# J.D. POWER

# Press Release

#### New-Vehicle Initial Quality Improves Again, J.D. Power Finds

Genesis, Kia and Hyundai Are Three Highest-Ranked Brands

**COSTA MESA, Calif.: 20 June 2018** — New-vehicle quality has improved for the fourth consecutive year—by 4% from 2017—and has reached its best level ever, according to the J.D. Power 2018 U.S. Initial Quality Study (IQS),<sup>SM</sup> released today.

Initial quality is measured by the number of problems experienced per 100 vehicles (PP100) during the first 90 days of ownership, with a lower score reflecting higher quality. In this year's study, quality improves across six of the eight categories measured, with 21 of the 31 brands included in the study improving their quality from 2017. The industry average of 93 PP100 is 4 PP100 better than in 2017.

"There's no question that most automakers are doing a great job of listening to consumers and are producing vehicle quality of the highest caliber," said **Dave Sargent, Vice President of Global Automotive at J.D. Power**. "That said, some vehicle owners are still finding problems. As vehicles become more complex and automated, it is critical that consumers have complete confidence in automakers' ability to deliver fault-free vehicles."

Following are some key findings of the 2018 study:

- **Most vehicle areas improve:** Of the eight categories measured, vehicle exterior improves the most, now at 15.2 PP100, compared with 16.6 PP100 in 2017. Improvements include less wind noise and fewer paint imperfections. Significant year-over-year improvements also occur in the seats (8.0 PP100 vs. 8.7 PP100) and vehicle interior (14.3 PP100 vs. 14.7 PP100) categories.
- **Porsche 911 posts best score of any model:** The Porsche 911 has the lowest overall problem level (48 PP100) of any model this year. This is also the lowest level recorded in this generation of the study (2013-2018). The U.S. Initial Quality Study, which was first published in 1987, is currently in its fourth generation.
- All domestic corporations improve faster than the industry: Fiat Chrysler Automobiles (7 PP100 improvement), Ford Motor Company (5 PP100 improvement) and General Motors (5 PP100 improvement) all outpace the industry average rate of improvement (4 PP100).
- **Infotainment problems are decreasing:** Audio/Communication/Entertainment/Navigation (ACEN) remains the most problematic category for new-vehicle owners. However, this area has improved for the third consecutive year, led by fewer problems with built-in voice recognition systems.
- **Globalization of auto industry continues:** Vehicles in the 2018 study are manufactured in 25 countries, 11 of which weren't present in the study five years ago. Those 11 countries include Brazil, China, Finland, India, Italy, Netherlands, Poland, Serbia, Spain, Thailand and Turkey. The

other 14 countries include Austria, Belgium, Canada, France, Germany, Hungary, Japan, Mexico, Slovakia, South Africa, South Korea, Sweden, United Kingdom and United States.

• **Increasing problems with driver assistance systems:** As automakers add more advanced driver assistance systems to their vehicles, more consumers are experiencing problems. The level is still low (3.5 PP100 on average) but has been increasing by about 20% a year for the past three years.

"As we look to the future, avoiding problems with safety and driver assistance technology is critical," Sargent said. "In an era of increasingly automated vehicles, vehicle owners have to be comfortable using foundational technologies like lane keep assistance and collision avoidance. Otherwise, automakers will not easily overcome consumer resistance to fully automated (driverless) cars."

#### **Highest-Ranked Brands and Models**

**Genesis** ranks highest in overall initial quality with a score of 68 PP100. **Kia** (72 PP100) ranks second and **Hyundai** (74 PP100) ranks third. This is the first time that three Korean brands are at the top of the overall ranking, and it is the fourth consecutive year that Kia is the highest-ranking Mass Market brand. **Porsche** (79 PP100) ranks fourth and **Ford** (81 PP100) ranks fifth.

**Mazda** is the most-improved brand, with owners reporting 25 PP100 fewer problems than in 2017. Other brands with strong improvements include **Mitsubishi** (20 PP100 improvement), **Cadillac** (15 PP100 improvement), **Infiniti** (15 PP100 improvement), **Hyundai** (14 PP100 improvement) and **Lexus** (14 PP100 improvement).

The parent company receiving the most model-level awards for its various brands is **Ford Motor Company** (five awards), followed by Hyundai Motor Group (four), and BMW, General Motors and Nissan (three each).

- Ford Motor Company models that rank highest in their respective segments are **Ford Expedition**; **Ford Mustang**; **Ford Super Duty**; **Lincoln Continental**; and **Lincoln MKC**.
- Hyundai Motor Group models that rank highest in their segments are Genesis G90; Hyundai Tucson; Kia Rio; and Kia Sorento.
- General Motors models that rank highest in their segments are **Buick Envision**; **Chevrolet Silverado**; and **Chevrolet Silverado HD**.
- BMW models that rank highest in their segments are BMW 4 Series; BMW X1; and BMW X6.
- Nissan models that rank highest in their segments are **Nissan Altima**; **Nissan Frontier**; and **Nissan Maxima**.

