

Improvements Needed on Navigation Systems, J.D. Power Finds

Lexus and Subaru Rank Highest in both Luxury and Mass Market Segments

TOKYO: 6 Oct. 2017 — Operability with smartphone connection and voice-activated control improvements are necessary to increase customer satisfaction, according to the J.D. Power 2017 Japan Navigation Systems Customer Satisfaction Index StudySM—OEM, released today.

Now in its 10th year, the study measures satisfaction with factory- and dealer-installed navigation systems when used as in-vehicle information systems including music and video player functions and telematics services, in addition to search and guidance functions. Four factors are examined (listed in order of importance): navigation function (39%); infotainment equipment (21%); operation/ user interface (20%); and screen (19%). Satisfaction is calculated on a 1,000-point scale.

Overall satisfaction has increased to 521 points in 2017 from 519 in 2016. In the luxury brand segment, satisfaction averages 553 points, compared with 552 in 2016 and averages 519 points in the mass market brand segment, compared with 517 in 2016. In both segments, satisfaction levels are similar to those found in the 2016 study.

“Functions and usages of navigation systems have been gradually changing,” said **Yuji Sasaki, Director of the Automotive Division at J.D. Power, Tokyo**. “More customers are connecting their smartphone to the navigation system and indicating they have a voice-activated control built in to their navigation system than in 2016. With that increase comes the rise in potential problems or complains, directly affecting satisfaction levels and possibly causing customers to stop using such features altogether. The strengthening of the development process is becoming increasingly important.”

Following are some of the key findings from the study:

- **Increase in smartphone use for music results in satisfaction increase:** Customers who indicate *Listening to music* stored in their smartphones has increased to 42%, compared with 39% in 2016. Among customers who connect their smartphone to the navigation system to play music stored in their smartphones, satisfaction averages 539 points in the infotainment equipment factor, higher than the industry average of 520.
- **Audio operation needs simplifying:** Among customers who connect their smartphone to the navigation system to play music stored in their smartphones, more than 1 in 10 (11%) customers indicate that *Audio operation is difficult to use while driving*, and satisfaction averages 434 points in the operation/ user interface factor, much lower than the industry average of 510.
- **Fewer customers utilize voice-activated controls:** Despite an increase in the feature being included in the vehicle, only 26% of customers say they either “always” or “sometimes” use their built-in voice-activated control. However, with the increased incidence of voice-activation controls, nearly 20% of customers indicate the function does not work properly, thus leading to a decline in satisfaction among those who have had the feature installed.

Study Rankings

Luxury

Lexus ranks highest for a sixth consecutive year, with a score of 620. Lexus performs particularly well in all four factors. Lexus is followed by **BMW** (542) and **Audi** (538).

Mass Market

Subaru ranks highest with a score of 539, increasing by 21 points from 518 points in 2016. Subaru is followed by **Toyota** (538) and **Volkswagen** (529).

The 2017 Japan Navigation Systems Customer Satisfaction Index Study—OEM is based on responses from 7,088 vehicle owners who purchased a new vehicle equipped with a factory- and dealer-installed navigation system from April 2015 through March 2017. The internet study was fielded in late July 2017.

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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. J.D. Power is a portfolio company of XIO Group, a global alternative investments and private equity firm headquartered in London, and is led by its four founders: Athene Li, Joseph Pacini, Murphy Qiao and Carsten Geyer. Information regarding J.D. Power and its products can be accessed through the internet at japan.jdpower.com.

