Case Notes

# Chapter 6: Quality Improvement and Control Tools

# J.D. Power Automobile Surveys: What does “Quality” Mean, Anyway?

## Case Summary

*This case discusses the complexity and difficulty with assessing automobile quality using findings from the annual quality assessment guide, published by J.D. Power based on its Initial Quality Study*.

Case Analysis *This case illustrates that a defect-free production process is not the only means to improve a product’s quality. A product’s design has a great impact on its quality as well. The dramatic upward or downward movement of an automobile manufacturer’s quality rating from one year to another can be explained by the mismatch between the meaning of quality between customers and J.D. Power. Customers often conflate high quality with a lack of defects. However, J.D. Power measures both faults and design problems of a vehicle in its quality survey. Therefore, care must be taken to interpret quality according to the way it is measured in order for the information to be useful for consumers and automobile manufacturers alike.*

## Sample Answers to Case Questions

1. Think of a car that you would automatically rank of high quality. What are the features the car possesses or the image in conveys that would suggest it was of high quality.

A high quality car should be free of defects, safe, affordable, reliable, fuel efficient, robust performance, comfortable seating, smooth operations and handling, aerodynamic, and equipped with advanced entertainment and navigation systems.

2. Contrast your rating of a high quality car with one you would rank “low quality.” What are the reasons you rank one high and the other low quality?

A high quality car will have a lower occurrence of defects and a lower number of design flaws as opposed to a low quality car. This means a low quality car will need frequent maintenance and service to correct defects. It will also have design features that are undesirable such as a hard-to-read dashboard display.

3. What role does car price have in our quality assessment? Can you think of a low or moderately-priced car that you would consider high quality? Why?

Car price and quality are highly related. This explains why luxury vehicles such as Lexus ES (MSRP for its 2017 base model is $38,900) are so pricey as these vehicles earn their quality reputation by being free from both fault and design problems. However, an individual who does not consider design problems as a quality issue will consider a moderately-priced car such as Toyota Camry (MSRP for its 2017 base model is $23,070) as high quality.