

Forces Impacting Loyalty

December 1, 2004

**Steve Goodall
President and CEO
J.D. Power and Associates**

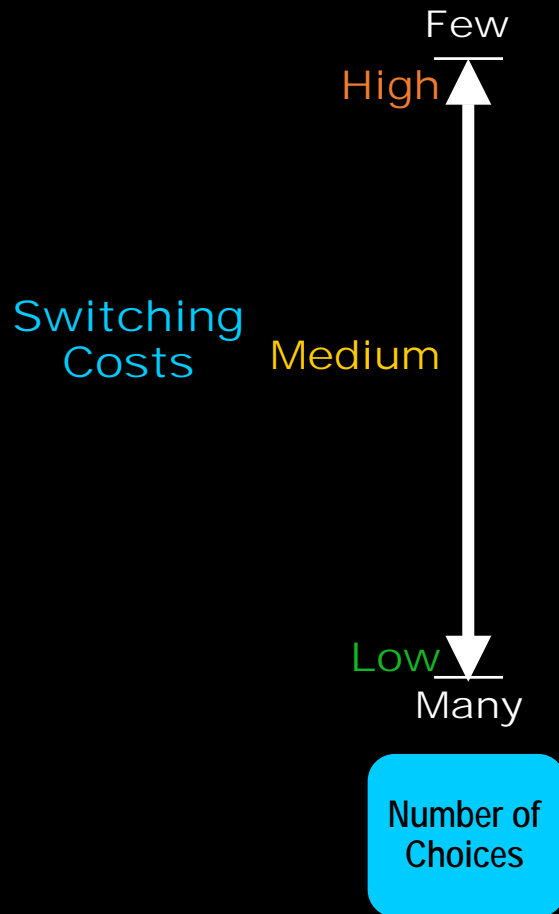
J.D. POWER
—
AND ASSOCIATES®

Fundamental Forces Impacting Loyalty

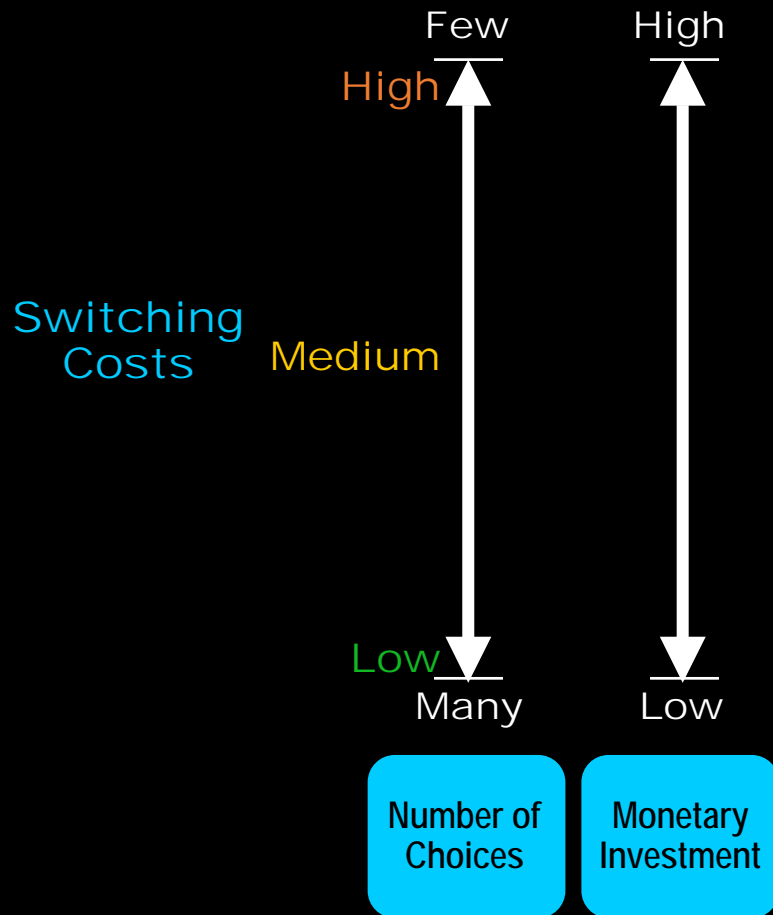
- 1. Switching Costs**
- 2. Satisfaction Performance**