Other models that rank highest in their respective segments are **Acura ILX**, **Dodge Grand Caravan**, **Mercedes-Benz GLA** and **Toyota Corolla**.

#### **Plant Quality Awards**

**Toyota Motor Corp.**'s Yoshiwara plant (Japan), which produces the Lexus LX and Toyota Land Cruiser, receives the Platinum Plant Quality Award for producing models with the fewest defects or malfunctions. Plant quality awards are based solely on defects and malfunctions and exclude design-related problems.

Toyota Motor Corp.'s Cambridge North (Canada) plant, which produces the Toyota Corolla, and Georgetown 3 (Ky.) plant, which produces the Lexus ES, each receive the Gold Plant Quality Award in a tie

for the Americas region. BMW Group's Dingolfing 02 (Germany) plant, which produces the BMW 6 Series and BMW 7 Series, receives the Gold Plant Quality Award for the Europe/Africa region.

The 2018 U.S. Initial Quality Study is based on responses from 75,712 purchasers and lessees of new 2018 model-year vehicles who were surveyed after 90 days of ownership. The study is based on a 233-question battery organized into eight vehicle categories designed to provide manufacturers with information to facilitate the identification of problems and drive product improvement. The study was fielded from February through May 2018.

Find detailed information on vehicle quality, as well as model photos and specs, at idpower.com/quality

For more information about the 2018 U.S. Initial Quality Study, visit <a href="http://www.jdpower.com/resource/us-initial-quality-study-igs">http://www.jdpower.com/resource/us-initial-quality-study-igs</a>

See the online press release at <a href="http://www.jdpower.com/pr-id/2018086">http://www.jdpower.com/pr-id/2018086</a>.

**J.D. Power** is a global leader in consumer insights, advisory services and data and analytics. These capabilities enable J.D. Power to help its clients drive customer satisfaction, growth and profitability. Established in 1968, J.D. Power is headquartered in Costa Mesa, Calif., and has offices serving North/South America, Asia Pacific and Europe. J.D. Power is a portfolio company of XIO Group, a global alternative investments firm headquartered in London, and is led by its four founders: Athene Li, Joseph Pacini, Murphy Qiao and Carsten Geyer.

#### **Media Relations Contacts**

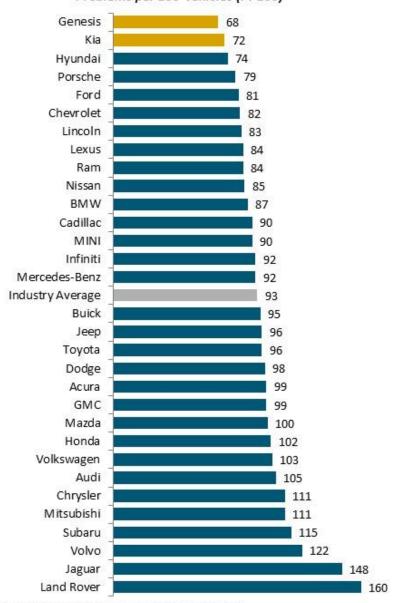
Geno Effler; West Coast; 714-621-6224; <a href="mailto:media.relations@jdpa.com">media.relations@jdpa.com</a>

Shane Smith; East Coast; 424-903-3665; ssmith@pacificcommunicationsgroup.com

About J.D. Power and Advertising/Promotional Rules <a href="https://www.jdpower.com/about-us/press-release-info">www.jdpower.com/about-us/press-release-info</a>

### Note: Five charts follow.

### 2018 Nameplate IQS Ranking Problems per 100 Vehicles (PP100)



Note: Included in the study, but not ranked due to small sample size is Fiat.

Note: Included in the study, but not ranked due to insufficient sample size is smart.

Source: J.D. Power 2018 U.S. Initial Quality Study<sup>SM</sup> (IQS)

### Top Three Models per Segment Car, MPV, Van Segments

Small Car

Highest Ranked: Kia Rio

Nissan Versa Chevrolet Bolt

Small Premium Car

Highest Ranked: Acura ILX

BMW 2 Series Mercedes-Benz CLA Compact Car
Highest Ranked: Toyota Corolla
Chevrolet Cruze
Kia Forte

Compact Premium Car

Highest Ranked: BMW 4 Series Infiniti Q60 Lexus ES

Note: There must be at least three models with 80% of market sales in any given award segment for an award to be presented. The City Car, Compact Multi-Purpose Vehicle, Compact Sporty Car and Compact Premium Sporty Car segments did not meet criteria to be award eligible, thus no awards will be issued.

