# 2024 India Dealer Satisfaction Study

## Key Insights

Sept 2024

# Background

- 4th edition of the Annual Dealer Satisfaction Survey with a steady response of 1,500 odd Dealers – showing the confidence of participants wanting to register their opinions towards improving the OEM-dealer relationships
- Total 1,500 valid sample; After cleaning duplicates a total sample **1,377 Dealer Principals which represent around 4,500 outlets across various OEMs and Regions**
- Breakup of sample by segment …
  - 4W Mass Market: 613
  - 4W Luxury: 4
  - 2W: 529
  - 3W: 13
  - CV: 218

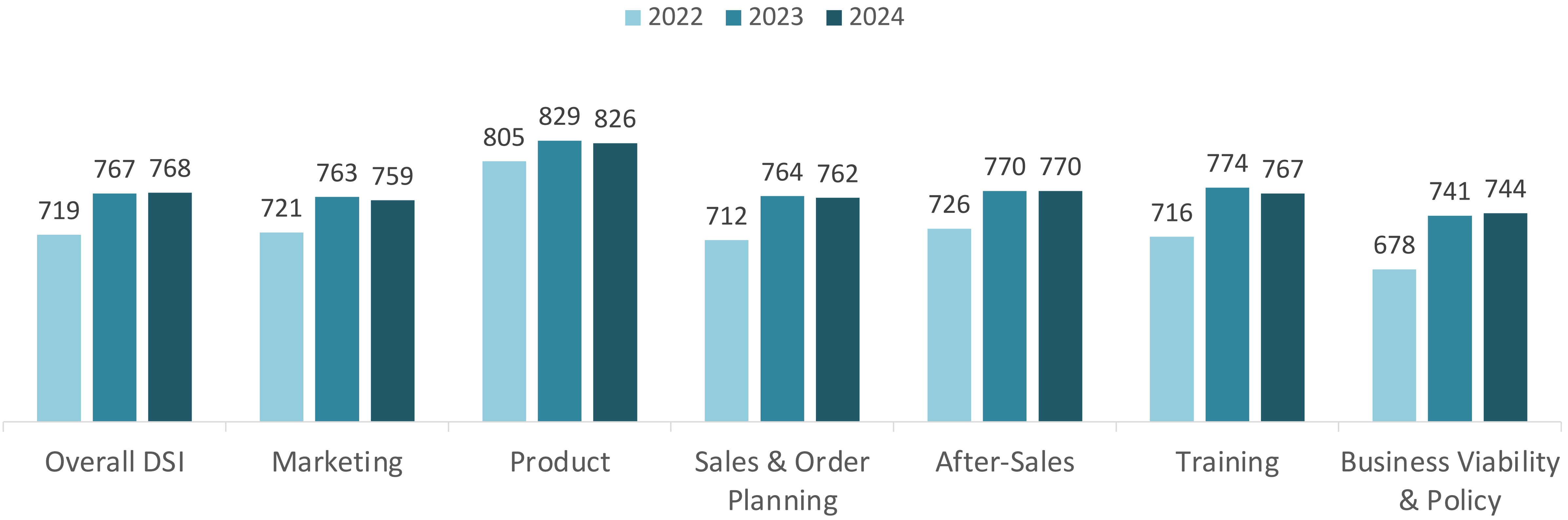
| Segment | North | East | West | South | Total |
|---|---|---|---|---|---|
| 4W - Mass | 174 | 110 | 188 | 141 | 613 |
| 4W - Luxury | 0 | 1 | 1 | 2 | 4 |
| 2W | 69 | 159 | 145 | 156 | 529 |
| 3W | 2 | 5 | 4 | 2 | 13 |
| CV | 47 | 47 | 67 | 57 | 218 |
| **Total** | **292** | **322** | **405** | **358** | **1,377** |

# Analysis Process

- Data checked for response validity & completeness
- 6 factors and 60 attributes analyzed to index the data
  - Regression analysis methodology used to ascertain importance of all factors & related attributes
  - Using the combination of derived importance & satisfaction ratings provided by dealers, data is indexed to a maximum of 1000 points scale
    - Higher the score, more is the satisfaction