Dimensions Impacting Switching Costs

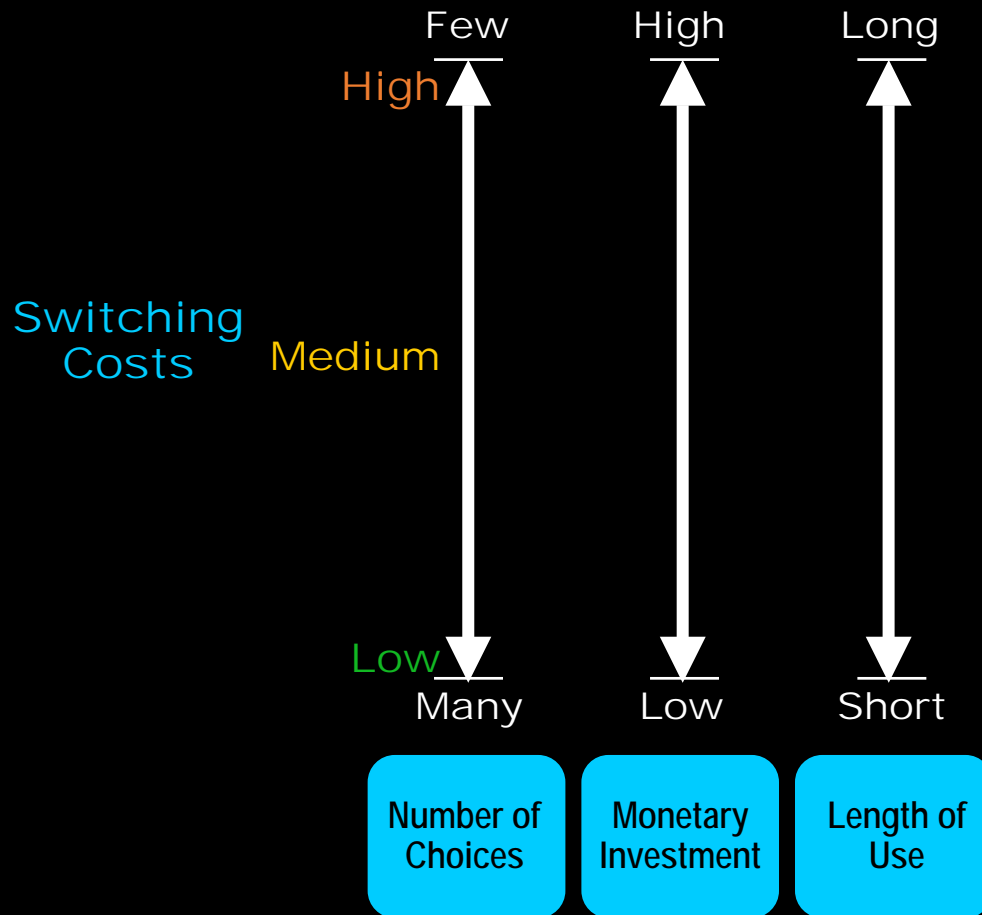
Dimensions Impacting Switching Costs



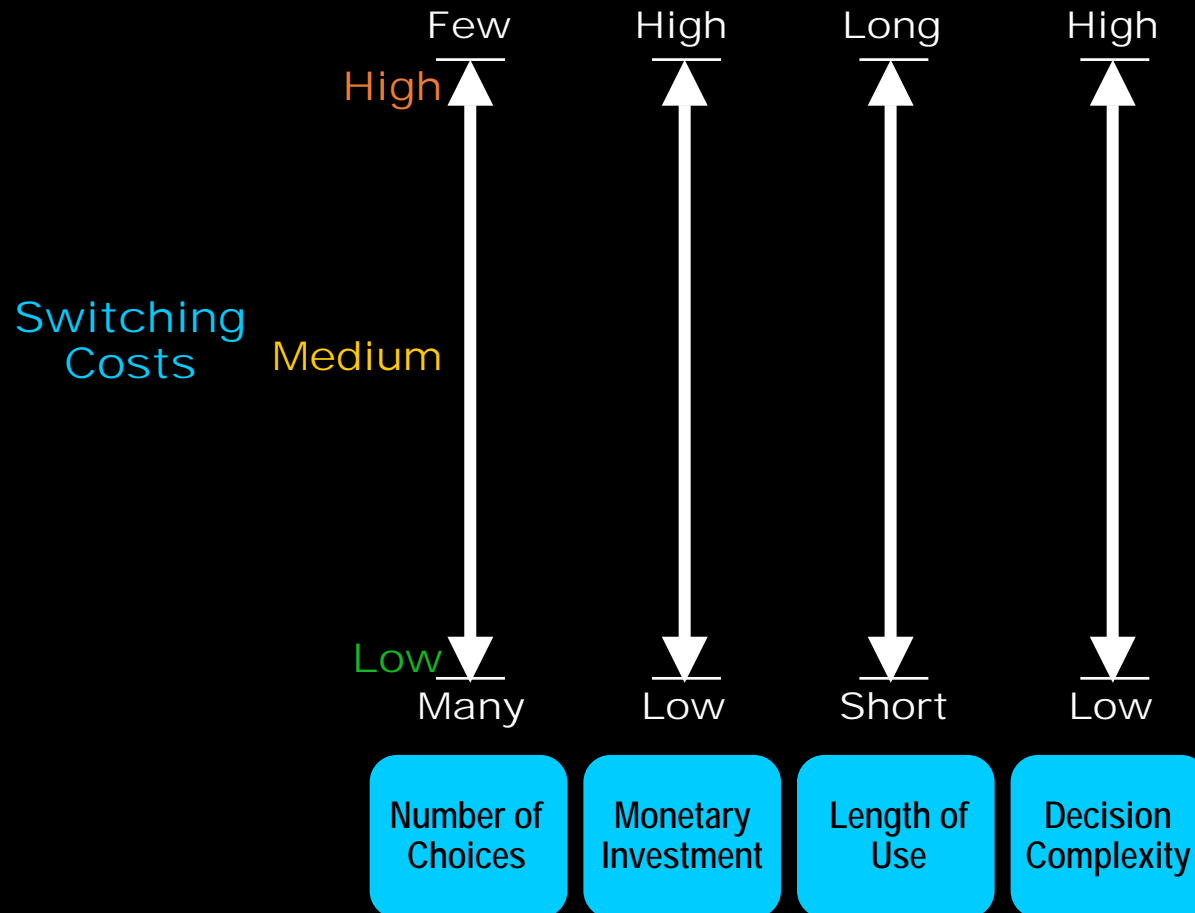
Dimensions Impacting Switching Costs



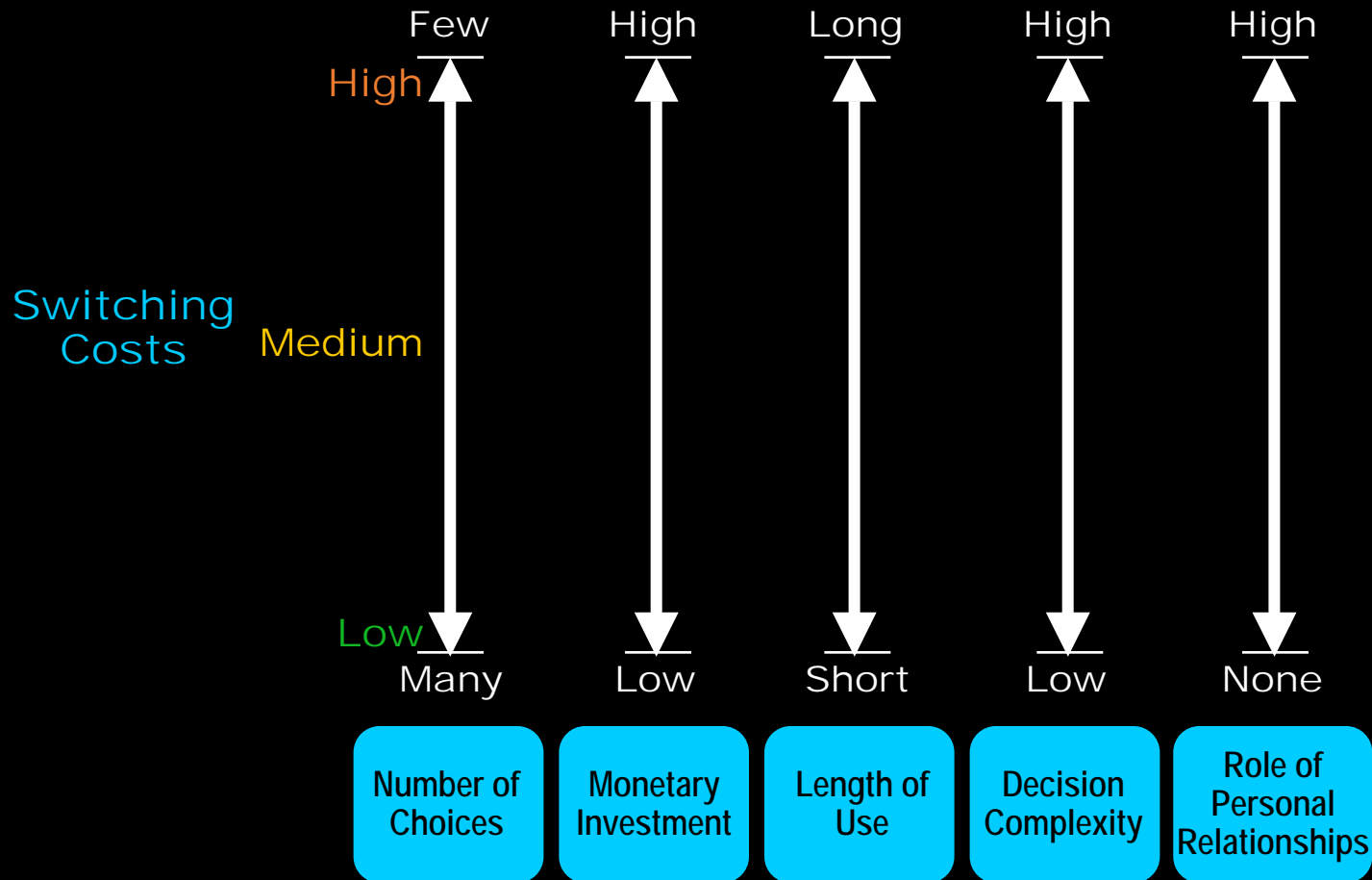
Dimensions Impacting Switching Costs



