

**J.D. Power & Associates Reports:
Stronger Relationships between Dealers and Finance Providers Help Drive Record Level Canadian Dealer Satisfaction**

[BMW Financial Services Ranks Highest in Dealer Satisfaction in the Retail Leasing and Prime Retail Credit Segments; Ford Credit Canada Ranks Highest in the Floor Planning Segment](#)

TORONTO: 21 May 2013 — Canadian automotive dealer satisfaction with finance providers improves significantly in 2013, not only surpassing the pre-financial crisis level, but also setting a record across all four finance segments, according to the J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM released today.

The study, now in its 15th year, examines dealer satisfaction with finance providers in four segments: prime retail credit; retail leasing; floor planning; and sub-prime retail credit.¹

In 2013, dealer satisfaction is the highest it has been since the study's inception in 1998. Satisfaction in prime retail credit increases to 883 (on a 1,000-point scale), and increases to 858 in retail leasing (each up 24 points from 2012). Satisfaction in floor planning is 910, a 21-point increase from 2012, and 846 in sub-prime retail credit, up 19 points year over year.

After achieving near-record automotive sales of 1.67 million units in 2012 and strong sales in the first quarter of 2013, Canadian automotive dealers are optimistic about their business. Three in four dealers anticipate their 2013 sales to continue to increase, with only one percent indicating they expect their sales to decrease, according to J.D. Power & Associates' Power Information Network® (PIN) data.

"While strong sales may bring a positive perspective to Canadian automotive dealers, the effort by lenders to build a partnership relationship with dealers and meet their increasingly diverse financing needs is what has helped propel dealer satisfaction to an unprecedented level," said Lubo Li, senior director and financial practice leader at J.D. Power & Associates, Toronto.

Dealer satisfaction in the prime retail credit segment and sub-prime retail credit segments is measured in three factors: finance provider offering; application/approval process; and sales representative relationship. In the retail leasing segment, satisfaction is measured in four factors: finance provider offering; application/approval process; vehicle return process; and sales representative relationship. In the floor planning segment, satisfaction is measured in four factors: finance provider credit line offering; floor plan support; floor plan portfolio management; and sales representative relationship.

KEY FINDINGS

- Overall dealer satisfaction increases substantially across all four segments in 2013.
- Several of the best practices that drive satisfaction are relationship based.
- Dealer satisfaction increases when sales representatives visit dealers four times a year and provide clear program updates.
- When sales representatives help facilitate re-hashing deals, satisfaction increases significantly.

¹ No awards are presented in the sub-prime retail credit segment due to insufficient market representation.

The study finds that Canadian dealer satisfaction with finance providers is heavily influenced by the relationship with their lender. Three relationship-based best practices in particular drive a positive dealer financing experience.

First, personal engagement with dealers is paramount to nurturing the ongoing partnerships, with the lenders whose sales representatives visit dealerships at least four times per year achieving the highest levels of satisfaction. When providers empower sales representatives to modify or amend deals, overall satisfaction increases by 52 points in prime retail credit.

Second, when personal visits by sales representative include ongoing program updates and clarifications, dealers feel most connected to lenders. Clarity in communications allows dealers to more effectively manage their business and confidently communicate to their customers with respect to obtaining financing. Providers that equip their sales representatives with the tools to effectively review program components and offer clarity are well-positioned to achieve higher levels of dealer satisfaction. For example, in the retail leasing segment, when dealerships completely understand their finance provider's program offerings, satisfaction increases by 129 points, and when finance program training is provided to dealers, satisfaction increases by 83 points.

Finally, the sales representative role is also that of a facilitator. While many finance providers may not allow their sales representatives to re-hash deals, dealers generally like when sales representatives are playing this role. When sales representatives help facilitate a consistent review of deals, satisfaction increases significantly. Lenders that provide programs and tools to re-hash deals without sales representative intervention or that enable sales representatives to connect dealers with the appropriate personnel achieve the highest levels of satisfaction.

"When J.D. Power released the 2011 Canadian Dealer Financing Satisfaction Study, the company provided industry insights regarding streamlining the approval and funding process, providing consistent contacts and messaging and communicating with dealers through their preferred channels," said Li. "In 2013, it's clear that lenders have leveraged these recommendations to significantly improve their relationships with dealers and create a highly satisfying experience. We continue to encourage both dealers and lenders to work closely together to continue to improve satisfaction."

Prime Retail Credit Segment Rankings

BMW Financial Services ranks highest in the prime retail credit segment with a score of 948, up 40 points from 2012, and performs particularly well in the finance provider offerings; application/approval process; and sales representative relationship factors. Mercedes-Benz Financial Services ranks second in the segment with a score of 933, declining by 25 points from 2012. VW Credit Canada (908) ranks third overall and improves the most year over year (+48 points).