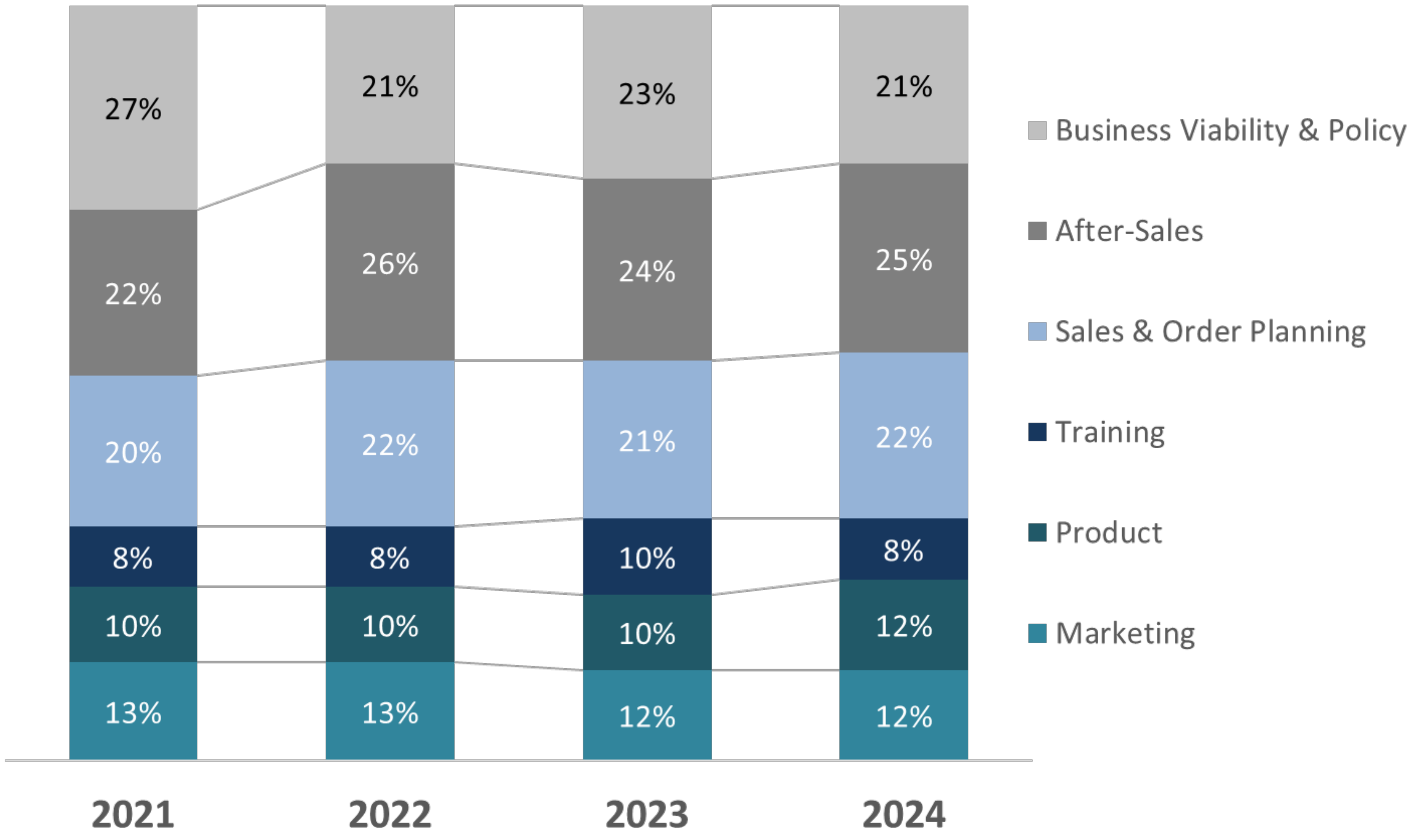
# FACTOR & INDEX SCORES

# Factor Scores Overall Industry



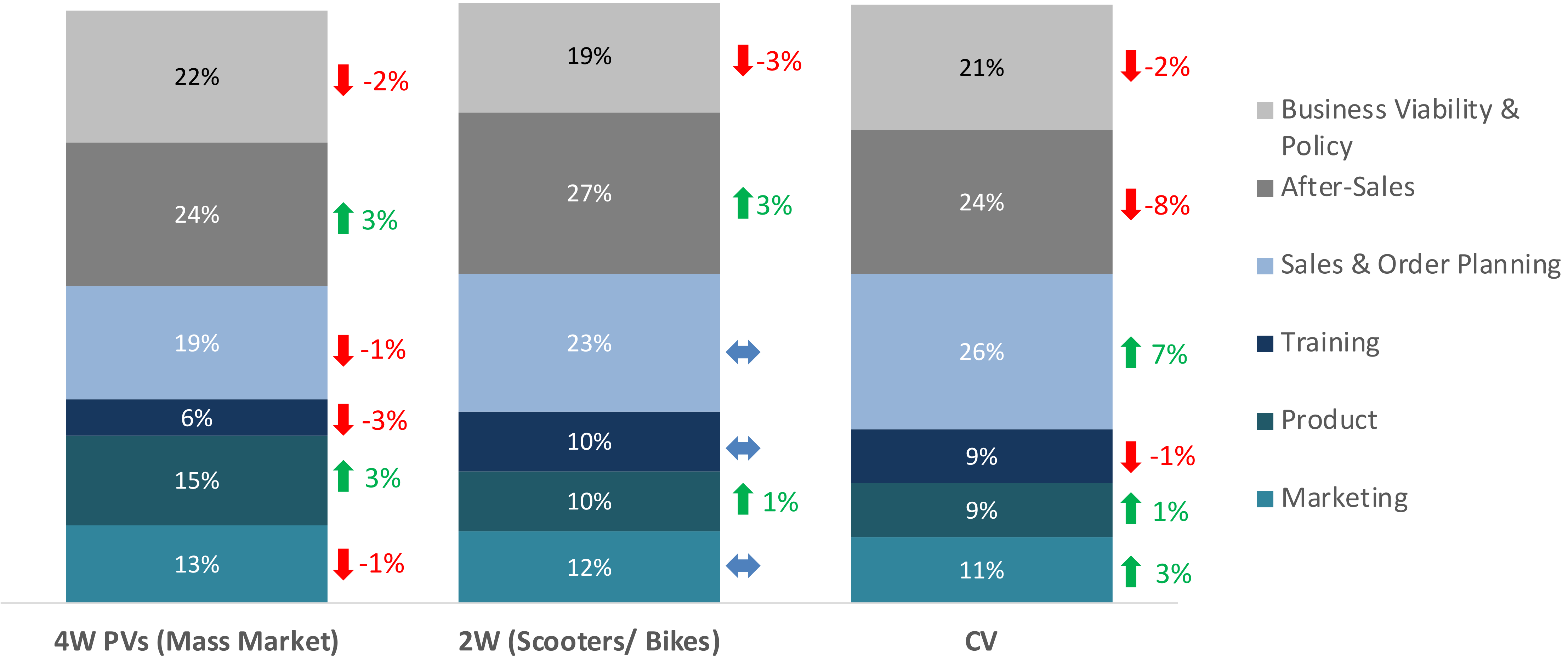

Dealers rate the OEM high on 'Product' parameters. Despite significant improvements over the last two years, 'Business Viability & Policy' remains a lower scoring area for dealers.

# Factor Importance: Overall Industry




After Sales, Sales and Business Viability related attributes account for almost 2/3rds of the Dealer mind space.

# Factor Importance: Segment Wise




The importance of Factors varies for different segments of the industry and demonstrates the dynamic nature of the industry reflecting the current business environment

