

Meeting Expectations of Younger Customers Crucial for Car Dealerships in India, J.D. Power FindsHyundai Ranks Highest among Mass Market Brands

SINGAPORE: 24 Oct. 2018 — Customers who are 30 years and younger expect a higher quality service experience when their vehicle is being serviced, according to the J.D. Power 2018 India Customer Service Index (Mass Market) Study,SM released today. This is significant as the automotive industry in India is continuing to experience an influx of younger customers, with 28% of customers who visit dealerships for service aged 30 years or younger.

The study finds that younger customers have higher expectations of the service processes executed at the dealerships than more mature customers. The key service process encompasses several aspects, such as the performance of a thorough multi-point inspection around the vehicle; listening back and repeating all customer requests; review and explanation of the work pre- and post-service; and regular vehicle status updates. Satisfaction with the entire service process is lower among these younger customers than among those who are older than 30 years (825 vs. 848, respectively, on a 1,000-point scale).

“India’s population is expected to be among the youngest in the world by 2020,” said **Kaustav Roy, Regional Director at J.D. Power**. “This shift in demographics will likely further attract more customers in this age group to dealerships, so it is imperative to understand the needs of this set of customers in terms of convenience, speed and transparency. Dealers will then be in a better position to meet the expectations of this demographic by providing a superior service experience and, in turn, enhancing customer loyalty.”

The study also finds that the propensity to go back or recommend the dealer for post-warranty service is lower among younger customers than among those who are older—45% of younger customers say they “definitely will” recommend their dealer and return for post-warranty service, compared with 55% of older customers who say the same.

Following are additional key findings of the study:

- **Digitisation helps drive satisfaction:** More than half (58%) of customers say that the service advisor used a tablet during the service initiation process. Satisfaction among these customers is higher than among those who did not experience the same (879 vs. 778, respectively).
- **Engagement drives revenue:** Satisfaction is higher among customers who accept their service advisor’s recommendation for additional service work to be performed than among those who do not accept the recommendations (866 vs. 775, respectively). Furthermore, customers who accept additional work generate 12% more revenue than those who do not agree to the advisor’s recommendations.
- **More customers waiting at dealership during service:** During the past five years, the proportion of customers waiting at the dealership during the entire service experience has grown to 31% in 2018 from 21% in 2014. This increase is a result of the faster service turnaround time, with 55% of customers who choose to wait at the dealership saying they received their vehicle back within three hours.

Study Rankings

Hyundai ranks highest in after-sales customer satisfaction, with a score of 912. **Tata** ranks second with a score of 874.

The 2018 India Customer Service Index (Mass Market) Study is based on responses from 9,045 new-vehicle owners who purchased their vehicle between March 2015 and August 2017. The study was fielded from March through August 2018.

Now in its 22nd year, the study measures new-vehicle owner satisfaction with the after-sales service process by examining dealership performance in five factors (listed in order of importance): service quality (30%); service initiation (18%); service facility (18%); service advisor (17%); and vehicle pick-up (17%). This study examines service satisfaction in the mass market segment.

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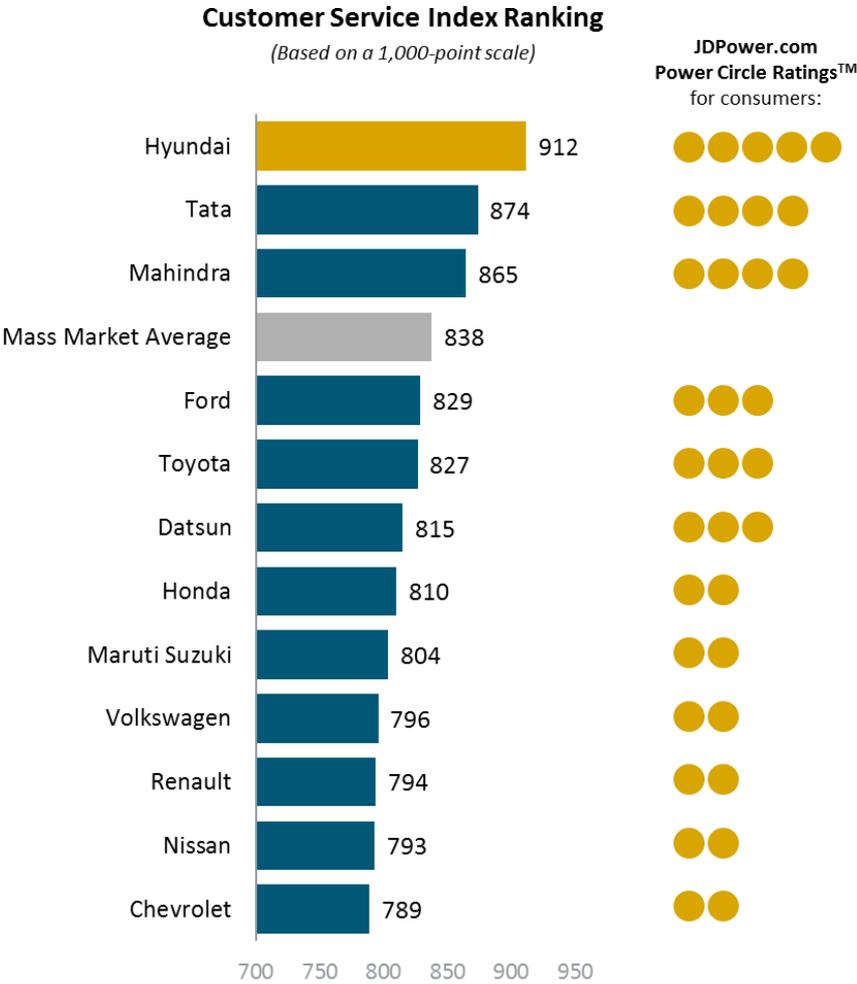
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NOTE: One chart follows

J.D. Power 2018 India Customer Service Index (Mass Market) StudySM



Note: Included in the study but not ranked due to small sample size are Skoda and Fiat.

Source: J.D. Power 2018 India Customer Service Index (Mass Market) StudySM

Power Circle Ratings Legend

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

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