

Chinese Auto Manufacturers Continue to Close Quality Gap in J.D. Power Vehicle Dependability Study

[Beijing Hyundai Receives Three of 12 Model-Level Awards:](#)

[Porsche Ranks Highest in Vehicle Dependability among Luxury Brands:](#)

[MINI and Volkswagen Rank Highest among Mass Market Brands](#)

Shanghai: 26 November 2015 — Vehicle dependability has improved this year, as long-term reliability and durability approach mature market levels in aggregate problems reported, according to the J.D. Power 2015 China Vehicle Dependability StudySM (VDS) released today. The rate of improvement in overall dependability is most pronounced among domestic Chinese brands, which have continued to narrow the quality gap with international brands in 2015.

Now in its sixth year, the study measures problems experienced during the past six months by original owners of vehicles after 37 to 48 months of ownership. The study examines 202 problem symptoms across eight categories: engine and transmission; vehicle exterior; driving experience; features/ controls/ displays; audio/ entertainment/ navigation; seats; heating, ventilation and cooling (HVAC); and vehicle interior. Overall dependability is determined by the number of problems experienced per 100 vehicles (PP100), with a lower score reflecting higher quality.

Key Findings:

- **Overall Dependability Improves to Mature Market Levels:** Overall vehicle dependability improves significantly in 2015, with total reported problems per 100 vehicles (PP100) dropping to 156 PP100 from 193 PP100 in 2014. This continued improvement in vehicle dependability has put China more in line with other, more mature automotive markets, including the United States, which it lags by just 9 PP100.
- **Domestic Auto Brands Show Sharpest Improvement:** Domestic brands improve the most among all brand origins (-48 PP100). In addition, the gap between domestic brands and international brands has continued to narrow year over year (27 PP100 vs. 43 PP100 in 2014), with engine/ transmission issues accounting for nearly three-fifths of this gap (16.0 PP100).
- **Consumer Loyalty Influenced Heavily by Dependability:** Loyalty among owners who report at least one problem is only half of that among owners who report no problems—16% of those who experience a problem say they “definitely would” recommend the same model vs. 28% of those who experience no problems, and 5% “definitely would” repurchase the same make vs. 10%, respectively.
- **Manufacturing Defects Persist:** Despite significant improvement overall, manufacturing defects continue to be an issue in the Chinese market. While, on average, 33% of problems reported by U.S. owners are defect related (with the balance of reported problems design related), 55% of problems reported by those in China are defects (with the balance being design related).
- **Korean Makes Have Fewest Problems:** Korean makes have the fewest number of problems among mass market nameplates, averaging 130 PP100 vs. the mass market average of 160 PP100.

“The significant improvement in overall dependability from last year shows that the massive investments and efforts made in manufacturing in-country are finally paying off,” said **Dr. Mei Songlin, vice president and managing director at J.D. Power**. “Nevertheless, automakers should continually commit to quality and dependability, as they are extremely critical to customer loyalty. Over the years, automakers have provided an intense focus on initial quality, the first 90 days of ownership, but now is the time for automakers to make dependability a priority.”

“The difference in the proportion of defect-related problems between China and the United States indicates that build quality still has room to improve in China. Further, as owners in China become more accustomed to owning a car, they will likely begin reporting more design-related issues,” said **Ann Xie, director of research at J.D. Power**.

Individual Model Dependability Scores:

Porsche ranks highest in vehicle dependability among luxury nameplates, averaging 97 PP100. Mercedes-Benz ranks second with 103 PP100 and Lexus ranks third with 107 PP100.

MINI and Volkswagen rank highest in a tie among mass market nameplates, with a score of 110 PP100. Renault ranks second (113 PP100) and Subaru ranks third (117 PP100).

Models from Beijing Hyundai rank highest in three of the 12 award segments. Mercedes-Benz ranks highest in two vehicle segments.

Models ranking highest overall in their respective segments are:

- Compact Mini: Geely Panda
- Compact Upper: Hyundai Verna
- Midsize Basic; Honda City Fengfan
- Midsize: Kia Cerato
- Midsize Upper Economy: MINI
- Midsize Upper: Hyundai Sonata
- Compact Luxury: Mercedes-Benz C-Class
- Midsize Luxury: Mercedes-Benz E-Class
- Midsize SUV: Hyundai Tucson
- Midsize Luxury SUV: Lexus RX
- Large Luxury SUV: Audi Q7
- Mini Van: Wuling Sunshine

The 2015 China Vehicle Dependability Study (VDS) is based on evaluations from 17,534 owners of vehicles purchased from May 2011 through August 2012. The study analyzes models in 21 vehicle segments, which include 160 different passenger-vehicle models from 59 different brands. The study was fielded from May through September 2015 in 46 major cities across China.

