

Practical, efficient and affordable cars are here to stay



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In many ways 2016 was a watershed year for the global automotive industry and technology. Discussion swirled around mega-trends involving digital showrooms, autonomous mobility (self-driving vehicles) and the future of electric and hybrid cars. Digital enhancements and vehicle 'connectivity' were focused on as the industry looked to the future.



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Although it is always fascinating to examine new technologies and look towards the industry of 2030 predicted by commentators like McKinsey and Co, the future of motoring has a more immediate face. It is about tailoring the industry to meet the more practical events that are trending now and will be shaping markets for years to come.

Many manufacturers are still emerging from the globalisation that regarded all markets as equal and filled these markets with models that were immediately recognisable anywhere in the world.

The trend, which will continue into 2017 and beyond, and has been recognised by Nissan amongst others, has shifted to also become centered on creating brands that are built on the practical attributes they offer particular markets. In the case of Nissan, this meant re-introducing the Datsun brand, and focusing on markets where Datsuns would be identified as offering a chance for many to access the world of motoring, rather than remain tied to public transport, with the aim of providing mobility for all.

Benefits of affordable motoring

In South Africa and in Africa, as well as parts of Eastern Europe, India and Indonesia, recognition is being given to the facts that when motoring is affordable, several things happen. These include:

- An emerging middle class and their families become mobile and can enjoy personal freedom;
- Quality of life improves as reliance on public transport is reduced, shaving hours off daily commutes;
- · Not having to rely on multiple vehicles and multiple drivers for commuting on a daily basis, as well as being a pedestrian, often at night – thus affordable mobility becomes a much safer option;
- Opportunities are created to participate more fully in the economy;
- A new, younger generation of motorists emerges able to immediately participate in the economy;
- · Economic barriers are lowered, enabling entrepreneurs to kick-start and create sustainable businesses and employment opportunities.

This doesn't mean that major manufacturers shouldn't be working hard to ensure that they embrace the green revolution, development of hybrid and electric technologies and prepare themselves for 'a brave new motoring world'.

But being a trend setter is also about producing cars that are affordable economic enablers and provide a base for growth into new segments at a later stage.

Until technology costs drop to the point where technologically advanced vehicles become attainable by all, the trend towards producing fuel-efficient 'city' and entry-level cars that offer high levels of comfort will continue.

Sales in the entry level or 'A' segment show that practicality and affordability will remain as trendy as presenting alternative motoring solutions to car owners around the world.

ABOUT DES FENNER

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