

Aftermarket Auto Service Providers Still Win Hearts of Canadian Vehicle Owners but Dealers Are Closing Gap, J.D. Power FindsLexus Dealerships Rank Highest in Customer Satisfaction with Automotive Service for 3rd Consecutive Year

TORONTO: 31 Aug. 2017 — In the never-ending race for customers' business, non-dealer auto service providers still win the hearts of vehicle owners in Canada over dealers, with higher average customer satisfaction levels across almost every category, according to the J.D. Power 2017 Canadian Customer Service Index Long-Term (CSI-LT) Study,SM released today.

Aftermarket auto service providers outperform dealers in areas of service initiation (797 vs. 778 on a 1,000-point scale); service advisor (798 vs. 781); vehicle pick-up (773 vs. 751); and service quality (765 vs. 745). While dealers lag behind non-dealers in overall satisfaction (761 vs. 767, respectively), dealers do provide a better facility experience (746 for dealers vs. 681 for non-dealers) and are continuously closing the gap in the other categories, improving their scores by an average of 30 points over 2016.

"Customer satisfaction is at the core of every viable business and the automotive service market is no exception," says **J.D. Ney, senior manager of the Canadian automotive practice at J.D. Power**. "The study clearly demonstrates the importance of maintaining high satisfaction levels in retaining loyal customers who also act as brand ambassadors and recommend their vehicle service provider. The higher the customer satisfaction score, the higher the likelihood of the vehicle owner returning to the facility for paid work. For auto service providers, this can lead to hundreds, if not thousands of additional service customers annually."

According to the study, delivering exceptional customer service (901 points and higher) increases customer likelihood of returned paid visits (85% for dealers and 93% for non-dealers). This is compared to only 58% of dealer customers and 69% of non-dealer customers who say their service experience was outstanding (751-900 points) and are planning to return to the facility for service work.

The study also highlights the greater role service advisors play and the impact they have on customer satisfaction. Four of the top 10 most impactful key performance indicators (KPIs, or dealership processes that have the most impact on customer experience) are related to the service advisor. Additionally, in ratings for service advisor performance in people skills and knowledge, non-dealer service advisors outperform their dealership counterparts in every category, including: courtesy of the service representative (8.12 vs. 7.99 on a 10-point scale); responsiveness (7.96 vs. 7.77; thoroughness of explanation (7.80 vs. 7.63); and knowledge of service advisor (8.03 vs. 7.81).

"If auto service providers want to improve their business performance, they should pay closer attention to the front desk," Ney said. "Service advisors play a critical role in driving a positive customer experience as they have the most interaction and visibility to the customer. Equipping service advisors with the right tools, training and knowledge can help auto service shops gain this competitive advantage that drives satisfied and returning clients."

Following are additional findings of the study:

- Telephone is still the most popular method for customers to schedule an appointment with both dealers (82%) and non-dealers (65%), but the desire to book online today dramatically outpaces the ability to do so, with 13% saying they would rather book online vs. 5% who say they could do so.
- Keeping customers informed during the repair process, particularly via alternative communications methods, is an area where both dealers and non-dealers can improve, as the study finds that once a vehicle is in service, customers are rarely contacted by text message with updates (3% for dealers, 1% for non-dealers), although 17% of dealer customers and 12% of non-dealer customers would prefer to be contacted this way. Text messaging in particular is an area where both dealers and non-dealers should improve to better serve younger customers, who indicate by a significant margin that they prefer this method.
- Tablet usage as part of the overall service process is on the rise by both dealers and non-dealers (20% and 16% respectively)—and positively elevates customer satisfaction levels. This adoption rate is still relatively low, with plenty of room for auto service providers to boost satisfaction levels using handheld devices to provide owners with more information about the service performed on their vehicle.

Study Rankings

Lexus Dealerships rank highest in satisfying automotive service customers in Canada for a third consecutive year, with an overall satisfaction score of 808. **Mercedes-Benz Dealerships** ranks second (800), followed by **Audi Dealerships** (793), **NAPA AUTOPRO** (790) and **Volkswagen Dealerships** (788).

The J.D. Power Customer Service Index Long-Term (CSI-LT) StudySM measures satisfaction and intended loyalty among owners of vehicles that are 4-12 years old, and analyzes the customer experience in both warranty and non-warranty service visits. Overall satisfaction is based on the combined index scores of five measures that comprise the overall service experience (in order of importance): service initiation (24%); service quality (23%); service advisor (20%); service facility (17%); and vehicle pick-up (16%).

The study is based on responses from 11,430 owners in Canada whose vehicle is 4-12 years old. The study was fielded from March through June 2017.

