

AUTOMOTIVE

Word of mouth is biggest driver in dealership choice for young drivers: report

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Land Rovers tops rankings in customer service. Image credit: Land Rover

By BRIELLE JAEKEL

British automaker Land Rover tops the rankings for customer service among premium automakers at a time when younger consumers are relying on recommendations from friends and family.

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According to the J.D. Power 2018 U.K. Customer Service Index, older consumers are more likely than younger ones to trust one dealership for continued service. Younger consumers rely more on personal recommendations from friends when it comes to which dealership to trust.

"These results illustrate the importance of developing passionate advocates, not only for the product but also for the dealership itself, when trying to attract younger people as new customers," said Josh Halliburton, vice president and head of European operations at J.D. Power.

For the survey, the researchers looked at data from 7,899 respondents who registered their new vehicles between February 2015 and April 2017.

Driving customer service

In J.D. Power's rankings, Land Rover jumped 16 points within a year for customer service.

For premium brands in the United Kingdom, Mercedes-Benz was also listed as a top brand for customer service, ranking as the third most favored brand.



Mercedes-Benz is ranked high for customer service. Image credit: Mercedes

The average score for premium brands is 798, while Land Rover and Mercedes earned 824 and 805, respectively. Audi, Jaguar and BMW followed Mercedes as the top ranked brands.

The study also showed that consumers now prefer to book their service appointments through online portals, but initiating service through the Internet rather than mobile devices ranks higher in satisfaction.

When it comes to service updates while vehicles are in the shop, customers under the age of 40 would rather receive texts. The number of dealerships that have an SMS update program has grown by 2 percent compared to last year, but the majority still do not have such a service.

Almost 30 percent of survey takers preferred to be contacted via text about their vehicle service, but only 13 percent of dealerships have implemented an SMS program.



Jaguar was also highly ranked on J.D.'s index. Image credit: Jaguar

Another strategy that increases satisfaction with customers is detailing the work done and having charges explained even though it adds an extra 11 to 15 minutes of paperwork for employees.

Additional insight

While consumers are now empowering themselves with more information from digital resources before entering a dealership, many believe the salesman is an integral part of purchasing a car.

A past report from J.D. Power shows that vehicle shoppers, including luxury buyers, rely on salesmen and the dealership to teach them the new technologies that come along with their purchases. Luxury dealerships who follow up with customers with further explanation of the vehicle's features improve satisfaction rates by up to 100 points ([see story](#)).

Another report from J.D. Power indicates that there is still room for improvement despite automotive technology's substantial growth in recent years.

New vehicle quality is at an all-time high, according to research in the J.D. Power 2017 U.S. Initial Quality Study, but problems are still occurring for owners when it comes to technology. The most common issues seen in new vehicles are related to audio, communication, entertainment and navigation ([see story](#)).

"Recommendations among customers in this group are far more important than dealership advertising, promotional

materials or coupons," Mr. Halliburton said.

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