

INTERVIEW LEN CURRAN

Len Curran, Vice President, Sales & Marketing, Renault India came to India in August 2010, when the company decided to go solo after the end of the Mahindra & Mahindra joint venture. Curran has worked all his life in the auto sector, working with companies like Ford, Rover group, Fiat and now he's been for more than 20 years with Renault. His primary job in India was to build a team of local experts, define and execute the brand strategy for Renault in India and build a dealer network. The company initially had shied from making any public or press statements. In an exclusive interview with **Dhaleta Surender Kumar** of **Pitch**, Curran tells that the time has come for the company to talk. Excerpts:

You have been with Renault for about 20 years now. How has the experience helped you as a marketer in India?

Because I have an experience working both with dealers and manufacturers, which is quite unique, I know both. The success and failure of a manufacturer is closely linked to the performance of the dealers. So knowing the dealers, knowing

good understanding of the market and importance of a dealership network and after sales support, which is probably more of a consideration in India than any other country. The other point that came to the fore was that Indians, especially the Indian youth, won't accept second best. They won't accept reruns of models that have been launched earlier in other countries. They want up-to-date models that are simultaneously launched in India.

Does it help, you being an expat in the marketing space in India?

Honestly, I don't think it helps. But the advantage is that you can challenge the norms. Also, it is important when you come from another country is to be humble to accept what you are told, listen and learn from the local experience. But that doesn't mean that you cannot challenge. There are many companies who do not have expats in the country and they are doing very well.

Does being an expat become a barrier in terms of local language while dealing with dealers?

India we have a representation plan for dealership, which is based on product by product. For example, in the case of Duster (the newly launched SUV from the Renault stable), we know that it will sell in an area where Koleos won't sell. So we don't need to have a dealership in the very beginning.

How's the Indian automobile market different from the global markets from a consumer perspective?

There's not much of a difference in selection criteria. But Indians are more consultative and they take a lot of time to make a purchase decision. They will take advice from family and friends, read about the product on blogs, and know more from magazines. This level of interaction in making a car purchase decision is unique to India. I think the reason is that car is such an important purchase decision in the life of a typical Indian. It is a big investment for them and they want to take the right decisions. More than a financial investment, it is an emotional investment. And they are looking for an assurance through this interaction.

"I attend about 40% of customer issues myself"

how to motivate them and supporting them to sell the product is coming handy to build a dealership network in India.

What was the home-work you did before coming to India?

That is quite interesting. Before I came to India, I read a number of Indian blogs on the auto market. I registered on these blogs and forums not as an executive from Renault but created a pseudo personality and passed around myself as a student who was coming on a project to India and asked a lot of questions like what are the motivations for customers to buy a car in India. So that gave me a

No. When you are speaking to the dealers and you understand the dealers very well, dealers speak the same language. It does not matter which country are you from – European or Indian. Having said that, it is necessary to have a local head of sales, as it gives you an assurance to your network.

How well do you personally understand the Indian geography?

Definitely not very well. But we have a good team who understands very well. All our managers are Indians. We are only two expats in a team of about 70 people. In terms of geographical coverage of

The UK car market is considered to be a sophisticated market, and even more than the United States; how do you compare the competition in UK vis-a-vis India?

UK is a very competitive market and more so than India, however, not from the consumer response perspective. UK and Europe in general, is suffering from the consequences of over-supply. There are more cars than there are customers. So manufacturers have to work very hard to get that customer. But from a customer's point of view, the Indian market is more competitive as the customer here is more demanding.

Post break-up with Mahindra & Mahindra and Renault's sole entry in India, the company's taken its time to speak to the press. You didn't seem to be confident in the beginning?

Actions speak louder than words. We could have spoken a lot about our plans. But we said that we will launch five cars in 18 months and in July 2012 we will launch Duster, and we have launched all cars before our deadlines. Most manufacturers end up extending their deadlines. We realised that there is a time to talk and there is a time not-to-talk. And now is the time to talk and share when we are actually delivering. We are going very quickly in India. Over 500 people have applied for franchisee in India. We know there's a positive wave about the brand. There wasn't a question of lack of confidence, but just that it was not the right time to talk.

Your marketing strategy was put into phases. What are these phases?

