

Despite inflation, consumers ready to pay extra for their next vehicle: Deloitte Report

Our Bureau
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As connected features grow in vehicles in India, consumers are ready to share personal identifiable information (PII) if it helps them get suggestions for safer driving routes, maintenance updates, and road safety alerts to prevent collisions, a report said on Tuesday.

At the same time, three-quarters of consumers are concerned if data related to the vehicle's location, con-

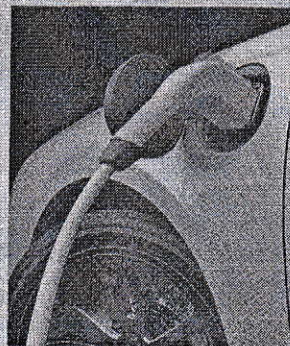
nected services usage, and driving behaviour is shared, Global Automotive Consumer Study - India Findings, 2023 by Deloitte said.

The study also indicated that in India, despite the fears of inflation, consumers are opting to pay a premium for purchasing their next vehicle. Vehicle intenders in the ₹10-25 lakh price bracket were around 47 per cent, it said adding that for ₹10 lakh and below were 28 per cent.

Around 57 per cent intenders were willing to purchase electric vehicles (EVs) from ₹10-25 lakh and 20 per cent in the range of ₹10 lakh and below.

INTEREST IN EVs

"Consumer interest in EVs is growing as consumers look to lower their operating costs. However, there are a variety of challenges in the way, including availability of charging," it said adding that



the draw for EVs continues to center on the consumer perception that fuel costs will be significantly lower, outweighing the concern for climate change.

53 per cent of those surveyed still prefer petrol/diesel vehicles over only 8 per cent for battery-powered EVs and interestingly 20 per cent of the respondents chose to prefer hybrid electric vehicle (HEV).

Deloitte said the study was

conducted from September 21-29, 2022, with a sample of 1,003 consumers in India.

"Our consumer study indicates the rising demand and expectation of the Indian consumer, who is not just cost conscious anymore, but is considering more than one pragmatic way of mobility experience. This allows them to balance operating costs, and experience through technology (37 per cent) whilst making sustainable choices," Rajeev Singh, Partner and Automotive Sector leader, Deloitte Touche Tohmatsu India LLP, said.

As India sets newer trends, the need of the hour will be for original equipment manufacturers (OEMs) and ecosystem stakeholders to work in cohesion and bring innovative business models that bridge the gap of infrastructural challenges with the power of digital technology, he said.