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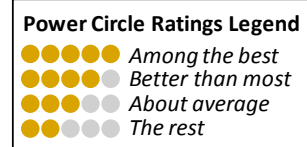
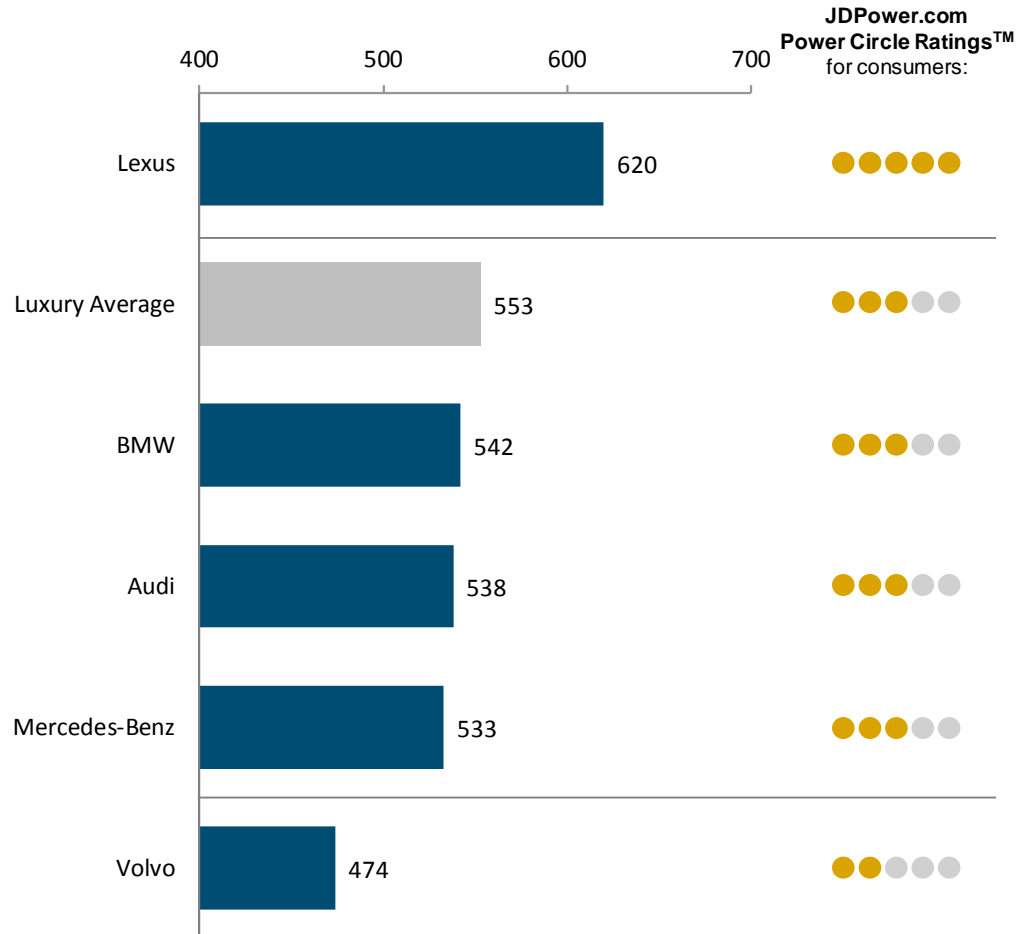
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NOTE: Three charts follow

J.D. Power 2017 Japan Navigation Systems Customer Satisfaction Index StudySM

Overall Satisfaction with OEM Navigation Systems Luxury Brand Segment

(Based on a 1,000-point scale)



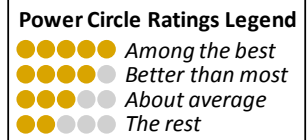
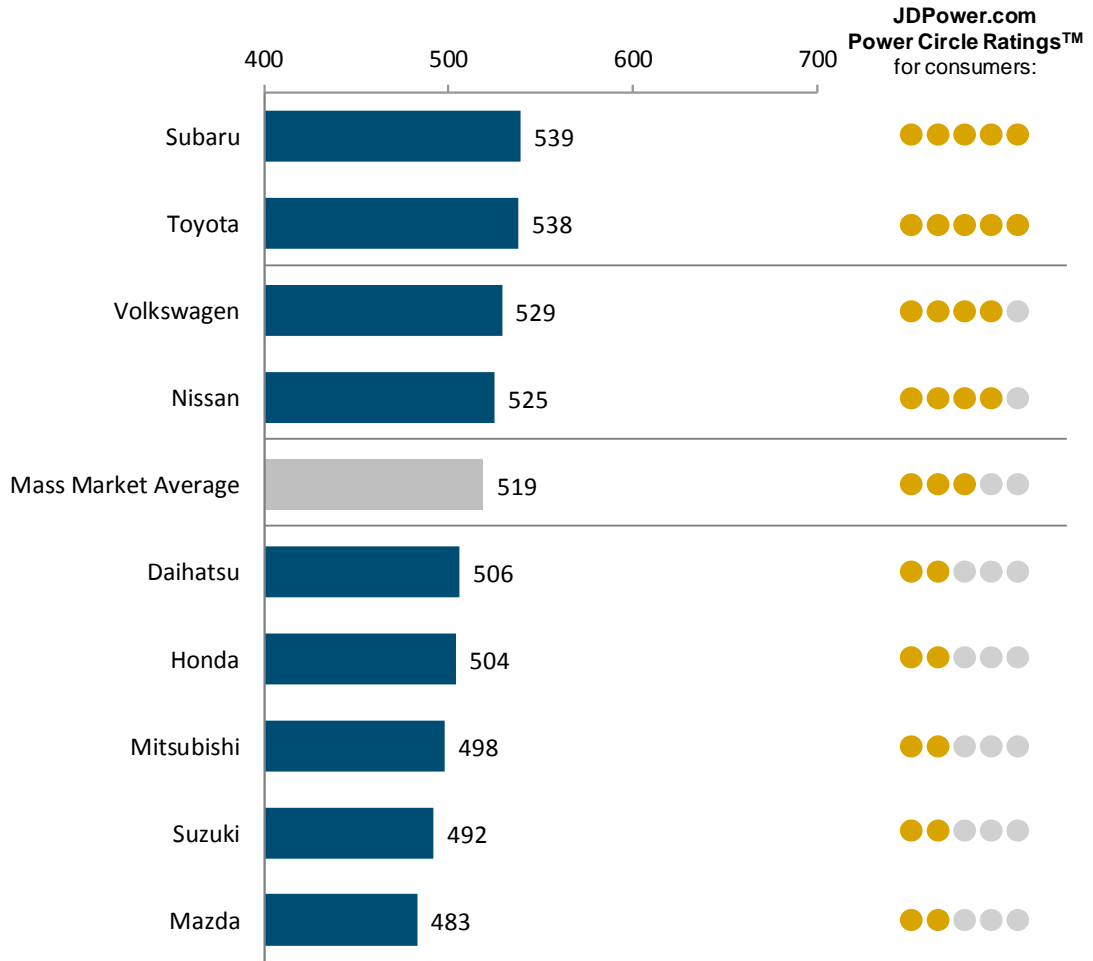
Source: J.D. Power 2017 Japan Navigation Systems Customer Satisfaction Index StudySM