The first phase of our marketing strategy was to build a premium positioning in the market. And we did that with the launch of Fluence and Koleos. Both these cars are

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Duster this month. We are very confident about the success of Duster in India and that will take us through the end of 2013. We have one more car to launch by the end of this year, and we will have five cars as per promise and that also would be on time. By the end of this year, Renault would have the youngest product range in India. In 2013, we will consolidate our performance and our network. We are in the Phase 1 of dealer network expansion. We are aiming to have over 100 dealers by the end of this year. We are covering 93 percent of the market in terms of our TG for the products available.

territory, it's not the same customer who is buying an Alto in the Rs 3.5 - 4 lakh territory. So marketing is designed to be targeted. But we are not very selective about



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high-end products in the price range of Rs 15 lakh and Rs 25 lakh, and considering that we were coming from the Logan, which was in the Rs 5-6 lakh territory, this is a breakthrough for us to be able to find a market for these markets. It was important for us to showcase Renault's DNA.

The next stage was to widen our consumer base and we did that with the launch of Pulse, which is in the Rs 4.25 lakh and Rs 6.5 lakh price range, and still brings the all the key features of Renault's DNA – design, quality, efficiency and safety. And in the next phase, give consumers and ourselves a bigger foundation and a bigger platform with the launch of

When you say that Renault wants to build a premium positioning, aren't you limiting your reach in terms of target audience?

We are trying to make sure that we are targeting the right customer. Obviously, when we are talking to a Koleos customer, who is in the Rs 24-25 lakh

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our customers. If we take an example of Pulse, we sell it to doctors as well as young aspirational businessmen. We don't limit ourselves to a customer profile. When we talk about premium positioning, and when you are buying a Renault, you can be sure of we talk about a certain amount of luxury and certain amount of technology in the car. We do not sell budget cars. We sell value for money cars...

You are not shying from using 'value for money' for your cars?

We are very comfortable to say 'value for money'. It's one of the points we are strong on. And we share that a lot. But that doesn't mean that we sell cheap cars. That is the difference.

Will Duster have a separate dealership?

No. Every dealer can sell all products. But we have separate sales teams so that we can focus on the products.

Why did you choose Chennai as base, when others are moving up North?

The main reason was of convenience. We wanted to be close to manufacturing base, as there is a certain level of infrastructure here as far as the auto market is concerned. When you are launching five cars in 15 months – no manufacturer has done that, in my entire career I have never done that – there is so much tension behind the scene. So we have to make sure that the marketing team, the manufacturing and the supply chain are in sync. One small wobble can go against you. But we will have to consider moving to New Delhi in future as a majority of our market is in the North.

Would you be looking at some markets more seriously?

All markets are an opportunity. So we are not prioritising any market. For sure, Delhi/NCR is a big market and it is the hardest market, because the customers are much

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more evolved there. South is doing very well for us, West is doing fine.

Are you looking at any customisations in your cars for the Indian market?

We looked at a few but decided against them. The cars have the same features. But in future we might have.

Renault is well-known worldwide for its DNA. However, in India, there's a thought that German cars are more superior. Renault, having a French legacy, how do you overcome that barrier?

That does not happen overnight. You have to keep going with the message. We are obsessive about our quality before our products go to our customers. And our customers will tell you that they are delighted with the product quality. But that does not mean that they don't have issues. Every time, a customer has an issue they come on my phone. I attend about 40 per cent of customer issues myself to make sure that the issues are sorted. There are not many, so probably I can personally do right now. The reason is that these customers will tell others about the quality of service and cars. There is a perception that German cars have better quality but that has been built over years and years and years. We are also creating a customer testimonial board, which though is a slow process, but prospective customers can read that.

There is a perception that foreign cars are high on cost as far as after sales management is concerned. What do you have to say on that?

We are trying to work on that. We

create a basket of parts in India and the basket of all car manufacturers in India and a basket of all key parts the customer is likely to use in any frequency. We take an average value of the cost of these parts for example Tata, Mahindra, Maruti and Hyundai and try and keep the price of our parts as compared to the market. So even if we have to take a loss on the part, we will take it, rather than price them above the market average. This is an important hygiene factor for us as we realise that many European brands in India have a reputation for having high priced spare parts.

Tell us something about your digital plans?

We think that digital opportunity is India is huge. For Duster (which was launched on July 4, this year), we have an elaborate digital plan. And one of them is integrating it with TV. We had tied up with Tata Sky, where on their menu bar, it gave messages like "7 days to go, 6, days to go and so on...." There are other innovations on the web like on some pages some keywords in an article. Duster is being positioned as 'big, beautiful and efficient'. In some articles, say for example a news item on the web, if these words appear, these words are highlighted. When you scroll over the word 'big', the picture of Duster comes up with the message like the Duster is bigger.

How do your spends bifurcate in the media mix?

Bulk of our spends would go in TV and press. TV is important for the launch brand building. Press is important for selling cars. The next area we are focused on is Outdoor. And digital is very important for us in India, and we are spending about 10 per cent of our budgets on digital. ■

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