

Hyundai Takes on Maruti Suzuki with EON Marketing Campaign

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Small Cars Fan Big Fights

Hyundai & Suzuki extend their Santro-WagonR fight to Eon and Alto Now

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NEW DELHI

Traditional Japanese and Korean rivalry came to the fore again when Hyundai Motor went ballistic with its marketing campaign 'Trendsetter V/s Follower' on claims of a much-superior small car EON over the newly launched Alto800 from its arch-rival Maruti Suzuki, bringing back memories of other well-documented marketing and corporate rivalries such as the soft drink wars between Coke & Pepsi.

Both heavyweight car makers are pitted against each other for supremacy in the small car segment, that garners a huge chunk of volumes in the 2-million Indian car market. The small car offering from South Korean carmaker EON is anticipating some stiff competition from Maruti's latest offering the Alto 800 that notched up some over 40,000 bookings in the first month of launch and quickly turned on the heat with media campaigns. While Maruti is yet to respond, Hyundai is keen to publicise the advantages of its cars.

"The campaign showcases the value proposition of the EON. It's a brand new global product styled on the Hyundai's successful Fluidic design philosophy and is the youngest brand in the entry car space, launched just a year ago. It has created its own space as a modern & pre-

mium brand offering trendsetting features. The campaign works to give the customer information on EON on its styling, space, safety etc. so as to facilitate the customer to make an informed choice." Hyundai vice-president (marketing & sales) Rakesh Srivastava said.

Alto has been India's largest selling car for more than a decade. Its biggest challenge in over 5 years - the EON - couldn't cut much ice in the Indian market. Both the cars operate in the extremely price sensitive small car category which has seen negative growth on account of high petrol price, high interest rates and high inflation.

EON has propelled Hyundai to increase its market share to 23.8% from 17% in the mini car segment in the period April to October '12 over same period last year. Alto sales have been sliding on account of unfavourable market conditions which have impacted demand for entry & small cars, but it still leads the pack although it has lost some market space and volume to EON, its main challenger.

Maruti currently has the advantage of two power trains of 800 cc and 1 litre options under the brand Alto and has managed to sell 135,590 Alto's in April-October period under the three different options - Alto, Alto 800 and the Alto K10 - while 46,956 EON were sold in the same period as single product offering. Multiple variants of both are available at different price points.

On customer response to the marketing campaign, Srivastava said, "The customer response to the campaign has been very encouraging with more than 98,000 enquiries and growth in bookings of 72% relative to the period without the campaign."