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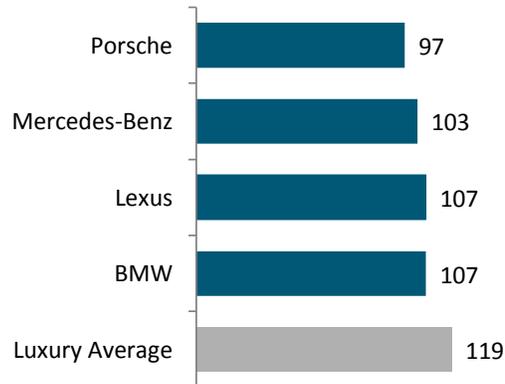
Note: Three charts follow.

J.D. Power

2015 China Vehicle Dependability (VDS) StudySM

2015 Nameplate VDS Ranking—Luxury Industry Average and Above

Problems per 100 (PP100) Vehicles



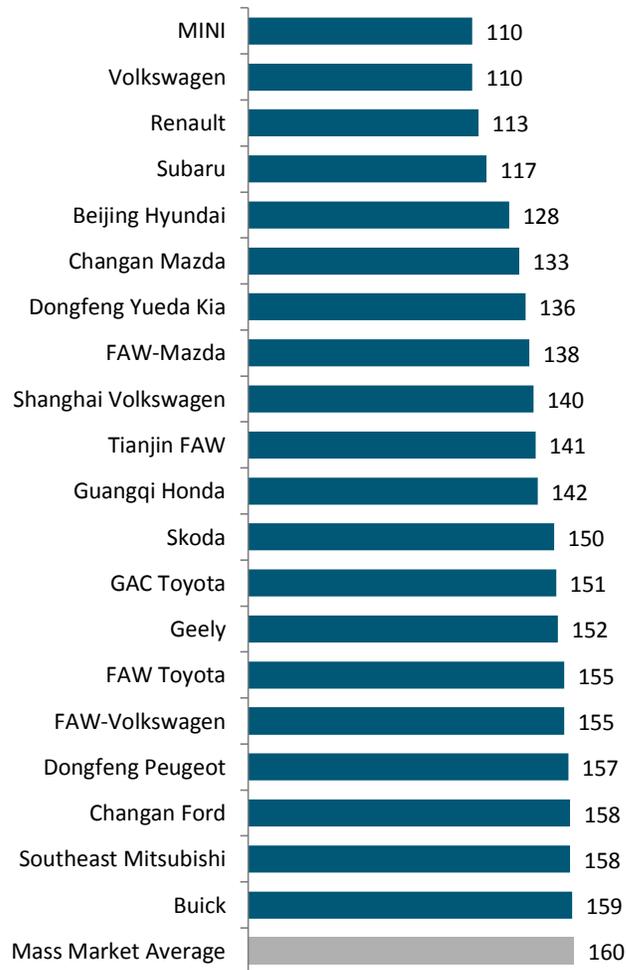
Source: J.D. Power 2015 China Vehicle Dependability StudySM

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Top Three Models per Segment in Vehicle Dependability Segment Average and Above

Compact Mini	Compact Luxury
Highest Ranked: Geely Panda Baojun Lechi Changan Benni Mini	Highest Ranked: Mercedes-Benz C-Class BMW 3 Series Volvo S60
Compact Upper	Midsize Luxury
Highest Ranked: Hyundai Verna Kia K2 Ford Fiesta	Highest Ranked: Mercedes-Benz E-Class BMW 5 Series
Midsize Basic	Midsize SUV
Highest Ranked: Honda City Fengfan Haima Family Buick Excelle	Highest Ranked: Hyundai Tucson Kia Sportage R Renault Keleos
Midsize	Midsize Luxury SUV
Highest Ranked: Kia Cerato Mazda 3 Xingcheng Hyundai Yuedong Elantra	Highest Ranked: Lexus RX Mercedes-Benz GLK-Class Cadillac SRX
Midsize Upper Economy	Large Luxury SUV
Highest Ranked: MINI Volkswagen Sagitar Mazda 6	Highest Ranked: Audi Q7 BMW X5 Porsche Cayenne
Midsize Upper	Mini Van
Highest Ranked: Hyundai Sonata Kia K5 Volkswagen Passat	Highest Ranked: Wuling Sunshine Dongfeng Xiaokang

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