Customer Satisfaction in a Changing Automotive Industry
Expected Sales in Mexico

Source: LMC Automotive

Note: Numbers in thousands
1st Quarter Growth Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Units</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>306,157</td>
<td>21.9%</td>
</tr>
<tr>
<td>2014</td>
<td>251,124</td>
<td>1.6%</td>
</tr>
<tr>
<td>2013</td>
<td>247,229</td>
<td>5.8%</td>
</tr>
<tr>
<td>2012</td>
<td>200,574</td>
<td>10.8%</td>
</tr>
<tr>
<td>2011</td>
<td>210,881</td>
<td>11.6%</td>
</tr>
<tr>
<td>2010</td>
<td>188,994</td>
<td>-3.3%</td>
</tr>
<tr>
<td>2009</td>
<td>195,484</td>
<td>-25.9%</td>
</tr>
<tr>
<td>2008</td>
<td>263,957</td>
<td>-5.8%</td>
</tr>
<tr>
<td>2007</td>
<td>280,215</td>
<td>-0.7%</td>
</tr>
</tbody>
</table>

Source: AMDA
Who will get this share?
Is low price what current consumers are looking for?

<table>
<thead>
<tr>
<th>Vehicle Purchase Drivers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous experience with the brand</td>
<td>20%</td>
</tr>
<tr>
<td>Good reputation/ reliability of the brand</td>
<td>19%</td>
</tr>
<tr>
<td>Vehicle body-type I wanted</td>
<td>15%</td>
</tr>
<tr>
<td>Roominess/Interior space/Comfort</td>
<td>14%</td>
</tr>
<tr>
<td>Recommended by friends/relatives</td>
<td>7%</td>
</tr>
<tr>
<td>Attractive design &amp; styling</td>
<td>7%</td>
</tr>
<tr>
<td>Fuel efficiency</td>
<td>5%</td>
</tr>
<tr>
<td>Good vehicle quality</td>
<td>4%</td>
</tr>
<tr>
<td>Low purchase price</td>
<td>3%</td>
</tr>
<tr>
<td>Vehicle performance</td>
<td>3%</td>
</tr>
<tr>
<td>Vehicle safety</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: 2014 Mexico SSI
10 years ago...

Vehicle Purchase Drivers

- Attractive design & styling: 23%
- Low purchase price: 18%
- Roominess: 9%
- Fuel efficiency: 9%
- Good reputation/reliability of the brand: 8%
- Cost to run and maintain: 6%
- Previous experience with the brand: 3%
- Comfort: 3%
- Performance: 3%
- Equipment: 3%
- Low interest rate financing: 2%
- Safety: 2%
- Recommended by friends/relatives: 2%

Source: 2004 Mexico VOSS
46% looking for the brand experience

Visited other dealers

- Yes: 8%
- No: 92%

Shopped for other brands

- Yes: 11%
- No: 89%

Source: 2014 Mexico SSI
Reasons why vehicle not purchased from some dealer

- Decided this make/model wasn't right for my needs: 34%
- Dealer didn't have the exact vehicle I wanted in stock: 17%
- I just wasn't ready to buy when I was at this dealer: 15%
- Decided this make/model was too expensive: 11%
- Dealer's price was too high: 8%
- Dealer was unable to provide adequate financing: 4%
- Dealer was too did not focus enough attention on me: 3%
- Dealer wouldn't give a straight answer about price: 2%
- Dealer didn't offer enough for my trade-in: 2%
- Dealer staff applied too much sales pressure: 2%
- Dealer staff didn't seem knowledgeable: 1%
- Dealer was not completely honest with me: 1%

Source: 2014 Mexico SSI
Point in the process before leaving

Source: 2014 Mexico SSI
Retention or conquest?

Source: 2014 Mexico VOSS
What do my customers expect?

\[
\text{Satisfaction} = \text{Performance} - \text{Expectations}
\]

The Voice of The Customer
How are expectations built?

Experience compared to expectations

- Worse than expected: 4%
- About the same as expected: 72%
- Better than expected: 24%

Source: 2014 Mexico SSI
Key diagnostics to dealer service satisfaction

Pre-service diagnostics

Service Index Score

- Performed All
- Appointment on the day desired
- Immediately spoke with service advisor
- Knew your vehicle's service history
- Explained work that needed to be completed
- Asked questions to clarify your service needs
- Performed a walk-around/multi-point inspection of your vehicle
- Advised you of other service needs for your vehicle
- Kept you informed of the status of your vehicle
- Estimation of charges provided before work performed

Source: 2014 Mexico VOSS
Satisfaction drops **116** points if client waits more than 5 minutes.

**Time Waited to Speak to Service Advisor**

- **Immediately**: 37% wait, 893 average.
- **1-2 mins**: 16% wait, 875 average.
- **3-5 mins**: 26% wait, 870 average.
- **More than 5 mins**: 21% wait, 777 average.

Source: 2014 Mexico VOSS
Satisfaction drops **123** points if client is not informed of status

Kept informed of status

- **Mass market average**
- **Service Advisor Score**

Percent of Customers

- Yes: 91%
- No: 8%

Service Initiation Index Score

Source: 2014 Mexico VOSS
Key diagnostics to dealer service satisfaction

Post-service diagnostics

<table>
<thead>
<tr>
<th>Service Index Score</th>
<th>Performed All</th>
<th>Service facility notified vehicle was ready</th>
<th>Vehicle ready when promised</th>
<th>Explanation of actual work performed after service completed</th>
<th>Was all the work completed right the first time</th>
<th>Vehicle cleaner than when brought in</th>
<th>Contacted after service to see if the work was performed to your satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>895</td>
<td>872</td>
<td>882</td>
<td>875</td>
<td>875</td>
<td>880</td>
<td>883</td>
</tr>
</tbody>
</table>

Source: 2014 Mexico VOSS
Satisfaction drops **185** points if vehicle not ready

Vehicle Ready when Promised

- **Mass market average**
- **Vehicle Pick-Up Index Score**

<table>
<thead>
<tr>
<th>Percent of Customers</th>
<th>Vehicle Pick-Up Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>89%</td>
</tr>
<tr>
<td>No</td>
<td>9%</td>
</tr>
<tr>
<td>Dealership did not promise</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: 2014 Mexico VOSS
When consumers have a positive experience with brands...

- 80% make additional purchases
- 79% tell family and friends
- 15% write email praising the brand
- 30% write online reviews
- 32% subscribe to email updates
- 12% give a shout out on social media
- 14% follow brand on social media
- 27% join a loyalty program
Takeaways

• In today’s changing world, one may decide to be the industry that leads customer satisfaction and sets the example - or the one that leaves customers wanting

• New generations expect quick response, they have all the information they need in the palm of their hand - if they don’t get what they expect, they just leave

• The good news is that you can ask your customers what they expect from your brand

Strive always to build a homelike environment at work.
Thanks!

Silvia.Gomez@jdpa.com