# Award Winners

**4W PV (Mass)**
#1 Ranked OEM

JSW MG Motor

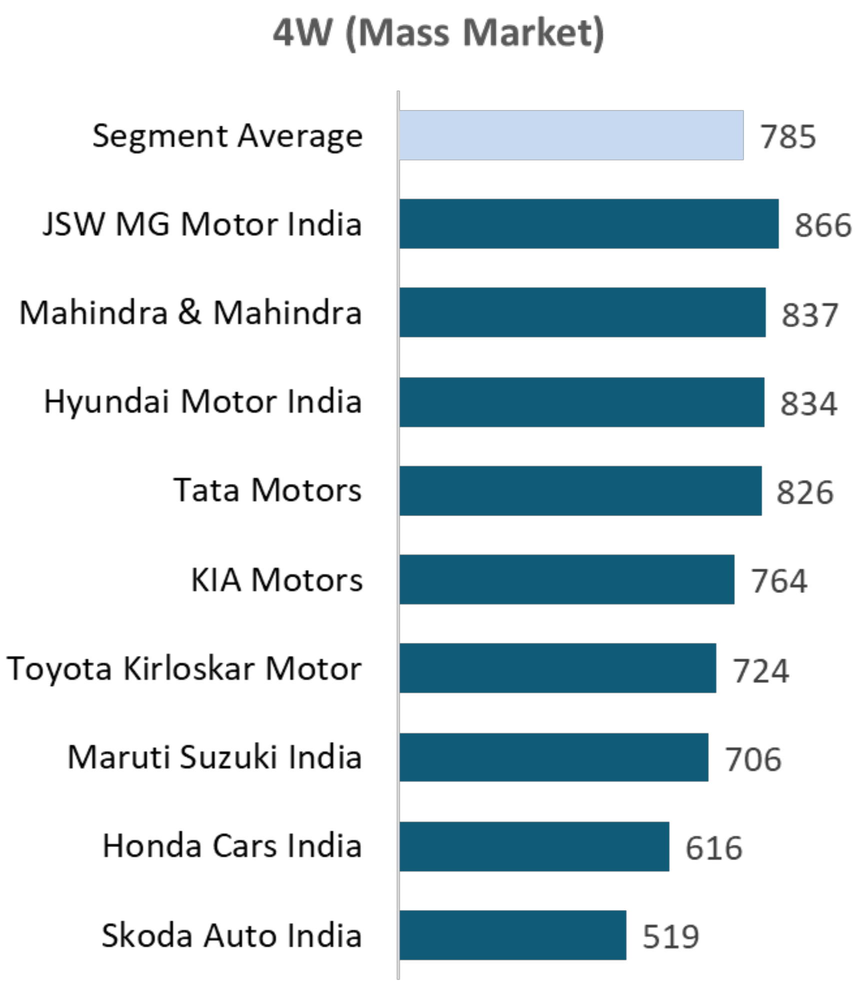
**2W**
#1 Ranked OEM

HMSI

**CV**
#1 Ranked OEM

Ashok Leyland

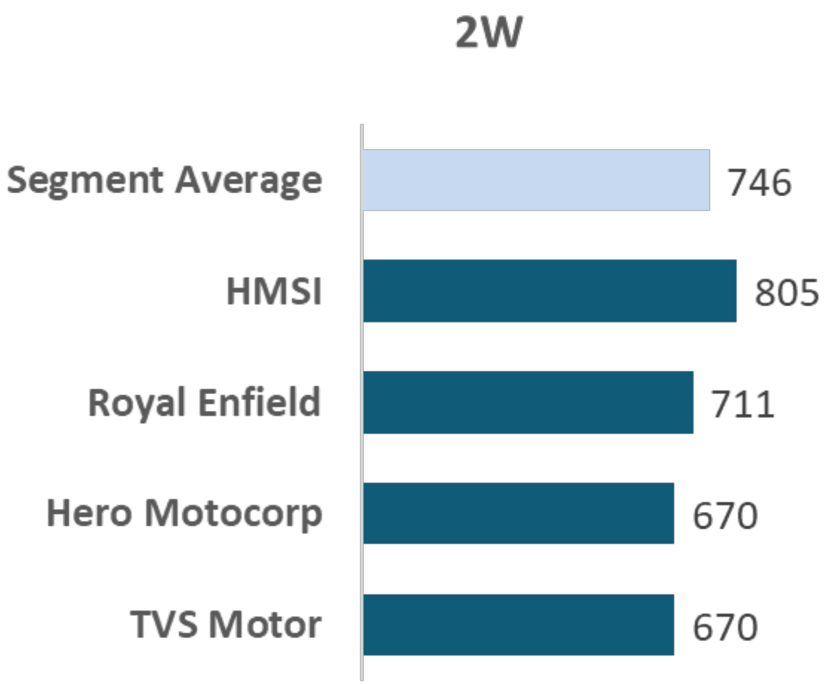
# Segment Ranking: 4W (Mass) Overall Dealer Satisfaction Index




| DSS - 2023 Score | DSS - 2023 Change | Rank 2024 | Rank 2023 |
|---|---|---|---|
| ***769*** | ***+16*** | | |
| Not Ranked due to low sample size | | 1 | NA |
| 774 | +63 | 2 ↑ | 3 |
| 852 | -18 | 3 ↓ | 1 |
| 728 | +98 | 4 ↑ | 7 |
| 756 | +8 | 5 ↔ | 5 |
| 732 | -8 | 6 ↔ | 6 |
| 791 | -85 | 7 ↓ | 2 |
| 763 | -147 | 8 ↓ | 4 |
| Not Ranked due to low sample size | | 9 | NA |