Retail Leasing Segment Rankings

BMW Financial Services ranks highest in the retail leasing segment with a score of 947, and increase of 41 points from 2012, and performs particularly well in all four factors: application/approval process; finance provider offerings; sales representative relationship; and vehicle return process. Mercedes-Benz Financial Services follows in the rankings at 927, declining 23 points from 2012. VW Credit Canada increases by 58

points year over year to 899, leading its competitors in the vehicle return process and finance provider offering factors. GM Financial posts the largest gain in overall satisfaction, with an increase of 69 points in 2013. BMW Financial Services meets or exceeds dealership credit decision expectations—the most influential key performance indicator—100 percent of the time (up 7 percentage points from 2012). VW Credit Canada, Ford Credit Canada and Mercedes-Benz Financial Services each meet this KPI 98 percent of the time.

Floor Planning Segment Rankings

Ford Credit Canada ranks highest in the floor planning segment, achieving a score of 946, up by 13 points from 2012. Scotiabank (942) ranks second, increasing by 16 points year over year. Both financial providers perform particularly well in all four factors. VW Credit Canada ranks third with a score of 929, improving by 2 points in floor plan portfolio management and also leads competitors in offering multiple types of floor planning reports. Ford Credit Canada trails slightly by one percentage point in offering multiple floor planning reports.

The 2013 Canadian Dealer Financing Satisfaction Study is based on responses from more than 1,300 new-vehicle dealerships in Canada. The study was fielded between February 2013 and March 2013.

About J.D. Power & Associates:

Headquartered in Westlake Village, Calif., J.D. Power & Associates 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. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power & Associates is a business unit of McGraw Hill Financial.

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NOTE: Three charts follow.

J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM

Dealer Satisfaction Index Ranking

Prime Retail Credit

(Based on a 1,000-point scale)



NOTE: Included in the study but not ranked due to small sample size is Ally Credit Canada.

Source: J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

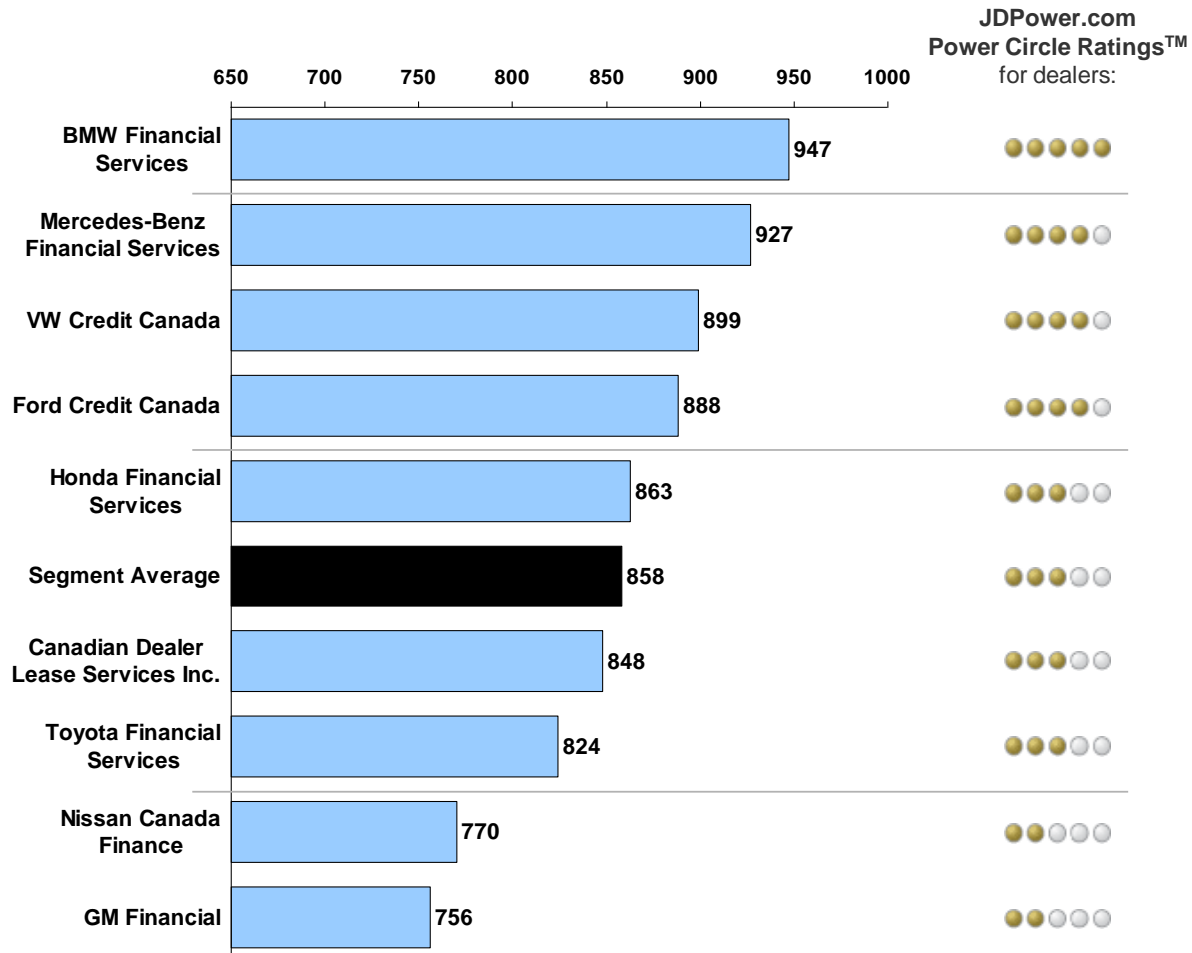
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J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM

Dealer Satisfaction Index Ranking

Retail Leasing

(Based on a 1,000-point scale)



NOTE: Included in the study but not ranked due to small sample size is Scotiabank DVLP.

