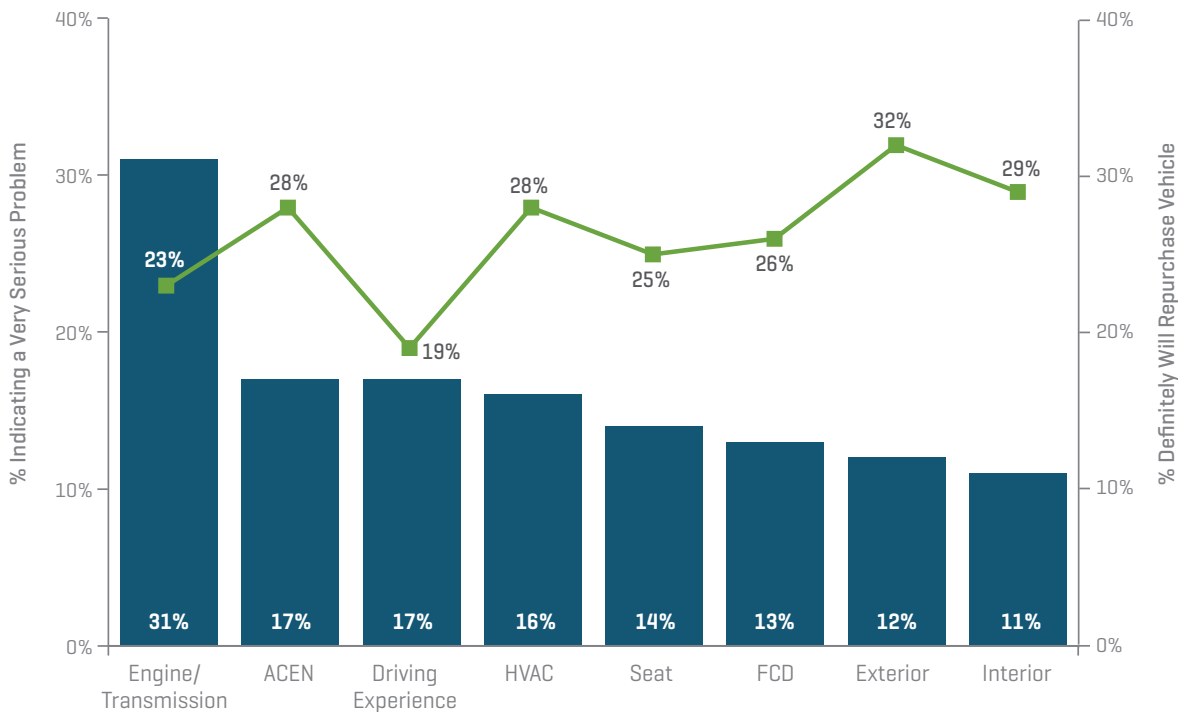




Impact of Component Quality on Repurchase Intent

According to the *J.D. Power 2014 U.S. Initial Quality Study (IQS)*, the highest proportion of very serious new-vehicle problems are in the Engine/Transmission component category at 31%, which is nearly double the proportion of very serious problems in the Audio/Communication/Entertainment/Navigation (ACEN) component category (17%). Although the second-highest proportion of owners indicate that they perceive problems in the ACEN component category as being very serious, owners appear to be more forgiving of these issues. ACEN problems do not lower vehicle repurchase intent as much as experiencing severe component problems within categories such as Engine/Transmission or Driving Experience which is actually the most impactful.

IMPACT OF VERY SERIOUS PROBLEMS ON LIKELIHOOD TO REPURCHASE



Source: J.D. Power 2014 U.S. Initial Quality StudySM

“Brakes, steering, suspension, and tires are some of the aspects that comprise the Driving Experience. Components within this category are critical to the success of the make,” said Brent Gruber, director of global automotive supplier quality at J.D. Power. “A higher percentage of vehicle owners indicate that tire defects are more serious than other problems related to the Driving Experience, and these tire defects are having a big impact on repurchase intent.”