

NEW GM AND MAZDA MODELS UNVEILED TOO EARLY

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The financial crisis has not ruined car-making companies, it rather gave them time to collect strengths and get ready for a new lap of competition including in the Russian market.

One of the most long-awaited pre-crisis releases, Mitsubishi Lancer X, considerably differed from its predecessor and gained big popularity. Other carmakers had not renewed their top models in this price category and preserved their positions.

Now the situation might change greatly. Regardless of when the economic crisis ends, consumers will expect new models to come out. Those carmakers who will manage to launch new models in the right time will take a bigger market share (if competitors do not undertake counter measures).

GM and Mazda are competing in the under 650,000 rubles car segment. Perhaps, other carmakers who do not unveil any fresh products are risking to lose their potential customers. Alternatively, this could be a well-thought plan.

The US' GM has started sales of the new Chevrolet Cruze (see the review of 22 September, 2009). Designed to replace Lacetti, it is going to make a rival to Lancer X, Opel Astra and Mazda 3. Mazda 3 is more expensive than Astra, Lancer X, and Cruze, so the new Chevrolet model has good odds to win in the fight against the Japanese vehicle.

Simultaneously with GM Mazda unveiled the renewed Mazda 3 that looks very similar to the family's eldest child, the aggressively designed Mazda 6.

Technical characteristics of Mazda 3

Engine, liters	1.6
Capacity, horsepower	105
0 to 100 km/h acceleration, seconds	12.1
Maximum speed, km/h	188
Fuel efficiency (a mix of city and highway driving), l/100 km	6.5
Price, thousand rubles	637

Even if other competitors do not enlarge their product line-ups, the rivalry of these two models promises to be spectacular, all the more so because the old versions of Mazda 3 and Lacetti would sell very well.

Alongside the competition between the vehicles, there will be a competition of promotions. Before the crisis, personal incomes tended to increase and customers would seek what to spend their money for. In the current financial turmoil, customers are seeing their funds – both own and borrowed – diminishing. It means that a set of bonus winter tires is not enough to encourage buyers for an expensive purchase. As soon as the prices for the new models can hardly be cut, sellers have to put much thought and creativity into their bonus plans.

On the one hand, the manufacturers of the new Mazda and Chevrolet models gained an advantage by presenting new vehicles that might be of interest to customers. On the other, if the crisis continues for a long time, sales of the new models could sink. Therefore, the competing automakers might be right leading the wait-and-see policy until it is clear when the crisis finishes.