

'In very good shape'

ASX and a host of other new models to maintain sales boom at Mitsubishi

By MARTON PETTENDY

MITSUBISHI plans to more than double its record first-half sales results in Australia this year by introducing its all-new ASX, additional Lancer, Outlander and Triton variants plus a revised Colt in coming months.

The resurgent Japanese brand's sales are up 20 per cent in Australia so far this year, with 32,372 sales representing the former Adelaide car-maker's best ever first-half sales result.

"We are expecting to achieve more than double this number for the year," said new Mitsubishi Motors Australia Limited president and CEO, Masahiko Takahashi, at the ASX launch late last week.

"The market is strong ... and we are in very good shape."

Mitsubishi currently lies seventh in the Australian sales pecking order, with a 6.1 market share – up from 5.9 per cent at the mid-point of 2009 and right behind Nissan on 6.2 per cent – and the ASX baby SUV is certain to add significant incremental sales volume.

The company says strong demand in Europe and Japan and the lack of a diesel-auto combination is expected to limit sales of the ASX to about 350 a month this year.

However, while freer supplies of the all-new model next year should increase ASX sales to upwards of 500 per month – which



Masahiko Takahashi with the ASX

equates to about 10 per cent of the brand's total sales forecast for this year – Mitsubishi admits the ASX's success could come at the expense of sales cannibalisation of its own Lancer Sportback hatch by as many as 100 vehicles a month.

While the ASX goes on sale from August 1 with a starting price of \$25,990 (\$4000 upstream of the Lancer's \$21,990 entry price), Mitsubishi believes its mid-size Challenger and Pajero SUVs and even the 'compact' Outlander seven-seat crossover, which is currently priced from \$33,240, will not be affected by the ASX – Mitsubishi's first diesel-engined 'passenger' vehicle because they are significantly more spacious.

"The all-new ASX will provide a logical bridge between our popular Lancer and Outlander line-ups, and ensure all our Mitsubishi customers have an even greater range of vehicles to choose from," said Mr Takahashi, a 27-year Mitsubishi veteran who has spent the past five years at MMAL.

"Significantly, the ASX will enable us to compete in the new, fast-growing two-

introduce a 2WD Outlander priced below \$30,000 soon after the ASX's official release in August.

In the meantime, it says the five-seat ASX has the twin targets of attracting customers from both light and small sized passenger car models – which are expected to comprise 30 per cent of its sales – and rival sub-compact SUVs like Nissan's facelifted Dualis and Hyundai's new ix35.

Mitsubishi believes the ASX has strong potential in the compact crossover segment because sub-compact models with engines smaller than 2.4 litres are behind the continued growth in Australia's largest SUV sales category.

It forecasts that if demand for models like the Dualis, ix35 and Volkswagen's Tiguan continues, total sub-compact sales could reach 100,000 in the next five years. This year, sales of sub-compact SUVs have averaged about 2000 sales per month – up from about 500 per month five years ago.

"The sub-compact SUV segment is nowhere near mature – it's a rapidly emerging





Outlander

wheel drive compact SUV market segment, and allow us to attract new customers to the Mitsubishi brand."

To that end, Mitsubishi also plans to

market," said MMAL product planning chief Chris Maxsted, who added that buyers are coming from all vehicle segments.

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Mr Maxsted said the ASX blurred the line between small passenger cars and SUVs better than any model before it, allowing it to attract buyers from both the female-dominated light and small car segments and the male-dominated compact SUV class.

Naturally, he said, sub-compact SUV customers are younger than compact SUV buyers, with 45 to 49-year-olds accounting for most compact SUV sales and 30 to 34-year-olds being the largest age group among sub-compact SUV purchasers.

"The ASX remains true to the (cX) concept, which is not always the case, and will appeal to active people who want the best of both worlds – the flexibility of an SUV and comfort of a passenger car," said Mr Maxsted.

"It also has a strategic role to play to retain people who might otherwise leap from the Lancer to another brand, thereby keeping them with the Mitsubishi brand."

Mitsubishi expects entry-level 2WD variants to account for a dominant 65 per cent of all ASX sales in Australia, with mid-range AWD models representing 25 per cent of the mix and flagship Aspire variants forecast to comprise 10 per cent of sales.

It expects the manual-only diesel models to account for just 10 per cent of ASX sales, until Mitsubishi develops a conventional automatic (rather than a CVT, as with the petrol ASX) in about 18 months.

Mr Maxsted said the ASX's brand-new



Colt

1.8-litre turbo-diesel engine would likely be fitted next to the petrol-only Lancer small car, which along with the Outlander is based on Mitsubishi's GS small-car platform – but

perhaps not until the next generation. "ASX already shares a lot of technology with Lancer and Outlander, but there's no firm plan for it and the current Lancer is already well into its lifecycle," he said.

A smaller-capacity 1.6-litre petrol version of the ASX, fitted with fuel-saving idle-stop technology, is available in Europe and Japan, where it is known as the RVR, but will not be introduced here.

Also due on sale here in the second half of 2010 is an upgraded version of Mitsubishi's smallest model, the slow-selling Colt light car, in what should be the final update of the brand's Japanese-oriented B-segment model

before it is replaced by the new 'Global Small' model.

The latter is rumoured to be under co-development with PSA Peugeot Citroen and will be produced in Thailand from 2013, but for now the Colt will get a Japanese-sourced (rather than European) six-step CVT gearbox featuring a conventional floor-mounted gearshifter instead of the current Colt's column-shifter.

As a result, the revised Colt is expected to offer more mainstream appeal, potentially allowing MMAL to either improve the Colt's value equation or "recoup some of the losses" and "get the Colt back into the black".

"Colt is not performing in a big market ... it's not a really profitable car, so we can't support it the way we'd like to," said Mr Maxsted, who described the Colt as a "problem child".

WHAT'S COMING:

ASX	Aug
Outlander 2WD	Aug
Lancer SX variant	Sept
Colt update	Sept
Triton Club Cab	Sept

FULL STORY: [CLICK HERE](#)