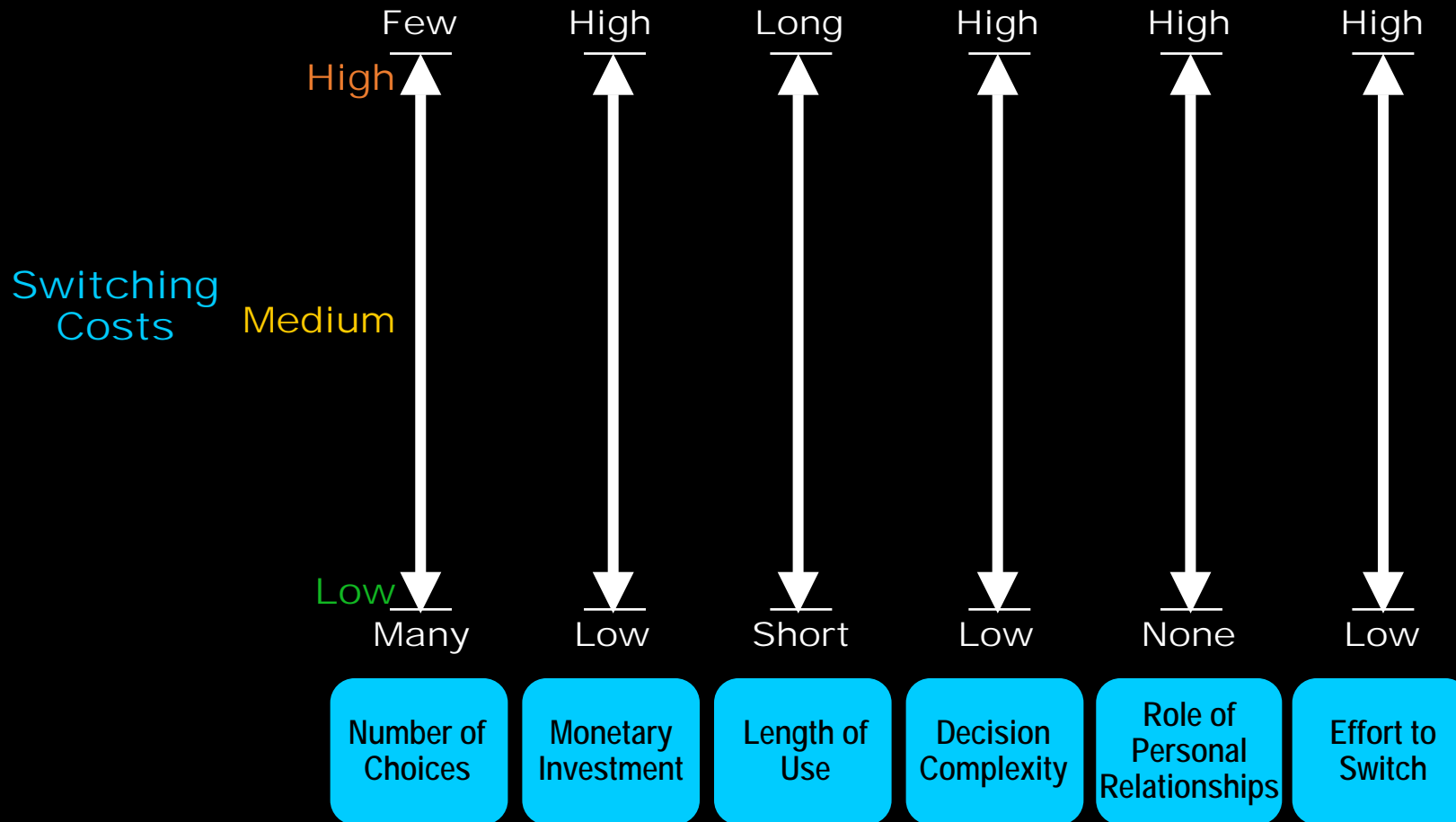
Dimensions Impacting Switching Costs



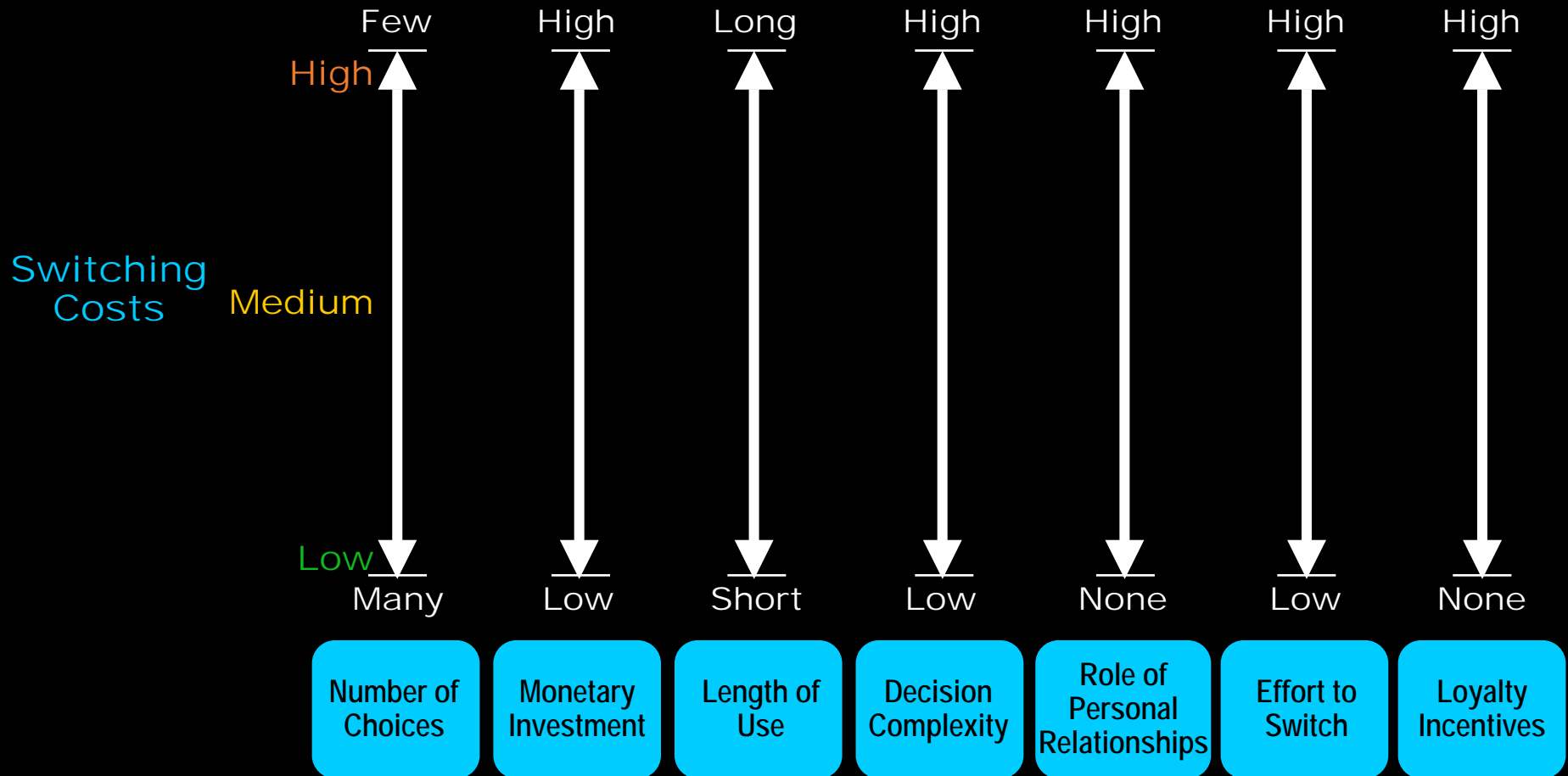
Dimensions Impacting Switching Costs



Dimensions Impacting Switching Costs

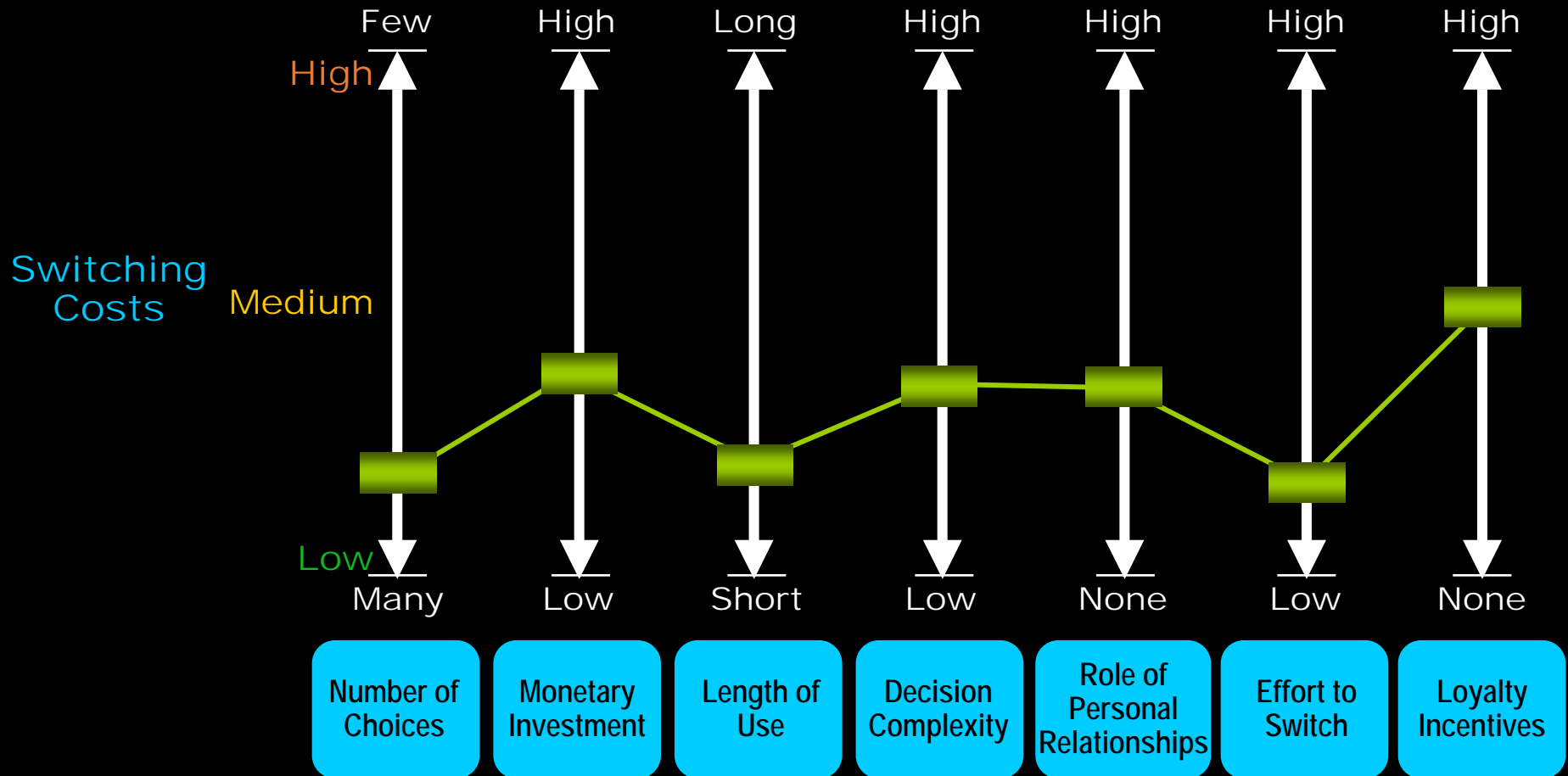


