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**J.D. Power and Associates Reports:  
Use of Factory-Authorized Parts in Collision Repair Has a Strong, Positive Effect on  
Customer Satisfaction with Insurance Companies and Body Shops**

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**WESTLAKE VILLAGE, Calif.**—Consumers who have had collision repair work completed on their vehicles overwhelmingly prefer the use of factory-authorized parts by the body shop, according to the J.D. Power and Associates 2002 Collision Repair Customer Satisfaction Index Study<sup>SM</sup> released today.

The new study, which analyzes customer satisfaction with both insurance companies and body shops during the collision repair process, finds that while 81 percent of customers prefer factory-authorized parts for repairs, only 61 percent believe they actually received them. This issue has an important influence on how satisfied customers are with their body shop and insurance company.

“When customers expect factory parts and believe they receive something else, such as after-market, remanufactured or salvage parts, they are far less likely to say that they would use that body shop again or renew their insurance policy with that company,” said Joe Ivers, partner at J.D. Power and Associates. “With the power of the purse, insurance providers are seen as being in a position to enforce high work standards, both in the quality of the work performed and in the parts used.”

Among consumers who expect to receive factory-authorized parts but believe they received aftermarket parts instead, only 39 percent indicate they “definitely would” renew their insurance policy with the same company, and only 13 percent “definitely would” use the same body shop again. When consumers expect factory parts and believe they received them, 62 percent would renew their insurance with the same carrier and 57 percent would use the same body shop again.

The extent to which customers of insurance companies believe they received factory parts varies widely. More than 80 percent of GEICO and Erie Insurance customers believe factory parts were used in their repairs, far outpacing the industry average of 61 percent.

While the relationship between insurance providers and body shop owners at times reflects conflicting interests in cost reduction and the coverage of parts, the study finds that a body shop's performance during a collision repair claim can also affect customer satisfaction with the insurance company.

“A collision claim event tends to be the moment of truth for insurance companies,” said Ivers. “For better or for worse, body shops play an important role in that. This should provide strong inducement for insurance carriers to intervene where they can to eliminate barriers to satisfaction during the repair experience at the body shop.”

Because of this, many insurance companies have created networks of body shops to which they refer large volumes of business. But results are mixed when it comes to customer satisfaction. Overall, 53 percent of customers who choose their own body shop report their collision repair experience as “outstanding,” while only 42 percent of those following an insurance company referral report their experience as “outstanding.” Some insurance companies, however, give referrals that lead to higher customer satisfaction.

Overall, Erie Insurance customers are the most satisfied with their collision repair experience. Erie, a regional insurance provider, receives the highest satisfaction for both the insurance company and the body shop used.

Among dealer body shops, Chrysler Group dealers (including Dodge and Jeep) received the highest marks in customer satisfaction.

The study is based on more than 8,500 vehicle owners who had a collision repair experience in the past year. Customer responses were drawn from a cross-section of collision repair customers nationally.

(Page 2 of 3)

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services firm whose quality and satisfaction measurements are based on responses from millions of consumers annually. Media e-mail contact: [michael.greywitt@jdpa.com](mailto:michael.greywitt@jdpa.com) or [john.tews@jdpa.com](mailto:john.tews@jdpa.com).

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(Page 3 of 3)