

Vehicle Owners in China Care Most for Exterior and Interior, J.D. Power Finds

Porsche and Jeep Rank Highest in Luxury and Mass Market Segments, Respectively
SAIC Volkswagen Receives four Segment Awards; Beijing Hyundai Receives Three

SHANGHAI: 20 Sept. 2017 – The most reported dependability problems by vehicle owners in China are related to vehicle exterior and interior, which accounts for 18% and 15%, respectively, of all reported problems, according to the J.D. Power 2017 China Vehicle Dependability StudySM (VDS), released today.

The top three problems reported in vehicle exterior are *excessive road noise, wind noise and light bulb failure*. As for vehicle interior, the three most reported problems include *steering wheel worn or faded, materials scuff/soil easily, and writing on controls faded/removed*.

The study also finds Chinese vehicle owners —especially those of luxury brands — are highly sensitive to interior smell. *Air from vents smells unpleasant* is the most common problem in the luxury segment, with a score of 4.4 PP100 (problems per 100 vehicles).

“It is important for automakers to understand that the concerns and needs of consumers in different markets can be hugely different, thus they should understand and precisely address the specific demands in each local marketplace,” said **Jeff Cai, General Manager of Auto Product Practice at J.D. Power China**. “Consumers in China obviously care more about their physical senses, such as noise, smell, air conditioning, styling/exterior design, compared with U.S. consumers—more experienced in buying and driving vehicles—who are more concerned about technology-related problems.”

Following are additional findings of the study:

- **Reported problems in China are vastly different than those reported in the United States:** Eight of the top 10 problems reported by the two markets are different. The most complained area in China is vehicle exterior (18%), while problems with audio, communication, entertainment and navigation (or ACEN) are most reported by U.S. consumers—22% in the United States, compared with 8% in China.
- **Gap between domestic and international brands remains:** In 2017, the dependability gap between domestic and international brands is 30 PP100, which is quite close to that of last year (28 PP100). The gap between the two segments has been dramatically shrunk to 30 PP100 in 2017 from 201 PP100 in 2010.
- **Engine and transmission differences keep gap between domestic and international brands, which is similar to previous years:** This year, *manual transmission is difficult to get in gear/ gears grind* is the most often reported engine and transmission problem among owners of domestic brands, with 1.8 PP100 more than owners of international brands.

Highest-Ranked Brands and Models

Porsche ranks highest in vehicle dependability among luxury brands, with a score of 101 PP100.

- **BMW** and **Land Rover** follow in the rankings in second with 111 PP100 each.
- **Jeep** ranks highest among mass market brands, with a score of 116 PP100, followed by **smart** with 119 PP100 and **Renault** with 121 PP100.
- **SAIC Volkswagen** has four models (Skoda Fabia; Skoda Rapid; Volkswagen Lavida; and Volkswagen Touran) that receive segment awards.
- **Beijing Hyundai** models receive three segment awards (Hyundai Mistra; Hyundai Tucson; and Hyundai Santa Fe).

The China Vehicle Dependability Study measures problems experienced during the past 12 months by original owners of 30- to 48-month-old vehicles and includes 177 problem symptoms across eight categories: engine/ transmission; vehicle exterior; driving experience; features/ controls/ displays; audio/ communication/ 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.

Now in its eighth year, the study is based on responses from 29,747 owners of vehicles purchased between December 2012 and December 2014. The study is fielded from December 2016 through July 2017 in 62 cities across China. This year, the study analyzes 176 models of 63 makes across 22 vehicle segments.

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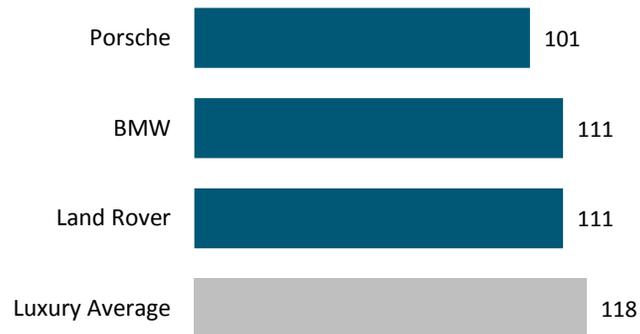
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NOTE: Four charts follow.