Dimensions Impacting Switching Costs



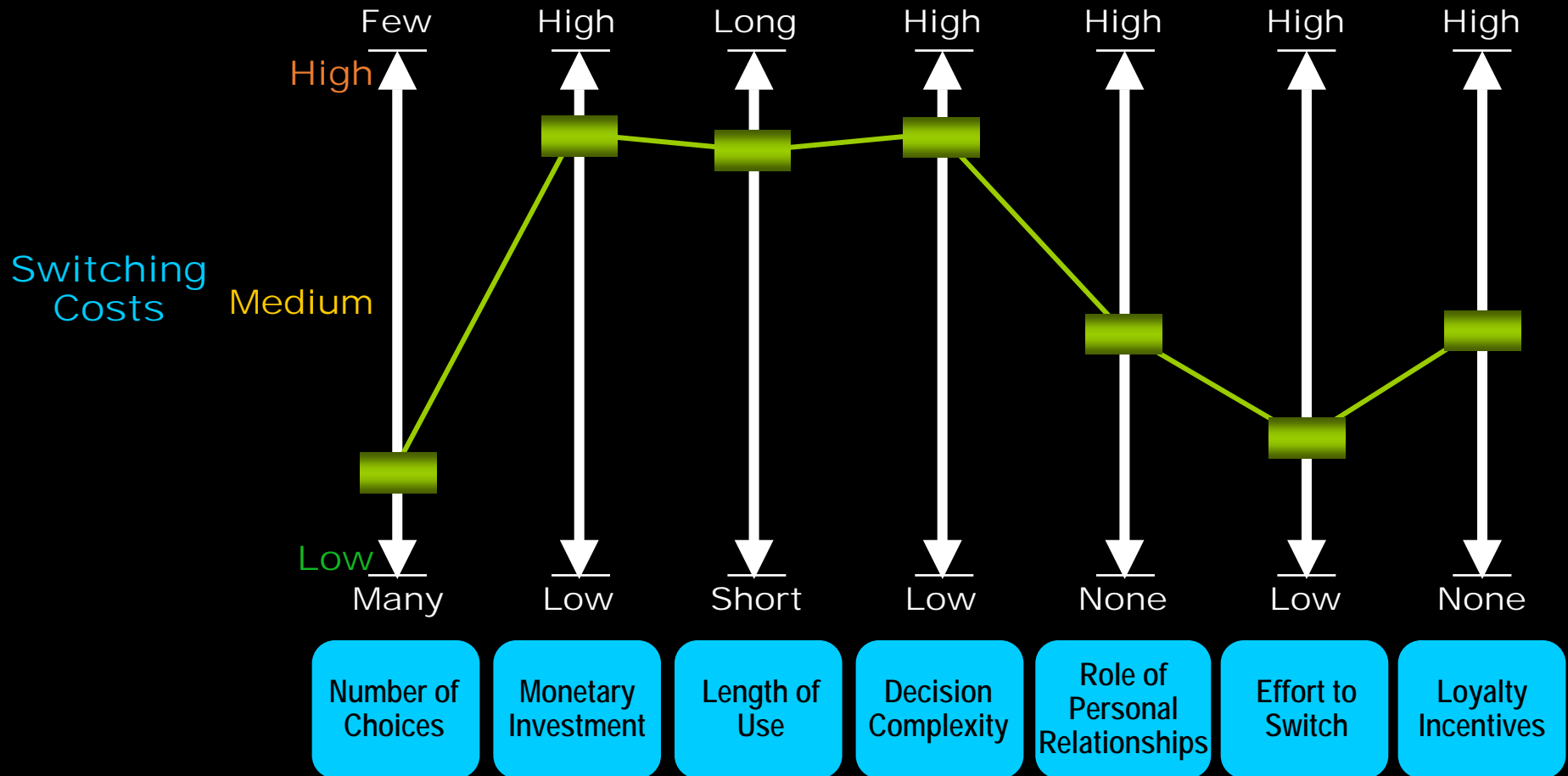
Dimensions Impacting Switching Costs

Hotel Example



Dimensions Impacting Switching Costs

Automotive Example



Dimensions Impacting Satisfaction Performance

Dimensions Impacting Satisfaction

