

Analysis on Automobile Consumers' Satisfaction

- (1) Overall Comparison between Domestic-Imports

- **The biggest strength of Imports is product quality**
- **Imports is excellent in brand satisfaction also**
- **Domestic & Imports are Similar in service area**

Rapid growth of imported cars has continued to march. The bull of imported cars is continuing. And the reason can be found from consumers' evaluation on imported cars, in which Imports is one step higher than domestic cars in terms of quality and service. In the overall comparative analysis for this, Imports had unilateral superiority in terms of product quality, while the service aspect was going by shoulder to shoulder, and Imports appeared to be superior in comprehensive evaluation for brand

Marketing Insight, automobile specialist research firm, has conducted large-scale syndicated studies (101,821 sample size in 2014) in July every year since 2002 on "Customer satisfaction and experienced quality of car". This study has diverse divisions of evaluation. But the evaluation target, evaluated value and ownership period are different to one another, making it impossible to compare directly. However, there is a common question to ask "How to evaluate on 10-point scale in a comprehensive manner" at the end of all the evaluations. In here, the consumers who purchased new car within one year (A/S uses visit within one year) compare the evaluations on each area comprehensively.

The evaluation results of the survey respondents in 2014 for "Service", "Product" and "Overall" areas are presented by purchasers of domestic cars and imported cars [Table 1]. Each area is made into two divisions, and the figures presented in [Table 1] is Satisfaction rate, which is the percentage of consumers who gave 8 or more points in the 10-point scale.

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**[Table 1] Evaluation of Recent Domestic-Imports Purchasers
(Since Jul. 2013) in Customer Satisfaction Area**

Satisfaction rate: %*

Area	Division	Domestic	Imports	Gap (Dom.-Impt.)
Service	Sales Service ¹⁾	49 %	57 %	-8
	After-sales Service ²⁾	66	64	+2
Product	Product Reliability ³⁾	56	76	-20
	Product Power ⁴⁾	44	67	-23
Overall	Quality Stress ⁵⁾	57	70	-13
	Brand Evaluation ⁶⁾	38	55	-17

* Rate of 8 points or higher in 10-point scale

1) How do you score the overall sales activity of the maker including visited sales-outlet and met salesperson while purchasing the car (), vehicle delivery process and post-sales customer-care, on 10-point scale?

2) How do you score the service of the service center and maker () experienced during past 1 year on 10-point scale?

3) How do you score the quality of the car when considering the experienced trouble and problems of the car () comprehensively on 10-point scale?

4) Please evaluate how much you like the car () on 10-point scale when considering feature, performance and design comprehensively.

5) What's the overall stress level you have received from the car ()? Please evaluate on 10-point scale.

6) When summarizing the overall aspects (Sales/Service/Quality), how do you grade overall aspect of the maker ()? Please evaluate on 10-point scale.

When looking into the satisfaction rate in the six divisions of the purchasers of imported cars and domestic cars, domestic is lagging behind in the five divisions with just a slight difference winning in the after-sales service, while having the largest inferiority in Product area. Imported cars displayed the satisfaction rates of over 50% in all six divisions, while Domestic cars were below 50% in the three divisions and recorded 30% range (38%) in the brand evaluation.

The greatest weakness of domestic cars is in Product. Domestic had the largest gap of 23%p in the evaluation on design•performance•feature of new car, and 20%p second largest gap in terms of products reliability (Problem, Defect). This result demonstrates that many consumers are very much satisfied with the product attributes and reliability of new car after switching to imported cars.

Also, Imports purchasers answered that they have 'no stress personally on Discomfort, Anxiety, Loss and Anger' (13%p higher), and 'satisfied with overall aspect of the maker (brand) such as Sales, Service and Quality' (17%p higher). This also indicates that Imports purchasers

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are satisfied with the products and services provided by Imports makers in overall sense.

In contrast, Domestic cars are ahead of Imports only in after-sales service (2%p) among the service area, while getting behind in the sales service (8%p).

When summarizing all the above, the dominance of imported cars is firm in the aspect of customer satisfaction, and the key is in the Product. The outstanding product reliability of imported cars along with excellence in attractiveness as Product is leading to competitive advantage. It is also significantly higher in satisfaction with maker (brand) in addition to this. Unless domestic cars can achieve catching two rabbits of product and brand, the sprint of imported cars will get more momentum.

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Marketing Insight Inc. has conducted 'Automobile Quality and Customer Satisfaction Study' in every July from 2002 to 2014 with 100k consumers. The study results had been announced as press releases from the end of Sep. every year. Also the results are utilized by domestic major automakers, auto-importers and automotive-related enterprises.

Media release contents and '[Korean Automobile Quality Report](#)' contents are listed on 'AutoInsight' (www.autoinsight.co.kr), which is 'Korean online automobile consumer reports' developed by Marketing Insight Inc., and '[Auto Column](#)' of Daum Automobile section. Especially, 'AutoInsight' provides 'One Page Report' feature than can compare consumers' product quality and service evaluations by model.

[Research design & outline]

- Research body: Marketing Insight(www.mktinsight.co.kr)
- Research type: Syndicated study
- Population: Nationwide Automobile user with e-mail account
- Survey period: July 2014
- Data collection method: Online e-mail survey
- Sample size: Total 101,821 respondents

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The results of this report were excerpted and summarized from the results of 'Automobile Quality and Customer Satisfaction Study' conducted by Marketing Insight Inc. in every July since 2002.

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