For more information about the Canadian Customer Service Index Long-Term (CSI-LT) Study, visit <http://canada.jdpower.com/resource/canadian-customer-service-index-long-term-study>.

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Media Relations Contacts

Stephanie Ronson; Toronto, Canada; 647-259-3278; stephanie.ronson@cohnwolfe.ca
 Samantha Eng; Toronto, Canada; 647-259-3290; samantha.eng@cohnwolfe.ca
 Geno Effler, J.D. Power; Costa Mesa, Calif.; 714-621-6224; media.relations@jdpa.com

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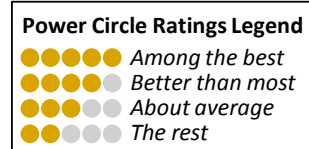
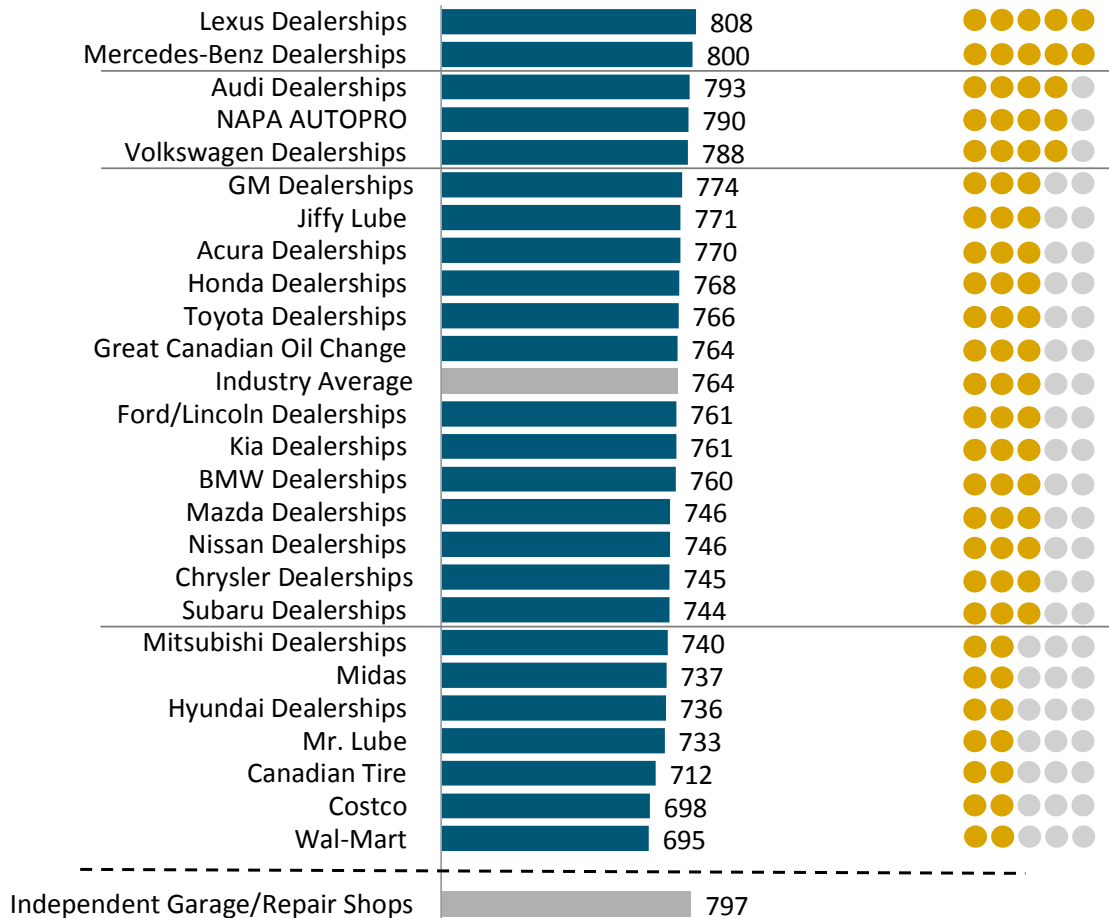
Note: One chart follows.

J.D. Power 2017 Canadian Customer Service Index Long-Term (CSI-LT) StudySM

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

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for consumers:



Note: Included in the study but not ranked due to small sample size are Fountain Tire, Goodyear Auto Centre, Infiniti Dealerships, Kal Tire, Mr. Muffler, OK Tire, Quick Lane Auto and Tire Centre, Speedy, and Volvo Dealerships. Independent Garage/Repair Shops has sufficient sample, but cannot be ranked.

Source: J.D. Power 2017 Canadian Customer Service Index Long-Term (CSI-LT) StudySM

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