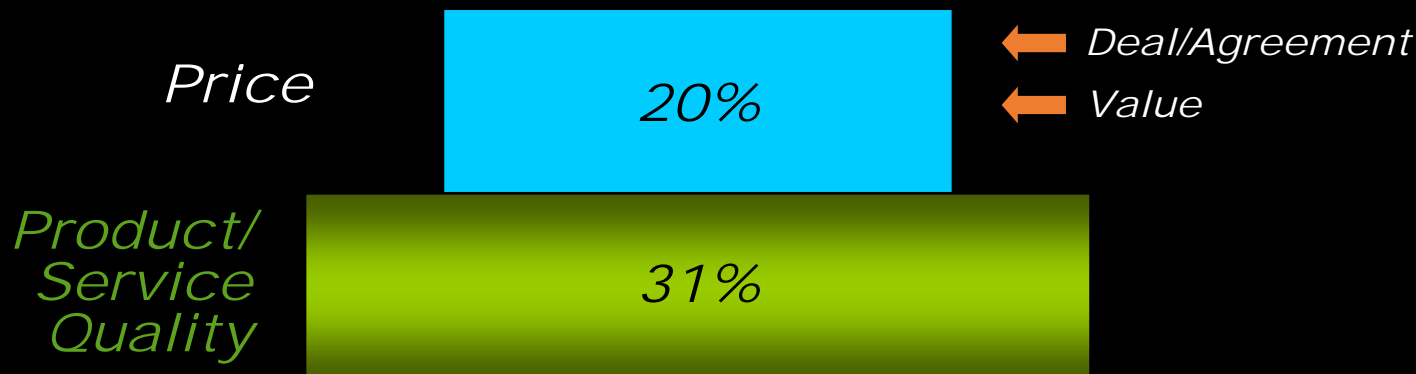
*Product/
Service
Quality*

31%

← Performance/Execution
← Problems (Frequency and Nature)

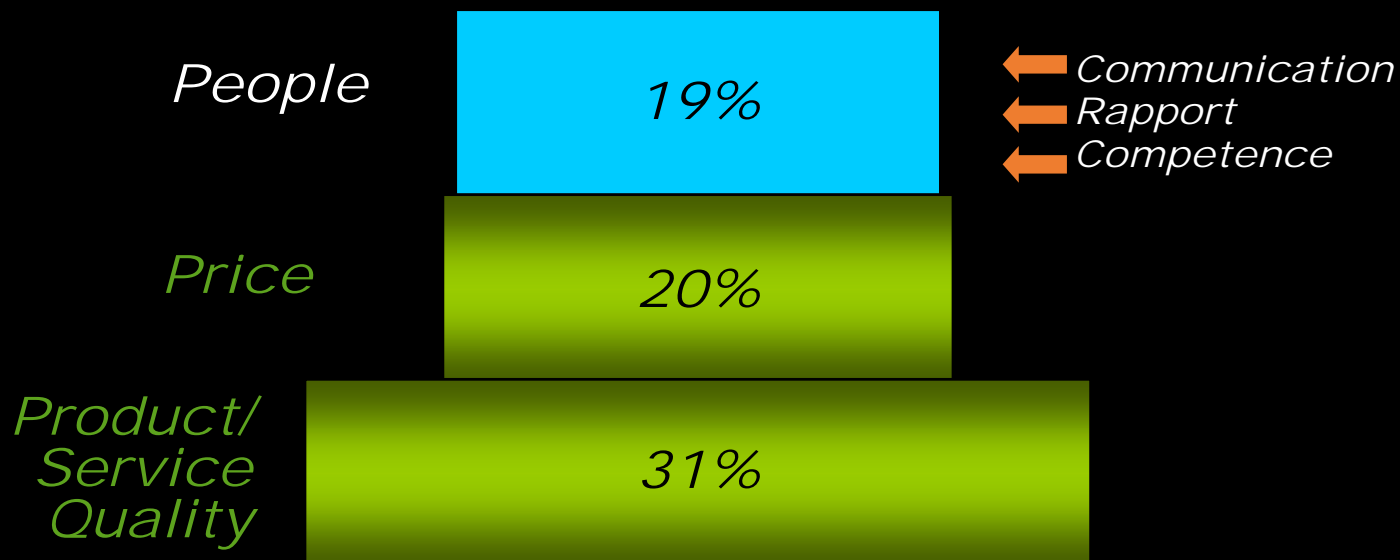
*% Contribution to Customer Satisfaction
(Average for Goods and Services)*

