



Thinking long term: Isuzu's first aim is for stability and customer satisfaction

Isuzu brings Toyota ute fight to Australia

Graham Smith

GIVEN the Isuzu Ute D-Max battles with the Toyota HiLux for leadership in the Thai market, Isuzu Ute Australia's Hitoshi Kono sees no reason it should not do the same here.

Isuzu has been the market leader in Thailand for many years; it is only recently that Toyota has gone all out to wrest the leadership from the upstart Isuzu and has managed to claw its way to a slender lead.

Thailand is the largest market for Japanese-built one-tonne utes in the world and Kono, managing director of Isuzu Ute Australia, is confident his start-up local company can repeat Isuzu's Thailand success in the long term.

Kono won't put a timeframe on when his company might be in a position to mount a realistic challenge to Toyota's HiLux, one of Australia's top-selling vehicles overall, but he is confident it will happen.

"That's our ultimate goal, but we know it won't happen overnight," he says on the eve of the first anniversary of Isuzu Ute's operation here. "The message we have from our bosses in Tokyo is to think long term and not to do anything just to get results in the short term."

"First, we need to promote stability and make sure our customers are happy."

In the meantime, Kono is working hard to overcome a difficult start to Isuzu Ute's participation in the Australian market, and keep the company moving forward towards the ultimate goal.

Sales of the D-Max, IAL's only model line, have been steadily climbing since its launch one year ago and reached a monthly record of 339 units in September, giving Kono cause for confidence that the company is on track to build a solid position in the Australian market.

Sales in the first year of operation exceeded

2400, and sales this year to date stand at 2161, which Kono says puts them on course to meet their target. That is despite some difficulties experienced around the time of launch, which coincided with the worst of the global financial crisis that struck in the latter months of 2008.

Kono's plans were thrown into disarray when sales stalled and dealers delivered just a handful of units in the first month in the market. So dire was the situation that one dealer pulled out, but Kono understood times were tough and could get even tougher.

"We Japanese know tough times, we have been through many recessions," he says. "But Australians haven't experienced the tough times and there was some panic."

Kono says he understood the difficulties his dealers were experiencing, and he knew he had to support them through the crisis.

He did that by not forcing them to take vehicles he knew they could not sell in the circumstances. One year on, Isuzu Ute has recovered and is on track to meet Kono's targets, and he's confident his company can become a major player in its market segment.

Kono says Isuzu's market leadership in Thailand is built on a stable and successful dealer network, and the durability and fuel efficiency of the D-Max, and he believes the same things will deliver success locally.

The company's local dealer network has grown from 38 at launch to more than 60, and with more than 70 authorised satellite outlets to boost the coverage the company has most of the nation covered. Word of mouth, Kono says, is also helping to get the message out about the reliability and economy of the D-Max.

Owners of the Holden Rodeo are aware the D-Max is the same vehicle under a different badge and are seeking out IAL dealers, and telling their friends and colleagues where they could also find the ute, and word is beginning to spread, Kono says.