JSW MG dealers are the happiest, followed by Mahindra & Mahindra and Hyundai.
Tata Motors shows the most significant improvement in the industry as compared to last year

# Segment Ranking: (2W) Overall Dealer Satisfaction Index




**DSS - 2023**

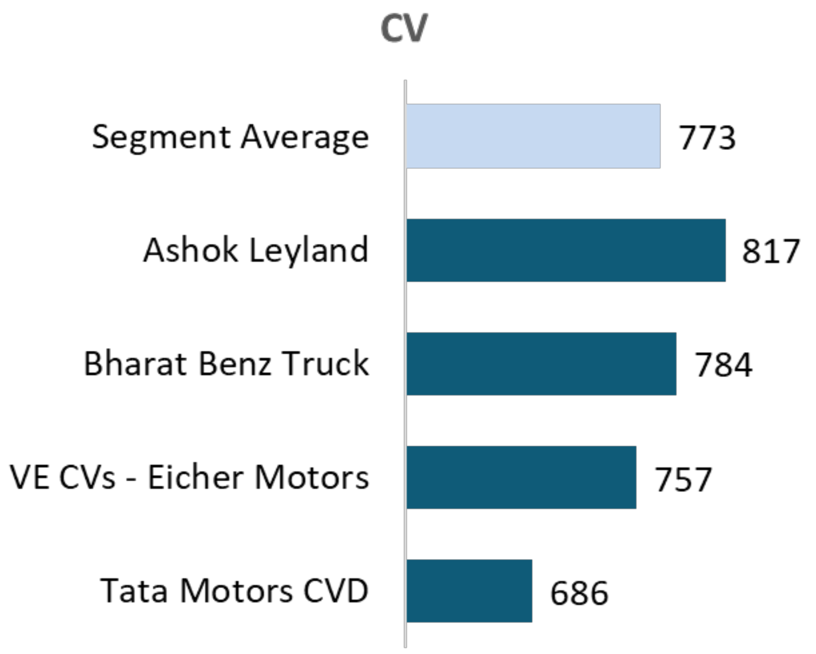
| Score | Change |
|---|---|
| ***763*** | ***-17*** |
| 797 | 8 |
| 787 | -76 |
| 770 | -99 |
| 633 | 37 |

**Rank**

| 2024 | 2023 |
|---|---|
| | |
| 1 ⬌ | 1 |
| 2 ⬌ | 2 |
| 3 ⬌ | 3 |
| 3 ⬆ | 4 |

2W segment has shown a small decline in the overall Dealer Satisfaction score as compared to last year. HMSI, tops for the fourth consecutive year, while RE and Hero maintain their position in the top 3 inspite of a significant drop in their scores.

# Segment Ranking: CV Overall Dealer Satisfaction Index




**DSS - 2023**

| Score | Change |
|---|---|
| ***778*** | ***-5*** |
| 779 | 38 |
| 690 | 94 |
| 812 | -55 |
| 794 | -107 |

**Rank**

| 2024 | 2023 |
|---|---|
| | |
| 1 ⬆ | 3 |
| 2 ⬆ | 4 |
| 3 ⬇ | 1 |
| 4 ⬇ | 2 |

Ashok Leyland tops the CV rankings with Bharat Benz coming at the second spot. VECV, after toping the CV charts for three years in a row, drops to number 3 in 2024 rankings