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Overall Satisfaction with OEM Navigation Systems Mass Market Brand Segment

(Based on a 1,000-point scale)

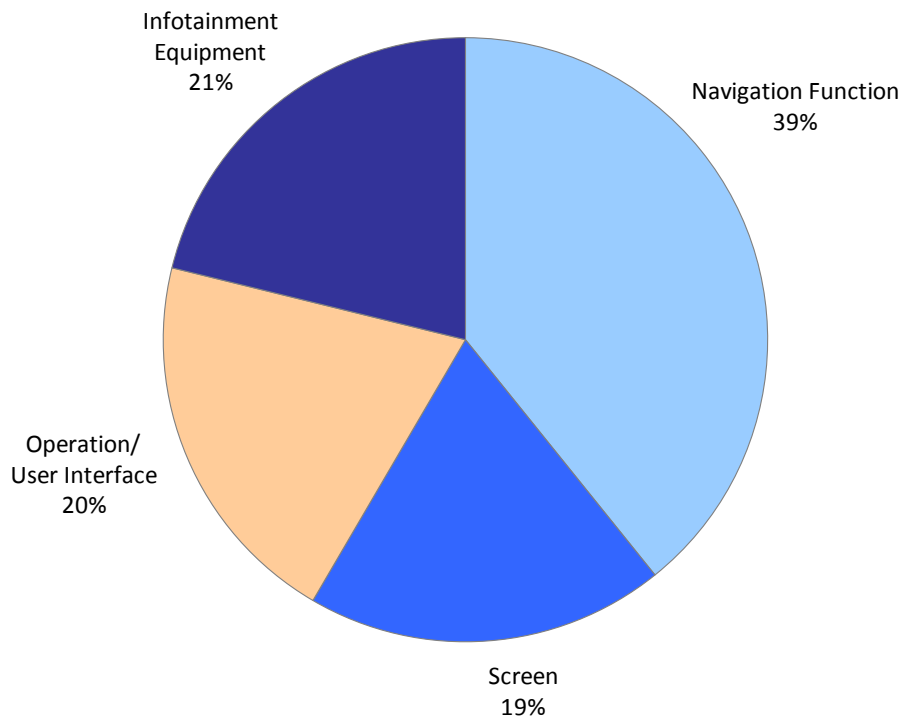


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J.D. Power
2017 Japan Navigation Systems
Customer Satisfaction Index StudySM

**Factors Contributing to Overall Satisfaction with
OEM Navigation Systems**



Note: Percentages may not total 100 due to rounding.

Source: J.D. Power 2017 Japan Navigation Systems Customer Satisfaction Index StudySM

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