J.D. Power 2017 China Vehicle Dependability StudySM (VDS)

2017 Nameplate VDS Ranking—Luxury Industry Average and Above

Problems per 100 (PP100) Vehicles



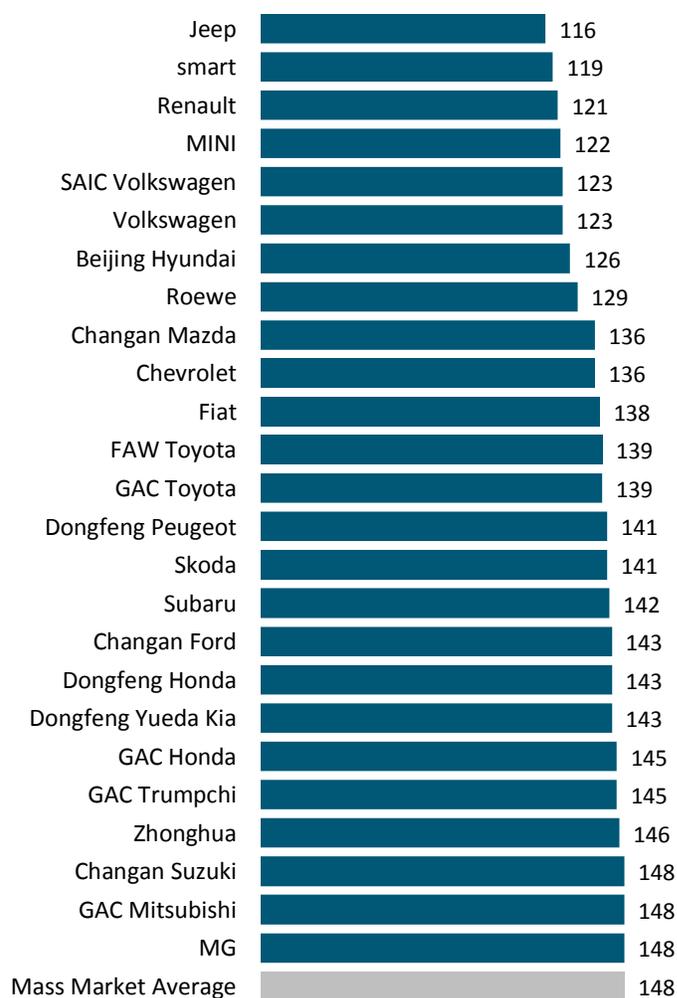
Source: J.D. Power 2017 China Vehicle Dependability StudySM (VDS)

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J.D. Power 2017 China Vehicle Dependability StudySM (VDS)

2017 Nameplate VDS Ranking—Mass Market Industry Average and Above

Problems per 100 (PP100) Vehicles



Source: J.D. Power 2017 China Vehicle Dependability StudySM (VDS)

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J.D. Power 2017 China Vehicle Dependability (VDS) StudySM

Top Three Models per Segment Segment Average and Above Car Segment

<p>Compact Mini*</p> <p>Highest Ranked: smart fortwo Suzuki Alto</p>	<p>Midsize</p> <p>Highest Ranked: Volkswagen Lavida Hyundai Langdong Elantra Kia Forte</p>
<p>Compact Basic*</p> <p>Highest Ranked: Geely Freedom Ship Suzuki Swift</p>	<p>Midsize Upper Economy</p> <p>Highest Ranked: Hyundai Mistra MINI Volkswagen Sagitar</p>
<p>Compact*</p> <p>Highest Ranked: Chevrolet Sail Chery Fulwin2</p>	<p>Midsize Upper</p> <p>Highest Ranked: Kia K5 Ford Mondeo Zhisheng Hyundai Sonata** Volkswagen CC**</p>
<p>Compact Upper</p> <p>Highest Ranked: Skoda Fabia Hyundai Verna Ford Fiesta</p>	<p>Compact Luxury*</p> <p>Highest Ranked: Audi A4 BMW 1 Series</p>
<p>Midsize Basic</p> <p>Highest Ranked: Skoda Rapid Volkswagen Santana Roewe 350</p>	<p>Midsize Luxury</p> <p>Highest Ranked: BMW 5 Series Cadillac XTS Mercedes-Benz E-Class</p>

* No other model in this segment performs above segment average. ** Models tied for third place.

Note: To qualify for an award in the 2017 China Vehicle Dependability Study, models must meet these criteria: 1. A sample size of at least 100. Additionally, at least four models must be ranked within the same segment; 2. At least one model with sufficient sample size in the segment must perform better than the segment average. In the Large Luxury, Small SUV, Compact Luxury SUV and Large MPV segments, these criteria were not met, thus no awards have been issued.

Source: J.D. Power 2017 China Vehicle Dependability StudySM (VDS)

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J.D. Power 2017 China Vehicle Dependability (VDS) StudySM

Top Three Models per Segment Segment Average and Above SUV, MPV, Van Segments

Compact SUV Highest Ranked: Hyundai Tucson Ford Ecosport Nissan Qashqai	Large Luxury SUV* Highest Ranked: BMW X5 Porsche Cayenne
Midsize SUV Highest Ranked: Toyota RAV4 Ford Kuga Jeep Compass	Compact MPV Highest Ranked: Baojun 730 Dongfeng Future Joyear Wuling Hongguang
Large SUV* Highest Ranked: Hyundai Santa Fe	Midsize MPV* Highest Ranked: Volkswagen Touran Toyota E'Z
Midsize Luxury SUV Highest Ranked: Audi Q5 Lexus RX BMW X3	Mini Van Highest Ranked: Dongfeng Xiaokang K Changan Star Wuling Sunshine

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