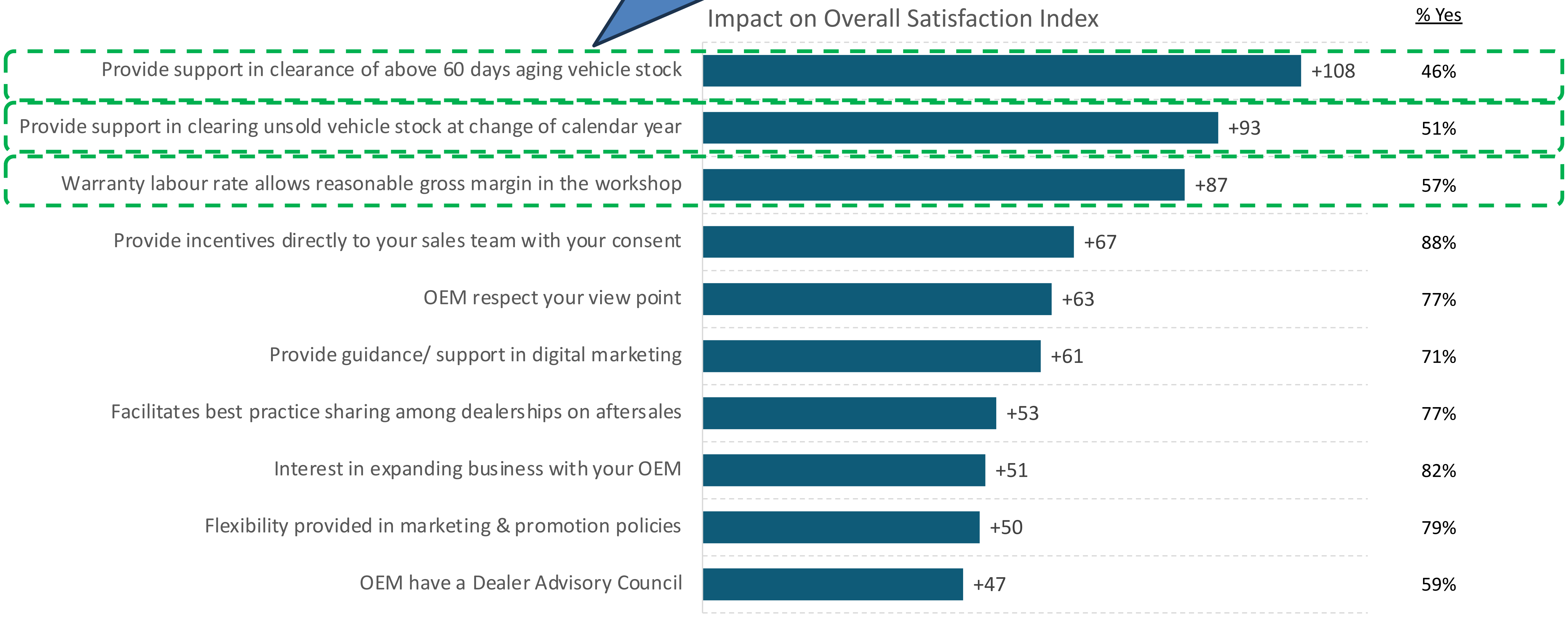
# Top Strengths & Weaknesses – Industry

| Top- 5 Strengths | | |
|---|---|---|
| **SN** | **Factor** | **Attributes** |
| 1 | Product | Product reliability and dependability |
| 2 | Product | Product range to offer to customers |
| 3 | Sales | Responsiveness of OEM Sales team |
| 4 | After-Sales | Fairness in acceptance / rejection of warranty claims |
| 5 | After-Sales | Extended warranty policy |

| Top- 5 Weaknesses | | |
|---|---|---|
| **SN** | **Factor** | **Attributes** |
| 1 | After-Sales | Buyback/ write-off policy of unsold spare parts inventory |
| 2 | Viability & Policy | Concern on ensuring viability |
| 3 | Training | Training cost sharing arrangement of the OEM |
| 4 | Viability & Policy | Involvement in OEM's policy making |
| 5 | Viability & Policy | OEM's openness to inputs in decision making |

# Future Opportunities

High Impact opportunities with headroom available for improvement



# Conclusion

- Overall industry DSS performance (768) remains flat compared to 2023. In the 4W PV segment, the overall performance has improved by 16 points, while in the 2W and CV segments, the scores have dropped by 17 and 5 points, respectively.
  - JSW MG Dealers are the happiest, followed by Ashok Leyland and HMSI- winners in their respective categories
  - Tata Motors PV is the most improved OEM across industry over the last year performance
- After Sales, Sales and Business Viability related attributes account for almost 2/3rds of the Dealer mind space.
  - The biggest strength of the industry is product factor – generally dealers are happy with the quality, reliability, as well as the range of products that the OEMs offer.
  - Inventory handling – both vehicles and spares, especially the slow / non-moving inventories and the OEM policies on sharing inventory pressures remains the main improvement area

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