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SYNOVATE QUALITY AWARDS 2005

An Overview

The quality of both passenger and light commercial vehicles sold in South Africa, including both imports and local manufactured units, remained exceptionally high in 2005. One could say that forward progress has been slow. But stop and consider that for many brands, particularly in the luxury market, the problem counts fall below the average of one problem per car. While engineers strive to further reduce problems, once there are no areas that are highlighted as *general problem areas*, it becomes increasingly difficult to maintain the pace of improvements. Common sense will tell us that the level of improvement will continue to slow as the problem count moves closer and closer to the elusive zero defect.

For the most part, the manufacturers typically maintained or registered small levels of improvement or decline since 2004. Nonetheless, the ranking did see a shake-up. The reason for this was that improving sales volumes for some of the smaller brands have now allowed for the collection of reliable results on these brands, and Synovate has included these brands in the awards for the first time. There was pressure to include these brands previously, but smaller samples could have led to biased results, and Synovate refused to compromise the quality of the study until statistically valid samples were achievable. The brands now included are Honda, Peugeot, Chevrolet and Renault – and for the most part, they certainly made their presence felt!

Looking first at the local plant quality ranking, BMW, Mercedes-Benz and Toyota continued to set the pace. BMW led the pack by a significant margin. Mercedes-Benz' position weakened slightly, no longer holding joint first position but rather now joint second with Toyota.

An overall comparison of locally manufactured units against imports showed that imports did have a slight edge. However, it is very likely that this is an unfair comparison. The imports consist primarily of the lower-volume luxury models, while local production focuses understandably more on the big sellers, the volume models. If we compare the quality of the volume models to that of the luxury brands, the luxury brands as a whole definitely are superior (although this gap does seem to be narrowing). This makes sense – lower volumes, higher profit margins, brand leaders, uncompromising customers – the focus must be on producing excellent quality here. So is it because the imports are typically luxury models that the import count is lower? Most likely, although if this is the only factor playing a role it is impossible to tell as the models imported and locally manufactured will never be the same.

The luxury brands saw some movement in ranking. Mercedes-Benz lost the lead to BMW, but competition was extremely tight and Audi and Volvo, tied in second position, were right up behind BMW. In fact, the scores throughout the luxury segment were very competitive, with obvious positive spin-offs for buyers in this market. Manufacturers are put under a lot

of pressure – new models, exciting styling and constantly innovative technology is demanded, but at the same time, it would be foolhardy to launch a new model or face-lift without thoroughly testing quality.

There was more variation in quality in the volume brands. The quality of the three top-seeded volume producers in 2004 was upheld – very little change was monitored. However, just maintaining their score did not prove to be enough, as the newly-included Honda moved straight into a very strong top spot. This was well deserved, with a count well below that of their nearest rivals, Toyota. Opel and Ford both fell off the podium as Renault also proved to be a formidable rival, moving into third behind Toyota.

Toyota maintained first position amongst the local plants for light commercial vehicles. Ford / Mazda and General Motors filled the remaining podium positions, which meant that Mitsubishi was ousted from the top three. With few imports in this market (only the Toyota LandCruiser from the included sample), Toyota's strong position was reflected in both the petrol and the diesel one-tonners where it topped the rankings. In the petrol segment, the Hardbody remained in second position, but the Colt slipped from joint second place. This made place for the Isuzu to move into third place.

Change in the diesel segment was minimal. The Hilux now joins the Ranger in the top spot, with the Hardbody following in third place. It was interesting to note that the average quality in the diesel segment was not substantially behind that of the petrol segment – many of the models, including the Hilux, KB Series and Hardbody, report very similar counts across their petrol and diesel engined derivatives.

Over PC and LCV, the change is fairly limited overall, with the same brands generally setting the standard. But at a segment level, the changes are more pronounced, but even then, the brands that were strong contenders in 2004 remain so in 2005. Nevertheless, 'remaining' strong may not be enough as the newly included brands prove that they are strong competitors and have the quality product to support their fight for market share and loyal customers.