Dimensions Impacting Satisfaction



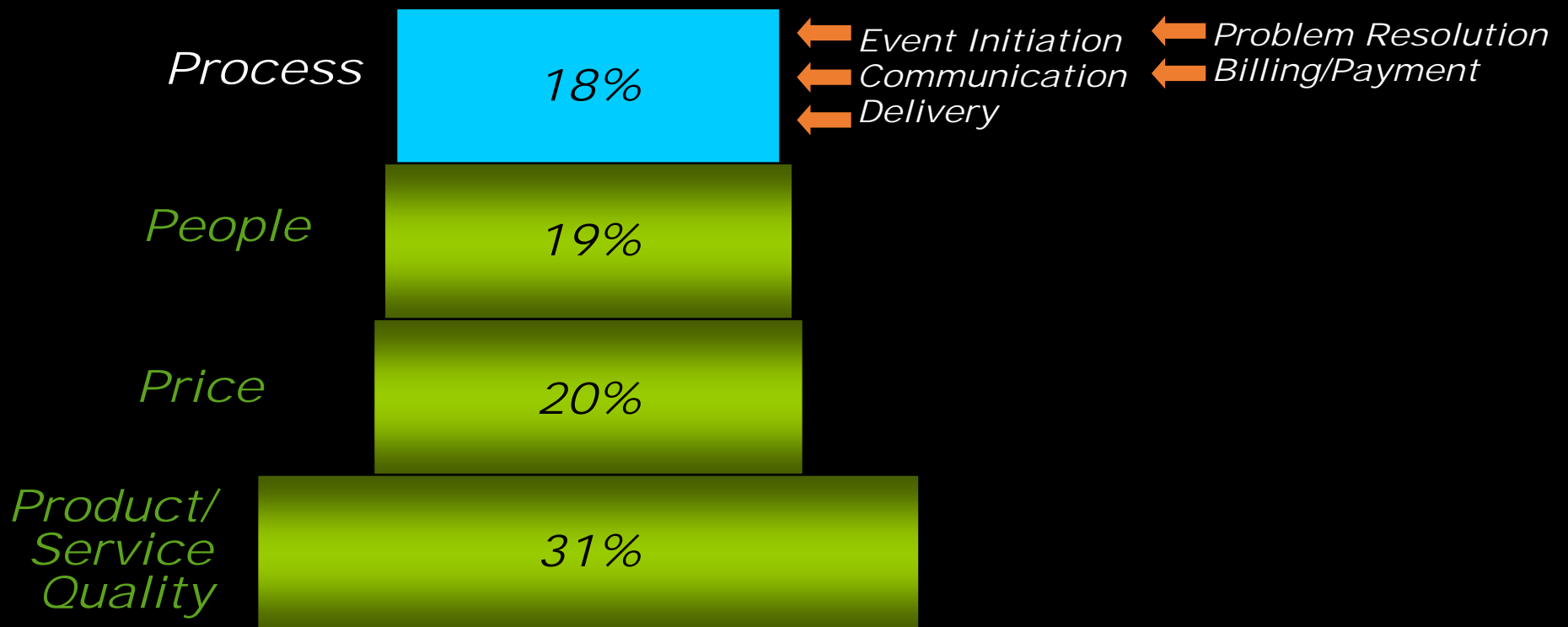
*% Contribution to Customer Satisfaction
(Average for Goods and Services)*

Dimensions Impacting Satisfaction



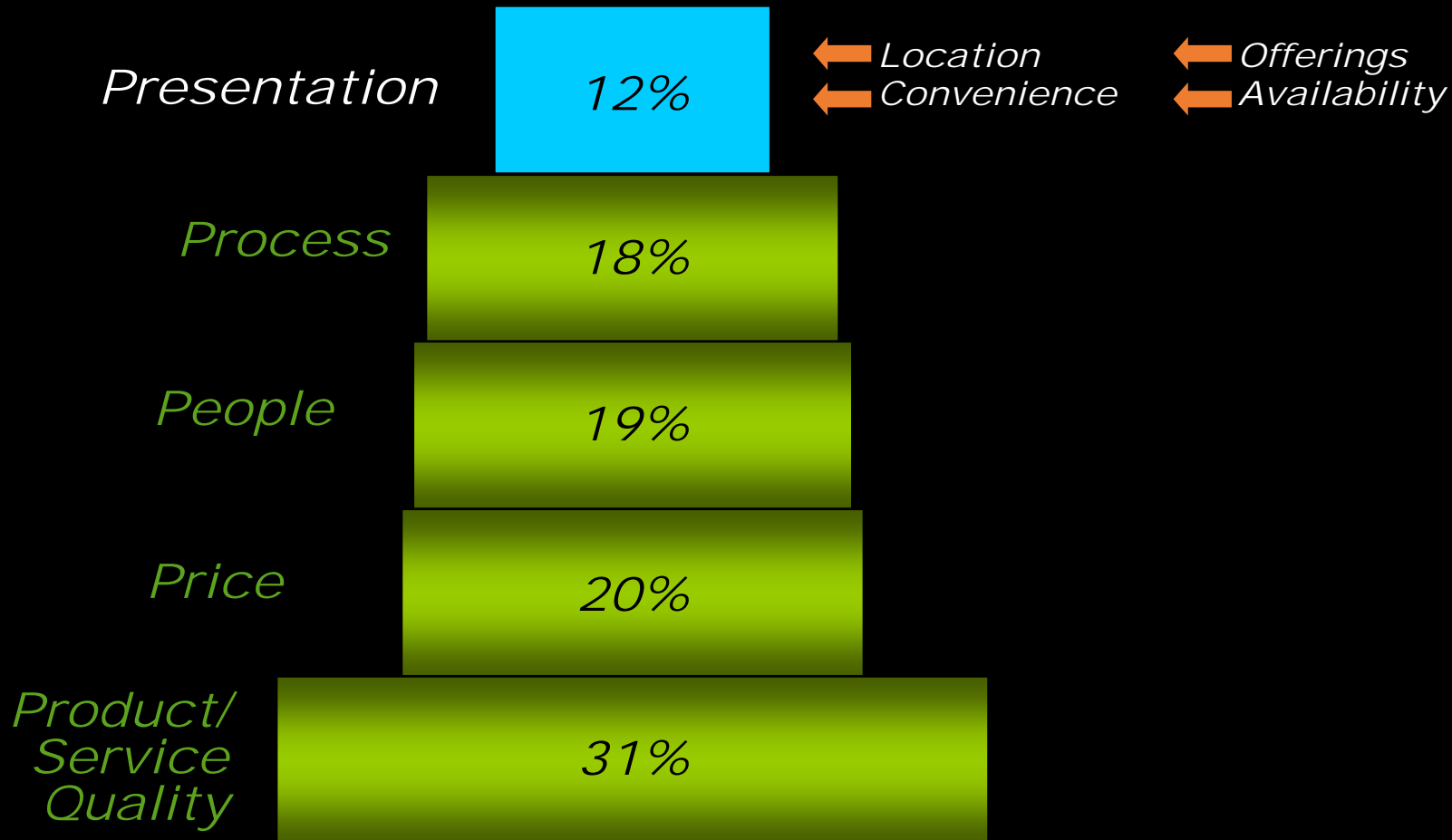
*% Contribution to Customer Satisfaction
(Average for Goods and Services)*

Dimensions Impacting Satisfaction



*% Contribution to Customer Satisfaction
(Average for Goods and Services)*

Dimensions Impacting Satisfaction



*% Contribution to Customer Satisfaction
(Average for Goods and Services)*

Industry Landscape

"Switching-Satisfaction Matrix"

