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RESEARCH

Lexus keeps crown in dealership customer satisfaction: JD Power

March 15, 2012



By RACHEL LAMB

Toyota Corp.'s Lexus continues to hold the customer satisfaction title at its dealerships, according to a recent report by J.D. Power and Associates.

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Lexus received the highest in customer satisfaction with dealers service among luxury brands, leading Cadillac, Jaguar, Acura and Porsche to round out the top five. Lexus also beat out the mass-market segment with a score of 861 out of 1,000.

"Lexus set a very high standard for customer satisfaction for their dealers from the inception of the brand over 20 years ago," said Michael Battaglia, director of automotive retail research at J.D. Power, West Lake Village, CA.

"They were able to build a very customer focused infrastructure from the time the brand was launched and they have consistently improved their performance over time," he said. "Lexus excels in almost every aspect of the CSI study and, while they are not necessarily No. 1 in every ranked category, they perform consistently well across all performance measures."

Lexus nexus

The J.D. Power study examined customer satisfaction who visited a service department

for maintenance or repair work.

The five measures examined are, in order of importance, service quality, service initiation, service advisor, service facility and vehicle pickup.

What pushed Lexus to the top was its excellence in three of the five categories: service initiation, service facility and service quality.

"This year's CSI results are a direct reflection of our dealers' efforts," said Bill Kwong, public relations specialist at Toyota, Torrance, CA. "We will continue to work hard to improve our quality and satisfy our customers."

"Lexus has a great working relationship with our dealers, who are the best in the business," he said. "This track record supports the importance Lexus has placed on customer satisfaction since its inception."



Lexus showroom

This is Lexus' fourth consecutive and 15th overall year at the top of the list.

Cadillac came in second place with a score of 852, Jaguar at 849, Acura at 838 and Porsche at 836.

Audi, Mercedes-Benz, Infiniti, BMW and Land Rover rounded out the top 10, placing between Lincoln and Volvo. The luxury brand average was 835.

Interestingly, all but one of the luxury automakers – Land Rover, which had a score of 796 – had higher scores than the top score of mass-market brands.

BMW's Mini was the highest mass-market brand with a score of 809.

The service experience averaged 38 points higher at brand dealerships rather than non-dealer facilities.

In addition, 79 percent of all service visits among owners of one- to three-year-old vehicles are performed at dealer vehicles, which is up from 74 percent in 2011, according to J.D. Power.

In addition, eight brands improved by at least 20 points in 2012. Audi was the most-improved in the luxury segment, increasing 34 satisfaction points in 2012.

Customer service

Lexus' service at its dealerships seems to transcend into other channels, as well.

For example, the automaker frequently looks for other ways to implement customer service on its social media channels.

Lexus monitors tweets and Facebook posts and replies with email addresses, telephone numbers and general information.

A screenshot of a Facebook message exchange. On the left, a user named 'Bi Anh' asks: "Is it normal for the car to have no power whatsoever when the car battery is dead (IS-F)? The remote works but no respond from the IS -F." Below this, a Lexus customer service representative responds: "Lexus Bi, I am sorry to hear that you are having battery concerns with your IS-F. Please understand that vehicle response will vary depending on the charge level of the vehicle's battery. If you are having problems starting or getting into your IS-F please give Lexus Roadside Assistance a call at 800.255.3967 option #1. Thank you, Michael L., Lexus Customer Satisfaction." The message is timestamped "4 hours ago". At the bottom of the screenshot, there is a text input field labeled "Write a comment...".

Lexus' Twitter

In addition, Lexus updated its Enform mobile application that allows consumers to control features of their car from their mobile devices ([see story](#)).

Luxury consumers depend on customer service and, with brands branching out into different areas, expect it on all channels.

However, the dealership is similar to the in-store experience for retailers. Luxury automakers need to make their dealerships a safe and comfortable place for consumers to go whenever they need help.

"Luxury customers maintain high expectations and tend to have the financial means to quickly switch brands should a sales or service experience underperform," J.D. Power's Mr. Battaglia said. "Competition within this segment is fierce with many brands performing at very high levels of customer satisfaction."

"If one brand is perceived to provide better service and additional benefits over their current brand of vehicle, then these customers could readily defect to another brand," he said. "Finally, from a profitability standpoint, the sale and servicing of luxury cars is lucrative."

"Both dealers and manufacturers don't want to lose these important customers."

Final Take

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