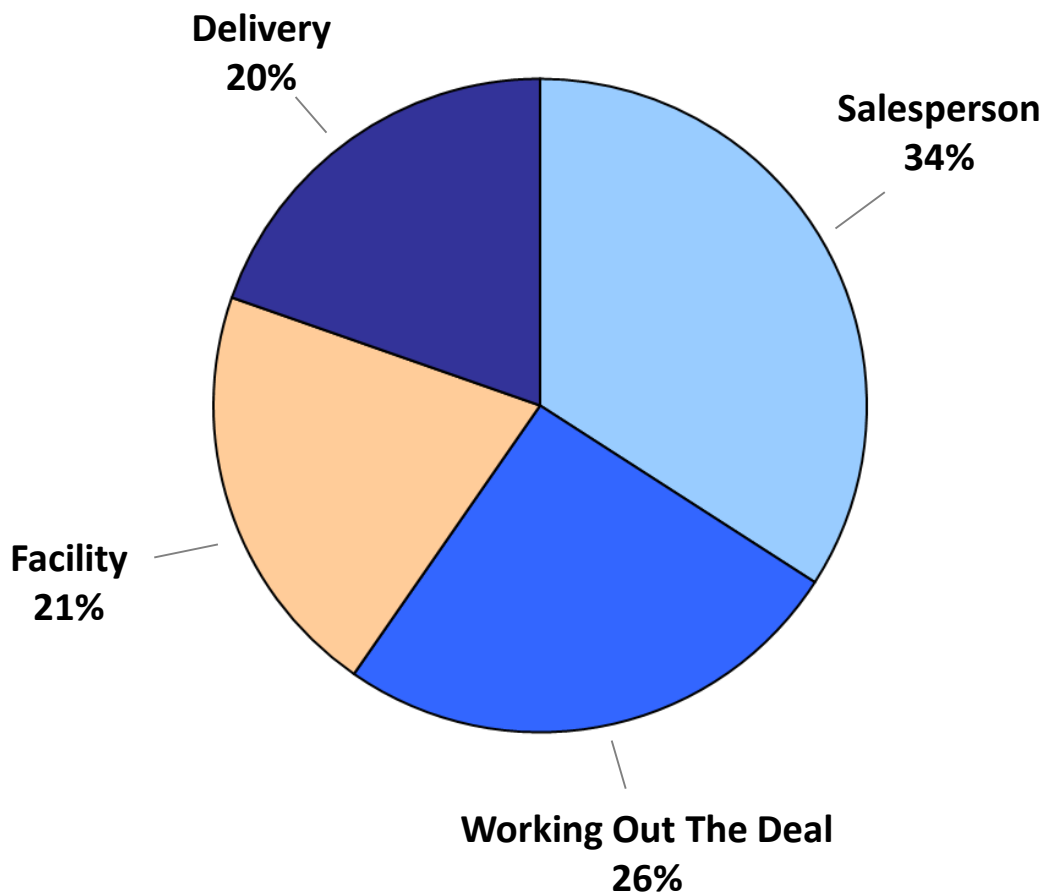
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Factors Contributing to Overall Satisfaction



NOTE: Percentages may not total 100 due to rounding.

Source: J.D. Power Asia Pacific 2013 Japan Sales Satisfaction Index (SSI) StudySM

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