

AUTOMOTIVE

Automakers' consumer satisfaction slips as quality, value scores decline

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Lexus tops the ACSI. Image credit: Lexus

By SARAH JONES

According to research from the American Customer Satisfaction Index, customer satisfaction with automakers has fallen 3.7 percent from 2018, pointing to further challenges for the industry in the United States this year.

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Satisfaction fell for 21 of the 27 marques studied, driven largely by a reduction in perceived value. New car sales have declined so far this year, and geopolitical issues coupled with consumer behavior shifts have the potential to further dampen demand.

"For the majority of automobile nameplates measured by the ACSI, satisfaction has dropped due to deteriorating quality and value, as well as discontent for key aspects of the driver experience, such as driving performance and vehicle safety," said David VanAmburg, managing director at the **ACSI**, Ann Arbor, MI.

The ACSI's research is based on interviews with approximately 300,000 individuals each year.

Satisfaction scores

The ACSI for automakers grew last year largely due to a rise in value scores. This year, the average new car price has risen 4 percent to \$37,000, causing the perceived value to fall and customer satisfaction to drop.

With the potential for lower interest on auto loans due to the Federal Reserve's decision to cut rates, the report notes that financing might be easier on consumers. However, automakers are not discounting as much, making new cars pricier for most people.

Toyota Corp.'s Lexus came out on top among the automakers in the index, despite taking a 1 percentage point hit in customer satisfaction. Following Lexus was Mercedes-Benz, which was an outlier in the downward trend with a 1 percent increase.



Mercedes was the automaker with the second greatest score. Image credit: Mercedes

Audi and BMW rounded out the top four, all with scores above the industry average of 79.

While six of nine luxury automakers saw their customer satisfaction decline, it only fell an average of 1 percent compared to the industry average of 4 percent.

Luxury marques outperform their mass-market peers on a number of factors, including technology. However, luxury cars' gas mileage is rated as inferior to mass vehicles.

A number of features of the luxury car have seen a year-over-year decline in satisfaction, including comfort, interior design and exteriors.

The ACSI has also seen a change from 2018 to 2019 around recalls.

Last year, those who had recalled vehicles had a satisfaction level that was in line with those who had not. This year, there is a two-point gap difference.

However, six out of nine luxury brands saw no adverse effects from recalls, showing that they are handling the process well.

Mixed results

Part of what is driving up auto prices is in-car technology, and it has also led to some issues for new owners.

Although automakers have found success with more sophisticated infotainment platforms, drivers report disappointment in areas such as engine problems and driver assistance systems.

According to the J.D. Power 2019 Initial Quality Study, new vehicle quality remained steady and failed to improve on the previous year for the first time in five years. As automakers continue to push vehicle automation, they should take note of issues with automated assistance systems ([see story](#)).

Aside from the ACSI, Lexus and Mercedes-Benz have topped other rankings for their ability to connect with consumers.

German automaker Mercedes-Benz is considered the most emotionally intelligent premium automotive brand among affluent U.S. consumers, driven in part by the quality of its vehicles.

According to a report from the Luxury Institute, Mercedes may have come out on top, but Toyota Corp.'s Lexus edged out Mercedes when it came to empathy, trustworthiness and generosity. Meanwhile automakers BMW and Tesla received mixed marks from drivers ([see story](#)).

"Automakers have to demonstrate their value," Mr. VanAmburg said. "Cost-conscious consumers have reacted more adversely to higher sticker prices, particularly when not accompanied by increases in product and service quality.

"According to ACSI data, Lexus and Mercedes exceed customer expectations and provide an exceptional experience from comfort to appearance to safety," he said.