

Hino Ranks Highest in Owner Satisfaction with Light-Duty Commercial Trucks For a Second Consecutive Year

Building Customer Trust through Effective Sales Activities Is Key to Avoiding Price Competition

TOKYO: 19 February 2016 — Earning trust from customers through effective and efficient sales activities is the key to satisfying customers during purchase negotiations, which also helps avoid price competition or discounts, according to the J.D. Power 2016 Japan Light-Duty Truck Ownership Satisfaction Study,SM released today.

The annual study measures overall satisfaction with light-duty truck manufacturers and their respective authorized truck dealers among commercial fleet owners, including managers of truck freight companies. Satisfaction is determined by examining owners' evaluations of 10 attributes grouped into four factors (listed in order of importance¹): vehicle (44%); sales (22%); service (22%); and cost (12%). The study has been significantly redesigned for 2016; therefore, the results are not comparable to previous years. Satisfaction is calculated on a 1,000-point scale.

Building a trusting relationship with customers through regular contact during the sales process is highly influential on brand selection and helps avoid price competition in the marketplace. When customers trust their salesperson, they are less likely to challenge the vehicle price and ask for a discount during negotiations. Among owners who indicate their salesperson contacts them at least once a month, 43% cite "trust in the salesperson" as the most frequent reason for choosing the OEM, while 24% of those whose salesperson contacts them less than once a year cite "reasonable vehicle price" as the reason.

Providing customers with a detailed explanation of the vehicle or vehicle's body specification during the negotiation helps to foster trust in the salesperson. More than four in 10 (41%) customers indicate they received a detailed explanation about the specifications of the vehicle during negotiations and 43% received information about the truck body. Among customers who indicate they trust their salesperson, those percentages increase to 54% and 57%, respectively. Moreover, 43% indicate their salesperson gave an explanation about the vehicle or vehicle body as an after-sales follow-up activity, which increases to 53% among owners who cite "trust in the salesperson" as a reason for choosing the OEM.

"Every salesperson has an opportunity to build trust with customers when they take the time to make frequent contacts and work closely with them during the sales process," said **Yuji Sasaki, director of the automotive division at J.D. Power**. "This can be a challenge when the salesperson is serving multiple customers. Strategically, it is important for OEMs to establish an effective and efficient sales activity model so the sales team understands which key sales performance metrics can help build customer trust and improve satisfaction."

Study Rankings

Overall Japan light-duty truck ownership satisfaction averages 552. **Hino** ranks highest for the second consecutive year, with a score of 577. Hino performs particularly well in the sales factor. Hino also ranks

¹ The importance weights of the study factors were calculated from the combined data for heavy- and light-duty trucks. Both sets of data were collected during the same period of time.

highest in the J.D. Power 2016 Japan Heavy-Duty Truck Ownership Satisfaction Study,SM published in January 2016.

Key Findings

- Among truck owners indicating their salesperson contacts them at least once a week, overall satisfaction averages 672 points, compared with only 467 among those whose salesperson contacts them less than once a year, a significant 205-point gap. This gap is larger than that for heavy-duty truck owners (194-point gap), suggesting that the frequency of contact has a greater impact on satisfaction among light-duty truck owners.
- As a reason for choosing the OEM, 29% of light-duty truck owners cite “reasonable vehicle price” and 9% cite “reasonable maintenance/ repair costs,” which indicates that both purchase price and cost of ownership are important considerations for customers when buying a truck. However, maintenance cost, rather than the initial vehicle cost, has a greater impact on owner satisfaction, with maintenance cost comprising 56% of the cost factor and initial cost comprising 44%. This finding suggests that informing customers upfront about maintenance costs can positively impact customer satisfaction.

The 2016 Japan Light-Duty Truck Ownership Satisfaction Study is based on 3,400 responses from 2,262 truck owners. Each fleet owner evaluated up to two manufacturers. The mail survey was conducted in October 2015.