Source: J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

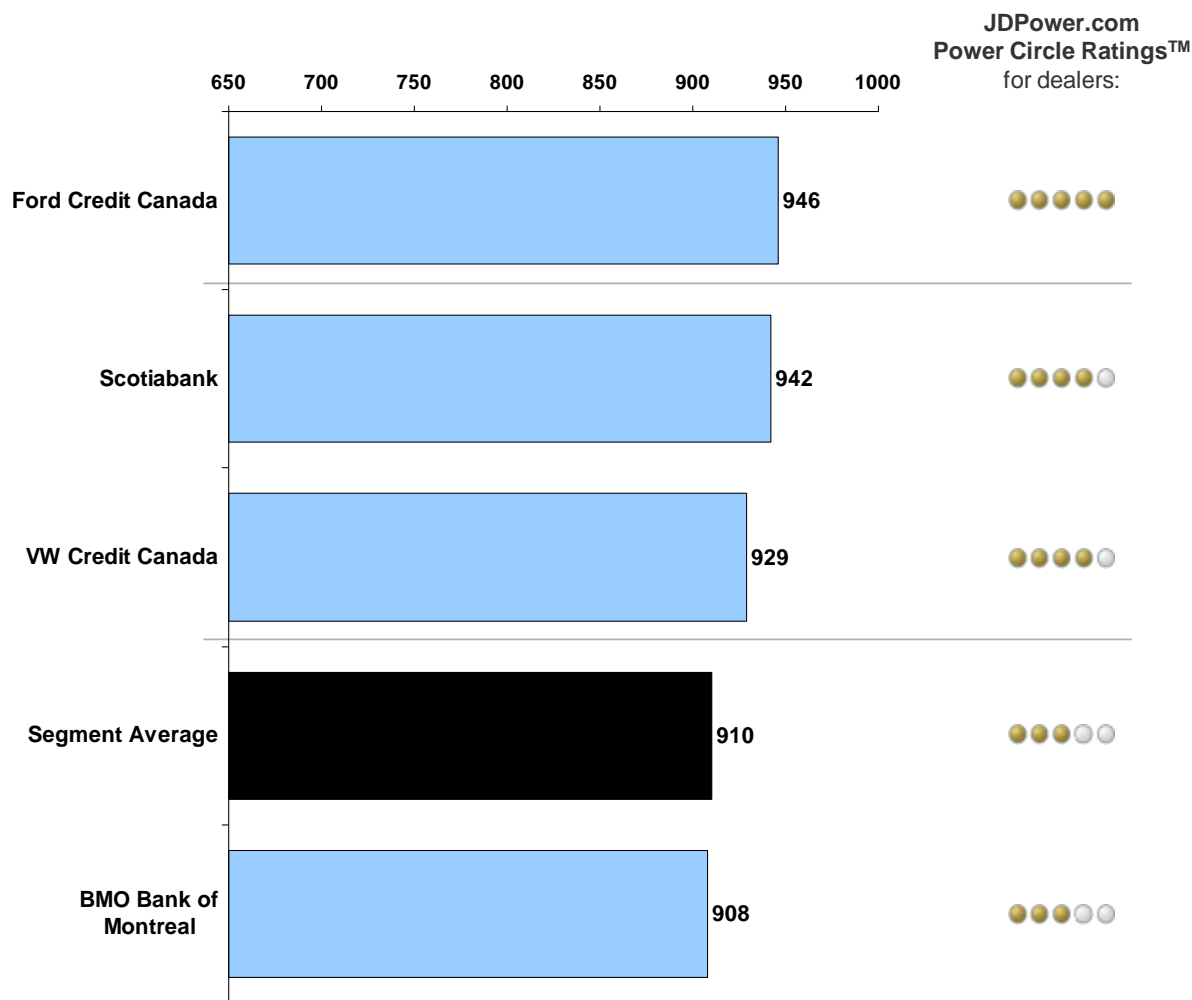
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J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM

Dealer Satisfaction Index Ranking

Floor Planning

(Based on a 1,000-point scale)



NOTE: Included in the study but not ranked due to small sample size is Honda Financial Services and RBC Royal Bank.

Source: J.D. Power & Associates 2013 Canadian Dealer Financing Satisfaction StudySM

Power Circle Ratings Legend

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