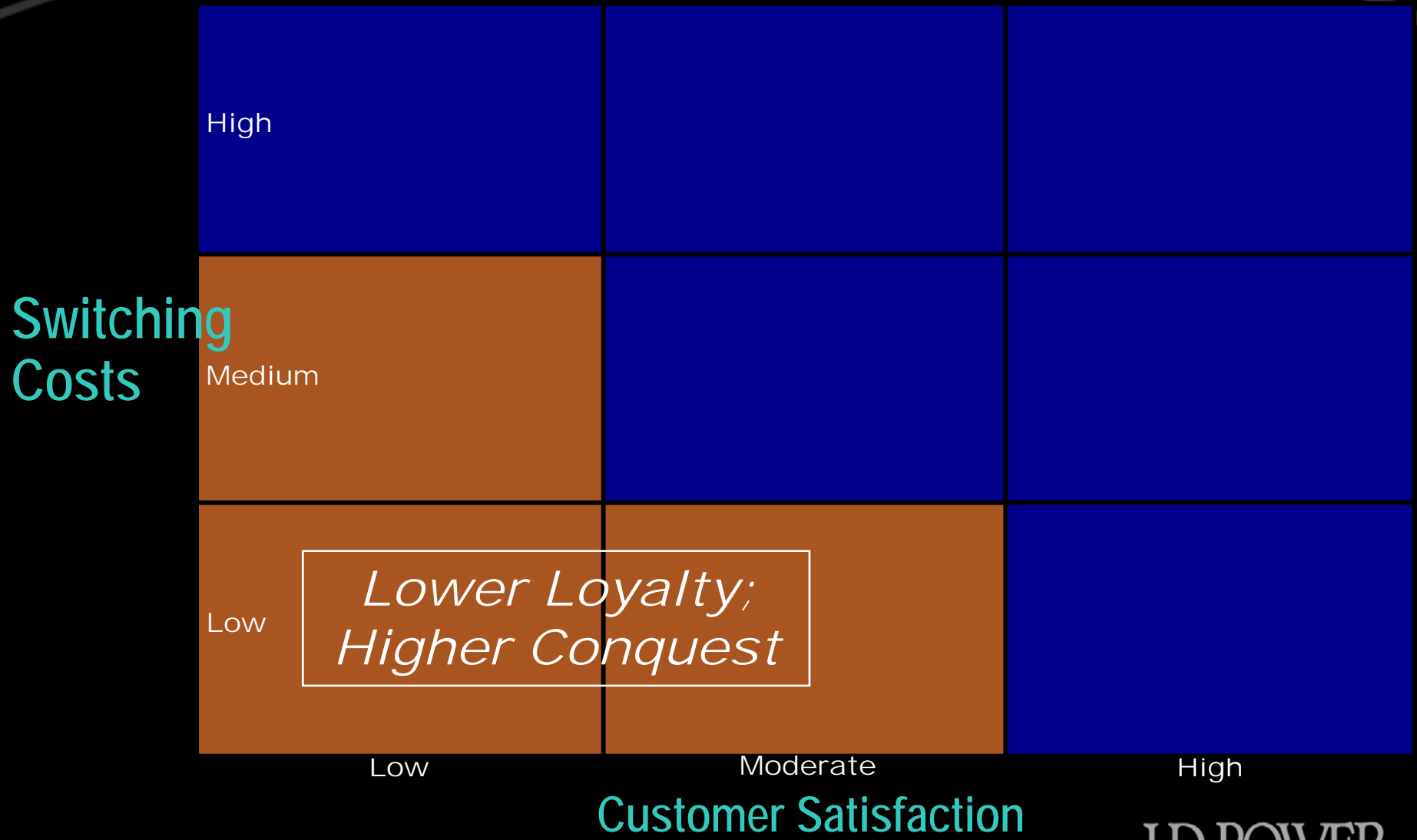
Industry Landscape

Switching
Costs

High			
Medium			
Low			
	Low	Moderate	High

Customer Satisfaction

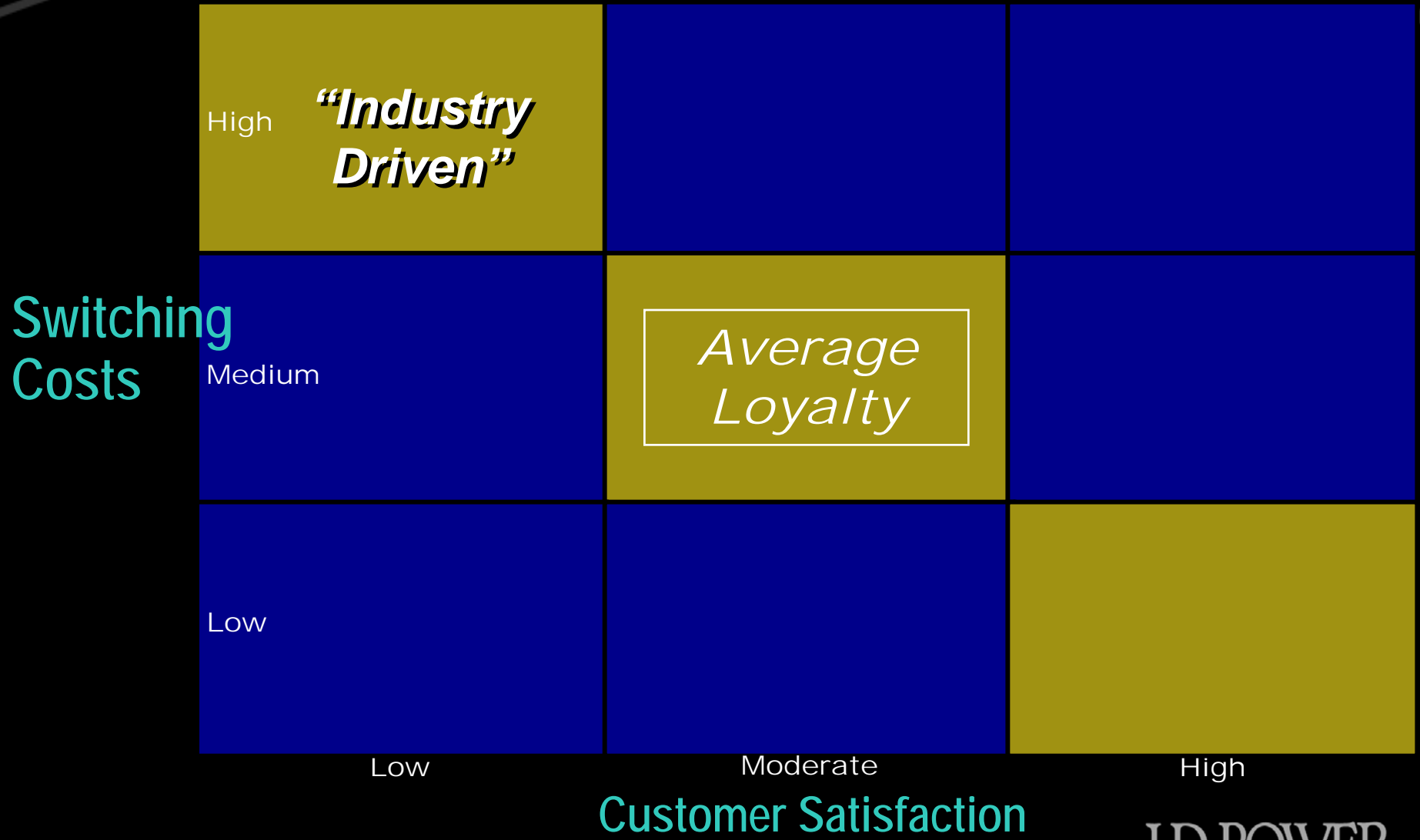
Industry Landscape