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J.D. Power has offices in Tokyo, Singapore, Beijing, Shanghai, Malaysia and Bangkok that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries in the Asia Pacific region. Together, the six offices bring the language of customer satisfaction to consumers and businesses in Australia, China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan, Thailand and Vietnam. Information regarding J.D. Power and its products can be accessed through the Internet at asean-oceania.jdpower.com.

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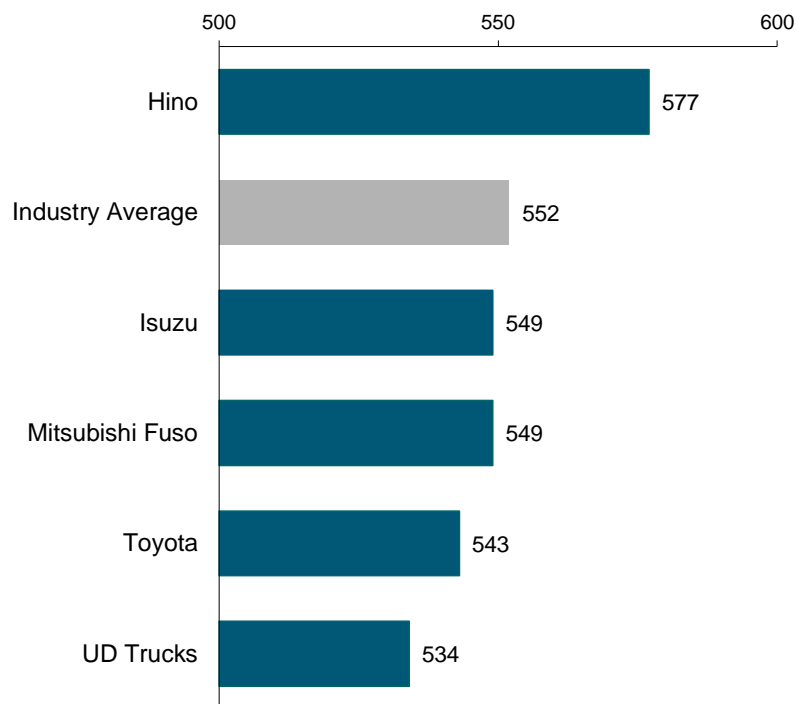
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Note: Two charts follow.

J.D. Power 2016 Japan Light-Duty Truck Ownership Satisfaction StudySM

Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



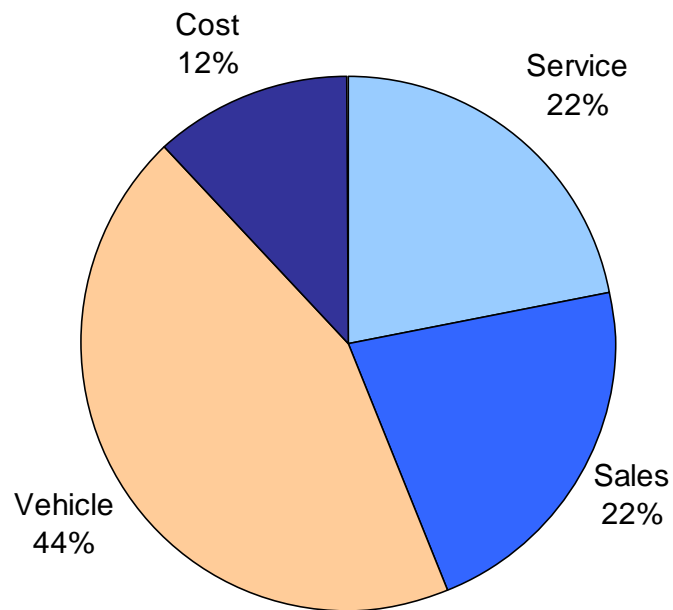
Included in the study but not ranked due to small sample size are Mercedes-Benz, Scania and Volvo.

Source: J.D. Power 2016 Japan Light-Duty Truck Ownership Satisfaction StudySM

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Factors Contributing to Overall Satisfaction



Note: Percentages may not total 100% due to rounding.

Source: J.D. Power 2016 Japan Light-Duty Truck Ownership Satisfaction StudySM

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