

**J.D. Power Reports:
Reputation and Operational Effectiveness Drive Choice of Dealer
Among New-Vehicle Buyers in India**

[Toyota Ranks Highest in New-Vehicle Sales Satisfaction among Mass Market Brands in India](#)

Singapore: 28 August 2014 — New-vehicle buyers in India are increasingly choosing dealers based on the dealers' reputation and operational effectiveness, according to the J.D. Power 2014 India Sales Satisfaction Index (SSI) StudySM released today.

The study finds that reputation of the dealer as a reason to purchase from a particular dealer has increased by 11 percent during the past five years. Additionally, faster delivery times, availability of the exact model and a hassle-free negotiation are the other operational reasons that have shown a significant increase during the same period.

Owners who selected their dealer based on its reputation, availability of the exact model and hassle-free negotiation pay an average of 4 percent more for their vehicle than those who chose a dealer for other reasons, such as location or receiving the best deal.

"The Indian automotive industry has been facing significant challenges over the past two years, but dealers that are able to present their offerings to customers in a transparent manner, aided with availability of the exact model and commitment of a faster delivery time are often rewarded because customers are willing to spend more for their vehicle," said Mohit Arora, executive director at J.D. Power Asia Pacific, Singapore.

Now in its 15th year, the 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.

The study finds that 29 percent of new-vehicle owners used the Internet during the new-vehicle shopping process in India. The sites owners use most often in the shopping process are manufacturer websites (53%) and the auto sections of news organizations' websites (40%).

"Automakers need to work on a strategy to continuously monitor and respond to any feedback posted on such websites, as reviews and comments posted on these websites are likely to impact perceptions consumers have of the brands during their shopping process," said Arora. "With heightened competitive intensity in the Indian automotive market, most automakers are ensuring better implementation of standard practices, faster vehicle delivery and creating an engaging customer experience through proactive communications resulting in an increase in the overall purchase process satisfaction."

KEY FINDINGS

- Overall sales satisfaction in the mass market segment is 857 index points on a 1,000-point scale in 2014, a 16-point increase from 2013. The increase in overall satisfaction is attributed to strong

improvements across all factors, most notably in delivery timing (+20 points) and delivery process (+18 points).

- The amount of time needed to complete the paperwork is nine days in 2014, compared with 10 days in 2013. In addition, the average delivery time is nine days in 2014, compared with 12 days in 2013.
- In 2014, 49 percent of owners indicate that they received a discount when they purchased their new vehicle, up from 36 percent in 2013. The average amount of discount has also increased 12.4 percent year over year.
- While more than 90 percent of owners indicate that the salesperson introduced themselves and initiated talks prior to the purchase of the vehicle, only 15 percent of owners were asked for feedback on their buying experience or got their vehicle delivered with special ceremony.
- Owners who are highly satisfied (sales satisfaction scores above 926), are 1.5 times more likely than owners who are highly dissatisfied (satisfaction scores below 815) to recommend their purchase dealer to family and friends. Additionally, highly satisfied owners are 1.5 times more likely than owners who are highly dissatisfied to indicate an intention to repurchase the same brand of vehicle again.

Rankings

Toyota ranks highest with a score of 866, performing particularly well across all factors. Maruti Suzuki ranks second with a score of 860. Honda, Hyundai and Mahindra rank third in a tie at 859 each.

The 2014 India Sales Satisfaction Index (SSI) Study is based on responses from more than 8,000 new-vehicle owners who purchased their vehicle between September 2013 and April 2014, and includes evaluations of more than 71 models within the mass market segment. The study was fielded from March to July 2014.

