

Hero Moto to drive in mid, budget-range EVs in FY25

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Hero MotoCorp will launch mid-segment and budget-segment electric scooters in FY25, Chief Executive Officer (CEO) Niranjan Gupta said on Wednesday. Until March 2024, the company will focus on expanding the distribution of its premium electric scooter Vida to approximately 100 cities he said.

Gupta, who took charge as Hero MotoCorp CEO on May 1, said the company plans to expand the commuter motorcycle segment, wherein it has a 65-70 per cent market share. The commuter segment comprises bikes that have up to 125 cc internal combustion engine (ICE).

"Our role is to grow the commuter segment because classically, in any industry, when you have such a share, your role is to grow the category rather than just defend the share," he told reporters.

He said the board has given him the mandate to increase the pace of the company's growth. "The brand is very strong and we have got scale, but what is required is changing the gears... Speed is the name of the game. It is better to make a wrong decision than not take any decision," he noted. Hero MotoCorp's domestic sales jumped by 11.2 per cent year-on-year to 5.16

million units in FY23.

India's largest two-wheeler maker will be launching a premium motorcycle every quarter in FY24. "When you are a commuter brand, you cannot enter the premium segment with just one model and claim credibility," he mentioned. "You need a portfolio to be called a premium player. That is why you will see a number of premium model (bikes between 160cc and 450 cc) launches this year."

The consumer at the premium end is more discerning than the one at the commuter end and "therefore, you need to have a different type of retail experience. Therefore, the company would be launching a certain number of exclusive stores to showcase just its premium ICE-based products," he mentioned.

"Our collaboration with Harley-Davidson is also to imprint in people's minds that we are a premium player," he added. Hero MotoCorp had in 2020 signed an agreement with the US company to develop and sell a range of premium motorcycles under the Harley-Davidson brand name.

The CEO said that under the company's "Hero 2.0 campaign", it would be refurbishing



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up to 40 per cent of its 1,000 primary dealerships across the country. "These refurbished stores will have premium ICE-based vehicles as well as electric scooters."

Hero MotoCorp had in April announced a voluntary retirement scheme to build a "robust organisation in a rapidly evolving dynamic environment". The CEO informed that 10 per cent of 4,000 employees in the management have taken VRS.

Why did the firm first launch a premium e-scooter last year? "Because it is easier to move from the premium EV segment to the mid and bottom EV segments. In the four quarters of FY25, we would be launching vehicles in the mid and bottom EV segments," he said.

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Niranjan Gupta, CEO, Hero MotoCorp



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