



Auto Finance Breakout Session: 2012 Consumer Financing Satisfaction Study

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Program Scope Review & Discussion

2012
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Agenda for Consumer Finance Study Breakout Session

- Why the Consumer Financing Satisfaction Study has been brought back in 2012
- Brief overview of the historical syndicated study
 - Methodology and approach
 - Major survey components
 - Challenges
- Overview and discussion of the new 2012 Consumer Financing Satisfaction Study
 - Implementation Plan
 - Possible Analytical Topics
 - Questionnaire Review



Where we were...and where we are now

2008

- Last publication year of the CFS study
- J.D. Power team examined cost saving methodologies/approaches
- Credit crises happened...things stalled

2011

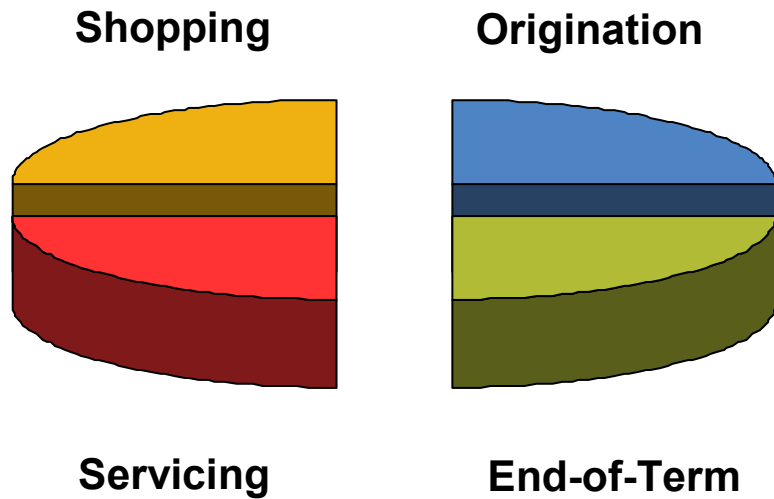
- High customer demand for the return of the study
- CFS desired as the internal benchmark for customer experience measurement
- But...we need to scale back the scope from what the study was to make captured data more valuable



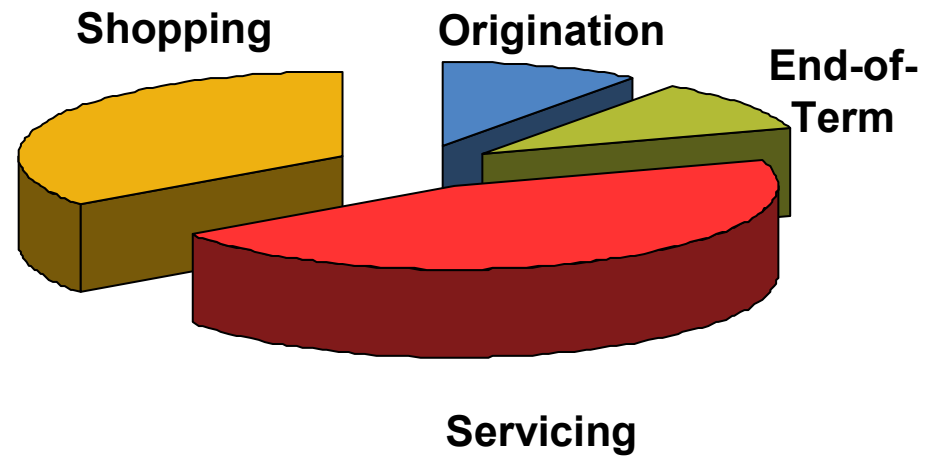
Scope of 2012 Program

Vehicle Purchase Spectrum

2008 Survey



2012 Survey



2012 Enhancements

- **Award Segmentation:** No change
- **Sampling:** Moderate change
- **Methodology:** Moderate change
- **Scope:** Focus of today's review
- **Timing:** Moderate change



Award Segmentation

- Segmentation defined by vehicle Make and type of financing: Luxury Loan, Luxury Lease, Non-Luxury Loan, and Non-Luxury Lease.
 - Luxury makes include: Acura, Audi, BMW, Cadillac, Infiniti, Jaguar, Land Rover, Lexus, Lincoln, Mercedes-Benz, Porsche, and Volvo.
 - All other makes are considered non-luxury.
- All lenders evaluated within a given segment based on vehicle make financed/leased.
 - Luxury: Captives, Banks, Independents, and Credit Unions.
 - Non-Luxury: Captives, Banks, Independents, and Credit Unions.



Sampling

2008 Historical Design

- Based on vehicle nameplate
- Census mailing of previous responders

2012 Proposed Design

- Based on vehicle nameplate
- Census mailing of previous responders



Methodology and Approach

2008 Historical Design

- Platform**
VQS
EBS
SSI
- Methodology**
Mail
- Incentives**
\$1
- Focus**
Indirect financing only

2012 Proposed Design

- Platform**
VQS
- Methodology**
Mail/Online
- Incentives**
Sweepstakes
- Focus**
Indirect focus with opportunity for
some direct lending questions

