

Press Release

Service Quality, Service Engineer and Lack of Parts Drive Down Satisfaction With Tractor After-Sales Service in India, J.D. Power Study Finds

John Deere Ranks Highest in Tractor Service Satisfaction

New Delhi: 12 February 2016 — Customer satisfaction with tractor after-sales service in India has declined, due in large part to a drop in service quality and availability of parts, according to the J.D. Power 2016 India Tractor Customer Service Index (CSI) StudySM released today.

The study, now in its second year, examines satisfaction among tractor owners in India who visited an authorised service centre for maintenance or repair work between the first 12 to 24 months of ownership. Overall customer satisfaction is based on a combined score of the service satisfaction and parts operation indices. The service satisfaction index measures overall satisfaction across four factors (listed in order of importance): service quality; service initiation; service handover and the service engineer. The parts operation index captures satisfaction across five attributes. Overall customer satisfaction is measured on a 1,000-point scale, with a higher score indicating higher satisfaction.

Tractor owner satisfaction with after-sales service in India drops to 751 in 2016 from 774 in 2015. The overall decrease is attributed to notable declines in the service satisfaction index for service quality (-31 points) and service engineer (-24) as well as a decline in the overall parts operation index score (-52).

“The decline in after-sales service satisfaction is of particular concern,” said **Dr. Gordon Shields, director, J.D. Power**. “With the number of reported breakdown increasing to 19% of all service customers in the study this year, it is essential that dealers are able to support their customers with the right level of service and parts. Results indicate that the tractor industry is struggling to provide the growing number of tractor customers with the service support they expect.”

The study finds that fewer customers in 2016 are being supported outside of their dealer’s service facility. Only 13% of tractor owners indicate having their tractor repaired on-site—at the farm, workplace or in the field—in 2016, compared with 18% in 2015. Moreover, service quality remains low among these customers, with only 85% saying that all work was completed during the engineer’s first visit.

More tractor owners in 2016 say that parts are not available compared with 2015. Only 35% of owners in 2016 indicate that parts are typically available on the same day, compared with 42% in 2015.

“It is essential dealers maintain a high level of parts inventory in order to avoid any delays for their customers,” said **Yukti Arora, manager at J.D. Power**. “Unnecessary delays in providing the correct parts not only irritates customers, but potentially impacts negatively on their income, as well as deteriorates the overall experience with the brand.”

Rankings

John Deere ranks highest in satisfaction with the after-sales service experience with a score of 785, a 7-point improvement from 2015. **Massey Ferguson** (769) ranks second and **New Holland** (768) ranks third among the eight brands included in the study.

KEY FINDINGS

- Failing to complete work correctly on the first visit is one of the key drivers of dissatisfaction among after-sales service customers. Overall satisfaction among customers who require a second visit is 102 points lower than among those who have all work completed correctly on the initial visit (658 vs. 760, respectively).
- Engagement from the service engineer during the service visit has declined across a series of key operation standards in 2016. Study findings show the following:
 - 87% of owners indicate the service engineer was focused on them and their needs, down from 91% in 2015.
 - 85% of owners say the service engineer reviewed the work done on their tractor, down from 89% in 2015
 - 85% of owners say the service engineer provided helpful advice, down from 89% in 2015.
- Fewer owners in 2016 get their tractor back after service cleaner than when they took it in, compared with 2015 (35% vs. 41%, respectively). Satisfaction among owners who received their tractor back “cleaner” than when they took it in for service averages 793 points, which is 57 points higher than among those who say their tractor was “about as clean” as when they took it in for servicing.
- Tractor usage requirements vary greatly across regions and states in India, as do applications, farm types and income levels. Overall satisfaction with the tractor after-sales service is highest among owners in the Western region (Gujarat and Maharashtra) at 773 and lowest among those in the Eastern region (Bihar, Odisha and West Bengal) at 672.
- Service satisfaction affects loyalty, as 72% of owners who are highly satisfied (satisfaction scores of 852 or higher) say they “definitely would” revisit their service dealer again, while only 31% of highly dissatisfied owners (scores of 651 or lower) say the same. Additionally, highly satisfied customers are 2 1/2 times more likely to say they “definitely would” recommend their dealer to a colleague or friend than are dissatisfied customers (74% vs. 29%, respectively).