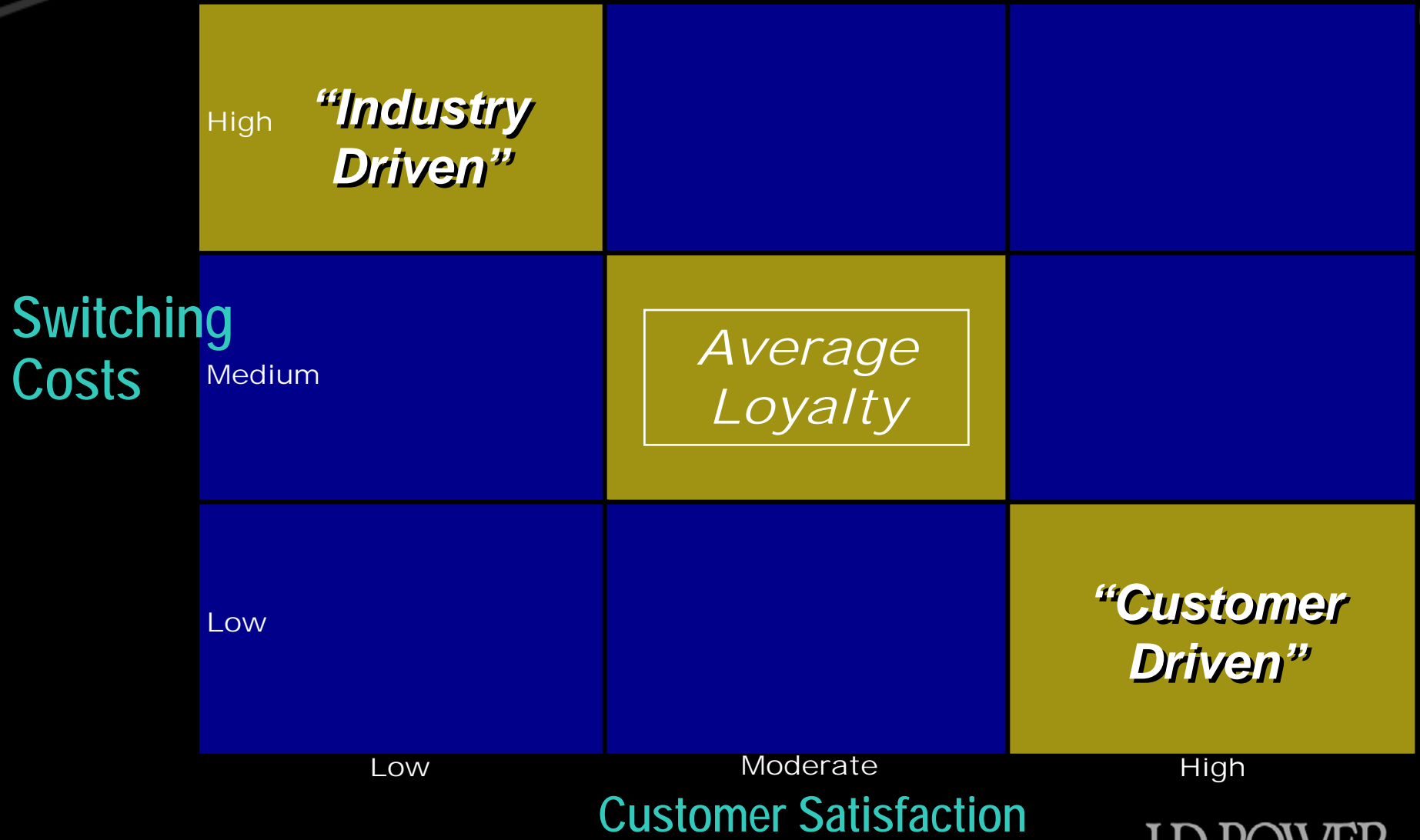
Industry Landscape



Industry Landscape



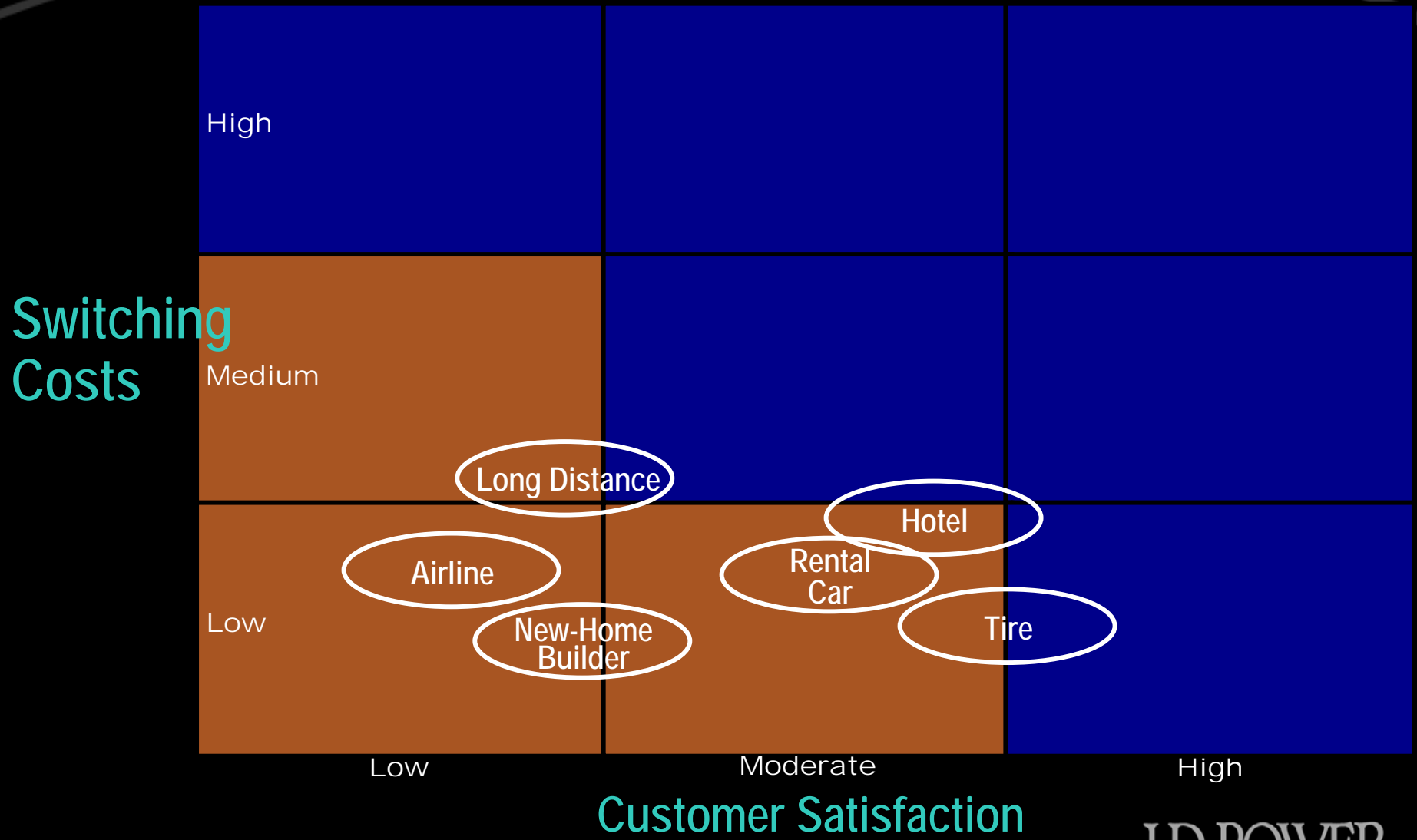
Industry Landscape



Industry Landscape



Industry Landscape



Industry Landscape



Industry Landscape