For more detailed findings on vehicle quality and dependability performance, visit www.jdpower.com/quality

Source: J.D. Power 2018 U.S. Initial Quality Study<sup>SM</sup> (IQS)

### Top Three Models per Segment Car, MPV, Van Segments (continued)

Midsize Car

Highest Ranked: Nissan Altima

Kia Optima Ford Fusion

Midsize Sporty Car\*

Highest Ranked: Ford Mustang

Minivan

Highest Ranked: Dodge Grand Caravan

Kia Sedona Toyota Sienna Midsize Premium Car

Highest Ranked: Lincoln Continental

Genesis G80 Lexus GS

Large Car

Highest Ranked: Nissan Maxima

Ford Taurus Chrysler 300

Large Premium Car

Highest Ranked: Genesis G90

BMW 7 Series Mercedes-Benz S-Class

Note: There must be at least three models with 80% of market sales in any given award segment for an award to be presented. The Midsize Premium Sporty Car segment did not meet criteria to be award eligible, thus no awards will be issued.

For more detailed findings on vehicle quality and dependability performance, visit www.jdpower.com/quality

Source: J.D. Power 2018 U.S. Initial Quality Study<sup>SM</sup> (IQS)

<sup>\*</sup> No other model in this segment performs above segment average.

### Top Three Models per Segment SUV, Pickup Segments

Small SUV

Highest Ranked: Hyundai Tucson

Kia Sportage Mitsubishi Outlander Sport

Small Premium SUV\*

Highest Ranked: BMW X1(tie)
Highest Ranked: Mercedes-Benz GLA (tie)

Compact SUV

**Highest Ranked: Buick Envision** 

Ford Escape Honda CR-V

Compact Premium SUV

Highest Ranked: Lincoln MKC

Porsche Macan Mercedes-Benz GLC

Midsize SUV Highest Ranked: Kia Sorento

> Hyundai Santa Fe Ford Explorer (tie) Nissan Murano (tie)

Midsize Premium SUV

Highest Ranked: BMW X6

Lexus RX Porsche Cayenne

Midsize Pickup

Highest Ranked: Nissan Frontier

GMC Canyon (tie) Honda Ridgeline (tie)

Large SUV

Highest Ranked: Ford Expedition

GMC Yukon Chevrolet Tahoe

Large Light Duty Pickup\*

Highest Ranked: Chevrolet Silverado

Large Heavy Duty Pickup\*

Highest Ranked: Chevrolet Silverado HD

(tie)

Highest Ranked: Ford Super Duty (tie)

Note: There must be at least three models with 80% of market sales in any given award segment for an award to be presented. The Large Premium SUV segment did not meet criteria to be award eligible, thus no awards will be issued.

For more detailed findings on vehicle quality and dependability performance, visit www.jdpower.com/quality

Source: J.D. Power 2018 U.S. Initial Quality Study<sup>SM</sup> (IQS)

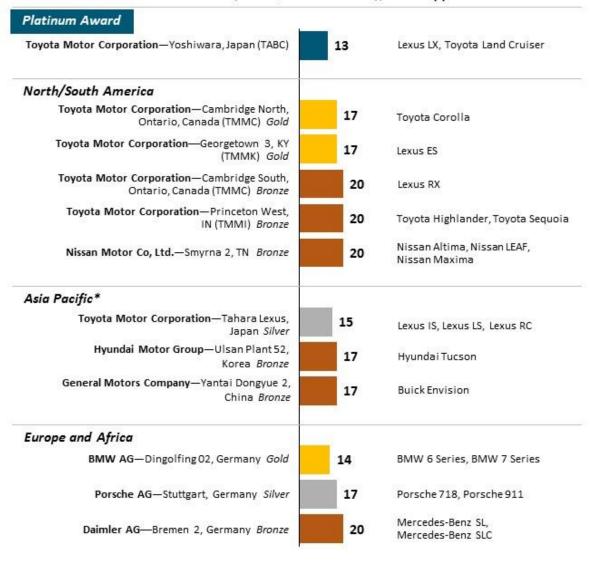
<sup>\*</sup> No other model in this segment performs above segment average.

## J.D. Power 2018 U.S. Initial Quality Study™(IQS)

### 2018 Plant Assembly Line Quality Award Recipients

Based on Models Produced for U.S. Market

Problems per 100 Vehicles (Defects/Malfunctions Only) Model(s) Produced at Plant



<sup>\*</sup>Because Toyota Motor Corporation is awarded the Platinum Plant Quality Award, which represents the highest-performing assembly plant in the world for initial quality, no Gold Plant Quality Award is issued for Asia Pacific.

Source: J.D. Power 2018 U.S. Initial Quality Study<sup>SM</sup>