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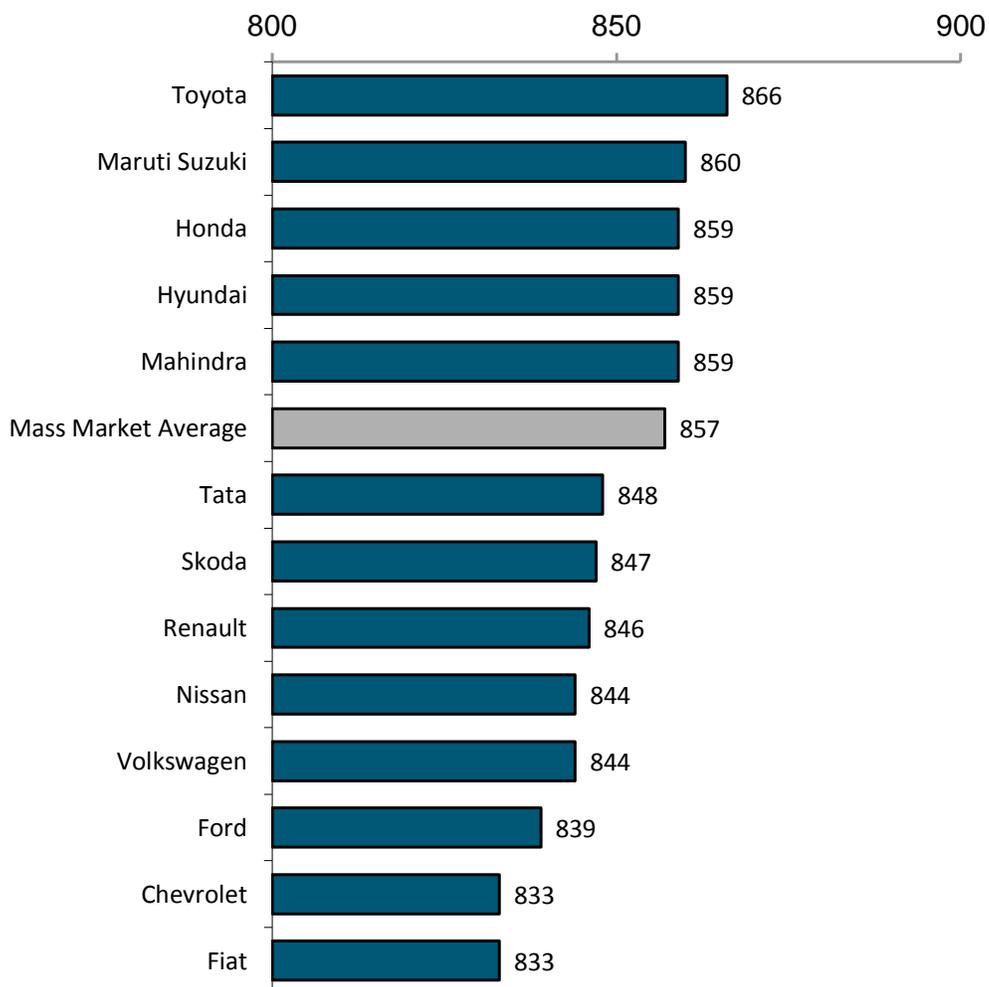
Note: Two charts follow.

J.D. Power Asia Pacific 2014 India Sales Satisfaction Index (SSI) StudySM

Sales Satisfaction Index Ranking

Mass Market Brands

(Based on 1,000-point scale)

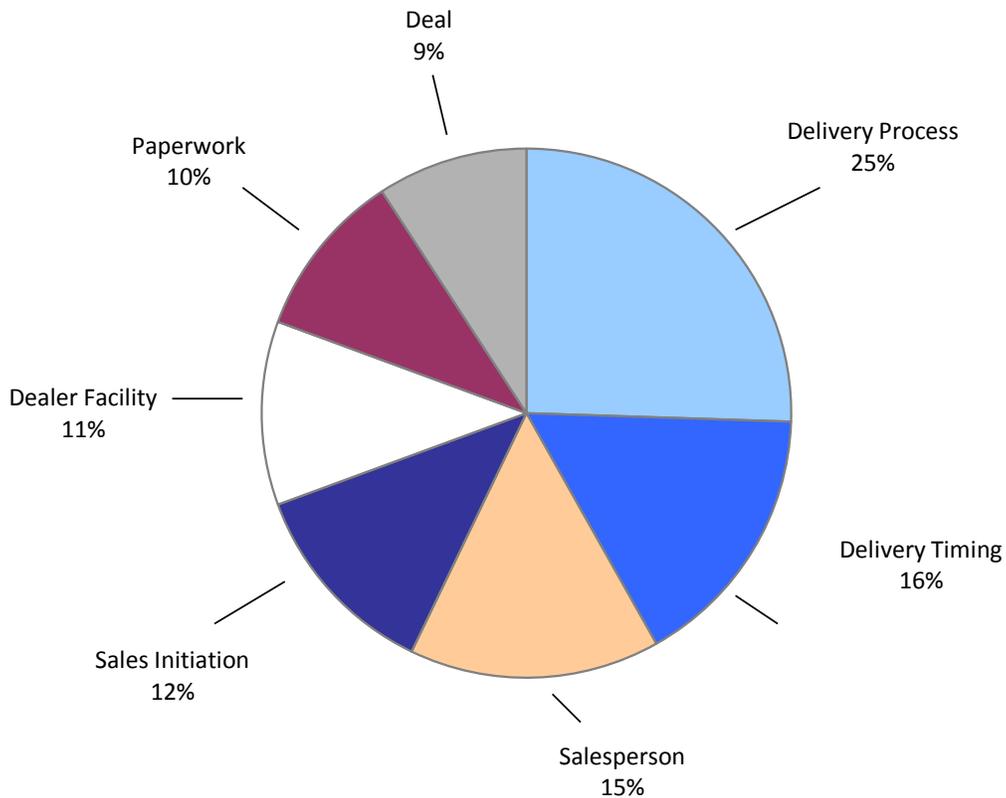


Source: J.D. Power Asia Pacific 2014 India Sales Satisfaction Index (SSI) StudySM

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Factors Comprising Overall Satisfaction



NOTE: Percentages may not total 100 due to rounding.

Source: J.D. Power Asia Pacific 2014 India Sales Satisfaction Index (SSI) StudySM

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