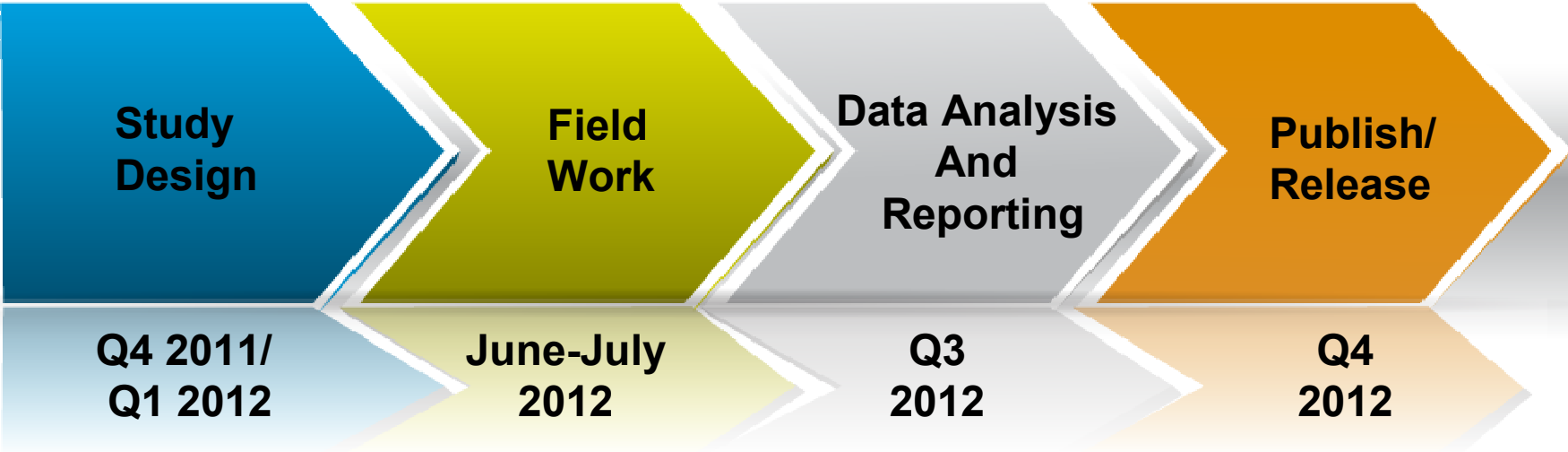


Online Methodology Pre-Test

- Online survey pre-test to determine response rate
- Conducted as soon as possible in advance of full field
- Used to determine whether study requires a mail component



2012 Tentative Timeline





Survey Content Review



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Two main components to the study

Reflective



Future Needs



Are there any comments or suggestions from the pre-work?

- Is there anything you remember from CFS that you feel is missing from the current draft questionnaire?



What questions are planned about loan-pay-off and lease return?

- Current questions about loan/lease pay-off/return:
 - “How long did it take to receive your title after you sent your pay-off to the lender?”
 - “Did you experience any problems during the pay-off process?”
 - “Was the loan pay-off/lease return process longer, shorter, or what you expected?”



What else is important about loan pay-off and lease return?

- What is important that we don't already know about loan pay-off?
 - Is there anything that would make the loan pay-off process faster?
 - Can customers make automatic transfers from their bank account to pay-off their loan?
 - Have customers expressed they would like to make their payment some other way?
- Currently, what is the most painful part about the vehicle inspection process?
 - How long does it take to find out if there are any wear-and-tear charges?
 - How do customers contest charges if they feel they are in error or unfair?



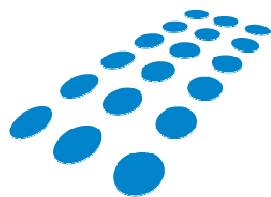
Are customers loyal to their automotive finance provider?

- Who is your target audience?
- Do you provide both direct and indirect auto financing?
- Are there other products you offer for your customers?
- What are you doing to encourage current customers to stay with you in the future?



Do you have an existing brand identity?

- Do you have your own logo?
- How is your brand currently perceived?
- How do you want your brand to be perceived?



ALPHERA
Financial Services



Mercedes-Benz



Future needs...

What are consumers looking for?



What types of process efficiencies will become expectations?

- Do consumers want to finish all their paperwork online?
 - “In the future how would you prefer to conduct the finance process?”

- Do they want to have their financing done before they ever walk into a dealership?
 - “Did you apply for financing online (to obtain a pre-approval)?”
 - “Where did you apply online?”
 - “What online sources did you use for your new vehicle financing?”
 - “The next time you are in the market to purchase/lease a vehicle, is there anything you would do differently in terms of securing financing?”



How will technology change the servicing experience?



- What do consumers want to do with mobile applications?
 - “How did you most recently contact your finance provider?”
 - “How do you prefer to contact your finance provider?”

- What do they want text or e-mail alerts for?
 - “How do you typically receive service alerts for your account?”
 - “What type of email or text alerts do you receive for your account?”

- Which activities are self-service?
 - “Which of the following features do you use on your finance provider’s Web site?”
 - “What else would you like to see on your finance provider’s website?”



How do customers want to interact with you?

- How do most of your customers contact you?
 - Local staff (accessible for local office visits and/or calls)
 - Phone – Live call center rep (not a local staff member)
 - Phone - Automated system
 - Online – Website
 - Online – E-mail (not with staff)
 - Online – Chat (not with staff)
 - Mobile phone – Text message
 - Mobile phone – Application

- What types of activities can be completed using the automated phone system?

- Web chat?



Do customers interact with you on social media sites?

- Are your customers using social media sites?
 - Which social networking websites do you currently participate in?
- Do they expect you to interact and respond to them on these sites?
 - Thinking about interactions using social media sites, do you expect your finance provider to respond to you on the site? Follow up question on how long do you expect it to take, etc.?



Thinking about the future, what else will be important to your customers?

- Other feedback, questions, and concerns?