The 2016 India Tractor Customer Service Index Study is based on evaluations from 3,815 tractor owners across 14 states. The study was fielded from August to January 2016 and includes owners who purchased a new tractor between August 2013 and December 2015 from an authorised dealership.

Media Relations Contacts

XingTi Liu; J.D. Power Asia Pacific; 08-Shenton Way, #44-02/03/04; Singapore, 068811; Phone +65-67338980; xingtli_luu@jdpower.com.sg

John Tews; J.D. Power; Troy, Michigan 48083 USA; 001-248-680-6218; john.tews@jdpa.com

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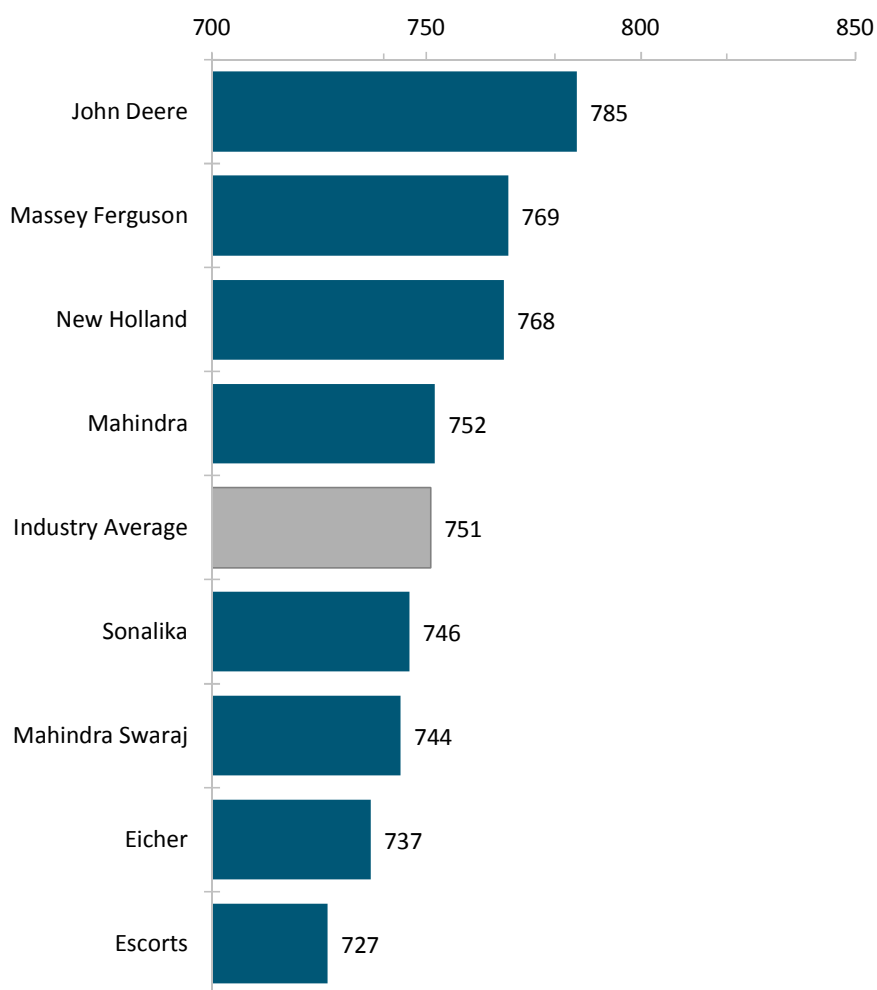
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(Page 2 of 2)

Note: Chart to follow.

J.D. Power Asia Pacific 2016 India Tractor Customer Service Index (CSI) StudySM

Customer Service Index Ranking (Based on a 1,000-point scale)



Source: J.D. Power 2016 India Tractor Customer Service Index (CSI) StudySM

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