

News monitored for: Volvo Auto India



Connecting customers, the Volvo way

Special Correspondent

CHENNAI: Swedish luxury car maker Volvo is stepping on the gas to take on competition from German brands in India.

Besides expanding its dealer network and strengthening marketing operations, it has decided to engage with prospective customers through a range of activities, including golf tournaments. "In the last couple of months, there has been a new focus on India from the head office," Volvo Auto India Pvt Ltd Managing Director Tomas Ernberg said on Thursday.

The potential for luxury cars in India was huge, he said, adding that the market offered space for more brands. Worldwide, luxury cars account for 10 per cent of all cars sold whereas in India their numbers add up to a mere one per cent. "It [market] is not overcrowded and

no one wants to be away from India," he said, adding that by 2020, the share of luxury cars was expected to increase to 3 per cent.

Mr. Ernberg was speaking to *The Hindu* after the inauguration of the first Volvo showroom in Chennai by Tamil Nadu Governor K. Rosaiah.

Noting that Volvo was making inroads into the market dominated by German brands Audi, Mercedes and Porsche, he said the company sold 320 units last year and was looking to sell 1,000 units this year. A three-fold increase was in line with past sales of Volvo Auto India, which sells four premium models — SUVs XC90 and XC60 and sedans S80 and S60. The newest offering, a release said, is the D3 diesel variant launched earlier this year. The vehicles are priced between Rs.25 lakh and Rs.50 lakh each.